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PROCEEDINGS AND DEBATES OF THE 99th CONGRESS, SECOND SESSION

HOUSE OF REPRESENTATIVES—*Thursday, February 27, 1986*

The House met at 11 a.m.

The Reverend C. Albert Henson, Zion Baptist Church, Compton, CA, offered the following prayer:

O God, our God, how excellent is Thy name in all the Earth. In a spirit of reverence and devotion, and in the morning tide of this day, we approach Your divine throne. We are grateful unto Thee that You have left an "open door" that we may seek strength for the daily tasks that are encumbered upon us.

We beseech Your divine blessings upon those who guide the governmental destiny of this Nation. Grant guidance to the President of our Nation, and those who serve within these hallowed walls. For the problems and perplexities of these days, given to our leaders the assurance of Your divine companionship.

For those who need physical blessings, may they have the consolation that You will supply all our needs according to Your riches in glory.

O Thou, the Maker and Lord of Life and Light, keep us as we pass from Earth's dull gleam, into the haven of our dreams. In the name of the Father, Son, and Holy Spirit we pray.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

THE REVEREND C. ALBERT HENSON

(Mr. DYMALLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DYMALLY. Mr. Speaker, I rise to thank Dr. C. Albert Henson for the humble and encouraging opening prayer he offered. I trust these words will serve us with guidance in our efforts to achieve peace throughout this land and this world.

Dr. Henson is the pastor of the Zion Baptist Church in Compton, CA. I am proud to say that he is the first guest minister to the House Chamber from the 31st Congressional District of California.

Dr. Henson has been serving his congregation for 23 years. This is an amazing record when compared to the years that most of us have served our own constituency. His educational and service record are similarly remarkable. He holds a doctor of laws and literature, doctor of divinity and a 17-year certificate in ministers institute, Bishop College, Dallas, TX. His pastoral mission traveled throughout the country and around the world. He is noted for his participation in the civil rights movement, and his perpetual contributions to the greater Los Angeles community.

Dr. Henson is joined in his visit to the Capitol by his wife Helen and daughter Helen Marie.

Mr. Speaker, I call on the Members of this body to join me in commending the achievements of Dr. Henson in his profession and leadership in our communities.

LIMITING THE PLANTING OF SPECIALTY CROPS

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Mr. Speaker, today I cosponsored legislation that I hope the Congress will act quickly on. H.R. 4079 would amend the recently passed farm bill to relieve a situation that is threatening the livelihood of the potato and vegetable farmer.

In the past, to qualify for Federal payments, farmers who grow such crops as wheat, corn, rice, or cotton had to agree to leave part of their land fallow. Through a loophole in the current farm bill, however, these farmers would be free to plant their "'idled" land with crops not covered under present commodity programs. Farmers of these unsubsidized crops like potatoes and vegetables rightly fear the flooding of their market.

Wisconsin ranks fifth nationally in the production of potatoes. In 1985, the State produced 24.5 million hundredweight from 63,500 acres—a record production. Some of the best potatoes in the world are produced in my own district, around Antigo, WI. These farmers have never come to the Government for assistance. Instead they have met the market need by keeping supply in line with demand. They are a shining example of what can be achieved in agriculture with no Government interference.

Now the farm bill drags them into the Government arena, however subtly, against their will. It encourages farmers who participate in Government programs to grow specialty crops on their retired acreage. The potato growers see a future of gluts and price wars, pitting nonprogram farmers against program farmers. Quite frankly, this loophole would ruin the specialty crop market and probably force large-scale Government intrusion into the industry.

I am pleased that the Agriculture Committee has recognized the need to take prompt action. H.R. 4079 would limit the planting of specialty crops. This bill has received swift attention by both the subcommittee and full committee. I urge passage by the House.

There's an old saying that, "If it ain't broke, don't fix it." The potato market has run without Government interference in the past. There is absolutely no reason to start interfering now.

DON'T PUNISH NEW ENGLAND WITH A NEW TAX ON IMPORTED OIL

(Mr. ST GERMAIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ST GERMAIN. Mr. Speaker, during the era of the energy crisis, the State of Rhode Island and the entire

New England region carried an enormous and inordinate burden.

Family budgets were wrecked just to keep homes heated and all too many had to do without adequate heating. Our region paid an enormous price during the height of the crisis.

Now, we have some who are suggesting that a tax be placed on imported oil just as prices are coming down and we are beginning to get relief in New England. When Federal Reserve Chairman Paul Volcker was before the Banking Committee last week, I asked him about the issue and I am happy to report he was distinctly cool to the idea.

"As a revenue-raising measure, I don't think it's all that effective," Chairman Volcker told the committee.

Not only is it an ineffective means of raising revenue, but it would be patently unfair to the citizens of Rhode Island and New England.

As I told Chairman Volcker, "The people of Rhode Island have earned relief."

Mr. Speaker, I sincerely hope that the idea of a new tax on imported oil is quickly dropped. It's a bad idea whose time I hope will never come.

MILITARY REFORM AND DEFENSE REORGANIZATION

(Mr. COURTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COURTER. Mr. Speaker, all of us in Congress are concerned about military reform and defense reorganization, but most of the solutions to date have been addressed to small aspects of the problem, rather than to the true structural causes.

I have introduced two bills, H.R. 4068 and House Resolution 365, which represent an effort toward true structural reforms. H.R. 4068 eliminates the Defense Logistics Agency and the Defense Contract Audit Agency, two defense bureaucracies, headed by career personnel, which are not truly accountable to political control and are responsible for many of our defense procurement outrages. The functions of these two agencies would be returned to the military services, and the ranks of the Pentagon bureaucracy will be reduced by 50,000 personnel. The result should be a streamlined and fully accountable defense procurement apparatus.

House Resolution 365 is directed toward the Congress and its unfortunate tendency to micromanage the Defense Department. Too much oversight by the Congress can be undesirable, as strange as that may seem to many of us. Congress often reduces defense procurement programs to uneconomical production rates, stretches out certain programs, and generates hundreds of thousands of inquiries to the Pentagon. The Defense Department now reports to 40 committees and subcommittees in the Congress, and there is simply no need for this situation to continue and perhaps worsen. House Resolution 365 changes the House rules to restrict Pentagon oversight to the House Armed Services and Budget Committees, and attempts to speed up the defense appropriations process bymaking the Armed Services Committee responsible for both authorizations and appropriations for the Pentagon.

I realize that these are stern measures, but the times we live in demand that both the Pentagon and the Congress slim down and tighten up their operations in preparation for meeting the challenges of the next century.

DON'T SWALLOW REAGAN DEFENSE BUDGET HOOK, LINE AND TRIDENT

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I applaud my colleagues for resoundingly approving a resolution urging the President to resume negotiations with the Soviets on a comprehensive nuclear test ban treaty. On the same day, President Reagan appealed to the American people in one of his television sermons to embrace and rally behind his request for increased military spending, on the same day.

Even if one swallows hook, line, and Trident the Reagan sermon on the national security need for increased defense spending to meet the Soviet threat, the administration still ought to be able to reform, terminate, or cut those DOD activities least useful to defending America in order to provide more money for those programs most useful to defending America.

Yet, while President Reagan proposed 64 major policy initiatives to cut Federal spending, none of those were for the Department of Defense. One would have thought the OMB tightwads could have located at least one DOD program worthy of reform, termination, or cutting.

Even Peter Grace, leader of the effort, told my task force on the Grace Commission recommendations, that the Department of Defense has been the least cooperative of all the agencies where the commission made recommendations to cut waste, fraud, and abuse.

I would like to remind President Reagan that the central idea behind a budget is to list priorities and to institute discipline. This is a defense budget with no priorities and no discipline. It's like a child loose in a pastry shop, It's a Twinkie defense.

Representative RON DELLUMS and I will be introducing an alternative defense budget that set forth the priorities and discipline that our country needs for a safe and secure America.

□ 1235

THE SOVIETIZATION OF THE AMERICAN CURRENCY

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, the sovietization of the American currency, unless reversed soon, might pave the way to the sovietization of all American institutions, including pluralistic elections and the free press. To be sure, there were floating currencies even before Lenin's government appeared on the scene, but all of them were striving hard to qualify for the gold standard. The Paris Commune of 1871 took great pains to instruct the Bank of France to meet its gold obligations punctiliously. Lenin was the first man in history who boldly and without hesitation sovietized the currency—that is, vested the right of issue in the government, and abolished any prospect of future redemption. There was no doubt in Lenin's mind that the success for sovietizing other institutions such as the electoral process, the trade union movement, the universities, the press, and so forth, depended entirely on the prior sovietization of the currency.

It is a dubious distinction, to put it mildly, that our currency system today is patterned on Lenin's design, the Soviet ruble. We have come a long way, demonstrated by the fact that the fundamental method of Soviet statecraft, the irredeemable currency, is openly advocated in our press and at our universities, often unchallenged.

Mr. Speaker, let us remember the words of John Maynard Keynes:

> Lenin is said to have declared that the best way to destroy the capitalist system was to debauch the currency. By a continuing process of inflation, governments can confiscate, secretly and unobserved, an important part of the wealth of their citizens. By this method they not only confiscate, but they confiscate arbitrarily; and, while the process impoverishes many, it enriches some. The sight of this arbitrary arrangement of riches strikes not only at security, but at confidence in the equity of distribution of wealth.
>
> Lenin was certainly right. There is no subtler, no surer means of overturning the existing basis of society than to debauch the currency. The process engages all the hidden forces of economic law on the side of destruction, and does it in a manner which not one man in a million is able to diagnose.
>
> In the latter stages of the war, all other governments practised, from necessity or incompetence, what the Bolshevists have done from design. Even now, when the war is over, most of them continue out of weakness the same malpractice. (Economic Consequences of the Peace, New York 1920, pp. 235-236.)

THE EMERGENCY FARM BILL

(Mr. DASCHLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DASCHLE. Mr. Speaker, the situation in farm country gets progressively worse. The stories of the economic and personal woe are all too familiar and all too numerous now. The unanimous plea by farmers across this land, especially in the upper Midwest is, simply, they have to have a better price.

Unfortunately, I am convinced more than ever that the current farm legislation does not provide that better price. So today, many of us try again. Many of us who feel that unless we make some change in current farm legislation, many of those in farm country today are going to be doomed to ultimate failure and a complete loss of their family farms.

So today we introduce the emergency farm bill, a bill designed to do two things: First, to provide that better price; second, to provide credit necessary for many of them to get in the field.

Unless we make the effort, unless we provide a better price, unless we provide that credit, most farmers simply do not have a chance; and for many of us, that is unacceptable.

SHOCKING NEW STUDY REVEALS "SNOB COUNTIES IN AMERICA"

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, most people have read—and reacted to—the Harvard University "Hunger in America" study. The folks at Harvard plugged numbers in a computer and identified the top 150 "hunger" counties in the country.

What most people don't know is that the University of Montana-Rygate (located in Golden Valley County, supposedly the third "hungriest" county in America) has just announced its own shocking new study on "Snobbery in America."

This remarkable new study identifies the top 150 "snob" counties in America. The Rygate researchers reached their dramatic conclusions by multiplying MBA degrees by the number of county BMW automobiles, adding the in-county cases of mineral water, divided by the number of Perrier and health clubs. Reportedly heading the list of "snob" counties was Middlesex County in Massachusetts, home of fabled Harvard University itself.

Director of the controversial Rygate study, Dr. Lars Olson, said this about his study's shocking conclusions: "I'm not saying our study is perfect, but I am saying us folks in Montana can recognize snobbery a lot easier apparently than the people of Harvard can recognize hunger." If I needed help, I would much prefer depending on the help of the people of Golden Valley than begging outside the gates of Harvard.

FOREIGN AGENTS COMPULSORY ETHICS IN TRADE ACT

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, America is finally waking up to the new hired guns in Washington—former high-level Government officials who use their prestige, access, and expertise, gained at taxpayer expense, to lobby the interests of foreign governments and foreign corporations looking for special favors in Washington. And they make big money doing so—on average, $300,000 per contract.

When the American people take a good look at the lineup of former top officials being bought out by foreign interests, they're going to start asking some tough questions. Why is it so hard to get Washington to move on foreign imports pouring onto our shores? Who is calling the shots on U.S. trade, economic, defense, and foreign policies? Is it the former officials turned lobbyists, or the current officials just waiting to get on board the gravy train? Either way, the American people are being sold out.

This is why HOWARD WOLPE and I introduced last fall, H.R. 3733, the Foreign Agents Compulsory Ethics in Trade Act. We call it "Face It!" Mr. Speaker, when foreigners have greater access to administration decisionmakers than the American people do; it's time to face it. The integrity of our national institutions is at stake. America is not for sale!

UNITED STATES SUPPORT FOR PAKISTAN

(Mr. McCOLLUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCOLLUM. Mr. Speaker, I would like to take this opportunity to voice praise for President Zia of Pakistan, his Ambassador to the United States, Ejaz Azim, and the Pakistani Foreign Minister, Yaqub Khan, for the good will and friendship they have shown toward the United States.

The Islamic Republic of Pakistan has been forced to walk a foreign policy tightrope as a result of the increasing instability of its southwestern Asia neighbors, Afghanistan and Iran. The Soviet Union continues to exert an extreme amount of pressure on Pakistan by its illegal occupation of the country of Afghanistan. The flight of 3 million Afghan refugees, a full one-fifth of that country's population, to safety within Pakistani borders has created a tremendous burden on Pakistan's people and their economy. Yet, over 300 refugee camps are well-maintained and administered to the credit of the Pakistani Government.

The ongoing Iran-Iraq conflict is a constant threat to the fragile stability of the entire region. Soviet interests in escalating this conflict also requires the constant attention and resources of President Zia's government.

Pakistan continues to balance these tremendously important foreign policy concerns with their domestic programs in a truly remarkable and productive manner. Economic growth, drug eradication programs, and great improvements in the quality of life for the Pakistani people provide strong evidence of the progress the Zia government has achieved.

The United States is fortunate to have Pakistan as an ally and friend and we should continue to strive to improve this already solid relationship for our mutual benefit.

ADMINISTRATION'S BUDGET GUTS AGRICULTURAL COOPERATIVE EXTENSION SERVICES AND 4-H CLUBS

(Mr. McCLOSKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLOSKEY. Mr. Speaker, not only has the administration's half-hearted implementation of the farm bill continued to reap uncertainty for so many of our Nation's farmers, the President's budget now seeks to gut local programs vital to continuing agricultural education. The 4-H Clubs and Agricultural Cooperative Extension Services of the Eighth District, Indiana, and the Nation are not the cause of the deficit. Yet the administration appears to believe that they are.

The 60-percent cut which the President's budget seeks to inflict on these important activities will only undo the good which these programs provide in educating future farmers, continuing education for present farm families, and important research and financial counseling services. It is almost as if the administration is consciously seeking to make agriculture obsolete by virtually banning Federal support for extension services activities. And these services are absolutely vital to farm families.

Let me take a moment to quickly summarize what Congress will be supporting by rejecting the administration's budget proposals in this area. Specifically, we will be bolstering the partnership of the Federal-State-county cooperative approach to educa-

tion about farm problems. This includes targeted education programs to help farm families under stress resolve farm and family management problems. We will be supporting development of new techniques and training to make sure that only appropriate amounts of pesticide are used on our farmland. Such techniques and training are sensitive to environmental concerns. Likewise, Extension Service soil and water conservation research will augment the congressionally drafted soil conservation plan being implemented as part of the farm bill. President Roosevelt once said that "a nation which destroys its soil destroys itself." Truly, destroying our Extension Services is tantamount to destroying an important part of our conservation effort.

Still more precious is our Nation's children whose ability to learn is a function of their nutrition. Slashing Extension Service funding reduces the ability to inform and educate about the importance of proper diet for the young and elderly. For Indiana, especially, staffing of the Nutrition Education Program [EFNEP] would be severely cut back.

In addition to these concerns, the administration's ill-conceived budget-cutting strikes at the heart of the Nation's 4-H Program so vital and popular in those rural school districts which those of us in the Indiana delegation represent.

This list of worthwhile activities might suggest to some a multibillion effort akin to making nuclear weapons impotent and obsolete. Certainly the return on our investment reflects such a value. This is because Cooperative Extension relies, and has relied, on the good works of people helping people. What we are talking about for Indiana is a $5.5 million restoration of funds just to maintain 1985 levels. I would support additional funding because we can afford it as we rework the administration's budget priorities. Certainly, we can find some room for restoration of these funds out of the $33 billion increase the administration is seeking in defense spending. I urge my colleagues to support adequate funding levels for the Cooperative Extension Service when this legislation comes before us for funding this important program.

□ 1120

NATIONAL BARRIER AWARENESS DAY

(Mrs. VUCANOVICH asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. VUCANOVICH. Mr. Speaker, today I am pleased to introduce a bill designating May 7, 1986, as National Barrier Awareness Day. I am also pleased to say that already, within a very few days, 44 of my colleagues have joined as cosponsors of this bill.

National Barrier Awareness Day is a nationwide event designed to increase the public's awareness of the social, cultural, physical, architectural, and attitudinal barriers that exist today for people with disabilities. It is important to note that four out of five Americans will be faced with one type of disability or another in their lifetimes. Already some 36 million Americans live their lives with some form of disability.

Recognition of this cause has been extensive. Not only has the American Association for the Advancement of Science, American Cancer Society, American Heart Association, American Foundation for the Blind, Muscular Dystrophy Association, Spina Bifida Foundation, United Cerebral Palsy, American Lung Association, Cystic Fibrosis Foundation, Multiple Sclerosis, National Association for the Deaf/Blind, American Diabetes Foundation, Juvenile Diabetes, Little People, the Arthritis Foundation, Lupus Foundation, Easter Seals, Epilepsy Foundation, National Amputation Foundation, National Association for Deaf Children, National Association for Visually Handicapped, National Head Injury Foundation, National Kidney Foundation, Tourette's Foundation, and the United Way lent their support, but as of this date 38 States have become involved with National Barrier Awareness Day.

In accord with the theme of National Barrier Awareness Day, many individuals will actually assume a disability to truly appreciate the barriers the disabled face in their everyday lives.

I am sure you will agree that this is a worthy cause, and I would urge your cosponsorship.

THE MAJORITY LEADER RESPONDS TO THE PRESIDENT

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ALEXANDER. Mr. Speaker, last night President Reagan gave us all an extraordinary opportunity to escape from reality and indulge in a fantasy, which sounded more like a sequel to the movie "Star Wars" than plans for a responsible national defense.

The President talked about his proposals for massive new Pentagon spending, yet he never mentioned how he wants America to pay for those increases or the threat that his unlimited borrow-and-spend policies pose to future generations.

He talked about war with the Soviet Union as if winning that war is a simple matter of one side outspending the other.

He talked about Third World conflicts around the globe as if the struggle for freedom had boiled down to whether their terrorists are better than our terrorists.

Mr. Speaker, responding to the President's address, our majority leader spoke eloquently for all Americans when he affirmed support for our national defense while pleading with the President for realism and common sense in Pentagon spending. I submit for the RECORD the remarks of our distinguished majority leader for further considerations by all concerned citizens:

HOUSE MAJORITY LEADER JIM WRIGHT—DEMOCRATIC RESPONSE TO THE PRESIDENT, FEBRUARY 26, 1986

Hello.

As House Majority Leader, I have been asked to give a Congressional perspective on our national defense, and freedom in our hemisphere, and how to make all this fit into our national budget. There are some facts we all need to know.

In a broader sense, what I have to say will not be partisan. Democrats have supported a strong defense and always will. There are times when only the President can speak for us all in the council's of the world—and when he does we want him to succeed.

We have cheered him on as he went to the summit with Mr. Gorbachev. We have supported his position in the Philippines. We oppose military dictatorship and the suppression of political liberties anywhere in our hemisphere, whether it be in Nicaragua or Chile.

In supporting the success and survival of freedom, there are no Democrats and no Republicans—just Americans.

We do have some very fundamental differences over spending priorities and the amount of debt we are willing to place upon the backs of our children.

We think the deficits themselves pose a danger to our national security.

We know that it adds to the debt to double military spending and cut taxes at the same time.

We believe that even the Pentagon should be held to strict standards of accountability in spending taxpayers' money.

And we believe that true national security depends on a lot of things in addition to military weapons.

Let's consider just how much we have already spent on defense. In the past five years, bipartisan majorities in Congress have doubled the rate of military spending—from $146 billion in 1980 to $292 billion this year.

This is the most massive military spending buildup the nation has ever undertaken in peacetime.

Unfortunately force-feeding sometimes results in waste. We're spending twice as much on missiles and getting only 16 percent more missiles for example.

But today the United States and the Soviet Union together have 60,000 nuclear warheads with a total destructive capacity more than one million times that of the bomb that destroyed Hiroshima. We have enough weapons to destroy each other eight or ten times over.

If Congress were simply to rubber stamp the President's entire Pentagon budget, we'd be spending almost four times as much on the military by the end of this decade as

the nation spent during the height of the Vietnam War.

Frankly, it just simply isn't possible to do this and rule out any new revenues and balance the budget. Republican leaders know that.

Let's look at what's happening here at home.

While borrowing to finance this unprecedented buildup in arms, the administration demands that we reduce our investment in education, cut Medicare and Medicaid, cut job training for displaced workers, reduce clean air and clean water programs, law enforcement retirement benefits, the G.I. Bill of Rights for Vietnam Veterans and the whole gamut of domestic government on which people depend.

Congress has cut discretionary domestic spending by 34 percent. But in spite of that, the deficit soars out of control.

Look, here is the staggering fact: In the short five years of this administration, as much has been added to the national debt as our ancestors added in the entire 192 years of our previous history—from George Washington though Jimmy Carter.

It doesn't have to be that way.

President Truman conducted the entire Korean War without adding to the national debt. We paid as we went. Even during the costly Vietnam War we did not pile up massive debts for our children to pay. Why must we do it in peacetime.

The American people are willing to pay for the necessary level of defense. But they do not want to pay for more defense than we get. The celebrated cases of the $400 hammers and the $7,600 coffee pots are atypical, thank God! But there shouldn't be any glaring waste.

The American people know, too, that real national security depends on certain other things equally as important to the country's future as armaments and weapons.

It depends first of all on education—the brain power of our citizenry.

Three years ago, the President's Commission on Education reported on what it called a Nation at Risk. It said "If an unfriendly foreign power had attempted to impose on America the mediocre education performance that exists today, we might well have viewed it as an act of war."

And yet, three years later, the President's budget asks that we zero out the G.I. Bill for our Vietnam veterans, and that we cut student loans and work-study grants which make it possible for young Americans of modest means to get an education. We think that is a misplaced priority.

Last year, Japan with only half our population graduated half again more scientists and engineers than we did. And people wonder why we're losing out in trade.

Most certainly our relations with the other nations of this hemisphere constitute an indispensible element in our national security.

We worry about Communism, but we don't seem to worry about the conditions that breed Communism.

Oh, surely, we are big enough and powerful enough that we could physically overthrow the government in Managua, or the one in Havana, if that should be necessary.

It would cost a lot more than $100 million and a precious lot of bloodshed but we could do it.

Yes, but what then? The problems of Latin America would still be with us—problems of illiteracy, and malnutrition, and disease, the problems of joblessness and a bondage of debt that amounts almost to servitude and a growing sense of hopeless disillusionment with society.

This is the stuff of which Castros and Ortegas are made.

In the last century, patriots like Bolivar and San Martin patterned their popular people's movements after us. We were the inspiration and the example, and we have a residue of good will if we'll build upon it.

Throughout Latin America, plain people cherish the memory of three American presidents:

Abraham Lincoln who freed the slaves;

Franklin Delano Roosevelt who withdrew U.S. Troops from Latin America and declared a "Good Neighbor Policy;" and

John F. Kennedy who inspired hopes of economic betterment for the average people through his short-lived Alliance for Progress.

If we would reap the respect of our neighbors to the south, we'll have to cultivate a sustained interest in them and their very real problems, not just that of a fire engine which rushes in to put out a fire and departs as swiftly to ignore the combustibles that lie everywhere upon the tattered landscape of a civilization cruelly battered by a history of neglect.

They have a saying South of the border: La mejor manera de consequir una amistad es ser amigable. The way to have a friend is to be a friend.

In seeking a policy for Latin America and by extension the rest of the world, that may be the best place to start.

REBUTTAL TO THE RESPONSE OF THE MAJORITY LEADER

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, we are going to be very interested in having those remarks that the gentleman just referred to in the RECORD because speaking of fantasy, the fantasy that Mr. WRIGHT engaged in last night was one that the American people should be aware of. Mr. WRIGHT for instance suggested we are going to have $150 billion increase in defense between 1980 and 1985. He is right. That is exactly what we did have.

What he did not bother to tell the American people was that in that same period of time total domestic spending has gone up by $191 billion. He called that a 34-percent decrease. In fact if he just talked of social welfare spending that went up by $135.4 billion. He called that a 34-percent decrease. He was only 76 percent wrong. I think we ought to have that in the CONGRESSIONAL RECORD. We ought to find out just how phony some of the budgeting is we do around here. He also said in that speech last night no one is talking about real defense cuts, no one is talking about cutting defense. Well, this year we are going to end up spending less for defense than we spent last year. Who did that? Gremlins? Is that happening without the majority leader knowing about it? I would hope the majority leader would at least go back and take a look at the figures and understand that someone, someone, and I suspect it may have been the leftwing of his party, decided we could afford a real cut in defense and we are having one this year.

IT IS TIME TO FACE IT—FOREIGN AGENTS COMPULSORY ETHICS IN TRADE ACT

(Mr. WOLPE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLPE. Mr. Speaker, at a time when our Nation is struggling with a whole range of trade problems that demand our immediate attention, the intense lobbying of foreign governments and foreign corporations is a growing obstacle to the development of responsible U.S. trade policy. What is most deeply troubling is that many of those being hired as agents for these foreign interests are former top-level U.S. Government officials who designed and once administered our Nation's trade, economic, defense, and foreign policies. People who have had the privilege to serve at the very highest levels of our Government have chosen to use the insiders' knowledge, the special status, the access that they have acquired in office on behalf of foreign interests. In effect the American Government has become a finishing school for top-dollar lobbyists for foreign corporations and foreign interests.

I believe that the American people expect and deserve better than this. It is simply wrong that former top-level officials should be for sale to the highest foreign bidder. That is why I have introduced with Representative MARCY KAPTUR the Foreign Agents Compulsory Ethics in Trade Act.

Our legislation has one objective, a simple objective: to close this revolving door. We invite our colleagues to join as cosponsors. It is certainly not too much to ask that those who have had the honor to serve in the highest offices of our Government should put the interests of America and the integrity of our policymaking process first.

B. OGLESBY IS LEAVING

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker and Members of the House, this morning during the joint leadership meeting with the President, the President announced that our good friend, M.B. Oglesby, universally known as B. Oglesby, will be leaving the White House where he has served as Assistant to the President for Legislative Affairs.

Knowledgeable, affable, well-versed in the intricacies of the legislative

process, B. is possessed with a sense of fairness and I might say a great sense of humor which have endeared him to both sides of the aisle. B. has been the consummate legislative liaison, someone who knows the issues, knows the difficulties, knows the legislative personalities, obviously close to the President, knows what he wants and I think most important of all he was an excellent nose counter and could count those votes when it really was necessary.

I have known B. for many years before he ever came to the White House staff. Previously he served as Deputy Assistant to the President for Legislative Affairs and as minority staff associate for the House Energy and Commerce Committee dealing principally with railroad, environmental, and commerce-related legislation.

He also served as deputy and acting director of the State of Illinois Washington Office and as executive assistant to Congressman EDWARD MADIGAN, our colleague from Illinois. Prior to coming to Washington he served in the Illinois State government as an assistant to Gov. Richard Ogilvie and as executive assistant to the Speaker of the House. B. also spent 3½ years in management positions with the Illinois Bell Telephone Co.

So as you can see, B. has had a career that placed him at the center of political decisionmaking for many years. We hate to lose that kind of experience, especially where it is allied with a love of the political process and that indefinable but absolutely necessary feel for issues and the people, and the Members of both Houses of the Congress. B. Oglesby has served his party and his Nation superbly and I am sure I am joined by Members on both sides of the aisle when I say: We are going to miss you, B. Good luck to you in your new career.

NICARAGUA'S NEIGHBORS OPPOSE MILITARY AID TO THE CONTRAS

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, the President says we should vote $100 million for the Contras to protect Nicaragua's neighbors. Let's look at what those neighbors say.

The President of Costa Rica, Mr. Monge, just normalized relations with Nicaragua. He thinks their differences can and should be settled peacefully. His successor, President-elect Arias, is against U.S. aid to the Contras. He doesn't think a paramilitary force on his border with Nicaragua helps out Costa Rica. He says, if we're going to spend this kind of money down there, it should be for economic aid to the region, not subsidies for the Contras. As for Honduras, the administration has trouble even getting supplies through to the Contras there because of official Honduran opposition.

President Reagan says Contra aid will help the Contadora process. Let's ask the Contadora countries about that one. The eight Contadora foreign ministers all pleaded with administration not to ask for more Contra aid. They are clear on this—a vote for the Contras is a vote against Contadora.

This administration's request for Contra money is not just illegal, not just unwise, and not just counterproductive. It is also unbelievably arrogant. Latin America doesn't want and doesn't need this kind of "help." Let's pull the plug on the Contra war now.

COMMUNISTS IN THE GUISE OF NEWSMEN

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, last night the President spoke to us about defense. I love our free and open system where our distinguished majority leader follows the President on television to make a strong case for his side contradicting most of the President's defense arguments. I appreciate the networks' making available the time for that message from the loyal opposition, who just happen to control this distinguished body making my side the loyal opposition here. During my first 4 years in Congress, when my good friends on the other side of the aisle also controlled the White House, that we Republicans had the opportunity to give the American people a different viewpoint after a President Carter national address.

However, on the ABC network at the end of Mr. WRIGHT's interesting remarks to America came host, Mr. Brinkley, who I have always held in high esteem and still do. But, for shame, David. You said, in introducing Vladimir Posner, a paid Communist propaganda expert, the following, and this is almost your verbatim introduction. Before I give Mr. Brinkley's introduction of Posner let me observe there were some fascinating statements on the majority side of the aisle this morning about people and firms lobbying in our country for foreign powers and drawing exorbitant sums of money for their efforts. What is the largest lobbying operation in the free world, my colleages? It is the Soviet Union disinformation operation, and their agents are afforded the cover of being called newsmen. And Vlad Posner is one of their very best disinformation specialists.

Now, Mr. Brinkley—David—I say shame on you because this is just about what you said when you introduced the top Soviet-paid television propagandist last night:

Coming up next is Mr. Vladimir Posner. He spent his younger years here in the United States and now works for Radio Moscow.

Mr. Posner, thank you for coming in to talk with us. Tell me your reactions to Mr. Reagan's talk.

Then this little flunkie, Vladdie, comes on by satellite from Moscow, sits there and calls our President a liar, saying he "did not tell the truth," and then uses the word "dishonest" against our President. It's outrageous.

Now, Mr. Speaker, I ask you, how long are we going to tolerate our networks putting on, improperly identified, agents of a foreign power like Josef Adamov, Vladimir Posner, Alexander Polodin, and the kingpin of propagandist of them all, Georgi Abartov. How can the networks call these people "newsmen" or "scholars" as in Abartov's case. "There is no news in Isvestia and there is no truth in Pravda." That's a common irony whispered in the streets of Moscow. I am tired of having my Government, and both of our political party leaders, insulted by paid Communist toadies.

Let us put a stop to it by getting the truth out to our fellow citizens. For example, Vladimir Posner was born a Jew and yet he covers up the rampant anti-Semitism in the Soviet Union as the main spokesperson assigned to malign Jewish dissidents and refuseniks as traitors, hooligans, and parasites when he is the traitor.

Ask Columnist Richard Grenier about this disloyal betraying little turncoat. A Jew who is an apologist for the oppressors of Jews. He sits there on television claiming that he is somehow or other a newsman, and then distorts the truth and brings further suffering to Soviet Jews by claiming there is no anti-Semitism in the U.S.S.R. when Posner admitted in his youth that he himself was victimized by prejudice, and that bigotry limited his advanced education by denying him entrance to Moscow University.

It is an affront to decency and dignity and an affront to Jewish people all around the world to have Posner appear on network television unidentified as to just who he really is.

Please, my colleagues, read the following column by Richard Grenier—a schoolmate of Posner's—which appeared in the Washington Times on January 7, 1986, entitled, "Do You Remember Me, Vlady?"

Mr. Speaker, the truth will out.

DO YOU REMEMBER ME, VLADY?

(By Richard Grenier)

I'll bet he doesn't. Hanging around with Phil Donahue and all those big network types, co-hosting a "Citizens' Summit" between the people of Seattle and Leningrad. Not to mention Ted Koppel and Sam Donaldson and all the people from ABC's "Nightline," where Valdimir Posner often

appears as a Soviet "journalist." I'll bet it's gone to his head. He's a member of the Soviet elite now, you see, dressed up all spiffy in preppy American clothes, white collar on colored shirt, blazer and grey flannel slacks. As opposed to the old days at the Moskva Hotel in Moscow, where I remember him still dressed like a former student of Peter Stuyvesant High School in New York—which is what he is.

It's been a few years since those days in Moscow, mind you. The summer of 1963, to be exact. I wouldn't want to say the Soviet Union ever had anything like a "Prague Spring" or Poland's Solidarity, but they had a few balmy days there. It was the "Thaw," as they used to say, and Khrushchev was de-Stalinizing, up to a point. Solzhenitsyn's "One Day in the Life of Ivan Denisovich" had just been published, and Russians felt free, not only to read him, but to praise him to foreigners. A heady feeling of semi-freedom was in the air.

Vladimir and I were kids, of course. I already had some pretty clear notions in my head about the Soviet Union, though, gleaned from studies, and books, and a close reading of the press, and listening to Radio Tirana—and having been to Russia before, as a matter of fact. Although things were definitely loosening up, I was actually seeing little that altered my basic opinions. It was Vladimir who was subject to those giddy fits of euphoria.

He would always head straight for the table in the Moskva dining room where the Americans were sitting, with our little American flag on its little jackstaff, and he told me how he cried when he saw "West Side Story." He was in a strange position between two cultures, he explained. Here he had spent all his school years in New York until the age of 15, at which point his father, a Russian-born Communist, had pulled him up by the roots in 1949 and brought him with the family back to the Soviet Motherland.

It had not been a bed of roses, he made clear. He had been refused admission to Moscow University because he was a Jew, he said. The Russian kids had beaten up on him and his brother, and called them the Russian equivalent of "kikes"—as Vladimir translated the word. (In New York, the kids had beaten him up for being a "commie," making me think that this guy had been through the mill.) The whole thing was very odd. "Here I am a Soviet citizen," he said emotionally, "but I still feel New York is my hometown."

I should make it absolutely clear that Vladimir Posner never said anything "disloyal" to the Soviet Union. He never said he preferred the American system of government to the Soviet, or anything even close to this. But he obviously still had a powerful attachment to New York and America. Was it just for the frankfurts and hamburgers? Also—although he never said this—he was patently avid to see New York again, perhaps to stay for a few weeks, months, years. Who knows?

American airheads determined to find the Soviet Union a country "just like us" are not a pure product of detente. I remember in 1963 an American photographer coming to a table where Vladimir Posner and I were talking and saying, what do you mean they don't have freedom of speech in Russia? He'd just seen a Russian movie that was very critical of Russia. "I hate to tell you this," said Vladimir with some embarrassment. "But we've had a change of government here. That was the earlier government the movie was attacking, Stalin. It's not criticism of the present government." The photographer went off with a surly look.

How bad a time had Vladimir Posner's father, also named Vladimir Posner, been given when he returned to Russia? Had he been sent to a labor camp? My memory is uncertain on that point. In any case, by 1963, having been a senior MGM executive in New York, he had climbed the slippery pole again in Moscow and was director of the Moscow Film Festival. Perhaps young Vladimir spoke freely because he thought a new dawn of freedom and come in Russia Perhaps he thought that never again would Russians have to bite their tongues, at least not bloody.

He sees things somewhat differently today, perhaps. He is well-paid to keep his mouth shut on awkward subjects. He dresses well, has a comfortable apartment, most of the benefits due the Soviet elite.

Espousing Soviet government policies is probably second nature to him by now. Given his options, it's not a bad deal, all things considered. It's a living.

Meanwhile, he makes an extraordinarily attractive Soviet spokesman for American audiences, the best they have. He is handsome, looks less Russian than I do (and with reason). Given his formative years, I consider him culturally American. He speaks our language in more ways than in one. But the Vladimir Posner I used to know can't have disappeared completely. I think he's still there inside the real Vladimir Posner.

My question to Phil Donahue is how come my Vladimir Posner wasn't on his "Citizens' Summit"? How come, when an American asked about racial discrimination in the Soviet Union, Vladimir didn't tell about how he was refused admittance to Mosocw University because he is a Jew? How come we were given some little Mongolian Pangloss, who mouthed—as did all the Soviet speakers—What journalists call "boilerplate"—fixed, memorized speeches, never differing from official policy by an iota.

I counted no fewer than seven of the Soviet speakers wearing decorations (whether military, Order of Lenin or Hero of Soviet Labor, I couldn't tell). About one-third were men 60 and over, obviously communist local or work-unit leaders. I can guarantee Phil Donahue from personal experience that every single member of the Soviet "audience" was either a member of the Soviet Communist Party (an elite group) or of the Komsomol, the Soviet youth organization.

Not only the Leningrad audience, but the Seattle audience, was rigged, since I spied a credit for an "audience selection" service on the American side. I have a feeling that the service screened out any Americans knowledgeable about the U.S.S.R., since none of the U.S. participants seemed to recognize the Soviet speeches for the boiler-plate they were.

My favorite Soviet speakers were two pretty young women. One, an Aeroflot hostess, said, "Our government has sworn never to attack a foreign country. How could you not trust a government like that?" But no American said, "How about Hungary, Czechoslovakia, Afghanistan?" Another Soviet woman said, what do you mean the Soviet Union doesn't allow protest meetings?" Why, I myself took part in a protest meeting against militarization. And I fully agree with the policy of our Government (meaning she was protesting militarization in other countries)."

The booby prize, I'm afraid, goes to an American woman, who, after listening to two hours of official Soviet policy from Leningrad "citizens," said, "I see the major differences are between our governments and not the people sitting in these audiences . . . It is up to us to let our governments know . . . our priorities."

If Phil Donahue's Citizens' Summit did anything to foster the preposterous notion that the Soviet Union would under any circumstances whatever allow ordinary, private citizens to participate in and express themselves freely at any such summit, he has shamelessly misled the American people as to the nature of Soviet society.

I have wondered for some years now whether Phil Donahue is just a well-meaning policial idiot or whether he knows what he's up to. The credits at the end of his "summit" program were therefore not without interest. Listed as either "consultants" or "supporting" foundations were: Cora Weiss, the Samuel Rubin Foundation, the Ruth Mott Fund, Stephen F. Cohen, Roger Fisher, Seweryn Bialer, and J.K. Galbraith. Most of these people or foundations are quite notorious for holding views which, shall I say, parallel those of the Soviet Union. When I saw these names I won't say I heard a click. I don't suppose many of you have heard the sound of a 16-inch shell being slammed into the breech in the gun turret of a ship of the line. That's what it sounded like.

HAIL AND FAREWELL—WITH LOVE

(Mr. BEDELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEDELL. Mr. Speaker, many of us felt that the farm bill as we continued current policies and simply lowered support prices was not the answer to our current program. Today many of us are introducing a farm bill which will get the income for farmers from the market rather than from the Government and do something about the severe credit problem that those people face.

While I am here, Mr. Speaker, last weekend I announced that I would not run for reelection. And I want to take this opportunity to thank my many, many colleagues for the wonderful friendship that they have shown me and the great, great way that they have treated me as long as I have been here.

I would like to read one sentence from that announcement:

> We are thankful for our friends in the Congress. Contrary to the general perception we have found among them some of the finest people we have ever known.

Mr. Speaker, that comes from my heart. I cannot tell you how great I think that the Members of this body are. I only wish the American people realize the dedication, the competency, and the sincere effort that so many Members of this body put forth in an effort to truly serve their constituencies. It is a real honor to serve with so many of you colleagues, and I certain-

ly wish you well after the end of this year as we leave the Congress.

PRESIDENT CALLS FOR CONTINUED INCREASED MILITARY SPENDING—POLL SHOWS 59 PERCENT OF AMERICANS FAVOR CUTTING DEFENSE SPENDING

(Mrs. BOXER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOXER. Mr. President, throwing more billions of dollars at an already bloated military budget is like putting a second scoop of whipped cream on our ice cream sundae—we really don't need it.

Mr. President, you had to take your campaign for continued massive military spending to the American people because the latest polls show that 59 percent of Americans believe that the military budget is unreasonable and should be cut to help reduce the deficit. Fifty-nine percent of Americans know that military spending has increased 119 percent in 5 years and they oppose further increases for three additional reasons: First, the nuclear capability we already have to destroy the Soviet Union many times over; second, the scandals of overpricing, cost overruns, fraud, waste, and abuse at the Pentagon; and third, the deeply held feeling that national security also depends upon educating our young, housing our homeless, helping our small businesses, our cities, and our farmers.

□ 1135

I believe in the wisdom of the American people, and I believe they will support a reasonable defense budget, but they will not support a bloated one.

DAIRY PRODUCTS

(Mr. ROWLAND of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROWLAND OF Georgia. Mr. Speaker, for a number of years, now, we have heard warnings about the ill effects of various foods and how, in order to stay healthy, we should avoid them. Recently, researchers have been offering us more positive findings which suggest that we should consume more of certain foods to maintain our good health. Frankly, I believe this positive approach is a much more effective one that should lead to healthier food consumption.

Today, I wish to share with the House recent reports on the role of calcium in the diet. My interest in this is not only as a physician, but also as a Member whose district includes a good deal of dairy farming. I am particularly pleased that this industry, which has suffered in the past from criticism of its products, can again trumpet the beneficial aspects of dairy product consumption. As a matter of fact, I spoke at the Georgia Milk Producers' Association's annual meeting last week about this very subject.

Studies in the British medical journal, Lancet, reveal that men who regularly consumed milk have a lower rate of colon cancer than those who are not milk drinkers. As a matter of fact, the rate was almost three times higher for the nonmilk drinkers. The researchers believe that this is due to the binding of calcium with carcinogens and converting them to compounds that can be excreted harmlessly.

Another series of studies deal with the relationship of calcium to hypertension. This research documents the contribution of higher calcium intake to lower blood pressure. In fact, preliminary studies support the use of dietary calcium supplementation as an effective nonpharmacologic means of reducing blood pressure in some patients.

Finally, at the University of Iowa, researchers on osteoporosis, a degenerative disease of the bones in the elderly, particularly women, believe that chronically low calcium and vitamin D intake is a major factor behind the current epidemic of cases. The typical adult woman in our country consumes less than half of the recommended daily allowance. While increasing the consumption of calcium and vitamin D in the diet will not cure this condition, it will slow down the rate of bone mass loss.

I find these studies' results very encouraging. We may very well have the opportunity to deal ever more effectively with diseases, which were previously thought to be treatable only with drugs, through our diet. Milk and other dairy products can provide us with the calcium that at least some of our population can use in helping to avoid the greatest killers in our society—cancer and hypertension. Although diet may not be an effective method for everyone, good nutrition, along with exercise, and stress reduction, can be very helpful to many Americans who are concerned about their health status.

EMERGENCY FARM INCOME AND CREDIT BILL OF 1986

(Mr. WILLIAMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILLIAMS. Mr. Speaker, today my colleagues and I are introducing the emergency farm income and credit bill of 1986. This bill has new hope for America's agriculture by raising farm prices, not driving them downward as last year's farm bill did.

President Reagan, the U.S. Department of Agriculture and the Congress are wrong. Lowering wheat loan rates from $3 to $2.40 does not only hurt farmers, it is costing the U.S. Treasury more. The 60-cent reduction in world wheat prices will cost the U.S. Treasury this year $1,200 million.

This notion that lower farm prices will help American agriculture get out of debt is a farce and a sham.

Our bill has the proper formula for recovery. Raise farm prices; reduce interest rates to farmers in trouble; lower production; lower the surplus; reduce Treasury costs; and restore farm products.

Mr. Speaker, I want to encourage my colleagues and the congressional leadership to help us move this bill, before the barn door closes on thousands of America's farmers.

ALLEGED SOVIET MILITARY SUPERIORITY

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, last night the President, in a word, tried to scare the American people and this Congress. Alleged Soviet military superiority, that was the linchpin of his argument for an 8-percent increase in defense expenditures.

In 1982, President Ford's Secretary of Defense Schlesinger said, "Superiority is very difficult to measure."

Just last night, a senior administration official, in briefing the press before the President's speech, when asked about alleged superiority of the Soviets said, "It's a very close call and an overall assessment is difficult, but the two sides are very close."

In 1982, when Joint Chief of Staff head General Vessey was asked about this alleged superiority, he said this: "overall would I trade with Marshal Ogarkov? Not on your life."

The President said last night "if our country is going to have a useful debate on national security, we have to get beyond the drumbeat of propaganda and put the facts on the table."

Mr. President, I respectfully urge you on defense issues to practice what you preach. We need a strong defense. The fact is that we now have one.

WE NEED AN ALTERNATIVE FARM PROGRAM

(Mr. PENNY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENNY. Mr. Speaker, if one thing has become evident, it is that there is not support for the recently passed farm bill out in farm country.

At meeting after meeting in my district, when I ask for a show of hands among farmers as to who feels that we have a pretty good farm bill now in place, no one ever raises their hand.

Farmers have concluded, as many of us in Congress have concluded, that the current farm bill will do little, if anything, to reduce the surplus or to bring commodity prices back up. We need an alternative farm program, especially in light of the fact that all Federal programs, including agriculture, will be called upon this year to take additional budget cuts.

Today I and several of my colleagues have introduced an alternative farm program that will help farmers get a decent price from the market. It will provide for a $3.50 price for corn and $5 for wheat. It would also provide for a marketing loan provision that would help to keep our grain competitive in world markets. But most importantly, it would save at least $1 billion in farm program spending in fiscal year 1987 and billions more as time goes by. That is a combination, a better price for farmers and lower cost to the Treasury, that this Congress cannot reject.

CONTAMINATION OF SANTA MONICA BAY

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, today, along with Chairman HENRY WAXMAN, I am introducing a bill to direct the Food and Drug Administration to conduct a study of the health effects of toxic contamination of fish in Santa Monica Bay.

For years, Santa Monica Bay has been the dumping ground for DDT, PCB's, oil refinery byproducts, raw sewage and other pollutants. Although private studies have shown some fish to be highly contaminated, the Federal Government has not been nearly as vigilant as it should have been in informing the public of possible health risks from consuming the fish.

My legislation would instruct the FDA to assess the level of contamination of edible fish caught in the bay and surrounding waters; determine the rate of consumption of contaminated fish from the bay and surrounding communities; and, evaluate the health risks associated with the consumption of such contaminated fish. The FDA would be required to report its findings to the Congress within 6 months of the bill's enactment.

Santa Monica beaches are the most heavily used recreational beaches in the country. Everyone who lives near or visits the Santa Monica Bay area has the right to know the health implications of eating bay fish, particularly since more and more people today are making fish a prominent part of their diets. My legislation would direct the FDA to produce that critical public health information.

WE NEED A NATIONAL SECURITY PETITION NOW

(Mr. LUKEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUKEN. Mr. Speaker, this week marks the second anniversary of the day on which the White House received a recommendation from the Department of Commerce to approve a national security petition which is essential to the survival of a vibrant domestic machine-tool industry.

Three years ago, the machine tool industry filed a petition under the national security section of the Trade Expansion Act to limit imports of machine tools to a level that would permit our American machine-tool builders to survive against competitors that have targeted our most basic industry. This section of the trade laws is designed specifically to assure that in times of emergency there would be a healthy industry to turn out the weapons and materials we need for the national defense. No industry could be more basic to our defense capability than the machine-tool industry, since these tools are used to produce every gun, tank, ship, and aircraft.

At the time the industry filed its petition, imports accounted for 27 percent of the value of all machine tools purchased in this country. That statistic was alarming enough to convince Secretary of Commerce Baldridge to recommend that the President approve a plan to limit this import penetration. Yet now, 3 years after the petition was filed, and 2 years after it was placed on the President's desk, we can't even get a decision out of the White House, despite the fact that penetration by imports has grown to more than 45 percent.

While we sit on our hands, the Soviets are recognizing the strategic significance of this industry. Yesterday's Washington Post reports that in his first speech to the Congress of the Soviet Communmist Party, Mikhail Gorbachev proposed "pumping 200 billion rubles—$270 billion—into the Soviet machine-tool industry between now and 1990."

It's time to act. During consideration of the Trade Law Modernization Act, the Energy and Commerce Committee passed a requirement for the President to act within 90 days of receiving a recommendation to approve a national security petition. But the President does not have to wait for this legislation to be enacted to end this dangerous delay. The time to act is now.

□ 1145

THE INTERNATIONAL TRADE WAR

(Mr. ECKART of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ECKART of Ohio. Mr. Speaker, last evening the President gave one of his many speeches on defense. He spoke about a secure world and a secure America.

Well, Mr. Speaker, we all acknowledge what the President calls for is needed and necessary, but what he fails to acknowledge is you cannot have a first-rate military if you have a third-rate economy. And when, in fact, was the last time the President gave a speech about another war that is brewing in the world, the international trade war?

The President said that we have already taken actions to counter unfair training practices and to pry open closed foreign markets. But the facts speak stark contrast to the President's rhetoric.

The facts are that the Department of Commerce recently released the facts for 1985 in which we had a $148 billion trade deficit, breaking the previous year's record. And in northern Ohio alone, an estimated 40,000 workers have lost their jobs just due to the hemorrhaging trade deficit. Unemployment is up, more than double the national average, in parts of my district.

Yes, there is indeed, a different kind of war that is going on in Angola or Nicaragua and other parts of the world, which we will speak about on this floor, too, but there is another war, and the casualties are found in northern Ohio from an international trade war that burns out of control while the Reagan administration fiddles.

We must act now to attack this ever-increasing trade deficit. American jobs should be our top priority, not our top export.

CONGRESSMAN LEE HAMILTON ON THE ROLE OF CONGRESS IN INTELLIGENCE OVERSIGHT

(Mr. BOLAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BOLAND. Mr. Speaker, the February 12 edition of the Baltimore Sun carried an article written by Congressman LEE HAMILTON, chairman of the House Permanent Select Committee on Intelligence entitled "Congress, the CIA, and the Year of the Spy."

In his article, Chairman HAMILTON makes a convincing case for congressional oversight of our intelligence

agencies. That is a point of view with which I am in total agreement. Intelligence needs oversight. Oversight which is sensitive to the extraordinary difficulty of intelligence work, and the need for secrecy in it, but oversight which is nonetheless independent. The Intelligence Committee which serves this House has, I believe, fashioned a record of good, honest inquiry, good security and, in my opinion, good judgment. That record and that committee, have served the best interests of this body, the intelligence agencies, and the Nation.

As Chairman HAMILTON notes, the job of Congress is to provide the intelligence community the resources "able to give the right person the right information at the right time, and to offer the President the advice of an independent, but supportive, partner." Under his leadership the House Intelligence Committee is performing that vital function. I want to include Mr. HAMILTON's thoughtful article on this subject at this point in the RECORD and commend it to the attention of my colleagues.

[From the Baltimore Sun, Feb. 12, 1986]

CONGRESS, THE CIA, AND THE YEAR OF THE SPY

(By Lee H. Hamilton)

WASHINGTON.—1985 was "the year of the spy" to Newsweek magazine and may be remembered as the "year of the press" by the intelligence community. Espionage cases, two-way defectors, leaks, and charges about the quality of intelligence and its congressional oversight have brought on singular public scrutiny.

The debate on intelligence goes on amidst this scrutiny. It is a debate our democratic and open society makes unique and uniquely difficult. Most of us believe that secrets must be kept and that good intelligence is essential to national security, but we also think that intelligence agencies must be watched to improve their performance and to prevent abuse.

Since 1976, the task of keeping an eye on these agencies has been given to the House and Senate Intelligence Committees. The oversight committees try to decipher the world of intelligence—to know its goals, sources, and methods, and to keep it operating within agreed limits. These committees alone review the intelligence activities of the executive branch. Because their oversight is exclusive, it must be thorough.

The committees have the near-impossible task of trying to satisfy a public hunger for information about the government's secret activities while respecting the executive branch's desire that each secret shared with the committees should remain so. The approach of the House Intelligence Committee in this regard has been to say little to the press or to our colleagues about its work, although any member may ask to review committee documents at any time he chooses.

This is a frustrating compromise, because neither the press nor our colleagues can be expected to trust the committee's judgment in the absence of extensive public debate on behalf of its recommendations.

Lately, this task of legislative review has become more difficult. In a recent public letter to Senator David Durenberger of Minnesota, chairman of the Senate Intelligence Committee, central intelligence director William Casey asserted that this process "has gone seriously awry." Mr. Casey suggests intelligence oversight cannot be conducted well if conducted publicly.

While aspects of the director's concerns are understandable, I do not share his judgment that the process has gone awry.

Although it is not always evident to the public, the intelligence committees have been struggling with spy cases and the other security problems that beset the intelligence community. They have significantly increased counterintelligence funding and personnel in the last six years, and are reviewing in detail each of the spy cases and attempting to learn from them.

The House committee has also reviewed its own security procedures and personnel practices to ensure they continue to match intelligence community standards. The size of the committees is kept small, and the members are chosen by the congressional leadership with great care. While there have been no documented leaks of classified information from the intelligence oversight committees, any security system can bear improvement. A security review for the Congress as a whole is warranted.

In addition to security, the committees have an important role in improving the performance and product of the intelligence community. They can stimulate support for specific intelligence-gathering and analysis activities, and can assure that intelligence agencies are sufficiently funded for their tasks. They burrow deeply into arcane budgets and operations, and few of the details they hear behind closed doors can be disclosed. The committees' overall judgments, however, and the general outline of their debates can and should be made public. This aspect of public disclosure can be helpful in shaping better policy.

Within the committees, there is strong bipartisan backing for the intelligence community's basic mission. But what the intelligence committees cannot do is resolve in secrecy hotly debated foreign policy issues which concern many Americans and are properly addressed by the Congress as a whole.

Nicaragua, the subject of so many recent congressional battles, is one obvious example. Angola may be another. The intelligence committees rarely want to get into a public dispute with the administration. However, this cannot be avoided on contentious foreign policy issues related only in part to intelligence activities.

There is a committee consensus that we have excellent intelligence services, supported by dedicated, skilled, and patriotic professionals. We also believe they can be better. We want a cost-effective and responsible intelligence community, mindful of the privacy of our own citizens, and able to give the right person the right information at the right time.

The job of Congress is to provide adequate resources to meet that goal, and to offer the president the advice of an independent, but supportive, partner. In our system of checks and balances we have the opportunity and responsibility to do this work together.

PROCEEDINGS AGAINST RALPH BERNSTEIN AND JOSEPH BERNSTEIN

Mr. FASCELL. Mr. Speaker, I rise to a question of the privileges of the House, and by direction of the Committee on Foreign Affairs I call up a privileged report (H. Rept. No. 99-462).

The Clerk read as follows:

PROCEEDINGS AGAINST RALPH BERNSTEIN AND JOSEPH BERNSTEIN

(Mr. Fascell, from the Committee on Foreign Affairs, submitted the following report together with separate, additional, and dissenting views)

INTRODUCTION

In closed hearings on December 11 and 12, 1985, the Subcommittee on Asian and Pacific Affairs questioned two witnesses, Ralph Bernstein, a nonlawyer who works extensively in real estate investment, and his brother Joseph Bernstein, a lawyer who assists with that investment. The questions concerned investment work allegedly performed by them on behalf of President Ferdinand Marcos of the Philippines and his wife, Imelda Marcos. That subcommittee was pursuing allegations of vast holdings by the Marcoses in the United States, part of a flight of capital from the Philippines that has been reportedly estimated at over $10 billion in recent years. Such investments would have serious implications for U.S. foreign policy and the U.S. aid program for the Philippines.

The two witnesses, alleged to be at the center of a web of dummy corporations shielding the Marcos' holdings, firmly refused to answer the subcommittee's questions about their investment work, or even to state whether they knew or had met the Marcoses. Their refusals to answer denied the subcommittee information that is crucial to its investigation.

Ralph and Joseph Bernstein presented a number of legal claims, chief among which was the assertion that they could not give information on any relationship between them and the Marcoses because of attorney-client privilege. The subcommittee gave these claims every possible consideration. Its chairman and ranking minority member heard the counsel for the witnesses informally, and the subcommittee reviewed their legal memoranda carefully. In its executive session hearings, it heard repeated oral presentations on the witnesses' behalf over a 2-day span. After due consideration, the subcommittee overruled these claims, and, when the witnesses continued their resistance, held the witnesses to be in contempt of Congress, based on the legal advice of the general counsel to the Clerk of the House, and the minority counsel of the House, that the claims were without merit.

For the House of Representatives not to pursue all legal steps to vindicate its right to this information would undermine severely this investigation of the Marcos' holdings. More important, it would cast grave doubt on the credibility of, and precedents for, other House investigations. Accordingly, the subcommittee voted to report the contempts to the committee, and the committee voted to report to the House a contempt resolution for the Bernsteins. Upon adoption by the House, the resolution would direct the Speaker to turn the matter over to the U.S. Attorney for prosecution in accordance with the statutory provision for contempt of Congress, 2 U.S.C. section 192. That offense carries a maximum sentence of 1 year in prison, plus fines.

FACTS, BACKGROUND, AND CHRONOLOGY

CONGRESSIONAL INTEREST IN THE PHILIPPINES

The Subcommittee on Asian and Pacific Affairs has been conducting an investiga-

tion of allegations of major investments by Philippines President Ferdinand Marcos and his wife, Imelda Marcos, in real estate in the United States. This investigation follows the strong interest of the subcommittee and committee in the Philippines, manifested in the course of consideration of foreign aid legislation, other kinds of legislation, and oversight regarding the Philippines generally in recent years. Concerning foreign aid, each year the subcommittee has conducted in-depth oversight of the matters concerning the Philippines.[1] Key aspects of the most recent foreign aid bill relating to the Philippines developed from the provisions reported by the subcommittee and committee, as reflected by the committee report on the foreign aid bill and the conference report on that bill.[2]

Last year's foreign aid bill included a specific provision, section 901(a) [99 Stat. 266], linking future foreign aid to the Philippines with progress toward a number of specified goals. The provision stated that "the Congress affirms its intention to grant future aid to the Philippines according to the determination of the Congress that * * * sufficient progress is made by the Government of the Philippines" toward a number of goals, one of which was "implementing structural economic reforms and a strengthening of the private sector, including elimination of corruption and monopolies. * * *" To implement that provision, section 901(c) [99 Stat. 267] provided:

"Congressional oversight.—The Congress, in determining future aid levels for the Philippines, will take into account not only our military bases agreement with that country, but also the extent to which the objectives and goals specified in subsections (a) and (b) have been implemented. * * *"

Thus, the legislation required that congressional oversight be conducted to provide the information necessary regarding the Philippines for future foreign aid legislation.

Not only the American aid program, but also other important legislation has developed from the congressional interest in the Philippines.[3] Besides the investigations and oversight in connection with the aforementioned hearings, reports, bills, and concurrent resolutions, the committee and subcommittee have employed a variety of other oversight efforts regarding the Philippines.[4] Concerns which have played an important part in these legislative and oversight proceedings have been addressed by the subcommittee chairman on a number of occasions,[5] particularly as they may tend to affect the larger movement of events in the Philippines and relations between the Philippines and the United States.[6]

ALLEGATIONS REGARDING THE MARCOS' HOLDINGS

The particular allegations currently under investigation have been reported in articles in a number of publications, including the New York Times, the Wall Street Journal, the Washington Post, the San Jose Mercury News and the Village Voice. The articles were reprinted in the Congressional Record, 131 Cong. Rec. S15126-15143 (daily ed. Nov. 7, 1985), in connection with a proposed concurrent resolution regarding elections in the Philippines and were made part of the hearing record of this current investigation. The alleged investments, if substantiated, have major implications for American policy.

At this stage, the subcommittee has not resolved the truth of the allegations or their implications—in fact, the very point of this contempt report is that the witnesses' recalcitrance has denied Congress information of great importance regarding those allegations. However, the subcommittee has compiled a sufficient record to conclude that these witnesses do have invaluable information to provide regarding the allegations concerning the Marcos' holdings and, thus, a discussion of the allegations is essential to understanding what the subcommittee sought and why it sought it.

The allegations are, first, that the Marcoses have acquired—directly or indirectly—a number of highly expensive real estate properties in the United States, which are controlled through a web of corporations. A New York Times article of August 14, 1985, reprinted in 131 Cong. Rec. S15133 (daily ed. Nov. 7, 1985), reporting on an impeachment complaint filed in the Philippines against President Marcos, detailed some of the allegations:

"The complaint listed a dozen properties that, the opposition says, are owned by the Marcos family, either directly or by proxies. The property list was a mixture of previous allegations and new ones. The Government has denied that President Marcos and his wife, Imelda, have any sizable investments outside [the] Philippines.

"The complaint charged, for example, that in 1981, Mrs. Marcos bought the Crown Building in Manhattan, an office tower on Fifth Avenue and 57th Street, valued at $51 million under the name of a Netherlands Antilles holding company, Lastura N.V. Later, the compl[ai]nt states, the property was transferred to another holding company owned by Mrs. Marcos, the Canadian Land Company.

"Also in 1981, the complaint said, Mrs. Marcos bought property on Long Island known as the Lindenmere Estate.

"Among other properties, the complaint said, Mrs. Marcos owns a six-story townhouse in Manhattan at 13 East 66th Street, a $104 million highrise commercial building at Seventh Avenue and 57th Street, an $18 million mansion in London and a $20 million estate in Rome. In some cases, the document said, close friends of the Marcos family made the purchases on her behalf."

Second, the allegations are that the two recalcitrant witnesses, Ralph Bernstein, a nonlawyer expert in real estate investment, and Joseph Bernstein, a lawyer who is an officer in a real estate company and a partner in the New york firm of Bernstein, Carter & Deyo, initially made, subsequently have controlled, and currently continue to control, many investments on behalf of the Marcoses.[7] An article in the San Jose Mercury News, reprinted in 131 Cong. Rec. S15142 (daily ed. Nov. 7, 1985), described some of these alleged links:

"In the forefront of many transactions involving powerful Filipinos are a handful of real estate agents and several prominent lawyers and law firms in the United States. * * *

"Bernstein, Carter & Deyo, a New York law firm that has represented Mrs. Marcos in two documented real estate deals and according to Philippine banking and business sources has handled other purchases of office buildings and a department store in New York City for the Marcoses.

"The firm's senior partner is Joseph E. Bernstein, a Hillsborough native and self-described expert on offshore real estate investment in the United States. * * *

"Bernstein has family ties to the Philippines and acknowledged that his law firm

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[1] See Foreign Assistance Legislation for Fiscal Year 1985 (Part 5): Hearings and Markup Before the Subcommittee on Asian and Pacific Affairs of the House Committee on Foreign Affairs, 98th Cong., 2d sess. 18-23, 93-94, 124-25, 325-60 and elsewhere *passim* (1984); Foreign Assistance Legislation for Fiscal Years 1986-87 (Part 5): Hearings and Markup Before the Subcommittee on Asian and Pacific Affairs of the House Committee on Foreign Affairs, 99th Cong., 1st sess. XXXVI-XXXIX, 4-5, 11-15, 87-89, 98-101, 124-25, 455-536, 541-647 and elsewhere *passim* (1985).

[2] International Security and Development Cooperation Act of 1985, H. Rept. No. 34, 99th Cong., 1st sess. 100-01 (1985) (committee report); International Security and Development Cooperation Act of 1985, H. Rept. No. 237, 99th Cong., 1st sess. 151-52 (1985) (conference report).

[3] For example, in 1983, the Congress adopted H. Con. Res. 187, 98th Cong., 1st sess., calling for an impartial investigation of the assassination of Benigno Aquino. See The Consequences of the Aquino Assassination: Hearing and Markup Before the House Committee on Foreign Affairs and its Subcommittee on Asian and Pacific Affairs, 98th Cong., 1st sess., (1984).

In November 1985, the Congress adopted H. Con. Res. 232, 99th Cong., 1st Sess., a "bipartisan and bicameral resolution [which] expresses the sense of the Congress with respect to the importance of bringing about a restoration of democracy in the Philippines," 131 Cong. Rec. H10209 (daily ed. Nov. 14, 1985) (Representative Solarz). As two of its predicates, H. Con. Res. 232 declared that "the Philippines is of vital importance to U.S. security" and that "the Republic of the Philippines is experiencing serious political, economic, and security problems which directly threaten the stability of the country. * * *" 131 Cong. Rec. H10211 (daily ed. Nov. 14, 1985).

[4] For example, in response to the committee's interest, the Comptroller General compiled an in-depth report, "Economic Support Fund Assistance to the Philippines," GAO/NSIAD-84-44 (1984). A number of staff and Member studies have also been conducted on various aspects of Philippine affairs. Among the many issues explored in legislative and oversight proceedings have been allegations concerning corruption and the flight of capital from the Philippines. See, e.g., Foreign Assistance Legislation for Fiscal Years 1986-87 (Part 5): Hearings and Markup Before the Subcommittee on Asian and Pacific Affairs of the House Committee on Foreign Affairs, 99th Cong., 1st sess. 635 (1985) (testimony by Hon. Paul D. Wolfowitz, Assistant Secretary of State for East Asian Affairs and by Hon. Charles W. Greenleaf, Jr., Assistant Administrator, Bureau for Asia, Agency for International Development, in response to inquiry by Representative Solarz concerning capital flight from the Philippines).

[5] For example, as published in the Congressional Record, Representative Solarz has written:

President Marcos' power base has now shrunk to the point where his support is largely restricted to his own family, a handful of close associates, and a few favored military and political appointees. The vir[tu]ally complete collapse of confidence in his regime can be traced to several factors. A principal cause has been the system of "crony capitalism" he has established to enrich his political allies. Perfecting the art of politically connected plunder to a degree undreamed of by President Mobutu of Zaire and other expert practitioners of the trade, Ferdinand Marcos and his associates have directed millions of dollars from critical development needs for their private purposes.

131 Cong. Rec. E1668 (daily ed. Apr. 23, 1985) (reprinting article by Representative Solarz).

[6] "To a very large extent it is the decline in the economy of the Philippines, and the growing i[m]poverishment of the people of the Philippines, which is a significant source of strength for the Communist-dominated challenge to the government of that country. * * *"

131 Cong. Rec. H5283 (daily ed. July 9, 1985) (statement by Representative Solarz during floor debate on foreign aid bill).

[7] Counsel have represented that Ralph Bernstein formerly worked for Bernstein, Carter & Deyo and currently is a client of the firm with interests in common with those of the clients on whose behalf privilege is assertedly being claimed.

'from time to time might get somebody with a Philippine connection.'

"According to New York real estate records, a company Bernstein heads, the New York Land Co., has handled the purchase of several office buildings in New York by Netherlands Antilles corporations. One building in particular, the $51 million Crown Building in Manhattan, has been singled out by several Filipino business and banking sources as having been bought and sold for Imelda Marcos.

"The Mercury News found that it was bought in 1981 by Lastura N.V., a Curacao corporation, and later was transferred to another Curacao firm, Canadian Land Co. of America N.V., which is managed by Bernstein. That firm is controlled by a third Curacao firm, Caribbean Management N.V. The offices of Lastura and Canadian Land are in the same suite as the offices of New York Land.

"Bernstein denied that he represents Mrs. Marcos.

" 'I don't know her,' he said, declining to discuss the identities of his clients. 'I wish I did. Everybody thinks I do * * * Send her my way.' "

Finally, there is a third allegation, on which there is no dispute because the Bernsteins confirmed it in their testimony. The Bernsteins receive hundreds of thousands of dollars a year to perform their services, particularly on behalf of foreign clients, under the arrangement that they will not reveal the identities of those clients.[8]

To investigate the allegations, the subcommittee took a number of steps. Among others, on December 3, it voted to subpoena Ralph and Joseph Bernstein, along with William Deyo, a partner of Joseph Bernstein in the firm of Bernstein, Carter & Deyo. Those subpoenas, which were served by U.S. Marshals several days later, required production of documents relating to the properties and companies allegedly linked to the Marcoses and required the individuals to appear and testify before the subcommittee on December 11.

From the outset, the witnesses manifested an intention to resist the subcommittee's demands for information. This resistance was conducted respectfully, through presentation of their legal position; there was no witness disrespect or disruption, apart from the refusals to provide information. However, those refusals, while couched respectfully, were absolutely firm on the critical points, and neither repeated requests by the subcommittee for the witnesses to reconsider, nor the application of legal compulsory process, budged them from that resistance.

The subcommittee gave the witnesses every opportunity to make their case as to why they should not have to provide the information. These witnesses retained well-respected counsel to present their case. The chairman and ranking minority member of the subcommittee afforded these counsel an informal meeting lasting for 3 hours on December 10, to allow counsel to make a full preliminary presentation of the witnesses' position. Those counsel also met with the offices of other Members and circulated among the Members a legal memorandum setting forth their position at length. On December 11, the subcommittee commenced its hearing regarding the Bernsteins in executive session. The Bernsteins refused to answer a number of questions, claiming various privileges as discussed below. Again, their counsel presented their position at length, their written submissions were made a part of the record, and they were given a full opportunity by the subcommittee to be heard.

Although the witnesses declined to answer questions, the subcommittee held off on proceeding toward contempt during lengthy questioning lasting all afternoon and into the evening. In the face of continued refusals to provide information, the subcommittee did not overrule the witnesses' objections, in order that all their claims could be fully and fairly aired prior to reaching a contempt situation. During that preliminary questioning, and at the end, the subcommittee heard from the general counsel to the Clerk, Steven R. Ross, and the minority counsel of the House, Hyde Murray. Both advised that the witnesses' claims be overruled, based on legal reasoning summarized in a written memorandum appended to this report. Finally, at the end of that long hearing, the chairman of the subcommittee overruled the witnesses' claims and ordered and directed that the witnesses answer the subsequent questions.

At this point, prior to an actual contempt situation, the witnesses requested deferral of final questioning for another day. Although this request was not expected and created significant burdens for the subcommittee, the subcommittee agreed to recess until the next morning. The subcommittee then made available to the witnesses the questions it intended to ask the next day—an extraordinary effort by the subcommittee to be of assistance to the witnesses, going far beyond what virtually any other congressional investigation would do—to give the witnesses every opportunity to review the questions in private with their counsel, to reevaluate their legal situation, and reconsider their refusals to testify.

Finally, on the morning of December 12, the subcommittee reconvened. Again, it heard a lengthy statement by counsel for the witnesses. It then propounded the questions that had been provided to the witnesses. The witnesses answered a few of the questions but continued to refuse to provide information on the key points. At this point, the subcommittee excused the witnesses, again heard from, and questioned, the general counsel to the Clerk and minority counsel of the House—who advised, again, that the claims of privilege were not well taken—and debated whether to hold the witnesses in contempt.

The chairman, with the subcommittee's concurrence, held in abeyance the question of contempt for William Deyo. Although Deyo had declined to provide information concerning the Marcos' holdings, he had given a number of answers indicating what he did not know and what he had not done. These negative answers suggested Deyo's role included a much lesser degree of involvement in the alleged Marcos' investments, and the subcommittee concluded that it was not necessary, at this time, to press the matter regarding him. The matter of documents that had been withheld was continued to a later date, to await more concrete decisions by the subpoena respondents on what they were providing and what they were withholding. The subcommittee then voted 6-3, by identical recorded rollcall votes for each witness, to report contempt resolutions for Joseph Bernstein and Ralph Bernstein to the full committee:

Mr. Solarz	Aye	Mr. Leach	Aye
Mr. Dymally	No	Mr. Roth	No
Mr. Torricelli	Aye	Mr. Solomon	No
Mr. Udall	Aye	Mr. Bereuter	Aye
Mr. Gejdenson	Aye		

On December 17, the full committee debated the matter for several hours. It made the executive session transcripts at which the key testimony had occurred available to the witnesses and for the purposes of the committee's action. Besides the debate among the Members, the committee heard from the general counsel to the Clerk, the minority counsel of the House, and counsel for the witnesses. The committee then voted 21-2, by identical recorded roll call votes for each witness, to report a contempt resolution for Joseph Bernstein and Ralph Bernstein to the House:

Mr. Fascell	Aye	Mr. Broomfield	Aye
Mr. Yatron	Aye	Mr. Gilman	Aye
Mr. Solarz	Aye	Mr. Lagomarsino.	No
Mr. Bonker	Aye	Mr. Leach	Aye
Mr. Wolpe	Aye	Ms. Snowe	Aye
Mr. Gejdenson	Aye	Mr. Solomon	No
Mr. Kostmayer	Aye	Mr. Bereuter	Aye
Mr. Torricelli	Aye		
Mr. Smith	Aye		
Mr. Berman	Aye		
Mr. Reid	Aye		
Mr. Levine	Aye		
Mr. Feighan	Aye		
Mr. Weiss	Aye		
Mr. Ackerman	Aye		
Mr. Garcia	Aye		

Authority and Legislative Purpose

The witnesses did not contest the authority and valid legislative purpose of the investigation, or the pertinency of any of the questions on which contempt occurred. These are established clearly in the record and extensive discussion is unnecessary. While the subcommittee indicated a number of other legislative purposes, the chairman summarized part of the subcommittee's authority and purposes at one point:

"Pursuant to House Rule X, clause 1(i), the Committee on Foreign Affairs has jurisdiction and responsibility regarding 'Relations of the United States with foreign nations generally.'

"Pursuant to the Committee on Foreign Affairs' Committee Rule 14(b)(B), this subcommittee, as the regional subcommittee with jurisdiction over Asian and Pacific Affairs, has jurisdiction and responsibility regarding 'Matters affecting the political relations between the United States and other countries and regions,' and 'Identification and development of options for meeting future problems and issues relating to U.S. interests in the region.'

"Pursuant to these rules, this subcommittee considers and makes legislative recommendations on aid requests of the Philip-

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[8] As the opening statement on behalf of the three witnesses explained, their work

emphasize[ed] the specialty [they] had developed in foreign investment in the United States * * * and [they] now represent clients from several nations in connection with business activities both in the United States and in other countries. * * *

A desire to preserve privacy and to maintain confidentiality as to the nature of business activities is a common incident of representation of domestic and foreign investors.

With specific reference to the matters under investigation, the Crown Building in New York City, and the Canadian Land Co., are allegedly tied ultimately to the Marcoses. Joseph Bernstein testified that while the Crown Building was owned by the Canadian Land Co. (whose stockholders he declined to disclose), the property had as its managing agent the New York Land Co. Joseph and Ralph Bernstein respectively testified that each of them was paid a salary of $144,000 by the New York Land Co.

pine government. Currently, for example, this [s]ubcommittee is conducting oversight over whether aid to the Philippines should be reduced. The alleged investment by members of that government of large sums in United States real estate, allegedly performed by and through these witnesses, falls directly within that jurisdiction and responsibility."

CLAIMS OF THE WITNESSES WHO REFUSED TO ANSWER

REFUSALS TO ANSWER

Attached to this report as an appendix is a transcript excerpt for the witnesses' refusals to answer. To summarize, Ralph Bernstein, the nonlawyer real estate investment adviser, refused to answer questions with respect to either President or Imelda Marcos such as:

Do you know either?

Have you met either?

Did you meet either on your 1982 trip to the Philippines?

Have you located real estate properties for either?

Have you acquired real estate properties for either?

From your business activity—locating and acquiring real estate properties, and so on—do you know if either has any interest in Crown Building?

From your business activity, do you know if either has any interest in Herald Center?

From your business activities, do you know any investments by the Marcos family in the United States?

Joseph Bernstein, the lawyer who assists in the real estate investment activity, refused to answer such questions with respect to either President or Imelda Marcos as:

Do you know either?

Have you met either?

Have you ever had any business dealings with either?

Have you located any real estate properties for either?

Have you acquired any real estate properties for either?

Have you provided any real estate or financial advice to either?

Have you drafted any leases or mortgages for either?

Who were the shareholders of Canadian Land Co.?

When did the shareholders of Canadian Land Co. first become shareholders of it?

Was there any change of ownership when the name was changed?

Are any shareholders Filipino?

Has any money to purchase or renovate the Crown Building come from the Philippines?

Do they have any interest, direct or indirect, in Lastura, N.V. or Canadian Land Co.?

Are you acting directly or indirectly for any other principal in your capacity as director of Canadian Land Co.?

Do they have any direct or indirect financial interest in the Crown Building?

A number of questions concerned business, rather than legal activity. The witnesses and their counsel made protestations that their work was legal. However, having been given numerous opportunities to raise their objections and to make their case, including providing written submissions as well as oral statements, the Bernsteins made no effort to establish that their services were legal rather than business in nature.

CLAIMS OF THE WITNESSES

The witnesses' basic claims are set forth in their legal memorandum attached to this report. Other articulations by the witnesses and their counsel of their claims are preserved in the record of this hearing, and the witnesses were assured by the subcommittee that all such claims are preserved and incorporated by reference in their refusal to testify.

To summarize, the witnesses' basic claims are threefold. First, they contended that they needed more time to review their records, in order to determine whether they had to refuse to answer. Second, and most important, they claimed attorney-client privilege. Third, they asserted requirements imposed by the bar for preservation of secrets and confidences. With regard to these claims, they contended that answers would subject them to disbarment and lawsuits. Each claim will be addressed in turn.

CLAIMS REGARDING TIMING

The witnesses claimed that they needed more time to review their records. In the particular facts and circumstances of this hearing, this claim was without merit. The witnesses were subpoenaed the week before the hearings, with subpoenas for documents that gave ample advance notice that the subject of the hearings would be the Marcos' holdings. When they appeared in response to those subpoenas, the overwhelming majority of the questions on which they were held in contempt were extremely simple and straightforward questions involving their contact with the Marcoses and the most elementary knowledge of their holdings. In the subcommittee's judgment, no review of their documents was required for them to answer the questions.[9] The witnesses made an overall claim regarding time, rather than a particularized claim that one or another specific question involved some particular point that required checking.

Finally, it was clear that the witnesses would not answer any questions relating to the allegations that they had made major investments on the Marcos' behalf. The courts have accepted much shorter times in congressional investigations than were involved here—see, for example, *United States v. Kamin*, 136 F. Supp. 791, 793-94 (D. Mass. 1956), where it was clear, as here, that the witnesses' refusals covered whole lines of questioning and that a delay in the proceedings, such as to check details, would therefore not produce any major change in the eventual result.

CLAIM REGARDING ATTORNEY-CLIENT PRIVILEGE

The subcommittee devoted much time to hearing the witnesses' attorney-client privilege claim, and the response of the general counsel to the Clerk and the minority counsel of the House, summarized in memoranda appended to this report. It eventually decided to overrule that claim, for the reasons set forth orally and in writing by the general counsel and the minority counsel. Those reasons may be summarized under two headings in abbreviated fashion as follows.

First, the witnesses—one nonlawyer real estate investment expert who has, in the past, been associated with a law firm, and one lawyer who assists in that investment activity—sought to claim attorney-client privilege on business and personal activity for which, even in questioning by the courts, such a privilege would not be recognized. Courts recognize the privilege only for a client's communications seeking legal advice from a professional legal advisor acting in that capacity, and apply it only to communications regarding action in that capacity. "Thus, where the attorney acts as business advisor or collection agent, gives investment advice, or handles financial transactions for his client, the communications between him and his client are not protected by the privilege." In re *Shapiro*, 381 F. Supp. 21, 22 (N.D. Ill. 1974) (footnotes omitted).

In a recent case, documents were supoenaed by a grand jury from an attorney regarding real estate property purchases. The attorney had represented two undisclosed principals. The subpoena required all the business records of the pertinent real estate company, all the records concerning the purchase and sale of the properties, and "direct(ed) petitioner (the attorney) to testify before the grand jury regarding his knowledge of the business affairs of XYZ Realty, Inc. (the pertinent real estate company)." In re *Application of John Doe, Esq.*, 603 F. Supp. 1164, 1167 (E.D.N.Y. 1985). Among the specific questions that were to be answered in that questioning was one parallel to the key one for the subcommittee's hearing: "Who funded XYZ; (a) How much cash was put into the corporation; (b) Who funded the corporation." Id. at 1167 n.1. The district court held the attorney-client privilege inapplicable: Some of the document "categories [were] unprivileged because they relate[d] to business, not legal, advice," others were unprivileged because they related to "petitioner's fee arrangements with his clients." Id. at 1167. The questions "appeared to seek answers concerning only business advice which, though perhaps intended to be private, most certainly were not privileged." Id.

Of course, the burden is always on those who would claim a privilege. See, e.g., *Shapiro*, 381 F. Supp. at 22. Here, the record makes apparent that the witnesses failed to sustain that burden, and failed to rebut the strong indications that they were conducting investment activity, not just providing legal advice, to the Marcoses. For Ralph Bernstein, the nonlawyer real estate investment expert, the situation is patent. He attempted to claim privilege regarding such questions as whether he had located or acquired real estate properties for the Marcoses. If attorney-client privilege covered the real estate investment activities of nonlawyer real estate experts, simply because of their present or past association with law firms, the courts would quickly find the ability of the law to police real estate activity reduced to a nullity.

Joseph Bernstein's situation is no different. For example, he claimed privilege regarding whether he had located or acquired real estate properties for the Marcoses, or provided them with real estate or financial advice. He refused to answer questions about the Canadian Land Co., a dummy corporation of which he is admittedly a director, which allegedly is a front for the Marcos' holdings—questions regarding changes in its ownership, who were the shareholders, or when they became shareholders. The *Doe* case, which reflects longstanding law, simply makes a claim of privilege untenable for such questions.

Furthermore, even for attorneys, unlike Joseph Bernstein, engaged purely in the practice of law rather than business, it is the general rule that the identity of an attorney's clients is not privileged. This point

[9] As for the witnesses' request for more time to respond fully to the demand for documents themselves, based on assertions as to the number of documents to be searched in order to provide that full response, the subcommitee granted a continuance until Jan. 15, 1986, subject to certain terms and conditions.

of law was conceded by the witnesses. Whatever exceptions may exist in limited circumstances, this matter was not one of them.

It became clear to the subcommittee that the witnesses were withholding the information pursuant to an arrangement that they will not reveal or confirm for whom they perform their investment services. That arrangement may be profitable, but it is not a sufficient basis for precluding the subcommittee from investigating the Marcoses' holdings in this country.

A second basis, separate and independent, for overruling the claim of privilege was proposed to the subcommittee by the general counsel to the Clerk, involving invocation of Congress' full constitutional investigatory authority. That second basis is set forth here, followed by the committee's conclusions regarding it. That second basis is that the Congress has taken a limited view as to the applicability of attorney-client privilege. Congressional committees have entertained, as a matter of discretion, claims of such privilege. However, where in the particular circumstances an investigation determines that the legislative need for the information outweighs the arguments against production, such production has been required. In this situation, as described above, the underlying claim is attenuated by the "business" nature of the information sought.[10] The precedents of the House and the appropriate judicial precedents thus support rejection of the claim of privilege.

The historical position of the Congress in this matter may be set forth briefly. Congress' power to investigate derives inherently from its power to legislate, as modeled on Parliament's power. At common law, while the English courts were bound by attorney-client privilege, Parliament was not. As Erskine May's Treatise on The Law, Privileges, Proceedings and Usage of Parliament, relied on by the Supreme Court as a guide to parliamentary and congressional investigatory authority,[11] specifically notes:

"A witness is, however, bound to answer all questions which the committee sees fit to put to him, and cannot excuse himself, for example, on the ground that he may thereby subject himself to a civil action, or because he has taken an oath not to disclose the matter about which he is required to testify, *or because the matter was a privileged communication to him, as where a solicitor is called upon to disclose the secrets of his client* * * * some of which would be sufficient grounds of excuse in a court of law."

May's Treatise at 746-47 (20th ed. 1983).

Consistently, congressional committees have acted on their authority to reject the applicability of claims of attorney-client privilege. Such rejections, in both the 19th century[12] and the 20th century,[13] have occurred in incidents widely noted both for the investigations themselves, and the ensuing litigation. No case ever denied congressional committees the authority claimed, or reversed the contempt involved. In recent years, the Subcommittee on Oversight and Investigations of the Committee on Energy and Commerce has repeatedly rejected—based on extensive research by the Library of Congress—claims of attorney-client privilege.[14] Both the House and the Senate have failed to adopt proposals to specifically incorporate a privilege respecting attorney-client confidences in their Rules.[15]

The general counsel to the Clerk has further noted that this history reflects the well-known bases in the law for the derivation of privileges. Apart from those specific privileges created by the Constitution, such as the fifth amendment privilege against compulsory self-incrimination,[16] which all the branches follow, the privileges applicable to judicial and legislative proceedings arise from policy determinations by the lawmaker empowered to make those policy decisions. For legislative proceedings, Congress makes those determinations, through its statutes, rules of the House and Senate, and committee rules. Those statutes and rules create numerous protections for witnesses.[17] However, Congress also does not impose many restrictions on its proceedings which apply in judicial proceedings, see e.g., *United States* v. *Fort*, 443 F.2d 670, 679-80 (D.C. Cir. 1970), cert. denied, 403 U.S. 932 (1971), and for it to do so by applying the privileges and procedures of other kinds of proceedings would bring key congressional inquiries to a halt.[18] No statute, House rule, or Foreign Affairs Committee rule changes the English rule that attorney-client privilege did not have to be accepted in legislative proceedings; Congress has never decided to impose that restriction on its proceedings. For judicial proceedings, by contrast, the policy determination is made by the judiciary as a matter of Federal common law, and the courts define the boundaries of attorney-client privilege as they accept it.

The subcommittee overruled the claim of privilege by these witnesses on both these grounds: That the claim of privilege would not have been upheld even in a court, and that a congressional committee was obliged to decide whether to accept such claims of privilege apart from whether a court would uphold the claim. However, during debate in the full committee, several members questioned the necessity of relying on that second ground. These members received assurances by the subcommittee chairman that the claims of privilege made by these witnesses would not have been upheld even

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[10] While the witnesses asked the subcommittee to obtain the information some other way, they never offered, from their knowledge of the matters under investigation, a concrete suggestion of any kind, let alone one that comported with the investigation's needs.

[11] See, e.g., *McGrain* v. *Daugherty*, 273 U.S. 135, 161 & n.15 (1927) ("power to secure needed information by such means has long been treated as an attribute of the power to legislate. It was so regarded in the British Parliament. * * *") (citing "May's Parliamentary Practice, 2d ed., pp. 80, 295, 299").

[12] In the 19th century, the House conducted a notable investigation into the financing of the Union Pacific Railroad and the activities of the Credit Mobilier. The House held Mr. Joseph B. Stewart, counsel for the Union Pacific Railroad, in contempt notwithstanding his assertion of attorney-client privilege. See *Stewart* v. *Blaine*, 1 MacArthur 453 (D.C. 1874) (dismissing Stewart's suit for false imprisonment against Speaker Blaine) and Eberling, Congressional Investigations 349-50 (1928). "During the [Credit Mobilier inquiry], Joseph B. Stewart, counsel for the Union Pacific, declined to answer the committee's questions on the ground that to do so would violate the confidential relationship between himself and his client, the railroad. Unimpressed, the House locked him up in a room at the Capitol." T. Taylor, Grand Inquest: The Story of Congressional Investigations 45 (1955).

[13] In the 20th century, a famous investigating committee led by Senator (later Justice) Hugo Black subpoenaed the books and records relating to certain mail contracts from an attorney, William P. MacCracken, Jr. MacCracken claimed attorney-client privilege and testified before the committee in support of that claim, but "[u]pon the conclusion of MacCracken's testimony on February 2, the Committee decided that none of the papers in his possession could be withheld under the claim of privilege." *Jurney* v. *MacCracken*, 294 U.S. 125, 146 (1935). The Senate learned that MacCracken had allowed some of the documents under subpoena to be destroyed, and he was held in contempt of Congress. The Supreme Court affirmed the contempt. Id. at 152. The contempt case focused on the destruction of documents rather than the claim of privilege, and so it did not produce a definitive judicial discussion of the claim of privilege; as the Court noted, "[t]he claim of privilege hereinafter referred to is no longer an issue." Id. at 144.

[14] See Subcommittee on Oversight and Investigations, Committee on Energy and Commerce, Attorney-Client Privilege: Memoranda Opinions of the American Law Division, Library of Congress (Committee Print 1983); see also Hearings on the International Uranium Cartel before the Subcommittee on Oversight and Investigations of the House Committee on Interstate and Foreign Commerce, 95th Cong., 1st sess. (1977) (vol. I).

[15] See Senate Report No. 2, 84th Cong., 1st sess. 27-28 (1954); H. Res. 178, 84th Cong., 1st sess.

[16] The witnesses made no claim of fifth amendment privilege against self-incrimination here, on their own behalf or on behalf of others. Whether hypothetical situations very different from this one might entwine the fifth or sixth amendments in attorney-client situations (such as when criminal defendants reveal incriminating information to defense attorneys), here, in this context of information sought from a nonlawyer and his associate, a lawyer, regarding real estate investments, the two are quite distinct. *Fisher* v. *United States*, 425 U.S. 391, 402-14 (1976) (sharply distinguishing the fifth amendment and attorney-client privilege in context of tax information).

[17] See, e.g., *Yellin* v. *United States*, 374 U.S. 109 (1963); *Christoffel* v. *United States*, 338 U.S. 84 (1949).

[18] To take the most obvious example, as full application of the "state secrets" privilege would bar much of the oversight conducted by the Foreign Affairs, Armed Services, and Intelligence Committees, over the conduct of the Nation's foreign affairs and defense. Parliament never imposed such a bar upon itself, nor has the Congress. To take another example, the courts have repeatedly refused to interfere with congressional investigatory probes of assertedly privileged trade secrets, noting that the judiciary "'must presume that the committees of Congress will exercise their powers responsibly and with due regard for the rights of affected parties.'" *FTC* v. *Owens-Corning Fiberglas Corp.*, 626 F.2d 966, 970 (D.C. Cir. 1980) (quoting *Exxon Corp.* v. *FTC*, 589 F.2d 582, 589 (D.C. Cir. 1978), cert. denied, 441 U.S. 943 (1979)).

Notwithstanding these obvious examples, the argument sometimes put for why privileges that apply elsewhere must be applied to Congress is that if the attorney-client privilege were overruled by a congressional committee in an instance when a court would not overrule it, this would deprive the privilege of its value in general to encourage clients to confide in attorneys. Even to state this argument is to show its absurdity. The investigations by Congress of state and trade secrets have hardly even disturbed these privileges' general utility, let alone destroyed the reasons they continue to be upheld in courts. There is no more likelihood that Congress would terminate the attorney-client privilege's usefulness by misuse of its investigatory authority than that Congress would take the considerably simpler step of amending Federal Rule of Evidence 501 to abolish the privilege in Federal cases. Few would contend that the Congress, as a historic matter, has proved antagonistic to the role of lawyers in this country or has set out to impair the practice of law. The burden is on those who would challenge the historic rule: Parliament's rule has hardly impaired the practice of law in Great Britain, nor has Congress' historic tradition, described above, impaired it here.

in a court, and that he would place his primary reliance on the advice of the general counsel to the Clerk in that respect. These members noted their strong preference that the committee not rely on a claim of power which was broader than necessary, and which, in their view, raised concerns about the future or about other contempt situations that they did not have to address in voting with regard to the contempt that had occurred here.

In light of the concerns and preferences expressed by these members, the committee requests that the U.S. attorney, in presenting this matter, proceed primarily and strongly with emphasis on the primary ground relied on by the subcommittee, that this claim of privilege would not have been upheld even in a court. It is the committee's expectation that this ground alone will suffice to sustain its investigation, without a need to address broader questions. The courts should find this approach preferable in any event, as it is consistent with the ancient and oft-repeated maxim that congressional contempts should apply "the least possible power adequate to the end proposed," *Anderson* v. *Dunn*, 19 U.S. (6 Wheat.) 204, 230 (1821).

CLAIM REGARDING BAR REQUIREMENTS

Finally, the witnesses claim bar requirements forbid the disclosure. They rely heavily on Legal Ethics Committee opinion No. 124 of the District of Columbia Bar, which advises the inquirer that tax lawyers should not voluntarily disclose the identity of the firm's clients to IRS auditors and should, if confronted with a summons, resist disclosure on behalf of their clients. They trace this requirement ultimately back to the rules of the bar, to some extent enacted into State statutes, to maintain what a lawyer considers to be client secrets or confidences, absent a court order.

This Ethics Committee's advisory opinion is inapposite, for several reasons. The relevant portions of the Code of Professional Responsibility do not, in fact, prohibit disclosure of client confidences absent a court order. The Code permits disclosure where "required by law or court order." See ABA Model Code of Professional Responsibility, DR 4-101(C)(2) (the Code has been adopted in both New York and the District of Columbia). Thus the "ABA Model Code * * * poses no ethical dilemmas for lawyers who are told by a law or by a court that, despite the general ethical prohibition against disclosure, they must reveal client confidences." ABA/BNA Lawyers' Manual on Professional Conduct, § 55:1201 (1984).

The witnesses contend that "Because 'voluntary' disclosure is that which has not been judicially compelled * * * *disclosure pursuant to a congressional subpoena could be considered voluntary.*" Memorandum of December 10, 1985, at 9-10 (submitted to the subcommittee by the recalcitrant witnesses' attorneys) (italics added and citations omitted). However, disclosure cannot be considered voluntary in the context in which these witnesses committed their contempt. In contrast to IRS summonses, there is no opportunity, in disobeying the considered ruling of a congressional investigation, to await a further court order before deciding whether to comply.[19] The procedure in congressional investigations has been described thusly by the Supreme Court:

"Clearly not every refusal to answer a question propounded by a congressional committee subjects a witness to prosecution under § 192. Thus, if he raises an objection to a certain question—for example, lack of pertinency or the privilege against self-incrimination—the committee may sustain the objection. * * * In such an instance, the witness' refusal to answer is not contumacious, for there is lacking the requisite criminal intent. Or *the committee may disallow the objection* and thus give the witness the choice of answering or not. Given such a choice, the witness may recede from his position and answer the question. *And if he does not then answer, it may fairly be said that the foundation has been laid for a finding of criminal intent to violate § 192.*"

Quinn v. *United States*, 349 U.S. 155, 165-66 (1955) (italics supplied).

Thus, the congressional context cannot be analogized to the IRS context. Once the Chair in a congressional proceeding overrules the objection, the period when disclosure would be "voluntary" is past.[20] Once the subcommittee overruled their objection, the Bernsteins were bound to obey its direction, and follow its ruling as a commandment of disclosure, in the words of the Code, "required by law." Their resistance to doing so was contempt of Congress.

As an entirely separate matter, it is well-established that no professional or bar association rule can override Federal law, such as the Congress' inherent constitutional investigatory power.[21] In this instance, all the facts and circumstances strongly established for the subcommittee that the witnesses did not face a realistic threat of disbarment. In fact, one witness, Ralph Bernstein, is not even a member of the bar. This subcommittee simply could not credit that any organized bar would challenge its investigatory authority to the point of punishing witnesses who, having made every possible effort to present a claim of privilege, had had their claims overruled by a congressional tribunal of competent jurisdiction with authority to certify for criminal prosecution under 2 U.S.C. §192. It also notes that witnesses in congressional procedures have a range of statutory and common law protections which, along with obvious practical considerations, make concern about civil lawsuits far-fetched.

HOUSE RULES REQUIREMENTS

COMMITTEE ACTION AND VOTE

Pursuant to clauses 2(l)(2) (A) and (B) of rule XI, a majority of the committee having been present, the resolution recommended in this report was approved by a vote of 21 ayes to 2 nays.

COMPLIANCE WITH RULE XI, CLAUSE 2(l)(3)

(1) With reference to clause 2(l)(3)(A) of rule XI of the Rules of the House of Representatives, a separate hearing was held on the subject matter of this resolution by the subcommittee on Thursday, December 12, 1985.

(2) With respect to the Budget Act requirements of clause 2(l)(3) (B) and (C) of rule XI, neither is applicable as the measure reported is neither a bill nor a joint resolution.

(3) With respect to clause 2(l)(3)(D), no summary of oversight findings by the Committee on Government Operations was received.

CONCLUSION

The subcommittee properly proceeded with its bipartisan investigation of the allegations regarding the Marcos holdings. Upon due deliberation, it received the advice of the general Counsel to the Clerk and the minority counsel of the House that the witnesses' claims were not well taken. In essence, the witnesses are seeking to preserve an arrangement by which they have received hundreds of thousands of dollars a year for keeping secret their real estate investment services for foreign clients. The Congress cannot accept that arrangement as a constraint on its investigatory authority.

Accordingly, the committee recommends to the House the following resolution:

"*Resolved,* That pursuant to 2 U.S.C. §§ 192 and 194, the Speaker of the House certify the report of the Committee on Foreign Affairs, detailing the refusal of Ralph Bernstein to answer questions of the Subcommittee on Asian and Pacific Affairs of the Committee on Foreign Affairs, to the United States Attorney for the District of Columbia, for him to be proceeded against in the manner and form provided by law.

"*Further resolved,* That pursuant to 2 U.S.C. §§ 192 and 194, the Speaker of the House certify the report of the Committee on Foreign Affairs, detailing the refusal of Joseph Bernstein to answer questions of the Subcommittee on Asian and Pacific Affairs of the Committee on Foreign Affairs, to the United States Attorney for the District of Columbia, for him to be proceeded against in the manner and form provided by law."

[19] Opinion No. 124 is specifically tailored to one very narrow situation: An IRS audit and summons. Unlike Congress, the IRS operates under a detailed statutory framework which allows lawyers making privilege claims to await court orders rather than being bound by law to make disclosures on some other basis. While the IRS has a provision for criminal penalties for extreme instances of disobedience to summonses, 26 U.S.C. § 7210, the Supreme Court has held that "this statute on its face does not apply where the witness appears and interposes good faith challenges to the summons." *Reisman* v. *Caplin*, 375 U.S. 440, 447 (1964). Among such appropriate good faith challenges is the assertion that the matter "is protected by the attorney-client privilege." Id. at 449. Thus, the Court found that "a witness would suffer no injury" while awaiting a court order to obey the summons. Id.

[20] In that regard, it is well to note that such memoranda as the witnesses' law firm has provided, or other legal advice, may well assist the witness in presenting an objection to the investigatory committee. However, once the Chair overrules an objection, compliance is not voluntary; such memoranda do not excuse noncompliance. Again, as the Supreme Court explains.

There is no merit in appellant's contention that he is entitled to a new trial because *the court excluded evidence that in refusing to answer he acted in good faith on the advice of a competent counsel.* The gist of the offense is refusal to answer pertinent questions. No moral turpitude is involved. Intentional violation is sufficient to constitute guilt. There was no misapprehension as to what was called for. The refusal to answer was deliberate. The facts sought were pertinent as a matter of law, and § 102 made it appellant's duty to answer. He was bound rightly to construe the statute. His mistaken view of the law is no defense. *Armour Packing Co. v. United States*, 209 U.S. 56, 85. *Standard Sanitary Mfg. Co.* v *United States*, 226 U.S. 20, 49. *Sinclair* v. *United States*, 279 U.S. 263, 299 (1929) (italics supplied.)

[21] Indeed, in recent years, the Supreme Court has repeatedly refused to follow bar rules found inconsistent with Federal constitutional or statutory law. See, e.g., *Supreme Court of New Hampshire* v. *Piper*, 105 S. Ct. 1272 (1985) (rule limiting bar admission to residents invalid under privileges and immunities clause); In re *Primus*, 436 U.S. 412 (1978) (bar rule restricting client solicitation by members of bar invalid under first amendment; *Bates* v. *State Bar of Arizona*, 433 U.S. 350 (1977) (bar rule banning advertising invalid under First Amendment); *Goldfarb* v. *Virginia State Bar*, 421 U.S. 773 (1975) (bar associations publication and enforcement of minimum fee schedule invalid under the Sherman Act).

SEPARATE VIEWS OF HON. LAWRENCE J. SMITH

I am pleased that in its consideration of this contempt resolution, the full Committee decided to avoid the assertion that attorney-client protections applicable before judicial or administrative bodies are or may be inapplicable before the Congress. It is my understanding that the majority report will make clear the Committee's intention that the United States attorney who will be responsible for prosecuting this matter, if a prosecution becomes necessary, is not to base his case in any way on any contention that attorney-client protections may lawfully be disregarded in this or any other Congressional proceeding.

If such a proposition were to prevail, attorney-client protections could be eviscerated, and the values they are designed to serve would be made unsecure. A confidence can only be secure against disclosure if it is secure everywhere, in every forum where an attempt might be made to extract it.

If a client's confidences and secrets were not secure once given to an attorney, then there would be little meaning to the Fifth Amendment right against compelled self-incrimination, nor to the Sixth Amendment right to counsel, nor to any of the particular component Constitutional guarantees of due process.

Hence, the case against these two witnesses must stand or fall on the particular questions they declined to answer, and on the claim that normally applicable attorney-client protections do not support their refusals to testify in these instances. There appears to be no mechanism by which to test the validity of these witnesses' claims of privlege, other than through the issuance of a resolution of contempt, and ultimately, a court proceeding under 2 U.S.C. 192. Hence, I feel there is no alternative but to vote for the resolution before the Committee.

Indeed, this case demonstrates the urgency of a need for the Congress to take measures to avoid the unproductive and unfair dilemma in which we and these witnesses find ourselves. Appropriate committees should expedite development of legislation or other measures sufficient to establish an orderly and fair procedure for securing judicial resolution of contested claims of privilege in Congressional proceedings.

LARRY SMITH.

ADDITIONAL VIEWS OF HON. HOWARD L. BERMAN AND HON. MEL LEVINE

It was our understanding at the full Committee hearing that the majority report would make clear the Committee's intention that the United States attorney who will be responsible for prosecuting this matter is not to base his case in any way on the contention that attorney-client protections may lawfully be disregarded in this Congressional proceeding.

Although the Committee decided not to address the applicability of the privilege to Congressional proceedings in general, we believe that an assertion that such protections do not apply to the Congress would be a truly frightening proposition. If it were to prevail, attorney-client protections could be completely eviscerated, and the values they are designed to serve would be crushed. A confidence can only be secure against disclosure if it is secure everywhere, in every forum where an attempt might be made to extract it.

If a client's confidences and secrets were not secure once given to an attorney, then there would be little meaning to the Fifth Amendment right against compelled self-incrimination, nor to the Sixth Amendment right to counsel, nor to any of the particular component Constitutional guarantees of due process.

Hence, we were pleased that the Committee agreed that the case against these two witnesses must stand or fall on the particular questions they declined to answer, and on the claim that normally applicable attorney-client protections do not support their refusals to testify in these instances.

Indeed, this case demonstrates the urgency of a need for the Congress to take measures to avoid the unproductive and unfair dilemma in which we and these witnesses might find ourselves. Appropriate committees should expedite development of legislation or other measures sufficient to establish an orderly and fair procedure for securing judicial resolution of contested claims of privilege in Congressional proceedings.

HOWARD BERMAN.
MEL LEVINE.

DISSENTING VIEWS OF HON. GERALD B.H. SOLOMON

The action by the Committee on Foreign Affairs to authorize contempt of Congress citations against two American citizens takes what started out at the Subcommittee level as a fishing expedition and raises it to the scale of a full-blown witch hunt. Moreover, the action that was initiated by the Subcommittee on Asian and Pacific Affairs (and now ratified by the full committee) amounts to nothing more than an attempt to interfere in the election process now underway in the Republic of the Philippines.

Let me say at the outset that I have no objection to the Subcommittee (or the full committee) investigating whether or not U.S. foreign assistance money for the Philippines has been diverted by the recipient government for other purposes. But I very strenuously object to the timing of this particular inquiry. By proceeding now, after a Presidential election in the Philippines has been set for February 7, 1986, the Subcommittee and the Committee are embarking on a course the only purpose of which is to create public controversy.

An inquiry of the magnitude that is presently underway will take many weeks, even months or years to complete. The only possible outcome between now and February 7 will be to provide a stimulus for sensational newspaper stories and irresponsible speculation. Once again, we will be treated to the spectacle of trial by headlines. I contend that Congress has more productive things to do.

As already noted, the ostensible purpose of this inquiry is to ascertain whether or not U.S. foreign assistance money for the Philippines has been diverted for other purposes. In the three years that I have been a member of the Subcommittee on Asian and Pacific Affairs, not one shred or evidence has ever been given to the Subcommittee that such diversions have ever taken place. The Subcommittee holds marathon hearings every year in connection with the foreign aid bill, but never once has any evidence been produced to confirm these suggestions.

A series of articles appeared in The San Jose Mercury-News on June 23, 24, and 25, 1985 alleging that President Marcos of the Philippines and members of his family and official entourage have invested large sums of money in real estate transactions in the United States. The question of whether or not some of this money may have been U.S. foreign assistance funds was never mentioned. And when the foreign aid bill came to the floor of the House during the second week in July, the issue of possible foreign aid diversions in the Philippines was never discussed then either.

When the foreign aid bill went to House/Senate conference in early August, the question of what mixture of economic and military assistance to provide to the Philippines became the most contentious issue of the entire conference. An amendment I offered to provide an adequate level of military assistance, as opposed to frontloading the whole package with Economic Support Funds, received substantial support, particularly from our Senate colleagues, because the delivery and use of military assistance can be much more effectively monitored than can ESF. But again, the issue of foreign assistance diversions was never raised, even by ⁺hose members who advocated frontloading the package with an inordinate amount of ESF.

My point simply is that allegations concerning investments by President Marcos and his associates have been in the public domain for many months, since even before the year's foreign aid bill came to the floor. And yet all during these protracted proceedings, the issue was never brought up. Not until President Marcos announced plans for an election did the Subcommittee leap into action. And I can only conclude from the timing of this inquest that its sole purpose is to create enough controversy and headlines so as to influence the outcome of that election.

Before moving on to my second principal objection to citing two persons for contempt of Congress, I would like to reiterate that I in no way want to belittle or disparage the importance of this inquiry. But I see no reason why it cannot begin on February 8, the day after the election.

But aside from the whole matter of timing, I also must strongly object to the extraordinary use of Congressional subpoena power in this case. Rather than first meeting with the reporters who have written the articles in The San Jose Mercury-News and, subsequently, other newspapers to learn from them the methodology and sources by which and from which the articles were written, the Subcommittee rushed headlong into issuing subpoenas against individuals who were named in the articles. I find this to be an unconscionable abuse of Congressional subpoena power.

Rather than commencing orderly deliberations and exploring all available avenues for receiving the desired information, the Subcommittee opted to take the quick and easy route by issuing subpoenas. So hasty was the Subcommittee's action that even the Chairman acknowledged having to call in outside consultants for advice on the case. At the insistence of the Subcommittee's ranking Republican member, these outside consultants were removed from the executive sessions that the Subcommittee conducted on this matter.

The subpoenas also placed extraordinary demands on the witnesses who are now being threatened with contempt of Congress citations. The subpoenas issued by the Subcommittee were so sweeping in nature that the witnesses have testified under oath that in order to comply fully with the Subcommittee's demand, they would have to sort through no less than 436 file folders of documents—an amount of material taking up 70 linear feet of file space and adding up to more than 150,000 pages. As if to compensate for months of inactivity and silence on its part, the Subcommittee chose to make

up for lost time on this issue and make other people do the work.

In conclusion, the whole pattern that has been established in this case is deplorable. At a time when the House has been considering some of the most important legislation in many years, the Subcommittee, and now the Committee, have decided to cite two Americans for contempt of Congress. This decision has been reached in literally the closing hours of last year's legislative session.

The process has been disorderly and the use of subpoenas has been questionable, but the timing of this whole enterprise leaves little doubt about what its intention is. That this whole affair is designed to affect the outcome of the election in the Philippines, preferably to bring down President Marcos, I haven't the slightest question. The real question is whether or not this is a worthwhile endeavor for the House of Representatives, particularly when it means that American citizens are persecuted in the process.

I am convinced that approval by the full House of Representatives of contempt of Congress citations in this case would constitute a denial of due process of law and be subject to a serious challenge in the federal courts. Moreover, the discredit that some people would like to confer on President Marcos will eventually redound to the discredit of this body.

JERRY SOLOMON.

DISSENTING VIEWS OF HON. TOBY ROTH

The issue before us is a serious one. It must be considered only after careful reflection and discussion. Contempt of Congress is one of the most severe actions this body can pursue. Our motives for action must only reflect the common good of our country. Not individual political advancement. Not unfair manipulation of foreign democracies. Not snap judgments or assumptions. This serious charge must only be pursued if the good of our country is at stake!

I urge my colleagues to oppose the contempt of Congress charge. We can easily be accused of entering court with "unclean hands." I question the motive. Is it solely for publicity? The hearing was rushed through the subcommittee during the busiest legislative time of the House Calendar. Members are deliberating on some of the most pressing domestic issues of our time, tax reform and deficit reduction. Personally, I was very torn between devoting my undivided attention to these hearings and the more serious domestic matters facing our Nation. The executive branch, the leading constitutional foreign policy arm of our Government, did not issue a request for such hearings. Why are we acting with such haste?

My opposition is grounded in the law governing congressional actions. There is no connection between these hearings and our legislative mandate. The subcommittee is fishing for a connection.

A real contempt of Congress charge is valid only if information pertaining to legislative measures is withheld during a hearing. The questions posed by my distinguished colleague, Mr. Solarz, to Mr. Ralph Bernstein and Mr. Joseph Bernstein, don't affect legislation. Therefore no grounds exist to press for contempt of Congress.

Law also states that ample time must be given to the witnesses to prepare testimony. This is clearly not the case. The subpoenas were signed by our committee chairman on December 4th and delivered to the witnesses shortly thereafter. The witnesses appeared before the subcommittee on December 11th, and a contempt of Congress charge was initiated the following day, December 12th. This was hardly a fair amount of time for the witnesses to prepare testimony. Most of us know that witnesses who appear before subcommittee usually are notified weeks in advance if not longer. Why are we rushing?

Finally, I encourage my colleagues to withhold their support for the contempt charge because the proceedings are inappropriate at this time. It is my belief that Mr. Solarz is using the hearings to influence the Philippine elections scheduled for early February. This is an improper use of congressional authority. No further action should be taken on this issue until the elections, which were encouraged by our country, are completed. We've asked for clean and fair elections in the Philippines. Let's not interject ourselves into those elections. Let's not try to influence the Philippine electorate—they can decide for themselves, who they want in government.

I want to remind my colleagues that the contempt of Congress charge is an illustration of the power of Congress. This power was granted by the power of the citizens to be used for the best purpose of our country. Manipulating this power will be a serious error and set a precedent that would have far reaching and potentially dangerous applications to congressional authority in the future.

This resolution is not in the best interest of the Congress nor the citizens of our country. I do not want to be a party—nor should this committee and this Congress be a party, to handing mud pies to the opposition in the Philippines. I urge you to oppose this resolution.

TOBY ROTH.

APPENDIX A

TRANSCRIPT OF TESTIMONY IN WHICH WITNESSES REFUSED TO ANSWER

Mr. SOLARZ. We will now proceed.

Mr. Bernstein, with respect to why the President or Mrs. Marcos—excuse me.

I am advised by counsel I should just let you know what the procedure will be.

Yesterday I told you and the other witnesses that their claim had been overruled and they would be ordered and directed to answer the questions I would subsequently put to them.

To give the witnesses the maximum opportunity to consider their decision, we took two further steps, first we took an overnight recess for the witnesses to consider the situation.

Second, last night House counsel provided counsel for the witnesses with our draft questions for today. I included in the record the memorandum of draft questions provided yesterday.

I will now resume each witness in succession. I repeat, since their objection is overruled and they are now ordered and directed to answer the questions, if they refuse to answer they will be subject to contempt of Congress. To keep matters brief, I hope they will, that they will answer, if they determine not to answer they may simply say something short such as privilege, or same reason.

It will be understood that they stand on all the arguments presented by their counsel yesterday, and that these have been overruled for the reasons stated yesterday.

First we will hear from Mr. Ralph Bernstein.

Mr. Bernstein.

* * * * * *

CONTINUED STATEMENT OF RALPH BERNSTEIN

Mr. SOLARZ. With respect to President Marcos, do you know either of them?

Mr. RALPH BERNSTEIN. Privileged.

Mr. SOLARZ. Have you met either of them?

Mr. RALPH BERNSTEIN. Privileged.

Mr. SOLARZ. Did you meet either of them on your 1982 trip to the Philippines?

Mr. RALPH BERNSTEIN. Privileged.

Mr. SOLARZ. Have you provided either with real estate investment advice?

Mr. RALPH BERNSTEIN. No.

Mr. SOLARZ. Pardon?

Mr. RALPH BERNSTEIN. No.

Mr. SOLARZ. No.

Have you provided either of them with financial investment advice?

Mr. RALPH BERNSTEIN. No.

Mr. SOLARZ. No.

Have you drafted leases or mortgages for either?

Mr. RALPH BERNSTEIN. No.

Mr. SOLARZ. Have you located real estate properties for either?

Mr. RALPH BERNSTEIN. Privileged.

Mr. SOLARZ. Privileged.

Have you acquired real estate properties for either?

Mr. RALPH BERNSTEIN. Privileged.

Mr. SOLARZ. Privileged.

From your business activity locating and acquiring real estate properties and so on, do you know if either has any interest in the Crown Building?

Mr. RALPH BERNSTEIN. Privileged.

Mr. SOLARZ. From your business activity, do you know if either has any interest in the Harold Center?

Mr. RALPH BERNSTEIN. Privileged.

Mr. SOLARZ. Privileged.

Do you know the origin of any funds for purchase of any interest in Crown Building or Harold Center?

Mr. RALPH BERNSTEIN. No, as far as I can remember the answer is no.

Mr. SOLARZ. From your business activities do you know any investments by the Marcos family in the United States?

Mr. RALPH BERNSTEIN. Privileged.

Mr. SOLARZ. What position do you hold in Canadian Land Company?

Mr. RALPH BERNSTEIN. At the current time I don't hold any position.

Mr. SOLARZ. Did you ever hold a position?

Mr. RALPH BERNSTEIN. Yes.

Mr. SOLARZ. What was it?

Mr. RALPH BERNSTEIN. Managing Director.

Mr. SOLARZ. Managing Director.

Do you know who the company's officers are?

Mr. RALPH BERNSTEIN. I cannot recall.

Mr. SOLARZ. Do you know who they were at the time you were a managing director?

Mr. RALPH BERNSTEIN. No, I cannot recall.

Mr. SOLARZ. Can you please speak into the microphone?

Mr. RALPH BERNSTEIN. I cannot recall.

Mr. SOLARZ. Do you know who the shareholders of Canadian Land are?

Mr. RALPH BERNSTEIN. I cannot recall.

Mr. SOLARZ. You have no idea?

Mr. RALPH BERNSTEIN. As far as I can recall, I don't have any idea.

Mr. SOLARZ. Absolutely none?

Mr. RALPH BERNSTEIN. No.

Mr. SOLARZ. How did you become a managing director?

Mr. RALPH BERNSTEIN. My brother appointed me a managing director.

Mr. SOLARZ. Pursuant to what authority did he appoint you?

Mr. RALPH BERNSTEIN. I really don't know.

Mr. SOLARZ. He just appointed you, and then for how long were you the managing director?

Mr. RALPH BERNSTEIN. I am not really sure.

Mr. SOLARZ. Are you a director—you are no longer a director of the Canadian Land Company?

Mr. RALPH BERNSTEIN. No.

Mr. SOLARZ. Thank you very much.

Mr. RALPH BERNSTEIN. Thank you.

Mr. SOLARZ. I now call Joseph Bernstein.

* * * * *

CONTINUED STATEMENT OF JOSEPH BERNSTEIN, BERNSTEIN, CARTER AND DEYO, ESQUIRE

Mr. SOLARZ. Mr. Bernstein, with respect to either President Marcos or Mrs. Marcos, do you know either of them?

Mr. JOSEPH BERNSTEIN. Privileged.

Mr. SOLARZ. Can you please speak into the microphone.

Mr. JOSEPH BERNSTEIN. Privileged.

Mr. SOLARZ. Have you met either of them?

Mr. JOSEPH BERNSTEIN. Privileged.

Mr. SOLARZ. Have you ever had any business dealings with either?

Mr. JOSEPH BERNSTEIN. Privileged.

Mr. SOLARZ. Have you located any real estate properties for either?

Mr. JOSEPH BERNSTEIN. Privileged.

Mr. SOLARZ. Have you acquired any real estate properties for either?

Mr. JOSEPH BERNSTEIN. Privileged.

Mr. SOLARZ. Have you provided any real estate or financial advice to either?

Mr. JOSEPH BERNSTEIN. Privileged.

Mr. SOLARZ. Have you drafted any leases or mortgages for either?

Mr. JOSEPH BERNSTEIN. Privileged.

Mr. SOLARZ. Who appointed you as a director of Canadian Land Company?

Mr. JOSEPH BERNSTEIN. I think it must have been some shareholder resolution but I don't recall.

Mr. SOLARZ. It was a shareholder resolution?

Mr. JOSEPH BERNSTEIN. I am not sure. That is my best guess.

Mr. SOLARZ. Who were the shareholders of Canadian Land Company at the time you were appointed a director?

Mr. JOSEPH BERNSTEIN. Privileged.

Mr. SOLARZ. When did the shareholders of Canadian Land Company first become shareholders of it?

Mr. JOSEPH BERNSTEIN. Privileged.

Mr. SOLARZ. Why was the name of Lastura NV changed to Canadian Land Company?

Mr. JOSEPH BERNSTEIN. Privileged.

Mr. SOLARZ. Was there any change of ownership or company officials when the name was changed?

Mr. JOSEPH BERNSTEIN. On change of ownership, privileged.

On change of offers, I do not believe so.

Mr. SOLARZ. Are any shareholders Filipino?

Mr. JOSEPH BERNSTEIN. Privileged.

Mr. SOLARZ. Did any money to purchase or renovate the Crown Building come from the Philippines?

Mr. JOSEPH BERNSTEIN. Privileged.

Mr. SOLARZ. Does Imelda Marcos have any interest, direct or indirect interest in Lastura NV or Canadian Land Company?

Mr. JOSEPH BERNSTEIN. Privileged.

Mr. SOLARZ. Does Ferdinand Marcos have any interest, direct or indirect, in Lastura NV or Canadian Land Company?

Mr. JOSEPH BERNSTEIN. Privileged.

Mr. SOLARZ. Have you acted directly or indirectly for any other principal in your capacity as director of Canadian Land Company?

Mr. JOSEPH BERNSTEIN. Privileged.

Mr. SOLARZ. Does Imelda Marcos have any direct or indirect financial interest in the Crown Building?

Mr. JOSEPH BERNSTEIN. Privileged.

Mr. SOLARZ. Does Ferdinand Marcos have any direct or indirect interest in the Crown Building?

Mr. JOSEPH BERNSTEIN. Privileged.

Mr. SOLARZ. Has anyone asked you not to cooperate with our inquiry?

Mr. JOSEPH BERNSTEIN. No, sir.

Mr. SOLARZ. Are you at all concerned if you did cooperate with our inquiry that you might be the subject of physical intimidation?

Mr. JOSEPH BERNSTEIN. I would decline to answer that question.

Mr. SOLARZ. On what grounds?

Mr. LAZARUS. I think the answer is fairly clear, Mr. Chairman.

Mr. SOLARZ. We are now in executive session. I ask the question because the other witnesses that have been subpoenaed before this committee have through counsel told us that they fear there could be threats to their families in the Philippines.

Mr. LAZARUS. Would you repeat the question, please.

Mr. SOLARZ. Do you have any reason to believe that if you were to cooperate before this committee, you or anyone in your family would be the subject of physical intimidation?

Mr. JOSEPH BERNSTEIN. I suspect it is possible.

Mr. SOLARZ. Why?

Mr. JOSEPH BERNSTEIN. I read the newspapers, I suppose it is possible.

Mr. SOLARZ. Who? Is that why you are not cooperating with this committee?

Mr. JOSEPH BERNSTEIN. No, sir.

Mr. SOLARZ. And who—from where would these acts of intimidation come?

Mr. JOSEPH BERNSTEIN. I would think that if—this is totally hypothetical, but if I was identified as being involved in any capacity it could come from either side of the government, opposition just as strongly as current.

Mr. SOLARZ. Is it possible that any of the principals who have declined to identify because of the assertion of the privilege might seek to——

Mr. JOSEPH BERNSTEIN. No, sir.

Mr. SOLARZ. You have no concern that way?

Mr. JOSEPH BERNSTEIN. No, sir.

Mr. SOLARZ. I see.

Mr. GEJDENSON. Will the gentleman yield?

Mr. SOLARZ. Certainly, be happy to yield.

Mr. GEJDENSON. Which government was the gentleman referring to?

Mr. JOSEPH BERNSTEIN. The Government of the Philippines.

Mr. SOLARZ. Do you think there is any threat to the members of this subcommittee or to the chairman as a result of the pursuit of this inquiry?

Mr. JOSEPH BERNSTEIN. I don't think so, but I don't have any knowledge to make that determination.

Mr. SOLARZ. I hope not.

Did the stockholders meet—let me just say that during the recess if I should vanish somewhere in Manila, I trust that the Members will carry on in the spirit——

Mr. GEJDENSON. The minority would be happy to carry on.

Mr. UDALL. At what point could I resign from the subcommittee?

Mr. SOLARZ. Let me say if I do disappear, it may be—I suggest you also find out who accompanied me on this trip.

Mr. SOLOMON. Mr. Chairman, if you disappear, I assure you I had nothing to do with it.

Mr. SOLARZ. Finally, did stockholders meet and ask you to resign as a director of Canadian Land Company?

Mr. JOSEPH BERNSTEIN. I don't know, the official records of the company must have some shareholder resolution. I don't know if stockholders met or anything like that.

Mr. SOLARZ. Why did you resign?

Mr. JOSEPH BERNSTEIN. I was asked to and I provided resignation documents.

Mr. SOLARZ. Thank you very much.

Mr. LAZARUS. If I could just say on the physical safety point, I think that your situation could be different from these people's situation regardless of what they may have said, and I think it is something with which we need to bear in mind.

Mr. SOLARZ. Thank you.

Mr. Deyo.

APPENDIX B

MEMORANDUM OPINION OF GENERAL COUNSEL TO THE CLERK OF THE HOUSE OF REPRESENTATIVES ON ATTORNEY-CLIENT PRIVILEGE

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, December 11, 1985.

Memorandum to: The Honorable Stephen J. Solarz.

From: Steven R. Ross, General Counsel to the Clerk; Charles Tiefer, Deputy General Counsel to the Clerk.

Subject: Anticipated Claim of Attorney-Client Privilege.

It is anticipated that the Subcommittee will be confronted with a claim of attorney-client privilege during the conduct of today's hearing. This memorandum will discuss several aspects of that claim and will provide the Subcommittee with the views of this office on the relevant Congressional and judicial precedents which the Subcommittee may wish to consider in rendering its determination on the applicability of the asserted privilege.

Rule X(i) of the Rules of the House of Representatives provides the Committee on Foreign Affairs with legislative and oversight jurisdiction over matters related to the international relations of the United States, including the relations of the United States with foreign nations generally, foreign loans, intervention abroad and declarations of war, measures to foster commerical intercourse with foreign nations and to safeguard American business interests abroad, protection of American citizens abroad, various international organizations and other related matters. Rule X(i), Rules of the House of Representatives, reprinted at 678 Constitution, Jefferson's Manual and Rules of the House of Representatives, H.R. Doc. No. 98-277, 98th Cong. 2d Sess. 358 (1985) (Rules of the Ninety-Ninth Congress).

The Rules of the Committee on Foreign Affairs devolve upon the Subcommittee specific responsibility with respect to foreign assistance. The Subcommittee is charged with the jurisdictional responsibility concerning the annual legislative programs of foreign assistance for its region, the ongoing oversight of all foreign assistance activities affecting its region and is required to report to the full Committee, on an annual basis, its findings and conclusions, including specific legislative recommendations, with respect to foreign assistance activities of the United States. Additionally, the Rules of the Committee give the Subcommittee jurisdiction on matters affecting the political relations between the United States and na-

tions within the region, certain aspects of disaster relief, loan and other financial relations within the region, particular responsibility in the area of arms sales, and general elements related to the development of the foreign policy to be pursued with respect to nations within the region. Rule 14, Rules of the Committee on Foreign Affairs, reprinted in Rules Adopted by the Committees of the House of Representatives, Rules Committee Print, 99th Cong.

Pursuant to these jurisdictional grants the Subcommittee has commenced an inquiry into the various allegations that have surfaced in the press and elsewhere with respect to large scale real estate investments purportedly made by or on behalf of the Marcos family. The Subcommittee believes that the nature and extent of real estate investment in the United States by governmental officials in nations receiving vast amounts of American support may be instructive to Congressional consideration of pending and future foreign assistance decisions, as well as other aspects of our relations with the Philippines and the region in general. The desirability of enacting certain mandatory disclosure laws is also under consideration by the Subcommittee. Clearly, the information sought by the Subcommittee's recent subpoenas is pertinent to these valid legislative inquiries.

Counsel for certain of the witnesses have advised the Subcommittee that they do not believe that their clients can comply with a significant portion of the documentary aspect of the subpoenas and have further indicated that they expect to assert a privilege against answering many of the questions which the Subcommittee is likely to put to their clients. By memorandum, and in discussion, counsel for the witnesses have presented the Subcommittee with their legal assertions. Presumably these points will be repeated and supplemented during the course of the Subcommittee's hearing. To assist the Subcommittee in its consideration of the claim of privilege there follows a discussion of the salient points of the assertion of privilege.

Essentially counsel for the witnesses present three arguments. The first is the question of the time afforded to respond to the subpoenas. Secondly, is the claim that the common law privilege of attorney-client secrecy prevents the witnesses from providing the Subcommittee with the information it seeks. Thirdly, it is submitted to the Subcommittee that the potential application of certain disciplinary rules of the bar serve to put the witnesses at risk of disbarment or other disciplinary action, if they reveal client confidences in response to the Subcommittee's subpoena. This office believes that all three grounds proffered do not serve to excuse the witnesses from fully complying with the Subcommittee's subpoena and do not serve as a valid basis for the witnesses to refuse to answer pertinent questions posed by the Subcommittee.

The time which a Congressional committee must afford to someone to comply with its subpoenas is a function of the facts present in each individual case. Although the Congress should not be deterred in obtaining the information that it needs in furtherance of its legislative responsibilities, individuals required to provide this informaiton should be given a reasonable period of time to prepare for and attend a Congressional hearing. In the rare instances in which this question has been given judicial attention the extreme flexibility of a Congressional committee to set the schedule for an individuals appearance has been recognized. Thus in *United States* v. *Kamin*, 136 F. Supp. 791, the court recognized that a one-day notice was sufficient for a witness who came to the hearing and then refused to answer questions. Although the defendant was acquitted on other grounds, the Court specifically held that the one-day notice was sufficient. Less extreme is the Supreme Court's determination in *Wilkinson* v. *United States*, 365 U.S. 399 (1961), that notice of one week was sufficient to compel someone to attend a field hearing. As a general rule, House Committees endeavor to provide individuals with notice of several days to attend a hearing. The time constraints relevant to a production of documents does present different questions. Again, the Subcommittee enjoys a wide degree of latitude in determining whether or not a witness is factually incapable of complying with a document demand. In reaching this conclusion, the reason for delay should be taken into account by the Subcommittee. In this instance, the delay appears to be a function of the self-imposed requirement of multiple review procedures to determine whether or not specific documents are covered by the privilege. Therefore, the Subcommittee's determination of reasonableness as to time may turn, in part, on its determination of the applicability of the privilege claim. We will, therefore proceed to discuss that claim.

It is anticipated that the claim of attorney-client privilege will be asserted with respect to requests for corporate business records and with respect to various business transactions, i.e, real estate purchases, which these witnesses conducted on behalf of other individuals. The nature of the subject matter, relating to real estate transactions rather than the provision of legal services render, the claim of privilege unpersuasive. Claims of attorney-client privilege have been rejected by the judiciary with respect to virtually identical questions in the recent past. Moreover, the general rule is that attorney-client privilege can not be claimed as a matter of right before a legislative committee. This has been the traditional determination by both the House and the Senate and, in fact, parallels the treatment afforded by the English Parliament under the English law of both attorney-client privilege and parliamentary prerogatives.

The attorney-client privilege has developed as a function of common law tracing its roots in the English barrister's code of honor and the notion that an English gentleman would not reveal secrets. As recognized by courts in the United States, the privilege attaches to a client's communications seeking legal advice from a professional legal advisor acting in that capacity, and applies only to communications regarding action in that capacity. "Thus, where the attorney acts as business advisor or collection agent, gives investment advice, or handles financial transportation for his client, the communications between him and his client are not protected by the privilege. In re *Edwin Shapiro*, 381 F. Supp. 21 (N.D. Ill. 1974) (footnotes omitted).

In a recent case, documents subpoenaed from an attorney regarding real estate property purchases. The attorney had represented two undisclosed principals. The subpoena required all the business records of the pertinent real estate company, all the records concerning the purchase and sale of the properties, and "directed(ed) petitioner (that is, the attorney) to testify before the grand jury regarding his knowledge of business affairs of XYZ Realty, Inc., (the pertinent real estate company). In re *Application of John Doe, Esq.*, 603 F. Supp. 1164 (E.D.N.Y. 1985). Among the specific questions that were to be answered in that questioning was one parallel to the key one for the Subcommittee's hearing: "Who founded XYZ; a) How much case was put into the corporation; b) Who funded the corporation." Id. at 1167 n.1. The district court held that no attorney-client privilege applied: the document "categories are unprivileged because they related to business, not legal advice," Id. at 1167, while the questions "appeared to seek answers concerning only business advice when, though perhaps intended to be private, most certainly were not privileged." Id.

The similarity of the claims rejected earlier this year by the judiciary in above-cited case and the claims asserted here make that decision particularly instructive.

Not only is it appropriate for this Subcommittee to determine, as had the court in New York, that business information of this nature can not be cloaked in the protective garb of confidential attorney-client communication, but it is also appropriate for this Subcommittee to reject, as other Congressional subcommittees have the applicability of the attorney-client privilege to legislative proceedings.

As Erskine May's Treatise on The Law, Privileges, Proceedings and Usage of Parliament, the oracle to be consulted in determining questions of English parliamentary procedure, specifically notes:

"A witness is, however, bound to answer all questions which the committee sees fit to put to him, and cannot excuse himself, for example, on the ground that he may thereby subject himself to a civil action, or because he has taken an oath not to disclose the matter about which he is required to testify, or because the matter was a privileged communication to him, as where a solicitor is called upon to disclose the secrets of his client . . . some of which would be sufficient grounds of excuse in a court of law." Erskine May's Treatise at 746–47, Twentieth Edition (1983).

Consistently, Congressional committees have felt enabled to reject the applicability of claims of attorney-client privilege. Thus in the nineteenth century, notable investigation into the financing of the Union Pacific Railroad and the activities of the Credit Mobiler, the House Committee held Mr. Stewart in contempt notwithstanding his assertion of attorney-client privilege. See *Stewart* v. *Blaine*, 1 MacArthur 453 (D.C. 1874) and Eberling, Congressional Investigations (1928), 349–50.

In recent years, the Subcommittee on Investigations and Oversight of the Committee on Energy and Commerce has on a number of occasions rejected claims of attorney-client privilege. See, Attorney-Client Privilege, Memoranda Opinions of the American Law Division, Library of Congress, Committee Print 98–I, (98th Cong. June 1983). See also Hearings, International Uranium Cartel, before Subcommittee on Oversight and Investigations, House Committee on Interstate and Foreign Commerce, 95th Cong., 1st Sess Vol. 1 (1977).

Both the House and the Senate have failed to adopt proposals to specifically incorporate a privilege respecting attorney-client confidences in their Rules. See Sen. Rept. No. 2, 84th Cong., 1st Sess. 27–28 (1954), H.R. Res. 178 (84th Cong., 1st Sess.)

As demonstrated from the discussion above, the House has taken a limited view as to the applicability of attorney-client privilege. It has entertained, as a matter of discretion claims to that effect. However, where the House Subcommittee has determined that the legislature need for the information to facilitate the conduct of the public business requires productions such production has been required. In this situation, the underlying claim is attenuated by the "business" nature of the information sought. It is, therefore, entirely reasonable and consistent with the precedents of the House and the appropriate judicial precedents for the Subcommittee to reject the claim of privilege.

Additionally, counsel for the witness seeks to present a somewhat district argument under the Canons of Ethics applicable to the witnesses as members of the Bar. Essentially, this argument entails the notion that the witnesses would be subject to disciplinary proceedings based on their divulging of client secrets to the committee. The claim is that the Ethics Code only permits disclosure upon a specific court order. The Code actually permits disclosure where required by law or court order. It is designed to assure that a lawyer will take steps to assure that his clients confidence is respected to a proper degree but does recognize that the protection is not absolute. In the Congressional context the ruling by the Subcommittee chair that the privilege will not be accepted is the legal and functional equivalent on a legal requirement or a court order. Failure to answer at that point constitutes a criminal violation. Disclosure at that stage does not violate the Canons of Ethics nor the Bar Code of any jurisdiction.

APPENDIX C

MEMORANDUM OPINION OF GENERAL COUNSEL TO THE CLERK OF THE HOUSE OF REPRESENTATIVES ON VOLUNTARINESS OF WITNESS COMPLIANCE

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, December 11, 1985.

Memorandum to: Subcommittee on Asian and Pacific Affairs.

From: Steven R. Ross, General Counsel to the Clerk; Charles Tiefer, Deputy General Counsel to the Clerk.

Subject: Whether Compliance with Ruling of Subcommittee Chairman is "Voluntary."

Counsel for the witnesses in this investigation has raised the issue that "the witnesses must resolve all uncertainties concerning confidentiality in favor of asserting the privilege . . . because an attorney's voluntary production . . . constitutes a complete and binding waiver of the privilege;" counsel further contends that "Because 'voluntary' disclosure is that which has not been judicially compelled * * * *disclosure pursuant to a congressional subpoena could be considered voluntary.*" Memorandum of Dec. 10, 1985, at 9–10 (emphasis added and citations omitted).[1]

This issue matters particularly because these witnesses will have to decide, if the Chair overrules their objections, whether they must answer, or whether they are still acting voluntarily—and hence can or should press their claims further.

Counsel's contention that disclosure pursuant to Congressional direction is "voluntary" is without merit. It shows a fundamental lack of understanding of the basic parallel between how objections are presented to, and ruled upon, by the judicial and legislative branch proceedings. In the judicial proceeding—or in administrative proceedings, like IRS summonses, enforced through a civil judicial proceeding—a witness who has an objection to providing documents or information may withhold those documents or information, present that objection, and await the ruling of the Court. Depending on one's choice of vocabulary, production pursuant to subpoena or summons prior to that ruling may be considered "voluntary," but once the objection is overruled, and the witness must cease withholding, production and answering clearly are not voluntary.

The procedure in the legislative branch proceedings parallels this, as described by the Supreme Court:

"Clearly not every refusal to answer a question propounded by a congressional committee subjects a witness to prosecution under § 192. Thus, if he raises an objection to a certain question—for example, lack of pertinency or the privilege against self-incrimination—the committee may sustain the objection and abandon the question even though the objection might actually be without merit. In such an instance, the witness' refusal to answer is not contumacious, for there is lacking the requisite criminal intent. Or *the committee may disallow the objection* and thus give the witness the choice of answering or not. Given such a choice, the witness may recede from his position and answer the question. *And if he does not then answer, it may fairly be said the foundation has been laid for a finding of criminal intent to violate § 192.*"

Quinn v. *United States*, 349 U.S. 155, 165–66 (1955) (emphasis supplied). In short, once the Chair in a legislative proceeding overrules the objection, the period when disclosure would be "voluntary" is past, just as surely as that period is past in a judicial proceeding once the Court overrules the objection.

In that regard, it is well to note that such memoranda as the witnesses' law firm has provided, or other legal advice, may well assist the witness in presenting an objection to the Chair. However, once the Chair overrules an objection, compliance is not voluntary; such memoranda do not excuse noncompliance. Again, as the Supreme Court explains,

"There is no merit in appellant's contention that he is entitled to a new trial because *the court excluded evidence that in refusing to answer he acted in good faith on the advice of a competent counsel.* The gist of the offense is refusal to answer pertinent questions. No moral turpitude is involved. Intentional violation is sufficient to constitute guilt. There was no misapprehension as to what was called for. The refusal to answer was deliberate. The facts sought were pertinent as a matter of law and § 102 made it appellant's duty to answer. He was bound rightly to construe the statute. His mistaken view of the law is no defense. *Armour Packing Co.* v. *United States*, 209 U.S. 56, 85. *Standard Sanitary Mfg. Co.* v. *United States*, 226 U.S. 20, 49."

Sinclair v. *United States*, 279 U.S. 263, 299 (1929) (emphasis supplied).

In fact, the constitutional imperative that Congress obtain the information it requires is so strong that there is no place for a doctrine that by providing information to Congress when a claim of privilege has been validly overruled, the privilege is waived for some other context. As the D.C. Circuit recently explained, in rejecting the contention that providing documents to Congress would waive the privilege provided by Exemption Five of the Freedom of Information Act:

"We do not find it necessary to explore fully to what extent . . . disclosure might affect the applicability of Exemption Five, under doctrines of waiver . . . for it is evident that the disclosure to the Congressman could not have had that consequence.

"* * * [A]n interpretation [that] every disclosure to Congress would be tantamount to a waiver of all privileges and exemptions [would meant that] executive agencies would inevitably become more cautious in furnishing sensitive information to the legislative branch, a development at odds with public policy which encourages broad congressional access to governmental information. For these reasons, we conclude that . . . [when Congress] actually does receive such information pursuant to [section 5(c) of the act] (whether in the form of documents or otherwise), *no waiver occurs of the privileges and exemptions* which are available to the executive branch under the FOIA with respect to the public at large. Congress, whether as a body, through committees, or otherwise, must have the widest possible access to executive branch information if it is to perform its manifold responsibility effectively. . . . [A waiver rule] would tend to 'dry up' the executive flow of information to the Congress since it would strip information of whatever privilege it might otherwise possess."

Murphy v. *Department of the Army*, 613 F.2d 1151, 1155–56, 1158 (D.C. Cir. 1979).

In sum, a witness who withholds information while presenting his objection, and fortifies that objection with legal arguments, and insists on the objection being overruled and receiving an order from the Chair before providing the information, has done what he can. At that point, the contention that the witness is acting "voluntarily" simply is without merit, for refusing the order of the Chair means that "the foundation has been laid for a finding of criminal intent to violate §192." *Quinn* v. *United States*, supra.

APPENDIX D

MEMORANDUM ON BEHALF OF THE WITNESSES

Memorandum to: Hon. Stephen J. Solarz, United States House of Representatives.

From: C. King Mallory, III, Stuart E. Eizenstat.

Date: December 10, 1985.

WITNESSES' ETHICAL OBLIGATIONS ATTORNEY-CLIENT PRIVILEGE WITH RESPECT TO SUBCOMMITTEE'S SUBPOENAS

We have been retained by Joseph Bernstein, Ralph Bernstein, and William B. Deyo, Jr., in connection with the subpeonas duces tecum that have been issued to them by the Foreign Affairs Committee. This

[1] The single case to which counsel cited, concerning disclosure being "voluntary" when not judicially compelled (a one-sentence footnote in *Chubb Integrated Systems* v. *National Bank of Washington*, 103 F.R.D. 52, 63 n.2 (D.D.C. 1984)), has nothing to do with the Congressional context, says nothing about Congressional subpoenas, and actually does not concern even a judicial contempt situation, but merely a discovery dispute concerning voluntary permission given to opponents in litigation to inspect files. It clearly is without the slightest intention of being considered an obiter dicta about contempt of Congress. It contrasts with the Supreme Court and D.C. Circuit cases discussed below addressing the core realities of Congressional investigation.

memorandum explains why we have advised our clients that they are obligated not to respond fully to the Subcommittee's subpoenas. Although our clients intend to cooperate with the Subcommittee to the extent that they can do so consistent with their professional obligations, they are simply unable to comply completely with the particular subpoenas issued by the Subcommittee without violating those obligations.

Joseph Bernstein and William Deyo are members of the New York law firm of Bernstein Carter & Deyo. Ralph Bernstein is a former employee of the law firm and is now an officer of New York Land Co., a client of the firm.

Joseph Bernstein and William Deyo were served with the subpoenas at their law firm on December 5, 1985; Ralph Bernstein was served yesterday. The subpeonas seek the witnesses' oral testimony and production of "[a]ny and all documents reflecting ownership, and its value" of eleven listed corporations and real properties, as well as "any and all documents concerning purchases or other transactions on behalf of Philippine or Philippine-American principals."

We have been advised that, prior to the issuance of the subpoenas, the Subcommittee staff tried to contact Joseph Bernstein by telephone, on November 25 and 26. Unfortunately, Mr. Bernstein and his brother were in Israel attending their father's burial during the two days in which the contacts were attempted. As far as they know, no attempt was made to contact Mr. Deyo or Mr. Ralph Bernstein until they were served with the subpoenas. In anticipation of receiving the subpoena, which was not formally served upon him until yesterday, Ralph Bernstein voluntarily delayed returning to Israel to attend to his father's affairs in an effort to accommodate the Subcommittee's schedule.

Full compliance with the subpoenas would require the law firm to produce a massive amount of its client files and to answer question concerning the legal advice given to clients with respect to those and other matters. In this connection, Bernstein Carter & Deyo is a law firm formed in 1981 by three attorneys formerly associated with Cahill Gordon and Reindel, Willkie Farr & Gallagher, and Rosenman, Colin, Freund, Lewis & Cohen. These three lawyers had developed well-recognized expertise in the tax and corporate aspects of foreign investment in the United States. A common incident of this type of practice is developing the expertise to accommodate clients' interest in maintaining the confidentiality of their investments. The firm represents clients from many nations in connection with their business in the United States and elsewhere.

Because the subpoenas seek information that was gained during the course of the firm's representation of its clients, the subpoenas seek testimony and documents that the witnesses are duty-bound not to reveal. This obligation is intensified by the legitimate interests of many of the firm's clients in maintaining the confidentiality of both the fact and nature of the firm's representation of them. As with any other law firm, the confidential information gained in the course of their representation extends beyond the clients' identities to include many other aspects of the representation.

The discussion below places particular emphasis upon the confidentiality of the identities of the firm's clients because protecting that confidentiality is critically important to the firm's clients, and because their identities would necessarily be revealed by full compliance with the subpoenas. Moreover, since you have questioned whether the identities of the firm's clients should be considered confidential in connection with the witnesses' testimony, we have endeavored to show why those identities, as well as all information related to the performance of legal services for the firm's clients, are absolutely protected from disclosure in this context.

I. NONDISCLOSURE UNDER THE CODE OF PROFESSIONAL RESPONSIBILITY

There are two sources of the witnesses' duty not to disclose most of the information—including their clients' identities—sought by the subpoenas. The first is the Code of Professional Responsibility, which has been codified in the District of Columbia as Appendix A to the District of Columbia Court Rules, and in New York in 29 McKinney's Consol. Laws of New York, Judiciary Law. Disciplinary Rule 4-101 of the Code, entitled "Preservation of Confidences and Secrets of a Client," prohibits a lawyer from revealing the "confidences" or "secrets" of his clients unless the client consents or unless required to do so by law or court order. DR 4-101(B)(1), (C)(2). "Confidences" and "secrets" are broadly defined to include all information which the client wishes the lawyer to hold confidential, or which could prove embarrassing or highly detrimental to the client if disclosed. The penalties for violating these mandatory rules are severe: the offending lawyer is subject to disqualification, disciplinary action or even disbarment. See *Financial General Bankshares, Inc.* v. *Metzger*, 523 F. Supp. 744, 763 (D.D.C. 1981) (citations omitted).

DR 4-101 has been interpreted in a way that absolutely prohibits the subpoenaed witnesses from disclosing most of the information that the subpoenas seek. The interpretations applicable here are reflected in the opinions issued by the District of Columbia and New York Bars, the most compelling of which is Legal Ethics Committee Opinion No. 124 of the District of Columbia Bar. In that opinion, a copy of which is attached, the bar committee was asked to answer a series of questions concerning a law firm's obligation to reveal its clients' identities during an IRS audit. The opinion held, in the first instance, that "whenever a client requests non-disclosure of the fact of representation, or circumstances suggest that such disclosure would embarrass or detrimentally affect any client, the fact of the firm's representation of that client is a client 'confidence' or 'secret' " accorded the protections of DR 4-101. The opinion also states that any doubt in making these determinations should be resolved in favor of respecting the confidentiality of the client's identity. See also D.C. Bar Legal Ethics Opinion No. 99, January 28, 1981.

Acknowledging that DR 4-101 authorizes disclosure of confidential information "when required by law or court order," Opinion No. 124 noted that the lawyer should not comply with a summons for protected information until all avenues of appeal were exhausted:

"However, even if the IRS does issue a summons, the inquirer's firm may not automatically comply with it. Rather, the firm remains under an ethical obligation to resist disclosure until either the consent of the clients is obtained or the firm has exhausted available avenues of appeal with respect to the summons."

Id. at 207 (footnote omitted); accord Committee on Professional Ethics of the New York State Bar Association, Opinion No. 528 (court orders that are subject to reversal—or modification—on appeal do not mandate immediate compliance with directive to reveal information entrusted to lawyer in confidence). The opinion goes on to state that, only after exhausting available appeals of a court order to reveal the identities of its clients, can the lawyer ethically comply with such an order.

These ethical constraints preclude full compliance with the Subcommittee's subpoenas. The subpoenaed witnesses have a professional obligation to decline to reveal any of their clients' confidences and secrets even in reponse to congressional subpoenas. Because of the nature of the witnesses' representation of their clients and their instructions concerning that representation, those secrets include the very identity of the clients.

These circumstances involve an obvious conflict between the subpoenaed witnesses' professional obligations to their clients and the objectives of the Subcommittee reflected in the broad wording of the subpoenas. Unfortunately, the witnesses are compelled by the ethical constraints discussed above to resolve that conflict by subjecting themselves to a possible contempt citation. In the judicial context, this dilemma would not occur, because a final court order would relieve the law firm of its professional obligation to maintain client confidences and secrets. In the absence of such an order, we respectfully request the Subcommittee to withdraw the issued subpoenas, and to attempt to obtain the information that it seeks from others who are not bound by professional obligations of confidentiality.

II. NONDISCLOSURE UNDER THE ATTORNEY-CLIENT PRIVILEGE

The witnesses are further precluded from complying fully with the subpoenas by the attorney-client privilege. This evidentiary privilege is applicable in the legislative, as well as the judicial, context. See, e.g., *MacCracken* v. *Jurney*, 294 U.S. 125 (1935).

The breadth of the subpoenas and the complexity of the witnesses' legal representation of their clients make it impossible to determine, within the time frame allowed by the Subcommittee, whether all documents and information responsive to the subpoenas are protected from disclosure by the attorney-client privilege. In these circumstances, the witnesses must resolve all uncertainties concerning confidentiality in favor of asserting the privilege on behalf of their clients. This is so because an attorney's voluntary production of privileged documents constitutes a complete and binding waiver of the privilege as to those documents. In re *Grand Jury Investigation of Ocean Contracts*, 604 F.2d 672, 674 (D.C. Cir.), cert. denied, 444 U.S. 915 (1979). Moreover, voluntary production of those documents implies a waiver of the privilege as to all communications on the same subject. *Weil* v. *Investment/Indicators, Research & Management, Inc.*, 647 F.2d 18, 24 (9th Cir. 1981); *Chubb Integrated Systems* v. *National Bank of Washington*, 103 F.R.D. 52, 63 (D.D.C. 1984). Because "voluntary" disclosure is that which has not been judicially compelled, *Chubb*, 103 F.R.D. at 63, disclosure pursuant to a congressional subpoena could be considered voluntary.

This risk of sacrificing the privilege is all the more daunting because it can occur inadvertently.

"This Court cannot * * * conclude that inadvertent disclosure may be grounds to protect the waiver that otherwise occurs upon

voluntary production of documents. We observe, instead, that the weight of authority recognizes that *waiver can occur through inadvertence.*"

Id. at 67 (emphasis added, citations omitted). Thus the hurried or uninformed disclosure of material in response to the Subcommittee's subpoenas could result in the inadvertent waiver of the attorney-client privilege in all other contexts and for all other purposes.

The general rule is that a client's identity is not protected by the attorney-client privilege. *United States* v. *Liebman*, 742 F.2d 807, 809 (3rd Cir. 1984). The weight of authority makes clear, however, that communications regarding a client's motive in seeking legal advice are privileged. In re *Grand Jury Proceedings (Schofield)*, 721 F.2d 1221, 1222 (9th Cir. 1983); *Baird* v. *Koerner*, 279 F.2d 623, 630 (9th Cir. 1960). Where disclosure of a client's identity would ultimately lead to disclosure of the client's motive for seeking legal advice, the client's identity is also privileged. *Salas*, 695 F.2d at 362; In re *Grand Jury Proceedings (Jones)*, 517 F.2d 666, 674-75 (5th Cir. 1975).

In *Jones*, for example, the court recognized that the clients of the subpoenaed attorneys had strong motives for seeking legal advice and for expecting that their names would be kept confidential. In that context, the court held that the attorney-client privilege prevented disclosure of the clients' motive and their identities, because the latter protection was necessary to preserve the confidentiality of the motive. Id.

Since many of the subpoenaed witnesses' clients sought the services of Bernstein Carter and Deyo with the expectation that their motives, as well as their identities, would be maintained in confidence, any information or documents that would reveal identities or motives of clients are protected by the attorney-client privilege. Therefore, the disclosure of the identities of the clients would necessarily reveal their motivations for seeking the services of the firm in violation of the attorney-client privilege.

In a judicial context, the normal procedure for resolving claims of privilege is to submit the issue to a court in camera for its determination. In re *Grand Jury Witness (Salas)*, 695 F.2d 359, 362 (9th Cir. 1982). That option, unfortunately, is not available here, because disclosure to the Subcommittee would be both public and irrevocable.

In addition, the attorney-client privilege attaches to communications regarding transactions in which several of the firm's clients participated and as to which they had a "community of interests." The community of interest doctrine brings within the attorney-client privilege all confidential communications among attorneys and their clients where the clients have identical legal interests with respect to the subject of a communication between the attorney and the client. *United States* v. *Osborn*, 409 F. Supp. 406, 409-10 (D. Or. 1975), aff'd in part, rev'd in part, 561 F.2d 1334 (9th Cir. 1977); *Duplan Corp.* v. *Deering Milliken, Inc.*, 397 F. Supp. 1146, 1174-75 (D.S.C. 1974). To the extent that the subpoena seeks disclosure of confidential documents between clients of the firm, among whom there exists a community of interests, the documents are protected by the attorney-client privilege.

III. CONCLUSION

The sheer volume of documents which must be reviewed in order to comply with the subpoenas precludes full compliance within the unreasonably short time period allowed. There are over 436 file folders, totalling over 70 linear feet of files, which contain in excess of 150,000 pages. It is simply impossible even to examine all of this material, much less to determine in each instance whether each item is protected as a client confidence or secret, or under the attorney-client privilege. The problem is made even more intractable because any voluntary disclosure of privileged documents, even if inadvertent, may constitute a general waiver of all related communications.

With respect to testimony, we frankly anticipate that the witnesses will be able to provide very little information. Specifically, the witnesses will only answer those questions as to which it is plainly apparent that disclosure of confidential information will not result. If there is any uncertainty whether answering the question will disclose a client secret or privileged information, the witnesses will be compelled to refrain from answering.

We reaffirm our clients' interest in cooperating in the investigation and providing the Subcommittee with the information to which it is legally entitled. We hope that you will understand our clients' desire to assist you and the Subcommittee in a manner consistent with their professional and legal obligations and in a manner that does not expose them to professional or pecuniary sanctions.

Mr. FASCELL (during the reading). Mr. Speaker, I ask unanimous consent that the report be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Speaker, by direction of the Committee on Foreign Affairs, I offer a privileged resolution (H. Res. 384) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 384

Resolved, That pursuant to 2 U.S.C. 192 and 194, the Speaker of the House certify the report of the Committee on Foreign Affairs, detailing the refusal of Ralph Bernstein to answer questions of the Subcommittee on Asian and Pacific Affairs of the Committee on Foreign Affairs, to the United States Attorney for the District of Columbia, for him to be proceeded against in the manner and form provided by law; and be it further

Resolved, That pursuant to 2 U.S.C. 192 and 194, the Speaker of the House certify the report of the Committee on Foreign Affairs, detailing the refusal of Joseph Bernstein to answer questions of the Subcommittee of Asian and Pacific Affairs of the Committee on Foreign Affairs, to the United States Attorney for the District of Columbia, for him to be proceeded against in the manner and form provided by law.

The SPEAKER pro tempore. The gentleman from Florida [Mr. FASCELL] is recognized for 1 hour.

GENERAL LEAVE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on House Resolution 384.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Speaker, for the purposes of debate only, I yield 30 minutes to the gentleman from Iowa [Mr. LEACH]. I yield the remainder of my time for the purposes of debate to the gentleman from New York [Mr. SOLARZ], and pending that, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the approval of House Report 99-462, which concerns proceedings against Ralph Bernstein and Joseph Bernstein. This action is made necessary by the refusal of these two individuals to cooperate with the investigation of the Subcommittee on Asian and Pacific Affairs of the Committee on Foreign Affairs. The subcommittee was conducting a duly authorized investigation into the holdings in the United States of the former President of the Philippines, Ferdinand Marcos.

Now, let me make it clear that the issue here is the action or the lack of action by these two individuals. Not at issue is what the subcommittee was doing or why it was doing it.

It is quite clear that the subcommittee acted properly, with the full authority to conduct the kind of investigation it was conducting.

The question is whether or not the individuals who were before the subcommittee in the course of this investigation acted properly or improperly by refusing to answer the questions that were put to them.

The committee carefully weighed the situation of the witnesses and the investigatory needs of the Congress of the United States. The subcommittee was duly authorized to conduct its investigation. It had a right to obtain the information requested.

The subcommittee proceeded in a deliberate manner and with appropriate advice and support of the general counsel to the Clerk of the House and the minority counsel of the House, both of whom considered that the claims of the witnesses in refusing to cooperate were not well taken. The full Committee on Foreign Affairs approved this report by a strong bipartisan vote of 21 to 2.

As the committee report indicates in its conclusion, the witnesses in essence are seeking to preserve an arrangement by which they have received hundreds of thousands of dollars a year for keeping secret their real estate investment services for foreign clients. Congress cannot accept that arrangement as a constraint on its investigatory authority.

The committee has repeatedly attempted to gain the voluntary cooperation of the witnesses in order to

carry out its work. Unfortunately, until this moment, such cooperation has not been forthcoming, and the House must now act.

With House approval of this report, the Speaker of the House will then certify this report to the U.S. attorney for the District of Columbia who will begin legal proceedings against these two individuals.

Now, I want to say that I have seen a good many of these questions arise in this body in the last 30 years. I do not know of any one of them that was as carefully and properly and legally handled as this one. And I cannot recall where more consideration was given to the issue of the individuals involved and the propriety of their claims.

Both attorneys for the majority and the minority gave full advice at every step of the way. I am convinced, from personal knowledge and examination of the record, that every due process was exercised. And you will hear more about that. These people had the full opportunity for legal counsel and legal advice and, in addition to that, were given every opportunity, up until right this moment, to prevent this contempt by simply providing information which the committee requested.

So what is at issue, then, Mr. Speaker, very simply, is whether the Congress of the United States will be thwarted in carrying out its duly constituted responsibilities. If the claim as alleged by the two defendants in this matter is permitted, it would thwart the investigation of the entire Congress of the United States by saying that this is the way you can avoid anytime any interrogation by making the claims which these gentlemen make. The issue before us is that they refused improperly to answer the questions under a duly constituted investigation by the Congress of the United States. Reluctantly, but necessarily, we cannot do anything but proceed to carry out our duty, and our duty is to proceed with this contempt citation.

Mr. SOLARZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the issue before the House today is not whether we approve or disapproved of Mr. and Mrs. Marcos. It is not whether we believe the Marcoses are honest or corrupt. It is not whether we believe the recent elections in the Philippines were fair or were fraudulent. It is not whether we believe the Marcoses should or should not be given asylum in the United States. It is not whether the Subcommittee on Asian and Pacific Affairs had or did not have the right to conduct this investigation.

The only issue before us today is whether Ralph and Joseph Bernstein were justified in their refusal to cooperate with our committee by declining to answer the questions we had put before them or whether, by refusing to cooperate with the committee, they engaged in a contempt of the Congress.

Those who believe they were justified in their right to refuse to answer the questions we put to them should vote against this resolution. Those who believe they were not justified should vote for it.

Mr. Speaker, although I speak for a committee that felt strongly about the matter and reported out this resolution with an overwhelming bipartisan vote of 21 to 2, I must say that it is with great regret that I have brought this contempt resolution to the floor of the House. I never wanted to cite the Bernstein brothers for contempt. In my 12 years in the Congress, this is without question the most unpleasant duty I have had to perform. But I felt that there was no other way to vindicate the right of our committee to obtain information to which it was constitutionally and legislatively entitled, and to also vindicate the right of the Congress as a whole to fulfill its legislative and constitutional responsibilities, but to move this resolution forward, in view of the contemptuous refusal on the part of the Bernstein brothers to cooperate with our committee by answering the questions which we had legitimately put before them.

From the outset last fall, the interest of the Subcommittee on Asian and Pacific Affairs has simply been to get the facts regarding allegations that Ferdinand Marcos of the Philippines, who was then the President of that country, and his wife, Imelda, own hundreds of millions of dollars' worth of real estate in the United States. The strong bipartisan support for our investigation should have convinced the witnesses to answer our questions. Unfortunately, Ralph and Joseph Bernstein, the real estate developers for the Marcoses, have refused to respect the authority of the House of Representatives to investigate financial matters in our own country.

I believe, therefore, we have no other choice than to turn the matter over to the Justice Department.

Let me first explain the background of our investigation. The Subcommittee on Asian and Pacific Affairs, as you all know, is responsible for studying all matters affecting our foreign relations with the Philippines, including the approximately $250 million a year we provide that country in foreign assistance.

Last summer and fall, a series of articles appeared in newspapers throughout our country alleging that President and Mrs. Marcos had acquired American real estate, including four New York City commercial properties with an estimated value of $350 million.

□ 1200

Questions arose as a result of these articles as to how President Marcos, on an annual salary of $5,700 a year was able to amass such extensive real estate holdings in the United States. These questions were of particular importance in light of the legislation we had enacted in the foreign-aid authorization bill in which we made it clear that the willingness of the Congress to authorize additional aid to the Government in the Philippines in the future would depend to some extent on the progress of that Government in policing and eliminating corruption.

I might add that the recent events in the Philippines have reinforced our need for answers to those questions. The new Philippine Government may well claim that the Marcos' real estate holdings were paid for with funds taken from the Philippine people, and may seek to recover those assets. Considering the amount the Marcoses took out of the Philippines, that issue is very likely to arise.

Clearly it will be an important and sensitive test in the foreign relations between the United States and the Philippines. We cannot afford the luxury of imagining that the issue will become less pressing. In fact, it will be more pressing than ever now that the Government of the Philippines, which until now denied that Marcos had that wealth and hoped the issue would go away, may now actively seek to push the matter as a test of American fairness.

On December 3, the Subcommittee on Asian and Pacific Affairs voted to subpoena witnesses in our investigation of the Marcos' hidden wealth in the United States, among them, Ralph and Joseph Bernstein. The newspaper articles which had triggered our investigation had indicated that the Bernsteins, who are copresidents and owners of a real estate development company call the "New York Land Company," which developed the commercial properties in question, had been the real estate developers for the Marcoses.

In the hearings, the Bernsteins decided to completely stonewall our investigation. They refused to answer even the most elementary questions regarding their relationship with the Marcoses. Questions such as "Do you know either of the Marcoses? Have you met either of the Marcoses? Have you located or acquired any real estate property for the Marcoses?"

It is clear that if the Bernsteins had been willing to answer these questions and others the subcommittee put before them, we would have received valuable information. Instead, we have been forced to investigate around the Bernsteins, which we have laboriously done.

Obviously, this has deprived us of valuable inside information, known only to the developers themselves. When the Bernsteins refused to answer our questions, both the subcommittee and the full committee felt we had no alternative but to report out a contempt resolution for them, which we did by an overwhelming bipartisan vote of 21 to 2.

Now, I know that there may be some questions on the part of some of our colleagues about the extent to which this investigation and the contempt proceedings were handled fairly and on a bipartisan basis. Let me say that this was a completely impartial and bipartisan investigation. There was no question here of the majority holding back or not cooperating with the minority in the investigation.

On the contrary, from the very beginning the minority on the subcommittee has been a full partner and has pursued the matter vigorously. The subcommittee's votes to issue the subpoenas and to report this contempt resolution were overwhelming and bipartisan. At the full committee, it was reported out by a vote of 21 to 2.

I think it is also important to note that the subcommittee solicited and received bipartisan legal advice on the matter. We received testimony and advice from the general counsel to the Clerk of the House, Mr. Steven Ross, who represents the House in litigation and in matters like contempt.

We also received the testimony and advice of Hyde Murray, the Republican counsel of the House who serves the Republican leader, Mr. MICHEL. Both Hyde Murray and Mr. Ross advised us that our questioning was entirely proper and that the Bernsteins should be held in contempt for refusing to answer.

As a second matter, we proceeded with the maximum possible fairness to the witnesses. The day before the hearings, I, together with the ranking minority member of the subcommittee, Mr. LEACH, met for over 3 hours with the attorneys of the Bernsteins and we heard what they had to say. They acknowledged our right to conduct the investigation and to subpoena their clients. They asked us "however" if we would subpoena someone else and get the information from them. But when we asked them who we should subpoena as an alternative to the Bernsteins in order to obtain this information, they were unable to give us any helpful indication.

Then, on the very first day of the hearings, we patiently spend all day questioning the Bernsteins and hearing their viewpoint, even though they were refusing to provide the information. We did not hold them in contempt at that time. At their request, we recessed for another day in order to give them an opportunity to consider what to do overnight. We even gave them a list of the questions which we would be putting to them again on the second day of the hearing.

All that, however, was to no avail. Not through any fault of ours, but because the witnesses decided they would continue to resist. The Bernsteins have raised the attorney-client privilege as an argument for not cooperating with us. I think it is important to note here that such claims of privilege have been made and have been overruled on numerous occasions by congressional committees in the past. There is nothing unprecedented about what we are doing here today.

Occasionally, even after the claim of the privilege has been overruled, witnesses have still refused or failed to provide the information and have been held in contempt by the Congress. One such case entitled "Jurney versus MacCracken" went all the way to the Supreme Court which upheld the congressional contempt order. There is, therefore, clear precedent for the House overriding assertions of the privilege and even citing witnesses for contempt when they have unjustifiably asserted it.

The Bernsteins' arguments were thoroughly rebutted in advice we received from Mr. Ross, Mr. Murray, and the Library of Congress. I will submit memorandums for the RECORD on this point, and I will leave to my very able and distinguished colleagues on the subcommittee, Mr. TORRICELLI, the burden of making a more complete case with respect to the inapplicability of the attorney-client privilege in these proceedings.

STEPHEN GILLERS,
NEW YORK UNIVERSITY
LAW SCHOOL,
New York, NY

MEMORANDUM

To: Congressman Stephen J. Solarz.
From: Stephen Gillers.
Subject: Contempt resolution against Joseph Bernstein and Ralph Bernstein.
Date: February 19, 1986.

SUMMARY AND INTRODUCTION

You have asked me to comment on the legitimacy of the assertion of the attorney-client privilege by Joseph Bernstein, a member of the New York bar, and Ralph Bernstein, who is not a lawyer. You have also asked me to comment on the propriety of a contempt citation against the Bernsteins as a means of testing the validity of the assertion of the privilege.

In my view, the Bernsteins had no basis to assert an attorney-client privilege in response to the questions posed to them by the House Subcommittee on Asian and Pacific Affairs. I further believe that there was no basis in the lawyer's ethics code for a refusal to answer the Subcommittee's questions. Finally, it is my view that the only way available to the House of Representatives to test the validity of the assertion of privilege is to uphold the vote of the House Committee on Foreign Affairs and refer the matter for prosecution. I explain by reasons for each of these conclusions below.

MY QUALIFICATIONS

I am professor of law at New York University Law School. I teach evidence and professional responsibility. A good portion of each course concerns the attorney-client privilege and the separate duty of confidentiality imposed on lawyers by the profession's ethics code.

I served three years on the Departmental Disciplinary Committee of the New York State Supreme Court, Appellate Division (First Department), which is charged with investigating, and conducting hearings on, allegations of lawyer misconduct in Manhattan and the Bronx. I also served three years on the Committee on Professional and Judicial Ethics of the Association of the Bar of the City of New York. This Committee issues opinions on ethical issues in response to lawyers making inquiry.

I am author of several articles in the area of professional ethics and co-author of a casebook entitled Regulation of Laywers: Problems of Law and Ethics (1985). I am also author of a book entitled The Rights of Lawyers and Clients.

DISCUSSION

The questions posed by the Bernsteins' assertion of the attorney-client privilege and by the assertion of an ethical duty not to reveal secrets and confidences of a client are listed below with my answers.

"Does the privilege apply in Congress?"

Congress is obligated to observe constitutional privileges, such as the privilege against self-incrimination. It is not obligated to honor subconstitutional privileges created by statute or common law. While it has been suggested that in criminal prosecutions the attorney-client privilege may to some extent be of constitutional dimension, this is not a criminal prosecution. Nor do any of the decisions that suggest a relationship between the privilege and the Constitution address situations even remotely like this one. See generally Weinstein et al., Evidence 1468-77 (1983).

Congress has the power to defeat assertion of a statutory or common law privilege even though the privilege would be recognized in court. As I read the record of the proceedings, however, the Committee wishes the prosecutor to proceed "on the primary ground . . . that this claim of privilege would not have been upheld even in a court." (Committee Report, pp. 14-15.) Congress is of course free to recognize statutory or common law privileges to the same extent that a court would do so. Since, in my view, the Bernsteins' assertion of the privilege was improper even under traditional legal standards, I will confine the balance of my analysis to those standards without discussing the power of Congress to ignore claims of subconstitutional privilege.

"What would the Bernsteins have the burden of proving in order to invoke the privilege in a court on these facts?"

The analysis here assumes the privilege as it applies in a federal court where jurisdiction is founded on a federal claim. The New York State privilege would not apply in such a case. United States v. Kovel, 296 F.2d 918 (2d Cir. 1961), and similarly does not control the scope of the privilege before Congress.

In order to successfully invoke the attorney-client privilege against the revelation of an oral or written communication, the person claiming it, or his lawyer on his behalf, would have the burden of proving that the communication was:

(a) for the purpose of receiving legal advice;

(b) made to a lawyer, or to an agent of the lawyer whose job was to assist the lawyer in rendering a legal service;

(c) relevant to the purpose of getting legal advice;

(d) made in confidence; and

(e) made by the client or his agents and not a third person.

The Committee's Report reveals that the Bernsteins made no effort to prove of these essential preconditions to the existence of the privilege. In a court, the holder of a claimed privilege must prove the truth of each of the preconditions for the assertion of the privilege. United States v. Landof, 591 F.2d 36 (9th Cir. 1978). An assertion of the privilege is not proof. Saying "privileged" is not proof. "Conclusory . . . assertions" do not allow the court to review the legitimacy of a claim of privilege, and have been found insufficient to establish its existence. In re Grand Jury Proceedings, 750 F.2d 223 (2d Cir. 1984).

Furthermore, this burden must be met for each communication. The fact that the privilege existed for "conversation one" or "document one" does not mean it existed for "conversation two" or "document two." United States v. Jones, 696 F.2d 1069 (4th Cir. 1982).

Counsel for the witnesses seem to argue that there was no way to establish the proof of the preconditions for assertion of the privilege without publicly revealing protected information. A moment's thought, however, would suggest that this simply cannot be true. For example, an assertion under oath that the reason for a representation was to defend a client in litigation or to prepare a contract, if believed, satisfies the precondition that the communication be for the purposes of legal advice and does not reveal information the privilege protects. The failure to make such a statement under oath suggests that it could not truthfully be made.

The trouble with the position argued by counsel for the witnesses is that it makes it impossible for the House to test the validity of the assertion of a privilege. It makes it impossible to examine the facts upon which a witness relies in refusing to answer. The witness would be the final arbiter of his own assertion of the attorney-client (or presumably any another) privilege.

In any event, counsel for the witnesses also assert that in a court the facts supporting the privilege could be offered without fear that privileged information would be compromised. This, they write, could be done by submitting "the issue to a court in camera." Let us momentarily assume that counsel's original contention is correct and that the preconditions for the assertion of the privilege cannot be demonstrated at the hearing without compromising confidential information. Congress, by voting a contempt citation, will give counsel the "in camera" hearing they wish and at which they say they can establish the preconditions for the assertion of the privilege. A judge will hear all of their evidence and rule.

Professor Dershowitz does not seem to dispute any of this. His characteristically careful memorandum says only that (a) the privilege applies in Congressional hearings; (b) "assertion" of it in the current proceeding was "proper;" (c) the privilege belongs to the client, not the lawyer; and (d) a lawyer has a separate ethical duty to protect client confidences and secrets. I can accept each of these positions for purposes of the current analysis.

With regard to (a), we are assuming that the privilege applies to the same extent as it would apply in a court. With regard to (b), even if in the first instance the "assertion" of the privilege was "proper," the important question is whether the privilege, once asserted, should be upheld as a matter of law. Professor Dershowitz does not appear to take a position on that issue. Indeed, he could not since it appears that he has not been told the underlying facts that would determine whether the claim of privilege should be upheld.

Statements (c) and (d) are simple statements of general principle. Neither principle supports the Bernsteins. The fact that the privilege belongs to the client does not mean it was properly invoked. The existence of an ethical duty to protect a client's information is totally irrelevant, as I discuss below.

Professor Dershowitz also advocates recourse to other sources of the same information. As a policy matter, I too would favor a decision to seek information from nonprivileged sources rather than from privileged ones where that is possible. But that begs the question, which is: Is the information in the Bernsteins' possession privileged information? I say it is not and, therefore, that there is no reason why the House should search for other sources of the same information, any more than it would do so in the case of other ordinary witnesses.

"Is the identity of a client privileged?"

Almost never. There are a few extraordinarily rare exceptions in which a client's identity has been protected. It is required, at the very least, either (a) that the client's very purpose in going to a lawyer have been to protect his identity, as in Matter of Kaplan, 8 N.Y. 2d 214, 168 N.E. 2d 660 (1960) (protecting identity of client who, in effort to expose official corruption, gave lawyer information for the lawyer to provide to the authorities); or (b) that the government already know everything necessary to establish a client's guilt of a crime except the client's name, which it then seeks to learn from counsel. In re Grand Jury Proceedings, 517 F. 2d 666 (5th Cir. 1975); *Baird* v. *Koerner*, 279 F.2d 623 (9th Cir. 1960). In either event, the holder of the claimed privilege has the burden of proving the presence of the narrow preconditions before the privilege will protect identity.

Furthermore, the privilege is inapplicable if the client is using the attorney's aid to commit a crime or fraud (whether or not the attorney is aware of it). *United States* v. *Horvath*, 731 F.2d 557 (8th Cir. 1984). The government will be able to defeat an otherwise valid claim of privilege by introducing prima facie evidence of a criminal or fraudulent purpose. *Id.* This rule is simply an incident of the general rule that the privilege applies only where the purpose of seeking counsel is to get *legal* advice, and not where the client's purpose is to facilitate a legal wrong. In re Grand Jury Proceedings, 680 F. 2d 1026 (5th Cir. 1982). The crime or fraud exception to the privilege is not limited to crimes and frauds in the United States.

The Bernsteins have not proved that the narrow conditions for protection of a client's identity exist here. In a court of law, therefore, on this record, the assertion of the privilege to protect the clients' identity would be overruled and the witnesses required to answer on pain of contempt.

"Can Ralph Bernstein, who is not a lawyer, assert the privilege?"

Not unless his communications with the clients or the clients' agents were under the direction and control of the clients' lawyer and in order to enable the lawyer to furnish legal services to the clients. If communications with Ralph Bernstein were intended to further other goals of the clients, or to enable the clients to obtain nonlegal assistance from Ralph Bernstein—for example in connection with business investments or real estate purchases—they are not privileged even though the same information may have separately been made available to a lawyer in order to obtain legal counsel. In re Horowitz, 482 F.2d 72 (2d Cir. 1973). United States v. Kovel, *supra*.

Once again, it was incumbent on Ralph Bernstein to demonstrate these preconditions to his assertion of the privilege. The record is bare of any such demonstration. In a court of law, Ralph Bernstein would be ordered to answer the subcommittee's questions on pain of contempt.

"What is the effect of the Lawyer's Code of Professional Responsibility on Joseph Bernstein?"

Joseph Bernstein, but not Ralph Bernstein, is obligated to observe the Disciplinary Rules (DRs) of the Code of Professional Responsibility as adopted in New York, and in so far as he is validly performing a legal service in another jurisdiction, the ethical standards in that other jurisdiction.

Joseph Bernstein, as the agent for his client, cannot voluntarily reveal "confidences" or "secrets." DR 4-101, Code of Professional Responsibility. A "confidence" is information protected by the attorney-client privilege, which means it will have come from the client or his agents. A "secret" is information the lawyer has gained from other (third-party) sources in connection with the professional relationship. A secret is not protected by the privilege. While a secret must not be revealed voluntarily, unless for the client's benefit, it must be revealed if requested by a body with subpoena power, such as Congress.

Joseph Bernstein's claim that revealing secrets or confidences in response to a Congressional order to do so would put him in violation of the Code of Professional Responsibility is frivolous. To begin with, the ethical duty to protect confidences and secrets is expressly excepted when revelation is required by law. DR 4-101(C)(2). An order to answer a question, coming from a body with legal power to issue the order, imposes a legal duty that overrides the ethical duty.

Furthermore, even in New York the Code of Professional Responsibility is subservient to the law of New York. In re Weinstock, 40 N.Y. 2d 1, 351 N.E. 2d 647 (1976). It necessarily follows that the New York ethics code is subservient to federal law. Even if Congress is prepared, as a matter of grace, to let Mr. Bernstein test the legality of the claim of privilege under traditional evidentiary standards, information Mr. Bernstein may have received from sources other than his clients or the clients' agents (secrets) is outside the privilege and totally unprotected by it. Since the court has no power to protect secrets, there was no basis for Joseph Bernstein, much less Ralph Bernstein, to refuse to reveal information about the clients obtained from third parties.

"How can the House test the validity of the assertion of the privilege?"

Only by citing the Bernsteins for contempt and letting a judge decide whether the assertion of the privilege and the witnesses' refusals to answer were legally proper. Otherwise, the Bernsteins become the judge of their own assertion. It would be inconsistent for the House to afford the

Bernsteins' clients the protection of the privilege to the extent a court would recognize it, and then not to do the act that will make a court test possible.

CONCLUSION

The Bernsteins' claim of privilege is without foundation in law on the record of the proceedings before the Subcommittee. It is remote in the extreme that the Bernsteins can prove in a court of law the foundational facts necessary to support their enormously broad assertion of privilege. The assertion of an ethical duty to refuse to reveal the requested information is frivolous. The assertion of a legal privilege not to reveal information about a client gained from third parties is also frivolous. The right of the House to insist on answers must be tested in court. Bringing that test requires a contempt citation.

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC, February 19, 1986.

To: Office of the Clerk of the House. Attention: Charles Tieffer.

From: American Law Division.

Subject: Comments on Dershowitz Memorandum.

During the course of closed hearings involving the investigation of allegations of major investments in the United States by Philippines President Ferdinand Marcos and his wife, Imelda, the Subcommittee on Asian and Pacific Affairs of the House Committee on Foreign Affairs called two witnesses, Ralph Bernstein and his brother Joseph Bernstein, said to be key figures in a scheme designed to shield the Marcos' holdings from public view.[1] Ralph Bernstein is a nonlawyer who works extensively in real estate investment. Joseph Bernstein is a lawyer who assists in that endeavor. Examination of the Bernsteins on December 11 and 12, 1985, established that they were the owners of New York Land Co., which acted as the managing agent for two properties identified as part of the Marcos' holdings. But the witnesses refused to answer questions directed to their real estate investment work with respect to those properties or the identity of the persons for whom the work was done. Their refusal to give the information was based primarily on a claim of attorney-client privilege.

The Bernsteins appear to have had ample time and opportunity to consider and appraise their claim of privilege. They were served with subpoenas which notified them of the subject matter of the hearing several days before they were to appear to testify and although they were required to produce specified documents, production was waived to a future date by agreement. Both were represented by counsel at the hearing. Their counsel were afforded the opportunity to present their objections to providing the requested information prior to and during the hearing, and were informed as to the legal basis of the Subcommittee's objection to their claim of privilege both orally and in writing. Counsel responded to those objections before and during the hearings with extensive written and oral arguments. Finally, the hearing was adjourned overnight to allow the witnesses and their counsel further opportunity to consider their positions.

The Subcommittee provided the Bernsteins with a list of the questions they would be asked the next day. The questions sought to ascertain whether they knew the Marcoses or had engaged in any business activities on behalf of or with the Marcoses. After being advised of the consequences of their failure to answer, the Bernsteins declined to answer the questions most pertinent to the inquiry and were found in contempt of the Congress by the Subcommittee by a 6-3 vote on December 12. On December 17, following several hours of debate, including arguments presented by counsel on behalf of the Bernsteins, the full Committee voted 21-2 to report a contempt resolution for Joseph and Ralph Bernstein to the House. At no time during the proceeding did the Bernsteins attempt to establish that the services about which they were being questioned were legal rather than business in nature. They simply asserted a broad claim of privilege. The House is expected to take up the resolution of contempt during the week of February 24.

On January 27, 1986, Professor Alan M. Dershowitz presented the full Committee with a memorandum entitled "Legal Obligations to Preserve Client Confidences—Joseph Bernstein, Ralph Bernstein, and William Deyo" (Dershowitz Memo) in support of the contemnors' claim of privilege. Based upon his review of the subpoenas served on the Bernsteins, the two legal memoranda dated December 11, 1985 from the General Counsel to the Clerk of the House to the Subcommittee Chairman, legal memoranda from the Bernsteins' Washington, D.C. counsel, and the transcript of the December 11-12 hearing, Professor Dershowitz opines that the legal and ethical obligations of the Bernsteins "were to resist disclosing any information that was arguably a client 'confidence' or 'secret'." [2] This, in his view, absolved them of any obligation to reveal "the identity of their clients and facts about the transactions executed on their behalf." [3] Disclosure would be required "[o]nly if after exhausting all legal remedies they are still compelled to do so by a court of law." [4] In view of the severe consequences of the contempt process, Professor Dershowitz urges "the Committee to pursue all reasonably available alternative sources of information." [5]

More specifically, the Dershowitz Memo asserts that (1) Congress has no authority to exercise any discretion in entertaining claims of attorney-client privilege "despite anachronistic statements and actions referred to in the General Counsel's memoranda"; [6] (2) the privilege was properly invoked at the hearing because it is possible that the "disclosure of identity or the fact of representation would itself reveal confidential information relating to the client's reasons for seeking the attorney's advice," and that the advice being sought was legal advice about business transactions and the business advice given was incidental to the legal advice; [7] and (3) that the ethical duty of a lawyer to protect client "confidences" and "secrets" is broader than the scope of confidential communications protected by the attorney-client privilege, and that under Canon 4 and Disciplinary Rule 4-101 of the American Bar Association's Code of Professional Responsibility, which has been adopted by the New York State Bar Association, such confidences and secrets "do *not* have to be communicated by the client, and the lawyers' duty to preserve them is *not* destroyed if third persons learn of them." [8] As a consequence, it was proper for the Bernsteins to decline to answer "until all avenues of appeal are exhausted." [9]

You have asked for our comments on the Dershowitz Memo. As a preliminary matter it must be noted that the task of commentary is made difficult by the poverty of any citation of authority for any of the statements or assertions of law or fact. Although Professor Dershowitz had the benefit of legal memoranda from both sides, reviewed the transcript of the hearing, and had consultations with the Bernsteins and their other counsel, he rests his opinion solely "upon my extensive familiarity with the law governing attorney-client privilege and legal ethics." [10] The effect is to place the burden on the Committee, and a commentator, to establish the non-applicability of the privilege, a burden traditionally and without exception borne by a claimant of the protections of the privilege. Moreover, we hesitate to engage in a time consuming process of deconstruction of portions of the memorandum which may appear inaccurate, misleading or unsound simply because of the absence of citation of fact or authority which might be readily supplied by an expert in the field and inadvertently missed by a commentor. We will, therefore, take a safer course and present only summary discussions of the prevailing case law, practice, and theory in the areas raised by the Dershowitz Memo: applicability of the privilege in congressional hearings, disclosure of client identity and fees, the scope of the business advice exception, and the ethical duty of attorneys to preserve client "confidences" and "secrets."

1. *The Attorney-Client Privilege in the Congressional Forum:*

Although the Committee's contempt report makes it abundantly clear that its decision rests primarily on its judgment that the claim of privilege would have been rejected by a court,[11] Professor Dershowitz chooses to treat its secondary ground—that acceptance of a claim of attorney-client privilege rests in the discretion of a congressional committee regardless of whether a court would uphold the claim—as his initial object of examination. He asserts that support for the claimed prerogative rests on "anachronistic statements and actions" and that its acceptance would destroy the privilege (". . . no client would ever tell a lawyer anything in confidence." [12]). The contemporary relevance of the prerogative and its discrete use, however, do not support such a critique. As with the legislature's inherent authority to investigate, the discretion to entertain claims of privilege traces back to the model of the English Parliament.[13] The rare instances of its exercise by Congress have been consistent in their rejection of the applicability of the privilege.[14] But no court has ever questioned the assertion of the prerogative, and both Houses of Congress have rejected opportunities to impose the attorney-client privilege as binding general rules for committee investigations.[15] Under contemporary congressional experience, a delicate balancing test to ensure its fair application has been employed. Thus the exercise of committee discretion turned on "weighing [of] the legislative need against any possible injury" to one asserting the privilege and the application of this test has involved painstaking examinations of potential detriment and relevant judicial precedents.[16]

This exercise appears simply reflective of the widely divergent nature of the judicial and legislative forums. The attorney-client privilege is a product of a judicially developed public policy designed to foster an effective and fair adversary system. The courts view the privilege as a means to foster client confidence and encourage full disclosure to an attorney. It is argued that free communication facilitates justice by

promoting proper case preparation.[17] It is also suggested that frivolous litigation is discouraged when, based on full factural disclosure, an attorney finds that his client's case is not a strong one.[18] Of critical importance here is the understanding that the role of attorney-client privilege is designed for, and properly confined to the adversary process: the adjudicatory resolution of conflicting claims or individual obligations in a civil or criminal proceeding. But the necessity to protect the individual interest in the adversary process if far less compelling in an investigative setting where a legislative committee is not empowered to adjudicate the liberty or property interests of a witness. This is the import of those cases which have recognized that "only infrequently have witnesses . . . [in congressional hearings] been afforded procedural rights normally associated with an adjudicative proceeding." [19] Indeed, the suggestion that the investigatory authority of the legislative branch of government is subject to non-constitutional, common law rules developed by the judicial branch to govern its proceedings is arguably contrary to the concept of separation of powers. It would, in effect, permit the judiciary to determine congressional procedures and is therefore difficult to reconcile with the constitutional authority granted each House of Congress to determine its own rules.[20] Moreover, complete, untempered importation of the privileges and procedures of the judicial forum is likely to have a paralyzing effect on the investigatory process of the legislature.

Finally, the assertion that the denial of the privilege in the congressional setting would destroy the privilege elsewhere appears greatly overstated in light of experience and reason. Parliament's rule has not impaired the practice of law in England nor has its limited use here inflicted any apparent damage on the practice of the profession. Congressional investigations in the face of claims of executive privilege or the revelations of trade secrets have not diminished the general utility of these privileges nor undermined the reasons they continue to be recognized by the courts. Moreover, the assertion implies that current law is an impregnable barrier to disclosure of confidential communications when in fact the privilege is, of course, an exception to the general rule of disclosure and, as will be shortly seen, is riddled with qualifications and exceptions, and has been subject as well to the significant current development of the waiver doctrine. Thus, there can be no absolute certainty that communications with an attorney will not be revealed.[21].

2. *The Attorney-Client Privilege: Disclosure of Client Identity, Fee Arrangements and Business Advice:*

The Dershowitz Memo acknowledges the disclosability of client identity, fee arrangements, and communications regarding business advice but presents the exceptions to these disclosure rules as if their mere assertion is sufficient to invoke the privilege. Moreover, the Memo makes no attempt to relate these exceptions to the actual circumstances of this proceeding.

Although the privilege today is seen to rest on the theory that encouraging clients to make the fullest disclosure to their attorneys enables them to act more effectively, justly and expeditiously, and that these benefits outweigh the risks posed by not allowing full disclosure in court,[22] even its leading proponent, Dean Wigmore, conceded the unverifiability of the assumption and advised that its use be strictly limited.

"Its benefits are all indirect and speculative, its obstruction is plain and concrete . . . It is worth preserving for the sake of a general policy; but it is nonetheless an obstacle to the investigation of truth. It ought to be strictly confined within the narrowest possible limits consistent with the logic of its principle." [23]

The courts have heeded Wigmore's admonition. The Sixth Circuit recently observed:

"Since the attorney-client privilege may serve as a mechanism to frustrate the investigative or fact-finding process, it creates an inherent tension with society's need for full and complete disclosure of all relevant evidence during implementation of the judicial process. See: *In re Grand Jury Proceedings (Jones),* 517 F.2d 666, 671-72 (5th Cir. 1975) (the purpose of the privilege—to suppress truth—runs counter to the dominant aims of law") . . . . These competing societal interests demand that application of the privilege not exceed that which is necessary to effect the policy considerations underlying the privilege, i.e., "the privilege must be upheld only in those circumstances for which it was created." *In re Walsh, supra,* 425 U.S. 403, 96 S. Ct. at 1577 ("it applies only where necessary to achieve its purpose.") As a derogation of the search for truth, the privilege is to be narrowly construed. *See: United States* v. *Weger,* 709 F.2d 1151, 1154 (7th Cir. 1983); *Baird* v. *Koerner,* 279 F.2d 623, 631-32 (9th Cir. 1960); *United States* v. *Pipkins,* 528 F.2d 559, 562-63 (5th Cir. 1976)." [24]

One important manifestation of the judicial policy of strict confinement is the universal recognition that the burden of establishing the existence of the privilege rests with the party asserting the privilege.[25] Moreover, blanket assertions of the privilege have been deemed "unacceptable" [26] and are "strongly disfavored." [27] The proponent must conclusively prove each element of the privilege. The Seventh Circuit explained this requirement as follows:

"This court . . . [has] specifically disapproved blanket assertions of attorney-client privilege. . . . The burden is on the party claiming the privilege to present the underlying facts demonstrating the existence of the privilege. . . . This is not to say that the party must detail the contents of each communication, for that would indeed violate the privilege. But the party must supply the court with sufficient information from which it could reasonably conclude that the communication: (1) concerned the seeking of legal advice; (2) was between a client and an attorney acting in his professional capacity; (3) was related to legal matters; and (4) is at the client's instance permanently protected.[28]

Thus a claimant must reveal specific facts which would establish that the relationship was one of attorney and client. Conclusory assertions are insufficient.[29]

A further manifestation of the judicial proclivity to confine the scope of the privilege is the general rule requiring disclosure of the fact of employment, the identity of the person employing him or the name of the real party in interest, the terms of the employment, and such related facts as the client's address, occupation or business and the amount of the fee and who paid it.[30] The courts have reasoned that the existence of the relation of attorney and client is not a privileged communication. The privilege pertains to the subject matter and not to the fact of the employment as attorney. The Second Circuit in *In re Shargel* explained the rationale as follows:

The "Absent special circumstances, disclosure of the identity of the client and fee information stand on a footing different from communications intended by the client to explain a problem to a lawyer in order to obtain legal advice. To be sure, the fact of consultation and the payment of a fee may be preconditions to seeking legal advice, and we would be less than candid not to concede that the lack of a privilege against disclosure of the fact of an attorney-client relationship may discourage some persons from seeking legal advice at all. Nevertheless, a general rule requiring disclosure of the fact of consultation does not place attorneys in the professional dilemma of cautioning against disclosure and rendering perhaps ill-formed advice or learning all the details and perhaps increasing the perils to the client of disclosure.

"Where no such dilemma is created for the lawyer, information is not protected by the privilege even though the client may strongly fear the effects of disclosure, including incrimination. Professionally competent and informed advice can be rendered by an attorney even though he or she must disclose that a fee was a gem suspected to have been recently stolen, currency with certain serial numbers, or a sum far in excess of the client's reported income."

"It seems evident to us that a broad privilege against the disclosure of the identity of clients and of fee information might easily become an immunity for corrupt to criminal acts. *See* McCormick, *Evidence* sec. 90 at 187 (2d ed. 1972) ("One who reviews the cases in this area will be struck with the prevailing flavor of chicanery and sharp practice pervading most of the attempts to suppress the proof of professional employment."). Such as shield would create unnecessary but considerable temptations to use lawyers as conduits of information or of commodities necessary to criminal schemes or as launderers of money. The bar and the system of justice will suffer little if all involved are aware that assured safety from disclosure does not exist.[31]

The courts have recognized three exceptions to the general rule that the identity of a client is not privileged: (1) "The name of the client will be considered privileged matter where the circumstances of the case are such that the name of the client is material only for the purpose of showing an acknowledgement of guilt on the part of such client of the offenses on account of which the attorney was employed."[32] This exception may be overcome by a showing that the legal representation was secured in furtherance of present or intended continuing illegality, as where the legal representation itself is part of the conspiracy.[33] (2) The identity of a client is not privileged where disclosure of the identity would be tantamount to disclosing an otherwise protected confidential communication.[34] (3) Disclosure of a client's identity is not required where it would supply the "last link" in an existing chain of incriminating evidence likely to lead to the client's indictment.[35]

Finally, the case law has consistently emphasized that one of the essential elements of the attorney-client privilege is that the attorney be acting as an attorney and that the communication be made for the purpose of securing legal services. The privilege therefore does not attach to incidental legal advice given by an attorney acting outside the scope of his role as attorney. "Acting as a lawyer encompasses the whole orbit of legal functions. When he acts as an advisor, the attorney must give *predominantly* legal

advice to retain his client's privilege of nondisclosure, not solely, or even largely, business advice."[36] The court in *SCM Corp.* v. *Xerox Corp.* pertinently discusses the process of sorting out matters that have both business and legal components:

"The mere mention of business considerations is not enough to compel the disclosure of otherwise privilege material . . . Here it is not clear that the decisions were the type in which business personnel defer to the recommendation of legal staff. Licensing decisions may contain a legal component, but are not inherently dependent on legal advice; they are essentially business decisions. Legal advice should remain protected along with "nonlegal considerations" discussed between client and counsel that are relevant to that consultation, but when the ultimate decision then requires the exercise of business judgment and when what were relevant nonlegal considerations incidental to the formulation of legal advice emerge as the business reasons for and against a court of action, those business reasons considered among executives are not privileged. They are like any other business evaluations and motivations and do not enjoy any protection because they were alluded to by conscientious counsel. To protect the business components in the decisional process would be a distortion of the privilege. The attorney-client privilege was not intended and is not needed to encourage businessmen to discuss business reasons for a particular course of action. . . . "[37]

In order to ascertain whether an attorney is acting in a legal or business advisory capacity the courts have held it proper to question either the client or the attorney regarding the general nature of the attorney's services to his client, the scope of his authority as agent and the substance of matters which the attorney, as agent, is authorized to pass along to third parties.[38] Indeed, invocation of the privilege may be predicated on revealing facts tending to establish the existence of an attorney-client relation.[39]

Applying these guiding principles to the instant circumstances, the Committee would appear, contrary to the Dershowitz Memo, to have a substantial and well supported basis for concluding that a court faced with the same factual pattern would reject the claim of privilege. The Bernsteins simply have made no effort to carry their burden of persuasion. The hearing record is devoid of any factual support that its relation with its undisclosed clients was one of attorney and client. In fact, the scant evidence provided—their ownership of the New York Land Co. which manages two of the suspect properties—points in the direction of a business relation alone and stands unrebutted. The questions posed sought information about acquaintanceship with the Marcoses, the fact of meetings, and of real estate investment and other business activities. The refusals to answer were based on blanket assertions of privilege. No evidence was presented or claim made that the questions fell under any of the limited exceptions to the general client and fee disclosure requirements.

Indeed, the Subcommittee's inquiries were well within boundaries of similar questions found by courts not to run afoul of the privilege. Thus in *In re John Doe, Esq.*[40] the court enforced two subpoenas against an attorney who represented two undisclosed principles in real estate property purchases. The subpoena required all the business records of the subject real estate company, all the records concerning the purchase and sale of the properties, and "direct[ed] petitioner [the attorney] to testify before the grand jury" regarding his knowledge of the business affairs of XYZ Realty, Inc., the subject real estate concern].[41] Among the specific questions to be answered in that questioning was one parallel to the key question posed to the Bernsteins: "Who funded XYZ?; (a) How much cash was put into the corporation; (b) Who funded the corporation?"[42] The district court found that petitioner had failed to meet his burden of establishing the burden and that, moreover, the privilege was inapplicable because some of the documents "relate to business not legal advice," and others to "petitioner's fee arrangements with his clients."[43] The questions "appeared to seek answers concerning only business advice which, though perhaps intended to be private, most certainly were not privileged."[44]

In *United States* v. *Davis*[45] the court ordered disclosure of a variety of documents found to be records of either financial or business transactions between an attorney and his client (Items 1-4, 10); records of transactions evidencing that the attorney was acting as his client's business advisor, or his agent for receipt or disbursement of money or property to or from a third party (Items 5-8); and federal and state tax returns (Items 13-14). The subpoena described the documents as follows:[46]

"1. Records of any loans made by you to the above-designated subjects during the period January 1, 1972 through December 31, 1977, such loan records to include, but not limited to, the following information: a) Date of the loan. b) Amount of the loan. c) Form in which the loan was made. d) Purpose of the loan. e) When the loan was repaid. f) Form in which the loan was repaid. g) Amounts and dates of repayment.

"2. Records of any loans made by the above-designated subjects to you during the period January 1, 1972 through December 31, 1977, such loan records to include, but not limited, to the following information: a) When the loan was made. b) Amount of the loan. c) Form in which the loan was made. d) Purpose of the loan. e) When the loan was repaid. f) Form in which the loan was repaid. g) Amounts and date of any and all repayments.

"3. Records of any cash gifts made during the above noted period by you to the above-designated subjects, such records to include, but not limited to, the following: a) Amount of the cash gift. b) When the cash gift was made. c) Identity of individual or individuals present when the gift was made.

"4. Records of any cash gifts made to you during the above noted period by the above-designated subjects, such records to include, but not limited to, the following: a) Amount of the cash gift. b) Date of the cash gift to you. c) Identity of individual or individuals present when the gift was made.

"5. Records showing the dates and amounts of any money or property received by you or placed under your custody or control, or received by or placed under the custody or control of a member of your law firm for or on behalf of the above-designated subjects during the period January 1, 1972 through December 31, 1977.

"6. Records showing the dates and amounts of any disbursements of money or property made by you, or made at your direction, or made by or at the direction of a member of your law firm, for or on behalf of the above-designated subjects during the period January 1, 1972 through December 31, 1977.

"7. Records of any real or personal property you or your law firm assisted the above-designated subjects in acquiring, holding or disposing of during the period January 1, 1972 through December 31, 1977, such records to include but not limited to the following: a) Stocks, bonds, certificates of deposit, cashier checks, money orders or other securities. b) Loans made by the above-designated subjects to others than yourself. c) Loans made to the above-designated subjects. d) Real estate. e) Airplanes, boats, yachts, automobiles and/or other personal property. f) Bank checking or savings accounts. g) Escrow accounts or funds.

"8. Records pertaining to the establishment and maintenance or other transactions with any trust fund related to the above-designated subjects, such records to include but not limited to the following: a) Establishment and maintenance of the trust. b) Funds and properties flowing into and out of the trust. c) Federal and state income or other tax returns or reports prepared and/or filed. d) "Accounting records."

* * * * *

"10. Records showing the dates and amounts of all compensation paid to you or paid to your law firm by the above-designated subjects during the period January 1, 1972 through December 31, 1977."

* * * * *

"13. Retained originals or copies of any Federal or state income tax returns of the above-designated subjects.

"14. Retained copies or originals of any other state or Federal reports or forms including but not limited to franchise tax returns, sales tax returns, and/or personal property inventories of the above-designated subjects.

The district court in *In re Arthur Treacher's Franchisee Litigation*[47] found the following questions appropriate to ascertain whether or not the privilege was being invoked properly.

"3. Who was present at that meeting? (Benefield deposition at p. 120).

"4. Were other members of the Arthur Treacher's franchisee association present? (Benefield deposition at p. 120).

"5. What was the purpose of this meeting? (Benefield deposition at p. 121).

"6. Was the purpose to seek legal advice from the attorneys at Weil, Gotshal? (Benefield deposition at p. 121).

"7. How many people were present at this meeting? (Benefield deposition at p. 122).

"8. How long did the meeting last? (Benefield deposition at p. 123).

"9. On what date did the meeting occur? (Benefield deposition at p. 123).

"12. What members of Arthur Treacher's franchisee association board were present? (Benefield deposition at p. 124).

"13. Were any persons present who were not members of the board of Arthur Treacher's franchisee association present? (Benefield deposition at p. 124).

"15. Did you attend any meetings prior to March of 1980 for which attorneys from Weil, Gotshal were present? (Benefield deposition at p. 126).

"21. Who was at this meeting [most recent meeting of Arthur Treacher's Franchisee Association]? (Nadel deposition at p. 71).

"22. What was the purpose of the meeting? (Nadel deposition at p. 72).

"24. Was the purpose of the meeting to seek legal advice? (Nadel deposition at p. 72).

"25. Were any persons present who were not members of the Arthur Treacher's

Franchisee Association board of directors? (Nadel deposition at p. 72).

"26. Were any persons present who were not members of the Arthur Treacher's Franchisee Association at this meeting? (Nadel deposition at p. 72).

"41. Did anyone say "I would like your legal opinion on such and such an issue?" (Henahan deposition at p. 152, August 25, 1981).

"42. Did anyone say "I'm going to give you the following facts on which you can give me legal advice?" (Henehan deposition at p. 152, August 25, 1981)" [48].

In sum, then, it could be strongly argued that a court would have rejected the claims of privilege of the Bernsteins had they been presented in a judicial forum.

3. *The Ethical Duty to Preserve Client Confidences:*

The Dershowitz Memo asserts that Canon 4 and Disciplinary Rule 4-101 (DR 4-101) provide an additional basis for the Bernsteins' refusal to answer. Those rules, which have been adopted by the New York Bar Association, require lawyers to preserve client "confidences" and "secrets." Violation of these precepts, which concededly are broader than the scope of the judicially recognized attorney-client privilege, could subject attorneys to possible censure, suspension or disbarment unless they exhaust all avenues of appeal.[49]

The attempt to engraft rules onto the law of confidentiality, thereby creating two contradictory bodies of law covering the same subject matter, is a matter of some controversy in the profession.[50] It can be argued that at the very least it causes confusion; and at worst it would appear to distort the role of a lawyer by putting him in a separate category, and freeing him from responsibilities of disclosure which must be assumed by other citizens.

In any event, there appear to be at least two lines of argument that would resolve the issue here. DR 4-101 authorizes disclosure of confidential information "when required by law or court order." A proper understanding of the congressional contempt process reveals that the Bernsteins are now "required by law" to answer to questions posed. Under 2 U.S.C. (1982), the contempt of Congress is complete when a committee rejects all claims of privilege and demands that a witness respond. The obligation of law attaches at that time. The criminal trial that may follow is not brought to require testimony or the production of documents—no such order will issue from that court proceeding. Rather, the criminal proceeding is brought to vindicate the prerogatives of the Congress.[51] Thus, the "required by law" proviso can be said to have been met and would certainly be an arguable defense to any possible disciplinary proceeding.

Moreover, DR 4-101(c)(4) provides that "a lawyer may reveal . . . [c]onfidences or secrets necessary . . . to defend himself or his employees against an accusation of wrongful conduct." In *Application of Solomon Friend,*[52] the court allowed an attorney to turn over to a grand jury documents as to which his former corporate client asserted privilege and other documents which had been held privileged by other judges in order to assist him in attempting to exculpate himself from a *potential* indictment. The court noted that "Although, as yet, no formal accusation has been made against Mr. Friend, it would be senseless to require the stigma of an indictment to attach prior to allowing Mr. Friend to invoke the exception of DR 4-101(c)(4) in his own defense." [53] Similarly, in *Meyerhofer* v. *Empire Fire & Marine Ins. Co.,*[54] the court stated:

". . . . DR 4-101(c)(4) recognizes that a lawyer may reveal confidences or secrets necessary to defend himself against "an accusation of wrongful conduct." This is exactly what Goldberg had to face when, in the original complaint, plaintiffs named him as a defendant who willfully violated the securities laws.

"The charge, of knowing participation in the filing of a false and misleading registration statement, was a serious one. The complaint alleged violations of criminal statutes and civil liability computable at over four million dollars. The cost in money of simply defending such an action might be very substantial. The damage to his professional reputation which might be occasioned by the mere pendency of such a charge was an even greater cause for concern.

"Under these circumstances Goldberg had the right to make an appropriate disclosure with respect to his role in the public offering. Concomitantly, he had the right to support his version of the facts with suitable evidence."[55]

Under the present circumstances, it would seem that Joseph Bernstein might persuasively argue that he would be similarly entitled to the benefit of the exception to the disciplinary rule in order to mitigate the stigmatizing effect which he may feel that continued publicity about the contempt proceeding may have on his standing before the bar as well as the potentially diminished effectiveness that may result in the performance of his public duties.

4. *Conclusion:*

An analysis of the case law, practice and experience with respect to the invocation of the attorney-client privilege which have been raised by the Dershowitz Memo suggests that the Subcommittee had a substantial basis for rejecting the assertions of privilege by the Bernstein brothers on the ground that it was likely that no court would have allowed its invocation. The record at the hearing shows that the contemnors made no attempt to shoulder their burden of persuasion that their claim of privilege was proper. They made no proffers of specific fact to demonstrate the establishment of the attorney-client relation nor did they claim any of the limited exceptions to avoid such a proffer.

MORTON ROSENBERG,
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American Law Division.
FEBRUARY 19, 1986.

FOOTNOTES

[1] The following documents were used as the basis for factual assertions in this memorandum: H.R. Report No. 99-462, "Proceedings Against Ralph Bernstein and Joseph Bernstein"; the transcript of the Subcommittee's hearing of December 11-12, 1985; and copies of the original subpoenas to Joseph and Ralph Bernstein.

[2] Dershowitz Memo, at 7.

[3] *Id.*

[4] *Id.*

[5] *Id.* Professor Dershowitz makes no attempt to suggest what those alternative sources of information would be.

[6] *Id.*, at 3-4.

[7] *Id.*, at 4.

[8] *Id.*, at 4-5 (emphasis in original).

[9] *Id.*, at 5.

[10] *Id.*, at 3.

[11] H.Rept. No. 99-462 at 14-15.

[12] Dershowitz Memo at 3-4.

[13] See Erskine May's *Treatise on the Law, Privileges, Proceedings and Usage of Parliament,* 746-47 (20th ed. 1983). May's Treatise has been relied on as a guide to parliamentary and congressional investigatory authority. See, *e.g., McGrain* v. *Daugherty,* 273 U.S. 135, 161 & note 15 (1927).

[14] See H. Rept. No. 99-462 at 13 & notes 12-14.

[15] See, Sen. Rep. No. 2, 84th Cong., 1st Sess. 27-28 (1954); House Subcomm. on Oversight and Investigations, Comm. on Energy and Commerce, Attorney-Client Privilege, Memoranda Opinions of the American Law Division, Library of Congress, 24-24 (Comm. Print 1983) (CRS Memoranda).

[16] Hearings on the International Uranium Cartel Before the Subcomm. on Oversight and Investigations of the House Comm. on Interstate and Foreign Commerce, 95th Cong., 1st Sess. 60, 123 (1977); see also CRS Memoranda, *supra* note 15, at 1-2, 27-36, 108-115.

[17] See, *e.g., Upjohn* v. *United States,* 449 U.S., 382, 389 (1981).

[18] *Id.*

[19] *Hannah* v. *Lurch,* 363 U.S. 420, 425 (1960); see also, *United States* v. *Fort,* 443 F. 2d 670 (D.C. Cir. 1970), cert. denied, 403 U.S. 932 (1971) (rejecting contention that the constitutional rights to cross-examine witnesses applied to a congressional investigation).

[20] U.S. Const., art. I, sec. 5, cl. 2.

[21] In addition to the disclosure rules discussed in the next section, see discussions of difficulties in corporate confidentiality and the development of the doctrine of waiver, in CRS Memoranda, *supra* note 15 at 26-32, 102-107.

[22] *Fisher* v. *United States,* 425 U.S. 391 (1976).

[23] 8 Wigmore, *Evidence,* sec. 2291 at 557-58 (3d ed. 1940).

[24] 3In re Grand Jury Investigation No. 83-2-35, 723 F.2d 447, 451 (6th Cir. 1983). See also, *In re Shargel,* 742 F.2d 61, 62 (2d Cir. 1984); *U.S.* v. *Lawless,* 709 F.2d 485, 487 (7th Cir. 1983); *U.S.* v. *Goldfarb,* 328 F.2d 280 (6th Cir.) *cert, denied* 370 U.S. 976 (1964).

[25] *See e.g.: In re Grand Jury Investigation No. 83-2-35,* 723 F.2d 447, 450-51 (6th Cir. 1983); *U.S.* v. *Lawless,* 709 F.2d 485, 487 (7th Cir. 1983); *In re Grand Jury Witness (Salas),* 695 F. 2d 359, 362 (9th Cir. 1982); *In re Walsh,* 623 F.2d 489, 493 (7th Cir.), *cert. denied,* 449 U.S. 994, 101 S. Ct. 531, 66 L. Ed. 2d 291 (1980); *Liew* v. *Breen,* 640 F.2d 1046, 1049 (9th Cir. 1981); *United States* v. *Stern,* 511 F.2d 1364, 1367 (2nd Cir. 1975); *United States* v. *Landof,* 591 F.2d 36, 38 (9th Cir. 1978); *In re Grand Jury Empaneled February 14, 1978 (Markowitz),* 603 F.2d 469, 474 (3d Cir. 1979); *United States* v. *Hodgson,* 492 F.2d 1175 (10th Cir. 1974); *United States* v. *Tratner,* 511 F.2d 248, 251 (7th Cir. 1975); *United State* v. *Demauro,* 581 F.2d 50, 55 (2d Cir. 1978); *United States* v. *Ponder,* 475 F.2d 37, 39 (5th Cir. 1973); *United States* v. *Bartlett,* 449 F.2d 700, 703 (8th Cir. 1971), *cert. denied,* 405 U.S. 932, 92 S. Ct. 990, 30 L. Ed. 2d 808 (1972); *In re Application of John Doe, Esq.,* 603 F. Supp. 1164, 1166 (E.D.N.Y. 1985); *In re Grand Jury Subpoena December 18, 1981,* 561 F. Supp. 1247, 1251 (E.D.N.Y. 1981).

[26] *SEC* v. *Gulf and Western Industries, Inc.,* 518 F. Supp. 675, 682 (D.D.C. 1981).

[27] *In re Grand Jury Investigation No. 83-2-35,* 723 F.2d 447, 454 (6th Cir. 1983); *U.S.* v. *Lawless,* 709 F.2d 485, 487 (7th Cir. 1983); *In re Grand Jury Witness (Salas),* 695 F.2d 359, 382 (9th Cir. 1982); *United States* v. *Davis,* 636 F.2d 1028, 1044 n. 20 (5th Cir. 1981); *U.S.* v. *Cromer,* 483 F.2d 99, 102 (9th Cir. 1973); *Colton* v. *United States,* 306 F.2d 633, 639 (2d Cir. 1962).

[28] *FTC* v. *Schaffner,* 626 F.2d 32, 37 (7th Cir. 1980).

[29] *J.P. Foley & Co.* v. *Vanderbuilt,* 65 FRD 523, 527 (S.D.N.Y. 1974).

[30] *In re Shargel,* 742 F.2d 61, 62 (2d Cir. 1984); *In re Grand Jury Investigation No. 83-2-35,* 723 F.2d 447, 451-52 (6th Cir. 1983); *In re Grand Jury Proceedings in Matter of Freeman,* 208 F.2d 1571, 1575 (11th Cir. 1983); *In re Grand Jury Proceedings (Robert Twist, Sr.),* 689 F.2d 1351, 1352 11th Cir. 1982); *Colton* v. *United States,* 306 F.2d 633, 637-38 (2d Cir. 1962), *cert. denied,* 371 U.S. 951 (1963); *United States,* v. *Pape,* 144 F.2d 778, 782 (2d Cir.), *cert. denied,* 323 U.S. 752 (1944).

[31] 742 F.2d at 63-64.

[32] *Baird* v. *Koesner,* 279 F.2d 623, 633 (9th Cir. 1960).

[33] *In re Grand Jury Subpoenas Duces Tecum,* 695 F.2d 363, 365 n. 1 (9th Cir. 1982).

[34] *In re Grand Jury Investigation No. 83-2-35,* 723 F.2d 447, 453 (6th Cir. 1983).

[35] *In re Grand Jury Proceedings (Pavlick),* 680 F.2d 1026 (5th Cir. 1982) (*en banc*).

[36] *Zenith Radio Corp.* v. *Radio Corp. of America,* 121 F. Supp. 792, 794 (D. Del. 1954) (emphasis supplied).

[37] 70 FRD 508, 517 (D. Conn. 1976).

[38] *Colton* v. *United States*, 306 F.2d 633, 636, 638 (2d Cir. 1962); *United States* v. *Tellier*, 255 F.2d 441 (2d Cir. 1958); *J.P. Foley & Co., Inc.* v. *Vanderbilt*, 65 FRD 523, 526-27 (S.D.N.Y. 1974).

[39] *In re Arthur Treacher's Franchise Litigation*, 92 FRD 429, 435 (E.D. PA 1981); *J.P. Foley & Co., Inc.* v. *Vanderbilt*, 65 FRD 523, 527 (S.D.N.Y. 1976).

[40] 603 F. Supp. 1164 (E.D.N.Y. 1985).

[41] *Id.* at 1167.

[42] *Id.* at 1167 n. 1.

[43] *Id.*

[44] *Id.* See also *In re Grand Jury Subpoena (Arnold McDowell)*, 566 F. Supp. 752 (D. Minn. 1983) requiring attorneys to produce documents relating to real estate transactions performed for clients including "file notes regarding a real estate transaction, including a description of what is to be included in the sale of property and the location of the property."

[45] 636 F.2d 1028 (5th Cir. 1981).

[46] 636 F.2d at 1033-34 n. 3.

[47] 92 FRD 429 (E.D. Pa 1981).

[48] *Id.* 92 FRD at 432-33.

[49] Dershowitz Memo at 6.

[50] See, *e.g.*, Subin, The Lawyer As Superego: Disclosure of Client Confidence to Prevent Harm, 70 *Ia. L.R.* 1091 (1985), describing the controversy and criticizing this development (Subin).

[51] *In re Chapman*, 166 U.S. 661, 668 (1897). If the Bernsteins are convicted and serve their sentence and still have not responded to the original questions posed, the subcommittee may call them again, ask the same questions and, upon further refusals to respond, can initiate another contempt proceeding.

[52] 411 F. Supp. 776 (S.D.N.Y. 1985).

[53] 411 F. Supp. at 777 note.

[54] 497 F.2d 1190 (2d Cir. 1974).

[55] 497 F.2d at 1195. See Subin, *supra* note 50, at 1134-1144 approvingly discussing *Meyerhofer's* self-defense rationale (". . . the client's right to confidentiality in his communications may yield to the attorney's right to self-defense, if charged by a third party with complicity in the client's activities.").

There have been a number of critics who have expressed concern in the past that the subcommittee investigation was primarily aimed at influencing the outcome of the elections in the Philippines. Let me make it clear that that was not the case. Our hearings were the result of articles that appeared in the American press last summer and fall, and the decision to proceed with the investigation was made before Mr. Marcos called the snap Presidential election in the Philippines.

Indeed, at the time we began the hearings, we had no hard evidence that the allegations were accurate, and if it had turned out they were inaccurate, I have no doubt Mr. Marcos would have used that in order to buttress his argument that these allegations concerning his hidden wealth in the United States were without justification.

We have pursued this matter simply because we are interested in establishing the right of our committee and the Congress as a whole to obtain this kind of information. If the House does not turn over such witnesses to the Department of Justice, we could be creating a precedent that could potentially cripple the capacity of the Congress to fulfill its constitutional and legislative responsibilities, and I therefore respectfully, albeit with great regret, ask my colleagues to vote in favor of this contempt resolution.

Mr. LEACH of Iowa. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I ask unanimous consent to place in the RECORD immediately following my statement a statement from the gentleman from New York [Mr. SOLOMON].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LEACH of Iowa. Mr. Speaker, I rise in support of the report of the Committee on Foreign Affairs regarding the refusals of Joseph and Ralph Bernstein to answer certain questions of the Subcommittee on Asian and Pacific Affairs, and resolving that the Speaker certify that report to the U.S. Attorney for the District of Columbia, for the Bernsteins to be proceeded against according to the law. At the appropriate time, I shall move to divide the question.

The resolution before us today was approved by the Committee on Foreign Affairs on December 17, 1985, by identical rollcall votes of 21 to 2 for both Joseph and Ralph Bernstein. Under section 192 of title 2 of the U.S. Code, "Every person who having been summoned as a witness * * * to give testimony or to produce papers upon any matter under inquiry * * * willfully makes default, or who, having appeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than $1,000 nor less than $100 and imprisonment * * * for not less than 1 month nor more than 12 months." Under section 194, whenever an individual so summoned fails to testify, and a statement regarding that failure is reported to the Speaker, it is the duty of the Speaker to certify that statement to the appropriate U.S. attorney who is to bring the matter before a grand jury.

In spite of the overwhelming bipartisan support for these resolutions, a number of questions have lingered regarding the basis on which the House is proceeding on these contempt citations.

Congress' investigatory powers under the Constitution and the law are second only to its legislative mandate and prevail over privileges which exist in the practice of law or elsewhere. Although there has been no definitive judicial judgment on the subject of the applicability of the attorney-client privilege before Congress, it is clear from the broad constitutional and legal powers vested in Congress, from congressional precedents in investigations in the last century and this, from Congress' refusal to enact legislation which would recognize the attorney-client privilege, and from authoritative British parliamentary procedure that Congress has broad discretion in deciding whether it will accept or reject claims of attorney-client privilege in conducting its business.

It is understandable that some Members of this body may have reservations regarding the case being brought against the Bernsteins today. The Bernsteins have retained highly respected counsel and have communicated their concerns regarding these House proceedings to a number of the Members. Nevertheless, on the basis of counsel from the general counsel to the Clerk of the House and from the counsel to the minority leader, I am persuaded that the House has an obligation to pursue the matter before us if it is to protect the rights and responsibilities of this institution.

Some may properly have concerns about actions by this body which they fear may have the effect of undermining such important common law privileges as that protecting the attorney-client relationship. Nevertheless, in spite of Congress' broad discretion to override claims of attorney-client privilege, I believe the case before us stops short of presenting a test case on the applicability of the attorney-client privilege before Congress.

While the attorney-client privilege is an ancient and important part of our judicial system, it is not an absolute privilege covering all situations and circumstances. It is important to recognize first of all that the questions posed by the subcommittee to Joseph and Ralph Bernstein focused on business matters relating to alleged real estate investments by the Marcos family rather than matters of legal advice. As the Members of this body know, the attorney-client privilege pertains only to communications between a client and an attorney regarding matters of legal advice. A recent court case in the eastern district of New York affirms this important distinction. In the case of *In re Application of John Doe, Esq.*, the court held that certain real estate business documents belonging to an attorney were not protected because they related to business rather than legal advice. Further, in the case of *In re Shapiro*, in the northern district of Illinois, the court ruled that communications between a client and his attorney, where the attorney is acting as a business rather than legal advisor, are not privileged. In light of these judicial precedents, Congress must not allow the precedent to be set whereby the attorney-client privilege is permitted to be used as a total shield to prevent Congress from finding out anything regarding any matter.

It is important to note as well that the subcommittee, as a matter of discretion, declined to cite for contempt of Congress a third individual, William Deyo, who similarly claimed the attor-

ney-client privilege when responding to certain questions from the subcommittee. It appeared to the subcommittee that, unlike the Bernsteins', Mr. Deyo's knowledge regarding matters under investigation by the subcommittee appeared to be derived from the performance of strictly legal services and could, in fact, be given to the committee by his associates whose knowledge was derived from business as well as legal relationships. Thus, the subcommittee, exercising its discretion, declined to challenge the claim asserted by Mr. Deyo.

Finally, it should not be overlooked that one of the two individuals subject to the resolution before us today, Ralph Bernstein, is not an attorney, although he did work for a period for the law firm with which his brother Joseph is associated.

A second question or concern raised by some relates to the requirements of the code of professional responsibility for the bar which have been enacted into law in the State of New York, where Joseph Bernstein practices. The Bernsteins have raised the specter of being sued or of possible disbarment or other sanction if they voluntarily disclose what they claim are client confidences to the subcommittee. However, the bar code allows attorneys to disclose such information where the law or a court order so requires. Given the requirements of sections 192 and 194 of title 2 of the United States Code, which I cited earlier, once the chairman of the subcommittee had ordered the two Bernsteins to respond to the questions, they were under a nonvoluntary legal obligation to do so and could respond consistent with the requirements of the bar code that they not do so simply on a voluntary basis.

Balanced against the constitutional and civil libertarian considerations raised in the case before us today are the legislative responsibilities of this Congress. While at first glance the subcommittee's investigation into the alleged investments in the United States of the Marcos family would not appear overly relevant to Congress, and while economic conflicts of interest are unfortunately the norm, rather than the exception, in the vast majority of countries in the world, the subcommittee initiated this investigation at this particular time because the size and scope of abuse of power in the Philippines appeared to be extraordinary by any standard. Some reports have put the Marcos family wealth in a category which few, if any, American families rival. Evidence that the subcommittee has unearthed to date points to a small fraction of this fortune—a quarter billion dollars worth of "walking around money" for the First Lady of the Philippines, according to one critic—being invested in prime New York City real estate.

Given the recent economic decay in the Philippines and the alarming increase in the leftist insurgency feeding upon this decay, the issue of capital flight from the Philippines under the former Marcos government deserves to be explored to the fullest extent possible and an accounting made for its relationship to the millions of dollars of United States aid. From the outset of the subcommittee's investigation, no one, not even counsel to the Bernsteins, has questioned the subcommittee's legislative purpose in conducting this inquiry.

It may not be a happy event for a congressional committee to investigate the private investments of a foreign head of state while in office—particularly when the country involved has close and important geo-strategic ties with the United States. There are, however, policy implications for the Congress if it becomes apparent that a country to which we give aid was run at the time by a family which has been allocating the resources of the nation's land and treasury to its own personal use and which, in effect, looted the capacity of the country to achieve responsible economic growth and advance the welfare of its people. Corruption breeds cynicism and the poverty of opportunity for the masses breeds revolution. Any government that enriches itself while fleecing the pockets of its own citizenry will never be able to ensure domestic stability or meet its international commitments.

The results of the recent Philippine election and the dramatic events of the last several days underscore the breakdown in the moral authority of the Marcos regime and its capacity to command popular support and respect.

Yet, in spite of the fact that the Marcos family may have aggrandized itself while in power, I believe Congress has an obligation to apply the most rigorous standards of fairness and legality in the conduct of its investigation. The investigatory authority of the Congress is so broad that as the ranking minority member of the Subcommittee on Asian and Pacific Affairs, I have been as concerned with its potential coercive abuse as with the substance of the subcommittee's investigation. The dangers of slipping into a McCarthyism of the left are every bit as grave a threat as that of the right.

Wary of these dangers, the Subcommittee proceeded with great care, giving the witnesses ample opportunity to reconsider positions taken. In the final measure, the committee conservatively chose to cite the individuals named in the resolution before us primarily because of their involvement as heads of a real estate investment company, rather than as alleged legal advisors to the Marcos family.

The tests for a proper discovery process, including the tests of legislative purpose, time for complying with the subpoenas, and due process in conducting the hearings were carefully met.

Finally, I'd like to briefly address the request of the Bernsteins' counsel that the House delay consideration of the contempt citations until an advisory opinion can be obtained from the Committee on Professional and Judicial Ethics of the Association of the Bar of the City of New York as to their clients' obligations to respond to the subcommittee's questions. While I have no objection to the Bernsteins' effort to elicit the advice of the bar in this matter, and would have preferred Congress to delay consideration to receive such advice, it must be pointed out that the Congress cannot be subject to the rulings of a committee of a professional association. The law makes it quite clear that witnesses summoned to appear before Congress face penalties if they refuse to answer questions. Counsel for the Bernsteins made a stronger case in requesting delay based upon the confusion and emotiveness of recent events in the Philippines. I had hoped the Bernsteins would indicate to the committee a reconsideration of intent to cooperate based on these events, but no such indication was given. While I personally would have preferred delayed consideration of the issue before us today, I have no choice but to stand by the committee's recommendations.

Mr. Speaker, it is my hope that the subcommittee will continue its investigation into the alleged investments of the Marcos family in the United States. The issues confronting the Congress continue to be of profound international significance and should not be ignored. For example: Should American taxpayers in the future be asked to support a foreign government hall-marked by corruption? Were U.S. foreign aid dollars which became fungible parts of a foreign treasury returned directly or indirectly to our shores as investments of a private citizen? Is the international monetary crisis in part caused by the flight of corrupted capital from the developing world to safe havens like the United States? Are American laws regarding the disclosure of foreign ownership of property in the United States being fully observed? Isn't political integrity the linchpin of effective government of any size or philosophical foundation? Can we afford to associate ourselves with morally bankrupt regimes and still protect our long-term national security interests? What happens to the investments in the United States of corrupt regimes when they finally fall?

The subcommittee's inquiry was well founded in legislative purpose. Joseph and Ralph Bernstein demonstrated a contempt of Congress by refusing to

71-059 O-87-2 (Pt. 3)

cooperate with that inquiry. However, I would like to emphasize again, and I'm sure the distinguished chairman of the Subcommittee shares this perspective, that the subcommittee prefers to seek information and not punitive actions against these witnesses. They hold the keys to their potential incarceration in their pockets. We continue to hope that Joseph and Ralph Bernstein will cooperate with the subcommittee in its search for the truth in this investigation. In the meantime, I urge my colleagues to support the contempt citations before us to protect the legislative powers and responsibilities of this institution. In this regard, however, as they are individuals of differing circumstances, I demand division of the question.

□ 1210

The SPEAKER pro tempore. The gentleman's rights will be protected. The question will be divided.

Mr. RUDD. Mr. Speaker, will the gentleman yield for a question?

Mr. LEACH of Iowa. I am pleased to yield to the gentleman from Arizona.

Mr. RUDD. Mr. Speaker, I thank the gentleman for yielding.

The question is I think just for clarification for purposes of this citation or contempt citation proceedings, what was the purpose of the original inquiry that was being made by the committee which led to the contempt citation?

Mr. LEACH of Iowa. The purpose of the original inquiry was to look into, among other things, the reason for the decay in the financial infrastructure of the Government of the Philippines. The Philippines, as the gentleman may know, has had a declining GNP for the last 3 or 4 years. It is a country to which we give a quarter of a billion dollars a year in aid of one kind or another. One of the causes of the decay, it came to be the belief of the subcommittee, was the capital flight from the Philippines, a great measure of which was the personal wealth of the government in power; so at issue became whether the United States should, for instance, support a government that had lost the moral capacity to govern.

Mr. RUDD. Well, would the gentleman say that he had reason to believe, when the gentleman says personal wealth of the government in power, he is talking about the personal wealth of Ferdinand Marcos, I presume.

Mr. LEACH of Iowa. Yes, I am.

Mr. RUDD. But what jurisdiction would we have over determining the personal wealth of one individual, even though he might be President of another country? It seems to me it is out of the boundaries of the jurisdiction which the committee could assume.

Mr. LEACH of Iowa. Well, I think the gentleman has a fair question. The point I think is frankly one of degree. We all know in many countries of the world there is a bit of a conflict between economics and politics and heads of foreign states do by and large become wealthier after a while in office.

In the case of the Philippines, we have a situation where the head of the country amassed what appears to be a fortune rivaling that of the Rockefeller family, a fortune that it appears to have undercut the ability of the Philippine Government to manage its own affairs.

I must say from the perspective of the United States, we have strategic interests in the Philippines. We also have concerns about a Communist insurgency and it appeared to members of the committee that the fact that there was enormous capital flight and that a great deal of that capital flight was corrupted capital meant that the Government of the Philippines would have a very difficult time meeting not only its obligations to its people, but also its international commitments, and one of the very important ones of which is to the United States of America.

Mr. RUDD. Well, I thank the gentleman. Let me just proceed if I might for one moment, if the gentleman will continue to yield.

Mr. LEACH of Iowa. I am happy to continue to yield.

Mr. RUDD. The Constitution, despite what some Members of Congress I think feel, clearly provides the President of the United States the sole responsibility to establish foreign relation policy and our relationship with other countries.

What I am thinking is that when we start talking about the personal wealth of an individual, even though he might be President of another country, it seems to me that the committee is reaching far in order to assume jurisdiction over something that should be left clearly to the administration of our country to proceed on, at least without some kind of an indication from the administration that they would like to have an inquiry like this made by the legislative branch of the government. I do not know how to direct myself toward that problem. Maybe the gentleman has an explanation of that.

Mr. LEACH of Iowa. Well, I think the gentleman raises a fair question. I would only say that it appeared to the committee that it was the size of the problem more than the particularity of the situation; that is, we do not want to investigate all heads of all states.

Second, I think the gentleman would acknowledge that there is some shared responsibility in the foreign affairs arena. After all, it is the responsibility of Congress and in this case the committee of jurisdiction to oversee the foreign aid of the United States of America. In that sense, we have to make very weighty decisions on what amounts and what kinds of foreign aid should be given to the Philippines and whether that aid should be given, for example, directly through a government where it appears that the Treasury is being kept for private ends or whether we should give it through private organizations and individuals in the Philippines.

I would also stress that in this instance before us, counsel to the two individuals that this committee is considering or that Congress is considering citing for contempt never challenged the legislative jurisdiction of the subcommittee, nor the appropriateness of the inquiry.

Mr. RUDD. Well, my purpose in all this, I do sit on the Appropriations Committee and I am vitally interested, although I do not sit on that particular subcommittee, in how we make expenditures abroad, as does everybody in America have this same interest. The gentleman's committee is an authorizing committee and the general rule of thumb I think is that the 18 authorizing committees make requests that cannot be complied with the appropriating committee and have not been historically. As a matter of fact, the appropriating committee provides perhaps a third of the amount requested by the authorizing committees historically. That is just a kind of general rule of thumb.

So that the question about whether the inquiry should be made about this, whenever we do make inquiries, that information eventually will come to the appropriating committee and the appropriating committee will make the decision on whether or not those sums are available so that they can be spent abroad.

That is the purpose I am making this request. It seems to me that the committee may have reached far, at least in the way it was publicized, which does not seem to me to be able to really give us the time that we need without being rushed into it to look at this thing cautiously, carefully, and decide whether we are intervening to a far greater extent than we should be with the publicity attached, to come to a good, careful, logical conclusion, to provide for us the information we have in recognizing a government.

As far as I am concerned, my only interest in this operation is to assure that our country on behalf of the citizens of our country will have available to them a viable, friendly government, and anything that does not meet that criteria for me is wrong for our people, So that is why I am proceeding carefully and cautiously, because whatever happens in another country is their business, but we are interested only as far as I am concerned in having a viable, friendly government to deal

with, and anything that is not that is going to be viable and friendly to the Soviet Union, which is our enemy.

Mr. LEACH of Iowa. Well, I appreciate the gentleman's concerns and would only in one brief rebuttal suggest that the question of viability was what was at stake here. Many people had come to the conclusion that with the graft in the Philippines, the viability of that Government was in doubt.

Mr. SOLOMON. Mr. Speaker, let me say at the outset that I sincerely hope that throughout this debate the Members will always keep in mind a clear distinction between what is really at stake in this issue as opposed to what is not at stake. I hope that Members will cast their votes on the basis of their own carefully drawn conclusions about the legal merits and implications of this case. If we can all bear that in mind, I shall be satisfied that we have done our proper duty as Members of Congress—and should this matter go from here into the Federal courts, I am confident that we can expect an eventual decision that will be fair to all concerned.

Let me also take this opportunity, just as an aside, to say that what is not at stake in this issue today is a need to make value judgments about the Marcos administration. History will be making such judgments on its own. I make this point to say that some of the objections I have raised in the past to the subcommittee's inquiries into allegations of hidden wealth and secret investments by the Marcos family concerned the timing of the investigation—that its actual purpose was to influence the outcome of the election in the Philippines. But I must say to my friend from New York, the chairman of the subcommittee, a Member for whom I have great respect, that he underestimated Ferdinand Marcos. I contended all along that the purpose of the hearings in December was to discredit Marcos. It turns out now that we all underestimated his own capacity to discredit himself.

But getting back to the real issue, Mr. Speaker, I do take this matter very seriously. Whatever the intentions of the subcommittee may have been, the procedures used to extract testimony from Joseph and Ralph Bernstein, the failure to recognize their claims to attorney/client privilege, and the eventual decision citing them for contempt of Congress were wrong in my opinion. This whole episode—from start to finish—has been much more reminiscent of the old star chamber procedures than of our own American system of justice.

Last July the Justice Department issued a series of guidelines to be followed by U.S. attorneys throughout the country in cases concerning the issuance of subpoenas for information relating to the representation of clients—in other words, cases affecting the attorney/client privilege. I will not read all of the guidelines, but listen to just a few:

All reasonable attempts shall be made to obtain information from alternative sources before issuing a subpoena to an attorney for information relating to the representation of a client.

There must be reasonable grounds to believe that a crime has been or is being committed . . . the subpoena must not be used to obtain peripheral or speculative information.

All reasonable attempts to obtain the information from alternative sources shall have proved to be unsuccessful.

Subpoenas shall be narrowly drawn and directed at material information regarding a limited subject matter and shall cover a reasonably limited period of time.

I wish I could stand here today, Mr. Speaker, and tell you that the subcommittee followed these guidelines in its treatment of the Bernstein brothers. Unfortunately, each of these guidelines was violated by the subcommittee. In a few moments, I will consider the assertion that has been make that the authority of Congress to investigate American citizens goes beyond the well-defined authority possessed by the executive and judicial branches of Government. And it really is upon that assertion that this whole case has been brought here to the floor.

But before going into that, let me try to convey some sense of the atmosphere that attended the subcommittee's deliberations. The subcommittee assumed for itself the dual roles of both investigator and judge. Due process of law demands better treatment—in short, due process demands an impartial decisionmaker. The Supreme Court has consistently refused to uphold contempt convictions by judges who were not in a position to make a neutral and unbiased decision on a contempt charge.

When the subcommittee is both investigator and judge, the witness is inhibited from fully revealing the basis for his claim of privilege. For this reason, and because of the subcommittee's drive to advance its investigation, the subcommittee is encouraged to overrule his claim. Members who are unsure whether or not a privilege is properly invoked have little alternative under the present system except to vote for contempt. Only if the witnesses are cited for contempt, indicted, and tried can we obtain a definitive judicial ruling on the applicability of a privilege. Frankly, we must find a better way of resolving such questions.

Mr. Speaker, the Bernstein brothers were served with a subpoena that was so sweeping in nature as to require them to turn over to the subcommittee 436 file folders of documents—adding up to over 150,000 pages of material. The Bernsteins had less than 1 week to sort through all of this material and prepare for their appearance before the subcommittee.

At 9:10 p.m. on December 11, 7 hours after the hearing began, the Bernsteins' counsel asked for a recess until the following day so that the witnesses could get some dinner and some rest. Chairman SOLARZ finally acceded to the request, but not before making the public observation that he found the witnesses—quote—"uncooperative." And that very next day, the chairman was quoted in the San Jose Mercury-News as saying that the Bernstein brothers—quote—"made a stonewall look like a hula-hoop." On December 13 the Detroit Free Press quoted an unnamed aide to Chairman SOLARZ as using the term "hogwash" to describe the assertion of privilege made by the Bernsteins. And that same day, the chairman was quoted in the Wall Street Journal as saying that the Bernsteins were attempting to—quote—"obstruct the subcommittee." He added that the Bernstein brothers were engaged—quote—"In a game of legislative chicken—who blinks first?"

Mr. Speaker, such comments may be within bounds for a prosecutor or an advocate, but if a judge made these statements about a judicial proceeding his ability to ajudicate impartially would be open to serious question. I submit that consideration of good faith claims of privilege and the initiation of criminal contempt proceedings do not involve a game of chicken. The stakes are much higher than that. But such a statement is typical of the pressurized, biased atmosphere in which the Bernsteins were summoned to give testimony.

Turning now to the larger issue of whether or not the House of Representatives possesses the inherent right to overrule that attorney/client privilege, I would like read two portions of a memorandum that was sent to the subcommittee by Prof. Alan Dershowitz of the Harvard Law School. He is, as we all know, perhaps the foremost civil liberties lawyer in the United States today.

Professor Dershowitz writes:

I firmly believe that Joseph Bernstein / and/ Ralph Bernstein * * * acted quite properly in the hearing in invoking the attorney/client privilege and principles of legal ethics in declining to answer specific questions put by members of the subcommittee.

He later amplifies this point by making this statement—and please listen to this very closely:

It cannot be the law—and it is not the law, despite some anachronistic statements and actions referred to in the general counsel's memoranda—that Congress may compel disclosure of precisely the same substantively privileged information that neither the judiciary nor the executvie may compel.

Let me repeat that:

It cannot be the law—and it is not the law * * *—that Congress may compel disclosure of precisely the same substantively privileged information that neither the judiciary nor the executive may compel.

When Professor Dershowitz referes to "anachronistic statements and actions referred to in the general counsel's memoranda" I assume he must be thinking about the frequent citations made by House counsel to a book known as "Erskine May's Treatise on the Law, Privileges, Proceedings, and Usage of Parliament." This volume has been described by the general counsel as a guide to parliamentary and congressional investigatory authority, applying precedents and procedures from the English Parliament to our own American Congress.

Let me just say that I have tremendous respect for all of the legal counsels, Republicans and Democrats alike, who advise the officers and Members of the House on complex legal issues that relate to the proceedings in this body. But I must take issue with what has been asserted in this particular case.

First, I would respectfully suggest that a significant majority of American public opinion is under the impression that we said goodbye to the English Parliament on July 4, 1776.

Second, I would further suggest that the evolution of the English parliamentary system has at certain times permitted the English Parliament to assume some judicial responsibilities or functions alongside its legislative role.

By contrast, the separation of powers doctrine expressed in the American Constitution prohibits our Congress from assuming any kind of judicial role, except in specifically defined cases such as impeachment proceedings.

Third, I would refer the Members to the case of Kilbourn versus Thompson, on which the Supreme Court issued a ruling in 1881. Let me read from the Court's decision:

The right of the House of Representatives to punish citizens for a contempt of its authority or a breach of its privileges can derive no support from the precedents and practices of the two Houses of the English Parliament, nor from the adjudged cases in which the English courts have upheld these practices.

Finally, I would suggest, Mr. Speaker, with all due respect to our general counsel and his associates, that there may be occasions when the general counsel's institutional responsibility to promote and broaden the powers of the House, including its investigative powers, comes into conflict with the rights of American citizens, including their right to protect themselves from an unwarranted extension of congressional power.

Let me just conclude, Mr. Speaker, by saying that I have tried to express as plainly and directly as I can the issues and principles that I believe are at stake in the vote we will be taking in a few minutes.

I believe the contempt resolutions before the House today represent an abuse of congressional power. In light of the inherent bias in our contempt procedures, a decision to cite the Bernstein brothers for refusing to divulge client confidences will chill the attorney/client relationship. Anyone seeking legal advice on a subject that may later be of interest to a Member of Congress will think twice before confiding in his lawyer.

If the House acts today, I believe the Federal courts will eventually throw out the citations because the attorney/client privilege does apply in this instance and because due process rights have been violated. Especially in light of the sensitivities about compelling an attorney to testify about his clients—sensitivities recognized in the Justice Department guidelines and elsewhere—we should proceed most cautiously and with the highest regard for procedural protections, civil rights, and civil liberties. In its haste to grab the headlines, the subcommittee charged ahead with little consideration for the consequences.

I say the time has come to put a halt to the unwarranted persecution of two American citizens. The methodology employed by the subcommittee is all out of proportion compared to its desired end. I can only hope that if the House acts today and approves these resolutions that the Federal courts will quickly put this matter to right.

That concludes my statement, Mr. Chairman. But I would like to reiterate that Ferdinand Marcos is not the issue before us today. As every Member knows, I supported giving foreign aid to his government and I defended his administration from time to time. But certainly no American can endorse or condone the conduct of his government during the recent election. As I watched that election being stolen, I withdrew my support for further American assistance to his government and I came to the inescapable conclusion that he must step down from office, for the good of his own country as well as ours.

The life and political career of Ferdinand Marcos are not being judged in the court of world opinion. What this House is being asked to judge today is whether or not two American citizens are justified in claiming a right or privilege in a congressional inquiry—a matter completely different than the question of how Ferdinand Marcos is to be remembered by history. I again ask that the Members keep this distinction in mind as they cast their votes.

Mr. LEACH of Iowa. Mr. Speaker, at this point I reserve the balance of my time for further debate on the issue.

Mr. SOLARZ. Mr. Speaker, I yield 12 minutes to my very good friend and distinguished colleague, the gentleman from New Jersey [Mr. TORRICELLI].

Mr. TORRICELLI. Mr. Speaker, today I rise not only as a Member of this Congress, but also as one who is proud to claim a membership in the bar of my State and in the courts of our country.

I do not rise to discuss the policy involved in the hearings or the motivations or their purposes, but rather to review our rights as an institution and our obligations as Members of this Congress.

I do not rise to discuss the question of whether or not an attorney-client privilege exists.

I believe for purposes of discussion that it should and it does, and in fact for purposes of my analysis, I apply the highest standards of the Federal courts in the use of that privilege, although by any measure I think it is clear that may not be necessary. Nevertheless, for purposes of this analysis let us review the privilege as it would exist if firmly established by the highest standards.

There are several questions which are most pertinent. First, have the Bernsteins met their burden? Have they met their burden in establishing the privilege?

Second, does the privilege go so far as to protect the very identity of a client?

Third, can a nonlawyer in association for some purposes with a lawyer assert the privilege?

Fourth, what is the effect of the lawyer's code of professional responsibility in this instance?

Finally, if questions remain concerning the application of privilege, how can it best be tested and better defined in this instance and for the future?

Let us examine each of these issues individually.

First, have the Bernsteins met their burden in establishing the privilege? Even under the strictest standards of the Federal courts of our country, in order to invoke the privilege one must establish several things; most importantly, that it was used for the purpose of receiving legal advice, not merely any communication, any request, but legal advice.

□ 1225

Second, that advice is relevant to the purpose of a legal issue. The record is clear, the questions were refused to be answered. The privilege was claimed with regard to issues with no legal bearing and entirely of a business nature.

Let us look at the record. Questions to Joseph Bernstein by Mr. SOLARZ: "Have you ever had any business dealings with either?" The inference being President or Mrs. Marcos.

Answer: "Privileged."

Question by Mr. SOLARZ: "Have you located any real estate properties for either?"

Answer: "Privileged."

Question by Mr. SOLARZ: "Have you ever acquired any real estate properties for either?"

Answer: "Privileged."

Question by Mr. SOLARZ: "Have you provided any real estate or financial advice to either?"

Answer: "Privileged."

Ralph Bernstein's answers are no different.

Question by Mr. SOLARZ: "Have you located real estate properties for either?"

Answer by Ralph Bernstein: "Privileged."

Question by Mr. SOLARZ: "Have you acquired real estate properties for either?"

Answer: "Privileged."

In fact, Mr. Speaker, the record is clear that the Bernstein brothers, each of the Bernstein brothers refused to answer questions relating to entirely business matters, and in some instances, went so far as to not only refuse to answer questions relating to business matters in their firm, but business matters entirely of a nature in their roles as members of the board of directors or their participation in private corporations.

I refer again to the record of the committee. Joseph Bernstein answers questions by Mr. SOLARZ as follows:

"Who were the shareholders of Canadian Land Co. at the time you were appointed a director?

Joseph Bernstein answers: "Privileged."

He further answers to questions: "When did the shareholders of Canadian Land Co. first become shareholders of it?"

Answer: "Privileged."

Further question: "Are any of the shareholders Filipino?"

Answer: "Privileged."

Further question: "Have you acted directly or indirectly for any other principal in your capacity as director of Canadian Land Co.?"

Answer: "Privileged."

The answers from Ralph Bernstein were no different. Mr. SOLARZ inquires: "From your business activity, do you know if either has any interest in the Herald Center?"

Answer from Ralph Bernstein: "Privileged."

Mr. SOLARZ further inquires: "From your business activities, do you know any investments by the Marcos family in the United States?"

"Privileged."

On this first issue, the record is clear. Not only was the privilege claimed improperly by any standard of the Federal courts, and certainly by this institution, it was claimed to matters relating to business activities through their firms, but clearly from the role of both Bernstein brothers when acting as directors and investors in private corporations.

The second question, the identification of clients, does the privilege under the highest standards of the Federal court ever relate or apply to the identification of clients by name? Under Federal standards, almost never, except when the purpose of seeking legal advice was to protect identity, and everything is known except to the identity of the person in question. But it must be established under the precedents of our courts, and as to this institution, it must be established by the holder that it exists, and it cannot be applied where the purpose is to facilitate a legal wrong. In no instance, if the inquiry is of a legal wrong and withholding that name would frustrate the investigation can it be denied.

Therefore, there is clearly contempt when, as the record of this committee establishes under questions from Mr. SOLARZ, Joseph Bernstein would answer with respect to either President Marcos or Mrs. Marcos: "Do you know either of them?"

Answer: "Privileged."

"Have you met with either of them?"

"Privileged."

Ralph Bernstein's answers with respect to President Marcos: "Do you know either of them?"

"Privileged."

"Have you met with either of them?"

"Privileged."

"Did you meet either of them on your 1982 trip to the Philippines?"

"Privileged."

The record, therefore, on this second question is also clear. The privilege was not claimed where everything was known but an identity. It very well might have been used in an instance when we were trying to establish a legal wrong, and this would have frustrated an investigation.

Third, the third issue in the possible use of this privilege, its use and application by a nonlawyer, because both of the Bernstein brothers were not members of the bar. It is clear under the highest standards of the Federal court that a nonlawyer in association with an attorney, when acting as this agent and giving proper legal advice can use the privilege. But that is not what happened here.

I refer again to the record of the committee. In those instances of Ralph Bernstein, when giving advice, was not acting as a legal adviser for an agent of a member of the bar, and his brother, who was an attorney.

Question by Mr. SOLARZ: "With respect to President Marcos, do you know either of them?"

Answer by Ralph Bernstein: "Privileged."

Question: "Have you met either of them?"

Answer by Ralph Bernstein: "Privileged."

"Have you located real estate properties for either?"

Answer: "Privileged."

"Have you acquired real estate properties for either?"

Answer: "Privileged."

And finally, question by Mr. SOLARZ: "From your business activity, locating and acquiring real estate properties and so on, do you know if either has any interests in the Crown Building?"

"Privileged."

Simply, therefore, on this third issue of the application of the privilege, Ralph Bernstein was acting not in any way in a legal capacity, not providing legal advice, not acting as an agent for an attorney in giving that legal advice, but purely in a business nature outside of the activities of legal advice or of a law firm and improperly took a privilege.

Fourth, effect of the lawyer's code of responsibility which might restrict the release.

Mr. Speaker, there may be a need here to clarify the rights of the parties in these circumstances. There have been, in fact, in this House few precedents on the extent of a privilege in these instances. But this House must remember the only way to test this privilege, the only way to define its limits, the only way to go on from today is to vote for this contempt, to find contempt so that the courts might hear this issue.

I believe, Mr. Speaker, if we fail today, fail to find contempt, we will be establishing a poor precedent for the future of this institution. In fact, we will set out a clear trial for those who would violate the laws of our country. Merely run your investments or your money through someone who is a member of the bar, for any purpose, and this institution will be unable to exercise its policy judgments or to do investigations to find great wrongs.

□ 1235

That would be a precedent we would greatly regret in the future, and I strongly urge that this House find contempt today.

Mr. LEACH of Iowa. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Speaker, I rise in support of this resolution. When the committee initially passed a contempt citation, I spoke loud and clear that I opposed the resolution. I opposed it for one reason: The middle of the Philippine election, in my opinion, was not an appropriate time for the U.S. Congress to pass a resolution which centered on the activities of one of the candidates. It would have interfered with the election process in the Philippines; which I think to some degree we did.

I consider this to be meddling in the domestic affairs of a sovereign state. You see, I feel that the Philippines and the Philippine people are a free and independent nation, and not a colony of the United States.

My statements, then, were based on the fact that the contempt citation would be brought to the floor before the election took place in the Philippines. Now the elections are over; now is the time to proceed with an investigation into the misuse of U.S. foreign aid money.

We have seen a great many changes in the Philippines in a relatively short period of time. It is a positive development that Mr. Marcos has left this crisis-torn nation peacefully. The election results were clear. The Philippines people spoke and their choice has been inaugurated.

I ask my colleagues to support this resolution. I want to proceed with an investigation that involves U.S. foreign aid money. If individuals have significant information, have any information of abuse of this money, then I think the U.S. Congress has a right to know. After all, we spend billions, borrow billions, spend it overseas in the area of foreign aid.

Congressman SOLARZ, our chairman, stated that the reason that he was engaged in these hearings was to let the Congress know of fraud and waste and U.S. foreign aid, and we applaud that, Mr. Chairman.

Yes; I agree it is a laudable goal. Our subcommittee, if our chairman is true to his word, will report on this issue to the Congress. The Congress desperately needs to know if there is fraud, waste, and abuse in foreign aid. So Chairman SOLARZ can ferret out this waste in foreign aid, I hope that we vote yes on this resolution.

In a joint appearance or debate in New York, the chairman, Mr. SOLARZ, and myself—the chairman said this, and I took down his words, I think correctly: He said, "When it comes to waste in foreign aid, I am a veritable tiger to ferret it out." That's Mr. SOLARZ.

Let us unleash this tiger so Congress can have the facts. Our chairman has an obligation to report, and he is on record that he is going to report, on waste and abuse in foreign aid, to tell us of the waste and abuse that is taking place in foreign aid.

A majority in the U.S. Congress borrows billions to give it in the area of foreign aid at a time we have record $200 billion deficits. We are borrowing money; we are putting a tremendous burden on our taxpayers to give money overseas, and the American people have a right to know if there is abuse and waste in foreign aid.

Let us remember this day and let us refer to it often. Let us unleash this tiger from New York, and let us get the facts.

Mr. LEACH of Iowa. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Speaker, before I refer to my prepared statement, I want to preface this debate with just one comment. Mr. SOLARZ was eminently fair in the manner in which he proceeded to conduct these hearings. He took great time to see that all the witnesses had adequate time and adequate counsel, and he was, in my judgment, very kind in the manner in which he conducted the hearings.

Today, however, of the 60 minutes allocated to this debate, the opposition will have received less than 8 minutes. I will receive, hopefully, 5 minutes; Mr. BURTON of Indiana, 2, and I think another Member possibly 1, of the 60 minutes. That, to me, mars the fairness of the proceedings which preceded this debate today, and I have some problems even proceeding with my statement because I cannot adequately make a case.

Mr. SOLARZ. Will the gentleman yield?

Mr. DYMALLY. I yield to the gentleman.

Mr. SOLARZ. I will speak very fast, because I do not want to eat up the gentleman's limited amount of time; but as he may know, we had previously arranged——

Mr. DYMALLY. Is the gentleman doing this on his time?

Mr. SOLARZ. No; on the gentleman's time.

Mr. DYMALLY. No; I am sorry, Mr. SOLARZ.

Mr. LEACH of Iowa. Will the gentleman yield for a happier note?

Mr. DYMALLY. Yes.

Mr. LEACH of Iowa. We do have 3 additional minutes that we can offer the gentleman.

Mr. DYMALLY. Will you give me 8 minutes, then?

Mr. LEACH of Iowa. That is correct.

Mr. DYMALLY. Thank you very much.

The SPEAKER pro tempore. The gentleman is recognized for 3 additional minutes, leaving 3 minutes.

Mr. DYMALLY. I thank the Chair. I thank the gentleman from Iowa [Mr. LEACH] for his generosity. Were it not for his generosity, I doubt seriously if I would have had any time at all to speak on this issue.

Mr. Speaker, I rise reluctantly, very reluctantly, to oppose the resolution citing Joseph Bernstein and his younger brother, Ralph, for contempt of Congress. I have a great deal of respect of the subcommittee's chairman, my friend, Mr. SOLARZ, the tiger from New York.

My quarrel is not with the good faith of the chairman or the Subcommittee on Asian and Pacific Affairs, but with the timing in the procedures which have brought this resoluton before the House. I am afraid that an unintended and unnecessary byproduct of a valuable and important investigation into what was a very oppressive Philippine Government may set a dangerous precedent that could undermine an essential bulwark to civil liberties here in the United States.

I have strong doubts that the subcommittee has a compelling need for the testimony from the Bernsteins any longer. After the committee approved the contempt citations in December, the subcommittee conducted further and very successful hearings. If the subcommittee does not need information, Mr. Speaker, then the sole purpose of these contempt proceedings may appear to be punitive. I am gravely concerned about the kind of use of our contempt powers, especially in response to a good faith claim of attorney-client privilege.

Justice Department guidelines flatly forbid Government prosecutors from even issuing grand jury subpoenas to attorneys for testimony about client matters without first exploring alternative sources. It concerns me that this body could appear to act in a manner less sensitive than the Department of Justice to the civil libertarian importance of attorney-client confidentiality.

Action on these resolutions today is also premature and inappropriate because in a relatively short period of time, citations for contempt may be totally unnecessary in another sense.

Today, Mr. Speaker, February 27, 1986, the ethics committee of the Association of the Bar of the City of New York will meet and determine whether it will provide guidance to the law firm of Bernstein, Carter & Deyo as to what the ethical obligations of Joseph and Ralph Bernstein are in regard to the questions they felt unable to answer.

The Bernsteins have committed themselves to abide by the guidance of the bar committee, whatever that guidance provides. Thus, if the bar committee determines that the Bernsteins are not ethically obligated to withhold information, the Bernsteins have said that they will come forward and answer the questions posed by the subcommittee. Then there will be no reason for House action on the contempt citations at all.

In other words, why not hold these hearings Monday or Tuesday or—why not postpone these deliberations or final vote until after the bar has rendered a decision and the Bernsteins have an opportunity to come before us and purge themselves?

By rusing forward like this, I fear that the Congress risks creating the perception that we are acting with undue speed, which is having the effect of preventing the Bernsteins from seeking the guidance of the bar and even denying them an opportunity to purge themselves of contempt in a manner consistent with their ethical obligations to their clients.

Joseph Bernstein, a lawyer with an advanced degree in tax law from the New York University Graduate School of Law, is a senior partner in the New York City law firm of Bernstein Carter & Deyo. According to the testimony at the subcommittee's hearing, the firm was founded in 1981, when Bernstein and two other attorneys left a major New York firm to start their own law practice emphasizing the specialty they had developed in foreign investment in the United States. The practice has grown tremendously, and the firm now represents clients from several nations in connection with tax and corporate law aspects of business activities both in the United States and in other countries. Ralph Bernstein, the younger of the two brothers, worked under Joseph's direction as a nonattorney employee of the law firm. He was 23 years old when he joined the firm, just 1 year out of college.

I believe the attorney-client privilege does and should apply in Congress, just as it applies before the courts and Federal agencies. The attorney-client privilege is the oldest and most fundamental of the privileges recognized in our common law. It protects from disclosure all confidential communications between a lawyer and a client made in the course of giving or seeking legal advice.

As the Supreme Court recently recognized in Upjohn versus United States, the purpose of the privilege is to quote "encourage full and frank communication between attorneys and their clients and thereby promote broader public interests in the observance of law and administration of justice." End quote.

□ 1245

The privilege can only serve this purpose if it applies universally—in Congress as well as before courts and administrative bodies. Only then will clients have necessary assurance that

the confidences they impart to their attorneys will be preserved.

Memorandums submitted to the committee by two eminent authorities review the relevant authorities and set out this argument in detail. The first is a memo prepared by James Hamilton on behalf of the American Civil Liberties Union. Mr. Hamilton was assistant chief counsel to the Senate Watergate Committee and the author of an authoritative text on the investigative powers of Congress. The second memo was prepared by Harvard Law School Prof. Alan Dershowitz, a nationally recognized expert on legal ethics and civil liberties. Both authors conclude that witnesses testifying before Congress do and should have the attorney-client privilege available to them as a matter of right. I ask unanimous consent that these two memos be printed in full following my statement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DYMALLY. Ironically, the legislative history of the contempt of Congress statute, 2 U.S.C. 192-194, makes clear that not only must Congress respect assertions of the attorney-client privilege, but members have a duty to stop witnesses from breaching the privilege:

> It is not the privilege of the witness; it is the privilege of the client * * *. [I]t would be the duty of the House or Committee to interpose the objection, and stop the witness, if he or she were a swift witness, and about to testify * * * against the client.—Remarks of Senator Toucey, the Congressional Globe, January 23, 1857, p. 441.

Mr. Speaker, when the Bernsteins appeared before the subcommittee, the subcommittee's counsel asserted that the Congress is not obligated to respect the attorney-client privilege. Counsel also dismissed the particular reasoning on the basis of which Mr. Dershowitz and the Bernsteins' counsel advised that answering the subcommittee's questions could violate their obligations to clients. The subcommittee deferred to our counsel's legal analysis, without questioning it.

Counsel to the subcommittee is an excellent professional. But his obligation—like the Bernsteins'—was to his client. His client was the subcommittee, and his function was to facilitate the subcommittee's investigation, not to give a judicious evaluation of the obligations those witnesses might believe that they had to their clients.

But, Mr. Speaker, I don't believe any truly neutral observer or a court could dismiss so casually the conerns of the Bernsteins and their counsel. According to Professor Dershowitz, "a client's identity may be privileged if disclosure of identity or the fact of representation would itself reveal confidential information relating to the client's reasons for seeking the attorney's advice." Furthermore, while business related or real estate advice is not covered by the attorney-client privilege, "confidential communications between attorney and client are privileged if the client seeks legal advice regarding business transactions." Bar disciplinary rule DR 4-101, which is in effect in New York, also prohibits lawyers, under penalty of discipline, from revealing client "confidences" and "secrets."

The subcommittee in effect told the Bernsteins that these authorities may be the law in New York, and in the courts generally, but they are not the law in the Congress, and that the penalty for good faith disagreement is a contempt proceeding and possible criminal penalties.

The Bernsteins' assertions of privilege are all the more understandable in view of the time pressures they faced. They had little time to consider the questions posed by the subcommittee.

Professor Dershowitz' conclusion bears emphasis:

> The legal and ethical obligations of Joseph and Ralph Bernstein * * * were clear. They were to resist disclosing any information that was arguably a client "confidence" or "secret." In the context of their practice, this included the identity of their clients and facts about transactions executed on their behalf * * * Only if after exhausting all legal remedies they are still compelled to disclose should they do so.

In sum, Mr. Speaker, it is understandable that the Bernsteins responded as they did. They responded as you and I would wish our own lawyers to respond if they were called to testify before Congress about our legal affairs. The number of questions in which they asserted privilege were not great, considering the great number of questions they were asked.

Frankly, Mr. Speaker, it is difficult to know for an absolute certainty whether the privilege applies, because of the procedures currently employed in the House. The subcommittee seeking the information is the body expected to rule on the claims of privilege. The witness is naturally constrained from fully explaining the basis of his claim of privilege, for fear that the explanation would itself reveal client confidences. There is no way for the subcommittee to review evidence in camera as judges do to evaluate a claim of privilege by one of the parties in a court proceeding. Here, the subcommittee is both the judge and the other party. And under current practice, there is no judicial forum or other impartial arbitrator to rule on claims of privilege before contempt proceedings are initiated. Even now the House does not have before it a truly adequate basis for ruling on these claims of privilege, and that disturbs me a great deal.

In light of the vital importance of the attorney-client privilege to our system of justice, the Congress should be very cautious about citing for contempt those who are asserting the privilege. Committees should make every effort to obtain any necessary information from alternative sources. In this instance, Mr. Speaker, while the subcommittee initially needed testimony from the Bernsteins, it is apparent that this need no longer exists. There is simply no need for the House to generate a confrontation between our policy favoring confidential attorney-client relationships and investigative powers of Congress.

In approving the contempt citations on December 17, the committee believed, based on the best prognosis the subcommittee was able to provide at the time, that the contempt citations were absolutely necessary to pry information from the Bernsteins, and that without them, the subcommittee's investigation would grind to a halt. At the time the issue was presented to the committee, the ability of the Congress to conduct an important investigation seemed very much at stake.

Events subsequent to the committee's December 17 vote have cast grave doubt, however, on the continued importance of the Bernstein's testimony. On February 3, after the subcommittee's additional hearings, my friend Chairman SOLARZ, summarized at some length in the CONGRESSIONAL RECORD the "ton of evidence" his investigation had uncovered from "people intimately involved in the purchasing, financing, and management of these properties," including "direct eyewitness testimony." He concluded:

> The evidence that our Subcommittee has obtained makes it clear that the coverup did not work and that we now have the facts and the knowledge and we know the truth, which is that the Marcoses own these properties.

It is clear, Mr. Speaker, that the House cannot rely on the committee's earlier recommendation on the contempt citations. The fundamental basis for the committee's action in December no longer exists. Happily, the Bernstein's obligation to protect client confidences did not impede the investigation. In fact, the investigation was an ovewhelming success. It appears that the subcommittee no longer has the same compelling need for the testimony from the Bernsteins.

The upside down posture of this situation is underscored by the guidelines recently adopted by the Department of Justice for subpenas compelling lawyers to testify about their clients before grand juries. Under the Department's guidelines:

> All reasonable attempts shall be made to obtain information from alternative sources before issuing a subpoena to an attorney for information relating to the representation of a client * * *"

Even when the alternative sources prove unproductive, the guidelines require Government prosecutors to make "all rasonalbe attempts * * * to voluntarily obtain information from an attorney before issuing a subponena" and then to issue a "narrowly drawn" and "limited" subpoena only after balancing "the public's interest in the fair administration of justice and effective law enforcement and [the] individual's right to the effective assistance of counsel." Under no circumstances should the "information sought * * * be protected by a valid claim of privilege." These guidelines are attached to the memo from Professor Deshowitz that I've been discussing.

Here, we have the cart before the horse. The subcommittee issued broad subpoenas to lawyers first. Then, when other sources appeared, the subcommittee went on to explore them, with great success. Now, when the information is no longer necessary to the investigation, we are asked to punish the lawyers for protecting client confidences.

Mr. Speaker, the House is called upon today to perform a grave mission. It is acting as the most powerful grand jury in the world. It has the power to initiate criminal proceedings

against specific citizens. This power should be used sparingly, fairly and with utmost consideration for procedural protections and civil liberties. As Justice Frankfurter has observed, "The history of liberty has largely been the history of observance of procedural safeguards." The House should be even more cautious than usual when it seeks information from a lawyer about his clients, to avoid undermining the unique attorney-client relationship.

If the House approves these citations today, it will fall short of these high standards. There is no need to consider these citations today. The House is rushing headlong into a completely unnecessary confrontation with traditions of attorney-client privilege and civil rights and civil liberties.

Mr. Speaker, Mr. SOLOMON and I today are introducing the Attorney-Client Privilege Act of 1986. This legislation would confirm and clarify that under existing law, the attorney-client privilege and other recognized privileges are available to witnesses testifying before Congress, and provide an impartial judicial forum for adjudicating whether or not a privilege is properly asserted in any given instance.

This issue is both critically important and timely. The attorney-client privilege is the oldest and most fundamental of the privileges recognized in our common law. It protects from disclosure all confidential communications between a lawyer and client made in the course of giving or seeking legal advice. As the Supreme Court recently recognized in the Upjohn case, the purpose of the privilege is "to encourage full and frank communication between attorneys and their clients and thereby promote broader public interests in the observance of law and administration of justice." Other recognized privileges, such as the ones protecting communications between spouses, or communications with members of the clergy, serve equally important ends.

These privileges can only serve their policy purposes if they apply universally—in Congress as well as before courts and administrative bodies. Yet some Members of Congress have asserted recently that there is no attorney-client privilege available to witnesses before Congress. Such an assertion has no basis in law or policy, and it is, frankly, very frightening to this Member and many others concerned with civil rights and civil liberties.

The risks to our system of justice may be illustrated by reference to the recent action of the Subcommittee on Asian and Pacific Affairs to cite two brothers, Joseph and Ralph Bernstein for contempt of Congress. Joseph Berstein is a partner in the New York law firm of Bernstein Carter & Deyo, and Ralph Bernstein was an employee of the firm. Among other things, the firm specializes in giving confidential legal advice to foreign citizens wishing to invest in the United States.

During the course of the subcommittee's lengthy hearings on December 11 and 12, 1985, the Bernsteins were asked certain questions that called upon them to disclose confidences of clients of the law firm. They invoked the attorney-client privilege and declined to answer these specific questions, arguing that they were required by the laws of the State of New York to resist disclosure of client confidences and secrets, even to the point of risking contempt proceedings. They invoked the attorney-client privilege in good faith, on advice of counsel that they must do so. The subcommittee voted to hold the Bernsteins in contempt, and the full committee quickly followed suit. If the House sustains this action, the Bernsteins face criminal penalties of up to a year in jail merely for asserting the privilege and trying as best they could to comply with their legal and ethical obligations.

The committee's report (H. Rept. No. 99-462) devotes over three pages to a detailed argument that the attorney-client privilege does not apply in Congress. The extensive citations refer not to definitive court decisions holding the privilege inapplicable, however, but only to previous, untested assertions that the privilege is unavailable and to anachronistic practices of the British Parliament. This is bootstrapping, not legal argument.

In fact, the attorney-client privilege and other recognized privileges are available to witnesses testifying before Congress. This is clear from the legislative history of the contempt of Congress statute, 2 U.S.C. 192-194, and from other authorities summarized in a memorandum prepared for the ACLU by James Hamilton, Esq., a former assistant chief counsel to the Senate Watergate Committee.

Ironically, the legislative history makes clear that not only must Congress respect assertions of the attorney-client privilege, but Members have a duty to stop witnesses from breaching the privilege:

> It is not the privilege of the witness; it is the privilege of the client * * *. (I)t would be the duty of the House or Committee to interpose the objections, and stop the witness, if he or she were a swift witness, and about to testify * * * against the client.—Comments of Senator Toucey, January 23, 1857, the Congressional Globe, p. 441.

The threats to civil liberties inherent in the posture of the Subcommittee on Asian and Pacific Affairs are all the more acute in view of the procedures now employed to evaluate claims of privilege. Under present practice, a witness must refuse to answer questions and risk being found in contempt of Congress in order to get a judicial determination of the validity of the asserting of privilege. There is no recognized procedure for getting the judicial determination earlier, so that the witness can receive fair, impartial, and authoritative guidance before placing himself in jeopardy of criminal sanctions. This procedure is fundamentally unfair—it encourages some lawyers to capitulate and divulge protected client confidences. And when other lawyers conscientiously adhere to their legal and professional obligations to protect client confidences, those conscientious lawyers are put in personal, financial, and emotional peril in contempt of Congress proceedings.

Three respected members of the House Foreign Affairs Committee recognized the fundamental unfairness of these procedures in separate views filed with the committee report on the Bernstein matter:

> Indeed, this case demonstrates the urgency of a need for the Congress to take measures to avoid the unproductive and unfair dilemma in which we and these witnesses find ourselves. Appropriate committees should expedite development of legislation or other measures sufficient to establish an orderly and fair procedure for securing judicial resolution of contested claim of privileges in Congessional proceedings.—*See* Separate Views of Hon. Lawrence J. Smith and Additional Views of Hon. Howard L. Berman and Hon. Mel Levine.

Mr. Speaker, we are pleased to introduce such important and timely legislation today. Our bill, the "Attorney-Client Privilege Act of 1986" clarifies once and for all that the attorney-client privilege and other recognized privileges apply in Congress and supplies the needed impartial judicial procedures. A more detailed summary of the bill follows:

SUMMARY EXPLANATION OF THE ATTORNEY-CLIENT PRIVILEGE ACT OF 1986, FEBRUARY 14, 1986

The purpose of this legislation is to confirm the original intent of the contempt of Congress statute that the attorney-client privilege, as well as other recognized privileges, are available to witnesses testifying before Congress, and to provide an impartial judicial forum for adjudicating whether or not a privilege is properly asserted in any given instance.

Penalties for contempt of Congress are governed by 2 U.S.C. §§ 192-194. Section 192 makes it a criminal offense for a subpoenaed witness "willfully" to refuse to testify or produce documents in Congressional investigations. Under § 194, if the refusal is reported to either House of Congress and that House approves the contempt citation, the matter is certified to the appropriate U.S. attorney for presentation to a grand jury. Section 193 eliminates one common law privilege before Congress—the privilege to refuse to testify to any fact that "may tend to disgrace [the witness] or otherwise render him infamous." The legislative history of § 193 demonstrates, however, that the attorney-client privilege and other common law privileges were to remain available to witnesses testifying before Congress.

The "Attorney-Client Privilege Act of 1986" codifies this original intent. First, the bill amends § 193 to provide explicitly that recognized privileges are available to witnesses testifying before Congress, with the exception of the one anachronistic privileges eliminated by the existing § 193. Privileges available to witnesses would include those recognized in under any source of law, including the Constitution or federal or state statutory or common law, including evidentiary or disciplinary rules of courts. Examples of such privileges include the attorney-client, husband-wife, clergy, and trade secrets privileges, as well as others.

Second, the bill amends § 194 to provide fair procedures for evaluating witnesses' claims of privilege before Congress. If a witness refuses to testify or produce documentary materials on the basis of privilege, the witness cannot be indicted for contempt of Congress under § 194 unless the Congressman or Senator presiding over the hearing first obtains a court order compelling the witness to testify, and the witness continues to refuse.

MEMORANDUM REGARDING THE APPLICABILITY OF THE ATTORNEY-CLIENT PRIVILEGE BEFORE CONGRESSIONAL COMMITTEES

(By James Hamilton)

On [1] December 12, 1985, the House Foreign Affairs Subcommittee on Asian and pa-

[1] Member, Ginsburg, Feldman and Bress, Chartered, Washington, D.C.; formerly Assistant Chief

cific Affairs voted contempt citations against a New York attorney and his brother (who had worked at the attorney's law firm) for refusing to answer questions concerning the business dealings in the United States of Philippine President Ferdinand Marcos and his wife. In so doing, the Subcommittee overruled a claim the information sought was protected by the attorney-client privilege. On December 17, the full Foreign Affairs Committee determined to send the contempt citations to the House floor.

The Committee and the Subcommittee had before them a December 11, 1985 opinion by the General Counsel to the Clerk, Steven Ross, which contended that "the general rule is that attorney-client privilege cannot be claimed as a matter of right before a legislative committee." Rather, Mr. Ross asserted that "the applicability of attorney-client privilege" is a matter of discretion" with a committee. This position, in my view, likely would not be upheld by a court; it is, moreover, ill-conceived, dangerous public policy.[2]

Proponents of the view that the privilege's applicability depends on a committee's discretion advance three arguments:

(1) The power of Congress to investigate is a constitutional power [3] that outweighs the attorney-client privilege, which derives from the common law.[4]

(2) The privilege is designed only to protect the adversary process, but a congressional inquiry is merely investigatory and is non-adversarial, and the privilege thus has little or no purpose in this setting.[5]

(3) Congressional committees, as well as the British Parliament, traditionally have concluded that the privilege is not a matter of right, but rests on legislative discretion.[6]

There are, however, serious flaws in these contentions.

To begin, the notion that the attorney-client privilege depends on legislative discretion flies in the face of the basic policy underlying that privilege. The privilege, the Supreme Court recently has said, exists principally to encourage frank communications from client to lawyer. In *Upjohn* v. *United States*, 449 U.S. 383, 389 (1981), the Court stated:

"[The privilege's] purpose is to encourage full and frank communication between attorneys and their clients and thereby promote broader public interests in the observance of law and administration of justice. The privilege recognizes that sound legal advice or advocacy serves public ends and that such advice or advocacy depends upon the lawyer being fully informed by the client."

If Congress may compel an attorney to reveal his client's secrets, "fair and frank communication" from client to attorney will surely suffer.

Upjohn also provides a telling answer to the claim that the privilege should apply only in an adversary context. The Court observed (at 393) that:

"[I]f the purpose of the attorney-client privilege is to be served, the attorney and client must be able to predict with some degree of certainty whether particular discussions will be protected. An uncertain privilege, or one which purports to be certain but results in widely varying applications by the courts, is little better than no privilege at all."

If "full and frank communication" is to prevail, the client must be able to "predict" that the privilege will pertain in all circumstances. To say that a client's confidences will be safeguarded only in a judicial context, but must be revealed in a legislative setting, undermines the very purpose that *Upjohn* emphasizes.

Many congressional committees—e.g., the Senate Watergate Committee—have recognized that the attorney-client privilege is generally a matter of right.[7] History, therefore, teaches an uncertain lesson and the fact that a few congressional committees, or the British Parliament, have viewed the privilege as within their discretion is not conclusive.

Perhaps more significant is that witnesses have a right to counsel before virtually all congressional bodies.[8] The Standing Rules of the House, for example, provide that witnesses at a hearing may have counsel present to advise them as to their constitutional rights. See Rule X 12. Inherent in the right to counsel, it would seem, is the right to have communications with counsel protected by the attorney-client privilege. Thus, Congressional rules tacitly may recognize the privilege, at least in some contexts.

The Constitution gives each house the authority to make its own rules. U.S. Constitution article I, § 5, clause 2. Rules allowing witnesses to have counsel—and implicitly the right to communicate with counsel in confidence—thus have constitutional underpinnings.

An argument can even be made that the Due Process Clause of the Fifth Amendment requires that the privilege be recognized by a legislative committee. In *Hannah* v. *Larche*, 363 U.S. 420, 442 (1960), the Supreme Court said:

"'Due process' is an elusive concept. Its exact boundaries are undefinable, and its content varies according to specific factual contexts . . . [W]hen governmental action does not partake of an adjudication, as for example, when a general fact-finding investigation is being conducted, it is not necessary that the full panoply of judicial procedures be used. Therefore, as a generalization, it can be said that due process embodies the differing rules of fair play, which through the years have become associated with differing types of proceedings. Whether the Constitution requires that a particular right obtained in a specific proceeding depends upon a complexity of factors. The nature of the alleged right involved, the nature of the proceeding, and the possible burden on that proceeding are all considerations which must be taken into account."

Were it shown that the general practice of committees is to respect the privilege, a violation of the privilege by a committee might well contravene due process.

If there is a constitutional right that protects attorney-client communications before legislative committees, the argument that Congress' constitutional investigatory power outweighs the attorney-client privilege, which has only a common-law origin, loses its foundation. In any event, it is problematic whether a constitutional right to probe must always prevail over a common-law privilege.

Grand juries undoubtedly have a constitutional right to investigate. *E.g., United States* v. *Nixon*, 418 U.S. 683, 709 (1974); *Branzburg* v. *Hayes*, 408 U.S. 665, 687–688 (1972); *Nixon* v. *Sirica*, 487 F.2d 700, 712 (D.C. Cir. 1973). But the attorney-client privilege indisputably protects against a grand jury inquiry. *E.g., In re Sealed Cases*, 676 F.2d 793, 806 (D.C. Cir. 1982); *In re Special Grand Jury No. 81-1*, 676 F.2d 1005, 1008–1009 (4th Cir. 1982). The Supreme Court has held in the grand jury context that "'the public . . . has a right to every man's evidence,' *except* for those persons protected by a constitutional, *common-law*, or statutory privilege." *Branzburg* v. *Hayes*, *supra*, 408 U.S. at 688 (emphasis added). Why, then, should Congress' constitutional power of investigation not yield to a valid claim of attorney-client privilege?

Moreover, like a congressional investigation, a grand jury's role is investigative; its proceedings are not adversarial in nature. *E.g., United States* v. *Hyder*, 732 F.2d 841, 844 (11th Cir. 1984); *United States* v. *Ruyle*, 524 F.2d 1133, 1135 (6th Cir. 1975). Yet the attorney-client privilege applies as a matter of right to proceedings before a grand jury. It consequently is difficult to accept the argument that the privilege does not similarly apply to congressional investigations because such proceedings are non-adversarial.

There is no case definitively holding that the privilege generally applies to federal legislative proceedings. The most recent case commenting on the attorney-client privilege assumes that this is the case. *United States* v. *Keeney*, 111 F. Supp. 233, 234–235 (D.D.C. 1953), *reversed on other grounds*, 218 F.2d 843 (D.C. Cir. 1954). *But see Stewart* v. *Blaine*, 1 MacArthur 453 (D.D.C. 1874).

Nonetheless, for the reasons elaborated, a federal court forced to rule directly on the issue probably would honor the attorney-client privilege in a situation where it normally would apply. The likelihood of this result would increase if the proceeding against the obdurate witness is a criminal contempt of Congress prosecution under 2 U.S.C. § § 192, 194, and the witness' liberty turns on ruling. This, of course, is the traditional fashion by which Congress tests a refusal to answer a question [9] and is the situa-

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Counsel, Senate Watergate Committee; author, "The Power to Probe; A Study of Congressional Investigations," Random House 1976, Vintage Books 1977. This memorandum responds to a request by the American Civil Liberties Union for a statement of my views on the topic at issue.

[2] Since I may not be apprised of all relevant facts, this memorandum takes no position as to whether the privilege is apposite in the specific circumstances involved.

[3] See, e.g., *McGrain v. Daugherty*, 273 U.S. 135, 174 (1927). *Accord Eastland v. United States Servicement's Fund*, 421 U.S. 491, 504–05 (1975); *Barenblatt v. United States*, 360 U.S. 109, 111 (1959); *Watkins v. United States*, 354 U.S. 178, 187 (1957).

[4] See, e.g., 8 J. Wigmore Evidence § 2290 at 543 (J. McNaughton rev. ed. 1961); *Upjohn v. United States*, 449 U.S. 383, 389 (1981).

[5] See, e.g., Subcommittee on Oversight and Investigations of the Committee on Energy and Commerce, House of Representatives, 98th Congress, 1st Sess., Attorney-Client Privilege (Comm. Print June 1983).

[6] See, Id.; Uranium Cartel Hearings, 1977; before the Subcomm. on Oversight and Investigations, House Committee on Interstate & Foreign Commerce, 95th Cong., 1st Sess., Vol. 1, 123 (1977) (statement of Chairman John Moss); *Jurney v. McCracken*, 294 U.S. 125 (1935); T. Taylor, Grand Inquest 237 (1955).

[7] See Senate Select Committee on Presidential Campaign Activities, Legal Documents Relating to Senate Committee Hearings, June 28 1974, Vol. I at 119; 1 J. Wigmore Evidence § 4k at 295–296 (Tillers rev. ed. 1983).

[8] See Manual on Senate Committee Rules and Procedures, prepared by Office of Senate Legal Counsel, Feb. 1981, at 73.

[9] See J. Hamilton, "The Power to Probe: A Study of Congressional Investigations" (1976) at 85–97; J. Hamilton and John C. Grabow, A Legislative Proposal For Resolving Executive Privilege Disputes

tion that would result in present circumstances if the House eventually sends contempt citations to a United States Attorney.

It would, however, be unwise for a committee to push the matter to a court test. Rather, legislators should recognize that the attorney-client privilege has valid goals and serves useful purposes and should honor the privilege where the circumstances indicate that it normally would be applied.

ALAN M. DERSHOWITZ,
HARVARD LAW SCHOOL,
Cambridge, MA.

MEMORANDUM

To: Members of the House Committee on Foreign Affairs.
From: Alan M. Dershowitz.
Date: January 27, 1986.
Subject: Legal obligations to preserve client confidences—Joseph Bernstein, and William Deyo.

INTRODUCTION AND SUMMARY

I have been retained by Joseph E. Bernstein, Ralph J. Bernstein, William B. Deyo, Jr. and the law firm of Bernstein, Carter & Deyo to provide legal advice and consultation in connection with the subpoenas duces tecum, dated December 4, 1985 ordering these three individuals to appear before the Subcommittee on Asian and Pacific Affairs to give testimony and produce documents concerning the interests of certain clients of the law firm.

I was retained because of my experience regarding the legal and ethical obligations of lawyers to preserve their clients' confidences and secrets. I have been on the faculty of the Harvard Law School for 21 years, where I have taught courses on legal ethics, and related subjects. I have also been retained as special counsel in several major cases involving issues of attorney-client privilege. I have been asked by the subpoena respondents to summarize my principal conclusions for Members of the Committee, in view of the possibility that the Committee or the full House may be asked in the near future to take further action against the respondents.

Having reviewed the transcript of the Subcommittee's December 11-12, 1985 hearing, and other relevant materials, I firmly believe that Joseph Bernstein, Ralph Bernstein and William Deyo acted quite properly in the hearing in invoking the attorney-client privilege and principles of legal ethics in declining to answer specific questions put by Members of the Subcommittee. I am quite confident that the attorney-client privilege does and should apply in Congressional hearings, and that this privilege and the ethical rules governing the practice of law require lawyer/witnesses in these circumstances to decline to answer questions or produce documents that reveal client confidences and secrets.

The lawyer has no discretion in this matter—he must invoke his clients' privileges. Unfortunatley, in the present context, this duty requires the witnesses to subject themselves to possible criminal sanctions for contempt of Congress. Especially in light of the personal and financial hardships involved in this grossly unfair procedure for resolving claims of privilege, the Committee should make every effort to obtain the information it seeks from alternative, non-lawyer sources first, before forcing lawyer/witnesses to accept the hardships associated with this procedure.

DISCUSSION

1. Background

The subpoenas served upon Joseph and Ralph Bernstein and William Deyo directed them to appear before the Subcommittee on Asian and Pacific Affairs and to produce documents from their files relating to certain corporations, properties, and legal transactions. Jospeh Bernstein and William Deyo are partners in the law firm of Bernstein Carter & Deyo, and Ralph Bernstein was an employee of the firm in 1981 and 1982.

When these witnesses appeared before the Subcommittee on December 11 and 12, they were able to answer many of the Subcommittee's questions, but they declined to answer several specific questions calling for information about contact with specific individuals, facts about legal representation, and facts about specific corporations and transactions. The witnesses clearly set forth the grounds for their refusal to answer, namely that the answers would reveal confidences and secrets of clients of the Bernstein Carter & Deyo firm. The Subcommittee voted to seek criminal penalties against Joseph and Ralph Bernstein for contempt of Congress, and the full Committee quickly followed suit. The Committee may soon consider whether to seek House floor action on the contempt citations.

I was retained soon after the Committee approved its contempt citations to provide the respondents and their law firm advice and consultation on the extent of their legal and ethical obligations to withhold client confidences and secrets. I have reviewed the record of this proceeding, insofar as it has been made available by the Committee, including:

1. The subpoenas served on the respondents;

2. Two memoranda dated December 11, 1985 to the Subcommittee Chairman from the General Counsel to the Clerk of the House;

3. A letter and a memorandum dated December 10, 1985 to the Subcommittee Chairman and a memorandum dated December 16 to the full Committee from the respondents' Washington, D.C. counsel; and

4. A transcript of the Subcommittee's December 11-12 hearing, including the questions the respondents declined to answer.

I have also consulted extensively with the respondents, members of their law firm, and the respondents' Washington, D.C. counsel about the legal issues involved. While I have not reviewed documents in the respondents' law firm files, I have consulted with them about document production. My opinion is based upon these materials and consultations and upon my extensive familiarity with the law governing attorney-client privilege and legal ethics.

2. Attorney-client privilege

The attorney-client privilege protects from disclosure all confidential communications between attorney and client made in the course of seeking or giving legal advice. Generally, an attorney may not testify in a civil or criminal proceeding about matters covered by the privilege. The modern policy basis for the privilege is to encourage the full and frank communication between a lawyer and client that is necessary for individuals to participate meaningfully in our legal system.

I would urge three important points on the Committee in considering the respondents' claims of privilege. First, I am confident that the privilege does apply in Congressional hearings, and that it should apply. Nothing in the Subcommittee's December 11 memos from the General Counsel to the Clerk of the House pursuades me to the contrary.

When a client discloses a confidence to his or her attorney in the course of seeking legal advice, that client exacts an obligation from that lawyer to keep that confidence secret from everyone: from the courts, from the executive, from the press, from friends, and from Congress. If there were any exceptions—and here I refer not to substantive exceptions as to what is covered, but rather exceptions as to whom it may be disclosed—the privilege would be rendered meaningless. If the purported Congressional exception were to be recognized, no client could ever tell a lawyer anything in confidence, without fear that it could be forceably disclosed to Congress (and thus to the public, to legal adversaries, and to the courts). It cannot be the law—and it is not the law, despite some anachronistic statements and actions referred to in the General Counsel's memoranda—that Congress may compel disclosure of precisely the same substantively privileged information that neither the judiciary nor the executive may compel.

The second point I would like to emphasize is that the witnesses' assertions of the attorney-client privilege here are quite proper, despite the general rule in applying the privilege that it does not prevent disclosure of the client's identity or prevent disclosure of communications relating to business advice. There are well recognized exceptions to the general rule; a client's identity may be privileged if disclosure of identity or the fact of representation would itself reveal confidential information relating to the client's reasons for seeking the attorney's advice. And confidential communications between attorney and client are privileged if the client seeks legal advice regarding business transactions, or if the attorney provides business advice incidentally in the course of providing legal advice.

I understand that many of the clients of Bernstein Carter & Deyo are foreign nationals who wish to invest money in the United States with the advice of legal counsel, on a confidential basis. It was thus quite proper for members of the firm, and their former employee, to invoke the privilege in the hearing to protect the identities of their clients, the fact of their representation, and confidential communications, even though the firm's legal advice ultimately concerned business transactions.

Finally, I would emphasize that the privilege is the *Client's* privilege, not the lawyer's. The lawyer has no discretion in the matter. He must invoke the attorney-client privilege in every instance in which it arguably applies and litigate the privilege on behalf of his client until he has exhausted all available appeals.

3. Duty to protect client secrets

The ethical duty of a lawyer to preserve client "confidences" and "secrets" is even broader in scope than the evidentiary attorney-client privilege.

The New York State Bar Association has adopted Canon 4 and the accompanying "disciplinary rule" (DR 4-101) of the American Bar Association's Code of Professional

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Precipitated By Congressional Subpoenas, 21 Harvard Journal on Legislation 145 (Winter 1984). Unlike the Senate, the House has no explicit statutory authority allowing it to seek a civil remedy for disregard of committee subpoenas or orders to answer by persons who are not federal employees. See 28 U.S.C. 1364.

Responsibility, which require lawyers to preserve client "confidences" "secrets." DR 4-101(A) defines a "confidence" to be "information protected by the attorney-client privilege." A "secret" is defined more broadly to include "other information gained in the professional relationship that the client has requested be held inviolate or the disclosure of which would be embarrassing or would be likely to be detrimental to the client."

Thus, since Joseph Bernstein and William Deyo are members of the New York State Bar, they are required by law to preserve client confidences falling within the attorney-client privilege and to preserve broadly-defined client "secrets." If these individuals violate the precepts of DR 4-101, they are subject to public censure, suspension or disbarment in the State of New York. I might add that DR 4-101 has been the basis for disciplinary action against lawyers in New York in recent years.

It is well recognized that the scope of the client "confidences" and "secrets" that must be protected under DR 4-101 is broader than the scope of confidential communications protected by the attorney-client privilege. Unlike the communications protected by the evidentiary privilege, "confidences" and "secrets" protected by DR 4-101 do not have to relate to legal advice, they do not have to be communicated by the client, and the lawyer's duty to preserve them is not destroyed if third persons learn of the "confidence" or "secret." Advisory opinions of ethics committees of the American Bar Association and several states have held that DR 4-101 requires lawyers to withhold such information as the identify or name of the client, the fact of representation, and such personal information as the client's address, phone number, social security number, date of birth and race. Business-related information, such as the records of a client trust fund or the list of shareholders of a client corporation may also be "secrets" protected by DR 4-101.

In the context of the practice of the Bernstein Carter & Deyo law firm, client identities, the fact of representation, and facts about transactions executed on a client's behalf may all be properly regarded as client "confidences" and "secrets." As in the case of the attorney-client privilege, the witnesses quite properly invoked DR 4-101 in declining to answer questions calling for this information. It may be noted that DR 4-101 provides that a lawyer must "use reasonable care to prevent his employees, associates, and others whose services are utilized by him from disclosing or using confidences or secrets of a client." Thus, it was quite proper for Ralph Bernstein to decline to answer, even though he is not a member of the bar. The witnesses must decline to provide client confidences and secrets to the Subcommittee until their clients consent or until all avenues of appeal are exhausted.

4. Alternative sources available to the committee

Given that Joseph and Ralph Bernstein and William Deyo are legally and ethically bound to withhold client confidences and secrets from the Committee—to the point of risking criminal prosecution for contempt of Congress—it is particularly appropriate for the Committee to use all reasonably available alternative sources for the information it seeks before forcing the witnesses to accept this personal and financial burden.

Even the U.S. Department of Justice, in enforcing the civil and criminal laws of the United States, recognizes and respects the attorney-client relationship, and authorizes subpoenas to be served on lawyers only when absolutely necessary. New Guidelines adopted by the Department on July 18, 1985 (attached to this memo) impose both substantive and procedural limitations on the issuance of subpoenas to attorneys for information relating to the representation of a client. Under the Department Guidelines:

"All reasonable attempts shall be made to obtain information from alternative sources before issuing a subpoena to an attorney for information relating to the representation of a client * * *."

Even when alternative sources prove unproductive, the Guidelines require government prosecutors to make "all reasonable attempts . . . to voluntarily obtain information from an attorney before issuing a subpoena" and then to issue a "narrowly drawn" and "limited" subpoena only after balancing "the public's interest in the fair administration of justice and effective law enforcement and [the] individual's right to the effective assistance of counsel." All subpoenas issued to lawyers seeking information about clients must be expressly authorized by the Assistant Attorney General of the Criminal Division.[1]

Arguably, Committees of Congress should be even more cautious about issuing subpoenas to lawyers. Generally, such Committees are not investigating asserted violations of the law. More importantly, in the Congressional context, unlike the litigation context giving rise to the Department Guidelines, attorneys resisting disclosures in good faith must apparently subject themselves to criminal prosecution to obtain a definitive court determination on the applicability of the privilege. The Committee must not only consider the policy in favor of a confidential attorney-client relationship as the Department did, but also the fundamental lack of fairness in forcing attorney/witnesses to accept this burden and the attendent personal and financial risks.

CONCLUSIONS

The legal and ethical obligations of Joseph and Ralph Bernstein and William Deyo at the Subcommittee hearing were clear. They were to resist disclosing any information that was arguably a client "confidence" or "secret." In the context of their practice, this included the identity of their clients and facts about transactions executed on their behalf. The issues should be tested in court, even if that requires them to be held in contempt. Only if after exhausting all legal remedies they are still compelled to disclose should they do so. In light of the grave consequences of the commonly utilized procedure for resolving claims of privilege in Congress, I would join the respondents and their Washington, D.C. counsel in urging the Committee to pursue all reasonably available alternative sources of information before forcing the respondents to accept the burdens of a contempt of Congress proceeding.

ALAN M. DERSHOWITZ.

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[1] States have also taken steps to control prosecutors wishing to compel testimony from lawyers. In Massachusetts, the Supreme Judicial Court has adopted a new disciplinary rule PF 15 prohibiting a prosecutor from issuing a subpoena to an attorney without prior judicial approval "in circumstances where the prosecutor seeks to compel the attorney/witness to provide evidence concerning a person who is represented by the attorney/witness." Supreme Judicial Court Rule 3:08, PF 15 (October 1, 1985).

U.S. DEPARTMENT OF JUSTICE,
EXECUTIVE OFFICE FOR U.S. ATTORNEYS,
Washington, D.C., July 18, 1985.

To: Holders of U.S. attorneys' Manual title 9.

From: United States Attorneys' Manual Staff Executive Office for United States Attorneys, Stephen S. Trott, Assistant Attorney General, Criminal Division.

Re: Policy With Regard to the Issuance of Subpoenas to Attorneys for Information Relating to the Representation of Clients.

Note: 1. This is issued pursuant to USAM 1-1.550; 2. Distribute to Holders of Title 9; 3. Insert at end of USAM titel 9.

Affects: USAM 9-2.160.

Purpose: This bluesheet implements guidelines concerning Issuance of Subpoenas to Attorneys for Information Relating to the Representation of Clients.

The following is a new section to follow 9-2.161: 9-2.161(a) Policy With Regard to the Issuance of Grand Jury or Trail Subpoenas to Attorneys for Information Relating to the Representation of Clients.

Because of the potential effects upon an attorney-client relationship that may result from the issuance of a subpoena to an attorney for information relating to the representation of client, it is important that the Department exercise close control over the issuance of such subpoenas. Therefore, the following guidelines shall be adhered to by all members of the Department in any matter involving a grand jury or trial subpoena:

A. In determining whether to issue a subpoena in any matter to an attorney for information relating to the representation of a client, the approach must be to strike the proper balance between the public's interest in the fair administration of justice and effective law enforcement and individual's right to the effective assistance of counsel.

B. All reasonable attempts shall be made to obtain information from alternative sources before issuing a subpoena to an attorney for information relating to the representation of a client, unless such efforts would compromise a criminal investigation or prosecution or would impair the ability to obtain such information from an attorney if such attempts prove unsuccessful.

C. All reasonable attempts shall be made to voluntarily obtain information from an attorney before issuing a subpoena to an attorney for information relating to the representation of a client unless such efforts would compromise a criminal investigation or prosecution or would impair the ability to subpoena such information from the attorney if such attempts prove unsuccessful.

D. No subpoena may be issued in any matter to an attorney for information relating to the representation of a client without the express authorization of the Assistant Attorney General of the Criminal Division.

F. In approving the issuance of a subpoena in any matter to an attorney for information relating to the representation of a client, the Assistant Attorney General of the Criminal Division shall apply the following principles:

(1) In a criminal investigation or prosecution, there must be reasonable grounds to believe that a crime has been or is being committed and that the information sought is reasonably needed for the successful completion of the investigation or prosecution. The subpoena must not be used to obtain peripheral or speculative information;

(2) In a civil case, there must be reasonable grounds to believe that the information

sought is reasonably necessary to the successful completion of the litigation.

(3) All reasonable attempts to obtain the information from alternative sources shall have proved to be unsuccessful;

(4) The reasonable need for the information must outweigh the potential adverse effects upon the attorney-client relationship. In particular, the need for the information must outweigh the risk that the attorney will be disqualified from representation of the client as a result of having to testify against the client;

(5) Subpoena shall be narrowly drawn and directed at material information regarding a limited subject matter and shall cover a reasonably limited period of time; and

(6) The information sought shall not be protected by a valid claim of privilege.

These guidelines on the issuance of grand jury or trial subpoenas to attorneys for information relating to the representation of clients are set forth solely for the purpose of internal Department of Justice guidance. They are not intended to, do not, and may not be relied upon to create any rights, substantive or procedural, enforceable at law by any party in any matter, civil or criminal, not do they place any limitations on otherwise lawful investigative or litigative prerogatives of the Department of Justice.

Mr. DYMALLY. Mr. Speaker, I ask the gentleman from Iowa for just 1 minute more so that I may conclude.

Mr. LEACH of Iowa. I apologize to my distinguished colleague, but the claims on time have been taken on this side of the aisle.

Mr. DYMALLY. Then may I ask my good friend from New York for 1 minute of his remaining 2 minutes?

Mr. SOLARZ. I would dearly like to yield my friend the time, but I have already committed at least 1 minute to his colleague from California [Mr. BERMAN] for the purposes of engaging in a colloquy to establish the legislative history. And in view of some of the allegations made by my friend, I need at least 1 minute to sum up. So it is with great regret that I have to say to my distinguished colleague that I am not in a position to yield any of the 120 seconds remaining to me.

Mr. DYMALLY. I thank the gentleman for his consideration.

I want the record to note that I was denied the opportunity to make my case before the Congress.

The SPEAKER pro tempore. The time of the gentleman from California [Mr. DYMALLY] has expired.

The Chair recognizes the gentleman from Iowa, [Mr. LEACH].

Mr. LEACH of Iowa. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. BURTON].

The SPEAKER pro tempore. The gentleman from Iowa will then have 1 minute remaining.

Mr. BURTON of Indiana. I thank the gentleman for yielding.

I would just like to say that I have followed with great interest this entire debate of the Marcos investigation before the committee and it is my conclusion that Mr. SOLARZ and his colleagues have been after Mr. Marcos for well over a year and they have been successful. But this legislation before us is not about the misuse of foreign aid, in my opinion; it is not about the lawyer-client privilege; it is about Mr. Marcos and I say to my colleague from New York who has done yeoman service in this area: Enough is enough. A pound of flesh has been extracted from Mr. Marcos. He is gone. I do not think tarring and feathering him and hanging him up by his heels like Mr. Mussolini and shot through the head and dragging him through the streets on the back of a fire engine is going to avail anybody anything. So I just want to say to my colleagues that it is time to bring this to an end. Mrs. Aquino is the leader of the Philippines. We should work with her and try to help solve the myriad of problems over there. Mr. Marcos is gone. He is in exile. We should leave him alone.

Mr. SOLARZ. Enough is enough.

Mr. LEVINE of California. Mr. Speaker, I am pleased that Chairman SOLARZ and Mr. BERMAN agreed that Congress will not proceed in this matter relying on the assertions that no attorney-client privilege exists before the Congress.

I would like to add my strong view that the attorney-client privilege does apply in Congress, and that it should apply, as a matter of right. Attorney-client confidences are absolutely fundamental to our system of justice. Further, the privilege must apply everywhere if it is to succeed in its essential purpose of encouraging frank exchanges between lawyer and client.

If the privilege did not apply in Congress, persons in need of legal advice on a controversial subject could hesitate to confide in their attorneys, for fear that the attorney could be hauled before one of the many subcommittees in Congress with subpoena power and exhorted under pain of criminal contempt proceedings to repeat the client's confidences. As HOWARD BERMAN and I said in our additional views in the committee report, "A confidence can only be secure against disclosure if it is secure everywhere, in every forum where an attempt might be made to extract it."

I am concerned about the present practice in the House for considering claims of privilege. Under present practice, an attorney/witness risks contempt of Congress proceedings for each and every assertion of attorney-client privilege. No judicial forum is available to determine the applicability of the privilege. Rather, the subcommittee that is seeking the information must rule on the claim, and only if the witness is cited by the House and indicted can he obtain a judicial review of this determination. Of course, if the witness is wrong, the penalty may be a jail term. This procedure inherently chills good faith assertions of privilege.

I am voting for this contempt resolution, as I did and many others did in the committee, because the general counsel and the subcommittee staff advised us that the privilege was improperly invoked by these witnesses in refusing to answer these particular questions. Voting for contempt is the only way to get a judicial resolution on the applicability of the privilege.

I believe this case demonstrates the urgency of a need for the Congress to take measures to avoid the unproductive and unfair dilemma in which we and these witnesses find ourselves.

Once the Bernstein matter is behind us, appropriate committees should expedite development of legislation or other measures sufficient to establish an orderly and fair procedure for securing judicial resolution of contested claims of privilege in congressional proceedings.

The SPEAKER pro tempore. The gentleman from Iowa has 1 minute remaining.

Mr. LEACH of Iowa. Mr. Speaker, I yield to close debate to the distinguished gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I raise the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair does not entertain that point of order at this time.

PARLIAMENTARY INQUIRY

Mr. BEREUTER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BEREUTER. Mr. Speaker, it is my understanding that the Constitution demands that a quorum be present when the House of Representatives conducts business and my understanding is that a quorum has not been established for today.

The SPEAKER pro tempore. Under rule XV, clause 6 of the rules of the House, the Chair cannot entertain the gentleman's point of order at this time.

The Chair recognized the gentleman from Iowa [Mr. LEACH] and the gentleman from Iowa yielded 1 minute to the gentleman from Nebraska.

The gentleman from Nebraska [Mr. BEREUTER] is recognized for 1 minute.

Mr. BEREUTER. Mr. Speaker and my colleagues, and I particularly would like to address my colleagues on the minority side of the aisle, I ask you to set aside questions of timing regarding whether or not the hearing should have been held before the election. I ask you to set aside questions about timing on the debate hearing on these contempt proceedings. Forget who is on each side of this issue. The important point here today is the prerogatives and authority of the House. You owe it to your sucessors in this Congress to vote for this contempt procedure today.

It is essential that you do. We have been advised on a bipartisan basis by the counsel, minority and majority, that we have followed proper rules of procedure. Set aside your feelings about Marcos. The proper vote to protect the prerogatives of this House is

to vote "aye." I urge you to do that today.

Mr. SPEAKER pro tempore. The time of the gentleman has expired.

The gentleman from New York [Mr. SOLARZ] has 2 minutes remaining to close.

Mr. SOLARZ. Mr. Speaker, I yield 1 minute to my distinguished colleague from California [Mr. BERMAN].

Mr. BERMAN. I thank the Speaker and I thank the gentleman for yielding.

Initially I might say that I wish this body had a procedure similar to that of the other body to adjudicate some of these matters in a fashion short of the ultimatum that must be presented by virtue of what has happened because there is no other alternative.

But I rise to ask the gentleman a question and seek to engage him in a colloquy.

I ask the chairman of the subcommittee, Mr. SOLARZ: Several of us have deep concerns regarding the proper use of the attorney-client privilege and the values that that privilege represents. In certifying these contempts to the U.S. attorney, is the House taking the position that attorney-client privilege can never be invoked before a House committee?

Mr. SOLARZ. Let me assure the gentleman from California who supported the contempt resolution in the full committee that to vote for these contempt citations all that is necessary is to determine, as we on the subcommittee and the full committee did, that the specific claim advanced by the Bernsteins was not valid. Now there are those who have questioned the House's historic position.

The SPEAKER pro tempore. The time of the gentleman from California [Mr. BERMAN] has expired.

The gentleman from New York [Mr. SOLARZ] is recognized for his final 1 minute.

Mr. SOLARZ. I will use part of my time to complete this. There are those who have questioned the House's historic position that the consideration of claims of attorney-client privilege is a matter of discretion for the House. That question need not be reached here today. We have instructed the U.S. attorney to rely on the ground that the Bernsteins' claim of privilege would not have been sustained in a judicial proceeding. The Members of the House may rely on this instruction.

Mr. Speaker, in conclusion let me just say that the only issue before us is whether we can uphold the right of the Congress to obtain information which it needs to fulfill its constitutional and legislative responsibility. This has nothing to do with Mr. Marcos; it has everything to do with the ability of the Congress to fulfill its responsibility. We cannot relinquish that power to a private group like the Association of the Bar of the City of New York. We have to make that determination ourselves. And if we vote for contempt this afternoon it will go to the U.S. district court where a judicial determination will be made with respect to the propriety of our action.

Therefore, I call upon all my colleagues to uphold the right not only of our committee but of the Congress as a whole to obtain information to which we are legally and legislatively entitled and to cite the Bernstein brothers for contempt for willfully refusing to furnish information.

The SPEAKER pro tempore. The time of the gentleman from New York [Mr. SOLARZ] has expired.

Mr. SOLARZ. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

Mr. LEACH of Iowa. Mr. Speaker, I renew my demand for a division.

The SPEAKER pro tempore. The Clerk will report the first part of the resolution.

The Clerk read as follows:

Resolved, That pursuant to 2 U.S.C. 192 and 194, the Speaker of the House certify the report of the Committee on Foreign Affairs, detailing the refusal of Ralph Bernstein to answer questions of the Subcommittee on Asian and Pacific Affairs of the Committee on Foreign Affairs, to the United States Attorney for the District of Columbia, for him to be proceeded against in the manner and form provided by law;

The SPEAKER pro tempore. The question is on the first part of the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LEACH of Iowa. Mr. Speaker, I object to the vote on the ground a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device and there were—yeas 352, nays 34, answered "present" 1, not voting 47, as follows:

[Roll No. 34]

YEAS—352

Ackerman	Biaggi	Callahan	Craig	Kolbe	Rodino
Akaka	Bilirakis	Carney	Daniel	Kolter	Roe
Alexander	Bliley	Carper	Darden	Kostmayer	Roemer
Anderson	Boehlert	Carr	Daschle	Kramer	Rogers
Andrews	Boggs	Chandler	Daub	LaFalce	Rose
Annunzio	Boland	Chapman	Davis	Lagomarsino	Rostenkowski
Anthony	Boner (TN)	Chappell	Derrick	Lantos	Roth
Applegate	Bonior (MI)	Cheney	DeWine	Leach (IA)	Roukema
Archer	Borski	Clay	DioGuardi	Lehman (FL)	Rowland (CT)
Aspin	Bosco	Clinger	Dixon	Leland	Rowland (GA)
Atkins	Boucher	Coats	Donnelly	Lent	Roybal
AuCoin	Boulter	Cobey	Dorgan (ND)	Levin (MI)	Russo
Barnes	Boxer	Coble	Dornan (CA)	Levine (CA)	Sabo
Bateman	Breaux	Coelho	Dowdy	Lewis (CA)	Savage
Bates	Broomfield	Coleman (MO)	Downey	Lewis (FL)	Saxton
Bedell	Brown (CO)	Coleman (TX)	Duncan	Lipinski	Schaefer
Beilenson	Broyhill	Conte	Durbin	Lloyd	Scheuer
Bennett	Bruce	Conyers	Dwyer	Long	Schneider
Bereuter	Burton (CA)	Cooper	Dyson	Lowery (CA)	Schroeder
Berman	Bustamante	Coughlin	Eckart (OH)	Lowry (WA)	Schuette
Bevill	Byron	Coyne	Eckert (NY)	Lujan	Schumer
			Edgar	Luken	Selberling
			Edwards (CA)	Lundine	Sensenbrenner
			Edwards (OK)	Lungren	Sharp
			Emerson	Mack	Shaw
			Erdreich	MacKay	Shelby
			Evans (IL)	Madigan	Shuster
			Fascell	Manton	Sikorski
			Fawell	Markey	Siljander
			Fazio	Martin (IL)	Sisisky
			Feighan	Martin (NY)	Skeen
			Fiedler	Martinez	Slattery
			Fields	Matsui	Slaughter
			Fish	Mavroules	Smith (FL)
			Flippo	Mazzoli	Smith (NE)
			Florio	McCain	Smith (NJ)
			Foley	McCandless	Smith, Denny (OR)
			Ford (MI)	McCloskey	
			Ford (TN)	McCollum	Smith, Robert (NH)
			Frank	McCurdy	
			Frenzel	McDade	Snowe
			Fuqua	McHugh	Solarz
			Gallo	McKernan	Spence
			Garcia	McKinney	Spratt
			Gaydos	McMillan	St Germain
			Gejdenson	Meyers	Staggers
			Gekas	Michel	Stallings
			Gilman	Mikulski	Stangeland
			Gingrich	Miller (CA)	Stark
			Glickman	Miller (OH)	Stenholm
			Goodling	Miller (WA)	Stokes
			Gordon	Mineta	Strang
			Gradison	Mitchell	Stratton
			Gray (IL)	Molinari	Studds
			Gray (PA)	Mollohan	Swift
			Green	Montgomery	Swindall
			Gregg	Moody	Synar
			Guarini	Morrison (CT)	Tallon
			Gunderson	Morrison (WA)	Tauke
			Hall (OH)	Mrazek	Tauzin
			Hall, Ralph	Murphy	Taylor
			Hamilton	Murtha	Thomas (CA)
			Hatcher	Natcher	Thomas (GA)
			Hawkins	Neal	Torres
			Hayes	Nelson	Torricelli
			Hefner	Nichols	Towns
			Heftel	Nielson	Traficant
			Hendon	Nowak	Traxler
			Henry	Oakar	Udall
			Hertel	Oberstar	Valentine
			Hiler	Obey	Vander Jagt
			Hillis	Olin	Vento
			Hopkins	Ortiz	Visclosky
			Horton	Owens	Vucanovich
			Howard	Oxley	Walgren
			Hoyer	Panetta	Walker
			Hubbard	Pashayan	Weaver
			Huckaby	Pease	Weiss
			Hughes	Penny	Wheat
			Hutto	Pepper	Whitehurst
			Hyde	Perkins	Whitley
			Ireland	Petri	Whittaker
			Jacobs	Pickle	Whitten
			Jeffords	Porter	Williams
			Jenkins	Price	Wirth
			Johnson	Pursell	Wise
			Jones (NC)	Rahall	Wolf
			Jones (OK)	Rangel	Wolpe
			Jones (TN)	Ray	Wortley
			Kanjorski	Regula	Wright
			Kaptur	Reid	Wyden
			Kasich	Richardson	Wylie
			Kastenmeier	Ridge	Yatron
			Kemp	Rinaldo	Young (AK)
			Kennelly	Ritter	Young (FL)
			Kildee	Roberts	Young (MO)
			Kleczka	Robinson	Zschau

NAYS—34

Armey	Hansen	Packard
Badham	Holt	Quillen
Bartlett	Hunter	Rudd
Barton	Kindness	Schulze
Burton (IN)	Leath (TX)	Shumway
Combest	Lightfoot	Smith (IA)
Crane	Livingston	Snyder
Dannemeyer	Lott	Stump
Dymally	Marlenee	Sundquist
Evans (IA)	Monson	Weber
Franklin	Moorhead	
Hammerschmidt	Myers	

ANSWERED "PRESENT"—1

Gonzalez

NOT VOTING—47

Addabbo	Dicks	McGrath
Barnard	Dingell	Mica
Bentley	Dreier	Moakley
Bonker	Early	Moore
Brooks	English	O'Brien
Brown (CA)	Foglietta	Parris
Bryant	Fowler	Skelton
Campbell	Frost	Smith, Robert (OR)
Chappie	Gephardt	Solomon
Collins	Gibbons	Sweeney
Courter	Grotberg	Volkmer
Crockett	Hartnett	Watkins
de la Garza	Latta	Waxman
DeLay	Lehman (CA)	Wilson
Dellums	Loeffler	Yates
Dickinson	McEwen	

□ 1310

Messrs. WALKER, BROWN of Colorado, and SCHAEFER changed their votes from "nay" to "yea."

Mr. GONZALEZ changed his vote from "yea" to "present."

So the first part of the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. The Clerk will report the second part of the resolution.

The Clerk read as follows:

Resolved, That pursuant to 2 U.S.C. 192 and 194, the Speaker of the House certify the report of the Committee on Foreign Affairs, detailing the refusal of Joseph Bernstein to answer questions of the Subcommittee of Asian and Pacific Affairs of the Committee on Foreign Affairs, to the United States Attorney for the District of Columbia, for him to be proceeded against in the manner and form provided by law.

The SPEAKER pro tempore. The question is on the second part of the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LEACH of Iowa. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 343, noes 50, not voting 41, as follows:

[Roll No. 35]

AYES—343

Ackerman	Anthony	Bateman
Addabbo	Applegate	Bates
Akaka	Archer	Bedell
Alexander	Aspin	Bellenson
Anderson	Atkins	Bennett
Andrews	AuCoin	Bereuter
Annunzio	Barnes	Berman
Bevill	Gray (PA)	Moody
Biaggi	Gregg	Morrison (CT)
Bliley	Guarini	Morrison (WA)
Boehlert	Gunderson	Mrazek
Boggs	Hall (OH)	Murphy
Boner (TN)	Hall, Ralph	Murtha
Bonior (MI)	Hamilton	Natcher
Bonker	Hatcher	Neal
Borski	Hawkins	Nelson
Bosco	Hayes	Nichols
Boucher	Hefner	Nielson
Boulter	Heftel	Nowak
Boxer	Hendon	Oakar
Breaux	Henry	Oberstar
Brooks	Hertel	Obey
Broomfield	Hiler	Olin
Brown (CO)	Hillis	Ortiz
Broyhill	Hopkins	Owens
Bruce	Horton	Oxley
Bryant	Howard	Panetta
Burton (CA)	Hoyer	Pashayan
Bustamante	Hubbard	Pease
Byron	Huckaby	Penny
Callahan	Hughes	Pepper
Carney	Hutto	Perkins
Carper	Hyde	Petri
Carr	Ireland	Pickle
Chandler	Jacobs	Porter
Chapman	Jeffords	Price
Chappell	Jenkins	Pursell
Chappie	Johnson	Rahall
Cheney	Jones (NC)	Rangel
Clay	Jones (OK)	Ray
Coats	Jones (TN)	Regula
Cobey	Kanjorski	Reid
Coble	Kaptur	Richardson
Coelho	Kasich	Rinaldo
Coleman (MO)	Kastenmeier	Ritter
Coleman (TX)	Kemp	Roberts
Conte	Kennelly	Robinson
Conyers	Kildee	Rodino
Cooper	Kleczka	Roe
Coughlin	Kolbe	Roemer
Coyne	Kolter	Rogers
Craig	Kostmayer	Rose
Daniel	Kramer	Rostenkowski
Darden	LaFalce	Roth
Daschle	Lagomarsino	Roukema
Davis	Lantos	Rowland (CT)
Dellums	Leach (IA)	Rowland (GA)
Derrick	Lehman (FL)	Roybal
DeWine	Leland	Russo
DioGuardi	Lent	Sabo
Dixon	Levin (MI)	Savage
Donnelly	Levine (CA)	Saxton
Dorgan (ND)	Lewis (CA)	Schaefer
Dornan (CA)	Lewis (FL)	Scheuer
Dowdy	Lightfoot	Schneider
Downey	Lipinski	Schroeder
Duncan	Lloyd	Schuette
Durbin	Long	Schumer
Dwyer	Lowery (CA)	Seiberling
Dyson	Lowry (WA)	Sharp
Eckart (OH)	Luken	Shaw
Eckert (NY)	Lundine	Shelby
Edgar	Lungren	Sikorski
Edwards (CA)	Mack	Siljander
Edwards (OK)	MacKay	Sisisky
Emerson	Madigan	Slattery
Erdreich	Manton	Slaughter
Evans (IL)	Markey	Smith (FL)
Fascell	Martin (IL)	Smith (NE)
Fawell	Martin (NY)	Smith (NJ)
Fazio	Martinez	Smith, Denny (OR)
Feighan	Matsui	Smith, Robert (NH)
Fiedler	Mavroules	Snowe
Fields	Mazzoli	Solarz
Fish	McCain	Spence
Flippo	McCandless	Spratt
Florio	McCloskey	St Germain
Foley	McCurdy	Staggers
Ford (MI)	McDade	Stallings
Ford (TN)	McHugh	Stangeland
Frank	McKernan	Stark
Gallo	McKinney	Stenholm
Garcia	McMillan	Stokes
Gaydos	Meyers	Strang
Gejdenson	Michel	Stratton
Gekas	Mikulski	Studds
Gibbons	Miller (CA)	Swift
Gilman	Miller (OH)	Swindall
Gingrich	Miller (WA)	Synar
Glickman	Mineta	Tallon
Gordon	Mitchell	Tauke
Gradison	Mollohan	Tauzin
Gray (IL)	Montgomery	Thomas (CA)
		Thomas (GA)
		Torres
		Torricelli
		Towns
		Traficant
		Traxler
		Udall
		Valentine
		Vander Jagt
		Vento
		Visclosky
		Vucanovich
		Walgren
		Walker
		Weaver
		Weiss
		Wheat
		Whitehurst
		Whitley
		Whittaker
		Whitten
		Williams
		Wirth
		Wise
		Wolf
		Wolpe
		Wright
		Wyden
		Wylie
		Yatron
		Young (AK)
		Young (FL)
		Young (MO)
		Zschau

NOES—50

Armey	Green	Packard
Badham	Hammerschmidt	Quillen
Bartlett	Hansen	Ridge
Barton	Holt	Rudd
Bilirakis	Hunter	Schulze
Burton (IN)	Kindness	Sensenbrenner
Clinger	Leath (TX)	Shumway
Combest	Lehman (CA)	Shuster
Crane	Livingston	Skeen
Dannemeyer	Lott	Smith (IA)
Daub	Lujan	Snyder
Dymally	Marlenee	Stump
Evans (IA)	McCollum	Sundquist
Franklin	Molinari	Taylor
Frenzel	Monson	Weber
Gonzalez	Moorhead	Wortley
Goodling	Myers	

NOT VOTING—41

Barnard	Early	Moakley
Bentley	English	Moore
Boland	Foglietta	O'Brien
Brown (CA)	Fowler	Parris
Campbell	Frost	Skelton
Collins	Fuqua	Smith, Robert (OR)
Courter	Gephardt	Solomon
Crockett	Grotberg	Sweeney
de la Garza	Hartnett	Volkmer
DeLay	Latta	Watkins
Dickinson	Loeffler	Waxman
Dicks	McEwen	Wilson
Dingell	McGrath	Yates
Dreier	Mica	

□ 1335

So the second part of the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

WITHDRAWAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1809

Mr. FISH. Mr. Speaker, I ask unanimous consent that my name be withdrawn as a cosponsor of H.R. 1809, introduced by the gentleman from California [Mr. LANTOS].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. JEFFORDS. Reserving the right to object, Mr. Speaker, I reserve the right to object for the purpose of raising my concern that the House may attempt to adjourn shortly and the fact that the bill which was scheduled for today dealing with dairy provisions which are critical to the dairy people of this country to insure that they are not unnecessarily ruined and put out of business, that we would have an opportunity to vote on that.

I would point out also that the other body intends and is hoping to vote on legislation and have legislation over to us by 3 o'clock this afternoon.

The problem is that if we do not do something today, the provisions which will be affecting adversely the dairy farmers and costing the citizens and the taxpayers of this country potentially millions and tens of millions of dollars will not be acted upon and we will be in a situation where we will cost the dairy farmers of this country some $300 million unnecessarily, with no benefits to the taxpayers, and will deprive the taxpayers of the opportunity to save money and at the same time to insure that we have a compliance with the provisions of Public Law 177, the provisions of the Deficit Reduction Act.

For those reasons, I would have to raise the awareness of the body to this and say that it will be critically important to me that this body does not adjourn today and that the dairy farmers of this country will be adversely affected if we do adjourn and would hope that the body would not adjourn before such time as the Senate has had an opportunity to pass such legislation which corrects this very grievous error. The error came about because we have an agreement with the other body, with the administration and with the House leadership on the farm bill to take care of the provisions of Gramm-Rudman in one way, but the technical aspects of the law aimed at crops do it another way. Thus it is important that we get that corrected today. For that reason I have to say I am reserving my right to object.

Mr. GUNDERSON. Mr. Speaker, will the gentleman yield?

Mr. JEFFORDS. I am happy to yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Speaker, it is not my intent to object at this point, but I want to echo the comments which my colleague, the gentleman from Vermont, has just made.

Everybody in this body needs to understand what is going on here today, because the decision was made this morning, apparently a leadership decision, to pull the dairy assessment bill from consideration today.

Now, let us understand, that bill must be passed before we go home this week, before March 1, or what we will do is we will impose upon certain constituents of ours very Draconian cuts, when we do have a process in front of us that, No. 1, will save the Government more money, not cost it more money; and second, will allow us to meet Gramm-Rudman in the way we choose to do so.

The bill has passed the Agriculture Committee on a voice vote. The bill received a rule from the Rules Committee last night. We are at the point today of deciding whether or not we are going to do our business as the elected Representatives of our constituents, or whether we are just going to shut down shop at 3 o'clock on Thursday afternoon and go home. I do not think any of us want to suggest that that is the option that we ought to be pursuing.

We need to take a look at this issue. We need to bring it up in one way or the other. We need to stick around here today, either to bring that bill back up on the calendar, deal with it and send it to the Senate for their decision, or else as the gentleman from Vermont said, await the Senate action. The Senate is working on not one, but two different efforts.

No. 1, they are working on the Commodity Credit Corporation bill which must be passed, I understand, or we run out of money.

The second one is that they are trying to put together a four or five point technical amendments package to deal with various farm bill provisions, and dairy is only one of them.

In addition to dairy, we have a number of other issues which need to be passed before Monday, because starting Monday we have signup on all our different commodity programs.

The Department of Agriculture, very frankly, wants one of those issues resolved in determining what the yields are going to be.

So there are a couple different measures that need to be resolved. We in this body ought not to close up shop and go home on mid-Thursday afternoon and go home and make those farmers, those people who work 7 days a week, early morning and late at night, suffer because the Congress of the United States wants to call it a weekend on Thursday afternoon.

Mr. JEFFORDS. Mr. Speaker, I thank the gentleman for his comments. The gentleman is absolutely right.

I just want to again state that this is just a technical problem that we have with the bill and that what we are trying to do is do it in an orderly fashion that was agreed upon in the farm bill by the administration in order to make sure that we do not heap onto the farmers what essentially is about a dollar price cut, a dollar deduction price cut in their milk checks this spring, when no such matter was in the farm bill and an orderly fashion was derived in order to save the taxpayers $80 million to insure that we do not have a disruption of the markets.

The thing is a mess, it will be a terrible mess, and it will cause undue harmship to thousands of farms and thousands of farmers will unnecessarily go out of business if we do not do something about that today.

I am terribly upset with the Democratic leadership for first saying to go ahead, but then for what I believe purely political reasons decided to pull this bill.

Mr. PETRI. Mr. Speaker, will the gentleman yield?

Mr. JEFFORDS. I am happy to yield to the gentleman from Wisconsin.

Mr. PETRI. Well, Mr. Speaker, I just want to associate myself in the strongest way possible with the remarks of the gentleman from Vermont and the remarks of my colleague, the gentleman from Wisconsin.

This is an unnecessary way of going about a distasteful thing that is required under Gramm-Rudman that was anticipated, was negotiated with, as I understand, with representatives of the Department of Agriculture and we certainly should have an opportunity to implement that discussion, rather than to allow this change to pass today.

Mr. FOLEY. Mr. Speaker, will the gentleman yield to me?

Mr. JEFFORDS. I am happy to yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, I find very strange the suggestion that the Department of Agriculture has been cooperative in bringing this legislation to the floor.

As a matter of fact, the administration has not been supportive, to the point of stating that if the matter was sent to them as a single piece of legislation it would be vetoed, or at least the recommendation would be made that it would be vetoed. The decision, of course, lies with the President; but the administration position is against this bill. Under the circumstances, those who stand up here and suggest that we on this side, for political reasons, are doing harm to dairy farmers should first address themselves to the administration of the Department of Agriculture, with whom one would think they would have some communication, instead of leading the House to believe that if only this bill could be brought up it could be passed by the Senate and signed by the President tomorrow.

Oh, yes, it has been said that if we linked some provisions that the Department likes here or the Department likes there, they might be willing under some circumstances to consider a package. But the dairy farmers of the country ought to know that this legislation is being opposed by this administration.

Mr. GUNDERSON. Mr. Speaker, if the gentleman will yield further, I would like to see the letter from this administration that opposes it, because the fact is the Office of Management and Budget has taken no position on the issue.

Second, yesterday Dick Goldberg, who is one of the assistant secretaries for commodities, told me, No. 2, that he felt that the bill dealing only with the assessment change would be accepted, that they did not want to get into the other issues in the farm bill regarding dairy because they would cost money, this one would not.

Third, when has it been the policy of the Democrats in the House of Repre-

sentatives not to pass a bill because the President did not want it? We spent all day yesterday passing a bill that the administration did not want in the midst of arms control discussions and that did not bother anybody on that side of the aisle; but today you are deciding because somebody, not in a letter, not an official communication, but because somebody said to somebody else that they did not like this bill that we are not even going to take it up. Worse than that, if you do not like this bill, do not take it up; but for God's sake, stay in session until the Senate completes their action or else take up the other bills that we have in the Agriculture Committee that we reported out yesterday that we worked so hard on, but bring it up so that in a responsible fashion the Congress of the United States can do what needs to be done before Monday, March 3, so we do not stick it to agriculture once more.

Mr. FOLEY. Mr. Speaker, if the gentleman will yield further, I understand the gentleman has made a good speech, but I have tried as long as I have been in the Congress not to make agriculture a partisan issue. I think the gentlemen trying to do this on the other side are working against the long range interests of the agricultural community.

The gentleman has the time and can cut me off if he wishes; but I would say to him that I think injecting into today's discussion the suggestion that there is a partisan issue here of trying to hurt agriculture is a very great mistake. It will not serve to help the interests of dairy farmers or the farmers in other areas of this country who are indeed in trouble. I say this both as a former chairman of the committee and a subcommittee chairman who has fought for agriculture on a nonpartisan basis and is proud of that record.

I am concerned about the interjection of this note of narrow partisanship, and am particularly surprised when it comes from Members like the gentleman from Vermont and the gentleman we are addressing from Wisconsin who have generally also taken a poisition of nonpartisanship.

Mr. JEFFORDS. Well, that is why I am here, because I am concerned about the interjection of partisanship into this issue.

Mr. FOLEY. There is none.

Mr. JEFFORDS. That is why I am standing here today. I have never done this before in my time of 12 years in the Congress. If I had not worked day-by-day all the way through the steps of this and did not know that the Democratic leadership last night had approved this, but then suddenly overnight had changed their minds because they thought they could lay the blame onto the other party or the administration, to suddenly withdraw the bill today to me is injecting partisanship into it.

Mr. FOLEY. If the gentleman will yield, he could not be more in error.

Mr. PETRI. Mr. Speaker, will the gentleman yield?

Mr. JEFFORDS. I yield to my colleague, the gentleman from Wisconsin.

Mr. PETRI. Mr. Speaker, I agree with the distinguished majority whip. The gentleman is looking at two Members on this side of the aisle who are perhaps two of the most nonpartisan Members on this side. We pride ourselves on that issue.

Mr. FOLEY. I think I said that to the gentleman.

Mr. PETRI. This is the first time in my 6 years in the Congress of the United States that I have served here that I have made a blatant partisan attack on the floor of the House, but I would like to read what the Democratic leadership position was this morning when they made the decision to pull the bill from the floor. It says three things.

Number one. The dairy bill does not reduce the Gramm-Rudman savings on March 1st. It substitutes fees paid by dairy farmers for the outlays cuts set forth in the order.

Secondly, the issue at stake is whether Congress should alter in any detail the priorities set forth in Gramm-Rudman.

Number three, the decision not to consider the dairy bill today does not foreclose later action on a similar measure.

Let us understand what this means. We deal with dairy today or we do not deal with it, because March 1 happens to be on Saturday and we are not going to be in session tomorrow.

The decision was made by the Democratic leadership not to deal with this in a responsible way, but rather to force sequestration to go into effect so they can run around the country and say that Gramm-Rudman and deficit reduction is a bad idea.

Deficit reduction is something we support. What we oppose is sequestration.

□ 1350

That is the problem here. We have come up with a way that will save you more money, not the $80 million required under Gramm-Rudman for dairy. We will probably save you $160 million in terms of what this could save versus the 50-cent price cut.

So we have to understand we are saving the Treasury money here, but we are being denied the opportunity to save the Treasury money and we are being denied the opportunity to save our dairy farmers money because certain people have decided to make this a part of an issue rather than to deal with it in a responsible way. And that is why I am so upset and why I am so partisan.

Mr. FOLEY. If the gentleman will yield, there is absolutely no foundation in his remarks.

The SPEAKER pro tempore. The gentleman from Vermont [Mr. JEFFORDS] has the time.

Mr. JEFFORDS. I am happy to yield to the gentleman from Washington.

Mr. FOLEY. I will tell the gentleman that his remarks are without foundation. If he is suggesting that the decision made was arrived at for partisan reasons, to embarrass those who voted for Gramm-Rudman, or to create any such consequence, he is totally mistaken.

Mr. GUNDERSON. Then why are we not bringing up the dairy bill today? Why are we not bringing up the dairy bill today?

Mr. FOLEY. Because there is a serious question about whether, as a policy matter, we should make a decision as to whether committees will be permitted to bring legislation to the floor that alters the specific provisions of Gramm-Rudman. Until that is resolved, there is a strong opinion that it would be unwise to single out the dairy program as the only exception.

Mr. JEFFORDS. I would point out to the gentleman——

Mr. FOLEY. It is for this and no other reason. If the gentleman wants to think that there is some secret agenda of trying to embarrass Members of Congress on the issue of Gramm-Rudman, that cuts on both sides of the aisle. There would be absolutely no sense in doing that since nearly half of the Members on the Democratic side voted for Gramm-Rudman themselves. There is no political advantage to that, including for the person that is speaking.

Mr. JEFFORDS. First of all, this week we already voted on one change to the Gramm-Rudman procedures for the veterans, and obviously that was politically motivated, if what you say is correct across the board, that was done because they are more powerful and Members would support them.

Continuing with that, we have no difference here. This is a technical correction to implement what was decided on how to handle it, and because of very technical problems created with language aimed at grain crop programs in the Gramm-Rudman bill which were construed to apply to dairy, we had to bring this bill forward in order to do what was agreed upon, and that was put the assessment in instead of a price cut.

So you have already interjected in a sense a change in the procedures for Gramm-Rudman. That has already been done and it has been passed by this House. I voted for it, we all voted for it, so you are not setting any precedent on this thing. So I do not understand the argument that we are setting a precedent here for the first time.

Mr. FOLEY. In the first place, the question of whether it is technical or

not is one that might be debated. The issue in the veterans bill was one of miscalculation. As you know, it was widely supported on both sides of the aisle and with the administration's recommendation.

The second question has to do with whether the dairy bill, which you know I personally support is, in fact, a change of a more substantive nature from the provisions of Gramm-Rudman, or is a mere technical change. I grant you that it is one that is savings-neutral. That is clear, and it is not being suggested otherwise. The problem is that there is a serious question about whether other committees have opportunities to make similar decisions with respect to specific changes or an exception is being offered for dairy alone.

The provisions of Gramm-Rudman were, however, specific with respect to dairy; and people who knew about Gramm-Rudman, knew about what they were.

Mr. JEFFORDS. I would like to first state that I think there is important distinctions with all of us. Let us take, just to explain to the body as to what our concern is here, if you go one way and Gramm-Rudman is ruled unconstitutional by the Supreme Court, money is required to be redistributed to the various programs and that can be done in every case except this one, because once you reduce the price support, as this would do effectively, you essentially would take out of the dairy farmer's hands some $300 million-odd which would be gone forever, and there is no way that could be recouped. If you go the assessment route, and it is ruled unconstitutional and we do not implement it by the sequestration, then that money can be returned to the people, to the dairy farmers by simply the Government writing a check, and a dollar taken would be a dollar given back.

This is an unusual situation which is not one that can be taken under a normal policy as we go into other matters of Gramm-Rudman which can be done while we await the action of the Supreme Court. This is gone and $300 million for our dairy farmers will be gone if this goes into law. Thousands of dairy farmers will be out of jobs, they will be out of business if we do not act today.

Now will the gentleman from Washington admit that if we do not act today, it is impossible for us to do anything in all practical terms next week?

Mr. FOLEY. No, I am not willing to make that statement. If the gentleman wants to make it, he makes it on his own responsibility.

Mr. FRANKLIN. Mr. Speaker, will the gentleman yield?

Mr. JEFFORDS. I am happy to yield to the gentleman from Mississippi.

Mr. FRANKLIN. Mr. Speaker, I would like to ask the distinguished majority whip another question, and that is concerning the provisions that were passed in an emergency session of the Agriculture Committee yesterday. One of those provisions that you authored and sponsored dealing with the determination of yields for wheat farmers and feed grain growers, to which I had an extremely important amendment that affects the people of my district in Mississippi and farmers all over this country, again which bumps up against that March 1 deadline, it was this gentleman's thought and opinion that the reason that that emergency session was held was so that these things that are so critical to the Nation's farmers, that need to be worked out before this March 1 deadline, could be worked out. I would ask the gentleman from Vermont to yield to the distinguished majority whip to respond to that question about what happens to that legislation.

Mr. JEFFORDS. I will be happy to yield to the gentleman from Washington [Mr. FOLEY] for that purpose.

Mr. FOLEY. The legislation is going to be processed, I would tell the gentleman, but the committee has not yet reported it. It is not available for suspension because we do not have a suspension calendar this week. It would therefore have to be processed through a rule.

The gentleman knows that it is not the usual process to have legislation reported on one day and brought to the floor the next day. In fact, it is usually one in which the minority insists upon their 3-day opportunity to make reports.

Again, I want to say that we have not had the most wholehearted enthusiasm from the administration and the Department of Agriculture in helping us reach these conclusions. Among those bills is one that I have introduced, as the gentleman knows.

Mr. FRANKLIN. And to which my amendment was offered and accepted by unanimous agreement by the Agriculture Committee, and it is not here on the floor, and we are adjourning.

Mr. FOLEY. It is not on the floor and can only be considered under unanimous consent. That is the only possible way.

Mr. FRANKLIN. No one here is objecting that I hear.

Mr. GUNDERSON. Mr. Speaker, will the gentleman yield?

Mr. JEFFORDS. I am happy to yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Speaker, I want to get back to the point discussed earlier about timing. The fact is, ladies and gentlemen, that we are dealing with a technical change in the dairy bill to conform the farm bill with Gramm-Rudman. There is no debate among any Member, anywhere, as to what we are doing. Even the gentleman from Virginia [Mr. OLIN], who opposes the farm bill's dairy section, he agrees that the policy change is none. We are not dealing with a policy change. We are dealing with a technical issue.

Where we run into a problem is that if we do not deal with this issue today before Gramm-Rudman goes into effect on March 1, in order to deal with it next week, you frankly have to repeal a part of Gramm-Rudman. Now I do not know anybody on this floor that wants to repeal Gramm-Rudman at this point in time. That is totally a different issue than dealing with a technical issue as we have today. So the question really becomes, and this is where it gets partisan, the Democratic leadership has pulled from consideration today the bill, the technical bill to conform the farm bill with Gramm-Rudman. If they do not allow that bill to be brought and considered and passed today before we go home, let us understand who is going to be responsible for its effects.

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Texas.

□ 1400

Mr. ARMEY. I thank the gentleman for yielding to me. Mr. Speaker, I have been watching this debate with great interest, because having spent my first year here in the House, I continue to ask myself: "What's going on around here?"

There are a few things that are painfully obvious. First of all, the Calendar of the House of Representatives is controlled by the Democratic majority. It is not unusual to have bills on the calendar disappear from the calendar. I, myself, experienced that earlier last year, and discovered after a week of research that allegedly a staffer pulled the bill off the calendar.

Let us get to the point of what we are talking about today. It is very clear that when this bill was put on the calendar, everybody knew about the March 1 deadline; that it was important to deal with this issue.

It was pulled. Now, I think it is also clear that one of the theories going around this town is exactly that the Democratic majority would like to force issues into sequestering, have the Nation experience the pain and put the blame on the Republicans and the White House.

Whether or not that is why this bill was pulled, I do not know; but I can tell you this: That is what it looks like, and I do think we have got a right and an obligation to raise that question, because the Nation's business must be dealt with, and I for one do not understand why last week we had one vote, one recorded vote in the entire week; we have frittered away 2 months again already this year.

The American people want to know, when is this House going to go to work and deal with the Nation's business? Here we are back at it again, and I commend the gentleman for raising this fight. We adjourn all too frequently too early and leave the business on the table.

Mr. HORTON. Will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman.

Mr. HORTON. I thank the gentleman for yielding, and I would ask for the attention of the gentleman from Washington, the minority whip [Mr. FOLEY].

The State of New York is very much interested, and particularly my district, we have a lot of dairy farms. This is going to have a very profound impact if we do not act today, and I realize, if I could have the attention of the gentleman from Washington——

Mr. FOLEY. I am sorry.

Mr. HORTON. This is going to have a very profound impact on the State of New York and our dairy farming, our dairy industry.

The fact that the price support is going to be reduced, as I understand it, cannot be recouped. It is very important for us to act. Now, regardless of what the administration might have said or might not have said, it seems to me that we ought to act so at least we can indicate to our dairy farmers what our position is with regard to the impact with regard to the reduction in price support.

I realize there have been a lot of charges and countercharges with regard to partisanship. Laying that aside, I would like to request of the gentleman: Is it possible that the leadership could bring this bill up so we can have a chance to exercise our will? I realize there are a lot of other problems that we might be facing, but it seems to me it would be appropriate for us to bring the bill up.

As I understand it, and I want to commend the Committee on Agriculture; they acted very expeditiously on this, in subcommittee and full committee, and it has gone through the Committee on Rules, and it is ready to be brought up right now. It seems to me it would be to the advantage of all in this House to have that legislation brought before us so we could literally discuss it on the floor and act and have an opportunity to vote on it.

Would the gentleman indicate whether or not the leadership is flexible enough to bring the bill up?

Mr. JEFFORDS. I yield to the gentleman from Washington [Mr. FOLEY].

Mr. FOLEY. Mr. Speaker, I think the question is in part, what sort of consideration we are going to give to legislation of this kind. We have some confusion over what can be done with respect to this particular provision, as to whether or not some action taken next week could be retroactive.

I am not at all clear on that matter.

Mr. HORTON. I am not, either.

Mr. FOLEY. I am not at all sure that there is an absolute requirement that it be done this afternoon and signed by tomorrow and so forth. We have no assurance that the other body is acting or will act. The gentlemen on the other side will correct me if I am wrong, but I have also seen no enthusiasm in my conversations with the administration about this legislation.

They have not requested it; they have not asked us to undertake it. Indeed, in almost every respect the administration's attitude toward alternative plans for dealing with agricultural policies has been cold, to put it mildly.

Mr. HORTON. Well, aside from that, it would seem to me——

Mr. FOLEY. Well, aside from that——

Mr. HORTON. Will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from New York.

Mr. HORTON. It would seem to me that regardless of the position of my side, at least those who are on the Committee on Agriculture have indicated that the administration is not cold to it, but aside from that, why couldn't we just bring the bill up? I commend the gentleman from California [Mr. COELHO], who heads the subcommittee, and the other members on the committee who have brought this bill to the point where it can be brought to the floor.

On behalf of the dairy farmers of New York State, I implore the leadership to let us debate this bill and at least have an oportunity to pass it and send it over to the Senate and then let the administration and those of us who are interested and will do everything we can to get the administration to sign it.

Because otherwise, we might have lost the opportunity if we don't do it today.

Now if somebody can give me an assurance that we are not going to lose that opportunity, I would feel much better about it, but as far as I know, that cannot be done.

Mr. COELHO. Will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman.

Mr. COELHO. The gentleman from New York [Mr. HORTON] brings up a good question about whether or not it is absolutely necessary to do something this week. The answer to that question is "No." The administration could well decide that they would delay the purchases; we could delay them for a couple of days—it would not hurt; it has been done in the past, and that we could go ahead at that point and implement a bill next Monday or Tuesday.

The second problem that we have is in regards to the fact that the Senate will not take up a bill that is dairy-solo. They want to have all different types of provisions in the bill. We do have a tremendous amount of confusion, not only on the dairy situation but on all the different agriculture provisions over in the Senate side.

We on the Dairy Subcommittee have been asking the Senate for 2 weeks to get something moving so that we could act on it, but we are caught in this situation now and the decision of the leadership is that the dairy bill could be brought up next week.

I would suggest that what we should be doing is trying to see what type of action we can get out of the Senate, and it the Senate does act this week, to see if we cannot bring up that bill on Monday or Tuesday.

We are currently trying to meet with the Department of Agriculture officials. A meeting has been scheduled for the next few minutes so that we can discuss this with them to get their cooperation so that the Congress can act early next week.

So that is what we are trying to do and that is the process.

Mr. EMERSON. Will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman.

Mr. EMERSON. I thank the gentleman for yielding.

Mr. Speaker, I would like to ask the distinguished majority whip if it might not be possible for us to recess for 10 or 15 minutes and for the leadership to meet and resolve this scheduling difficulty here.

My concern is over the anxiety of a lot of people out there who do face some very critical business decisions related to March 1. I think the issue here with the dairy situation, the issue raised in the bill by the gentleman from Mississippi, is very critical with March 1 being a very key date here.

I think that maybe we have a responsibility to spend a couple of hours here this afternoon to try to get this resolved in order to relieve some anxiety that exists out in the country. It is purely a suggestion.

What the gentleman from Washington says about the attitude of the White House, I do not think anyone quarrels with here; but we are the elected representatives of the people, there is a very broad, bipartisan consensus here about what ought to be done; we agreed almost unanimously in the committee, and I would hope we could find a way to proceed here this afternoon.

Mr. FOLEY. If the gentleman from Vermont [Mr. JEFFORDS] would yield, I want to make it clear that I did not bring up the subject of the administration's attitude until it was suggested very directly by two Members on the

other side who are usually among the most bipartisan and fair-minded people in the Congress, that there was some kind of a plot from this side to embarrass dairy farmers and embarrass Republicans. This is a suggestion I reject entirely, and have said that time and time again.

Beyond that, we do have a problem with the administration's position; and anyone, as the gentleman from Missouri is aware, who sat in the Agriculture Committee knows how reluctant they have been to deal with this problem.

We have to deal in some way with the overall question of whether committees are going to be allowed to bring to the floor exceptions that someone might suggest to the Gramm-Rudman legislation, even though those are savings neutral.

I think there needs to be some consensus in this body on that point, because we have Members that would like to consider compensatory education changes, and changes in other areas.

It was in the bill, which I voted for, that dairy was to be dealt with in this way. Everybody recognizes that, I hope. It is very specific. Anybody who did not see it did not read the bill.

Now, there is a question of whether we ought to——

Mr. JEFFORDS. I will take my time back at that point.

Mr. Speaker, the language in the Gramm-Rudman bill with respect to the programs that we are talking about here is very less than specific. It talks about contracts—there are no contracts except an instantaneous contract for the purchase of dairy products.

It talks about 1-year contracts. The ruling from the legal beagles was that well, an instantaneous contract comes within the meaning of a 1-year contract. There is some language in there about entitlement programs, but it was aimed at, and everybody agrees that it was not aimed at dairy, and I was present at all these meetings—we had a meeting with Secretary Brock present, Mr. DOLE from the Senate, myself, and others who were present when we agreed to go this way; this is in negotiation on the farm bill.

Subsequent to that, we have had a meeting with the members of the administration being present, the members of the Agriculture Department being present, members of the Office of Management and Budget being present, the majority leader of the other body, myself, and others, and we agreed again; this was 3 weeks ago.

□ 1410

Now I would yield to the gentleman from Wisconsin for clarification on this issue. I believe the gentleman has a document he would like to read.

Mr. GUNDERSON. I thank the gentleman for yielding.

Mr. Speaker, No. 1, it is seldom I disagree with my distinguished subcommittee chairman, but the fact is that unless we pass something today the Department has no legal option except but to move to a 50-cent reduction in the price that they pay.

Now, I especially want the Democratic majority whip and the subcommittee chairman to hear this because while we have been discussing this issue—would the gentleman from California and the gentleman from Washington please listen?

Mr. FOLEY. I am sorry. I apologize to the gentleman. I am trying to be constructive in discussing the matter.

Mr. GUNDERSON. No problem; I understand. I want to share something with the gentleman because I believe it is something that I believe can help the gentleman because while we have been discussing this issue here this afternoon our leadership staff contacted the Office of Management and Budget which has just told them they have no objection to the bill. So it is not the White House that is causing the problems on this bill. They have said they have no objection to the passage of this particular bill. It is not our destiny to determine what the other body does. We are Members of the House of Representatives. Now I would suggest that we take our responsibility, we call this bill up, we pass it, we get it over to the other body and get them to pass it. Based on the OMB position of 5 minutes ago we should get it down to the White House, get this issue signed today before we go home.

Mr. WILLIAMS. Mr. Speaker, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Montana.

Mr. WILLIAMS. I thank the gentleman for yielding. It is clear now that no one wants to injure the dairy people. Lord knows they have suffered enough. But we have to look at a problem here and this is just the beginning of it, just the tip of the iceberg.

Gramm-Rudman requires across-the-board, mindless, bloodless cuts that ignore certain important vagaries, certain priorities and options which this Congress has historically dealt with in order to conduct the business of the public. We are seeing the tip of a very, very large iceberg here today. Now, if the gentleman from Washington State would give me his attention for just a moment, if we are going to accept the amendment of the gentleman to recess or if the gentleman from Washington State is going to try to work out something on this bill then I think everyone in this body has a stake in it. I serve on the Committee on the Budget and on the Committee on Education and Labor. If the Committee on Agriculture is not going to take across-the-board 4.3 percent cuts in everything and I do not think they should.

Mr. JEFFORDS. Now, wait a minute.

Mr. WILLIAMS. I understand. The gentleman is spreading it around, he is building it in, he is replacing it, I understand that.

But my point is if you are going to be able to do that then it seems to me we have to develop a process by which every committee has that right. Every committee should be able to come out here with a bill that says notwithstanding the March 1 sequester date, and we will all take our 4.3 percent but we will except the natural vagaries of Government and we will prioritize and we will pick and choose the way we are supposed to. So I tell the gentleman from Washington State and the other leadership that if you are going to allow this bill to come forward many of us want assurances that bills that we are interested in in our committees be allowed to come forward despite the March 1 sequester.

Mr. JEFFORDS. Let me ask the gentleman this question.

I understand his feelings, I understand his compassion. I have worked with him on the Committee on Education and Labor.

But I think if you understand first of all we are not trying to get out from under it, we are trying to implement an agreement that was made, that is a vast difference. Second, the most important point is if you go one way the dairy farmers are going to lose $300 million which is going to be irretrievable. It is gone, gone, no way to get it back. Every other program which may have a complaint or whatever, if the Supreme Court sustains the lower court, we do not pass a sequestration order, or in that order those modifications can be made, money can be returned. But we have $300 million that will be lost forever to these hard-pressed dairy farmers who right now—we could get into a debate on the point of how they are going down and with a well-designed dairy program we hope to have a kind of program which will not create undue hardships, undue disruptions. But this will do it. This is a big difference.

Mr. WILLIAMS. I understand. If I may. I understand that and I am supportive of that. Likewise 4.3 percent out there at Gallaudet College, and for these little colleges for the blind and the deaf, means that we are going to lose people that we will never be able to get back again. And simply by not giving them the 4.3 cut but rather spreading it over the other vast expenditures on education we can protect some of the handicapped, blind, and disabled just as we can protect dairy farmers who are in trouble. So if you are going to do it for dairy farmers you ought to do it for Gallaudet

and some of the others, that is what I am saying.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman for yielding. I wonder if we can for a moment go on to other business that is pending on the floor in an effort for some of us to consult. I am not suggesting that the schedule is going to be rearranged but it might be possible to have some unanimous-consent request or some other thing that would allow the possibility of the consideration of this matter next week without prejudice. If the gentleman is interested in doing that then I think we could move on to other matters and come back to this later.

Mr. JEFFORDS. Let me yield just briefly to the gentleman from Michigan.

Mr. SCHUETTE. I thank the gentleman for yielding.

My comments: I suppose these technical amendments and changes in dairy program but, triggered by a comment of the gentleman from Mississippi [Mr. FRANKLIN] I think it is important also for this House to remember that the clock is running on signup for programs. There are bills out there with nonprogram acres, for dryable beans and vegetables. We in this body should consider other important legislation so the clock is not running on producers in agriculture, so vitally important. I think it is important this House remember this piece of business and in addition to the very important, all important issue of dairy. Other important producers are making business decisions. There are difficult times out there right now. Let us not impact producers even more so in these very desperate times.

I thank the gentleman for yielding.

Mr. JEFFORDS. Let me inquire of the gentleman from Washington, if I understand what he wants to do. It is my understanding he would like to delay at this time so that we can try to work out some sort of delay in the implementation of these purchases whatever for a period of time for us to do this in an orderly way with respect to this legislation.

Mr. FOLEY. If that can be done I am willing to explore it in a constructive sense.

Mr. JEFFORDS. I would appreciate that.

I would also hope that all Members would repress the desire, perhaps, of trying to adjourn or do other such things as might make it impossible for us to work out that arrangement. That does concern me.

Mr. FOLEY. I am offering this in good faith to the gentleman and I do not think there is going to be a motion to adjourn unless we have another opportunity to make a discussion.

Mr. JEFFORDS. I appreciate that. I will be happy to yield briefly to other Members and then I am going to withdraw my objection to Mr. FISH's unanimous-consent request.

Mr. WALKER. Mr. Speaker, will the gentleman yield for just a moment?

Mr. JEFFORDS. I yield briefly to the gentleman.

Mr. WALKER. I thank the gentleman for yielding.

On the point made by the gentleman from Montana that sounded eminently reasonable as the gentleman explained it out here, the only problem is that when we had that issue on the floor the other day in an amendment offered on the floor on whether or not we ought to have the committee act independently on all of these various issues rather than taking the across-the-board sequester, the Democratic Party voted overwhelmingly almost to a man to not do that process, while the Republicans voted to have that kind of an option.

Mr. FOLEY. Mr. Speaker, I would ask for the regular order.

Mr. WALKER. I would also say——

The SPEAKER pro tempore. Regular order is demanded.

Mr. WALKER. Is the gentleman cutting me off? Is the gentleman cutting me off?

Mr. FOLEY. I will say to the gentleman I am making an effort to resolve a problem that the gentlemen here are presenting. The time for doing this is limited. The gentleman can make whatever political points he wants to make I am sure at another time. We are trying to work constructively to solve this problem. We are dealing with a reservation on a request of the gentleman from New York to remove his name from a bill.

Mr. WALKER. It surprises me that the regular order is all of a sudden very interesting to the gentleman when he has a point being made against him.

Mr. JEFFORDS. I will reclaim my time. I believe I have the time.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. FISH]?

There was no objection.

FREEDOM OF INFORMATION DAY

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 371) to designate March 16, 1986, as "Freedom of Information Day," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, and I do not object, but I simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, further reserving the right to object, I yield to the gentleman from Colorado, [Mr. WIRTH], the chief sponsor of House Joint Resolution 371.

Mr. WIRTH. I thank the gentleman for yielding.

Mr. Speaker, I appreciate the support on both sides of so many people for this joint resolution which commemorates James Madison's birthday as "Freedom of Information Day."

All of us I believe recognize that there are three fundamental documents in American history: The Constitution, Declaration of Independence, and the Federalist Papers, the Federalist Papers having been predominantly written by James Madison; that assures the Bill of Rights, predominantly again in the Federalist Papers, the most important of which is the first amendment.

This resolution was put together by the first amendment caucus of the American Society of Newspaper Editors hoping that we would, with them, celebrate the Constitution when it comes around for its bicentennial. And in that also recognize James Madison and James Madison's birthday as First Amendment Day. So I appreciate the efforts of my colleagues on this and their support.

Mr. Speaker, House Joint Resolution 371, authorizes the President to proclaim March 16, 1986, as national Freedom of Information Day.

This day marks the anniversary of James Madison's birthday. Mr. Madison, our fourth President and father of the Bill of Rights, is the American most responsible for many of the constitutional freedoms we enjoy today, in particular freedom of speech and the press.

What Mr. Madison understood, and what we often take for granted, is the importance of free speech, free press, and the value of information in a democratic society. He envisioned a society in which the American people could be truthfully informed about their Government, thus able to enjoy what he called a peculiar freedom to scrutinize the bureaucracy. He believed that through encouragement of interaction of the press and people, the Government would become more responsive to the people.

His idea was considered radical in his day. Today, however, it is hard to imagine not being afforded these freedoms in our society. Yet, because many Americans have never known any other way of life, they do not recognize how important the freedom of information is to the preservation of their other freedoms guaranteed by the Constitution.

A national Freedom of Information Day would serve as a reminder to the American

people and the rest of the world the vital role these liberties have played in shaping this country.

Moreover, it is important to recognize that the freedom of speech and press mean more than just being able to express one's thoughts. They are catalysts that spark a flow of information. This is the most fundamental right of an American—the right to a free and robust marketplace of diverse and antagonistic ideas.

My resolution would establish a national Freedom of Information Day to honor both the man James Madison, and the principles for which he stood. I urge you to support this resolution.

H.J. RES. 371

Whereas a fundamental principle of our Government is that a well-informed citizenry can reach the important decisions that determine the present and future of the Nation;

Whereas the freedoms we cherish as Americans are fostered by free access to information;

Whereas many Americans, because they have never known any other way of life, take for granted the guarantee of free access to information that derives from the First Amendment to the Constitution of the United States;

Whereas the guarantee of free access to information should be emphasized and celebrated annually; and

Whereas March 16 is the anniversary of the birth of James Madison, one of the Founding Fathers, who recognized and supported the need to guarantee individual rights through the Bill of Rights: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That March 16, 1986, is designated as "Freedom of Information Day", and the President is authorized and requested to issue a proclamation calling upon Federal, State, and local government agencies and the people of the United States to observe such day with appropriate programs, ceremonies, and activities.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution as follows:

The joint resolution was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

MUSIC IN OUR SCHOOLS MONTH

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 345) to designate March 1986 as "Music in Our Schools Month," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object, but I simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, under my reservation I yield to the gentleman from Hawaii [Mr. AKAKA] the chief sponsor of House Joint Resolution 345.

Mr. AKAKA. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of House Joint Resolution 345 to designate March 1986 as "Music in Our Schools Month."

Mr. Speaker, I want to thank Chairman GARCIA and his committee for supporting and bringing this resolution to the floor. I also want to thank the Music Educators National Conference and its president, Paul Lehman, for their advice and support for this resolution.

This resolution is important to our Nation. Music education in our Nation is an enterprise of enormous scope. Music is taught to over 13 million young people by music specialists and to untold millions more by classroom teachers. Because music was the first of the arts to be taught regularly in the schools, music education symbolizes the importance of the arts in education. It is one of the most glorious manifestations of our cultural heritage that should be transmitted to succeeding generations in every corner of our universe. I ask my colleagues to join me and my 221 cosponsors in support of this resolution.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 345

Whereas the music programs in our Nation's schools fundamentally influence the lives of millions of Americans who participate in these programs;

Whereas music is a powerful aesthetic force that exalts the human spirit, transforms human experience, and enhances the quality of life;

Whereas music is one of the most glorious manifestations of our cultural heritage that should be transmitted to succeeding generations;

Whereas music embodies one of the major symbolic systems that make mankind uniquely human;

Whereas music provides a source of enjoyment and an outlet for creativity and self-expression for all Americans;

Whereas music directly affects the innermost feelings and responses of every child and plays an essential role in the education of this Nation's children;

Whereas the study of music uniquely contributes to the intellectual, emotional, and physical development of young people;

Whereas music provides a useful means for learning about other cultures, both within the United States and abroad;

Whereas the study of music and the other arts enhances student morale and improves the quality of the school environment;

Whereas national recognition and support will assist music educators in enriching the lives of all Americans, regardless of background, age, or musical talent; and

Whereas the observation of "Music In Our Schools Month" will provide a special opportunity for Americans to learn about and support the music programs in our Nation's schools: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That March 1986, is designated as "Music In Our Schools Month," and all Federal, State, and local government agencies and programs, and all citizens, are called upon to show their support for music in the schools of America.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL TRIO DAY

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the concurrent resolution (H. Con. Res. 278) expressing the sense of the Congress that February 28, 1986, should be designated "National TRIO Day" and that the achievements of the TRIO programs should be recognized, and ask for its immediate consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

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Mr. HANSEN. Mr. Speaker, reserving the right to object, I do not object but simply would like to inform the House that the minority has no objections to the legislation now being considered.

Mr. Speaker, under my reservation, I yield to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding and rise in strong support of House Concurrent Resolution 278, proclaiming February 28, 1986, as "National TRIO Day." As a cosponsor of this measure, I would like to thank the gentleman from Michigan, my friend and colleague [Mr. FORD] and the gentleman from Massachusetts [Mr. CONTE] and the gentleman from Ohio [Mr. STOKES] for introducing this legislation, providing for appropriate recognition of the enormous contribution that the TRIO programs have made to improving educational opportunity in this Nation.

Adoption of this resolution is especially timely as Congress and the Nation attempt to grapple with the ef-

fects of the Gramm-Rudman balanced budget legislation. The TRIO programs, which are formally called the Special Programs for Students from Disadvantaged Backgrounds, are authorized under the Higher Education Act of 1965. They serve as a vital part of the Federal strategy to assure equal educational opportunity in postsecondary education.

It is presently estimated that over 38,400 students will be eliminated from the TRIO programs in fiscal year 1986, and that an additional 123,400 students will be dropped in fiscal year 1987 if Congress does not act and the Gramm-Rudman sequestration order becomes effective. While everyone of us must look for ways to cut the fat from even our most popular Federal programs, I contend that our education programs, programs which allow our most disadvantaged citizens to compete on an equal footing with other more fortunate students, must be afforded special attention. Continuing our strong support for education, both at the secondary and postsecondary levels, is clearly, one of the most cost-effective policies that this Congress can engage in. Adoption of this resolution is a strong message from those of us who support a strong Federal role in education, that the fight has not yet begun.

Since the adoption of the Gramm-Rudman legislation late last session, and the subsequent presentation of the President's fiscal year 1987 budget proposal, I have been visited by representatives from all segments of the education community—school teachers, university and college presidents, trustees, teachers and students—all of whom are deeply and rightfully concerned about the future of education in America. By observing National TRIO Day, we will draw attention to the erosion of our postsecondary education programs, and the tremendous risk that we as a nation place ourselves in should we perpetrate a system of education available only to those who can afford it.

The 1,280 programs presently funded under TRIO operate in over 800 colleges and universities and over 800 community agencies. Currently more than 460,000 disadvantaged youth and adults receive counseling, basic skills instruction, tutoring, and information about college admissions and financial aid from these projects. Two thirds of the students served by TRIO come from families whose income is below 150 percent of the poverty level and where neither parent has graduated from college.

Accordingly I urge my colleagues to offer their support to House Concurrent Resolution 278, designating February 28, 1986, as National TRIO Day.

Mr. GARCIA. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. Mr. Speaker, further reserving the right to object, I yield to my distinguished chairman, the gentleman from New York [Mr. GARCIA].

Mr. GARCIA. I would just like to take 1 minute, if I may, Mr. Speaker, to give us the opportunity to understand what the TRIO programs are all about.

There are approximately 1,280 TRIO programs throughout the country. They are educational opportunity centers, special services, Talent Search, Upward Bound, and there are presently over 460,000 disadvantaged young people who are presently enrolled in these programs.

The TRIO programs are targeted to those students whose family incomes fall below 150 percent of poverty and whose parents did not graduate from college.

Forty-one percent of TRIO's students are black, 35 percent are white, 17 percent are Hispanic, 4 percent are American Indian, and 3 percent are Asian.

Whereas the TRIO programs are an important retention mechanism for the physcially handicapped students in higher education as well, because they currently serve over 14,000 disabled students.

So TRIO programs have a record of success, Mr. Speaker, in providing students information about college, motivating them to attend college and enabling them to succeed in college.

Mr. Speaker, I would also like everybody to know that the TRIO programs in the past two decades have produced hundreds of thousands of educational success stories, including two Rhodes scholars and the first Hispanic astronaut. Whereas, as far as we are concerned, this program has been essential and necessary.

Mr. Speaker, I thank my colleague from Utah for yielding.

Mr. FORD of Michigan. Mr. Speaker, I am delighted that the House is today adopting House Concurrent Resolution 278, designating February 28 as National TRIO Day. I am very heartened by the fact that more than 218 Members of this body have cosponsored this resolution. I also want to extend my appreciation to Congressmen CONTE and STOKES for joining me as original cosponsors of this resolution and to Congressman GARCIA for handling it on the floor.

The TRIO programs, which are formally called the Special Programs for Students from Disadvantaged Backgrounds, are authorized under the Higher Education Act of 1965. They serve as a vital part of the Federal strategy to assure equal educational opportunity in postsecondary education.

The 1,280 presently funded TRIO programs operate in over 800 colleges and universities and over 80 community agencies. Currently, more than 460,000 disadvantaged youth and adults receive counseling, basic skills instructions, tutoring, and information about college admissions and financial aid from these projects. Two-thirds of the students served by TRIO come from families whose income is below 150 percent of the poverty level, and where neither parent has graduated from college.

National TRIO Day is designed to draw attention to the National importance of federally supported initiatives to assure equal educational opportunity. TRIO and the other Federal student aid programs authorized under title IV of the Higher Education Act offer a realistic promise of upward mobility, both to individuals and families as well as developing the talents of all our citizens to the benefit of the Nation.

Moreover, these programs have a proven record of success. For example, Upward Bound graduates are more than four times as likely to graduate from college compared to similar students who did not have the benefit of these services. Special Services students who receive counseling, tutoring and basic skills instruction are more than twice as likely to remain in school as similar students who do not participate in the program. And, more than 20 percent of black and Hispanic freshmen who enter college receive information and assistance in applying for one of the TRIO programs.

National TRIO Day also aims at drawing attention to the serious erosion of these programs that will result from the automatic cuts under the Gramm-Rudman-Hollings legislation, absent other actions by Congress. It is presently estimated that over 38,400 students would be eliminated from the programs in fiscal year 1986 and that an additional 123,400 students could be dropped in fiscal year 1987, if the Gramm-Rudman-Hollings sequestration order becomes effective. Coupled with substantial cuts in student financial aid, this can only exacerbate present trends of declining enrollments of poor and minority students in postsecondary education.

Mr. TALLON. Mr. Speaker, February 28 has been declared National TRIO Day. The TRIO programs, which include Upward Bound, Talent Search, Special Services, and Education Opportunities Centers, identify students from disadvantaged backgrounds and help them enter or continue in postsecondary education programs. These programs serve as a vital part of the Federal strategy to assure equal educational opportunity in postsecondary education.

National TRIO Day affords us the chance to reaffirm our commitment to equal educational access and opportunity and to recognize the special contributions made by the TRIO programs. TRIO is one of the rare Federal programs that works to the benefit of all. In my State of South Carolina, we have learned that, with the benefit of TRIO, the nontraditional student can and will succeed. A high percentage of disadvantaged students enrolled in the TRIO programs have returned to our State to make important contributions through their professions and through community service.

The 1,280 presently funded TRIO programs operate in over 800 colleges and universities and over 80 communities. During the 20 years that the TRIO programs have been in effect in South Carolina, over 20,000 disadvantaged low income, first generation college students have been able to achieve a higher education. Currently, more than 460,000 disadvantaged

youth and adults receive counseling, basic skills instruction, tutoring, and information about college admissions and financial aid from these projects. Two-thirds of the students served by TRIO come from families whose income is below 150 percent of the poverty level, and where neither parent has graduated from college.

In districts such as my own these are essential programs that motivate and assist students with little financial or familial support to continue their education. With the help of the TRIO programs thousands of disadvantaged youths are able to break a frustrating cycle of proverty, dependence through a higher education and make important economic, social, and political contributions.

TRIO programs have a proven record of success. For example, Upward Bound graduates are more than four times as likely to graduate from college compared to similar students who did not have the benefit of these services. Special Services students who receive counseling, tutoring and basic skills instruction are more than twice as likely to remain in school as similar students who do not participate in the program. And more than 20 percent of minority freshmen who enter college receive information and assistance in applying for one of the TRIO programs.

A strong education system is a basic right and national imperative. We are now in an information age that leaves those without information access and understanding isolated and impoverished. Our Nation's prosperity, productivity, and security are irrevocably linked to our ability to provide quality, extensive higher education. Unfortunately, the effect of the administration's budget proposal and Gramm-Rudman-Hollings legislation on higher education will be severely detrimental to our hard-won educational system.

It is presently estimated that over 38,400 students would be eliminated from the programs in fiscal year 1986 and that an additional 123,400 students would be dropped in fiscal year 1987 if the Gramm-Rudman-Hollings sequestration order becomes effective. Coupled with substantial cuts in financial aid, this can only exacerbate present trends of declining enrollments of poor and minority students in postsecondary education.

I appeal to you today to consider the importance of higher education to America's future and support our TRIO programs. Our best investment in and for our Nation's future is a strong, viable education system. We have a responsibility to make this investment and I believe the TRIO programs are a great place to start.

Mr. HANSEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 278

Whereas the Special Programs for Students from Disadvantaged Backgrounds, commonly known as the TRIO programs, are integral to the Federal strategy aimed at advancing equal opportunity in postsecondary education;

Whereas the 1,280 TRIO programs—Educational Opportunity Centers, Special Services, Talent Search, Upward Bound, and TRIO Staff Training—presently provide over 460,00 disadvantaged youth and adults the upward mobility afforded by higher education;

Whereas TRIO programs are targeted upon students whose family incomes fall below 150 percent of poverty and whose parents did not graduate from college;

Whereas 41 percent of TRIO students are black, 35 percent are white, 17 percent are Hispanic, 4 percent are American Indian, and 3 percent are Asian;

Whereas the TRIO programs are an important retention mechanism for physically handicapped students in higher education, currently serving over 14,000 disabled students;

Whereas TRIO programs have a record of success in providing students information about college, motivating them to attend college, and enabling them to succeed in college;

Whereas the TRIO programs in the last two decades have produced hundreds of thousands of educational success stories, including two Rhodes Scholars and the first Hispanic astronaut;

Whereas, absent action by the Congress, the Gramm-Rudman-Hollings legislation will eliminate 38,500 students from the TRIO programs in fiscal year 1986, and an additional 123,400 students in fiscal year 1987; and

Whereas, absent action by the Congress, over 300 colleges and universities will lose TRIO programs as a result of the Gramm-Rudman-Hollings legislation by fiscal year 1987: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That February 28, 1986, be declared "National TRIO Day", a day on which the Nation is asked to turn its attention to the needs of disadvantaged young people and adults aspiring to improve their lives, to the investment necessary if they are to become contributing citizens of this country, and to the talent which will be wasted if that investment is not made.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the various resolutions just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The Chair is now going to call for special orders with the understanding that there might be further legislative business.

INTRODUCTION OF LEGISLATION REQUIRING UNIFORM MINIMUM STANDARDS FOR LITE AND LEAN PRODUCTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. COOPER] is recognized for 5 minutes.

Mr. COOPER. Mr. Speaker, I am today introducing legislation to bring some sanity and regularity into one of the fastest growing sectors of the retail food industry. I am speaking of that sector of the market which are packaged as "lite" or "lean" products. The growth of these products has been nothing short of a present day phenomenon.

This phenomenon has been part of a fundamental change in the thinking of Americans about their diet. In ever increasing numbers, Americans are learning the nature of the link between proper diet and good health. This new awareness is causing millions of us to cut back on the intake of such things as fat, cholesterol, and sodium, to name a few.

This change in eating habits has, in turn, sent shockwaves throughout the food industry. Whole lines of products have either disappeared or undergone major reformulation. Perhaps even more impressive has been the introduction of entirely new products especially tailored to meet our changed habits.

Among the most popular of these new products have been those labeled as "lite" [light] or "lean." The market for these products has exploded overnight. It is, by most accounts, the single fastest growing sector of the retail food market. It already registers in the billions of dollars.

This rapid growth has not occurred by accident. Retailers have spent millions of dollars on advertising to convince people to think "lite" and "lean" when they think of nutrition. They have reaped a huge return on their investment.

There are a wide array of products, which are called "lite." There is lite salad dressing, lite syrup, like catsup, and, of course, the famous lite beer. There is now even lite fruit and lite french fries of all things.

There has been a similar explosion of meat products marketed as "lean." There is lean beef and pork. There are lean hot dogs and lean bacon. And, how could one omit the famous sizzlean.

There has even been the introduction of a whole line of prepackaged dinners which are marketed as "lean cuisine" and similar catchy names.

Many of these new products are highly desirable and deliver what they promise. However, far too many either fail to deliver what they promise or deliberately make confusing claims.

The result is that consumers are not getting what they think they are paying for. All too often, they are paying for significant calorie and fat reductions, but receiving only minimal

reductions at best. In some instances, consumers are actually receiving none of the caloric and fat reductions for which they are paying.

Examples of the confusion and false claims are illustrative. Some lite products use inconsistent standards of comparison in making claims. Some make several claims at once. Some make no claim at all, while capitalizing on an industry-created perception of calorie or fat reduction.

Equally confusing and bothersome is the current practice of allowing different, and even inconsistent, claims to describe the same products. For example, "lean", "light" and "extra lean" may presently be used to describe the exact same meat product. It takes more than a little sophistry to divine how the same slice of meat can at once be both "lean" and "extra lean." At the very least, relative and absolute terms should not be used interchangeably.

Perhaps most disturbing of all, are the lax fat standards currently allowed for lean meat products. Most so-called lean meat products have only modest reductions. As a result, they still contain unhealthy levels of fat. Even the meat industry trade association (The American Meat Institute) admits that more stringent standards are needed. Lean meat products should be genuinely lean in fat content, not just in words.

Mr. Speaker, I do not claim that the regulators have taken no action. They have done quite a bit. The FDA has required that some lite products claiming calorie or sodium reductions, meet significant standards. The USDA has moved to impose minimum requirements for the use of the terms "lean" and "light." And, the Bureau of Alcohol, Tobacco and Firearms (BATF) has made nutritional labeling mandatory for all lite beers.

The problem is that the job has only been partially done. More, much more, must be done. The wide array of comparative claims nearly defies comprehension. The consumer has a right to some basic rules of thumb.

Mr. Speaker, I believe that my bill—The Lite Food Labeling Act—fills a big void. It would impose uniform standards for the use of terms like "lite" and "lean" or other comparative terms. I do not pull numbers from a hat. The standards, in my bill, are based on current regulatory standards where possible. Where new standards are proposed, they have been carefully formulated to assure the least disruption with current practices. Most importantly, my bill would limit the use of comparative terms to put an end to the free-for-all that now exists.

Mr. Speaker, this month has been proclaimed "American Heart Month" by President Reagan. The connection between a healthy heart and a proper diet is by now beyond dispute. As this month ends, it is a good time for Congress to begin to assure that Americans receive the diet and nutrition that they pay for.

Mr. Speaker, my bill already enjoys the support of numerous public interest groups such as the Center for Science in the Public Interest, the American Association for Retired Persons, the American Heart Association, the American Public Health Association, and Public Voice for Food and Health Policy. I urge my colleagues to join with us in sponsoring this important piece of consumer legislation.

LET'S RESTORE COLA'S TO OUR RETIREES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. WRIGHT] is recognized for 5 minutes.

Mr. WRIGHT. Mr. Speaker, last week I joined my distinguished colleague, from Texas, RONALD COLEMAN, as a sponsor of H.R. 4025, a bill to exempt Federal, military, and tier II railroad retirement cost of living adjustments from automatic cuts imposed under the Gramm-Rudman process.

This Congress must act—and act quickly—to cut these bloated Federal deficits. And to the extent that the Gramm-Rudman legislation helps in accomplishing that goal, I support it.

But there is no excuse for this Congress breaking its word to the retirees of America. We must cut the deficit, of course. We should not, however, cut and run from our solemn commitment to dedicated, hard-working public servants.

We said we would provide them a fair and decent retirement income that keeps pace with the rising cost of living. The application of Gramm-Rudman eliminated the January 1986, COLA for certain retirees, and it should be restored. In addition, we must amend Gramm-Rudman before any further COLA cuts take place.

Balancing the Federal budget isn't just a question of dollars and cents, of numbers on a ledger. We also must take into account the impact on the people of this country. I believe we can reduce the deficit and keep our word to retirees. We can be fiscally responsible and compassionate at the same time.

And that's what H.R. 4025 is all about. It's really that simple. It's a question of plain fairness. It is also, and primarily, a question of honor. A nation that breaks its commitment to those who have served it dishonors itself in the process. I believe too much in the greatness of America to want that to happen.

The fact is, Mr. Speaker, the U.S. Government has been able to attract high-quality people into the public work force, both military and civilian, not through higher pay and more perks. We have attracted qualified people over the years in large part because of a decent retirement program that includes a cost of living adjustment.

You can take away the COLA—as the Gramm-Rudman bill allows—with the stroke of a pen. But you can't restore to the millions of retirees all those years they spent in service to America.

We shouldn't treat people like objects that have outlived their usefulness. Our retirees, in their sunset years, deserve not only our gratitude for a job well done. They deserve, and have earned, a decent retirement income. They deserve, and have earned, an income that keeps pace with the rising cost of living.

As we consider ways to cut the deficit and eventually bring about a balanced Federal budget, we should be very careful not to enact changes in law that undermine our long-standing commitments to people and that shatter their faith in their Government.

H.R. 4025 establishes the date of the passage of Gramm-Rudman (Public Law 99-177) as its effective date. That means, with the adoption of H.R. 4025, Congress will provide for full reimbursement of the January 1986, cost-of-living adjustment.

The General Accounting Office reported on January 21, 1986, that the savings to the Government through the suspension of the January COLA for civilian, military, and tier II railroad retirees comes to just under $1 billion. While that may seem like a lot of money at first blush, compared to the total amount we need to cut in order to bring down the deficit, cutting the COLA's amounts to little more than a drop in the bucket. Saving that amount of money is not worth breaking our good faith commitment.

And so, Mr. Speaker, I ask my colleagues to support H.R. 4025. Breaking our promise to retirees is too high a price to pay. We cannot in good conscience support paying that price in the name of savings. Other, better alternatives exist for closing the deficit gap, and this Congress should pursue these other avenues rather than trying to deprive retirees of income they have earned, been promised, and deserve.

GRAMM-RUDMAN AND FARM POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, I take this time today in an attempt to eliminate the confusion which has arisen in the farm community in my district regarding the implications of current farm policy on farm income.

Farm income will be reduced by two factors. The provisions of the 1985 farm bill and the spending cuts mandated by Gramm-Rudman.

The farm bill contains a new formula for calculating farm yield. Average yield will be determined by taking the average yield for 3 of the past 5 years, dropping the high and low years. This new calculation reduces yield by 10 to 20 bushels per acre. Some farmers have lost as much as 45 bushels per acre. This yield reduction means a loss in deficiency payments and a reduction in farm income. For example, with a $2.11 per bushel deficiency payment a farmer with 250 acres in rice production who loses 20 bushels per acre will lose up to $42 per acre for a total loss of $10,500.

Farmers will face further income reductions under Gramm-Rudman. USDA has announced that it will reduce loan payments and deficiency payments to farmers by 4.3 percent for the 1986 crop year. Payments made in 1987 for the 1986 crop year will also be reduced. The 1987 crop will face further reductions which could be as much as 25 percent.

For example, under current law the soybean loan rate is $5.02 per bushel.

However, loan payments will be reduced by 4.3 percent. A soybean farmer who places 10,000 bushels as collateral for a loan should receive $50,200, instead he will receive $48,041. That payment is the equivalent of a $4.81 loan rate. Next year, spending reductions mandated by Gramm-Rudman could reduce the loan rate as low as $3.77

The reductions in farm income brought about by the 1985 farm bill and the spending cuts caused by Gramm-Rudman come at a time when farmers do need a helping hand from their Government. Current farm law and Federal Government policy do not provide the American farmer the much needed assistance.

□ 1435

WHY DOESN'T GRAMM-RUDMAN APPLY TO THE FEDERAL RESERVE?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. HAMILTON] is recognized for 5 minutes.

Mr. HAMILTON. Mr. Speaker, when the first round of sequestration under Gramm-Rudman takes effect March 1, there is one civilian Government agency whose budget will be untouched, because its spending does not appear anywhere in the official Budget of the U.S. Government.

The agency is the Federal Reserve System.

The Federal Reserve has annual revenues of about $18 billion. A small fraction of these revenues—about 3 percent—are fees which the Federal Reserve actually earns on services provided to the Nation's banks and other financial institutions, such as check clearing and electronic fund transfers. Almost all the rest, over $17 billion, is paid by the U.S. taxpayer in the form of interest on the Federal Reserve's holdings of Treasury securities.

From these revenues, the Federal Reserve sets aside about $1.6 billion annually to meet its administrative expenses and other costs, such as the dividends paid to member banks and additions to reserves.

Whatever amount is left over after the Fed has covered its expenses is then returned to the Treasury, where it is used to reduce the Federal deficit.

Despite the fact that the Federal Reserve is a major Government agency, with spending of $1.6 billion annually and over 25,000 employees, you will not find its budget anywhere in the annual Budget of the U.S. Government.

No matter how hard a citizen or Member of Congress may search, he will only find two references to the Federal Reserve in the Government's budget. The funds returned each year to Treasury are listed in table 13 of chapter 6e under the heading "Miscellaneous Receipts," with a short discussion in chapter 5. The budget of the Board of Governors—which comes to about 5 percent of total Federal Reserve spending—appears in part IV of the massive Budget Appendix.

Because of this omission of the Fed from the budget, the Federal Reserve completely escaped the sequestration order which goes into effect Saturday under Gramm-Rudman.

Gramm-Rudman, as you know, requires a 4.3-percent across-the-board cut in spending in fiscal year 1986 for all nonexempt domestic programs, with the cuts to take place on March 1. There are two paragraphs in section 256(b) of Gramm-Rudman which make it clear that sequestration should apply to the administrative expenses of the Federal Reserve, just as it applies to every other Government agency:

(1) Notwithstanding any other provision of this title, administrative expenses incurred by the departments and agencies, including independent agencies, of the Federal Government in connection with any program, project, activity, or account should be subject to reduction pursuant to an order issued under section 252, without regard to any exemption, exception, limitation, or special rule which is otherwise applicable with respect to such program, project, activity or account under this part.

(2) Notwithstanding any other provision of law, administrative expenses of any program, project, activity, or account which is self-supporting and does not receive appropriations shall be subject to reduction under a sequester order, unless specifically exempted in this joint resolution.

There is nothing in Gramm-Rudman which specifically exempts the Federal Reserve System from these two provisions, and so the law seems to require that the administrative budget of the Federal Reserve system be cut by the same 4.3 percent that will apply to all other domestic spending programs.

Nonetheless, the Congressional Budget Office and the Office of Management and Budget have both decided that the Federal Reserve is exempt from sequestration under Gramm-Rudman. I recently wrote to OMB Director Jim Miller and to CBO Director Rudy Penner and asked for an explanation of this decision. OMB has not yet responded, but the CBO has and I include the CBO response in the RECORD at this point:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, January 31, 1986.

Hon. LEE H. HAMILTON,
Chairman, Subcommittee on Economic Goals and Intergovernmental Policy, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This is in response to your letter of January 13 regarding the treatment of administrative expenses of the Federal Reserve System under sequestration orders issued pursuant to P.L. 99-177, the Balanced Budget and Emergency Deficit Control Act of 1985.

During the preparation of the joint CBO/OMB sequestration report to the Comptroller General, we specifically considered whether the Board of Governors of the Federal Reserve System and the Federal Reserve Banks were subject to sequester under P.L. 99-177. We concluded that they were not for two reasons. First, it did not appear to us that the Federal Reserve System was affected by the provisions of P.L. 99-177 to bring on budget certain federal entities that formerly were off-budget, such as the Federal Financial Banks, the Postal Service fund, and strategic petroleum reserve purchases. Such a major change of policy normally would have been made explicit, either in the Act, the statement of managers, floor statements, or other legislative history.

Second, we would not have had a basis for sequestering any Federal Reserve System funds because these funds do not appear in the appendix to the President's budget. The Presidential sequester order applies only to funds not otherwise exempt that are provided in annual appropriation acts or are identified in budget accounts contained in the appendix to the President's budget. Section 257(8) of P.L. 99-177 defines the term "account" for items not provided for in appropriation acts to mean an item for which there is a designated budget account identification code number in the appendix to the President's budget. Only the Board of Governors' budget was included in the appendix to the 1986 budget in the section covering government-sponsored enterprises (pages V-15 and V-16), but without any budget account identification code number.

It was for this second reason, for example, that various revolving funds for the House of Representatives and the Senate were not subject to sequester. The CBO/OMB January 15 sequestration report inadvertently included the restaurant fund of the House of Representatives, but the Comptroller General's January 21 report deleted the funds from the listing of accounts subject to sequester. The reason given by GAO for this deletion would also apply to the Federal Reserve System.

In order to apply P.L. 99-177 to the Federal Reserve System, I believe either the Balanced Budget Act would have to be amended, or the Federal Reserve System would have to be included in the appendix to the President's budget with appropriate budget account identification code numbers.

With best wishes,
Sincerely,

RUDOLPH G. PENNER,
Director.

As the letter makes clear, the primary reason why CBO decided to exempt the Fed from sequestration is that the Federal Reserve is not included in the Government's annual budget.

Last year, at my request, the Congressional Budget Office prepared a study listing various ways the Federal Reserve could be brought into the budget process. The study listed three options:

One would be to subject all spending by the Federal Reserve to the appropriations process.

The second would be to subject the Fed to more authorizing legislation and oversight.

The third would be to require that the Federal Reserve publish its budget each year in the Budget of the U.S. Government.

All three would give Congress and the public more information on Federal Reserve spending and would eliminate the ambiguity over how the Fed should be treated by sequestration orders under Gramm-Rudman.

But they would have very different effects on the sensitive issues of Federal Reserve independence. CBO found that the option which could shed light on the Fed's budget without compromising its independence in the conduct of monetary policy was publication of its budget in the annual budget of the Government.

Recently, I and 55 other Members of the House introduced legislation which would re-

quire such publication of the Fed's budget. This bill—H.R. 1659—would not only bring billions of dollars of spending by a Government agency into the sunlight, without expanding congressional control over monetary policy, it would also eliminate the ambiguity in current law that allowed the Federal Reserve to escape sequestration under Gramm-Rudman.

The Federal Reserve has responsibilities that may require it to take unpopular actions. But the Fed's need for a measure of independence from political pressure is no excuse for shielding its budget from accountability to Congress and the public or providing it with an implicit exemption from Gramm-Rudman. One of the basic principles of democracy is that no Government agency should be able to take in and spend billions of dollars without being accountable. My bill reflects the sound principle of full disclosure, without comprising the Fed's independence in conducting monetary policy.

Recently, I have sent a letter to each of my colleagues in the House with answers to other questions that have raised about my bill and the current budgetary status of the Federal Reserve System. I hope it will be useful to other Members of the House who are concerned about the budgetary status of the Federal Reserve System.

THE 100TH ANNIVERSARY OF NEWPORT NEWS SHIPBUILDING & DRY DOCK CO. AND THE LAUNCHING OF THE U.S.S. "NEWPORT NEWS"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia, Mr. BATEMAN, is recognized for 30 minutes.

Mr. BATEMAN. Mr. Speaker, 1986 marks the 100th anniversary of the Newport News Shipbuilding & Dry Dock Co. in Newport News, VA, and it is fitting that on March 15, 1986, the U.S.S. *Newport News*, a *Los Angeles*-class attack submarine, will be launched. Newport News Shipbuilding was founded in 1886 by Collis P. Huntington, and the city of Newport News, VA, grew up around the shipyard. Collis Huntington defined his goal for the shipyard by stating, "The yard is new, and what I want is to get a reputation for building first-class ships, and then always build ships to sustain that reputation." From its inception to this day, Huntington's goal has been met and sustained.

The shipyard's legacy is long and renowned. Newport News Ships' first hull, the tugboat *Dorothy*, was launched in 1890 and was still in service in 1964 when it was retired and eventually returned to the shipyard and dedicated to the pride and craftsmanship of the men and women of Newport News Shipbuilding. Other ships built at Newport News at least as early as 1914 are still in operation, plying the world's oceans.

Mr. Speaker, although their experience at the time was primarily in tug boats, cargo vessels, and a few Navy gunboats, a special tribute to the early sense of dedication and expertise at Newport News Shipbuilding came when, the U.S. Navy contracted with Newport News to build some of its first "dreadnought" battleships. The first of these, the U.S.S. *Kearsarge*, was launched in 1898, just 8 years after the launching of their very first hull. The *Kearsarge* would later be joined by six other Newport News battleships, the *Kentucky*, the *Illinois*, the *Missouri*, the *Virginia*, the *Louisiana*, and the *Minnesota*, as part of President Theodore Roosevelt's Great White Fleet which sailed around the world in 1907 making port calls and firmly establishing the United States as a first-rate world power.

Newport News Shipbuilding also has a long and renowned reputation for building first rate cargo and passenger liners. Notably, the U.S.S. *America*, a passenger liner built in 1939, was the U.S. Navy's highest performing troop transport ship of World War II, and the U.S.S. *United States* built in 1951 continues to hold the record for the fastest crossing of the Atlantic by a passenger liner. Mr. Speaker, it is shamefully regrettable that the degree of technical capability represented by these examples of commercial shipbuilding have been allowed to fall into disuse. The ongoing depression in the U.S. shipbuilding industry is creating a situation where our commercial shipbuilding capability is diminishing dangerously, while foreign nations are taking the lead in the construction of modern commercial ships.

Mr. Speaker, despite this situation, the legacy of Newport News Shipbuilding continues. To date, the shipyard has built over 700 ships of varying functions, sizes, and classes. These include cargo vessels, passenger liners, oil tankers, river boats, tugs, and ferry boats, as well as some of the most prominent warships in U.S. naval history. In addition to those already mentioned, these include the U.S.S. *Ranger* launched in 1933, the first ship designed as an aircraft carrier, and the U.S.S. *Enterprise* launched in 1960, the world's first nuclear-powered aircraft carrier.

Today, Newport News Shipbuilding is the only American shipyard in the business of building aircraft carriers, and is currently working toward delivery of its fourth, fifth, and sixth *Nimitz*-class aircraft carriers, respectively the U.S.S. *Theodore Roosevelt*, the U.S.S. *Abraham Lincoln*, and the U.S.S. *George Washington*. These will bring Newport News' total aircraft carrier production to 26 ships.

Additionally, in its early days, Newport News Shipbuilding did some pioneering work on submarines. In 1904, they launched their first submarine, and by 1912 had launched a total of eight submarines. This early work on submarines paid off handsomely for U.S. national security in the 1950's when Newport News Shipbuilding began building nuclear-powered submarines for the U.S. Navy. These include both attack and fleet ballistic missile submarines.

In 1974, Newport News Shipbuilding launched the lead ship of what remains the most modern nuclear attack submarine in the world, the U.S.S. *Los Angeles*. To date, Newport News has launched 16 of these ships, and very soon, the shipyard will launch its 41st nuclear submarine, the U.S.S. *Newport News*.

Mr. Speaker, Gen. George S. Patton once said, "Wars may be fought with weapons, but they are won by men. It is the spirit of the men who follow and the man who leads that gains the victory." I am not speaking merely of the 127 brave men who will man this ship, but of the 30,000 men and women of Newport News Ship who have contributed to our national security by building this magnificent vessel and others. They are the reason that the 100-year reputation of Newport News Shipbuilding is so impressive. It is based on the shipyard's ability and proven track record for building the best submarines, and building them at the lowest price and on time. The technology, workmanship, and quality that the shipbuilders of Newport News incorporate into their submarines and aircraft carriers make them the finest in the world.

Mr. Speaker, it is the men and women of Newport News Ship who have supplied the spirit and the dedication to produce these vessels which are calculated to prevent war. These ships continue the legacy of pride and workmanship of the people of Newport News Ship while contributing immeasurably to our Nation's security. Mr. Speaker, it is to remind my colleagues in Congress of the contribution of Newport News Ship over the past 100 years that I requested this special order. Obviously I am proud of the tradition of excellence which is the hallmark of the shipbuilders of Newport News, and want to assure the House that these great artisans, engineers, and managers will sustain their reputation through the years to come.

Mr. Speaker, at this time I would be most pleased to yield to my distinguished and able colleague of the Fourth Congressional District of Virginia [Mr. SISISKY].

Mr. SISISKY. I thank the gentleman for yielding.

Mr. Speaker, I want to closely associate myself with the remarks made by my distinguished colleague, Mr. BATEMAN. I think it's commendable that he has had the foresight to request a special order in honor of the 100th anniversary of the Newport News Shipbuilding Co.

Mr. Speaker, Newport News is located in the heart of the historic Hamp-

ton Roads area of Virginia. This region has a long and distinguished tradition in the history of our Nation—particularly the maritime history of this Nation.

When British troops under Lord Cornwallis and the traitor, Benedict Arnold, overran the region south of Hampton Roads—including the area I represent in the Fourth Congressional District—American forces gathered in Hampton and Newport News to keep an eye on their movements prior to Yorktown.

It was within sight of Newport News that the French fleet pursued the British fleet down the river and out of the Chesapeake Bay—thereby paving the way for the victory at Yorktown.

It was also in the vicinity of Newport News that Abraham Lincoln came to get a first hand look at the destruction brought about by Civil war. And it was within sight of Newport News that the clash of the ironclad ships, the Monitor and the Merrimac, ushered in the age of iron ships and the type of naval conflict that many of us witnessed during World War II.

It shouldn't surprise anyone that this tradition of defending the Nation at sea has deep roots in the Hampton Roads area, and those traditions have been furthered for the last 100 years by the presence of Newport News Shipbuilding.

Mr. Speaker, I hope that you and any other Members of Congress who can will take the opportunity to visit the Newport News Shipyard. I think you'll be impressed by the dedication and spirit of the shipyard personnel—from Newport News president Ed Campbell all the way down to the newest apprentice on the job.

I think one of the strongest commendations we can make for the effectiveness and efficiency of Newport News Shipbuilding is that in all the times I've walked through the yard, I've never seen anyone sitting down. As a businessman myself, I know how the hustle and determination I've seen at Newport News translates into good business and a quality product.

Mr. Speaker, Newport News shipbuilding is one of two primary contractors for the *Los Angeles* class nuclear-powered attack submarines. These ships are a key component of our naval strategy of forward deployment of forces to prevent the Soviet fleet from bottling up our sea lanes.

Newport News makes a 688-class sub that is faster, quieter and more deadly than any of its predecessors. They've made a commitment to our country and each of our citizens in terms of top value for the tax dollar and top quality for national security. I think they've kept their word.

I, for one, am looking forward to giving them the opportunity to make the same commitment to value and quality with respect to a new class of submarines—the SSN-21.

In addition, Newport News Shipbuilding is the only shipyard in the country equipped to build our largest class of aircraft carrier, the 95,000-ton *Nimitz* class carriers. The most recent of these ships to be launched, the *Theodore Roosevelt*, is scheduled to be commissioned later this year.

Two other ships of this class, the *Abraham Lincoln* and the *George Washington*, are currently in various stages of construction aned long-lead procurement. I have confidence in these ships as a stable and secure platform for the projection of American power—the same power that all of us recently witnessed when the ship hijackers were captured over the Mediterranean.

In conclusion, Mr. Speaker, I want to thank Mr. BATEMAN once again for giving all of us the opportunity to honor Newport News Shipbuilding on the occasion of their 100th anniversay. This company is one that we can all point to with pride and confidence in their integrity and their commitment to excellence in service to the American people.

Mr. BATEMAN. I thank the gentleman very much for his participation in this special order and for the excellence of his remarks.

Mr. WHITEHURST. Mr. Speaker, I am pleased to join my colleague HERB BATEMAN in saluting the Newport News Shipbuilding and Drydock Co. on the occasion of its 100th birthday.

Several weeks ago, I had the opportunity of sharing a splendid weekend commemorating 100 years of shipbuilding achievement at Newport News Ship. Two things stood our during the review of the history of this great company. First was the incomparable leadership of its presidents, going back to its earliest days. In every case they have been men of vision and high competence. In boom times and depression, they have labored hard to keep the company in the forefront of shipbuilding technology. The second significant factors has been the accelerated sophistication in shipbuilding, particularly in warships, in which Newport News excels. Those of us who were privileged to tour the company yards that Saturday morning saw the evidence of this. With the giant nuclear carrier *Theodore Roosevelt* nearing completion and two new carriers, the *Lincoln* and the *Washington*, just beginning construction, Newport News is continuing to provide our Navy with the finest fighting ships in the world. A majority of the Navy's nuclear attack submarines have slid down the ways of this great yard. More recently, it was announced that the powerful Trident ballistic missile submarine would be overhauled there.

All Americans can take pride in the skilled craftsmen at Newport News who have labored through four generations to build and maintain the ships of our Navy. The spirit of these great shipbuilders still reflects the initial charge given by the company's founder, Collis P. Huntington, who declared that they would build good ships, at a profit if they could, but always good ships.

GENERAL LEAVE

Mr. BATEMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their marks and to include extraneous material on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

ORDER OF BUSINESS

Mr. GUNDERSON. Mr. Speaker, I ask unanimous consent that I be recognized for my special order at the conclusion of all other special orders today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

□ 1450

IN TRIBUTE TO DAVID SOLOMON

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute.)

Mr. GONZALEZ. Mr. Speaker, this marks the termination of service of Mr. David Solomon, who has the title of enrolling clerk, and who has worked very faithfully and loyally in this respect for 12 years for the House of Representatives.

I have often remarked that to some of us, even Members of the House, the faces we see sitting in this tier below the Speaker's rostrum or chair are individuals who are indispensable to the opening and the closing of the doors of a workaday session of the Congress.

The enrolling clerk is one of those that is indispensable. The constitutional offices that are provided in the Constitution for our election to lead the House do not list these people. They do list, for instance, the Doorkeeper; that is a constitutional office. An enrolling clerk, I want to point out, is just as indispensable to the happy carrying on of our chores in the House of Representatives.

So I want to salute and thank Mr. Solomon for his faithful service of 12 years and to wish him well as he leaves this service to enter private business in company with his brother.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, on several occasions, since April 1, 1980, I have taken advantage of this high privilege of addressing the House of Representatives after all legislative business has been either finally or tentatively completed, in order to address my colleagues and for the RECORD, my thinking and perhaps an explanation of my voting reasons on basic issues that I feel transcend the purely parochial service of trying to represent one geographical entity of the State of Texas known as the 20th Congressional District of the House of Representatives from that State.

On April 1, 1980, for the first time since I had come to the Congress, elected in 1961, did I address the subject matter of what we call Latin America. One reason was that I never felt that I was an expert. So often my last name would always unavoidably associate me as a person who must be knowledgeable, who certainly must be aware of what is going on even, say, across the border in Mexico.

The truth of the matter is that just 1 minute of pause and sober thinking would reveal the falsity of that assumption. You know and I know that any community involves a complex and an involved history, not only history of politics but the present pattern of political activity so that when you take into consideration a nation of the size, the complexity, the historical richness, the varied patterns of its historical evolvement, you know you have something that is not simplistic in nature or one that cannot be addressed knowledgeably without some detailed and reasoned and prolonged thinking and study.

Although my parents did come to San Antonio, TX, from Mexico, in the case of my father, he did not look upon himself as an alien. His roots were in the northern State of Durango in Mexico, and had been since 1561. At a time when all of these territories were part of what was then known under the Spanish colonial regimes as the Province of Nueva Viscaya, and which, by definition, territorial definition, included what now today is the State of Texas, and as the archivists will tell you in reading the original documents, further defined as that territory that extended as far north as man could walk.

So that this perspective which is very little realized in our country, is one that does exist in the minds of many, many citizens who live south of the border. Not only in Mexico, but in those territories south of Mexico.

Being that our modern-day living, not only in the United States and every other society that we can mention today, we tend to be self-centered. We are not aware of the most important historical facts as they have evolved and as they impact us today in the 1980's in this last quarter of the 20th century.

I felt that I was not an expert, not even in the case of my own county could I tell you then nor can I tell you now that I am an expert on politics. It is complicated, it is involved. All we can do is grope and muddle through day to day. But on April 1, 1980, I finally took the floor because of information that had been brought to my attention by the most reliable of people and sources that one could find that had been brought to my attention 6 months before in the month of September, to be precise.

At the time I was given the information, which related to the country of El Salvador, and which of course was just about 2½ or less than 3 months after the successful revolution of the revolutionary forces in Nicaragua which then called themselves and are still today mistakenly referred to as the Government known as the Sandinista.

Anybody knowledgeable of the history of that part of the world would know immediately that the moment the word and the name Sandino was evoked that it was bound to be the evoking of a memory that was not happy in its relationship to American or, as I say, North American intervention in that country.

Until the advent of our actual President today, Ronald Reagan, the policy of direct military intervention had not been resorted to since Calvin Coolidge in 1929. True, I was exposed even more than the average, growing up at the time in the city of San Antonio at that time and in that world, to the history, the culture, and above all, the language because of a rather unique and unusual family situation where my father, since the time he found himself in San Antonio, was working out his existence as a newspaper man involved in the publication of the only Spanish language daily newspaper published in the United States at that time and for many years; 44 in all.

The only Spanish language daily newspaper that for 44 consecutive years was published without fail any one day in all of the New World, from the United States to the Cape in South America.

□ 1500

Why is that so? Because without exception newspapers south of the border from Mexico on down, great newspapers, prestigious newspapers, such as that beacon light of the Spanish language journalism, which incidentally had just as deep and as high a heritage as the English language journalism and journalistic history, the Buenos Aires La Prensa of Argentina which was a world noted publication read just as avidly in Europe and Spain as it was Argentina, at one time or another together with every other daily published in every other Spanish speaking country in the New World, had been either censored, shut down or destroyed at one time or another. Only La Prensa of San Antonio, TX, published 44 consecutive years without fail any one day and that in the United States of America.

So with this backdrop, which today cannot be remembered or recalled or even thought possible, the idea that there was a period of time in which you could publish a Spanish language daily, not a weekly, not a monthly, but a daily, that in 1929 and 1930 and even in 1931 had a higher rated circulation than any of the daily English language newspapers in San Antonio, because it was much looked after as a free voice, even in Mexico, and some of the great crises that I can remember in my life were at night when my father would be called in an emergency to be advised that the Mexican Government had embargoed the newspaper at the border because the Mexican official at that time resented something that had been published in La Prensa, San Antonio, and my father would have to get up at midnight or later because La Prensa was a morning newspaper. I remember those days as if it were today.

I was privileged, because I was exposed to the rich heritage of the language, enamored of its beauty, as I have become with English, and also being the exclusive tongue used in my household, which caused me to have to stay a whole year in the lower first grade when I first went to school because I did not know a word of English, but I did know another language besides Spanish, and that was German, for other reasons that are not pertinent today, at least to enlarge upon or discuss.

The reason I am giving this backdrop is that it has provided a rich, prime source of information and material that enables me to grasp a broad perspective of the developments and the churning of the processes of daily life south of the border which do impact us perhaps more visibly at times when we have these cycles of large numbers of people coming across the borders, illegals or undocumented workers as some call them, and these have been cyclical periods, a big cycle or tide of events back and forth that is totally ignored in the Congress when it considers the revisions or amendments to the immigration laws, but which have everything to do with whether or not we produce realistic and effective legislation, so that it is important that we know this history.

So when these individuals in the first week of September, finding themselves in Washington, contacted me to say that they were very, very disturbed by the course of events in El Salvador, one of the sources had been

on duty in Nicaragua and then had been transferred to El Salvador, so he was very knowledgeable and he assured me that two things were going to happen; one, that the course of events in El Salvador would not be the same as in Nicaragua, that he was apprehensive, second, because of the security and safety or lack thereof of the American Embassy and even its own Ambassador, and that the regime then that first week in September in power would not last until October.

His reason for seeking me, as well as two other individuals coincidentally the same week finding themselves in Washington, feeling they could communicate with me and making the same request that I in turn bring to the attention of President Carter or his administrators these pertinent facts that they felt were not being evaluated in the Washington State Department headquarters.

I tried unsuccessfully to have access to the President. President Carter in truth was not the most accessible of Presidents.

I might say that by way of explanation that out of all the six Presidents that I have had the pleasure of working with as a Member of the House of Representatives these nearly 25 years, the least communicable and the least accessible is this present President, President Reagan, who will not even acknowledge a letter from a Congressman.

The most accessible was Lyndon Johnson, who until he got to the White House was more accessible than some of my local justices of the peace in San Antonio.

So I have seen this and when I saw that it had been my inability to communicate and I saw the fulfillment of everything that had been predicted by these sources, I then took the floor on April 1, 1980.

Now, before this—and I mentioned this once before—on July 1, 1966, the Organization of American States selected me to be an observer at the elections that took place in Santo Domingo at the time that we had intervened. Lyndon Johnson intervened militarily.

The big difference, however—and it is a difference, even though it might be imperceptible for most Americans—is that Lyndon Johnson made sure he would have the imprimatur of approval of the Organization of American States, so that technically, though the intervention was called for to protect American lives or property, that indeed and in fact were under some threat, the real truth is that it was done in the name and with the approval of the Organization of American States.

On April 1, 1980, I decided to speak, because I noticed in the newspapers that President Carter had first made a request for some of the first contingents of military and military advisers.

I felt that in the absence of having made an effort to first proceed collectively through the use of our moral suasive powers as still having some leverage with the multinational nations of the new world that we helped to create, that we ourselves wrote the treaties, all signed by these nations, I then appealed to the President in my address on the House floor—and it was President Carter, it was not President Reagan. For all those who accuse me of being partisan now, I must point this out, and that is why I am doing it.

The big difference was, though, was that President Carter was still orienting the thrust of his intervention mostly on the civil side, relief aid, the conditioning of aid on promises of land reform and other basic reforms, at least that was done; but my anguish was that I felt that the United States at that time would have no more than 90 days within which it could attempt to still use some remaining vestige of our leadership collectively in the new world.

President Carter did not, and soon the number of advisers was increased disturbingly, very much, as had been the case in Vietnam and which I recall, because when a certain situation was called to my attention, again by constituents, a serviceman in the Air Force that had just come back from what we later knew as Vietnam at that time, which was May 1963.

I doubt any of us had a precise idea just what we were talking about when we said Vietnam.

This young airman related a story that I thought was unbelievable. He had just been returned. Technically, he was an adviser. In reality, he had been a cargo master on a helicopter, and on one of the last which they later called their missions or trips, they received hostile fire. Since the terms of his service were that he could not carry arms, becoming very much alarmed that he would be shot down, he ordered the soldier in the ship from the army of the Republic of Vietnam to fire back. He refused, so the airman grabbed that gun and fired back and landed safely later; but when he was threatened with being reprimanded and abusing his status as an adviser, his CO—his commanding officer—shipped him back to Texas. I could not believe it.

President Kennedy was President, and I had more access to President Kennedy than any other President, including Lyndon Johnson, because I had met him and had formed a very personal friendship in 1951; so the first visit to the White House, which was on my return after that weekend that I attended the ceremony where this airman was being noted for 300 missions—missions, now, usually missions, you think of those in terms of military exploits; but the first question I asked was, "Well, if you are exposed to hostile fire, why are you not provided the basic rudiments and tools with which to defend yourself?"

Well, to me, I thought it was an "Alice in Wonderland" explanation and I brought it to the attention of President Kennedy.

I think the record ought to show that I got some reaction, because he got his personal secretary, Kenny O'Donnell, to get somebody to look into the matter.

But the question still remained unanswered very much, like the question I ask today with respect to American forces in the Sinai, American troops that every day are under the shadow of death and bodily harm and great embarrassment to our Nation.

So I have been raising that issue for that reason. That is the chain of events that motivates my behavior here and rising to speak.

To make a long story short, I bedeviled President Kennedy so on the last trip to Texas, I was on Air Force One. There were only three of us from the House and one Senator on that Air Force One and as the President came into the cabin that he had invited us into, he began to discuss other matters, and then laughingly said, "Did you ever get any satisfaction to your questions?"

At first I did not know what we was referring to. At that point, Larry O'Brien, his assistant, came in and called him. He started to leave and when he got to the little corner of the passageway, he turned around and said, "Well, as of the end of this year, I have ordered them all out, including the helicopters.

I was always puzzled by that remark, because later when he came back to the cabin, he again said that I had been pestering the devil out of his aides, because I was chastising him for spending only 3½ hours in San Antonio, which was the only major city which had voted for him in the majority, but he spent a day and a half in Dallas, half a day and night in Houston, and I was telling him he is not going to get a vote there the next time, either.

□ 1515

So that bedeviled some of the President's assistants. So he was joking about it, and he said, "Well, I tell you what: when I come back from this trip, the first thing I am going to do is, I am going to go to Hawaii to meet with Cincpac to review this whole business in Southeast Asia. But I want you to invite me in January and February and I will come to San Antonio and I will spend all the time you want me to."

We shook hands on that, so that when he moved out and said, "I have, as of the end of the year, ordered everyone out including helicopters," it

took a little while before I realized he was referring to our military advisers and the equipment we had sent over there, ostensibly on the request of the regime of Diem who later was assassinated. In fact, he had been assassinated in October on the eve of that trip to Texas. So that was the thing that was aggravating the newspapers.

I found out 2 years ago from one of the historians that, indeed, and in fact, he had issued an order that, in fact, was intended to be implemented to do that at the time of his death. So that we did have those differences.

First, you had Presidents or leaders who had a far more knowledgeable grasp and perception of that real world. Today, our leadership, without any effort for collective approaches, and then failing in that, proceeding unilaterally to protect our vital national interests—nobody could protest that. Instead of that, they have opted to going back to 1926 to Calvin Coolidge's invasion of Nicaragua and the occupation of our Marines for 13 years there. We have invaded Nicaragua seven times since before the turn of the century. But the longest occupation was the one from 1926 on for 13 years during which the Marines not only formed the National Guard, but installed Somoza as the dictator, whose regime finally and inexplicably collapsed just through sheer rottenness. There was no way anybody could shore that up.

The truth of the matter is that when any movement begins to call itself the Sandinista movement, we must remember that it was Sandino who was the stout resistor of the Marines and the American invaders, as they called them in 1926. So if that name is being evoked, what it means ought to be of significance to our diplomats and our statesmen who at least ought to pick up a history book and read a little bit, because it has grave implications, mostly to our children, our grandchildren, and our great-grandchildren because, as I have pointed out ad infinitum, the course that President Reagan has followed since its inception in January 1981 through the person of the then-Secretary of State, Gen. Alexander Haig, has been one of direct, unilateral military intervention. It is evoking a rancid, a bankrupt, policy that was disclaimed by every successive President since Calvin Coolidge.

We have the famous Good Neighbor policy of Franklin Roosevelt that turned around the entire sentiments. Then we had a gap. But one thing the Good Neighbor policy brought about was that even in countries such as Argentina, where the Nazi presence was very, very strong—all during the war, you could pick up a phone in Argentina to the day the hot face of the war was over, and call Berlin because the transatlantic cables were left intact; from the first day of the war, I was called in to work, first with military intelligence and then with naval intelligence, in what ended up being called the Cable and Radio Censorship Division. So I think I have a little bit of an idea of what that world was and the sentiment that existed based on the anti-American historical conditioning on behalf of German culture, Hitler or no Hitler.

We must also recognize that the cultural centers of these countries, beginning with Mexico, have not been in the past, at least, in the United States, in the New World. They have crossed the oceans over into Europe. An uncle of mine who graduated as a doctor from the University of Mexico in 1923 had all his instruction at the University of Mexico in French text and imported by French doctors and teachers. But the other counterpart as a cultural center was Germany. It was Germany that was the technological and scientific leader in the 1920's and middle 1930's. And then, of course, with the advent of Hitler. And why did Hitler rise?

Hitler's party, we must remember, was the National Socialist Party of Germany. It was socialist. When we use these words, we have got to look at them from the context of European, not American usage. But who does that among our policymakers? I have seen no evidence.

All during Vietnam, I kept asking the President: Who do you have, who do you have either in the military or the State Department that can speak the Vietnamese tongue fluently, and knows and has lived that history and can speak the tongue? Not one—we did not have one.

Now there should be no excuse for this when it comes to the very countries that inescapably we must share the destiny of the future. What I am saying today is that with the President's television appearance last night, and his reaffirmation of a bankrupt policy—its bankruptcy is obvious in El Salvador where General Haig drew the line 5 years ago—we are no farther along the premise of democracy of freedom than we were then. In fact, we are further removed, because we have been the basic root cause of the terrible bloodletting, 50,000 lives plus, the terrible assassinations of such figures as Archbishop Romero.

□ 1525

Who assassinated the archbishop? The very forces that the President says are coequals, moral equivalents of our Founding Fathers. What a horrible, horrible criminal distortion that is; and for them, he is asking again that we approve $100 million directly.

Now, he does not have to do that. He is giving them the money anyway, whether the Congress prohibits it or not. When the Congress, in a brief flurry of action prohibited in a rider amendment direct aid to the so-called Contras, the President was not stopped; all he did was shift in his discretionary executive budget 750 times, that is 750 percent times more money than any predecessor had used in discretionary executive funds. Just move them around.

On September the 18, 1984, who noted and who much cared that the Defense Department gave the CIA an untold number of airplanes—for what purpose, and for what reason, and under what provision of the 1947 Security Act which gave rise to the CIA, does the CIA have that power and that right, and what are we talking about when the Defense Department says "these are surplus aircraft," while we are told by the budgeteers from the Defense Department there is no such animal; that they are in dire straits. There is no such thing as surplus aircraft.

But overnight, in one brief Executive action, the CIA got those for us where? With the Contras. We are the first that have introduced the most deadly form of armament in the new world. SAMs, Huey attack helicopters with night vision, gunning down and shooting innocent peasants even as I am talking today.

Those are not Russian-made helicopters. Those are not Russian-made or Cuban-made equipment; those are American made. We have a literal bloodletting in the smallest country in the New World. Our policies are working? We are no further along after $4 billion investment in El Salvador alone, both written and unwritten.

The direct intervention of our Government, the use illegally of our armed services personnel; they are presently flying the so-called reconaissance flights for the Huey attack helicopter. They have been involved in activity and inaction, all illegally.

We have lost 17 of our servicemen between Salvador and Nicaragua. In Nicaragua, these regular servicemen were treated like the CIA does; they can always figure out fancy terminology like the words the CIA use to disaffirm any responsibility.

Plausible deniability. So these men are stripped of their dog tags; they are told "If you get caught or if you get shot, we disavow that you are a member of the armed services."

But who is kidding who? Do you know the Latin Americans know that? The American people do not, but they do, and the rest of the world. There is not a country in the New World or Old World that goes along with these policies. Even the most friendly intellectual in Latin America quickly hastens to say, "Americans, you're not doing it right by arming the Contras. That's the worst thing you can do even if we don't desire the Sandino regime," or

whatever you want to call that government.

It is wrong; it is counterproductive. Let us examine that a little bit. The President says, and General Haig so announced first, in 1981, that what was happening in El Salvador, the smallest country in the New World, was an East-West confrontation. That this was a Cuban-Castro-Russian activity.

Fidel Castro, in Havana, when this came out, took time on Radio Havana to say:

I'm delighted the Americans are giving me credit. Of course my heart is for the Nicaraguan people that are aspiring for liberty. But gosh, I don't even know who the leaders are.

You have five different revolutionary movements. The least numerous and up to now the least influential is the so-called Communist or Marxist-Leninist wing of the five rebel units now fighting in El Salvador.

What was wrong? What was wrong was the same thing that was wrong with our perceptions of the world that called for 50,000-plus American lives to be lost and untold treasure in Southeast Asia.

If we had understood then, particularly our leaders the nature of world communism, would we have acted that way? I don't think so; in fact, I know so.

Now we are close at home. We can afford to foul up, even in the Philippines, and maybe, maybe get along; but we cannot do this in our front porch and in our backyard. That day is gone.

General Haig, the first thing he did, early in 1981, was to invite the Argentina military to send him some troops so he could put them in Honduras to do what? To destabilize the then junta, or the Sandinistas in Nicaragua.

But lo and behold, General Haig and all of his cohorts in the State Department certainly did not understand what was going on, because Argentina had its idea that by golly, they were acceptable, and that they at last could move in on those British and claim their rights in what they called the Malvinas.

As a result, you had war between Britain and Argentina and the United States had to side with Great Britain; not Argentina. At that point, they not only pulled their troops out, but they said "a pox on your house."

So that year before last, or maybe it was early last year, lo and behold, Fidel Castro welcomes those leading Argentina generals that had been considered the most anti-Cuban, the most anti-Castro people in the whole Western Hemisphere, and there they were received with embraces and as heroes.

Does that mean that Fidel Castro is a great diplomat? No, it just means that the American leadership has been, if not stupid, certainly ignorant and has blundered colossally.

I often think of the words attributed to Bismarck of Germany when he said:

Yes, the United States is like a drunk; God looks out for drunks and the United States, nobody else.

I think sometimes maybe that is true. We manage to muddle through, but I think that our time limits for that are narrowing to the point where we have few options.

Because the $100 million asked by the President in effect is a request from this Congress to give our stamp of approval to a not only bankrupt policy but one that will inevitably lead us to catastrophic blunders in which American lives, blood and treasure will be lost at great cost.

Let us ask some questions: Mr. President, we give you the $100 million to help what you call the moral equivalent of our Founding Fathers. Who by all accounts—reporters from the Washington Post that go down there, live with them, come back and write books—are nothing more than a varigated, motley crew of rapists, murderers, assassins of school teachers and innocent peasants, and that is about it.

Eighty percent of them or more are ex-Somozistas who were kicked out of Nicaragua. We compelled the country of Honduras to keep them. The Honduran people do not want them. Read their newspapers, as I have been reading since 1981, 1982.

□ 1535

What does the conservative newspaper of Tegucigalpa say in 1982? These are the conservatives now. They want to protect United Fruit, they want to protect the United States investors, they are for us. But what are they saying? "We have lost all, including honor." Even now, Mr. President, the $40 million that you flummoxed out of the Congress on the pretext that it would be nonlethal aid, half of it the Honduran Government will not let you distribute because they do not want to admit to the world under international law that they are giving hospitality to that kind of force in their sovereign nation. That is the long and the short of it.

Now as I say in repeat there is not a country in the Western Hemisphere from Canada clear on down that goes along with us with our policies or lack of policies thus far. There is not a European country that does, either. Do you not know that these countries to the south of us are not all illiterate and unprogressive? I must remind my colleagues that in the churning events of historical occurrences, if we look at it from a historical perspective overview, when the 13 colonies were barely forming you already had a university and a press in Mexico City and Havana for 100 years. So when we blithely try to treat these entities as we did in past decades we are making profound mistakes.

Mr. President, if this Congress does give you the $100 million you know that the only net impact of that is to get the formal imprimatur of congressional approval so that then all stops are out. But the Contras cannot do it. It will take American troops. The Hondurans are not going to go fight Nicaragua, they do not want a war with Nicaragua. As a matter of fact in 1957, which was the last date of an eruption between Nicaragua and Honduras over the border, the United States did not have any compunction in joining the equivalent of what we call the Contadora nations today. What happened? Eisenhower was President and he was military. He did not think it was below the dignity of the United States to join this group on their invitation. They were so thrilled they made us the leader. We all went to the World Court, the International Tribunal of Arbitration, and settled the dispute. It had been settled until we went in there and churned it up with our destabilization moneys by the CIA. Through the CIA we have violated international law, we have violated three basic treaties with the countries that share the New World with us. We have been hauled before the World Court and we have walked out of the World Court. We are supposed to be and indeed we are, and I think the American people, knowing the facts, will not approve of this action, they will not approve of us turning our back on law and order merely because we resent any question of what I consider to be nefarious tactics, bankrupt policies, disastrous actions that will lead our children, our grandchildren, our great-grandchildren into an eternal hostility in a New World that we will mandate that they try to share.

We will have learned nothing from the old country from which our fathers came to seek a better world, a peaceful world. We will, and President Reagan has gone a long way in ensuring that we will have ancient hatreds and animosities perpetuated in concrete.

I ask my colleagues to unanimously turn down the President's request.

Mr. Speaker, I yield to the distinguished deputy whip, the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. I thank the gentleman for yielding. I am grateful to the gentleman for his leadership and for the admonitions that he gives today to the administration and to all who are considering a request to provide for military aid to the Contras in Central America. I am reminded of the words of one of our best friends in Latin America, Miguel de la Madrid of Mexico who said, when he said last year that the United States military maneuvers and naval operations in

Central America are causing anger and resentment among the Latin American people.

He said those words. Yet we are unwilling to listen to those words.

It seems that over and over again the American people are victims of the same kind of policies which have caused discontent among our friends in Latin America. Over 100 years ago the great Simon Bolivar said:

¿Estados Unidos parecen plagar a las Americans con miseria en el nombre de la libertad?

Is the United States destined to plague the Americas with misery in the name of liberty?

I ask that same question today in the name of Bolivar to the President of the United States.

Mr. Speaker, I thank the gentleman for yielding.

Mr. GONZALEZ. I wish to reply to the gentleman from Arkansas that I wish to acknowledge his leadership. He is one of the first few voices from the very outset who announced what I consider to be the correct perspective, the knowledgeable perspective. He has traveled there, he has had communications with them. I have more or less followed him, to tell the truth.

What the gentleman says is so important because if we want to know what the people really think, we read not only their leaders, what they are likely to say, such as Simon Bolivar, but also to Ruben Dario, who happened to be Nicaraguan, who addressed a poem to Theodore Reslo and he said:

Eres los Estados Unidos.
Eres el futuro invasor.
De la America ingenue.
Que tiene sangre indígena.
Que aún reza a Jesucristo.
Y aún habla en Español.

Here is Ruben Dario, this beacon light of a poet in the New World and he says:

You are the United States. You are the future invader of this naive America that has indigenous blood and that still prays to Jesus Christ and still speaks Spanish.

We have not the slightest idea of what these mistaken policies have by way of adverse impact. The common run of the people today are well advised because we live in a shortened, contracted world. They see television. They have a basic respect and they want to like Americans in general. The way they are is like our folks are with respect to the Congress; our people will be critical of Congress in general but individual Congressmen will be respected and loved. That is the way it is.

We cannot possibly gauge the accumulation of this impact of these past invasions until you do read what the thinkers are thinking and what the writers are writing. I really want to acknowledge my great respect and admiration for the gentleman from Arkansas.

Mr. ALEXANDER. I thank the gentleman.

Mr. GONZALEZ. I know he has been criticized at times. I also want to point out from a pragmatic standpoint that I have relatives in the service and I have had them all along. I have always thought that in America we valued human life, the sanctity of life, that we would not accept the expendability of life. We have had it in our history. There were a couple of generals during the Mexican War who fought some unnecessary battles because they wanted to run for President. But that is recorded in Mexican history, incidentally. Mexican historians will write about it. Few American historians will.

But let us assume that we give the President the $100 million and he in turn properly enables the Contras to successfully invade Nicaragua. Let us assume that the Contras successfully knock out the present regime in Nicaragua. Will the gentleman tell me who then is going to rule Nicaragua?

Mr. ALEXANDER. If the gentleman would yield, if the Contras should be successful then the United States would have another war on its hands.

Mr. GONZALEZ. We would have to occupy Nicaragua.

Mr. ALEXANDER. Because we would have to go in and support the Contras by occupying Nicaragua again. It is a repeat of 1927 when the United States overthrew a constitutionally elected government.

Mr. GONZALEZ. That is right.

Mr. ALEXANDER. And replaced it with Colonel Somoza. The following 47 years of history is a dark chapter in the history of the United States because we supported a military regime that imposed a policy of brutality upon the Nicaraguan people for 47 years and they are trying to come out from under the heel of oppression.

In their view the United States is again supporting oppressors in the name of freedom, in the name of the Contras. They call them Reaganistas in Nicaragua.

Mr. GONZALEZ. That is true. There is no question about it. The gentleman is 100 percent correct.

But even from a pragmatic standpoint if we do have to involve our soldiers, logistically there is not a military expert who will tell you that we can do that unless we have available 100,000 men.

Mr. ALEXANDER. It would take at least a division.

Mr. GONZALEZ. One hundred thousand men and that means backup. You have to think of it realistically. If we are going to resort to military then we had better think in terms of logistics and realities. But what is more important and pathetic is that we will not be able to control Nicaragua much less that entire region because that entire region will go up in flames and we will be faced with perpetual guerrilla warfare, peppering and just shooting at and knocking out some of our soldiers. That will be, of necessity, imposed upon them in the sense that as military they will be asked to carry out a mission that is more political than military and which we should not impose on our truly genuine and highly honored professional military.

Mr. ALEXANDER. I thank the gentleman.

Mr. GONZALEZ. Mr. Speaker, I yield back the balance of my time.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

□ 1550

THE EFFECT OF GRAMM-RUDMAN ON DAIRY PRICE SUPPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Vermont [Mr. JEFFORDS] is recognized for 60 minutes.

Mr. JEFFORDS. Mr. Speaker, I take this time first to alert that we are still trying to work out the difficulties which we have come into with respect to the bill referencing, trying to correct some technical problems we have with the dairy bill.

I think it might be appropriate to take this time to explain what the technical problems are and why it is essential that we do that at this time.

We are concerned about Gramm-Rudman. I know some of the Members, especially on the other side of the aisle, are worried that somehow we are going to set a precedent here to do something which in some way is to say that, gosh, you are going to let this fellow out or that fellow out of Gramm-Rudman. I sympathize and understand that.

Actually, that would be totally consistent with the concept of Gramm-Rudman. Gramm-Rudman and the sequestration were to go into place automatically, especially after the first round of Gramm-Rudman, recognizing that Congress in the short length of time would not have the ability probably to be able to handle the situation in making the 4.3-percent cut that would be required.

In order to ensure that difficulties did not arise, especially in the agriculture programs—and the agriculture programs are quite different than other programs in this sense. We are talking not necessarily about spending. We are talking about setting market rates, prices and all those sorts of things. So the ramifications of what you do in Gramm-Rudman are quite

different with respect to agricultural situations.

Thus, when we were considering the farm bill which, incidentally, was going on at exactly the same time that the conference on Gramm-Rudman was going on, we did not know what the results of the Gramm-Rudman bill would be at that point. We did not know what the language would be for agriculture or anything else. But knowing how serious the problems would be that could be created by Gramm-Rudman if such things were required to be utilized as price cuts, an agreement was reached after considerable negotiations as to how to handle the first round of Gramm-Rudman so as to not interfere with the very carefully delineated dairy policy within that bill, and to ensure that we did not devastate the small dairy farmers in particular in this Nation, and assure that we had an orderly process to bring about a balance of the market system for the dairy program.

Thus, we agreed that the best way to handle the first round, before we would have an opportunity to deliberate the ramifications in this body, would be to utilize an assessment.

Gramm-Rudman is supposed to treat everyone fairly, squarely some would say, but fairly, and to make sure that every person takes a little bit of a bite, not much that it is going to hurt too much, but to ensure that we all recognize the importance of bringing the deficit under control and everyone has his duty or her duty to bring it under control. Thus, we decided the best way to do that was through allowing every farmer to pay about 10 cents on every 100 pounds of milk produced.

The other approach that could be utilized, and we realize that that could be a possibility—and I, very frankly, tried to get the conference to agree not to utilize the price cuts later on because we had price cuts built into the program which are supposed to bring the dairy situation under control. I could not get that, because they said, hey, we will take that up in October as we go into the October parts of Gramm-Rudman.

But we did get agreement by the administration, by the Senate, and by the House conferees that we would utilize a 10- or an 11-cent assessment in order to take care of the Gramm-Rudman provisions.

Now what would be the ramifications in a different setting?

We have a chart here which indicates what the differences are and the impact upon one particular aspect, and that is the agreed upon method, that is the approach that was agreed upon by the conference committee, and also what would happen if you used the price cut situation.

Now, just to give you a little bit of an understanding of the dairy program, the reason there is such difference in the ramifications of these two is that when you take a 10-cent assessment, you put that on every 100 pounds of milk that is produced in this country. However, if you have a price cut, the price cut only goes on the surplus produced. In other words, just to give you an idea, we have about a 10-percent surplus now. So, obviously, if you collect an assessment on 100 percent of the milk produced, it will raise a lot more money and every farmer will pay a small share. If you put the 50-cent assessment on, it only affects the surplus which is purchased by the Government, and then the Government has to pay 50 or 55 cents more per hundredweight.

Just to give you an idea, if we use the assessment on the anticipated surplus of around 8 billion pounds, 7 billion or 8 billion pounds, that will bring in about $80 million.

If, on the other hand, you try to collect that kind of money—it is very difficult to tell what you get—by a price cut, then a 50-cent price cut for 7 months, the other one would be 6 months, would take from the farmers $350 million, but only raise for the Treasury somewhere between $50 and $80 million, depending upon what the surplus was at the time. We do not even know what it will raise. But it will definitely raise no more than the assessment, and most likely will raise considerably less.

So, obviously, it is not a good way to try to do what Gramm-Rudman must do, and that is a budget consideration of raising funds rather than trying to interfere with the market system on the dairy program.

So there is the basic difference.

The $350 million, if you go the price-cut route from the farmers, of which the taxpayers will only get $50 to $80 million, that $350 million also—which is very important to point out why it is essential that we do something now—if you go the price-cut route which is required by language which is aimed at the crops and not at the dairy—but the legal beagles, the lawyers, said that, oh, you may have wanted to do it this way, but because there is language in there that could apply to dairy, we say that it does apply to dairy and you have to go this other route.

Now, before I go on, just parenthetically, I remember that the lower courts have declared that Gramm-Rudman, the provisions of the automatic sequestration, is unconstitutional. That is on appeal to the U.S. Supreme Court. That case will be heard in April of this year, and no decision until June. If they declare it, as anticipated, as unconstitutional, then you will have the opportunity of Congress to either modify or to put in place that sequestration order. If they fail to do so, then all the money which is collected under the normal assessment type routes would be reimbursed to the programs or to the individuals that may have been hurt, with one exception. There is one exception with all the bills, all the parts of Gramm-Rudman, all the cuts. Only one program would not have that money reimbursed to the people from which it was taken, and that is the dairy program. And that is because if you cut the price, $50 million goes to the Treasury, but $300 million goes to the middlemen, the processors, or whoever is out there that gets the advantage of that price cut.

Incidentally, never in history have we passed a 50-cent price cut on to the consumer.

Therefore, if you go and you say it is unconstitutional, you have cost the dairy farmers $350 million. It is quite possible that we could get the $50 million back and we could distribute that, but even that would be a mess, because it would go to the people you would not want it to go to. That $50 to $80 million would not go to the struggling dairy farmer; it would not go to the people you would want it to go to. You know who it would go to? It would go to the people who are causing the problems. That rebate will go to the people who are causing the surplus. They are the ones who would get the benefit of the rebate. So, the people you are trying to penalize by the market system in attempting to get the surplus under control would end up getting the benefit. They will be getting $50 to $80 million back in their pockets, and they are the people who are causing the problem. And the poor farmers out here, many of them who have gone out of business because of this cut, would not get a cent back. That is another problem with the program.

I do not think there is anyone, and I have not found anyone, that will argue that as a matter of concept, as a matter of policy, as a matter of right, as a matter of anything, that this bill ought not to be passed, except for one thing, and that is, as I said earlier, this will set a precedent. This will say to the dairy farmers we will give you a deal, but to the children or whoever it is who may have been hurt under Gramm-Rudman you will not get one. They are not getting a deal. That is the point. They are not getting a deal. In fact, they are going to be contributing more money to relieve us of the deficit than they would if you went the other way. There is absolutely no reason.

Now let us take a look at what will happen to the dairy farmers of this country.

The purpose and the intent of the dairy program is to bring surplus under control. It is an attempt to try to bring order into the markets, to say that the best program—and the dairy

71-059 O-87-3 (Pt. 3)

program was designed to do this. This dairy program was designed to have a balance between supply and demand.

The support program, the Government is there to ensure that we have an orderly market, to ensure that we do not have large dislocations, large price increases and cuts and that sort of thing. It is to maintain an adequate income. That is the wording that has been used in the dairy program for years, to maintain an adequate income for the farm family, to make sure that we have an adequate supply of milk, to make sure that we do not have large increases to our consumers.

Well, let us take a look that, under the current law, under the additional assessment and under what this bill would try to correct, and that is what would happen if we try to put that price cut in.

□ 1600

This chart which is here before us shows the change in farm income of the assessment versus the price cut.

Now, we are at a very, very important point in the dairy program right now. As you can see, as of this point right here, right now the average farm income—and this is for the Northeast, and the Northeast is probably pretty programmatic or pretty much the average situation in the country—right now, because we have reduced the price cuts over the years now from $13.10 down to $11.60, have decided to put it down to $11.20, has brought us to a point now where you have farm income which is at the break-even point.

With the farm bill itself, the farm bill itself, however, will change that, and that is the green line there, will show that with the farm bill in, that gradually the farm income to our farmers is going to go down such that you have by 1987 a minus $10,000 per average family in the income category. They are going to be losing money. They are going to be dipping into their resources, dipping into the money available to the family, dipping into the money which is set aside for repairs and replacements. If you pass the 10 cent assessment, this is the blue line, you will see that there will be a small change, but still significant, amounting to a couple thousand dollars a year in lost income for the farmer.

However, if you go to the red line—and this is the price cut, this is the additional price cut which will be implemented by the error in the Gramm-Rudman law—will bring the average family income from zero down to almost a minus $30,000 a year.

Now, obviously, that is not going to be an acceptable level of income. You can go down a certain ways because you do have money because you do not pay your debt service, you do not pay your depreciation off, and those kinds of things, you cut your family living back, you put somebody else out to take a job, whatever. But when you get down to the minus $30,000, then you are into a negative or getting close to or in a negative cash-flow situation. That means if you are living off some other work, off your equity, off your savings, or whatever, you are going to end up with a situation where you cannot afford to stay in business. This is the average farmer. That is why this is so critical. We are talking now about the survival, the ability of the farms to survive.

Now, we have in the dairy program, in order to try to bring out an orderly means by which farmers can get out of the program, we have what is called the whole herd buy out. The whole herd buy out part says that we recognize that many farms are going to look at this income situation and they are going to say, "We cannot survive, we don't want to go bankrupt, let us take advantage of the program which will allow us to sell out, the program paid for in half by the farmers, and we will get out of production and we will make sure that the cows don't go back into production and we will get rid of, hopefully, the million-odd cows that are necessary to be rid of in order to be able to bring the surplus situation under control without the requirement, as we see here, which will be caused by this inordinate and extra price cut for a large number of family farms to go out of business in this country."

Hopefully, that will work. But we want to see if it will work before we do the disastrous things which this price cut by the red line would require. Thus, we would try to say what this program is designed to do is to get farmers out of the business voluntarily, stay out for 5 years, and then, with that production gone, we will be down to a situation where we can try to balance the income, the supply and demand, by an appropriate income to farmers and hopefully, get us out of this mess that we are in.

But what this additional price cut would do, we are going to go way ahead, in the sense of destroying farm income, of what is programmed in a graceful downflow, to try to gradually meet that balance between supply and demand, and we are going to force out ahead of the ability to participate in a meaningful way in the whole herd buy out, we are going to destroy too many farms, and the result of that, as we saw in 1973, when that happened, when the administration decided to use the dairy program as an example against inflation, made serious price cuts in the program and caused huge drops in farm income, too many farms went out. You cannot grow cows overnight. Once you are down too low, you create shortages. And guess what happened. Instead of fighting inflation by lower prices to consumers, you ended up with huge price increases to consumers. And the result was a very negative impact upon what the administration was trying to do. Since that time we have tried to balance the program out better, trying to make sure that we do not create large and huge dislocations, and to ensure that the farmers can survive and provide us with that adequate supply of milk to which we all want to have the benefits of.

Mr. GUNDERSON. Mr. Speaker, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Speaker, I would like to compliment the gentleman for his remarks and call to the attention of my colleagues the challenge that we are facing today and what I think is the real tragedy, apparently, of what is about to happen.

Let us make it very, very clear that many of us support the concept of Gramm-Rudman, we support deficit reduction, and we do not believe any area ought to be exempt. I would make a contention that one of the tragedies of Gramm-Rudman is that 73 percent of the budget is exempt, which forces additional cuts on that 27 percent that is open to an across-the-board sequestration.

What we have been trying to do over the past couple of weeks is to deal with a technical problem, to conform the farm bill with Gramm-Rudman. It is not a policy issue in any way, shape or form, not a technical amendments bill, but rather a technical bill only to deal and conform the farm bill with Gramm-Rudman.

As the gentleman from Vermont indicated earlier, we came up with the 40-cent assessment this year, the 25-cent assessment next year, to fund a voluntary supply management in the dairy program. As we drafted that as part of the farm bill we had every intent that when Gramm-Rudman came up we would come up with dairy savings through an additional 10-cent assessment, bringing the total assessment to 50 cents.

Only after both bills had been signed into law and we were in the process of working out the regulations and implementing them were we made aware of the problem in doing just that. And at that point in time the process began to try to legislatively allow the department the leeway they do not have under the present drafting of Gramm-Rudman to use an additional dime assessment to meet the required savings under the Gramm-Rudman act as of March 1.

Now, the chart that we have in the well at the present time really indicates the dilemma. We are not trying to escape dairy from the impact of Gramm-Rudman in any way, shape, or

form. As a dairy Congressman I will tell you that dairy ought to be subject to the same cost-saving requirements as every other element of the Federal budget and of the Federal Treasury. We calculated what the savings ought to be for dairy. In that 4.3-percent cut, savings would be $80 million. That is what we have to come up with in dairy to do its part of the total savings in the Gramm-Rudman March 1 sequestration order.

The problem is that in order to achieve $80 million in dairy, you have to be very careful about the economics of dairy price supports and the resultant Government cost. There is no debate that if you have a 10-cent assessment or a 10-cent to 12-cent assessment, you will come up with the $80 million in savings.

The Congressional Budget Office has said that all of the things being equal, a 50-cent price cut will come up with $80 million savings.

The problem is that not all of the things are equal. Every dairy economist in this country will tell you that if you have a 50-cent price cut, the microeconomics of any small family farmer are that if his revenue per 100 pounds of milk decreases, he will have to increase the number of 100 pounds of milk he produces to bring in the same amount of revenue to meet his bills which are, for the most part, fixed capital costs, et cetera.

And so what typically happens in a 50-cent price cut is the production of milk in this country increases one-half percent. That results in Government purchases of an additional $160 million worth of surplus dairy products. The net effect of that is, then, that while you have $80 million in savings from a 50-cent price cut, you have just had an increased outlay of $160 million through the increased production of one-half percent, which results in an $80 million loss to the Treasury. So all of a sudden the way Gramm-Rudman is structured today to respond to dairy, you do not have the Government any money, you cost the Treasury about $80 million in what should be savings, which is turned into costs or outlays, on the other hand.

So not only do we have the problem of dealing with farmer income because instead of taking 10 cents per hundredweight off under assessment, we are taking 50 cents per hundredweight off, and my colleague from Vermont has so eloquently described the impact of that on a typical family farmer in this country, you also add the impact of it to the Government, and the Government's impact is not one of saving money, as we want under Gramm-Rudman, of deficit reduction, we will add to the deficit some $80 million as a result of our inability today to resolve the technical conflict between Gramm-Rudman and the farm bill, and that is the tragedy of what is occurring here today. It is so unfortunate that the people have indicated that they will object to our bringing up any kind of legislation to deal with this issue.

Mr. JEFFORDS. I think the gentleman has brought up an interesting point in addition to what I have brought up, and that is: What happens, normally, when farmers are faced with a price cut which is going to really give them a serious problem, as my previous chart indicated, with the average family going down.

In other words, what they will do, in hopes of being able to survive, in other words, I think we would agree that what happens is it is a survival of the fittest under those circumstances, and every farmer is going to hope and believe just as sincerely as possible that he will survive and the others will fail, knowing that if he can produce enough to stay in business that because of that cut his neighbor down the road or some other farmer who is not as good a manager, not be able to handle the situation, will go out of business and eventually the price will go up and they will be able to stay in business.

But for that short period—and we are only talking 6 months here—a price cut does not have the effect that you would expect in the long run, and that is driving farmers out of business. In the short run, what it does is increase the amount of surplus. And we are talking here about budget problems and not farm policy.

There is another thing to bring up at this point, and that is that what we are talking about here is a program of price cuts, and this has never occurred in dairy policy, never have we had a price cut go in for 6 months and then off, for 7 months and then off. What are you going to do? You go in and you cut the price and you are hoping to bring about some policy changes, those who argue against us, and then at the end of those 6 months if nothing happens, the price goes back up again, and that creates a bad message, a disruption as to the program, it makes a mess out of it, because this is not a dairy policy we are dealing with, it is a budget cut.

So what we are going to end up with, unless Congress in its wisdom does something else, you are going to end up with a price cut for 7 months and then a price increase at a time when it will create additional problems and additional disruptions to the market.

So I think the gentleman from Wisconsin has made some points. It is unfortunate that we have run into this policy problem where some people, and understandably, want to use this, at the detriment of thousands and thousands of dairy farmers around this country, to make a point they want to put those dairy farms out of business, and it is unfortunate that people would, in a sense, be so callous as to want to raise this policy point at this time to run thousands and thousands of dairy farmers out of business to make a point, and I think that it is too bad that that has occurred.

I would be happy to yield back to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. I appreciate the gentleman yielding again.

Mr. Speaker, I think the second thing we should point out is that one of the understandings and the whole concept, the basic concept, behind Gramm-Rudman is that if Congress is unable or unwilling to come up with its own legislative savings, that we will then achieve a savings in an across-the-board effect. The problem with dairy is you do not achieve the savings in an across-the-board effect, you place the entire burden of the $80 million in needed savings out of the dairy price support program on only those farmers who happen to produce the manufactured product which is sold to the Government. That is so blatantly unfair, it is so diametrically opposed to the intent and the basic concept of Gramm-Rudman, which says that everyone ought to share equally.

Now, you take wheat, feed grains, and all of the other commodity programs which have supports in agriculture, every one of those support programs will find that every farmer in the country will share equally in the reduction, the loan rate reduction and target price reduction and deficiency payments, et cetera. But in dairy, the way the bill is drafted at the present time, that is not going to be the case. Rather, what we will end up doing is forcing a very few farmers and in a very few select areas of high manufactured product in this country to bear the entire burden while other dairy farmers in this country are going to go scot-free of any obligations or savings under the dairy price support program and Gramm-Rudman. That is unfair, and I think we need to point that out, because that is not the way Gramm-Rudman was intended by those who drafted it on both sides of the aisle.

Mr. JEFFORDS. I thank the gentleman for his comments, and I would agree with him. For instance, we have large disparities in the price that farmers are paid for milk, and a lot depends upon whether or not they have a high percentage of fluid market, as you pointed out, or whether it goes into manufacturing cheese, or whatever.

In fact, for instance, in Virginia, it is my understanding that the blend price is somewhere around $15 a hundredweight, and in your area it is down under $12, in the $11 area.

Now, obviously, on a farm, if you are getting $15 even, and in some of those areas, you point out, you may not even

get any ramifications from a price cut, whereas in your area it goes bang, right now.

□ 1615

Your farmers, because of the lower price anyway are the most susceptibile to these kind of cuts and put in the most dangerous position.

In our area we are about half-way in between so we are about 50-50, whereas in other areas, southern parts of this country, they have a much higher utilization. I thank the gentleman for pointing that out.

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman.

Mr. ARMEY. I thank the gentleman for yielding.

If you do not mind, I would like to maybe ask you some questions to help me clear up my understanding of this.

Mr. JEFFORDS. I would appreciate that opportunity.

Mr. ARMEY. As I understand, and we all understood at the end of the last session that the passage of Gramm-Rudman would affect the way we do business in the House by way of changing many deadlines and placing new constraints in the process.

It is my understanding that as your subcommittee or committee worked in this process you recognized that you had one peculiar program having to deal with milk or dairy subsidies that faces that unique deadline of March 1. In response to that, recognizing that it would be necessity of that pre-existing deadline, the basic cut of 4.3 percent might necessarily then fall extraordinarily heavily on one group of the constituency with respect to dairy subsidies.

Again, I believe as I understand, if I followed the discussion correctly, your committee then immediately went right to work to make some judicious decisions that really in fact were policy decisions that helped to accommodate to this constituency that might suffer this severe penalty and more or less in light of considerations of priorities and need, rearrange the cuts within the committee so that even though you stayed within the 4.7 that that overall cut would fall in areas of policy priorities set by the members of the Agriculture Committee as opposed to across-the-board.

Mr. JEFFORDS. That is correct, and even more than that in the sense—you are exactly correct in what you said. This was done in the farm bill itself, that arrangement was made and agreement was made, with the understanding that that was what we would be utilizing Gramm-Rudman. The problem was created in Gramm-Rudman itself that the people who were working on agriculture there were trying to take care of the problems which might occur within the areas of the crops, feed grains, wheat, and all that. Their language is interpreted by the lawyers to also apply to dairy. Because we did not specifically—there was testimony in the committee that indicated that the administration—if it had not been for the legal beagles here, would have had two options. One, either the assessment or the price cut.

We had testimony from the administration on that, but however, because the language appeared to apply to be specific and since there was no other language in there, they had to apply this price cut theory rather than the assessment theory.

So we had tried to arrange this priority before the passage of Gramm-Rudman, but unfortunately, because of the language that occurred in Gramm-Rudman and a number of these bills were going on at the same time so we did not have a chance to examine one before the others were passed. That is what happened.

But you are quite right. What you are pointing out, I think very correctly, is that that is what we are supposed to do with Gramm-Rudman.

Mr. ARMEY. So I can conclude then as a member not on the committee, but watching the committee's work today in the debate that your committee then responded to the challenge of Gramm-Rudman by immediately going to work making tradeoff decisions, setting policy options that would accommodate to the new rigors of Gramm-Rudman, but still do the decisionmaking within the committee and then to come here and meet this deadline that would be so critical.

Mr. JEFFORDS. That is correct, and unfortunately unlike other programs which are based upon a fiscal year, we have a mandate by law under Gramm-Rudman, but if you effect a program, then all these things go into effect and dramatic changes occur in the whole program itself which are irreversible. Not only do they affect the money that you raise for the Treasury but they create huge losses to the farmers in lost income which is just not recoverable in any way.

Mr. ARMEY. I am trying to understand the process, and obviously, very complex policy issues with enormous amounts of benefit and loss that can be spread around to various people.

I would guess then that many of you on the committee that have worked so hard sighed quite a sigh of relief to find that the bill was up for consideration today on the floor and that you could anticipate the possibility of having it passed, having your committee work move through the floor in time to meet that March 1 deadline.

Mr. JEFFORDS. That is correct, and we felt very strongly since we were only trying to implement what was the understanding of all parties that were involved in the farm bill as to how it would be handled and because we had gone through the orderly process, because we cleared it with the, supposedly the leadership, and also certainly with the Rules Committee that we were here today not as fast as we would liked to have been, but under constraints in a timely fashion to have us to be able to pass this to prevent the horrendous ramifications which could occur, which will occur from this bill if we do not get it stopped. If we cannot do it today, hopefully we can do it with the understanding of those who, hopefully, have been listening to us of a slight delay, as we will be asking for it sometime in the near future, so that we can, and if we fail the money could be recouped and so that there would be no, in any way, any infringement upon Gramm-Rudman, if we do not succeed in their minds. We hope they will give us that small opportunity to be able to continue the orderly process next week. I am hopeful that at a timely time and that is one of the reasons I am talking here.

Mr. ARMEY. Reflecting back to the debate we had earlier today, it seems to me that the fact that your committee really did roll up its sleeves and get down to the task frankly, you have belied then the allegation made earlier today by the gentleman from Montana that Gramm-Rudman mandates across-the-board cuts that are indiscriminating.

In fact, you brought to the floor today an alternative to that reflected in the judicious tradeoff decisionmaking of the committee. Is that correct?

Mr. JEFFORDS. That is true, but as I said we believe we have taken care of it in a more timely fashion and Gramm-Rudman itself did try to take care of unusual circumstances in situations. This is one that was missed. But I agree with your concept that this body, if it is a responsible body, will and should react to the Gramm-Rudman action by saying, "OK, the meat-ax approach in many cases will create bad priorities and bad precedents rather than shifting cuts around and what this body ought to do is to react in a timely fashion as we try to do here to implement it in a more orderly fashion which would benefit both the taxpayers as we have in this case and the farmers that we are affecting in this case."

Mr. ARMEY. Again, I am reflecting back on the debate, and both the gentleman from Vermont and the gentleman from Wisconsin are also on the Education and Labor Committee as I am myself. I think one of the questions that was raised was would it be fair for the Agriculture Committee to have this opportunity and not for example the Education Committee.

We are on the Education and Labor Committee, and in fact what you have

done is you have set the precedent that says it is possible if the committee will go to work, do its work, makes those decisions, that they can by beating deadlines, find themselves in a situation where the committee will have set policy, made the tradeoff decisions that are mandated by the rigorous budget conditions of Gramm-Rudman and do the best job they can of fulfilling what they believe to be the proper priorities of the committee and avoiding that meat ax that goes across-the-board.

I should say that rather than us being concerned that maybe your committee has here presented us with an unholy precedent, what you have done by being here today with your work completed on your committee you have set for us a grand example of how those of us on other committees might rise to the challenge of Gramm-Rudman, come to the floor, and I think it is rather unfortunate that after all that hard work that I know you must have gone through, having brought this bill to the floor in this kind of condition reflecting that good work that we should even consider adjourning today and not completing that process and demonstrating to America for their security, their satisfaction and perhaps relief of anxiety that Gramm-Rudman does not necessarily mean a meat ax that is going to kill all victims with one swath but that it means the Congress does have the ability and the resolve through even its committee systems to rise to the challenge, reorder priorities, reallocate funds, meet budget targets and requirements but still care for those very important needs that the committees have spent so much time and consideration on.

□ 1625

It would seem to me that the House at large would owe the gentleman's committee a debt of gratitude for having set such a fine example and be thrilled to have the opportunity for us today to remain here and complete our work. That is the conclusion that I draw.

Mr. JEFFORDS. Mr. Speaker, I appreciate very much the comments of the gentleman from Texas. He, of course, serves on the Committee on Education and Labor with me, not on the Agriculture Committee, which we are talking about now. I deeply appreciate the gentleman's thoughtful consideration as expressed today, but also in the committee in trying to reorder priorities. I know we have differences of opinion from time to time; but the gentleman is absolutely correct. That is our role. That is our job. That is what we are trying to do here.

As the gentleman knows, we are now working on how to finish the second round of cuts in the education and labor field. It is a very difficult thing to do; but if we do not do it, then somebody else is going to do it for us, and that is not the way it should be done. We should not duck our responsibility. We should face up to what ought to be done, as we are doing here today, and that is the orderly process that this bill should bring about.

I appreciate the gentleman's comments, both in the committee and for coming forward and doing it in this area and attempting to prevent what could be a very disastrous economic situation for the small dairy farmers of the country.

Mr. ARMEY. Mr. Speaker, will the gentleman yield further?

Mr. JEFFORDS. I am happy to yield again to the gentleman.

Mr. ARMEY. I do have two more points that I would like to finish up on.

Earlier in the year we were discussing Gramm-Rudman. I raised the question in a 1-minute speech that the American people I think raise all too often and they have often asked, "Is it necessary for the bureaucrats in Washington to make decisions, or can the Congress make the decisions?"

The gentleman has demonstrated with his committee that yes, indeed, we can make the decisions. We do not have to leave it to the bureaucrats. If we do not complete the work today, the House, not the committee in this case, but the House will have sent the message that, no, we are not satisfied to let the Washington bureaucrats run things.

I would suggest an area of concern. All of us who have representatives of the various Government agencies working in our local districts and our communities where they have immediate contact with the voters and see their needs so clearly, I am very much concerned that if the bill perhaps makes the cuts, the agency heads and department chairmen, that what they will do, they will cut those people out in the States and out in the districts and out in the countries that are working immediately with the American citizens, rather than to cut the people sequestered here in Washington, if I might use that word, who have a remote contact.

I think the gentleman has helped to avoid that with his work.

My final word is that I did change my flight arrangements so I could remain here. I will remain here a day later than I thought would be necessary in the hope that the other Members of the House will come back with an agreement that will allow us to complete this good work of this morning and to let the gentleman's committee to be the shining example to this House that I believe it richly deserves to be.

Again I want to commend the gentleman for his work.

Mr. JEFFORDS. I deeply appreciate the comments of the gentleman from Texas.

Mr. GUNDERSON. Mr. Speaker, will the gentleman yield?

Mr. JEFFORDS. I am happy to yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Speaker, I appreciate the gentleman yielding. I certainly want to extend my thanks to our distinguished colleague, the gentleman from Texas, for his very kind remarks.

You know, the Agriculture Committee gets beat up a lot of times I think unfairly. The fact is that many of us in this body are aware that one of these bills which did not pass at the end of the last session was the reconciliation bill; however, few people are aware that agriculture did pass its reconciliation savings as a part of the farm bill legislation. I believe we are the only committee in the entire Congress of the United States that passed their reconciliation savings for the fiscal year 1986.

We need to understand and we need to understand, frankly, that most of the reconciliation savings, about $1.8 billion of those came out of dairy last year, so the dairy farmers of this country have already made a significant contribution of savings to the 1986 reconciliation bill.

That brought us to Gramm-Rudman and this whole effort that we are facing at this point in time and what it means, because when we came up with the orders from CBO, from OMB, and from the now nonlegal GAO as to what those savings ought to be, they calculated that we ought to come up with about $80 million savings out of this area.

The question is, how do we come up with those savings? The Congress, particularly the Dairy Subcommittee and now the full Agriculture Committee, calculated that there is really one and only one honest and fair way to do that, and that is to do it as an assessment. The reason for the assessment is obvious, because the assessment guarantees that we will come up with the $80 million in savings for the Government, but it also makes sure that we only reduce dairy farmer income by $80 million; whereas the gentleman so eloquently pointed out, the alternative of the 50-cent-price cut does not really save anything at all, as that chart there shows in the bottom line in red. The end result is an $80 million cost to the Government, not a savings.

Worse than that is the $350 million loss to the farmer, the dairy farmer in this country in lost earnings as a result of that reduction in the price he would receive for his products.

So therefore, the committee, the subcommittee and the full committee, came up with this calculation. As they came up with that calculation, we

then passed the legislation out of committee. We went to the Rules Committee yesterday, and I was there. The gentleman from Vermont was there and others who testified, and we said that we understand there are all kinds of policy issues in the farm bill, even relating to dairy. Many of us would like to calculate the basis for whole herd buy out on the prediversion program base.

Another thing we would like to do, we would like to mandate legislation that the sign up period be extended longer than it is.

Those are policy issues, technical policy issues to deal with the farm bill.

We felt, however, that it was important not to bring those issues into the issue today, because this was purely a technical bill to deal with the budgetary issue which was necessary to be accomplished by March 1, so that we truly would have the savings here and it would not result in the price cuts that would be the alternative.

The Rules Committee, to their credit, considered this issue long and hard yesterday and how to deal with it. They had conflicting testimony from Members as to what should or should not be a part of that bill, whether it should be an open or closed rule, what kind of amendment should or should not be allowed. The Rules Committee came out and recommended that bill last evening for a 1-hour open rule with any amendment that dealt with the budgetary issue, no policy issue.

We all assumed as we came here to the Congress this morning that we would have in front of us an opportunity to vote on this issue and guarantee that, No. 1, the Government would achieve at least its $80 million in savings from dairy under Gramm-Rudman, but also that we would do so in the most humane and most fair way for the dairy farmers of this country.

Of course, that bill was then pulled off the calendar, which brought us to this afternoon when the gentleman from Vermont, who is now conducting this special order, brought up the issue again and brought to the attention of our colleagues exactly what was at stake.

While it is absolutely essential that something be done today, because if we do not do it today, we are not in session tomorrow; March 1 is on Saturday. That means there is no alternative.

What will happen on March 1, the Department has no legal alternative, as I understand it, except to order that reduction in the price that they pay for any product that they purchase after March 1.

Everyone says, "Well, we can come back next week and solve this." We cannot come back next week and solve this in a decent way, because then all of a sudden next week we are not dealing with a technical amendment which we are doing, as we are going to have to actually repeal a certain section of Gramm-Rudman and do something else.

I do not get very excited about doing that, if that is the only alternative, doing it next week in defense of fairness to the dairy farmers of this country, I guess I will support something to do that, but I certainly understand the implications of that and know that our colleagues, and I guess my distinguished colleague from Texas, is not very excited about the idea of repealing any section of Gramm-Rudman, and neither am I, because that is not necessary. If we do our job today, we save the Government not only $80 million, we save more than $80 million. I would suggest it is much more than that.

On the other hand, we also save the farmer in terms of lost income about $270 million, compared to doing the 10-cent assessment.

So with those comments, it is a very frustrating day for us. It is worse than a frustrating day for us, it is a very tragic day for the family dairy farmer in this country, because he is the victim of frankly the most unfortunate decisions that are being made here in the Congress today.

Mr. ARMEY. Mr. Speaker, will the gentleman yield again?

Mr. JEFFORDS. I am happy to yield to the gentleman from Texas again.

Mr. ARMEY. Well, I appreciate that. I did have another thought as I listened to the gentleman. Again, I think the gentleman has made it very clear that this is such an important critical date and the juncture is immediately upon us. I commend both gentlemen for having this special order and for their dedication in staying here. I certainly do not want to give any appearance of partisanship here. Obviously, we are very visible at this time, but it does occur to me that I should also recognize that the members of the majority party on the committee and in positions of leadership to affect this decision are indeed caucusing at this very moment and discussing among themselves what decision they might come to with respect to whether or not they will decide to go forward with this issue or put it off until after today.

I am certain they, too, understand and wish to avoid any need to go into the difficult business of revising the Gramm-Rudman legislation, when we have such a wonderful opportunity to meet its rigors here today and resolve this dilemma, let the dairy farmers sleep easily over the weekend and let me enjoy my cereal and breakfast on Monday.

So I want to commend the majority Members and their leadership, too, for being willing to stay here long enough to make a decision regarding what it is they will allow the House to do in order to resolve this issue.

Mr. JEFFORDS. Mr. Speaker, I thank the gentleman for those comments.

I would like to comment that earlier today we did have some rather, well, emotional comments by myself and others directed at the other side of the aisle. I certainly want to clear up any misunderstanding that may exist in my feelings toward the gentleman from Washington [Mr. FOLEY] because in my time here, I have worked with the gentleman many, many times, his comments about trying to keep agriculture on a nonpartisanship basis is very appropriate. We have been able to do that. It is unfortunate, how or when it occurred, but any comments I made in any way insinuating that the gentleman wanted to or would operate in such circumstances, I certainly would want to remove that thought from anything I said.

I also wanted to make a comment on what the gentleman from Wisconsin said.

One of the things we are learning about Gramm-Rudman, which is a very sad thing, even though I voted for it, and I agree with its concepts, is that those who try, those who do their job, get penalized. In other words, if you go out and voluntarily meet your guidelines and you do as the Agriculture Committee did, reduce for the 1986 budget the amount of money it is going to spend and looking at the outyears do the same thing, then if nobody else does, you come back and you get the same whack that everybody else does when it comes around for the meat axe to fall again.

What we are trying to do here is to live within and in fact to give a better deal as far as Gramm-Rudman goes and the Budget Reduction Act on this dairy bill then even the law would say we had to according to the legal people that refine the law; yet we are being forestalled from even being able to do a better job to help other people. If we save the additional $80 million, or whatever, that is money for other programs that will not have to be cut.

So instead of raising questions here, they ought to be praising us and saying, "Hey, thanks for the money. Thanks for saving us more money. Thanks for helping our programs not to have to take the cuts we would have to cut if we did not have this bill."

That is why it is always so hard to find the dairy programs especially as the butt of criticism, when we continuously come forward and demonstrate how we can save more money. We got a lot of flack on the diversion program the last time around, and yet all the analysts came back and said, "Hey, you know, you are right. That program saves money. It saved a billion more dollars than we would if we

hadn't done it." And yet we got criticized for it.

Mr. GUNDERSON. Mr. Speaker, will the gentleman yield further?

Mr. JEFFORDS. I am happy to yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Let me say to the gentleman, go get a glass of water and I will be happy to comment for a few seconds if I can.

I want to call to the attention of my colleagues and others that it is very important to understand dairy economics. They are not normal economics, if I may be so bold and so blunt. The fact is that normally when we have too much expenditure in a program, we think what we can do is cut the price support and that will result in savings to the Treasury.

Unfortunately, you have a conflict between the macroeconomics of the dairy industry as a whole and the microeconomics of any one individual family dairy farmer; so while you are trying to reduce by virtue of reducing the support price the total cost of the dairy program to the Government, just the opposite happens.

What happens is that—just put yourself in the position of a typical family farmer in Wisconsin or Vermont, 40 cows, you are receiving say $11.50 at the present time for any hundred pounds of milk that you produce.

Let us assume that next week if we are unable to resolve this issue today that we have a 50-cent price cut. What happens? Instead of receiving $11.50 per hundredweight, you will receive $11 per hundredweight, and yet your electric bill does not go down 4.3 percent. Your cost of feed does not go down 4.3 percent. Your property taxes do not go down 4.3 percent. Payments to the bank on the tractor and pickup do not go down 4.3 percent or anything of that sort; so you still have to meet all those fixed costs that you have, and yet you have reduced revenue.

So what is the only viable option or alternative for that farmer? Well, assuming he does not want to go bankrupt or just foreclosure, his only option is to produce more milk, bring some of those heifers into the barn, start milking them, add a couple of cows and begin milking more so that he can bring in more milk, so that instead of say selling 500,000 pounds of milk on an annual basis, he would sell 600,000 pounds of milk on an annual basis to bring in the same amount of revenue.

□ 1640

So, as he brings in that amount of revenue, he then would be able to make his costs. The problem with that is if every farmer in the country does that, and most farmers do, you get an increased production. I think it is calculated as one-half-percent increase in production nationally is what normally occurs every time we have a 50-cent price cut.

So if you have a one-half-percent increase in production but no increase in consumption nationally, that means the Government ends up buying 1 billion pounds additional milk. With those additional purchases, it results in a cost to the U.S Treasury in outlays of $160 million. So we get back to this chart, and that is why the chart becomes so important and why this whole issue is so important, because that is our intention, to save $80 million in Gramm-Rudman savings from the dairy price support program, the net effect is that while you save $80 million, a 50- to 55-cent price cut, as a result of the increased production and the increased purchases which follow the Government has an increased outlay of $160 million. The net effect, then, is no savings in the dairy program but rather increased outlays of $80 million.

So instead of contributing to a deficit reduction if you do not have the correct language in the bill, you do just the opposite, you contribute to increased deficits. I think that is a very important point that we need to understand here, and that is why we are dealing with this issue.

It is very seldom among our cynics that they can say that we in the dairy industry "come to the Congress to save money." I think often we do and we do not get the credit, but there can be no debate by anyone that what we are trying to do today is not excuse the dairy farmer from Gramm-Rudman; just the opposite. We are trying to make darned sure that the dairy farmer does truly contribute his $80 million to deficit reduction which has been calculated, and that is why to deal with this issue becomes so paramount before March 1 in one way or the other.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. JEFFORDS. I thank the gentleman from Wisconsin for his comments and would yield to the other gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I simply would like to say that obviously I want the legislation under discussion to pass. I think it is important to dairy farmers that it do pass.

I also frankly do not understand the resistance on the part of the administration and some others who also avoid penalizing farmers who participated in the diversion program in terms of the calculation of their base for participation in the whole-herd buy-out program. I do not understand why the administration is resisting that.

I do want to make this observation, however. Very frankly, I have been spending the last 3 hours, when I was not up in the Appropriations Committee testifying, trying to persuade people with other budget concerns under Gramm-Rudman as to why this is a legitimate approach to take. It is a legitimate approach to take, it does have the same effect on the budget in terms of its impact on Federal outlays or Federal deficit reduction whether we do it through a 50-cent reduction or a 10-percent assessment. I do have to observe, however, that I think what we are facing is the consequences of institutionally agreeing to a process such as Gramm-Rudman in the first place which, in effect, gives us a conceptual idea of what we are voting on without having any real description of the detailed impact of what happens when we vote like this. Perhaps I say this simply because I am a member of the Appropriations Committee and I think that that is a more sensible approach to follow.

I think that we are in this hole today because there are a lot of people who are telling us, and I wish they were not telling us, but they are, they are saying we understand you have a problem with dairy, but, by golly, there is a problem in housing, and there is a problem in education that needs to be corrected as well. And if we are going to deal with one problem and not the others, then we do not see why we should go along. That is what they are telling me.

I think what this demonstrates is that the only responsible way to approach budgeting, even though it may be out of fashion to say this, the only responsble way to approach budgeting is to approach it through the traditional appropriating process so that we not only know what the total number is in any spending proposal before us, but we also have a clear idea on a line-by-line basis exactly what the impact is.

I think when we try to approach the world through these grand fix-up schemes, that pretty much represents a surprise Christmas package, we see what is on the wrapping, but we do not see what is in the box until we unwrap it, and then the damage is done. So I think what is happening is we are stuck in this box today because people are beginning to find out in a whole range of budget areas that there are problems caused by Gramm-Rudman, and they are saying we ought to be taking care of all of those problems. It is hard to argue, although I hate the fact that the bill that is being crushed in the process is one which you and I and the gentleman from Wisconsin and others want to see passed, but I think we have to also face up to the reason that we are here today.

Mr. JEFFORDS. I do not disagree with what the gentleman has said. I would only point out that in this case, because of the way the cuts would

work, and the way it would happen, is that the dairy farmers would lose over the course of time some $300 million which can never be recouped; whereas in the program areas, other program areas, if there was a mistake or miscalculation, or if it is eventually thrown out, that money can then be distributed back to those programs and remove those inequities. But in this case, it is gone forever, as you know.

Mr. OBEY. I agree with the gentleman that there is that difference. The problem is that there are eight other groups around here with problems that may not be identical, but they are similar, and we are all being caught in this crunch.

Mr. EMERSON. Mr. Speaker, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Missouri.

Mr. EMERSON. Mr. Speaker, I think the bottom line on Gramm-Rudman is not so much that we have targets to meet, but the manner in which we meet them. I think automatic sequestration is an irresponsible means of arriving at the targets we have set before us.

If I may respectfully differ with the gentleman from Wisconsin, we have been given surprise Christmas packages around here for years in the form of continuing resolutions which open the door to a lot of spending that I think we may have been unaware of. Now the shoe is on the other foot, and we have got to be conscious of the need to make cost savings.

I personally am one who has regarded continuing resolutions as the Christmas package that was so full of surprises that we really did not know what was going on. I think that there is an opportunity here. I am not going to disagree with whatever budget we are talking about, but we have an opportunity, indeed a responsibility to reorder some priorities. But I think the Congress' job, and it would be irresponsible of us to let the automatic sequestration occur as we approach these various targets by which some action has to be taken.

I think the gentleman from Vermont, the gentleman from Wisconsin and the gentleman from California have come up with a very good solution here to the immediate dairy problem about which there is a time constraint, and this matter should indeed be acted upon. I think that a very responsible action has been taken here by the proposal that they have presented.

You know, I think this dialog that we are having here has been useful in many respects. I think it brings to the floor some frustrations that we all share, and perhaps helps highlight the need that I have felt for some time for some institutional reform around here.

You know, the process and the circumstances under which this farm legislation, this very serious legislation was considered left a very great deal to be desired.

□ 1650

Some Members may recall that the Agriculture Committee of the House was trying very diligently last August to report a farm bill before we went home for the August recess. The fact of the matter is, we couldn't, because we had not yet acted upon the budget and we were determined that our bill would conform to the budget.

When we came back in September, we did finish up our business, report a bill to the House early in September, and act upon it in October. The bill then languished for a couple of months until the other body saw fit to act upon it.

As a matter of fact, I think the farm bill was virtually the last piece of legislation that we acted upon before we adjourned at the end of December. Of course, the President signed it into law the 23d of December.

The SPEAKER pro tempore. The time of the gentleman has expired.

PARLIAMENTARY INQUIRY

Mr. FRANK. Mr. Speaker, are we starting the process of alternating the special orders today between the majority and the minority sides?

The SPEAKER pro tempore. The Chair will advise the gentleman that we have four or five others. We do not know who is going to use the time, though.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. BROYHILL] is recognized for 60 minutes.

Mr. BROYHILL. Mr. Speaker, I would like to take this opportunity to outline my thoughts on an important issue that the House of Representatives considered yesterday. The legislation, House Joint Resolution 3, called on the President to immediately begin negotiations with the Soviet Union for a Comprehensive Nuclear Test Ban Treaty.

Unfortunately, I was at a speaking engagement and missed the opportunity to vote on the two important amendments. Had I been present I would have supported both the Hyde amendment and the motion to recommit offered by Mr. BROOMFIELD.

My feelings on this issue are quite strong, just as those of my colleagues and the American people. I, too, genuinely believe our world will be a better place when all nuclear weapons of all nations are eliminated, and I further believe that we are making progress in this direction. Just last fall, there was constructive, face-to-face dialog between President Reagan and Soviet Secretary Gorbachev on this issue, with hopes expressed for further meetings to be held in the near future. Fortunately, right now in Geneva, our arms control negotiators are at work.

I certainly understand and share the eagerness of Americans who realize the importance of attaining the goal of eliminating the threat of nuclear annihilation. Yet I believe we must fully recognize that, for decades, the security of our Nation and of our allies has been dependent upon the presence of a credible nuclear deterrent.

There is a great deal at stake when we approach proposals such as the Comprehensive Nuclear Test Ban Treaty. Therefore, I support the Hyde substitute and the concerns it addresses. It expresses the sense of the Congress that the United States should: First, pursue efforts to gain agreement on improved verification measures for the Threshold Test Ban Treaty, Peaceful Nuclear Explosion Treaty, and, ultimately, a Comprehensive Test Ban Treaty; second, reaffirm the need for mutual compliance with the Threshold Test Ban Treaty; and third, pursue as a goal the attainment of a verifiable Comprehensive Test Ban Treaty following achievement of mutual, substantial, verifiable, and militarily significant nuclear arms reductions.

Mr. Speaker, I sincerely regret that I missed these important votes, and I wish to set the record straight.

NAVAJO-HOPI LAND EXCHANGE LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. UDALL] is recognized for 15 minutes.

Mr. UDALL. Mr. Speaker, today I am introducing legislation for myself and Mr. MCCAIN providing for a comprehensive resolution of the remaining problems and issues growing out of the longstanding land dispute between the Navajo and Hopi Tribes.

This land dispute is over a century old and is based upon the 1882 Executive order establishing a reservation in northeastern Arizona for the Hopi Tribe. The order provided that the reservation was to be for the Hopi and "such other Indians as the Secretary may settle thereon." Over the years, members of the Navajo Tribe migrated to, and settled on, much of these lands despite the continuing protests of the Hopi leaders.

Because of the growing friction between the two tribes over this issue, Congress, at the urging of the Hopi, enacted legislation in 1958 authorizing the two tribes to sue each other to determine their relative rights in the 1882 reservation.

In 1962, the U.S. Supreme Court determined that, with the exception of an area identified as district 6 which was held to be exclusively Hopi lands, the 1882 reservation was held by the two tribes in a joint, equal, and undivided ownership. However, at the time, this so-called joint use area was being used exclusively by Navajo people.

On October 14, 1972, the Federal district court issued an order of compliance ordering the Navajo Tribe to surrender one-half of the use of the joint use area. This court order raised the prospect of a court-ordered eviction

of numerous Navajo families in order to put the Hopi into its rightful use of the lands.

In light of this, Congress considered and enacted into law in 1974 legislation—Public Law 93-531—providing for the judicial partition of the surface area of these lands between the two tribes and established a mechanism for assistance to families which would have to be relocated because of such partition.

The lands were partitioned by the court pursuant to the 1974 act which resulted in the necessity for the removal of nearly 2,500 Navajo families. Under the law, these families had a grace period until July 6, 1986, to relocate. After that date, they would be considered as trespassers on Hopi land and subject to eviction.

While there is some dispute as to the exact number of Navajo families subject to relocation, it appears that 900 families have relocated and have been paid compensation for removal; 1,100 families have moved and have been certified as eligible for relocation benefits, but have not been paid; and about 500 families still remain on lands which were partitioned to the Hopi Tribe.

To date, $80 million has been appropriated and spent in this relocation effort. Recent testimony before congressional committees indicates that approximately another $300 million would be necessary.

While it is clear that the Hopi Tribe has a legal entitlement to the lands partitioned to it under the 1974 act, it is also clear that the 10-year process of relocation has caused extreme hardship, trauma, and bitterness among the Navajo families that have relocated or are facing relocation. Several Navajo families subject to relocation, including many elderly people, have indicated their refusal to move from what they consider their ancestral homes.

Once again, with the July 6 deadline approaching, we are facing the prospects of forcible removal of these Indian people and the potential for violent confrontation.

Mr. Speaker, I do not condone or accept the use or threat of violence to achieve one's goals. If this was the only reason for action, I would not be making the proposal which I have introduced. But there are many factors which must be weighed in determining whether or not Congress should reexamine the action it took in 1974. Circumstances have changed since then.

Nearly 80 percent of the Navajo families who are eligible for relocation benefits have either moved and been compensated or have moved and are awaiting their relocation benefits. Most of the lands partitioned to the Hopi Tribe have been cleared of Navajo families and are or will be available for Hopi use.

The costs of relocation, originally estimated at around $43 million, has already risen to over $80 million with the potential of another $300 million. Because of the severe budget constraints now in place, it is highly unlikely that this amount of money, which would be necessary to do justice to these Navajo families, would be available.

These factors, coupled with the great pain and suffering caused by relocation and by the stubborn refusal of some families to comply, are sufficient warrant for Congress to take a new look at the 1974 law.

Mr. Speaker, the bill I have introduced today is not the end of the process and may not, ultimately, be the most appropriate approach to this problem. It is, however, my intent that this bill will be the beginning of a process which may lead the Congress, the two tribes, and other concerned parties to an enlightened resolution of these very knotty problems associated with the land dispute.

Of course, the best resolution of these remaining issues is that which would be negotiated between the two tribes and which would have their full support. However, several attempts in the past few years, including attempts I have made, to encourage the two tribes to amicably resolve these issues have failed. I have no reason to believe that this attitude on the part of the two tribes will change without some outside factor being involved. It is my sincere hope that the introduction of this legislation may induce the two tribes to develop their mutual solution to these problems.

Mr. Speaker, the bill I introduce, while surely controversial and sensitive, is fairly simple. The bill provides that approximately 360,000 acres of the approximately 900,000 acres of the 1882 JUA partitioned to the Hopi Tribe will be transferred to the Navajo Tribe. This will reduce, by nearly 90 percent, the number of Navajo families still living on Hopi lands who would be subject to relocation. We estimate that fewer than 60 families would still be subject to relocation under this proposal. As for each of these remaining 60 families, they each would be given the choice to apply for a 160-acre assignment where they currently reside. It is not my intent to affect any rights to relocation benefits which have been promised but not yet delivered to some 1,100 Navajo families who have already willingly removed themselves from the disputed area.

In return for this transfer of lands from the Hopi to the Navajo, the Navajo will have to agree that approximately 360,000 acres of lands made available to the Navajo Tribe for relocation purposes will be transferred to the Hopi Tribe. In addition, as additional compensation to the Hopi, the bill provides that up to $300 million from certain Navajo rights to mineral revenues shall be paid to the Hopi over a period of years.

In order that the many sources of dispute between the two tribes can be cleared up, the bill provides that approximately 79,000 acres of land in the Navajo reservation containing the Hopi settlement at Moencopi will be transferred to the Hopi Tribe. This will settle a 9-year-old law suit between the two tribes. It is not my intent to affect any rights that the San Juan Paiutes may have in the 1934 Navajo Reservation.

Finally, six ancillary law suits by the Hopi Tribe against the Navajo Tribe for monetary damages would be ended by this legislation.

Mr. Speaker, this legislation does not come as a surprise to the two tribes. I provided a draft copy of the bill to the chairman of both tribes in early February for their review and comment. This bill is basically the same as that draft.

I believe that this bill can form the basis for a comprehensive resolution of the Navajo-Hopi land dispute. It attempts to cover all aspects of that dispute so that it will not continue to be the source of bitterness and contention between these two people who share many of the same goals and problems.

However, I do want to reiterate my intent that this bill not be viewed as the sole possible solution. There are many parties, including other Members of Congress, who have strongly held, sincere views on this perplexing problem. They may well want to offer other, better proposals to resolve the matter. As I said, it is my hope that the introduction of this bill will be a catalyst for the development of those proposals. It is for this reason that I have not made further plans for action on the legislation at this time.

Mr. Speaker, I know that the introduction of this bill will be the cause of some unhappiness and disappointment in some quarters. I regret that, but it's my sincere hope that this action will lead to the development of a proposal to end this bitter struggle which will find support in all quarters.

LEGISLATE OR SEQUESTRATE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 60 minutes.

Mr. WALKER. Mr. Speaker, the gentleman from Missouri was talking and got cut off, so let me yield to him to conclude his statement.

Mr. EMERSON. If the gentleman will permit me to conclude my statement, I was speaking of the frustration related to the ultimate passage and signing into law of the farm bill. It was virtually the last piece of legislation that we acted upon. The President signed it into law on December 23d, and then of course the very lengthy process for a piece of legislation this comprehensive began to be implemented; at least the executive department began to write their regulations; many of which are still in process and unavailable.

Here we are with certain targets needing to be met under the law for which regulations have not yet been issued in order that the law may be appropriately implemented. This I think is something that we need to give attention to, not only as it relates to agricultural legislation, but to any legislation that the Congress is dealing with, is that it does take some time to implement it and we need in our work to have a view toward the fact that when we pass it and the President signs it, yes, it is law, but that does not mean it is ready to start operating.

So I think it is entirely appropriate that here early on in this session of Congress we are finding, now that the law is on the books, the implementation of it through regulation is commencing; that we find some technical corrections that need to be made.

There is nothing unusual about this, but I do think that it reflects sadly on the process, and I would hope that we might collectively, in a bipartisan way, find the means of redressing the prob-

lems, not only as they relate to the agriculture law, but to any other laws that may suffer similar unfortunate twists and turns, more because of process than because of intent.

Mr. WALKER. Mr. Speaker, I take this time in order to try to expand upon a point that I attempted to make earlier this afternoon when the issue arose as to how we ought to go about implementing Gramm-Rudman.

Caught in a squeeze of pressing events, at least one member of the majority party came to the floor, suggesting that what we ought to have is a process whereby the individual committees would figure out a way to make these cuts rather than accepting the across-the-board sequestering of money.

That is precisely the issue that was brought to this floor back before the recess earlier this month. It is precisely the issue that several Members of this body have attempted to articulate on several occasions, and have been rejected.

The gentleman from Texas [Mr. BOULTER] in particular has taken this issue, introduced it in legislative form, and has seen that legislation languish for lack of action.

In particular, when the committee funding bill was in the House of Representatives, an amendment was structured in such a way as to bring this issue directly to the floor.

Shall we as a Congress, given the mandates of Gramm-Rudman, to reduce by $11.9 billion the amounts of money in our spending program for this year, shall we take our role as a legislature and legislate that, or shall we live with across-the-board sequestration? Legislate or sequestrate, that was the issue.

This House, given that subject, given that vote, voted by a 2-to-1 margin to allow sequestration to go forward rather than deal with the matters through legislation. We voted, in other words, to abdicate our ability to do the right thing when it came to cutting spending.

It was in fact the majority party, in overwhelming numbers, that made that determination. Our party, the Republican Party, with almost no dissenters, voted instead that we ought to take upon our responsibilities and legislate these matters.

The gentleman from Montana who earlier today rose on this floor to suggest that that is the pattern we ought to follow, was one of the people who voted against the amendment designed to do exactly that.

Now the question becomes, are we going to continue throughout this year to deal in political rhetoric out here on the floor, or are we really going to attempt to resolve some of the problems that come when you have a massive spending cut kind of bill, such as the Balanced Budget Act has given us?

Are we going to be responsible, or simply rhetorical? What we have gotten so far is an awful lot of rhetoric and very little action. When it actually comes down to making the decisions, the majority party has shown an unwillingness to do anything except sequester these moneys.

One has to come to the conclusion that what they are attempting to do is inflict as much pain in the process as possible so that enough groups across the country will feel hit upon, so that ultimately what they really want to do will seem more rational; and that is, raise taxes.

The majority leader last night, in replying to the President's speech, suggested that the only way that we can properly defend this country is to raise taxes.

Time and time again, when the majority party went to Greenbrier the other week—the reports out of Greenbrier in their party caucus down there were that they spent most of their time sitting around trying to figure out a way that they could rationalize to the American people raising their taxes.

Now the fact is that many of us do not want to raise taxes. We think that there are ways of responsibly cutting Federal programs so that you do not have to raise taxes on working people in this country; but it is evident by the actions here this afternoon, evident by actions that have previously taken place in this body such as the vote on whether or not to legislate or sequestrate, that the majority party has come to the conclusion that they are better off inflicting as much pain as possible in this election year rather than doing the right thing.

I am disappointed in that, because I think that it is a situation where we can make the right decisions if we are willing to decide; but what we have said right along is, we are no longer really willing to decide.

Mr. FRANK. Will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. FRANK. I thank the gentleman, and I understand the point that he has been quite consistent on, that any reduction in the deficit should be on the basis of expenditure reduction and not revenue increases.

One of the problems I have, and it is not the gentleman's position here, is that I was a little surprised that on both sides of the aisle there was such ardent support for a dairy bill which, as I understand it, does exactly that; it would keep the expenditure level the same by raising revenues.

In other words, Gramm-Rudman says we should reduce expenditures. What the gentlemen are saying is, put this bill through so the amount paid to dairy farmers would be the same but the assessment, which looks very much like a tax to me, will be raised.

□ 1700

So what in fact we are being asked to do is to avoid an expenditure reduction under Gramm-Rudman and instead by raising the assessment on all the dairy farmers, increase revenues. I understand that. That is what people want. I do not want to do that at this point but I would note that there apparently is bipartisan support at this point for amending Gramm-Rudman so as to forestall a reduction in the amount paid out and make that up by getting more being paid back in from the farmers.

Mr. WALKER. I will be very glad to yield to a couple of the gentlemen here who know the program better than I do. I would simply say to the gentleman that that is certainly a philosophy that follows what your majority leader said last evening that the standing philosophy of the Democratic Party is that somehow we ought to figure out a way to raise revenues. And the only way I see us contending that that ought to be done around here is taxing the American people. I suggest that the American people, including most dairy farmers, do not want their taxes raised. But let me yield to a couple of gentlemen here who can explain the issue maybe a little bit differently than ways the gentleman from Massachusetts has outlined. I would be glad to yield to the gentleman from Vermont.

Mr. JEFFORDS. I thank the gentleman for yielding. The purpose is to reduce net expenditures. That is the purpose of Gramm-Rudman. Now either way you go in the dairy program it does not work like the normal price-cut situation; you either are going to deduct from the checks that are paid to the people purchasing from CCC and therefore reducing effectively the market price and in a sense a price cut, so either way you are doing it, you reduce net expenditures by taking it out of the check. The same is true if you go the assessment route. The only difference is that under one you have no ramification on the marketplace and on the other you have a substantial ramification on the marketplace.

Mr. FRANK. Mr. Speaker, will the gentleman from Pennsylvania yield to me so that I may ask a question of the gentleman from Vermont?

Mr. WALKER. I would be glad to yield to the gentleman from Massachusetts.

Mr. FRANK. I thank the gentleman for yielding. I appreciate his courtesy in this. My understanding is that under the dairy program every dairy farmer is assessed whether or not he or she participates in the program. So

if we reduce expenditures the way Gramm-Rudman now calls for, which I voted against but Members here voted for it and it passed, if you reduce expenditures, only those farmers who participate in the subsidy program will get a reduction. Their subsidy payout will be reduced. If you do it the way the gentleman from Vermont wants, every dairy farmer in America, those who participate and those who do not participate in the program, will have his or her assessment raised. That looks very much like a tax on dairy farming. Now that is a reasonable way for the gentleman to proceed, but let us be clear what it is. Instead of reducing the payout by the Federal Government to those dairy farmers who are in the program, the gentleman prefers legislation which would have put an assessment on every dairy farmer everywhere.

Mr. JEFFORDS. Mr. Speaker, will the gentleman yield?

Mr. WALKER. After a question of that length I think I probably ought to yield to the gentleman from Vermont.

Mr. JEFFORDS. I appreciate the gentleman yielding.

I understand the misconception of the gentleman from Massachusetts and it is a common one. In fact even the administration and Department people had that misconception and spread it around the country. The problem is, in response to the gentleman, even though you can argue and it sounds very nice the way you argue it, that you are only living on those who are participating in the program in that sphere, the problem is that the net ramification of that is, obviously, when you sell to the Government, you get that much less because they take that much less out of your check. The buyer next door who is not the Government says, "Well, there is no sense in us offering any more than the Government is paying," and that is the way the system works. Therefore, the processors next door offer a lesser amount of money and then all dairy farmers lose that money. That is correct. I understand the gentleman likes that, and that, philosophically, is one approach to dairy policy. Here we are talking about budgetary policy, not dairy policy.

Mr. WALKER. Let me reclaim my time here. I think I ought to keep track of my own time. I would be very glad to yield to the gentleman from Massachusetts.

Mr. FRANK. I thank the gentleman for his courtesy. Two points. One, I thank the gentleman from Vermont for pointing out the proconsumer implications of my position. What he said was, if we did it my way, then the prices drop. I appreciate that. I would like to see the prices drop. I do not think that is a bad thing.

Second, I ask the gentleman from Vermont if every farmer in the country, whether or not he or she chooses to participate in the dairy program, would be subject to a higher assessment, in effect if we passed the bill the gentleman advocates, every farmer will be subjected to a higher assessment which looks to be like an increase in revenue whether you want to contribute or not, rather than a reduction in expenditures, which is a way of dealing with Gramm-Rudman?

Mr. WALKER. I yield to the gentleman from Vermont.

Mr. JEFFORDS. I would be happy to respond to this gentleman. In a sense, the gentleman is correct. But you have to remember that in a sense with the price cut, every producer has his cut, too. The assessment route is what Gramm-Rudman was intended to do, to make a somewhat painless cut across the board to everyone rather than large cuts to a few which would create large cuts to everyone. Obviously anyone with any sense, with any logic, utilizing the Gramm-Rudman bill, any farmer would say, if you have your choice of paying off the bill with 10 cents or paying off the bill with 55 cents and the taxpayer gets more with the 10-cent payment than with the 55-cent payment, anybody in this world would say the logical way to comply with Gramm-Rudman is to stay with the 10 cents and make more money for the taxpayer than to pay the 55 cents and that money not going to the taxpayer with this deficit-reduction bill.

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I would be glad to yield to the gentleman from Texas.

Mr. ARMEY. One of the things I find fascinating here is that almost by default, we are debating the provisions of the bill. In fact, the question at hand is whether or not we are going to debate the bill today. The bill was on the calendar, the bill was taken off the calendar. That is my concern. I would like to have seen it left on the calendar. I would like to know how the decision gets made to take bills off calendar on short notice. I raised this question around here before.

The question is also, do we legislate or do we sequestrate? The very fact is that for anybody observing this process—and let me focus on the process—it looks like there are key people in positions of power here who made the decision to take the bill off the calendar in order to force us to sequestrate rather than legislate. I do not know whether that was the motive, I do not know what else there is. But that right now is the only conclusion I can draw from the behavior I have observed. I hope we can resolve that question, get the bill on the floor, return to a discussion of the bill itself, look at the pros and cons, and at the that time, I will be able to cast a vote from which somebody could draw a conclusion whether or not I approve of the provisions of the bill. That really is not a matter at question here.

What I do approve of is fulfilling the calendar after it has been put out before us, after we have planned our legislative day and our legislative week, after we have prepared to deal with these things, then let us deal. Let us just not have somebody walk in and pull things off the calender without any prior notice nor any explanation and let us legislate this process in the Congress rather than sequester it to the bureaucracy. We have been elected here. We ought to be in charge as that committee has demonstrated its willingness to be by bringing that bill with those judicious tradeoff decisions already made in the committee where the responsibility lies.

I would like us to get back to that.

Mr. WALKER. I thank the gentleman. I think he makes an excellent point. I mean it is a point that a number of us have tried to stress for some time now, that this Congress has a responsibility under the process to do what is right in terms of getting the cuts that have to be made done in the right way.

Most of the committees around this Congress know ways in which the spending can be cut in ways that are better than taking the meat-ax-cut approach across the board. That would be a far preferable way of carrying out our job of getting the budget in order rather than sequestration. The sequestration was seen as an act so onerous that we would never take it and yet what we are proceeding to do in this body on a regular basis is to take the action of the most onerous kind of vehicle. That does not seem to me to be a very useful or practical approach to continue. Yet that is precisely what I see happening time after time as we make decisions on the House floor.

Mr. FOLEY. Mr. Speaker, I wonder if the gentleman from Pennsylvania would yield for the purpose of resuming unfinished legislative business with the understanding that at the conclusion of that time, his special order would be resumed.

Mr. WALKER, I must say I am somewhat reluctant to yield to the gentleman because this is the most people I have had on the floor to listen to a special order in some time. With the cameras sweeping the Chamber, this is wonderful.

But I will in fact yield to the gentleman from Washington.

Mr. FOLEY. If the cameras would do one sweep now and show the gentleman's attentive, rapt audience.

The SPEAKER pro tempore. By unanimous consent, the remaining time of the gentleman from Pennsylvania [Mr. WALKER] will be protected. The gentleman will be able to contin-

ue his special order after the legislative business has concluded.

REQUEST FOR CONSIDERATION OF H.R. 4265—SUSPENSION FOR 5 DAYS OF APPLICATION OF SEQUESTRATION ORDER TO DAIRY PRICE SUPPORT PROGRAM FOR FISCAL YEAR 1986

Mr. COELHO. Mr. Speaker, I send to the Speaker's table the bill (H.R. 4265), to suspend for 5 days the application of the sequestration order for fiscal year 1986 to the dairy price support program, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. ARMEY. Reserving the right to object, I am sure I will not object, but sometimes I get so dazzled by the footwork around here. This morning, earlier today, we were talking about taking up the original bill under consideration and I listened to a rather impassioned explanation of why it is you just cannot get a bill up here like this, this quick, without going through all kinds of periods of notification, and so forth. Now I find this wonderful event where we have been able to do that.

Mr. COELHO. Mr. Speaker, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from California.

Mr. COELHO. I thank the gentleman for yielding. The bill is here under a unanimous-consent request.

The gentleman from Texas I am sure knows, he has been in the House for a year and I am sure he knows this, you can bring anything to the floor under unanimous consent, as long as you get it. So I am sure the question the gentleman, in asking this question or in making his statement, understood that.

Mr. ARMEY. I am quite aware of that, but your doing so at this time takes me by surprise in light of the explanation I listened to earlier regarding whether we could or could not get the original bill here.

Mr. COELHO. Mr. Speaker, will the gentleman yield further?

Mr. ARMEY. I would be glad to yield to the gentleman from California.

Mr. COELHO. I thank the gentleman for yielding.

Mr. Speaker, let me restate my point that I made earlier, I am sure the gentleman from Texas knows anytime he wants to, at any point he can offer a motion under unanimous consent to bring up a bill. The question is whether or not a bill will come up and be considered, and that is what we are into right now. But you could have done that anytime today or any other time, or yesterday.

Mr. ARMEY. I appreciate that.

Mr. WALKER. Will the gentleman yield?

Mr. ARMEY. Before I close I want to make a final point. What I am suggesting here today is what I have been talking about all day. We try our best to plan our legislative day, to respond to the needs of the calendar as it is presented to us and then we find it changed on such an ad hoc basis and I wanted to make the point to the gentleman from California that, as you may recall, I said I am sure I will not object but I would like to make a point that I really believe it would help us to accommodate to an orderly business of the House if the House business would be more orderly.

With that, Mr. Speaker, I withdraw my reservation of objection. I will not object.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. FRANK. Reserving the right to object, Mr. Speaker, I first want to say to my friend from Texas before his colleague who I think urged him not to yield anymore, the gentleman from Wisconsin, I wanted to say to the gentleman from Texas when he said he was so pleased this bill is coming up; one appropriate analogy is do not count your chickens before they hatch. As I look around the floor I would urge the gentleman: Don't drink the milk before the udder has been yanked.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, I wanted to clarify something here. We have a standing agreement in the House that both leaderships shall have signed off on any bill brought to the floor by unanimous consent. Now it is my understanding that the minority leadership has in fact agreed to bring this bill to the floor by unanimous consent. Has this been thoroughly signed off by the majority leadership as well?

Mr. FRANK. Mr. Speaker, I control the time, the gentleman does not control the time.

Mr. GUNDERSON. Mr. Speaker, will the gentleman yield to me?

Mr. FRANK. Not yet, because I wanted the gentleman from Texas to yield to me, and you told him not to, so I do not think I will yield to you for a while. No, I am not going to yield at this point.

Mr. WALKER. Mr. Speaker, will the gentleman yield further to me?

Mr. FRANK. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

The only question I had was whether or not the legislation we are being asked to be brought before us by unanimous consent has been fully signed off by the majority leadership.

Mr. FOLEY. Speaking for the majority leadership I support the unanimous-consent request of the gentleman from California.

Mr. FRANK. I just want to say, Mr. Speaker, I want to make clear that I wanted to say something earlier and the gentleman controlled the time under his reservation and the gentleman explained that he did not want to yield to me. I want to make clear some of the accusations that were made before, fundamentally what some of us who do not like this legislation are being accused of. Some of us who voted against Gramm-Rudman are being accused by some who voted for it of the dastardly deed of letting it take effect. Now it seems to me a bit harsh when some of us voted against that bill, for people who voted for it to be critical of us because we are objecting to their very particular way of derailing it.

□ 1715

I think it needs a lot of changes. There is going to be on March 1 a lot of pain from a lot of people. I would like to see a whole raft of changes.

Mr. Speaker, I also want to underline what the gentleman from Vermont acknowledged. I appreciate the courtesy before the gentleman from Pennsylvania extended to us to give us a chance to make this point clear. The gentleman from Vermont acknowledged that every dairy farmer in America under the proposed legislation that we are talking about, the underlying legislation, would pay a higher assessment to the Federal Government. That is, we would avoid Gramm-Rudman's proposal to reduce expenditures and make up the equivalent amount of money instead by raising revenue.

Now the gentleman from Wisconsin said, and I will yield to him right after this, you would not really save anything by cutting expenditures because the dairy producers would just produce more milk, and then we would have to buy more milk.

That is true in part right now because the bipartisan, cross-ideological coalition of liberals and conservatives who forgot about free enterprise have legislation on the books that say we will buy all the milk the dairy farmer produces.

So as long as you insist on continuing the dairy program as an antimeans tested entitlement, in which the more you make the more you get back from the Government, that is true. So I would hope we would correct the underlying thing.

Mr. Speaker, under my reservation of objection, I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Speaker, I appreciate the gentleman yielding to me.

I want to point out that I happen to share the gentleman's sentiment that the dairy purchase program is an anti-means tested entitlement, and I have suggested for a long time that we ought to restructure it for that purpose. I think the gentleman would be happy to know that the farm bill includes a dairy policy commission intended to look at that very issue and report back to our subcommittee and to this Congress by March 1987, at the end of the whole-herd buy-out program. So we share the same sentiment on that. We want to revise the program.

The earlier question and the reason I asked the gentleman to yield at that time, after you yielded to the distinguished majority whip, was when the question was asked whether or not the majority party cleared the bill brought up by our distinguished subcommittee chairman.

Mr. FRANK. I did not ask that question.

Mr. GUNDERSON. I understand that.

I wanted to also point out that this bill has also been approved by the administration, that they will sign this into law, this 5 days.

I think that we ought to point out to everyone that what we have got here is a recoupment policy.

Mr. FRANK. Mr. Speaker, I want to take back my time at this point.

Mr. GUNDERSON. So that if we do not resolve this issue next week, we will not lose money.

Mr. FRANK. Mr. Speaker, I am taking my time back at this point, because I do not want something obscured.

I want to point out again I was on my feet for quite a while when the gentleman controlled the time before and the gentleman would not yield to me at all. So I am struck by my generosity. Not the gentleman from Pennsylvania, he was very courteous.

What the administration has agreed to sign, as I understand it, is the 5-day backstopper. They have not indicated that they are going to sign the underlying bill which would reverse Gramm-Rudman by replacing deficit reduction to expenditure reduction with revenue increase.

Mr. Speaker, under my reservation of objection, I yield to the gentleman from New York.

Mr. SCHUMER. Mr. Speaker, I thank the gentleman for yielding.

Let me just try to share with my colleagues some of the objections I have to allowing this to go forward.

First, I think back to last year at this time, or maybe a little later. There were many of us on the Housing Committee who had struggled, literally struggled, to come up with some new programs. What happened was that we took the money from existing programs which many of the other side had said were failures—we would not have gone that far, but certainly we believe they would need perfection—and we said let us put the money into new programs. Let the Housing Committee decide on where housing money should go. We do not want to spend any more money than the budget process had allocated us, but let us at least try with new programs. And all but seven people on the other side of the aisle voted against that under the rubric of no new programs. They said that you in the Housing Committee cannot change what is going on.

Then Gramm-Rudman came up, and the only theory that I heard that would make any sense to me about Gramm-Rudman, because I am not of the ideology that we ought to shrink government, is very simply that let us make things so bad that everyone will come to their senses and reduce the deficit. That was the idea of Gramm-Rudman. At least that is one of the reasons that I heard voiced on our side of the aisle, on your side of the aisle and all over the place. Let us make things so bad, let us let the steam on that kettle cook and cook and cook, and let us not let any steam out of the kettle until it gets so hot for everybody that they come to the table.

Today we are talking about heat, the first of what I feel will be many changes that some will propose in Gramm-Rudman. As my colleague from Massachusetts had said, most of them are people who voted for Gramm-Rudman; not all, but most.

In any case, the idea was pain, not just pain for the people who live in urban areas or the elderly, which is the kind of pain that my constituents have been experiencing for 5 years under Gramm-Latta, and now under Gramm-Rudman, but pain for everybody. Cuts are real, gentlemen. We are not talking about people far away. We are talking about pain.

This idea that government does no good for nobody, it seems to do some good for dairy farmers, and it does. And it does some good for people in public housing. And it does some good for senior citizens.

Now you are saying make an exception, make an exception because it does not cost any more money. We have been asking for those kinds of exceptions for programs that we care about for 5 years.

Ladies and gentleman, yes, government does good, and yes, Gramm-Rudman hurts government which does good; not just the waste, not just the inefficiency, it hurts real people.

I, for one, will be damned if I am going to say let us let dairy farmers out from under the knife of Gramm-Rudman, although I respect dairy farmers and care about dairy farmers. Maybe not as closely and as emotionally as you do, but I believe in my heart I do. And let us leave all the other people under the Gramm-Rudman knife. No way for me.

Mr. FRANK. Mr. Speaker, further reserving the right to object, I just wanted to underline some of the very eloquent things that my friend from New York has said.

Not only in the housing bill were we seeking to do some things that were revenue neutral, we were not raising any taxes.

I want to stress again that in the legislation that is being argued for by so many on the floor, we increase the assessment. Do you know what that assessment is? It is a tax on the privilege of being a dairy farmer in America. That is what it is. We tax you whether or not you get benefits from the dairy program. If you want to be a dairy farmer, you are subject now to an assessment, and they want to increase that by 10 cents per hundredweight.

In fact, we not only have them arguing, those who are for this, that we eschew reducing expenditures, but instead increase this assessment, this tax on being a dairy farmer, but we have it being done in ways I think are inflationary.

The gentleman from Vermont had said that one objection the gentleman has to cutting the support prices, if the Government pays less, other people say they will pay less and the price will drop. But the gentleman said I liked that and he did not. That is true. I think it is a good idea.

I agree with the Reagan administration here that excessive price supports have been inflationary.

On the other side, when you raise the tax on people for the privilege of being in the milk producing business, you raise the price. I have been hearing from some of the people who use dairy products who were worried about the price increase impact of this. You raise the assessment; that is, the tax on every dairy farmer, you raise the cost of dairy farming and there is the tendency to raise the price.

So, the gentleman says if we cut the support price, we may lower the price; instead the gentleman wants to have us do something that may increase the price. I think that may be in the interest of some dairy farmers, but I do not think it is overall in our interest.

I, of course, agree with the gentleman from New York that this piecemeal process of exempting people from Gramm-Rudman—and this is not a technical amendment. This is replacing an expenditure reduction with a tax increase, the increase in tax on being a dairy farmer.

Mr. Speaker, I yield to the gentleman from Missouri.

Mr. EMERSON. Mr. Speaker, I thank the gentleman very much for yielding.

Mr. Speaker, I would just like to point out that we have two options under Gramm-Rudman, and that is to legislate or sequestrate.

Gramm-Rudman and the farm bill were two of the very last pieces of legislation that we acted upon in the last Congress. The farm bill, the new farm law, is the first piece of legislation to feel the impacts of Gramm-Rudman because of the process here. I mean, the law was the last one passed, and the regulations, if I may say to the gentleman from Massachusetts, are just now being implemented. That is why agriculture is here up front.

I am not necessarily saying it is the first to be felt. We are in a particularly difficult bind because we are beginning to implement the law with regulation.

So I think the Agriculture Committee has done the responsible thing here. There is a twist here that needs some attention. We are trying to legislate it rather than to let the automatic sequestration take effect.

I dare say, and I say this in all sympathy to the arguments of the gentleman from New York, that we are going to face situations like this many times this year. It just happens, if I may say to the gentleman, the gentleman complains that there has been a lack of sympathy in the past for our not acceding to new programs. I think we are going to see a lot of it this year. I would hope that the gentleman, in the spirit of amity and compromise here, in the hopes of some of the rest of this coming around this year later on some of the programs that the gentleman is interested in, might see his way clear to letting us deal with this problem which is of such serious consequence to so many people in the agricultural community.

□ 1725

Mr. FRANK. I have to disagree with the gentleman. And I have to say, this is not a sequestration. I know that is what people in the other body called it. But, in addition to the economic and social failings of Gramm-Rudman, it is a semantic horror. You do not sequester funds by making them disappear. If we report that someone has been sequestered, we do not expect that that means he or she will never be heard from again, unless maybe they are in South Africa or Afghanistan. This is not a sequestration. People who say this is sequestration do not know the difference between a couple years in jail and capital punishment. But that is the least of the ignorances which the authors of Gramm-Rudman have inflicted upon us.

The point is that on March 1 everybody is going to feel the pain. A lot of things are going to get cut back, not just agriculture. I understand that agriculture has a particular March 1 deadline, but everything gets cut back on March 1.

And I want to be very clear why we are here. We are here because the majority of both Houses voted for and the President signed a dumb bill. I did not vote for the dumb bill. I would like to change it. The gentleman from New York is right. I cannot agree to the underlying legislation which says: Change the thrust, and not in a minor way, but in a major way.

I want to repeat, the gentleman from Vermont, a great expert on dairy, says, "If you do it the way Gramm-Rudman calls for, you will have a downward pressure on dairy prices."

Well, people who voted for that should have understood that is what they were bringing about.

And he says if you do it the other way, you will avert the downward pressure on dairy prices.

I am not prepared to avert the downward pressure on dairy prices. I do not like this legislation on its merits. I do not care what you are doing for other things, I think it is a great mistake to raise the tax on milk production in America instead of doing it the other way.

Mr. Speaker, I yield to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. I thank the gentleman for yielding.

Mr. Speaker, I, too, oppose this legislation in this fashion, not on the issue of the merits but on the question of the procedure whereby, at 5 minutes to midnight, before Gramm-Rudman takes effect in the first sequestering order, we find that those constituencies that have the strength can seek a manner in which to get out of it, because we have been told in other committees, where we did not have the political strength, there were to be no changes, the order would take effect as it came. That was the pain, that was the suffering of Gramm-Rudman. But now we find out, as David Stockman told us many years ago, the Federal budget and the Federal deficit is made up of strong clients with weak claims and weak clients with strong claims. Adn here we have strong clients with weak claims, because what do they have the opportunity to do? They have the opportunity to get out from under Gramm-Rudman, to take away that hot spot that rubs against the dairy industry and to socialize those losses, to spread it out through consumers or spread it out through other dairy farmers who do not participate. But when we cut a unit of housing on March 1, when we cut a unit of handicapped education or compensatory education or we cut down the hours in the Library of Congress, there is no other place for those people to do, there is no other place, because that was the function of the Federal Government.

But now we have some people who come and tell us: Simply change the Dairy Subsidy Program a little bit. It will not cost you any more on the deficit, we will not change the cost of the program, we will just spread it out across America.

But if we were to suggest, for a moment, that revenues need to be raised or taxes need to be raised, we were told we cannot do that, we have got to make those additional cuts.

Now, the Dairy Program as set up may be penny wise and pound foolish. But do you know what? That is the problems of Gramm-Rudman. And it was with great glee on the other side of the aisle and on this side of the aisle by people who thought that they were going to have a magical instrument here to whittle down the deficit and they would have to take no political responsibility or no political heat. Well, the heat has just arrived, and it will arrive in every other sector where the Government does business. What we are not going to do is have a piecemeal approach where those with big political action committees, those with broad constituencies can get out from underneath the heat and those who are weak and those who are disenfranchised will have to stay and do the suffering. That is not the way we are going to legislate under Gramm-Rudman.

Once again we see a very powerful industry that has always sought to maximize the profits and socialize the losses, and that is not the opening shot on Gramm-Rudman.

So again I will object to this legislation if somebody else does not, to the unanimous consent request to bring this before the floor. If people want to come and they want to give the other committees the same opportunity that this committee took upon itself, then maybe we can talk about it. But at this point that is not what is happening here. What is happening is very unfair. It is not by accident that this legislation came on the last legislative day before Gramm-Rudman goes into effect.

Mr. FRANK. I could not agree more.

Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. GUNDERSON], and then I will yield to the gentleman from Washington [Mr. LOWRY].

Mr. GUNDERSON. I appreciate very much the gentleman's yielding, because I do want to respond to the comments that have been made here.

First of all, this is not the first bill to deal with Gramm-Rudman. We had the VA bill up earlier this week. We all understand that.

Second, let us talk about procedure, and let us also talk about the issue of

the housing bill. I understand the gentleman's comments on housing. They are legitimate. But let us understand that you were given the chance, as was every other Member of this Congress, to vote on that housing bill up or down. What we are objecting to today is that the bill, all of a sudden, was pulled from the calendar. It has been through the committee process, it has been through the Rules Committee, it has been given a rule, and, all of a sudden, we are not even given the opportunity to debate that bill. You have every right to vote against it. The gentleman from California and the gentleman from Massachusetts have every right to vote against this bill if they do not like it. But, for gosh sakes, let the legislative process work, do not deny it. That is what we are so upset with today.

Third, let us understand that the dairy industry has not been exempt from the cuts. In 1980, when I came to the Congress of the United States, the dairy price support for 100 pounds of milk was $13.10. As a result of what we are doing here today, on Saturday the dairy price, effective support price, is going to be $10.70. Let us understand there have been significant cuts.

Mr. FRANK. I will take back my time. The gentleman is trying to keep it, of course, a half a buck higher than that. When he cites the result of what is being done, it is a result of what he is trying to prevent that will get it down that last half a buck.

Mr. Speaker, I yield to the gentleman from Washington [Mr. LOWRY].

Mr. LOWRY of Washington. I thank the gentleman for yielding.

Mr. Speaker, I would like to have my own reservation of objection, and I am going to object, after this.

The SPEAKER pro tempore. The gentleman from Washington [Mr. LOWRY] reserves the right to object.

Mr. LOWRY of Washington. Mr. Speaker, just to notify people, fairly soon I am going to go ahead and object.

And, in doing that, I sincerely mean that I think some of the best Members of this Congress have worked hard on bringing this bill to this floor. I really mean that on both sides. I like you both as friends and as Members of Congress.

I, this morning in the whip meeting, raised my own personal objection to this bill coming up because 1½ months ago I asked to, within the same dollars, be able to have the opportunity for reprioritizing, and an example I used of many was specifically compensatory education. Within education, within the same dollars, for the low-income education program, I thought we ought to have an opportunity, when the 4.3 came down, to do something about it. No way. And just other examples went right down the line.

Now, I let go two staff people. One of the committees I serve on I think is going to let go 10. Now, that is real. That is not going to be reversed or taken out. The community health clinics in Seattle are cut back. Right down the line. I do not like it. I voted against Gramm-Rudman.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. LOWRY of Washington. I will, in just a second, yield to the gentleman from Pennsylvania. Frankly, I have made my point. I do not need to go on with the point.

I wanted very much to do, frankly, the same type of thing I heard the gentleman in the well and a few others say. I wanted us to be able to go at functions and, within those functions, reprioritize dollars within the limits set by the law that passed, Gramm-Rudman.

I yield to the gentleman.

Mr. WALKER. I thank the gentleman for yielding.

I was going to ask the gentleman how he voted on the amendment that was designed to do specifically that prior to the recess, so we were not acting at 5 minutes to midnight, so that in fact the committee could have gone through and reprioritized the money and done this the right way.

How did the gentleman vote on the amendment?

Mr. LOWRY of Washington. I heard talk about that earlier today. And I was wondering how I voted. I may have voted against it.

Mr. WALKER. The gentleman may want to check that.

Mr. LOWRY of Washington. I may have voted wrong. I will tell you, this would not have been the first time I voted wrong in this place.

Mr. WALKER. I thank the gentleman.

Mr. LOWRY of Washington. But I really feel bad about first, second, third, fourth-grade little kids who get tutoring because they are having trouble with math and reading, and they get cut 4.3 percent in compensatory education. My wife is a volunteer in one of those programs. We love those little kids, and Gramm-Rudman is cutting them 4.3 percent, and I do not want dairy off the hook.

So I am going to object.

I would be happy to yield to others if they would care to move on. I yield first to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. I thank the gentleman for yielding.

I would, personally, prefer that the gentleman not object or the gentleman from California or New York, because I think this legislation is legitimate. But I have to say, coming from a dairy district and wanting to see this legislation pass, I gag when I hear some of the rhetoric around here today, because let us face it, we are in this box because a whole lot of people are discovering that when they voted for Gramm-Rudman last October, what they voted for was a wrapped Christmas package. They saw the wrapping, they had no damn idea what was in it, and now they are discovering what was in it. And now that they are discovering that they do not like what was in it, they are saying, "Gee whiz, how can I cover my tracks?"

Now, let us not kid ourselves. That is what is happening. People are saying, "I want to cover my tracks. I voted for Gramm-Rudman, but I want to take a duck from the responsibilities of my own actions."

Now, that is what is happening.

I do not want to see this bill objected to because I think, on the merits, it is a more rational way to deal with dairy's obligations under Gramm-Rudman than the 50-cent price reduction. I disagree with the gentleman from Massachusetts. If he thinks his position benefits dairy farmers, he better come out and visit a few. But the fact is, let us not kid ourselves. What is going on today is we are getting into a semantic discussion about sequestration. But the fact is that when Gramm-Rudman was before us, we know that a lot of people were going to get clobbered because people did not know what was inside that box, just like we knew that a lot of people were going to get clobbered when they voted for Gramm-Latta 5 years ago when we did not even have a copy of the damn legislation.

So I agree with the objective of the gentleman from Wisconsin, I agree with the objection of the gentleman from Vermont, and others, and the gentleman from Wisconsin [Mr. KASTENMEIER], who is also an author of this legislation. I want to see it pass. But, by God, let us not kid ourselves. We are here because people voted for Gramm-Rudman and now wish to hell they had not.

Mr. LOWRY of Washington. Mr. Speaker, further reserving the right to object, I will say to the gentleman from Wisconsin that is right. That is why, after the yielding is over, I am going to object at that time.

Further reserving the right to object, Mr. Speaker, I yield first to the gentleman from Idaho and then to the gentleman from Missouri.

Mr. CRAIG. I thank the gentleman from Washington for yielding and for allowing me some of his time.

There were a good many of us who voted for Gramm-Rudman who knew what was in the box, but we also thought this body would then rise to the occasion and be responsible in recognizing that, once we had made the decision to reduce the deficit and to make, through that process, a tool that designated targets, we would

come back here and in a responsible fashion look at a variety of those programs and attempt in an even-handed way to bring about a different solution to the problem.

I think what I hear my colleague from the State of Washington and my colleague from the State of California say is that they do not necessarily object to this bill, but they are objecting to their leadership's unwillingness to be responsible. They are objecting to the committee chairmen of this House taking the responsible charge of Gramm-Rudman, spreading it out, looking at it and making the kinds of decisions that ought to be made.

Now, I, like so many of this body, just came back from a recess in which we spent a lot of time in our districts. We gave a lot of speeches, and most of those, I suspect, were about Gramm-Rudman or some portion of it. And one thing I told my constituents—and I think it was a valid statement—I said, "If you take Gramm-Rudman to the extreme, and that means that this Congress and this body has failed their responsibility, then the cuts you are hearing about will occur. And if it happens, do not blame Gramm-Rudman; blame the leadership of the House, blame the leadership of the Senate, blame the committee chairmen, blame the membership of the body, because it is our charge and our responsibility to be fair, to legislate properly."

That is what this legislation does this afternoon. It says: Here is an approach to change the process to meet the guidelines of Gramm-Rudman. Now, that is what it says.

So what I am hearing from my colleague from the State of Washington and my colleague from the State of California is that they are objecting to their own leadership, they are not objecting to a good piece of legislation, and it is sad, for me, to think that you have to get back at your own leadership by destroying a good piece of legislation.

□ 1740

Mr. LOWRY of Washington. Mr. Speaker, further reserving the right to object, I would say that I am objecting to Gramm-Rudman.

Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. I thank the gentleman for yielding.

Mr. Speaker, the previous speaker just mentioned the word "responsible." He said that he had hoped that what we were doing to Gramm-Rudman was the responsible thing. With all due respect, the responsible thing to do is not to pass some blind man's bluff scheme which says we are going to meet a magic number but we have no idea within the context how we are going to handle all of the details.

The responsible thing for Members to do if they want to avoid these kind of crunches, whether it affects my constituents in dairy or whether it affects urban constituents on other issues, the responsible thing to do is to go down the appropriations process and review each of those bills. It is irresponsible to pass Gramm-Rudman legislation which denies you the opportunity to deal with appropriation legislation.

Let us not kid ourselves: The act of irresponsibility was to say we are going to hit this 144 target without having any other idea of how we were going to do it. What we now have going on around here is the politics of blame; the maestros of blame of now trying to find any way to get out——

Mr. CRAIG. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I believe I am recognized, Mr. Speaker, and I would appreciate not being interrupted until I am finished.

The SPEAKER pro tempore. The gentleman from Washington [Mr. LOWRY] controls the time.

Mr. LOWRY of Washington. Mr. Speaker, I continue to yield to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Again, I want to see this legislation passed and I would urge Members not to object. But I just have to say that the pretense that somehow you are being responsible if you vote for a proposal which you know is going to put people in boxes like this, is, I find, a very weak joke. I do not think my dairy farmers are going to appreciate it. I do not think people who need housing are going to appreciate it, and I suspect that before this session is over we are going to learn that what we should have done is not to pass a blind Gramm-Rudman. What we should have done is to say to the President and to every Member of this House, we had better get a grand compromise which puts absolutely everything on the table which includes entitlements, which includes domestic discretionary programs, which includes the military budget, and, by God, which includes additional revenues as well.

That is the responsible thing to do and let us not kid ourselves.

Mr. LOWRY of Washington. Mr. Speaker, further reserving my right to object, I yield to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. I thank the gentleman for yielding.

Mr. Speaker, I would just like to say to the gentleman from Wisconsin that I do not think anyone is trying to blame anyone about Gramm-Rudman. It passed this House by a bipartisan, almost 2-to-1 majority.

You know, there is a winning side and a losing side to every issue that we debate and vote upon here. Gramm-Rudman did pass; it is here, and now we are trying to decide how we are to go forward.

I would observe that politics does indeed make strange bedfellows. I find myself here this afternoon in strong agreement with the points made by the gentleman from Washington, the gentleman from California [Mr. MILLER], the gentleman from New York [Mr. SCHUMER]; they want to legislate. We want to legislate. We do not want a sequestering. But legislating and sequestrating are the two options we have. Now, we can go one route or the other.

I would suggest to those of you who like to raise the issue of pain, that if we take the time and trouble to legislate, we are going to find there is an awful lot less pain than if we go the route of sequestrating.

Mr. LOWRY of Washington. Mr. Speaker, further reserving the right to object, I yield to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. I have to disagree with the gentleman from Missouri; he said no one is here trying to blame. I am trying to blame. I want to blame Gramm-Rudman. I was a little surprised at my friend from Idaho; he is a good fellow, but he was saying, "Do not blame Gramm-Rudman." How can we not blame Gramm-Rudman for Gramm-Rudman? What we are talking about is whether the Gramm-Rudman law should go into effect. If the law is not to be held accountable for its own provisions, then the gentleman has become a permissivist beyond the wildest dreams of the Civil Liberties Union.

I would think that it was not controversial to say that when people vote for a law and the law is signed by a President who thinks it is unconstitutional but signed it anyway, and it was held unconstitutional by three judges who let it go into effect anyway, that when it does go into effect, it is not unreasonable to note that what has happened is that a law that was signed and voted for went into effect. Members who did not like its provisions should have voted against it.

We are talking about Gramm-Rudman. My friend from Wisconsin said it was blind. I would disagree; I do not think it is blind, I do not think it is deaf; I think it is dumb, and I do not mean mute. That is a bad thing to call mute people. I mean dumb. I do not think it makes any sense and that is what people agree on.

This provision does not make any sense and other provisions do not make any sense. I also want to point out because I do not like the specifics. The gentleman from Wisconsin is a strong defender of the interests of dairy farmers and I respect the gentleman, Mr. OBEY. I did not say that I thought my position was better for

the dairy farmers. I agree that those of you who represent dairy farmers advocate the position that is better for dairy farmers. In 1981 it was $3 billion better for dairy farmers. Now it is not so good, it is only about a billion and a half better. But at a billion and a half better it is still pretty better where I come from.

My position is better for the dairy consumers and ultimately better for the taxpayers. But again I want to make it clear, too, the precedent you were setting. What you were saying is that where Gramm-Rudman calls for a reduction in expenditures to dairy farmers, you want to replace that with an increase on the tax that every dairy farmer in America has to pay for the privilege of being a dairy farmer whether or not that dairy farmer participates in the program.

Now, I thought revenue increases as an alternative to expenditure reductions was not the position of people on the other side, but apparently there is kind of a growing movement in that direction. If it is going to be that way for dairy, maybe it is going to be that way for other things.

I do want to just get back to the basic point. Yes, I think we should blame, and I do not think it is obfuscation to suggest that a Gramm-Rudman is a Gramm-Rudman is a Gramm-Rudman, and that is what you have got here today.

Mr. LOWRY of Washington. Mr. Speaker, further reserving the right to object, I would like to yield to the gentleman from Vermont who, I want to truly say, I think is an excellent Member of this body and I know has worked awfully hard on this legislation. I do not like causing you the problem I am going to be causing you here in a few minutes.

I yield to the gentleman from Vermont [Mr. JEFFORDS].

Mr. JEFFORDS. I thank the gentleman for his comments; I am not sure I will appreciate what you may end up doing.

I would just like to say that we knew and voted for and knew what was in Gramm-Rudman. Unfortunately, or at least we thought we knew what was in Gramm-Rudman. The issue here is that when we opened that package up, which we so eloquently described, we found out that what was supposed to be in Gramm-Rudman with respect to dairy was not there. It was not there. Something else was there.

The gentelman from New York, who talked so, so eloquently about housing programs which I have been a supporter of, I cannot understand in my heart at all as to why you want thousands of dairy farmers to join those people that do not have adequate housing, who will be thrown out of their homes, who will be required to go through bankruptcy, and that is what the difference is here.

We are not trying to get out from under Gramm-Rudman; we are trying to do it in a way to prevent a large number of people from joining those ranks of those people who have been thrown out of their homes.

Mr. LOWRY of Washington. Mr. Speaker, further reserving the right to object, I yield to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. I thank the gentleman. I just want to make a few points, first in general and then response to Gramm-Rudman.

When I went to the Budget Committee hearings with the gentlemen from Washington and Florida, I was appalled to find one of the authors in this House of the Gramm-Rudman legislation handing out a press release saying he was for restoration of the 3.1-percent cut for Federal retirees and for NASA and for 7 other programs that made like a roadmap of Florida. If what he did in Tallahassee was the same thing that is happening today here on dairy and tomorrow on other issues, then we can resolve this, gentlemen. There is not an impasse.

As the gentleman from Missouri said before, maybe we should all get together and resolve that each committee or each area of jurisdiction can make changes within the confines of Gramm-Rudman. But the basic problem is to the gentleman from Wisconsin and the gentleman from Vermont, we have to do it together. We cannot say, well, we will pass this and we will deal with it tomorrow because there are lots of other people out there.

Gentlemen, in my view, and I care about those dairy farmers, I really do, but I would be betraying the constituencies that I care about if I let this cow out of the barn, never to be sure or without working out all of the other problems. Gramm-Rudman, in my opinion, should be repealed no matter who gives milk. But in any case, if we are going to have to live with it, we ought to live with it fairly and equitably; not in a jaundiced setting whereby those who have the political power get out from under it.

□ 1750

Mr. LOWRY of Washington. Continuing under my reservation, I guess we see why we have a problem.

Mr. SCHUMER. To let this cow out of the barn without working out all the other problems; Gramm-Rudman in my opinion should be repealed, no matter who gives milk; but in any case, if we are going to have to live with it, we ought to live with it fairly and equitably, not in a jaundiced setting whereby those who have the political power get out from under and those who do not get squeezed.

Mr. LOWRY of Washington. Continuing under my reservation to object, Mr. Speaker, I will do this for only another 5 minutes, I am giving everybody fair warning.

First, under my reservation, I yield to the gentleman from Texas [Mr. BOULTER].

Mr. BOULTER. Mr. Speaker, I thank the gentleman from Washington.

I would just ask the gentleman from New York and several others who say we should be allowing all the committees to reach the $11.7 billion cuts in their own manner through their own power of authorization, where were you when a few days before we adjourned for the district work week when I introduced a resolution with 51 cosponsors that would have done exactly that same thing? I sent out "Dear Colleague" letters to every one of you and was told that the Speaker of the House would not go along with it, that the chairman of the Rules Committee would not go along with it, and some of the leadership on this side would not go along with it.

I think the gentleman is exactly right. I wish I had had the gentleman then.

Where were you on the Walker motion to recommit back when the House Administration Committee instructed the standing committees to cut administratively, but to set priorities? Where were you when we said, "OK, that's good, but go forward and instruct those committees to take up programs within their jurisdiction and reach the amount of cuts that the Presidential sequestration order would impose, but do it rationally."

I mean, we are so late. I just wish you all—maybe you did not understand my resolution. Maybe it should be resurrected.

In response to the gentleman from Wisconsin, talking about blind cuts, I think we all hate blind cuts. In my recollection and understanding of the Gramm-Rudman process before we came to a final vote was that it was the gentleman's amendment that caused the 1986 cuts with the $172 billion target set for fiscal year 1986 and we had no choice but to make blind cuts, because we could not get to the $172 billion target for fiscal year 1986. Therefore, sequestration comes in on March 1.

Then I introduced a resolution to void it and maybe there is still something we could do with my resolution.

Mr. LOWRY of Washington. Mr. Speaker, continuing my reservation of objection, I yield to the majority whip.

Mr. FOLEY. Mr. Speaker, just a point with reference to the original Senate bill which was sent to the House and contained a target of $180 billion to be effective in 1986, that was amended to reduce it to $159 billion and then it was again changed to $171.9 billion. The original bill coming from the Senate did have a 1986 se-

questration level of $180 billion. I think the gentleman will find if he looks at the legislation that was the case.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. COELHO]?

Mr. LOWRY of Washington. Mr. Speaker, I object to the unanimous consent request.

The SPEAKER pro tempore. Objection is heard.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO HAVE UNTIL MIDNIGHT, FRIDAY, FEBRUARY 28, 1986, TO FILE REPORTS ON H.R. 4105 AND H.R. 4079

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight on Friday, February 28, 1986, to file its reports on the bills H.R. 4105 and H.R. 4079.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

REQUEST FOR ADJOURNMENT OVER TO MONDAY, MARCH 3, 1986

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns tonight, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

Mr. JEFFORDS. Mr. Speaker, reserving the right to object, it is my understanding the other body is still in session. They are presently, as I understand, working on legislation in this area. I think it is improper for this body not to take up the legislation which we have been referring to all day.

For that reason, Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

REQUEST FOR ADJOURNMENT FROM FRIDAY, FEBRUARY 28, 1986, TO MONDAY, MARCH 3, 1986

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow, Friday, February 28, 1986, that it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

Mr. JEFFORDS. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

REQUEST TO DISPENSE WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

Mr. JEFFORDS. Mr. Speaker, I object.

Mr. WALKER. Mr. Speaker, I objectd.

The SPEAKER pro tempore. Objection is heard.

LEGISLATIVE PROGRAM

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute.)

Mr. GUNDERSON. Mr. Speaker, I have asked for this time for the purpose of yielding to the distinguished majority leader to announce the program for next week.

I yield to the distinguished gentleman from Washington.

Mr. FOLEY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, the House will meet tomorrow at noon. There is no legislative business scheduled.

The House will meet at noon on Monday, assuming that unanimous consent can be obtained that when the House adjourns tomorrow, it adjourn to meet on Monday next, which will be offered tomorrow again.

The House will have a pro forma session on Monday.

On Tuesday, March 4, the House will meet at noon with two bills under suspension of the rules. Recorded votes under suspensions will be postponed until after the debate on both bills.

The bills are: H.R. 3168, to require the Office of Management and Budget to prepare annual reports on the geographic distribution of Federal funds, and H.R. 3614, to restrict the use of Government vehicles.

On Wednesday and the balance of the week, March 5, 6, and 7, the House will meet at 3 p.m. on Wednesday, and 11 a.m. on the balance of the week for further consideration of the conference report on reconciliation and for consideration of H.R. 2418, the Health Services Amendments of 1985, under an open rule, 1 hour of debate; and for H.R. 4105, the wheat and grains yields bill, subject to a rule being granted. That actually deals with wheat, feed grains, upland rice and cotton; and H.R. 4079, legislation dealing with the planting of nonprogram crops on excess acres of wheat, feed grains, rice, and cotton, under the 1985 farm bill. This is again subject to a rule being granted.

Conference reports, of course, may be brought up at any time and any further program will be announced later.

Mr. GUNDERSON. Mr. Speaker, the gentleman has indicated that sometime Wednesday and the balance of the week we could have further consideration of the conference report on reconciliation. Because I understand that is a privileged motion to bring up at any time, would it be proper to get some kind of assurance that we could at least have 1 day or 24 hours notice before that legislation of that magnitude is brought up?

Mr. FOLEY. We can certainly give the gentleman assurance that it will not be brought up before Wednesday.

Mr. GUNDERSON. But could we know on Tuesday if it is coming up on Wednesday, or Wednesday if it is coming up on Thursday; is that possible, so Members could plan?

Mr. FOLEY. I think we are serving notice that it may come up on Wednesday or the balance of the week. If the gentleman would like to inquire on Tuesday more specifically on the plans, I think we would be willing to respond at that time.

I am reluctant to say at this time that we would give 24-hour notice after Wednesday as to the bill being brought up, but we will definitely assure the gentleman that it will not be brought up on Monday or Tuesday, that it will not be brought up before Wednesday.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. GUNDERSON. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Speaker, I think the gentleman from Washington meant to say 11 o'clock tomorrow for the session—is that right, which is the normal hour for Friday?

Mr. FOLEY. Yes. I misspoke, as the current phrase is. The House will meet tomorrow at 11 a.m.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield further?

Mr. GUNDERSON. I yield.

Mr. MILLER of California. Mr Speaker, I would just like to ask the distinguished whip what the situation will be tomorrow? The gentleman mentioned there is no legislation scheduled. So what will be the nature of the session tomorrow?

Mr. FOLEY. Well, I assume that any legislation that might be considered tomorrow would have to be considered under unanimous consent for its consideration.

Mr. MILLER of California. Mr. Speaker, I thank the gentleman.

LEGISLATE OR SEQUESTRATE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for his remaining 42 minutes.

Mr. WALKER. Mr. Speaker, I am certainly glad that all that did not come out of my time. I appreciate the Chair's indulgence.

Well, we have had a very interesting discussion here and it goes back to the question that I was raising as we moved toward the substantive discussion of potentially bringing a bill to the floor, and that is, the question is, what is it we are going to do around here and how are we going to do it? The fact is that we have had a whole series of people get up now and say that the individual committees of Congress ought to take care of these matters within their committees and make certain that the cuts that have to be made are made correctly.

On the occasion of having a vote on that matter, most Members of this House, by a 2-to-1 margin, voted against doing precisely that.

Now they want to make the point that the people who voted for Gramm-Rudman are responsible for what is happening under Gramm-Rudman right now.

The point is that they are responsible for the fact that we do not have the individual committees coming to the floor for the cuts because they voted down that process. That process, I will say to the people in this body, is precisely in line with Gramm-Rudman. Gramm-Rudman is not just a sequestration order.

Too many of the people who are getting up on the other side of the aisle equate Gramm-Rudman with sequestration. That is precisely not the case. What Gramm-Rudman says—and this is confirmed in a card that was sent around by both the majority whip and the minority whip, every Member got it, they got it in their office—and it says that the President, as of February 1, had to come forth with a sequestration order, but then we had a 30-day period in which to legislate. Between February 1 and March 1, we could have, in fact, legislated in a way to prevent the sequestration from taking place.

We specifically chose in this body not to legislate.

We specifically chose for the pain to be inflicted of sequestration. That is our contention out here, that Gramm-Rudman was not complied with, that Gramm-Rudman was in fact translated into a sequestration order, which it was never meant to be, and that is a decision that rests with the majority leadership of this body because they are the ones who made that determination.

It also rests with virtually everybody who voted against the amendment offered on the day that we brought it to the floor that would have given the individual committees the obligation of coming forth with their own plans. Those are the people who have inflicted pain, and I must say for the party of compassion as they so fondly call themselves, to be out here arguing what they are arguing today, that a lot of pain is a good thing, will leave an awful lot of people very cold on what their real belief structure is, because that is really what they are saying here, that the more pain we can inflict with Gramm-Rudman, the better off we are, because we think that ultimately that will destroy the act and thereby destroy the process toward a balanced budget. That is what it is really all about. They either want to destroy the act or they want to go to more taxes. That is precisely the opposite direction from which we should be going. That is really the argument we are hearing today.

The gentleman from Wisconsin [Mr. OBEY] got up and told us about this package that we bought. I think a number of us knew what was in that package. I do not agree with the gentleman that all we understood was what was on the wrapping. I understood what was in the package and what I understood was that this place had a responsibility to do the right thing, to legislate rather than go through the onerous kind of implementation of sequestration.

We have a responsibility. We have reneged on that responsibility. We are reneging on that responsibility right here today with our determination not to bring up this legislation.

We have now had the announcement that we are not going to do anything tomorrow. We have even had the announcement that we are not going to do anything Monday. We are not going to do anything around here. We had one vote all of last week.

Mr. CRAIG. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Iowa.

Mr. GRAIG. Mr. Speaker, I appreciate my colleague yielding. The gentleman is absolutely right when he refers to the inaction of this body over the last month. That is what we have been dealing with here from the time the law took effect and our administration had the responsibility of making certain determinations and giving us a 30-day period in which to respond, this House simply has failed to do so.

□ 1805

Then an appropriate committee dealing with a responsibility that committee is charged with the Agriculture Committee in the instance of adjustments in the milk price support process, followed through in a responsible way to propose a change, to go to the industry and ask them if that was a reasonable approach that they could take in a one-time effort and they agreed. And they went to the Rules Committee in the process and got a rule and came to the floor.

The leadership of this House this morning met and decided that would not be good politics and pulled it. The reason they made that decision was the very reason my colleague from Pennsylvania has just explained. I suspect they are now choosing a path of irresponsibility, and that is the lack of responsibility in legislating in a proper fashion as this legislation did so that the pain will grow on a package that most of them voted for in hopes that either they will be able to go to the people once again and say we have done all we can do and now we must ask you to give more.

I have been telling my constituents in Idaho over the last month that I have only been here a little over 5 years and during that period of time, Federal revenues have increased 50 percent and Federal spending has increased 68 percent, and I do not think it takes too much of a genius to determine that we have got a problem. The problem is on the spending side in large part, and that is why we have Gramm-Rudman. And that is why this House and the body across the other side of the rotunda made the decision that we had to establish a tool, a process by which we force ourselves to make decisions. Now that is Gramm-Rudman. It is a tool; it is a process. It forces the issue.

We saw them turn tail and run today from the issue. They are trying to find a hole to hide in, they are trying to find an excuse that will serve them in their rhetoric, and they have not found it. And the dairy farmers of this country will feel the pain because the leadership of the House chose to inflict it. Blame Gramm-Rudman as they will, the law is clear and the law is very specific, and it says we have 30 days in which to act and we refuse to act.

Bipartisantly, the Agriculture Committee said no, we cannot do that, we must be responsible. The Rules Committee agreed, and the leadership of this House said no, inflict the pain and the pain will bring results.

I think it will anger the American public and it should anger the American public to think that those people that they elect and send to Washington and pay a pretty darned good wage spend more time on recesses and vacations than they do working here at a time when we have a very specific charge and a very clear responsibility. We abrogated that today, and we are going to continue to do it. As my colleague from Pennsylvania said, no work on Friday. Well, a lot of men and women in this country have to work on Friday. But this House will not.

No work on Monday. There are millions of Americans around this country that if they do not show up to work on Monday, they get fired. But we will not show up to work on Monday.

Yet our people are crying out, crying out for responsible decisionmaking processes, and no, we are not going to do that. We are going to let a process take place that is in part irresponsible, but it clearly becomes responsible if this House abrogates its responsibility.

That is what I believe we have heard in the last hour.

Yesterday we had a unique opportunity to debate a piece of legislation that does not even belong in this House. For us to talk about the treaty-making process when it is not constitutionally our responsibility, but the responsibility of the body on the other side of the rotunda, yet we spend hours here flexing our political tongues, all for the purpose of posturing, to try to create some image or some idea. It is not even our responsibility. Our responsibility is primarily the fiscal responsibility of Government. But no, we had to get involved in nuclear proliferation and treaties and all of that that do not mean a great deal, except that we can go home and talk about them.

Well, I hope there are a few people that go home this weekend and will say, yes, we talked about treaties, but that is not our responsibility. But we did not talk about the budget problems and we did not talk about fiscal responsibility and that is our responsibility. We chose to run from it.

I appreciate my colleague from Pennsylvania yielding, but we have a decision to make and we walked away from that decision.

Mr. WALKER. I thank the gentleman and I would agree with the gentleman that there were a lot of Members of this body who were prepared to stay here all night, if we had to, to do the things what we regarded as responsible, in order to implement Gramm-Rudman in a proper way. There are people who are prepared to be here tomorrow and legislate. There are people who are prepared to come back Monday to legislate if that is what we are going to do.

But the fact is that is not what this body is doing at the present time. We spent the month of February not legislating so that we could come up and then say that the legislation was being brought to the floor at 5 minutes of midnight and that was unacceptable.

Mr. LOWRY of Washington. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Washington and I welcome him to this side of the aisle. We would be pleased if he wanted to make that a permanent arrangement.

Mr. LOWRY of Washington. I am not sure that politics would be able to stand that, but I thank my friend from Pennsylvania for yielding.

I do not really agree with some of the description of what went on here today altogether. I think the leadership on the majority side was for this bill coming up, and I think all along here, they were trying to work a compromise, to get those of us that were here to object, to get us not to object. I mean, that is what was happening.

So the reason this legislation is not up is not, in my opinion, because the leadership did not want it up. It was because I objected. I mean, it is not here because of that.

Mr. WALKER. If I can reclaim my time, the point we are making is that the bill, H.R. 4188, which was the originally scheduled bill, would not have been prevented from coming up by a mere objection. You would have had to have voted against the rule and you would have to have voted against the bill, but we would have had the debate and the discussion.

I personally am not in favor of that bill. I am personally going to vote "no." But it seems to me that the legislative process should have been allowed to go forward. We should have had this debate in the context of a real bill.

All we are saying is it was your leadership that made the determination to pull that bill. Now maybe it was because they were feeling heat from your side. But then that is largely a political decision made and it is not the decision that we think is in the best interest of implementing Gramm-Rudman in a responsible and a reasonable way.

I am glad to continue to yield to the gentleman from Washington.

Mr. LOWRY of Washington. I thank the gentleman again for yielding. Yes, I would assume that that action happened because of the arguments made by some of us this morning against the bill coming up, and I specifically argued very strenuously against this bill coming up just exactly the way I explained it a half hour ago when we were going through that debate, which was that previously I wanted to be able to have flexibility within the numbers for adjustments made in other areas and I used as an example compensatory education and I would have preferred to have not had to have that 4.3 but to find the numbers within education on the domestic side to do that. And I got nowhere on that.

So then here we came along with the first actual change in Gramm-Rudman. Now the numbers were the same, but it was a change in Gramm-Rudman. So what is the first thing that comes along here? It is the dairy bill. So anyway, that was the argument that was made, and there were many of us on my side of the aisle that made that argument to our leadership and said we do not like that.

Mr. WALKER. If I can reclaim my time, first of all, there are some of us that contend that was not the first one, that we allowed the veterans bill to go through earlier this week, which was said by many people to be a technical change. But nevertheless, it was a modification in Gramm-Rudman.

Mr. LOWRY of Washington. Right.

Mr. WALKER. The thing that strikes me as a little bit odd is the point that I have been raising out here. I offered an amendment that gave you the chance to have the flexibility that you determined, and it would have been at the beginning of the month when, in fact, it would have been real, when the committees would have had time to do the work, and then get us down here to this last week when we could have been doing some legislating out here in education, in agriculture, in housing, in all of these things that people raised as issues today. We could have been out here doing that this week. But, in fact, that amendment was turned down flat, and so we suspect that that was not wholly without plan too. You know, in no case was there the determination by the majority to do the responsible thing about implementation of Gramm-Rudman. That is really what we are complaining about.

Mr. LOWRY of Washington. Of course, I think Gramm-Rudman is just not responsible. And I voted against it. I argued against it, and if I could kill it today, I would kill it today. I mean, I want to do that, but that is not a secret.

I do not remember, and I know the gentleman is the kind to correct me, I do not remember the exact substance of the gentleman's amendment he was referring to. It was a recommitment motion to our legislative budget?

Mr. WALKER. The gentleman from Texas was wrong on that point. It was an amendment that was offered to the committee bill that was before us. You remember we had a committee funding bill and we were able to craft a germane amendment to the committee funding bill that instructed the various committees to do the job of allocating the moneys within their committee and come back to the House with a report as to how they would spend the money.

□ 1815

That was an attempt to try to get precisely the process going that the gentleman talks about. I will tell the gentleman, it lost by about a 2-to-1 margin, and that is the reason why we think that there was in fact a fairly strong plan to make certain that the responsible, reasonable thing on Gramm-Rudman never took place in this body.

Mr. LOWRY of Washington. Will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. LOWRY of Washington. Was that the total substance of the amendment; did it not have any cut in it?

Mr. WALKER. No.

Mr. LOWRY of Washington. The gentleman's amendment; that was the total substance of it.

Mr. WALKER. The total substance of the amendment was simply to instruct the committees that they were to take the $11.7 billion that is going to be cut as of March 1 and allocate it in the ways that they regard it as being the responsible way of doing that.

It forced them to determine the priorities; it did not get them off the hook with regard to spending; it made each of the committees in their own areas do the cutting rather than trying to say "Well, you know, we're going to spend the money but take it out of defense." It had all of those things which in fact was not easy. I understand that.

It was an attempt to make certain that the committee sat down and did that job, and that is the amendment that was rejected, and so when we hear the suggestion on the floor that that is the way we should proceed, by a number of gentlemen from your side in the course of the afternoon here, we get a little suspicious that maybe nobody focused very much on that amendment when it was before us, or that there was a conscious attempt to try to hang this pain on the end of the process as of the end of the month.

In either case, as someone concerned about the legislative process around here, that is a concern to me.

Mr. LOWRY of Washington. If the gentleman will yield, I thank you and I want you to know that in my case, I think it was the—did not focus on the amendment. And I suspect I was in a Budget Committee hearing, as a matter of fact, which as you know we have a lot of.

I would like to make another comment, and I do not mean this against my friend from Idaho, who I consider a good friend. I think we do an awful lot of work in this body. I had four hearings today; had them all day yesterday, one of them being a markup. I am on a committee that is dealing with the Outer Continental Shelf problem and oil drilling question in California. We have been putting in a tremendous number of hours here.

I would not want a misconception to be put over because of the fact that we will not be voting that many times; that that means that the Members of this body are not working very hard because every Member of this body I know puts in an awful lot of time.

Mr. WALKER. The gentleman from Idaho can defend his own words. I do not believe he is here right now, but I think the point that he was making was this:

Under Gramm-Rudman, we were given a 30-day period to legislate the changes that would be necessary in order to have an implementation that did not involve sequestration on March 1.

I think what the gentleman was saying was, given that timeframe, we took several days of recess; we had at least 1 week where there was only one vote; the legislative schedule this week as the gentleman from Idaho pointed out, included basically taking up a bill on nuclear proliferation and we come up to the end of the week and we were prepared to quit here at about 2 o'clock this afternoon, before all of this hassle came up. We are not going to have any session tomorrow.

The gentleman from Idaho was simply saying, we had some responsibilities assigned to us under law that we chose not to take. The working people of this country do not have that option. The working people of this country, when they have an assigned responsibility in their job have to show up to do it.

I think what the gentleman was saying is, "We're not going to show up tomorrow to do it," and that in fact is something that we can be criticized for, I think.

Mr. LOWRY of Washington. Will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. LOWRY of Washington. I will be here; I will be here to object if they try to bring the dairy bill back in.

Mr. WALKER. The gentleman will be doing his job as he sees it.

Mr. LOWRY of Washington. I mean, we can differ on what it is, but since there has been the 4.3-percent cut in a lot of programs that I care a lot about, and I know other Members of this body care a lot about some of those, and so on, and are going to continue to try to work to make this a better process.

I would like to say during the recess, I was trying to figure here, I think I worked every day, including Sunday; and worked real hard every day on the job. I assume the gentleman did, too.

Mr. WALKER. I think that most Members of Congress in terms of their personal schedule put in 70, 80, 90 hours a week. But that is really not the question here. If we do not focus our work in ways that produces the product that the American people need done at the time they need it done, it does not matter how many hours we are individually putting in; we will have failed.

From our perception, in this month, we have failed and we have failed miserably. In large part because we geared a schedule in such a way that we assured that we never took up the thing that was our basic responsibility to do for the month.

Now we come down to the end of the month, and we are not even going to be in session tomorrow with any legislative business before us, because we are not prepared to bring up these items out of the committee, because we turned that down as a process at the beginning of the month.

Mr. LOWRY of Washington. We will be working hard on our job, though. For instance, the Budget Committee, which is our responsibility, we are working real hard. I feel confident that we are going to hit that 144 target; I really do think we are going to see that.

We are going to try to do it. We are trying very hard to do it by the target dates also within the Gramm-Rudman legislation.

Mr. WALKER. I say to the gentleman, that is fine for next year, but we have responsibilities this year.

Mr. LOWRY of Washington. That is right. That is why I objected to this debate.

Mr. WALKER. Well, the gentleman objected, though, to trying to gear the process in a way that met the mandates of Gramm-Rudman in a little different way; and because he did not agree that we ought to do it in only this one area.

I say to the gentleman I do not think it ought to be done in only one area, too. That is the reason why the amendment was out here at the beginning of the month to suggest that all areas ought to do it. Everybody ought to take that option.

It was the proper step to take, in my opinion, at that point. But the fact is, we chose not to do it, and we instead chose to do everything but carry forth our responsibilities that are assigned to us under Gramm-Rudman.

Mr. LOWRY of Washington. Will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. LOWRY of Washington. I compliment the gentleman for that amendment. I compliment him as he described it.

Mr. WALKER. I wish you would have voted for it.

Mr. LOWRY of Washington. I do compliment the gentleman for that. I do not compliment him for voting for Gramm-Rudman, which I think is a mindless giving away of our responsibility; but that is a difference of our opinion of the approach on that.

Mr. WALKER. Let me say to the gentleman, it is only a mindless giving away of our responsibility if we let it be a mindless giving away of our responsibility.

If we do what we are supposed to do, and this month has been a miserable example of that, but if we do what we are supposed to do, we don't give away

one iota of responsibility. We take the responsibility, and the sequestration provisions of Gramm-Rudman never take effect. That is what we ought to be doing.

Mr. LOWRY of Washington. Will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. LOWRY of Washington. Because of the impossible job of projecting growth, interest rates, unemployment, and the economic factors that so much affect the deficit, just as Paul Volcker confirmed yesterday; which was, it is impossible or what he called "imprecise art" of projection.

We absolutely can, and I think will do our job. We will do our job. We will pass a budget, I think, using honest projections; but if we are off 1 percent on the projection of the GNP, we can miss the target and sequestering will come in to effect.

As the gentleman well knows, just last quarter there was a projection that the growth would be in the 5 to 6 percent range, and come in at 3.8 percent under that. We were 3.8 percent off of the growth for that quarter.

So that is a real problem that we are going to have to be dealing with, or we can absolutely do our job; we can stand right up, make the tough decision to do our job, and still have sequestering come in, even though we had.

Mr. WALKER. Let me say to the gentleman, though, we still do not have to abdicate our responsibility. When sequestration takes place, the President announces a sequestration, and we have 30 days in which we can make other decisions. We can still carry out our obligations even after sequestration order is issued.

So my point to that is, that that is precisely us taking our responsibility. The gentleman is right, that if we miss our targets, we may in fact find ourselves with a need to do more than we anticipated having to do. But it does not mean that we abdicate our responsibility. Those automatic cuts never have to take place if we do our job right.

We, this month, have failed to do that.

Mr. LOWRY of Washington. Will the gentleman yield?

Mr. WALKER. I will be glad to yield to the gentleman.

Mr. LOWRY of Washington. But only within that very small piece of the pie. That problem is, of course, with Gramm-Rudman, were we to step forward and do what the gentleman's amendment was talking about, we should have been doing this time, and then put ourselves in that position in September.

Of course the problem is we are dealing with that small part of the pie which is estimated to be 28 percent. That still is where all of the burden of that fact that there was, of the growth projections being wrong, and that is why it would be very good to be able to put that into everything. Everything on the table.

Mr. WALKER. The gentleman is correct.

He may remember that most of us who favor Gramm-Rudman as a process, did not agree with exempting a lot of the programs that mainly the Members of the majority party insisted be put in as exemptions before they would vote for the legislation.

So from my standpoint, there are many portions of the bill or many parts of the Government that I would like to see back on the table. I do not think Social Security should be on the table; I do not think that we can default on our payments on the national debt, but beyond that, it seems to me that most everything else ought to be out on the table.

□ 1855

And we were prevented from doing that by many people who ended up voting against the legislation. One has to then interpret that, that maybe there was an attempt to sabotage the legislation by including all those exemptions that therefore inflict more pain on those who were not exempted. That is this gentleman's interpretation of what took place.

I yield to the gentleman from Washington.

Mr. LOWRY of Washington. Why does the gentleman think that Social Security should not be on the table?

Mr. WALKER. Because in large part we already have that on a pay-as-you-go basis. In 1983 we created in the trust fund a means to raise taxes every time we raise the COLA. So we have put that on a pay-as-you-go basis and we are raising taxes in order to pay for the money that is in that trust fund. I do not think those trust fund moneys ought to be applied against the general revenues of the Federal Government.

Plus the fact that we have covered that on a pay-as-you-go basis and I think that is the responsible action. There is no need to take that particular aspect then of our Government and stick it over into a process that I think would compromise what we decided to do with Social Security in 1983, which I voted for, I will tell the gentleman.

Mr. LOWRY of Washington. Does that apply to the other trust funds?

Mr. WALKER. No; because in most of the other trust funds we have not necessarily put them on a pay-as-you-go basis.

Mr. LOWRY of Washington. Many of them are. The gentleman's committee that the gentleman works with they have a lot of trust funds that do not have the same definition within it as the Social Security which the gentleman referred to, but as a matter of fact the financing does. Anyhow, I thank the gentleman.

Mr. WALKER. I thank the gentleman for his contribution. It has been a useful discussion. I have some more notes here, but I do not think it is anything of great importance to the Nation. The Speaker has been most patient.

Mr. Speaker, I yield back the balance of my time.

BLACK HISTORY MONTH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ROBINSON] is recognized for 5 minutes.

Mr. ROBINSON. Mr. Speaker, as Black History Month 1986 draws to a close, it is most fitting that all Americans, particularly those of us from the South, take a few moments to reflect upon our shared culture and heritage, especially the significant role that blacks have played in the development of the country and the South.

I want to share with Members of the House the fantastic research project going on in my home State of Arkansas. This effort, called Persistence of the Spirit, reveals for the first time the part played by black Arkansans in the 300 years of the State's history. During the celebration of Arkansas' sequicentennial year of statehood this special project will include a touring photograhic exhibit, accompanying historical pamphlets and free public lectures.

With funding from the Arkansas Endowment for the Humanities, the National Endowment for the Humanities and leading Arkansas corporate citizens, the project is under the direction of Ken Hubbell. Already Persistence of the Spirit has uncovered hundreds of stories which otherwise might never have been widely known. One such story was discovered and written by Tom Dillard, a historian and member of the research team about Mufflin W. Gibbs. The text of the story follows:

M. W. GIBBS SUCCESSFUL IN MANY CAREERS

When slavery ended after the Civil War, black Arkansans were able to turn their attention to business activity. Most blacks, like most whites, made their living as small farmers or as farm workers. However, a surprising number of blacks were able to enter the business world. Mufflin Wistar Gibbs of Little Rock was one of the more successful.

Born in Philadelphia, Pennsylvania, in 1823, Gibbs jointed the California gold rush in 1850 and he became a successful merchant. Later, he moved to Victoria, Canada, where he ran a large store and helped open a coal mine.

In 1871 Gibbs moved to Little Rock where he soon established himself as a lawyer and politician. In November, 1873, Gibbs was elected Little Rock Police Judge, the first black man to win a city judgeship in American history.

When he was not involved in politics, Gibbs occupied himself with business activity. He was especially interested in buying land and his law firm doubled as real estate agency. He often urged his fellow blacks to buy land that would bring economic independence.

The years after the Civil War were times of great economic and industrial expansion in America, ranging from railroad construction to the formation of giant insurance companies.

Gibbs invested in a large number of business ventures, ranging from the Arkansas Anthracite Coal Company to the Little Rock electric power plant. In 1903, he organized the Capital City Savings Bank and later the People's Mutual Aid Association, a health insurance company. In 1907 a nationwide economic "panic" occurred and the Gibbs' bank was closed.

Despite the failure of his bank, Gibbs was still a wealthy man. He shared his resources with the less fortunate, including a donation to establish the M.W. Gibbs Old Ladies Home, a rest home for poor elderly black women.

When he died in 1915, Gibbs was mourned by both black and white. He had shown the black Arkansans could play an important role in the business life of our state.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. KLECZKA] is recognized for 5 minutes.

Mr. KLECZKA. Mr. Speaker, I am today introducing, along with 71 other Members of this House, a resolution of disapproval of the President's deferral of spending of $500 million in funds already appropriated for this year's Community Development Block Grant Program.

The numbers tell the story as to why this deferral should be disapproved.

Let us use the city of Milwaukee as an example. In fiscal 1985, the CDBG allocation for the city was $17.7 million.

The budget Congress adopted for this fiscal year required a 10-percent cut in CDBG funds. In addition, the Gramm-Rudman automatic cuts scheduled to go into effect March 1 require an additional reduction of 4.3 percent.

Milwaukee, as did other cities, anticipated these reductions and has been ready to operate with a reduced allocation of $15.3 million.

What the city is not willing to accept, nor should it have to accept, is the President's deferral of $500 million in fiacal 1986 funds.

The effect of this deferral would be to reduce the Milwaukee CDBG allocation from $17.7 million last year to $12.4 million this year.

A similar cut can be expected for all cities which receive CDBG funds.

We can block the block grant deferral. To do so, both Houses of the Congress must vote a resolution of disapproval.

I urge my colleagues to join me in sponsoring this resolution.

At this point, I would like to include in the RECORD a chart which compares the amounts in CDBG funds selected Wisconsin cities can expect this year to the amounts received last year if the President's deferral is allowed to stand.

I am also including for the RECORD an article from a recent issue of the National League of Cities newspapers which describes the successes of the Community Development Block Grant Program.

The material follows:

SELECTED WISCONSIN CITIES: CDBG ALLOCATION AFTER DEFERRAL

	1985 CDBG allocation	Fiscal year 1986 after deferral
Beloit	$642,000	$464,360
Green Bay	962,000	673,040
Janesville	532,000	371,300
Kenosha	1,050,000	768,920
Madison	1,975,000	1,369,580
Neenah	223,000	156,040
Oshkosh	886,000	632,620
Racine	1,904,000	1,356,420
Superior	902,000	649,540
Wasau	636,000	489,740
West Allis	1,231,000	844,120
Milwaukee	17,700,000	12,439,000

[From the Nation's Cities Weekly, Feb. 24, 1986]

CDBG: A SHINING PAST—A CLOUDED FUTURE

(By Bill McCarthy)

From Eastport, Maine to Long Beach, California, from Duluth, Minnesota to Brownsville, Texas, and in thousands of communities in between, one program of federal government assistance has made a world of difference in how downtowns, residential neighborhoods and local economies look today.

The program? The Community Development Block Grant program, known far and wide in cities as "CDBG".

A BRIEF HISTORY

Authorized in 1974, during the administration of President Gerald R. Ford, the CDBG program replaced a number of individual or "categorical" federal assistance programs to cities, the Model Cities Program and Urban Renewal among the major ones. In consolidating these programs into a single block grant program, the U.S. Department of Housing and Urban Development (HUD) sought to focus federal aid to cities more coherently.

Perhaps the single biggest change to result from the creation of the block grant program was that cities themselves were given the role of determining, within guidelines, what local priorities would be and, thus, how federal funds would ultimately be spent.

Pursuant to an application process developed by HUD—one which mandated public hearings to elicit neighborhood input—local communities generate proposals for spending CDBG money on a variety of eligible projects.

HUD funding is provided to metropolitan areas and urban counties (pop. 50,000 and above) on an entitlement basis, with individual allocations determined by a formula of poverty, population, overcrowded housing, growth lag and age of housing stock factors. Seventy percent of CDBG funds are currently distributed among entitlement areas.

For small cities, CDBG was distributed, until 1983, on a competitive basis, utilizing the remaining thirty percent of the total block grants. Prior to that year, the "Small Cities" Program was administered directly by HUD.

With the adoption of enabling legislation, 47 states elected to administer their own Small Cities program, employing state-adopted selection systems and priorities (HUD continues to administer the Small Cities CD programs in Hawaii, Maryland and New York).

ELIGIBLE ACTIVITIES UNDER CDBG

A major reason for the widespread success of the Community Development Block grant is the range and diversity of activities which cities can undertake. Eligible activities include:

Construction of public facilities;

Various types of housing rehabilitation;

Land acquisition;

Site clearance;

Provision of public services;

Completion of categorical grant programs; and

Economic development activities.

In planning for and utilizing CDBG funds, grant recipients must ensure that no less than 51 percent of the funds must be used for activities which benefit low- and moderate-income persons, over a period specified by the grantee, but not to exceed three years."

While disputes have surfaced in some communities over this "principal benefit" rule, particularly with respect to certain public facilities and economic development projects, overall the CDBG program claims that 87 percent of funds benefit low- and moderate-income persons (according to grantees reports).

Monitoring of the ways in which CDBG entitlement communities have allocated funds has shown increasingly larger spending in two activity categories: housing rehabilitation, totalling 36 percent of funds, and economic development, totalling 13 percent. Economic development projects have increased significantly in recent program years, in part due to cutbacks and terminations of other sources of government assistance. Public facilities construction and site clearance activities, on the other hand, are declining as local activity priorities.

A LEGACY OF LOCAL SUCCESS

Since its beginning in 1974, the Community Development Block Grants Program has achieved widespread success throughout the nation. Cities of all sizes, in all regions of the country, and with different types of needs and problems, have utilized CDBG funds to improve neighborhoods, downtowns and the overall quality of community life.

What follows are capsulized summaries of some local accomplishments involving CDBG funds:

Long Beach, California

With trends in suburbanization causing deterioration of its downtown economy, the City of Long Beach sought to counter the trends by constructing a large, suburban-type shopping mall in the heart of its central business district. Using $5.2 million in CDBG funds for land acquisition and payment of relocation costs, in conjunction with a public bond issue and private development financing, the Long Beach Plaza became a $145.7 million project. Opened in 1982, the Plaza itself provides 1,200 jobs and has saved another 600, while generating $600,000 a year in tax revenues.

The spinoff effects of this venture have been dramatic. In less than five years, private investment equaling $1.2 billion and generating 6,000 new jobs has taken place. And the Long Beach CD Department is currently at work on related downtown development projects totalling nearly $2 billion, including more than 1,500 residential units for moderate-income households.

It is interesting to note that the economic revitalization of Long Beach was cited by President Reagan himself, in a speech before the National League of Cities membership at the 1984 Congressional-City Conference, as an example of public and private resources working together successfully.

White Plains, New York

Improvement of this city's housing stock has been a major priority of its local officials since the late 1970's. By 1984, 1,378 units of housing had been rehabilitated and another 102 units newly constructed through the efforts of the White Plains Neighborhood Rehabilitation Project.

The key to White Plains' success has been its ability to generate financing from a local lending institution. This was accomplished with the deposit of $1.3 million in CDBG funds under regulations for a Lump Sum Drawdown, with about $90,000 a year accruing in interest. With the city responsible for pre-screening and preparation of loan applications, the bank agreed to financing arrangements for both single-family and multiple-family loans.

The result of the program, which also involved rehab assistance by the city and no tax reassessments after completion of work, has been a 5 to 1 ratio of private dollars ($10.5 million) to public investment ($2 million) with participation levels in some of targeted neighborhoods.

Birmingham, Alabama

Along with improvements in public amenities, this commercial area development has generated the new construction of six other buildings and improvements in 40 others. In all, the $5 million in public funds have generated $9 million in private investment, with increased employment and local tax revenues and reduced crime the ultimate payoffs.

The Neighborhood Commercial Revitalization program is now being expanded into five other neighborhoods.

Omaha, Nebraska

Assisting 20 low- and moderate-income families to become homeowners in Omaha, Nebraska has been the achievement, thus far, of the city's Urban Homestead Program. CDBG funds have been the primary ingredient in the success of the Program, with $432,000 invested in acquisition and rehabilitation of previously vacant properties. CD funds have provided low-interest loans for necessary move-in repairs, while the homesteaders provide other sources of funds to complete additional repairs over a three-year period.

In addition to conserving some of Omaha's private housing stock and providing homeownership opportunities for low- and moderate-income families, the Urban Homestead Program has also placed 28 parcels of real estate back on the city's tax rolls.

Priest River, Idaho

The infusion of CDBG funds into small communities can often mean the difference between ecomomic life and death. Amidst the decline of the timber industry in Idaho, the community of Priest River undertook to attract a high-tech employer back in 1979. Having acquired a site and having located a prospective computer component manufacturer, the problem confronting the local development corporation was how to finance improvements in the local water supply and a waste treatment plant to accommodate the companies needs.

The solution to Priest River's needs was a $342,000 CDBG grant from the state of Idaho for infrastructure development. The CD funds secured the deal with the company, which, in turn, invested $1.4 million to launch its facility.

As a result of community initiative and a critical infusion of CDBG funds, Priest River's new employer will eventually supply 20 percent of the community's employment and much needed dollars in the form of local tax revenues.

The list of local success stories involving CDBG funds goes on and on. The five stories recounted here depict communities of all types who have used the block grants for innovative and much-needed purposes. They also point to the critical role that CDBG money has played in leveraging and generating much larger amounts of funding from other sources, particularly private sources.

The many payoffs, including employment opportunities, quality housing, local tax revenues and, perhaps most important, enhanced quality of community life, would seem to augur well for CDBG's continuation and expansion.

Such, however, is not the case.

CDBG STATUS AND PROSPECTS

Despite its many successes, the Community Development Block Grants Program has been targeted for cuts and eventual termination since the Reagan administration took office in 1981. For example, the CDBG appropriation for FY86 is $3.12 billion, a cut of 10 percent from the FY85 level of $3.472 billion.

In his budget proposal for FY 87, the President has proposed deferring an additional $500 million from the FY86 appropriation, reducing the total to $2.6 billion. This same amount ($2.6 billion) is proposed for FY87.

Interestingly, the appropriations levels suggested by the Reagan Administration for FY86 and FY87 are only slightly higher than the $2.4 billion level at which CDBG was funded in 1975. Yet, in 1986, there are 201 more entitlement grantees than there were in 1975.

And despite this increase in entitlement grantees, the President proposes to reduce the entitlement portion of CDBG funds from 70 percent to 65 percent, and increasing the small cities share from 30 percent to 35 percent—although it also forces small cities into competition with each other as well as with larger cities. (This proposal results from the Administration's plan to eliminate the Farmers Home Administration, which has provided aid to small communities and rural areas in the past).

Thus, despite its record of successes and contributions to communities across the country, the outlook for the Community Development Block Grants Program is one of reduced and more dispersed resources in the future. In addition, the program faces potential termination if it is not reauthorized beyond Sept. 30, 1986.

ANNUAL REPORT ON THE TRADE AGREEMENTS PROGRAM, 1984-85—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means:

(For message see proceedings of the Senate of today, Thursday, February 27, 1986.)

MOTION TO ADJOURN

Mr. LOWRY of Washington. Mr. Speaker, I move that the House do now adjourn.

The question was taken; and on a division (demanded by Mr. JEFFORDS) there were—yeas 1, nays 2.

So the motion was rejected.

The SPEAKER pro tempore. Does any Member seek recognition.

Mr. LOWRY of Washington. Mr. Speaker, is the gentleman sure he was able to count correctly? It was a pretty hasty count, Mr. Speaker.

The SPEAKER pro tempore. I assure the gentleman from Washington the Speaker counted everyone he could count.

CHANGING THE INITIALS TO BE USED FOR THE ABBREVIATION OF THE WORD "JAPANESE"

(Mr. LOWRY of Washington asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOWRY of Washington. Mr. Speaker, frankly I have talked so much in the last couple of hours that I do not have anything more to say. But I suppose we have to have something going on at all times here.

I would like to address the House for 1 minute to inform the House of a resolution I introduced on February 19 joined by many of the cosponsors in this House. The resolution called for the initials "JPN" to be used for the abbreviation of "Japanese" as opposed to the initials "JAP" which are often used.

I would hope that this House would find itself ready to move on this resolution in the near future.

The use of the letters "JAP" as an abbreviation for "Japanese" to many of our citizens in this country and our friends in this country and our friends around the world is an offensive abbreviation. I think that the House will agree with me in changing that to "JPN."

Mr. JEFFORDS. Mr. Speaker, will the gentleman yield?

Mr. LOWRY of Washington. I yield to the gentleman from Vermont.

Mr. JEFFORDS. I thank the gentleman for yielding, as well as for buying the time.

Hopefully the Senate action which I presume they will make on the important agricultural legislation will wind its way over to the House where we can take appropriate action on it. I think it has been pointed out earlier that it is really I think extremely poor on the part of the House to try to adjourn today while we have such important legislation pending and the Senate is working diligently to reconcile the differences in that body on such matters which I know the gentleman from Washington is opposed to

but which will affect and have a great deal of impact on dairy farmers.

I understand they are working on insuring that the CCC has sufficient money in order to keep all of the agricultural programs going and I am hopeful that as time passes here tonight—and I intend to stay here as long as I can and will keep the House in session until such time as that legislation is able to get over here and we can act on it—I do not intend to embarrass anybody by calling for a rollcall, but until such time as the other side of the aisle can find sufficient people to wander over here to perhaps outvote those of us who are still insisting on our position, I intend to do whatever is appropriate. I would like to tell the gentleman that notwithstanding that we stand on the opposite sides of this, I understand his position on that, wrong as it may be, that I do appreciate his sharing this Hall with me today and the ability to be able to try as long as I can to hold this body in session until such time as maybe the other Members of the majority will be able to come over and rescue the gentleman from having to exercise his tongue for as long as he has had to.

Mr. LOWRY of Washington. I thank the gentleman for his comments. Obviously it will take a large number of people to get over here to win by division. How many hours does it take?

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. YATES (at the request of Mr. WRIGHT), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BATEMAN) to revise and extend their remarks and include extraneous material:)

Mr. GUNDERSON, for 60 minutes, today.

Mr. JEFFORDS, for 60 minutes, today.

Mr. BROYHILL, for 60 minutes, today.

Mr. WALKER, for 60 minutes, today.

(The following Members (at the request of Mr. SWIFT) to revise and extend their remarks and include extraneous material:)

Mr. WRIGHT, for 5 minutes, today.

Mr. ALEXANDER, for 5 minutes, today.

Mr. KLECZKA, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. HAMILTON, for 5 minutes, today.

Mr. UDALL, for 15 minutes, today.

Mr. CROCKETT, for 20 minutes, today.

Mr. DYMALLY, for 60 minutes, on March 3.

Mr. DASCHLE, for 60 minutes, on March 4.

Mr. LELAND, for 60 minutes, on March 5.

(The following Member (at the request of Mr. JEFFORDS) to revise and extend his remarks and include extraneous material:)

Mr. BEREUTER, for 60 minutes, today.

(The following Member (at the request of Mr. MILLER of California) to revise and extend his remarks and include extraneous material:)

Mr. ROBINSON, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. BATEMAN) and to include extraneous matter:)

Mr. DEWINE.

Mr. SCHAEFER.

Mr. MCCOLLUM.

Mr. MADIGAN.

Mr. KINDNESS.

Mr. LAGOMARSINO.

Mr. O'BRIEN.

Mr. RINALDO.

(The following Members (at the request of Mr. SWIFT) and to include extraneous matter:)

Mr. BARNES in two instances.

Mr. MARKEY.

Mrs. KENNELLY.

Mr. DORGAN of North Dakota in two instances.

Mr. HOWARD.

Ms. OAKAR.

Mr. WIRTH.

Mr. ADDABBO.

Mr. WYDEN in two instances.

Mr. TALLON in two instances.

Mr. GUARINI.

Mr. BONIOR of Michigan.

Mr. EDWARDS of California.

BILL PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

On February 27, 1986:

H.R. 4130. An act to establish, for the purpose of implementing any order issued by the President for fiscal year 1986 under any law providing for sequestration of new loan guarantee commitments, a guaranteed loan limitation amount applicable to chapter 37 of title 38, United States Code, for fiscal year 1986.

ADJOURNMENT

Mr. FOLEY. Mr. Speaker, I move that the House do now adjourn.

The question was taken; and on a division (demanded by Mr. JEFFORDS) there were—yeas 2, nays 2.

The SPEAKER pro tempore. A tie; the Chair votes "aye."

So the motion was agreed to; accordingly (at 6 o'clock and 35 minutes p.m.), the House adjourned until tomorrow, Friday, February 28, 1986, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2850. A letter from the Military Executive, Reserve Forces Policy Board, Department of Defense, transmitting the Board's fiscal year 1985 annual report, pursuant to 10 U.S.C. 133(c); to the Committee on Armed Services.

2851. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 6-138, "Nursing Home and Community Residence Facility Residents' Protections Act of 1985," and report, pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

2852. A letter from the Secretary of Education, transmitting notice of proposed "Final Funding Priorities—Innovative Programs for Severely Handicapped Childrens Program," pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

2853. A letter from the Department of Education, transmitting a draft of proposed legislation to improve the quality of teaching in American secondary schools and enhance the competence of American secondary students and thereby strengthen the economic competitiveness of the United States, and for other purposes; to the Committee on Education and Labor.

2854. A letter from the Administrator, Energy Information Administration, Department of Energy, transmitting a copy of the quarterly coal report, July-September 1985, pursuant to 42 U.S.C. 7277(a); to the Committee on Energy and Commerce.

2855. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting the annual report of the Anti-Terrorism Assistance Program for 1985, pursuant to FAA, section 574(b) (97 Stat. 972); to the Committee on Foreign Affairs.

2856. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a copy of the Secretary of State's determination to authorize continuation of certain assistance to Haiti and a statement of justification for this determination, pursuant to Public Law 99-83, section 705(c) (99 Stat. 242); to the Committee on Foreign Affairs.

2857. A letter from the Director, Defense Security Assistance Agency, transmitting a report on NATO standardization agreements for cooperative furnishing of training, or similar agreements with Japan, pursuant to 22 U.S.C. 2761(g); to the Committee on Foreign Affairs.

2858. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, Department of State, transmitting a report on politicial contributions for Ronald S. Lauder, Ambassador-designate to Austria, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2859. A letter from the Chairman, Commission on Security and Cooperation in Europe, transmitting the 1985 annual report of the Commission's activities, pursuant to Public Law 94-304, section 6; to the Committee on Foreign Affairs.

2860. A letter from the Acting Administrator, Health Care Financing Administration, Department of Health and Human Services, transmitting notification of a proposed new system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2861. A letter from the Acting Archivist, National Archives, transmitting the proposed final set of regulations governing access to the Nixon Presidential materials, pursuant to Public Law 93-526, section 107; to the Committee on Government Operations.

2862. A letter from the Secretaries of Agriculture and the Interior, transmitting a draft of proposed legislation to enhance effective administration of certain Federal Lands and for other purposes; jointly, to the Committees on Agriculture and Interior and Insular Affairs.

2863. A letter from the Deputy Assistant Secretary of Defense for Administration, Department of Defense, transmitting a report on NATO acqusition and cross-servicing agreements, pursuant to 10 U.S.C. 2330; jointly, to the Committees on Armed Services and Foreign Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COELHO:

H.R. 4265. A bill to suspend for 5 days the application of the sequestration order for fiscal year 1986 to the Dairy Price Support Program; to the Committee on Agriculture.

By Mr. ALEXANDER:

H.R. 4266. A bill entitled "Farm Foreclosure Relief Act"; to the Committee on Agriculture.

By Mr. BEDELL (for himself, Mr. DASCHLE, Mr. VOLKMER, Mr. ENGLISH, Mr. PENNY, Mr. GLICKMAN, Mr. EVANS of Illinois, Mr. DORGAN of North Dakota, Mr. SYNAR, Mr. MCCURDY, Mr. WILLIAMS, Mr. SIKORSKI, Mr. WATKINS, Mr. JONES of Oklahoma, Mr. KASTENMEIER, and Mr. ALEXANDER):

H.R. 4267. A bill to amend the Agricultural Act of 1949 to provide increased income to producers of wheat and feed grains for the 1986 through 1990 crops of such commodities, to amend the Consolidated Farm and Rural Development Act to provide by law for a debt adjustment program and to require the interest rate for buy-down loans to be not greater than the cost of money to the lending institution, and for other purposes; to the Committee on Agriculture.

By Mr. BROWN of Colorado (for himself, Mr. STRANG, Mr. CHENEY, Mr. KRAMER, Mrs. SCHROEDER, and Mr. SCHAEFER):

H.R. 4268. A bill to recognize the organization known as the Mining Hall of Fame and Museum; to the Committee on the Judiciary.

By Mr. COOPER:

H.R. 4269. A bill to establish labeling requirements for food or drink which are labeled "lite" or "light" or which make similar comparative claims to describe fat, sodium, or calorie content; jointly, to the Committees on Energy and Commerce; Agriculture; and Ways and Means.

By Mr. DYSON:

H.R. 4270. A bill to authorize the 11th Airborne Division Association to establish a memorial in the District of Columbia or its environs; to the Committee on House Administration.

By Mr. EVANS of Illinois:

H.R. 4271. A bill to require the President to direct the Secretary of Defense, the Secretary of Health and Human Services, and the Administrator of Veterans' Affairs to submit to the appropriate committees of Congress a joint report addressing the question of U.S. Government responsibility for providing benefits and services to individuals who served with certain voluntary organizations in support of the Armed Forces in the Republic of Vietnam during the Vietnam era; to the Committee on Armed Services.

H.R. 4272. A bill to amend title XVIII of the Social Security Act to require that Medicare beneficiaries be given a notice of discharge rights at the time of admission to a hospital; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. EVANS of Illinois (for himself and Mr. LEACH of Iowa):

H.R. 4273. A bill to amend title 10, United States Code, to require the Department of Defense to exclude from consideration for contracts those firms in which a hostile foreign government or a covered foreign national owns or controls a significant interest; to the Committee on Armed Services..

By Mr. FEIGHAN:

H.R. 4274. A bill to amend the Housing and Community Development Act of 1974 to permit the use of assistance under the Community Development Block Grant Program for uniform emergency telephone number systems; to the Committee on Banking, Finance and Urban Affairs.

By Mr. GEJDENSON:

H.R. 4275. A bill to amend title IX of the Social Security Act to require peer review organizations to act within 2 days on requests of hospital inpatients for reconsideration of determinations denying payment for continuing care in the hospital; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. HAMILTON (for himself, Mr. STOKES, Mr. BEILENSON, Mr. KASTENMEIER, Mr. ROE, Mr. BROWN of California, Mr. MCHUGH, and Mr. DWYER of New Jersey):

H.R. 4276. A bill to require that any U.S. Government support for military or paramilitary operations in Angola be openly acknowledged and publicly debated; jointly, to the Committees on Foreign Affairs and the Permanent Select Committee on Intelligence.

By Mr. LEVINE of California (for himself and Mr. WAXMAN):

H.R. 4277. A bill to direct the Food and Drug Administration to conduct a study of the health effects of toxic contamination of fish in Santa Monica Bay, CA; to the Committee on Energy and Commerce.

By Mr. LOWERY of California:

H.R. 4278. A bill to amend the Internal Revenue Code of 1954 to deny foreign tax credits attributable to activities conducted in foreign countries which repeatedly provide support for acts of international terrorism; to the Committee on Ways and Means.

By Ms. SNOWE (for herself, Mr. ROYBAL, Mr. LAGOMARSINO, Mr. MRAZEK, Mr. STANGELAND, Mr. WORTLEY, Mrs. BOXER, Mr. BOEHLERT, Mr. WEAVER, Mr. EVANS of Illinois, Mr. SMITH of Florida, Mr. MARTINEZ, Mr. LEHMAN of Florida, Mr. HOWARD, Mr. TOWNS, Mr. SHAW, Mr. SAXTON, Mr. BIAGGI, Mr. MITCHELL, and Mr. RINALDO):

H.R. 4279. A bill to amend title XIX of the Social Security Act to require States to provide for enforcement of the rights of patients in long-term care facilities, and for other purposes; to the Committee on Energy and Commerce.

By Mr. TORRES (for himself and Mr. ST GERMAIN):

H.R. 4280. A bill to amend title 34, United States Code, to establish new recordkeeping and reporting requirements in order to combat money laundering, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. UDALL (for himself and Mr. MCCAIN):

H.R. 4281. A bill to provide for the exchange of certain lands between the Hopi and Navajo Indian Tribes, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WILLIAMS:

H.R. 4282. A bill to establish a program for the prevention and control of diabetes among native Americans; jointly, to the Committee on Interior and Insular Affairs and Energy and Commerce.

By Mr. WIRTH:

H.R. 4283. A bill to suspend temporarily the duty on d-6-methoxy-oc-methyl-2-naphthaleneacetic acid and its sodium salt; to the Committee on Ways and Means.

By Mr. BIAGGI (for himself and Mr. PEPPER):

H.J. Res. 539. Joint resolution to designate April 1986 as "National Parkinson's Disease Awareness Month"; to the Committee on Post Office and Civil Service.

By Mr. MICHEL (for himself and Mr. MURTHA):

H.J. Res. 540. Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985; jointly, to the Committee on Appropriations, Foreign Affairs, Armed Services, and the Permanent Select Committee on Intelligence.

By Mr. KLECZKA (for himself, Mr. MOODY, Mr. MORRISON of Connecticut, Mr. BONKER, Mr. KASTENMEIER, Mr. RUSSO, Mr. MOAKLEY, Mr. ERDREICH, Mr. MILLER of Washington, Mr. WAXMAN, Mr. SWIFT, Mr. RODINO, Mr. FUSTER, Mr. GILMAN, Mr. MARKEY, Mr. BROWN of California, Mr. DICKS, Mr. SAVAGE, Mr. COYNE, Mr. PRICE, Mr. FRANK, Mr. BOSCO, Mr. PEASE, Mr. RAHALL, Mr. TOWNS, Mr. WISE, Mr. VISCLOSKY, Mr. ACKERMAN, Mr. CONYERS, Mr. BUSTAMANTE, Mr. FOGLIETTA, Mr. COLEMAN of Texas, Mr. ADDABBO, Mr. GUARINI, Mr. MATSUI, Mr. BEDELL, Mr. RIDGE, Mr. HAYES, Mr. GARCIA, Mr. ROWLAND of Georgia, Mrs. BURTON of California, Mr. PANETTA, Mr. GRAY of Illinois, Mr. EVANS of Illinois, Mr. ROYBAL, Mr. FISH, Mr. DURBIN, Mr. FORD of Tennessee, Mr. MARTINEZ, Ms. MIKULSKI, Mrs. SCHROEDER, Mrs. LLOYD, Mr. LIPINSKI, Mr. FAZIO, Mr. MITCHELL, Mr. STUDDS, Mr. MAVROULES, Mr. PERKINS, Mr. TRAFICANT, Mr. WHEAT,

Mr. OWENS, Mr. ROSE, Mr. WEISS, Mr. SOLARZ, Mr. MINETA, Mr. DASCHLE, Mr. PEPPER, Mrs. KENNELLY, Mr. MCCLOSKEY, Mr. CROCKETT, Mr. DWYER of New Jersey, and Mr. BRUCE):

H.J. Res. 541. Joint resolution disapproving the proposed deferral of budget authority for the Community Development Block Grant Program; to the Committee on Appropriations.

By Mr. McCOLLUM (for himself, Mr. WOLF, Mr. THOMAS of Georgia, Mr. LUNDINE, Mr. BIAGGI, Mr. SHAW, Mr. RANGEL, Mr. STALLINGS, Mr. IRELAND, Mr. WYDEN, Mr. CROCKETT, Mr. GUARINI, Mr. LAGOMARSINO, Mr. KASTENMEIER, Mr. BUSTAMANTE, Mr. BORSKI, Mr. NIELSON of Utah, Mr. GILMAN, Mr. FEIGHAN, Mr. RALPH M. HALL, Mrs. LONG, Mrs. MARTIN of Illinois, Mr. MARTINEZ, Mr. MATSUI, Mr. MAVROULES, Mr. MICHEL, Mr. MILLER of Ohio, Mr. MOAKLEY, Mr. MOORHEAD, Mr. MURPHY, Mr. NEAL, Mr. OBERSTAR, Mr. O'BRIEN, Mr. OWENS, Mr. PEPPER, Mr. CLINGER, Mr. HERTEL of Michigan, Mr. HUNTER, Mr. HUTTO, Mr. HYDE, Mr. KASICH, Mr. BERMAN, Ms. KAPTUR, Mr. ROE, Mr. BRYANT, Mr. ORTIZ, Mr. VALENTINE, Mr. LIGHTFOOT, Mr. PICKLE, Mr. WATKINS, Mr. VANDER JAGT, Mr. MOODY, Mrs. COLLINS, Mr. EVANS of Illinois, Mr. DASCHLE, Mr. SKELTON, Mr. PASHAYAN, Mr. CARNEY, Mr. CHAPPELL, Mr. MCCAIN, Mr. HAYES, Mr. MARTIN of New York, Mr. DWYER of New Jersey, Mr. LELAND, Mr. NELSON of Florida, Mr. BOLAND, Mr. WORTLEY, Mr. MANTON, Mr. SMITH of Florida, Mr. TOWNS, Mr. DARDEN, Mr. REGULA, Mr. YOUNG of Alaska, Mr. WILSON, Mr. KINDNESS, Mr. FASCELL, Mr. SCHEUER, Mr. TRAFICANT, Mr. BILIRAKIS, Mr. YOUNG of Missouri, Mr. BONER of Tennessee, Mr. HORTON, Mr. STOKES, Mr. LEHMAN of Florida, Mr. STANGELAND, Mr. CARPER, Mr. RAHALL, Mr. COATS, Mr. MRAZEK, Mr. PURSELL, Mr. HUGHES, Mr. BEDELL, Mrs. JOHNSON, Mr. HOWARD, Mrs. BYRON, Ms. MIKULSKI, Mr. DAUB, Mr. ACKERMAN, Mr. YOUNG of Florida, Mr. BATEMAN, Mrs. HOLT, Mr. MCGRATH, Mr. LEHMAN of California, Mr. SISISKY, Mr. BEVILL, Mr. MCHUGH, Mrs. LLOYD, Mr. GUNDERSON, Mr. LANTOS, Mr. DYMALLY, Mr. FROST, Mr. ADDABBO, Mr. SCHUMER, Mr. BURTON of Indiana, Mr. WEBER, Mr. DYSON, Mr. BARNES, Mr. VENTO, Mr. CONTE, Mr. MADIGAN, Mr. KILDEE, Mr. KOLTER, Mr. LAFALCE, Mr. LEWIS of Florida, Mr. LEWIS of California, Mr. DOWNEY of New York, Mr. EDGAR, Mr. ROBERTS, Mr. SHUMWAY, Mr. CHAPPIE, Mr. EVANS of Iowa, Mr. FAZIO, Mr. FISH, Mr. FRENZEL, Mr. FUSTER, Mr. RODINO, Mr. TORRICELLI, Mr. ROTH, Mr. REID, Mr. TRAXLER, Mr. HENRY, Mr. ROYBAL, Mr. NATCHER, and Mr. QUILLEN):

H.J. Res. 542. Joint resolution designating May 1986 as "Older Americans Month"; to the Committee on Post Office and Civil Service.

By Mr. TAUZIN (for himself, Mr. BEVILL, Mr. FLIPPO, Mr. ERDREICH, Mr. SHELBY, Mr. YOUNG of Alaska, Mr. MCCAIN, Mr. UDALL, Mr. STUMP, Mr. KOLBE, Mr. ANTHONY, Mr. CHAPPIE, Mr. MATSUI, Mr. FAZIO, Mr. STARK, Mr. LANTOS, Mr. ZSCHAU, Mr. MINETA, Mr. SHUMWAY, Mr. COELHO, Mr. PANETTA, Mr. PASHAYAN, Mr. LAGOMARSINO, Mr. THOMAS of California, Mr. WAXMAN, Mr. LEVINE of California, Mr. DIXON, Mr. MARTINEZ, Mr. DYMALLY, Mr. ANDERSON, Mr. DORNAN of California, Mr. DANNEMEYER, Mr. LUNGREN, Mrs. KENNELLY, Mr. GEJDENSON, Mr. MORRISON of Connecticut, Mr. MCKINNEY, Mrs. JOHNSON, Mr. HUTTO, Mr. BILIRAKIS, Mr. SMITH of Florida, Mr. GINGRICH, Mr. HEFTEL of Hawaii, Mr. STALLINGS, Mr. SAVAGE, Mr. HYDE, Mrs. COLLINS, Mr. YATES, Mr. PORTER, Mr. GROTBERG, Mr. MADIGAN, Mr. EVANS of Illinois, Mr. DURBIN, Mr. GRAY of Illinois, Mr. SHARP, Mr. COATS, Mr. TAUKE, Mr. EVANS of Iowa, Mr. HUBBARD, Mr. LIVINGSTON, Mrs. BOGGS, Mr. HUCKABY, Mr. ROEMER, Mr. MOORE, Mr. BREAUX, Mrs. BENTLEY, Mrs. HOLT, Mr. CONTE, Mr. BOLAND, Mr. EARLY, Mr. MAVROULES, Mr. MARKEY, Mr. MOAKLEY, Mr. CONYERS, Mr. PURSELL, Mr. WOLPE, Mr. HENRY, Mr. CARR, Mr. TRAXLER, Mr. BONIOR of Michigan, Mr. CROCKETT, Mr. VENTO, Mr. SABO, Mr. SIKORSKI, Mr. WHITTEN, Mr. FRANKLIN, Mr. MONTGOMERY, Mr. DOWDY of Mississippi, Mr. LOTT, Mr. YOUNG of Missouri, Mr. SKELTON, Mr. VOLKMER, Mr. DAUB, Mrs. SMITH of Nebraska, Mr. REID, Mrs. VUCANOVICH, Mr. FLORIO, Mr. HUGHES, Mr. DWYER of New Jersey, Mr. RINALDO, Mr. ROE, Mr. TORRICELLI, Mr. RODINO, Mr. GALLO, Mr. RICHARDSON, Mr. CARNEY, Mr. MRAZEK, Mr. LENT, Mr. MCGRATH, Mr. ADDABBO, Mr. SCHEUER, Mr. MANTON, Mr. OWENS, Mr. GREEN, Mr. RANGEL, Mr. WEISS, Mr. BIAGGI, Mr. DIOGUARDI, Mr. FISH, Mr. SOLOMON, Mr. MARTIN of New York, Mr. WORTLEY, Mr. HORTON, Mr. KEMP, Mr. LUNDINE, Mr. VALENTINE, Mr. NEAL, Mr. HEFNER, Mr. HENDON, Mr. DORGAN of North Dakota, Mr. HALL of Ohio, Mr. LATTA, Mr. MCEWEN, Mr. KINDNESS, Ms. KAPTUR, Mr. MILLER of Ohio, Mr. WYLIE, Mr. APPLEGATE, Ms. OAKAR, Mr. STOKES, Mr. SYNAR, Mr. EDWARDS of Oklahoma, Mr. AUCOIN, Mr. BORSKI, Mr. KOLTER, Mr. KOSTMAYER, Mr. MCDADE, Mr. RITTER, Mr. WALGREN, Mr. MURPHY, Mr. ST GERMAIN, Mr. HARTNETT, Mr. SPENCE, Mr. DERRICK, Mr. CAMPBELL, Mr. SPRATT, Mr. TALLON, Mr. DASCHLE, Mr. QUILLEN, Mrs. LLOYD, Mr. BONER of Tennessee, Mr. SUNDQUIST, Mr. JONES of Tennessee, Mr. CHAPMAN, Mr. WILSON, Mr. HALL OF TEXAS, Mr. BRYANT, Mr. FIELDS, Mr. BROOKS, Mr. PICKLE, Mr. DE LA GARZA, Mr. COLEMAN of Texas, Mr. STENHOLM, Mr. LELAND, Mr. COMBEST, Mr. LOEFFLER, Mr. BUSTAMANTE, Mr. ANDREWS, Mr. ORTIZ, Mr. JEFFORDS, Mr. SISISKY, Mr. DANIEL, Mr. SLAUGHTER, Mr. BOUCHER, Mr. WOLF, Mr. RAHALL, Mr. KLECZKA, Mr. FUSTER, Mr. DE LUGO, Mr. SUNIA, Mr. BROYHILL, Mr. ACKERMAN, Mr. CALLAHAN, Mr. AKAKA, Mr. WYDEN, Mr. TOWNS, Mr. SKEEN, Mr. BLILEY, Mr. BLAZ, Mr. SOLARZ, and Mr. LEVIN of Michigan):

H.J. Res. 543. Joint resolution to designate March 21, 1986, as "National Energy Education Day"; to the Committee on Post Office and Civil Service.

By Mrs. VUCANOVICH (for herself, Mr. HORTON, Mr. SUNIA, Mr. DIXON, Mr. CHAPPELL, Mr. BUSTAMANTE, Mrs. BENTLEY, Mr. MACK, Mr. GINGRICH, Mr. OWENS, Mr. MCEWEN, Mr. DYMALLY, Mr. SCHUMER, Mr. RAHALL, Mr. SABO, Mr. MRAZEK, Mr. HEFTEL of Hawaii, Mr. REID, Mr. HUTTO, Mr. WORTLEY, Mr. GEJDENSON, Mr. STANGELAND, Mr. BATEMAN, Mr. BONER of Tennessee, Mr. DE LUGO, Mr. WOLF, Mr. SHUMWAY, Mr. VENTO, Mr. GUNDERSON, Mr. PASHAYAN, Mr. DWYER of New Jersey, Mr. LAGOMARSINO, Mr. DOWDY of Mississippi, Mrs. BOXER, Mr. TOWNS, Mr. HAYES, Mr. MINETA, Mr. MCGRATH, Mr. HUNTER, Mr. BARNES, Mr. SMITH of Florida, Mr. SISISKY, Mr. CALLAHAN, Mr. WYLIE, and Mr. WEISS):

H.J. Res. 544. Joint resolution to designate May 7, 1986, as "National Barrier Awareness Day"; to the Committee on Post Office and Civil Service.

By Mr. PASHAYAN:

H.J. Res. 545. Joint resolution recognizing Bobby Fisher as the official world chess champion; to the Committee on Post Office and Civil Service.

By Mr. FASCELL:

H. Res. 384. Resolution to certify the contempt report regarding Ralph Bernstein and Joseph Bernstein; considered and agreed to.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

295. By the SPEAKER: Memorial of the Senate of the State of West Virginia, relative to the occupation of Afghanistan; to the Committee on Foreign Affairs.

296. Also, memorial of the Legislature of the State of Idaho, relative to the construction of the superconducting supercollider; to the Committee on Science and Technology.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 97: Mr. SILJANDER, Mr. BROYHILL, and Mr. GROTBERG.

H.R. 147: Mr. JONES of Oklahoma.

H.R. 1345: Mr. GROTBERG, Mr. HUTTO, Mr. BROYHILL, Mr. THOMAS of Georgia, Mr. SILJANDER, Mr. HENDON, and Mr. TALLON.

H.R. 1398: Mrs. SCHROEDER.

H.R. 2739: Mr. FRANK.

H.R. 2902: Mr. AKAKA, Mr. LUJAN, Mr. MOLLOHAN, and Mr. STAGGERS.

H.R. 3024: Mr. DONNELLY, Mr. KANJORSKI, Mr. BEDELL, Mr. DICKS, Mr. WEBER, and Mr. EVANS of Iowa.

H.R. 3582: Mr. MRAZEK and Mr. GALLO.

H.R. 3598: Mr. BURTON of Indiana, Mr. SMITH of New Jersey, Mrs. BENTLEY, Mr. COURTER, Mr. CAMPBELL, Mr. DORNAN of California, Mr. SMITH of Florida, Mr. LAGOMARSINO, Mr. GINGRICH, Mr. GREGG, Mr. WILSON, Mr. GALLO, Mr. LIVINGSTON, Mr. WALKER, and Mr. ARMEY.

H.R. 3660: Mr. DONNELLY.

H.R. 3710: Mr. COLEMAN of Missouri.

H.R. 3733: Mr. TORRICELLI, Mr. BRYANT, Mr. WEAVER, Mrs. BOXER, Mr. TRAXLER, Ms. OAKAR, Mr. WEISS, Mr. FEIGHAN, Mr. HERTEL of Michigan, Mr. DURBIN, Mr. EDGAR, Mr. OWENS, Mr. MRAZEK, Mr. TOWNS, Mr.

COELHO, Mr. MCHUGH, Mr. MILLER of California, Mr. FAZIO, Mrs. BURTON of California, Mr. ROEMER, Mr. LELAND, Mr. HALL of Ohio, Mr. REID, Mr. LEACH of Iowa, Mr. FISH, Mr. COOPER, Mr. ALEXANDER, and Mr. DASCHLE.

H.R. 3766: Mr. BENNETT and Mr. MOORHEAD.

H.R. 3932: Mr. KLECZKA.

H.R. 3952: Mr. ARCHER.

H.R. 3968: Mr. FLORIO, Mrs. LONG, Mr. NIELSON of Utah, Mr. SPRATT, Mr. TORRICELLI, Mr. YATRON, and Mr. FORD of Michigan.

H.R. 4003: Mr. CLAY, Mr. COELHO, Mrs. JOHNSON, Mr. BROWN of California, Mr. GEJDENSON, Mr. PENNY, Mr. WORTLEY, Mr. OWENS, Mr. GARCIA, Mr. SCHUMER, Mr. DIOGUARDI, Mr. MONSON, Mr. FAZIO, Mr. GILMAN, Mr. BOEHLERT, Mr. FLORIO, Mr. RANGEL, and Mr. LANTOS.

H.R. 4017: Mr. MORRISON of Connecticut, Ms. KAPTUR, Mr. SPENCE, Mr. WORTLEY, Mr. HUGHES, Mr. DYSON, Mrs. BYRON, Mr. CLINGER, Mr. BARNARD, Mr. RICHARDSON, and Mr. EVANS of Iowa.

H.R. 4021: Mr. BIAGGI, Mr. ECKART of Ohio, and Mr. FOLEY.

H.R. 4029: Mr. FUSTER, Mr. LEHMAN of Florida, Mr. MILLER of California, Mr. TORRES, Mr. KLECZKA, Mr. DYMALLY, Mr. RICHARDSON, Mr. TOWNS, Mr. BARNES, and Mr. TORRICELLI.

H.R. 4033: Mr. CLINGER, and Mr. Guarini.

H.R. 4051: Mr. KINDNESS, Mr. HILER, Mr. ECKERT of New York, and Mr. SENSENBRENNER

H.R. 4054: Mr. KOLBE.

H.R. 4056: Mr. JACOBS, Mr. CHAPPELL, Mr. CRANE, Mr. ANTHONY.

H.R. 4080: Mr. HORTON, Mr. GINGRICH, and Mr. WILLIAMS.

H.R. 4103: Mr. LEVINE of California.

H.R. 4104: Mr. LEVINE of California.

H.R. 4115: Mr. RANGEL and Mr. MARTINEZ.

H.R. 4128: Mr. BEDELL, Mr. SMITH of Florida, Mrs. SMITH of Nebraska, Mr. TOWNS, Mr. RANGEL, Mr. TORRES, Mr. MINETA, and Mr. MRAZEK.

H.R. 4135: Ms. MIKULSKI, Mr. CHANDLER, Mr. FORD of Michigan, Mr. WOLPE, Mr. FAZIO, Mr. KOLBE, Mr. LEVINE of California, Mr. BORSKI, Mr. MAVROULES, Mr. FEIGHAN, Mr. GUARINI, Mr. DORNAN of California, Mr. CRANE, Mr. GEJDENSON, and Mr. MACKAY.

H.R. 4141: Mr. DELAY, Mr. TAUKE, Mr. BURTON of Indiana, Mr. EMERSON, Mr. CRANE, Mr. MONSON, and Mr. PARRIS.

H.R. 4157: Mr. BURTON of Indiana, Mr. MCDADE, Mr. MARTINEZ, Mr. COBEY, Mr. KINDNESS, Mr. YOUNG of Missouri, Mr. HYDE, Mr. DORNAN of California, and Mr. LAGOMARSINO.

H.R. 4186: Mr. ADDABBO, Mr. BIAGGI, Mr. BOEHLERT, Mr. CRANE, Mr. DIOGUARDI, Mr. GUARINI, Mr. IRELAND, Mr. LEHMAN of Florida, Mr. LEWIS of Florida, Mr. MATSUI, Mr. MILLER of Washington, Mr. MOORHEAD, Mr. O'BRIEN, Mr. RUDD, Mr. SILJANDER, and Mr. YATRON.

H.R. 4224: Mr. STARK, Mrs. VUCANOVICH, Mr. MILLER of California, Mr. WISE, Mr. ROYBAL, Mr. FUSTER, Mr. MARTINEZ, and Mr. DORNAN of California.

H.R. 4240: Mr. PACKARD and Mr. MONSON.

H.J. Res. 381: Mr. TOWNS, Mr. MOORHEAD, Mr. MOODY, Mr. CONTE, and Mr. ANDERSON.

H.J. Res. 435: Mr. LEVIN of Michigan, Mr. RANGEL, and Mr. WORTLEY.

H.R. Res. 451: Mr. BOLAND, Mr. COLEMAN of Texas, Mr. RINALDO, Mr. ROTH, Mr. VANDER JAGT, Mr. LEWIS of California, Mr. KASICH, Mr. LELAND, Mr. MCCAIN, Mr. YOUNG of Alaska, Mr. DREIER of California, Mr. DANIEL, Mr. MOAKLEY, Mr. CARNEY, Mr. WEBER, Mr. MRAZEK, Mr. SHELBY, Mr. DOWDY of Mississippi, Mr. BONER of Tennessee, Mrs. LLOYD, Mr. LEATH of Texas, Mr. FRENZEL, Mr. OLIN, Mr. DICKS, Mr. GREEN, Mr. MCCLOSKEY, Mr. DE LUGO, Mr. EVANS of Illinois, Mr. ANNUNZIO, Mr. WHITTAKER, Mr. RICHARDSON, and Mr. ROWLAND of Connecticut.

H.J. Res. 460: Mr. WIRTH.

H.J. Res. 470: Mr. BLAZ, Mr. SOLARZ, Mr. RALPH M. HALL, Mr. YATRON, Mr. MCGRATH, Mr. FOGLIETTA, Mr. GORDON, and Mr. VANDER JAGT.

H.J. Res. 516: Mr. RALPH M. HALL, Mr. DORNAN of California, Mr. LAGOMARSINO, and Mr. SMITH of Florida.

H.J. Res. 521: Mr. FORD of Michigan, Mr. MINETA, Mr. MOLLOHAN, Mr. APPLEGATE, and Mr. DWYER of New Jersey.

H.J. Res. 522: Mr. ADDABBO, Mr. DURBIN, Mr. DWYER of New Jersey, Mr. FRANK, Mr. BEDELL, Mr. FISH, Mr. KOSTMAYER, and Mr. STAGGERS.

H. Con. Res. 278: Mr. HILER, Mr. MACKAY, Mr. HUNTER, Ms. KAPTUR, Mr. STARK, Mr. ROSE, Mrs. COLLINS, Mr. BENNETT, Mr. NOWAK, Mr. MADIGAN, Mr. TAUZIN, Mr. STUMP, Mr. WYLIE, Mr. DYSON, Mr. SAXTON, Mr. LELAND, Mr. FORD of Tennessee, Mr. BROOKS, Mr. SCHAEFER, Mr. WIRTH, Mr. OBERSTAR, Mr. MCDADE, Mrs. KENNELLY, Mr. KASICH, Mr. SEIBERLING, Mr. SISISKY, Mr. OBEY, Mr. YATES, Mrs. BYRON, Mr. TORRES, Mr. ALEXANDER, Mr. GILMAN, Mr. LAFALCE, Mr. WALGREN, Mr. BORSKI, Mr. COELHO, Mrs. JOHNSON, Mr. HUGHES, Mr. ORTIZ, Mr. TRAFICANT, Mr. PRICE, Mr. ROSTENKOWSKI, Mr. SMITH of New Jersey, Mr. GIBBONS, Mr. LUKEN, Mr. ROWLAND of Connecticut, Mr. TORRICELLI, Mr. BROWN of California, Mr. MARTIN of New York, Mr. FAZIO, Mr. DONNELLY, and Mr. Bosco.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1809: Mr. FISH.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

278. By the SPEAKER: Petition of the Board of Governors, American Bar Association, Washington, DC, relative to the exclusion of the retirement pay of senior Federal judges from the coverage of the Social Security Act; to the Committee on Ways and Means.

279. Also, petition of the President, Capt. James Smith Memorial Foundation, New York, NY, relative to the Congressional Medal of honor commemoration resolution; to the Committee on Post Office and Civil Service.

SENATE—*Thursday, February 27, 1986*

(Legislative day of Monday, February 24, 1986)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Omnipotent God of justice, truth and love, we have been made acutely aware of the peril in power and its propensity to corrupt and destroy. The brief, biblical biography of Uzziah, king of Judah, vividly reminds us of the disease and its prognosis.

"* * * as his power increased * * * his heart grew proud * * * and this was his ruin."—2 Chronicles 26:16.

Give us grace, Kind Father, in this place of power, to have ears to hear, eyes to see, and wills to heed. In His name in Whom, was all power, Who served and sacrificed in love for all. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader is recognized.

Mr. DOLE. Thank you, Mr. President.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, followed by special orders in favor of Senators SIMON, GORE, and PROXMIRE for not to exceed 15 minutes each, and routine morning business not to extend beyond 12:30 p.m. with Senators permitted to speak therein for not more than 5 minutes each. Following routine morning business, the Senate will resume consideration of Senate Resolution 28, TV in the Senate. It would be my hope that sometime shortly after that there could be a joint leadership substitute proposed, and we might have a debate and conclude action on that matter today.

Following that, or sometime maybe in the interim we need to act on the CCC supplemental appropriations bill. Also, I hope that Senators will let us act on basic requirements of the farm bill. I understand amendments are starting to come out of the woodwork. If we really want to help many farmers, we should do it this week. Some of the other amendments that are being raised can be taken care of later. But as far as a number of provisions with reference to dairy, with reference to yields and underplanting, they should be taken care of this week.

We have been working with Senators and House Members on both sides of the aisle in an effort to work out a compromise. But again let me urge my colleagues, if we are going to do anything today, we should not try to load up the bill with every conceivable amendment that somebody has called to our attention. We will make an effort in midafternoon to get unanimous consent to take up the Kasten-Leahy dairy bill which is at the desk and amend that with an amendment and send it to the House.

If we can complete action on CCC today, it is my hope we could lay down the regional airport proposal or, if not, move to something else that we can dispose of. It is my intention to be in session tomorrow, but whether or not there will be votes I will try to advise Members by midafternoon.

I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The distinguished Democratic leader is recognized.

Mr. BYRD. Mr. President, I believe Mr. SIMON had a 15-minute order, did he not?

The PRESIDING OFFICER (Mr. BOSCHWITZ). The Senator is correct.

Mr. BYRD. I thank the Chair. It is my understanding that Mr. SIMON would like to have the time which was allotted to him controlled by Mr. PROXMIRE, so I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

INACCURACIES IN THE PRESIDENT'S DEFENSE SPEECH

Mr. BYRD. Mr. President, I will have a little more to say later about the President's speech on national defense last night. There are a few statements in that speech that are not accurate. One was the statement, in reference to the SALT II treaty, that the leaders of then-President Carter's party in the Senate were opposed to SALT II.

Mr. President, that is not correct. It is absolutely 180 degrees from the truth. I was quite long in making my decision on the SALT II treaty at that time, but I did, after carefully weighing all of the information that I could secure, after carefully weighing the pros and the cons, announce publicly my support for the treaty, stating at the time that I was not wholly satisfied with everything in it; I had a lot of problems with it, but I thought that it had more good in it than bad so far as our own country's national security interests were concerned, and I publicly supported it.

It was when the Soviet Union invaded Afghanistan in December of 1979 that I talked to President Carter and told him it would be impossible in the atmosphere that then prevailed; namely, the holding of the hostages by the Iranians and the invasion of Afghanistan by the Soviet Union, to get the necessary two-thirds vote in this Senate to approve the ratification of the SALT II treaty.

The administration is continuing to abide by the SALT II treaty even though the Senate has never taken the treaty up and debated it.

Second, the President spoke of Gramm-Rudman, and he tried to blame someone else for the reductions in defense spending dictated by Gramm-Rudman. That was an amendment which his own party offered here on the floor. It had some Democratic cosponsorship. But not too long ago I was at the White House with others in the leadership when the President made a strong pitch for Gramm-Rudman and also a strong pitch for increased defense expenditures. I stated there to the President—and the others who were around the table will recall—"Mr. President, if you think that Gramm-Rudman will not result in some cuts in the defense funding, you are in for a big surprise."

So it was the President who strongly endorsed Gramm-Rudman, strongly supported it even in the face of those of us who said that it would result in instant cuts in defense spending. It was he who supported it.

I think it is a little bit of a misrepresentation of the facts now for the President to criticize Congress and try to blame someone else for the reductions that are dictated by Gramm-Rudman. The President, against the advice of those of us here who support a strong defense, went ahead and supported and signed Gramm-Rudman. The arbitrary cuts he is concerned about are dictated by the Gramm-Rudman Act. It is not possible for the President to have it both ways, much as he would like to have it so.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

The truth of the matter is that Congress appropriated more money for this year's defense than it did in fiscal year 1985. The reason why defense spending came in lower than that figure—to be exact, $286 billion; in fiscal year 1985, $295 billion; in fiscal year 1986, $299 billion—was certainly in part because of Gramm-Rudman, which, as I say, was enthusiastically supported by the President.

Among others, another misrepresentation that I heard the President make in his speech last night was with reference to the creation of the post of inspector general in the Pentagon. Senate Democrats proposed, on the Senate floor by amendment to the fiscal year 1983 DOD authorization bill, an independent inspector general in the Pentagon. In 1982 there was a key floor amendment offered by Senator BENTSEN, and others, which the administration strongly opposed, which provided for the creation of the independent IG in the Defense Department. Testimony by administration witnesses before the Senate Governmental Affairs Committee by then Deputy Secretary of Defense Frank Carlucci, DOD General Counsel William Taft, among others, in 1981 and 1982 opposed an independent inspector general for the Defense Department. The administration opposed the creation of that post; and it was Congress, most particularly, Senate Democrats, that went ahead, in the face of administration opposition to an inspector general in the Pentagon, and finally prevailed in establishing that office.

Last night, the President spoke of how the inspector general had brought about savings in the Defense Department, had exposed waste in the Defense Department. He, of course, took full credit for the inspector general, which he said was brought in during his administration; that it was a new post that came in during his administration, and that as a result of the inspector general's work, many of these wasteful expenditures had come to light. But he did not say that his administration opposed an inspector general in the Pentagon, which is the historical fact, and he did not say that Congress, over the opposition of the administration, went ahead and provided for an independent inspector general. The administration wanted an IG completely subservient to the Secretary of Defense, and not at all independent. Such a creature would never have had the authority and the muscle which was needed to shake up the powerful Pentagon bureaucracy.

Well, there are other misrepresentations that I could talk about. For now, I will leave it at that.

Mr. President, I ask unanimous consent that I may revise and extend my remarks and that an analysis of the historical record of the creation of the independent IG in the Pentagon, done by the staff of the Democratic Policy Committee, be printed in the RECORD at the conclusion of my remarks.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

("We appointed the first Inspector General in the history of the Defense Department—and virtually every case of fraud or abuse has been uncovered by our defense Department, our Inspector General. Secretary Weinberger should be praised, not pilloried, for cleaning the skeletons out of the closet."—President Reagan, Televised Address on National Defense, February 26, 1986)

THE PENTAGON INSPECTOR GENERAL—CONGRESSIONAL DEMOCRATS PROPOSED IT, THE ADMINISTRATION OPPOSED IT

This Special Report was originally issued on June 17, 1985. Because President Reagan, last night, again attempted to claim credit for both the creation and successes of the Pentagon Inspector General Office, the report is being reissued with updated revisions.

The report reveals that the independent Inspector General Office in the Department of Defense was created largely through the efforts of congressional Democrats, and—contrary to the President's assertions last night—the Administration opposed it.

RECALLING THE FACTS

When the Reagan Administration took office in 1981, the President claimed that he wanted inspectors general "meaner than junkyard dogs" watching over each government agency. No such creature was to be found, however, at the Pentagon. The Department of Defense was exempted from the requirements of the Inspector General act of 1978, which mandated an inspector general in virtually every other executive branch department.

Concerned with the massive increases in appropriations that the Administration was requesting for the Department of Defense, as well as the appearance of stories about the Pentagon paying outrageous prices for common household items, in early 1981 congressional Democrats decided that it was time to address what former OMB Director David Stockman was calling the "swamp of waste and inefficiency" in Pentagon procurement.

CONGRESSIONAL DEMOCRATS PROPOSED AN INDEPENDENT INSPECTOR GENERAL OFFICE

On May 19, 1981, the House of Representatives approved H.R. 2098 which had been introduced by Representative Jack Brooks. The measure would have amended Public Law 95-452 (the Inspector General Act of 1978) by including a provision to establish a statutory Office of Inspector General in the Defense Department.

On December 10, 1981, Senator Lloyd Bentsen introduced S. 1932 as "companion legislation" to the House-passed measure. To ensure that a Pentagon inspector general could and would be "meaner than a junkyard dog," this proposal, as well as the House-passed measure, granted the Pentagon inspector general the independent authority to conduct audits and investigations relating to programs and operations within the Defense Department.

Under both the House and Senate proposals, neither the Secretary nor the Deputy Secretary could prevent the inspector general from initiating, carrying out, or completing any audit or investigation, or from issuing any subpoena during the course of any audit or investigation. Both measures were soundly endorsed by the General Accounting Office (GAO). On February 5, 1982, GAO reported:

"We believe the inspector general's degree of independence, congressional report responsibility, unrestrained scope of work, and combined auditing and investigating capabilities as contemplated under H.R. 2098 and S. 1932 would result in improved internal controls and better congressional oversight of Defense activities."

The Pentagon itself provided a striking illustration of just why the office needed such autonomy. In April, 1982, it was reported that the Department of Defense was withholding vital information from GAO investigators regarding the costs of the B-1 bomber. The person who President Reagan said should be "praised . . . for cleaning the skeletons out of the closet," Defense Secretary Caspar Weinberger, rejected Comptroller General Bowsher's request for this information on the grounds that it "would seriously interfere with the decision-making process."

THE REAGAN ADMINISTRATION OPPOSED AND FOUGHT THE CREATION OF THE OFFICE

The Administration, as well as the Defense Department opposed and fought the measures proposed by Senate Democrats to create an independent inspector general office in the Pentagon. One after another Administration official expressed the Administration's objection to the Senate Committee on Governmental Affairs.

Department of Defense General Counsel William Howard Taft IV testified on June 18, 1981:

"(Those provisions which would establish the independence of the Inspector General in the Department of Defense) are completely inconsistent with the hierarchical commander subordinate relationship that is at the heart of any military organization, and is embodied in the chain of command. . . . In our view, the Secretary of Defense must have the ability to terminate any review process or investigation that the Inspector General may initiate which would jeopardize national security."

Deputy Secretary of Defense Frank Carlucci testified on March 25, 1982:

"We believe the Inspector General ought to be under the authority, direction and control of the Secretary of Defense. . . . It is just not tolerable in those circumstances to have someone who is not under the authority, direction and control of the Secretary of Defense."

Deputy Director of the Office of Management and Budget Edwin L. Harper testified on June 18, 1981:

"The principal recommendation concerning an Inspector General for the Department of Defense involves the relationship between the Secretary of Defense and the Inspector General. Our approach would permit the Secretary of Defense, using his judgment about matters relating to the interests of national security, to require the Inspector General not to undertake a given audit or investigation."

Senate Democrats countered by pointing out that a Pentagon inspector general without a large degree of independence would not ensure an efficient Pentagon procurement system. A truly independent inspector general would need autonomous authority and sufficient power to monitor, audit, evaluate, and review spending to be effective. Senator David Pryor charged that

having the inspector general responsible to and under the control of the Secretary of Defense would give the Defense Department "a puppy instead of a watchdog."

Congressional Democrats encountered continuing obstacles in their drive to create an independent inspector general office. Their measures were stalled in committee. Weaker bills were introduced. And the Administration procrastinated in submitting its proposal for creating an inspector general office to the involved Senate committees: "Last June (1981), when this Committee first began its hearings on the House-passed proposal creating additional inspectors general," Senator Pryor pointed out, "the Administration indicated their proposal on this initiative was forthcoming. It appears now—nine months later—that their proposal was 'delay, delay, delay.' Now we are 174 days past the October 1, 1981, effective date in the bill passed by the House last May."

THE ESTABLISHMENT OF AN INDEPENDENT OFFICE OF INSPECTOR GENERAL

In May 1982, Senate Democrats renewed their effort to create a more efficient Department of Defense and to ensure that taxpayers' money is well spent. Senators Pryor and Bentsen introduced measures to establish an inspector general office in the Pentagon, free from the control of the Secretary of Defense with the exception of matters involving national security.

During the floor debate on these measures, Senator Pryor pointed out:

"We need an IG who is not 'part of the management team' at the (Defense) department. We do not need more of the 'buddy system'—we need hard-nosed investigations led by a person not obligated to the Secretary of Defense for his or her job but whose only obligation is the President, the Congress, and the American people. . . . The watchdog should not be kept on a tight statutory leash or forced to wear blinders. He or she should be able to look anywhere and everywhere for waste, fraud, and abuse, cost overruns or excessive profits of contractors."

Senator Bentsen declared:

"The idea that the Secretary (of Defense) can negate the initiation or conduct of any audit or investigation, is totally opposite to what Congress intended in authorizing the Inspector Generals' program. . . . (The Defense Department) is on record as opposing any legislation to create an independent Inspector General within the Pentagon. . . . If we are to have anything other than a cosmetic Office of Inspector General, we must have independent authority to conduct audits and investigations without interference. Anything less will be a sham, and the public will recognize it as such."

On May 12, 1982, Senate Democrats successfully resisted an attempt to table the Bentsen proposal to create an independent inspector general office by a vote overwhelming along party lines (44 Republicans voted to table the measure while 42 Democrats voted against tabling it). But on the same day the Senate defeated the Bentsen proposal again by a vote overwhelming along party lines (41 Democrats voted for the proposal while 50 Republicans followed the Administration and voted against the measure). The measure that the Senate finally approved established an Inspector General office with less autonomy than provided by the House of Representatives and less independence than proposed by Senate Democrats.

In conference, however, the needed independence was restored—the final legislation closely resembled the measure which had been proposed by Senator Bentsen. It established an Inspector General office in the Defense Department with the autonomy to investigate and expose waste, fraud, and abuse in the Pentagon. It was given the same independence as all other statutory Inspectors General with the exception of certain specific areas, such as sensitive operational and intelligence matters where the Secretary of Defense has the authority to control an investigation. In such cases, both the Secretary of Defense and the Inspector General are required to submit a report to the Congress whenever this authority is exercised.

FROM ONE SUCCESS, MANY

Since the enactment of the legislation, the Inspector General's office has uncovered contracting fraud, abuse of the Defense Department's procurement system, and revealed that the Pentagon was paying $44 for a lightbulb, $640 for a toilet seat, $436 for a hammer, $427 for a tape measure, and $1,118 for a 22¢ plastic stool cap.

Commenting on the fact that taxpayers are getting more military return on their hard earned tax dollar investment, and the improved effectiveness in the Pentagon's procurement system resulting from the establishment of the independent Inspector General office, Senate Democratic Leader Robert C. Byrd, in November 1983, remarked:

"To achieve more efficiency and economy in the Department of Defense, Congress . . . created an independent Inspector General. It was unfortunate that the Administration fought the creation of this post. But the wisdom of this move . . . has now become obvious."

Mr. BYRD. Mr. President, do I have any time remaining?

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. BYRD. I ask unanimous consent that I may reserve the remainder of my time throughout this calendar day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 30 minutes.

Mr. PROXMIRE. Fifteen minutes—is that right?

Mr. BYRD. I had 15 minutes which were provided for Mr. SIMON transferred to the Senator from Wisconsin.

Mr. PROXMIRE. I thank the distinguished minority leader.

The PRESIDING OFFICER. By unanimous consent, the time of Senator SIMON was transferred to the Senator from Wisconsin.

PRESIDENT REAGAN IS WRONG—WE HAVE THE STRENGTH TO NEGOTIATE NOW

Mr. PROXMIRE. Mr. President, last night President Reagan told the Nation that the millions of Americans who believe we are now superior to the Soviet Union in military strength are wrong. I think the President is wrong and I want to say exactly why.

The President called out a series of areas where the Soviet Union does indeed exceed the United States in military equipment. He listed combat aircraft, submarines, tanks, and artillery pieces. The President left the clear implication that the Soviet Union today enjoys a military strength that exceeds that of the United States. He then contended that this country must remedy this military disadvantage in order to negotiate arms control agreements with the Soviet Union from strength.

This Senator welcomes the President's decision to bring this issue to the attention of the American people. This is a critical issue. No responsibility of the Federal Government carries more importance than providing for our national security. No policy our Government can pursue can more surely bring the peace that is so essential in this nuclear world than arms control negotiations. This Senator also agrees wholeheartedly that we should negotiate from a position of strength.

All of us in Congress are painfully aware of the heavy burden military spending imposes on our country at a time when we face our most serious fiscal crisis in memory. But Congress is certainly ready to spend whatever is necessary to provide the United States with the military strength to negotiate with the Soviet Union from a position of at least parity, and we should.

Is the President right? Is the United States in fact too weak militarily to negotiate with the other superpower from a posture of solid military strength? The answer is clear and overwhelming. The President is wrong. And I mean very wrong.

Consider what he overlooks. What lies right at the heart of military strength in this modern world? Answer: Technology and economic strength.

How do the two superpowers compare in these respects? Last year, in the most recent report from the Defense Department comparing the United States and the Soviet Union in the 20 most important areas of military technology, the United States led in 15. That is right: This country led in three-quarters of the most important military technology areas. The two superpowers were tied in 5. That meant the Soviet Union led in exactly none—zero.

Mr. President, this is most important, because technology advantage lies right at the heart of whether the two nations should negotiate a mutual verifiable test ban treaty—to stop all nuclear weapons explosions.

Just last night, such negotiations were overwhelmingly supported in the

House of Representatives on a recorded rollcall vote. That was a few minutes before the President spoke. The President opposes those negotiations. From the standpoint of strength, does it not make sense for this country to negotiate a cessation of nuclear weapons testing at a time when this country has such a smashing technological advantage? Talk about negotiating from strength! In this category we obviously have it. A treaty would, in effect, freeze our advantage in place for the life of the treaty.

How about the economic strength of the two superpowers? Economic strength is quintessential to military power. So, compare: The Soviet gross national product is an anemic 55 percent of the U.S. gross national product. If there is anything more important in military power than technology and economic strength, it is the quality of military personnel on both sides. How about the quality of military personnel in the Soviet Union and the United States? How do American soldiers today compare with Russian soldiers?

For months, we have had documented evidence of the personnel weakness of the Soviet military. Soviet military morale is bad. The desertion rate is high. Alcoholism is a serious problem. The skill and education level is weak. Surprisingly, the health of Soviet soldiers has been reported as poor. Malnutrition is a serious Soviet military problem. Malnutrition: That is something we do not have in our military at all. In order to get in the Army, Navy, Air Force or Marine Corps, you have to be in good, solid physical health.

That is not the situation in the Soviet military. What a contrast this is overall with American troops.

Just this past week, the Secretary of the Air Force, the Secretary of the Navy, and the Secretary of the Army, as well as the Chief of Staff of each of the four services, including the Marine Corps, testified before the Appropriations Subcommittee on Defense.

I happen to be a member of that subcommittee, and I was there during all of the hearings.

They told us that the quality of American military personnel has never—I repeat—never been so high. The educational level is the best ever. That includes World War II. The number of high school graduates has broken all records. The number of low category personnel is the smallest it has ever been. The drug problem has diminished to a small fraction of what it was, a spectacular drop in the last few years. AWOL, absent without leave, has dropped spectacularly. Crimes against property and persons has fallen almost out of sight.

Every single one of these top military officials testified that American military personnel at every level and in every service has immensely improved. They are elated about it. I could hardly believe them. In fact, the data was so good, I think it was hard to believe. Statistics can be juggled. So I challenged these top officials. But they responded convincingly that our military personnel had indeed achieved these advances.

Now, Mr. President, I challenge any Senator to show that this basic element of military strength, that is the quality of our military personnel, their intelligence, their training, their skills, their morale, is not to the advantage of the United States over the Soviet Union.

Is that all? No, that is not all. From our standpoint it gets better. Land, sea, and air maneuvers and training time for American personnel greatly exceeds that of the Soviet Union. Much of the Soviet fleet sits bottled up in the Baltic ports. We have far more naval tonnage than the Soviet Union.

The President talks about more Soviet submarines. These Russian submarines are small submarines. They do not carry anything like the nuclear power our submarines carry. There is no comparison. Our ships, by and large, are greater overall in fire power. Our ships are at sea three times as much as the Soviets. Our planes are in the air three or four times as much. Our pilots and seamen have far more experience.

The President says that the Soviets have more submarines. How about those Soviet submarines? Some are small. Some are old. The Soviets have nothing like our nuclear-armed Tridents. Each of those U.S. Tridents, each one of those submarines represents a nuclear power which, standing all alone, would be the third nuclear power on Earth—on Earth. Over time, each of these submarines could obliterate every single city in the Soviet Union—each submarine. That is the kind of power we have.

That, Mr. President, brings us to another point. This is the nuclear age. We and the Soviet Union are each nuclear powers. That is why we are superpowers. Who has the advantage in this essential nuclear power? The Soviet Union has most, about 70 percent, of its nuclear power locked into stationary land-based missiles. Those Soviet missiles have enormous megatonnage. They have excellent accuracy. They have emphatically superior throw-weight to anything we have. But they also have a serious vulnerability. They are sitting ducks. They do not move. We know where they are at all times.

What strategic nuclear strength does the United States have? We have about the same number of nuclear warheads as the Soviets. If anything we have an advantage. But both sides have about 10,000. Ah, but there is a critical difference. Our weapons are far less vulnerable. The United States has more than twice as much of its nuclear deterrence deployed in invisible mobile submarines as the Soviet Union. The Secretary of the Navy has testified before the Appropriations Committee that U.S. submarines are virtually invulnerable now and will be progressively more invulnerable as the years go on.

The United States has literally 10 times—get that—we have 10 times as many of our strategic nuclear warheads based on bombers, many of which are constantly in the air and even more on alert and ready to take off in a very few minutes. Contrast that with the fact that the Soviets deterrent by and large is in stationary and land-based missiles that does not move and is in the same place now as they will be next year.

So, the two superpowers have roughly equal numbers of strategic weapons. But there is an absolutely critical difference. Ours are largely invulnerable. Ours can survive an attack. Theirs, cannot.

So, Mr. President, what is the heart of the negotiations going on at Geneva that require American strength? Are they negotiations that the President talked about, tanks and artillery pieces, or negotiations over nuclear weapons and forging nuclear agreements? Obviously, they are nuclear weapons negotiations. And who has the military advantage? Is it not obvious? Mr. President, this is not a recent advantage acquired in the Reagan years. Even in 1980, before President Reagan took office, Gen. David Jones, then Chairman of the Joint Chiefs of Staff, then said, and I quote him. Here is what he said in his language:

> I would not swap our present military capability with that of the Soviet Union.

In 1982, Gen. John Vessey, who succeeded Jones as Chairman of the Joint Chiefs, testified, and I quote again:

> Overall, would I trade with Marshall Ogarkof? Not on your life.

Mr. President, I have said nothing about the enormous military advantage this country enjoys over the Soviet Union because of our NATO allies. But we do. Our NATO allies in aggregate have an economy that is even larger than our own. The United Kingdom and France each are now building strategic nuclear capabilities that will surpass 1,000 warheads each. Each one of them could mount an attack that would devastate the Soviet Union. NATO countries have significantly improved their military strength in the past 10 years.

How does that compare with the Warsaw Pact and the Soviet allies? The comparison is pitiful. In Poland, East Germany, Romania, you name it, the Soviets would have to worry in any attack on Western Europe about rebellion from their presumptive but

deeply disgruntled allies from the rear. None of those allies have any nuclear strength. Their morale, training, and even the health of their military personnel is even worse than the Russians.

Last, but by no means least, Mr. President, we have the current performance of the Soviet Union military operation in Afghanistan. For 6 years the Russian military machine has been stumbling around that fifth-rate primitive little country right on the Russian border. In Afghanistan, the Soviets have short supply lines. They attack with their land-based strength, which is their best military asset. They have attacked with chemical weapons. They have tortured. They have committed atrocities. But they have made no significant military progress. They have failed spectacularly in Afghanistan.

No. President Reagan is wrong. We can deal with the Soviet Union right now at the bargaining table from strength, solid military strength. Probably we can deal from sharply superior strength, but, certainly, Mr. President, from at least military parity.

The time to negotiate is now. We do not need to spend more for military strength and indeed nothing in the President's program would even try to remedy the advantage he talks about for the Soviets in tanks and other military equipment. He does not propose that we increase the number of our tanks to anything like they have. He does not propose that we increase our aircraft as they have. And he should not, because we have an advantage without that. But that is the argument that he makes in saying that we should not negotiate on nuclear weapons with the Soviet Union when, as I have pointed out, in the nuclear weapon area, if there is any superiority, it is certainly with the United States and the NATO Alliance.

Mr. President, I ask unanimous consent that an article in the Washington Post of today, headlined "Some Reagan Defense Points Mismarked" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 27, 1986]

SOME REAGAN DEFENSE POINTS MISS MARK

(By Fred Hiatt and George C. Wilson)

President Reagan drew on a number of familiar anecdotes and arguments last night to bolster his plea for increased spending on arms. The record shows some of them to be in dispute or incorrect.

Reagan stated, for example, that his administration's backing of the MX missile, Trident submarine and other nuclear programs "represents the first significant improvement in America's strategic deterrent in 20 years."

However, the construction of five of the seven Trident submarines was started before Reagan was first inaugurated in 1981. Intercontinental ballistic missiles were outfitted with multiple warheads throughout the 1970s. During the Ford and Carter administrations, the Air Force developed highly accurate, air-launched nuclear cruise missiles and modernized its Minuteman III missile force with new, more accurate and more powerful Mark 12A warheads.

During the "supposed decade of neglect in the 1970s," as Sen. Carl M. Levin (D-Mich.) has said, the United States added more strategic nuclear warheads to its arsenal than the Soviets.

Reagan also said the nation he inherited was suffering from "years of declining defense spending." But Defense Department documents show that total spending, after dropping during the early 1970s in the wake of the ending of the U.S. role in the Vietnam war, rose steadily beginning in fiscal 1976.

Even adjusted for inflation, according to the Pentagon, department outlays rose from $171.8 billion in fiscal 1976 to $197.7 billion in fiscal 1981, calculated in constant 1986 dollars.

Many of Reagan's statements last night are beyond dispute. Even his most dogged critics acknowledged that the past five years have witnessed improvements in military readiness and troop quality and morale, and that Congress has erected many of the "obstacles to good management" in the Defense Department.

But other statements appear more open to question.

While citing the Soviet advantage in the numbers of combat aircraft, submarines, tanks and artillery pieces, Reagan omitted the U.S. numerical lead in Marine Corps divisions, aircraft carriers, cruise missiles, long-range strategic bombers and some other weapons.

Reagan also did not mention that, when NATO and Warsaw Pact forces are included in the equation, many of the imbalances narrow. Even in 1980, Gen. David C. Jones, then-chairman of the Joint Chiefs of Staff, said, "I would not swap our present military capability with that of the Soviet Union."

"I would take some of the things that the Soviets have for their forces in terms of numbers and give them to our forces," Jones' successor, Gen. John W. Vessey Jr., said in 1982, "but overall would I trade with Marshal Ogarkov? Not on your life."

William W. Kaufmann, a defense expert at the Massachusetts Institute of Technology who has advised Democratic and Republican defense secretaries, said that even if Reagan's defense program were adopted in full, most of the gaps the president cites would remain.

"The difference will be just as large in 1991, because we're not going to buy another 35,000 tanks," he said. "Either his program is wrong or his measures are wrong, I happen to think it's, as usual, a mix of the two."

Reagan said in his speech last night that cost growth in the Pentagon has declined from 14 percent per year in 1981 to less than 1 percent after "we began our reforms." Much of that decrease is attributable to a decline in the overall inflation rate.

House Majority Leader James C. Wright Jr. (D-Tex.), in his response to the president last night, similarly appeared to ignore the effects of inflation when he said that Reagan's budget proposal would call for spending "almost four times as much on the military by the end of this decade as the nation spent during the height of the Vietnam war."

Reagan pointed to cost decreases in F18 fighter jets and added that the price of one air-to-air missile has dropped almost by half since 1981, perhaps a reference to the Sidewinder missile, which is being purchased in far greater quantities.

But other weapons, such as the Phoenix air-to-air missile, have nearly doubled in cost, according to Defense Department documents.

The Congressional Budget Office calculated last year that Reagan increased spending on tactical missiles by 91.2 percent during his first term but purchased only 6.4 percent more missiles than President Carter, in part because of cost growth and in part because more complex types of missiles were bought.

In an apparent reference to overpricing of spare parts, Reagan said that "a horror story will sometimes turn up despite our best efforts." But Defense Department Inspector General Joseph H. Sherick found in 1984 that more than half of the spare parts purchased by the Pentagon were "unreasonably priced" (36 percent) or "potentially unreasonably priced" (17 percent).

Reagan also took credit for appointing Sherick, "the first inspector general in the history of the Defense Department," but did not point out that Congress made his position independent despite administration objections.

MYTH OF THE DAY: CAPITAL PUNISHMENT DETERS CRIME

Mr. PROXMIRE. Mr. President, the myth of the day is that capital punishment is a proven deterrent to the commission of crimes.

Recent statistics from the People's Republic of China suggest that the reality of the situation is far different. Here is what these facts reveal.

About 3 years ago, as Senators know, the People's Republic of China initiated its program of rapid economic growth. What happened as a result? It meant, among other things, that a greater volume and variety of goods were available, thereby opening up more and more possibilities for thieves operating in the People's Republic of China.

What did the Government do in the face of an increasing robbery rate? It took drastic steps. Any theft amounting to more than $315 was declared to be a major crime, with the perpetrator subject to the death penalty. Many other offenses were also added to the list of those adjudged to be major crimes and, therefore, carrying a penalty of death to the offender.

Mr. President, if there were ever to be a test of the deterrent effect of capital punishment, this is it. In the People's Republic of China, the country with the world's largest population, a long list of crimes—many relatively minor in nature—would result in the guilty criminal being put to death. I should point out, too, that a single bullet fired into the head of the guilty party is the form of execution most used in the People's Republic of China.

What happened in the wake of this incredibly draconian approach to pun-

71-059 O-87-4 (Pt. 3)

ishing criminals in the People's Republic of China? Were would-be criminals deterred? Did the crime rate fall?

The answer to these questions is "No." In the first 9 months of 1985, serious criminal cases in the People's Republic of China rose almost 27 percent, according to Xinhua, the official news agency.

Mr. President, this experience in the People's Republic of China strongly suggests that it is a myth to claim that capital punishment can be shown to deter crime. In the People's Republic of China, with the toughest death penalty rules this Senator has ever heard of, the reality was an increase in the crime rate.

I yield the floor.

RECOGNITION OF SENATOR GORE

The PRESIDING OFFICER. Under the previous order, the Senator from Tennessee [Mr. GORE], is recognized for not to exceed 15 minutes.

THE MIDGETMAN MISSILE PROGRAM

Mr. GORE. Mr. President, all of us have the experience of seeing good basic legislation serve as the vehicle for bad amendments; sometimes to the point where what might have been useful and good is overwhelmed and has to be given up. That is the situation we now may face as regard the Midgetman Missile Program. I do not think we will face it, but we need to consider what lies ahead. If those who wish to transmogrify this idea into something else—to convert Midgetman into mini-MX by doubling its size and MIRV'ing it—succeed in grafting their ideas onto this concept, it will surely be lost.

Of course, it is our nature to look for compromise on issues of public policy. And some will be tempted to think that this question of the dimensions and warheads loadings on the Midgetman can be dealt with in that way. But it would be a mistake.

We can authorize relatively subtle adjustments to the Midgetman—and perhaps we should—and still not denature the idea. Proposals for such adjustments will probably be generated by the upcoming Deutch Panel report. But let there be no mistake: once we start thinking of a mini-MX, we are talking something which is alien—not kindred—to what the Scowcroft Commission recommended and the President agreed to pursue. We are talking about something which cannot inherit the support enjoyed by the Midgetman. We are talking about rehearsing the MX debate all over again, and not even for the MX but for a poor cousin to the MX.

I intend to pursue this theme from time to time in subsequent speeches. But today, I am in the happy position of letting some others speak, and speak eloquently. Let me draw your attention and that of my colleagues to two editorials: one by Edwin Yoder, Jr., in the Washington Post of February 23; the other by the editors of the Atlanta Constitution in their edition of February 23. Both of these pieces take on the mini-MX issue bluntly, and with dead-on accuracy.

I ask unanimous consent that these editorials be printed in the RECORD. They form an interesting followup to a similar piece from the Washington Times which I entered into the RECORD earlier.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 23, 1986]

MIDGETMAN AND THE PENTAGON

(By Edwin M. Yoder, Jr.)

The curious tale of the Midgetman missile offers another lesson in how strategic sanity yields to secondary pressures.

Midgetman was originally conceived to be a light, mobile single-warhead missile, an important step back from the menacing world of "first-strike" threats posed by heavy multi-warhead nuclear weapons.

But Midgetman is jeopardized by the Pentagon's obtuse bigger-bang-for-a-buck philosophy. At a recent House hearing, Undersecretary of Defense Donald Hicks explained that the United States could buy 170 new three-warhead missiles for the price of 500 Midgetmen—and save $20 billion doing it.

Perhaps obscure rivalries among defense contractors explain this bizarre proposal. It is hard to explain otherwise. The abandonment of Midgetman (or its transformation into a much heavier multi-warhead missile) would make nonsense of the recent—and eminently sane—proposals of the Scowcroft Commission.

That body was created some three years ago to get President Reagan and the Pentagon out of a self-imposed jam. This administration wanted to push ahead with the MX super-missile (10 warheads). Yet for essentially political reasons, it had scrapped the original "basing mode" in underground silos in the Southwest. It was in the weird position of wanting to build a missile it didn't know how to deploy. Secretary Weinberger was reduced, absurdly, to talk of basing it on planes.

Enter the Scowcroft Commission. It hatched a plausible compromise. Proceed with the MX, it advised, but only as an interim "modernization." Meanwhile, look ahead to an eventual dependence on a mobile single-warhead missile: Midgetman.

The logic of the idea was far from esoteric, as nuclear strategies go. Huge multi-warhead missiles (both MX and its Soviet counterparts) encourage "first-strike" scenarios. As many-eggs-in-one-basket weapons, they invite preemption. They also threaten preemption against the missiles on the other side. They are pushing both the United States and the U.S.S.R. toward perilous hair-trigger "launch on warning" war plans.

How closely first-strike theory approximates any conceivable military probability is debatable. But much of nuclear strategy is built on speculative war-gaming—and must be, since, fortunately, we have so far avoided experiments with the real thing.

The key point, given the need to deal rationally with such dire matters, is that the world would be far safer if both sides moved from first-strike missiles back to the stable deterrence offered by mobile, single-warhead missiles. (Their mobility would assure invulnerability; their single warheads would not threaten preemption.)

Everyone, not only the luminaries on the Scowcroft Commission but many outside it (Henry Kissinger, for instance) thought the idea was splendid. The Midgetman strategy was gratefully accepted and endorsed by the president.

What has happened to it? If the Scowcroft report was read at the Pentagon—and it surely was—its message has been lost in the usual contracting rivalries and engineering contests. Even if the change proposed by Undersecretary Hicks saved money, it would be a madly false economy.

It is true that the beautiful logic of a return to single-warhead missiles has eluded not only the Pentagon but, so far, the Kremlin also. The Soviets, mystifyingly, have denounced Midgetman as a first-strike weapon—which is exactly what it is not supposed to be.

But obtuseness afar is less dangerous to the survival of the Midgetman idea than obtuseness at home. It seems the usual pattern for major transitions in nuclear-weapons strategy to begin here and eventually find their way to Moscow. This was true of the fatally misconceived "MIRVing" of missiles (equipping them with more than one warhead). If the logic of Midgetman is as plausible as it looks, it will eventually commend itself to the Soviet strategic planners as well.

But not if the idea is stifled at the Pentagon. Not if Congress lets itself be talked, even on grounds of economy, into building just another heavy missile. If Midgetman is abandoned, the best idea anyone has had in years for arresting the dangerous slide toward hair-trigger first-strike strategies will vanish with it.

[From the Atlanta Constitution, Feb. 23, 1986]

WHY, MIDGETMAN, HOW YOU'VE GROWN!

Has the undersecretary of defense for research and engineering got a deal for us? With just a few alterations here and there, Donald A. Hicks says, he can save us $20 billion on the Midgetman missile.

Alterations, schmalterations. What Hicks has in mind is to turn the Midgetman into a Muscleman, to increase its size from 30,000 pounds to 75,000 pounds and to enlarge its payload from one warhead to three. The savings would come, he says, by reducing the projected fleet of 500 Midgetmen to 170.

Ver-ee neat, right?

Wrong. The Hicks proposition would be the ruination of the Midgetman concept as an elusive, purely retaliatory nuclear weapon. Its credibility as a deterent was intended to rest squarely on three principles: a) safety in numbers; b) the relative unattractiveness of a single-warheaded target, and c) the relative ease of moving a 30,000-pound weapon on a hard-to-track mobile launcher.

Go to the Hicks mode, and suddenly the problems of Soviet offensive planners are reduced theoretically by a third—but in real terms perhaps more than that, considering that, during a sneak attack, each Muscleman kill would eliminate not one but three of our warheads and also considering that

the larger our missile, the harder it gets to hide.

Not only has Hicks' notion rendered Midgetman into an unrecognizable form, it has Congress pretty bent out of shape as well. Says Alabama's Rep. William Dickinson, the senior Republican on the House Armed Services Committee: "He shot the program right in the head." Remember that Midgetman continues to be a key element in an exquisitely delicate compromise fashioned by liberals and conservatives that enabled the Reagan administration to embark on its modernization of American's nuclear arsenal.

In tinkering with Midgetman, Hicks is putting that carefully crafted effort, basically the recommendations of the Scowcroft commission, in a kind of double jeopardy—reducing the survivability of the missile and the program as a whole. He should take his idea back to the drawing board.

Mr. GORE. Mr. President, the Midgetman has captured the alpha and omega of opinion in this country, from liberals deeply concerned about arms control, to conservatives whose main concern is the ability to retaliate. It is a sound idea, of which there are all too few. But just as is the case with legislation, unless we brush aside the interventions of those with other agendas, we will lose what we should be determined to protect.

So, once again, I ask for the support of my colleagues on both sides of the center aisle for the Midgetman concept as outlined by the Scowcroft Commission, as endorsed by the President and his National Security Council advisers, and as endorsed by expert panels within the Pentagon which have recently reviewed it.

I yield the floor, Mr. President.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 12:30 p.m., with statements therein limited to 5 minutes each.

Mr. GORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DENTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXPLANATION OF VOTE AGAINST SENATE RESOLUTION 351

Mr. DENTON. Mr. President, yesterday this Senator alone voted against Senate Resolution 351 expressing United States policy toward the Philippines and support for the new Philippine Government. I had no time to express reasons yesterday, so I would like to take this occasion to do so.

I will never vote to urge the President of the United States to do a set of things four pages long with no more than 100 seconds to read the four pages. That was my plight as I arrived at that desk yesterday. I was not informed or aware of any debate whatsoever which preceded that vote.

Specifically, I received no advance copy nor any foreknowledge of this vote until a staffer broke into my office and informed me that "There will be a vote on the Philippines at 5 minutes to 1 p.m." That notice was given to me at 13 minutes to 1 p.m., and the rollcall vote had already begun at 12:45 p.m. Thus, I rushed to the Senate floor with no knowledge of the contents of the resolution and could not digest the resolution's contents before the time to cast my vote.

Before leaving the floor, I asked the proper authorities if a whip check—advance copy and check on opinion—had been circulated, and the response was in the negative.

I believe that my experience outlined above was typical of what occurred with many Senators yesterday and in too many other cases on other days.

I have on occasion cast votes, I confess, feeling as if I was without sufficient knowledge of what was there. I consider advice and consent on foreign policy to be a matter of profound importance. Advice and consent require deliberation, time for which was totally absent in this case yesterday.

Personally, with my particular set of experiences and studies on and in foreign affairs events, I intensely desire to be deliberative in foreign policy matters because, in my respectful opinion, the main defects in the conduct of foreign affairs under Presidents Nixon, Ford, Carter, and Reagan have not derived from the quality of the initiatives of the Presidents in general but from the tendency of Congress, led by a powerful liberal media, to seize the initiative in an untimely manner or to "devise and dissent" rather than advise and consent.

I offer these few notable examples:

First, Nixon's and Ford's correct initiatives toward preserving the military victory in Vietnam—shot down by the media/Congress bloc.

Second, Carter's direct approach in trying to deter the Soviet Union from invading Angola with Cuban troops—shot down by the media/Congress bloc.

Third, when the successful policy of many Presidents to lean on the Shah of Iran to liberalize reached the point where the Shah encountered difficulty from his own right wing, the media/Congress bloc prematurely condemned the Shah, extolled the ayatollah, preempting Presidential progress to resolve the issue, and even closed the President's options to give the Shah a place to die.

Fourth, Reagan's correct approach to the Nicaraguan situation is so far being stymied by the media/Congress bloc.

The above and other examples of media/Congress bloc "leadership" all resulted in such debacles as replacing imperfect regimes with unspeakably worse ones inimical to the United States and oppressive to their own peoples, and/or they caused the United States to lose influence and trade advantage, at great harm to the American economy, not to mention the harm to U.S. security interests.

More than any other harm, perhaps the worst effect has been that of convincing our friends that we will desert them in the clutch and convincing our enemies that we will fold when they raise the ante.

I think Reagan succeeded in Grenada and took good, quick action in Haiti with Duvalier, obviously without the need for the media/Congress bloc.

Mr. President, I dream of more respect for the separation of powers, more respect for constitutionally mandated authority, and bipartisanship in foreign affairs and other matters of vital interest. I have almost given up hope for the kind of responsible national journalism, all too rare today, which backed President Kennedy in this century's greatest act of successful brinksmanship: The Cuban missile crisis.

The general result of what I consider to be an example of media/Congress influence in the case of the Philippines may prove to be an exception to the bad results previously obtained and exemplified. Indeed, I pray that that becomes the fact.

I would make another caveat. There are a number of cases in history when the media and/or Congress were correct in attacking and/or changing Presidentially initiated policy. Indeed, there are times in which I wish those influences had been asserted when they were not.

One example, in my view, is the well-intended but extremely detrimental manner in which President Johnson intruded into military matters in the early months of Vietnam, intruded to the point of not only choosing targets but also letting the White House dictate the designation of numbers and types of aircraft to be used and the specific weapons to be delivered by each aircraft. More important, in my view, the executive branch, in the escalation of United States involvement in Vietnam, should have involved more, not less, congressional participation into the whats, hows, and whys of a strategy that I consider to have been flawed initially, principally because of executive department mistakes.

Those days marked the birth, exacerbated by Watergate, of the present general attitudes on the part of Con-

gress and the media, which I consider to be overobtrusive and gravely harmful to the unity of action of the United States, a unity which can never be perfect, but needs to be improved if our Nation is to survive. I can understand why those days were born. I simply regret that they were.

Having had sometime to examine yesterday's resolution, I offer this observation.

I agree with much that is contained in the resolution. I believe that American interests are best served in the Philippines by a government that has a popular mandate. I also believe that the reinvigoration of democratic institutions in the Philippines offers the best means for restoring public confidence in the Government and can become a major contributing factor in defeating the Communist insurgents.

I do not believe, however, that we have seen enough yet to conclude that what has and will take place in the Philippines has or will necessarily justify the faith of the Filipino people in democracy, as the resolution stated.

The process by which their legal President was forced to resign and flee the country, the process by which the new President came to power, bore no resemblance to any democratic process that I am familiar with. I cannot imagine such a process taking place in any genuinely democratic nation, including the United States, and God forbid that it shall.

I do not condone the fraud that was evident in the February 7 election. It clearly reflected on the moral and legal legitimacy of the Marcos government.

At the same time, the procedure that was used to redress the electoral fraud did not make legally clear, as the resolution states, that Corazon Aquino "clearly enjoyed the support of the majority of the Philippine people in the February 7, 1986, election." If I had to bet, I would bet, from what I have read, that it is likely that the increment of cheating on the Marcos side probably did reverse the actual vote, but I am not sure. I wish that that had been established through a special investigation or new elections, because I believe that as Corazon Aquino is asked to make tough decisions on the many difficult problems facing her country, she will need the strength of such a clear legal and electoral mandate.

I tend to believe that hasty actions by Congress and the influence of shallow media persuasiveness are not healthy elements for the formation of good foreign policy. Those factors, in this case, helped to determine as well as polarize the internal political situation in the Philippines and precluded the achievement of that clear legal and electoral mandate.

On these grounds, Mr. President, I do not regret my vote yesterday, but nevertheless join my colleagues in extending to Mrs. Aquino my heartfelt hope that she will be able to meet the challenges ahead of her successfully and assure her of my support in that effort.

The PRESIDING OFFICER (Mr. GORTON). The Presiding Officer, in his capacity as a Senator from the State of Washington, suggests the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, we are in the process of drafting what could become a leadership package on TV in the Senate. We are advised that may take 20 or 30 minutes. So, in a moment, I will ask that we recess until 1:20.

But, before doing that, I want to also indicate that there is another matter we need to dispose of today, in fact, two different pieces of legislation. One is a Kasten-Leahy dairy provision which corrects what was a misunderstanding in the farm bill. The other is a package of corrections and changes, primarily minor changes, in the farm bill we passed in December.

Let me again indicate that there were literally hundreds and hundreds of provisions in that farm bill and these are three or four, along with two or three we changed a couple weeks ago, that need to be corrected and need to be corrected this week. I am advised by staff that the only provision where there is still controversy—there may be two provisions with reference to yields and the underplanting section.

I urge my colleagues who have different views in these areas to try to work it out, because if someone objects, we cannot take the bill up today. If we do not take it up today, I doubt that we could take it up tomorrow, but we might see if that could be done.

The House will not act on it this week. But I have talked with the distinguished Member of Congress from Washington, Congressman FOLEY, and I believe I understood him correctly that it would be helpful if we passed the bills on the Senate side and, perhaps, if we passed the package between now and 2 o'clock, the House might act today before they adjourn for the weekend.

So, if Members or staff or others are listening that have a direct interest and who have been participating in the meetings, if they could help us clear not only the dairy resolution, the Kasten-Leahy resolution, and others, as well as the other little package that has about five items in it, we would certainly be prepared to take that up after this recess.

RECESS UNTIL 1:20 P.M.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate stand in recess until 1:20 p.m.

There being no objection, the Senate, at 12:43 p.m., recessed until 1:20 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. ABDNOR).

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SYMMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE "UNDERPLANTING PROVISIONS" OF THE 1985 FARM BILL

Mr. SYMMS. Mr. President, I wish to proceed for just a moment to talk about the pending farm legislation.

The distinguished occupant of the chair is one Member of this Senate who has been very active, very interested in sound farm policy for the country, as has this Senator. There have been some things which came up in the farm bill that were quite unintended, and I do not think that anyone who is knowledgeable of how legislation works in this country can feel too bad. A former Member of the House, with whom the distinguished occupant of the chair and I served, used to say, "If one loves sausage or law, he should not watch either being made." I think that might be true of the pressure of trying to pass farm legislation which was going to help the farmers.

I wish to discuss for a moment or two why it is important that we consider and pass legislation today with regard to the underplanting provision in the farm bill. This provision makes deficiency payments to farmers who plant nonprogram or conserving crops on as much as 42 percent of their wheat, feed grain, cotton, or rice acres.

In 1985, the United States had approximately 380 million acres of planted farmland; 250 million acres were planted in wheat, feed grains, cotton, or rice. The remaining 130 million acres were planted with crops receiving no Government price or income support. If every farmer took advantage of the underplanting provision of the farm bill, the nonprogram acreage

would increase by 95 million acres, or 72 percent.

I do not anticipate that it will be quite that dramatic, but in some of these crops where there is a smaller market and a smaller amount grown than in some of the bigger commodities, a 25- or 30-percent increase in planting can be devastating in terms of the price that is received by the farmers.

Many of the nonprogram crops are already at near break-even prices. Adding 95 million acres of production to existing stocks is absolutely devastating. That is not the entire problem, however. Those 95 million acres are subsidized by the highest deficiency payment in the history of the Nation. This means that the people who have been participating and are getting the deficiency payments are now in an advantageous position compared to their competition.

For example, an Idaho bean or potato farmer's daily meal must come from the profit he makes on his crops. He gets no Government check. Can we ask that farmer to compete against production which is subsidized at as much as $200 per acre? With a Government check like that, a farmer can sell his potatoes for a third of the current market price and still be doing better than his competition who, without a Government subsidy, runs the most efficient potato farm in Idaho.

In mere anticipation of subsidized overproduction resulting from this provision, dry edible bean prices have dropped over $4 per hundredweight, Mr. President. I wish to repeat that. Beans have dropped $4 per hundredweight in price since the passage of the farm bill just on the psychology of what might happen in spring planting this year. I have been contacted by potato growers from my State, pea and lentil growers, and seed producers—all petrified, mortally afraid of the same thing happening to them.

The underplanting provision of the 1985 farm bill is a perversion of a good idea. One of the most promising alternatives of last year's farm bill was the Boren-Boschwitz proposal. This proposal attempted to untie the link between production and Government payments, getting us out of the constant cycle of overproduction that has plagued farmers for years. Unfortunately, that proposal was defeated by a margin of four votes.

The underplanting provision which was included in the farm bill is significantly different. First, it permits the underplanting of only nonprogram crops instead of allowing the market to dictate what crops should be planted. Second, it subsidizes the underplanted acres at twice the level of the Boschwitz-Boren "transition" payment. And, third, that subsidy will not be phased out over a 6-year period.

Although I supported the approach of the distinguished Senators from Oklahoma and Minnesota, I cannot support the provision which ended up in the farm bill because it does not solve the problem of overproduction. It merely shifts the problem from one sector of agriculture to another.

So, Mr. President, it is my hope that we will move this bill today.

I thank the majority leader for his efforts to move forward with this farm legislation. There are other sections in the bill that are also vitally important to different parts of the country, and it is only appropriate that we, having discovered some unexpected problems in the farm bill should take immediate action to correct them so that we do not do violence and damage to all parts of agriculture, and particularly that we do not have one section of agriculture gaining benefit at the expense of another section.

I thank the Chair and I yield the floor.

EFFECTS OF GRAMM-RUDMAN ON AGRICULTURE

Mr. MOYNIHAN. Mr. President, I was interested in the remarks of my distinguished friend from Idaho to the effect that he hopes that we will this afternoon take up and enact what is in effect a new farm bill.

Mr. President, that is not the hope of the Senator from New York, although I am not surprised to hear the proposal presented. It is a simple matter, Mr. President, that on March 1, for the first time, Gramm-Rudman budget cuts take effect; and they take effect on agriculture as well. Not surprisingly, today we are proposing to change the law to prevent that in some respects at least.

I recall, Mr. President, the debate on the floor of the Senate last October 4 when we were first presented with the Gramm-Rudman legislation, or adumbrations of the Gramm-Rudman legislation, such bit of xeroxed pages that would be shared here in the Chamber and sometimes passed across the aisle. And on that occasion I made the point it appeared that everything would be subject to the reductions called for, the automatic sequestering and such like except farm programs. But my distinguished friend from Texas said no, that was not so.

If I might read a passage from the New York Times of the next day reporting the debate, an article by Jonathan Furbinger, he says:

> Senator Daniel Patrick Moynihan (D-NY) argued that farm price support programs would not be subject to the President's across-the-board cut because of the way the proposal was designed. Senator Gramm disagreed but several other Senators suggested that Mr. Moynihan might be right.

Well, whether or not I was right about the specifics of the draft at the time, it begins to appear that I was right about the substance of the proposition; that the very same folk who gave us Gramm-Rudman 1 week gave us the largest farm bill ever the next week, and now that the first legislation is affecting the second they are going to repeal a part of the first.

No, Mr. President, that must not be allowed to happen. If three-quarters of this body wanted Gramm-Rudman, three-quarters of this body should get Gramm-Rudman, and they should get it with respect to price supports as well as other matters.

The Presiding Officer, my distinguished friend from South Dakota, perhaps will recall that in the course of the debate on the farm bill Senator HAWKINS, my distinguished friend, the junior Senator from Florida, and the junior Senator from Rhode Island [Mr. CHAFEE], and I joined in an amendment that would have set the dairy price supports at $11.10 per hundredweight.

We argued somewhat forcefully, we thought, on that behalf. We pointed out the absurdity, the grotesquerie, of the Department of Agriculture's program under this administration which had ended up paying milk farmers an average of $227,000 a year in some of our Southwestern States—$227,000 per farmer. That from an administration which is very much concerned about the extortions of welfare mothers.

We did present that measure, and we failed on a tabling motion, by a vote of 50 to 47. But I think that would have to indicate to the Senate that there was strong feeling that the dairy price supports were being used to the advantage of very wealthy corporate enterprises as against any impact on the dairy farm of American memory.

Now, at the prospect that the price support will drop to $11.05—as I think will be the case March 1, which is not far from our $11.10—we are suddenly to bring the Senate into action, with no hearings, no debate, no anything, and pass a bill held at the desk, and zip it to the House. Incidentally, Mr. President, the House will not be there. They are going.

I would grant that over the years I have had a credibility problem in trying to suggest that I am the only dairy farmer in this body, and of course I am not a dairy farmer. But we live on a dairy farm and have for a quarter of a century. My family has lived for over 30 years at Oneonta, Delaware Country, in New York State. Our neighbors are dairy farmers, our friends are dairy farmers, and have barns for hay and fields for cows.

You do not have to know a lot about dairy farming to know what has been the impact of this administration's legislation.

As I said on that date last year, there are two particular neighbors

who use some of our place. One is a larger farmer, with a large and very well-maintained and profitable enterprise.

When that incredible proposition came along, in which the Federal Government commenced paying farmers not to milk cows and charging those who did, my neighbor with the large herd simply culled his herd, took a large number of cows out of production, sold them in town, and proceeded to collect his check, as was his right. He would not be the farmer he is if he did not exercise something for which he did not ask.

My other neighbor is not as fortunate, does not have as large an operation. While he was free to reduce his production, if he had done so, he would have ended up with a level of milk production that would not be economical to pick up. Farmers do not take their milk to market anymore. Tank trucks come to them, and they expect a certain volume; and if the farmers do not have it, they do not stop. So my other neighbor had no effective choice. He had to start paying the assessments imposed by the bill. My less-well-off neighbor paid my better-off neighbor. That is a pattern that has been repeated in more than one respect about this Nation in the last 5 years.

In any event, it certainly has happened to the farmers of New York State, which is the third largest milk-producing State in the Union, a place where milk farming is a way of life and very much defines our countryside, defines a great deal of the State itself.

I care about that, as other Senators care about their States. I care very much that the inanity of the Farm Program of this administration would be paying a quarter of a million dollars a year to some corporate farmer in Arizona or New Mexico and taking it out of the overall of men and their wives trying to make a living, milking 50 cows in the Susquehanna Valley in New York State.

I think other Members of this body might well consider what is happening to their legitimate, small farmer, capable of making a living. The Federal Government takes money away from them to give to others who by definition are millionaires. Since when is a farm program designed to benefit millionaires, to transfer cash? If that program had stayed in place longer, in 4 years a person could have collected $1 million from the Federal Government, for not doing anything. That is it. Talk about welfare cadillacs. That would have been a welfare cadillac. One year at $227,000 would do the same.

Mr. President, I do not see how we can reasonably expect to deal with a major farm bill that has never gone to the Committee on Agriculture, Nutrition, and Forestry, on which there have never been any hearings, and which has not been printed, to my knowledge.

Is there anybody in the Chamber, in the reach of my voice, who has seen this farm bill? I hear nothing.

I do not know what it is we are going to be considering, but I think we will have to consider it a long time.

There are those of us who feel concerned—I think with reason—at the way the milk programs have been conducted in the last 5 years. I suspect that our capacity for outrage with respect to those payments of $227,000 a year, average—I would like to know what the highest was—is dulled, because we cannot imagine a farmer being given a check for $227,000 a year for something he did not do that year. Obviously, those farms have been created for the sole purpose of producing milk to be sold to the Federal Government or not producing milk for which the Federal Government will pay.

An honorable and long-established way of life of many of our States is made to pay for this and to some extent to be diminished by this. I do not think that is the business of this body. If this body understood this program better, I do not think it would conduct itself as it has in this regard.

I fully understand the requirements of the commodity programs. I am not sure they are what they ought to be, but for some reason they have been kept in place for half a century. Milk marketing orders are a form of stability in a market in which the individual producer is otherwise overwhelmed and has no control of events.

I mean this body has been dealing with these matters for more than a century. We confronted the situation of the individual farmer at the mercy of a market he had no control of, usually at a distance from, with access only by railroads and certain kind of territorial and regional monopolies. This country, that was so intensely agrarian in its beginnings and seriously agrarian in its aspiration should be thinking about the things that we have done.

But it is one thing to have agrarian aspirations and agrarian concerns and another thing to give corporate farms subsidies of a quarter of a million dollars and take that money directly out of the jeans of family farmers who really are family farmers.

If you would like to hear more on that subject, of course my friend and desk mate, the Senator from Wisconsin, will no doubt be here to speak on the subject, but I wish to speak here while I am here and no one else is evidently seeking recognition on the floor. I do not want to keep anyone away from the floor.

I will put it this way: In the last farm bill, following the disastrous experience of the previous assessment and withdrawal pattern which we also protested at the time—before the disaster we said it would be a disaster—I offered an amendment with Senators HAWKINS and CHAFEE in an attempt to begin to reform our dairy program.

The essential proposition of the farm bill was that we are not continuing the Dairy Program quite as much as we were doing previously.

Even so, we took a vote on our amendment, and by a margin of only 3 votes, we failed. The Senator from Florida, the Senator from Rhode Island, and I, fought for this amendment, and we proposed a price level which was a price support level of $11.10; and now, under the operations of the Gramm-Rudman legislation, it appears we are going to get a reduction to about $11.05.

This is about what we advocated, and there were 47 Members of this body who voted that way, and I do not know why we just do not leave it be.

In any event, I do not see how this body can lend itself to the bill we are to discuss this afternoon at the very time we are talking about changing the rules and improving the performance of the Senate and making procedures more orderly and more available to the public. Why should we once again get ourselves in a situation of trying to bring up in one day and enact a bill we have not seen, a bill that has not been printed, a bill that has never had any hearings? I mean, that is almost a caricature of the kinds of events we are trying to avoid by improving or changing our rules.

I hope we will improve them. I know that the leaders, the majority and minority leaders, have been hard at work in this regard. I think the rules should be changed, because very clearly there is something dysfunctional about the way that we have organized ourselves, the way we conduct ourselves in this body, even in the 9 years plus that I have been here. I am into my 10th year now in the Senate. I have seen this institution change, and I have seen it change from the time when the committee system worked well enough. Appropriations bills got passed. Individual bills came to the floor. You knew what you were talking about on one bill and you debated it for a reasonable time and voted on it. You knew what had happened that day.

I have seen us progress to the point where sometimes it seems we only pass 2 or 3 bills a year and they are 900 pages long, and no one knows exactly what is in them. We are always looking up to find that we have done things we did not know we had done.

This is not a matter confined to the Senate.

About 4 years ago, or was it 5, our colleagues in the other body solemnly enacted a 700-page bill, one provision

of which, if I recall—I cannot quote the name exactly—but one provision of the bill said "Sandra Goodman, please call the Budget Office." It was caught in conference. Otherwise that poor lady would perhaps still be on the phone, permanently calling. They gave an extension number.

We pass bills so vast that we do not really know what is in them and we come along 1 year later with technical corrections. I think the technical corrections to the recent tax bill were almost as long as the tax code was 20 years ago. That is just technical corrections that were for mistakes we made. I mean, it seems to me that there is a problem with the way we are legislating. That is an awful lot of mistakes to have made.

We are continuously finding, as I say, that we did things we did not know we were doing. No one seriously knows how to debate a bill which in fact it is an amalgam of 70 bills. It just does not make for any sort of orderly consideration.

Certainly the business of bypassing committees is something that has to be looked at in this Chamber. This began, I think, in fact, under the Budget Act of 1974 when the possibility of reconciliation legislation came along. I do not know what was the original expectation when it was written by the Rules Committee in 1974, but certainly one of the results has been a bill which changes 40 bills and in committees spread across the organization of the Senate, such that we do not usually fully comprehend what it is we have done.

I think this is a case of individual Senators. I mean, I speak for myself, I cannot speak for enyone else, but I could never claim to know everything that was in those bills. I knew some things. I managed some mastery of some details. But all of them, no. I mean it just was beyond the capacity of anyone but those very, very bright young staff members we have who have usually only one thing to do, and they do it very well; but they leave the Senate somehow, the Senate deliberations, the Senate decisions somehow incomplete.

We make decisions on matters and we make decisions of which we were not aware. Some persons would be aware about many of them, and it would be unlikely that any bill passes in which the whole of this body would be unaware of some significant provision. But the majority of the body typically would not be aware of all of the provisions.

That is an incomplete process and an inadequate one. If it were not inadequate we would not be passing technical corrections at such length and concern as we have found ourselves doing.

I have seen all this change and in particular I have seen the process which I just cannot imagine we would want to encourage, and that is of legislation introduced, held at the desk, and brought up without committee consideration.

I mean, what distinguishes the American Congress is its committee system. We differ from other bodies in that regard. Only very slowly have some other legislatures around the world begun to emulate our practice. The British House of Commons has established a number of standing committees during this decade and they are experimenting with them. They seem to like them. They seem to find uses for them.

My very good friend, the Hon. John Gilbert, is the ranking minority member of the defense committee, for instance, and has found that committee very useful indeed in inquiring into the questions of the helicopter manufacturer of Britain which led to the resignation of the Secretary of Defense and the Chief himself.

Others are learning from us that there is something valuable about an institution that we have had from the beginning, even as we seem intent on eroding that institution.

I do not want to make a large assertion here, Mr. President. Committees obviously do function and they will continue to do so. But, still, if we begin this business of taking unprinted legislation, not on our desks—we have been told we are going to take up a farm bill this afternoon. Where is the farm bill? I mean, I have several times asked, if there is anybody within the hearing of my voice who has seen the farm bill, would they so indicate? No one has. If they have not, then how can we seriously deliberate?

We like to describe ourselves, not with great seriousness, as a deliberative body. To find deliberation, I think we have to look at the committees. I do not know how much deliberation takes place on the floor, but as a group, we think about what we are doing. We try to think. And it does not have to be the formal process of addressing the Chamber. The informal processes are just as important, if perhaps not more. And they ought to be respected and valued. They are not so respected when unprinted legislation, unknown to all but its authors, is sent to the desk, held at the desk, and a proposal is made to bring it up and enact it without hearings, without any of the processes of consideration, which are so characteristic of the Senate.

I mean, if you were to ask of the worst fears of the Federalists in the years of the Constitution making—the group that became the faction, as they would say, they became the Federalists in the 1780's and 1790's—if you were to describe their worst fears of democracy, it would be, let us say, the House of Representatives is where they would say:

Can you not just see the very thing happening? A bill comes in. No one has seen it. It is returned to the desk. It is held at the desk. And an unthinking majority, not concerned with the rights of the minority, votes yea-nay. Yea is the answer and, bang the bill goes into law.

No, that is not so because it must come here first. And, as Jefferson used that sort of homely image, he said, "When I drink tea, I always pour my tea into the saucer where it cools before I drink it."

And he described the Senate as that saucer where you can think things over, where you can deliberate, where, by the nature of the Members being in the first instance indirectly chosen, the length of the term, the term "Senator," and its alternate use of senior or junior, as you like, would be more steady paced, would be more grave in their consideration of matters, would not be rushed—would not be rushed—would not look out at the countryside and see some wave of opinion sweeping through and feel it necessary to respond immediately to the view of the moment, even if that view might reasonably be thought likely to change in a few moments hence.

That is why we have staggered terms. That is why we have longer terms. That is why, in the first instance, we were elected indirectly and not by the direct election of the people at all. And that has changed by the 16th amendment. I think most of us probably thinks it is a good thing. Governors might have got here on their own, but I doubt the rest of us would have if we left it to our State legislatures to choose us.

Even so, there is a constitutional history of the role of this body. It is to be deliberate. It is to be careful. It is to be thoughtful and to think in longer terms than is normally the case around here; I mean, that need normally be the case in a body directly elected with very close contact, with short intervals of service and directly proportionate to the population.

I represent the second-most populous State in our Nation. My distinguished colleague, Mr. D'AMATO, and I have two votes here. There are any number of States which have two Senators in this body which have only one Member of the House. New York has 34. Even so, this system works. This system was not meant to be perfectly representative, perfectly responsive, immediately concerned with whatever is the concerns abroad in the land. We were meant to be a Senate, meant to think about things, meant to have second thoughts after the House.

Mr. President, if the House this morning had passed a farm bill, unprinted and undebated and uncontemplated, and rushed it across to the Senate Chamber and then immediately went off for the weekend, I can see

that there would be many persons in this body who would stand up and say:

Wait. That is exactly the way the House was supposed to act, or that is exactly the way some of those who were uncertain about this experiment of democracy two centuries ago said it would act. Wouldn't you know? There they are. Representatives, man for man, woman for woman, representing their constituencies, up for election every 2 years, driven by the passions of the moment and alarmed by the prospect that something they had voted for last fall might take effect this spring, are changing their minds and rushed over a piece of legislation for us to deal with immediately. Hold it at the desk. Stop everything.

There are people who would say:

No. No. We are not in that such a hurry. We can think about this. We can send it to committee and get it printed.

"Get it printed." We have got into the habit of enacting privately printed legislation. I really do not think that is good. We have had a public printer for a very long while around this Chamber and he does his duties very well indeed.

We would say: "Let it go to the committee." See what it is. Find out what is in the bill. Ask our constituents; ask our Governors.

I, for example, with respect to this proposed farm bill, spoke with my Governor this morning, the Honorable Mario M. Cuomo, who said, "Well, I will have to think about that, won't I?" And I said, "Yes, sir, Governor. I think you have to think about it fast, however, because there are people around here who think they will pass this thing by 2 o'clock." It is not far from 2 o'clock now, I notice.

Well, the Governor did get right to work, as is his wont, and indeed we did come back in a very short order with the judgment that, no, indeed, we do not want anything of the kind to do with what I understand would be the effect of that legislation. It was not a difficult assessment to make, inasmuch as the evident proposal would have the effect of bringing the legislation, the milk price supports, into line with the proposal we made last year. We made our proposal for reasons that were good and sufficient to us and were shy three, or two, votes, you might say, in this body to make it the will of a majority here.

I cannot say for sure what transpired in Albany, but when the numbers were compared, it became fairly quickly evident that the same situation which we concerned ourselves with last year would be before the body this year, and if that was to be the case our response ought to be the same. And I am sure that there are other Members of this body who would want to talk with their Governors and leaders of their legislatures. The members of the Agriculture Committee will feel freer to make judgments on some of these matters on their own, and ought to and will do very well. But those of us who are not would reasonably want to turn to other sources of information with closer access to the data, and whose job it is to know.

As I say, I did that this morning just possibly because I was alerted to this earlier than some other Senators possibly because I was in a position this morning when there were no committee meetings that would involve me. So I was working through prospective matters, and this came along.

I come to the floor to discuss it with a sense of concern that there seems to be so little reflection on what we have been doing in this particular field.

I now change my subject to the procedural question of how we conduct ourselves to the more specific question of what it is we do. Here is the question of the diversion program which the Secretary of Agriculture persuaded this body to adopt, and the distinguished majority leader when I spoke against it, and I tried to persuade the Chamber some years ago not to do it, said, "Well, a very careful compromise has been worked out in the committee." And, as some Members will know, he later used the term "compromise" to characterize what had happened. But remember. We saw what was happening. And we really did genuinely try to warn the Senate that it was getting itself into a matter which we would not be satisfied with if we ever saw the results.

Here are the results. I have them in my hand, Mr. President. The source is the U.S. Department of Agriculture. The question is: Who got the big diversion payment bucks in 1984? The table states rank by average payment per dairyman. I do not want to shock this Chamber. Evidently in this regard, it is difficult to shock. But in Arizona under that diversion program, the average payment per dairyman in 1984 was $226,978. In Florida, it was $216,590. In Nevada, it was $215,262, per farmer.

Mr. President, I know people in Preston Hollow who have been farming for 30 years and have never seen their cumulative income reach $226,978, which farmers in Arizona—"farmers"—got for not farming. No, no.

New Mexico, $110,919. You know, that is cash for not doing anything. You cannot do things like that.

Remember, all of that cash which is going to rich farmers came from farmers who were certainly, if not poor, less well to do by the time those transfers were made. The inversion and process to take money out of the family budget of someone in Delaware County milking 40 cows and give it to some corporation in Arizona milking 5,000—I heard there were herds of 5,000, but I cannot say that for sure—certainly strikes me as odd, and as inequitable.

Mr. President, at this point, may I ask unanimous consent that this table be reproduced in the RECORD?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

WHO GOT THE BIG DIVERSION PAYMENT BUCKS IN 1984

[State rank by average payment per dairyman]

		Average payment per dairyman [1]	Total 1984 payments (millions)	State rank in amount received
1.	Arizona	$226,978	$10.9	28
2.	Florida	216,590	40.3	5
3.	Nevada	215,262	1.7	44
4.	California	125,044	87.9	2
5.	New Mexico	110,919	4.4	36
6.	Washington	64,971	16.3	21
7.	Texas	49,723	46.6	4
8.	Georgia	49,660	19.3	18
9.	South Carolina	45,968	4.2	37
10.	Colorado	45,045	10.6	30
31.	New York	24,749	38.5	8
35.	Pennsylvania	20,936	26.2	12
43.	Wisconsin	15,435	112.5	1
47.	Minnesota	13,665	81.3	3
	United States	22,814	955.3	

[1] Amount each state received divided by the number of participating dairymen.

Source: USDA.

Mr. MOYNIHAN. I thank the distinguished Presiding Officer.

The family farm has been an object of concern in this body for a very long while; through mechanization, industrialization began to break up the rural America we have known. And, as a matter of fact, it is not a nostalgic proposition. American agriculture is very effective with that family unit, that family size, a lot more today than it was 50 years ago.

A national economic development has not led us to have 10 family farmers in America, but we have a great many fewer than we did 50 years ago. But the farms that stay on and are productive are the most productive in the world, and are in the main family farms.

The Federal Government has come in, as in the Central Valley of California, and irrigated vast areas of previously quite unproductive soil, and the Federal Government has produced great innovations such as seed techniques, and fertilizer techniques through research programs and produced great guarantees through the crop support programs. Then corporations come into the valley and take over large tracts—I mean develop large tracts, and you have corporate farms. And I do not have anything against them in principle. But I have something against their being subsidized by the Federal Government. USDA has never chosen to tell us anything about that. That is what I find interesting.

Who is this average dairyman in Arizona who gets $226,978 cash from the Federal Government for not milking cows? I do not think it is your average family farmer. I frankly—and I am here to be corrected—do not associate

Arizona with dairy farming of the medium-sized grazing and milking operations that we, say, associate with the higher rainfall areas such as my own. In my mind's eye, I see a concrete slab, I see a Federal irrigation system, I see a Federal payment system, and I see a corporation. And I see a milking machine in the middle as cows move back and forth, not twice but sometimes now three times a day from feed on one side to feed on the other side and sort of developed Pavlovian techniques for managing milk cows.

But in any event, we do have a very curious question of how we ever got such legislation. Sitting right here on the floor it was said it would not happen, and that it will not work. We were told do not worry, it will, and it will all be straightened out eventually.

Mr. President, I have been speaking longer than I had intended to do. I see someone else is on the floor. So I yield the floor, Mr. President, thanking my friend for his distinguished courtesy and attention.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DENTON). The clerk will call the roll.

The bill clerk proceeded to call the roll

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I see the distinguished chairman of the Senate Agriculture Committee on the floor, and other Members who have an interest in this matter, including Senator KASTEN, who also has a bill. It would be my hope if we can work it out that we can pass those two measures without a rollcall vote and without objection. I know the distinguished Senator from Texas, Senator GRAMM, wants to discuss both measures to indicate that they comply with the Gramm-Rudman provisions. These are critically important, both pieces of legislation, to the American farmer.

In this past week we have had special segments on CBS and CNN on the plight of the American farmer. If we do not act on these two pieces of legislation we are going to add to that problem.

It is critically important to dairy farmers that we act this week.

It is also important to others that we act this week because sign-ups start in the wheat growing areas next week.

If we can do this quickly, we can do it ahead of what would be the vote or votes on TV in the Senate. If not, we can do it later this afternoon. If that is not possible, we would try to do it tomorrow. The House will be going out, I understand, at 3 o'clock. They may not be able to act in any event this week, but, in my view, it would indicate that the legislative bodies are moving if at least one body would act this week. We can provide in the dairy provision that notwithstanding the date of enactment it would be retroactive to March 1. That may already be in the proposal.

I would urge my colleagues, if they have any objection, to please indicate such objection to either the Democratic cloakroom or the Republican cloakroom.

As I understand it, the chairman is ready to proceed.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FARM BILL AMENDMENTS

Mr. MELCHER. Mr. President, I was quite surprised reading the RECORD of yesterday's proceedings here in the Senate to learn that some 20 to 25 Senators have been meeting to discuss amendments to the recently passed farm bill. I have since inquired as to exactly what is being discussed and what are the proposed amendments.

As to the Kasten bill which deals only with dairy, or perhaps I should call it the Kasten-Leahy proposal that deals only with the dairy program, I have knowledge of it, an understanding of it, and as far as I am concerned I would be in favor of passing it.

But as to other amendments to the farm bill, I was quite amazed that a number of amendments were being discussed. I have asked for a copy of any proposal that we might be asked to consider today, and I learned that that proposal is not yet available.

How far-reaching these amendments are is a mystery to me. But if we are truly going to amend some of the basic farm programs, other than what has been proposed by Senator KASTEN and Senator LEAHY for a modification of the dairy program to fit in with the Gramm-Rudman cuts that are necessary, due March 1, as to any other points of the farm bill, I would certainly like to be able to be advised by the majority leader or by the chairman of the committee or any other interested Senator just what those proposals are.

Until I am able to do that, I feel constrained to ask that the Senate delay considering those particular amendments. I do not think that we can quickly enter into modifications of the farm program, other than the dairy one I earlier mentioned, without some consideration and without some knowledge as to how far-reaching they are.

Mr. KASTEN. Mr. President, I just want to say, partly in response to the Senator from Montana and to the Senate, that it is important that we pass the dairy legislation this afternoon. The House of Representatives may be in session for only a short time, and if we do not pass this legislation this afternoon, we will be forced, then, to go to a backup legislative strategy, which would be that the dairy legislation that we would pass next week would have to be made retroactive. I am hopeful that that would not be the case, that we would not send a series of mixed signals, through USDA, out to the dairy farmers across the country and then have to undo what we have done and put out a whole new set of regulations. I believe that there is now wide bipartisan, bicameral support for the overall legislation as represented in the dairy bill, which has been held at the desk by unanimous consent.

I would also say to the Senator that I have been in parts of the overall agriculture meetings. I have not been at most of them, but I know that at this point at least the dairy legislation, with the exception of one or two individuals, seems to be agreed to and widely understood. I also might say, because it has been held at the desk by unanimous consent for Monday, Tuesday, Wednesday, and Thursday—it was actually introduced on last Friday—that there has been adequate opportunity for all Senators to review that legislation. And I am hopeful that we can pass it this afternoon.

Mr. HARKIN. Will the Senator yield for a question?

Mr. KASTEN. Certainly.

Mr. HARKIN. I thank the distinguished Senator from Wisconsin for yielding.

I know it has been at the desk since last Friday or something like that on this dairy thing. Again, I guess I join my friend and colleague from the State of Montana in that I do not have any real qualms or problems with the dairy provision that has been at the desk, but I guess I just raise a procedural question.

We have been here since we came back January 21, after the Christmas break, and we have known what the provision was in the farm bill dealing with dairy. We all voted for it with our eyes open. I did not vote for it. I had my eyes open, and I did not vote for it. But, nonetheless, I am just wondering why this was not brought back to the appropriate place, the Agriculture Committee, and why we did not have some hearings on it in January, and why now, at the midnight hour, we are being asked to make a substantial change in one provision of the farm

bill dealing with the dairy assessment program and the cutting of the price support for dairy.

Again, here it is the midnight hour. I sympathize with my colleague from Wisconsin that this is going to go into effect here in a couple of days and if we do not do something, we might have to come back and make it retroactive. But, again, I ask why is it that we get this at the midnight hour when we could have had this in January before the Agriculture Committee, had gone through the procedure, had our hearings, and probably reported something out that would be much like what the Senator from Wisconsin had proposed here. I guess I am raising more of a question on the procedure of what we are doing rather than on the substance of the dairy bill itself.

I might also add that this is one Senator that would be opposed to opening the dairy provision to any other provisions that might come along. Again, I have heard talk about doing things on the underplanting, yields and bases, haying and grazing. These are not technical corrections. These are substantive changes in a farm bill that we debated at length last year in subcommittee and full committee. There was a long, agonizing process. People made their choices. These are not technical corrections. These are substantive changes and they ought to come back to the Agriculture Committee for further consideration.

As I said, I understand the problem in dairy, and I would not have any problem with that as a clean and pure bill to come out here and vote on it, because I think the merits are on the side of the distinguished Senator from Wisconsin on the dairy provision. But I would be absolutely opposed——

Mr. BOSCHWITZ. Will the Senator yield on that point?

Mr. HARKIN. I do not have the floor. I was just asking why, if the Senator from Wisconsin had any thoughts, why we did not get into the Agriculture Committee in January.

(Mr. QUAYLE assumed the chair.)

Mr. KASTEN. I will be happy to respond to the Senator from Iowa first, and then I will be happy to yield to the Senator from Minnesota or yield the floor.

I agree with the Senator that the farm bill was not worthy of the Senate's support and I, too, voted against it.

But, second, there was a controversy here, or I should say a conflict, between the farm bill, the agriculture bill, the 1985 farm bill conference and the Gramm-Rudman conference. I was not part of either. I am not on the Agriculture Committee.

But it was the understanding of the 1985 farm bill conference that if Gramm-Rudman sequestering would take effect for the 1986 budget, in fact, it would take effect on dairy by increasing the assessment by about a dime across the board and not by reducing the price support level by about 50 cents for a certain group of farmers. That understanding was represented in the conference on the farm bill.

The Senator may or may not have been in the room at that time. I was told it was late at night and that was discussed as part of the conference on the 1985 farm bill.

It was anticipated that if a sequester did take place under Gramm-Rudman, it would be done the way the Kasten bill on the floor does it. Unfortunately, the same group of people that were in the 1985 farm bill conference were not all the same people that were in the Gramm-Rudman conference and it was not clear in that conference which way to go in order to implement the Gramm-Rudman sequestering cuts for the 1986 budget. As a result, you had two different groups of people.

The reason that my bill was not written up until about 2 weeks ago and was not introduced until about a week ago was because, up until that moment, it was not clear whether the USDA would go for the informal advice they were getting form the 1985 farm bill conference or they would go for the informal advice they were receiving from the Gramm-Rudman conference.

As that issue started going back and forth, some of us said we had better write a bill. We in fact wrote the bill, received cosponsorship including the distinguished Senator from Minnesota, the distinguished Senator from Vermont, Mr. LEAHY, and others, and that bill came to the desk a week ago.

At that point it was clear which way they were going to go and USDA was about to put into effect a Gramm-Rudman process which was against the understanding of the 1983 farm bill conference.

That is how we find ourselves where we are. The bill at the desk, as the Senator said, the Senator would be pleased to support—a clean dairy bill only. That is what we have before us right at this moment or that is what I will seek to have before us at this moment. I appreciate the Senator's support.

Mr. HARKIN. I thank the Senator for his explanation.

Mr. KASTEN. I yield the floor.

Mr. BOSCHWITZ. Mr. President, the Senator from Wisconsin said just what I was trying to say to my friend from Iowa; that is, we thought we had an understanding of how the USDA would implement the Gramm-Rudman requirements. And they would be implemented by an additional assessment. When that did not come to pass—and to a large degree because of what the Senator from Wisconsin said, there were different signals sent by one conference, and different signals sent by the other conference—his bill became necessary.

I yield the floor.

The PRESIDING OFFICER. Does the Senator suggest the absence of a quorum?

Mr. BOSCHWITZ. I do.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEATH OF HERMON E. PHILLIPS

Mr. QUAYLE. Mr. President, I am saddened by the passing of one of Indiana's most outstanding athletes, Hermon E. Phillips, on Sunday, February 16, 1986.

Hermon Phillips' athletic career began in high school, and continued while he attended Butler University, where he won national and international recognition, and was a 3-year all-American. A member of the Butler University Lettermen's Club once said that "since Phillips was from moderate means, he used to run the 50 miles between his Rushville, IN home and Butler. That's the kind of legend he was." The legend continued when Phillips went to the 1928 Olympics in Amsterdam, Holland and won both gold and silver medals.

Phillips' passion for running was further illustrated when he became the track and cross country coach at Butler, from 1927-37, and the track coach at Purdue University beginning in 1937. He was elected to the Helm's Hall of Fame in Los Angeles, and, with two other former Butler track stars, established the U.S. Track and Field Hall of Fame at Angola, IN.

In addition to being an exceptional athlete, Hermon Phillips was also devoted to community service. He established Pokagon Boys' Camp and Pokagon Girls' Camp near Angola, and operated them both. He also originated Camp Manitou for Boys in Ontario, Canada. He was a member of the board of trustees of the Cameron Memorial Hospital and a member of the board of directors of Tri-State University, both in Angola.

Hermon Phillips will be greatly missed by those who knew him, and it is with much pride that I pay tribute to him today. He will be remembered as a man with a great love for running, as well as one who had a great interest in the future of his fellow man.

I ask uanimous consent that an article about Hermon Phillips from the Indianapolis Star be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HERMON, PHILLIPS RITES SET; WAS OLYMPIC MEDALIST COLLEGE TRACK COACH

ANGOLA, IN.—Services for Hoosier track legend Hermon E. Phillips, 82, Angola, who won Olympic gold and silver medals and then coached at Bulter and Purdue universities, will be at 1 p.m. Thursday in the Weicht Funeral Home in Angola. Calling will be from 2 p.m. to 4 p.m., and from 7 p.m. to 9 p.m. Wednesday in the funeral home.

He died Sunday in Lutheran Hospital, Fort Wayne.

Mr. Phillips, a world-class track and field performer in his undergraduate days at Bulter University, won national recognition in his freshman year by defeating then-world's champion. Joey Ray, in the half-mile run in 1923. He subsequently won the International Collegiate Championship in the 440-yard run for three years in a row. During his college career, he competed in 148 races and was defeated only once. He was a unanimous selection for All-America three years.

Born at Rushville, he took an early interest in running, and won acclaim as a high school standout. He was Indiana State and National Intercollegiate six-mile cross country champion for three years.

"The story was," according to Bill Davis, of Butler's "B" Men's Club, "that he was from moderate means. and used to run the 50 or so miles between Rushville and Butler. That's the kind of legend he was."

Following his career at Butler, he performed for the Illinois Athletic Club before qualifying for the 1928 United States Olympic Team. He won gold and silver medals in the '28 Olympics at Amsterdam, Holland.

He then assumed duties as track and cross county coach at Butler for 10 years, from 1927-37, a period in which he initiated the once-famous Bulter Relays.

"It was a black tie occasion," Davis recalls, "and the greatest track stars of the era competed. Even the officials wore tuxedos. It continued until the early years of World War II," David said.

Phillips became track coach at Purdue in 1937, later establishing the Purdue Relays which attracted top athletes from across the country.

Always interested in young people, he originated a Pokagon Boys' Camp at Pokagon State Park in 1934, and following his retirement from coaching in 1945, built and operated Pokagon Girls' Camp on Lake James near Angola. He operated the popular Boys' Camp until 1966, and the Girl's Camp until 1978. He also established Camp Manitou for Boys in Ontario, Canada.

Despite his lifetime of diversified interests, his interest in track never waived. He was elected to the Helm's Hall of Fame in Los Angeles. Then, in 1970, in conjunction with Davis and Elmer Marchino, both of Indianapolis and both former Butler track stars, he established The United States Track and Field Hall of Fame at Angola. In recent years, Mr. Phillips devoted much of his time to operating the Hall.

Mr. Phillips was a Past Potentate of the Mizpah Shrine in Fort Wayne. He was a Past District Governor of Rotary Club. He had been a member of the Board of Trustees of the Cameron Memorial Hospital and a past member of the Board of Directors of Tri-State University, both at Angola.

He was a member of Delta Tau Delta fraternity; a 50-year member of the Masonic Blue Lodge, member of the Scottish Rite in Indianapolis, and of the Knights Templars in Lafayette.

He organized the Lake James Cottage Owners' Association where he was a land developer, and he was a member of the Steuben County Planning Committee.

Survivors: wife, Louise Phillips; daughter, Lou Ann Lanagan; three granddaughters and a great-granddaughter.

THE AESCULAPIUS INTERNATIONAL MEDICINE FOUNDATION

Mr. INOUYE. Mr. President, the success of U.S. foreign assistance programs often turns on the efforts of American citizens who work at the grassroots level. Most often these efforts represent the work of U.S.-based private and voluntary organizations, the PVO's which receive financial support from our Government through the Agency for International Development. Sometimes, however, these efforts are carried out by concerned Americans who receive no support from our Government.

Over the past 2 years, I have become aware of the activities of one such organization working in El Salvador. The Aesculapius International Medicine Foundation is a small organization whose dedication and commitment to the people of El Salvador is much admired by all who have had the opportunity to study its work. To better acquaint my colleagues with this provider of basic health services, I wish to insert into the RECORD a brief summary of its programs and organizations.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

EL SALVADOR MEDICAL PROJECT

The civil war in El Salvador has produced over half a million displaced persons and led to the collapse of the national health infrastructure, resulting in a profound public health crisis. Aesculapius International Medicine has responded by providing a health team from the United States now engaged in primary health care, preventative medicine, and health education to a Salvadoran population whose needs fall outside the scope of existing programs.

The project was established in August, 1984 in a rural village 50 kilometers north of San Salvador. Working directly and through health promoters, the project provides for the health needs of more than 60,000 people. In conjunction with the CAPS program of the Archdiocese of San Salvador, the Aesculapius team has participated in the training of over one hundred rural health promoters from all parts of the country. Fifty-three are from Chalatenango—the department in which our clinic is situated—and work under the medical supervision of the Aesculapius team. A second site, serving a population of over 60,000 will be established in the department of Usulatan in early 1986.

The Aesculapius team in 1985 consisted of one physician, two nurses and a health educator/administrator. Both nurses are public health specialists, and have worked for Aesculapius in El Salvador since August 1984. All four are unpaid volunteers, speak fluent Spanish, and have made a minimum twelve months commitment to the project. A nurse practitioner, a third public health nurse and a nutritionist will join the team in early 1986.

As a joint project with the Archdiocese of San Salvador in Chalatenango and the Diocese of Santiago de Maria in Usulatan, the project has been recognized in El Salvador as being strictly nonpolitical and humanitarian. This has permitted the project to continue, despite increasing political and military tensions in the area. The health work is nonsectarian in nature and available to all in need.

TRIBUTE TO JUDGE CHARLES FORD

Mr. HEFLIN. Mr. President, Judge Charles Ford, the probate judge of Choctaw County, AL, is one of a vanishing breed. He is an old-style probate judge, who is considered by the people of his county to be all things to them. They call upon him in almost every capacity. He is a friend, a helper, a county official, a caring politician, and generally all-around good fellow.

Judge Ford has served as probate judge of Choctaw County for 10 years. The people have become accustomed to relying upon him for advice on all sorts of problems. In addition to his probate judge duties, he is also the chairman of the Choctaw County Commission, which has charge of the highways and roads in that county, as well as all of the county services and departments. He puts in long hours and is never really away from the job, for at home he is constantly being visited by his constituents either in person or on the telephone. Judge Ford is genuinely loved by the people of Choctaw County for his kindly down-to-earth manner, as well as for his energetic efforts in helping each and every citizen who seeks his advice, counsel or assistance.

Recently, there appeared an article in the Mobile Press entitled "Judge Ford: 'I'm two people all the time.' " This article is highly complimentary of the fine work that he does, and I ask unanimous consent that a copy of this article appear in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Mobile (AL) Press, Jan. 27, 1986]

JUDGE FORD: "I'M TWO PEOPLE ALL THE TIME"

(By Darla Graves)

BUTLER, AL.—Living in a Choctaw County and serving the county's residents is a pleasure, according to Probate Judge Charles Ford.

Originally from the town of Pushmataha, Ala., Ford and his wife now reside in the city of Butler, Ala., the county seat.

Ford has served as probate judge in Choctaw County for 10 years. He said that when he first ran for the office in 1976, he had to defeat six worthy opponents, which was not

as easy task. However, he did win and he said that he plans to run for re-election in 1988. An office term is six years.

When asked how he felt about being a judge, Ford replied, "I really love it because I can get involved in helping the needy of the county. My office is the highest elected office in the county, and it's a powerful office. But, I use it to help people; I never play politics."

Ford's duties as probate judge include probating wills, handling adoptions, issuing different types of licenses, performing marriages and things of that nature. He is also the chairman of the Choctaw County Commission.

"I have two jobs, actually. I serve in the capacity of probate judge and also as chairman of the county commission."

"There are, I believe, 34 counties in the state of Alabama in which the probate judge serves as the chairman. I'm two people all the time. I have to answer all the complaints of all four of the county commissioners," he said. "But we all, basically, get along very well."

Ford said the hardest type of cases for him are those in which he has to determine whether or not a person is mentally stable.

"When I study petitions, all the allegations are filled out in the petitions. Luckily, I know all the people in the county. I know the families, and I know their backgrounds. After all, I'm part of the people. So, I usually have to rely on my knowledge of the people in order to make a judgment on whether or not someone is mentally unstable. These cases are very hard to deal with," he said.

Ford said that he has one daughter who works for the Washington County Courthouse and two granddaughters. His wife is a secretary for a bank president in Butler and assists him in campaign efforts when she can. However, he said that he never stops campaigning.

Since his job is a "constant 24-hour job," he seldom has time for hobbies. But when he does he said he enjoys hunting and fishing. According to Ford, Choctaw County is an excellent area for hunting.

Ford said although he did not attend law school, which was not a prerequisite for the position of probate judge, he nonetheless feels that he is doing a good job for the people.

"I have always wanted to serve the people. If I am not working in the office, I will go out and visit in the county. I stay in contact with the people, and I know what they want. Therefore, I know what kind of job I'm doing, and the people will tell you, especially on election day."

One particular way that he serves the people to the best of his ability is through his marriage ceremonies. He said that a lot of people will come in from Mississippi to be married by him because there is a 3-day waiting period in Mississippi and a no waiting period in Alabama. Therefore, he said he performs a lot of marriages after hours and on Sundays.

He recalled one incident where a couple wanted to be married in the courthouse square and both the bride and groom wore overalls to the ceremony.

"They also wanted me to wear overalls, and, of course, I didn't mind because it was fun. Instead of throwing rice they threw corn. No invitations were sent out, but people saw what was going on and came to the square. We ended up having a huge crowd there," he said jokingly.

When asked if there was anything about his job that he would change if he could, Ford replied, "I don't have anything in particular that I would change. I am very pleased with the job, I simply enjoy serving the people and hope to continue to do so in the future."

THE FEDERAL EMPLOYEES BENEFITS IMPROVEMENT ACT OF 1986

Mr. STEVENS. Mr. President, section 101 of H.R. 4061 will enable retired Federal employees in the Federal Employees Health Benefits Program [FEHBP] to receive rebates which have been offered by 11 plans in the program.

Those rebates result from excessive reserves that accumulated in the program. In order to reduce these reserves, the Office of Personnel Management [OPM] authorized carriers in 1985 to pay rebates to currently enrolled subscribers. Rebates were authorized as a method for reducing the 1985 contributions of subscribers. Eleven carriers announced plans to make rebates to their 1985 subscribers and set aside reserves from which the rebates would be made.

OPM determined, however, that annuitants cannot receive the rebates because the present law does not authorize OPM to reduce the contributions of annuitants. Rebates to employees and annuitants were delayed pending consideration of this corrective legislation.

Employees, annuitants and the Government contribute to the health benefits plans and should share proportionately in any rebates. This act amends 5 U.S.C. 8909(b) to give OPM specific authority to use excess contingency reserve balances to reduce the contributions of annuitants as well as the contributions of employees and the Government.

Section 101 of H.R. 4061 will be effective upon enactment, but rebates to annuitants will be authorized even if made to annuitants enrolled in a plan as of a specific date in 1985 in order to permit annuitants to share with employees in the 1985 reductions.

PENSION WELFARE

Mr. QUAYLE. Mr. President, on February 3, 1986, the Wall Street Journal published an editorial titled "Pension Welfare," which clearly demonstrated the need for true reform of our Nation's pension system. Given the importance of private pensions in our Nation, and the current crisis of the Pension Benefit Guaranty Corporation [PBGC], I urge my colleagues to read this editorial and take to heart its warning.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PENSION WELFARE

Back in 1974, the Watergate affair in Washington was what amounted to a political urban riot. The city was manic from a daily feeding of rumors, leaks and published bombshells. As sometimes happens during a riot, Washington's political authorities weren't able to keep track of what everyone in Congress was doing. Amidst all the tumult, Title IV slipped into the 1974 pension-reform act known as ERISA. Title IV is ERISA's federal pension-insurance system. Dress up Refrigerator Perry as Little Lord Fauntleroy, and you have a pretty good idea of how closely the current system resembles real insurance.

"We are in effect running a corporate welfare program that subsidizes declining industries," says Kathleen Utgoff, administrator of the Pension Benefit Guaranty Corporation (PBGC), which administers the insurance program. Rep. John Erlenborn, a principal architect of ERISA, says the system's premium (slated to rise from $2.60 per worker to $8.50) isn't a real premium; he calls it "a head tax." Others call the federal pension insurance a "transfer program" and "backdoor industrial policy." What is more, say some congressional pension specialists, the political players for Team Smokestack knew they were creating a corporate bailout program years before "Japan Inc." became a household word.

Last year, Wheeling Pittsburgh Steel, on the brink of being pulled under by its creditors, unloaded an estimated $475 million in unfunded pension obligations on the federal pension corporation. Months earlier, Allis Chalmers shipped $165 million of unfunded obligations. Continental Steel, in Chapter 11 proceedings, has filed to reject two pension plans, with the prospect likely of sending the PBGC a $27.5 million air-ball. Consequently, the PBGC suddenly has an on-paper deficit of $1.3 billion (it plans to litigate the Wheeling-Pitt action).

Successfully off-loading its $425 million pension liability was part of the bankruptcy workout demanded by Wheeling-Pitt banks. The strategy allows these companies to get back in the race, their cost structure significantly lightened by ERISA. That means that healthier companies, such as U.S. Steel, and Cyclops, end up running well-funded pension plans, competing with the Koreans and Europeans, and paying premiums that are used to prop up their reeling competitors. Besides the many steel-industry claims on the program, about 20% of recent plan dumpings have been from companies that aren't in bankruptcy.

Two changes have been proposed to fix this.

Currently, the PBGC has little choice but to pay out the guaranteed level of benefits of a terminated plan. The budget-reconciliation bill Congress failed to pass in the last session contains amendments tightening the procedures under which companies may terminate their unfunded plans. The new rules would give the system powers to significantly challenge terminations. The other proposed change—only an idea now—would induce or require pension plans to use the private insurance system and pay risk-related premiums. This would make the agency something more than a passive mail drop for a sick company's cost burdens. (An attempt to subject Wheeling-Pitt to the new rules failed.)

Another potentially significant change discussed in those congressional amendments is a requirement that the pension corporation study the feasibility of risk-related premiums and private insurance. The Reagan administration has just announced its intention to seek that change.

Private insurers have little experience with which to set such rates and would resist covering pension plans whose unfunded liabilities make them virtually uninsurable. But the current system deserves reorganization. "Insurance" traditionally denotes coverage for unforseen events. However, the process by which some companies are dumping their problems on the PBGC is not an insurable event. Putting well-funded pension plans (as are most plans) under private insurance would allow us to face honestly the question of protecting workers in declining industries.

Those workers often have employers in industries that have little prospect of meeting their unfunded pension liabilities for reasons that include a fundamental loss of competitive position, relatively high wage structures and poor management. These are factors in the natural process of corporate extinction, and securing a realistic level of workers' benefits in these circumstances is a legitimate concern. But it is a misuse of public policy to force well-run companies and their workers to support a federal "insurance" system that penalizes them for the purpose of propping up their less successful and often less efficient competitors.

CANADIAN LUMBER IMPORTS

Mr. EAST. Mr. President, the Canadian softwood lumber trade problem affects virtually the entire United States. We recognize that, so does the administration. That's why the administration has entered into trade talks with Canada centering on the lumber problem. Two meetings have been held to date between the two teams of negotiations, and I understand a third meeting will occur soon.

The administration and the Canadian Government should be congratulated for recognizing that the importation of Canadian softwood lumber is a major trade problem. I commend our country and Canada for seeking a reasonable, responsible, negotiated solution to the problem. It is my firm hope that negotiations between the two governments will succeed at the earliest possible date. In my view, a negotiated solution is far preferable to any legislative solution.

I am convinced that the current slump in the United States timber industry is a direct result of a sharp increase in the Canadian softwood lumber share of the United States market. Canada's share of the market has grown dramatically from less than 20 percent in 1975 to 33.5 percent in 1985, resulting in tens of thousands of lost United States jobs.

There is only one reason for this situation to exist: Canadian Provincial governments are virtually giving away their stumpage at rock-bottom prices. To promote Canadian lumber activity, the Canadian Government sells lumber stumpage rights to producers at prices well below market levels. Certainly, these Canadian Provinces are free to pursue any domestic subsidy they like. But the Congress of the United States ought not sit idly by and watch subsidized Canadian lumber cross the border into the United States, robbing independent small business of their markets, closing mills, and displacing American workers.

Since 1975, Canadian softwood lumber production has increased 103 percent while United States production grew by only 20 percent. Canada has now captured over one-third of the United States market and in my State of North Carolina, Canada has captured 40 percent of the market. Simply stated, Mr. President, our American lumber industry is being overwhelmed by a Canadian industry subsidized, aided, and encouraged by its Government. The result of that situation is an injury to the American worker that ought not be overlooked by this Senate.

Given the clear reason behind the Canadians success in our market, in good conscience, we ought not allow this trend to continue. Either Canada agrees to a meaningful resolution to the problem or we ask the United States Government for an aggressive hard-line correction to assure that our domestic industry can compete with Canadian mills on a level playing field.

APPOINTMENT OF SENATOR MATTINGLY TO CANADA-UNITED STATES INTERPARLIAMENTARY GROUP

The PRESIDING OFFICER (Mr. EVANS). The Chair, on behalf of the Vice President, pursuant to 22 U.S.C. 276d-276g, as amended, appoints the Senator from Georgia [Mr. MATTINGLY] as a member of the Senate delegation to the Canada-United States Interparliamentary Group during the second session of the 99th Congress to be held in Tucson, AZ, from February 27 to March 3, 1986.

CALL TO CONSCIENCE, 1986

Mr. GORTON. Mr. President, I rise today to participate in the 1986 Congressional Call to Conscience on Soviet Jewry, an effort which has been in existence since 1976 and which serves to chronicle and bring badly needed attention to the rights of Jews in the Soviet Union. Senator GEORGE MITCHELL is to be thanked for his effort in coordinating this year's Call to Conscience, as is the Union of Councils for Soviet Jews. Our plea in this Chamber is for those who seek only the opportunity to worship as they choose and to emigrate to their homeland, Israel.

We are, of course, gratified that the Soviets have released Anatoly Shcharansky after many years of imprisonment and torture. It is our fervent hope that other Soviet Jews held against their will in that country be allowed their religious and political freedom. I draw your attention to the case of mathematician Vladimir Lifshitz, arrested in the Soviet Union last month. Dr. Lifshitz had applied for visas for himself and his family 5 years ago. They were denied on the grounds of "insufficient kinship." Since being refused visas the family has suffered terribly. Vladimir was forced to leave his position as the head of the division of economic forecasting at the All-Union Scientific Research Institute for the jewelry industry. After resubmitting his emigration application in December 1982, he was forced to resign from his second job. Although thier son Boris passed entrance exams to the Leningrad Institute of Fine Mechanics and Optics, his application was not accepted; now he faces military conscription. In addition, the Lifshitz family has been repeatedly harassed by the KGB and threatened with arrest. Now that Dr. Lifshitz has been arrested, his family's situation can only decline as they await permission to reunite with their relatives in Israel.

As a signatory to the Helsinki Final Act, the Soviet Union has pledged that its citizens may emigrate freely. The Soviets have not abided by this agreement, as attested to by this and too many other cases. Soviet Jews and other minorities continue to suffer persecution at the hands of Government Officials.

It is my hope that statements such as this will remind the Soviets that the United States Congress knows and cares about the treatment being received by Soviet Jews. The Congressional Call to Conscience brings all of us together on an issue of vital humanitarian concern. A goodwill gesture on behalf of Soviet Jews and a significant improvement over recent policy can only facilitate any negotiations which take place between our two countries. We urge Secretary Gorbachev to take the earliest opportunity to begin a new era of East-West cooperation.

A TRIBUTE TO JOHN KERRY

Mr. KENNEDY. I am pleased to take this opportunity to commend my colleague from Massachusetts, JOHN KERRY, for his significant accomplishments in his first year in the Senate. Throughout his career, JOHN KERRY has demonstrated genuine leadership, an exceptional capacity for hard work, and a strong commitment to the citizens of Massachusetts.

I was particularly gratified to see Senator KERRY's fine achievements recognized in a recent article by the Boston Globe. The people of Massachusetts are proud to have JOHN KERRY as their Senator. I know that Massachusetts and the Nation will continue to benefit from his impressive service in the years to come, and I

ask unanimous consent that the article from the Boston Globe may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Boston (MA) Globe, Feb. 16, 1986]

KERRY IS BUILDING AN IMAGE AS WORKER

(By John Robinson and Robert L. Turner)

WASHINGTON.—Among the seven men who joined the Senate in 1985, John Forbes Kerry was the second-youngest, the least experienced and the most liberal, a combination of attributes that can be liabilities in the august deliberative chamber.

But Kerry has spent much of his first year in office trying to turn his liabilities into assets, a process that has yielded mixed results.

At first, skeptics here and in Massachusetts thought Kerry might be a classic show horse—a lightweight and an outsider, an ambitious, microphone-grabbing self-promoter eager to push his initials as far as those of his hero, John F. Kennedy.

Preliminary returns tended to encourage that view. Subsequent events show Kerry establishing credentials as a more substantive legislator—a Senate workhorse.

In February, the Washington Post "Style" section spread him across its front page in glamourpuss fashion, proclaiming him a "presence" on the capitol's social circuit, "gushed over at various stops."

Shortly thereafter, another interviewer asked him how he was fitting into the exclusive small circle of 100 senators and came away with a sample of Kerry stiffness. "I came here to do a job, not join a club," he said.

His early emphasis on foreign affairs, reinforced with back-to-back trips to the Philippines and Nicaragua barely three months after being sworn into office, contributed to the view that his interests were weighted toward the sensational.

In addition, his trip to Nicaragua turned sour when President Daniel Ortega, with whom he had met, flew off to Moscow to cozy up to Soviet leaders, undermining Kerry's attempts to wean the Reagan Administration from the rightist rebels, called contras, who are making war on the Sandinista government.

"The man wasn't in office four months before he was talking to our enemies," said a Massachusetts Republican strategist, Michael Hannahan. "On foreign policy he always thinks America is wrong."

But through it all, and particularly since the Nicaragua trip, Kerry has labored to prove himself a hard-working, substantive legislator whose ability inside Capitol cloakrooms matches his ability in front of the cameras, who has particular skills on local issues and who is not easily pigeonholed.

In the view of many people here and in Massachusetts who have had reason to pay attention, Kerry has been largely successful.

He is credited with being an articulate, well-informed, passionate adversary of the "star wars" space defense scheme, the controversial MX missile system, antisatellite weapons and nuclear testing.

Joe Malone, campaign manager for Raymond Shamie, the conservative Republican who ran a strong race against Kerry, said the senator's first year has been "substantive . . . from a liberal viewpoint."

"John has had a reputation for looking for issues that are going to attract TV cameras, and I don't think that has changed," Malone said. But where Kerry was once seen as "all over the lot" politically, "I think he has been more mature in his first year."

He is no garrulous, cheery extrovert, and even those closest to him say he is difficult to know. He can seem cold and remote, even disdainful, according to a lobbyist with extensive Capitol Hill credentials, who admits he was predisposed to dislike Kerry before he met him.

"But he did nothing to dispel my predisposition," he said after a visit to Kerry's office. "He talked in slogans, which sounds good if you don't know what the facts are."

Another seasoned Capitol Hill insider and a Kerry financial supporter described him as being "fairly humorless" and "a nice guy who's a little full of himself and a little self-important."

"It makes it hard for the guys to warm up to him," the observer said. Nonetheless, the observer noted, Kerry has cultivated a good working relationship with a number of senators: in particular, Sen. Edward M. Kennedy, who has responded by extending himself to help Kerry retire what was a half-million dollar campaign debt.

Despite his support of the Gramm-Rudman deficit reduction bill, which is opposed by many municipal officials in Massachusetts, Kerry appears to have retained strong support at home, which may be attributable in part to his two-year stint as lieutenant governor to Gov. Durakis.

ATTUNED TO STATE ISSUES

As lieutenant governor, Kerry supervised federal-state relations. His top staffer in that office, Tim Barnicle, is still director of the state's Office of Federal Relations. Many of the people still working in that office, both in Washington and in Boston, "were hired by John," according to Barnicle, and as a result, "the relationship is smooth and easy and fluid and just real nice."

Because of his experience as lieutenant governor, Barnicle said last week, "John is very aware of what the basic state programs are and their relative importance."

According to Barnicle, Kerry has taken the lead in the Senate in securing a grant to retain Quincy shipyard workers and another for a photovoltaic research center in Lowell. He has also pushed for money for the cleanup of Boston Harbor and for reconstruction of the Central Artery and has sought to block the closing of the regional Labor Department office.

James Segel, executive director of the Massachusetts Municipal Association, said: "He is the senator we go to on issues that affect cities and towns.

"He's visited a lot of the mayors. He's accessible in his office, I think his staff has been responsive," Segel said. "I don't have a complaint about Kerry."

HAS FOUGHT FOR LOCALITIES

In paticular, Kerry has fought for retention of revenue sharing and other grant programs for municipalities, he helped pass legislation to circumvent a court ruling on the payment of overtime to municipal employees that would have been very expensive in Massachusetts, and he was also instrumental in blocking a move to pull all state and local employees into the Social Security and Medicaid programs, a move that would have hurt Massachusetts more than any other state.

Kerry has not hidden his talents as an "outsider," an articulate spokesman who can move public opinion. But he has also worked on the inside of Senate politics, and not just on parochial grants and the like. For instance, he helped shield Social Security from potential Gramm-Rudman cuts.

In Boston, Mayor Flynn's director of administrative services, Raymond Dooley, said Kerry has helped with everything from an Urban Development Action Grant for Jamaica Plain High School to immigration from Nothern Ireland. Despite, the Gramm-Rudman flap, Dooley said, "the mayor and the senator are good friends and political allies."

Jerome Grossman of the Council for a Livable World said Kerry's freshman performance was "first-rate" on the arms control issues he cares about most.

FAULTED ON GRAMM-RUDMAN

James Shannon, the former congressman who lost to Kerry in the 1984 Democratic primary, said of Kerry, "I think he's done fine," though Shannon opposes Gramm-Rudman and says that is the one major point of disagreement. Shannon said he is "glad" Kerry took a prominent role in opposition to US policy in Central America, adding it took some courage because "he obviously understands that there's a political downside to that."

Of Kerry's various interests, Shannon said the range of issues is so wide in both the House and the Senate that "you play a role where you think you can make a difference."

Sulffolk County Sheriff Dennis Kerney lauded his local staff work and praised him for "staying in touch with his working-class base."

One of the hallmarks of Kerry's first year has been his effort to balance his activity on national and foreign issues with his domestic concerns.

He boldly listed only one committee choice, Foreign Relations, and got it. Many people voted for him on the basis of war-and-peace issues and he has not broken faith with them.

But he has been eager recently to stress more local concerns, some of which come up in his other committee assignment, the Labor and Human Resources Committee.

"Nicaragua," he said in an interview last week after his return from the Philippines, "pushed me more to the forefront on the international scene than in fact I have been. . . . I would like to be known as a domestic-oriented Massachusetts senator."

Only two of his staff members specialize in foreign affairs, Kerry said, and two or three concentrate on budget and related matters, while most of the others in the 42-person staff look to constituent problems and other Massachusetts issues. About half the staff is in the Boston office, a high proportion for most senators.

Aside from balancing his local foreign interests, Kerry has been engaged in another kind of balancing act, a redefinition of himself beyond the liberal stereotype.

He said he has consciously sought to be evaluated on the basis of specific actions and specific issues, not labels, which he believes are misleading. He defines himself as "an independent thinker."

In the process, the ultraliberal image of the antiwar Vietnam veteran has fogged up.

"I'm not trying to project an image of liberal or conservative," he said. "Politics is complicated enough without getting pigeonholed.

"The ability to communicate where you are on a particular position gets 20 times

harder when people have an image of what their expectation is as a result of a label beforehand. I'm trying to project the image of an independent thinker who deals with the issues as they come along."

Nevertheless, his voting record last year placed him among the most liberal members of Congress, earning an 85 of a possible 100 rating from the Americans for Democratic Action, and he was one of the top congressional opponents of Reagan administration initiatives, voting against the President 73 percent of the time, according to Congressional Quarterly.

Kerry was 40 when he was elected to office, the second he has attained in a public career that had its beginning in the antiwar movement of the last decade. Among the seven freshman who were sworn in with him, only Albert Gore, 37, was younger.

All of his classmates had prior service in the House—Gore was there for 8 years, for example—or had been elected chief executives back home.

But legislative or executive experience can be a minor obstacle. "At the most," estimated Rep. Barney Frank (D-Mass.), who praised Kerry's first-year performance, "it gives you a six-month head start. Kerry's had a real impact in the Senate."

Kerry was raised a Roman Catholic with Anglo-Irish ancestry and Boston credentials. His residential addresses were toney, his education at St. Paul's School and Yale University. His marriage to Julia Thorne, from whom he is now separated, offended no tribal customs.

At Yale, he was a prize-winning orator and a precocious politico.

His military service was as a naval officer, although rank and branch seem of little consequence to him now; it is his status as a Vietnam veteran that he keeps in the forefront of his public image.

There has always been about him an aspect of glamour because he favors European holidays, speaks good French, vacations on the exclusive Massachusetts island of Naushon, and has show-business friends like Peter Yarow, of the singing group Peter, Paul and Mary.

But since his Post profile, he has recoiled from Washington's social scene, conscious of the potential for appearing frivolous and wary of being used by the capital city's gossipy, competitive nobs.

With his campaign debt cut nearly in half (to $248,852 as of Dec. 31), a highly regarded staff and an activist legislative agenda, Kerry seems poised to deliver on the potential his admirers sense in him.

CLARIFICATION OF THE APPLICATION OF THE TREBLE DAMAGE REMEDY TO STATE INSURANCE REGULATION

Mr. SIMPSON. Mr. President, I am pleased to cosponsor the Antitrust Damages Clarification Act of 1986. This legislation limits the use of the treble damage remedy when an insurance company has complied with State regulation of its business.

In the McCarran-Ferguson Act of 1945, Congress declared that regulation of the insurance industry was in the national interest and conferred regulatory authority on the individual States. A specific exemption to the Federal antitrust laws was created by the McCarran Act for activities which were regulated by State law and constituted the business of insurance.

Despite the mandate of the McCarran Act, the Federal Trade Commission [FTC] is now attempting to use its enforcement authority to deregulate the insurance industry. Instead of submitting legislative recommendations to the Congress, however, the FTC started its campaign to narrow the McCarran Act by initiating enforcement proceedings against companies in the title insurance industry. In an administrative complaint filed in January, 1985, the FTC alleged that the participation by title companies in State-authorized rating bureaus violated the Federal antitrust laws.

Beginning 1 day after the FTC complaint was issued, numerous private antitrust actions for treble damages were filed against these same insurance companies making virtually identical allegations to those contained in the FTC's administrative complaint.

In my opinion, the treble damage remedy should not be used in antitrust litigation against insurance companies which in good faith are complying with State law. Triple damages were designed to deter illegal corporate conduct and not legitimate regulatory activities sanctioned by the States.

The Antitrust Damages Clarification Act is intended as a carefully limited solution to the antitrust problems presented when an insurance company is subject to State regulation of its rates. The bill would clarify existing case law by removing the risk of treble damage liability for insurance ratemaking activities that are authorized by State law.

An antitrust plaintiff has suffered no injury if he has paid for an insurance policy at the only legal rate authorized under State regulation. Antitrust damages should not be imposed in connection with rates approved by a regulatory body pursuant to State policies with nonantitrust-related goals—such as to preserve the financial soundness of insurance companies or see that insurance charges are fairly allocated among different classes of consumers.

The act does not modify substantive antitrust law principles and does not limit the ability of Government agencies or private parties to obtain injunctive relief against inappropriate conduct.

By enacting this legislation, the Congress will be striking an appropriate balance, recognizing the validity of rates approved under State regulatory programs but permitting Government enforcement agencies to continue to seek injunctive relief where they deem it to be in the public interest.

In addition, this legislation prevents the improper use of the treble damage remedy by private plaintiffs seeking windfall recoveries and attorney's fees, a result which is contrary to the regulatory goals of the State. It also would give the insurance industry a chance to respond to changing regulatory climates without the enormous expense of defending against treble damage litigation for actions which are sanctioned by State law.

WILL TV MAKE THE SENATE A "VAUDEVILLE ACT?"

Mr. PROXMIRE. Mr. President, it appears that the Senate is hell-bent to install television. The Rules Committee has written the script: TV will probably soon start to cover our proceedings. We will cover our operations with very limited pilot television. In fact that television broadcast will at first be confined to Senate offices.

So what's wrong with this? Is this the age of television? Do the American people today get far more of their news from TV and radio than they get from the print media? Has the House in the few years they have televised their proceeding showed the way? Have they stolen the spotlight in doing so? Have they proven that there is a real public appetite for parliamentary proceedings? Are some of the more flamboyant personalities in the House stealing a march on the invisible Senators? Does this give an edge to House Members interested in challenging incumbent Senators?

Mr. President, the answer to all these questions is yes. In fact emphatically yes. But none of this makes television in the Senate the right course. It probably does make television in this body, the inevitable course. Before we take this step that will far more drastically change the Senate than any action we have taken since the Founding Fathers adopted the Constitution almost 200 years ago, I hope Senators will read a new book entitled "Amusing Ourselves To Death and subtitled: Public Discourse in the Age of Show Business" by Neil Postman. If this little volume poses too difficult a reading assignment, I hope Members will at least read a review of the Postman book by Jonathan Yardley entitled, "The Vacuum at the End of the Tube." The Yardley review appeared in the Washington Post book section on Sunday, November 3. The Yardley review takes less than 5 minutes to read. It will be 5 minutes that any Senator will find rewarding.

The theme of the Postman book is that the civilized world and especially the United States is now undergoing a drastic shift from reading to watching television. Postman calls this shift and I quote "the most significant American cultural fact of the second half of the 20th century: the decline of the Age of Typography and the ascendancy of the Age of Television." As the influence of print wanes, the content of

politics, religion, education, and anything else that comprises public business must change and be recast in terms that are most suitable to television. Which is to say that it must be recast in terms of entertainment, of show business. Television is a technologically brilliant medium, a genuine miracle, a beautiful spectacle, a visual delight, pouring forth thousands of images on any given day.

For the very reason that it is image centered though, television is inherently hostile to thought, logic and contemplation—processes central to a word centered culture. It is in the nature of the medium, television, that it must suppress the content of ideas in order to accommodate the requirements of visual interest, that is to say, to accommodate the values of show business. As Postman writes, "The problem is not that television presents us with entertaining subject matter, but that all subject matter is presented as entertaining, which is another issue altogether . . . It is not the gloomy Orwellian future that awaits us, but the one depicted by Aldous Huxley in "Brave New World," where in a "populations becomes distracted by trivia, when cultural life is redefined as a perpetual round of entertainments, when serious public conversation becomes a form of baby talk, when, in short, a people become an audience and their public business a vaudeville act."

Mr. President, no one in the House or Senate has put it that way. But to this Senator this is precisely the danger into which this body may fall: The Senate is about to become a vaudeville act. Do I hear someone saying—Oh come on, PROXMIRE, television is here to stay. No one can hold back the momentum of technology, in fact the domination of television. And, of course, that is right. We cannot. But that doesn't mean we have to move television into the Senate. The heart of Postman's protest is that "as television moves to the center of our culture, the seriousness, clarity and above all the value of public discourse dangerously declines."

But does television educate? It does, but not the way the printed word educates. As Postman puts it the "education" with which television is most comfortable is that which follows three commandments.

Thou shalt have no prerequisites. Thou shalt induce no perplexity. Thou shalt avoid exposition like the ten plagues visited upon Egypt. Towards all the discipline, thought and self-restraint demanded by an education in the printed word, television is implacably hostile: television can accommodate only that which is easy, which is devoid of history, which demands mere passivity.

Postman and Yardley were not thinking of writing about the Senate or TV in the Senate. But oh, how clearly this analysis strikes at precisely what the Senate is about to do.

Mr. President, I ask unanimous consent that the book review to which I have referred by Jonathan Yardley be printed in the RECORD.

There being no objection, the review was ordered to be printed in the RECORD, as follows:

THE VACUUM AT THE END OF THE TUBE

It is Neil Postman's contention, in this powerful, troubling and important book, that we are now "undergoing a vast and trembling shift from the magic of writing to the magic of electronics," with the singularly unhappy result that "the content of much of our public discourse has become dangerous nonsense." His language is blunt and his claims are large:

"To say it, then, as plainly as I can, this book is an inquiry into and lamentation about the most significant American cultural fact of the second half of the twentieth century: the decline of the Age of Typography and the ascendancy of the Age of Television. This change-over has dramatically and irreversibly shifted the content and meaning of public discourse, since two media so vastly different cannot accommodate the same ideas. As the influence of print wanes, the content of politics, religion, education, and anything else that comprises public business must change and be recast in terms that are most suitable to television.

Which is to say that it must be recast in terms of entertainment, of show business. Television is a technologically brilliant medium, a genuine miracle, "a beautiful spectacle, a visual delight, pouring forth thousands of images on any given day." For the very reason that it is "image-centered," though, television is inherently hostile to thought, logic and contemplation—processes central to a "word-centered" culture. "It is in the nature of the medium," Postman writes, "that it must suppress the content of ideas in order to accommodate the requirements of visual interest; that is to say, to accommodate the values of show business."

This it does in every aspect of its operation; television is saturated with the needs and values of show business, and because it has become the principal medium of national conversation it has imposed those same needs and values on the country itself. Postman writes; "The problem is not that television presents us with entertaining subject matter but that all subject matter is presented as entertaining, which is another issue altogether . . . A news show, to put it plainly, is a format for entertainment, not for education, reflection or catharsis." He fears, and he is right to do so, that it is not the gloomy Orwellian vision of the future that awaits us, but the one depicted by Aldous Huxley in *Brave New World*, wherein "a population becomes distracted by trivia, when cultural life is redefined as a perpetual round of entertainments, when serious public conversation becomes a form of baby-talk, when, in short, a people become an audience and their public business a vaudeville act."

There may be an apocalyptic ring to this, but Postman is at pains to emphasize that he is no Luddite, that television is here to stay and that there will be no turning back the technological clock. What is necessary, though, is that we look more clearly at what we in our bottomless joy at being entertained by television, are permitting it to do to us. In essence, it has changed us from "perhaps the most print-oriented culture ever to have existed" into "a culture whose information, ideas and epistemology are given form by television, not the printed word." Quite correctly, Postman views this transformation with dismay:

Obviously, my point of view is that the four-hundred-year imperial dominance of typography was of far greater benefit than deficit. Most of our modern ideas above the uses of the intellect were formed by the printed word, as were our ideas about education, knowledge, truth and information. I will dry to demonstrate that as typography moves to the periphery of our culture and television takes it place at the center, the seriousness, clarity and, above all, value of public discourse dangerously declines. Of what benefits may come from other directions, one must keep an open mind."

It is difficult to do so, though, in the face of the evidence. It is in the nature of television to trivialize everything it touches, to make Americans "the best entertained and quiet likely the least well-informed people in the Western world." Television, which requires noting of us except that we watch—which a six-year-old and an eighty-year-old can do equally well—thereby frees us of the obligation to think. Everything becomes image, nothing has substance. To call news what passes on television for "news" is to make a mockery of the word—television "news," with its ear-catching theme songs, with its 45-second "reports" on complex and momentous events, with the insistently upbeat commercials that set its pace and tone, with its blow-dried anchorpeople and telegenic "reporters." This has nothing to do with what we knew as "news" in the Age of Typography—which Postman also calls "the Age of Exposition"—and everything to do with show business; yet this is what sets the national agenda.

As is nowhere made more appallingly evident than in politics. It is no longer an original thought to say that the influence upon politics of television has been both pervasive and dire, but Postman makes a most perceptive connection between the television commercial and contemporary political discourse. Not merely does the commercial demand "an unprecedented brevity of expression," it also "asks us to believe that all problems are solvable, and that they are solvable fast, through the interventions of technology, techniques and chemistry." It teaches "that short and simple messages are preferable to long and complex ones; that drama is to be preferred over exposition; that being sold solutions is better than being confronted with questions about problems."

These are the terms in which the television commercial has taught us to think, and the terms in which our politics is now conducted. Image is now everything, substance nothing: "Like television commercials, image politics is a form of therapy, which is why so much of it is charm, good looks, celebrity and personal disclosure. It is a sobering thought to recall that there are no photographs of Abraham Lincoln smiling, that his wife was in all likelihood a psychopath, and that he was subject to lengthy fits of depression. He would hardly have been well suited for image politics. We do not want our mirrors to be so dark and so far from amusing. What I am saying is that just as the television commercial empties itself of authentic product information so that it can do its psychological work, image politics empties itself of authentic political substance for the same reason."

So too do religion and education. On television, "Everything that makes religion an historic, profound and sacred human activi-

ty is stripped away; there is no ritual, no dogma, no theology, and above all, no sense of spiritual transcendence. On these shows, the preacher is tops. God comes out as second banana." Quite apart from the theatrics to which televised religion is given, "there is no way to consecrate the space in which a television show is experienced" and "the screen is so saturated with our memories of profane events, so deeply associated with the commercial and entertainment worlds that it is difficult for it to be recreated as a frame for sacred events." On television, the Super Bowl and the sermon are the same: entertainment.

Ditto for education, which is in the early phase of a revolution, "the rapid dissolution of the assumptions of an education organized around the slow-moving printed word, and the equally rapid emergence of a new education based on the speed-of-light electronic image." So far our response has been to accommodate education to television, rather than vice versa. Thus, for example, we have "Sesame Street": "As a television show, and a good one, 'Sesame Street' does not encourage children to love school or anything about school. It encourages them to love television." The "education" with which television is most comfortable is that which follows three commandments identified by Postman: "Thou shalt have no prerequisites," "Thou shalt induce no perplexity," and "Thou shalt avoid exposition like the ten plagues visited upon Egypt." Toward all the discipline, thought and self-restraint demanded by an education in the printed word, television is implacably hostile; television can accommodate only that which is easy, which is devoid of history, which demands mere passivity.

This is a brutal indictment Postman has laid down, and so far as I can see an irrefutable one. To be sure, his book is not without flaws, and these should be mentioned. Postman is right to ridicule television for the offensive transitional phrase "Now . . . this," but he is wrong about its purpose; it is not "a conjunction that does not connect anything to anything," but a euphemistic announcement that the viewer is about to be subjected to a commercial. His attempt to give metaphoric weight to the crossword puzzle as a vessel for the detritus of information glut is silly; the crossword puzzle is a word game, nothing more or less. And his analysis of televised religion ignores the history of American evangelism, which stressed entertainment—remember Billy Sunday? Aimee Semple McPherson?—long before the television set came along to mesmerize us all.

But mesmerize us is exactly what it has done, with effects on our national life that we have scarcely begun to identify, much less analyze or debate. Television may be "the unintended consequence of a dramatic change in our modes of public conversation," but "it is an ideology nonetheless, for it imposes a way of life, a set of relations among people and ideas, about which there has been no consensus, no discussion and no opposition." But in this brilliant book—one every bit as provocative as Postman's previous book, *The Disappearance of Childhood*—that debate has at last begun. If we permit Postman to be its only participant, we will do ourselves an incalculable disservice.

ACADEMY AWARD NOMINATION TO RHODE ISLAND COMMITTEE FOR THE HUMANITIES

Mr. PELL. Mr. President, it is a very special pleasure to bring to the attention of my colleagues the fact that the Rhode Island Committee for the Humanities and two Rhode Island filmmakers have received the second highest honor accorded by the American film industry: an Academy Award nomination.

Earlier this month the Academy of Motion Picture Arts and Sciences announced that "Keats and his Nightingale: A Blind Date" is one of five films in contention for the award of best documentary short subject for 1985. Sponsored by the Rhode Island Committee for the Humanities, the film is an unconventional look at traditional literary art forms. Using a man-in-the-street approach, filmmakers James Wolpaw and Michael Crowley talked with literature scholar Helen Vendler and rock star John Sebastian as well as hospital employees, hockey fans, and others all over the State of Rhode Island to get to the heart of Keats' "Ode to a Nightingale." The result is an intriguing and oftentimes amusing appraisal of modern society's aversion to poetry.

This announcement marks the very first time that a State humanities council has been nominated for an Academy Award. Several films funded by State humanities councils have been nominated in past years, but never before has a film produced by a humanities council received this accolade.

This distinction clearly attests to the high quality of work being carried out by State humanities councils throughout the country. The Federal dollars allocated for local disbursement by these organizations support some of the best humanities programming available to the American people.

FAREWELL TO MR. SID BROWN

Mr. HATCH. Mr. President, the end of February brings sadly the departure of one of the most brilliant budget analysts to ever serve the Senate Budget Committee. His departure will leave many of us, Senators and staff alike, disappointed at the loss of an institutional memory like Sid Brown's. His clear, concise, and accurate explanation of a multitude of numbers representing numerous programs will be a loss shared by all of us who from time to time have tapped the expertise of budget guru Sid Brown. His honest analysis always received a warn welcome in the political climate of Capital Hill where, all too often, issues are muddled. The privilege has been mine to work during the past 7 years with a man who has a phenomenal understanding of the budget process.

As an adept budget cruncher, Sid has provided not only a nonpartisan analysis of the numbers, but also he was characterized by his amiable personality in a world frequently marked by high tensions and short-tempered actors. Despite many tedious hours of number crunching, often into the middle of the night, Sid remained approachable and willing to answer even the most obscure questions that only a man with a infinite memory for detail could answer.

I wish him the best of luck and join my colleagues in commending him for his many years of faithful service.

LT. GEN. JONATHAN O. SEAMAN

Mr. HOLLINGS. Mr. President. I would like to take a moment to observe the passing of a brave and patriotic man, Lt. Gen. Jonathan O. Seaman.

General Seaman's military career was long and distinguished—a career his wife and daughters should be fiercely proud of. During his 37 years in the military he garnered many decorations, including the Distinguished Service Medals, the Legion of Merit, the Distinguished Flying Cross, and the Bronze Star.

General Seaman was commander of the 1st Army at Fort Meade when he retired in 1971 to Beaufort, in my home State of South Carolina. Before that, he had served his country in several other capacities. His military career started at the U.S. Military Academy at West Point, and during World War II he served in Europe and the Pacific. In 1966 he was named commander of U.S. Field Force II. As such he planned and directed two major military operations, Junction City and Cedar Falls. He also served as commander of the 1st Infantry Division at Fort Riley, KA, when his division was ordered to Vietnam in 1965. It became the first Army division to enter combat in the Vietnam war.

General Seaman was a fine soldier and a fine citizen. We know he will be missed.

Mr. President, I ask unanimous consent that an obituary appearing in the Washington Post on Wednesday, February 26, 1986, be included in the RECORD.

There being no objection, the obituary was ordered to be printed in the RECORD, as follows:

LT. GEN. JONATHAN SEAMAN, 74, DIES; COMMANDED ARMY TROOPS IN VIETNAM

Lt. Gen. Jonathan O. Seaman, 74, who commanded the 100,000-man U.S. Field Force II in Vietnam in the mid-1960s and who later commanded the First Army at Fort Meade, Md., died of cardiac arrest Feb. 18 at the Veterans Administration Hospital in Charleston, S.C.

Gen. Seaman, who retired in 1971 after a 37-year military career, was commander of the 1st Infantry Division ("The Big Red

One") at Fort Riley, Kan., when it was ordered to Vietnam in 1965. It became the first Army division to enter combat in the Vietnam War.

In 1966 Gen. Seaman was named commander of U.S. Field Force II, which was made up of three divisions and several independent brigades. In that capacity he planned and directed two major military operations, Junction City and Cedar Falls.

He was commander of the First Army at Fort Meade when he retired and moved to Beaufort, S.C.

Gen. Seaman was born in Manila, the son of an Army officer. He graduated from the U.S. Military Academy at West Point, N.Y. During World War II he served in Europe and the Pacific.

His military decorations included three Distinguished Service Medals, the Legion of Merit, the Distinguished Flying Cross and the Bronze Star.

Survivors include his wife, Mary Grunert Seaman, of Beaufort; two daughters, Wendy Wilson of Alexandria and Penny Linke of Fort Stewart, Ga., and one grandson.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

TV AND RADIO COVERAGE OF SENATE PROCEEDINGS

The PRESIDING OFFICER. The clerk will state the pending business.

The legislative clerk read as follows:

A resolution (S. Res. 28) to improve Senate proceedings.

The Senate resumed consideration of the resolution.

Mr. DOLE. Mr. President, pending business is Senate Resolution 28; is that correct?

The PRESIDING OFFICER. That is correct.

AMENDMENT NO. 1636

(Purpose: To improve Senate procedures)

Mr. DOLE. Mr. President, I am about to send to the desk a substitute amendment sponsored by the leadership, and others. There will be a number of other Members who I assume may want to cosponsor, and some may not want to, which is the result of hours and hours and hours of discussion by Members on each side, some who were for, some who were against, and some who had no strong feelings on TV in the Senate. I believe we have reached a point where we ought to determine whether this more or less consensus will be adopted by the Senate.

In my view, it strikes a good balance. I would be happy to discuss it in detail after it is before the Senate.

I therefore send it to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE), for himself, and Senators MATHIAS, BYRD, ARMSTRONG, GORE, and WILSON, proposes an amendment numbered 1636.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the substitute amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The substitute amendment follows:

In lieu of the language proposed to be inserted, insert the following:

"That (a) the Senate hereby authorizes and directs that there be both television and radio broadcast coverage (together with videotape and audio recordings) of proceedings in the Senate Chamber.

(b) Such broadcast coverage shall be—

(1) provided in accordance with provisions of this resolution;

(2) provided continuously, except for any time when the Senate is conducting a quorum call, or when a meeting with closed doors is ordered; and

(3) provided subject to the provisions pertaining to the Senate gallery contained in the following Standing Rules of the Senate: rule XIX, paragraphs 6 and 7; rule XXV, paragraph 1(n); and rule XXXIII, paragraph 2.

SEC. 2. The radio and television broadcast of Senate proceedings shall be supervised and operated by the Senate.

SEC. 3. The television broadcast of Senate proceedings shall follow the Presiding Officer and Senators who are speaking clerks and the Chaplain except during rollcall votes when the television cameras shall show the entire Chamber.

SEC. 4.(a) The broadcast coverage by radio and television of the proceedings of the Senate shall be implemented as provided in this section.

(b) The Architect of the Capitol, in consultation with the Sergeant at Arms and Doorkeeper of the Senate, shall—

(1) construct necessary broadcasting facilities for both radio and television (including a control room and the modification of Senate sound and lighting fixtures);

(2) employ necessary expert consultants; and

(3) acquire and install all necessary equipment and facilities to (A) produce a broadcast-quality "live" audio and color video signal of such proceedings, and (B) provide an archive-quality audio and color video tape recording of such proceedings:

Provided, That the Architect of the Capitol, in carrying out the duties specified in clauses (1) through (3) of this subsection, shall not enter into any contract for the purchase or installation of equipment, for employment of any consultant, or for the provision of training to any person, unless the same shall first have been approved by the Committee on Rules and Administration.

(c) The Sergeant at Arms and Doorkeeper of the Senate shall (1) employ such staff as may be necessary, working in conjunction with the Senate Recording and Photographic Studios, to operate and maintain all broadcast audio and color video equipment installed pursuant to this resolution, (2) make audio and video tape recordings, and copies thereof as requested by the Secretary under clause (4) of this subsection, of Senate proceedings, (3) retain for ninety days after the day any Senate proceedings took place, such recordings thereof, and as soon thereafter as possible, transmit to the Secretary of the Senate copies of such recordings: Provided, That the Sergeant at Arms and Doorkeeper of the Senate, in carrying out the duties specified in clauses (1) and (2) of this subsection, shall comply with appropriate Senate procurement and other regulations, and (4) if authorized by the Senate at a later date the Secretary of the Senate shall (A) obtain from the Sergeant at Arms copies of audio and video tape recordings of Senate proceedings and make such copies available, upon payment to her of a fee fixed therefor by the Committee on Rules and Administration, and (B) receive from the Sergeant at Arms such recordings thereof, and as soon thereafter as possible, transmit to the Librarian of Congress and to the Archivist of the United States archive—quality copies of such recordings.

SEC. 5. (a) Radio Coverage of Senate proceedings shall—

(1) begin as soon as the necessary equipment has been installed; and

(2) be provided continuously at all times when the Senate is in session (or is meeting in Committee of the Whole), except for any time when a meeting with closed doors is ordered.

(b) As soon as practicable but no later than May 1, there shall begin a test period during which tests of radio and television coverage of Senate proceedings shall be conducted by the staffs of the Committee on Rules and Administration and of the Office of the Sergeant at Arms and Doorkeeper of the Senate. Television coverage of Senate proceedings shall go live June 1, 1986. The test period aforementioned shall end on July 15, 1986.

(c) During such test period—

(1) final procedures for camera direction control shall be established;

(2) television coverage of Senate proceedings shall not be transmitted between May 1st and June 1st, except that, at the direction of the chairman of the Committee on Rules and Administration, such coverage may be transmitted over the coaxial cable system of the Architect of the Capitol; and

(3) recordings of Senate proceedings shall be retained by the Secretary of the Senate.

SEC. 6. The use of tape duplcations of radio coverage of the proceedings of the Senate for political purposes is strictly prohibited; and any such tape duplication furnished to any person shall be made on the condition that it not be used for political purposes. The use of tape duplications of T.V. coverage for any purpose outside the Senate is strictly prohibited until the Senate provides otherwise.

SEC. 7. Any changes in the regulations made by this resolution shall be made only by Senate resolution. However, the Committee on Rules and Administration may adopt such procedures and such regulations, which do not contravene the regulations made by this resolution, as it deems necessary to assure the proper implementation of the purposes of this resolution.

SEC. 8. Such funds as may be necessary (but not in excess of $3,500,000) to carry out this resolution shall be expended from the contingent fund of the Senate.

SEC. 9. That Rule XXX, paragraph 1(b), is amended to read as follows:

"(b) When a treaty is reported from a committee with or without amendment, it shall, unless the Senate unanimously otherwise directs, lie over one day for consideration; after which it may be read a second time, after which amendments may be proposed. At any stage of such proceedings the Senate may remove the injunction of secrecy from the treaty."

SEC. 10. That paragraph 2 of Rule XXII of the Standing Rules of the Senate is amended to read as follows:

"2. Notwithstanding the provisions of Rule II or Rule IV or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, other matter pending before the Senate, or the unfinished business, is presented to the Senate, the Presiding Officer, or clerk at the direction of the Presiding Officer, shall at once state the motion to the Senate, and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the clerk call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by three-fifths of the Senators duly chosen and sworn—except on a measure or motion to amend the Senate rules, in which case the necessary affirmative vote shall be two-thirds of the Senators present and voting—then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be proposed after the vote to bring the debate to a close, unless it had been submitted in writing to the Journal Clerk by 1 o'clock p.m. on the day following the filing of the cloture motion if an amendment in the first degree, and unless it had been so submitted at least one hour prior to the beginning of the cloture vote if an amendment in the second degree. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

"After no more than thirty hours of consideration of the measure, motion, or other matter on which cloture has been invoked, the Senate shall proceed, without any further debate on any question, to vote on the final disposition thereof to the exclusion of all amendments not then actually pending before the Senate at that time and to the exclusion of all motions, except a motion to table, or to reconsider and one quroum call on demand to establish the presence of a quorum (and motions required to establish a quorum) immediately before the final vote begins. The thirty hours may be increased by the adoption of a motion, decided without debate, by a three-fifths affirmative vote of the Senators duly chosen and sworn, and any such time thus agreed upon shall be equally divided between and controlled by the Majority and Minority Leaders or their designees. However, only one motion to extend time, specified above, may be made in any one calendar day.

"If, for any reason, a measure or matter is reprinted after cloture has been invoked, amendents which were in order prior to the reprinting of the measure or matter will continue to be in order and may be conformed and reprinted at the request of the amendment's sponsor. The conforming changes must be limited to lineation and pagination.

"No Senator shall call up more than two amendments until every other Senator shall have had the opportunity to do likewise.

Notwithstanding other provisions of this rule, a Senator may yield all or part of his one hour to the majority or minority floor managers of the measure, motion, or matter or to the Majority or Minority Leader, but each Senator specified shall not have more than two hours so yielded to him and may in turn yield such time to other Senators.

Notwithstanding any other provision of this rule, any Senator who has not used or yielded at least ten minutes, is, if he seeks recognition, guaranteed up to ten minutes, inclusive, to speak only.

"After cloture is invoked, the reading of any amendment, including House amendments, shall be dispensed with when the proposed amendment has been identified and has been available in printed form at the desk of the Members for not less than twenty-four hours."

SEC. 11. That Rule XVII, par. 5, of the Standing Rules of the Senate is amended to read as follows:

"5. Any measure or matter reported by any standing committee shall not be considered in the Senate unless the report of that committee upon that measure or matter has been available to Members for at least two calendar days (excluding Sundays and legal holidays) prior to the consideration of that measure or matter. If hearings have been held on any such measure or matter so reported, the committee reporting the measure or matter shall make every reasonable effort to have such hearings printed and available for distribution to the Members of the Senate prior to the consideration of such measure or matter in the Senate. This paragraph—

(1) may be waived by joint agreement of the Majority Leader and the Minority Leader of the Senate; and

(2) shall not apply to—

(A) any measure for the declaration of war, or the declaration of a national emergency, by the Congress, and

(B) any executive decision, determination, or action which would become, or continue to be, effective unless disapproved or otherwise invalidated by one or both Houses of Congress."

SEC. 12. Rule IV, paragraph 1.(a) is amended by adding after the words "the Journal of the preceding day shall be read" the following words "unless by non-debatable motion the reading shall be waived, the question being, "Shall the Journal stand approved to date?".

SEC. 13. Rule XXVIII, dealing with conference reports, is amended by adding the words "when available on each Senator's desk" after the words in paragraph 1 "shall always be in order".

SEC. 14. Provided, that if the Senate authorizes the permanent televising of the Senate pursuant to section 15, that radio and television coverage of the Senate shall be made available on a "live" basis and free of charge to (1) any accredited member of the Senate Radio and Television Correspondents Gallery, (2) the coaxial cable system of the Architect of the Capitol, and (3) such other news gathering, educational, or information distributing entity as may be authorized by the Committee on Rules and Administration to receive such broadcasts.

SEC. 15. Television coverage of the Senate and the rules changes contained herein shall continue, if the Senate agrees to the question, which shall be put one hour after the Senate convenes on July 15, 1986, "Shall radio and television coverage continue after this date, and shall the rules changes contained herein continue?" There shall be six hours of debate on this question, to be equally divided and controlled in the usual form, at the end of which any Senator may propose as an alternative the question, "Shall the test period continue for thirty days?". On this question there shall be one hour of debate, equally divided and controlled in the usual form. If this question is decided in the affirmative, then thirty days hence, one hour after the Senate convenes, the Senate shall proceed to vote without intervening action on the question, "Shall radio and television coverage continue after this date and shall the rules changes contained herein continue?".

SEC. 16. Provided, That official noting of the Senator's absence from committees while the Senate is on television is prohibited.

Mr. DOLE. Mr. President, let me state very quickly, and then I will turn it over to Senator MATHIAS, Chairman of the Rules Committee, Senator BYRD, Senator LONG, Senator ARMSTRONG, and others who may want to discuss this. Let me just summarize what the substitute does.

The first section of the resolution provides for a test period for coverage of the Senate by television to begin no later than May 1, 1986—hopefully it will start earlier than that, but no later than May 1, 1986—and to go live on June 1, 1986. Coverage will be gavel to gavel except for those times that the Senate is conducting quorum calls.

I might add as an aside that I would assume from time to time when there is no business that we would probably be standing in recess, and of course those periods would not be covered.

Only Senators speaking, and the Presiding Officer as well as the Chaplain and the clerks, will be shown on television. The entire Chamber will be shown during rollcall votes to give the viewer an opportunity to see what happens during a rollcall vote. And we have provided that obviously the clerk should be covered when they are reading the amendments, the Chaplain obviously should be covered, the Presiding Officer covered when there is actually some action which involves the Presiding Officer, or when you are showing the entire Chamber you also would show the Presiding Officer.

Then I think, of course, Senators would be shown while they are speaking. This has been a matter of some concern very honestly because in this case the Republicans do all the presiding. I think there was a concern that maybe there would be a lot of coverage of presiding Republican Senators—perhaps maybe even the class of 1986—and that might not be a totally objective view. I thought it was a very good view. [Laughter.]

But as I have indicated to the distinguished minority leader, we also have to make certain if we are going to try

to prevent any hint of not abuse, but of any irregularity of impropriety as far as the Presiding Officer we want to make certain that Senators themselves do not take advantage of television where you have either side trying to dominate coverage.

So I think we have come to some agreement. We have also agreed that the institution is much more important than politics, and if there is any indication of that during this test period, whether Republicans or Democrats, I believe there are enough of us on each side who feel strongly about protecting the institution.

The rules changes include a 30-hour limit on postcloture consideration, reduction of the 3-day rule on reports to 2 days, waiving the reading of the Journal by a vote, elimination of the Committee of the Whole on treaties, and a provision requiring the conference reports be available on each Senator's desk before they are in order to be called up are proposed.

I say with reference to the motion to proceed which I felt very strongly about, we now have a substitute which does help the leadership at least bring matters before the Senate by waiving the reading of the Journal.

It would be a nondebatable motion. The question would be as it appears on page 10, Shall the Journal stand approved to date? That, in itself, would give the leader some more control over the agenda. That is really all we seek, trying to be more efficient. It is not to try to deny anyone their rights, but to try to move to matters which should be before the Senate. I think that is a good compromise and certainly thank all Members who were helpful in that area.

The rules changes and radio and television coverage would become permanent only after the test period if the Senate agrees when the question is put 1 hour after the Senate convenes after the test period or in the alternative continues the test period for 30 days. In addition, there is language to prevent official noting of a Senator's absence from committees while the Senator is on television on the Senate floor.

The real purpose of that is let us assume that the Senator has a very important amendment on the floor and he has to exit from the committee meeting. Somebody rushes in and brings their TV camera and says, "Senator So-and-So is absent." We believe that a Senator is entitled to that protection while he is on the Senate floor appearing on television, maybe working on an amendment.

Mr. President, I know there are others who may wish to speak who are far more expert. I would just indicate that in my view we are going to have a valid test period. We have also, I would not say agreed in writing, but we have an understanding that if there should be some obvious change that should be made we would sort of band together and help make that change before we just continue television. If there is some change that should be made that may have been noted during the test period by any Senator, by any outsider, by some viewer, we would not want to be so addicted to live television at that time that we could not make responsible changes.

I have indicated to the distinguished minority leader, and he shares that view, that, again, it is a question of the integrity of the institution and how we perform. It is important that we help one another in those efforts.

I believe we have reached a good compromise. I would hope that after debate we can dispose of this matter yet today and still hopefully dispose of the little farm package today, though I understand when we were away from the Senate floor that may have become more of a problem.

Mr. President, I want to thank the distinguished minority leader for his initiative in this area. I thank all Senators. I thank the distinguished Senator from Maryland. We indicated we would not, probably, finalize this until he returned. We are pleased that he is here today as manager of the bill.

I yield the floor.

Mr. MATHIAS. Mr. President, does the minority leader seek recognition?

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. MATHIAS. Mr. President, I yield to the minority leader.

Mr. BYRD. Mr. President, I thank the distinguished chairman of the Senate Committee on Rules and Administration [Mr. MATHIAS].

Mr. DOLE has explained very well, I think, the proposal that we have joined in submitting. I wish to state that there were a few problem areas which we think we have resolved now. One of those was with respect to the invoking of cloture.

Originally, it was thought that the present requirement for cloture of 60 votes, three-fifths of the Senators actually chosen and sworn, should be increased to two-thirds of the Senators who are present and voting.

There was considerable opposition to that proposal. There was also some concern that 20 hours, which would be the ceiling on debate on a measure following the invoking of cloture, were perhaps not enough. Consequently, we have retained the present number, 60 Senators, as a supermajority to invoke cloture. We have also lowered the ceiling from the present 100 hours to 30 hours.

Those are the only changes that were made in Senate Rule XXII.

There was also concern that Senators might not have an opportunity to amend the Journal. The distinguished majority leader wanted to be able to waive the reading of Journal by a nondebatable motion. He originally had wanted a motion to proceed to take up matters on the calendar by motion with 2 hours of debate. The distinguished majority leader gave up the proposal, but in lieu thereof we are providing a debatable motion to waive the reading of the Journal.

I should say that at the present time, and this will also be the case after this amendment is adopted, if it is adopted, the Journal can still be amended.

At the present time, the Journal can be amended at any time. For example, the Journal of this legislative day, let us say, can be amended 5 years from now, 10 years from now, or 1 year from now. So the mere fact that the majority leader may be able to move that the reading of the Journal be waived and can successfully carry that motion does not mean that Senators cannot later correct a bona fide incorrect portion of the Journal.

Mr. President, I think that the most important amendment change that we had in the original resolution was given up on yesterday. I feel that the Senate should have adopted the amendment that was then proposed, but the Senate has spoken on that matter. I do think that the next most important rules change that would be made if this amendment is adopted, is the cloture change that I have just stated.

I hope that the Senate will adopt this substitute amendment. As the distinguished majority leader has said, many hours have been spent in putting together the amendment. We have listened to the comments, criticisms, and concerns that have been expressed by Senators on both sides of the aisle. We have given those concerns adequate and careful consideration, I think. The result has been, in many instances, that there have been modifications made.

The distinguished Senator from Louisiana [Mr. JOHNSTON] was concerned that the test period was really not a test period because it was not going to be live TV. Mr. DOLE and I asked Mr. ARMSTRONG and Mr. GORE, respectively, to take a look at it and see if they could come up with a modification that would be a reasonable one and that would address the concern that was expressed by Mr. JOHNSTON and others. So they have, and I feel—and Mr. JOHNSTON may speak to this himself and certainly will—that the proposal that has now been included goes a long way toward addressing his concern.

I thank Senator GORE for the excellent work that he has done in this instance to which I have just addressed my remarks. Also, from the very beginning, his experience as a former Member of the House of Representa-

tives, has been useful to us as we have attempted to come to the right conclusions in regard to the question here.

There are other Senators who have worked hard. Senator FORD, who is the ranking member on Rules, I think made a fine contribution all the way along during the committee hearings and the committee markup. Mr. FORD has worked diligently and has contributed much.

There are others—Mr. SIMON, Mr. PELL, others on the committee on the Democratic side as well as Senators on the other side of the aisle.

Senator MATHIAS, the chairman of the committee, has been fair. He arranged a hearing when I asked for a hearing; he arranged a second hearing when I asked for a second hearing. At all times, he has been most courteous, cooperative, dedicated, very thorough and skillful, and sagacious, as he always is.

I thank Senators on the other side of the aisle, especially Senator EVANS. And there is Senator ARMSTRONG, who has likewise spent a lot of time in the committee during the hearings, during the markup, and here, on the floor. He has, I think, every reason to be proud of his work.

Senator STEVENS has been a pioneer in this effort. And we could not have succeeded without Senator DOLE.

I thank all Senators.

Mr. JOHNSTON and Mr. MATHIAS addressed the Chair.

Mr. BYRD. Mr. President, I do not have the floor. The Senator from Maryland had yielded to me.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. MATHIAS. I shall not delay the Senate very long, Mr. President. I ask unanimous consent that the Senator from Alaska [Mr. STEVENS] be added as a cosponsor of the substitute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the names of the Senator from Arizona [Mr. DECONCINI] and the Senator from Ohio [Mr. METZENBAUM] be added as cosponsors of the substitute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, I stand in the particular debt of the majority leader, the minority leader, the Senator from Colorado [Mr. ARMSTRONG], and the Senator from Tennessee [Mr. GORE] for the work they have done in really bringing into focus the issues that are involved in this somewhat complex issue of televising the proceedings of the Senate and providing for radio coverage of Senate debates. The compromise which has resulted from their deliberations will not satisfy everyone. I do not know that it is possible to make any arrangement that would be totally satisfactory to every Member of the Senate—indeed, fully satisfying to any Member of the Senate. But it seems to me this has resulted in some modest changes in the rules which would improve the efficiency of the work of the Senate and has provided more specifically for the procedures under which television and radio coverage would actually take place.

We live in a very complex world. It is difficult to understand the issues that dictate the course of our lives even under the best of circumstances. If we deny ourselves this important educational tool, I think we will be depriving the American people of a very important method of understanding the elements of Government that affect their lives.

There is, of course, a strong historical factor here which is provided for in the substitute, the storing of the tapes of these proceedings. Some of them, I am sure, will be extremely dull. Some of them will be so dull that no one will ever put them on their television screens. But some of them will be of great and fascinating interest and of real importance in understanding the history of this era.

So, Mr. President, I am again grateful to Mr. DOLE, Mr. BYRD, Mr. ARMSTRONG, and Mr. GORE. I hope that at the end of this long period of consideration—which really is longer than just the current debate; it goes back for several years. If we could bring this long period of debate to an end this afternoon, it would be a historic moment. It would be an end of a debate but a beginning of a new and vital period for the U.S. Senate.

Mr. JOHNSTON. Mr. President, last week I introduced and discussed an amendment that, in effect, would prevent TV in the Senate except when there is in effect a time agreement. We discussed that amendment at some length. I later withdrew it and indicated that I would put it in at another time. I think that time is now approaching when it should come in.

Really, what I want to do is ask the minority leader whether he would like me to put that amendment in at this point—I know he probably would rather it not be put in at all as an amendment to the committee substitute, or would he rather have me put it in as a second-degree amendment to the pending majority leader substitute? Does he have any desire on that?

Mr. BYRD. Mr. President, I would suggest that the distinguished Senator offer it to the pending majority leadership amendment.

Mr. JOHNSTON. I thank the Senator.

AMENDMENT NO. 1637

(Purpose: To restrict television coverage of the Senate to periods when coverage is agreed to by unanimous consent)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 1637.

On page 14, strike out lines 8 and 9.

On page 17, between lines 2 and 3, insert the following:

(2) Television broadcast coverage shall be provided only—

(A) when there is in effect a unanimous consent agreement providing for the allocation of time between specified Senators or their designees; or

(B) during consideration of any other matter for which unanimous censent for such television broadcast coverage is obtained.

Mr. JOHNSTON. Mr. President, I might say for the benefit of my colleagues, I intend to discuss this——

Mr. STENNIS. Mr. President, may we have the aid of the Chair in restoring order so we may hear the Senator?

The PRESIDING OFFICER. The Senate will be in order.

Mr. JOHNSTON. Mr. President, I might say for the benefit of my colleagues that I do not intend to discuss this amendment at great length. I hope that we could, after everyone has had his chance to speak at whatever length he desires—and I do not know that that would be a long discussion—go to a vote on this and, thereafter, whatever happens will happen. But in terms of this amendment, I would not expect a very long debate.

Mr. LONG. Will the Senator yield at that point?

Mr. JOHNSTON. Yes, Mr. President, I certainly will yield.

Mr. LONG. The hour is now 3:40 p.m. Does the Senator have in mind a vote on this amendment today? Does he expect this to come to a vote before we leave here today?

Mr. JOHNSTON. As far as I am concerned, yes, a vote on this today would be very appropriate.

Mr. STEVENS. Will the Senator yield?

Mr. JOHNSTON. Yes.

Mr. STEVENS. Is this the same amendment the Senator had the other day and withdrew when we were dealing with the motion to recommit?

Mr. JOHNSTON. It is a very similar amendment. It has some small changes. The thrust is the same.

Mr. STEVENS. But is it basically the same amendment that the Senator and I debated at length before?

Mr. JOHNSTON. That is correct.

Mr. STEVENS. Will the Senator agree to some kind of time limitation on this?

Mr. JOHNSTON. Yes.

Mr. STEVENS. I do not know what the managers believe, but we did air this before and the Senate will recall that at the last minute, when the Senator wished to leave, he withdrew the amendment and I withdrew a motion to table the amendment. We are back

where we were before as far as I am concerned, and after the Senator's brief statement I would like to get back to where I was before.

Mr. JOHNSTON. Yes. I would be happy to say——

Mr. STEVENS. Either a motion to table or an immediate vote.

Mr. JOHNSTON. I would suggest 1 hour equally divided, with the thought that maybe we could do it faster than that perhaps.

Mr. LONG. Mr. President, if the Senator will yield, I feel I have to object to that. I think there ought to be at least an hour and a half on this, at least 90 minutes equally divided.

Mr. MATHIAS. Mr. President, then I would pose a unanimous-consent request that on the amendment of the Senator from Louisiana, there be no more than 90 minutes debate to be equally divided.

Mr. JOHNSTON. Mr. President, reserving the right to object, the time limit is OK. I have some technical amendments to make, and I would not want the action on the unanimous consent to preclude the making of those technical amendments.

Will the Senator vary the unanimous-consent request to reserve my right to make amendments to my own amendment?

Mr. MATHIAS. Within the 90-minute period?

Mr. JOHNSTON. Yes.

Mr. MATHIAS. Then I would so modify the unanimous-consent request.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. Reserving the right to object, would it still be possible to make a motion to table the Senator's amendment as well as vote up and down?

Mr. JOHNSTON. I would ask that the Senator let us have an up-and-down vote—you know, que sera, sera.

Mr. STEVENS. I say to the Senator, if the amendment is not subject to other amendments, and we are going to get to this vote within that time, I certainly would agree. But I believe we were at the point the other day where we would have had a tabling motion on this very amendment had it not been for time constraints facing other Senators, and now we are adding 1½ hours to the debate that took place then. So I just want to make sure that consideration of this amendment is going to come to an end and reserve the right to table if there is not a vote at the time the Senator has specified. As I understand, this would still be subject to amendments.

Mr. JOHNSTON. The only amendments are technical. I need to simply change some page numbers to conform to the bill. That is all.

Mr. MATHIAS. Then, Mr. President, I might try to restate the unanimous-consent request. All debate on the pending amendment of the Senator from Louisiana and amendments thereto shall come to an end within 90 minutes.

Mr. BYRD. Mr. President, reserving the right to object, when the Senator says "or amendments thereto," would he confine those to modifications, technical modifications, which the distinguished Senator said would be his purpose?

Mr. MATHIAS. Yes, amendments by the author of the amendment.

Mr. BYRD. But technical modifications.

Mr. MATHIAS. Technical modifications.

The PRESIDING OFFICER. Is there an objection? without objection, it is so ordered.

Mr. WILSON. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The Senator from California reserves the right to object.

Mr. WILSON. Mr. President, parliamentary inquiry.

Did I understand that the Democratic leader's request is honored in the unanimous consent proposal by the Senator from Maryland?

Mr. MATHIAS. That is correct. The references to technical amendments or corrections to be offered by the author of the amendment.

Mr. WILSON. So following the vote on the amendment of the Senator from Louisiana and following the vote on the underlying leadership package, other amendments remain in order?

Mr. JOHNSTON. Mr. President, if the Senator will yield, I now have sent to the desk those technical modifications. If the Senator will withhold on his request for unanimous consent, I ask unanimous consent that my amendment be so modified.

The PRESIDING OFFICER. The Senator from Louisiana does have a right to modify his amendment, and the amendment is so modified.

The modification is as follows:

On page 2, strike out on line 1 "provided continuously".

On page 4, between lines 14 and 15, insert the following:

(2) Television broadcast coverage shall be provided only—

(A) when there is in effect a unanimous consent agreement providing for the allocation of time between specified Senators or their designees; or

(B) during consideration of any other mater for which unanimous consent for such television broadcast coverage is obtained.

Mr. STEVENS. Reserving the right to object, Mr. President, is the Senator's amendment subject to a further amendment?

The PRESIDING OFFICER. The amendment of the Senator from Louisiana is a second-degree amendment. Therefore, it is not subject to further amendment.

Mr. MATHIAS. Now, Mr. President, I make the simple unanimous-consent request that all debate on this amendment shall not exceed 90 minutes, to be equally divided.

The PRESIDING OFFICER. Is there an objection?

Mr. WILSON. Again, parliamentary inquiry.

The PRESIDING OFFICER. Is there an objecton?

Mr. WILSON. Reserving the right to object——

The PRESIDING OFFICER. The Senator from California reserves the right to object.

Mr. WILSON. Mr. President, my inquiry is the same. Are we talking solely of the amendment of the Senator from Louisiana?

Mr. MATHIAS. Yes.

The PRESIDING OFFICER. Is there an objection? Hearing no objection, so ordered. Who yields time?

Mr. JOHNSTON. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. JOHNSTON. Mr. President, the guts of this amendment are contained in the following few words which are as follows:

Television broadcast coverage shall be provided only (A) when there is in effect a unanimous-consent agreement providing for the allocation of time between specified Senators or their designees; or (B) during consideration of any other matter for which unanimous consent for such television broadcast coverage is obtained.

That is the whole amendment in terms of its substance.

Mr. LONG. Will the Senator yield for a question?

Mr. JOHNSTON. Yes.

Mr. LONG. Will the Senator read that last part? Why is there a (B) provision when there is consent? What is that? I did not get that.

Mr. JOHNSTON. In the first instance, it is provided automatically anytime you have a time agreement.

Mr. LONG. Yes.

Mr. JOHNSTON. And, second, for any other matter for which you obtain unanimous consent for television. For example, if you had a time agreement with respect to the reconciliation bill, then automatically you would get television in the Senate.

Mr. LONG. Yes.

Mr. JOHNSTON. You might also provide television coverage for debate on a treaty or a bill or whatever, for which no time agreement had been secured, by unanimous consent.

Mr. LONG. Yes.

Mr. JOHNSTON. In other words, you could have television coverage for any matter whatsoever by unanimous consent.

Mr. LONG. Mr. President, if I might ask the Senator a further question, does the Senator provide that when the Senate has invoked cloture, which

is a limitation, that the Senate would be on television? It would seem to the Senator from Louisiana that on occasion there might be difficulty getting unanimous consent. One could obtain a time agreement by invoking cloture. Is that contemplated by his amendment?

Mr. JOHNSTON. I do not believe that it would be because the amendment provides for unanimous consent for allocation of time between specified Senators. And that is an allocation of time between Senators but it is not by unanimous consent. It is by 60 votes.

Mr. LONG. Mr. President, I will vote for the Senator's amendment but if it should pass, I feel that we should also amend the measure to provide that when cloture is invoked, the Senate would be on television because that would give the Senate the opportunity to put itself on television by invoking closture if it wanted to do so.

Mr. JOHNSTON. I would certainly think that would be appropriate. That could be well provided under the second clause.

Mr. LONG. Yes.

Mr. JOHNSTON. Mr. President, my own position is and has been that television in the Senate, so far as the public's right to know is concerned, is a good idea. We ought to have full, fair and complete coverage to the maximum extent possible, but consistent with the doing of the public's business.

The whole question involved with this Senator, and I think for all opponents, has at all times been the question of what does television in the Senate do to the institution? If we can work out television in the Senate consistent with the place of the Senate under our system of Government, no one has an objection.

Mr. President, this amendment accomplishes that, because we give the public the full right to know, but we do not bog down the business of the Senate.

In the 1980's, television is politics. It is that which shapes and molds public opinion, public issues. It is that which elects and reelects Senators

Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. JOHNSTON. Mr. President, I think it is naive for anyone to think that you could have gavel-to-gavel coverage, with an audience automatically guaranteed of millions—and I am speaking of the C-SPAN audience—without affecting the conduct of Senators.

Second, Mr. President, I think that to expose the ways of the Senate to the public eye, particularly unlimited debate, is going to result in a demand across this land and in the media for a change in the Senate rules.

You have to look no further than the Washington Post, which has already editorially come out, on February 24, with a statement that we ought to do away with nongermane amendments, in order to accommodate television in the Senate.

USA Today already, on February 19, has come out with an editorial that says: "If Senators are truly worried that cameras will lengthen debate, they ought to strengthen their rules and limit speeches to 5 minutes, as the House has done. As a bonus, they might even get more work done."

Mr. President, if the media is already saying that we ought to change the rules on unlimited debate and on nongermane amendments to accommodate television in the Senate, can you imagine what it will be saying when the intrusive eye of the camera records unlimited debate in all its glory?

Unlimited debate, whether it is the classic filibuster or whether it is simply an extended debate, is not a pretty thing to watch on television. It is the antithesis of that which appeals on television, and the public will never understand why it is important to this institution and to this Nation for the Senate to play the role of "the saucer where the political passions of the Nation are cooled."

It is vital, I think, and I believe most Senators do—certainly, those who have been here for some time believe it is vital—that we keep that role of the Senate as the place of unlimited debate and nongermane amendments. It does not work efficiently; it is a messy, untidy, spectacle to watch, but I think it is vital to the Nation.

Therefore, if we want to avoid what seems to me is an irrevocable step toward ensuring that those rules on limited debate and nongermane amendments are going to be changed; if we are to avoid that step, we should at least adopt this amendment, which says have television when you have a time agreement. That is the way the House is. Most would agree—not everyone, but most would agree—that in the House it has worked well, because you do have time agreements. That is what my amendment does here. Also, we have the additional fact that you would have the freedom, by unanimous consent, to bring television into any debate whatsoever.

If there is to be a trial period—and I strongly support a trial period—let us make a trial period where you have time agreements. If that works out, and if it works out beyond the expectations of Senators, then maybe we can go to full gavel-to-gavel coverage. If you go to gavel-to-gavel coverage first, you will never get that genie back in the bottle; you will never be able further to restrict the scope of television in the Senate.

The amendment is a simple one. I hope Senators will adopt it.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, will the Senator from Maryland yield to me for 6 minutes, if it is agreeable to the Senator from Tennessee?

Mr. MATHIAS. Is the Senator from Mississippi going to be a proponent or an opponent of the substitute?

Mr. STENNIS. I am with the Senator from Louisiana.

Mr. MATHIAS. Then, I am happy to yield the floor, and the Senator from Louisiana can yield to the Senator from Mississippi.

Mr. JOHNSTON. Mr. President, I yield to the Senator from Mississippi such time as he may require.

Mr. STENNIS. I thank the distinguished Senator.

Mr. President, to me, it is really tragic that we do not have better attendance of the committee here, so that we might get these facts in our minds in proper proportion and give them consideration. This is one of the most far-reaching, material changes that we could possibly make.

Mr. President, I am not just trying to prolong this matter. I am not objecting a great deal to some modifications here about the imposition of cloture or changing the vote requirements. I am just passing by that. But I believe this with all my heart: If we now open the Chamber to the kind of attention and attendance and lack of attendance and lack of order and, in fact, positive disorder—not anything willful about it, but it is neglect—that we have let develop here, where a person cannot hear with any ability to understand the average speaker here, when there is a lack of continuity of consideration of even the most major points that are involved—I think that if we are going to expose any part of these proceedings, we certainly ought to expose all of it. We should let it all be seen and let it all be heard or not go into it.

It is a false conception of a duty to the public to screen out and leave out things that very substantially detract here from the effectiveness of our debates and other considerations that we have before us.

I think that the first order of obligation to the people, if you are going to put it on the ground that they are entitled to hear and to see, is to let them see it all—just what way we are carrying on here.

I am astounded and amazed that we cannot get a chance to work out something along this line, after careful and long consideration.

I want to make clear, too, my complaint about this whole matter is not to television itself. It is the very oppo-

site. I think television does a great service, renders a great service.

As I pointed out here the other day, I was carrying a considerable load during the war in Vietnam with the legislation here and appropriations for the war and related matters to the military. I know something about the problems that go with it. It got worse and worse and worse. We were unable to come to grips with it in a proper, successful way. I think the television cameras, the ones that went with them, that went into those battlefields, brought back those films and put them on the air were the ones that really stopped the war. I feel that I am in a position to be a competent witness on that and know what I am talking about.

So I have no grievance at all, not any, with their right to come in to a degree, with a right to be shown here, but if we are going to get into it we should do the whole thing or nothing.

I think for some reason we have been possessed here of an idea that because the House of Representatives—and I have great respect for them—are having the showing and in a special way we are shorting our own membership if we do not have it. I think there could not be a worse mistake than that.

The House does great work and that is well known. They have large numbers, and that is set by the law. They had to trim their plan up to suit the large membership, and that goes with it an absolute control almost from day to day, and that is another matter entirely.

But here we are, the body that has to carry on and does on debate with the burden that we have to hold out against passage of a bill or an amendment because of what we think is fundamentally wrong. Then you have to have rules that will follow that line.

I want to mention one other thing, and I shall not take a great deal of time. I am aware of the changes that have come about and the change that is coming. I think we should be satisfied in the Senate.

I have been here and served with eight Presidents, and four of those men have been former Members of this body. Four out of the last eight Presidents have been former Members of this body.

In the last Presidential election, the candidates for the Democratic Party's nomination were not all Members of this body, but five of them were in the primary. They were good men, every one of them, capable. Five men who were in the primary, in one primary, one time—and I mean the Democratic primary for the nomination for the Presidency were Members of the Senate. I could name them, I have them clearly in mind.

We have nothing to complain about there. My concern is here and now that if we open this matter up, especially as liberal as it is in its present form, you could well take this body, Mr. President, and make it a forum for particular Presidential candidates and particular groups. With this continued panning of television and with plenty of money, one party, or a new party, or any group that set out with all the technology that is available today could well train the candidates here, run them in here and let them stand before the cameras day after day, week after week, month after month, and year after year. They could develop candidates that could dominate. Why the party or group could largely dominate the situation once in control for years to come, perhaps. Something like that would be a strong abuse of television in connection with this body. It would also be an abuse of the Senate as an institution.

I have been thinking a good deal. I had to prepare a short speech about the Constitution of the United States which has served as the foundation of our Government for almost 200 years. For almost 200 years the Constitution has been the guardian and the protector of those sacred rights and privileges and all that go with our system of government. So it got lodged in my mind what are we going to do about the next 100 years or the next 200 years?

I do not think there is any doubt but that we open the door here on a possibility, a possibility of one group or some groups getting in control by constantly putting before the public month after month and year after year through this television with the Senate background, with all the things that are not desirable skimmed out. With the Senate background, this would be a Presidential maker, and I hope they will all be good ones.

But it is a plan, it is a scheme, it is a pattern that no one should really want to mature and get put in motion.

So I just feel that we are making what can be a very grave mistake. Leaving that part out, we have not cured and have not gotten to the point of making a strong amendment to the Senate rules that would take care of these situations where we do need some changes.

I thank the Senator from Louisiana for the time and I yield the floor.

The PRESIDING OFFICER (Mr. Evans). Who yields time?

Mr. MATHIAS. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. MATHIAS. Mr. President, I have listened with great care to the remarks of the Senator from Louisiana, the sponsor of this amendment. I fully understand the concern that he has expressed. I think it is a thoughtful concern and I wish to reason with him on exactly what his objectives may be and how they can most easily be obtained.

The purpose of his amendment, as I see it, is to retain the unique character of the Senate by which Members of the Senate, either alone or collectively, can slow down a legislative railroad so that the elements of a given proposition or the complexities of an issue can be carefully examined.

That is not an unreasonable position. In fact, that is the position that I think would be shared by every Member not only of the Senate today but every Member who has served here in the Senate.

But I am just wondering if the Senator's amendment would not do more to defeat that proposition than anything else because by providing that television cameras can only be on during a period of controlled time of unlimited debate he is providing an incentive for more and more limitations on the historic freedoms which have made the Senate a unique institution not only in this country but in the parliaments of the world.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. MATHIAS. I am happy to yield for a question.

Mr. JOHNSTON. Just to respond to the Senator's inquiry, on that question, I would say there might be an incentive for more time agreements. In fact, I hope that we would get more time agreements, because when all Senators can agree we ought to do our business with more dispatch, as indeed we are on this very amendment we are now considering.

But the important thing is to preserve the right of each individual Senator against the rest of the body, the rest of the 99 or against the rest of the 90 or 80 or whatever the numbers are. And clearly my amendment does that by providing for automatic television coverage whenever a unanimous-consent time agreement has been reached or unanimous consent on television itself. Therefore, it preserves that right of an individual Senator to debate at length. And that is the key.

If there is peer pressure on an individual Senator to agree to have his speeches of less length, so be it. I would, frankly, be happy with that result.

Mr. MATHIAS. Well, I can only assure the Senator that if, as a result of the test period, his concern should appear to be justified, it would receive very full consideration. I know he has addressed himself to the concept that he would like to see his amendment in effect during the test period. But that is a matter on which honest men and women can disagree. I hope the Senator would let us have a test period under the more traditional procedures of the Senate.

I think he underestimates the capacity of Senators to make interesting, informative, educational speeches, full of information and facts, full of original opinions and views.

My service here, like that of the Senator from Mississippi, has extended over such a long enough period of time that we can remember great orators in the Senate. Everett Dirksen was not a man on whom you turned the dial off. The Senator from Mississippi will bear me out on this. When Everett Dirksen came down to speak in his colorful and inimitable manner, the galleries did not empty out, the Cloakrooms did not fill up. In fact, it was just the opposite; am I right?

Mr. STENNIS. Correct.

Mr. MATHIAS. They came out of the Cloakrooms to hear Everett Dirksen speak. They wanted to hear him. It might be on some simple subject like making the marigold the national flower. But they wanted to hear him. They did not turn him off.

I believe the Senator from Louisiana is perhaps making an error when he says that you cannot make interesting, extended debate. I think there can be an interesting, extended debate. And the fact that it is a little longer than the 15-minute segment or maybe the 2-minute segment on the evening news or the 30-second segment, the sound bit on the evening news that people have been used to, does not mean that they could not appreciate and understand and, even in time, come to enjoy a longer debate.

But it will do this: It will put a premium on a Senator's knowledge. It will put a premium on a Senator's ability to express himself. It will put a premium on his ability to dissect and expose a complex issue.

Now, I do not think that those are bad things to happen in the U.S. Senate.

Did the Senator have a question?

Mr. JOHNSTON. Mr. President, I thank the Senator.

The Senator said I underestimated the ability of Senators to make interesting speeches. To the contrary, it is because I think the Senator from Maryland may underestimate the degree to which Senator think they have interesting speeches to make, and think they would be stars on TV that I offer this amendment. Without this amendment, I fear Senators would be propelled to this Senate, either because they are running for President or because they think they may look good back home or indeed in self-defense because the folks back home wonder where he or she is.

The public thinks the floor of the Senate is where it all happens. Of course, the Senator from Maryland knows, and I am sure would agree with me, it is a very important and essential—indeed, a central part of a Senator's life to have action on the Senate floor, probably more important is what goes on in Senate committees. But the American public would never understand that, just as they would not understand what would appear to be an anchronism, that is the unlimited debate which we have. And it is because of the inability of the public to understand that that I think there would be such a pressure on the existing rules.

Mr. MATHIAS. Let me respond very briefly to the Senator on that point. We are already providing for electronic coverage of the House debates and that has become an important part of the American scene. As I reported in the Senate the last time we were discussing this, I find people who greet me on the street or in public places and they say, "We follow you on C-SPAN." It is just one anecdotal bit of evidence that the public does look at, respond to, and appreciate and follow the coverage of the committee meetings. And, as the Senator from Louisiana says, that is such an extremely important part of the whole Senate institutional procedure.

But by blacking out what happens here on the floor, we do not provide for the public the kind of balanced coverage of the Senate procedures so that they can follow the debate on an issue from its initial discussion in a committee, through its final debate and final vote on the Senate floor. And it is that full flow of legislation, that full flow of ideas and concepts, that I think is important for the American people to understand. And if they do not have an opportunity, except for the rather limited number who can visit us in person, then we are really depriving them of an important part of the coverage of the current American political scene and we are depriving them of the use of technologies that are available and used in every other field of American life.

Mr. JOHNSTON. Will the Senator yield?

Mr. MATHIAS. I am going to yield the floor in just a moment. I do not mean to delay, but I would leave the Senator with this thought. There is almost no field of American life that the greater public, the extended public, cannot participate in by means of the electronic media. Sports, unbelievable coverage. And I think part of the great popularity of sports in this country today is because of this participation which is available through television. Cultural events, symphony concerts, dramatic events, all broadly covered; public spectacles of every kind, from the inauguration of the President of the United States, from the President's reception of a foreign visitor, all of these aspects of public life—discussions between informed people, the Sunday TV shows which have gotten to be part of the national dialog—all of these things are covered. The debates in the House of Representatives are available through electronic means. The only black hole in this whole range of electronic participation is the debates on the floor of the Senate.

So, Mr. President, I hope we can defeat this amendment. In urging its defeat, I would also tell the Senator from Louisiana that if his fears turn out to be justified, we can certainly look at them again.

Mr. JOHNSTON. Mr. President, I yield 3 minutes.

Mr. President, I would like to recall to my colleagues what happened here on the floor in the closing days of December of last year. I had the honor, at the behest of the distinguished Senator from Mississippi, to be the floor manager on this side of the aisle of the continuing resolution. The Senator from Mississippi had to be absent. Of course, the distinguished Senator from Oregon, the chairman of the Appropriations Committee, was the floor manager on the other side.

Our job was to get a continuing appropriations bill out of this body. I think the first date was set in October, and the date kept slipping as to when we might finish our business in order to adjourn the Senate. It kept slipping week by week. But we knew we had to complete that business before we could leave. So it was that we finally finished in the late days of December.

Mr. President, that bill attracted tens of amendments—I believe I would be fair in saying over 100 amendments. Some were huge amendments requiring discussion and debate. Some were from the national scene—small amendments. They might relate to individual projects, some in my State, and all over the country.

Mr. President, the only way we were able to get that bill finally finished was by staying here late at night, night after night. As I recall, we stayed here every night 1 week, and until 2 a.m. 1 night. It got to be a real physical experience to push, push, push to get that bill through—to a large extent to get it through by sheer physical fatigue.

Mr. President, I saw amendment after amendment on that bill which was accepted virtually without debate, which if we had television in the Senate there is no way such amendments would be accepted without debate. The individual Senator would have to make a show for the folks back home that he was getting a grant for a fish hatchery, or that he was getting money for a road or for whatever it was.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. JOHNSTON. I ask unanimous consent to yield myself 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. He would have to hold forth long enough on each amendment to make a good sound bite for the folks back home.

Mr. President, we are letting ourselves in for great misery in this body, in my view, not so much in the days of February when there is no pressing business, or in the early part of the session when the cheese is not binding. But as the clock begins to roll on the legislative year, and you get into those key critical weeks toward the end of the session that is when tension is high, and when time is valuable, and time is scarce that is when television in the Senate is going to expand the work of the Senate beyond the ability of Senators to tend to it.

When that happens, Mr. President, believe me, the pressure to change these rules of unlimited debate—and on nongermane amendments—in my view is going to be irresistable.

I reserve the balance of my time.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS. I yield 5 minutes to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. GORE. Thank you, Mr. President. I would like to thank my colleague from Alaska for yielding.

I would like to begin by complimenting the work of the Senator from Louisiana, Senator JOHNSTON, during this entire debate. Indeed, one of the most significant changes embodied in the substitute which is now before us came about as a result of a suggestion from the Senator from Louisiana when he pointed out quite vigorously that the test period embodied in the original version of Senate Resolution 28 did not test all of the things that we wanted to test or should test during a test period simply because the signal was not made available to the public. Therefore, the effect of televised proceedings on the activities here on the floor could not be accurately judged during merely a closed-circuit test period.

This change would not have occurred, Mr. President, except for the contributions to the debate from the Senator from Louisiana.

One consequence of the change which had been made at his instigation is that we really will now have an opportunity to test whether or not the Senator from Louisiana is correct in his belief that the effect of television on the Senate will be harmful to the Senate.

We will have a chance to decide. We will have a chance to see for ourselves whether or not he is right. We do have a basic question facing us today; that is, whether or not to put the Senate on television.

I am opposed to the pending amendment because it would so change the Senate as to change the question before us. We want to decide whether or not to put the Senate on television, not some modified version of the Senate. We do not need to change the Senate so dramatically as to enforce equal sharing of time whenever the television is on, or alternatively to have unanimous consent in order to get television coverage of the Senate.

We need to face the basic question: Should the Senate as it exists be put on television? Some changes suggested have been made and are embodied in the substitute now pending. But more sweeping changes will have to be made another time simply because there is not enough agreement among Senators to make those more sweeping changes.

So I would argue against the amendment of my colleague, and in favor of the philosophical position so eloquently articulated a few moments ago by the Senator from Mississippi, Senator STENNIS, when he said if we are going to put it on, let them see it all. Let them see it all. The resolution as it stands would do that. Of course, many of us agree that is the way it should be done.

But again, in closing these brief remarks in opposition to the pending amendment, I would again say that I believe the long debate we have had on this resolution has greatly improved the measure now pending before us. I hope that an overwhelming majority of my colleagues will support the pending substitute, and I again compliment my colleague from Louisiana for contributing so greatly to the improvement of that resolution. But I hope we will vote down the pending amendment.

I yield back my time.

Mr. JOHNSTON. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I thank the Senator from Tennessee for his kind remarks and also for his help in effectuating the live test. While I disagree with television in the Senate as put together in the so-called compromise resolution, nevertheless I think that resolution is greatly improved by having the live test.

Mr. President, there was unanimous consent for a 90-minute time limit. As I stated in advance of making that agreement, this matter was debated last week. And I have, I believe, made the case which I hope Senators will find compelling. But in any event, it is a very easy to understand argument.

I am ready to yield back the balance of my time if the Senator from Alaska is. But because we have the 90-minute time limit, I would like to wait about 5 minutes before I yield back the balance of my time so that if there is any Senator at his office who would desire to speak on the matter, and would like time to get here, he may do so.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. President, the Senator is speaking about any Senator who wants to speak on his amendment rather than the bill itself. Is that right?

Mr. JOHNSTON. The Senator is correct. To reiterate, this amendment would make television available in the Senate only (a) when there is unanimous-consent agreement providing for a time agreement or; (b) for consideration of any other matter for which unanimous consent for the television is obtained.

That is what the amendment would do. It would limit it to either time agreements or unanimous consent as to television.

Mr. President, within about 5 minutes, I will yield back the balance of my time if none of my colleagues wish to be heard.

Mr. President, I reserve the balance of my time.

Mr. STEVENS. Mr. President, as long as time is going to expire anyway, and the Senator said he will yield back his time at the end of 5 minutes, let me yield myself 3 minutes.

Mr. President, I think we are very close to making a decision on television. I remember the many times that I stood here on the floor as the assistant leader while Howard Baker was the leader, and the meetings we had, myriad meetings, during which we tried to find a way to accelerate the decision on television and get it to the point where we are almost today. I do hope we will vote today. I think it is a tribute to the two leaders that we have here now that we may be able to do so.

But I also think the Senate ought to recall the long, hard hours that Senator Baker put in as our leader trying to encourage the Senate to make this decision. I know that he, along with a great many other former Senators, will be very pleased should we decide to finally make the Senate's proceedings available for television coverage.

Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. JOHNSTON. Mr. President, if no other Senator desires to be heard on this matter, I yield back the remainder of my time.

Mr. STEVENS. Mr. President, I yield back the remainder of our time.

Mr. President, I withdraw that.

Mr. GORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I yield back the remainder of our time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Louisiana. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Nevada [Mr. LAXALT] and the Senator from Oregon [Mr. PACKWOOD] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Illinois [Mr. DIXON], the Senator from Massachusetts [Mr. KERRY], the Senator from Maryland [Mr. SARBANES], and the Senator from Missouri [Mr. EAGLETON] are necessarily absent.

I further announce that the Senator from Arkansas [Mr. BUMPERS] and the Senator from Nebraska [Mr. EXON] are absent because of illness.

I also announce that the Senator from West Virginia [Mr. ROCKEFELLER] is absent attending a funeral of a friend in West Virginia.

The PRESIDING OFFICER (Mr. PRESSLER). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 30, nays 61, as follows:

[Rollcall Vote No. 21 Leg.]

YEAS—30

Bentsen	Goldwater	McConnell
Boren	Hatfield	Nunn
Boschwitz	Hecht	Pell
Bradley	Heflin	Proxmire
Burdick	Helms	Quayle
Danforth	Hollings	Sasser
Dodd	Johnston	Simpson
Durenberger	Levin	Stafford
East	Long	Stennis
Glenn	Mattingly	Wallop

NAYS—61

Abdnor	Chiles	Domenici
Andrews	Cochran	Evans
Armstrong	Cohen	Ford
Baucus	Cranston	Garn
Biden	D'Amato	Gore
Bingaman	DeConcini	Gorton
Byrd	Denton	Gramm
Chafee	Dole	Grassley
Harkin	Mathias	Rudman
Hart	Matsunaga	Simon
Hatch	McClure	Specter
Hawkins	Melcher	Stevens
Heinz	Metzenbaum	Symms
Humphrey	Mitchell	Thurmond
Inouye	Moynihan	Trible
Kassebaum	Murkowski	Warner
Kasten	Nickles	Weicker
Kennedy	Pressler	Wilson
Lautenberg	Pryor	Zorinsky
Leahy	Riegle	
Lugar	Roth	

NOT VOTING—9

Bumpers	Exon	Packwood
Dixon	Kerry	Rockefeller
Eagleton	Laxalt	Sarbanes

So the amendment (No. 1637), as modified, was rejected.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Washington is recognized.

AMENDMENT NO. 1596

(Purpose: To amend the Standing Rules of the Senate to include the order of the Senate relating to voting from the assigned desk of a Senator)

Mr. EVANS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Washington [Mr. EVANS] proposes an amendment numbered 1596.

Mr. EVANS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment insert the following:

SEC. 15. Rule XII of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"5. (a) Each Senator, during the yeas and nays, shall vote from the assigned desk of the Senator.

"(b) It shall be the duty of the Chair to enforce the rule contained in subparagraph (a) on the initiative of the Chair and without any point of order being made by a Senator. No motion to suspend the rule contained in subparagraph (a) shall be in order.".

Mr. STEVENS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Those conversing will please move to the cloakroom. Senators will please take their seats.

Mr. EVANS. Mr. President, this would really codify what is already a standing order, which I believe is important to reiterate as we go into television coverage of the Senate.

As I understand it, the proposed substitute by the majority leader and the minority leader would have the entire Senate Chamber within television view at the time of rollcall votes, and I think it would be appropriate to have Members vote from their seats, as is now the standing order during that time.

I believe this has been cleared on both sides, and I urge its adoption.

Mr. MATHIAS. Mr. President, this side has no objection to the amendment.

Mr. STENNIS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will take their seats.

The Senator from Maryland.

Mr. MATHIAS. I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I do not have any objection to this amendment, but I am sure I know what it is. As I understand it, it is something about voting from your seat. Could we have the amendment read?

Mr. MATHIAS. Mr. President, if the Senator will yield, it is a restatement of the Jennings Randolph rule that you have to vote from your chair.

Mr. METZENBAUM. Is that all that is in it?

Mr. MATHIAS. That is all.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. MATHIAS. I yield.

Mr. JOHNSTON. Is that part of television in the Senate, or did we move off television in the Senate?

Mr. MATHIAS. No; this is all part of it.

Mr. JOHNSTON. And as part of television in the Senate, we are changing the Senate rules to require that you vote from your seat?

Mr. MATHIAS. We are not changing the Senate rules. It is a restatement of a provision which the Senator will recall was adopted at the urging of the former Senator from West Virginia, Jennings Randolph.

Mr. JOHNSTON. Is it wise or necessary to restate that matter?

Mr. MATHIAS. I will defer to the author of the amendment.

Mr. EVANS. I think so, Mr. President. The Senator from Louisiana will agree, I think, that it is not only important to restate it but also to enforce it. It is observed in the breach currently, and I think this amendment would ensure that it is indeed enforced.

If the entire Chamber is to be shown during television, I think it is the only way we can accurately determine how people vote, and those who are watching can observe.

Mr. JOHNSTON. Is there any change from the present rule?

Mr. EVANS. This would merely state that they would vote from the assigned desk, and it would be the duty of the Chair to enforce the rule contained in this subparagraph, on the initiative of the Chair, without any point of order being made by a Senator.

Mr. JOHNSTON. Is that, word for word, the way the present rule reads?

Mr. EVANS. The Senator is testing my memory from a long way back. I do not believe that the rule of Jennings Randolph carried with it the explicit statement, although it is certainly implicit, as to the duty of the Chair to enforce the rules as they stand. This makes it explicit, but I do not believe it has any different connotation other than the exhortation that the rule should be enforced.

Mr. JOHNSTON. Mr. President, I ask my colleagues to think for just a moment what this amendment would do and what its real effect would be.

I share with Jennings Randolph his view that many times it was a mess to have all the Senators milling around in the well. Indeed, under the present rule, the Chair could, and frequently does, clear the well. The difference from this amendment, as I understand it, is that it will be the duty of the Chair, any time the question is raised, to clear the well. In effect, we are going to have a rule which I believe could not be breached.

Mr. President, I think Senators learn a lot by being able to talk to one another during a 15-minute vote. I must confess that there are many times I come to this floor not knowing every jot and tittle about an amendment. In fact, sometimes I do not have the foggiest notion of what the amendment is. I want to talk to other Senators; it is a very valuable part of what we all do as Senators.

Otherwise, I guess we should have to come here and sit down and we would not be able to talk to anyone except the Senator next to us. It might rather dramtically change the way we do business.

I believe that under the resolution, during votes, the camera is to be on the Presiding Officer. I ask if that is correct.

Mr. BYRD. No; it is not correct. That has been changed.

Mr. MATHIAS. During rollcall votes, the entire Senate will be covered by the camera.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. STEVENS. There is nothing in the amendment of the distinguished Senator from Washington that takes people out of the well. It just says that when the Senator wishes to vote, that Senator will vote from his or her assigned desk. That is the Randolph rule. There is no change from that. That is the rule under the standing order now. But the amendment says that the Chair would enforce that rule and make it part of the standing rules instead of the standing rule.

Mr. JOHNSTON. Mr. President, we have a standing rule now. I confess that I cannot quote it. But I hope that the Senate will not rush pell-mell into these rules changes to accommodate television in the Senate. We could very easily keep the camera on the Presiding Officer or make some other change.

So it seems to me that this amendment is either unnecessary or is mischievous, and I hope we will not do this and take away what might be the right of the Senators to talk to one another during rollcall votes.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I have supported the leadership in the matter of television in the Senate, but I should like to express the same concerns that the Senator from Louisiana has expressed.

The process of voting in this Chamber can be a very tense process of exchanging information, details, views, thoughts. Many of us have come to the floor uncertain about a position and found ourselves able to make up our minds by the process of deliberation, a very legitimate one, in my view.

I wonder if the Senator from Washington would really seek to proscribe this process.

I ask the Senator from Washington: There is surely no thought that a Senator's vote would not be recorded if he were not at his desk?

Mr. EVANS. No; it is the duty of the Chair to enforce the rules of the Senate.

Mr. MOYNIHAN. I ask my friend: Can he contemplate a situation in which the Chair would rule that a vote could not be recorded because a Senator was not at his desk?

Mr. EVANS. I cannot conceive of a situation where the Chair asked that the rule be observed that any Senator would refuse to obey the rule.

Mr. MOYNIHAN. Do the leaders really want to make this provision?

It seems to me that that is a form of deliberation in this body, those exchanges that take place, very much work-oriented, decision-oriented.

I see my revered leader on the floor, and I am happy to hear from him. He has heard from me on this matter before.

Mr. BYRD. Mr. President, what we have now is a standing order of the Senate that was voted on during Senator Randolph's last year of service in this body. Right now, the Chair can enforce that rule, and indeed should.

The Chair right now is required by the rules to maintain order and get order in the Chamber and in the galleries, without any point of order's being made by a Senator from the floor. The Chair has that responsibility now. It is not often that the Chair enforces it, but the Chair should enforce it, and can do everything right now that this amendment provides.

I do think it would help to stiffen the Chair's resolve to get order and maintain order in the Senate, as it is the duty of the Chair to do.

Mr. JOHNSTON. May I ask the Senator from West Virginia a question?

Mr. BYRD. Yes.

Mr. JOHNSTON. Is it the Senator's opinion that this amendment is totally redundant of the present rules?

Mr. BYRD. The answer to that is it is redundant.

Mr. GORE. But it encourages enforcement.

Mr. BYRD. But I would not say it is totally redundant because I think it does encourage the Chair, and I am not speaking of the present occupant of the Chair, but it encourages the Chair to enforce the standing order that Senators should vote from their seats. It does not have anything to do with stopping Senators from conversations when they come to the floor. It simply requires that when they vote, they are to go to their desks and vote.

Mr. MOYNIHAN. Could I ask a question?

Mr. EVANS. Mr. President, I do not think it is redundant because it does, as the Democratic leader has pointed out, explicitly state that the Chair shall enforce the rule. As some may suggest even that is redundant. The Chair should always enforce the rule. I think this is a healthy reminder of something that is important in conjunction with television in the Senate.

One of the major arguments that has been used around here during the debate on television in the Senate itself has been the question of procedure, the question of decorum, the question of how we will look on television, and I think for at least two reasons it is important.

I think it would at least move us toward a modicum of docorum which is not bad in itself and I think it would be more easily determined by people watching how Senators vote because they know from where they are voting. It does not in any respect keep the Members from talking to one another, to share a desk. They can do both in the well of the Senate. They can do it in the cloakroom. They can do it from their desk or wherever they choose. I do not think it would impinge on that opportunity one bit.

Mr. MOYNIHAN. Mr. President, without wishing to prolong this, might I make this point: I do not recall any

occasion on which this rule has been enforced.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MOYNIHAN. Is the Chair aware of any occasion in which the Chair has required a Senator to be at his desk?

The PRESIDING OFFICER. Senators have always been required to vote from their desks since this resolution has been in effect.

Mr. MOYNIHAN. Has the Presiding Officer so instructed a Senator?

The PRESIDING OFFICER. The Presiding Officer has not been asked to instruct.

Mr. MOYNIHAN. Mr. President, that is the case, and my good friend from Mississippi turned his head to me just now and said "no." The point I would like to ask is "decorum" really what the Senator from Washington really seeks here? It is a decorous body and there is nothing indecorous about Senators changing views in those rather intense moments that precede a vote.

I would hope we would not find ourselves in a situation where we are depicted as indecorous when in fact we are simply seeking information or participating in the continuing debate that characteristically precedes many rollcalls, and ought to.

That is the way we conduct our business, and properly so. No such process is necessary in many parliaments in the world, where there is only one vote and that is the body count at the previous election. That vote is repeated over and over and over until a new election takes place.

That is not the case in the United States Senate. This is what is so singular about the Senate.

One of the reasons it is not the case is that we do talk to one another as individuals rather than persons on one side of the aisle or another.

I hope that the effect of television would not be to diminish that quality which seems to be singular and valuable.

Mr. STEVENS. Vote.

Mr. LEVIN. Mr. President, if we start adopting rules twice, we are going to be having two categories of rules. One are the rules which we only adopt once and those are sort of serious rules, I guess. But if we have to adopt some rules twice, we are going to then have a second category of rules, those that we repeat.

This is redundant. I think everyone acknowledges it is redundant because under rule XIX, the Senate Presiding Officer now must, it says "shall either on his own motion or at the request of any other Senator enforce the rules of the Senate."

We presently have a rule. If we are now going to pass this rule twice we are going to create an implication that all the other rules that we have which we do not repeat are not as serious as the rules which we have to pass twice in order to avoid having two classes of rules. I suggest that we vote this amendment down.

Mr. EVANS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. EVANS. I think there is a distinct difference. It is my understanding that Senator Randolph asked for what has become the standing order as opposed to a part of our rules.

Would there be a difference in repealing the order that was established through Senator Randolph's request and a repeal of this as a rule?

The PRESIDING OFFICER. The only difference would be on invoking cloture on a resolution to repeal.

Mr. STEVENS. Mr. President, there seems to be an argument over what is in the rules. There is a standing order for a Senator to vote at his or her desk.

A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STEVENS. Is it part of the Standing Rules of the Senate that a Senator shall vote from the assigned desk of that Senator?

The PRESIDING OFFICER. It is not part of the standing rules but it is a standing order, which is equal.

Mr. STEVENS. In the opinion of this Senator, the proposed amendment to the rules would reinforce the Randolph standing order. I do not see the need for any discussion. It is something we all know Senator Randolph dedicated his life in the Senate to achieving, and I think the Senator from Washington is correct. It should be part of the Standing Rules of the Senate.

Mr. LEVIN. Did the Chair say the standing order was equal in effect to the rule?

The PRESIDING OFFICER. That is correct.

Mr. LEVIN. I thank the Chair.

Mr. BRADLEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BRADLEY. Would this vote require two-thirds or 60 votes to pass?

The PRESIDING OFFICER. Neither one. It would take a majority to pass.

Mr. BRADLEY. A simple majority would pass this?

The PRESIDING OFFICER. A simple majority.

Mr. BRADLEY. As I understand it, under this amendment a Senator could no longer vote from the well?

The PRESIDING OFFICER. The Senator cannot vote from the well now. This would not change that.

Mr. BRADLEY. Could I ask the proponent of the amendment? Would the Senator from Washington answer my question?

Mr. EVANS. Yes.

Mr. BRADLEY. The Senator from Washington proposes that a Senator to be recognized for a vote must be at his desk. Is that the intention of the Senator?

Mr. EVANS. That is the intention of the rule and it is the intention of the current standing order. It is up to the Presiding Officer to enforce it, obviously.

Mr. BRADLEY. Could you state once more why we need a rule, as opposed to just a standing order?

Mr. EVANS. I think there is a distinction. What you have under a standing order is a separate and freestanding suggestion, but I think it ought to be embodied as part of our rules, the standing rules of the Senate, rather than a separate standing order. You cannot find the standing order in the book of rules of the Senate at all. It does not appear.

Mr. BRADLEY. If the Presiding Officer chose to, under the current standing order, he could require people to be at their desks in order to be recognized to vote, is that correct?

Mr. EVANS. That is correct. That is my understanding. The Parliamentarian can correct me.

Mr. BRADLEY. What is the understanding of the distinguished Senator from Washington as to why the Presiding Officer does not now enforce the standing order?

Mr. EVANS. Well, I think that perhaps what is required is this reminder to all of us. This was passed in 1984, when Senator Randolph was leaving this body. Perhaps this reminder is worthwhile. I can tell you, and I am certain that I am accurate, that the rollcall clerk would be mighty impressed to be able to see who is voting and to clearly understand and accurately record those who are voting if they did vote from their desks rather than the way we do it now.

Mr. BRADLEY. Well, I would suggest that the Presiding Officer chooses now not to enforce the standing order because the Presiding Officer, as the representative of the leadership of the Senate, chooses not to enforce the standing order. And I think he does so for very good reason, which is that the nature of the Senate is, I believe, a very personal nature, where there is contact made at the time of a vote. And to require people to return to their desks in order to vote will, I think, change the nature of the action in the well and, in part, change the nature of the Senate. And I see it as a totally unnecessary rule because we have now a means by which we could achieve that end if it were the desire of the Senate leadership to do so.

So, Mr. President, I hope that we would not pursue this amendment and

see if we cannot operate simply with the Chair enforcing the order that now exists, and then we might find that the Senate did not like to have votes take place at the desk but they would prefer to vote as we do now at any point in the Senate when we choose to seek recognition. Why a rule change?

I mean, this is not what I would call an earth-shaking issue, a very big issue. And yet, at the same time, I felt that I had to address this at this moment because, otherwise, I might not be able to vote from the well anymore. And so if there is a vote to be taken, I will cast it, with great assurance and certainty, from the well. [Laughter.]

Mr. DOLE. Mr. President, I do not think this is very earth shaking, but apparently some would like to discuss TV at length. I am prepared to stay here the rest of the evening. I do not want to shut anyone off.

I would guess that I thought about the same thing the Senator from New Jersey thought about in a little different way. It might not only change the nature of the Senate, it might change the vote, the final outcome. I wanted to exempt the two leaders from the application of the rule so we could get down there and twist a few arms, if necessary. It will make our work a little harder to run from desk to desk, but we will try to work it out. [Laughter.]

So I reluctantly agreed to go along just as another indication in honor of our comrade who served here for so long and, almost in frustration, I think, gave up on us.

Mr. MOYNIHAN. Will the majority leader yield for a comment?

Mr. DOLE. Yes.

Mr. MOYNIHAN. May I ask the leaders, the leadership in this body is frequently a tenuous enterprise. We do not have a whip. We do not have the kind of automatic majority or minority we might have in the other congressional body.

Our leadership continuously finds itself in a situtation where it needs votes from Members who have not thought about the matter or who have not thought about it from the leadership point of view. They stand down there and they explain and they negotiate and they persuade—not always successfully, but quite frequently.

I would think this would be less of a body if that were not possible. That is part of the interaction of the Senate and is the way that we have found to have worked well.

Absent that, we are going to find ourselves more fractured than, under ordinary circumstances, we already are.

Can you not put this amendment aside for a little bit? We are trying to help your efforts to have this body televised. You have problems; we know that. We are trying to get you on television, but we do not want to diminish your powers or your opportunities.

Mr. DOLE. Mr. President, if the Senator will yield, I believe the difference now, as far as enforcement, is initially we were not going to focus on the Chamber. We were going to focus only on the Presiding Officer and the Senator who might be speaking.

Then, I must say that there was some concern, since only Republicans preside, that there might be too much focus on Republicans who are presiding. Maybe next year it will be another party presiding.

What we said, in an effort to compromise, is that we would show the entire Chamber during rollcall votes. I think we all felt, the leadership, that, I assume, on TV they will run a little chart to show where your seat is and the people will be looking for you. We thought this would be some incentive for Members to be at their seats so that when Aunt Nellie looked in from Connecticut, she would know quickly where to find her Senator.

Beyond that, I think the Senator raised a point that I have raised before. But I do believe that after you vote at your seat, you can come to the well and then go back to your seat to change your vote. [Laughter.]

Mr. MOYNIHAN. Could I make a suggestion? Would it be possible, in the manner of a football game, that we have numbers? [Laughter.] "No. 49 moves left, behind this side, and comes in on this side." [Laughter.]

Mr. DOLE. We gave that a lot of thought, but turned it down.

SEVERAL SENATORS. Vote!

Mr. BRADLEY. Mr. President, I move to table the amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion of the Senator from New Jersey [Mr. BRADLEY] to table the amendment of the Senator from Washington [Mr. EVANS]. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. The Senate will be in order.

The legislative clerk resumed and concluded the call of the roll.

Mr. SIMPSON. I announce that the Senator from Oregon [Mr. PACKWOOD] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Illinois [Mr. DIXON], the Senator from Missouri [Mr. EAGLETON], the Senator from Massachusetts [Mr. TERRY], and the Senator from Maryland [Mr. SARBANES], are necessarily absent.

I further announce that the Senator from Arkansas [Mr. BUMPERS], and the Senator from Nebraska [Mr. EXON], are absent because of illness.

I also announce that the Senator from West Virginia [Mr. ROCKEFELLER], is absent attending the funeral of a family friend in West Virginia.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 49, nays 43, as follows:

[Rollcall Vote No. 22 Leg.]

YEAS—49

Andrews	Gorton	Metzenbaum
Bentsen	Grassley	Mitchell
Biden	Harkin	Moynihan
Bingaman	Hawkins	Murkowski
Boschwitz	Heinz	Pell
Bradley	Hollings	Pressler
Chiles	Humphrey	Riegle
Cochran	Inouye	Rudman
Cranston	Johnston	Sasser
D'Amato	Kennedy	Simon
Denton	Lautenberg	Simpson
Dodd	Laxalt	Stafford
Domenici	Leahy	Wallop
Durenberger	Levin	Warner
East	Lugar	Weicker
Glenn	McConnell	
Gore	Melcher	

NAYS—43

Abdnor	Gramm	Nunn
Armstrong	Hart	Proxmire
Baucus	Hatch	Pryor
Boren	Hatfield	Quayle
Burdick	Hecht	Roth
Byrd	Heflin	Specter
Chafee	Helms	Stennis
Cohen	Kassebaum	Stevens
Danforth	Kasten	Symms
DeConcini	Long	Thurmond
Dole	Mathias	Trible
Evans	Matsunaga	Wilson
Ford	Mattingly	Zorinsky
Garn	McClure	
Goldwater	Nickles	

NOT VOTING—8

Bumpers	Exon	Rockefeller
Dixon	Kerry	Sarbanes
Eagleton	Packwood	

So the motion to lay on the table amendment No. 1596 was agreed to.

Mr. BRADLEY. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Mr. President, let me invite the attention of my colleagues to another important matter. I have an amendment at the desk. I will not ask the clerk to read it. Let me say first what the amendment is. Then I will tell you why I have not asked the clerk to read it.

We have in existing law a straitjacket upon the Senate with respect to the consideration of bilateral trade treaties in contrast to our treatment of authorizing bills. We have prescribed a procedure whereby, under the Senate rules, Members of the Senate who are not members of the Finance Committee, may have no participation whatever beyond the simple up-or-down vote on bilateral trade agreements.

Mr. President, this makes little sense. It is as though we were to preclude Members of the Senate from offering amendments on the floor to the defense authorization bill because they are not members of the Armed Services Committee.

The PRESIDING OFFICER. The Senate will be in order. The Senator is entitled to be heard. Conversations in the back of the Chamber will please cease.

The Senator from California.

Mr. WILSON. I thank the Chair.

It is as though, Mr. President, we prohibited Members on the floor from offering amendments to the farm bill because they are not members of the Agriculture Committee. Or, Mr. President, it is as though we were to say only members of the Foreign Relations Committee may consider treaties of any other kind, even treaties like SALT II or the ABM Treaty, and no one may offer an amendment.

Mr. President, that is a straitjacket that I think Members of the Senate would reject. They would deem it outrageous for anyone to propose this kind of limitation of the right of Senators to offer amendments simply because they are not members of the committee of original jurisdiction.

We are taking great time, and properly so, in deliberating television in the Senate to see to it that we adequately protect the tradition of the Senate to safeguard the right of the minority to be heard.

Mr. President, the existing fast-track procedure, as it is termed, under the Trade Act goes in precisely the opposite direction. Why has this outrage attracted so little attention here among Senators?

The PRESIDING OFFICER. The Senate will be in order.

Mr. WILSON. Why has it attracted so little attention among Senators ordinarily jealous of their prerogatives? For the very simple reason that we have not had to deal with this restraint. There has been little experience. We have had a single free trade agreement and it passed with relatively little difficulty. There were very few Senators who were actually participants in that process. I have determined that a great many well-informed Senators—Senators who jealously regard their prerogatives and their right to participate in debate on the floor of the Senate, who jealously guard their rights to offer amendments, who guard the rights of their constituents—have no knowledge of this process. They are unaware of how they are restrained because it has simply not come before them.

The time, Mr. President, to consider that procedure is not when we are engaged in the next free trade agreement. The time is now, in advance of the actual pendency of a free trade agreement, a bilateral agreement. That time will come very soon, when we are asked to vote up or down, yes or no, on the whole thing with regard to a bilateral trade agreement. It is no secret that the administration is exploring the possibility of such an agreement with our neighbor to the north, Canada. A reasonable expectation is that, following a Canadian free trade agreement, there would be one proposed with Mexico.

Mr. President, I was among the very first—indeed, I believe I was the first—to testify in favor of the Israel free trade agreement before the Finance Committee. So my objection is not to entering into bilateral agreements; my objection is to the process whereby non-Members of the Senate Committee on Finance are precluded from having any effective voice in the shaping of those agreements. That is simply wrong.

We may not amend those agreements; we are limited to 20 hours of debate on those agreements; and it is not sufficient comfort to anyone who has not participated at the committee level to say, well, I did not get the kind of safeguards for my constituents that I think they are entitled to; therefore, I am going to go out and convince a majority of my brethren to vote against the entire treaty. That does not make much sense.

We do not vote up or down on every bill in this House until we have first considered whether or not amendments are in order and voted on those amendments. So, Mr. President, the time very quickly should come when this body determines that we will in fact do away with such unreasonable restraints. I give fair notice that I intend to file the written notice required to make the rules change that will undo those unreasonable restraints on the participation of Senators. I am not doing so tonight, Mr. President, simply because of the importance that I attach to our action upon TV in the Senate. I have a very great concern that if, in fact, we do not deal with this matter this evening, we risk unwarranted and unreasonably delay that I think puts the entire agreement in jeopardy.

Instead, Mr. President, I urge support for the leadership proposal, the substitute that is pending. I am a cosponsor of it. I tell my colleagues that it does not go as far toward reform as I think we should. But, in fact, television in the Senate, by focusing upon individual Members of the Senate, I think, holds the promise of not only improving our decorum, but improving the way we function because inevitably it is going to compel greater rules changes. I regard this first step forward as just that, a step in the right direction. It does reduce debate from 100 hours to 30. Perhaps more importantly, it will give the leader a valuable tool in disposing of what has been a much-abused tactic, that of reading of the Journal in order to bring about delay.

Mr. President, I urge my colleagues to vote for the pending substitute that has been carefully crafted by people who come to the table with widely conflicting viewpoints. I predict that as we experience TV in the Senate, we will make greater changes, changes that will allow this body to function more efficiently and yet allow the right of the minority to be heard. But when we concern ourselves with the right of that majority to be heard, I tell my colleagues that just as it makes no sense, as the Senator from Colorado [Mr. ARMSTRONG] said a few days ago, to allow the majority to impose a tyranny on the minority, it also makes no sense for a minority, the membership of a single committee, to have the say in achieving an important bilateral trade agreement and force their will on the majority by precluding them any right to amend. That simply does not make sense.

So, very shortly, Mr. President, there will be another vehicle before us. Attached to it will be an amendment that changes the rules of the Senate to make a fast-track procedure, one that does not deny the Senators the rights they must have in order to safeguard their constituents.

I thank the Chair.

[The text of Mr. WILSON's amendment is printed under Amendments Submitted.]

Mr. METZENBAUM. Mr. President, I hope we are shortly going to vote to pass this proposal to provide for TV in the Senate. It is conceivable, though not necessarily the fact, that it may make this a more deliberative body. It may also improve our overall conduct, how we conduct our business.

I am frank to say that I am disappointed that the germaneness rule which the Senator from Louisiana was advocating has been eliminated. I think that the procedure we have in this body of adding extraneous amendments having nothing at all to do with the pending legislation has become an absurdity. I find that every time we get a piece of legislation that comes before this body, somebody figures out a way to add an antiabortion amendment or an antibusing amendment or something that has to do with prayer in the schools. And it is a fact that other extraneous amendments have been added. It does not make sense to do that. It is not the way to conduct a body of this kind. It does not make sense for committees to add nongermane amendments to legislation pending.

I remember that, on the floor of the Senate, we had a bill brought forward which had to do with changing totally the whole airport authorizing legislation, totally unrelated to the pending

bill as it came out of committee. That is no way to conduct this body's business. So I think we retrogressed when we eliminated the restrictions or the provisions pertaining to the germaneness rule.

I think that we likewise retrogressed when we eliminated the provision eliminating the right to filibuster a motion to proceed. I have said on many occasions that I think the rules of the Senate should be changed. I think they should be changed with respect to post-cloture filibusters, I think they should be changed with respect to the germaneness question, and I think they should be changed with respect to the right to filibuster on the motion to proceed. As long as those rules are not changed, and this body has seen fit not to change it—and it was a disappointment to me to see how overwhelmingly the germaneness proposal was eliminated—every Senator in the body has a right to use them. But I think it would be a better body if we changed the rules of the Senate.

Mr. President, may we have order in the Senate?

The PRESIDING OFFICER (Mr. GORTON). The Senate will be in order.

Mr. METZENBAUM. It is a fact that we have changed the postcloture rules to limit the overall time to 30 hours. I think that is a move in the right direction. I would have supported the change to 20 hours. I think that was an even better move in that same direction. It is my opinion that someday we may eliminate the right to filibuster entirely, and if somebody comes along with such a proposal I would be one of the first to support it, as I have said publicly on many occasions. I think you ought to be able to cut off debate with 51 votes, not with a three-fifths vote or a two-thirds vote. But we are at the point where we are, and it is harder sometimes to make progress than we realize. It was interesting to me to see how many on the other side of the aisle voted with respect to eliminating the nongermaneness rule. It was incredible, what an overwhelming vote that had.

I think this is a small step forward, not nearly as great a step as we should be taking. I am hopeful that with TV in the Senate we will be able to conduct our affairs much better than we have in the past. I think that maybe it will cause us to change some more of our rules than those which are presently being contemplated.

So, Mr. President, I am pleased to say that I am a cosponsor of this proposal, but I am sorry that it does not, indeed, go further than it does.

Mr. ARMSTRONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ARMSTRONG. I hope and believe that we are ready to vote. I just rise to congratulate those who have made this great moment in the life of the Senate possible, particularly our two leaders, particularly the distinguished chairman of the Rules Committee, particularly the Senator from Alaska, who has been an advocate of televising the Senate for a decade or more, and particularly those who have participated in formulating the compromise that makes this achievement possible.

Mr. LONG. Mr. President, will the Senator yield?

Mr. ARMSTRONG. Yes, I would be happy to yield.

Mr. LONG. Mr. President, I have an amendment to offer, so I hope that the Senator will not be too optimistic that we vote immediately. I think it will take about a half-hour to discuss it, 15 minutes for me and about an equal amount for the Senator's side.

Mr. ARMSTRONG. Mr. President, although it appears that my hopes we were done amending this proposition were not well-founded, nonetheless, I trust that in due course we will take a vote on it and it will be adopted. I want to pay special tribute, if I may do so, to those who have opposed this resolution for helping us to sharpen the focus of it and to work the bugs out of it. I think we have got a great package here. I think this is a noble cause, and though it first seemed to be an impossible dream, I think that historians will look back and see the adoption of television in the Senate as one of the most important, possibly the most important single accomplishment of the 1986 session of the U.S. Senate. And so in that spirit, when we get to it, I am looking forward to voting for the passage of this resolution.

AMENDMENT NO. 1639

(Purpose: To provide for television coverage only upon agreement to a motion for television coverage adopted by majority vote.)

Mr. LONG. Mr. President, I have an amendment at the desk. The amendment is geared to the initial leadership amendment that was offered, and I have language to gear it to the substitute that is offered for the pending amendment. I ask that the amendment be read starting at line 7.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. LONG] proposes an amendment numbered 1639:

On page 1, line 7, insert "and" after the semicolon.

On page 2, strike out lines 1, 2 and 3.

On page 2, line 4, strike out "(3)" and insert in lieu thereof "(2)".

On page 10, between lines 9 and 10, insert the following:

SEC. 14. Rule XXXIII of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

3. (a) Television broadcast coverage of Senate proceedings shall be provided only upon agreement of the Senate to a motion providing such coverage for a specific matter or specific time period under terms and conditions specified in such resolution.

(b) Television broadcast coverage provided by a motion agreed to as provided in subparagraph (a) may be terminated at any point upon agreement to a motion terminating such coverage.

(c) Debate on a motion under this paragraph shall be limited to two hours, to be equally divided between and controlled by the Senator making the motion and a Senator in opposition designated by the Chair, at the conclusion of which, without any intervening action, the Senate shall proceed to vote on the motion: *Provided, however,* That one motion to table shall be in order at any time. The time provided for consideration of a motion under this paragraph shall be reduced by the amount of time used to consider a motion to table.

(d) No television broadcast coverage of Senate proceedings shall be provided when a meeting with closed doors is ordered.

On page 10, line 10, strike out "(14)" and insert in lieu thereof "(15)".

On page 10, line 20, strike out "(15)" and insert in lieu thereof "(16)".

On page 11, line 9, strike out "(16)" and insert in lieu thereof "(17)".

Mr. LONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. LONG. Mr. President, the amendment I have proposed for consideration is intended to give the Senate the privilege of deciding by a majority vote whether it will or will not be on television. All this amendment intends to do is to ensure that the majority of the Senate retains this authority.

Under the rule proposed in this amendment, any Senator who wanted a particular matter or debate televised could move to do so. Following 2 hours of debate equally divided between proponents and opponents, the Senate would vote on a motion for television coverage. If the majority wishes for the Senate to be on television under the terms and conditions specified in the motion, so be it. We turn the cameras on.

This amendment seeks to ensure that the majority's will would be respected at all times. Any debate the Senate feels should be televised would be televised if this amendment is adopted. The amendment also retains for the Senate the option to go off of television by adopting a motion to do so, if the majority decided at some point that a particular matter should not be televised.

Mr. President, this amendment is very simple. It is not intended to stop television. A majority can vote to televise the Senate at any time except for closed-door secret sessions, when none of us expects the Senate to be televised. Implicit in this amendment is also the understanding that a motion for television coverage may always be agreed to by unanimous consent.

Mr. President, in the judgment of this Senator, when the Senate is on television, we will see a big increase in expediency and we will see a substantial decline and an erosion in statesmanship.

If the Senate finds that a particular measure is required in the national interest but would be difficult to pass on television or for whatever reason, it would not have to debate it on television. It could debate it without it being on television. If it wanted to debate it on television, it could do so. That, Mr. President, seems to me to be an appropriate amendment to carry out the Senate's functions.

I voted for the Panama Canal Treaty. I made a brief statement in favor of it. In my judgment at that time we had a choice between going to war or ratifying a treaty, losing friends throughout Latin America or ratifying a treaty, which was the best course under the circumstances.

For those of us who voted that way it was a very, very difficult vote. We agreed to put that debate on radio and it was carried by radio. In my judgment, Mr. President, that treaty could never have been ratified on television. Our option would have been only to send a lot of American boys down there, kill a lot of Panamanians, have all Latin America hating and despising us and sending our Ambassadors home persona non grata. If the Nation's interest requires it, the Senate should be able to debate an unpopular treaty without television and let Senators do their duty as they did.

In my judgment, many good Senators lost their seats because they did their duty with regard to the Panama Canal Treaty. But they served the national interest. And many of them knew they might be voting political suicide.

As a matter of fact, one Senator made a speech after he had been pressed very much by his friends and the President to make it. He was running for office that year. I recall when he concluded his speech and Senators rushed up to shake his hand, his first words, "I'm dead." He knew politically in his judgment he was destroyed by taking that position, but he did it because he thought his duty required him to do so. And even with all that, Mr. President, even with the many seats we lost here by those who did their duty as the Good Lord gave them the light to see it, I still do not think we would have passed that treaty if we had had to do it on television.

Mr. DANFORTH. Mr. President, will the Senator yield for a question?

Mr. LONG. I yield for a question.

Mr. DANFORTH. Mr. President, I can remember meeting with the Senator from Louisiana a month or so ago when we first got into the subject of television in the Senate, and the Senator from Louisiana said: "I think this is coming. I think we are going to have television in the Senate, and I don't think we are going to be able to prevent it, even though many of us have some qualms about it."

The Senator from Louisiana said: "I hope at least we can have some rules connected with television in the Senate which provide a little bit of protection against some of the real abuses, the threats, that we feel would be coming."

I have paid a small amount of attention to some of the rules that have been agreed to in connection with television in the Senate. I know that the Senator from Louisiana has gone into it at great depth. My impression is that what we have now is no compromise at all. Those of us who have expressed concern about television in the Senate are going to have—with the exception of quorum calls and morning business—total coverage, with no ability to turn it off; total coverage of what is going on on the floor.

My question to the Senator from Louisiana is this: Does he agree with my assessment that we have no real compromise now, as the resolution presently stands, and there is absolutely no protection whatever against the excesses that we are concerned about that may flow from television in the Senate?

Mr. LONG. I agree with the Senator. I think that those of us who feel that statesmanship is altogether too scarce a commodity the way it is now will find that it is going to be more scarce on television. Senators will be reluctant to make a statement that is not a popular thing to say across the Nation, not the popular thing to say even in their own State, but something that needs to be said for the good of the country.

I was not here when Bob Taft became the majority leader of the Senate, but I have heard it said that Bob Taft's statesmanship, his courage to do what he thought was right, cost him the Presidency of the United States when he was seeking the nomination—at a time when he might very likely have been nominated had he been more expedient and less of a statesman.

I notice that in his book, "Profiles in Courage," John Kennedy picked out Robert Taft as one of the persons he felt was worthy of having a chapter written about him. Television will make it more difficult for people to exhibit that kind of statesmanship.

I propose that when the Senate, by majority vote, feels that a particular debate should not be on television, or the debate on a particular measure, for the next hour should not be on television, the Senate should have the right to so decide. If it wants to be on television, so be it. To me, it does not make much sense to say that we are going to be on television gavel to gavel, whether we think that is going to serve the Nation's interests or not.

Mr. GORE. Mr. President, I wish to speak very briefly in opposition to the amendment, but before doing so, I should like to point out that the substitute now pending is very different from the resolution originally brought before this body; and those changes have come about in large part because of the eloquence and persistence of the Senator from Louisiana [Mr. LONG]. Indeed, the very decision to contain rules changes along with the motion to go to television comes out because of the basic argument made by the Senator from Louisiana. As one who initially opposed that decision, I believe that what we have as a result of his effort is a much improved resolution.

Although I know that he is opposed to the final product, I hope that he will agree with what I believe is a majority in this body, that we have made improvements during this debate because of his persistence and because of his arguments.

The basic question posed by this amendment is very similar to the basic question posed by the resolution itself: Should we televise the Senate? I believe we should.

I offer one additional argument in opposition to this particular amendment, and that is that if we, as a body, decided that we were going to turn off the television cameras for a particular debate, we would invite cynicism and even suspicion on the part of the American people as to why it was that their elected Senators would not want them to see and hear the debate on this particular matter.

For that and other reasons, I believe we should decide in the affirmative, to televise the Senate, and I believe that our answer to this basic question, posed by both the resolution and the pending amendment, should be yes. Therefore, I urge my colleagues to vote against the pending amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. LONG. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, the statement that has been made by the distinguished Senator from Tennessee [Mr. GORE] is sufficient. I hope that the Senate will not support this amendment. I hope the amendment is voted down.

What we would be doing is taking the Senate off gavel-to-gavel coverage, and allowing motions to be debated for 2 hours, that will result in the Senate

going in and going out of coverage time and time again, ad infinitum.

What are the people who are viewing television going to think? They will ask: "What are they doing? Why don't they want us to see what is going on? I want to see what my Senator is doing. I want to hear the arguments."

There is one other thing I wish to point out, and that is that the distinguished Senator's amendment would allow the Chair to designate the Senator in opposition to the motion. I do not want the Vice President, who from time to time sits in the chair, to be able to select the Senator who will be in opposition to the motion. I think that such Senator should be designated as it is always done under the rules and procedures of the Senate when we talk about the "usual form." That language provides that the Senator who has called up an amendment has half the time, and the Senator who is managing the bill or the ranking manager controls the other half, unless he is in support of the motion, in which case the minority leader is given the time in opposition.

I do not want to see the Vice President designating the Senator on either side of the aisle who will speak in opposition to such motion.

I hope that the amendment will be rejected, with all due respect to my friend from Louisiana. I do have a tremendous amount of respect for him. He is my friend. But I hope the Senate will reject the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Texas [Mr. GRAMM] and the Senator from Oregon [Mr. PACKWOOD] are necessarily absent.

I also announce that the Senator from Minnesota [Mr. DURENBERGER] is absent on official business.

Mr. CRANSTON. I announce that the Senator from Illinois [Mr. DIXON], the Senator from Iowa [Mr. HARKIN], the Senator from Missouri [Mr. EAGLETON], the Senator from Massachusetts [Mr. KERRY], the Senator from Maryland [Mr. SARBANES], and the Senator from Georgia [Mr. NUNN] are necessarily absent.

I further announce that the Senator from Nebraska [Mr. EXON] and the Senator from Arkansas [Mr. BUMPERS] are absent because of illness.

I also announce that the Senator from West Virginia [Mr. ROCKEFELLER] is absent attending the funeral of a family friend in West Virginia.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 28, nays 60, as follows:

[Rollcall Vote No. 23 Leg.]

YEAS—28

Bentsen	Grassley	McConnell
Boren	Hatfield	Proxmire
Boschwitz	Hecht	Pryor
Bradley	Helms	Quayle
Burdick	Hollings	Rudman
Danforth	Johnston	Stafford
Dodd	Laxalt	Stennis
East	Levin	Wallop
Glenn	Long	
Goldwater	Mattingly	

NAYS—60

Abdnor	Gore	Mitchell
Andrews	Gorton	Moynihan
Armstrong	Hart	Murkowski
Baucus	Hatch	Nickles
Biden	Hawkins	Pell
Bingaman	Heflin	Pressler
Byrd	Heinz	Riegle
Chafee	Humphrey	Roth
Chiles	Inouye	Sasser
Cochran	Kassebaum	Simon
Cohen	Kasten	Simpson
Cranston	Kennedy	Specter
D'Amato	Lautenberg	Stevens
DeConcini	Leahy	Symms
Denton	Lugar	Thurmond
Dole	Mathias	Trible
Domenici	Matsunaga	Warner
Evans	McClure	Weicker
Ford	Melcher	Wilson
Garn	Metzenbaum	Zorinsky

NOT VOTING—12

Bumpers	Exon	Nunn
Dixon	Gramm	Packwood
Durenberger	Harkin	Rockefeller
Eagleton	Kerry	Sarbanes

So the amendment (No. 1639) was rejected.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PRESIDING OFFICER. Is there further debate?

Mr. McCLURE. Mr. President, some time ago I had a discussion with the distinguished Senator from Michigan [Mr. LEVIN] with respect to an amendment that he had intended to offer. That amendment would have made a provision for the recognition of someone who had been frozen out of the process and, at the end of the 30 hours, if they had not been recognized and had not been able to offer an amendment, they would have the right to be recognized for 10 minutes of debate and/or to offer an amendment.

Mr. President, I sympathize with the objectives the Senator from Michigan is trying to achieve. I think there is the possibility that in a constrained period like 30 hours under some circumstances it might be possible that a Member might find it impossible to be recognized to offer even a single amendment.

The other side of that, however, is if you guarantee it to every Member they could wait for 29 hours of the 30 hours, not really seek the opportunity at all, and still be guaranteed the right to offer an amendment with 10 minutes of debate.

That could conceivably mean that every Member who was recognized and did not use any of their time during their 30 hours could take another 30 minutes of the Senate's time in debate, and rollcall. That could conceivably more than double the 30-hour limit.

So I am aware of that problem and that concern. I think the Senate should be on notice that this may be an issue we will have to address at some future time.

My understanding is that the distinguished Senator from Michigan will not offer that amendment. But I would join him in alerting the Senate to the possibility of such a problem. And I will join with him if indeed that becomes apparent in trying to find an answer to that particular problem.

Mr. LEVIN. Will the Senator yield?

Mr. McCLURE. I will be happy to yield.

Mr. LEVIN. Mr. President, first let me thank my friend for his comment. We have discussed this, and talked to the majority and minority leaders about this problem. I have been assured that in the event this occurred, and somebody would be foreclosed who had a germane amendment at the desk and had not had a chance to offer it, we would revisit this situation.

Senator BYRD, and others, were able to negotiate an increase in the 20 hours to the 30-hour limit in part because of this concern. I have been assured, in honoring that effort on the part of Senator BYRD and others, and I am not going to offer the amendment at this time given the assurance of Senator McCLURE and others relative to revisiting this in the event this occurs.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Let me take a minute. I have had a number of my colleagues ask about plans for the balance of the evening. I hope we can conclude action on this bill tonight, but if not tonight, we will be on it tomorrow. But I know there are amendments to be offered. I do not quarrel with anybody's right to offer the amendments. But I do believe one way to terminate amendments is have a little stronger vote the next time against the amendment.

Mr. STEVENS. Will the Senator yield?

Mr. DOLE. I am happy to yield.

Mr. STEVENS. Mr. President, I am constrained to try to get some definition of where we are going here. We have a group of 20 Canadians waiting for us. Some of us have agreed to meet with them in the annual interparliamentary conference. There are many serious issues—timber, fishing, a whole series of issues—which we are scheduled to discuss with them tomorrow morning. We really have to know

whether the Senate is serious about trying to vote on this resolution tonight. If it is, of course we want to be here. But if this is the beginning of a series of amendments that could take a long time, then obviously we are not going to get around to voting on the resolution tonight.

I would like to know if it is possible for us to find out how many amendments we are going to face tonight, and after those amendments how much debate really will be needed.

Mr. DOLE. I know the Senator from Oklahoma has two amendments. I do not know of any amendments on this side, or on the other side. If there are very many more, we will need to come back in tomorrow. I regret that.

Mr. BOREN. Mr. President, if the Senator will yield, I do have at least two amendments that I want to offer tonight. I apologize. We have been working on so many other matters and have been in hearings that I have not had the opportunity to focus on this as early as I should have. I have some very serious concerns. Depending on the outcome on these two amendments, I might have other amendments that I will want to offer.

If these two amendments pass, then I doubt that I would want to prolong debate on the matter. If the two amendments fail, and at least one of the other amendments does not pass, I want to be honest with my colleagues, and say I might have several more that might take an extended amount of time in order to offer.

Mr. STEVENS. Will the Senator yield, Mr. President? What is the subject matter of the Senator's amendment?

Mr. BOREN. The first amendment would deal with us going off the air for 2 weeks after the end of the trial period so that we would have time to really reflect while not still being broadcast on whether or not this experiment has worked well. We should not be voting on it the day the experiment ends. We should have some time to think about it.

The second amendment is more comprehensive. It would provide for the 2-week waiting period, as you might call it, and, in addition, it would not have us under an expedited procedure so we could take the normal process of voting on whether or not we wanted to have broadcast rather than just having 6 hours. I am just concerned that we have this experiment. We have no time in which to think about how well it has worked. And then we immediately, 6 hours later, go to vote on a very fundamental change in this institution.

So I would be honest with you: if we are going to get ourselves into that kind of a position and rush, then I do think we should spend some more time—perhaps some more days to discuss this matter.

Mr. GORE. Will the Senator yield?

Mr. BOREN. I am happy to yield.

Mr. GORE. In relation to the second amendment the Senator has described, I would point out that the vote scheduled for July 15 will take place immediately after a 10-day or 12-day recess period. So there will be built into that schedule time for reflection and consideration of the question that will be pending when we get back.

Mr. BRADLEY. If the Senator will yield further, who has the floor?

The PRESIDING OFFICER. The Senator from Alaska has the floor.

Mr. STEVENS. I hope we can get some resolution of this question of timing. That is why I am staying on the floor.

Mr. BOREN. Mr. President, I just have to apologize to the Senator from Alaska because I cannot really give a definitive answer.

I am prepared to discuss this matter longer, if we do not get some action on these amendments or at least a portion of these amendments, because I am concerned about what we are doing here with the institution as others have expressed. And I just cannot say I would be prepared to vote tonight.

Mr. STEVENS. I feel constrained not to use the word that comes to my mind, but from what I am hearing I am getting the feeling of what we might call extended debate. That is not conducive to meeting with our friends from Ottawa who get very disturbed when they come down and we do not meet with them on time. I can understand their concern. They have come a long way. They have sent us an extensive agenda of items to discuss. I think we ought to take these parliamentary conferences very seriously. I have to say to my good friend that I do not know how many others are going but I am going to leave very soon, even though I am very much in support of this resolution, if there is going to be extended debate.

Mr. President, I had a feeling earlier that after 10 years of standing on the floor of the Senate, listening to what I consider to be almost every kind of objection, we finally had found a way for the Senate to accommodate modern communications as almost every other legislative body that I have heard of has.

I am disturbed that the Senate cannot resolve even this simple question of whether public debate means public debate, whether people in Unalakleet and Shishmaret have the same right to listen to what is going on here as people who are within driving distance of Washington and our galleries.

To me it is a matter of simple justice that Americans throughout the country enjoy the benefits of our technology, and our technology gives us the ability to extend our voices throughout the country without having the people we represent spend money to come witness the Senate at work.

I am really getting to the point of being quite seriously disturbed over the Senate's role in the future of this country if we cannot resolve this simple matter of dealing with modern technology. City councils televise their proceedings, the Diet in Japan does it, the House can do it, but the Senate is so wrapped up in its cocoon of ancient rules that it is unwilling to look at the future.

It really disturbs me to be a part of a body that has declined to the point that it does not want to keep up with the rest of society.

Mr. BRADLEY. Will the Senator yield?

Mr. STEVENS. Yes.

Mr. BRADLEY. Before we put the final touches on the apocalyptic vision of the Senate, let me just suggest that one of the better ways that we can deal with this issue would be to accept the Senator's amendments. I do not happen to think a 2-week period to discuss this issue as to whether it has turned out as we have expected is too much to ask.

I would hope that we would have a little effort made to at least discuss that point. It would shorten debate considerably if the amendment were accepted.

I have not heard an argument against the amendment of the Senator from Oklahoma.

Mr. STEVENS. If I still have the floor, I will say to the Senator that concept was in five drafts ago. We had a provision for turning off television and then taking the vote sometime later. The consensus of the people involved in the discussions was that was not the way to do it. Now we are going back to an issue discussed several other drafts ago.

Also, we are going to take out the fast track. The fast track is a sine qua non for several Members of the Senate.

If this amendment is accepted, there will be amendments from other people. There are no amendments on this side of the aisle. We will lay that down as a given. The question now is whether your side of the aisle is ready to accept television in the Senate. I say there should be a vote now.

Mr. BRADLEY. I would say that is not the question. It is whether the Senate is ready to accept TV in the Senate and under these terms only.

Mr. STEVENS. These terms have been decided in a series of meetings that have been totally bipartisan. I commend the two leaders. I have participated in this process for 10 years, and I can assure you these two leaders have tried to and resolve the issues relating to television in the Senate in the most amicable way I have ever seen. They deserve credit. They now

have a joint leadership proposal before us. The two leaders have done this.

We are at the point now where the question is, Do you support your leader? I really believe you should. We support ours. We are ready to vote. I am ready to vote and I am ready to meet my friends from Canada on issues that vitally affect the future of my State. I am very disturbed that knowing this, and knowing that we are ready to go, there suddenly are amendments that cover areas that we have covered before in this debate this year. I hope the Senate will resolve this issue tonight.

Mr. BYRD. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Alaska has completed. The minority leader is recognized.

Mr. BYRD. I thank the Chair.

Mr. President, as I understood the Senator from Oklahoma, he has two amendments, one of which would extend the period after the close of the test period. It would extend that period for 2 week in order that Senators might reflect on the question based on the experience gained during the test period.

Mr. BOREN. The Senator is correct.

Mr. BYRD. That would be the extent of it, the 2-week extension?

Mr. BOREN. The Senator is correct.

Mr. BYRD. The other amendment, as I understand it, would delete the 6-hour proposal in the expedited language. Of course, that means it is open to filibuster because there would be no time limit at that point.

Mr. BOREN. That is correct.

Mr. BYRD. Mr. President, personally, I would be willing to accept the Senator's amendment that just extends the time, to give all Senators an opportunity to reflect on this matter. It is a very serious matter.

I would hope that the Senator would not call up his other amendment, which really opens up the whole thing to a filibuster again. The Senate will have spent all this time to gain what? To gain just another opportunity to have a filibuster.

I would think it a small price to pay to let the Senator have the one amendment for the 2-week extension with the understanding that the Senator not call up his other amendment so that we can get on and vote on this resolution.

I have spent hours and hours and days and weeks. Heretofore, I have said that I did not want to venture into television in the Senate without some changes in the Senate rules. Well, we gave up the best change of the Senate rules yesterday when Senator LONG accepted the will of the Senate. The next best is the lowering of the ceiling on cloture, and it is still in the resolution.

I think it is a small price to pay. I hope the Senate would go along with Senator BOREN not just because he has two amendments at 5 minutes to 7 tonight, but because he makes a reasonable request which I think would benefit all Senators, namely, to have an opportunity to reflect on TV in the Senate and the changes in the rules on a permanent basis. We all might like to have that 2 weeks to reflect following test period.

If the Senator would simply let us accept his amendment, I think we would all be gainers, but I would hope he would not call up his other amendment, in the event the Senate does accept his first amendment.

Mr. BOREN. Mr. President, I appreciate the suggestion of the distinguished Democratic leader. Let me say I do not think the question before us is whether we support our leader on each side of the aisle. I think the question before us is: Are we interested in having discussions on this subject? I do not differ with anybody. I am supportive of both of our leaders, certainly our leader on this side and bipartisan support of the leader on the other side, in trying to move the Senate. And I am concerned about the relationships in the hemisphere. But I do think it is a right of each individual Senator to offer an amendment on the floor.

I do not recall that we voted on this particular issue separately on the Senate floor. There may have been meetings, and meetings in the leaders' offices. I do not know whether those meetings were televised to the American people or not. They say we ought to be in front of the people. We are in front of the people now. The galleries are here.

Were the press at those meetings where this consensus was reached? This Senator was not at the meetings where the consensus was reached. I hope we do not accept the point around here where we cannot offer our amendments under the Constitution and have our feelings considered to be out of order.

I was not at the meetings. I did not read detailed reports of those meetings in the press. I did not see those meetings on television. I do not think they were carried on the radio. If we are here discussing openness in government, let us have open debate on the issues that have merit or do not have merit on the Senate floor and let everybody in the Senate, not just some people in a back room, decide what is to be done about our procedures.

I do not happen to be a total opponent of televising the Senate. I am inclined to be for it, but I do not want to be rushed into this.

This is a major change in this institution, potentially. For us to say that, "Well, we are going to be out on recess for 12 days and we do not really have communication and conversation with each other," that is different. We ought to get our heads together, share our thoughts with each other, think about this matter carefully, about this experiment, and then decide what to do about it. I do not think we ought to just have those private discussions. A lot of those discussions ought to be on the Senate floor. That is the only reason I am concerned.

Though we might have a waiting period, I hope we will not have just 6 hours of debate on the matter. That is the reason I am reluctant. I am not necessarily saying that I think we ought to have an opportunity for a filibuster against this procedure if 40 Members should decide after the experiment that it is unwise, though I think it is a fundamental change.

There are some parliamentary bodies in the world that reversed themselves on this matter.

(Mr. TRIBLE assumed the chair.)

Mr. GORE. Will the Senator yield?

Mr. BOREN. I yield.

Mr. GORE. In addition to the 12-day recess prior to the vote, there is also an option provided for in this resolution for a 30-day extension, not just 2 weeks, during which Senators can discuss among themselves the results of the test period, look at it again, and then have another vote on August 15.

There are two separate questions, as the minority leader has said. One is whether or not we are going to extend the period for consideration, and the other is whether or not we are going to leave open the option for a filibuster at the end of the proceeding.

I will just say that for the Senator's consideration and urge him to accept the suggestion of the minority leader.

Mr. BOREN. Well, I would be happy to call up my amendment, to send it to the desk, and see if it is accepted or not. Maybe that is the way to expedite the procedure.

Mr. BYRD. The amendment the Senator is going to send to the desk, is that the amendment for the extension?

Mr. BOREN. Yes; I can offer either one of the amendments.

I gather that is the suggestion of the minority leader.

Mr. BYRD. I would hope that in the interest of accommodating Senators who have to leave and in the interest of having the Senate accept a reasonable amendment extending the time, the Senators would accept that amendment provided the distinguished Senator would not press his other amendment.

Mr. McCLURE. Mr. President, would the Senator yield for a question?

The PRESIDING OFFICER. The Senator from Oklahoma has the floor.

Mr. BOREN. Mr. President, during the period of the 15-day extension, we would not be televised during that

period. We state that television coverage of the Senate would cease at the close of business on July 15, 1986; and that it would resume—that the question would be put on August 5, Whether or not it would resume then would depend upon the Senate's decision.

Mr. McCLURE. Will the Senator yield?

Mr. BOREN. I am happy to yield.

Mr. McCLURE. Mr. President, I think the distinguished minority leader has made a suggestion that appeals to me. I know it does not give the Senator from Oklahoma all he wants, but I would be willing to support the first amendment on the delay in the vote if we could have assurance that this is not just a precursor either to what I think is a killer amendment with respect to the possibility of a filibuster in August or the somewhat less than veiled threat of the Senator from Oklahoma that if he does not prevail on that, he will filibuster now. If we are going to face a filibuster in August or a filibuster now, this Senator would not see any reason to accommodate on either matter. Let us just get on with the filibuster.

Mr. BOREN. Let me respond.

Mr. President, I certainly do not want to be misunderstood here. This Senator is not trying to leverage support for either of these amendments on the basis of saying if I do not get my way on these amendments, I am going to debate for a long time. That is not what I want at all. It would not be fair and I would not want to engage in that. I was trying to give an honest answer to the Senator from Alaska, who asked, "What are you going to do if these amendments do not prevail? Will you have extended debate?"

My honest answer is I am undecided. I am a bit torn about that.

Let me ask this question as a way to resolve it. I am concerned about two points. If it is the will of the Senate—and this Senator may vote for it. I want to make that clear, this Senator is not prejudging the issue. I believe in open discussion of issues and I am not prejudging at all, whether or not we vote, whatever date we vote on, whether we will have continued television coverage. But I want to have adequate time to reflect.

After we have had the 15 days so we would vote on it on August 5, this Senator honestly would like to have a little more than 6 hours of debate on something of that magnitude. Even if we are not open to amendment or filibuster or extended debate, I do think we should have something like 15 hours or something like that instead of 6 because we are here talking about something that is very, very fundamentally important. I think before it is over with, we are going to see a lot of other changes come about as a result.

I want to say again that I do not want to be misunderstood, because the Senator is not trying to abuse the hour to bargain in any way with other Members of the Senate; not at all.

This Senator would be willing to offer an amendment that says that we shall have this period from the date on which coverage shall cease on July 15; we will vote then on August 5—the question should be put on August 5 when we come back. If we could have something like 15 hours of debate instead of just 6—I am really concerned about our just having 6 hours of discussion on the floor. This would not let it be filibustered; it would not mean the minority would work against the will of the majority if that is what the majority wanted to do.

Mr. BYRD. Would the distinguished Senator yield?

Mr. BOREN. I would be happy to yield.

Mr. BYRD. Would the Senator agree not to call up the other amendment, provided he gets the 2 weeks or whatever it is—2 weeks of extension—and that there be, say, 10 hours? If it is 12, fine.

Mr. BOREN. I would like to give us at least 2 days or maybe 12 hours of debate on the floor. The thing that concerns me is we call it up and before nightfall of that day on which we call it up, we have to decide. We cannot sleep on it overnight in between. I would like to see, say, 12 or 15 hours so it would cause us to have 2 legislative days here, on the floor. I do not believe that is asking too much to consider the impact.

Mr. BYRD. Mr. President, I think the distinguished Senator has made a reasonable request. I think it is reasonable to want to take a few more days to reflect on this matter. But I hope the Senator would not press his other amendment, which opens the whole thing up to a filibuster.

Twelve hours is fine with this Senator. I can only speak for myself.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BOREN. I would be happy to yield.

Mr. LONG. The thought occurred to this Senator that if we were to reach a compromise and settle for a lesser number of hours, we should be permitted to offer amendments rather than be limited to simply vote up or down on the matter. Theoretically, hopefully, we might learn something during the period and we might profit by the experience. How could we do that if we are limited to just one motion?

Mr. BOREN. I understand what the Senator from Louisiana is saying, and I would prefer that. If we put a maximum of hours, 12 hours, for debate, after which time passage would occur, the question would arise—I might ask the authors, is there any way, if we find a way of seeing some changes that need to be made and want to suggest these changes in the rules before we finally vote, would we have an opportunity to make those proposed changes before we vote on whether or not to extend coverage?

Mr. GORE. Would the Senator yield?

Mr. BOREN. I would be happy to yield.

Mr. GORE. Under the resolution as drafted, the Rules Committee is empowered to make changes in procedures short of a rules change. In addition, the Rules Committee would have the opportunity to bring to the floor rules changes that might appear to be advisable as a result of our experience during the test period. Those rules changes would then be subject to the full filibuster opportunities and all the rest. But you cannot have amendments offered under a fast-track provision without jettisoning the whole deal.

I think what the Senator was talking about earlier, a 2-week period with 12 hours of debate afterwards—is something that would almost certainly find broad agreement here and resolve this matter.

Mr. BOREN. I was asked also—the date I see here is August 5. We are looking at the calendar and we did not want to set it on a Friday, for example. July 15 is——

Mr. DOLE. Make it July 29, I might suggest.

Mr. BOREN. What day of the week would that be, Mr. President? That would be a Tuesday?

Mr. DOLE. Yes, Mr. President.

Mr. BOREN. July 29.

Mr. DOLE. Twelve hours.

Mr. BOREN. Twelve hours? And the understanding would be that we would carry over for at least 2 legislative days. We would not try to do it all in 1 legislative day.

Mr. LONG. The Senator means 1 calendar day.

Mr. BOREN. We would have at least 2 calendar days, that is correct.

Mr. DOLE. The only thing I would say is if 6 hours were enough—it might be that we would not use all the time.

Mr. BOREN. Let me say if we want to use all 12 hours, I hope we would not come into session at noon and push forward to midnight and say, "We want a vote, period."

Mr. DOLE. I do not believe that would be a problem, Mr. President, But let us say we do not use the time——

Mr. BOREN. If there is no dispute and nobody has a strong feeling one way or the other.

Mr. DOLE. Let me assure the Senator from Oklahoma that I do not totally disagree with what he has said, or what the distinguished Senator from Louisiana said. I may be leading the effort if this does not work during

the test period to make some of those changes. I would think in the 2 weeks off the air we could have a number of opportunities.

Mr. BOREN. Let me ask a question. The Senator from Louisiana has suggested that there should be—let us see, without intervening action on a question, so that would mean that there would not be an opportunity to amend it as now written; is that correct? We would have 12 hours of debate without intervening vote or action on the question? Would there be objection, if we still had a final vote on final passage at the end of the 12 hours, to inserting the suggestion of the Senator from Louisiana that germane amendments be in order?

Mr. LONG. It is the thought of this Senator that amendments relating to television in the Senate, even if it has to do with the rules, ought to be in order during the 12 hours. I would assume that we might learn something during the test period. Now, if we learn something, we ought to be privileged to profit by it. We should not be limited so that we can only vote just to say whether we want television. That is the way it is, now we should have no opportunity to offer amendments which reflect the benefit of our experience.

Now, let us face it, I say to the Senator at such time as the Senate finally votes to go permanently on television and then some of us are not happy about it and seek to change it, then it is the other side's turn to filibuster, because they are on television and then they would delay any change.

Mr. GORE. We would not be on television under this.

Mr. LONG. I understand. You would not be on television until you vote it permanently. But I am saying after the Senate is permanently on television, one might say, at that time it would be the other side's turn to filibuster. If some of us felt, well, gee, this is not working very well, we would like to change it, then the other side which wants gavel-to-gavel coverage might want to filibuster. So that during the period of limited debate, there ought to be an opportunity to amend it by majority vote just like there is now. To limit those of us who have serious doubts about this matter to where we can only vote on whether you are going to extend it for another 30 days is to deny us, even if we give up the right to debate more than 12 hours, which is 6 hours for us, the opportunity to offer amendments during the 12 hours.

Mr. BRADLEY. Will the Senator yield? Does it not seem appropriate that if during this test period, as the Senator from Louisiana stated, there are problems that develop, you have to have a way to fix it? Not that there would be an infinite number of problems and an infinite number of amendments, but you ought to provide for at least some opportunity for amendment, even a limited opportunity for amendment during that 2-week period.

Mr. LONG. I hope, if we are going to reach an agreement, that it would be agreed that during this period, during the 12-hour period, there is opportunity to offer amendments. Now, if the opposition takes the view that they do now and you have the leadership on both sides of the aisle standing together against those of us who would like to change it, obviously we are not going to change it. But at least we ought to have a chance to offer an amendment. We sure could not do it the way it stands now.

Mr. MATHIAS. Will the Senator yield?

Mr. BOREN. I am happy to yield.

Mr. MATHIAS. The statement has just been made that there ought to be a method of fixing it. Of course in the leaders' substitute, there is a method of fixing it, and that method is by the Rules Committee. Now, I can assure the Senator—and the Senator from Kentucky who is on the floor I am sure would add his assurance—that the Rules Committee would give very careful consideration to any problems that arose during the period.

Mr. FORD. If the Senator will yield, if the Senator would attend our meetings, we would be delighted to have him participate in this. I am sure he would have plenty of time, and it would be open and television would be there, also.

Mr. MATHIAS. I will second that invitation and assure the Senator from Oklahoma that he will not be without due recourse if there are any serious problems which develop during the test period.

Mr. BOREN. Let me ask this question. Maybe this is the way to resolve it. I know the leaders on the two sides would be very fair in offering opportunities for amendments if they were to come up. Perhaps we could specify an amendment under the control of each leader, two amendments would be in order in this 12-hour period; that either leader could authorize a Member on each side to call up an amendment during that 12-hour period of time. Would that perhaps do it? And that you limit the time on the amendment or something like that. Is that a possibility? That way if the Rules Committee saw some things that ought to be done, we would have the opportunity to enact those changes, if the Rules Committee recommended them prior to our vote on final passage of the broadcast. If either leader felt there was a Member on either side of the aisle who had a strong feeling of an issue that really ought to be resolved on a rules matter before we had the final vote, then that would give the leadership the opportunity to do that. Would that be a possibility? We would limit the time on those amendments to like an hour on each amendment, so you would still have the 10 hours remaining to debate the whole issue.

Mr. BYRD. Mr. President, will the distinguished Senator yield?

Mr. President, I have been involved in the leadership one way or the other here for 20 years, and I do not believe I have ever seen the Senate turn down a reasonable request—a reasonable request. I think that at the end of the test period, if either leader sees something which needs to be changed in the standing rules of the Senate in order to make this body continue to function as a unique body, and also to make it a wiser step toward televising the Senate so that the American people could see this Senate operate and so that the roots of this democracy could grow deeper, either leader or both would certainly want to be reasonable. I do not want to head this Senate over a cliff. I do not even want it to get two wheels over the cliff. I think we have to trust the good judgment and the reasonableness of the Members of this body, and I hope that would include the leadership.

I have never, I do not believe, supported any effort to destroy the unique function of this Senate or to stand in the way of a Senator's having a fair chance to express his views. I hope, however, that we will not push ourselves to far tonight, because if we open this thing up to more amendments down the road, I think we simply will sow the seed for a fertile filibuster down the road.

Mr. BOREN. If the leader will yield, let me ask this. I am worried, in light of what is raised by the question of the Senator from Louisiana, that it could well be there would be a rather strong consensus around continuing broadcast of the Senate. I suspect that there probably will be.

Mr. BYRD. There will be what?

Mr. BOREN. A majority, maybe a very large majority, after this period—maybe a much larger majority than expected, maybe an overwhelming majority would feel the experiment has gone very well and they want to continue it. I suspect we could have one or two serious problems emerge and you want to make sure those problems are resolved before you voted for it. And under this procedure, not even the leadership, even if the Rules Committee recommended it under this procedure, because it says no matter shall be in order, no vote or intervening motion would be in order—we would not have the possibilty under leadership control or Rules Committtee control of calling up that amendment to the rule prior to voting for either the 30-day extension or the final passage.

Mr. GORE. Will the Senator yield?

Mr. BOREN. I am happy to yield.

Mr. GORE. We have been given the assurances of the two leaders that if in the opinion of a sizable number of Senators rules changes are necessary, or seem necessary as a result of the test experience, there will be rules changes recommended and brought up.

Now, that does not give the Senator a guarantee, but there is a problem with the last suggestion that the Senator has made, and it is simply this. If you keep the expedited procedure which includes a time limit and then you give any Senator, including the two leaders, an opportunity to bring an amendment to the floor, then you create the following hazard, a hazard in the minds of many here, which is that that Senator or that leader might propose a rules change such as a limitation on germaneness, or such as a raising of the filibuster-cloture threshold, or some other rules change that was supported by a simple majority, but not supported by 67 Senators, and thereby allow the offerer of that amendment, during the expedited period, to work a major change in the rules with only a simple majority.

What you are working against is a conflict between the avoidance of a filibuster at the end of the test period and an opportunity to offer amendments. The way to resolve that question is for the Senator from Oklahoma to accept the magnanimous offer which has been agreed to by both leaders and which would constitute a victory for the Senator from Oklahoma and, in addition, accept their assurance that rules changes will be recommended and brought to the floor under the normal procedures if it seems that they are apparent after the experience of the test period.

AMENDMENT NO. 1641

Mr. BOREN. Mr. President, I think the Senator from Tennessee has made a good point. I understand the point that has been raised.

I propose at this point, on behalf of myself and the Senator from Louisiana [Mr. LONG], to send an amendment to the desk which would simply say that the coverage would cease at the close of business on July 15, 1986:

Television coverage of the Senate and the rules changes contained herein shall continue, if the Senate agrees to the question, which shall be put 1 hour after the Senate convenes on July 29, 1986.

Then we use the same language in section 15 and say that there shall be 12 hours of debate on this question, equally divided and controlled.

I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Oklahoma [Mr. BOREN], on behalf of himself and Mr. LONG, proposes an amendment numbered 1641.

Mr. BOREN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike Sec. 15 and insert in lieu thereof the following:

SEC. 15. Television coverage of the Senate shall cease at the close of business July 15, 1986, and television coverage of the Senate and the rules changes contained herein shall continue, if the Senate agrees to the question, which shall be put one hour after the Senate convenes on July 29, 1986, "Shall radio and television coverage continue after this date, and shall the rules changes contained herein continue?" There shall be 12 hours of debate on this question, to be equally divided and controlled in the usual form, at the end of which any Senator may propose as an alternative the question, "Shall the test period continue for thirty days?". On this question there shall be one hour of debate, equally divided and controlled in the usual form. If this question is decided in the affirmative, then thirty days hence, one hour after the Senate convenes, the Senate shall proceed to vote without intervening action on the question, "Shall radio and television coverage continue after this date and shall the rules changes contained herein continue?".

Mr. BOREN. Mr. President, this is just exactly as I stated a moment ago. It would give us approximately 2 weeks, in which time the Senate proceedings would not be broadcast, to reflect upon the experiment, and then it would give us 12 hours of floor debate when we take up that matter at the earliest on the 29th day of July, and have time to reflect upon it at that time.

Mr. DOLE. Mr. President, I am advised by the distinguished chairman, Senator MATHIAS, that we have no objection to the amendment on this side.

Mr. STEVENS. Mr. President, is there a final version?

The PRESIDING OFFICER. Is there further debate?

Mr. STEVENS. I inquire of the Senator from Oklahoma whether he is going to offer his other amendment.

Mr. BOREN. The Senator from Oklahoma does not intend to offer the other amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Oklahoma.

The amendment (No. 1641) was agreed to.

Mr. BOREN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOREN. Mr. President, I thank my colleagues for their patience, and I want to assure them again that this Senator simply brought his honest convictions to this matter at this hour. I hope it would give us an opportunity to make a very careful decision on this important matter. I thank my colleagues for their patience.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Oklahoma. He made a good proposal. I think he was reasonable in doing it. I thank the majority leader, the Senator from Alaska, and other Senators who are accepting the proposal that has been adopted.

Mr. STEVENS. Mr. President, a parliamentary inquiry. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. STEVENS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. There are three questions still pending. The first question is on agreeing to the substitute for the committee substitute.

The substitute amendment (No. 1636) for the committee substitute was agreed to.

The PRESIDING OFFICER. The next question is on agreeing to the committee substitute as amended.

The committee substitute, as amended, was agreed to.

The PRESIDING OFFICER. The final question is on agreeing to the resolution itself. The yeas and nays have been ordered.

Mr. BYRD. Mr. President, I ask unanimous consent to speak no longer than 3 minutes.

Mr. DOLE. I make the same request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, I rise in support of Senate Resolution 28, permitting television and radio coverage of Senate proceedings. However, the issue before us is not only TV in the Senate, but fundamental changes in the way we conduct our business. This is as it should be.

The package before us represents a hard-fought compromise that permits television and radio coverage for a limited test period. I am pleased that the compromise embodies important temporary rule changes intended to prevent possible abuses.

There are many arguments in favor of making television part of our proceedings. Television may provide a much needed view for the country of the workings of the Senate. On the other hand the view may not be a flattering one, and moreover, coverage in itself may create new problems. I am pleased that we have not short-sightedly tried to institute this technology without giving close examination to the rules changes proposed in the resolution.

I feel it was particularly appropriate that we pay close attention to rules

changes dealing with cloture and germaneness. As several of my colleagues have suggested on both sides of the issue, this is a prime opportunity to bring the Senate into the 20th century world of television, but not without some changes in the way we work. Without at least an attempt to address these changes, I could not support this measure.

The rule changes agreed to, which I hope will be important safeguards, include:

Changing the 3-day rule on availability of reports to a 2-day rule;

Requiring that copies of conference reports be available on all Senator's desks before it is in order to call up a conference report; and

Reducing the time for debate once cloture has been invoked from 100 hours to 30 hours.

These are what I consider to be modest changes which have been carefully tailored to the situations we may find ourselves in once television coverage has been instituted. They are intended to prevent possible abuses. They are also only temporary during the experimental coverage period. Before coverage becomes permanent we would have an opportunity to reconsider these rules changes and address new changes that may be necessary.

It is also important to note that the rule changes included do not include raising the number of votes necessary to invoke cloture to 67 (two-thirds) instead of 60 (three-fifths). I am pleased this change has not been included in the compromise package. In my opinion it would have been a harmful one, which would have worked unfairly upon our ability to develop consensus and to take action.

A rule change not included, which I supported, is that which would impose a realistic germaneness rule. The rule would have required amendments to be germane and relevant under limited circumstances. I think this is reasonable. Unfortunately, this change was defeated and is not a part of the final package. I hope that further consideration will be given to this matter.

Mr. President, we are about to embark upon an important new era in the history of this institution. The people of the Nation and their interests depend upon our ability to solve the problems of the day. I hope that this experiment will not interfere with these efforts. I believe it is proper that it be temporary in nature, and I hope it will be carefully monitored and reviewed before a final decision is made.

Thank you, Mr. President.

BROADCAST COVERAGE OF THE U.S. SENATE

Mr. ARMSTRONG. Mr. President, there are many important matters the Senate will consider this session, but I would suggest that 100 years from now people will look back on our decision to begin televising the proceedings of the U.S. Senate as one of the most important, possibly the most important, and significant acts of the 99th Congress.

Mr. President, in our country, we have staked our faith on the ability of the people to select leaders and to approve or disapprove the policies of our country. In order to do that job, the public needs to see what we are talking about and share the same facts that we have, and know what the arguments are, pro and con.

That is really the issue in the debate today on whether or not to commence a trial period for the radio and television broadcasts of Senate proceedings; namely, how we can best insure that the men and women of the country will be able to participate and freely and knowledgeably discuss the issues which will be so critical to them in their day-to-day lives.

Little did Thomas Jefferson know he made the strongest argument for the fullest, most open coverage of Senate proceedings when he said:

> Educate and inform the whole mass of people. Enable them to see that it is in their best interest to preserve peace and order and they will preserve them. Enlighten the people generally and tyranny and oppression of the body and the mind will then vanish like spirits at the dawn of the day.

This axiom was adhered to by our Founding Fathers at the Constitutional Convention. There was some doubt about whether the public would accept the document they had produced, so they took their case to the people by publishing the exact arguments of the Constitution's authors in the Federalist Papers.

The public's acceptance of the Constitution left no doubt about the benefits of public scrutiny to the decision-making processes in this country. A fact the newly formed Senate ratified in 1794 by agreeing to establish galleries for the public.

The concepts at issue on public galleries in 1794 are identical to those being discussed today on broadcast coverage of the Senate. Public sentiment in support of public debates was reflected by the National Gazette in 1702:

> It augers an unfriendly disposition in a public body that wishes to masque its transactions—Upright intentions, and Venetian senate suits not, as yet, the meridian of the United States: neither does the conduct of a conclave or a divan comport with the feelings of Americans.

Likewise the oppositions' note in the 1790's was similar to that today, as explained by Senator Paine Wingate:

> How would all the little domestic transactions of even the best regulated family appear if exposed to the world; and may this not apply to a larger body?

Senator Wingate's argument fortunately did not hold the day and time has shown his concern foundless. The doors of the Senate opened in December 1795 and in the following 191 years, the Senate has survived despite the closer public scrutiny.

In 1802, the Senate made the first logical expansion of galleries for public attendance when it officially gave newspaper reporters access to the Senate. Samuel Harrison Smith, the editor of the Philadelphia Universal Gazette correctly understood the significance of this decision:

> On the adoption of the above resolution, which opens a new door to public information, and which may be considered as the prelude to a more genuine sympathy between the Senate and the people of the United States, than may have heretofore subsisted, by rendering each better acquainted with the other, we congratulate, every friend to the true principles of our republican institutions.

The Senate did not wane in its efforts to better inform the public. In 1844, the Senate sponsored one of the greatest advances in communications technology when Samuel Morse was allowed to demonstrate the electronic telegraph in his famous "What hath God Wrought" transmission from the Senate wing of the Capitol to Baltimore, MD. The message that came back from Baltimore was posted in the Capitol Rotunda and may be considered the first of the "wire services" that soon flourished.

The Senate's exemplary precedence leaves little doubt in my mind that if television technology had been available in 1794 or 1844, Senators of the day would have adopted that medium as a logical extension of public galleries or the telegraph.

The Senate unfortunately has hit a stumbling block when it comes to radio and television coverage of its proceedings. The country has had radio available on a wide basis since the 1920's and television since the 1940's, and ever since those dates the Senate has been debating inconclusively whether its proceedings should be made public through those mediums.

To be frank, I don't think one thing has happended over the years to support the argument of those against televising the Senate. Congressional committee hearings and meetings have been exposed to television cameras since the 1950's. The U.S. House of Representatives has successfully been televising its debates gavel-to-gavel since 1979. Almost all of our State legislatures permit television cameras to cover some portion of their debates. Courts now allow television cameras. The United Nations broadcasts its debates from gavel-to-gavel. In fact, just about every major democratic nation—including England, France, West Germany, Japan, Israel, Canada, Australia, Italy, the Netherlands, Norway, India, Sweden, Austria, Denmark, Switzerland, and Spain—allow television coverage of their national legislative bodies, and some have for over 40 years! All these bodies have been

greatly influenced by the wider knowledge of their happenings, and I have not heard anyone say the public would be better served by removing the cameras from the House of Representatives or closing the public galleries in the Senate.

While Senators are more likely to receive inquiries from their constituents on Gramm-Rudman or tax reform than on this issue, that is not necessarily an indication of the great benefit television broadcasts could provide the public. Since 1963, television has been the predominant medium through which Americans receive their news. According to the latest Roper poll on the subject, television is the sole source of news for almost half the Nation and more people receive information from television than from newspapers and radio combined.

The most immediate benefit of nationwide gavel-to-gavel broadcast coverage of the U.S. Senate will be the greater amount and more timely information available to local news reporting agencies. Less than 4 percent of local television stations can currently maintain reporters in Washington, DC and thus the local stations are almost totally dependent on Senate offices to provide information, which is invariably sporadic and self-serving.

The world is too complex and interrelated for there to be an impediment to providing the fullest information available to every citizen. There was a time when a person could grow up in Leadville or Lamar, CO and never be too affected by what happened in the Chamber of the U.S. Senate. A hundred years ago in Colorado, a person could be born and live a full, active, meaningful, productive, significant life, and never really come into contact with the Federal Government. You might go weeks without knowing what was going on in the Senate of the United States. You might never encounter in a practical way anything that really had to do with how you lived or how you worked as a result of national legislation.

Today, a person is born in a hospital that was probably built with Federal money, in which doctors and nurses practice under Federal guidelines; we are educated in schools which are, at least to some degree, shaped by national legislation; when we enter the work force, we apply for a job according to Federal standards; if you are an employer, you cannot hire anybody except by conforming to what the Federal law says. You cannot fire anybody. You cannot start a business. You cannot build a building. You cannot tear down a building.

One institution, the U.S. Senate, is uniquely capable of delivering the message of the public about the intricacies or simplicities of the issues and legislation of so great importance to the American people. Our Founding Fathers created the Senate as a means for extensive debate and consideration of all views in developing legislation. While this brilliant work of Jefferson, Franklin, and Madison is a safeguard for the Nation, the absence of television prevents the dissemination of the essential information. As the former majority leader and leading advocate of the televising of the Senate, Howard Baker, often said:

> . . . The Senate was supposed to be different (than the House of Representatives). Its rules, first written by Thomas Jefferson, encouraged extensive debate and gave the rights of the minority the greatest protection and the fullest and fairest hearing in the history of governments.
>
> These are the beliefs that made the Senate the world's greatest deliberative body to begin with: the insistence that ideas matter; that one person who is right should prevail over a majority that is wrong; that vigorous debate is vital to our system of government.

Daniel Boorstin, the Librarian of Congress, sums up well:

> In the last century, the Senate has been the setting for great debates like that between Webster and Hayne, or the spirited oratory of a succession of celebrated Senators, including William E. Borah, Henry Cabot Lodge, Everett Dirksen, Robert Kerr, and Hubert Humphrey.
>
> Eloquence is a democratic art. Traditionally, the Senate has been more effective than any other body in focusing on great national issues.

As one can see, I think the argument in favor of gavel-to-gavel television coverage of the Senate is a strong one, and I introduced Senate Resolution 81 at the beginning of this Congress to do just that.

What we are considering today is a step in that direction. The resolution before us today will provide a two-step test period of television and radio coverage. The first portion of the test period will be closed-circuit broadcast coverage just to Senate offices. During the second portion, the broadcasts will be made to the public. After the end of the test period, the Rules Committee will present the Senate with a resolution embodying its recommendations for permanent, gavel-to-gavel broadcasts to the public.

Mr. President, unless this Senate has something to hide from the country, and if we really believe that in this country, we have faith in the judgment and wisdom of the public, it seems to me that the very least we can do is give the public a chance to see and hear what is going on.

SENATE CHAMBERS ON CAMERA

Mr. MATSUNAGA. Mr. President, I rise in support of Senate Resolution 28. Having reviewed its provisions and the accompanying report of the Committee on Rules and Administration, it appears to this Senator that Senate Resolution 28, as amended, is a prudent, carefully thought out approach by which this body as an institution can come to terms with television. Senate Resolution 28 allows us to get our toes wet in this communications medium before taking the full plunge.

Of course, there are those among us who believe that there is much to be said for avoiding the water altogether when it comes to televised floor proceedings. Before the last recess, I listened for several days to those of the opposition, including the senior Senator from Louisiana [Mr. LONG] for whom I have the greatest respect and admiration. It may well be that the pitfalls he suggests will become evident at times, and we will rue the changes which a video record could bring. But I firmly believe the good is likely to outweight the bad in this transition.

Mr. President, I may be an optimist in my regard for my colleagues, but it would seem to me that placing this Chamber on camera will have, on balance, a salutary effect on our individual efforts on this floor, both as a preparation and deportment. Surely, Mr. President, when Senators realize that what they say and do on the Senate floor are being recorded on tape to be seen and heard by their constituents, they will be better prepared to present their arguments. As a consequence, the quality of debate on this floor would definitely be elevated.

Mr. President, I am sure every Member of this Senate takes great pride in the fact that the U.S. Senate has throughout its history been referred to as the world's greatest deliberative body. If we are to continue to claim that distinction, we can no longer ignore the 20th century's most powerful medium of communication. Television has been a pervasive force in our society for nearly four decades, and the other body, the House of Representatives has operated within its structures for the last 6 years. As a consequence, that other body, in the view of a television-oriented nation, is fast becoming the greater deliberative body. From my own personal experience, I know this to be true, for on many occasions I have been asked by my constituents, "Why is it that you don't participate in floor debates? I see our Representatives actively engaged in debate on TV, but never the Senators." When informed that, unlike the House, the Senate disallows TV coverage, my constituents express surprise and disbelief. Their own State legislature has had TV coverage for as long as they can remember.

Others have mentioned the importance of the educational dimension of our duties as equal to, or greater than, that of our legislative obligation. This dictates that the Senate keep abreast of the communication technologies employed by our partners in the governing process. Televised deliberations

of this body are our best hope of restoring some measure of that civic intimacy we identify with our country's beginnings as a democracy before we gained our full growth of nationhood and experienced the remoteness and impersonalization which accompanies such a geographic sweep. The formulation of public policy reflects the chemistry between all the elements involved—citizens and lawmakers, the executive and the legislative branches—and the Senate, if it is to maintain its position as a catalyst for change, it must have equal access to the coaxial crucible of television.

Mr. GORTON. Mr. President, I would like to state my firm support for the compromise proposal that has been developed over the course of the last few weeks. The dedicated work of many Members in this body has resulted in a proposal that is an important first step in broadcasting our floor proceedings to all Americans.

The resolution before us establishes a test period for coverage of Senate proceedings. I firmly believe that we are going to find that the public broadcast of our debates will strengthen the Senate and its procedures.

This resolution certainly helps fulfill our obligation to the American public to preserve one of the basic cornerstones of our political heritage—an open and accessible government. I can think of no better way to let the American public reach reasoned opinions on national issues than by providing them with the opportunity to listen and watch as this body debates those issues. And this is an opportunity we can provide using modern television and radio systems.

Other deliberative bodies have extended this opportunity to citizens throughout the world. International bodies such as the U.N. General Assembly and Security Council provide continuous live television feed for use by networks and other interested parties. Our neighbors to the north in Canada are allowed to watch the proceedings in their national legislature on television. The same opportunity is offered to the Japanese people by the Japanese National Diet. In all, more than 20 national legislatures now permit television coverage of floor proceedings.

For the last 7 years, our own citizens have had the opportunity to watch the proceedings in the House of Representatives. Building from a modest start in 1979, interest in the proceedings of the House has been growing and will continue to grow. Access to the proceedings of the House of Representatives through the C-SPAN network is now provided to 23 million homes. This translates into nearly one-quarter of all households presently having access to House debates. C-SPAN is carried by 2,000 cable systems in all 50 States, the Virgin Islands, and Puerto Rico. In my own State of Washington, over 474,000 households enjoy access to the House of Representatives through C-SPAN.

These citizens have had an opportunity to see their Government in action. According to their letters, they have gained an appreciation for the complexity of legislative issues and feel more in touch with their Government.

We in the Senate now have an opportunity to build on the tradition of openness we first established as early as 1794 when the Senate established a public gallery open to all citizens and the press. This tradition was enhanced when we opened our doors in 1977 for the debate on the Panama Canal Treaty.

Mr. President, technology has provided us with the tools to let Americans understand the day-to-day workings and debates of the Senate—to provide access to their Government. This Senator believes it is time for the Senate to open itself to the American people. I urge my colleagues to take a step toward this goal by supporting this resolution.

Mr. LEVIN. Mr. President, I am going to vote for final passage of this resolution, which provides for a 2½-month test period of televising Senate proceedings. I will cast my vote in favor of this proposal because it is a test, and not because I am finally convinced that it is in the best interests of the Senate or the Nation. This is a unique institution, not only in America but in all the world's democracies. I know of no other legislative body which has the U.S. Senate's unusual powers, traditions and procedures, and I fear we may be sacrificing them because of television. Certainly the American public has a right to know, and therefore to see, what we do here, and television can perform that function in a powerfully effective way.

But it can also encourage needless grandstanding and sham speeches, attempts to give the appearance of action and influence instead of serious legislative activity. And it can infringe upon the abilities of Senators to fight for what they believe to be right by limiting our ability to speak and to propose amendments. I voted for the Johnston and Long amendments which would have provided for more restricted coverage than the gavel-to-gavel coverage provided by this resolution. I expect the sponsors of those amendments will give careful consideration to offering them again when we assess the results of this test period.

I am also pleased that the Senate accepted Senator BOREN's amendment to allow a 2-week period at the end of the test period for some calm and careful reflection on whether or not to make permanent changes in Senate rules. It may well be that my concerns about potential problems will be allayed, and I hope that they are. But if I reach the conclusion that providing unlimited televised broadcasts of Senate proceedings presents more problems than it is worth, I shall oppose making it a permanent feature of our deliberations.

Mr. THURMOND. Mr. President, I rise to voice my support for Senate Resolution 28, which would authorize a test period implementation of live, gavel-to-gavel television and radio coverage of proceedings in the Senate Chamber. While television coverage would be limited to a 2-week period, enactment of the resolution will nevertheless bring us one step closer to the day when the American public will have full, continuous access to Senate proceedings through the medium of television.

In my view, Mr. President, broadcast media coverage is warranted and wise, for several reasons. First, such coverage recognizes the basic right and need of U.S. citizens to know the business of their Government. Second, I believe it will lead to a more informed citizenry, and thereby hopefully improve the quality of our representative democracy. Third, television and radio coverage should enhance the image of the Senate as an institution of Government. Fourth, it should, in the long run, improve the quality of Senate debate and decisionmaking.

Considered against the historical background, radio and television coverage of Senate proceedings is simply a logical extension of past and present methods of reporting Senate business to the people. Since the late 18th century, the Senate has had a public gallery open to all citizens and print media representatives. Television coverage was first permitted in the House in 1947 for the opening ceremonies of the 80th Congress, and in 1979, full television coverage of debate in that Chamber began. In the interim, the Senate has allowed television coverage of some committee hearings, permitted television broadcast of the swearing-in ceremony of Vice President Nelson Rockefeller in 1974, and authorized radio coverage of the 1917 debates on the Panama Canal Treaties.

Thus, while television and radio coverage of Senate debates would be a significant broadening of past precedents in this House of Congress, it would not be a totally new experience for most Senators, nor a radical departure from past practices. Rather, with the widespread, increasing dependence of the American people on television and radio for information about governmental actions, it is simply high time for the Senate to allow live broadcasts of its proceeding over the airwaves.

As I indicated at the outset of my statement, the authorization of radio and television coverage of Senate business is an appropriate means of reaf-

firming that our National Government is a representative democracy responsible to the people. The citizens of this great Nation have a right to know how the legislative business of their U.S. Senate is being transacted. Approval of this measure would protect and enhance that basic right, thereby bringing more openness to the legislative process.

The transmitting of Senate Chamber business over the airwaves would be an important step in the process of bringing Government into the "sunshine," as this objective is often captioned, but it is not an end in itself. Rather, by furthering the right and need of the public to have prompt, direct information pertaining to Senate business, the knowledge of our citizenry will be enhanced and the quality of our Government improved. Sometimes, perhaps, Senators have a tendency to think of themselves as self-employed, independent decisionmakers, when in fact we are all privileged holders of a precious public trust bestowed on us by our respective electorates.

Our bosses are all of the taxpayers and citizens of the State we represent and, because of our national responsibilities, of the entire Nation. We are accountable to them for how we vote, what we say, and even what we may not say or neglect to do in this Chamber when we may have a responsibility to act. By opening the legislative process in the Senate Chamber to the scrutiny of radio and limited television coverage, the fundamental objectives of first, raising the public's level of political and governmental knowledge, and second, making Senators more accountable to the people they represent, will both be better served. As a result, the integrity and quality of our representative democracy will be improved.

Mr. President, another reason I believe radio and television coverage of Senate proceedings should be authorized is that over time it will improve, in my opinion, the public image of the Senate and engender greater confidence in and respect for Senators. All of us are familiar with the embarrassingly low regard of the public for the Senate, and Congress generally, as an institution. We, as a body, definitely have an image problem. A portion of this image problem no doubt stems from the too widespread belief that the Senate prefers to operate in a closed, secretive fashion, where deals can be cut and principles compromised in the name of political expediency.

It is a harsh indictment. Whether it is accurate and deserved or not, it is a perception problem with which we must cope. Frankly, it is my hope and belief that opening the Senate Chamber to radio and limited television coverage will dispell some of the erroneously held notions about the Senate, as well as encourage Senators to act in a more statesman-like manner.

Finally, Mr. President, I believe this action will, in the long run, improve the quality of debate and decisionmaking in the Senate. On this point, as on some of the others I have made, I recognize that there are those who may disagree. Opponents of efforts to move toward live television broadcasts of Senate proceedings, such as authorized in this resolution, contend that television coverage will lead to more and longer debates, grandstanding before the cameras, and undue emphasis on the before-camera communicative abilities of Senators, in relation to other more important attributes of an effective legislator.

There is probably some truth in these contentions, but on the whole, I believe the impact of television and radio coverage will be positive. After an initial period of adjustment, Senators should not be unduly cognizant of the live reporting over television and radio of their statements and Senate actions. Yet, the increased scrutiny of the microphones and cameras should cause Senators to come to the floor more fully prepared for any remarks they may make and for votes to be cast. Senators should become more attentive to the business in the Senate Chamber, including actual presence during debates, in relation to committee and personal office business. In short, actions in the Senate Chamber itself should take on increased importance in the total Senate lawmaking scheme, reversing what many believe has been an unhealthy trend toward committee and behind-the-scenes domination of the legislative process.

It is my hope and belief, Mr. President, that ultimately broadcast coverage of Senate proceedings will lead to an improved lawmaking process, with laws that are more understandable, concise, and, most of all, more in keeping with the will of the people, as expressed through their elected senatorial representatives. Similarly, it is my hope and opinion that adoption of this measure will help make Senators more responsive and accountable to the public will. For these reasons, I am glad to lend my support to this resolution. I hope the Senate will see fit to adopt it.

Mr. MATHIAS. Mr. President, President Abraham Lincoln, in 1859, remarked: "To emancipate the mind is the great task that printing came into the world to perform."

I would hold, that television now assists in performing the great task of emancipating the mind. And, I would add, television is a primary form of communication used by our constituents to inform themselves on politics and the Nation.

Without repeating Dr. Johnson's famous observation on the value of being watched, I recall a great Baltimorean's version of this same wisdom. H.L. Menken noted, in 1949: "Conscience is the inner voice that warns us somebody may be looking."

Finally, Mr. President, I would recall another observation on the part of that great student of the American Congress, President Woodrow Wilson. In 1894, long before he was elected to our highest office, President Wilson wrote: "No more vital truth was ever uttered than that freedom and free institutions cannot long be maintained by any people who do not understand the nature of their own government."

Mr. President, as we approach the 200th anniversary of the fundamental document—the U.S. Constitution—of this great Republic of ours, I would hope that in its wisdom the Senate of the United States would have installed and operational the television and radio broadcasting of Senate floor proceedings.

Mr. BYRD. Mr. President, I apologize for imposing on the time of the Senate, but I believe this is a historic occasion, and I would like to be able to make a 3-minute statement before the vote on passage.

I ask unanimous consent that statements may be revised and extended and that all Senators may put statements in the RECORD as though read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate is not in order. The Senator will suspend for a moment.

The Democratic leader is recognized.

Mr. BYRD. Mr. President, by embarking on this new course for the Senate, we declare a victory for democracy, a victory for the American people, and a victory for the U.S. Senate.

Democracy rests on the bedrock of an informed public. In today's rapidfire world, the complexity of issues is only exceeded by the speed with which they come and go. Our people have a right to witness the proceedings of this body. Today, with this action, we will have granted them that right, and have taken a giant step toward helping our citizens fully understand the issues which impact upon their daily lives.

The Senate can celebrate entering the modern age at last. The Congress is the people's branch of government, and we have today begun to make that phrase more than just words on a page.

We can all be proud of the leap forward that we will take today. In generations to come, our descendants will applaud our action in opening the legislative process to a wider scrutiny. Today's events will strengthen the Senate as an institution and ensure that democracy's roots reach even deeper into the fabric of America.

Mr. President, I thank all Senators. I particularly thank the majority leader

and those Senators on the Rules Committee and others who have contributed so much in making this step forward.

Mr. DOLE. Mr. President, I thank all Senators.

For the past several weeks the distinguished minority leader Mr. BYRD and I, along with our colleagues, have worked to develop the ways and means by which the Senate could be televised.

It became clear at the outset of this process, that in order to gain the votes necessary, we would have to link the trial period for televising floor proceedings with some changes in the way the Senate conducts its business.

The package that we agreed to today combines the two in what I believe is a balanced and fair approach. The rules changes, while not going as far as I might have hoped toward making the Senate work more efficiently, will give the leader enhanced abilities to set the schedule without trampling on the rights of any individual Senator.

Meanwhile, the trial period for broadcasting Senate proceedings should give us a good reading of how well the process works. If, after this first test, we want to extend the period for 30 days, we can do that. And finally, if we want to make any further changes in the broadcasting procedures, we will have the opportunity. And the amendment offered by Senator BOREN and accepted further gives us even more opportunity to evaluate our decisions.

Mr. President, the Senate is a very special place. And I would not support any changes that would alter its unique and valuable character. But the twin goals—of providing the American a better look at how democracy works and improving the quality of life in the Senate, by streamlining some of our procedures—are certainly worth trying to achieve. So I ask my colleagues to support this effort and vote for adoption of Senate Resolution 28 as modified.

I would like to take this opportunity to offer my thanks to Senator BYRD, as well as Senators ARMSTRONG, LONG, FORD, STEVENS, and GORE, as well as all the other Senators who participated in the discussions and have devoted many hours to this issue. I would add my special thanks to Senator MATHIAS, whose leadership as chairman of the Rules Committee was critical to today's successful outcome.

But most of all, I would like to acknowledge my predecessor Howard Baker. Without his longstanding commitment to televising Senate proceedings, today would never have come about. Howard was the pathfinder for this resolution, and for this the entire Senate owes him its gratitude.

I hope we can have a huge margin in support of TV in the Senate. Again, I indicate to all Members that there are some concerns we all have, and we will address those concerns down the road. I think the integrity of the Senate is the larger question. We will be working with all Senators who have questions and who may want to make changes at the end of the test period.

The PRESIDING OFFICER. The question is on agreeing to the resolution. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from Oregon [Mr. PACKWOOD], are necessarily absent.

I also announce that the Senator from Minnesota [Mr. DURENBERGER], is absent on official business.

I further announce that if present and voting, the Senator from Minnesota [Mr. DURENBERGER], would vote "nay."

Mr. CRANSTON. I announce that the Senator from Illinois [Mr. DIXON], the Senator from Missouri [Mr. EAGLETON], the Senator from Hawaii [Mr. INOUYE], the Senator from Massachusetts [Mr. KERRY], and the Senator from Maryland [Mr. SARBANES] are necessarily absent.

I further announce that the Senator from Arkansas [Mr. BUMPERS] and the Senator from Nebraska [Mr. EXON] are absent because of Illness.

I also announce that the Senator from West Virginia [Mr. ROCKEFELLER], is absent attending the funeral of a family friend in West Virginia.

I further announce that if present and voting the Senator from Illinois [Mr. DIXON], the Senator from Arkansas [Mr. BUMPERS], and the Senator from Nebraska [Mr. EXON], would each vote yea.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 67, nays 21, as follows:

[Rollcall Vote No. 24 Leg.]

YEAS—67

Abdnor	Garn	Mitchell
Andrews	Glenn	Moynihan
Armstrong	Gore	Murkowski
Baucus	Gorton	Nickles
Bentsen	Gramm	Pell
Biden	Harkin	Pressler
Bingaman	Hart	Pryor
Boren	Hatch	Riegle
Bradley	Hawkins	Roth
Byrd	Heflin	Sasser
Chafee	Heinz	Simon
Chiles	Humphrey	Simpson
Cochran	Kasten	Specter
Cohen	Kennedy	Stevens
Cranston	Lautenberg	Symms
D'Amato	Leahy	Thurmond
DeConcini	Levin	Trible
Denton	Lugar	Warner
Dodd	Mathias	Weicker
Dole	Matsunaga	Wilson
Domenici	McClure	Zorinsky
Evans	Melcher	
Ford	Metzenbaum	

NAYS—21

Boschwitz	Helms	Nunn
Burdick	Hollings	Proxmire
Danforth	Johnston	Quayle
East	Laxalt	Rudman
Grassley	Long	Stafford
Hatfield	Mattingly	Stennis
Hecht	McConnell	Wallop

NOT VOTING—12

Bumpers	Exon	Kerry
Dixon	Goldwater	Packwood
Durenberger	Inouye	Rockefeller
Eagleton	Kassebaum	Sarbanes

So the resolution (S. Res. 28) as amended, was agreed to, as follows:

S. RES. 28

Resolved, That (a) the Senate hereby authorizes and directs that there be both television and radio broadcast coverage (together with videotape and audio recordings) of proceedings in the Senate Chamber.

(b) Such broadcast coverage shall be—

(1) provided in accordance with provisions of this resolution;

(2) provided continuously, except for any time when the Senate is conducting a quorum call, or when a meeting with closed doors is ordered; and

(3) provided subject to the provisions pertaining to the Senate gallery contained in the following Standing Rules of the Senate: rule XIX, paragraphs 6 and 7; rule XXV, paragraph 1(n); and rule XXXIII, paragraph 2.

SEC. 2. The radio and television broadcast of Senate proceedings shall be supervised and operated by the Senate.

SEC. 3. The television broadcast of Senate proceedings shall follow the Presiding Officer and Senators who are speaking, clerks and the Chaplain except during roll call votes when the television cameras shall show the entire Chamber.

SEC. 4. (a) The broadcast coverage by radio and television of the proceedings of the Senate shall be implemented as provided in this section.

(b) The Architect of the Capitol, in consultation with the Sergeant at Arms and Doorkeeper of the Senate, shall—

(1) construct necessary broadcasting facilities for both radio and television (including a control room and the modification of Senate sound and lighting fixtures);

(2) employ necessary expert consultants; and

(3) acquire and install all necessary equipment and facilities to (A) produce a broadcast-quality "live" audio and color video signal of such proceedings, and (B) provide an archive-quality audio and color video tape recording of such proceedings:

Provided, That the Architect of the Capitol, in carrying out the duties specified in clauses (1) through (3) of this subsection, shall not enter into any contract for the purchase or installation of equipment, for employment of any consultant, or for the provision of training to any person, unless the same shall first have been approved by the Committee on Rules and Administration.

(c) The Sergeant at Arms and Doorkeeper of the Senate shall (1) employ such staff as may be necessary, working in conjunction with the Senate Recording and Photographic Studios, to operate and maintain all broadcast audio and color video equipment installed pursuant to this resolution, (2) make audio and video tape recordings, and copies thereof as requested by the Secretary under clause (4) of this subsection, of Senate proceedings, (3) retain for ninety

days after the day any Senate proceedings took place, such recordings thereof, and as soon thereafter as possible, transmit to the Secretary of the Senate copies of such recordings: *Provided*, That the Sergeant at Arms and Doorkeeper of the Senate, in carrying out the duties specified in clauses (1) and (2) of this subsection, shall comply with appropriate Senate procurement and other regulations, and (4) if authorized by the Senate at a later date the Secretary of the Senate shall (A) obtain from the Sergeant at Arms copies of audio and video tape recordings of Senate proceedings and make such copies available, upon payment to her of a fee fixed therefor by the Committee on Rules and Administration, and (B) receive from the Sergeant at Arms such recordings thereof, and as soon thereafter as possible, transmit to the Librarian of Congress and to the Archivist of the United States archive-quality copies of such recordings.

SEC. 5. (a) Radio coverage of Senate proceedings shall—

(1) begin as soon as the necessary equipment has been installed; and

(2) be provided continuously at all times when the Senate is in session (or is meeting in Committee of the Whole), except for any time when a meeting with closed doors is ordered.

(b) As soon as practicable but no later than May 1, there shall begin a test period during which tests of radio and television coverage of Senate proceedings shall be conducted by the staffs of the Committee on Rules and Administration and of the Office of the Sergeant at Arms and Doorkeeper of the Senate. Television coverage of Senate proceedings shall go live June 1, 1986. The test period aforementioned shall end on July 15, 1986.

(c) During such test period—

(1) final procedures for camera direction control shall be established;

(2) television coverage of Senate proceedings shall not be transmitted between May 1st and June 1st, except that, at the direction of the chairman of the Committee on Rules and Administration, such coverage may be transmitted over the coaxial cable system of the Architect of the Capitol; and

(3) recordings of Senate proceedings shall be retained by the Secretary of the Senate.

SEC. 6. The use of tape duplications of radio coverage of the proceedings of the Senate for political purposes is strictly prohibited; and any such tape duplication furnished to any person shall be made on the condition that it not be used for political purposes. The use of tape duplications of television coverage for any purpose outside the Senate is strictly prohibited until the Senate provides otherwise.

SEC. 7. Any changes in the regulations made by this resolution shall be made only by Senate resolution. However, the Committee on Rules and Administration may adopt such procedures and such regulations, which do not contravene the regulations made by this resolution, as it deems necessary to assure the proper implementation of the purposes of this resolution.

SEC. 8. Such funds as may be necessary (but not in excess of $3,500,000) to carry out this resolution shall be expended from the contingent fund of the Senate.

SEC. 9. That rule XXX, paragraph 1(b), is amended to read as follows:

"(b) When a treaty is reported from a committee with or without amendment, it shall, unless the Senate unanimously otherwise directs, lie over one day for consideration; after which it may be read a second time, after which amendments may be proposed. At any stage of such proceedings the Senate may remove the injunction of secrecy from the treaty.".

SEC. 10. That paragraph 2 of rule XXII of the Standing Rules of the Senate is amended to read as follows:

"2. Notwithstanding the provisions of rule II or rule IV or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, other matter pending before the Senate, or the unfinished business, is presented to the Senate, the Presiding Officer, or clerk at the direction of the Presiding Officer, shall at once state the motion to the Senate, and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the clerk call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote on the question:

"'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by three-fifths of the Senators duly chosen and sworn—except on a measure or motion to amend the Senate rules, in which case the necessary affirmative vote shall be two-thirds of the Senators present and voting—then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be proposed after the vote to bring the debate to a close, unless it had been submitted in writing to the Journal Clerk by 1 o'clock p.m. on the day following the filing of the cloture motion if an amendment in the first degree, and unless it had been so submitted at least one hour prior to the beginning of the cloture vote if an amendment in the second degree. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

"After no more than thirty hours of consideration of the measure, motion, or other matter on which cloture has been invoked, the Senate shall proceed, without any further debate on any question, to vote on the final disposition thereof to the exclusion of all amendments not then actually pending before the Senate at that time and to the exclusion of all motions, except a motion to table, or to reconsider and one quorum call on demand to establish the presence of a quorum (and motions required to establish a quorum) immediately before the final vote begins. The thirty hours may be increased by the adoption of a motion, decided without debate, by a three-fifths affirmative vote of the Senators duly chosen and sworn, and any such time thus agreed upon shall be equally divided between and controlled by the Majority and Minority Leaders or their designees. However, only one motion to extend time, specified above, may be made in any one calendar day.

"If, for any reason, a measure or matter is reprinted after cloture has been invoked, amendments which were in order prior to the reprinting of the measure or matter will continue to be in order and may be conformed and reprinted at the request of the amendment's sponsor. The conforming changes must be limited to lineation and pagination.

"No Senator shall call up more than two amendments until every other Senator shall have had the opportunity to do likewise.

"Notwithstanding other provisions of this rule, a Senator may yield all or part of his one hour to the majority or minority floor managers of the measure, motion, or matter or to the Majority or Minority Leader, but each Senator specified shall not have more than two hours so yielded to him and may in turn yield such time to other Senators.

"Notwithstanding any other provision of this rule, any Senator who has not used or yielded at least ten minutes, is, if he seeks recognition, guaranteed up to ten minutes, inclusive, to speak only.

"After cloture is invoked, the reading of any amendment, including House amendments, shall be dispensed with when the proposed amendment has been identified and has been available in printed form at the desk of the Members for not less than twenty-four hours.".

SEC. 11. That rule XVII, paragraph 5, of the Standing Rules of the Senate is amended to read as follows:

"5. Any measure or matter reported by any standing committee shall not be considered in the Senate unless the report of that committee upon that measure or matter has been available to Members for at least two calendar days (excluding Sundays and legal holidays) prior to the consideration of that measure or matter. If hearings have been held on any such measure or matter so reported, the committee reporting the measure or matter shall make every reasonable effort to have such hearings printed and available for distribution to the Members of the Senate prior to the consideration of such measure or matter in the Senate. This paragraph—

"(1) may be waived by joint agreement of the Majority Leader and the Minority Leader of the Senate; and

"(2) shall not apply to—

"(A) any measure for the declaration of war, or the declaration of a national emergency, by the Congress, and

"(B) any Executive decision, determination, or action which would become, or continue to be, effective unless disapproved or otherwise invalidated by one or both Houses of Congress.".

SEC. 12. Rule IV, paragraph 1(a) is amended by adding after the words "the Journal of the preceding day shall be read" the following words "unless by nondebatable motion the reading shall be waived, the question being, 'Shall the Journal stand approved to date?' ".

SEC. 13. Rule XXVIII, dealing with conference reports, is amended by adding the words "when available on each Senator's desk" after the words in paragraph 1 "shall always be in order".

SEC. 14. Provided, that if the Senate authorizes the permanent televising of the Senate pursuant to section 15, that radio and television coverage of the Senate shall be made available on a "live" basis and free of charge to (1) any accredited member of the Senate Radio and Television Correspondents Gallery, (2) the coaxial cable system of the Architect of the Capitol, and

(3) such other news gathering, educational, or information distributing entity as may be authorized by the Committee on Rules and Administration to receive such broadcasts.

SEC. 15. Television coverage of the Senate shall cease at the close of business July 15, 1986, and television coverage of the Senate and the rules changes contained herein shall continue, if the Senate agrees to the question, which shall be put one hour after the Senate convenes on July 29, 1986, "Shall radio and television coverage continue after this date, and shall the rules changes contained herein continue?" There shall be twelve hours of debate on this question, to be equally divided and controlled in the usual form, at the end of which any Senator may propose as an alternative the question, "Shall the test prerion continue for thrity days?". On this question there shall be one hour of debate, equally divided and controlled in the usual form. If this queston is decided in the affirmative, then thirty days hence, one hour after the Senate convenes, the Senate shall proceed to vote without intervening action on the question, "Shall radio and television coverage continue after this date and shall the rules changes contained herein continue?".

SEC. 16. Provided, that official noting of a Senator's absence from committees while the Senate is on television is prohibited.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. MATHIAS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, let me again thank my colleagues on both sides of the aisle and indicate that we have now considered this measure on February 3, 4, 5, 7, 19, 20, 25, 26, and 27, about 9 days. We have consumed about 25 hours. We have had six rollcall votes. We have had nine amendments and motions considered, agreed to five, rejected two, tabled one, and withdrawn one.

On January 6, 1981, Senator Baker, in his first legislative act as majority leader, introduced Senate Resolution 20 providing for gavel-to-gavel coverage of the Senate. So, as I said earlier, it has been about 5 years and a little more coming, but I think Senator Baker deserves the credit for this effort today.

Mr. President, again I thank those who were actively involved in discussions on both sides of the issue, Republicans and Democrats; in particular, on our side, Senator ARMSTRONG, Senator STEVENS, Senator EVANS, Senator GORTON, Senator QUAYLE, Senator DANFORTH, and, on the other side, certainly the distinguished minority leader and others who were so active on his side.

AN HISTORIC CHANGE FOR THE BETTER

Mr. BYRD. Mr. President, we in this Chamber today participated in an historic, beneficial change for this Nation. I wish to commend the Senate for taking this prudent first step in opening up Senate proceedings to broadcast coverage. A test period is a time-honored process for easing change upon tradition-bound bodies.

Over a year ago, when I first introduced my TV in the Senate resolution, I said I believed the Senate can maintain our traditions while also meeting the realities of our times. We can change without violating the unique role of the Senate.

In the history of civilization, I believe the development and spread of television and radio will rank as one of the most significant and influential events.

There is virtually no significant aspect of modern life—in every corner of the globe—that is not brought into the living room of most Americans every evening by means of television. Just this past week, for example, we Americans observed the day by day and sometimes minute by minute unfolding of a peaceful revolution in a country on the other side of our planet.

Since 1947, when President Truman's State of the Union Address was televised, the American people have been permitted to see the President speak to Congress. The President, in other settings, appears virtually daily before the American people by means of radio and television. The House of Representatives televises its proceedings. And yet, until today, the U.S. Senate—known widely as the world's greatest deliberative body—has not allowed this electronic door to the world to be opened.

As a result, Mr. President, the American people and peoples around the world only partially know and understand the vital work of this body and how and why it makes the momentous decisions which come before it.

The great majority of our constituents cannot observe our deliberative process and therefore cannot have a full understanding of the major issues of our day which come before the Senate. And, we who serve here cannot communicate the importance of many of these issues—or our views about them—to our constituents or the rest of the world nearly as effectively as could be the case with live broadcast coverage.

I am a firm believer in the overwhelming benefits of keeping American citizens as fully informed as possible concerning the workings of their Government. This principle is fundamental to an effective democracy. The survival of our Nation and our way of life depend on an informed electorate. Certainly the electorate is not without many sources of the information they need. But I do not believe I exaggerate when I say that broadcasting our proceedings will make a difference, and a difference for the better, by increasing the level of knowledge about what we do here and how we make the governmental decisions that effect the lives of every U.S. citizen and often the lives of all world citizens.

Today, after lengthy and thorough deliberations that I believe honor the traditions of this body, we have agreed to ascertain by a trial run whether the benefits of broadcast coverage are what many of us believe they will prove to be.

I have every confidence that the Senate, at the end of the test period, will decide to continue the broadcast coverage permanently. I have equal confidence that the Senate, 10 and 15 and 20 years from now, will look back with gratitude to the 99th Congress for taking this step—gratitude that will be tinged with amazement that the Senate waited so long to open its doors to live broadcasts and that the decision seemed to be so difficult for the Senate to make.

I congratulate all Senators on both sides of the aisle who have worked to achieve this major step in a manner that will preserve and protect the traditions and processes of the Senate that have developed over the course of the past 200 years.

Mr. KASTEN addressed the Chair.

The PRESIDING OFFICER. The Senate is not in order.

Mr. KASTEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

S. 2085—MILK ASSESSMENT INCREASES TO MEET DEFICIT REDUCTION REQUIREMENTS FOR MILK PRICE-SUPPORT LEVELS

Mr. KASTEN. Mr. President, in a moment I am going to ask unanimous consent that we move forward to S. 2085, which is a bill we must pass to remedy a very difficult situation. I think we have a bipartisan and bicameral agreement on this. As my colleagues may be aware, the conferees on the farm bill reached an agreement last year——

Mr. SYMMS. Mr. President, could we have order?

The PRESIDING OFFICER. The request is most appropriate. The Senate is not in order.

The Senators are invited to take their chairs.

Mr. KASTEN. I thank the Chair.

As my colleagues may be aware—I know most of them are aware because we have all been part of this discussion—the conferees on the farm bill reached an agreement last year as to how the Dairy Price Support Program was to be treated under Gramm-Rudman. It was agreed that dairy would have to contribute its fair share of savings, and that these savings would be achieved through an increase in the 40 cents per hundredweight assessment on milk production provided for in the farm bill.

In the rush to adjournment, however, the conference committee on Gramm-Rudman passed over the dairy program; the conference report does not discuss it at all. Because the dairy program operates differently than do other commodity programs, a substantial inequity has resulted.

S. 2085, by replacing the reduction USDA now intends to make in purchase prices with an increase in the assessment, will ensure that the dairy industry contributes its fair share as we seek to reduce the Federal deficit. It will also ensure that the burden of the industry's contribution falls equally on all the country's dairy farmers.

Mr. President, I want to emphasize before I ask for unanimous consent to take the bill from the desk that what we are talking about here is not a policy change in any sense. Both the House and the Senate debated the question as to whether to reduce dairy price supports in 1986 when the farm bill was on the floor last year, and both the House and the Senate rejected that idea. Further, as I have pointed out, the Senators and Congressmen entrusted with the responsibility of reconciling the differences in dairy legislation, passed by the Senate and House, reached an agreement that on an overall dairy policy took into account the March 1 sequester order.

Senate bill 2085 aims simply to provide the statutory authority to implement this agreement. I also believe that the dairy farmers, and indeed the entire dairy industry in my State, should not be subjected to a support price cut similar to that which both Houses of Congress rejected last year in the farm bill debate. I do not like assessments on milk production any more than anyone else. Long-term dairy policy should not by any means be built on a foundation of assessments on milk production.

But, again, we are not talking about reforming long-term dairy policy here today. That issue was debated when we considered the farm bill; it was decided by the conference committee on the farm bill; and that decision was ratified by both the House and the Senate.

The issue today is simply the technical question of providing the legal authority to make the savings in the dairy program in the way that the conference committee on the farm bill intended them to be made.

For that reason, Mr. President, I now ask unanimous consent to call up Senate bill 2085, which is presently being held at the desk.

The PRESIDING OFFICER. Is there objection?

Mr. MELCHER. Reserving the right to object, Mr. President——

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. As I hear the request, the proposal is to bring up the dairy bill to be open for amendment. There are other proposed amendments to the farm bill. Some have this proposal worded this way, and some have it a different way. But a package was presented to the Democratic table down there about 3 o'clock this afternoon. The discussion of what would be in that package noted that the majority leader yesterday stated that some 20 to 25 Senators have been engaged in formulating the package. I was not one of them.

In checking with others on our side that are on the Agriculture Committee, I find that very few were in on any of those discussions. For those other Senators who are interested in any amendment to the farm programs that would be contained in this package I found there were quite a few who are not serving on the committee but who are farm State Senators who are not able to be privy to the discussions that were held.

The point is, without some understanding of what is in 18 pages of rather new proposals, I would find myself constrained to object to the unanimous-consent request as presented because it certainly is open for amendment—for instance, the 18-page package that has not been reviewed but by a very few, and in discussion earlier with the Senator from Wisconsin I said that I had no personal objection to calling up the dairy bill as it is as long as it is not open to other amendments dealing with other parts of the farm programs.

Mr. KASTEN. Will the Senator yield for a question?

Mr. MELCHER. Yes, I am glad to yield.

Mr. KASTEN. I thank the Senator for yielding.

Is it the case that the Senator would have no objection to passing Senate bill 2085 as it is if there could be some kind of an agreement that the bill would not be amended? Would the Senator then under those circumstances remove his objections?

Mr. MELCHER. Mr. President, I am reserving the right to object for the reasons I have stated.

I will restate, however, that I have no objection to taking up the dairy bill as long as a consent is phrased in such a way that it allows only amendments dealing with the Dairy Program to be attached to that bill because other proposals for other parts of the farm bill I would certainly want to review. I am sure other Senators would likewise want to do that.

Mr. KASTEN and Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. I renew my request, and I ask unanimous consent to call up Senate bill 2085.

Mr. MOYNIHAN. Mr. President, reserving the right to object, I object.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. Objection is heard.

Mr. MELCHER. Objection.

The PRESIDING OFFICER. The Senator from Wisconsin still has the floor. Objection is heard.

Mr. KASTEN. Did the objection come from the Senator from Ohio?

The PRESIDING OFFICER. The Senator from New York, and the Senator from Montana objected. Objection has been heard.

Mr. KASTEN and Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. I will ask Senators to reconsider their objection.

But I would want to make one final point. There was some misunderstanding today as to whether or not S. 2085 meant that we would not be able to implement Gramm-Rudman in the Agriculture Program, and specifically in the Dairy Program. I simply want to point out to both Senators that is not the case. Senate bill 2085 does not get around or avoid in any way the fiscal responsibility that would be put into place under Gramm-Rudman. It says that the entire dairy industry should share in the fiscal responsibilities and the goals that we set under Gramm-Rudman. Under those circumstances, I hope that Senators will go forward from the position——

Mr. LEAHY. Mr. President, will the Senator from Wisconsin yield for a question?

Mr. KASTEN. I yield to the Senator from Vermont.

Mr. LEAHY. Mr. President, is it not a fact, I ask the Senator from Wisconsin, that really this bill is not in any way to attempt to avert Gramm-Rudman, but rather because of the contribution made by dairy farmers under the bill, it is actually a fulfillment of the requirements of Gramm-Rudman? Is that not a fact?

Mr. KASTEN. The Senator is correct. That is why I hope the objections will be removed.

Mr. LEAHY. Mr. President, will the Senator from Wisconsin yield for a further question?

Mr. KASTEN. I am pleased to yield for a question.

Mr. LEAHY. Mr. President, I ask the Senator from Wisconsin: Does not the bill really fulfill the bipartisan intent of both the Senate and House conferees following, I think, 2 or 3 weeks of intensive negotiations in conference on the farm bill?

Mr. KASTEN. The Senator is correct. I want to point out to the Senator from Montana and others that I know there may be some questions concerning parts of this so-called package. I have not been part of all the negotiations leading to that overall package either. But I do not think there is any question concerning the problems of misunderstanding with regard to the dairy portion. The dairy portion has been at the desk for almost a week. Senators have had the opportunity to review it. I hope we can move forward with it.

I renew my unanimous-consent request that S. 2085 be brought forward.

The PRESIDING OFFICER. Is there objection?

Mr. MOYNIHAN. Objection.

The PRESIDING OFFICER. Objection is heard.

Mr. DOLE. Mr. President, I appreciate the comments of the Senator from Vermont.

Mr. President, I will support the amendment by the distinguished Senator from Wisconsin, he is to be commended for taking the leadership in the effort to distribute the impact of this year's Gramm-Rudman-Hollings sequester order on the dairy industry in an equitable way.

My colleagues will recall that, in the farm bill, we established a producer assessment of 40 cents per hundredweight in fiscal year 1986 to fund the whole herd dairy buyout. At the time this provision was worked out in conference, there was an understanding between House and Senate conferees and Secretary Block that, in the event of a sequestration order under Gramm-Rudman-Hollings, the requirement would be met through an increase in the assessment.

This understanding was not written into the act, nor was it provided for in Gramm-Rudman-Hollings, which requires sequestration requirements to be met solely through outlay reductions. In order to allow an assessment increase to count against this obligation, a specific exemption is needed.

Under this provision, the assessment increase is specifically earmarked to meet the sequester order. A cap of 12 cents per hundredweight of milk is set which, at current marketing levels, should be more than adequate to satisfy the 4.3-percent outlay reduction which would otherwise be applied to CCC purchases of surplus dairy products.

Since revenues under this provision directly offset the outlay reductions required under Gramm-Rudman-Hollings, it will add no cost. I would hope that, given the fact that the agreement on how to meet the Gramm-Rudman requirement for dairy predated passage of the Balanced Budget and Emergency Deficit Control Act, this exception to the outlay reduction requirement would be accepted.

FOOD SECURITY IMPROVEMENTS ACT OF 1986

Mr. DOLE. Mr. President, it was my hope that we could consider another bill this evening. I ask unanimous consent to put into the RECORD a short section-by-section summary of that bill and hope that after Senators have had the opportunity to study it, to deal with it tomorrow morning. Again, we will need unanimous consent. It requires, obviously, one Senator to object to that. It will not contain the dairy provision. We might have objection from other areas.

There are about seven sections. I have tried to contact every farm State Senator. I may have missed some on each side. About 20 showed up, and then there was a staff meeting later on for members of the staffs of all, and the Agriculture Committee staff was invited. I would hope that by including this in the RECORD, along with the statement, those who have not thoroughly scrutinized the proposal would be able to do so tomorrow morning.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

[Section-by-Section Summary]

FOOD SECURITY IMPROVEMENTS ACT OF 1986

Sec. 1. Short Title.

Sec. 2. Revises the underplanting provision by limiting production to conserving crops unless the Secretary determines that production of specified non-program crops is not likely to increase the cost of price support programs and will not adversely affect farm income. Allows haying and grazing on underseeded acreage at state option unless the Secretary determines that it will result in a serious adverse economic impact.

Sec. 3. For 1986 crops, provides for compensating producers in CCC commodities for any reduction in their total return resulting from a reduction of more than 3 percent in their program payment yield from the 1985 level. For 1987 crops, provides compensation for any reduction in return resulting from a reduction of more than 5 percent from the 1985 level. Limits to 10 percent the amount by which the program payment yield for 1986 crops can be reduced for the purpose of determining yields for 1988 and beyond.

Sec. 4. Deletes the Level I salary requirement for the Special Assistant for Agricultural Trade and Food Assistance.

Sec. 5. Makes the Targeted Export Assistance Program discretionary for FY-86/88. Retains the required annual funding level of $325 million for FY-89/90.

Sec. 6. Reduces the amount of CCC commodities required to be used under the Export Enhancement Program (EEP) from $2 billion to $1 billion. Provides that up to $1.5 billion in commodities may be used under the EEP program in FY-86/88.

Sec. 7. Allows wheat and feed grain producers to hay and graze set-aside acreage during at least five of the principal growing months for 1986 crops and to graze set-aside acreage for 1987-90 crops.

CBO COST ESTIMATES FOR FOOD SECURITY IMPROVEMENTS ACT

[In millions of dollars]

	Fiscal year—		
	1986	1986–88	1986–91
Nonprogram crop provision	15	190	370
Yield provision (3/5)	95	390	460
Total cost	110	580	830
Targeted export assistance	(165)	(495)	(495)
Export enhancement	0	(500)	(500)
Total savings	(165)	(995)	(995)
Net outlays (savings)	(55)	(415)	(165)

Mr. DOLE. We will be in tomorrow. This is a matter of bipartisan importance. It has not just affected Members on this side or the other side. It affects some Members who supported the farm bill who now find themselves being punished because they voted for a bill that in fact helped some of us who were in price support programs and they are now suffering because of underplanting provisions. We believe we have worked that out.

It also takes care of the question on yields. It also makes some changes to pay for all of this through the Target Export Program. I believe overall it is a good proposal.

I will not pursue it this evening. I think that would be fruitless.

Mr. President, this legislation includes several changes in the farm bill passed last December that will clarify differences in Congress and in the administration with regard to certain important provisions.

The changes included in this package have attracted widespread concern among Members in the 2 months since we completed the farm bill. They are all extremely time sensitive, with the beginning of signup for the 1986 farm programs on Monday, March 3.

This package is carefully balanced so as to have no impact on budget outlays. To the extent changes in domestic programs add cost to the farm bill, there are offsetting savings in other provisions.

I know that a number of my colleagues have other changes they feel are important to make in the farm bill. However, given the critical importance of passing this legislation this week, I would ask them to consider deferring such changes until after program signup begins next week. I would also indicate that such changes would have to be either budget neutral or else provide their own offsetting savings to avoid making this bill subject to a point of order.

Mr. President, let me briefly describe the basic provisions of this bill, and the justification for considering them at this time.

NONPROGRAM CROPS ON UNDERPLANTED ACRES

One area where there has been considerable confusion is whether nonpro-

gram crops should be allowed to be planted on underplanted acres. In the farm bill, we provided that producers of wheat, feed grains, cotton, and rice could reduce acreage planted to their program crop and still receive deficiency payments on 92 percent of their permitted acreage. As an added incentive to reduce production of these surplus crops, we also allowed farmers to plant any nonprogram crop, excluding soybeans and extra-long staple cotton, on their underplanted acres.

At the time, some of us did not fully appreciate the impact which increased production of some nonprogram crops could have on supplies and prices. It is extremely difficult to determine in advance the extent to which program crop producers will participate in the underplanting option, and which nonprogram crops they may elect to plant. Some producers of these crops, including dry edible beans, are very concerned about the possibility of massive increases in production. They rightly indicate that, since they have no Federal program, they should not be penalized by having land usually devoted to program crops brought into production of their smaller and more specialized crops.

This provision in the bill provides that underplanted acres will be planted to conserving uses, similar to provisions governing the set-aside program. If the Secretary determines that production of certain nonprogram crops, which are specified in the bill, will not result in price-depressing surpluses and increased program costs, he is provided discretion to allow them to be planted on underseeded acres.

In addition, the bill provides that producers may hay and graze their underplanted acreage, at the option of the ASC Committee in their State, unless the Secretary makes a specific determination that this authority will result in a serious adverse economic impact. I understand that the administration is prepared, as part of an overall agreement on this legislation, to provide assurances that it would not make such a determination for 1986.

The problem caused by the underplanting provision was originally raised by the distinguished Senators from Michigan, Senators LEVIN and RIEGLE, and by the distinguished Senators from California, Senators WILSON and CRANSTON. At that time, I indicated my support for their position, and my intention to provide an opportunity to correct the situation before program signup begins on March 3. I believe this provision in my bill addresses their concerns, and those of other Senators who have substantial production of nonprogram crops in their States.

According to the Congressional Budget Office, this provision will add $190 million to the cost of the farm bill over fiscal years 1986-88. This increased outlay is offset by a reduction in the amount of commodities to be used in export programs.

FARM PROGRAM PAYMENT YIELDS

One of the major misunderstandings in the farm bill relates to the determination of farm program payment yields for 1986 and 1987 crops. During the conference, it was agreed that yields would be frozen at the 1981-85 average for the next 2 crop years. The resulting savings of $1.2 billion brought the total cost of the bill down to $52 billion over fiscal years 1986-88—one of the principal reasons cited by the administration for the President's decision to sign the legislation.

In conference, it was assumed by some Members that the yield "freeze" meant a freeze at the 1985 program payment yield. Other Members thought that the 1981 through 1985 average would include actual yields rather than program payment yields. For farmers who have established their proven yields in recent years, averaging lower county average yields that may be included in the base period can result in substantially lower program payment yields in 1986 and 1987. Some producers stand to lose as much as 20 or 25 percent of their 1985 payment yield under the farm bill formula.

Under my bill, a producer's program payment yield for 1986 and 1987 crops would still be determined by the formula in the farm bill. However, in the event the 1986 yield is more than 3 percent lower than the producer's 1985 program payment yield, the Secretary is required to compensate the producer for the corresponding decline in total program return. For 1987 crops, compensation will be provided for any reduction in return resulting from a reduction in program payment yield of more than 5 percent from the 1985 level.

Another provision in this section provides that the method for averaging program payment yields in 1988 and future years will not be distorted by the potentially low yields which the farm bill formula may dictate for 1986. For purposes of calculating the 5-year yield averages for these outyears, the established yield for 1986 may not be considered to be less than 90 percent of the program payment yield for 1985.

The cost of compensating producers for these changes in their 1986 and 1987 program payments yields is estimated by CBO at $95 million in fiscal year 1986, $390 million over fiscal year 1986-88, and about $460 million over the life of the farm bill fiscal year 1986-91. To be paid in CCC commodities. These added stocks are estimated by CBO to have a dollar-for-dollar impact on Government outlays. As a result, an offsetting reduction in commodities used in the export sections of the bill is included to make the legislation budget neutral.

SPECIAL ASSISTANT FOR AGRICULTURAL TRADE

The bill also modifies the position of special assistant for agricultural trade and food aid established in the farm bill. The title is changed slightly, from "Food Aid" to "Food Assistance." In addition, the required salary for the action of level I, or cabinet rank, is deleted. As a result, the salary will be level IV, level V, or equivalent to the Senior Executive Service.

OFFSETTING SAVINGS IN EXPORT PROGRAMS

As a means of offsetting the $580 million 3-year cost of the changes in the underplanting and yield provisions in fiscal years 1986-88, this legislation makes reductions in the volume of CCC commodities required to be used under two programs: The targeted Export Assistance Program and the Export Enhancement Program. The total reduction in export commodities in fiscal years 1986-88 is $1.475 billion. This figure is more than twice the outlay increased in the two domestic programs, and is required by the method by which the Congressional Budget Office evaluates their respective cost impacts.

According to CBO, every dollar of CCC commodities placed on the domestic U.S. market will result in a dollar of program cost. However, every dollar of CCC commodities used in export programs is estimated to increase foreign sales by only about 50 cents. Thus, there is roughly a 2-to-1 ratio between the cost of adding commodities in domestic programs and the savings of reducing commodities in export programs.

TARGETED EXPORT ASSISTANCE PROGRAM

Most of the savings required under the bill are achieved by making the targeted Export Assistance Program discretionary for fiscal years 1986-88. This program was included in the farm bill by the distinguished chairman of the Senate Agriculture Committee, Senator HELMS, as a means of combating unfair export subsidies used by foreign governments, particularly in markets where the United States has received favorable rulings in section 301 cases.

Under this bill, the $325 million per year in CCC funds or commodities that are included for fiscal year 1986-88 are made discretionary. The program requirement that additional quantities or $325 million be used in fiscal year 1989 and fiscal year 1990 is left intact. This provision was costed under the assumption that CCC commodities, rather than new funds, would be used. Using CBO's 2-to-1 ratio, the savings are therefore placed at $495 million in fiscal year 1986-88.

EXPORT ENHANCEMENT PROGRAM

Finally, the bill reduces the amount of commodities required to be used

under the Export Enhancement Program [EEP] in fiscal year 1986-88 from $2 billion to $1 billion. Discretionary authority is provided to use an additional $500 million in the EEP Program. The reduction in the amount of commodities that must be used offsets the balance of the cost impact of the underplanting and yield provisions of the bill.

CONCLUSION

This legislation represents an attempt to combine a number of issues in the farm bill where there are differences of opinion as to what conferees intended. It does so in a way that will not result in additional outlays. The CBO's cost projections, which are our official "bottom line" indicate savings of $55 million in fiscal year 1986, $295 million over fiscal year 1986-88, and $165 million over fiscal year 1986-91.

The administration indicates that its cost assumptions for the 1985 farm bill have changed since it was enacted 2 months ago, and it now estimates that this legislation would increase outlays. In addition, CBO attributed cost to the export programs in the farm bill, and is scoring savings for the reductions in their mandated use. The administration's cost estimates did not attribute costs to these export programs.

I would only say that the current budgetary crisis has made all of us extremely sensitive to cost overruns, and that we have made every effort to meet the requirements imposed by the Gramm-Rudman process. I hope the administration will recognize the "good faith" effort in this bill, and be willing to give it a fair hearing before making a final decision on its disposition.

I also hope that my colleagues will appreciate the need to get these changes in the farm bill passed this week and signed into law as soon as possible. Farmers are already confused over the status of the 1986 program. We need to complete action on this bill today so that the House can act later today or tomorrow and some decision can reach farmers before program signup begins next week.

I yield to the Senator from California.

Mr. WILSON. I rise to comment upon the Food Security Improvements Act of 1986; which the distinguished majority leader has just referred to. The improvements to which the title refers include:

Increasing farm subsidy payments by more than $600 million by postponing the application of a new formula for calculating crop yields; and

Reducing by nearly $800 million the resources dedicated to increasing U.S. farm exports.

In my view, the only noteworthy improvement worthy of the term amounts to an undoing of a particularly troublesome provision contained in the 1985 farm bill which would have expanded subsidy payments to eligible farmers who wished to grow fruits, nuts, vegetables, edible dry beans, and any other nonprogram crop. If left unchanged, this provision would result in yet another Government payment to farmers who have traditionally grown wheat, feed grains, cotton or rice, but now wish to produce melons or potatoes or lettuce, for example. As a result, farmers of these nonprogram crops, who have neither sought nor received subsidy payments, would be placed at an economic disadvantage because USDA would be subsidizing their competition.

Although the intent of this provision was to reduce surplus production of wheat, feed grains, cotton and rice, the effect would be to create surpluses of innumerable nonprogram crops. It is important to remember that Federal farm programs provide no income protection for growers of these nonprogram commodities. And when Government policies provide incentives to increase their supply, the marketplace will repond with lower prices. As a result, we would be forcing out of business thousands of farmers, who derive their livelihood from the production of these unsubsidized, nonprogram crops.

For that reason, I recently introduced a bill, along with many of my colleagues, to prohibit producers of basic commodities from planting nonprogram crops on half of their eligible acres in exchange for Federal subsidies. Under the compromise contained in the improvements bill, which is presently before us, farmers, who wish to collect Government checks for not planting program crops, would be limited to certain uses of those idled acres.

Specifically, these so-called underplanted acres could be devoted to conserving uses, experimental crops, strategic and critical materials, haying and grazing at the option of each State's committee of agricultural stabilization and conservation service, and a limited number of other crops which are explicitly listed. Moreover, the compromise provides the Secretary of Agriculture with the discretion to restrict such plantings if it is "likely to increase the cost of the price support program" or "affect farm income adversely."

Mr. President, while this change will result in an improved farm bill product, I am concerned that it is contained in a package which may do more harm than good.

First, the bill does harm to the Federal budget by increasing the cost of our farm programs by more than $600 million over 3 years. I fail to understand why such an increase is necessary only 2 months after enacting the most expensive farm bill in our Nation's history—a bill chock full of farm income payments whose estimated 3-year cost will exceed $50 billion.

While I fully appreciate that many of our Nation's farmers are struggling under severe economic conditions—many of them in my own State where I have visited with them throughout the past difficult year—all of America is struggling under the weight of $200 billion deficits. While I am unconvinced that increasing the $50 billion commitment of the Federal Government by another $600 million will alleviate the financial stress in rural America, I know it will exacerbate the already critical deficit problem.

Indeed, this body adopted the Gramm-Rudman-Hollings amendment late last year in a desperate attempt to address this critical national problem. It is this amendment which imposes a healthy—and long overdue—dose of economic realism upon our legislative deliberations today. Under the amendment, every time we consider a proposal to increase Federal spending, we must, also, include a corresponding reduction in Federal outlays.

The improvements bill, which is presently before us, would comply with Gramm-Rudman-Hollings by severely reducing spending for two critical programs designed to increase U.S. farm exports. In that regard, the bill may do harm to our prospects of expanding and recapturing foreign markets for American farm products. In this regard, the bill seems to lack any inherent logic: it would provide increased subsidy payments to farmers who wish to expand crop production, while reducing funds intended to develop new export markets for our surplus farm commodities.

All throughout last year, many of us talked eloquently, passionately and, no doubt, sincerely, about the need to reverse the decline in U.S. farm exports. In just 4 short years, we have seen them fall from a high of $44 billion to near $30 billion last year. For that reason, we included in the 1985 farm bill a strong trade title—a title whose effectiveness will be significantly diminished under the guise of farm bill improvements.

For that reason, I would have serious reservation about this farm bill package unless we are able to restore a significant amount of mandatory funding for targeted export assistance.

URGENT SUPPLEMENTAL APPROPRIATION, DEPARTMENT OF AGRICULTURE, FISCAL YEAR ENDING SEPTEMBER 30, 1986

Mr. HATFIELD. Mr. President, a number of colleagues have inquired about the CCC supplemental which was held at the desk when it was sent here by the House.

Mr. President, this is the second of the supplementals relating to the CCC budget. Of course, this represents another crisis because the money will be running out of that program in the early part of the week.

There have been a number of signals given that there are amendments that will be proposed to that supplemental. I want to say first of all that we are very hopeful that we can keep it clean, as we did the first one, and to assure Members that from my contact with the House chairman of the Appropriations Committee we can expect a general supplemental within the next 30-day period that could handle other problems that people have of an emergency nature.

Mr. President, we would have to act upon the supplemental tonight. Otherwise, it will be automatically referred to the Appropriations Committee under the rules. We have not been able to work out all of the difficulties that surround it at this moment so I merely want to make the statement that the Appropriations Committee will meet tomorrow, probably in the afternoon, in order to take action on the supplemental and report it back to the floor as quickly as possible, hopefully without a report so as to avoid the 3-day rule in order that the bill could be taken up on Monday and acted upon however the Senate would work its will.

If we do not have a quorum of the Appropriations Committee in order to meet and act upon the bill, then we will call a meeting for Monday.

In other words, we are going to try to expedite in every way possible committee action on the supplemental and get it back to the floor for final action.

I just want to make that brief statement relating to the CCC supplemental that people have inquired about.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I did not object to the request of the Senator from Wisconsin, but had no one else done so I would have. I did not make an objection to the request of the Senator from Kansas, but if he had made one, I would have, and if the Senator from Oregon had made one I would have.

It is not because I am opposed to their position on the legislation they have been talking about, but we have just spent a couple of weeks talking about improving the procedures of the Senate. One of the elementary ones that I think we need to concern ourselves about is to give each of us an opportunity to know what we are voting on. I have no idea what is in the support bill. I have no idea what the Senator from Kansas is proposing. I have some ideas on what the Senator from Oregon is proposing, but I do not know about the dollar amounts.

I would just like to serve notice that I will object to unanimous-consent requests unless we are given adequate notice in advance as to what the legislative proposals are.

I would say to the distinguished majority leader that some of us who are partially industrial State Senators as well as farm State Senators are not recognized as farm State Senators. But whether we are or are not, we have an interest in that legislation because it does have an impact upon the budget and it has an impact upon other programs in our country.

I stand here only to make this very brief statement. That is that this Senator would like to know what is coming to the floor and be given adequate notice in advance or I will find it necessary to object to any procedures to expedite the process.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

FOOD SECURITY IMPROVEMENTS ACT OF 1985

Mr. SYMMS. Mr. President, I must say that this Senator is disappointed that we are unable to move forward on the legislation that the majority leader has sent to the desk and said he would bring up tomorrow. I was hoping we could do that today.

I might just say to my good friend from Ohio that I have a copy of it here. I can go through it right now or I can give it to him and he can study it. It will not be coming up tonight.

I will tell my good friend from Ohio that the part of the bill that is so critical to certain parts of agriculture in this country is the so-called underplanting provision. That is where farmers who have participated in the commodity programs be allowed to set aside land and receive deficiency payments and then grow nonprogram crops.

I tell the Senator from Ohio that already in the Magic Valley of Idaho, where there is a large dry bean-edible bean growing area, bean prices have already gone down $2 to $4 a hundred on speculations as to what might happen to farmers receiving subsidies and then growing beans. I think it is something that was not anticipated by the Senate when this was passed. As a matter of fact, it was not in the Senate bill when it was passed. It was put into the bill in conference and then came back.

As the Senator knows, the bill was passed.

I would like to inform my colleagues that the planting season is here and expeditious action cannot be overstated. I cannot overstate the case. I spoke on this earlier this morning. It is in the record, the details of some of these things of what happened.

I would hope if there is any question about what it is we are trying to do, that Senators will look at it this evening. We will be happy to discuss it and debate it further tomorrow. I think it is only a matter of trying to work out a fair compromise between those who are looking for a way to diversify their farming operations and those who have based their farm income on nonprogram crops so that they will not have a deleterious impact on the price of their commodities.

Mr. METZENBAUM. If the Senator will yield, what is the proposal he is making as to how that land that is set aside will be used in the future in such a manner that it will not affect those who grow other crops?

Mr. SYMMS. The proposal would revise the underplanting provision by limiting production of certain crops unless the Secretary were to determine that the production of the specified nonprogram crops is not likely to increase the cost of the Price Support Program and would not adversely affect the economy. It would allow for haying and grazing on underseeded acreage at the State option—in other words, the State ASCS board could do it—unless the Secretary determines that it would result in a serious adverse economic impact.

We have been working on the language of an amendment that is somewhat complicated but that would allow them to participate in 50 percent of that acreage that they would have set aside and not lose their program base for 2 years. But if they went on and grew, say, dry beans and were receiving a 92-percent deficiency payment on their set-aside, gradually, then, they would lose their wheat base or their feed grain base.

In other words, they cannot have it both ways; they cannot expect to be subsidized by the Government for a set-aside of land where they have been in the program at the expense of farmers who have not participated.

I say to my friend from Ohio that I have had a call from a farmer in Idaho who has never been in an ASCS office, is not in a reclamation project, is strictly a farmer whose major crops are wheat and dry beans. He said, "I have never had a thing to do with the Government program."

He said, "What you fellows did is lower the price by this bill," which he agreed had to happen to get our grain moving in international markets.

The price he gets as a farmer who just grows wheat and sells it went from $3.40 to $2.40.

He said "I can absorb that. I don't like it, it may break me, but I understand that has to be done so we can be competitive in the world marketplace.

But now my bean prices are $3 down below the cost of production."

What he is receiving on the beans is less, as a result of our passing a part of the bill where those farmers who are wheat growers, who have been in the program and established a base and annualized the payments from the Government, are now going to be able to grow beans and compete against them and still get this Government payment.

I think the good Senator would realize that that is a very unfair situation to those farmers who have not been participating. The same would be true of peas and lentils, potatoes and many other crops. But I think in the case of dry edible beans, it has a bigger impact because it is a smaller market and a slight percentage of increase is going to have a devastating effect.

Some of the opponents of this have a good point and I think I would have to say that for good farm policy, it is not a bad idea to try to diversify some areas of the country. But if we do it at great expense because of an impact of what we have done here that was not anticipated, that is really all we are trying to correct, to ease the language that is in the current bill and work out an agreeable compromise with the two different growing areas. I hope the Senator will look at it because it is most important to Western States' agriculture—not only Idaho but Washington, California, Oregon, and other States that are not so heavy in the programs.

Mr. ABDNOR addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. ABDNOR. I wish to add my strong support to the legislation that is under discussion. There are several sections in the bill that relate to different parts of the United States. I think any State that is a farm State probably has a great deal of interest in this legislation. It is imperative. Time is of the utmost importance. The farm season is here, the signup period is here. These are good proposals that have been well thought out.

I might mention one that I was so concerned about dealing with normal yields. We discussed it here one evening about 3 weeks ago, some of us in the farm States. The problem was brought about through the legislation—at least some of us contend the interpretation that was placed upon that particular section. My great interest is normal yield but I know it affects just about every State that has allocations for the different crops. They base their yield production, it has a great effect on their payments. This is not the time to pull something that is going to do wrong to the farmers, who are certainly entitled to the bases that they have established and proven over the years.

This is just another one of the sections. So I think the entire legislation has a great deal of merit. For those of my colleagues who are here on the floor and those who are still in their offices and might be listening in, I cannot impress upon them enough the necessity to give this matter their thorough attention between now and tomorrow and I hope we can take this up and pass it and correct some great injustices that exist in the legislation today.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I rise to support the Senators who are urging that some technical corrections be made to the farm bill to help alleviate some problems that have developed and can be corrected through the passage of these changes that the majority leader has brought to the attention of the Senate. Let me give an example of one problem.

We recently passed, as the Senate knows, an amendment correcting a drafting error which occurred with relation to the provision on cross-compliance. In the conference on the farm bill, we had a provision relating to cross compliance and it was the intention of those in the conference that the Secretary of Agriculture be given the authority to require cross compliance but that this not be mandated.

Somehow, in the drafting of the statute itself, that got turned around and it was a mandatory provision. That has been corrected by legislation now, but because of the delay and the uncertainty among those who are about to prepare for signing up for programs, it has been uncertain as to how much of a person's base acreage would be qualified for a $50,000 payment limitation. So the entire plan—the ASCS 4 and 561 farm operating plan for payment limitation review—could not be finalized, drafted, and filed so as to permit approval of that plan by March 1. That is the date that has been set by the ASCS for approval.

I am suggesting that we consider making a change in the law to permit farmers to amend those plans that cannot be approved by March 1 and to permit them to be approved by April 1. For some reason, the Department of Agriculture does not want to agree to that. I am suggesting let us write it out in plain language that is easy to read and easy to understand and put it in the law. That is an example of what can be accomplished, I think, with the passage of this bill and I hope the Senators will favorably consider it tomorrow.

Mr. SIMPSON. Mr. President, on behalf of the majority leader, I advise all of my colleagues that there will be no more rollcall votes tonight. Of course, a session will take place tomorrow.

S. 2085—MILK ASSESSMENT INCREASES TO MEET DEFICIT REDUCTION REQUIREMENTS FOR MILK PRICE-SUPPORT LEVELS

Mr. KASTEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. Mr. President, a moment ago we were unable to bring up for consideration this evening Senate bill 2085. Because of what the majority leader and others said, there may be an opportunity to deal with this tomorrow. If we do not take the unanimous-consent request that I am about to make, it will go to the committee. It has been held at the desk since last Friday. So I ask unanimous consent that Senate bill 2085 remain at the desk until tomorrow evening.

Mr. METZENBAUM. Objection.

Mr. HARKIN. Objection.

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. Objection.

Mr. HARKIN. Objection.

The PRESIDING OFFICER. Objection is heard.

SOVIET-TRAINED PROPAGANDIST ON TELEVISION IN REBUTTAL TO THE PRESIDENT

Mr. SIMPSON. Mr. President, on behalf of Senator McCLURE, I ask unanimous consent to have printed in the RECORD a letter from Patrick J. Buchanan, assistant to the President, directed to Roone Arledge, of ABC, with regard to the rather extraordinary rebuttal given last night on national television by a trained propagandist of the Soviet Union after the President of the United States finished his remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, February 27, 1986.

Mr. ROONE ARLEDGE,
President, ABC News,
New York, NY.

DEAR ROONE: We were rather astonished last night, following the President's address on the nation's security needs and Majority Leader Jim Wright's response—to see ABC give eight minutes of rebuttal time on national television to a trained propagandist for the Soviet Union.

Mr. Posner performed according to script, disparaging the address as "dishonest," and directly accusing the President of the United States of falsehoods.

Roone, it is our belief that the debate over what America requires—to defend herself, her allies and friends from the awesome military power of the Soviet Union—is a debate for Americans to conduct. Soviet propagandists have no legitimate role in that discussion.

How is a free society's search for consensus served by introducing into its national debate the scripted falsehoods of a regime which has, as its historic and stated purpose, the destruction of that free society? How is the search for truth served by turning ABC's national audience over to an individual whose concept of truth is whatever statement will advance Communist objectives? How is fairness served when the trained propagandist of a hostile regime is put onto the same plane with the President of the United States?

Would you have felt it an expression of objective and balanced journalism, if in the 1930's, Mr. Churchill's calls for the rearmament of his country were immediately followed by the BBC's granting of an unrebutted commentary to some functionary for the Third Reich?

By putting Mr. Vladimir Posner on a plane with the President of the United States and House Majority Leader Jim Wright, ABC gave this Soviet propagandist a standing he does not merit, a legitimacy he does not deserve.

We find it difficult to believe that the affiliates of ABC were either aware of—or would have approved of—what was done; and we tust that, in the future, before adopting a posture of benign neutrality as between the crafted words of an American President and the party line of a Soviet functionary, you will give the matter more consideration.

Sincerely,

PATRICK J. BUCHANAN,
Assistant to the President.

SENATOR SIMPSON PREPARED FOR TV IN THE SENATE

Mr. SIMPSON. Mr. President, after learning that television in the Senate passed, I return to the Chamber suitably garbed for the occasion, certainly ready for whatever comes in that particular area. There will be a rush on Syms or Jos. A. Banks, one or the other, and I will begin to clean up my act sartorially. That's where I get my stuff.

The PRESIDING OFFICER. The Chair notes the splendid presence of the Senator from Wyoming.

Mr. SIMPSON. I thank the Chair.

ORDER OF PROCEDURE

Mr. METZENBAUM. Mr. President, I do not see anyone on the floor except the acting majority leader and the Senator from Montana. I wonder whether or not the acting majority leader would be good enough to indicate that those of us who have no particular business may leave, with the understanding that there will not be any unanimous-consent agreements other than the one that the Senator from Wyoming has already shown me but that with respect to legislative matters there will be nothing done this evening.

Mr. SIMPSON. Mr. President, I can give that assurance to the Senator from Ohio; there will be nothing further dealt with this evening in the way of requests. That would not be fair in view of the Senator's vigor in these last few hours. We will simply have the closing procedures and materials by unanimous consent in which the minority leader and I will concur.

Mr. METZENBAUM. I thank the acting majority leader, the Senator from Wyoming.

APPOINTMENTS TO BIOMEDICAL ETHICS BOARD

The PRESIDING OFFICER. Pursuant to Public Law 99-158, a bill to establish the Biomedical Ethics Board, the Chair announces the following appointments, at the request of the majority leader: LOWELL WEICKER, JR., of Connecticut; DAVID DURENBERGER, of Minnesota; GORDON J. HUMPHREY, of New Hampshire; and at the request of the minority leader: EDWARD M. KENNEDY, of Massachusetts; DALE BUMPERS, of Arkansas; and ALBERT GORE, of Tennessee.

APPOINTMENTS BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 99-83, appoints Mr. Edward Howell Sims, of South Carolina, and Rabbi Morris Shmidman, of New York, to the Commission for the Preservation of America's Heritage Abroad.

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 93-29, as amended by Public Law 98-459, appoint Mrs. Mary J. Majors, of Iowa, to the Federal Council on the Aging.

EXECUTIVE SESSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of Michael A. Samuels, to be a Deputy U.S. Trade Representative.

Mr. BYRD. Mr. President, I understand that this nomination was not polled out of committee but was reported out in accordance with the rules.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

EXECUTIVE OFFICE OF THE PRESIDENT

The assistant legislative clerk read the nomination of Michael A. Samuels, of the District of Columbia, to be a Deputy U.S. Trade Representative, with the rank of Ambassador.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

CALENDAR

Mr. SIMPSON. Mr. President, I inquire of the minority leader if he is in a position to pass the following calendar items: No. 513, Senate Joint Resolution 266; No. 514, Senate Joint Resolution 271; No. 515, House Joint Resolution 409; No. 516, House Joint Resolution 499.

Mr. BYRD. I have no objection.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the calendar items just identified.

The PRESIDING OFFICER. Without objection, it is so ordered.

YOUTH SUICIDE PREVENTION MONTH

The Senate proceeded to consider the joint resolution (S.J. Res. 266) to authorize and request the President to designate the month of June 1986 as "Youth Suicide Prevention Month."

Mr. DENTON. Mr. President, on February 6, 1986, I introduced Senate Joint Resolution 266, a joint resolution to designate the month of June 1986 as "Youth Suicide Prevention Month." On February 20, the resolution was approved by the Judiciary Committee for consideration by the full Senate.

Mr. President, American children, adolescents and young adults are killing themselves in ever-increasing numbers. According to the American Psychiatric Association, the incidence of suicide among young people aged 15 to 24 has risen by 300 percent during the last 30 years. Specifically, the rate climbed from 4.1 per 100,000 in the 1950's to 12.5 per 100,000 in 1980. In my home State of Alabama, the rate of suicide has increased 122 percent during the same period.

This year, more than 5,000 young Americans can be expected to take

their own lives. As the National Institute of Mental Health recently reported, an American teenager will commit suicide every 90 minutes.

Suicide now trails only accidents and homicides as the leading cause of death for people between the ages of 15 and 24. Even younger children experience problems that lead them to attempt suicide. According to a report prepared by the National Center for Health Statistics, during a 13-year period ending in 1978 there were almost 2,000 documented cases of suicide among children under the age of 14. Recent studies indicate that more than 2 million high school students attempted suicide last year.

In Alabama, according to information provided by the Alabama Department of Public Health, Bureau of Vital Statistics, 264 children took their own lives during a 10-year period ending in 1984. Preliminary figures from the bureau show that 33 young Alabamians committed suicide in 1985.

Unfortunately, researchers state, the statistics represent only the "tip of the iceberg." Some experts estimate that the actual number of the suicides among young people is at least four times greater than is reported.

Youth suicide is a phenomenon that is so perplexing, contradictory, frightening, and troubling that our society avoids addressing it. As individuals and as a Nation, we refuse to believe that young people emerging from childhood can feel the degree of sadness, hopelessness, and despair that leads to suicide.

Many teenagers experience strong feelings of stress, confusion, and self-doubt associated with growing up, and the pressures to succeed combined with economic uncertainties can intensify these feelings. For some teenagers, divorce and the breakup of the family, the formation of a new family with stepparents and stepsiblings, the death of a loved one or moving to a new community and school, can be very unsettling and intensify their self-doubts. In some cases, suicide appears to be the only solution.

It is clear that youth suicide is a problem of epidemic proportions, but it is equally clear that there is no single answer or program to solve the problem. It is not exclusivly a Federal problem, or a State problem, or a public problem. It is a problem for all of us, and a problem that calls for the involvement of all segments of our society.

As a caring Nation concerned about the future of our young people, we must help. The children that we have already lost to suicide include some of the best and brightest of their generation.

Youth suicide is a problem of nationwide scope. It can ony be solved through the combined efforts of individuals, families, communities, organizations, and Federal, State, and local governments to educate our society about what can be done.

As part of that effort, the Federal Government has taken the lead in raising public awareness, disseminating information, and undertaking research and demonstration of services that may help to resolve the tragedy. The Federal effort has seen President Reagan sign into law Senate Joint Resolution 53, which I introduced designating June 1985 as "Youth suicide Prevention Month."

The effort has also seen the Reagan administration spearhead the National Conference on Youth Suicide, held in June 1985, with the stated objectives of increasing national awareness of the problem of youth suicides and encouraging expanded, community-based strategies for addressing the problem. The Conference called upon experts in the mental health profession to explain the problem and inform the Nation of the latest research and treatment advances.

Youngsters and parents whose lives have been directly affected by the tragedy of suicide also were called upon to provide insight into what might be done in the family and in the community to prevent the further senseless waste of young lives. By all accounts, the Conference was a tremendous success. In fact, many participants returned to their communities and, with the knowledge obtained from the Conference, established suicide prevention programs.

To assist other communities, the Youth Suicide National Center, in conjunction with the Office of Human Services, Administration for Children, Youth and Families of the Department of Health and Human Services, has compiled for dissemination the findings and recommendations of the Conference. I note that the findings and recommendations will be published within 8 months of the Conference, thereby recognizing the urgency associated with the problem. The administration has been involved in an effort to address the tragedy of youth suicide in an expedited, cost-efficient and effective manner.

The effort takes into consideration the fact that the first line of prevention, identification, and intervention must come from parents and local institutions with which youngsters come into every day contact: schools, churches, volunteer and youth service groups, recreational clubs, PTA's, et eteria. The efforts of the Reagan administration are currently strengthening that first line of defense against youth suicide.

With the knowledge discovered from the Conference and the report and with the support of individuals, families, communities, organizations, and Federal, State, and local governments, children and teenagers who are suicidal can be restored to a more healthful path of development. If those efforts can save one child's life and prevent the agony suffered by the family of a child suicide, then we will have accomplished a great deal.

Mr. President, I hope by calling attention to the problem by designating the month of June 1986 as "Youth Suicide Prevention Month" we will encourage similar activity to help end the tragedy of children taking their own lives.

I urge my colleagues to pass the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 266

Whereas the youth of society represent the hope for the future;

Whereas the rate of youth suicide has increased more than threefold in the last two decades;

Whereas over five thousand young Americans took their lives last year, many more attempted suicide, and countless families were affected;

Whereas youth suicide is a phenomenon which must be addressed by a concerned society; and

Whereas youth suicide is a national problem which can only be solved through the combined efforts of individuals, families, communities, organizations, and government to educate society: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of June 1986 is designated as "Youth Suicide Prevention Month" and the President is authorized and requested to issue a proclamation calling upon the Governors of the several States, the chief officials of local governments, and the people of the United States to observe such month with appropriate programs and activities.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BALTIC FREEDOM DAY

The Senate proceeded to consider the joint resolution (S.J. Res. 271) designating "Baltic Freedom Day."

Mr. RIEGLE. Mr. President, I am pleased that, today, the Senate has unanimously adopted Senate Joint Resolution 271, declaring June 14, 1986, "Baltic Freedom Day."

It is significant that this resolution should be approved by the Senate within days of its overwhelming vote in support of another important document calling for the protection of individual human rights—the historic Genocide Treaty. In the words of the great humanitarian Eli Wiesel, "re-

spect and dignity for each individual is essential to the achievement of world peace."

Respect for the individual's desire for freedom lies at the heart of Senate Joint Resolution 271, which focuses attention on the denial of the rights of the citizens of Latvia, Lithuania, and Estonia. Through this Baltic Freedom Day resolution, and through the tributes we offer on the anniversaries of the Baltic States' independence days, we express our undying support for the freedom fight which continues to capture the hearts and minds of the Baltic peoples.

Mr. President, a recent New York Times article entitled: "Elagu Vaba Eesti," long live free Estonia, speaks of the efforts of the Estonian-American community in this country to keep attention focused on the continuing Soviet oppression in their homeland. The article makes the point that, despite the relatively small number of Americans of Baltic descent in this country, they have been effective in promoting action within the Congress and the administration on behalf of the captive Baltic nations.

One of the key efforts of the Baltic-American community is to secure official recognition of Baltic Freedom Day on June 14 of each year. Juhan Simonson, president of the Estonia-American National Council, explains that, in recognizing Baltic Freedom Day, we "speak for the people of the Baltic who cannot speak for themselves."

I therefore congratulate the Senate for once again demonstrating both its concern for the captive peoples of the world and its commitment to support them in their ongoing struggle for freedom, and I ask unanimous consent that the full text of the article entitled "Elagu Vaba Eesti, indeed" be printed in full at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ELAGU VABA EESTI, INDEED

Washington, Feb. 26.—Congress is going to some lengths to recognize Estonian National Independence Day.

More than 20 members have delivered or submitted statements honoring the occasion; many have had the "Copenhagen Manifesto," a Baltic Tribunal document deploring Soviet occupation of Estonia, Latvia and Lithuania, reprinted in the Congressional Record; on March 12 an Estonian minister will even deliver the opening prayer to the House.

And more than one member has stood to utter the words: "Elagu Vaba Eesti! (Long live Free Estonia!)"

The Estonian community is by no means a powerful lobby. After all, the 1980 Census counted only 26,000 Americans of Estonian descent. Fewer than one million Americans trace their ancestries to any of the Baltic countries. Besides the Estonians, these include 742,000 of Lithuanian descent and 92,000 of Latvian descent. So why all the Congressional interest?

A small but persistent lobbying group deserves most of the credit. The Estonia American National Council, whose 50 members work only part-time and receive no money for their efforts, has been cajoling Congress every year since the early 1950's to recognize Estonian independence day on Feb. 24.

Juhan Simonson, president since 1978, says that near the beginning of every year, the council supplies every member of Congress with a reminder of the continued Soviet presence in Estonia, Latvia and Lithuania. "We ask them to make some mention of that illegal occupation in commemoration of Estonian National Independence Day," he said.

The written reminders are followed up by phone calls and visits, especially to those members of Congress who have responded favorably in the past.

But as successful as the council has been in Congress, its greatest publicity triumph lies elsewhere. For it has persuaded the Reagan Administration in each of the past five years to issue a statement on Baltic Freedom Day, June 14, which is recognized by people from all three Baltic countries.

Mr. Reagan, the first President to regularly address the subject, last year condemned the "atrocious character of the Soviet oppression" of the region.

"We think that is very helpful," Mr. Simonson said. "It speaks for the people of the Baltic, who cannot speak for themselves."

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 271

Whereas the people of the Baltic Republics of Lithuania, Latvia, and Estonia have cherished the principles of religious and political freedom and independence;

Whereas the Baltic Republics have existed as independent, sovereign nations belonging to and fully recognized by the League of Nations; and

Whereas the Union of the Soviet Socialist Republics (U.S.S.R.) in collusion with Nazi-Germany signed the Molotov-Ribbentrop Pact which allowed the U.S.S.R. in 1940 to illegally seize and occupy the Baltic States and by force incorporated them against their national will and contrary to their desire for independence and sovereignty into the U.S.S.R.;

Whereas due to Soviet and Nazi tyranny, by the end of World War II, the Baltic nations had lost 20 per centum of their total population;

Whereas the people of the Baltic Republics have individual and separate cultures, national traditions, and languages distinctively foreign to those of Russia;

Whereas the U.S.S.R. since 1940 has systematically implemented its Baltic genocide by deporting native Baltic peoples from their homelands to forced labor and concentration camps in Siberia and elsewhere, and by relocating masses of Russians to the Baltic Republics, thus threatening the Baltic cultures with extinction through russification;

Whereas the U.S.S.R. has imposed upon the captive people of the Baltic Republics an oppressive political system which has destroyed every vestige of democracy, civil liberties, and religious freedom;

Whereas the people of Lithuania, Latvia, and Estonia find themselves today subjugated by the U.S.S.R., locked into a union they deplore, denied basic human rights, and persecuted for daring to protest;

Whereas the U.S.S.R. refuses to abide by the Helsinki accords which the U.S.S.R. voluntarily signed;

Whereas the United States as a member of the United Nations has repeatedly voted with a majority of that international body to uphold the right of other countries of the world to determine their fates and be free of foreign domination;

Whereas the U.S.S.R. has steadfastly refused to return to the people of the Baltic States of Lithuania, Latvia, and Estonia the right to exist as independent republics separate and apart from the U.S.S.R. or permit a return of personal, political, and religious freedoms; and

Whereas 1986 marks the forty-sixth anniversary of the United States continued policy of nonrecognition of the illegal forcible occupation of Lithuania, Latvia, and Estonia by the U.S.S.R.: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) the Congress recognizes the continuing desire and the right of the people of Lithuania, Latvia, and Estonia for freedom and independence from the domination of the U.S.S.R.;

(2) the Congress deplores the refusal of the U.S.S.R. to recognize the sovereignty of the Baltic Republics and to yield to their rightful demands for independence from foreign domination and oppression;

(3) the Congress reaffirms the indictment against the U.S.S.R. of the Copenhagen Manifesto signed by the Baltic Tribunal on July 26, 1985, by Doctor Theodor Veiter, Reverend Michael Bordeaux, Sir James Fawcett, Per Ahlmark, and Jean Marie Daillet;

(4) the fourteenth day of June 1986, the anniversary of the mass deportation of Baltic peoples from their homelands in 1941, be designated "Baltic Freedom Day" as a symbol of the solidarity of the American people with the aspirations of the enslaved Baltic people; and

(5) the President of the United States be authorized and requested to issue a proclamation for the observance of Baltic Freedom Day with appropriate ceremonies and activities and to submit the issue of the Baltic Republics to the United Nations so that the issue of Baltic self-determination will be brought to the attention of the United Nations General Assembly.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

LITHUANIAN INDEPENDENCE DAY

The joint resolution (H.J. Res. 409) to direct the President to issue a proclamation designating February 16, 1986, as "Lithuanian Independence Day" was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

WOMEN'S HISTORY WEEK

The Senate proceeded to consider the joint resolution (H.J. Res. 499) designating the week beginning March 2, 1986, as "Women's History Week."

Mr. HATCH. Mr. President, women have played many important roles in our Nation's history. Their insight and determination has opened new frontiers, provided needed services, and reared families through both hard and happy times. I am pleased we are considering House Joint Resolution 499, "Women's History Week," which sets aside the week of March 2-8, 1986 for us, as a nation, to recognize these women.

In my own State of Utah, one cannot think of the founding of its territory without being reminded of the women who emigrated to the mountain deserts of Utah from all parts of the United States and from other countries of the world. From the very beginning, women were part of the settlement of Utah. Three women came with the advance company of Morman pioneers to enter Salt Lake Valley in July 1847. An additional 60 women marched with the Mormon Battalion from Fort Leavenworth, KS, to Santa Fe, NM, and spent the winter of 1846-47 at Pueblo, CO, before entering the Salt Lake Valley just a few days behind the advance company. They were accompanied by another 20 women who had migrated from Mississippi and Illinois and wintered with the battalion women at Pueblo.

Before the end of July 1847, there were almost as many women in Utah as there were men—a fact which set Utah apart from most Western territories. In the companies which subsequently migrated from the Midwestern and Eastern United States and from Europe, women continued to come in numbers equal to men. The settlement of Utah began with a partnership of men and women, and that pattern has continued to characterize the "family State" to this day.

In the past 5 years, "Women's History Week" has been met with a great deal of enthusiasm and support. Celebration of this week has included such events as panels, media shows, school programs, lectures, conferences, and rallies. Public awareness of the part women have played in our Nation's past has risen remarkably.

I am delighted to be joined by 31 of my colleagues and by Congresswoman BARBARA BOXER, sponsor of the resolution in the House of Representatives, in supporting this resolution. I urge all Senators to join us in celebrating "Women's History Week."

The joint resolution was ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

ANNUAL REPORT ON THE TRADE AGREEMENTS PROGRAM MESSAGE FROM THE PRESIDENT—PM 117

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Finance:

To the Congress of the United States:

In accordance with Section 163(a) of the Trade Act of 1974, I hereby transmit the Twenty-eighth Annual Report on the Trade Agreements Program, 1984-1985.

RONALD REAGAN.

THE WHITE HOUSE, *February 27, 1986.*

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that on February 18, 1986, he had approved and signed the following joint resolutions:

S.J. Res. 150. Joint Resolution to designate the month of March 1986 as "National Hemophilia Month."

S.J. Res. 231. Joint Resolution to designate the period commencing January 1, 1986, and ending December 31, 1986, as the "Centennial Year of the Gasoline Powered Automobile."

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 11:04 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 4130. An act to establish, for the purpose of implementing any order issued by the President for fiscal year 1986 under any law providing for sequestration of new loan guarantee commitments, a guaranteed loan limitation amount applicable to chapter 37 of title 38, United States Code, for fiscal year 1986.

The enrolled bill was subsequently signed by the President pro tempore (Mr. THURMOND).

At 4:06 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolutions, in which it requests the concurrence of the Senate:

H.J. Res. 3. Joint resolution to prevent nuclear explosive testing; and

H.J. Res. 345. Joint resolution to designate March 1986, as "Music in Our Schools Month."

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 278. A concurrent resolution expressing the sense of the Congress that February 28, 1986, should be designated "National TRIO Day" and that the achievements of the TRIO programs should be recognized.

MEASURES REFERRED

The following joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H. Con. Res. 278. Concurrent resolution expressing the sense of the Congress that February 28, 1986, should be designated "National TRIO Day" and that the achievements of the TRIO programs should be recognized; to the Committee on the Judiciary.

H.J. Res. 345. Joint resolution to designate March 1986, as "Music in Our Schools Month;" to the Committee on the Judiciary.

The following joint resolution, which was being held at the desk by unanimous consent, was read the first and second times by unanimous consent, and referred as indicated:

H.J. Res. 534. Joint resolution making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes; to the Committee on Appropriations.

The following bill, which was being held at the desk by unanimous consent, was read the first and second times by unanimous consent, and referred as indicated:

S. 2085. A bill to amend the Agricultural Act of 1949 to require that milk assessments be increased during fiscal year 1986 to meet any deficit reduction requirements for milk price-support levels; to the Committee on Agriculture, Nutrition, and Forestry.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2566. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the deferral of certain budget authority; pursuant to the order of January 30, 1975, referred jointly to the Committee on Appropriations, the Committee on the Budget,

and the Committee on Energy and Natural Resources.

EC-2567. A communication from the Administrator of the Energy Information Administration, Department of Energy, transmitting, pursuant to law, the January Quarterly Coal Report; to the Committee on Energy and Natural Resources.

EC-2568. A communication from the Chairman of the Commission on Security and Cooperation in Europe, transmitting, pursuant to law, the annual report of the Commission for 1985; to the Committee on Foreign Relations.

EC-2569. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a list of the reports of the General Accounting Office for the month of January 1986; to the Committee on Governmental Affairs.

EC-2570. A communication from the Chairman of the National Credit Union Administration, transmitting, pursuant to law, the annual report of the National Credit Union Administration under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-569. A joint resolution adopted by the Legislature of the State of California to the Committee on Energy and Natural Resources.

"ASSEMBLY JOINT RESOLUTION NO. 60—RELATIVE TO THE NATIONAL HISTORICAL TRAIL SYSTEM

"Whereas, During 1775 and 1776, Colonel Juan Bautista de Anza brought 240 men, women, and children from the morthern provinces of Mexico across southern Arizona and California to Monterey, California, traveling some 1,600 miles of rugged desert and mountainous terrain to open the first land route to California; and

"Whereas, Some of the members of the expedition would be the founders of a mission and presidio at Yerba Buena (San Francisco) and other colonizers would help found California's first pueblo at San Jose; and

"Whereas, Colonel de Anza's accomplishment exemplified the finest attributes of leadership, courage, skill, and determination, worthy of the great American heroes of our past; and

"Whereas, The de Anza Expedition itself was a "remarkable record, never excelled—perhaps never equaled—in the history of the pioneer treks of peoples to the Pacific Coast, before, during, or after the Gold Rush"; and

"Whereas, The de Anza Expedition, was reenacted through special symbolic observances throughout California and in conjunction with Spain, Mexico, and the State of Arizona during 1975 and 1976; and

"Whereas, The period from August 1, 1975, to July 4, 1976, was proclaimed "The 200th Anniversary of the de Anza Expedition," and was celebrated as a reaffirmation of the unique multicultural and bountiful heritage of the State of California; and

"Whereas, The historic use of the de Anza Trail has had a far-reaching effect on broad patterns of American culture and on the culture of the people of California; and

"Whereas, The de Anza Trail has significant potential for public recreational use and historic interest for the people of California; and

"Whereas, The designation of the Juan Bautista de Anza Trail as a component of the National Trails System would benefit the people of California culturally, economically, and enrich the general quality of life; and

"Whereas, The National Park Service, in 1984 and 1985, pursuant to Public Law 98-11, studied the feasibility of establishing the de Anza Trail as a component of the National Trails System; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the Congress of the United States to enact appropriate legislation designating the Juan Bautista de Anza Trail as a component of the National Trails System; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-570. A resolution adopted by the City Council of Lauderdale Lakes, Florida favoring retention of the general revenue sharing program; to the Committee on Finance.

POM-571. A resolution adopted by the City Council of Eastlake, Ohio opposing the Tax Reform Act of 1985; to the Committee on Finance.

POM-572. A resolution adopted by the City Council of North Royalton, Ohio favoring the continuation of the general revenue sharing program; to the Committee on Finance.

POM-573. A concurrent resolution adopted by the Senate of the State of West Virginia; to the Committee on Foreign Relations.

"SENATE CONCURRENT RESOLUTION NO. 2

"Whereas, it has been brought to the attention of this legislative body through correspondence of the Order of St. Andrew the Apostle, a private nonprofit corporation with offices at the Greek Orthodox Arch Diocese of North and South America, that the civil liberties of Greeks living in Turkey have been repeatedly threatened and denied; and

"Whereas, This legislative body is justly proud of its long and unyielding commitment to the pervasive extension of freedom; and

"Whereas, The military junta in Ankara has decreed that Turkish citizens of Greek descent cannot buy or sell real estate, thus creating the expectation that their homes and businesses will be confiscated; and

"Whereas, Turkish officials recently visited the worldwide center of Orthodox Christianity, known as the Ecumenical Patriarchate in Constantinople and called Istanbul by Moslems; and

"Whereas, In this holy place, which corresponds with the Vatican, all sacred items were registered and declared the national property of Turkey; and

"Whereas, The famous Greek Orthodox School of Theology on the island of Halki, from which renowned religious leaders (including His All Holiness, Ecumenical Patriarch Demetrios I. and His Eminence, Archbishop Iakovos, Greek Orthodox Primate of the Americas) have graduated, is now a modest high school with a Turkish principal; and

"Whereas, While Turkish law prohibits any repair work to Christian churches, schools, businesses or homes exceeding two hundred fifty liras (or less than two dollars) without a permit, such permits are systematically denied to Greek Orthodox residents of the country; and

"Whereas, There are continuous efforts to seize the income-producing properties willed by Greek Orthodox people to the famous hospital in Balukli, Istanbul, which treats all members of the community regardless of religion or nationality; and

"Whereas, At least 300 Greek Orthodox families were forced to flee Turkey because of these and other oppressive conditions; and

"Whereas, In addition, the ethnically Greek population of Turkey has dwindled from half a million at the turn of the century to fewer than 5,000 and 92 percent of those who remain are age 65 or older; and

"Whereas, These facts strongly suggest a Turkish policy of retrenchment and, indeed, of active persecution of those of Greek heritage; and

"Whereas, It is the sense of the legislative body to urge that the United States government investigate these charges and, if substantiated, bring to bear upon the Turkish government appropriate economic and political pressure to correct the suppression of civil liberties; therefore, be it

"Resolved by the Legislature of West Virginia: That this House does hereby urge President Reagan and the Congress of the United States and the members of the West Virginia Congressional Delegation to petition the Turkish government to effect the protection of the civil liberties of Orthodox Christians; and

"Resolved further, That a duly authenticated copy of this resolution, signed by the President and attested by the Clerk, be transmitted to President Ronald W. Reagan and to the leadership of the Congress of The United States."

POM-574. A resolution adopted by the House of Representatives of the Commonwealth of Massachusetts; to the Committee on Foreign Relations:

"RESOLUTIONS MEMORIALIZING THE PRESIDENT OF THE UNITED STATES AND THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF VIETNAM AND THE LAO PEOPLE'S DEMOCRATIC REPUBLIC TO RESOLVE THE STATUS OF AMERICANS MISSING AND UNACCOUNTED FOR IN INDOCHINA

"Whereas, there are over 2,400 Americans still missing or otherwise unaccounted for in Indochina and their families still suffer untold grief due to uncertainty about their fate; and

"Whereas, the President of the United States has declared resolution of the POW/MIA issue a matter of highest national priority and has initiated high level dialogue with the Governments of Vietnam and Laos on this issue; and

"Whereas, the Massachusetts House of Representatives fully understands and agrees that the fullest possible accounting can only be achieved through Government to Government cooperation; and

"Whereas, the Government of Vietnam has agreed in principle to the U.S. proposal for joint excavation of U.S. aircraft crashsites in line with their pledge to accelerate cooperation with the United States to resolve the issue within a two-year timeframe; and

"Whereas, the Laos Government has agreed to continue and increase cooperation with the United States, including a second joint excavation to be conducted in early 1986; now therefore be it

"Resolved, That the Massachusetts House of Representatives supports the President's pledge of highest national priority to resolve the status of Americans still missing and unaccounted for in Indochina; and be it further

"Resolved, That the Massachusetts House of Representatives urges the U.S. Government to accelerate efforts in every possible way to obtain the immediate release of any Americans who may still be held captive in Indochina and the return of American servicemen and civilians who died in Southeast Asia whose remains have not been repatriated; and be it further

"Resolved, That the Massachusetts House of Representatives strongly urges the Governments of the Socialist Republic of Vietnam and the Lao People's Democratic Republic to fully cooperate with the U.S. Government in the humanitarian effort to resolve the fates of over 2,400 American servicemen and civilians still missing in Southeast Asia; and be it further

"Resolved, That a copy of these resolutions be forwarded by the Clerk of the House of Representatives to the President of the United States, the Presiding Officer of each branch of Congress and the Members thereof from this Commonwealth, and the Government of the Socialist Republic of Vietnam and the Lao People's Democratic Republic."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment:

S. Res. 305: A resolution relating to the printing of a report entitled "Developments in Aging: 1985" (Rept. No. 99-239).

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment:

S. Res. 353: An original resolution authorizing expenditures by committees of the Senate (Rept. No. 99-240).

S. Res. 356: An original resolution authorizing the printing of a revised edition of Senate document numbered 99-23, entitled "Senate Election Law Guidebook 1984" as a Senate document (Rept. No. 99-241).

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment and with a preamble:

S. Res. 337: A resolution to authorize from the contingent fund of judgments in a civil action against the widow of a former Senate employee as representative of his estate.

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment:

S. Res. 354: An original resolution to pay a gratuity to Lee R. Schroer.

S. Res. 355: An original resolution to pay a gratuity to Joan W. Persetic.

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment and an amendment to the title and with a preamble:

S.J. Res. 257: Joint resolution to designate the first Friday of May each year as "National Teacher Appreciation Day."

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 261: Joint resolution to designate the week of April 14, 1986 through April 20, 1986 as "National Mathematics Awareness Week."

S.J. Res. 262: Joint resolution to authorize and request the President to issue a proclamation designating June 2 through June 8, 1986, as "National Fishing Week."

S.J. Res. 265: Joint resolution authorizing and requesting the President to designate the week of March 9 through 15, 1986, as "National Employ the Older Worker Week."

S.J. Res. 278: Joint resolution to designate March 16, 1986, as "Freedom of Information Day."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

Frank J. Magill, of North Dakota, to be U.S. circuit judge for the eighth circuit;

Danny J. Boggs, of Kentucky, to be U.S. circuit judge for the sixth circuit;

Lawrence P. Zatkoff, of Michigan, to be U.S. district judge for the eastern district of Michigan;

Ronald R. Lagueux, of Rhode Island, to be U.S. district judge for the district of Rhode Island;

Thomas J. McAvoy, of New York, to be U.S. district judge for the northern district of New York;

Sidney A. Fitzwater, of Texas, to be U.S. district judge for the northern district of Texas;

David R. Hansen, of Iowa, to be U.S. district judge for the northern district of Iowa;

Miriam G. Cedarbaum, of New York, to be U.S. district judge for the southern district of New York;

Robert J. Bryan, of Washington, to be U.S. district judge for the western district of Washington.

By Mr. LUGAR, from the Committee on Foreign Relations:

Paul Dundes Wolfowitz, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Indonesia.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Paul D. Wolfowitz.

Post: Ambassador to Indonesia.

Contributions, amount, date, and donee.

1. Self: Paul Wolfowitz, none.

2. Spouse: Clare Wolfowitz, none.

3. Children and spouses names: Sara Wolfowtiz, David Wolfowitz, none.

4. Parents names: Lillian Wolfowitz, father, deceased, none.

5. Grandparents names, deceased.

6. Brothers and spouses names: N/A.

7. Sisters and spouses names: Laura Sachs (sister), Tsvi Sachs, none.

Arthur H. Davis, of Colorado, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Panama.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Arthur H. Davis.

Post: Panama.

Nominated: October 1985.

Contributions, amount, date, and donee:

1. Self: $50, 1982, Cong. Kramer. $100, 1984, Sen. Armstrong. $150, 1984, Cong. Kramer. $50, 1984, Cong. Schaefer. $100, 1985, Cong. Kramer.

2. Spouse: $500, 1984, Reagan/Bush.

3. Children and spouses names: CM/M Douglas Campbell, $50, 1984, Sen. Armstrong. $50, 1984, Sen. Armstrong. $25, 1984, Cong. Kramer. M/M Eugene Fodor, none. M/M Arthur Davis III, none. Karen Davis, none.

4. Parents: Deceased.

5. Grandparents: Deceased.

6. Brothers and spouses names: Fred Davis, M/M Robert Davis, none.

7. Sisters and spouses names: M/M William Hatcher, $15, 1984, Rep. Party.

Larry K. Mellinger, of California, to be United States Alternate Executive Director of the Inter-American Development Bank;

Hugh W. Foster, of California, to be United States Alternate Executive Director of the International Bank for Reconstruction and Development for a term of four years;

Gaston Joseph Sigur, of Maryland, to be an Assistant Secretary of State.

(The above nominations were reported from the Committee on Foreign Relations with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. LUGAR. Mr. President, as in executive session, I also report favorably two nomination lists in the Foreign Service which have previously appeared in full in the CONGRESSIONAL RECORD of January 27, 1986, and, to save the expense of reprinting them on the Executive Calendar, I ask unanimous consent that they may lie on the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PROXMIRE:

S. 2114. A bill to amend title XVIII of the Social Security Act to provide for research with respect to the outcomes of specific medical treatments and surgical procedures; to the Committee on Finance.

By Mr. THURMOND (for himself, Mr. ANDREWS, Mr. COCHRAN, Mr. DECONCINI, Mr. GARN, Mr. INOUYE, Mr. JOHNSTON, Mr. LEVIN, Mr. MATSUNAGA, Mr. MATTINGLY, Mr. RUDMAN, and Mr. SIMON):

S. 2115. A bill to recognize the organization known as the 82nd Airborne Division Association, Incorporated; to the Committee on the Judiciary.

By Mr. MELCHER (for himself, Mr. BURDICK, and Mr. FORD):

S. 2116. A bill to require the Board of Governors of the Federal Reserve System to make credit available for agricultural purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PRESSLER:

S. 2117. A bill to strengthen the national defense and to encourage and assist in the expansion and improvement of educational programs and research capabilities in institutions of higher learning to meet critical national needs; and for other purposes; to the Committee on Labor and Human Resources.

By Mr ANDREWS (for himself, Mr. BURDICK, and Mr. PRESSLER):

S. 2118. A bill to provide for the distribution of funds appropriated to pay a judgment awarded to the Sisseton and Wahpeton Tribes of Sioux Indians in Indian Claims Commission dockets numbered 142 and 359, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. COHEN:

S. 2119. A bill to assure the provision of certain basic rights to residents in long-term care facilities; to the Committee on Labor and Human Resources.

By Mr. STAFFORD (by request):

S. 2120. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to provide interim financing and borrowing authority, and for other purposes; to the Committee on Finance.

By Mr. DURENBERGER (for himself and Mr. QUAYLE):

S. 2121. A bill to amend title XVIII of the Social Security Act to revise the method of payment to hospitals for capital-related costs under the Medicare program; to the Committee on Finance.

By Mr. GLENN (for himself, Mr. HEINZ, Mr. MELCHER, Mr. BRADLEY, Mrs. HAWKINS, and Mr. BURDICK):

S. 2122. A bill to continue the current waiver of liability presumption for home health agencies and skilled nursing facilities under the medicare program in order to protect beneficiary access to home health and extended care services; to the Committee on Finance.

By Mr. NICKLES:

S. 2123, A bill to authorize road repair or reconstruction at Fort Gibson Lake, Oklahoma; to the Committee on Environment and Public Works.

By Mr. DODD (for himself and Mr. BOREN):

S. 2124. A bill to guarantee that individuals responsible for defense procurement fraud are found liable and receive appropriate punishment; to the Committee on the Judiciary.

By Mr. WILSON (for himself and Mr. CRANSTON):

S. 2125. A bill to amend title 23 of the United States Code to increase the limitation on the amount of obligations from $30,000,000 to $100,000,000 for emergency relief projects in any State resulting from any single natural disaster or catastrophic failure occurring in calendar year 1986; to the Committee on Environment and Public Works.

By Mr. CRANSTON:

S. 2126. A bill to direct the Food and Drug Administration to conduct a study of the health effects of toxic contamination of fish in Santa Monica Bay, California; to the Committee on Labor and Human Resources.

By Mr. NUNN:

S.J. Res. 281. Joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "Senior Center Week"; to the committee on the Judiciary.

By Mr. MOYNIHAN (for himself, Mr. HEINZ, Mr. PRYOR, Mr. DURENBERGER, Mr. MITCHELL, Mr. GRASSLEY, Mr. FORD, Mr. SARBANES, Mr. SIMON, Mr. BAUCUS, and Mr. MATSUNAGA):

S.J. Res. 282. Joint resolution to express the disapproval of the Congress with respect to the proposed rescission of budget authority for the general revenue sharing program; to the Committee on Appropriations.

By Mr. LUGAR:

S.J. Res. 283. Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985; to the Committee on Foreign Relations, pursuant to Public Law 99-83, not to be reported prior to eight days after the date of introduction, but in any case, it must be reported by the close of business on the 15th day after introduction.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MATHIAS, from the Committee on Rules and Administration:

S. Resolution 353. An original resolution authorizing expenditures by committees of the Senate; from the Committee on Rules and Administration; placed on the calendar.

S. Resolution 354. An original resolution to pay a gratuity to Lee R. Schroer; placed on the calendar.

S. Resolution 355. An original resolution to pay a gratuity to Joan W. Persetic; placed on the calendar.

S. Resolution 356. An original resolution authorizing the printing of a revised edition of Senate document numbered 99-23, entitled "Senate Election Law Guidebook 1984" as a Senate document; placed on the calendar.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PROXMIRE:

S. 2114. A bill to amend title XVIII of the Social Security Act to provide for research with respect to the outcomes of specific medical treatments and surgical procedures; to the Committee on Finance.

HEALTH OUTCOMES RESEARCH

Mr. PROXMIRE. Mr. President, the bill I am introducing today is a revised version of legislation I introduced last month, S. 2001. This bill retains the mandate of S. 2001 that the National Center for Health Services Research and Health Care Technology Assessment undertake a program of research into health outcomes associated with medical and surgical procedures. It is my intention that the center give priority to those procedures most significant for the Medicare population in terms of cost, risk, frequency, and length of hospitalization.

But the bill I am introducing today also contains important changes from my earlier proposal.

First, it makes absolutely clear that the funds to be made available for this research from the Medicare trust fund cannot exceed $4 million per year for fiscal years 1987, 1988, and 1989—a total of $12 million.

My earlier proposal, S. 2001, would have permitted a much larger allocation of funds from the trust fund, far in excess of what was prudent or practical and far more than I should have proposed. That was a mistake and I intend this legislation to completely supersede S. 2001.

Second, in light of the reduced funding contained in the bill I am introducing today, I have deleted the requirement for the establishment of a national advisory council. The available funding is better allocated to conduct the research itself.

The National Center for Health Services Research has sufficient authority to consult experts in the field to provide guidance in the selection of these research projects and I expect them to do so. In addition, the National Center already meets informally with a number of agencies that I suggested for inclusion on the national advisory council and it is my intention that they include health outcomes research on their agenda so that related agencies are kept apprised of this research effort and can lend their expertise.

Finally, the bill includes a new section requiring the National Center for Health Services Research to report to the appropriate committees of the Congress on the results of this research and to provide, in cooperation with the appropriate medical specialties, for widespread dissemination of the results.

WHAT IS HEALTH OUTCOMES RESEARCH?

Mr. President, it has long been recognized that the incidence of medical or surgical procedures vary from area to area.

This variation can occur for a variety of reasons: Differences in illness levels, differences in the age or gender composition of the population, differences in patient preferences, a physician's clinical intuition as well as his or her past training all can affect the number and type of surgical or medical procedures performed in an area. Environmental influences are also a factor: Lack of geographic or financial access to medical care, occupational hazards or simply living near sources of pollution.

For all of these reasons it is not surprising that there might be a variation in the matter of hysterectomies or prostatectomies or hospitalizations for a specific procedure in one community to another. There clearly will be differences between the urban ghetto, white suburbia, and the coal fields of Appalachia.

But in the last decade and a half a new field of research has developed—known as small area analysis—which

has looked very closely at these variations between communities and found very disturbing results. Pioneered by Dr. Jack Wennberg of Dartmouth, this research attempts to develop rates of medical and surgical procedures that are truly population-based; The researchers adjust for fluctuations that occur because of the age or gender composition of the population they are examining and also eliminate from the rate patients who live outside the area but were "referred in" to have a specific procedure performed.

Dr. Wennberg and his collaborators have made two astounding discoveries in the course of their work.

First, the sheer magnitude of the variations. In Maine, the rate of hospitalizations for pediatric pneumonia vary as much as twentyfold, not from one end of the State to the other but in communities just a few miles apart. Or consider hysterectomies, in some parts of Maine, 70 percent of the elderly women will have undergone a hysterectomy; in neighboring communities, the rate was 25 percent.

Or consider Iowa, another State Dr. Wennberg has studied. The rates of prostatectomies in 85-year-old males varies from 15 percent in some communities to 50 percent in others.

Even allowing for all of the factors that I outlined which affect the incidence of specific procedures, it is difficult to understand the reasons for such a phenomenal disparity.

Second, there appears to be a distinctive "surgical signature" pattern for each community they studied. In other words, the high rates in some communities persist over time and the low rates in other communities persist over time where there has been no change in medical personnel.

Both of these facts have lent new insights into the way medicine is practiced. And they raise a fundamental question: Do these vastly different practice styles affect the quality of care which patients receive?

For example, are patients who live in communities with a very high rate of prostatectomies or hysterectomies living longer, enjoying fuller lives, with less pain, less disability, fewer complications, or subsequent hospitalizations than patients living in communities with much lower rates of these procedures?

We simply do not know. And we cannot prejudge the answer. If patients in communities with lower rates of these procedures are enjoying longer, fuller lives, this data would provide the medical community with vital information to reconsider the rates at which these procedures are performed. But the studies might find the reverse: Some procedures which enhance the quality of patients' lives may not be utilized as frequently as they should be.

But in either case, this data is of great importance to the medical community and involves a scale of analysis beyond the ability of the individual clinician in his or her own practice. And because small area analysis is so new, we simply have no existing data base in this area.

My bill would take a small first step, with a very limited and prudent commitment of funds, to develop the information which will both increase quality of patient care and assure the cost-effective use of our Medicare trust funds.

THE PROXMIRE PROPOSAL

Mr. President, my proposal builds upon the excellent hearing record developed by the Senate Subcommittee on Labor-HHS-Education, when we examined small area analysis research on November 19, 1984. That hearing featured Dr. Wennberg's findings and I urge my colleagues and their health staff to review that record.

All of those who testified—representing practicing physicians [AMA], elderly patients [AARP], employer purchasers of health care [Washington Business Group on Health] and professionals involved in peer review [American Medical Care Review Organization]—concluded that we need to move beyond mere recognition of variations in medical practice patterns to the question of whether these differences actually affect the quality of care which patients receive.

My proposal does just that.

First, it provides $4 million a year, for 3 years, from the Medicare trust fund for health outcomes research. This research is expensive and it will not be unusual to find a single project costing as much as $1 million per year over a 3-year period. I would expect the funding contained in my bill to be sufficient to fund four projects over this 3-year period.

This is a modest beginning—far less than many advocates of health outcomes research might want—but a practical and prudent amount which will enable the National Center for Health Services Research to begin to develop the necessary expertise in this area and will allow time for development, and refinement, of the methodology.

Second, it directs the Center to work closely with the appropriate medical specialties in assuring the widest possible distribution of the findings throughout the medical community as well as to the Medicare and Medicaid programs and other consumers of health care.

CONCLUSION

Mr. President, it is crucial that we maintain a balance in our efforts to assure the most cost-effective use of our Medicare trust funds; a balance that requires as much attention to the maintenance of quality care as it does to cost containment.

The proposal I am introducing today will be an important first step in assuring that we give equal and even-handed attention to both.

And this proposal could not be more modest. It represents a small fraction of Medicare's costs—less than one seven-thousandth of Medicare's total $80 billion budget, less than one two-thousandth of Medicare's spending on surgical and medical procedures themselves.

But it is a wise investment of our trust funds to assure that our Medicare beneficiaries are receiving the highest quality health care possible.

I urge my colleagues to join me in seeking prompt enactment of this measure.

Mr. President, I ask unanimous consent that the text of my bill, S. 2114, be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2114

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1875 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(c)(1) The Secretary shall establish a program to provide for research with respect to patient outcomes of selected medical treatments and surgical procedures for the purpose of assessing their quality and effectiveness. In selecting treatments and procedures to be studied, the Secretary shall give priority to those medical and surgical treatments and procedures—

"(A) for which data indicates a highly variable pattern of utilization among beneficiaries under this title in different geographic areas; and

"(B) which are significant for purposes of this title in terms of utilization by beneficiaries, length of hospitalization, costs to the program, and risk involved to the beneficiary.

"(2)(A) For purposes of carrying out the research program under this subsection, there shall be available from the Federal Hospital Insurance trust Fund $4,000,000 for each of the fiscal years 1987, 1988 and 1989.

"(B) There are authorized to be appropriated such sums as may be necessary to fund the entitlement established under subparagraph (A).

"(3) Not less than 90 percent of the amount appropriated for any fiscal year shall be used to fund grants to, and cooperative agreements with, non-Federal entities to conduct research described in paragraph (1). The remainder may be used by the Secretary to provide for such research by Federal entities and for administrative costs.

"(4) The research program shall be administered by the National Center for Health Services Research and Health Care Technology established under section 305 of the Public Health Service Act (hereafter in this subsection referred to as the 'Center'). The Center shall establish application procedures for grants and cooperative agreements, and shall establish peer review panels to review all such applications and all research findings.

"(5) The Secretary shall make available data derived from the programs under this title and other programs administered by the Secretary for use in the research program.

"(6) The Center shall report to the Committee on Finance and the Committee on Appropriations of the Senate and the Committee on Ways and Means and the Committee on Appropriations of the House of Representatives as soon as practicable with respect to the findings of the research conducted under the program established pursuant to this subsection and shall, in cooperation with appropriate medical specialty groups, disseminate such findings as widely as possible.".

(b) Section 1862(a)(1) of such Act is amended—

(1) by striking out "and" at the end of subparagraph (C);

(2) by striking out the semicolon at the end of subparagraph (D) and inserting in lieu thereof ", and"; and

(3) by adding at the end thereof the following new subparagraph:

"(E) in the case of research conducted pursuant to section 1875(c), which is not reasonable and necessary to carry out the purposes of such section;".

By Mr. THURMOND (for himself, Mr. ANDREWS, Mr. COCHRAN, Mr. DECONCINI, Mr. GARN, Mr. INOUYE, Mr. JOHNSTON, Mr. LEVIN, Mr. MATSUNAGA, Mr. MATTINGLY, Mr. RUDMAN, and Mr. SIMON):

S. 2115. A bill to recognize the organization known as the 82nd Airborne Division Association, Incorporated; to the Committee on the Judiciary.

82ND AIRBORNE DIVISION ASSOCIATION, INCORPORATED

Mr. THURMOND. Mr. President, I rise today, joined by 11 of my colleagues, to introduce a bill to grant a Federal charter to the 82nd Airborne Division Association.

The 82nd Airborne Division was originally activated as an infantry division which participated in three of the major campaigns of World War I: Lorraine, St. Mihiel, Meuse-Argonne. On May 27, 1919, the 82nd Division was inactivated. The division was reactivated on March 25, 1942, under the command of Maj. Gen. Omar Bradley and became the Army's first airborne division under the command of Maj. Gen. Matthew B. Ridgway. Deployed to North Africa, the 82nd made parachute and glider assaults on Sicily and Salerno. In a 2-year period during World War II, the regiments of the 82nd saw action in Italy at Anzio, in France at Normandy, where I landed with them, and at the Battle of the Bulge. Following the end of the war, the sky soldiers of the 82nd were ordered to Berlin for occupation duty where they became known as "America's Guard of Honor." The division saw action again in Santo Domingo in 1965 and in the I Corps section of Vietnam in 1968 and 1969 during the Tet counteroffensives.

Designed to move quickly to any part of the world and to be prepared to fight immediately upon arrival, the members of the 82nd Airborne have served with distinction for over 45 years. They have demonstrated a tireless commitment to our Nation's defense and ideals. Therefore, I can think of no other military association more deserving of the recognition given by Congress in the granting of a Federal charter. I urge my colleagues in this body to join me in cosponsoring this measure to grant such a charter to the 82nd Airborne Division Association.

I ask unanimous consent that a copy of the measure be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2115

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

CHARTER

SECTION 1. The 82nd Airborne Division Association, Incorporated, a nonprofit corporation organized under the laws of the State of Illinois, is recognized as such and is granted a Federal charter.

POWERS

SEC. 2. The 82nd Airborne Division Association, Incorporated, (hereinafter in this Act referred to as the "corporation") shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State or States in which it is incorporated and subject to the laws of such State or States.

OBJECTS AND PURPOSES OF CORPORATION

SEC. 3. The objects and purposes of the corporation are those provided in its articles of incorporation and shall include—

(1) perpetuating the memory of members of the 82nd Airborne Division who fought and died for our Nation,

(2) furthering the common bond between retired and active members of the 82nd Airborne Division, and

(3) promoting the indispensable role of airborne defense in our national security.

SERVICE OF PROCESS

SEC. 4. With respect to service of process, the corporation shall comply with the laws of the State or States in which it is incorporated and the State or States in which it carries on its activities in furtherance of its corporate purposes.

MEMBERSHIP

SEC. 5. (a) Subject to subsection (b), eligibility for membership in the corporation and the rights and privileges of members of the corporation shall be as provided in the constitution and bylaws of the corporation.

(b) Terms of membership and requirements for holding office within the corporation shall not discriminate on the basis of race, color, national origin, sex, religion, or handicapped status.

BOARD OF DIRECTORS; COMPOSITION; RESPONSIBILITIES

SEC. 6. The composition of the board of directors of the corporation and the responsibilities of such board shall be as provided in the articles of incorporation of the corporation and shall be in conformity with the laws of the State or States in which it is incorporated.

OFFICERS OF CORPORATION

SEC. 7. The positions of officers of the corporation and the election of members to such positions shall be as provided in the articles of incorporation of the corporation and shall be in conformity with the laws of the State or States in which it is incorporated.

RESTRICTIONS

SEC. 8. (a) No part of the income or assets of the corporation may inure to the benefit of any member, officer, or director of the corporation or be distributed to any such individual during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual and necessary expenses in amounts approved by the board of directors.

(b) The corporation may not make any loan to any officer, director, or employee of the corporation.

(c) The corporation may not contribute to, support, or otherwise participate in any political activity or attempt in any manner to influence legislation. No officer or director of the corporation, acting as such officer or director, may commit any act prohibited under this subsection.

(d) The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

(e) The corporation shall not claim congressional approval or Federal Government authority for any of its activities.

LIABILITY

SEC. 9. The corporation shall be liable for the acts of its officers and agents whenever such officers and agents have acted within the scope of their authority.

BOOKS AND RECORDS; INSPECTION

SEC. 10. The corporation shall keep correct and complete books and records of account and minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep, at its principal office, a record of the names and addresses of all members having the right to vote in any proceeding of the corporation. All books and records of such corporation may be inspected by any member having the right to vote in any corporation proceeding, or by any agent or attorney of such member, for any proper purpose at any reasonable time. Nothing in this section shall be construed to contravene any applicable State law.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 11. The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964, (36 U.S.C. 1101), is amended by adding at the end thereof the following:

"(71) 82nd Airborne Division Association, Incorporated.".

ANNUAL REPORT

SEC. 12. The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as the report of the audit of the corporation required by section 2 of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101). The

report shall not be printed as a public document.

RESERVATION OF RIGHT TO AMEND, ALTER, OR REPEAL CHARTER

SEC. 13. The right to amend, alter, or repeal this Act is expressly reserved to the Congress.

DEFINITION OF STATE

SEC. 14. For purposes of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and the territories and possessions of the United States.

TAX-EXEMPT STATUS

SEC. 15. The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code of 1954.

TERMINATION

SEC. 16. If the corporation fails to comply with any of the restrictions or provisions of this Act, the charter granted by this Act shall expire.

By Mr. MELCHER (for himself, Mr. BURDICK, and Mr. FORD):

S. 2116. A bill to require the Board of Governors of the Federal Reserve System to make credit available for agricultural purposes; to the Committee on Banking, Housing, and Urban Affairs.

FEDERAL RESERVE CREDIT FOR AGRICULTURAL PURPOSES

● Mr. MELCHER. Mr. President, today I am introducing together with Senators BURDICK and FORD, legislation to help relieve agricultural credit problems. My bill directs the 12 Federal Reserve banks, under supervision of the Federal Reserve Board, to provide commercial banks, production credit associations, and the Farmers Home Administration at least $36 billion in agricultural loans over the next 36 months at the Fed's discount rate, which is currently 7.5 percent. The banks and PCA's will have to add 1 to 1½ percent to that and the Farmers Home Administration a slight amount. Action is needed now.

To survive, farmers and ranchers need to be able to roll over existing loans as well as borrow new money. Today, they generally pay 13 to 14 percent interest rates. At these rates there will be continued failures of agricultural producers and supporting agribusinesses and more and more stress on agricultural lenders. This could well lead to the collapse of our entire agricultural economy.

One particular letter that was handed to me at a meeting on farm credit problems just before the end of the year expresses the situation best. It was from a rancher who started in 1946, just out of the service with $800 total capital. As he puts it:

With hard work and long hours we built up a ranch that we were proud of. We could have survived the 7 years of drought, the grasshoppers, the IRS and other minor calamities. But the thing that is driving our backs to the wall, and will probably bring our net worth back to $800 in a few years, is the outrageously high interest rates of the past 5 years.

He goes on to say:

We know of no business that can survive and furnish incentive to young people while paying interest rates that can very easily double your debt loan in 7 years or less. What incentive is there for young folks to go into business when every cent they make goes to interest payments.

This was not an isolated complaint. Farmers and ranchers are concerned about immediate, short-term survival.

We recently enacted a new farm bill and a bill to help shore up the Farm Credit System. But neither of these will do much good unless we take action to see that farmers and ranchers can survive the immediate problems they face because of the lack of adequate supplies of reasonably priced short-term credit.

The Federal Reserve System was created to meet this kind of emergency. They have the authority, under the Federal Reserve Act, to provide needed credit through their discount window at below market interest rates. Making credit available to intermediate agricultural lenders through the discount window could mean that agricultural borrowers could obtain credit at about 9 percent, rather than the 13- to 14-percent they now face. This could make the difference of survival for many farmers and ranchers during the period of adjustment to the new realities of our agricultural economy.

The Federal Reserve has authority to provide this kind of assistance. It was not uncommon for the Federal Reserve System to use the discount window in this fashion during its early years. They still use it on occasion, such as when they acted to bail out Continental Illinois Bank a couple of years ago.

Action is needed now. I urge my colleagues to join me in passing this legislation.●

● Mr. BURDICK. I am pleased to be sponsoring this legislation to bring some measure of relief to our farmers. The need out there in the heart of America cannot be overstated. Every day I hear from farmers in my State who do not have enough money to put their crops in this spring. They cannot get the money either.

This past January, I held a hearing on farm credit in North Dakota, and among the many messages I heard, one was that it is the interest that is killing our farmers. If we can reduce the interest costs, many of our farmers would be able to make a go of it when they otherwise would surely fail.

Our farmers just can't keep paying 12, 13, 14 percent on their loans and still make the grade. We have a genuine agricultural crisis on our hands. Affordable credit now could tip the scales in favor of many farmers and ranchers and allow them to weather these difficult times.

To top it off, the farmers' lender of last resort, the Farmers Home Administration, has used up all of its money in North Dakota for direct operating loans. And we're in the midst of the heavy lending season.

We just passed farm credit legislation at the end of last year. I almost didn't support that legislation because I didn't think it did enough for the farmers. It helped shore up the Farm Credit System and that was necessary. But there isn't much benefit trickling down directly to the farmers. That's why we need more legislation, and that's why we need this bill—and we need it now.

I applaud my colleagues, Senator MELCHER and Senator FORD, for their work in this area. I am pleased to be in their company, and I hope the remainder of my colleagues will give their support to this measure as well.●

● Mr. FORD. Mr. President, I am pleased to join my good friends, Senators BURDICK and MELCHER in introducing a bill that is aimed at providing much needed assistance in a prudent manner.

Our farm economy continues to be in a depressed state. The impact at the grassroots level, on individual farmers, is often tragic. The 1985 farm bill will do little to help a farmer during these difficult times.

The primary cost to the American farmer is interest on loans. The 1985 farm bill actually reduces farm income, lowering the earnings of farmers. I believe this is wrong. Unless something is done to help reduce a farmer's costs to offset reduced earnings, many more will be forced to abandon their land and seek a new livelihood.

The bill being introduced today calls upon the Federal Reserve System to provide commercial banks, production credit associations, and the Farmers Home Administration at least $36 billion in agriculture loans over the next 36 months at the Feds discount rate, which is currently 7.5 percent. This will be accomplished through the Fed's discount window. The exchange of paper will provide for lower rates to the individual lender which can be passed on to the farmer. All this will be accomplished at no cost to the taxpayer, and without the Federal Government assuming any additional liabilities.

A recent New York Times/CBS News Poll indicates that more than half of Americans polled believe the Federal Government should spend more money to help our farmers in their battle for survival. I am proud to say that this bill does not create new budget authority or create an expense to the Federal Treasury. It does provide much needed assistance.

Several recent pieces of legislation are designed to help deal with farm

credit problems. These bills have merit, but they serve only to shore up lending institutions without the individual farmer immediately feeling any relief. The farmer desperately needs assistance now. Passage of this bill will provide lower interest rates to the farmer, helping him survive by an improvement in his cash-flow position.

We are not requesting the Federal Reserve System enact a new program. In fact, the Federal Reserve System was created to provide this service, and this authority has been used in the past. It is the method that was used in the bailout of Continental Illinois Bank a couple of years ago.

If we can help a bank, and its investors, then we can help American farmers. The threat to our economy is even greater in this case. USDA studies have shown that almost half of the Nation's farm operations had negative cash flows in 1984. Final figures for 1985 show reduced exports and falling prices, with the short-term future not predicted to be significantly better.

Farm debt currently stands at $213 billion. Many farmers are having to borrow funds at 12, 13, even 14 percent. The tragedy in these numbers is their impact on the individual farmer. Use of the Federal Reserve window for obtaining funds at the discount rate means these lower rates will be passed on to the individual farmer. This lower rate could well be the difference in whether many farmers survive.

With spring planting about to begin, the lower loan rates, by helping to improve cash-flow, could also mean that many farmers will be able to obtain financing when they otherwise might not be able to do so.

A majority of Americans believe farmers should be helped, and that is what this proposal will accomplish. The best aspect of this proposal is that the goal will be achieved without expense to the Government.●

By Mr. PRESSLER:

S. 2117. To strengthen the national defense and to encourage and assist in the expansion and improvement of educational programs and research capabilities in institutions of higher learning to meet critical national needs, and for other purposes; to the Committee on Labor and Human Resources.

STRATEGIC DEFENSE EDUCATION ACT

Mr. PRESSLER. Mr. President, I rise today to introduce legislation which will strengthen our colleges and universities and our national security—"The Strategic Defense Education Act of 1986."

The traditional research base in our colleges and universities is eroding. University research facilities and equipment desperately need renovation and modernization. The number of U.S. students pursuing graduate degrees in vital areas such as engineering and computer science is declining. Simultaneously, the strategic defense initiative [SDI] is rapidly developing into the largest research program in our history.

Education is a national security issue. This fact is best illustrated by the American reaction to the Soviet launching of Sputnik I in October 1957, which prompted Congress to enact the National Defense Education Act of 1958 [NDEA]. This massive education program was designed to encourage students to study in areas of national need such as engineering, science, and teaching. NDEA worked. Between 1958 and 1964 Federal funding at universities increased an average of 21.8 percent annually. The number of engineers and scientists engaged in research and development at universities more than doubled and the graduate student population more than tripled. The educational opportunities brought about by passage of the NDEA helped train the minds which shape our national security today.

Unfortunately, we have neglected our commitment to university research capabilities in recent years. New technology has been responsible for almost half of all U.S. productivity gains since World War II. However, our productivity growth record has been substantially worse than that of our major competitors. Only about seven out of every thousand American students receive a degree in engineering. In Japan, it is 40 per thousand.

The United States is experiencing a reverse brain drain situation in which fewer Americans are seeking graduate degrees in technological fields, while the number of foreign nationals studying in the United States has increased dramatically.

Since 1981, foreign nationals have received over one-half of the U.S. doctoral degrees in engineering. This is an increase of more than 100 percent since the time of the NDEA.

Since 1959, the number of foreign students studying engineering in the United States has increased tenfold and there are 70 times as many studying in computer science programs.

Many distinguished individuals and groups have documented this erosion of the university research base and the need for greater support. A recently released draft report of the White House Science Council on the health of U.S. universities and colleges stated, and I quote:

> The panel is unanimous in its view that the nation's demand for talent and for new knowledge will not be met without a substantially greater federal investment in university research—with much of the increase devoted to upgrading and strengthening of the university research infrastructure.

At the Senate Armed Services Committee's request, the Department of Defense published a report entitled "The Technology Base and Support of University Research." Published last March, this report states:

> In the post-World War II era, universities have conducted most of the fundamental research that has spawned the technological innovations on which much of our economy and national defense are based today.

This report also recommended that maintenance of future U.S. science and technology [S&T] capabilities will require additional funding in several areas, measures to correct a decline in the supply of scientists and engineers to perform necessary defense-related research, and an upgrading of university and in-house laboratory research instrumentation and facilities to assure high quality research.

In a recent article in Issues in Science and Technology, National Science Foundation [NSF] Director Erich Bloch, wrote:

> The U.S. research system lacks adequate mechanisms and resources to maintain its infrastructure. Comulative neglect has led to shortages of manpower, equipment, and facilities, in turn leading to policymaking and remedial action under crisis rather than to thoughtful planning for the future.

Mr. President, I ask unanimous consent that Dr. Bloch's article, "Managing For Challenging Times: A National Research Strategy," as printed in the winter 1986 edition of Issues in Science and Technology, be placed in the RECORD at the conclusion of my remarks.

In December 1983, the Graduate Education Subcommittee of the National Commission on Student Financial Assistance published "Signs of Trouble and Erosion: A Report on Graduate Education in America." Chaired by John Brademas, former Member of the House of Representatives, and currently the president of New York University, the subcommittee found "serious signs of trouble, signs of erosion, in the Nation's graduate capacity." It also found, and I quote:

> . . . the warning signs of trouble and erosion can be identified throughout the enterprise: in serious shortages of American doctoral talent in such critical areas as engineering and computer science; in the surrender of our preeminence in high-energy physics to scientists in Europe; in our university laboratories' obsolete instruments, described as 'pathetic' by knowledgeable observers . . .

Mr. President, I could go on and on. Numerous reports from the Department of Defense, National Science Foundation, the administration's White House Science Council, and countless pages of testimony before congressional Armed Services and Science and Technology Committees all agree that the problem exists. It is widespread. And, it calls for immediate action.

My bill seeks to revitalize our critical research base through a series of amendments to current law. This bill has five major sections.

First, it amends the Higher Education Act of 1965 to provide for increased graduate fellowship programs in areas of national need such as engineering, computer and methematical sciences, and language and area studies. This section is the companion legislation to H.R. 2199 introduced by Representative COLEMAN, and adopted in the House version of the Higher Education Amendments of 1985.

Second, to address the problem of outdated research facilities and equipment, my bill includes a Research Facilities Construction Loan Corp., providing guaranteed loans to universities for renovation of research facilities.

Third, my bill creates 10 additional engineering research centers within the National Science Foundation. Currently, six of these centers have been authorized, and many more are needed. Additionally, I will pursue the creation of similar science and technology centers.

Fourth, in fiscal year 1986, the university research initiative [URI] was incorporated into the Department of Defense authorization bill. I applaud this effort by DOD and Congress to provide support for university research. However, the fiscal year 1987 budget may threaten continuation of this program. My legislation mandates that in fiscal year 1987, at least $100 million must be authorized and appropriated for this valuable initiative. This is the same amount authorized in fiscal year 1986.

Fifth, an important part of the support for university research comes from the private sector. We must continue to provide tax incentives to encourage industry to provide this support. Therefore, an essential part of this legislation provides tax incentives for increased university research and private sector cooperation. This legislation:

Makes permanent the R&D tax credit; expands the credit for university basic research in areas of national need; provides a deduction for certain contributions of scientific and technological property for research in areas of national need; provides for an exclusion from gross income of certain scholarships, grants, stipends and provides for student loan forgiveness; and includes sense of the Senate language that tax-exempt treatment of private purpose State and local government bonds be maintained.

In closing, Mr. President, I applaud the administration's recent efforts to address this problem. The White House Science Council's report is an excellent example of the priority this administration has given to advanced science and research. We have a long way to go. But, if the Science Council's recommendations are implemented, it will be a move in the right direction. Our Nation's university research capabilities cannot rebuild by themselves. They require an investment. Such an investment will help us to maintain our position as the world's technological leader and strengthen our national defense.

As Robert Rosenzweig of the Association of American Universities told the National Student Financial Aid Commission:

A simple and clear prescription can serve as a guide to national policy with respect to graduate education. It is this: Attend to the education and training of the nation's best young minds or fall behind those nations that do.

There being no objection, the article mentioned earlier was ordered to be printed in the RECORD, as follows:

MANAGING FOR CHALLENGING TIMES: A NATIONAL RESEARCH STRATEGY

(By Erich Bloch)

Prologue: Can the United States maintain its stature as the leader in science and technology? In this article Erich Bloch, director of the National Science Foundation, asserts that we cannot take an affirmative answer for granted. He describes the growing pressures on the country's system for conducting research, including new budgetary and political constraints, damage from cumulative neglect of the research infrastructure, and the changing nature and conduct of scientific research.

To cope with these challenges, Bloch calls for an ambitious national research strategy. Elements of this strategy include a 50 percent increase in support for nondefense basic research, and a doubling of the federal government's share; the redirection of funds from less productive research areas to more critical ones; and greater attention to the quality of undergraduate and graduate education in the sciences and engineering. Implementing such a research strategy, he cautions, will require difficult decisions and renewed self-discipline from scientists, the institutions engaged in conducting the research, and the federal government.

Before becoming the director of the National Science Foundation in 1984, Erich Bloch was vice president for technical personnel development at the IBM Corporation, which he joined as an electrical engineer in 1952. That year he also received his B.S. degree from the University of Buffalo. At IBM, Bloch was the engineering manager of the company's STRETCH supercomputer system in the 1950s and early 1960s and later headed their solid-logic technology program, which developed the mocroelectronic technology for IBM's System/360 computer. Bloch also served as chairman of the Semiconductor Research Cooperative and as a member of the board of the Semiconductor Industry Association. In 1985 President Reagan awarded Bloch the National Medal of Technology, in part for his work at IBM's System/360 computer.

The quality and diversity of U.S. research in science and technology remains unmatched by any other nation.[1] This success results from a unique combination of factors. Clearly, the magnitude of the federal commitment to basic research since World War II has contributed significantly. But the productivity of U.S. science and engineering owes an equal debt to the research community's adherence to standards of excellence and to institutional arrangements that have encouraged innovation. The close coupling of research and education in the university setting—a uniquely American invention—and the academic ethos of autonomy, integrity, and pluralism have provided a singularly stimulating climate for research.

However, the very success of this system—and the recognition that science and technology are vital to U.S. economic competitiveness and to national security—have thrown into sharp relief not only its accomplishments but also its weaknesses and the need for change. Some worrisome trends have surfaced, and as a result the national research system has become the subject of serious concern and close scrutiny. The House Science and Technology Committee has undertaken a two-year review of science policy, and several federal and professional organizations are examining the health of the research infrastructure.[2] Peer review and our ways of setting priorities among disciplines are being questioned, as is the appropriate balance of funding between basic and applied research and between large facilities and individual investigators.

Pressure for change in our research system comes from three sources: first, from problems relating to research infrastructure; second, from the larger budgetary, economic, and political environment for research; and third, from developments in the nature and conduct of research itself.

Research Infrastructure. The U.S. research system lacks adequate mechanisms and resources to maintain its infrastructure. Cumulative neglect has led to shortages of manpower, equipment, and facilities, in turn leading to policymaking and remedial action under crisis rather than to thoughtful planning for the future.

We are short of advanced degree engineers to staff our universities and government and industry laboratories and our production of Ph.D. engineers has been declining since 1976.[3] Only now are there signs that this trend is reversing. Moreover, since 1981 foreign nationals have received over half of the U.S. doctoral degrees in engineering, an increase of more than 100 percent since 1959.[4]

The proportion of R&D scientists and engineers in this country has also dropped; while we were once far ahead of other industrialized nations, we now have only a slight lead over Western Europe and Japan. Both Japan and the Soviet Union produce proportionately more engineers than the United States.[5] Over the next decade this gap could widen as the size of the U.S. college-age population drops, unless a larger proportion of college students decides to major in mathematics, engineering, and the sciences.[6]

The shortage of university research equipment is also cause for concern. Meeting current requirements for new equipment would require approximately $4 billion, and some estimates run as high as $10 billion. Spending on academic research equipment and instrumentation, which declined 78 percent in constant dollars from 1966 to 1983, is now about $1 billion a year.[7]

A problem of similar proportions is the deterioration and absolescence of university buildings and laboratory facilities. A major conference on the topic, held in 1984, concluded that between $15 billion and $20 billion is now needed to build or renovate such facilities.[8]

Moreover, we have an adequate understanding of the true extent of these prob-

Footnotes at end of article.

lems, as the rough figures cited above indicate, and we lack a monitoring system to warn of impending problems in a timely fashion. This situation derives from the decentralized and fragmented nature of the federal system for research support that developed during and after World War II. We can manage the research system only if we systematically assemble information on requirements for people, equipment, and facilities and then take needed action.

Budgetary and Political Environment. We are also confronting major changes in the budgetary and political environment affecting research. For the past five years federal R&D budgets have fared relatively well, but there is little prospect of significant increases in the immediate or medium term. Meanwhile, the total R&D share of gross national product in the United States has fallen in comparison with every other industrialized nation. Twenty years ago we enjoyed a substantial lead; now other nations are drawing even. Moreover, the defense component of U.S. R&D, already larger than in other industrialized democracies, has been the largest beneficiary of recent increases in federal R&D spending. As a result civilian R&D in the United States now constitutes a smaller share of gross national product than in either West Germany or Japan.

While total federal spending for basic research has increased 48 percent in constant dollars since 1972, federal support for basic research at universities has grown only slightly more than the inflation rate. Despite sizable increases in total R&D funds during the current administration, for instance, the National Science Foundation (NSF) budget has remained essentially the same in constant dollars since the mid-1960s.

Meanwhile, demands on the civilian R&D budget for fundamental research have grown. Federal support has nourished university research establishments and has, sometimes deliberately (as in the institutional development programs of the 1960s and 1970s), increased the number of research universities competing for constrained resources.[9] Undergraduate colleges and institutions on the periphery of the research system are also demanding attention. Recently, for example, a group of liberal arts colleges joined in the so-called Oberlin Report, which pointed out their vital role in producing science and mathematics majors and urged greater recognition and financial support.[10]

In light of these trends and the deteriorating position of the United States in international trade, the nation's research priorities need reexamination. Defense, energy, and health applications will continue to occupy a prominent place among federal research priorities. We need to balance this emphasis with greater attention to the role of civilian basic research, including fundamental research and the training of scientists and engineers, in supporting these applications and expanding the knowledge base.[11]

The research system's political environment is also changing. As Don Price, former dean of Harvard University's John F. Kennedy School of Government, has pointed out, the research system is victim of its own successes.[12] As the public and its representatives realize that scientific discovery leads to practical benefits, political demands on science intensify. Over the past two decades state and local governments have come to see science and technology as a key to economic development. Following the example of California's Silicon Valley, Boston's Route 128, North Carolina's Research Triangle Park, and Austin's recent buildup in electronics, many states have adopted active, technology-based development strategies, and they are leading current efforts to improve the quality of public science and mathematics education.

Not surprisingly, members of Congress have been showing more interest in appropriations for university research facilities and in the geographic distribution of federal funds. Their interest has coincided with a new political activism among universities, which, in order to address their shortage of research facilities, are seeking funds directly from Congress, bypassing the traditional process of merit review. In the long run this activism could damage the research enterprise, whose success has been based on self-discipline within the scientific community and on willingness to compete in scientific arenas while remaining aloof from the scramble for political spoils. Political activism will likely persist, however, as will congressional interest in how federal research funds are distributed. This poses some serious questions as to how we can best ensure the quality and effectiveness of the nation's research.

Nature and Conduct of Research. Pressure for reassessment and change of our research system also stems from an evolution in the substance and practice of research. The traditional boundaries between scientific disciplines have become blurred, and research that crosses these boundaries has led to some of the most important recent advances. Attention and energy must be focused on these multidisciplinary developments, while protecting the viability of important basic disciplines.

The practice of research has changed in another way. Disciplines long dominated by single investigators in self-sufficient laboratories now require elaborate and expensive instruments that, by financial necessity, must be shared by many investigators. This trend is already familiar in high-energy physics. Its impact on other areas—for example, the reliance of mathematics on computer technology, particularly on supercomputers—is newer but equally significant. These new arrangements are altering the culture and social fabric of these disciplines in profound ways, still not fully understood.

Research is producing new knowledge at an accelerating pace, and the time lag between basic research and applied technology is becoming shorter. In response, cooperation between universities and industries is expanding in such areas as biotechnology, microelectronics, computer hardware and software, and new materials. These new cooperative arrangements benefit both parties but also cause strains within the research system. Private industry's concern over proprietary rights, for example, must be balanced against the importance to academia of unfettered communication.

A related change is that defense and civilian research are no longer as discrete and separable as they once were. Moreover, in dual-use technologies that have both military and commercial applications, the private sector, more often than not, provides the stimulus for their development and initial use. One result is that unclassified research at universities now has major military implications. Defining policies that appropriately accommodate national security considerations with concerns for academic freedom and scientific and technical productivity will require open minds and recognition of new realities.

To meet these needs and challenges, the scientific community must devise new strategies to manage our research enterprise and then get on with the job. In doing so, the following agenda must be addressed.

1. Allocate more of our R&D resources to basic research and to the science and engineering infrastructure. The administration has been shifting support from civilian applied R&D to basic research. Between 1980 and 1984 government support for nondefense applied R&D fell, but its support for civilian basic research rose 50 percent.[13] This moved us in the right direction, but not far enough. As the relevance of science and technology increases, the fraction of support devoted to basic research must also increase. Similarly, while industry's support for university research has grown in the last few years, more is needed.[14] Total national funding for basic research amounts to only about $13.3 billion, less than 12 percent of the national total for all R&D.[15] Total funds for basic research should be increased by at least 50 percent, and the federal government should double its share.

The case for this increase is compelling. The opportunities now available in science and engineering research are greater than ever before. Breakthroughs in instrumentation, computation, experimentation, and theory seem to be occurring in every discipline. Multidisciplinary research offers particularly exciting opportunities. Biologists, chemists, and physicists have made major advances in biotechnology, especially in genetic engineering. Materials research brings to bear the insights of physics, chemistry, and engineering to develop substances of high strength, corrosion resistance, or special electrical characteristics. Drawing on the talents of computer scientists, psychologists, and linguists, information science research is revealing a common theoretical ground that enriches all disciplines. The resulting knowledge provides new insights into both human and artifical intelligence.

We cannot afford to pass up these opportunities.

2. Reallocate funds from less productive uses to basic research and infrastructure support. Increased funding for basic research need not require an increase in the federal budget. Instead, some federal resources for the support of other R&D areas must be reallocated to basic research. This will require a determined leadership, willing to support new initiatives that will often have to be funded at the expense of programs that are still highly productive but of secondary priority.

Increased support for basic research could come from our national laboratories, which represent an annual federal investment of close to $18 billion. In pursuing the missions of sponsoring government agencies, the national laboratories have expanded scientific and technical frontiers. Recently, however, their vitality and productivity have been cause for concern. A White House Science Council panel, headed by David Packard, chairman of the board of Hewlett-Packard, found that many laboratories have lost a clear sense of their mission and that the quality of their research has declined.[16] The explicit ties between laboratory research programs and their sponsoring agencies have also built in a bias toward applied research and development, which may not result in the most productive use of the national laboratories.

We should recast or expand the missions of some national laboratories to enhance support for basic research and to provide better access for university and industry researchers to the laboratories' major instruments and facilities. In line with past experience, these laboratories should continue to focus on multidisciplinary activities, such as environmental, health, and nuclear research.

3. Rebuild the research infrastructure of trained scientists and engineers, instrumentation, and facilities. Several aspects of our research infrastructure require particular attention: the quality of undergraduate science and engineering education, the limited enrollment in both undergraduate and graduate science and engineering, and the state of university research equipment and facilities.

We need to improve undergraduate science and engineering education throughout the United States. Only a minority of our future scientists and engineers received their undergraduate training at the major research universities. These universities tend to provide incentives and foster attitudes that value research over teaching. The undergraduate institutions, which place the highest priority on teaching, are hard pressed to buy increasingly expensive research instruments and facilities. Such equipment and facilities are important, however, in attracting faculty to these institutions, in keeping faculty abreast of their teaching fields, and in exposing students to the process of research.

Enrollment in science and engineering will decline along with the size of the college-age population unless we attract a larger proportion of individuals to these disciplines. Women and minorities are a rich source of new talent and are underrepresented in the sciences and engineering. These groups need innovative programs emphasizing early exposure to science and engineering, continuous attention to necessary skills, and encouragement throughout their educational careers.

At the graduate level we must substantially raise the number of U.S. citizens receiving doctoral degrees in the sciences and engineering, reversing a long-term downward trend. We must reduce our overdependence on foreign nationals, whose availability can be seriously affected by foreign policy changes. An adequate supply of advanced degree scientists and engineers is a national imperative and must be so recognized.

The financing of R&D facilities must also be put on a realistic basis. The current shortage and obsolescence of research facilities and equipment arguably results from past shortsightedness. In the 1970s some universities apparently chose to defer building and renovation in order to subsidize tuition costs and so maintain student enrollment and faculty levels.[17] Recent steep increases in tuition reflect the universities' recognition that they cannot continue shortchanging their research infrastructure. The government, too, chose to ignore the true cost of replenishing these assets and now faces difficult short-term funding demands. These demands might have been avoided by a better balance of research support among research, equipment, and facilities, and by realistic depreciation and amortization charges—which still seem the only satisfactory long-term solution.

4. Leverage the effect of federal research resources by stimulating increased support from industry, state and local governments, and other institutions. The magnitude of the tasks outlined here and current constraints on the federal budget mean that responsibility for supporting research and the research infrastructure must be shared by all who stand to gain from them. Increasingly, the federal government will be a catalyst, instead of the sole provider, to facilitate research and lower its financial risk. We can use limited federal funds to help remove obstacles to cooperation between university researchers and industry, and to activate private support for research. We can then set research priorities by taking into account our aggregate national research assets.

Using federal funds as a catalyst may thus not only expand total resources for research but liberate federal funds for deserving projects less able to attract other sponsors. Programs that combine federal funds with matching resources from industry, such as the National Science Foundation's Presidential Young Investigator Awards, Engineering Research Centers, and Supercomputer Centers, have attracted additional funding from both industry and state and local governments.

Similarly, the enhanced federal tax deduction that encourages corporate equipment donations to universities has helped alleviate the shortage of university research instrumentation. Clearly, such techniques will also be an important policy tool for raising private funds to complement federal dollars for the construction and renovation of research facilities.

5. Reform the federal organization for research support. Effective support for science and technology requires improved coherence in federal policies and practices. Most support for science and technology now comes from the mission agencies (for example, the Department of Energy and the National Aeronautics and Space Administration), The National Science Foundation is the only agency charged with overall responsibility for the health of science and engineering.

An alternative proposed from time to time is a Department of Science and Technology. This department might share responsibility with existing mission agencies and complement their primary orientation toward applied research with more systematic attention to basic research and the overall health of the research system. As one recent study suggests, such a department could focus government activities more effectively; encourage interaction among government, industry, and academia; and improve the application of science and technology to national and international needs and issues.[18]

This proposal continues to receive conflicting evaluations both from Washington and from the scientific community. The wisdom of establishing such a department depends on the details of its organization and responsibilities and on whether efficiency and coherence could be gained without undue loss of flexibility and pluralism. The possible advantages of a more coherent federal organization for science must be balanced against these potential drawbacks. Reservations about the details of particular organizational reforms should not stop us from confronting and remedying management problems in the federal research establishment. Like other organizations, government agencies must adjust to new realities and priorities and modify their missions accordingly.

Effective management of the research enterprise requires leadership capable of enunciating coherent policy and preserving a long-term perspective. The president's science adviser and his Office of Science and Technology Policy are responsible for provding such leadership. This leadership can also come from single agency initiatives and from collaboration among agencies. One recent example is the joint Department of Energy and National Science Foundation plan under which the Argonne National Laboratory would make some of its resources and facilities available to university researchers. Another is the current effort involving the major federal research agencies to increase support for university instrumentation and equipment. More such activities are needed while we continue to consider the broader question of reforming the federal organization for research support.

6. Improve relations and communication among disciplines, institutions, and industries interested in research. How effectively we seize our scientific opportunities and redress deficiencies in the research infrastructure depends, in large part, on how well the nation's research community develops cooperative attitudes and relationships. Within and outside the government adversarial attitudes that block cooperation must be overcome—but without sacrificing our creative, competitive drive or the distinctiveness of individual institutions. We should continue building relationships among universities, industries, and governments to enhance the flow of people and research results, thereby raising the productivity of the research system.

This premise has prompted the National Science Foundation to devise programs that cross traditional institutional and disciplinary boundaries in such areas as biotechnology, materials science and systems engineering, and computational science and engineering. Arrangements bringing together a variety of actors are not new, although they used to be peripheral to the main research strategy. In the future such strategies will become central.

New technologies will also help break down institutional barriers. Electronic networking, in particular, will allow easy communication across geographic distances and institutional walls. The National Science Foundation is working with the Defense Advanced Research Projects Agency and the university community to plan a nationwide science network.

New roles for diverse institutions, and more cooperative and innovative relationships among them, will require alteration of some deeply ingrained political attitudes. Since these attitudes are frequently reflected in laws and regulations, some of them, too, will need to be changed. For example, until recently antitrust laws were construed as restricting industry collaboration in research. This was clarified by the Joint Research and Development Act of 1984, which promotes joint research ventures. The Mansfield Amendment to the 1970 Defense Authorization Act (which was incorporated the following year into the Military Procurement Authorization Act) also inhibits cooperative research by prohibiting DOD support for nondefense-related research at universities. It needs to be reexamined as well.

As universities and industries collaborate in technology-related research, intellectual property rights must be sorted out. Increased industrial investment in university research and collaboration between industry and university researchers, moreover, may cause some worry that the normally unfettered exchange of information among aca-

demic researchers could be curtailed and research priorities distorted. These concerns should not, however, cause us to underestimate the integrity of the universities and their commitment to their traditional role, or industry's appreciation that open academic inquiry is in the best interest of both the university and industry.

7. Enhance the responsiveness of the research enterprise to public concerns while maintaining the integrity and excellence of standards in research. Public demands on science and technology will intensify because of their increasing impact on the nation's economy and security and their influence on the public's work, health, and leisure.[19] The research community must persist in its resolve to sustain standards to scientific excellence in the face of heightened political interest. Failure to do so would squander resources and undermine research productivity. The research community must also exercise self-discipline and adhere to the ethic of excellence and merit competition. To date, its autonomy and freedom from political manipulation have been based on its neutrality and on the promise of an eventual payoff. These will continue to be the most effective bases for a relationship between the scientific community and the public.

In light of the greater expectations for practical results from our research system, scientists and engineers will have to be increasingly sensitive to the public and political environment. This will require a different type of political involvement than that motivated by the pursuit of research funds. As Daniel Yankelovich observed in an earlier issue of this journal, we hear much about how the public must learn about science, yet "little is said about what science must learn about the public."[20] The point is not so much to improve scientific public relations as to reduce the isolation of scientists from public attitudes and from political debates about science, technology, and their consequences.

The science and engineering enterprise has been called on in the past to address problems of extreme complexity and national importance, such as development of the atomic bomb during World War II and the Apollo program during the 1960s. Circumstances outside the research system drove the extraordinary scientific and engineering accomplishments in these instances. Today there are no such visible, compelling, and unifying issues.

Today's problems, such as economic competition, while strongly dependent on science and engineering for their solution, are more diffuse and less likely to lead to consensus and concerted action. Thus, the research community must construct its own rallying point to sustain the success of U.S. science and engineering. We dare not take our accomplishments for granted.

The agenda proposed here is ambitious but achievable. Our nation does not lack the material, organizational, or intellectual resources to secure the health and productivity of the research system. To bring those resources to bear and to manage them effectively, however, will require tough management, innovative policies, and vigorous leadership.

FOOTNOTES

[1] The author wishes to acknowledge the assistance of Marta Cehelsky in the preparation of this article.

[2] The debate ranges through a number of recent activities and publications. The most notable are: the science policy review by the Science Policy Task Force, established by Rep. Don Fuqua, chairman of the House Science and Technology Committee; the White House Science Council Task Force on Federal/University Relationships; the White House Science Council Panel on Federal Laboratory Review, which published an initial report in 1983 and a follow-up review on the implementation of its recommendations in July 1984; the National Science Board's February 1985 report on Excellence in Science and Engineering Education, which addressed the problem of direct congressional funding of research facilities; and the November 1984 Conference on Academic Research Facilities sponsored by the National Academy of Sciences; the National Science Board, and the White House Office of Science and Technology Policy. Sections of *Global Competition: A New Reality*, a 1985 report of the President's Commission on Industrial Competitiveness, also bear on research conduct in the United States.

[3] National Science Foundation, *Science Indicators 1982* (Washington, D.C.: National Science Board, 1983), 272. Testimony by Simon Ramo before the House Science and Technology Committee's Science Policy Task Force, July 25, 1985, contains a valuable review of manpower shortages in key areas of science and engineering and their implications.

[4] National Science Foundation, *Science Indicators 1982*, 228.

[5] National Science Board, *Science Indicators 1982*, 6.

[6] National Science Board, *Science Indicators 1982*, 78. See also David Davis-Van Atta, Sam C. Carrier, and Frank Frankfort, *Educating America's Scientists: The Role of the Research Colleges*. Report of the Oberlin Conference on the Future of Science at Liberal Arts Colleges, June 9-10, 1985 (Oberlin, Ohio; Oberlin College, May 1985), 7-8. Major reports on the declining quality of U.S. education include Department of Education, Commission on Excellence in Education, *A Nation at Risk: The Imperative for Educational Reform* (Washington, D.C.: U.S. Government Printing Office, 1983); and National Science Board Commission on Precollege Education in Mathematics, Science, and Technology, *Educating Americans for the 21st Century* (Washington, D.C.: National Science Board, 1983).

[7] Association of American Universities, National Association of State and Land Grant Colleges, and the Council on Government Relations, *Financing and Managing University Research Equipment* (Washington, D.C., Association of American Universities, 1985). 15. For recent trends, see also National Science Foundation, *National Academic Research Equipment in Selected Science/Engineering Fields, 1982-83* (Washington, D.C.; National Science Foundation, 1985).

[8] Conference on Academic Research Facilities, Washington, D.C., Nov. 22-23, 1984, sponsored by the National Academy of Sciences' Government, University, Industry Research Roundtable; the National Science Board; and the White House Office of Science and Technology Policy.

[9] NSF and the Department of Health, Education, and Welfare had the largest programs, although the National Aeronautics and Space Administration and the Department of Energy also provided some institutional development support for universities. The NSF programs peaked in 1966 and were eliminated by 1972.

[10] *Oberlin Report*, 9-13.

[11] See discussion of this point in the recent testimony by Lewis Branscomb, former National Science Board chairman, before the Senate Commerce, Science and Transportation Subcommittee on Science, Technology, and Space, May 2, 1985, especially p. 4.

[12] Don K. Price, "Endless Frontier or Bureaucratic Morass?" in Gerald Holton and William A. Blanpied, eds., *Science and the Public: The Changing Relationship*, Boston Studies in the Philosophy of Science, Vol. 33 (Boston: D. Reidel Publishing Co. 1976), 34.

[13] National Science Foundation, *Science Indicators, 1982*, 40.

[14] The United States had the lowest percentage of industry-funded R&D among the industrialized nations in 1970. By 1979 U.S. industry had increased its investment in R&D to 67 percent, second only to the French private sector investment in R&D of 71 percent National Science Foundation. *Science Indiators 1982*. 10.

[15] National Science Foundation, *National Patterns of Science and Technology Resources* (Washington, D.C.: National Science Board, in press).

[16] White House Science Council, *Report of the White House Science Council Federal Laboratory Review Panel* (Washington, D.C.: Executive Office of the President, Office of Science and Technology Policy, May 1983).

[17] Denis P. Doyle and Terry W. Hartle, "It Costs a Small Fortune," *Washington Post*, Sept. 1, 1985, Sec. C.

[18] The President's Commission on Industrial Competitiveness, *Global Competition: The New Reality* (Washington, D.C.: U.S. Government Printing Office, 1985).

[19] Public opinion surveys conducted over a number of years by NSF and the National Science Board and reported in *Science Indicators* indicate a steady increase in public awareness of science and technology issues.

[20] Daniel Yankelovich, "Science and the Public Process," *Issues in Science and Technology*, I (Fall 1984), 11.

By Mr. ANDREWS (for himself, Mr. BURDICK, and Mr. PRESSLER):

S. 2118. A bill to provide for the distribution of funds appropriated to pay a judgment awarded to the Sisseton and Wahpeton Tribes of Sioux Indians in Indian Claims Commission dockets numbered 142 and 359, and for other purposes; to the Select Committee on Indian Affairs.

USE AND DISTRIBUTION OF CERTAIN INDIAN JUDGMENT FUNDS

● Mr. ANDREWS. Mr. President, I rise today to introduce with my distinguished colleagues, Senator BURDICK of North Dakota, and Senator PRESSLER of South Dakota, a bill to amend a 1972 act that provided for distribution of certain judgment funds awarded the Sisseton and Wahpeton Sioux Indians by the Indian Claims Commission.

The 1972 act provided for apportionment of the judgment award among the Devils Lake Sioux of North Dakota, the Sisseton-Wahpeton Sioux Tribe of South Dakota, the Assiniboine and Sioux Tribe of the Fort Peck Reservation in Montana, and the lineal descendants of the Sisseton and Wahpeton who were not enrolled with any one tribe. The funds subsequently were distributed to members of the various tribes in accordance with the 1972 act, but not to the lineal descendants. The lineal descendants' proportionate share has remained undistributed from some 14 years. This bill would authorize the distribution of the remaining funds to the governing bodies of the affected tribes. The tribes could then use their proportionate share for tribal programs purposes or request a limited per capita distribution based on certain conditions.

This bill was requested by the effected tribes and has the concurrence of their tribal councils. My colleagues and I are sponsoring this bill so that there may be a full and fair hearing on this matter which is of great concern to the effected tribes.

Mr. President, I ask this bill to be printed in full at the conclusion of these remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2118

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provisions of sections 201 and 202 of the Act of October 25, 1972 (86 Stat. 1168), the funds appropriated by the act of June 19, 1968 (82 Stat. 239), for the award to the Devils Lake Sioux Tribes of North Dakota, the Sisseton-Wahpeton Sioux Tribe of South Dakota, and the Assiniboine and Sioux Tribes of the Fort Peck Reservation, Montana in dockets numbered 142 and 359 before the Indian Claims Commission, including all interest and investment income accrued, less attorney fees and litigation expenses, which have not been distributed to "All other Sisseton and Wahpeton Sioux" in accordance with the apportionment established in section 202(a) of said Act of October 25, 1972 shall be distributed in accordance with the provisions of this Act.

SEC. 2. Subject to the provisions of section 3 of this Act, the Secretary of the Interior (hereinafter referred to as the "Secretary") shall distribute the funds referred to in section 1 of this Act to the tribal governing bodies of the Devils Lake Sioux Tribe of North Dakota, the Sisseton-Wahpeton Sioux Tribe of South Dakota, and the Assiniboine and Sioux Tribe of the Fort Peck Reservation, Montana. The distribution of such funds shall be apportioned as follows:

Tribe or group:	*Percentage*
Devils Lake Sioux of North Dakota	28.9276
Sisseton-Wahpeton Sioux of South Dakota	57.3145
Assiniboine and Sioux Tribes of the Fort Peck Reservation, Montana	13.7579

In the case of the Assiniboine and Sioux Tribes of the Fort Peck Reservation, Montana, the Fort Peck Sisseton-Wahpeton Sioux Council shall act as the governing body for purposes of the distribution of funds provided for in this Act.

SEC. 3.(a) Within one hundred and eighty days after the date of enactment of this Act, the Secretary, in accordance with section 3 of the Act of October 19, 1973 (87 Stat. 467), shall prepare a plan for the use or distribution of the funds referred to in section 1 of this Act.

(b) Any plan prepared pursuant to subsection (a) of this section shall not provide for a per capita distribution to individuals of any of the funds to be distributed except that, upon the request of the tribal governing body and in the same amount as the per capita distribution made to persons whose names appeared on the rolls approved by the Secretary pursuant to section 201(a) of the Act of October 25, 1972 (86 Stat. 1168), the plan may provide for a per capita payment to be made to persons entitled to be enrolled on such rolls but who, for whatever reason, were not so enrolled. If the tribal governing body of any of the tribes named in section 1 of this Act requests that a per capita distribution be made in accordance with the provisions of this section within one hundred and twenty days after the date of enactment of this Act, it shall submit to the Secretary the names of the persons for whom a per capita distribution may be provided in the plan prepared by the Secretary. The determination of the tribal governing body regarding the eligibility of any individual for any per capita distribution that may be made pursuant to this section shall be final.

SEC. 4. (a) Within one hundred and eighty days after the date of enactment of this Act, the Secretary, in accordance with sections 2(c) and 4 of the Act of October 19, 1973 (87 Stat. 467), shall submit to the Congress a plan for the use or distribution of the funds referred to in section 1 of this Act, *Provided,* That an extension of the one hundred and eighty-day period may be requested in accordance with the provisions of section 2(b) of such Act.

SEC. 5. The plan prepared by the Secretary shall become effective and shall be implemented in accordance with section 5(a) of the Act of October 19, 1973 (87 Stat. 467). If, under said section 5(a), either House adopts a resolution disapproving the plan, the Secretary, in accordance with section 5(b) of such Act, shall propose legislation for the use or distribution of the funds referred to in section 1 of this Act.

SEC. 6. None of the funds distributed per capita under the provisions of this Act shall be subject to Federal or State income taxes and the per capita payments shall not be considered as income or resources when determining the extent of eligibility for assistance under the Social Security Act (42 U.S.C. Sec. 301 *et seq.*) or any other Federal financial assistance or benefit program.●

By Mr. COHEN:

S. 2119. A bill to assure the provision of certain basic rights to residents in long-term care facilities; to the Committee on Labor and Human Resources.

LONG-TERM CARE RESIDENTS' RIGHTS ACT

● Mr. COHEN. Mr. President, today I am introducing legislation designed to improve the enforcement of standards relating to the rights of residents in long-term care facilities.

The concept of patients' rights is not new. The American Hospital Association has had a suggested patients' rights statement since 1973. Last July, the full Senate approved legislation, the Protection and Advocacy for Mentally Ill Persons Act, to ensure that the rights of mentally ill persons living in residential facilities are protected. Similar protections are provided to the developmentally disabled in the developmentally disabled assistance and bill of rights law. In addition, 37 individual States have enacted their own laws guaranteeing a variety of residents' rights in institutions.

I first introduced legislation to guarantee the rights of nursing home patients in 1973, when I was a Member of the House of Representatives. I reintroduced similar legislation in the House in both the 94th and 95th Congresses, and again upon coming to the Senate in 1979. Many of the patients' rights delineated in these bills have been incorporated into the regulations governing long-term care facilities participating in Medicare and Medicaid.

Unfortunately, enforcement of these Federal regulations has been woefully inadequate. At present, the only sanction available for failure to comply is a total elimination of Federal funding. The Federal Government has been reluctant to resort to such drastic action since, in most instances, it would force the facility to close, sending its residents—many of whom have no alternative source of care—out into the streets.

As a result, there still are far too many residents of nursing homes and other long-term care institutions whose basic civil and human rights are regularly violated. For example, some nursing homes regularly discriminate against low-income elderly on Medicaid in favor of private-pay patients. The facilities claim that these discriminatory practices are justified because of the often below-market Medicaid payment rates and slow reimbursement process. However, the result is that many Medicaid patients are denied access to needed care, or are placed in nursing homes a great distance from their homes, increasing both the financial and the emotional burden on the family.

There are other instances where nursing homes have unnecessarily impaired the freedom of choice of their residents. Often when people are institutionalized, they are no longer viewed as capable of making choices about things as simple as what to wear, when to awaken, or what to eat. As a result, these decisions are often made for the convenience of the facility rather than the comfort of the patient.

It is therefore time to build upon and strengthen our past efforts by codifying long-term care residents' rights and giving them the force of law. In that way, they will not be subject to change depending upon administration policy. The legislation I am proposing today would set in law a national standard of rights for residents in institutions. These basic guarantees to compassionate care include, but are not limited to:

The right of the resident to be informed of his rights and the proper exercise of such rights under policies and procedures of the facility, and the procedures and remedies available to him whever those rights are denied.

The right to be informed regarding services available in the facility and the charges therefor, including any charges not paid for by an outside source.

The right to be considered for admission, and to be discharged or transferred, on a fair and equal basis, without regard to source of payment.

The right to be informed of his medical condition, of proposed treatments, and of alternative modes of treatment, participate in decisionmaking regarding his medical treatment, and refuse to participate in any experiment.

The right of the resident to choose his own physician and secure other health care services or items available from sources other than the facility.

The right not to be involuntarily transferred or discharged from the facility without notice and due cause.

The right to voice grievances, without interference or reprisal, when his rights as a resident of the facility or as a citizen have been violated.

The right to manage his personal affairs.

The right to be free from both mental and physical abuse and from both unreasonable chemical and physical restraints.

The right to confidential treatment of his personal and medical records and any other records which contain any personal identifying information.

The right to refuse to perform any services or chores for the facility.

The right to meet with, and participate in activities of social, religious, and community groups at his discretion, to communicate privately with persons of his choice, and to receive and communicate with visitors and to initiate, refuse or terminate a visit at any time.

The right to retain and use personal clothing and possessions; and

The right of privacy for married residents.

Additionally, every facility which participates in a Federal or State health care of health financing program would be required to provide all residents a copy of this "bill of rights," including a description of the enforcement procedures. Health care providers would develop a written plan and provide appropriate staff training to implement each resident right included in the statement. The obligations which participating long-term care facilities would assume under this act are intended to delineate the extent of their liability in assuring the proper exercise of these rights.

Further, the Secretary of Health and Human Services and the States would be directed to actively encourage the involvement of nursing home patient advocates and ombudsmen in promoting enforcement of resident rights. Perhaps the most successful effort the Federal Government has made to date to focus attention upon the problems of institutionalized persons has been the Ombudsman Program authorized under the Older Americans Act. The legislation I am introducing today draws upon the strength of the Ombudsman Program, as individually instituted in the States, to be the primary vehicle for the investigation and resolution or referral of violations of resident rights to appropriate civil or criminal officials.

Finally, a resident whose rights have been abridged would have recourse to a private right of action against the offending facility for damages in Federal court.

In the past few months, we have been engaged in debate over whether recent changes in Federal health policy made in the name of cost containment have undermined the quality of care available to Medicare and Medicaid beneficiaries. The protection of patients' rights is also a "quality" issue. Quality health care encompasses not simply medical treatment, but also a basic understanding and respect for the patient as an individual and a human being. We have all been appalled by reports of abuse and neglect of nursing home patients. Certainly we must take action to ensure the health and safety of residents of long-term care facilities and to protect them from such instances of abuse and neglect. However, I believe that it is equally imperative that we provide for the protection of the patient's basic human and civil rights.

A long-term care residents' bill of rights benefits not only the resident, but also the institution. A resident who is confident in the care he is receiving, who understands his medical condition and participates in the planning of his treatment, is generally far more cooperative and more responsive medically to the care he receives. For the predominantly elderly population in most nursing homes, the guarantees can help forestall the confusion and disorientation often initially experienced by the resident upon admission. They can also counteract the sometimes stupefying attitude of apathy and despair of those residents who believe themselves consigned to a facility where there is nothing left to do but await death. Such an attitude can defeat the efforts of the most understanding and hard-working health care personnel. It can frustrate the entire purpose of the nursing home which is to maintain and improve the mental and physical well-being of the residents to the greatest possible extent.

It should not be forgotten that, despite the many problems and horror stories we have heard, most long-term care facilities are administered and staffed by dedicated individuals who are truly concerned about providing quality care for their residents. Such providers generally agree that a residents' bill of rights makes good sense, and that it should not be a source of hardship for good nursing homes.

A bill of rights can, however, be of tremendous importance to residents of other, less adequate facilities helping to protect them from substandard medical or personal care. As demographics change and the older American population increases, both the numbers and the problems of the institutionalized are bound to increase. Therefore, it is important that we act now to ameliorate existing long-term care problems to ensure the quality of care in institutions for not just current but future generations. While in no way a panacea for all of the problems of the institutionalized, the Long-Term Care Residents' Rights Act does set forth in clear terms the rights of the residents and the responsibilities of the facility. I believe that the enactment of this legislation will do much to improve the quality of life for residents in long-term care institutions.●

By Mr. STAFFORD (by request):

S. 2120. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to provide interim financing and borrowing authority, and for other purposes; to the Committee on Finance.

ONE YEAR EXTENSION FOR SUPERFUND

Mr. STAFFORD. Mr. President, I am today introducing a bill which would provide a 1-year extension of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, commonly called the Superfund law. This bill has been prepared and submitted by the administration and, as the chairman of the Committee on Environment and Public Works, I am introducing it on request.

Mr. President, when this bill was forwarded, it was accompanied by both a letter from EPA Administrator Lee Thomas and an explanation. I would ask unanimous consent that the bill, together with the letter and explanation, be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2120

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Superfund Interim Financing Act of 1986".

SEC. 2. EXTENSION OF ENVIRONMENTAL TAXES.

Subsection (d) of section 4611 of the Internal Revenue Code of 1954 (relating to termination) is amended to read as follows:

"(d) TERMINATION.—The taxes imposed by this section shall not apply beyond such date as the Secretary determines that receipts deposited in the Response Trust Fund will be sufficient to repay the amounts advanced under subsection 233(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, together with interest as provided for therein."

SEC. 3. TERMINATION OF TAX ON HAZARDOUS WASTES.

Subsection (d) of section 4682 of the Internal Revenue Code of 1954 (relating to applicability) is amended to read as follows:

"(d) The tax imposed by section 4681 shall not apply after September 30, 1985."

SEC. 4. EXTENSION OF REPAYABLE ADVANCE AUTHORITY.

Subsection (c) of section 223 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended to read as follows:

"(c) AUTHORIZATION OF REPAYABLE ADVANCE.—

"(1) IN GENERAL.—There is authorized to be appropriated, in the fiscal year ending September 30, 1986, to the Response Trust Fund, as a repayable advance, an amount not to exceed $861,300,000 to carry out the purposes of such Trust Fund.

"(2) REPAYMENT OF ADVANCE.—The amount advanced pursuant to this subsection shall be repaid with interest to the general fund of the Treasury. Such advance and interest shall be repaid as taxes imposed under sections 4611(a) and 4661(a) of the Internal Revenue Code of 1954 are collected. Such interest shall be at rates computed in the same manner as provided in subsection (b) and shall be compounded annually."

SEC. 5. TECHNICAL AMENDMENT.

Section 303 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is hereby repealed.

SEC. 6. EFFECTIVE DATE.

The amendments made by this Act shall take effect on April 1, 1986.

ENVIRONMENTAL PROTECTION AGENCY,
Washington, DC, February 18, 1986.

Hon. GEORGE BUSH,
President,
U.S. Senate,
Washington, DC.

DEAR MR. PRESIDENT: Early in 1985, the President forwarded to Congress a proposal to expand and improve the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("Superfund"). This measure would have extended our program for cleaning up America's abandoned hazardous waste dumps for another five years and more than tripled the resources available to get the job done.

Since that time, we in the Administration have worked very hard to keep the Superfund program growing. Congress has debated the issue for more than a year. Although both the House and Senate passed new Superfund bills during 1985, the fact is that Congress still has not completed its legislative work. On September 30, 1985, the taxing authorities designed to fund the vital Superfund effort expired.

The Administration remains firmly committed to a five-year reauthorization of Superfund. But we have now reached a point where it may also be necessary for Congress to enact an interim funding plan to keep Superfund alive while debate over a final long-term extension of the program continues. Nearly all remaining funds available for cleanup actions will be exhausted by March 31, 1986.

With this letter, I am transmitting to Congress legislative language to enable the Environmental Protection Agency to continue implementing the Superfund program for another year, pending final enactment of a full five-year reauthorization. This interim measure would generate $861 million necessary to fund Superfund activities for a 12 month period. This amount reflects the level of appropriations passed by the Congress for Fiscal Year 1986 and is consistent with spending reductions mandated by the Gramm-Rudman-Hollings Act. This amount will allow us to operate the program at the accelerated level anticipated in our FY 1986 budget.

The interim measure would authorize Superfund to borrow funds from general revenue up to the level appropriated for Fiscal Year 1986. The amounts borrowed from general revenue would be repaid through a reimposition of the petroleum and chemical feedstock taxes, effective April 1, 1986, at the rates applicable under the original Superfund law.

This interim funding measure is not an answer to the complex issues which have prevented Congress from completing action on a long-term Superfund reauthorization. Rather, it is a means for accelerating the pace of the program to the appropriated level for one year, while the long-term issues are being resolved. To ensure a stable and aggressive program, I urge that any interim funding mechanism extend the program for at least one year.

This Administration remains fully committed to long-term reauthorization of Superfund. It is with reluctance that I submit this package outlining a means to keep the program operating on only an interim basis. I urge the leadership of Congress, and all members, to complete a full Superfund reauthorization on a priority basis.

The Office of Management and Budget advises that enactment of this proposal would be in accord with the President's program.

Sincerely,

LEE M. THOMAS,
Administrator.

SECTION-BY-SECTION ANALYSIS OF THE SUPERFUND INTERIM FINANCING ACT OF 1986

SECTION 1. SHORT TITLE.

This section denotes the Act as the "Superfund Interim Financing Act of 1986" in order to stress the short-term nature of the legislation and the need for a full, five-year reauthorization of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA" or "Superfund").

SEC. 2. EXTENSION OF ENVIRONMENTAL TAXES.

This section, in combination with sections 5 and 6, provides new taxing authority for the Superfund by reimposing the environmental taxes set out in Chapter 38 of the Internal Revenue Code of 1954 at their original rates, beginning on April 1, 1986. The taxes are on petroleum and certain chemicals. The taxes are designed to repay the advance made to the Fund under the borrowing authority provided for in section 4 and will terminate when sufficient revenues have been raised to repay all borrowed funds, together with interest.

SEC. 3. TERMINATION OF TAX ON HAZARDOUS WASTES.

This section insures that the tax on hazardous wastes received at qualified hazardous waste disposal facilities, which supports the Post-Closure Liability Trust Fund under CERCLA, will not be reimposed pending a Congressional decision on whether to continue the Post-Closure Fund.

SEC. 4. EXTENSION OF REPAYABLE ADVANCE AUTHORITY.

This section amends the original authority to borrow under CERCLA by authorizing a repayable advance to the Response Trust Fund in Fiscal Year 1986 in an amount not to exceed $861,300,000. This section, together with sections 2 and 5, which enact new taxing authority to support the Superfund program, will provide funding sufficient to operate the program for a 12 month period at the appropriation level established for Fiscal Year 1986.

SEC. 5. TECHNICAL AMENDMENT.

This section amends CERCLA by repealing section 303, the expiration and sunset provision, so as to permit the imposition of new taxes under section 2 of this Act.

SEC. 6. EFFECTIVE DATE.

This section makes the provisions of the Act, including the taxes, effective on April 1, 1986.

By Mr. DURENBERGER (for himself and Mr. QUAYLE):

S. 2121. A bill to amend title XVIII of the Social Security Act to revise the method of payment to hospitals for capital-related costs under the Medicare Program; to the Committee on Finance.

FAIR DEAL CAPITAL PAYMENT ACT

● Mr. DURENBERGER. Mr. President, I rise today to introduce the Fair Deal Capital Payment Act of 1986, S. 2121. The bill amends title 18 of the Social Security Act. It reforms the method that the Medicare Program uses to pay hospitals for capital expenses, including such expenses as depreciation of physical plant and equipment, rental costs, interest cost on borrowed funds, and return-on-equity capital for investor-owned hospitals.

Under current law Medicare pays an established fee for hospital services based on the average cost of treating specific illnesses. This prospective payment system [PPS] only covers hospital operating expenses. Medicare still reimburses hospitals for its share of capital expenses based on the actual allowable costs hospitals incurred. S. 2121 would incorporate the payment for hospital capital expenses into the PPS per illness rate structure.

I am joined in introducing this bill by my distinguished colleague from Indiana [Mr. QUAYLE]. Last summer he and I introduced S. 1559, our first Medicare capital payment reform proposal. The bill we introduce today is a refinement of that original proposal. S. 2121 reflects the comments and suggestions we received on S. 1559 from experts in the health care field and hospital community. It also incorporates guidance received from the Department of Health and Human Services [HHS] testimony before a hearing of the Health Subcommittee of the Finance Committee which I chaired on November 8, 1985. I appreciate this valuable input as well as the assistance of the staff of the Finance Committee in the preparation of S. 2121.

Mr. President, the new PPS adopted for Medicare represents a deal between the Federal Government and this Nation's hospitals. For the sake of the millions of elderly and disabled Americans who depend on hospital services under Medicare, it is critical that this be a fair deal.

The Congress did not include capital expenses in the PPS 3 years ago because we knew more research was required to develop the best method for incorporating capital expenses. Congress included a requirement, in the Social Security amendments, that HHS produce a report with recommendations on how we should proceed.

The Office of the Assistant Secretary for Policy and Evaluation at the HHS did that work. Before a hearing of the Subcommittee on Health, Dr. Robert Helms, Acting Assistant Secretary for Policy and Evaluation, outlined for the Congress the conclusions of his efforts and those of his staff. The sound and reasonable proposal described by Dr. Helms is reflected in S. 2121.

The proposal that was alluded to in Dr. Helms' testimony has unfortunately not been made public and will never see the light of day. Despite the fact that the hospital community generally viewed that proposal as fair, and that the proposal was consistent with the goals of PPS, HHS turned away from its own work.

Instead, HHS has had to buckle under to the Office of Management and Budget and redesign its approach. I strongly object to the fact that a process established by Congress to develop the best health policy for incorporating capital expense into PPS has turned into an opportunity for "meat cleaver" reform. The Medicare capital payment report HHS will eventually give the Congress will simply be budget policy under the guise of health policy.

The proposal revealed in the President's fiscal year 1987 budget proposes a 4-year transition from the current cost-based payment method to the incorporation of capital expenses in the PPS hospital fee. This proposal would be implemented by regulation and become effective on October 1, 1986. It would cut the cost of hospital capital expenses payable by Medicare by $4.2 billion over its first 3 years alone.

The purpose of PPS is to give cost-cutting incentives to hospitals, not to bankrupt them. Clearly, these regulations would have devastating effects on many hospitals. It would arbitrarily treat efficient and inefficient hospitals alike, based not on their business practices but on when the hospitals happened to finance their capital assets.

Savings to the Federal budget can be obtained through Medicare capital reform. But the savings called for under the President's fiscal year 1987 proposal cannot be obtained without undermining the entire PPS framework. The proposal makes a mockery of the notion that the PPS would give hospitals a fair deal for quality, efficient health services.

Mr. President, capital payment reform must be consistent with the goals of PPS and treat hospitals fairly. The Fair Deal Capital Payment Act of 1986, if adopted, would keep Medicare on the track toward health system reform. The bill offers the hospital community a fair transition of 7 years from cost-based to prospective payment for capital expenses. It acknowledges that it will take time for hospitals to restructure their capital commitments and weighs the transition in the early years to a hospital-specific proportion based on a hospital's actual capital costs. And, on the Federal side of the transition, it allows for a Federal payment based on the most recent available capital expense data with a factor for updating that data through the implementation of the transition based on a market basket of Medicare capital expenditures.

The proposal's Federal rate, however, while reflecting changes in the cost of capital and local construction costs, will offset interest expense with interest earned and exclude the return on equity paid to investor-owned hospitals. These changes have some policy grounding but are essentially needed to provide budget savings.

S. 2121, at the end of the transition, folds all capital expenses into the PPS rate. Thus, the operating and capital payments will be combined into one per case amount. This payment will be sensitive to the case-mix and Medicare admissions experienced by hospitals. It will reflect the appropriate share of capital expense Medicare should be paying as a prudent buyer. It will be relatively budget neutral with most savings coming from improved business practice rather than arbitrary cuts.

S. 2121 also eliminates section 1122 of the Social Security Act. This repeals the regulation of new capital commitments which current law makes mandatory for States by October 1, 1986. The new payment methodology mandated by S. 2121 is sufficient to contain inappropriate capital expenses. So, there is no justification for proceeding with regulation by the States or the Federal Government of the specific capital decisions made by hospitals. This is consistent with the proposals to redirect health planning which I have cosponsored with my colleague from Indiana [Mr. QUAYLE].

S. 2121 provides a sound and reasonable approach. I plan to conduct a hearing on the bill in the Health Subcommittee on March 14. I look forward to full discussion of the bill. It is my intention to follow up on the direction received at the hearing and other advice, make appropriate changes in S. 2121, and pursue inclusion of the substance of S. 2121 in the Finance Committee's fiscal year 1987 reconciliation measure.

Mr. President, I have guarded optimism that the budget process will proceed with appropriate speed this year. It is essential that fiscal year 1987 reconciliation succeed with deficit reduction where fiscal year 1986 reconciliation appears to have failed. We are dependent on that process as a vehicle for changes in Medicare law as regards capital payment policy. I want to put the HHS on notice, however, that I will support emergency legislation to forestall the implementation through regulation of the Medicare capital proposal imbedded in the President's fiscal year 1987 budget. I know that many of my colleagues on the Finance Committee and the Ways and Means Committee of the House of Representatives share my concerns over these HHS regulations.

The Congress set October 1, 1986, as its deadline for adopting a new Medicare capital policy. I believe S. 2121 provides a good starting point for the development of that policy by the Congress. The process of health systems reform is never simple, but we are beginning to see the fruits of our previous labors. These achievements can only be maintained if we develop policies which are fair, as well as cost saving.

Mr. President, before I conclude, I should also point out that new Medicare policy concerning capital expenses should not be made in isolation from tax reform. The House tax bill, H.R. 3838, would prohibit advance refunding of tax-exempt bonds issued by 501(C)(3) hospitals. This provision would greatly restrict the ability of nonprofit hospitals with tax-exempt bonds to restructure their capital commitments to adjust for Medicare capital payment changes.

I plan to bring this issue to the attention of the Finance Committee when it takes up the tax reform legislation in the upcoming weeks. It is totally unfair on the one hand to place limitations on capital payments by Medicare and on the other hand to remove the flexibility of hospitals to restructure their finances.

Mr. President, I ask unanimous consent that the text of S. 2121 appear at this point in the RECORD and be followed by a detailed description of the proposal and example of how the new payment methodology would be applied.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2121

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Fair Deal Capital Payment Act of 1986".

AMENDMENTS TO SOCIAL SECURITY ACT

SEC. 2. (a) Section 1886 (g) of the Social Security Act is amended to read as follows:

(g) CAPITAL-RELATED COSTS.—

(1) Payments during 7-year transition period.—

(A) DETERMINATION OF AMOUNTS.—For each fiscal year beginning on or after October 1, 1986, and before October 1, 1993, the Secretary shall determine the amounts payable for capital-related costs for a subsection (d) hospital as follows:

"(i) Prior to multiplying the applicable average standardized amount computed under subparagraphs (A) and (B) of subsection (d)(3) by the appropriate weighting factor, the Secretary shall adjust such amount by adding to the nonlabor component of such

amount an amount equal to (1-P)(RN), where P is the transition factor determined under subparagraph (B) and RN is the national average standardized capital-related cost per discharge determined under subparagraph (C).

"(ii) The Secretary shall also add on to each national DRG prospective payment rate determined under subsection (d) an amount equal to (P)(RH), where P is the transition factor determined under subparagraph (B) and RH is the hospital-specific average capital-related cost per discharge determined under subparagraph (D).

"(B) TRANSITION FACTOR.—For purposes of this paragraph, P is equal to—

"(i) 0.95 for fiscal year 1987;

"(ii) 0.90 for fiscal year 1988;

"(iii) 0.80 for fiscal year 1989;

"(iv) 0.65 for fiscal year 1990;

"(v) 0.50 for fiscal year 1991;

"(vi) 0.30 for fiscal year 1992; and

"(vii) 0.10 for fiscal year 1993.

"(C) NATIONAL AVERAGE STANDARDIZED CAPITAL-RELATED COST PER DISCHARGE.—

"(i)(I) The national average standardized capital-related cost per discharge for fiscal year 1987 is equal to the average capital-related cost per discharge incurred by all subsection (d) hospitals, for cost reporting periods beginning in the most recent fiscal year for which adequate national data are available, for capital-related costs with respect to which payment was made under this title, standardized according to a methodology consistent with the construction of the nonlabor national standardized rates for payment of operating costs of inpatient hospital services under this title, updated as provided in subclause (II) and adjusted in accordance with clause (iv). In determining capital-related costs for purposes of this clause, return on equity shall be excluded and any capital-related interest expense shall be offset with interest income from any source.

"(II) The amount determined under subclause (I) shall be updated to fiscal year 1987 by a national capital market basket inflation factor determined by the Secretary to be appropriate for the period between the fiscal year for which such amount is determined and October 1, 1987.

"(ii) For each fiscal year beginning on or after October 1, 1987, and before September 30, 1993, the national average standardized capital-related cost per discharge for such fiscal year shall be such average cost for the preceding fiscal year, adjusted by the national capital market basket inflation factor determined by the Secretary to be appropriate for such fiscal year, and further adjusted in accordance with clause (iv).

"(iii) For each fiscal year beginning on or after October 1, 1993, the national average standardized capital-related cost per discharge shall be such average cost for the preceding fiscal year, increased by the same percentage increase as the standardized amounts are increased for such fiscal year pursuant to subsection (d)(3)(A), and adjusted in accordance with clause (iv).

"(iv) The Secretary shall adjust the amount determined under clause (i), (ii), or (iii) for a fiscal year for differences in local construction costs by a factor (established by the Secretary) reflecting the relative level of construction costs in the geographic area of the hospital compared to the national average construction cost level.

"(D) HOSPITAL-SPECIFIC AVERAGE CAPITAL COST PER DISCHARGE.—The hospital-specific average capital cost per discharge for a hospital for a fiscal year is equal to the average cost per discharge incurred by such hospital for such fiscal year for capital-related costs with respect to which payment would be made under this title to such hospital if the cost reimbursement principles which apply to hospitals which are not subsection (d) hospitals applied to such hospital.

"(F) TREATMENT OF NEW HOSPITALS.—In the case of a hospital which was not in operation for any complete fiscal year prior to October 1, 1986, the value of P for such hospital for a fiscal year beginning on or after October 1, 1986, and before October 1, 1993, shall be the value assigned to P under subparagraph (B) for such fiscal year.

"(F) USE OF ESTIMATES.—In applying this paragraph, the Secretary may, to the extent necessary, use estimates of costs and payments. Such estimates shall be readjusted as data becomes available, and payments to hospitals shall be readjusted accordingly.

"(2) PAYMENTS FOR CAPITAL-RELATED COSTS AFTER TRANSITION PERIOD.—For fiscal years beginning on or after October 1, 1993, the payment for capital-related costs for all subsection (d) hospitals shall be included in a single DRG payment rate. Such single payment rate shall be determined by adding the national average standardized capital cost per discharge (as determined under paragraph (1)(C)) to the nonlabor component of the applicable average standardized amount determined under subparagraphs (A) and (B) of subsection (d)(3) for such fiscal year, prior to multiplying the average standardized amount by the appropriate weighting factor under subparagraph (D) of such subsection.".

(b) Section 1886(a)(4) of such Act is amended by striking out ", with respect to costs incurred in cost reporting periods beginning prior to October 1, 1986,".

(c) Section 1886(d)(3)(C) of such Act is amended to read as follows:

"(C) ADJUSTMENT FOR CAPITAL-RELATED COSTS.—The Secretary shall adjust the standardized amount for each hospital (as computed under subparagraphs (A) and (B) for fiscal years beginning on or after October 1, 1986, to take into account capital-related costs in accordance with subsection (g).".

EFFECTIVE DATE

SEC. 3. The amendments made by section 2 shall apply to payments for operating costs of inpatient hospital services incurred on or after October 1, 1986.

REPEAL OF SECTION 1122

SEC. 4. Effective October 1, 1986, section 1122 of the Social Security Act is repealed.

SUMMARY OF S. 2121—THE FAIR DEAL CAPITAL PAYMENT ACT OF 1986

BACKGROUND

The major elements of capital cost currently reimbursable under Medicare are: depreciation of physical plant and equipment, rental expense, interest expense on borrowed funds, and return on equity capital for investor-owned hospitals.

Current law provides that allowable capital-related costs incurred by hospitals in providing inpatient services to Medicare beneficiaries are reimbursable on a retrospective cost basis. These costs are excluded from Medicare's prospective payment system unitl October 1, 1986.

THE FAIR DEAL CAPITAL PAYMENT ACT OF 1986

Over a seven year transition period, Medicare hospital reimbursements for capital will consist of blended proportions of a hospital-specific capital payment pass-through, and a national standardized average capital payment amount.

The blending proportions over the seven year transition period are:

[In percent]

	Hospital-specific proportion	Federal proportion
Fiscal year:		
1987	95	5
1988	90	10
1989	80	20
1990	65	35
1991	50	50
1992	30	70
1993	10	90
1994		100

The hospital-specific capital payment amount is the Medicare portion of the allowable capital costs actually incurred by a given hospital during each year of the transition under existing Medicare reimbursement principles.

The national capital payment amount is the national Medicare standardized average capital cost per discharge for hospitals eligible for PPS payment.

The Federal proportion (as defined by the transition blending proportions) of the national capital payment rate will be added to the nonlabor-related standardized amount of the Federal portion of the PPS rate as calculated under the current PPS transition formula.

The base year for calculating the national capital rate will be the most recent fiscal year for which adequate national data are available.

The national standardized average capital payment rate will be adjusted to:

1. Offset interest expense with interest income;

2. Eliminate return on equity;

3. Reflect local construction costs associated with depreciation of physical plant.

4. Reflect changes in the cost of capital since the base year. From FY 1984 to the end of the transition (FY 1993), the national standardized average capital payment rate will be adjusted by an approporiate capital market basket inflation factor to be developed by the Secretary of HHS. For each year after 1993, the national standardized average capital payment amount will be adjusted by the PPS update factor.

For new hospitals, the Federal proportion of the national standardized average capital payment amount during the transition period shall be equal to the proportion applicable to the first complete fiscal year during which the hospital is operational.

Effective October 1, 1986, section 1122 of the Social Security Act is repealed.

EXAMPLE OF HOSPITAL CAPITAL PAYMENT UNDER S. 2121, THE FAIR DEAL CAPITAL PAYMENT ACT OF 1986

The following example illustrates how the federal portion of the prospective payment rate would be computed for a particular discharge during the capital transition period. The values used in the example are approximations used to illustrate the way in which payments will be calculated for Medicare discharges and do not necessarily correspond to the actual values to be calculated and used by the Health Care Financing Administration.

Example:

After receiving an eye lens procedure, DRG number 039, John Jones was dis-

charged from a teaching hospital in Chicago, Illinois during October of 1986. The DRG number 039 has a weighting factor of 0.5739. In this example, it is assumed that the PPS transition will be completed as stipulated in law as of FY 1987; that is, the PPS payment for operating expenses is 100% federal.

1. $2,452.00 (the labor-related portion of the standardized amount for Chicago, Ill.) is multiplied by 1.2240 (the wage index for Chicago MSA) which equals $3,001.25.

2. $712.68 (the nonlabor-related portion of the standardized amount for Chicago, Ill.) is added to 0.05 (the federal capital payment proportion during FY 1987) times $300.00 (the national average standardized capital payment, adjusted for construction costs in the Chicago, Ill. MSA) which sums to $727.68.

3. $727.68 (the sum of the nonlabor-related amount and the federal capital payment amount) is added to $3,001.25 (the labor-related amount) which equals $3,728.93.

4. $3,728.93 is multiplied by 0.5739 (the weighting factor for DRG No. 039) which equals $2,140.03.

5. $2,140.03 is added to $450.00 (the hospital-specific portion of the capital payment, which is 95% of the hospital's actual average medicare-related capital costs for FY 1987) which equals $2,590.03, the prospective payment for the discharge.

6. Since this hospital has an approved medical education program, it is entitled to the additional indirect payment for medical education costs. The hospital's ratio of the number of full-time equivalent interns and residents to its number of beds is 0.10. Hence, the indirect GME payment for this discharge is .1159 (the allowable percent additional payment for the .10 ratio) multiplied by $2,140.03 (the federal portion of the prospective payment for this discharge) which equals $248.03.●

● Mr. QUAYLE. Mr. President, I am pleased to join my distinguished colleague from Minnesota [Mr. DURENBERGER], in introducing "The Fair Deal Capital Payment Act of 1986," legislation which will restructure payments to hospitals for capital costs under Medicare.

In 1983, Congress enacted the prospective payment system for hospital inpatient services under the Medicare Program which reimburses hospitals on the basis of prospectively determined specific amounts on a case-by-case basis, according to individual patient diagnoses. However, Congress made the decision not to incorporate all of the expenses previously reimbursed by Medicare on a reasonable cost basis into the prospective payment system. Present law provides that the capital-related costs (including depreciation, interest expenses, leases, and rentals and, in the case of for-profit hospitals, a return on equity capital) paid by Medicare be excluded from the prospective payment system until October 1, 1986. That date was selected to allow sufficient time for the development of an alternative proposal to deal with capital costs. Until then, these costs will continue to be reimbursed on a reasonable cost basis.

Last session, Mr. DURENBERGER and I cosponsored a bill designed to reform capital payments. At the time we introduced that bill, we noted that its purpose was to get the ball rolling on capital payment reform and to put this subject on the agendas of all parties involved—the hospitals, the administration, and the Congress. In that regard, I believe our original bill served its purpose. The bill we are introducing today represents a substantial revision of S. 1559 that was achieved after much work and consultation with the affected parties. I feel strongly that the bill is fair and equitable, particularly in light of the administration's extremely stringent proposal which it intends to implement through regulation.

S. 2121 modifies the current reimbursement system for capital by adding on a percentage for capital costs over a 7-year transition period with the majority of the transition taking place in the later years. Over the transition period, Medicare hospital reimbursements for capital will consist of blended proportions of a hospital specific capital payment rate and a national capital payment rate. The hospital specific portion will be the allowable capital costs actually incurred by a given hospital; thus, the hospital specific portion will continue to be passed through on its current cost basis over the transition period. This transition period should be sufficient to avoid serious financial disruption to those hospitals that are highly leveraged in capital investments when the proposal is implemented. At the same time, the transition is not so lengthy that it will impede the efficiency of the prospective payment system for operating costs.

This bill will provide incentives for all hospitals to behave more efficiently with regard to their capital expenditures. For the first time, strong incentives will be in place for hospital managers to minimize the overall costs of new investments by selecting the right financial mix and by making capital investment decisions that are sensitive to marketplace conditions.

It is important to remember that if Congress is unable to meet its own self-imposed deadline of October 1, 1986, for passing a capital bill, then section 1122 of the Social Security Act will become mandatory for all States. Section 1122 is similar to the current mandatory certificate of need program under the health planning law which requires the review and approval of capital expenditures proposed by health facilities. Currently, section 1122 provides for voluntary agreements between individual States and the Department of Health and Human Services to review and approve capital expenditures made under the Medicare Program. I think there is little doubt that neither certificate of need nor section 1122 have been successful in containing health care costs. If anything, both of these programs have acted as a disincentive to the development of a competitive health care marketplace. To put States in the position of having to participate in such a regulatory program would just repeat our previous mistakes by giving new life to failed policies of the past.

I urge my colleagues to join me in supporting this bill. The time has come for us to move forward on this issue and to stick to the deadline we set for integrating capital costs for part A reimbursement into Medicare's new prospective payment methodology. Hospital capital costs only represent approximately 7 percent of Medicare's hospital payments. However, it significantly impacts upon Medicare's expenditures for operating costs. It is now time for us to address this issue and to align the incentives for capital reimbursement with the prospective payment system.●

By Mr. GLENN (for himself, Mr. HEINZ, Mr. MELCHER, Mr. BRADLEY, Mrs. HAWKINS, and Mr. BURDICK):

S. 2122. A bill to continue the current waiver of liability presumption for home health agencies and skilled nursing facilities under the Medicare Program in order to protect beneficiary access to home health and extended care services; to the Committee on Finance.

MEDICARE BENEFICIARY ACCESS PROTECTION ACT

Mr. GLENN. Mr. President, I rise today to introduce the "Medicare Beneficiary Protection Act of 1986." This bill will continue the waiver of liability presumption for skilled nursing facilities and home health agencies participating in the Medicare Program—a provision the administration has moved to eliminate despite strong congressional support for continuing the waiver of liability. I am pleased that Senator HEINZ, Chairman of the Special Committee on Aging, has joined me in introducing this bill, as have Senators MELCHER, BRADLEY, HAWKINS, BURDICK, reflecting bipartisan support for this issue. This legislation is a companion to H.R. 4065 which has been introduced in the House by Representative ROYBAL.

The waiver of liability provides a limited level of financial protection to health care providers who accept Medicare patients who may subsequently be denied coverage by a fiscal intermediary. Because the skilled nursing and home health care benefits under Medicare are paid retrospectively, providers are paid for services after they have been given. In some cases, a home health agency or skilled nursing facility will accept a Medicare patient whose care they have good reason to believe will be covered by Medicare, but find that reimbursement is subsequently denied by the fiscal interme-

diary. In these cases, the waiver of liability ensures, within specific limits, that the facility will be reimbursed for the care it has provided.

This form of "insurance," which is limited to 5 percent of claims for skilled nursing facilities and 2.5 percent for home health agencies, ultimately protects Medicare beneficiaries. Without it, many providers are unlikely to be willing to take the financial risk of accepting Medicare patients, especially those for whom coverage is the least bit questionable. Medicare represents a small portion of revenues for many providers; the elimination of the waiver may be an incentive for them to drop out of the Medicare Program entirely. Many States already have a serious shortage of Medicare participating nursing homes. Elimination of the waiver of liability will only further limit the elderly's access to needed health care—a need that is even more urgent since the implementation of the prospective payment system [PPS].

The PPS-initiated trend of earlier discharges of Medicare beneficiaries from hospitals is significantly increasing the demand for posthospital care services, such as home health and skilled nursing care. This increased burden was clearly documented in testimony before the Senate Special Committee on Aging, of which I am the ranking member, at our recent series of hearings on the Medicare PPS. Mr. President, the elderly clearly need greater access to posthospital services; HCFA's elimination of the waiver of liability will have the opposite effect.

In February, 1985, when HCFA issued draft regulations revoking the waiver of liability as a cost saving measure affecting providers only, Members of Congress, providers and consumers groups protested that it would be beneficiaries who would be harmed by revocation of the waiver. Senator HEINZ and I joined Chairman ROYBAL and the ranking member of the House Select Committee on Aging in sending a letter to the Secretary of the Department of Health and Human Services [DHHS] expressing our concern about the proposed regulatory changes.

Margaret Heckler, who was Secretary of DHHS at that time, convened an internal task force to reconsider the advisability of these regulations. Unfortunately, we did not receive satisfactory response to our questions, despite the Secretary's promise to address our specific inquiries "well before we are prepared to proceed with a final regulation." Furthermore, we were not apprised of the progress of HCFA's internal task force.

Congressional opposition to this effort by the administration is reflected in the conference agreement to the reconciliation bill which includes Senate-passed language to extend the waiver. The conference agreement extends the 2.5 percent waiver of liability for home health agencies from enactment until 12 months after the consolidation of claims processing for home health agencies. For skilled nursing facilities, the agreement extends the 5 percent favorable presumption until 30 months after enactment. Despite this congressional sentiment, the administration announced on February 24, 1986, a final rule to end the waiver of liability, effective March 24, 1986.

The language of the "Medicare Beneficiary Protection Act of 1986" is identical to that of the reconciliation bill conference agreement. It is my hope that the reconciliation bill will be passed this year, with the waiver of liability provision intact. The administration, however, does not appear to be interested in Congress' view on this matter. Therefore, I believe the bill we are introducing today is necessary to clearly impress upon the administration our intent to extend the waiver of liability.

While we are all committed to controlling escalating health care costs, Mr. President, it is vital that we do not allow cost containment to be, in reality, a guise for diminishing the elderly's legitimate access to needed health care. I urge my colleagues in the Senate to join us in this important effort to protect ill and vulnerable elderly Medicare patients.

Mr. HEINZ. Mr. President, I am pleased to join with my distinguished colleague, Senator JOHN GLENN, in introducing this legislation to maintain the waiver of liability for home health agencies and skilled nursing facilities under the Medicare Program.

I have been a consistent and longtime supporter of maintaining the waivers of liability for home health and skilled nursing providers under the Medicare Program. I pushed hard for inclusion of these provisions in the Senate Consolidated Omnibus Budget Reconciliation Act last year because of my commitment to ensuring that Medicare beneficiaries have access to high quality, affordable health care.

The waiver of liability provides skilled nursing facilities and home health agencies who accept Medicare patients with some protection for errors as they try to predict which patients qualify for posthospital coverage and which do not. The waiver of liability was first created by the Congress out of legitimate concern that providers entering the Medicare Program should not be held fully financially responsible for retroactive decisions made by the fiscal intermediaries that the care given would not be covered.

Today, the Health Care Financing Administration is arguing, 20 years after the program has been in operation, that these health care providers should know the rules and no longer need any room for error. Unfortunately, it just doesn't work that way. What should be objective, predictable decisions truly are best guesses in light of uncertain, unpredictable fiscal intermediary decisions that are based on nebulous and changing criteria.

This uncertainty is heightened by the administration's recent push to decrease the number of fiscal intermediaries that serve Medicare home health agencies. While I applaud this consolidation to only 10 intermediaries, down from more than 42, as a major step toward reducing the variance of the FI's, I am also aware that there will exist a period of time where many home health agencies will be dealing with FI's to which they have never before been exposed. Each fiscal intermediary's decisions are slightly different, depending on a variety of factors, not the least of which is the direction given it by the HCFA regional office.

For this reason, the Senate Finance Committee's langauge in the Budget Reconciliation Act extended the skilled nursing and home health waivers for limited periods of time until after both areas were given a chance to stabilize. I wholeheartedly endorse this approach.

Let's take a look at the bigger picture, as well. The Medicare prospective payment system is, often for better, sometimes for worse, causing Medicare beneficiaries to be discharged from hospitals sooner and sicker than in the past. The intent of PPS was to encourage use of the most costly setting—hospitals—only during the most intensive part of illness and encourage use of less costly settings—skilled nursing facilities and home health agencies—at the end of the illness. Unfortunately, by moving to eliminate the waiver of liability, HCFA seems to be trying to squeeze the balloon at both ends—the hospitals and the posthospital ends. This just can't be done without someone feeling the squeeze, and that someone is the Medicare beneficiary.

Retention of the waiver of liability for skilled nursing facilities and home health agencies will help maintain some degree of certainty and stability in an otherwise unpredictable situation.

I am pleased to be a part of this bipartisan effort that is being undertaken in both Houses of the Congress. I am confident that our colleagues will agree that the waiver of liability is a key element in ensuring that Medicare beneficiaries have access to affordable, high quality health care, and I urge their support.

By Mr. NICKLES:

S. 2123. A bill to authorize road repair or reconstruction at Fort Gibson Lake, OK; to the Committee on Environment and Public Works.

REPAIR OF TOPPERS DIKE ROAD AND WHITEHORN COVE ROAD AT FORT GIBSON, OK

● Mr. NICKLES. Mr. President, I rise today to introduce legislation which would direct the Corps of Engineers to repair Toppers Dike Road and Whitehorn Cove Road at Fort Gibson, OK.

These two roads have been the sight of numerous accidents with at least one fatality. Because of the danger that these roads pose to drivers, I am dedicated to seeing to it that they are repaired and brought up to current Corps of Engineers design standards.

The legislation that I am introducing today is needed because, at the present time, the Corps of Engineers does not have the authority to repair roads that were constructed prior to the enactment of Public Law 86-645, the River and Harbors Act of 1960. This bill would modify section 9 of the 1946 Flood Control Act which provides the corp with the authority to repair roads that are considered to have been damaged by the operation of Army reservoir projects, to include the Toppers and Whitehorn Cove roads. The corps contends that these roads were not damaged due to reservoir operations, and therefore do not feel the obligation or authority to repair them. The corps, however, has inspected the roads and agree that they are extremely hazardous because of their steep embankments and lack of lateral stability on the surface of the roads. They state that maintenance is most difficult since there are no shoulders.

Mr. President, I introduce this legislation today out of deep concern. Government redtape is standing in the way of the much needed repair of these roads. While different governmental entities are denying the responsiblity to repair these roads, people are continuing to be hurt, and in at least one instance killed, because these hazardous roads are not repaired by today's safety standards. I therefore introduce this legislation today and urge its prompt consideration and passage.●

By Mr. DODD (for himself and Mr. BOREN):

S. 2124. A bill to guarantee that individuals responsible for defense procurement fraud are found liable and receive appropriate punishment; to the Committee on the Judiciary.

INDIVIDUAL RESPONSIBILITY FOR FRAUD IN DEFENSE PROCUREMENT ACT

● Mr. DODD. Mr. President, our defense industry has recently been shaken by a whole series of disclosures about fraudulent claims, overpricing, unallowable costs charged to the Government, deliberate underbidding, and the like. This has shattered public confidence about how public funds are expended by our Government and eroded public support that is crucial for a consistent and enduring effort to maintain the strength of our military forces.

Beyond the dismay any citizen must feel over these scandalous revelations I was particularly troubled by several aspects of them. While the negative publicity about many defense contractors was probably well deserved, there was not enough discussion of two other causes of these abuses. One was the lax enforcement of accounting regulations by the Pentagon at the time these abuses were committed and the other was the lack of a consistent set of regulations, for example, on what were the unallowable costs in Government contracting.

Just as the responsibility for these abuses was somewhat misallocated, the applied sanctions were often way off target. I was often concerned about actions that penalized whole companies or divisions by suspensions or by canceling existing contracts. In many cases I failed to see what reasonable purpose was served by these suspensions. It was of no concern for the accused or indicted officials who, in some cases, were no longer with the company. What these suspensions did was to endanger the jobs of thousands of innocent workers, penalizing blue collar workers for white collar crimes and to upset delicate production schedules, thereby hurting programs important for the defense of our Nation. I decided that to preserve the integrity of our defense procurement process and to fight effectively the reoccurrence of the sleazy practices that were brought to light, we would be well advised to go after the guilty individuals themselves instead of penalizing those who had nothing to do with the transgressions. I was helped in formulating my position by several conversations I had with my friend and colleague Senator DAVID BOREN and the bill we are introducing today is the result of our mutual efforts.

This bill is a compilation of several provisions, all increasing the civil and criminal penalties for individuals who are responsible for defrauding the Government through contracts for the delivery of goods or services. Specifically this bill raises the existing civil penalty for the submission of false claims to $10,000, from $2,000, and three times the damage (from two times); makes the defendant liable for prejudgment interest; makes contractor personnel liable for a knowing concealment of an obligation to the Government; raises the bail amount in a civil action to $10,000, from $2,000, and three times the damage (from two times); establishes responsibility for a civil fine even if the false claim is not actually paid by the Government; raises criminal penalty for fraud and conspiracy to commit fraud to $1,000,000 fine, from $10,000, and 10 years' imprisonment (from 5 years); extends period during which an individual convicted of procurement fraud cannot be employed by a contractor to 5 years, from 1 year; makes officers, directors, or stockholders of a corporation personally liable for a false claim submitted by the corporation where they know that a false claim has been submitted but do not immediately rectify that action.

Mr. President, this bill, together with other pending legislation ought to send a powerful message for those who try to enrich themseives at the expense of the Public Treasury. In closing I want to pay tribute to the efforts of our colleague Senator GRASSLEY in this area. He provided valuable leadership for all of us as chairman of the Subcommittee on Administrative Practice and Procedure of the Committee on the Judiciary.

Mr. President, I ask unanimous consent that the text of our bill be printed in the CONGRESSIONAL RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2124

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Individual Responsibility for Fraud in Defense Procurement Act of 1986".

FALSE CLAIMS

SEC. 2. Section 3729 of title 31, United States Code, is amended to read as follows:

"§ 3729. False claims

"(a) A person is liable to the United States Government for a civil penalty of $10,000, an amount equal to 3 times the amount of damages the Government sustains because of the act of that person, pre-judgment interest, and costs of the civil action, if the person—

"(1) knowingly presents, or causes to be presented, to an officer or employee of the Government or a member of an armed force a false or fraudulent claim for payment or approval;

"(2) knowingly makes, uses, or causes to be made or used, a false record or statement to get a false or fraudulent claim paid or approved;

"(3) conspires to defraud the Government by getting a false or fraudulent claim allowed or paid;

"(4) has possession, custody, or control of public property or money used, or to be used, in an armed force and knowingly delivers, or causes to be delivered, less property than the amount for which the person receives a certificate or receipt;

"(5) knowingly makes, delivers, or causes to be made or delivered, a document certifying receipt of property used, or to be used, in an armed force when such receipt is false;

"(6) knowingly buys, or receives as a pledge of an obligation or debt, or causes to be bought or received, public property from a member of an armed force who lawfully may not sell or pledge the property; or

"(7) knowingly makes, or causes to be made or used, a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the Government.

For purposes of this subsection, the term 'knowingly' means knew or, with the exercise of reasonable case, should have known.

"(b) Any officer, director, or principal stockholder of a corporation found to have committed a violation under subsection (a) shall be personally liable for the violation by the corporation if—

"(1) he has knowledge that the violation of subsection (a) is about to occur and does not immediately attempt to stop such violation; or

"(2) he has knowledge that such a violation has occurred and does not immediately attempt to rectify such violation.

For purposes of this subsection, the term 'knowledge' means actual knowledge.

"(c) For purposes of this section, there is no requirement that the false claim actually be honored by the United States.".

CIVIL ACTIONS FOR FALSE CLAIMS

SEC. 3. The third sentence of subsection (a) of section 3730 of title 31, United States Code, is amended by striking out "$2,000 and 2 times" and inserting in lieu thereof "$10,000 and 3 times".

CONSPIRACY TO DEFRAUD THE GOVERNMENT

SEC. 4. Section 286 of title 18, United States Code, is amended by striking out "$10,000" and inserting in lieu thereof "$1,000,000".

FALSE, FICTITIOUS, OR FRAUDULENT CLAIMS

SEC. 5. Section 287 of title 18, United States Code, is amended by—

(1) designating the matter in such section as subsection (a);

(2) striking out "fined not more than $10,000 or imprisoned no more than five years, or both" and inserting in lieu thereof "fined not more than $1,000,000 or imprisoned not more than 10 years, or both"; and

(3) adding at the end thereof the following:

"(b) Any officer, director, or principal stockholder of a corporation found to have committed a violation under subsection (a) shall be personally liable for the violation by the corporation if—

"(1) he has knowledge that the violation of subsection (a) is about to occur and does not immediately attempt to stop such violation; or

"(2) he has knowledge that such a violation has occurred and does not immediately attempt to rectify such violation.

For purposes of this subsection, the term 'knowledge' means actual knowledge.".

PROHIBITION ON FELONS CONVICTED OF DEFENSE CONTRACT RELATED FELONIES AND PENALTY ON EMPLOYMENT OF SUCH PERSONS BY DEFENSE CONTRACTORS

SEC. 6. Subsection (a) of section 932 of Public Law 99-145 is amended by—

(1) inserting after "management or supervisory capacity" the following: ", including the capacity of service on the board of directors,"; and

(2) striking out "one year" and inserting in lieu thereof "five years".●

● Mr. BOREN. Mr. President, I join my colleague from Connecticut in introducing this legislation today to emphasize, one more time, that the message is strong and clear that there must be an end to defense procurement fraud.

During the last few years, many new attempts at control have been enacted by Congress, multiple new regulations have been written by the Department of Defense and numerous new reports of various kinds of fraudulent claims have surfaced.

In conversations with my good friend from Connecticut, he expressed the feeling, which I share, that workers on the assembly lines should not suffer from lost contracts while individuals responsible for the wrongdoing go unpunished. We feel that strong penalties on individuals could be a deterrent if officials knew they personally must suffer the consequences of illegal actions in the name of a corporation.

This bill, Mr. President, amends the civil and criminal codes by increasing monetary fines and prison sentences. There are provisions to clarify situations where individuals can be found civilly or criminally responsible and, therefore, personally liable.

Finally, action was taken last year in the defense authorization legislation to prohibit employment by the defense industry for 1 year of any individual convicted of procurement fraud. Our bill would increase this prohibition to 5 years.

Mr. President, in these trying times of deficit Federal spending where much harm is occurring to many Federal programs impacting heavily on our citizens, we can no longer condone fraudulent actions by persons in the Defense industry by not imposing harsh penalties on the responsible individuals in civil and criminal infractions.●

By Mr. WILSON (for himself and Mr. CRANSTON):

S. 2125. A bill to amend title 23 of the United States Code to increase the limitation on the amount of obligations from $30 million to $100 million for emergency relief projects in any State resulting from any single natural disaster or catastrophic failure occurring in calendar year 1986; to the Committee on Environment and Public Works.

EMERGENCY HIGHWAY FUNDING

Mr. WILSON. Mr. President, I am introducing legislation this afternoon which will enable northern California to begin to repair its highways and roads following the devastating floods which have caused 28 counties to be declared Federal disaster areas.

Mr. President, there has been severe damage to the California highway system. Roads have been destroyed by mud slides and flooding, bridges havebeen washed out and some highways are still under water. Preliminary estimates by the State department of transportation, CalTrans, project that damage will be at least $50 million and could exceed $75 million.

This legislation will enable California and other States to receive up to $100 million in Federal emergency funds for the repair of our roads and highways. It is important to recognize that this legislation adds no new funds to the Highway Trust Fund, but merely increases the ceiling so that the various States in dire need of emergency highway assistance can begin the job of repairing and restoring their highway systems and roadways.

There are adequate funds in the highway trust fund to cover the damage; however, the existing $30 million ceiling will prevent sufficient funds to flow to those States where the emergency relief is needed. It appears at this time that, in addition to California, Nevada, Montana, Utah, Idaho, Washington, and Colorado have sustained major road damage as well, and may exceed the $30 million ceiling.

Mr. Chairman, this legislation is similar to legislation that I sponsored following the severe flooding that my State endured in 1983. It is my hope that the Environment and Public Works Committee will act quickly, so that those with real need can begin the task of rebuilding their highway systems.

Mr. CRANSTON. Mr. President, today I join my colleague Senator PETE WILSON in introducing legislation to increase emergency highway repair funds available to California—and other affected States—under the Federal Highway Program. The bill provides up to $100 million in emergency funds to repair roads and highways damaged by last week's torrential storms.

We hope for quick action by the House and by the Senate. The need is clear and urgent.The California Department of Transportation says repairs could total $35 to $50 million. More than 200 northern California locations have so far been reported as suffering damage, and damage assessment—now at $15 million—is far from complete.

The severe road damage to northern California includes washed-out bridges, mudslides, and highways under water—including part of Interstate 5. Some landslides are still moving and other highways are threatened.

The funds to repair these storm damaged roads are in the Highway Trust Fund. No additional dollars are needed. What is needed is to lift the ceiling on the emergency road repair fund so that the dollars that are available can be spent where they are so clearly needed.

By Mr. CRANSTON:

S. 2126. A bill to direct the Food and Drug Administration to conduct a

study of the health effects of toxic contamination of fish in Santa Monica Bay, CA; to the Committee on Labor and Human Resources.

STUDY OF EFECTS OF TOXIC CONTAMINAITON OF FISH IN SANTA MONICA BAY, CA

Mr. CRANSTON. Mr. President, I introduce for appropriate reference a bill to direct the Food and Drug Administration to conduct a study of the health effects of toxic contamination of fish in Santa Monica, Bay, CA. The bill is identical to legislation sponsored in the House by Congressmen MEL LEVINE and HENRY WAXMAN.

The legislation requires the FDA to assess the level of contamination of edible fish caught in Santa Monica Bay, determine the rate of consumption of contaminated fish from the bay, and evaluate the health risks associated with the consumption of such contaminated fish. It also requires FDA to report its findings to Congress within 6 months from the date of enactment of the measure.

Today there is increasing concern about toxic contamination of fish from Santa Monica Bay. Studies have documented DDT residues and high levels of PCB's in white croaker. A Loma Linda University research team found that commercially sold fish caught in waters off southern California have the highest concentration of DDT found anywhere in the Nation. The concern has been sufficient for the California Department of Health to issue warnings on consumption of fish from the bay waters.

But not enough is known about contamination of other species found in Santa Monica Bay and the health risks associated with eating such contaminated fish. Actions to date by the Federal Government have been inadequate. It's critical that we learn as quickly as possible whether there are health threats to local residents and the millions of visitors to the area. My bill will help provide that essential information to the public.

By Mr. NUNN:

S.J. Res. 281. Joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "Senior Center Week"; to the Committee on the Judiciary.

SENIOR CENTER WEEK

● Mr. NUNN. Mr. President, I am pleased to have the opportunity to offer a Senate joint resolution designating the week of May 11 through May 17, 1986, as "Senior Center Week."

The month of May has traditionally been proclaimed as Older Americans Month, so it is fitting that a particular week in May be set aside as a special time to celebrate senior centers where millions of older Americans come together for services and activities which enhance their dignity, support their independence, and encourage their involvement in the community.

There are more than 8,000 senior centers in communities across America. They range from large complexes located in urban areas to gatherings in a small town church social hall. A senior center is a place to socialize, to paint or dance, to monitor health, to have a good meal, to discuss good books, to hear good music, and to learn about volunteer and employment opportunities. In addition, a center serves as a resource for information on aging, for training professional and lay leadership, and for developing new approaches to aging programs.

The first senior center opened in New York City as a place where older persons could meet and associate on a neighborly basis. The senior center of 1986 certainly differs from the original Hodson Community Center in New York, but the development of a sense of community among older persons is still a vital part of the senior center concept.

Funding for senior centers comes from memberships, private contributions, and a variety of public sources at city, county, State, and Federal levels. Civic and political leaders support senior centers because they clearly exhibit the community's interest in improving the lives of its older citizens. Federal funds, through the Older Americans Act, support senior center services which promote maximum independence and self-support for senior citizens.

The national theme of Senior Center Week in 1986 is "Senior Centers are Wellness Centers," and communities across the country will celebrate the important role of centers in promoting the physical and emotional well-being of older persons. By improving nutrition, monitoring physical health needs, and encouraging a sense of self-worth, senior centers enhance the quality of life of older Americans and help many of the more frail elderly to avoid placement in an institution. Often only a small amount of help is all that is needed to keep an older person active and independent.

I had the pleasure of sponsoring last year's Senior Center Week resolution, and I am honored to be asked to offer this measure once again. I commend the dedicated senior center staff and volunteers for their day-to-day efforts to promote the health and vitality of older Americans. I urge my colleagues to join me in supporting this joint resolution to recognize the important place that senior centers have in our communities.●

By Mr. MOYNIHAN (for himself, Mr. HEINZ, Mr. PRYOR, Mr. DURENBERGER, Mr. MITCHELL, Mr. GRASSLEY, Mr. FORD, Mr. SARBANES, Mr. SIMON, Mr. BAUCUS, and Mr. MATSUNAGA):

S.J. Res. 282. Joint resolution to express the disapproval of the Congress with respect to the proposed rescission of budget authority for the general revenue sharing program; to the Committee on Appropriations.

DISAPPROVING PROPOSED RESCISSION OF BUDGET AUTHORITY FOR GENERAL REVENUE SHARING

● Mr. MOYNIHAN. Mr. President, today I rise with 10 of my colleagues to offer a resolution of great import to city, town, and county governments across the country.

The Administration's proposed Budget released on February 5, contained much unwelcome news for our local governments, including the proposal to rescind the fourth quarter fiscal year 1986 general revenue sharing payment of $760 million that our local governments had anticipated receiving.

I strongly disagree with the President's proposal. For over 20 years I have been a proponent of revenue sharing. Indeed, in 1964, I drafted the plank in the Democratic Platform calling for revenue sharing with State and local governments. In 1969, as Assistant President for Urban Affairs, I drew up the program and drafted the 1969 Presidential message calling for revenue sharing—a proposal which became law in 1972. Most recently, I introduced legislation to reauthorize the current program through fiscal year 1988.

Revenue sharing funds have been used for police and fire protection, schools, and hospitals. They help to maintain and repair roads and bridges. They are used to build jails and sewage and water treatment facilities. Many services to the poor and elderly, such as indigent health care and nursing homes, are also paid for with these funds.

Mr. President, the resolution we introduce today is simple and direct: it states that Congress should not approve the President's proposal to rescind the fourth quarter payment.

I urge my colleagues to support the resolution and to support the continuation of the General Revenue Sharing Program at currently authorized funding levels.●

● Mr. HEINZ. Mr. President, I rise today in strong support of this resolution opposing the proposed rescission of $760 million in budget authority for the General Revenue Sharing Program. This proposal reflects a complete disregard for the fiscal conditions and restraints facing many of our Nation's cities and towns today.

The need to reduce our Federal deficit has already forced our local governments to shoulder a steadily increasing number of programs and responsibilities previously supplied by the Federal Government. One program upon

which they have been able to depend to meet vital needs such as police and fire protection, education, highway maintenance, is general revenue sharing.

I would just like to say to my colleagues that I thought we had resolved this matter last October when the Senate considered the HUD and independent agencies appropriations bill. At this time, the Senate approved a 7.2-percent cut in general revenue sharing for fiscal year 1986. The House-Senate conference resulted in a final reduction of 8.3 percent, and stipulated that this entire reduction would take place during the fourth quarter of fiscal year 1986. The net effect of that decision was that municipalities would sustain a 33 percent cut in this October's installment. On top of that cut, payments in each of the three quarters remaining in this fiscal year will be reduced as a result of across-the-board cuts stipulated by Gramm-Rudman. In addition to these cuts, the administration's proposed rescission would eliminate the entire fourth quarter payment.

Mr. President, I believe that this proposal is unfair. Although we are all dedicated to fiscal restraint and we know there are hard choices to be made this year, we do not show fiscal courage by taking funds away from smaller units of government that are struggling to become more self-sufficient in the face of numerous other spending cuts, particularly when we have previously committed to fund the General Revenue Sharing Program through the end of this fiscal year. I urge my colleagues to support this resolution and convey the clear sense of the Senate that we do not approve of this $760 million rescission.●

● Mr. BAUCUS. Mr. President, last year Congress approved funding for the General Revenue Sharing Program through fiscal year 1986. We took that action after very careful consideration of the importance of this program to local communities and knowing full well that this year we would need to consider the much more important issue of whether to reauthorize General Revenue Sharing for future years.

Local communities have long ago set their own budgets under the assumption that the Revenue Sharing Program will continue at least through this year. To rescind $760 million, 3 full months of payments to local communities, as the administration is proposing in this year's budget, would cause a sudden disruption in the financial condition of local governments. Many communities would be hard-pressed to adjust to a rapid reduction in revenues, with consequences to these communities and their citizens that are nearly impossible to predict here in Washington.

I believe that budget policy should be made through a deliberative process. I do not believe that we should pull the rug out from under local communities in the middle of the year. Just as the Federal Government must take a long-term look at its own revenues and expenses, so too must mayors and town managers and county commissioners.

The Impoundment and Budget Control Act of 1974 authorized the President to propose rescissions of budget authority when the administration believes that Congress has hastily approved excess funds for a particular program that could not be spent prudently. I do not think that that is the situation with the Revenue Sharing Program for 1986. In fact, Congress lowered the funding level for this program. This is not an example of excessive spending that must cutback and there is certainly no evidence that local communities would not use the funds appropriated for this year in a prudent manner.

I hope that other Senators will agree that the future of the General Revenue Sharing Program should be made carefully, not in haste, and that the administration's proposed rescission of duly authorized funds for local assistance should be rejected.●

By Mr. LUGAR:

S.J. Res. 283. Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985; to the Committee on Foreign Relations, per Public Law 99-83, not to be reported prior to 8 days after the date of introduction, but in any case, it must be reported by the close of business the 15th day after introduction.

ASSISTANCE TO CENTRAL AMERICA

● Mr. LUGAR. Mr. President, today I introduce a joint resolution approving the President's request (Presidential Message 116) for additional assistance for the democratic resistance in Nicaragua. An identical resolution is being introduced in the other body today as well.

These resolutions will be considered under very tight expedited procedures in both Houses. As a result, the President will have a decision from Congress on his request shortly. Indeed, the Committee on Foreign Relations begins its review of the request today with testimony from Secretary of State George Shultz.

Mr. President, I ask unanimous consent that the text of the resolution, together with the President's request, appear in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 283

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress hereby approves the additional authority and assistance for the Nicaraguan democratic resistance that the President requested pursuant to the International Security and Development Cooperation Act of 1985, notwithstanding section 10 of Public Law 91-672.

REQUEST FOR ADDITIONAL AUTHORITY AND ASSISTANCE FOR THE NICARAGUAN DEMOCRATIC RESISTANCE

Pursuant to the provisions of section 722(p) of the International Security and Development Cooperation Act of 1985 (P.L. 99-83) and section 106(a) of chapter V of the Supplemental Appropriations Act, 1985 (P.L. 99-88), I hereby request that the Congress approve additional authority and assistance for the Nicaraguan democratic resistance, as follows:

(1) That the sum of $100,000,000 appropriated by the Department of Defense Appropriations Act, 1986, as contained in P.L. 99-190, shall be available for transfer by the President to appropriations available for assistance to the Nicaraguan democratic resistance and shall be available for that purpose, subject to the terms and conditions of this request.

(2) That the funds transferred under paragraph (1) will include funds that have been made available for obligation beyond September 30, 1986, as provided by law: *Provided,* That not more than 25 percent shall be available for obligation upon the enactment of a joint resolution approving this request, and an additional 15 percent shall become available upon submission of each report to the Congress required by paragraph (6)(E) of this request, and no obligations may be incurred after September 30, 1987.

(3) That, of the funds transferred under paragraph (1), $30,000,000 shall be available during the period of availability of those funds for continuation of a program of humanitarian assistance to be administered by the Nicaraguan Humanitarian Assistance Office established by Executive Order 12530, of which at least $3,000,000 will be used exclusively for strengthening programs and activities of the United Nicaraguan Opposition for the observance and advancement of human rights.

(4) That, notwithstanding the proviso contained in paragraph (2) of this request, in the event of a peaceful settlement of the conflict in Central America during the period that the funds transferred under paragraph (2) are available for obligation, any remaining balance of such funds shall then also be available for purposes of relief, rehabilitation, and reconstruction in Central American countries, including Nicaragua, in accordance with the authority of chapter 4 of part II of the Foreign Assistance Act of 1961.

(5) That the approval by the Congress of this request be deemed to satisfy the requirements, terms, and conditions of section 105(a) of the Intelligence Authorization Act for Fiscal Year 1986 (P.L. 99-169) as well as statutory requirements for the authorization of appropriations (including section 10 of P.L. 91-672, section 502 of the National Security Act of 1947, and section 8109 of the Department of Defense Appropriations Act, 1986), subject to—

(A) all applicable provisions of law and established procedures relating to the oversight by the Congress of operations and departments and agencies; and

(B) the further terms and conditions specified in this request.

(6) That the approval by the Congress of this request be deemed to constitute the acceptance of the following undertakings:

(A) United States policy toward Nicaragua shall be based upon Nicaragua's responsiveness to continuing concerns by the United States and Nicaragua's neighbors about—

(i) Nicaragua's close military and security ties to Cuba, the Soviet Union, and its Warsaw Pact allies, including the presence in Nicaragua of military and security personnel from those countries;

(ii) Nicaragua's buildup of military forces in numbers disproportionate to those of its neighbors and equipped with sophisticated weapons systems and facilities designed to accommodate even more advanced equipment;

(iii) Nicaragua's unlawful support for armed subversion and terrorism directed against the democratically elected governments of other countries;

(iv) Nicaragua's internal repression and lack of opportunity for the exercise of civil and political rights that would allow the people of Nicaragua to have a meaningful voice in determining the policies of their government; and

(v) Nicaragua's refusal to negotiate in good faith for a peaceful resolution of the conflict in Central America based upon the comprehensive implementation of the September 1983 Contadora Document of Objectives and, in particular, its refusal to enter into a church-mediated national dialogue as proposed by the Nicaraguan democratic resistance on March 1, 1985.

(B) The United States will address these concerns through economic, political, and diplomatic measures, as well as through support for the Nicaraguan democratic resistance. In order to assure every opportunity for a peaceful resolution of the conflict, the United States—

(i) will engage in simultaneous bilateral discussions with the Government of Nicaragua with a view toward facilitating progress in achieving a peaceful resolution of the conflict if the Government of Nicaragua engages in a church-mediated national dialogue, as proposed by the United Nicaraguan Opposition; and

(ii) will take other positive actions in response to steps by the Government of Nicaragua toward meeting the concerns described in subparagraph (A).

(C) The duration of bilateral discussions with the Government of Nicaragua and the implementation of additional measures under subparagraph (B) shall be determined, after consultation with the Congress, by reference to Nicaragua's actions in response to the concerns described in subparagraph (A). Particular regard will be paid to whether—

(i) freedom of the press, religion, and assembly are being respected in Nicaragua;

(ii) additional arms and foreign military personnel are no longer being introduced into Nicaragua;

(iii) a cease-fire with the Nicaraguan democratic resistance is being respected; and

(iv) Nicaragua is withholding support for insurgency and terrorism in other countries.

(D) The actions by the United States in response to the concerns described in subparagraph (A), authorized by the approval of this request, are consistent with the right of the United States to defend itself and to assist its allies in accordance with international law and treaties in force. Such actions are directed to achieving a comprehensive and verifiable agreement among the countries of Central America, based upon the 1983 Contadora Document of Objectives, and internal reconciliation within Nicaragua, based upon democratic principles, without the use of force by the United States. The approval of this request shall not be construed as authorizing any member or unit of the armed forces of the United States to engage in combat against the Government of Nicaragua.

(E) The President will transmit a report to the Congress within 90 days after the date of approval of this request, and every 90 days thereafter, on actions taken to achieve a resolution of the conflict in Central America in a manner that meets the concerns described in subparagraph (A). Each such report shall include—

(i) a detailed statement of any progress made in reaching a negotiated settlement, including the willingness of the Nicaraguan democratic resistance and the Government of Nicaragua to negotiate a settlement;

(ii) a detailed accounting of the disbursements made to provide assistance with the funds made available pursuant to paragraph (1); and

(iii) a discussion of alleged human rights violations by the Nicaraguan democratic resistance and the Government of Nicaragua, including a statement of the steps taken by the Nicaraguan democratic resistance to remove from their ranks any individuals who have engaged in human rights abuses.●

ADDITIONAL COSPONSORS

S. 670

At the request of Mr. PELL, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 670, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, and to give to employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 837

At the request of Mr. GLENN, the names of the Senator from California [Mr. CRANSTON] and the Senator from Minnesota [Mr. BOSCHWITZ] were added as cosponsors of S. 837, a bill to amend the Social Security Act to protect beneficiaries under the health care programs of that act from unfit health care practitioners, and otherwise to improve the antifraud provisions of that act.

S. 1290

At the request of Mr. MATHIAS, the names of the Senator from South Carolina [Mr. HOLLINGS] and the Senator from Iowa [Mr. GRASSLEY] were added as cosponsors of S. 1290, a bill to prohibit discrimination in insurance on the basis of blindness or degree of blindness.

S. 1427

At the request of Mr. GRASSLEY, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 1427, a bill to prohibit the suspension of an employee's benefit accrued under a retirement plan solely because of age before accruing the maximum normal retirement benefit.

S. 1563

At the request of Mr. HELMS, the name of the Senator from Utah [Mr. GARN] was added as a cosponsor of S. 1563, a bill to amend the Federal Campaign Act of 1971 to prohibit the use of compulsory union dues for political purposes.

S. 1742

At the request of Mr. TRIBLE, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 1742, a bill to improve the enforcement of the restrictions against imported pornography.

S. 1766

At the request of Mr. MATHIAS, the names of the Senator from Washington [Mr. GORTON], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Washington [Mr. EVANS], and the Senator from Nebraska [Mr. EXON] were added as cosponsors of S. 1766, a bill to designate the Cumberland terminus of the Chesapeake and Ohio Canal National Historical Park in honor of J. Glenn Beall, Sr.

S. 1787

At the request of Mr. MATHIAS, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 1787, a bill to amend the Federal Election Campaign Act of 1971 to provide for the public financing of Senate general election campaigns.

S. 1817

At the request of Mr. TRIBLE, the names of the Senator from North Carolina [Mr. HELMS] and the Senator from Virginia [Mr. WARNER] were added as cosponsors of S. 1817, a bill to suspend temporarily most-favored-nation treatment to Romania.

S. 1848

At the request of Mr. HATCH, the names of the Senator from Illinois [Mr. SIMON] and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of S. 1848, a bill to amend the Federal Food, Drug, and Cosmetic Act to establish conditions for the export of drugs.

S. 1889

At the request of Mr. DENTON, the names of the Senator from Massachusetts [Mr. KENNEDY] and the Senator from Kentucky [Mr. MCCONNELL] were added as cosponsors of S. 1889, a bill to amend title 11 of the United States Code, relating to bankruptcy, to prevent discharge of administratively ordered support obligations.

S. 1917

At the request of Mr. BRADLEY, the names of the Senator from Pennsylvania [Mr. SPECTER], the Senator from North Dakota [Mr. BURDICK], the Senator from Oklahoma [Mr. BOREN], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 1917, a bill to amend the Foreign Assistance Act of 1961 to provide assistance to promote immunization and oral rehydration, and for other purposes.

S. 2031

At the request of Mr. JOHNSTON, the name of the Senator from Louisiana [Mr. LONG] was added as a cosponsor of S. 2031, a bill to authorize the Secretary of the Interior to release restrictions on certain property located in Calcasieu Parish, LA, and for other purposes.

S. 2043

At the request of Mr. MURKOWSKI, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 2043, a bill to provide assistance benefits to dependent children of certain deceased members of flight crews of space flight vehicles of the National Aeronautics and Space Administration.

S. 2067

At the request of Mr. LAUTENBERG, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 2067, a bill to overturn the deferral of the fiscal year 1986 Urban Development Action Grant and Community Development Block Grant Program.

S. 2075

At the request of Mr. LAUTENBERG, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 2075, a bill to overturn the deferral of urban development action grant funds.

S. 2088

At the request of Mr. HELMS, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of S. 2088, a bill to amend the Internal Revenue Code of 1954 to deny a taxpayer's personal exemption deduction for a child who lives temporarily after an abortion, and for other purposes.

S. 2090

At the request of Mr. PRYOR, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 2090, a bill to provide that the Internal Revenue Service may not before July 1, 1987, enforce its regulations relating to the tax treatment of the personal use of vehicles, and for other purposes.

S. 2112

At the request of Mr. LAUTENBERG, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 2112, a bill to amend section 203 of the National Housing Act to reduce losses under the Single Family Mortgage Insurance Program.

SENATE JOINT RESOLUTION 112

At the request of Mr. PELL, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of Senate Joint Resolution 112, a joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes.

SENATE JOINT RESOLUTION 143

At the request of Mr. GORE, the names of the Senator from California [Mr. CRANSTON] and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of Senate Joint Resolution 143, a joint resolution to authorize the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia at an appropriate site in Constitution Gardens.

SENATE JOINT RESOLUTION 205

At the request of Mr. MCCLURE, the names of the Senator from Virginia [Mr. TRIBLE], the Senator from Oklahoma [Mr. BOREN], the Senator from Alabama [Mr. HEFLIN], the Senator from Nevada [Mr. HECHT], the Senator from Nebraska [Mr. EXON], the Senator from New Jersey [Mr. BRADLEY], and the Senator from Nebraska [Mr. ZORINSKY] were added as cosponsors of Senate Joint Resolution 205, a joint resolution to designate March 21, 1986, as "National Energy Education Day."

SENATE JOINT RESOLUTION 262

At the request of Mr. WALLOP, the names of the Senator from Nevada [Mr. LAXALT] and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of Senate Joint Resolution 262, a joint resolution to authorize and request the President to issue a proclamation designating June 2 through June 8, 1986, as "National Fishing Week."

SENATE JOINT RESOLUTION 263

At the request of Mr. BOSCHWITZ, the names of the Senator from Louisiana [Mr. LONG], the Senator from Hawaii [Mr. INOUYE], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Georgia [Mr. NUNN], the Senator from Idaho [Mr. MCCLURE], the Senator from Illinois [Mr. SIMON], the Senator from South Dakota [Mr. ABDNOR], the Senator from North Dakota [Mr. BURDICK], the Senator from Mississippi [Mr. COCHRAN], the Senator from Utah [Mr. HATCH], and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of Senate Joint Resolution 263, a joint resolution to designate the week of September 7-13, 1986, as "National Independent Retail Grocer Week."

SENATE JOINT RESOLUTION 266

At the request of Mr. DENTON, the name of the Senator from Colorado [Mr. ARMSTRONG] was added as a cosponsor of Senate Joint Resolution 266, a joint resolution to authorize and request the President to designate the month of June 1986 as "Youth Suicide Prevention Month."

SENATE JOINT RESOLUTION 278

At the request of Mr. PACKWOOD, the names of the Senator from California [Mr. CRANSTON], the Senator from Kentucky [Mr. MCCONNELL], and the Senator from Maryland [Mr. MATHIAS] were added as cosponsors of Senate Joint Resolution 278, a joint resolution to designate March 16, 1986, as "Freedom of Information Day."

SENATE CONCURRENT RESOLUTION 109

At the request of Mr. BYRD, the names of the Senator from Hawaii [Mr. INOUYE] and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of Senate Concurrent Resolution 109, a resolution expressing the sense of the Congress that February 28, 1986, should be designated "National TRIO Day."

SENATE RESOLUTION 303

At the request of Mr. HEINZ, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from Oklahoma [Mr. NICKLES], and the Senator from Louisiana [Mr. JOHNSTON], were added as cosponsors of Senate Resolution 303, a resolution to express the sense of the Senate with respect to proposals currently before the Congress to tax certain employer-paid benefits and other life-support benefits.

SENATE RESOLUTION 320

At the request of Mr. JOHNSTON, the names of the Senator from Arkansas [Mr. BUMPERS] and the Senator from Montana [Mr. MELCHER] were added as cosponsors of Senate Resolution 320, a resolution affirming, in part, and disaffirming, in part, the order issued by the President under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 for fiscal year 1986, and instructing the appropriate committees of the Senate to report certain changes in the laws within their jurisdiction.

SENATE RESOLUTION 339

At the request of Mr. BYRD, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of Senate Resolution 339, a resolution to express the sense of the Senate with respect to proposals currently before the Congress to tax certain employer-paid benefits and other life-support benefits.

SENATE RESOLUTION 344

At the request of Mr. HEINZ, the name of the Senator from Florida [Mr. CHILES] was added as a cosponsor of Senate Resolution 344, a resolution expressing the sense of the Senate with respect to the proposed rescission of budget authority for housing for

the elderly and handicapped under section 202 of the Housing Act of 1959.

SENATE RESOLUTION 353—AUTHORIZING EXPENDITURES BY THE COMMITTEES OF THE SENATE

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 353

Resolved, That this resolution may be cited as the "Omnibus Committee Funding Resolution of 1986."

AGGREGATE AUTHORIZATION

SEC. 2. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, and under the appropriate authorizing resolutions of the Senate, there is authorized in the aggregate $43,597,366, in accordance with the provisions of this resolution, for all Standing Committees of the Senate, the Special Committee on Aging, the Select Committee on Intelligence, and the Select Committee on Indian Affairs.

(b) Each committee referred to in subsection (a) shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1987.

(c) Any expenses of a committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees of the committees who are paid at an annual rate.

(d) There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committees from March 1, 1986, through February 28, 1987, to be paid from the appropriations account for "Expenses of inquiries and investigations".

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

SEC. 3. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Agriculture, Nutrition, and Forestry is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $1,263,379 of which amount (1) not to exceed $4,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $4,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON APPROPRIATIONS

SEC. 4. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraph 1 of the rule XXVI of the Standing Rules of the Senate, the Committee on Appropriations is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $3,999,860, of which amount (1) not to exceed $135,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $8,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON ARMED SERVICES

SEC. 5. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Armed Services is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,097,190, of which amount (1) not to exceed $40,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $6,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

SEC. 6. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Banking, Housing, and Urban Affairs is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $1,613,364, of which amount (1) not to exceed $1,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON THE BUDGET

SEC. 7. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraph 1 of rule XXVI of the Standing Rules of the Senate, the Committee on the Budget is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,873,857, of which amount not to exceed $45,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

SEC. 8. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Commerce, Science, and Transportation is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $3,217,690, of which amount (1) not to exceed $15,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $8,960 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON ENERGY AND NATURAL RESOURCES

SEC. 9. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as au-

thorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Energy and Natural Resources is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel.

(b) The expenses of the committee under this section shall not exceed $2,329,322, of which amount (1) not to exceed $35,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $7,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

SEC. 10. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Environment and Public Works is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,267,021, of which amount (1) not to exceed $8,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $2,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON FINANCE

SEC. 11. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Finance is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,153,790, of which amount (1) not to exceed $30,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $10,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON FOREIGN RELATIONS

SEC. 12. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Foreign Relations is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,365,019, of which amount (1) not to exceed $6,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON GOVERNMENTAL AFFAIRS

SEC. 13. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Governmental Affairs is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $4,313,488, of which amount (1) not to exceed $112,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $8,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

(c)(1) The committee, or any duly authorized subcommittee thereof, is authorized to study or investigate—

(A) the efficiency and economy of operations of all branches of the Government including the possible existence of fraud, misfeasance, malfeasance, collusion, mismanagement, incompetence, corruption, or unethical practices, waste, extravagance, conflicts of interests, and the improper expenditure of Government funds in transactions, contracts, and activities of the Government or of Government officials and employees and any and all such improper practices between Government personnel and corporations, individuals, companies, or persons affiliated therewith, doing business with the Government; and the compliance or noncompliance of such corporations, companies, or individuals or other entities with the rules, regulations, and laws governing the various governmental agencies and its relationships with the public;

(B) the extent to which criminal or other improper practices or activities are, or have been, engaged in the field of labor-management relations or in groups or organizations of employees or employers, to the detriment of interests of the public, employers, or employees, and to determine whether any changes are required in the laws of the United States in order to protect such interests against the occurrence of such practices or activities;

(C) organized criminal activity which may operate in or otherwise utilize the facilities of interstate or international commerce in furtherance of any transactions and the manner and extent to which, and the identity of the persons, firms, or corporations, or other entities by whom such utilization is being made, and further, to study and investigate the manner in which and the extent to which persons engaged in organized criminal activity have infiltrated lawful business enterprise, and to study the adequacy of Federal laws to prevent the operations of organized crime in interstate or international commerce; and to determine whether any changes are required in the laws of the United States in order to protect the public against such practices or activities;

(D) all other aspects of crime and lawlessness within the United States which have an impact upon or affect the national health, welfare, and safety; including but not limited to investment fraud schemes, commodity and security fraud, computer fraud, and the use of offshore banking and corporate facilities to carry out criminal objectives;

(E) the efficiency and economy of operations of all branches and functions of the Government with particular reference to—

(i) the effectiveness of present national security methods, staffing, and processes as tested against the requirements imposed by the rapidly mounting complexity of national security problems;

(ii) the capacity of present national security staffing, methods, and processes to make full use of the Nation's resources of knowledge, and talents;

(iii) the adequacy of present intergovernmental relationships between the United States and international organizations principally concerned with national security of which the United States is a member; and

(iv) legislative and other proposals to improve these methods, processes, and relationships;

(F) the efficiency, economy, and effectiveness of all agencies and departments of the Government involved in the control and management of energy shortages including, but not limited to, their performance with respect to—

(i) the collection and dissemination of accurate statistics on fuel demand and supply;

(ii) the implementation of effective energy conservation measures;

(iii) the pricing of energy in all forms;

(iv) coordination of energy programs with State and local government;

(v) control of exports of scarce fuels;

(vi) the management of tax, import, pricing, and other policies affecting energy supplies;

(vii) maintenance of the independent sector of the petroleum industry as a strong competitive force;

(viii) the allocation of fuels in short supply by public and private entities;

(ix) the management of energy supplies owned or controlled by the Government;

(x) relations with other oil producing and consuming countries;

(xi) the monitoring of compliance by governments, corporations, or individuals with the laws and regulations governing the allocation, conservation, or pricing of energy supplies; and

(xii) research into the discovery and development of alternative energy supplies; and

(G) the efficiency and economy of all branches and functions of Government with particular reference to the operations and management of Federal regulatory policies and programs:

Provided, That, in carrying out the duties herein set forth, the inquiries of this committee or any subcommittee thereof shall not be deemed limited to the records, functions, and operations of any particular branch of the Government; but may extend to the records and activities of any persons, corporation, or other entity.

(2) Nothing contained in this section shall affect or impair the exercise of any other standing committee of the Senate of any power, or the discharge by such committee of any duty, conferred or imposed upon it by the Standing Rules of the Senate or by the Legislative Reorganization Act of 1946, as amended.

(3) For the purpose of this section the committee, or any duly authorized subcommittee thereof, or its chairman, or any other member of the committee or subcommittee designated by the chairman, from March 1, 1986, through February 28, 1987, is authorized, in its, his, or their discretion (A) to require by subpena or otherwise the attendance of witnesses and production of correspondence, books, papers, and documents, (B) to hold hearings, (C) to sit and act at any time or place during the sessions, recess, and adjournment periods of the Senate, (D) to administer oaths, and (E) to take testimony, either orally or by sworn statement, or, in the case of staff members of the Permanent Subcommittee on Investigations specifically authorized by the chairman, by deposition.

(4) All subpenas and related legal processes of the committee and its subcommittees authorized under S. Res. 85 of the Ninety-ninth Congress, first session, are authorized to continue.

COMMITTEE ON THE JUDICIARY

SEC. 14. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on the Judiciary is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $4,125,039, of which amount (1) not to exceed $36,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON LABOR AND HUMAN RESOURCES

SEC. 15. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Labor and Human Resources is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $4,326,021, of which amount not to exceed $56,600 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON RULES AND ADMINISTRATION

SEC. 16. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Rules and Administration is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $1,194,353, of which amount (1) not to exceed $4,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $3,500 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON SMALL BUSINESS

SEC. 17. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Small Business is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $899,782.

COMMITTEE ON VETERANS' AFFAIRS

SEC. 18. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Veterans' Affairs is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $861,749.

SPECIAL COMMITTEE ON AGING

SEC. 19. (a) In carrying out the duties and functions imposed by section 104 of S. Res. 4, Ninety-fifth Congress, agreed to February 4, 1977, and in exercising the authority conferred on it by such section, the Special Committee on Aging is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $1,041,514, of which amount (1) not to exceed $35,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

SELECT COMMITTEE ON INTELLIGENCE

SEC. 20. (a) In carrying out its powers, duties, and functions under S. Res. 400, agreed to May 19, 1976, in accordance with its jurisdiction under section 3(a) of such resolution, including holding hearings, reporting such hearings, and making investigations as authorized by section 5 of such resolution, the Select Committee on Intelligence is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $1,864,131, of which amount not to exceed $5,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SELECT COMMITTEE ON INDIAN AFFAIRS

SEC. 21. (a) In carrying out its powers, duties, and functions imposed on it by section 105 of S. Res. 4, Ninety-fifth Congress, agreed to February 4 (legislative day, February 1), 1977, as amended, the Select Committee on Indian Affairs is authorized from March 1, 1986, through February 28, 1987, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $790,797, of which amount not to exceed $15,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 22. Senate Resolution 85, as amended, agreed to February 28, 1985, is amended by—

(1) in section 2, strike out "$44,878,358" and insert in lieu thereof "$43,964,352".

(2) in section 6(b) strike out "$1,660,768" and insert in lieu thereof "$1,574,250".

(3) in section 8(b) strike out "$3,312,233" and insert in lieu thereof "$3,079,233".

(4) in section 9(b) strike out "$2,397,763" and insert in lieu thereof "$2,303,434".

(5) in section 10(b) strike out "$2,333,631" and insert in lieu thereof "$2,293,631".

(6) in section 12(b) strike out "$2,424,509" and insert in lieu thereof "$2,397,509".

(7) in section 13(b) strike out "$4,440,229" and insert in lieu thereof "$4,233,825".

(8) in section 14(b) strike out "$4,246,242" and insert in lieu thereof "$4,029,487".

SENATE RESOLUTION 354—GRATUITY TO LEE R. SCHROER

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 354

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Lee R. Schroer, widower of Jo Anne W. Schroer, an employee of the Senate at the time of her death, a sum equal to nine and one-half months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expense and all other allowances.

SENATE RESOLUTION 355—GRATUITY TO JOAN W. PERSETIC

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 355

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Joan W. Persetic, widow of Raymond J. Persetic, an employee of the Senate at the time of his death, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

SENATE RESOLUTION 356—AUTHORIZING THE PRINTING OF SENATE ELECTION LAW GUIDEBOOK

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 356

Resolved, That there be printed a revised edition of Senate document numbered 99-23, entitled "Senate Election Law Guidebook 1984," as a Senate document, and that there be printed for the use of the committee additional copies of such document not to exceed the cost of $1,200.

AMENDMENTS SUBMITTED

URGENT SUPPLEMENTAL APPROPRIATION FOR THE DEPARTMENT OF AGRICULTURE

GORTON AMENDMENT NO. 1635

(Ordered to lie on the table.)

Mr. GORTON submitted an amendment intended to be proposed by him to the joint resolution (H.J. Res. 534) making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes; as follows:

At the end of the bill, add the following:

SEC. . The Congress disapproves the proposed deferral of budget authority (Deferral No. D-85-48) for community development block grants set forth in the special message transmitted by the President to the Congress on February 5, 1986, under section 1013 of the Impoundment Control Act of 1974.

TELEVISION AND RADIO COVERAGE OF SENATE PROCEEDINGS

DOLE (AND OTHERS) AMENDMENT NO. 1636

Mr. DOLE (for himself, Mr. BYRD, Mr. MATHIAS, Mr. ARMSTRONG, Mr. GORE, Mr. WILSON, Mr. DECONCINI, Mr. STEVENS, and Mr. METZENBAUM) proposed an amendment to the resolution (S. Res. 28) to improve Senate procedure; as follows:

In lieu of the language proposed to be inserted, insert the following:

"That (a) the Senate hereby authorizes and directs that there be both television and radio broadcast coverage (together with videotape and audio recordings) of proceedings in the Senate Chamber.

(b) Such broadcast coverage shall be—

(1) provided in accordance with provisions of this resolution;

(2) provided continuously, except for any time when the Senate is conducting a quorum call, or when a meeting with closed doors is ordered; and

(3) provided subject to the provisions pertaining to the Senate gallery contained in the following Standing Rules of the Senate: rule XIX, paragraphs 6 and 7; rule XXV, paragraph 1(n); and rule XXXIII, paragraph 2.

SEC. 2. The radio and television broadcast of Senate proceedings shall be supervised and operated by the Senate.

SEC. 3. The television broadcast of Senate proceedings shall follow the Presiding Officer and Senators who are speaking, clerks and the chaplain except during rollcall votes when the television cameras shall show the entire Chamber.

SEC. 4. (a) The broadcast coverage by radio and television of the proceedings of the Senate shall be implemented as provided in this section.

(b) The Architect of the Capitol, in consultation with the Sergeant at Arms and Doorkeeper of the Senate, shall—

(1) construct necessary broadcasting facilities for both radio and television (including a control room and the modification of Senate sound and lighting fixtures);

(2) employ necessary expert consultants; and

(3) acquire and install all necessary equipment and facilities to (A) produce a broadcast-quality "live" audio and color video signal of such proceedings, and (B) provide an archive-quality audio and color video tape recording of such proceedings:

Provided, That the Architect of the Capitol, in carrying out the duties specified in clauses (1) through (3) of this subsection, shall not enter into any contract for the purchase or installation of equipment, for employment of any consultant, or for the provision of training to any person, unless the same shall first have been approved by the Committee on Rules and Administration.

(c) The Sergeant at Arms and Doorkeeper of the Senate shall (1) employ such staff as may be necessary, working in conjunction with the Senate Recording and Photographic Studios, to operate and maintain all broadcast audio and color video equipment installed pursuant to this resolution, (2) make audio and video tape recordings, and copies thereof as requested by the Secretary under clause (4) of this subsection, of Senate proceedings, (3) retain for ninety days after the day any Senate proceedings took place, such recordings thereof, and as soon thereafter as possible, transmit to the Secretary of the Senate copies of such recordings: *Provided,* That the Sergeant at Arms and Doorkeeper of the Senate, in carrying out the duties specified in clauses (1) and (2) of this subsection, shall comply with appropriate Senate procurement and other regulations, and (4) if authorized by the Senate at a later date the Secretary of the Senate shall (A) obtain from the Sergeant at Arms copies of audio and video tape recordings of Senate proceedings and make such copies available, upon payment to her of a fee fixed therefor by the Committee on Rules and Administration, and (B) receive from the Sergeant at Arms such recordings thereof, and as soon thereafter as possible, transmit to the Librarian of Congress and to the Archivist of the United States archive-quality copies of such recordings.

SEC. 5. (a) Radio coverage of Senate proceedings shall—

(1) begin as soon as the necessary equipment has been installed; and

(2) be provided continuously at all times when the Senate is in session (or is meeting in Committee of the Whole), except for any time when a meeting with closed doors is ordered.

(b) As soon as practicable but no later than May 1, there shall begin a test period during which tests of radio and television coverage of Senate proceedings shall be conducted by the staffs of the Committee on Rules and Administration and of the Office of the Sergeant at Arms and Doorkeeper of the Senate. Television coverage of Senate proceedings shall go live June 1, 1986. The test period aforementioned shall end on July 15, 1986.

(c) During such test period—

(1) final procedures for camera direction control shall be established;

(2) television coverage of Senate proceedings shall not be transmitted between May 1st and June 1st, except that, at the direction of the chairman of the Committee on Rules and Administration, such coverage may be transmitted over the coaxial cable system of the Architect of the Capitol; and

(3) recording of Senate proceedings shall be retained by the Secretary of the Senate.

SEC. 6. The use of tape duplications of radio coverage of the proceedings of the Senate for political purposes is strictly prohibited; and any such tape duplication furnished to any person shall be made on the condition that it not be used for political purposes. The use of tape duplications of T.V. coverage for any purpose outside the Senate is strictly prohibited until the Senate provides otherwise.

SEC. 7. Any changes in the regulations made by this resolution shall be made only by Senate resolution. However, the Committee on Rules and Administration may adopt such procedures and such regulations, which do not contravene the regulations made by this resolution, as it deems necessary to assure the proper implementation of the purposes of this resolution.

SEC. 8. Such funds as may be necessary (but not in excess of $3,500,000) to carry out this resolution shall be expended from the contingent fund of the Senate.

SEC. 9. That Rule XXX, paragraph 1(b), is amended to read as follows:

"(b) When a treaty is reported from a committee with or without amendment, it shall, unless the Senate unanimously otherwise directs, lie over one day for consideration; after which it may be read a second time, after which amendments may be proposed. At any stage of such proceedings the Senate may remove the injunction of secrecy from the treaty."

SEC. 10. That paragraph 2 of Rule XXII of the Standing Rules of the Senate is amended to read as follows:

"2. Notwithstanding the provisions of Rule II or Rule IV or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, other matter pending before the Senate, or the unfinished business, is presented to the Senate, the Presiding Officer, or clerk at the direction of the Presiding Officer, shall at once state the motion to the Senate, and one hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the clerk call the roll, and upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by a yea-and-nay vote the question:

"Is it the sense of the Senate that the debate shall be brought to a close?

"And if that question shall be decided in the affirmative by three-fifths of the Senators duly chosen and sworn—except on a measure or motion to amend the Senate rules, in which case the necessary affirmative vote shall be two-thirds of the Senators present and voting—then said measure, motion, or other mattter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than one hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be proposed after the vote to bring the debate to a close, unless it had been submitted in writing to the Journal Clerk by 1 o'clock p.m. on the day following the filing of the cloture motion if an amendment in the first degree, and unless it had been so submitted at least one hour prior to the beginning of the cloture vote if an amendment in the second degree. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

"After no more than thirty hours of consideration of the measure, motion, or other matter on which cloture has been invoked, the Senate shall proceed, without any further debate on any question, to vote on the final disposition thereof to the exclusion of all amendments not then actually pending before the Senate at that time and to the exclusion of all motions, except a motion to table, or to reconsider and one quorum call on demand to establish the presence of a quorum (and motions required to establish a quorum) immediately before the final vote begins. The thirty hours may be increased by the adoption of a motion, decided without debate, by a three-fifths affirmative vote of the Senators duly chosen and sworn, and any such time thus agreed upon shall be equally divided between and controlled by the Majority and Minority Leaders or their designees. However, only one motion to extend time, specified above, may be made in any one calendar day.

"If, for any reason, a measure or matter is reprinted after cloture has been invoked, amendments which were in order prior to the reprinting of the measure or matter will continue to be in order and may be conformed and reprinted at the request of the amendment's sponsor. The conforming changes must be limited to lineation and pagination.

"No Senator shall call up more than two amendments until every other Senator shall have had the opportunity to do likewise.

Notwithstanding other provisions of this rule, a Senator may yield all or part of his one hour to the majority or minority floor managers of the measure, motion, or matter or to the Majority or Minority Leader, but each Senator specified shall not have more than two hours so yielded to him and may in turn yield such time to other Senators.

Notwithstanding any other provision of this rule, any Senator who has not used or yielded at least ten minutes, is, if he seeks recognition, guaranteed up to ten minutes, inclusive, to speak only.

"After cloture is invoked, the reading of any amendment, including House amendments, shall be dispensed with when the proposed amendment has been identified and has been available in printed form at the desk of the Members for not less than twenty-four hours."

SEC. 11. That Rule XVII, par. 5, of the Standing Rules of the Senate is amended to read as follows:

"5. Any measure or matter reported by any standing committee shall not be considered in the Senate unless the report of that committee upon that measure or matter has been available to Members for at least two calendar days (excluding Sundays and legal holidays) prior to the consideration of that measure or matter. If hearings have been held on any such measure or matter so reported, the committee reporting the measure or matter shall make every reasonable effort to have such hearings printed and available for distribution to the Members of the Senate prior to the consideration of such measure or matter in the Senate. This paragraph—

(1) may be waived by joint agreement of the Majority Leader and the Minority Leader of the Senate; and

(2) shall not apply to—

(A) any measure for the declaration of war, or the declaration of a national emergency, by the Congress, and

(B) any executive decision, determination, or action which would become, or continue to be, effective unless disapproved or otherwise invalidated by one or both Houses of Congress."

SEC. 12. Rule IV, paragraph 1. (a) amended by adding after the words "the Journal of the preceding day shall be read" the following words "unless by non-debatable motion the reading shall be waived, the question being, "Shall the Journal stand approved to date?".

SEC. 13. Rule XXVIII, dealing with conference reports, is amended by adding the words "when available on each Senator's desk" after the words in paragraph 1 "shall always be in order".

SEC. 14. Provided, that if the Senate authorizes the permanent televising of the Senate pursuant to section 15, that radio and television coverage of the Senate shall be made available on a "live" basis and free of charge to (1) any accredited member of the Senate Radio and Television Correspondents Gallery, (2) the coaxial cable system of the Architect of the Capitol, and (3) such other news gathering, educational, or information distributing entity as may be authorized by the Committee on Rules and Administration to receive such broadcasts.

SEC. 15. Television coverage of the Senate and the rules changes contained herein shall continue, if the Senate agrees to the question, which shall be put one hour after the Senate convenes on July 15, 1986, "Shall radio and television coverage continue after this date, and shall the rules changes contained herein continue?" There shall be six hours of debate on this question, to be equally divided and controlled in the usual form, at the end of which any Senator may propose as an alternative the question, "Shall the test period continue for thirty days?" On this question there shall be one hour of debate, equally divided and controlled in the usual form. If this question is decided in the affirmative, then thirty days hence, one hour after the Senate convenes, the Senate shall proceed to vote without intervening action on the question, "Shall radio and television coverage continue after this date and shall the rules changes contained herein continue?".

SEC. 16. Provided, That official noting of a Senator's absence from committees while the Senate is on television is prohibited.

JOHNSTON AMENDMENT NO. 1637

Mr. JOHNSTON proposed an amendment, which was subsequently modified, to amendment No. 1636 proposed by Mr. DOLE (and others) to the resolution (S. Res. 28), supra; as follows:

On page 2, strike out lines 1 thru 3.

On page 4, between lines 14 and 15 insert the following:

(2) Television broadcast coverage shall be provided only—

(A) when there is in effect a unanimous consent agreement providing for the allocation of time between specified Senators or their designees; or

(B) during consideration of any other matter for which unanimous consent for such television broadcast coverage is obtained.

WILSON AMENDMENT NO. 1638

(Ordered to lie on the table.)

Mr. WILSON submitted an amendment intended to be proposed by him to the resolution (S. Res. 28), supra; as follows:

At the end of the amendment, add the following new section:

"SEC. . (a) That the Standing Rules of the Senate are amended by the addition of the following new Rule:

"'RULE XLIII

"'CONSIDERATION OF TRADE AGREEMENTS

"'1. The provisions of subsections (d), (e), and (g) of section 151 of the Trade Act of 1974 (19 U.S.C. 2191), limiting the consideration in the Senate of an implementing bill as defined in subsection (b)(1) of section 151 of such Act, shall not be applicable to the consideration of an implementing bill approving a bilateral or plurilateral trade ageeement.

"'2. The provisions of subsections (e) and (g) of section 151 of the Trade Act of 1974 (19 U.S.C. 2191), limiting the consideration in the Senate of an implementing bill as defined in subsection (b)(1) of section 151 of such Act, shall not be applicable to the consideration of an implementing bill approving a multilateral trade agreement.'

"(b) The amendment made by subsection (a) of this section shall not be subject to section 15.".

LONG AMENDMENT NO. 1639

Mr. LONG proposed an amendment to the resolution (S. Res. 28), supra; as follows:

On page 1, line 7, insert "and" after the semicolon.

On page 2, strike out lines 1, 2 and 3.

On page 2, line 4, strike out "(3)" and insert in lieu thereof "(2)".

On page 10, between lines 9 and 10, insert the following:

SEC. 14. Rule XXXIII of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

3. (a) Television broadcast coverage of Senate proceedings shall be provided only upon agreement of the Senate to a motion providing such coverage for a specific matter or specific time period under terms and conditions specified in such resolution.

(b) Television broadcast coverage provided by a motion agreed to as provided in subparagraph (a) may be terminated at any point upon agreement to a motion terminating such coverage.

(c) Debate on a motion under this paragraph shall be limited to two hours, to be equally divided between and controlled by the Senator making the motion and a Senator in opposition designated by the Chair, at the conclusion of which, without any intervening action, the Senate shall proceed to vote on the motion: *Provided, however,* That one motion to table shall be in order at any time. The time provided for consideration of a motion under this paragraph shall be reduced by the amount of time used to consider a motion to table.

(d) No television broadcast coverage of Senate proceedings shall be provided when a meeting with closed doors is ordered.

On page 10, line 10, strike out "(14)" and insert in lieu thereof "(15)".

On page 10, line 20, strike out "(15)" and insert in lieu thereof "(16)".

On page 11, line 9, strike out "(16)" and insert in lieu thereof "(17)".

IMPROVEMENTS TO RIVERS AND HARBORS OF THE UNITED STATES

LAUTENBERG (AND BRADLEY) AMENDMENT NO. 1640

(Ordered to lie on the table.)

Mr. LAUTENBERG (for himself and Mr. BRADLEY) submitted an amendment intended to be proposed by them to the bill (S. 1567) to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes; as follows:

On page 118, line 3, strike out "and".

On page 118, line 6, strike out the period and insert in lieu thereof a semicolon.

On page 118, between lines 6 and 7, insert the following:

(78) Lower Saddle River, New Jersey: Report of the Chief of Engineers dated January 28, 1986, at a total cost of $36,850,000 (October 1985);

(79) Molly Ann's Brook, New Jersey: Report of the Chief of Engineers dated December 31, 1985, at a total cost of $21,860,000 (October 1985); and

(80) Ramapo River at Oakland, New Jersey: Report of the Chief of Engineers dated January 28, 1986, at a total cost of $6,610,000 (October 1985).

● Mr. LAUTENBERG. Mr. President, the Senate will soon consider badly needed legislation to authorize water resource development projects. Port dredging, flood control projects, beach erosion, and storm protection projects are all part of S. 1567, the Water Resources Development Act, reported by the Committee on Environment and Public Works.

As a member of the Environment and Public Works Committee, I supported this legislation to address long-delayed and vital projects across the Nation. The committee has endeavored to come to grips with both the fiscal and environmental realities of water resources development.

S. 1567 contains a number of flood control projects for New Jersey. These projects are vital to our ability to prevent the loss of life and property damage in future floods. The devastation of flooding was brought home to New Jersey in 1984 when massive flooding caused millions of dollars of damage. The area of northern New Jersey known as the Passaic River basin was particularly hard hit.

Earlier in this session of Congress, I introduced authorizing legislation for a flood control project along the Ramapo and Mahwah Rivers in Mahwah, NJ, and Suffern, NY. This project is one of a series of necessary projects examined by the Army Corps of Engineers along tributaries of the Passaic River. At the time I introduced the Mahwah and Suffern project, I indicated my interest in introducing legislation for other Passaic River basin projects as those projects received environmental clearance and approval of the Chief of Engineers for the Army Corps of Engineers.

Today I am introducing three additional Passaic River basin projects which have received favorable reports from the Chief of Engineers. These projects are: a $36.8 million project along the Lower Saddle River in Bergen County, NJ; a $21.8 million project along Molly Ann's Brook around the towns of Paterson, Haledon, and Prospect Park, NJ; and a $6.6 million project along the Ramapo River in the Borough of Oakland, NJ.

The Lower Saddle River, Molly Ann's Brook, and Oakland projects involve the modifications of channels to curb the overtopping of river banks during flood situations.

Mr. President, like the Mahwah and Suffern project, these projects meet the criteria set by the Environment and Public Works Committee for authorization. It is therefore my hope and expectation that these projects will be approved as part of S. 1567.●

TELEVISION AND RADIO COVERAGE OF SENATE PROCEEDINGS

BOREN (AND LONG) AMENDMENT NO. 1641

Mr. BOREN (for himself and Mr. LONG) submitted an amendment to the resolution (S. Res. 28), supra; as follows:

Strike section 15 and insert in lieu thereof the following:

SEC. 15. Television coverage of the Senate shall cease at the close of business July 15, 1986, and television coverage of the Senate and the rules changes contained herein shall continue, if the Senate agrees to the question, which shall be put one hour after the Senate convenes on July 29, 1986, "Shall radio and television coverage continue after this date, and shall the rules changes contained herein continue?" There shall be 12 hours of debate on this question, to be

equally divided and controlled in the usual form, at the end of which any Senator may propose as an alternative the question, "Shall the test period continue for thirty days?". On this question there shall be one hour of debate, equally divided and controlled in the usual form. If this question is decided in the affirmative, then thirty days hence, one hour after the Senate convenes, the Senate shall proceed to vote without intervening action on the question, "Shall radio and television coverage continue after this date and shall the rules changes contained herein continue?".

NOTICE OF INTENTION TO AMEND THE STANDING RULES OF THE SENATE

Mr. WILSON. Mr. President, I hereby give notice in writing of my intention to amend the Standing Rules of the Senate with the following amendment:

The Standing Rules of the Senate are amended by the addition of the following new section:

"RULE XLIII

"CONSIDERATION OF BILLS IMPLEMENTING TRADE AGREEMENTS

"During consideration by the Senate of a bill implementing a trade agreement pursuant to the provisions of section 151 of the Trade Act of 1974 (19 U.S.C. 2191), the limitations on amendments contained in subsection (d) of section 151 of such Act and the limitations on floor consideration contained in subsection (e) and paragraphs (2), (3), and (4) of subsection (g) of section 151 of such Act shall not apply to such consideration, except that the limitations on amendments contained in subsection (d) of section 151 of such Act shall apply to consideration of a bill implementing a multilateral trade agreement.".

NOTICE OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public a time change in a hearing scheduled before the Committee on Energy and Natural Resources in Washington DC. The hearing is an oversight hearing on the domestic and international petroleum situation and will take place Friday, March 14, at 10:30 a.m. In room SD-366 of the Senate Dirksen Office Building instead of 1 p.m. as previously announced.

Please note that a closed hearing on the same subject will take place Wednesday, March 12, at 2 p.m. in room SH-219 of the Senate Hart Office Building.

Those wishing to testify or who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, room SD-358 Dirksen Senate Office Building, Washington, DC 20510. For further information, please contact Debbi Rice or Howard Useem at (202) 224-2366.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INTELLIGENCE

Mr. DOLE. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, February 27, in closed session, to hold a hearing on the fiscal year 1987, intelligence authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Government Management of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Thursday, February 27, to hold a hearing on DOD subcontractor kickbacks.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, February 27, in order to conduct an oversight hearing on the issue of white collar crime.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, February 27, to conduct a closed oversight hearing on Micronesia status.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CONSUMER

Mr. MATHIAS. Mr. President, I ask unanimous consent that the Consumer Subcommittee of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Thursday, February 27, to conduct a hearing on S. 1999, the Product Liability Voluntary Claims and Uniform Standards Act, and related reform proposals.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TV IN THE SENATE

● Mr. HECHT. Mr. President, 2 weeks ago I made known my firm opposition to allowing the proceedings of the Senate to be televised and stated my reason thus. Yesterday, we were faced with potential significant changes in the way the Senate conducts its business in anticipation, or what some may consider the eventuality, of a televised U.S. Senate. I want to reiterate my opposition not only to TV in the Senate, but also to what I consider would have been significant changes in the way we operate here in this body. I thought the proposed rules changes were misguided and not in the best interest of the United States.

Specifically, Mr. President, I opposed the proposal to limit to 2 hours debate on a motion to proceed to consideration of a particular bill. While my tenure in this great body is not so lengthy as that of many of my respected colleagues, it has nonetheless been my experience that the rules and general practice governing a motion to proceed have been in my best interest, and more importantly, in the best interest of the constituents I was elected to represent. Who among us would have hazarded the chance that we not be given ample time to debate the merits of initiatives which would affect the citizens of our respective States?

In the context of this proposal the argument was put forth that points of contention could still have been deliberated after a specific bill was taken up, however, I believe that all Senators are served by allowing for deliberation of a sufficient length on the motion to proceed. It was never fully demonstrated to me that such a rule change would not have endangered our charged duty of thoroughly weighing both sides of an issue. Moreover, Mr. President, concern was raised that such a modification would have encouraged all Senators to offer motions to proceed to consideration of particular legislation, knowing that debate on the motion could have been limited under the proposed change to 2 hours.

The other proposed rule change I objected to was that which pertained to the germaneness of amendments. Again in this instance my main concern was that such a provision would have served to inhibit the deliberative and procedural freedom we enjoy in this Chamber. As the proposal was written, this change would have provided that a motion requiring germaneness of amendments could have been introduced not only at the beginning of a legislative initiative's consideration, but also at any point during the initiative's consideration. Such an arrangement could have allowed that a certain number of nongermane amendments be considered, and then, if a three-fifths majority of Senators concurred, the proposal of additional nongermane amendments would have been precluded. I believe that this arrangement would not have adequately protected the interests of Senators in the minority on such occasions. Under current rules, aside from consideration of certain privileged types of legislation, unanimous consent must be ob-

tained to preclude the proposal of nongermane amendments to legislative vehicles. A modification such as that proposed here would have flown in the face of the customs and rights all Senators have used so well to this day.

Mr. President I was pleased that the provision which would have required that amendments be germane was struck down yesterday, and additionally, that the provision pertaining to motions to proceed to consideration was not brought up for consideration. In light of these developments, let me take this opportunity to simply reiterate my opposition to televising the proceedings of the Senate.●

TRIBUTE TO SIDNEY L. BROWN

● Mr. CHILES. Mr. President, history reserves the term "founding father" for those who win elections. Sid Brown, the Senate Budget Committee's chief of budget review, is not an elected officeholder. Still, I think history will find a special place for him, perhaps as "first physician" to the budget process.

Sid has been with the committee from the very beginning. And in these past 11 years, he has nursed the budget process through countless long nights when it coughed and sputtered on the brink.

He has served the U.S. Senate as an authentic professional. A stranger to either personal ambition or the public acclaim, Sid has set a standard of quality, dependability, and trust that—whether he likes it or not—has put him in the forefront of public service.

It has been Sid Brown's job to comb the complexities of budgets produced by the President, and hammer together the framework of budgets fashioned by the Senate. He has always had the complete confidence of Senators on both sides of the aisle for his objective judgment, candor, and expertise.

Sid's reputation is a product of all those things, plus patience and hard work. When he prepared a budget figure, we could always count on him to explain and defend it, knowing his work was solid as a rock.

Some years ago, when Edmund Muskie was chairman of the Senate Budget Committee, we were in a particularly difficult conference. With temperatures running high, Chairman Muskie said, "Let's hear from Sid Brown. He's the best damn numbers man on the Hill."

Sid is certainly that. He's proven it time and time again with grace, good humor, and always with accuracy and excellence.

He leaves the Senate Budget Committee to join National Public Radio. It is not a change he sought. But then his career has always been a story of institutions in need, seeking him.

He is an honest and decent man who has made a substantial contribution to his country. For that, we thank him. For the years ahead, we wish him the very best.●

RULES OF THE COMMITTEE ON FOREIGN RELATIONS

● Mr. LUGAR. Mr. President, pursuant to the requirements of paragraph 2 of Senate Rule XXVI, I ask to have printed in the CONGRESSIONAL RECORD the rules of the Committee on Foreign Relations for the 99th Congress adopted by the committee on February 21, 1985.

The rules follow:

RULES OF THE COMMITTEE ON FOREIGN RELATIONS

[Adopted February 21, 1985]

RULE 1—JURISDICTION

(a) Substantive.—In accordance with Senate Rule XXV.l(j), the jurisdiction of the Committee shall extend to all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

(1) Acquisition of land and buildings for embassies and legations in foreign countries.

(2) Boundaries of the United States.

(3) Diplomatic service.

(4) Foreign economic, military, technical, an humanitarian assistance.

(5) Foreign loans.

(6) International activities of the American National Red Cross and the International Committee of the Red Cross.

(7) International aspects of nuclear energy, including nuclear transfer policy.

(8) International conferences and congresses.

(9) International law as it relates to foreign policy.

(10) International Monetary Fund and other international organizations established primarily for international monetary purposes (except that, at the request of the Committee on Banking, Housing, and Urban Affairs, any proposed legislation relating to such subjects reported by the Committee on Foreign Relations shall be referred to the Committee on Banking, Housing, and Urban Affairs).

(11) Intervention abroad and declarations of war.

(12) Measures to foster commercial intercourse with foreign nations and to safeguard American business interests abroad.

(13) National security and international aspects of trusteeships of the United States.

(14) Ocean and international environmental and scientific affairs as they relate to foreign policy.

(15) Protection of United States citizens abroad and expatriation.

(16) Relations of the United States with foreign nations generally.

(17) Treaties and executive agreements, except reciprocal trade agreements.

(18) United Nations and its affiliated organizations.

(19) World Bank group, the regional development banks, and other international organizations established primarily for development assistance purposes.

The Committee is also mandated by Senate Rule XXV.1(j) to study and review, on a comprehensive basis, matters relating to the national security policy, foreign policy, and international economic policy as it relates to foreign policy of the United States, and matters relating to food, hunger, and nutrition in foreign countries, and report thereon from time to time. I83.

(b) Oversight.—The Committee also has a responsibility under Senate Rule XXVI.8, which provides that ". . . each standing Committee . . . shall review and study, on a continuing basis, the application, administration, and execution of those laws or parts of laws, the subject matter of which is within the jurisdiction of the committee."

(c) "Advice and Consent" Clauses.—The Committee has a special responsibility to assist the Senate in its constitutional function of providing "advice and consent" to all treaties entered into by the United States and all nominations to the principal executive branch positions in the field of foreign policy and diplomacy.

RULE 2—SUBCOMMITTEES

(a) Creation.—Unless otherwise authorized by law or Senate resolution, subcommittees shall be created by majority vote of the Committee and shall deal with such legislation and oversight of programs and policies as the Committee directs. Legislative measures or other matters may be referred to a subcommittee for consideration in the discretion of the Chairman or by vote of a majority of the Committee. If the principal subject matter of a measure or matter to be referred falls within the jurisdiction of more than one subcommittee, the Chairman or the Committee may refer the matter to two or more subcommittees for joint consideration.

(b) Assignments.—Assignments of members to subcommittees shall be made in an equitable fashion. No member of the Committee may receive assignment to a second subcommittee until, in order of seniority, all members of the Committee have chosen assignments to one subcommittee, and no members shall receive assignments to a third subcommittee until, in order of seniority, all members have chosen assignments to two subcommittees.

No member of the Committee may serve on more than three subcommittees at any one time.

The Chairman and Ranking Minority Member of the Committee shall be ex officio members, without vote, of each subcommittee.

(c) Meetings.—Except when funds have been specifically made available by the Senate for a subcommittee purpose, no subcommittee of the Committee on Foreign Relations shall hold hearings involving reporting expenses without prior approval of the Chairman of the full Committee or by decision of the full Committee. Meetings of subcommittees shall be scheduled after consultation with the Chairman of the Committee with a view toward avoiding conflicts with meetings of other subcommittees insofar as possible. Meetings of subcommittees shall not be scheduled to conflict with meetings of the full Committee.

The proceedings of each subcommittee shall be governed by the rules of the full Committee, subject to such authorizations or limitations as the Committee may from time to time prescribe.

RULE 3—MEETINGS

(a) Regular Meeting Day.—The regular meeting day of the Committee on Foreign Relations for the transaction of Committee business shall be on Tuesday of each week, unless otherwise directed by the Chairman.

(b) Additional Meetings.—Additional meetings and hearings of the Committee

may be called by the Chairman as he may deem necessary. If at least three members of the Committee desire that a special meeting of the Committee be called by the Chairman, those members may file in the offices of the Committee their written request to the Chairman for that special meeting. Immediately upon filing of the request, the Chief Clerk of the Committee shall notify the Chairman of the filing of the request. If, within three calendar days after the filing of the request, the Chairman does not call the requested special meeting, to be held within seven calendar days after the filing of the request, a majority of the members of the Committee may file in the offices of the Committee their written notice that a special meeting of the Committee will be held, specifying the date and hour of that special meeting. The Committee shall meet on that date and hour. Immediately upon the filing of the notice, the Clerk shall notify all members of the Committee that such special meeting will be held and inform them of its date and hour.

(c) Minority Request.—Whenever any hearing is conducted by the Committee or a subcommittee upon any measure or matter, the minority on the Committee shall be entitled, upon request made by a majority of the minority members to the Chairman before the completion of such hearing, to call witnesses selected by the minority to testify with respect to the measure or matter during at least one day of hearing thereon.

(d) Public Announcement.—The Committee, or any subcommittee thereof, shall make public announcement of the date, place, time and subject matter of any hearing to be conducted on any measure or matter at least one week in advance of such hearings, unless the Chairman of the Committee, or subcommittee, determines that there is good cause to begin such hearing at an earlier date.

(e) Procedure.—Insofar as possible, proceedings of the Committee will be conducted without resort to the formalities of parliamentary procedure and with due regard for the views of all members. Issues of procedure which may arise from time to time shall be resolved by decision of the Chairman, in consultation with the Ranking Minority Member and with the advice of the Chief Clerk. The Chairman, in consultation with the Ranking Minority Member, may also propose special procedures to govern the consideration of particular matters by the Committee.

(f) Closed Sessions.—Each meeting of the Committee on Foreign Relations, or any subcommittee thereof, including meetings to conduct hearings, shall be open to the public, except that a meeting or series of meetings of the Committee or a subcommittee on the same subject for a period of no more than fourteen calendar days may be closed to the public on a motion made and seconded to go into closed session to discuss only whether the matters enumerated in paragraphs (1) through (6) would require the meeting to be closed followed immediately by a record vote in open session by a majority of the members of the Committee or subcommittee when it is determined that the matters to be discussed or the testimony to be taken at such meeting or meetings—

(1) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(2) will relate solely to matters of Committee's staff personnel or internal staff management or procedure;

(3) will tend to charge an individual with crime or misconduct; to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy, or will represent a clearly unwarranted invasion of the privacy of an individual;

(4) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement;

(5) will disclose information relating to the trade secrets or financial or commercial information pertaining specifically to a given person if—

(A) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

(B) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person; or

(6) may divulge matters required to be kept confidential under other provisions of law or Government regulations.

A closed meeting may be opened by a majority vote of the Committee.

(g) Staff Attendance.—A member of the Committee may have one member of his or her personal staff, for whom that member assumes personal responsibility, accompany and be seated nearby at Committee meetings.

Each member of the Committee may designate members of his or her personal staff, who hold a Top Secret security clearance, for the purpose of their eligibility to attend closed sessions of the Committee, subject to the same conditions set forth for Committee staff under Rules 12, 13, and 14.

In addition, the Majority Leader and the Minority Leader of the Senate, if they are not otherwise members of the Committee, may designate one member of their staff with a Top Secret security clearance to attend closed sessions of the Committee, subject to the same conditions set forth for Committee staff Rules 12, 13, and 14. Staff of other Senators who are not members of the Committee may not attend closed sessions of the Committee.

Attendance of Committee staff at meetings shall be limited to those designated by the Staff Director or the Minority Staff Director.

The Committee, by majority vote, or the Chairman, with the concurrence of the Ranking Minority Member, may limit staff attendance at specified meetings.

RULE 4—QUORUMS

(a) Testimony.—For the purpose of taking sworn or unsworn testimony at any duly scheduled meeting a quorum of the Committee and each subcommittee thereof shall consist of one member.

(b) Business.—A quorum for the transaction of Committee or subcommittee business, other than for reporting a measure of recommendation to the Senate or the taking of testimony, shall consist of one-third of the members of the Committee or subcommittee, including at least one member for each party.

(c) Reporting.—A majority of the membership of the Committee shall constitute a quorum for reporting any measure or recommendation to the Senate. No measure or recommendation shall be ordered reported from the Committee unless a majority of the Committee members are physically present. The vote of the Committee to report a measure or matter shall require the concurrence of a majority of those members who are physically present at the time the vote is taken.

RULE 5—PROXIES

Proxies must be in writing with the signature of the absent member. Subject to the requirements of Rule 4 for the physical presence of a quorum to report a matter, proxy voting shall be allowed on all measures and matters before the Committee. However, proxies shall not be voted on a measure or matter except when the absent member has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded.

RULE 6—WITNESSES

(a) General.—The Committee on Foreign Relations will consider requests to testify on any matter or measure pending before the Committee.

(b) Presentation.—If the Chairman so determines, the oral presentation of witnesses shall be limited to ten minutes. However, written statements of reasonable length may be submitted by witnesses and other interested persons who are unable to testify in person.

(c) Filing of Statements.—A witness appearing before the Committee, or any subcommittee thereof, shall file a written statement of his proposed testimony at least 48 hours prior to his appearance, unless this requirement is waived by the Chairman and the Ranking Minority Member following their determination that there is good cause for failure to file such a statement.

(d) Expenses.—Only the Chairman may authorize expenditures of funds for the expenses of witnesses appearing before the Committee or its subcommittees.

(e) Requests.—Any witness called for a hearing may submit a written request to the Chairman no later than twenty-four hours in advance for his testimony to be in closed or open session, or for any other unusual procedure. The Chairman shall determine whether to grant any such request and shall notify the Committee members of the request and of his decision.

RULE 7—SUBPOENAS

(a) Authorization.—The Chairman or any other member of the Committee, when authorized by a majority vote of the Committee at a meeting or by proxies, shall have authority to subpoena the attendance of witnesses or the production of memoranda, documents, records, or any other materials. When the Committee authorizes a subpoena, it may be issued upon the signature of the Chairman or any other member designated by the Committee.

(b) Return.—A subpoena, or a request to an agency, for documents may be issued whose return shall occur at a time and place other than that of a scheduled Committee meeting. A return on such a subpoena or request which is incomplete or accompanied by an objection constitutes good cause for a hearing on shortened notice. Upon such a return, the Chairman or any other member designated by him may convene a hearing by giving two hours notice by telephone to all other members. One member shall constitute a quorum for such a hearing. The sole purpose of such a hearing shall be to elucidate further information about the return and to rule on the objection.

RULE 8—REPORTS

(a) Filing.—When the Committee has ordered a measure or recommendation reported, the report thereon shall be filed in the Senate at the earliest practicable time.

(b) Supplemental, Minority and Additional Views.—A member of the Committee who gives notice of his intentions to file supplemental, minority, or additional views at the time of final Committee approval of a measure or matter, shall be entitled to not less than 3 calendar days in which to file such views, in writing, with the Chief Clerk of the Committee. Such views shall then be included in the Committee report and printed in the same volume, as a part thereof, and their inclusion shall be noted on the cover of the report. In the absence of timely notice, the Committee report may be filed and printed immediately without such views.

(c) Rollcall Votes.—The results of all rollcall votes taken in any meeting of the Committee on any measure, or amendment thereto, shall be announced in the Committee report. The announcement shall include a tabulation of the votes cast in favor and votes cast in opposition to each such measure and amendment by each member of the Committee.

RULE 9—TREATIES

(a) The Committee is the only committee of the Senate with jurisdiction to review and report to the Senate on treaties submitted by the President for Senate advice and consent. Because the House of Representatives has no role in the approval of treaties, the Committee is therefore the only congressional committee with responsibility for treaties.

(b) Once submitted by the President for advice and consent, each treaty is referred to the Committee and remains on its calendar from Congress to Congress until the Committee takes action to report it to the Senate or recommend its return to the President, or until the Committee is discharged of the treaty by the Senate.

(c) In accordance with Senate Rule XXX.2, treaties which have been reported to the Senate but not acted on before the end of a Congress "shall be resumed at the commencement of the next Congress as if no proceedings had previously been had thereon."

(d) Insofar as possible, the Committee should conduct a public hearing on each treaty as soon as possible after its submission by the President. Except in extraordinary circumstances, treaties reported to the Senate shall be accompanied by a written report.

RULE 10—NOMINATIONS

(a) Waiting Requirement.—Unless otherwise directed by the Chairman and the Ranking Minority Member, the Committee on Foreign Relations shall not consider any nomination until 6 calendar days after it has been formally submitted to the Senate.

(b) Public Consideration.—Nominees for any post who are invited to appear before the Committee shall be heard in public session, unless a majority of the Committee decrees otherwise.

(c) Required Data.—No nomination shall be reported to the Senate unless (1) the nominee has been accorded a security clearance on the basis of a thorough investigation by executive branch agencies; (2) in appropriate cases, the nominee has filed a confidential statement and financial disclosure report with the Committee; (3) the Committee has been assured that the nominee does not have any interests which could conflict with the interests of the government in the exercise of the nominee's proposed responsibilities; (4) for persons nominated to be chief of mission, ambassador-at-large, or minister, the Committee has received a complete list of any contributions made by the nominee or members of his immediate family to any Federal election campaign during the year of his or her nomination and for the four preceding years; and (5) for persons nominated to be chiefs of mission, a report on the demonstrated competence of that nominee to perform the duties of the position to which he or she has been nominated.

RULE 11—TRAVEL

(a) Foreign Travel.—No member of the Committee on Foreign Relations or its staff shall travel abroad on Committee business unless specifically authorized by the Chairman, who is required by law to approve vouchers and report expenditures of foreign currencies, and the Ranking Minority Member. Requests for authorization of such travel shall state the purpose and, when completed, a full substantive and financial report shall be filed with the Committee within 30 days. This report shall be furnished to all members of the Committee and shall not be otherwise disseminated without the express authorization of the Committee. Except in extraordinary circumstances, staff travel shall not be approved unless the reporting requirements have been fulfilled for all prior trips. Except for travel that is strictly personal, travel funded by non-U.S. Government sources is subject to the same approval and substantive reporting requirements as U.S. Government-funded travel. In addition, members and staff are reminded of Senate Rule XXXV.4 requiring a determination by the Senate Ethics Committee in the case of foreign-sponsored travel.

Any proposed travel by Committee staff for a subcommittee purpose must be approved by the subcommittee chairman and ranking minority member prior to submission of the request to the Chairman and Ranking Minority Member of the full Committee.

When the Chairman and the Ranking Minority Member approve the foreign travel of a member of the staff of the Committee not accompanying a member of the Committee, all members of the Committee shall be advised, prior to the commencement of such travel, of its extent, nature, and purpose.

(b) Domestic Travel.—All official travel in the United States by the Committee staff shall be approved in advance by the Staff Director, or in the case of minority staff, by the Minority Staff Director.

(c) Personal Staff.—One member of the personal staff of a member of the Committee may travel with that member with the approval of the Chairman and the Ranking Minority Member of the Committee. During such travel, the personal staff member shall be considered to be an employee of the Committee.

RULE 12—TRANSCRIPTS

(a) General.—The Committee on Foreign Relations shall keep verbatim transcripts of all Committee and subcommittee meetings and such transcripts shall remain in the custody of the Committee, unless a majority of the Committee decides othewise. Transcripts of public hearings by the Committee shall be published unless the Chairman with the concurrence of the Ranking Minority Member, determines otherwise.

(b) Classified or Restricted Transcripts.—

(1) The Chief Clerk of the Committee shall have responsibility for the maintenance and security of classified or restricted transcripts.

(2) A record shall be maintained of each use of classified or restricted transcripts.

(3) Classified or restricted transcripts shall be kept in locked combination safes in the Committee offices except when in active use by authorized persons. They must never be left unattended and shall be returned to the Chief Clerk promptly when no longer needed.

(4) Except as provided in paragraph 7 below, transcripts classified secret or higher may not leave the Committee offices except for the purpose of declassification.

(5) Classified transcripts other than those classified secret or higher may leave the Committee offices in the possession of authorized persons with the approval of the Chairman. Delivery and return shall be made only by authorized persons. Such transcripts may not leave Washington, D.C. unless adequate assurances for their security are made to the Chairman.

(6) Extreme care shall be exercised to avoid taking notes or quotes from classified transcripts. Their contents may not be divulged to any unauthorized person.

(7) Subject to any additional restrictions imposed by the Chairman with the concurrence of the Ranking Minority Member, only the following persons are authorized to have access to classified or restricted transcripts:

(i) Members and staff of the Committee in the Committee rooms;

(ii) Designated personal representatives of members of the Committee, and of the Majority and Minority Leaders, with appropriate security clearances, in the Committee's Capitol office;

(iii) Senators not members of the Committee, by permission of the Chairman;

(iv) Members of the executive departments involved in the meeting, in the Committee's Capitol office, or, with the permission of the Chairman, in the offices of the officials who took part in the meeting, but in either case, only for a specified and limited period of time, and only after reliable assurances against further reproduction or dissemination have been given.

(8) Any restrictions imposed upon access to a meeting of the Committee shall also apply to the transcript of such meeting, except by special permission of the Chairman and notice to the other members of the Committee. Each transcript of a closed session of the Committee shall include on its cover a description of the restrictions imposed upon access, as well as any applicable restrictions upon photocopying, note-taking or other dissemination.

(9) In addition to restrictions resulting from the inclusion of any classified information in the transcript of a Committee meeting, members and staff shall not discuss with anyone the proceedings of the Committee in closed session or reveal information conveyed or discussed in such a session unless that person would have been permitted to attend the session itself, or unless such communication is specifically authorized by the Chairman, the Ranking Minority Member, or in the case of staff, by the Staff Director or Minority Staff Director. A record shall be kept of all such authorizations.

(c) Declassification—

(1) All restricted transcripts and classified Committee reports shall be declassified on a

date twelve years after their origination unless the Committee by majority vote decides against such declassification, and provided that the executive departments involved and all former Committee members who participated directly in the session or reports concerned have been consulted in advance and given a reasonable opportunity to raise objections to such declassification.

(2) Any transcript or classified Committee report, or any portion thereof, may be declassified fewer than twelve years after their origination if:

(i) the Chairman originates such action or receives a written request for such action, and notifies the other members of the Committee; and

(ii) the Chairman, Ranking Minority Member, and each member or former member who participated directly in such meeting or report give their approval, except that the Committee by majority vote may overrule any objections thereby raised to early declassification; and

(iii) the executive departments and all former Committee members are consulted in advance and have a reasonable opportunity to object to early declassification.

RULE 13—CLASSIFIED MATERIAL

(a) All classified material received or originated by the Committee shall be logged in at the Committee's offices in the Dirksen Senate Office Building, and except for material classified as "Top Secret" shall be filed in the Dirksen Senate Building offices for Committee use and safekeeping.

(b) Each such piece of classified material received or originated shall be card indexed and serially numbered, and where requiring onward distribution shall be distributed by means of an attached indexed form approved by the Chairman. If such material is to be distributed outside the Committee offices, it shall, in addition to the attached form, be accompanied also by an approved signature sheet to show onward receipt.

(c) Distribution of classified material among offices shall be by Committee members or authozied staff only. All classified material sent to members' offices, and that distributed within the working offices of the Committee, shall be returned to the office designated by the Chief Clerk. No classified material is to be removed from the offices of the members or of the Committee without permission of the Chairman. Such classified material will be afforded safe handling and safe storage at all times.

(d) Material classified "Top Secret," after being indexed and numbered, shall be sent to the Committee's Capitol office for use by the members and authorized staff in that office only or in such other secure Committee offices as may be authorized by the Chairman or Staff Director.

(e) In general, members and staff shall undertake to confine their access to classified information on the basis of a "need to know" such information related to their Committee responsibilities.

(f) The Staff Director is authorized to make such administrative regulations as may be necessary to carry out the provisions of these regulations.

RULE 14—STAFF

(a) Responsibilities.—

(1) The staff works for the Committee as a whole, under the general supervision of the Chairman of the Committee, and the immediate direction of the Staff Director; provided, however, that such part of the staff as is designated Minority Staff, shall be under the general supervision of the Ranking Minority Member and under the immediate direction of the Minority Staff Director.

(2) Any member of the Committee should feel free to call upon the staff at any time for assistance in connection with Committee business. Members of the Senate not members of the Committee who call upon the staff for assistance from time to time should be given assistance subject to the overriding responsibility of the staff to the Committee.

(3) The staff's primary responsibility is with respect to bills, resolutions, treaties, and nominations.

In addition to carrying out assignments from the Committee and its individual members, the staff has a responsibility to originate suggestions for Committee or subcommittee consideration. The staff also has a responsibility to make suggestions to individual members regarding matters of special interest to such members.

(4) It is part of the staff's duty to keep itself as well informed as possible in regard to developments affecting foreign relations and in regard to the administration of foreign programs of the United States. Significant trends or developments which might otherwise escape notice should be called to the attention of the Committee, or of individual Senators with particular interests.

(5) The staff shall pay due regard to the constitutional separation of powers between the Senate and the executive branch. It therefore has a responsibility to help the Committee bring to bear an independent, objective judgment of proposals by the executive branch and when appropriate to originate sound proposals of its own. At the same time, the staff shall avoid impinging upon the day-to-day conduct of foreign affairs.

(6) In those instances when Committee action requires the expression of minority views, the staff shall assist the minority as fully as the majority to the end that all points of view may be fully considered by members of the Committee and of the Senate. The staff shall bear in mind that under our constitutional system it is the responsibility of the elected Members of the Senate to determine legislative issues in the light of as full and fair a presentation of the facts as the staff may be able to obtain.

(b) Restrictions.—

(1) The staff shall regard its relationship to the Committee as a privileged one, in the nature of the relationship of a lawyer to a client. In order to protect this relationship and the mutual confidence which must prevail if the Committee-staff relationship is to be a satisfactory and fruitful one, the following criteria shall apply:

(i) Members of the staff shall not be identified with any special interest group in the field of foreign relations or allow their names to be used by any such group.

(ii) Members of the staff shall not accept public speaking engagements or write for publication in the field of foreign relations without specific advance permission from the Staff Director, or, in the case of minority staff, from the Minority Staff Director. In the case of the Staff Director and the Minority Staff Director, such advance permission shall be obtained from the Chairman or the Ranking Minority Member, as appropriate. In any event, such public statements should avoid the expression of personal views and should not contain predictions of future, or interpretations of past, Committee action.

(iii) Staff shall not discuss their private conversations with members of the Committee without specific advance permission from the Senator or Senators concerned.

(2) The staff shall not discuss with anyone the proceedings of the Committee in closed session or reveal information conveyed or discussed in such a session unless that person would have been permitted to attend the session itself, or unless such communication is specifically authorized by the Staff Director or Minority Staff Director. Unauthorized disclosure of information from a closed session or of classified information shall be cause for immediate dismissal and may, in the case of some kinds of information, be grounds for criminal prosecution.

RULE 15—STATUS AND AMENDMENT OF RULES

(a) Status.—In addition to the foregoing, the Committee on Foreign Relations is governed by the Standing Rules of the Senate which shall take precedence in the event of a clear inconsistency. In addition, the jurisdiction and responsibilities of the Committee with respect to certain matters, as well as the timing and procedure for their consideration in Committee, may be governed by statute.

(b) Amendment.—These Rules may be modified, amended, or repealed by a majority of the Committee, provided that a notice in writing of the proposed change has been given to each member at least 48 hours prior to the meeting at which action thereon is to be taken. However, rules of the Committee which are based upon Senate rules may not be superseded by Committee vote alone.●

ADVANCEMENTS IN HEALTH CARE DELIVERY

● Mr. DURENBERGER. Mr. President, our Nation prides itself on innovations and discoveries that keep America on the cutting edge of science and technology. Advancements made in the biomedical research community are particularly valuable as they strengthen the foundation of knowledge needed to improve individual health and well-being.

This is a societal good. Providing the opportunities to achieve this good is a valuable purpose of the Federal Government and the highly respected National Institutes of Health [NIH]. As an article in yesterday's Washington Post described, the NIH, as part of its Small Business Innovations Research Program, has just awarded a $50,000 starter grant to a physician from Excelsior, MN, Milton Seifert.

Over the years, Dr. Seifert has developed his private practice into a unique business arrangement: he and his patients jointly manage his practice. This partnership between Dr. Seifert and his patient advisory council emphasizes joint responsibility for medical care, fee structures, and even determining how to deal with collections and complaints. As far as Dr. Seifert knows, he is the first such partnership in a private practice anywhere. The NIH recognized this as a model practice that deserves the opportunity to grow and should be marketed to other physician practices.

Dr. Seifert is an example of another Minnesotan at the cutting edge of advancements in health care delivery. I wish him success in marketing his practice model with the support of his grant from the NIH.

Mr. President, I ask that the text of the article be printed in the RECORD.

PUTTING THE PATIENTS IN CHARGE

(By Victor Cohn)

EXCELSIOR, MINN.—Picture this. A doctor who lets his patients help set his salary and fees. And whose income was only $20,000 last year, despite a roster of 3,000 patients.

This unusual physician is Dr. Milton Seifert of Excelsior, Minn., a half-flossy, half-worn lakeside suburb of Minneapolis, a bit of a cross between White Flint Mall and Lake Wobegon. Seifert's practice is a partnership between a doctor and his patients, one that emphasizes "joint responsibility"—Seifert's byword—for both medical care and managing his practice, including such delicate, normally top secret subjects as collections and complaints.

So far as Seifert has been able to find out, this is the first such partnership in a private practice anyplace.

Woefully, the practice has been suffering cut-throat competition from this area's many HMOs—prepaid, "we cover it all" health plans, luring away many patients, especially parents with ever-feverish children, with their promise of virtually all care for so much a month. In the last few years, this competition reduced Seifert's pay from its usual $40,000 or so—still at least $20,000 less than that of most family docs in his area—to its bare-bones 1985 level, less than his wife made a few years ago as a teacher.

No one was unhappier about this than the 50 members of his Patient Advisory Council, the volunteer group that meets regularly to help run his practice. As a result of his and their efforts, he reports, the practice is "coming back," collections are up and, a nice bonus, the Department of Health and Human Services in distant Washington has suddenly taken an interest in this hand-in-hand way.

As part of its new Small Business Innovation Research Program—thrust on it by Congress—the National Institutes of Health have just given Seifert a $50,000 starter grant to begin spreading the hand-in-hand gospel to other doctors and patients.

Milt Seifert, both a small-town pragmatist and an incurable visionary, would like to see a not-too-distant day when doctors and patients all over stop behaving like adversaries and start working together to seek better health care.

The scene is Excelsior Methodist Church, a handy, free meeting place. The time is a winter night. The temperature outside is 10 below, limiting tonight's Patient Advisory Council attendance to a brave dozen men and women.

The president of the council is Bill Heimbuch, a retired industrial engineer. He calls the quarterly meeting to what passes for order, since members speak up as they please and pop up now and then for refreshments.

The members and Dr. Seifert and his wife, Dorie, the practice's part-time bookkeeper, sit in a rough circle on sofas and hard chairs with their various papers and coffee or hot chocolate and cookies. Heimbuch is portly and bald, Seifert is solid and square-faced. The members, from their twenties to their seventies, sport everything from business suits to red and blue snow suits. The scene could have been painted by Norman Rockwell.

The meeting gets quickly to the nitty-gritty: the subject of bill collections. This is the province of a key Support Services Committee, which meets monthly to discuss fees and finances. The chairman is out of town, so the doctor makes the report.

It seems that the patients who left for HMOs were actually those best able to pay, leaving a disproportionate number of elderly, underemployed and plain poor. "Collections were getting very bad, and we were slipping behind in paying our bills," Seifert reports. So the committee, reluctantly, hired a collection agency last year to go after those who everybody knew could "manage to pay."

The agency seems to be doing a good yet low-pressure job. "I've not received any angry phone calls," says Dorie Seifert, and one man told the doctor, "I'll start paying that bill if I can just keep coming to you without any effect on my care."

"I told him, 'Fine,' " Seifert says. Later he explains that: "The first thing we do, of course, is try to collect the bill ourselves by polite letter. Often one of the members of the Patient Council calls and explains that the practice is a business and has to pay its bills and needs the money to keep going. That can have a lot more effect than my office calling."

Another subject; complaints. One woman complained about her bill, especially since "the doctor had to look things up in a book." Another woman said she called with a splitting headache and was "put off" by the office staff, rather than being told to come right in. She was justified in her complaint, Seifert concedes. "Looking back, she could have been having a stroke or hemorrhage."

"Sometimes," he adds, "we have part-time help who don't know all our procedures. We've decided to spell them out and put them on a plastic card by the phones so there'll be a routine for who gets in right away and who gets priority treatment, like anyone with terrible, unrelenting pain or a breathing problem."

Most complaints, however, are about a more mundane subject: waiting. Seifert, it seems, is a doctor who habitually decides to spend 45 minutes talking to some troubled patient, while a roomful cool their heels.

"We're always discussing this," says Bill Heimbuch, "but I don't think we're going to change Milt. Most of the older patients know they're likely to spend an hour or hour and a half before they get in. I usually make an appointment, then come about 45 minutes late, because I know I'll be early."

Now and then true enough, Seifert later concedes, "though I usually do better." He says he promises his patients "everything I can give them except perfect punctuality."

The meeting continues. Marion Johnson, a white-haired former physical therapist, reports for the Patient Services Committee. Patients—their own idea—offer each other transportation, baby-sitting and other help, including car seats for toddlers. Seifert is a dedicated preacher of prevention, "so when I tell a patient he has to cooperate in his care, one thing I ask is that he use his seat belt." And car seats for kids.

Next, Seifert reports on the rising cost of malpractice insurance and presents a possible patient-doctor compact, a document that he and obstetric patients in particular might sign. The patients would agree to submit any problems to a conflict resolution committee before taking legal action. This would not be legally binding, Seifert points out, but, since he has never been sued for malpractice, he hopes it may induce his insuror to reduce his rate.

"They already give us a 10 percent discount because of our council and our Grievance Committee," he says. "They told us, 'We believe your way of practice is safer.' "

As you might suspect, even were he not the creator of the Patient Council, Seifert is an unusual doctor.

His father was an Excelsior family doctor before him. He went to medical school, then joined the family practice.

"Then my father had a heart attack, and I suddenly became many patients' doctor. People began telling me things I'd never heard about before—strains in their homes, abuse, battles with their kids. Somehow I didn't know that these things were prevalent in Excelsior. The pain these people had dealing with them was worse than the broken bones and car accidents.

"I found I was inadequate to deal with these things. I was too young. So I'd sort of wing it and let them help me. I started to form partnerships with them to make them help figure things out. I'd help, but I wouldn't take the whole responsibility.

"And that, the partnership idea, is the way my whole practice has evolved. I can't take on the responsibility of a whole other person. But I can if they're willing to do their part."

For example: "I often read out loud as I write in the patient's record. I may say, 'This looks like flu, but I also think you could be healthier. Why don't you buy an exercise bike?' "

If the subject is intimate? "That's when I read it for sure, so you know what I'm putting down. Say, it's a problem of sexual abuse. I put it down but I also try to protect your privacy a little. I'll say, 'There has been some family disturbance, with some inappropriate activity.' Then we try to decide what to do about it."

He long ago began using helpers. Today he has a trained physician's assistant and four part-time "health educators," counselors used as needed for alcoholism, emotional disorders, marriage problems, drug abuse and the like. "I can say, 'I'm going to have you see a health educator. I can prescribe that instead of Valium.' "

He once put it this way: "I wait for the pressure points, the moments of drama in a life. That's when people have a heightened sensitivity, when they make changes in their life. That's when I can act as a catalyst."

He also believes that "curing isn't the only thing we can do." A young man with cancer may be referred to surgeons, radiologists, oncologists. "Then they'll finally send him back to me. And every day is a fight that he loses."

His prescription for patients like this is one he has borrowed from Alcoholics Anonymous and calls "possibly the most powerful concept of the 20th century": "Say 'I have today.' Live and use each day. Then at the end of the day, people feel they've made it through the day. They've won."

In 1973, trying to practice his time-consuming kind of care, he was having more and more trouble managing the business side of his practice.

"One day I did some thinking about what I did when I first came into practice, making the patient a partner in the examining room.

"I decided I'd let the patients help me with the practice, too. I sent out a post card

to the whole practice, asking, "Would you be interested in participating in a patient advisory council?' I got about 200 replies. I called a meeting and 50 people showed up. They had three reservations. 'This is kind of disrespectful to you . . . We're layment, what value do we have? . . . That's a lot of responsibility.'

"I said, 'It's the same as in the examining room.' "

Loose rules were established. Any patient could join the council for $5 a year to cover expenses. A president and committee chairmen were chosen more or less by consensus, or who was willing. Members float on and off the council. Seifert thinks that's better than a rigid structure, with a few people running things forever.

Council members never suggested that Seifert should limit his income, and felt his fees should be around the area standard. In fact, he says, "they always say, 'We'd like you to do better.' "

That he has not greatly prospered is surely a matter of the large amounts of time he often gives patients, rather than trying to see the maximum number possible. And probably a matter of some patients who want a punctual doctor and health insurors who don't compensate one on the basis of time.

His methods, he says, have resulted in a reduced number of hospital admissions for emotional problems and chemical—drug or alcohol—dependency. He has had no suicides in 14 years among disturbed patients who have used his counselors. So he believes the time spent pays off.

The insurors don't always agree, or take that into account.

The Patient Council hears Seifert report that the practice—and cash flow—are coming back up, and "people are coming back to us for personal care, the things they like about a small practice."

But a prepaid practice plan that he belongs to, one that covers 10 percent of his patients, claims he is costing them $30 more per patient per year than the average family physician in the Minneapolis-St. Paul metropolitan area.

So this plan, per its agreement with its member-physicians, last year fined Seifert $2,500, cash he had to fork over for his emphasis on painstaking probing and talk therapy. "This year they want to fine us $5,700," he tells the council. "I have a meeting with them, and I intend to tell them about the kind of practice we have—and about our NIH grant and the fact that someone thinks we are doing a good job."

Though he is kind of pioneer and one with both conviction and courage, he is obviously not going to get rich. He is well regarded by fellow physicians. He has served on the important credentials committee of his county medical society and has nonsalaried teaching positions at two medical schools. A writer in an American Medical Association publication once said, "Compared to Dr. Seifert's practice, 'holistic,' 'humanistic' and 'behavioral' medicine, buzzwords of the '70s, seem curiously passe."

But "there's no fee schedule for caring," he has said.

At age 54, quickly using up his middle years, does he have any regrets about his choices?

"No," he answers immediately. "The things we've started have been very successful in producing medical care and practice management."

How can he call the management "successful" when his own income has dropped?

"Things are getting better," he insists. "And now that I've come this far, and though things got bad, I hate to give up the idea."

Besides, he says, "I'm so appreciative. I always wanted to be a doctor. I followed my dad around. I'm appreciative of being invited into the lives of other people and to feel really competent in that now."

A longtime patient and friend of the doctor's is Clifford Simak, a well-known writer of science fiction. He says of Seifert and his patients and his unusual council:

"We're so tied together, we're almost like brothers now. It's a funny thing. People used to put doctors on a throne. But now—it's friendship and competence and working together. And by God, the man's making it work."

KEEPING UP WITH THE PATIENT

Patients, and perhaps many doctors, can learn from Dr. Miltion Seifert, a struggling doctor in a small Minnesota town outside Minneapolis. He has a problem: He lavishes too much time on his patients for his financial well-being.

However, he has some interesting thoughts:

"We physicians talk a lot about keeping up with the medical literature. We never talk about keeping up with the patient."

"In the examinimg room, the more I know, the more likely I am to get the right diagnosis. And the less likely I am to do harm."

"The partnerships between doctor and patient are fun. And they're painful. It's like marriage. If we resolve them, it's a pretty nice way to live."

"The thing that makes people most hostile—if they feel you're rushing them."

"We doctors so often give you a lecture—to prevent any questions and keep us comfortable."

"I've developed something called the point of participation, the point where the patient and practitioner truly come together and share information. That's where the decisions are made. That's where the outcomes are determined. That's what we know least about."

"Every patient who walks through the door has both a mental and a physical problem. Every family doctor sees that. Some take the time to deal with it and some don't.

"People say to me. 'Oh, you're just interested in mental health.' I'm no more interested in mental health than I am in cancer or diabetes. But we've got to deal with emotions if we're going to do our job successfully."

"The two groups of people missing from the whole health care development now in this country are doctors and patients. The government is doing the paying, and business people are doing the organizing . . . Somehow we've got to reinvent doctors and patients."●

RULES OF THE COMMITTEE ON RULES AND ADMINISTRATION

● Mr. MATHIAS. Mr. President, in accordance with rule XXVI of the Standing Rules of the Senate, I hereby submit for publication in the CONGRESSIONAL RECORD the rules of procedure for the Committee on Rules and Administration.

The rules follows:

RULES OF PROCEDURE OF THE SENATE COMMITTEE ON RULES AND ADMINISTRATION

(Adopted March 20, 1985)

TITLE I—MEETINGS OF THE COMMITTEE

1. The regular meeting dates of the committee shall be the second and fourth Wednesdays of each month, at 10 a.m., in room SR 301, Russell Senate Office Building. Additional meetings may be called by the chairman as he may deem necessary or pursuant to the provisions of paragraph 3 of rule XXVI of the Standing Rules of the Senate.

2. Meetings of the committee, including meetings to conduct hearings, shall be open to the public, except that a meeting or series of meetings by the committee on the same subject for a period of no more than 14 calendar days may be closed to the public on a motion made and seconded to go into closed session to discuss only whether the matters enumerated in subparagraphs (A) through (F) would require the meeting to be closed followed immediately by a recorded vote in open session by a majority of the members of the committee when it is determined that the matters to be discussed or the testimony to be taken at such meeting or meetings—

(A) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(B) will relate solely to matters of committee staff personnel or internal staff management or procedure;

(C) will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy, or will represent a clearly unwarranted invasion of the privacy of an individual;

(D) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement;

(E) will disclose information relating to the trade secrets of financial or commercial information pertaining specifically to a given person if—

(1) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

(2) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person; or

(F) may divulge matters required to be kept confidential under other provisions of law or Government regulations. (Paragraph 5(b) of rule XXVI of the Standing Rules.)

3. Written notices of committee meetings will normally be sent by the committee's staff director to all members of the committee at least 3 days in advance. In addition, the committee staff will telephone reminders of committee meetings to all members of the committee or to the appropriate staff assistants in their offices.

4. A copy of the committee's intended agenda enumerating separate items of legislative business and committee business will normally be sent to all members of the committee by the staff director at least 1 day in advance of all meetings. This does not preclude any member of the committee from raising appropriate non-agenda topics.

TITLE II—QUORUMS

1. Pursuant to paragraph 7(a)(2) of rule XXVI of the Standing Rules, 8 members of the committee shall constitute a quorum for the reporting of legislative measures.

2. Pursuant to paragraph 7(a)(1) of rule XXVI of the Standing Rules, 5 members shall constitute a quorum for the transaction of business, including action on amendments to measures prior to voting to report the measure to the Senate.

3. Pursuant to paragraph 7(a)(2) of rule XXVI of the Standing Rules, 4 members of the committee shall constitute a quorum for the purpose of taking testimony under oath; provided, however, that once a quorum is established, any one members can continue to take such testimony.

4. Under no circumstances may proxies be considered for the establishment of a quorum.

TITLE III—VOTING

1. Voting in the committee on any issue will normally be by voice vote.

2. If a third of the members present so demand, a record vote will be taken on any question by rollcall.

3. The results of rollcall votes taken in any meeting upon any measure, or any amendment thereto, shall be stated in the committee report on that measure unless previously announced by the committee, and such report or announcement shall include a tabulation of the votes cast in favor of and the votes cast in opposition to each such measure and amendment by each member of the committee. (Paragraph 7 (b) and (c) of rule XXVI of the Standing Rules.)

4. Proxy voting shall be allowed on all measures and matters before the committee. However, the vote of the committee to report a measure or matter shall require the concurrence of a majority of the members of the committee who are physically present at the time of the vote. Proxies will be allowed in such cases solely for the purpose of recording a member's position on the question and then only in those instances when the absentee committee member has been informed of the question and has affirmatively requested that he be recorded. (Paragraph 7(a)(3) of rule XXVI of the Standing Rules.)

TITLE IV—DELEGATION OF AUTHORITY TO COMMITTEE CHAIRMAN

1. The chairman is authorized to sign himself or by delegation all necessary vouchers and routine papers for which the committee's approval is required and to decide in the committee's behalf all routine business.

2. The chairman is authorized to engage commercial reporters for the preparation of transcripts of committee meetings and hearings.

3. The chairman is authorized to issue, in behalf of the committee, regulations normally promulgated by the committee at the beginning of each session.●

METRORAIL FUNDING

● Mr. SARBANES. Mr. President, last December, I read with alarm the speech given by Ralph L. Stanley, the administrator of the Urban Mass Transit Administration, announcing that the administration is "virtually certain" to recommend cutting off all further funding for Washington's Metrorail System. Mr. Stanley's dire predictions have now unfortunately come true. Not only has the administration recommended no funding for Metro, but it has also sent the Congress draft surface transportation legislation which is an unmitigated disaster. Ending Federal funding of Metro is an incredibly shortsighted decision, which flies squarely in the face of solid support for Metro in the Congress and among the local jurisdictions which have provided so much of its funding. I will do everything I can to see that the Metrorail system is completed as originally envisioned.

We are now on a path which this administration has privately advocated for years. They have been looking for an excuse to end Federal support for Metro, and now with the advent of Gramm-Rudman they finally have it in hand. But they are proposing to move beyond even the ill-advised provisions of Gramm-Rudman. Mr. Stanley, in his comments, stated that $216 million in Metrorail funds appropriated last year still had not been released. This money has been available for over 1 year, and it has not been released to Metro, I believe, in hopes that Gramm-Rudman or some other convenient vehicle would come along to provide an excuse for impounding the money. Gramm-Rudman does not cover past fiscal years, and UMTA should release this funding immediately.

Not content simply to stretch Gramm-Rudman beyond its limits, Mr. Stanley has raised the issue of air safety to justify cutbacks in Metro funding. I have been a lifelong advocate of Federal programs to improve and to ensure the safety of this Nation's air travellers, but I would remind Mr. Stanley and this administration that there is approximately $7.5 billion in the aviation trust fund, which could and should be utilized for improving air safety. This is money which the travelling public has paid into a trust fund each time they fly which is to be used for the improvement of this Nation's air facilities and to enhance the safety of the flying public.

The wide support Metrorail enjoys in the Congress is, at least partially, based on the responsible approach to regional transportation taken by the jurisdictions in the Washington metropolitan area. Two years ago Mr. Stanley asked the Washington Metropolitan Area Transit Authority and the participating jurisdictions to develop a plan for the expenditure of the remaining Stark-Harris funding. This lead to the fourth interim capital contributions agreement [ICCA-IV], which has been approved by Mr. Stanley. This agreement carefully balances the interests of the eight participating jurisdictions. It is true that Metrorail is a "national" priority because it is built to serve the Nation's Capital; however, it is also a system that requires large investments from local governments. The actions just announced by the administration will, in essence, cancel this agreement so carefully and painstakingly worked out. Mr. Stanley approves the agreement and then announces that there will be no funds to implement it. This is simply irresponsible.

To make matters worse, Mr. Stanley has also given unsolicited advice to the Washington Metropolitan Area Transit Authority on which Metro lines to complete and to leave unfinished. As the Washington Post put it in its editorial of February 10, 1986, "* * * Members of Congress from both parties recognized the fiscal foolishness of wrecking long-planned completion of the national capital's 103-mile subway system."

Metrorail ought to be completed. It has been a great success in providing rapid rail service to the millions who live and work in this area, and in addition has assisted millions of American visitors to the Nation's Capital in making their stay in this beautiful city more pleasant. This administration has now moved to reduce funding or to terminate funding for programs it has opposed from the outset. Gramm-Rudman is the excuse, but the result is the same. Important transportation programs such as Metrorail receive no funding in the President's budget. This action is unwarranted and ought to be reconsidered and reversed. The Congress has authorized an additional $733 million after fiscal year 1986 for completion of Metro, and I will urge it to accept the challenge of finishing this important transportation system.●

ACCESS TO HEALTH CARE

● Mr. DURENBERGER. Mr. President, we Americans often pride ourselves on being the richest nation on Earth, being on the cutting edge of technology, having the most advanced health care system in the world. In this country, we spend $1 billion a day on health care. This is a huge sum of money, and whether it is too much or too little depends to a great extent on the return we get from that investment.

In yesterday's Washington Post, I read a story that should put the proud to shame, and give those of us who know there are deficiencies in the health care system and are trying to make reforms, a clearer picture of the return this investment is actually generating.

A young woman, Linda S. Cohen, after returning from a trip to Asia, discovered she had malignant melanoma, a cancerous mole on her chest. Linda had quit her job to take her trip, and thus was without health insurance when her cancer was diagnosed. In the

article she explains the extreme difficulty she had in finally obtaining life-saving surgery and treatment. "Medical treatment was not accessible to me because I had no health insurance."

I submit to my colleagues and all Americans that in a country with $1-billion-a-day health care system, that this is unconscionable.

It is estimated that over 30 million people in the United States are uninsured. Legislation that I have introduced, S. 1620, would establish a National Council on Access to Health Care to determine just where we are as a nation in assuring access to needed health care. Linda Cohen's story, I believe, sends us a clear message of why the National Council on Access to Health Care should be established. I ask my colleagues to read the article that follows my statement and offer their support not only of S. 1620, but of finding a way to assure access to needed health services. We all will then receive a far better return on the investment of our health care dollars.

Mr. President, I ask that the text of the article be printed in the RECORD.

The text of the article follows:

[From the Washington Post, Feb. 26, 1986]

THE AMERICAN MEDICAL MAZE ALMOST COST ME MY LIFE

(By Linda S. Cohen)

In April 1984 I quit my job, took a year off and explored the continent of Asia as well as parts of the South Pacific. When I returned to Los Angeles in April 1985, it was discovered that I had a malignant melanoma, a cancerous mole on my chest.

Incredible as it may seem, in a country that boasts the most advanced medicine and technology, medical treatment was not accessible to me because I had no health insurance and very little money. Although this type of cancer is curable, it is fatal if left untreated, so I was urged to have immediate surgery.

In my case, nine centimeters around the tumor needed to be excised in case the cancer cells had jumped beyond the original site, which would require skin grafting from the thigh. I was 33 years old, and although not easily frightened, the thought of being left to face cancer to its bitter end chilled me. I had no choice.

My parents offered to take a loan out on my behalf since I could not obtain one on my own. I was broke from the trip. I hoped, though, to seek medical assistance for the first time in my life.

My cousin, a doctor, was required to sign a form for the hospital making him liable for expenses. Because I lacked the money to obtain the services of a plastic surgeon, a general surgeon who never had done this procedure in the chest area performed the operation. When asked how it would look, he could give me no real answer, which was not reassuring.

Even though this was a major operation and required hospitalization, especially since my left side was immobilized because of the grafting (I am left-handed), I could not afford to stay in the hospital and left immediately after the operation.

I stayed with a relative who worked all day, and I found it hard to cope. The day after the surgery found me sprawled out on the floor, dizzy with weakness after trying to prepare a meal. It was a frustrating and depressing time—trying to deal with the emotions of having cancer, the pain and taking care of myself. I longed to go home and be with my family, who could not afford to take the time off from work to be with me.

My skin graft healed slowly and, according to the surgeon, did not look right. I could not bear to look at the wound and kept it covered at all times. Even now, when it's not hidden by my clothes, I see people stare, unable to mask their true feelings.

I tried to obtain medical assistance from the state of California, where I had the operation, but was told I must possess a California driver's license. However, I was unable to drive a car because of the surgery, and besides, my car was in Maryland.

When I applied for medical assistance from Maryland, they claimed I was no longer a resident (even after paying Maryland taxes for the year I was abroad and after living in the area for 20 years). Maryland insisted I ask California to reimburse me for the operation My appeal to the Maryland Social Services Agency reversed the decision, but because the ordeal had dragged on for so long. I had already paid for the operation out of borrowed funds. Also, reciprocity of payment from Maryland to California did not seem to work, as I later found out with my anesthesiologist bill.

I am now considered "potentially"cured, but must be checked every three months, so I am enrolled in a cancer follow-up program at Georgetown University Hospital. I have tried to obtain health insurance for future treatment but have been told that any cancer-related services would not be covered. One company told me there must be a 10-month period of waiting before I could be considered for health insurance for my pre-existing condition, if I am accepted for coverage after review of my case. The monthly rates were quite high. I have opted for no health insurance.

My skin graft, unfortunately, is a ghastly sight, and recently I consulted a plastic surgeon who does cancer reconstruction. He said that the skin graft did not take well and did not know why. He recommended that it be removed and a biopsy done. A large incision, the length of my chest, would have to be made and then sewn together. This, he felt, required two questions.

Of course, without access to funds, and given my lack of health insurance, I would have to forgo the costly procedure in an operating room and would have the surgery in his office. I had scheduled the operation for the winter, but recently canceled it because I could not save the money in time; also, the memory of pain is still too clear in my mind and I cannot face it at the moment.

I find it shocking that people can die in this country from lack of medical aid if not properly insured or financially set.

While I was traveling in the mountainous jungles of Thailand, I burned an entire buttock when I upset a tea kettle full of boiling water, and walked for two days with blisters the size of my hand. Upon arrival in a town, I went to the emergency ward of a local hospital, where they scraped the burn and gave me morphine and pain medicine. Every day for two weeks I went to the hospital to have the wound changed and dressed without charge.

People were never turned away from this hospital, and the majority of the patients were very poor. Although the facilities lacked the sophistication and standards of the West, it was reassuring to know that I could seek medical aid in an emergency. Somewhere, I think, this country has lost sight of what medical facilities should provide; they have become a business accessible only to those who meet certain critieria.

At times now, I shudder to think what would happen if complications were to arise in my case, as I would not be able to seek medical aid. It is a frightening thought that has kept me awake many nights. I am currently working at temporary jobs to pay off my last operation and, I hope, gather funds for the next two. After cancer, the future is the present, since the ominous prospect of death seems less remote.●

ROBERT PENN WARREN, POET LAUREATE OF THE UNITED STATES

● Mr. DODD. Mr. President, I rise to praise Robert Penn Warren, the first Poet Laureate of the United States. Connecticut has a longstanding and enjoyable relationship with Mr. Penn Warren, now a resident of Fairfield and previously a professor of English at Yale University in New Haven. Although, Mr. President, it indeed would be my honor and privilege to claim Mr. Penn Warren as a favorite son, I realize that his importance to the Nation supersedes any ties to one State. Mr. Penn Warren's concise, effective prose serves as a glimmering example of all that is enchanting and eloquent in literature, a figure and writing style that proves invaluable to present and, more importantly, future generations.

Mr. Penn Warren was an original member of the fugitive writers, arguably the most famed and distinctly American stylists in our country's history. Penn Warren, along with such noted authors as John Crowe Ransome and Allen Tate, assembled periodically and conducted readings and discussions on important topics in literature.

Growing up in Kentucky, the young Penn Warren spent many hours being indulged by his grandfathers, both Confederate soldiers, with tales of the old South. Mr. Penn Warren then ascended to Vanderbilt University in Nashville where, in the collegiate atmosphere, his career began. Although some literary critics claim Mr. Penn Warren's published material over the last 20 years has been his most notable accomplishments, most of us will remember him for his 1946 novel "All the Kings' Men"—the tale of Willie Stark, a fictionalized account of the life of Senator Huey Long of Louisiana.

Although this country has produced such noted poets as Robert Frost, Walt Whitman, and others, Penn Warren is the first to achieve the high distinction of being named the Nation's first Poet Laureate by the Library of Congress.

Upon being notified of this distinction, Mr. Penn Warren chose to expound on the differences between the

role of Poet Laureate here and in Great Britain. "That (the British system) belongs to the old system of things, it's part of the trappings of the monarchy—a kind of hired applauder, and I couldn't have any of that." How uniquely Penn Warren, how uniquely American.●

PRESIDENT REAGAN'S SPEECH ON NATIONAL DEFENSE

● Mr. DENTON. Mr. President, last night President Reagan delivered a considered but firm explanation of the need for our Nation to continue its efforts to ensure the defense and security of the American people.

The President did not argue for a massive build-up, and he did not find Communists under every piece of furniture. He did point out that our Nation continues to face a serious challenge from the Soviet Union and from its surrogates, and that we must stay steady on course to ensure that we can respond effectively to it.

He also pointed out the evolution of our spending on defense since the time when John F. Kennedy was President, an example that I myself have used on this floor. He said, as I have said, that the proportion of our gross national product and of our Federal budget spent on defense has decreased substantially since Kennedy's time, although the threat has neither gone away nor decreased.

Finally, he pointed out that spending on defense is not the cause of the deficit in the Federal budget. Rather, the cause is to be found in Federal spending on other programs altogether.

Mr. President, the President is right on the key point. Last year the Congress agreed with him upon what we should spend on defense for fiscal years 1986, 1987, 1988. We agreed on 0 percent real growth for 1986, and 3 percent real growth for each of the following 2 years. We agreed on that, it was as we say here "a done deal."

We made a deal. We agreed to it. We must abide by it. The American people, the security of our country, deserve no less.

Mr. President, I ask unanimous consent that the text of the President's speech of February 26, 1986 be printed in full in the RECORD immediately following my remarks.

The text of the speech follows:

TEXT OF AN ADDRESS BY THE PRESIDENT TO THE NATION

February 26, 1986

My fellow Americans, I want to speak to you this evening about my highest duty as President—to preserve peace and defend these United States.

Before I do, let me take a moment to speak about the situation in the Philippines. We've just seen a stirring demonstration of what men and women committed to democratic ideas can achieve. The remarkable people of those 7,000 islands joined together with faith in the same principles on which America was founded—that men and women have the right to freely choose their own destiny. Despite a flawed election, the Filipino people were understood. They carried their message peacefully, and they were heard across their country and across the world.

We salute the remarkable restraint, shown by both sides, to prevent bloodshed during these last tense days. Our hearts and hands are with President Aquino and her new government as they set out to meet the challenges ahead. Today the Filipino people celebrate the triumph of democracy and the world celebrates with them.

One cannot sit in this office reviewing intelligence on the military threat we face, making decisions from arms control, to Libya, to the Philippines, without having that concern for America's security weigh constantly on your mind.

We know that peace is the condition under which mankind was meant to flourish. Yet, peace does not exist of its own will. It depends on us—on our courage to build it and guard it and pass it on to future generations.

George Washington's words may seem hard and cold today, but history has proven him right again and again: To be prepared for war, he said, is one of the most effective means of preserving peace.

To those who think strength provokes conflict, Will Rogers had his own answer. He said of the world heavyweight champion of his day: I've never seen anyone insult Jack Dempsey.

The past 5 years have shown that American strength is once again a sheltering arm for freedom in a dangerous world. Strength is the most persuasive argument we have to convince our adversaries to negotiate seriously and to cease bullying other nations.

But tonight, the security program that you and I launched to restore America's strength is in jeopardy—threatened by those who would quit before the job is done. Any slackening now would invite the very dangers America must avoid—and could fatally compromise our negotiating position. Our adversaries, the Soviets—we know from painful experience—respect only nations that negotiate from a position of strength. American power is the indispensable element of a peaceful world—it is America's last, best hope of negotiating real reductions in nuclear arms. Just as we are sitting down at the bargaining table with the Soviet Union, let's not throw America's trump card away.

We need to remember where America was 5 years ago. We need to recall the atmosphere of that time—the anxiety that events were out of control, that the West was in decline, that our enemies were on the march.

It was not just the Iranian hostage crisis or the Soviet invasion of Afghanistan, but the fear—felt by many of our friends—that America could not, or would not, keep her commitments. Pakistan, the country most threatened by the Afghan invasion, ridiculed the first offer of American aid as "peanuts." Other nations were saying that it was dangerous, deadly dangerous, to be a friend of the United Staes.

It was not just years of declining defense spending, but a crisis in recruitment and retention and the outright cancellation of programs vital to our security.

The Pentagon horror stories at the time were about ships that couldn't sail, planes that couldn't fly for lack of spare parts, and army divisions unprepared to fight.

And it was not just a one-sided arms agreement that made it easy for one side to cheat, but a treaty that actually permitted increases in nuclear arsenals. Even supporters of Salt II were demoralized saying, well, the Soviets just won't agree to anything better. And when President Carter had to abandon the treaty because Senate leaders of his own party wouldn't support it, the United States was left without a national strategy for control of nuclear weapons.

We knew immediate changes had to be made. So here's what we did.

We set out to show that the long string of governments falling under Communist domination was going to end. And we're doing it.

In the 1970's one strategic country after another fell under the domination of the Soviet Union.

The fall of Laos, Cambodia, and South Vietnam gave the Soviet Union a strategic position on the South China Sea. The invasion of Afghanistan cut nearly in half Soviet flying time to the Persian Gulf. Communist takeovers in South Yemen and Ethiopia put the Soviets astride the Red Sea—entryway to the Suez Canal. Pro-Soviet regimes in Mozambique and Angola strengthened the Soviet position in southern Africa; and finally, Grenada and Nicaragua gave Moscow two new beachheads right on the doorstep of the United States.

In these last 5 years, not one square inch of territory has been lost—and Grenada has been set free.

When we arrived in 1981, guerrillas in El Salvador had launched what they called their "final offensive" to make that nation the second Communist state on the mainland of North America. Many people said the situation was hopeless; they refused to help. We didn't agree; we did help. Today those guerrillas are in retreat. El Salvador is a democracy and freedom fighters are challenging communist regimes in Nicaragua, Afghanistan, Angola, Cambodia, and Ethiopia.

We set out to show that the Western alliance could meet its security needs, despite Soviet intimidation. And we're doing it. Many said that to try to counter the Soviet SS-20 missiles would split NATO because Europe no longer believed in defending itself. Well, that was nonsense. Today, Pershing and cruise missile deployments are on schedule, and our allies support the decision.

We set out to reverse the decline in morale in our Armed Forces. And we're doing it. Pride in our Armed Forces has been restored. More qualified men and women want to join—and remain in—the military. In 1980, about half of our Army's recruits were high school graduates; last year, 91 percent had high school diplomas.

Our Armed Forces may be smaller in size than in the 1950's, but they're some of the finest young people this country has ever produced. And as long as I'm President, they'll get the quality equipment they need to carry out their mission.

We set out to narrow the growing gaps in our strategic deterrent. And we're beginning to do that. Our modernization program—the MX, the Trident submarine, the B-1 and Stealth bombers—represents the first significant improvement in America's strategic deterrent in 20 years.

Those who speak so often about the so-called arms race ignore a central fact: In the decade before 1981, the Soviets were the only ones racing.

During my 1980 campaign, I called Federal waste and fraud a national scandal. We knew we could never rebuild America's strength without first controlling the exploding cost of defense programs. And we're doing it.

When we took office in 1981, costs had been escalating at an annual rate of 14 percent. Then we began our reforms. And in the last 2 years, cost increases have fallen to less than 1 percent.

We've made huge savings. Each F-18 fighter costs nearly $4 million less today than in 1981. One of our air-to-air missiles costs barely half as much.

Getting control of the defense bureaucracy is no small task.

Each year the Defense Department signs hundreds of thousands of contracts. So, yes, a horror story will sometimes turn up despite our best efforts. That is why we appointed the first Inspector General in the history of the Defense Department—and virtually every case of fraud or abuse has been uncovered by our Defense Department, our Inspector General. Secretary Weinberger should be praised, not pilloried, for cleaning the skeletons out of the closet. As for those few who have cheated taxpayers, or have swindled our Armed Forces with faulty equipment, they are thieves stealing from the arsenal of democracy—and they will be prosecuted to the fullest extent of the law.

Finally, we set out to reduce the danger of nuclear war. Here, too, we're achieving what some said couldn't be done. We've put forth a plan for deep reductions in nuclear systems; we're pushing forward our highly promising Strategic Defense Initiative—a security shield that may one day protect us and our allies from nuclear attack, whether launched by deliberate calculation, freak accident, or the isolated impulse of a madman. Isn't it better to use our talents and technology to build systems that destroy missiles, not people?

Our message has gotten through. The Soviets used to contend that real reductions in nuclear missiles were out of the question. Now, they say they accept the idea. Well, we shall see. Just this week, our negotiators presented a new plan for the elimination of intermediate-range nuclear missiles, and we are pressing the Soviets for cuts in other offensive forces as well. One thing is certain: If the Soviets truly want fair and verifiable agreements that reduce nuclear forces, we will have those agreements.

Our defense problems 5 years ago were immense, and drastic action was required. Even my predecessor in this office recognized that and projected sizeable increases in defense spending—and I'm proud of what we've done.

Now, the biggest increases in defense spending are behind us. That's why, last summer, I agreed with Congress to freeze defense funding for 1 year, and after that to resume a modest 3-percent annual growth. Frankly, I hesitated to reach this agreement on a freeze because we still have far too much to do. But I thought that congressional support for steady increases over several years was a step forward.

But this didn't happen. Instead of a freeze, there was a sharp cut—a cut of over 5 percent. And some are now saying that we need to chop another 20, 30, even 50 billion dollars out of national defense.

This is reckless, dangerous, and wrong. It's backsliding of the most irresponsible kind, and you need to know about it. You, after all, paid the bill for all we've accomplished these past 5 years. But we still have a way to go. Millions of Americans actually believe we are now superior to the Soviet Union in military power. Well, I'm sorry, but if our country is going to have a useful debate on national security, we have to get beyond the drumbeat of propaganda and get the facts on the table.

Over the next few months, you'll be hearing this debate. I'd like you to keep in mind the two simple reasons not to cut defense now. One, it's not cheap. Two, it's not safe. If we listen to those who would abandon our defense program, we will not only jeopardize negotiations with the Soviet Union—we may put peace itself at risk.

I said it wouldn't be cheap to cut. How can cutting not be cheap? Simple. We tried that in the seventies and the result was waste, enormous waste—hundreds of millions of dollars lost because the cost of each plane and tank and ship went up, often, way up. The old shoppers' adage proved true—They are cheaper by the dozen.

Arbitrary cuts only bring phony savings, but there's a more important reason not to abandon our defense program. It's not safe.

Almost 25 years ago, when John Kennedy occupied this office during the Cuban missile crisis, he commanded the greatest military power on Earth. Today, we Americans must live with a dangerous new reality. Year-in and year-out, at the expense of its own people, the Soviet leadership has been making a relentless effort to gain military superiority over the United States.

Between 1970 and 1985 alone, the Soviets invested $500 billion more than the United States in defense—and built nearly three times as many strategic missiles.

As a consequence of their enormous weapons investment, major military imbalances still exist between our two countries.

Today the Soviet Union has deployed over one-and-a-half times as many combat aircraft as the United States, over two-and-a-half times as many submarines, over five times as many tanks, and over eleven times as many artillery pieces.

We have begun to close some of these gaps, but if we are to regain our margins of safety, more must be done. Where the Soviets once relied on numbers alone, they now strive for both quantity and quality. We anticipate that over the next 5 years, they will deploy on the order of 40 nuclear submarines, 500 new ballistic missiles, and 18,000 modern tanks. My 5-year defense budget maintains our commitment to America's rebuilding program. And I am grateful that Secretary Weinberger is here to fight for that program with all the determination and ability he has shown in the past.

But my budget does not call for matching these Soviet increases. So one question must be asked: Can we really afford to do less than what I've proposed?

Today we spend a third less of our gross national product on defense than under John Kennedy—yet, some in Congress talk of even deeper cuts. Barely 6 percent of our Nation's GNP—that's all we invest to keep America free, secure, and at peace. The Soviets invest more than twice as much. But now strip away spending on salaries, housing, dependents and the like and compare. The United States invests on actual weapons and research only 2.6 percent of our Gross National Product, while the Soviet Union invests 11 percent on weapons—more than four times as much.

This is the hard, cold reality of our defense deficit.

But it is not just the immense Soviet arsenal that puts us on our guard. The record of Soviet behavior—the long history of Soviet brutality toward those who are weaker—reminds us that the only guarantee of peace and freedom is our military strength and our national will. The peoples of Afghanistan and Poland, of Czechoslovakia and Cuba, and so many other captive countries—they understand this.

Some argue that our dialogue with the Soviets means we can treat defense more casually. Nothing could be further from the truth. It was our seriousness about defense that created the climate in which serious talks could finally begin.

Now that the Soviets are back at the table, we must not undercut our negotiators. Unfortunately, that's exactly what some Members of Congress have done. By banning any U.S. tests of an anti-satellite system, Congress not only protected a Soviet monopoly, it unilaterally granted the Soviets a concession they could not win at the bargaining table.

So our defense program must rest on these principles.

First, we must be smart about what we build. We don't have to copy everything the Soviets do. We don't have to compete on Soviet terms.

Our job is to provide for our security by using the strengths of our free society. If we think smart enough, we don't have to think quite so big. We don't have to do the job with large numbers and brute force.

We don't have to increase the size of our forces from 2 million to their 5 million—as long as our military men and women have the quality tools they need to keep the peace. We don't have to have as many tanks as the Soviets as long as we have sophisticated anti-tank weapons.

Innovation is our advantage. One example: Advances in making airplanes and cruise missiles almost invisible to Soviet radar could neutralize the vast air defense systems upon which the Soviets—and some of their most dangerous client states—depend.

But innovation is not enough. We have to follow through. Blueprints alone don't deter aggression. We have to translate our lead in the lab to a lead in the field. But when our budget is cut, we can't do either.

Second, our security assistance provides as much security for the dollar as our own defense budget. Our friends can perform many tasks more cheaply than we can. That's why I can't understand proposals in Congress to sharply slash this vital tool. Military assistance to friends in strategic regions strengthens those who share our values and interests. And when they are strong, we are strengthened. It is in our interest to help them meet threats that could ultimately bring harm to us as well.

Third, where defense reform is needed, we will pursue it. The Packard Commission we created will be reporting in 2 days.

We hope they will have ideas for new approaches that give us even better ways to buy our weapons. We are eager for good ideas, for new ideas—America's special genius. Wherever the Commission's recommendations point the way to greater executive effectiveness, I will implement them, even if they run counter to the will of the entrenched bureaucracies and special interests. I will also urge Congress to heed the Commission's report and to remove those obstacles to good management that Congress itself has created over the years.

The fourth element of our strategy for the future is to reduce America's dependence on nuclear weapons.

You've heard me talk about our Strategic Defense Initiative, the program that could one day free us all from the prison of nuclear terror. It would be pure folly for the United States not to press forward with SDI when the Soviets have already invested up to 20 years on their own program. Let us not forget that the only operational missile defense in the world today guards the capital of the Soviet Union—not the United States.

But while SDI offers hope for the future, we have to consider today's world. For too long, we and our allies have permitted nuclear weapons to be a crutch, a way of not having to face up to real defense needs. We must free ourselves from that crutch. Our goal should be to deter, and if necessary to repel, any aggression without a resort to nuclear arms.

Here, again, technology can provide us with the means not only to respond to full-scale aggression, but to strike back at terrorists, without harming innocent civilians.

Today's technology makes it possible to destroy a tank column up to 120 miles away without using atomic weapons. This technology may be the first cost-effective conventional defense in post-war history against the giant Red Army. When we fail to equip our troops with these modernized systems, we only increase the risk that we may one day have to resort to nuclear weapons.

These are the practical decisions we make when we send a defense budget to Congress. Each generation has to live with the challenges history delivers. And we can't cope with these challenges by evasion.

If we sustain our efforts now, we have the best chance in decades of building a secure peace. That's why I met with General Secretary Gorbachev last year. That's why we're talking to the Soviets today, bargaining—if Congress will support us—from strength.

We want to make this a more peaceful world. We want to reduce arms. We want agreements that truly diminish the nuclear danger. We don't just want signing ceremonies and color photographs of leaders toasting each other with champagne. We want more. We want real agreements—agreements that really work—with no cheating. We want an end to state policies of intimidation, threats, and the constant quest for domination. We want real peace.

I will never ask for what isn't needed; I will never fight for what isn't necessary. But I need your help.

We've come so far together these last 5 years—let's not falter now. Let's maintain that crucial level of national strength, unity, and purpose that has brought the Soviet Union to the negotiating table, and has given us this historic opportunity to achieve real reductions in nuclear weapons and a real chance at lasting peace. That would be the finest legacy we could leave behind—for our children and for their children.●

PRISONERS IN VIETNAM

● Mr. HATFIELD. Mr. President, all of us are encouraged by the thawing process now taking place in relations between the United States and Vietnam, for it provides hope in the decade-old quest for resolution of the MIA question.

Many of the compelling interests of the United States Government have been frustrated by the ice-cold atmosphere that has characterized United States-Vietnam relations. We have been unable to influence the course of affairs in Cambodia or in Laos, and to successfully protect those individuals particularly vulnerable to oppression in Vietnam: the Amerasian children.

Today I would like to bring to the attention of my colleagues a group of individuals who still languish in Vietnam and who often find themselves the "forgotten factor" in the resumption of dialog between the United States and Vietnam. I am referring to the approximately 8,000 reeducation camp prisoners who still suffer because of their political beliefs and their former association with our Government. Many of them are former soldiers who staked their lives in defense of the United States interests in Vietnam. While the United States has been able to resettle tens of thousands of these brave individuals, we cannot rest until our moral obligation is fully satisfied.

Anyone who wants to know if there are reeducation camp victims left can go to site 2 along the Thai-Cambodian border, a sprawling camp of 120,000 refugees, predominantly Cambodians. In a tiny sector of this camp, penned in by two thin strips of barbed wire, lives 4,300 Vietnamese who crossed Cambodia by foot and who now find themselves surrounded by their traditional enemies, the Cambodians. Fortunately, because all of the residents of the camp have a common trait—they have fled Vietnamese persecution—these "foot people" are able to exist with only isolated incidents of intimidation from their Khmer neighbors. The head of this small refugee delegation, Huynh Pham, spent 8 years in reeducation camp before he slipped out of Vietnam a couple of years ago.

Or go to Hong Kong, to the Argyle Transit Camp, and meet Bui Van Hoan who fled Vietnam by boat this past summer. In 1958, at the age of 18, he went to an officer's training school run by French and American military personnel. He was a captain in the Vietnam war and fought to the very end. But when that war ended, he was arrested and taken to reeducation camp, where he spent 3 years digging ditches, cutting wood, and enduring the harassment of his "reeducators."

Incredible as it may sound, Mr. Bui and Mr. Huynh are the lucky ones—they got out of Vietnam and both will be in the United States soon. But their stories serve to remind us that the United States has a responsibility which has not been fully discharged and will not be fully discharged until all of the reeducation camp prisoners are fairly dealt with.

For that reason, any resumption of United States-Vietnam relations must be contingent on an expedient resolution of the reeducation camp prisoner question.

Two very gifted writers present this case far more effectively than I have today. Roger Winter, director of the U.S. Committee for Refugees, and Jerry Tinker, counsel for Senator KENNEDY on the Immigration and Refugee Policy Subcommittee, recently submitted editorials on the subject of the plight of the reeducation camp prisoners.

Both of these men qualify as experts in the field of U.S. refugee policy, and both have a great deal to say on the subject of our "forgotten friends." I ask that the texts of both of these editorials be placed in the RECORD at this time, and I commend them to the careful consideration of my colleagues.

The editorials follow:

[From the New York Times, Jan. 27, 1986]

THE VIETNAMESE LEFT STRANDED MERIT CONSIDERATION

(By Jerry M. Tinker)

WASHINGTON.—Two weeks ago, senior officials from the State Department and Defense Department visited Hanoi to achieve greater progress on the issue of Americans missing in action from the Vietnam War. A Congressional delegation went to Vietnam for that purposes last week. All this is welcome news. As the son of an American seaman still missing in action from World War II, I share the hope of achieving as full an accounting of our M.I.A.'s as possible.

But there are other humanitarian issues remaining from the Vietnam War that have not received the same priority. Under the Reagan Administration, the missing-in-action issue has become the main preoccupation of our foreign policy toward Vietnam—certainly the only one that has received the sustained attention of our most senior officials. Yet the living whom we left behind in Vietnam deserve the same concern that we have given to the dead and the missing.

Two groups in particular merit our sustained attention. One consists of and estimated 5,000 to 10,000 Vietnamese political prisoners still confined to "re-education camps." The other consists of relatives of South Vietnamese who escaped to the United States and other countries at the end of the war. If they are to have any hope at all of being reunited with their families, they will require the same level of diplomatic intervention that we have given the M.I.A.'s. But since we have yet to provide such intervention, the Vietnamese must assume that political prisoners and divided families rank well down on our list of diplomatic priorities.

The Reagan Administration seems to have forgotten that in 1982 the leaders of the present Vietnamese Government offered to release political prisoners. But they heard nothing authoritative from our Government until 1984, when Secretary of State George P. Shultz belatedly accepted the offer. At that point, for reasons that are still not entirely clear, the Vietnamese got cold feet. But that was no reason for the United States to abandon the effort. Since then, we have sent relatively low-level delegations to meet with the Vietnamese on these and other humanitarian issues (usually in Geneva, not in Hanoi)—hardly a convincing signal of our interest.

In time, we should normalize our relations with Vietnam, beginning perhaps by asking

another government to represent our interests in Hanoi. But if that seems too abrupt or radical for the White House, at least we should ask our officials to raise these issues when they visit Hanoi. The number of individuals involved is not large, but their plight worsens every year.

America has a generous record of accepting Indochinese refugees over the past decade. The priority we have given the M.I.A. issue is not misplaced. But now we must include in our concerns those who have, in the words of the Refugee Act of 1980, some strong claims upon the "special humanitarian concern" of the United States—the civilian and military officials and families of the former Government in Saigon who accepted our assurances of support. We cannot fail to go the extra mile on their behalf.

[From the Sun, Jan. 31, 1986]

VIETNAM'S OTHER MIA'S

(By Roger P. Winter)

WASHINGTON.—As it negotiates with Vietnam for information about American servicemen still listed as missing in action in Southeast Asia, the Reagan administration is neglecting another very important issue.

That is the issue of the "re-education" prisoners, people detained in Vietnam because of their political beliefs and former association with the U.S. They number approximately 8,000, including many former soldiers who fought on behalf of U.S. interests.

As is also true of missing Americans, they have families who cannot reach them and are wrenched by the uncertainty that surrounds their loved ones. The difference, though, is that while the existence of surviving American prisoners is speculative, the fate of the Vietnamese in re-education is known.

The MIA talks between U.S. and Vietnamese officials center largely on accounting for and returning the remains of men who have been dead for years; the re-education prisoners are alive and suffering in the camps where they have been held under harsh conditions ever since Saigon fell in 1975.

Unfortunately, the marginality of their lives in those camps is mirrored by that of the re-education issue in diplomatic circles. Even as relations warm between Vietnam and the U.S., the two countries which can end these prisoners' hell, the matter has generated scant attention.

For years, there was nothing but silence surrounding the issue. Then, Foreign Minister Nguyen Co Thach indicated in 1982 that Vietnam would allow the incarcerated freedom if the U.S. agreed to take them all. The U.S., too preoccupied with weighing the logistics of a release, responded slowly. Finally, in September 1984, over two years after the first "signal" from Hanoi shot westward, Secretary of State George Shultz announced that the U.S. was willing to accept and resettle Vietnamese detainees.

The Shultz announcement was welcomed, right, and appropriate, but the hopefulness it spawned didn't last. Subsequently and unexpectedly, Vietnam changed its release offer, demanding that the U.S. "guarantee" that freed prisoners wouldn't become anti-Hanoi subversives once they were resettled.

This new position emerged in the atmosphere of espionage trials in Vietnam, and appealed to hardliners there who regard those in re-education as war criminals. In the wake of the turnabout, the whole re-education issue was shuffled to the background.

The recent Hanoi talks between U.S. and Vietnamese officials on MIAs offered the perfect opportunity to revive the issue, and a revival of sorts occurred.

It was feeble, however. According to a State Department source, a discussion about the prisoners was "in the margins" of the American agenda in Hanoi. Reportedly, the Vietnamese responded negatively to an informal U.S. attempt to raise the issue, and the matter was quickly dropped. Though the Vietnamese should be faulted for their position, it is bothersome that the plight of the re-education prisoners seemed only of passing interest to the American side as well. The lack of emphasis doesn't seem consistent with the Shultz announcement of 1984, and significantly reflects that the prisoners lack two key things—advocates in Washington, and the personal interest of President Reagan.

Tragically, the incarcerated suffer the most from the failure of the U.S. and Vietnam to bring about their freedom. They are the ones who continue to break from years of hard labor, who still eat poorly, still have their illnesses go unattended, and still long for contact with loved ones.

What is doubly frustrating is that the U.S. is in a strong position to bargain for a release. Late last year, Vietnamese Premier Pham Van Dong (who had earlier personally endorsed the release of re-education prisoners if the U.S. would accept them) told an interviewer that economic development is his country's "prime task," and that Vietnam needs to broaden its economic relations beyond the Soviet bloc in order to undertake it.

The Indochinese nation is so desperate financially that it recently announced plans to liberalize its investment law in order to attract foreigners. As things stand now, though, no money can come from the country that the Vietnamese want to entice most of all—the United States. Federal legislation that reflects the legacy of the war years prohibits American trade with Vietnam.

The trade prohibition should be used as leverage. In no uncertain terms. American officials at the highest levels should tell Vietnam that the U.S. wants a prisoner release and that trade won't be forthcoming until one occurs. Though this suggestion may seem premature—trade relations usually stem from diplomatic relations, which are nonexistent between the U.S. and Vietnam—the ceaseless suffering of those in re-education, people who also are "ours," demands that it be adopted as soon as possible. Such action would be a very big first step toward ending the neglect that continues eleven years after the end of the war in Southeast Asia.●

THE SIZE OF THE PENTAGON STAFF

● Mr. GOLDWATER. Mr. President, during Tuesday's Senate session, I mentioned that since Senator NUNN and I presented the preliminary findings of the Senate Armed Services Committee Task Force on Department of Defense reorganization in the Pentagon, we have received innumerable calls from the Pentagon from people on the staff over there, questioning our motives. The reason for the great number of calls that we received has to do, in large part, with the size of the staffs of the military services in the Pentagon.

Earlier this week, I inserted in the CONGRESSIONAL RECORD the pages of the Pentagon telephone book which apply to the Marine Corps staff, which is the smallest of all the services, as illustrative of the size of the staffs of the various services relative to the force it serves.

Due to the problems of printing and the costs involved, I am going to forego printing any more pages of the telephone book, but I do want to use it as an example of how I feel the Pentagon staff has grown so large over the years.

During the recent Senate Armed Services Committee hearings concerning DOD reorganization, Senator SAM NUNN and Secretary Lehman of the Navy engaged in an animated discussion on this very subject, during which Senator NUNN pointed out that the Navy Department took up 58 pages of the Pentagon telephone book. Senator NUNN admitted that while this may not be an accurate measure of the size of the bureaucracy in the Pentagon, it certainly has to be an indicator.

In reviewing the pages of the Pentagon telephone directory that deal with the Army staff, you will find that those listings take up 28 pages or somewhere in the neighborhood of about 9,000 people, serving approximately 1.5 million active duty, Reserve and National Guard personnel. Then there is the Navy Department, which encompasses a total of 58 pages, six of those devoted to the Marine Corps, leaving a net total of 52 pages totaling somewhere in the neighborhood of 14,000 staff members in the Pentagon, with 710,000 active and Reserve personnel. The Department of the Air Force also covers 15 pages and has approximately 4,000 staff members serving a total force of 796,000 people, and, finally, the Defense Department itself and its other agencies with a total of 21 pages.

Now, as I mentioned before, this may be a simplistic way to measure the size of the bureaucracy in the Pentagon, but I feel that it certainly points out that we have too many people, both military and civilian, over there managing the forces that we now have serving our country.●

LIABILITY INSURANCE

● Mr. DANFORTH. Mr. President, the high cost and scarcity of liability insurance is a prevasive problem in America today; it is a safe bet that every Member of the Senate has heard from constituents expressing concern about finding affordable insurance. In order to learn more about this problem and to explore what action Congress might take to help ease the current crisis, the Senate Commerce Com-

mittee last week completed the first of 2 days of hearings on this important subject. The committee received testimony indicating that the shortage of liability insurance may be the result of several different factors, including a cyclical downturn in the commercial insurance market and the increased cost and unpredictability of the civil justice system.

While the complete record of the hearings will be made available after the hearings are concluded, I wish to share with other Senators the testimony the committee received from two insurance brokers, Dr. Robert Moore and Mr. Alan Page. Dr. Moore's testimony provides a good summary of the problem and its implications for the American economy. Mr. Page discusses what I consider to be one of the most sensible means of coping with insurance unavailability—encouraging the use of self-insurance alternatives to the conventional insurance market.

I ask that the statements be printed in the RECORD.

The statements follow:

TESTIMONY OF ROBERT H. MOORE, SENIOR VICE PRESIDENT, ALEXANDER & ALEXANDER SERVICES INC., ON BEHALF OF NATIONAL ASSOCIATION OF INSURANCE BROKERS

Mr. Chairman and members of the committee, thank you for the invitation to appear before you today.

I am here as president of the National Association of Insurance Brokers (NAIB), an organization of American brokers who, in 1985, were responsible for administering over $30 billion in premiums. Our members are large international companies as well as regional and local firms.

Clients of NAIB members include individuals and businesses of all sizes as well as municipalities and state governments, schools and universities, religious organizations and other non-profit entities. Their financial exposure ranges from thousands to hundreds of millions of dollars.

The brokers' primary responsibility is to protect clients' assets. We serve as intermediaries between insurance markets and the complex risk management needs of organizations and individuals. Our particular role in the insurance industry is to focus our specialized expertise, experience and resources to assist in managing financial exposures.

To meet these needs, brokers typically: Analyze a client's financial exposure; suggest methods for reducing risks; assess insurance needs; develop relevant coverages; explain payment options; advise on claims procedures; assist in handling claims.

Given these activities, we are particularly sensitive to how the current crisis in affordability and availability is affecting our clients—American consumers—and the businesses and organizations they work for.

Based on our experience in recent months, I am obligated to report that the current problems facing our clients are likely to continue through 1986 and well into 1987. While we believe that many of their problems will begin to be resolved over the next year or so, there will be substantial economic dislocation in the interim.

Quite frankly, Mr. Chairman, not only is this situation very bad for our clients; but, it is also harmful to the brokers' business and our industry generally.

A senior executive of one of our major members recently noted that the availability squeeze is forcing more buyers away from traditional insurance products and services. Driven by economic pressures, corporate and organizational buyers are finding alternative ways to insure risks. "Once these dollars are gone," from the traditional market, the executive reported. "they never come back."

My colleague, Alan Page, a vice president of Johnson & Higgins, will be commenting in a few minutes on some of the alternative methods brokers have used to meet our clients' insurance needs.

Mr. Chairman, your hearings are particularly welcome because the current debate shows signs of degenerating into a mad scramble to find the bad guys. If this happens, it will be a public policy travesty and a disservice to the American consumer.

There is no doubt that we have a severe crisis in the availability and affordability of liability insurance in this country, but we should avoid the good guy/dab guy syndrome. With all due respect to Mr. Nader and his colleagues, this syndrome is not a very helpful response to intricate problems.

The root causes of the liability insurance crisis are extremely complex and interrelated. In the best tradition of American pragmatism, we should work to understand the current crisis and then move to develop sensible, practical ways of responsing to it.

As one of your colleagues in the House said earlier this month, "Insurance can only exist where risks are relatively predictable and can be spread. That is not the case today. . . . We need better insurance, not less insurance or a pie-in-the-sky illusion that the Federal Government can somehow pay the tab for all the risks that no one else is able to cover."

Not only is the current situation harmful to the immediate needs of our clients and to our own industry, but it also has very troublesome implications for the international competitiveness of American goods and services. The declining availability and rising cost of liability insurance also undermine American industry's ability to produce new products and develop new technologies.

Anytime a business or organization is faced with substantial new costs of doing business, these costs influence the pricing structure of goods and services. In the current situation, the price of American goods and services are rising without a complimentary increase in their value to consumers.

While this morning's session is not an appropriate forum to thoroughly analyze the complex causes of the insurance crisis, let me mention briefly two leading contributors:

I. The most often-cited contributor is the remarkable explosion of litigation which the country has experienced in the last several years. While I am not here to render a judgment on whether or not our litigious society is a plus or minus for the body politic, it is certainly an extraordinarily expensive way for Americans to settle their differences.

As Chief Justice Warren Burger observed last year, "It is now becoming more and more clear" that in an increasing number of lawsuits "the total cost of the process is often equal to, or greater than, what finally goes to the pockets of the litigant seeking relief."

It is a cruel irony that in a country which prides itself on "equal justice under the law" that we have reached a point where legal fees and related transaction costs consume a very substantial portion of court awards.

I cannot improve on Justice Burger's declaration when he said that the time has "come for a careful, thoughtful, objective examination . . . of the whole litigation process under the common law system." Despite Justice Burger's exhortations and the well-known view of the insurance industry on this subject, the process of correcting even the most obvious abuses is likely to be frustratingly slow.

Despite the insurance industry's experience in this area, it must be candidly acknowledged that the industry cannot, on its own, bring about the needed reforms.

Despite the fact that one of America's leading insurance companies announced several weeks ago that it was taking a charge of $1.2 billion against its 1985 earnings, this will do little to bring about tort reform.

Despite the fact that the company publicly reported a substantial part of this loss was directly attributable to "the way in which today's court system interprets insurance policy liability and awards damages," statements such as these from the insurance industry will do little to bring about changes in the legal system.

Serious tort reform will only begin when a broad cross section of Americans come to understand that many of their goods and services are more expensive as a consequence of the costs generated by our present civil justice system.

Not only do these additional costs fail to produce added value, they result in the loss of jobs, undermine our international competitiveness and make the country more economically inefficient. These costs are creating severe economic pressures for particular industries and further eroding the trading position of U.S. firms in the world marketplace. These conditions will inevitably result in the withdrawal or consolidation of some markets.

When Americans ultimately come to recognize that the economic fallout from our present civil justice system may be too costly, then, and only then, will we have a serious effort at meaningful tort reform. And to be effective, such an effort will have to be led by a coalition representing labor, the legal profession, the business community, academia and others.

II. A second contributor to the current crisis is, regrettably, the underwriting practices of the insurance companies.

The chairman of my company, Jack Bogardus, has been speaking out about this issue for over a year. Mr. Bogardus has noted that for six consecutive years, from the late 70s until 1984, insurance companies competed frantically for business by cutting prices below adequate cost levels. Encouraged by high interest rates, underwriters abandoned their traditionally conservative underwriting practices and took up "cash flow" underwriting. Put very simply, companies discovered that they could underwrite at a loss and still make money through short-term investment of their premium income.

Although critics of the insurance industry do not seem to want to face this fact, these underwriting practices were, in the short-term, a boon for consumers. The facts are, consumers benefited from premium rates in just about every area of insurance. However, as with many bargains in life, it could not go on forever and obviously it hasn't.

Prices had to eventually go up and they have. And, because of the convergence of

various forces, when prices did turn, they did so with a vengeance.

III. In addition to the forces I have already discussed, other contributors to the current insurance crisis include: The ubiquitous role of reinsurance in this country and internationally; the insurance companies' problems with their own solvency; the insufficient staffing and inadequate funding which plagues many state insurance departments; the changing demographics of American society; the diminishing sense of community which characterizes much of American life.

I cite these additional factors to underscore a fundamental point. The current predicament in which our country finds itself will not be amenable to quick or simple resolutions. The interrelationship of these factors is too complex for any quick-fix—no matter how ingenious or draconian.

What the country needs is a thoughtful analysis of the complex and interrelated dynamics of the business of insurance. Your committee is rendering a considerable public service by recognizing this need and by asking the various concerned parties to give their views.

I believe the insurance industry can withstand a public examination. As with most human enterprises, the participants do not in their heart-of-hearts really welcome being scrutinized. However, they also recognize the inevitability of scrutiny and debate in a time of difficulty.

I believe the industry, its employees and its clients can ultimately be well-served by the public debate which you, your committee and others in Congress have begun.

STATEMENT PRESENTED TO THE SENATE COMMERCE COMMITTEE, FEBRUARY 19, 1986, BY ALAN G. PAGE, VICE PRESIDENT, JOHNSON & HIGGINS

Mr. Chairman and members of the committee, I also thank you for the invitation to appear before you today.

I represent the insurance brokerage firm of Johnson & Higgins, a member of the National Association of Insurance Brokers. Johnson & Higgins is the country's third-largest insurance brokerage firm. In conducting our business, we represent a number of clients, both large and small, that are adversely impacted by the current insurance crisis.

As brokers, we act as intermediaries between buyers and sellers of insurance. In addition, our function is to find or help develop new insurance capacity or to provide alternative means for handling risk when conventional insurance markets cannot or will not respond to our clients' needs. It is in this latter role as organizers of new capacity or as originators of alternatives to conventional insurance, that I address you today, both on behalf of Johnson & Higgins and of other members of the National Association of Insurance Brokers.

The crisis that prompts this hearing has a particularly severe impact on commercial buyers of insurance, and liability insurance today is clearly the most stricken coverage with respect to pricing and availability. Clearly, there is diminished capacity within the conventional insurance marketplace to underwrite commercial liability insurance. This capacity shortfall has two dimensions: First, the capital necessary to support such underwriting is unavailable in sufficient quantities to lower prices and make coverage more widely available. Second, the willingness to underwrite such risks, even within those insurance companies that are well-capitalized, has decreased severely. This lack of willingness is due to dramatic decreases in support from reinsurers, both within and outside the United States, which view commercial liability insurance as being too risky at any price. Their reluctance to extend reinsurance support to U.S. insurance companies is based on their perception that the U.S. tort system is out of control, a point commented on by previous speakers at this hearing.

Reform of the U.S. tort system is the necessary solution to pricing and availability problems in insurance, but is at best long-range. A more immediate step would be to facilitate the entry of new risk capital and new insuring organizations to alleviate this crisis. The insurance industry currently has a number of regulatory restrictions, chiefly imposed by the states. These restrictions are part of the overall regulatory system administered by the various states. The fundamental purpose of the state regulatory system is to protect the public by regulating the solvency of the insurance companies. This purpose is achieved through restrictions on entry, minimum capitalization requirements, regulations on investments, regulations of policy forms and rates, limitations on the amount of premium that may be written (both overall and on a per-risk basis), and requirements for periodic reports and examinations. This regulatory structure is supplemented by insurance guaranty funds that protect insureds if insurance companies become insolvent. All of these measures are laudable with respect to protecting the public interest, but are obstacles in attracting new capital or new insurance companies to deal with the present insurance crisis.

We need to balance the objectives of solvency and the need to create new underwriting capacity. We propose that this balance be struck in favor of retaining the traditional system of regulation to protect consumers and employees primarily. However, that leaves a class of insureds, generally larger businesses and various professionals, which do not require the extensive protections given others. During periods of insurance unavailability such insureds have formed their own insurance facilities, usually "captive" insurance companies. Captive insurance companies have been formed under special legislation found in but a handful of states and in a greater number of offshore countries, such as Bermuda. Captive insurance company laws recognize that certain insureds do not need regulatory protection offered to the general public. Captive insurance company laws permit sophisticated buyers of insurance to form their own insurance companies with a minimum of regulatory oversight.

The Product Liability Risk Retention Act of 1981 made a statement on the part of the federal government that captive insurance company laws were desirable and needed, at least with respect to product liability insurance. The Risk Retentioin Act extended the writ of such companies by permitting them to cross state lines and to help solve product liability problems of their sponsors with minimal state regulatory intervention. The Risk Retention Act also exempted participants in risk retention groups from various securities laws that would otherwise hamper the flow of capital into their ventures.

In the comments which follow, I am expressing views which are widely held among national brokers and which reflect the position of my firm, Johnson & Higgins. However, these views have not yet been officially endorsed by the NAIB.

The Risk Retention Act is presently a valuable, albeit narrow, tool to assist buyers of insurance. We advocate that the Risk Retention Act be extended to cover other liability insurance lines. We support an expansion of the Risk Retention Act principally because if insurance needs can be met under its terms and therefore do not have to be met by the conventional insurance market, greater capacity will be available for consumer coverages and less-hazardous risks. As a result, consumers and small businesses who are presently affected by the insurance crisis will have more insurance capacity, relatively speaking, than before as hazardous commercial risks are insured by new companies covered by an expanded Risk Retention Act.

Specifically, we advocate expanding the Risk Retention Act to most forms of liability insurance, not limiting it primarily to products and completed operations liability as the Act currently reads. For example, we believe the Risk Retention Act ought to be broadened to include all professional liability insurance, including but not limited to insurance for accountants, architects and engineers, attorneys, and health care providers. In addition, specialty liability coverages such as fiduciary liablility, and directors' and officers' liability should be included. The Super Fund reauthorization bill passed by the Senate last year extended the Risk Retention Act to pollution liability only.

Apart from broadening the scope of the bill, we request that the exclusion on using offshore domiciles for risk retention groups be eliminated. Offshore domiciles for insurance companies continue to be the preferred home of captive insurance companies. In fact, the ratio of offshore to onshore insurance companies is in the order of 15 to 1. This preference is particularly true for association captive insurance companies or those owned by a number of insureds. The reason for their popularity offshore is because they can accumulate capital faster through retained earnings since federal income taxes are deferred on their profits until these profits are repatriated as dividends.

For example, A.C.E., an offshore company recently organized by Marsh & McLennan, also a member of the National Association of Insurance Brokers, provides liability insurance to large commercial enterprises. Under an expanded Risk Retention Act, it clearly would be a risk retention group that would enjoy the privileges of providing insurance without state regulatory roadblocks. The formation of A.C.E. has permitted new capital to flow into the insurance industry and has allowed conventional insurers to write additional business that is not insured by A.C.E. A.C.E. is but one solution, and we need more of them—and quickly.

The insurance industry does not require federal capital or federal guarantees to solve the insurance crisis. As organizers of new capacity, we only need the means to attract and proceed to use new capital to insure risks that are not readily insured by the conventional insurance industry. Insurance provided by companies acting under the Risk Retention Act, as we propose it be amended, will not be a hazard to the public or consumers. Rather, by allowing sophisticated buyers of insurance to meet their own insurance needs, we can preserve existing capacity for the public by providing new insurance protection for commerical buyers of liability insurance.●

PEACE EFFORTS IN SRI LANKA

● Mr. KENNEDY. Mr. President, the Prime Minister of India, Rajiv Ghandi, and the President of Sri Lanka, J.R. Jayewardene, have been engaged in important negotiations aimed at achieving a peaceful resolution of the problems involving the Tamil groups in northern and eastern Sri Lanka.

Last week, President Jayewardene of Sri Lanka delivered an important report to his Parliament in which he described in detail the negotiations that have been underway over the past year between and among the Governments of India and Sri Lanka and the various Tamil groups. Prime Minister Ghandi and President Jayewardene are to be commended for their efforts to resolve these problems through negotiations and to find a political solution to a situation that has too frequently erupted into violence in the past.

In his speech, President Jayewardene outlined a series of initiatives that he and the members of his government have undertaken in their efforts to achieve a political settlement. The most important result was the drafting of "a comprehensive paper * * * covering all issues of importance and relevance" that will serve as the basis for future negotiations between the parties.

There is much more work to be done before a lasting solution can be worked out, but Prime Minister Ghandi and President Jayewardene are to be commended for their efforts to resolve these problems without further bloodshed or violence. Terrorism is totally unacceptable.

Our thoughts and our prayers are with President Jayewardene and with all the people of Sri Lanka as they work—together and with each other—to reach a lasting and just solution to the problems of the Tamil minority who have felt, for so many years, that their legitimate aspirations as an important ethnic group within Sri Lanka have not been respected.

I ask that the text of President Jayewardene's address to the Parliament of Sri Lanka on February 20, 1986, be printed in the RECORD.

The text follows:

STATEMENT BY PRESIDENT J.R. JAYEWARDENE

Hon. Members: Permit me to speak on the Government's attempts since 1977 to seek a political solution to the problems arising in the Northern and Eastern provinces.

Our first attempt to do so were outlined in the proposals mentioned in the United National Party election manifesto of 1977. These proposals were prepared in consultation with some of the Tamil United Liberation Front (TULF) Members of Parliament at that time. I have in my address to Hon. Members on the 23rd February 1984 outlined the steps taken to implement them, as follows: "Since 1977 the government has made Tamil a national language in the constitution, amended rules governing entrance to the universities and removed any racial bias governing those rules, removed the regulations prescribing racial considerations governing entry to the public services and promotion in the services.

District Councils have been created and District Ministers appointed. The TULF accepted them and worked them for two years and contested elections. Last year they withdrew from them as sufficient powers and finance had not been allotted to them."

The only other matter mentioned in the manifesto needing attention was the question of land settlement.

In my address on the 20th February 1985 I brought events up to date and dealt with the riots of July 1983 and its consequences, the All Party Conference of 1984 and its conclusion. I am tabling a note on the All Party Conference of 1984.

Since then the Central Government of India and its Prime Minister Rajiv Gandhi have been helpful in helping our delegates to meet delegations of the Tamil groups in Delhi and Thimpu (Bhutan).

Efforts to achieve a political solution after the All Party Conference of 1984 in New Delhi and Thimpu (Bhutan) in June, July, August 1985.

NEW DELHI—JUNE 1985

Though the talks had broken down the Government of Sri Lanka did not cease in its attempts to find political solutions to this problem. A major step was the decision of the Government to send a delegation of lawyers and jurists from Sri Lanka headed by Dr. H.W. Jayewardene in June 1985 to meet the Attorney General of India, Shri K. Parasaran, to discuss the legal and constitutional aspects of devolving legislative and executive powers appropriate units in Sri Lanka. Full and frank discussion on various legal and constitutional matters with due regard to the fact that Sri Lanka is by virtue of Article 2 a unitary state, and virtue of Article 3 that sovereignty is in the people and is inalienable, took place. A record of the discussions and agreed conclusions were submitted to the heads of the two governments.

THIMPU—JULY AND AUGUST 1985

The search for a political solution was the profound concern of the Government of Sri Lanka. It was this commitment to reach a peaceful solution to the problem that led Sri Lanka to take the unprecedented step on the part of any sovereign state of sending her accredited representatives to explore the possibility of reaching a settlement at two conferences held in Thimpu, Bhutan, from 8.7.85 to 13.7.85 and from 12.8.85 to 17.8.85 arranged with the Tamil groups through the good offices of the Government of India.

However, neither the TULF nor the groups who attended these talks showed any serious inclination to discuss any of the proposals placed before them by the Government of Sri Lanka. Their final response was an outright rejection of the Government proposals and an invitation to the Government of Sri Lanka to make new proposals which they enunciated, which were no more than a re-statement of the demand for Eelam.

On 13 July 1985 the six Tamil groups made a statement of the "four principles" on which they were working. On 12 August 1985 the leader of the Sri Lanka delegation, Dr. H.W. Jayewardene responded to it with a statement, on the four principles mentioned by the Tamil groups which is tabled. (Annexure B)

He dealt with the recognition of the Tamils as a distinct nationality, a separate homeland and self-determination for the Tamils, and linkage of the Northern and Eastern provinces as a reaffirmation of the demand for a separate state and could not be the subject of discussion and acceptance by the Sri Lanka Government.

The Sri Lanka delegation also submitted an outline of the structure of the sub-national units of a participatory system of government on 16th August, but this too was not considered by the Tamil groups though it indicated areas on which discussion and agreement was possible. The TULF joined the other groups and walked out from the conference under the pretext of a violation of ceasefire by the Government of Sri Lanka and refused to participate in the discussion. The Sri Lanka delegation remained at Thimpu for several days despite the breakdown of the talks in a bid to revive the efforts made to reach a peaceful settlement by getting the Tamil groups back to the conference table.

NEW DELHI—AUGUST 1985

Thereafter, Dr. H.W. Jayewardene, leader of the Sri Lanka delegation left for New Delhi to meet the Prime Minister of India whilst the rest of the delegation proceeded to Bombay from where they intended to return to Sri Lanka. After discussion with the Prime Minister and in order to comply with his request, the leader of the Sri Lanka delegation recalled the rest of the members of his delegation from Bombay and discussion was resumed with the Indian officials in New Delhi till 30th August when the draft terms of accord and understandings were initialled by the Secretary to the Sri Lanka delegation and the Deputy Secretary, Ministry of External Affairs of India, Mr. Ranjan Mathai. The leader of the Sri Lanka delegation then met the Prime Minister of India once again and informed him of the decisions of their discussion.

On the conclusion of these talks the Ministry of External Affairs of India issued the following press release on 31st August, on Dr. H.W. Jayewardene's visit to New Delhi.

Press release of 31.8.1985 by the Ministry of External Affairs, India:

"Dr. H.W. Jayewardene, leader of the Sri Lanka delegation to the Thimpu talks stopped in New Delhi on his way to Colombo at the invitation of the Government of India. Dr. Jayewardene was in New Delhi from August 23rd to August 31st. During his stay he called on the Prime Minister on two occasions.

"Dr. Jayewardene had detailed and constructive discussions with the Foreign Secretary Mr. Romesh Bhandari.

"A comprehensive paper has been drawn up covering all issues of importance and relevance. This detailed draft could serve as the basis for negotiations towards a mutually agreed accord by the parties concerned".

On the return of the delegation to Sri Lanka it was found necessary to amplify some of the matters in the draft accord. Three members of the Sri Lanka delegation together with the Sri Lanka High Commissioners, therefore, had discussions in New Delhi with senior officials of the Ministry of External Affairs from September 10 to 13. At the conclusion of these talks the Indian Ministry of External Affairs issued the following press release:

Press release of 13.9.85 by the Ministry of External Affairs, India:

"A three member delegation from Sri Lanka and the Sri Lanka High Commission-

er had intensive discussions with senior officials of the Ministry of External Affairs from September 10 to 13. They also called on the Foreign Secretary.

"The Sri Lanka delegation gave some amplification of certain issues which figured in the paper drawn up earlier during Dr. Jayewardene's visit to New Delhi. They also provided some facts and figures about how some of the proposals contained in the paper would work in practice. It will be recalled that the paper drawn up during Dr. Jayewardene's visit is to serve as a basis for further negotiations towards a mutually agreed accord by the parties concerned."

The Sri Lanka delegation returned to Sri Lanka with the full expectation that future discussions with a view to arriving at a solution of the problems would be on the basis of the draft terms of accord and understanding. The accord reached in Thimpu and New Delhi were to be the basis of any future discussions. Such discussion would not re-open the four principles mentioned earlier in any form whatsoever. This was the basis of all understanding of both the governments of India and Sri Lanka.

The question of citizenship of persons' of Indian origin in Sri Lanka was not a matter for discussion with these groups. It was a matter to be settled between the persons concerned and the Governments of India and Sri Lanka.

The terms of accord and understanding were to be forwarded to the representatives of Tamil groups by the Indian Government but all the efforts of the Sri Lanka delegation and the representatives of the Indian Government proved of no avail as these groups did not make any response to reach a settlement. It is not correct to suggest, therefore, that the Sri Lanka Government made no efforts to arrive at a political settlement.

TULF MEMORANDUM OF 1ST DECEMBER 1985

More than 3 months later, on December 1st, 1985, the TULF addressed Shri Rajiv Gandhi, Prime Minister of India and submitted proposals for consideration. They were by no means any attempt to discuss the draft terms of accord and understanding. These proposals were sent to the Sri Lanka Government (Annexure C) tabled, and the final "observations on the proposals of the Government" were dispatched to New Delhi on 30th January 1986 dealing in full with the proposals of the TUFL (Annexure D) tabled.

The TULF proposals are diametrically contrary to the draft terms of accord and understanding which were prepared and settled with the Indian Government and mentioned earlier.

Future discussions must be on the basis of the Draft Terms of Accord and Understanding initialled in New Delhi on the 30th August 1985.

CONDITIONS OF IMPLEMENTATION

It was also understood that the full implementation of any agreement will be conditional upon compliance with the following: (1) All persons engaged in the current dispute with the Government of Sri Lanka do accept, and acknowledge the validity of, the Constitution of the Democratic Socialist Republic of Sri Lanka and in particular the provisions dealing with the official language, the national language, the national flag and the national anthem, and will abandon the demand for the creation of a separate state of Eelam.

(2) All militant groups and persons engaged in acts of violence, unlawful or illegal acts will desist from such action, abjure violence in the future and disband their cadres and groups engaged in acts of violence, closed down training camps in Sri Lanka and abroad and will generally help in the process of restoration of peace and normalcy.

(3) All persons in unauthorized possession of arms, ammunition and other military equipment will surrender such material within a period of one month to the authorities specified by the Sri Lankan Government.

(4) As part of the process of normalisation, the security operations in the affected areas will be progressively reduced and the emergency lifted.

(5) As soon as action under paragraph 2 and 3 is completed, the Government of Sri Lanka will ensure that—(a) prosecutions against persons in cases under investigation and those pending before any court for offences in connection with ethnic disturbances during the period from July 1983 to August 1985 will be withdrawn, (b) persons convicted for such offences will be granted pardon and released, and (c) new persecutions will not be launched in respect to any such offence.

(6) All persons engaged in the current dispute will not obstruct the creation of the requisite conditions for the due and orderly conduct of the civil administration and law enforcement in the affected areas.

(7) All persons engaged in the current dispute will not obstruct the creation of conditions necessary for the return and resettlement in their original places of abode of all refugees, whether in Sri Lanka or abroad, and their rehabilitation.

(8) With the coming into force of this agreement, the Government of Sri Lanka will proceed to take steps as are necessary to eliminate all forms of terrorism and militant action in Sri Lanka.

(9) The Government will set up appropriate machinery for ensuring due compliance with the conditions set out in paragraph 2 and 3 above.

CONCLUSION

My government and I have tried our utmost to arrive at a political solution to the political problems that have arisen on this question. I must record our thanks to the Prime Minister and the Governments of India, particularly Prime Minister Rajiv Gandhi and his representatives, for helping us to arrange meetings for discussion of these problems. There are certain principles which we cannot depart from in arriving at a solution. We cannot barter away the unity of Sri Lanka, democratic institution's, the non-joinder of provinces. In any constitutional and administrative solutions, the right of every citizen in this country whatever his race, religion or caste to consider the whole island as his homeland, enjoying equal rights constitutionally, politically, socially, in education and employment, are equally inviolable.

We have agreed to place before parliament legislation creating provincial/district councils, the chief executive of each council which is the highest body in the province, who is the leader of the majority elected party being vested with the powers of a minister within his area of authority, once the government has agreed on the actual terms of devolution of authority.

While all these discussions were proceeding in Colombo, New Delhi and Thimpu, there has been a constant terrorist campaign of murder, arson and rape against the security forces and civilians of all races and sexes. The monthly figures of casualties, injuries and destruction are presented in parliament. We believe it is the inalienable right of a democratic state to require that illegal arms be surrendered, military training camps be closed, and that all methods of violent activity which are against the laws of the land should be given up before any political solution can be completed and implemented.

Non-violence is a creed of faith of the Government of Sri Lanka and of the founding fathers of India's freedom and constitution. The use of violence to achieve political goals is totally against the ideals preached by the great sons of India particularly Gautama the Buddha and Mahatma Gandhi. We in Sri Lanka have tried to follow these ideals.

We cannot compromise with violence. Whatever form of agitation is used to continue a program to attain political goals must be non-violent and follow the Buddhist and Gandhian method of Satyakriya or Satyagraha. A political agreement or lack of it cannot in any way minimize the necessity for the acceptance of these ideals.

It is said that Tamilnadu may imperil the unity of India if she is not permitted to have her own way in dealing with Sri Lanka terrorists living in her territory.

The unity of India and Sri Lanka are ephemeral. In the recorded history of our countries they have survived much longer as divided nations than as united ones. However, the heritage of India is universal and permanent. We in Sri Lanka are proud that even a shadow of this noble heritage has fallen on our land enabling us to share it even in a small degree. It is the heritage of "Ahimsa" non-violence handed down to us from time immemorial, from the Hindu Vedas and the Bhagvad Gita, from the Buddha Dhamma, the Christian gospels and the Muslim Koran, Mahatma Gandhi in his life-time personified these ideals and lived them in his life and teaching of truth, maithriya, inspiring also to follow him.●

RULES OF THE COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

● Mr. HELMS. Mr. President, paragraph 2 of rule XXVI of the Standing Rules of the Senate requires that each committee of the Senate publish its rules not later than March 1 of each year.

Therefore, I submit for the RECORD the rules of the Committee on Agriculture, Nutrition, and Forestry.

The rules are as follows:

RULES OF THE COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

1. Regular meetings shall be held on the first and third Wednesday of each month when Congress is in session.

2. Voting by proxy authorized in writing for specific bills or subjects shall be allowed whenever a majority of the committee is actually present.

3. To assure the equitable assignment of members to subcommittees, no member of the committee will receive assignment to a second subcommittee until, in order of seniority, all members of the committee have chosen assignments to one subcommittee, and no member shall receive assignment to a third subcommittee until, in order of se-

niority, all members have chosen assigments to two subcommittees.

4. Six members shall constitute a quorum for the purpose of transacting committee business: *Provided,* That for the purpose of receiving sworn testimony, a quorum of the committee and each subcommittee thereof shall consist of one member.[1]

CASIMIR PULASKI DAY

● Mr. SIMON. Mr. President, on Monday, March 3, the State of Illinois will celebrate its first Casimir Pulaski Day. This is a victory for people of Polish-American heritage and we should all be proud of this great hero of the American Revolution.

Pulaski, a Polish soldier, joined Gen. George Washington's forces in the American Revolution and distinguished himself in the Battle of Brandywine. To reward him, Congress appointed him brigadier general in charge of cavalry. He is called "the father of the cavalry" for organizing an independent corps of cavalry and light infantry which became known as "Pulaski's Legion."

Pulaski and his men fought in the siege of Savannah where he was wounded on October 9, 1779. He died 2 days later.

Casimir Pulaski was a great Revolutionary War hero who paid the highest price for American freedom.

He was also freedom's champion in his beloved homeland. While in his twenties Pulaski led an unsuccessful revolt of Polish forces against Russia, which controlled Poland at that time. Pulaski was arrested and sentenced to death but fled to Turkey. He eventually reached France where he learned of the colonial revolt in America.

Casimir Pulaski was a man who understood oppression because he had experienced it. This experience led him to value freedom among his most precious possessions.

Like Washington's Birthday, Lincoln's Birthday, and Columbus Day, Casimir Pulaski Day reminds us of a courageous hero important to our American heritage. Casimir Pulaski fought for the freedoms we all enjoy, and the State of Illinois is honoring him for that.●

THE PHILIPPINES

● Mr. MURKOWSKI. Mr. President, Americans are proud and pleased with the turn of events in the Philippines. When Mrs. Corazon Aquino won world recognition in less than 90 days as the nation's new President, the day belonged to the Filipino people—as it should. And Americans share in the pride of the supportive role we played in assisting in this historic event. The whole world observed the true democratic process in action.

For a woman who calls herself an average housewife, Cory Aquino demonstrated tremendous skill in capturing the spirit and loyalty of the Filipino people. She pulled together the various anti-Marcos political factions, and with the support of church leaders, military officers, the business community, and millions of citizens, toppled a 20-year dictatorship with minimal bloodshed and violence.

As we watched last week the hundreds of thousands of citizens surround the Aquino supporters in order to protect them from the soldiers backing Marcos, we witnessed democracy at its best. The Filipino people stood shoulder to shoulder, risking their lives against armed soldiers, to stand up for what they knew was right. And their determination and faith resulted in the change of government they wanted.

The United States had a role in the outcome, but it was not because we dictated conditions. President Reagan steered us on a rational course through an explosive situation, and our State Department, Congress, and national press supported the President's direction, thereby sending a unified message to the Filipino people.

After the assassination of Benigno Aquino, the United States began increasing pressure on President Marcos to initiate reforms and end human rights violations. We later urged Marcos to hold a Presidential election. Our concern was that the election be without fraud and be open for all Filipinos to participate. Even though we have a vital security interest in our own military bases in the Philippines, we made it clear that a democratic process for the people was more important to us than retaining our bases—and we let President Marcos know we were prepared to move rather than negotiate that principle.

President Marcos invited President Reagan to send a delegation to witness the February 7 election, which our President did. We went over there not to support Marcos, nor to encourage his ouster—but to ensure a free election. As a member of that delegation, I witnessed some irregularities during the voting process, but not outright fraud. It was not until the vote counting process began following the election that it became apparent that this was not an open and fair election, and as this fraud became more evident the United States took the position that Marcos should step down. We now have verified evidence of outright fraud involving hundreds of thousands and perhaps millions of votes.

After we took the position that the election results should be nullified, our concern focused on the safety of the people. As a nation we sent warnings to both sides to prevent bloodshed. I believe the unified messages we sent to our friends in the Philippines provided them with additional courage as they stood shoulder to shoulder to fight for democracy. And for that we too can be proud.

Now comes an even greater test for the Philippine nation. As Mrs. Aquino's brother-in-law, Paul, told me Thursday, taking over the Presidency was an easy task compared to the rebuilding challenge that lies ahead for Mrs. Aquino and the Filipino people.

Mr. President, the United States was expedient in recognizing Mrs. Aquino and her new government. In Congress, we are now looking at the ways we can help that nation rebuild. The future is bright, and we all feel good about that.●

GOALS AREN'T QUOTAS

● Mr. SIMON. Mr. President, the February 25 Washington Post contained an excellent article by Harvard University President Derrick Bok. He capsulizes in a clear and concise manner the goals versus quota argument which is evidently raging within the Reagan administration in connection with Executive Order 11246. I am personally very supportive of the position taken by Secretary Brock, and a majority of his colleagues in the Cabinet. Executive Order 11246 has worked successfully in assuring affirmative remedies for the underrepresentation of minorities and women and assuring nondiscriminatory hiring and promotion practices among companies that do business with the Federal Government.

As President Bok points out "* * * the Justice Department has offered little evidence that goals are actually quotas in disguise."

Unfortunately, those opposed to advancing equal opportunity and eliminating employment discrimination have used the "quota" boogie man as an excuse for failing to vigorously enforce title VII of the Civil Rights Act of 1964, the Equal Pay Act, and the Age Discrimination and Employment Act. I believe President Bok makes a persuasive argument for retention of Executive Order 11246 and a powerful case for distinguishing between goals and quotas. I urge my colleagues to read the February 25 article.

I ask consent that the article be inserted in the RECORD.

The article follows:

[From the Washington Post, Feb. 25, 1986]

GOALS AREN'T QUOTAS

(By Derek Bok)

In recent weeks, we have heard much talk of the debate within the Reagan administration over the efforts of Attorney General Edwin Meese to jettison the use of goals and timetables under affirmative action programs. Meese asserts that goals often turn into quotas and hence discriminate unfairly against better qualified whites. His oppo-

[1] For further restrictions with respect to proxies and quorums in the reporting of measures and recommendations, see rule XXVI, paragraph 7, of the Standing Rules of the Senate.●

nents counter that goals are not quotas, only voluntary targets that help employers focus their efforts on improving their record in hiring women and minorities.

Thus far, Meese's opponents have the better of the argument. While the Justice Department has offered little evidence that goals are actually quotas in disguise, civil rights advocates have pointed to studies showing that employers who fail to meet their goals have not been penalized by the government. At the same time, supporters cite Labor Department reports heralding the success of affirmative action by showing that companies subject to its mandates have increased their employment of minorities and women more rapidly than firms not covered by the program.

Although the debate has produced some useful statistics, there is more to the problem than the arguments offered by either side.

As president of a large affirmative action employer, I feel sure that without goals and timetables we would never have been as aware of our deficiencies or had as much motivation to overcome them. As a veteran of repeated reviews under four administrations, I have never seen federal officials treat our goals as quotas even when my university failed to meet its targets. The most substantial pressure to hire more minorities and women has come not from the government but from private sources both inside and outside the university. If federal officials have erred, it has been through bureaucratic overkill that has forced my colleagues to spend too much time preparing reports and statistics and too little time trying to identify promising candidates whom we might hire.

But goals have a subtle effect on employment decisions that civil rights advocate do not acknowledge. Many judgments about whom to hire or promote are hard to make objectively. We are simply not that skilled in evaluating people and predicting their performance. Of course, some candidates are obviously better than others, but it is often unclear which of several candidates is the very best. Under a quota, an employer may be forced to hire even from among the applicants who are plainly less qualified. With a goal, one need not go that far. Yet, if minority or female applicants exist with qualifications reasonably comparable to the best alternative candidates, conscientious employers are likely to choose them in an effort to meet their targets.

Is this practice unfair? On balance, no. Minorities and women as a group benefit at the expense of white males as a group if they consistently get the nod in close cases. Nevertheless, this is not the reverse discrimination that the attorney general deplores. Any unfairness that exists is much less clear-cut and more diffuse than it is when a firm hires minorities or women whom it knows to be less qualified than white male candidates it passes over. Moreover, any unfairness against white males as a group is likely to be more than offset by the unfair advantages they receive through habits of discrimination and oversight that persist to the detriment of women and minorities in many firms and sectors of the economy.

Even if we can justify the mild advantages conferred by goals, some critics still argue that affirmative action stigmatizes those it purports to aid and undermines their self-respect by suggesting that they cannot succeed without government help. This is a view advanced with particular force by my colleague Glenn Loury, who speaks with daunting credibility as a black who grew up on the South Side of Chicago.

One cannot deny the risk of stigma any more than one can ignore the subtle preferences implicit in the use of goals. Yet despite Loury's concern, a recent Harris poll reports that 86 percent of blacks oppose administration efforts to weaken affirmative action. And well they might. Black unemployment is still more than twice that of whites. Jobless rates exceed 40 percent for black teen-agers. Over one quarter of all black men between the ages of 20 and 24 have dropped out of the economy entirely. This situation is above all a tragedy for blacks and other minorities who must endure the deprivations of living without work. But it is also a problem for all of us that takes its daily toll through added crime, welfare payments, unemployment compensation and urban decay.

Faced with existing unemployment rates and the persistence of discrimination in parts of the economy, one cannot brush aside the Labor Department's findings that firms subject to affirmative action have increased their minority employees more rapidly than firms outside the government's program. Granted, it would be better to find a way of attacking the problem of economic inequality that did not involve even the faintest sort of preference or the slightest threat of stigma.

In time, we may reach that happy state through better programs of housing, early education and training as well as greater self-help efforts within minority communities. Yet, we do not see enough progress of this kind today. Community-based programs are often underfunded, and federal programs have been cut and seem destined to be cut again.

Meanwhile, poverty rates for minorities have risen in the 1980s, and full-time female employees still earn only 63 percent as much as males. In these circumstances, until alternative programs are funded and working well, I, for one, will continue to set goals gladly, buoyed by the realization that they may at least make some contribution to diminishing an enormous problem for us all.●

RULES OF PROCEDURE COMMITTEE ON GOVERNMENT AFFAIRS

● Mr. ROTH. Mr. President, pursuant to rule XXVI, section 2 of the Standing Rules of the Senate, I am submitting today the publication in the RECORD a copy of the rules of procedure adopted by the Committee on Government Affairs.

The material follows:

RULES OF PROCEDURE ADOPTED BY THE COMMITTEE ON GOVERNMENTAL AFFAIRS

PURSUANT TO RULE XXVI, SEC. 2, STANDING RULES OF THE SENATE

RULE 1. MEETINGS AND MEETING PROCEDURES OTHER THAN HEARINGS

A. *Meeting dates.* The committee shall hold its regular meetings on the first Thursday of each month, when the Congress is in session, or at such other times as the chairman shall determine. Additional meetings may be called by the chairman as he deems necessary to expedite committee business. (Rule XXVI, Sec. 3, Standing Rules of the Senate.)

B. *Calling special committee meetings.* If at least three members of the committee desire the chairman to call a special meeting, they may file in the offices of the committee a written request therefor, addressed to the chairman. Immediately thereafter, the clerk of the committee shall notify the chairman of such request. If, within three calendar days after the filing of such request, the chairman fails to call the requested special meeting, which is to be held within seven calendar days after the filing of such request, a majority of the committee members may file in the offices of the committee their written notice that a special committee meeting will be held, specifying the date and hour thereof, and the committee shall meet on that date and hour. Immediately upon the filing of such notice, the committee clerk shall notify all committee members that such special meeting will be held and inform them of its date and hour. If the chairman is not present at any regular, additional or special meeting, the ranking majority member present shall preside. (Rule XXVI, Sec. 3, Standing Rules of the Senate.)

C. *Meeting notices and agenda.* Written notices of committee meetings, accompanied by an agenda, enumerating the items of business to be considered, shall be sent to all committee members at least three days in advance of such meetings. In the event that unforeseen requirements or committee business prevent a three-day notice, the committee staff shall communicate such notice by telephone to members or appropriate staff assistants in their offices, and an agenda will be furnished prior to the meeting.

D. *Open business meetings.* Meetings for the transaction of committee or subcommittee business shall be conducted in open session, except that a meeting or portions of a meeting may be held in executive session when the committee members present, by majority vote, so determine. The motion to close a meeting, either in whole or in part, may be considered and determined at a meeting next preceding such meeting. Whenever a meeting for the transaction of committee or subcommittee business is closed to the public, the chairman of the committee or the subcommittee shall offer a public explanation of the reasons the meeting is closed to the public. This paragraph shall not apply to the Permanent Subcommittee on Investigations. (Rule XXVI, Sec. 5(b), Standing Rules of the Senate.)

E. *Prior notice of first degree amendments.* It shall not be in order for the committee, or a subcommittee thereof, to consider any amendment in the first degree proposed to any measure under consideration by the committee or subcommittee unless a written copy of such amendment has been delivered to each member of the committee or subcommittee, as the case may be, and to the office of the committee or subcommittee, at least 24 hours before the meeting of the committee or subcommittee at which the amendment is to be proposed. This subsection may be waived by a majority of the members present. This subsection shall apply only when at least 72 hours written notice of a session to mark-up a measure is provided to the committee.[1]

F. *Agency comments.* When the committee has scheduled and publicly announced a markup meeting on pending legislation, if executive branch agencies, whose comments thereon have been requested, have not responded by the time of the announcement

[1] Amended October 1, 1975.

of such meeting, the announcement shall include the final date upon which the comments of such agencies, or any other agencies, will be accepted by the committee.

RULE 2. QUORUMS

A. *Reporting legislation.* Seven [2] members of the committee shall constitute a quorum for reporting legislative measures or recommendations. (Rule XXVI, Sec. 7(a)(1), Standing Rules of the Senate.)

B. *Transaction of routine business.* Five members of the committee shall constitute a quorum for the transaction of routine business, provided that one member of the minority is present.[3]

For the purpose of this paragraph, the term "routine business" includes the convening of a committee meeting and the consideration of legislation pending before the committee and any amendments thereto, and voting on such amendments.[4] (Rule XXVI, Sec. 7(a)(1), Standing Rules of the Senate.)

C. *Taking sworn testimony.* Two members of the committee shall constitute a quorum for taking sworn testimony: *Provided however,* That one member of the committee shall constitute a quorum for such purpose, with the approval of the chairman and the ranking minority member of the committee, or their designees. (Rule XXVI, Sec. 7(a)(2), Standing Rules of the Senate.)

D. *Taking unsworn testimony.* One member of the committee shall constitute a quorum for taking unsworn testimony. (Rule XXVI, Sec. 7(c)(2), Standing Rules of the Senate.)

E. *Subcommittee quorums.* Subject to the provisions of sections 7(a) 1 and 2 of Rule XXVI of the Standing Rules of the Senate, the subcommittees of this committee are authorized to establish their own quorums for the transaction of business and the taking of sworn testimony.

F. *Proxies prohibited in establishment of quorum.* Proxies shall not be considered for the establishment of a quorum.

RULE 3. VOTING

A. *Quorum required.* No vote may be taken by the committee, or any subcommittee thereof, on any measure or matter unless a quorum, as prescribed in the preceding section, is actually present.

B. *Reporting legislation.* No measure or recommendation shall be reported from the committee unless a majority of the committee members are actually present, and the vote of the committee to report a measure or matter shall require the concurrence of a majority of those members who are actually present at the time the vote is taken (Rule XXVI, Sec. 7(a) (1) and (3), Standing Rules of the Senate.)

C. *Proxy voting.* Proxy voting shall be allowed on all measures and matters before the committee, or any subcommittees thereof, except that, when the committee, or any subcommittee thereof, is voting to report a measure or recommendation, proxy votes shall be allowed solely for the purposes of recording a member's position on the pending question and then, only if the absent committee member has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded. All proxies shall be addressed to the chairman of the committee and filed with the chief clerk thereof, or to the chairman of the subcommittee and filed with the clerk thereof, as the case may be. All proxies shall be in writing and shall contain sufficient reference to the pending matter as is necessary to identify it and to inform the committee as to how the member establishes his vote to be recorded thereon. (Rule XXVI, Sec. 7(a)(3) and 7(c)(1), Standing Rules of the Senate.)

D. *Announcement of vote.* (1) Whenever the committee by rollcall vote reports any measure or matter, the report of the committee upon such a measure or matter shall include a tabulation of the votes cast in favor of and the votes cast in opposition to such measure or matter by each member of the committee. (Rule XXVI, Sec. 7(c), Standing Rules of the Senate.)

(2) Whenever the committee by rollcall vote acts upon any measure or amendment thereto, other than reporting a measure or recommendation, the results thereof shall be announced in the committee report on that measure unless previously announced by the committee, and such announcement shall include a tabulation of the votes cast in favor of and the votes cast in opposition to each such measure and amendment thereto by each member of the committee who was present at the meeting. (Rule XXVI, Sec. 7(b), Standing Rules of the Senate.)

(3) In any case in which a rollcall vote is announced, the tabulation of votes shall state separately the proxy vote recorded in favor of and in opposition to that measure, amendment thereto, or recommendation. (Rule XXVI, Sec. 7 (b) and (c), Standing Rules of the Senate.)

RULE 4. CHAIRMANSHIP OF MEETINGS AND HEARINGS

The chairman shall preside at all committee meetings and hearings except that he shall designate a temporary chairman to act in his place if he is unable to be present at a scheduled meeting or hearing. If the chairman (or his designee) is absent ten minutes after the scheduled time set for a meeting or hearing, the senior Senator present of the chairman's party shall act in his stead until the chairman's arrival. If there is no member of the chairman's party present, the senior Senator of the committee minority present shall open and conduct the meeting or hearing until such time as a member of the majority enters.[5]

RULE 5. HEARINGS AND HEARING PROCEDURES

A. *Announcement of hearings.* The committee, or any subcommittee thereof, shall make public announcement of the date, place, time and subject matter of any hearing to be conducted on any measure or matter at least one week in advance of such hearing, unless the committee, or subcommittee, determines that there is good cause to begin such hearing at an earlier date. (Rule XXVI, Sec. 4(a), Standing Rules of the Senate.)

B. *Open hearings.* Each hearing conducted by the committee, or any subcommittee thereof, shall be open to the public unless the committee, or subcommittee, determines that the testimony to be taken at that hearing may (1) relate to a matter of national security, (2) tend to reflect adversely on the character or reputation of the witness or any other individual, or (3) divulge matters deemed confidential under other provisions of law or Government regulations. (Rule XXVI, Sec. 5(b), Standing Rules of the Senate.)

C. *Radio television, and photography.* The committee, or subcommittee thereof, may permit the proceedings of hearings which are open to the public to be photographed and broadcast by radio, television or both, subject to such conditions as the committee, or subcommittee, may impose (Rule XXVI, Sec. 5(c), Standing Rules of the Senate.)

D. *Advance statements of witnesses.* A witness appearing before the committee, or any subcommittee thereof, shall provide 100 copies of a written statement and an executive summary or synopsis of his proposed testimony at least 48 hours prior to his appearance. This requirement may be waived by the chairman and the ranking minority member, following their determination that there is a good cause for failure of compliance. (Rule XXVI, Sec. 4(b), Standing Rules of the Senate.)

E. *Minority witnesses.* In any hearings conducted by the committee, or any subcommittee thereof, the minority members of the committee shall be entitled, upon request to the chairman by a majority of the minority to call witnesses of their selection during at least one day of such hearings. (Rule XXVI, Sec. 4(d), Standing Rules of the Senate.)

RULE 6. COMMITTEE REPORTING PROCEDURES

A. *Timely filing.* When the committee has ordered a measure or recommendation reported, following final action the report thereon shall be filed in the Senate at the earliest practicable time. (Rule XXVI, Sec. 10(b), Standing Rules of the Senate.)

B. *Supplemental, minority, and additional views.* A member of the committee who gives notice of his intention to file supplemental, minority or additional views at the time of final committee approval of a measure or matter, shall be entitled to not less than three calendar days in which to file such views, in writing, with the chief clerk of the committee. Such views shall then be included in the committee report and printed in the same volume, as a part, thereof, and their inclusion shall be noted on the cover of the report. In the absence of timely notice, the committee report may be filed and printed immediately without such views. (Rule XXVI, Sec. 10(c), Standing Rules of the Senate.)

C. *Notice by subcommittee chairmen.* The chairman of each subcommittee shall notify the chairman in writing whenever any measure has been ordered reported by such subcommittee and is ready for consideration by the full committee.

D. *Draft reports of subcommittees.* All draft reports prepared by subcommittees of this committee on any measure or matter referred to it by the chairman, shall be in the form, style, and arrangement required to conform to the applicable provisions of the Standing Rules of the Senate, and shall be in accordance with the established practices followed by the committee. Upon completion of such draft reports, copies thereof shall be filed with the chief clerk of the committee at the earliest practicable time.

E. *Cost estimates in reports.* All committee reports, accompanying a bill or joint resolution of a public character reported by the committee, shall contain (1) an estimate, made by the committee, of the costs which would be incurred in carrying out the legislation for the then current fiscal year and for each of the next five years thereafter (or for the authorized duration of the proposed legislation, if less than five years); (2) a comparison of such cost estimates with any made by a Federal agency; or (3) a

[2] Amended March 28, 1985.
[3] Amended February 4, 1977.
[4] Amended November 7, 1973.
[5] Adopted December 9, 1974.

statement of the reasons for failure by the committee to comply with these requirements as impracticable, in the event of inability to comply therewith. (Rule XXVI, Sec. 11(a), Standing Rules of the Senate.)

RULE 7. SUBCOMMITTEES AND SUBCOMMITTEE PROCEDURES

A. *Regularly established subcommittees.* The committee shall have six regularly established subcommittees. The subcommittees are as follows:

Permanent Subcommittee on Investigations

Intergovernmental Relations

Governmental Efficiency and the District of Columbia

Civil Service, Post Office, and General Services

Oversight of Government Management

Energy, Nuclear Proliferation, and Government Processes

B. *Ad hoc subcommittees.* Following consultation, with the ranking minority member, the chairman shall, from time to time, establish such ad hoc subcommittees as he deems necessary to expedite committee business.

C. *Subcommittee membership.* Following consultation with the majority members, and the ranking minority member, of the committee, the chairman shall announce selections for membership on the subcommittees referred to in paragraphs A and B above.

D. *Subcommittee meetings and hearings.* Each subcommittee of this committee is authorized to establish meeting dates and adopt rules not inconsistent with the rules of the committee.

E. *Subcommittee budgets.* Each subcommittee of this committee, which requires authorization for the expenditure of funds for the conduct of inquiries and investigations, shall file with the chief clerk of the committee, not later than January 10 of that year, its request for funds for the 12-month period beginning on March 1 and extending through and including the last day of February of the following year. Each such request shall be submitted on the budget form prescribed by the Committee on Rules and Administration, and shall be accompanied by a written justification; addressed to the chairman of the committee, which shall include (1) a statement of the subcommittee's area of activities, (2) its accomplishments during the preceding year; and (3) a table showing a comparison between (a) the funds authorized for expenditure during the preceding year, (b) the funds actually expended during that year, (c) the amount requested for the current year, and (d) the number of professional and clerical staff members and consultants employed by the subcommittee during the preceding year and the number of such personnel requested for the current year. (Rule XXVI, Sec. 9, Standing Rules of the Senate.)

RULE 8. CONFIRMATION STANDARDS AND PROCEDURES

A. *Standards.* In considering a mominations, the committee shall inquire into the nominee's experience, qualifications, suitability, and integrity to serve in the position to which he or she has been nominated. The committee shall recommend confirmation, upon finding that the nominee has the necessary integrity and is affirmatively qualified by reason of training, education, or experience to carry out the functions of the office to which he or she was nominated.

B. *Information Concerning the Nominee.* As a requirement of confirmation, each nominee shall submit on forms prepared by the committee the following information:

(1) A detailed biographical resume which contains information relating to education, employment and achievements;

(2) Financial information, including a financial statement which lists assets and liabilities of the nominee and tax returns for the 3 years preceding the time of his or her nomination; and

(3) Copies of other relevant documents requested by the committee, such as a proposed blind trust agreement.

At the request of the chairman or the ranking minority member, a nominee shall be required to submit a certified financial statement compiled by an independent auditor.

Information received pursuant to this subsection shall be made available for public inspection; provided, however, that tax returns shall, after review by persons designated in subsection (C) of this rule, be placed under seal to ensure confidentiality.

C. *Procedures for Committee Inquiry.* The committee shall conduct an inquiry into the experience, qualifications, suitability and integrity of nominees, and shall give particular attention to the following matters:

(1) A review of the biographical information provided by the nominee, including any professional activities related directly to the duties of the office to which he or she is nominated;

(2) A review of the financial information provided by the nominee, including tax returns for the three years preceding the time of his or her nomination, including tax returns for the 3 years preceding the time of his or her nomination;

(3) A review of any actions, taken or proposed by the nominee, to remedy conflicts of interest; and

(4) A review of any personal or legal matter which may bear upon the nominee's qualifications for the office to which he or she is nominated.

For the purpose of assisting the committee in the conduct of this inquiry, a majority investigator or investigators shall be designated by the chairman and a minority investigator or investigators shall be designated by the ranking minority member. The chairman, ranking minority member, and the designated investigators shall have access to all investigative reports on nominees prepared by any Federal agency, including the Federal Bureau of Investigation, whose report shall be reviewed by the chairman and the ranking minority member. The committee may request the assistance of the General Accounting Office and any other such expert opinion as may be necessary in conducting its review of information provided by nominees.

D. *Report on the Nominee.* After a review of all information pertinent to the nomination, a confidential report on the nominee shall be submitted to the chairman and the ranking minority member. The report shall detail any unresolved or questionable matters that have been raised during the course of the inquiry. Copies of all relevant documents and forms, except any tax returns, submitted pursuant to subsection (B) shall be attached to the report. The report shall be kept in the committee office for the inspection by members of the committee.

E. *Hearings.* The committee shall conduct a public hearing during which the nominee shall be called to testify under oath on all matters relating to his or her suitability for office, including the policies and programs which he or she will pursue while in that position. No hearing shall be held until at least 72 hours after the following events have occurred: the nominee has responded to pre-hearing questions submitted by the committee; and the report required by subsection (D) has been submitted to the chairman and ranking minority member, and is made available for inspection by members of the committee.

F. *Action on Confirmation.* A mark-up on a nomination shall not occur on the same day that the hearing on the nominee is held. In order to assist the committee in reaching a recommendation on confirmation, the staff shall make an oral presentation to the committee at the mark-up, factually summarizing the nominee's background and the steps taken during the pre-hearing inquiry.

G. *Application.* The procedures contained in subsections (C), (D), (E), and (F) of this rule shall apply to persons nominated by the President to positions requiring their fulltime service. At the discretion of the chairman and ranking minority member, those procedures may apply to persons nominated by the President to serve on a part-time advisory basis.●

ECONOMIC SANCTIONS AGAINST LIBYA

● Mr. DECONCINI. Mr. President, Libyan leader Mu'ammar Qadhafi recently described himself by saying, "I am a terrorist." His self-assessment sounds right on the mark to me. The longstanding involvement of Qadhafi and his government in international terrorism—in particular, its support for the terrorist PLO—has been well-documented. As far back as 1972, it should be recalled, Libya provided sanctuary to those PLO members who carried out the murders of the Israeli athletes at the Munich Olympic games.

Qadhafi has threatened to send his squads to kill Americans in the United States and has publicly advocated and supported the elimination of the State of Israel—what he calls the Zionist enemy. Indeed, Qadhafi's government not only bankrolls the terrorist PLO, but has publicly admitted to abetting and supporting the PLO's most violent element, the notorious Abu Nidal gang. That gang's most recent success was its bloody terrorist attacks last December at the Rome and Vienna airports, attacks which resulted in the deaths of 19 innocent civilians—including five Americans—attacks which Qadhafi immediately hailed as heroic. Let it be firmly said: there is nothing heroic in killing innocent civilians or in supporting others to do so. Such support for terrorism is atrocious, and it, along with the terrorist act, must be deplored.

Two recent newspaper articles enumerate this connection with terrorism and discuss the meticulous methods in which Libyan students are trained in rocket launching, hand grenade tossing, and machine gun assembly. Judith Miller, a writer for the New York

Times, visited a Libyan high school in January 1986. She reported that students are routinely trained to plot and fire rocket launchers. The range, trajectory, and direction are calculated by young students prepared to die for their cause. The target they plotted was clearly marked on their maps. It was marked with a symbol—the Star of David.

Mr. President, this is abominable preparation and an atrocity. This only proves the Libyan proclivity for heinous acts of violence. If this is not reason enough for our European allies to support economic sanctions against these international terrorists, I would like to list twenty more reasons.

Mr. President, I request that the following article from the Wall Street Journal be printed at this point in the RECORD. This article boldly documents Libya's participation in world terrorism in Europe, the United States, and the Middle East. I would only encourage our friends in Europe to seriously consider this litany of evil and act accordingly in supporting economic sanctions to future Libyan terrorism.

The article follows:

[From the Wall Street Journal, Jan. 3, 1986]

LIBYA'S BAND OF THUGS

This is excerpted from comments to a United Nations committee Nov. 29 by the U.S. delegation's Joseph V. Reed, formerly Washington's ambassador to Morocco. (A related editoral appears today.)

Libya's acts in the international arena have been and are an atrocity. Libya's leader is a dictator—an agent of hateful and evil acts. Libya's strongman is a modern day Barbary pirate. . . .

The litany of Libya's involvement in terrorist activities is unbelievably long, yet it continues to grow. Libya provided sanctuary to the perpetrators of the murders at the Olympics in Munich. Earlier this year, Col. Qadhafi called for the cutting off of our president's nose. That's quite a span of time from 1972 to the present in acts and words of hate.

London, April 11, 1980: A free-lance Libyan journalist was assassinated by two gunmen outside the Isiamic center mosque. The gunmen were arrested by Scotland Yard. Two additional suspects characterized by Libyans were detained the following day.

Rome, April 19, 1980: A Libyan businessman was assassinated in a cafe. The assailant was apprehended a short distance away—a Libyan. Why had the businessman been killed? The assassin said the victim had been murdered because he was "an enemy of Col. Qadhafi."

London, April 25, 1980: A Libyan lawyer was shot and killed at an Arab legal center. The gunman and another man asked for their victim by name, walked into his office and fired several shots, killing him as other employees watched. The assassins were believed to be members of Libyan death squads that are assassinating opponents of the Libyan strongman.

Rome, May 10, 1980: A Libyan businessman was assassinated. The victim was lured to a hotel for an appointment and, following a few minutes of talk with two men, was shot twice in the head by one of them. The pair disappeared in a crowd at a nearby railroad station. Police arrested a Libyan suspect of being involved in the assassination.

Bonn, May 10, 1980: A Libyan businessman was shot to death in Bonn's city center. The former diplomat had received death threats prior to his assassination by a Libyan who had arrived in West Germany at the end of April.

Athens, May 21, 1980: A young Libyan was found dead in his apartment. Local authorities said the victim was known as an outspoken critic of Col. Qadhafi.

Fort Collins, Colo., Oct. 14, 1980: A Libyan graduate student was shot and wounded by an individual who had come to his home. The victim was known as an opponent of the Libyan regime.

Ogden, Utah, July 17, 1981: A body believed to be that of a Libyan student was found in the trunk of his car. A Libyan national, also a student, suspected of the murder was arrested at O'Hare International Airport in Chicago as he was deplaning from a flight from Utah. He was carrying a large amount of cash and tickets for travel to where? Tripoli.

Lebanon, December 1982: Libya sent armed contingents to north Lebanon to carry out attacks against the multinational forces in an effort to increase unrest in the zone.

Tripoli, February 1983: In a series of resolutions adopted in the Tripoli People's Congress, Libya's charlatan body politic called for spending part of Libya's oil wealth on arms for "all the revolutionary forces in the Arab and Islamic worlds." The resolution called for "suicide squads" to be formed to press attacks inside Arab territory occupied by Israel and against the symbols of treason in the Arab arena who "follow the imperialist camp headed by the United States, the leader of world terrorism."

Switzerland, April 1983: The Swiss government expelled the Libyan charge d'affaires for supplying weapons to two convicted Swiss terrorists.

Germany, April 1983: Libya took eight German technicians hostage in order to blackmail West Germany into releasing Libyans charged with violent crimes.

Jordan, June 1983: The Libyan envoy to Jordan defected. The ambassador revealed Col. Qadhafi's plan to use missiles to destroy the aircraft carrying King Hussein.

Sudan, March 1984: A Libyan bomber invaded Sudanese airspace and attacked a radio-TV station.

Chad, February 1985: The government lodged a complaint in this house of peace, the United Nations, claiming Libya had attempted to assassinate President Hissen Habre in September 1984. Photographs of the attache-case bomb that was to be used in the attack were provided as evidence.

Chicago, February 1985: At a convention of members of the Nation of Islam headed by Louis Farrakhan, Col. Qadhafi, speaking over closed-circuit television, called for black Americans "to immediately leave the military and fight with his support for an indpendent black state. We are ready to give you arms." he proclaimed.

The U.S. May 1985: Our government uncovered a Libyan plot to assassinate anti-Qadhafi Libyans in the U.S. As a result, a Libyan diplomat at the U.N. was declared persona non grata.

Bangladesh, June 1985: A Libyan-trained Bangladeshi national who had received Libyan support in an earlier coup attempt was arrested for plotting to kill President Hossain Mohammad Ershad.

The plotting to assassinate modern Arab leaders has been going on since the '70s. Libya's plans to kill American ambassadors in several Middle Eastern countries and at least one European capital have been uncovered. What does the world think? Libyan "hit squads" have been sent throughout the world to murder exiled Libyans in an overall effort to intimidate dissidents. Libyan hit squads have reached out and attacked exiled Libyans in Italy, England, West Germany, Lebanon, Greece and the U.S. Where next? The dictator's efforts to use terrorism to eliminate dissidents whom he regards as a danger is a constant. The regime and its representatives are terrorists.

May 1985: Col. Qadhafi threatened a terrorist campaign against "his enemies" by stating: "I am a terrorist. I would, if I could, behead the rulers of other Arab nations that oppose me."

November 1985: A group of armed Libyans were arrested by Egyptian authorities for again attempting the assassination of former Prime Minister Abdel-Hamid Bakoush. . . .

When Libyan officials at the People's Bureau in London opened fire on peaceful demonstrators, killing a British policewoman assigned to protect that diplomatic establishment, it graphically pointed out the fact that the present Libyan regime and its diplomatic representatives have rejected all. I repeat all, international treaties and laws. Libya has in effect left the family of nations and has set itself apart from civilized governments. As a result of this position taken by the Libyan strongman, governments throughout the world are taking necessary precautions to protect their citizens and there overall national security against Libya's band of thugs masquerading as diplomats.●

ORDERS FOR FRIDAY

RECESS UNTIL 11 A.M. TOMORROW

Mr. SIMPSON. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 11 a.m. on Friday, February 28, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

Mr. SIMPSON. Mr. President, following the recognition of the two leaders under the standing order tomorrow, I ask unanimous consent that there be a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS TOMORROW

Mr. SIMPSON. Mr. President, following the special order for Mr. PROXMIRE, I ask unanimous consent that there be a period for the transaction of routine morning business, not to extend beyond 11:30 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. Mr. President, at the conclusion of routine morning business tomorrow, the Senate will proceed to the consideration of committee funding resolutions and any other calendar items that can be cleared for action. Therefore, rollcall votes could occur during the day on Friday.

I thank the minority leader.

I think he knows there has been progress with regard to nominations with regard to the polling procedure, and I believe that is very beneficial to us. I concur in that.

RECESS UNTIL 11 A.M. TOMORROW

Mr. SIMPSON. Mr. President, in accordance with the previous order, I move that the Senate stand in recess until the hour of 11 a.m. on tomorrow, February 28, 1986.

The motion was agreed to, and at 8:34 p.m., the Senate recessed until Friday, February 28, 1986, at 11 a.m.

CONFIRMATION

Executive nomination confirmed by the Senate February 27, 1986:

EXECUTIVE OFFICE OF THE PRESIDENT

Michael A. Samuels, of the District of Columbia, to be a Deputy U.S. Trade Representative, with the rank of Ambassador.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

EXTENSIONS OF REMARKS

LITHUANIAN INDEPENDENCE DAY

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. FROST. Mr. Speaker, I am pleased to join with my colleagues in commemorating the 68th anniversary of Lithuanian Independence Day. I am of Lithuanian descent and am justifiably proud of my heritage. Lithuania is a nation that for most of its history has had its sovereignty violated and its freedom suppressed by the Soviet Union, and yet the spirit of its people had never been broken. They have never abandoned their struggle for freedom, and we must let them know that we have not abandoned them.

The brave people of Lithuania have resisted repeated attempts to replace their language and culture with that of their Russian oppressors. They have remained faithful to their religions, language, and traditions, forcing the Soviets to abandon the policy of forced russification. The two brief decades of independence that Lithuania enjoyed were marked by a flourishing of education, literature, and art, as well as great achievements in opera and music. Clearly, this is a nation of great resources that has tragically been cut off from the outside world.

Let us take this opportunity to reaffirm our commitment to the people of Lithuania in their struggle for freedom. As Americans, we share with them a common love of democracy and freedom. It is our responsibility as a free nation to see that these brave people are not forgotten.

STRANGLING SUPERFUND WITH AFFECTION

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. LENT. Mr. Speaker, one of the pressing issues before the Congress is the reauthorization of the funding for Superfund and the strengthening of the program. Even though both bodies passed bills funding and revising the Superfund Program last year, the Superfund Program is about to come to a halt because of the Congress' inability to reconcile the differences between the two bills.

The taxing authority for this important program expired on September 30, 1985. Lee Thomas, Administrator of the Environmental Protection Agency, took action last summer to conserve some program funds and has been able to provide essential Superfund services notwithstanding the lack of additional revenues. Mr. Thomas has recently announced, however, that he is preparing to terminate Superfund contracts and furlough employees. This action will disrupt not only the Superfund Program but all EPA programs as Superfund employees with seniority "bump" other EPA employees.

While it is important that we be deliberate in our efforts to refund and revamp the Superfund Program, we must replenish the Superfund soon. An editorial in the February 11, 1986, edition of the New York Times entitled "Strangling Superfund With Affection" notes the problems with unrealistic goals for this program. I commend this editorial to the attention of my colleagues, and ask that it be inserted in the RECORD at this point.

[From the New York Times Feb. 11, 1986]

STRANGLING SUPERFUND WITH AFFECTION

Toxic chemicals leak into the water supply from thousands of abandoned dumps around the country. Five years of the Superfund, the Federal program to clean up the dumps, has barely scratched the surface. Yet within weeks the Environmental Protection Agency will have to wind down even this program, for lack of funds.

Congress is perfectly willing to give Lee Thomas, the head of the agency, the money needed. Indeed, the House and Senate have vied to give him more. The vast round sums they proposed—$7.5 billion in the Senate, $10 billion in the House—required new taxes, and each house repudiated the other's way of raising them. In the impasse, the Superfund's taxing authority has run out and Mr. Thomas is preparing to terminate contracts and furlough employees.

Congress shares the blame with environmental lobbyists, who pushed for the Superfund to be renewed at twice the $5 billion Mr. Thomas requested but who professed indifference about how to raise it. The House proposed increasing the present feedstock tax levied on the oil and chemical industry. But the industry persuaded the Senate that a value-added tax on all manufacturing industries would distribute the burden more fairly. There are valid objections to both taxes.

Mr. Thomas asserts that $5 billion for the Superfund, over five years, is all he can efficiently spend. Environmental groups have pressed for more, citing the immensity of the task and the need to clean up sites permanently. Everyone agrees that dumps should be cleaned up as fast as possible, and the E.P.A. probably could spend more than Mr. Thomas has asked for.

But the health threat posed by most dumps is not a Bhopal-type poison that kills in seconds; it is low-level pollution that acts over years. The steady progress of a $5 billion cleanup would not necessarily be so much worse than a $10 billion program that might stumble in its haste. A slower program is clearly preferable to legislative paralysis.

Moreover, the House Superfund renewal bill would ask E.P.A. to move twice as fast with mandatory deadlines that it cannot meet. The bill would also let citizens sue for not meeting the deadlines, guaranteeing still more delay. In Mr. Thomas's view, it could take two years longer to clean up each site under the House provisions. The net result of its simultaneous speedup and slowdown stipulations is likely to be nil.

The House and Senate conferees can break the impasse by agreeing at least on a simple one-year extension of the Superfund, with feedstock taxes continued at the present rate. Better still would be a five-year authorization on the same basis, with provision for extra funds to be borrowed from general revenues on evidence that the E.P.A. could usefully spend them.

Excessive goals for the Superfund have produced a ludicrous impasse that threatens to destroy the program. The obvious way out is to settle on goals that are realistic as well as virtuous.

ESTONIA RIGHTS BEING DENIED BY SOVIETS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. GILMAN. Mr. Speaker, February 24 marked the 68th anniversary of the Declaration of Independence of the Republic of Estonia. While this anniversary will be recognized by millions throughout the free world, no observance will be allowed in Soviet-occupied Estonia.

On February 24, 1918, the Republic of Estonia declared its independence and soon after became a model of justice and liberty. In 1925, for example, Estonia became the first country to recognize the importance of the Latvian, German, Russian and Jewish cultures through government subsidized ethnic schools, libraries and theaters. This tiny republic flourished until 1940 when the Soviet armies occupied Estonia and subsequently annexed Estonia and the other Baltic States to the Soviet empire.

Throughout the past 45 years brave Estonians have suffered under repressive Soviet rule. Later this week Members of Congress will have an opportunity to learn firsthand about life in Estonia when Valdo Randpere and Leila Miller visit the Capitol. Valdo and Leila are the parents of the world's youngest political prisoner, Kaisa Randpere. Valdo and Leila were forced to leave the 2-year-old Kaisa behind when they defected to Sweden in 1984. Kaisa is currently living in Tallinn, in Estonia, where both she and her grandmother, Hilga Uuskule, have been the subject of constant harassment and persecution by the Soviet authorities. Recent reports indicate that the Soviet authorities have fired the grandmother from her job, threatened to place Kaisa in an orphanage, denied correspondence privileges, and even threatened the grandmother with psychiatric imprisonment. Unfortunately the Randperes are just one of countless Estonian families whose basic

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

human rights are being systematically denied by their Soviet captors.

I recently received a statement from the Estonian National Council in New York City on the current situation in Estonia. It is a clear, moving example of the repressive lifestyle the people of Estonia endure under Soviet occupation. I wish to bring this essay to the attention of my colleagues by including it at this point in the CONGRESSIONAL RECORD:

STATEMENT OF THE ESTONIAN AMERICAN NATIONAL COUNCIL

The people of Estonian ancestry everywhere commemorate the 68th anniversary of the founding of the Republic of Estonia on February 24, 1918. At the same time, they note with sadness the continued brutality of the Soviet occupation of Estonia which began in June, 1940, when the Red Army rolled across the border to annex its neutral and peaceful neighbor. The Soviet agression against the Baltic states—Estonia, Latvia and Lithuania—was such a blatant violation of international law that the United States and almost all other Western countries to this day refuse to accord de jure recognition to the Soviet rule there.

As Soviet rulers even today seek to expand the tentacles of their oppressive system of governance in Afghanistan and elsewhere, we would do well to recall the fate of Estonia. During the brief period of its modern statehood the Republic of Estonia was in many respects a model country. Universal suffrage and the eight-hour work day were introduced at the outset, and records of the International Labor Office in Geneva attest that the Republic of Estonia was in the forefront of humane social and labor legislation in general.

Estonia's land reform and its minorities' laws gained international fame and were often cited by the League of Nations as examples to emulate. Indeed, in recognition and appreciation of ethnic justice, the Jewish National Fund in Palestine in 1927 awarded its special "Golden Book Certificate" to the Republic of Estonia, the only country ever so honored by the Jewish people. The American author Marion Foster Washburne traveled around the world in search of "the happy country." And in her 1940, A Search for a Happy Country (Washington: National Home Library Foundation), she concludes that the Republic of Estonia was that happy country.

Under Soviet domination Estonia has suffered tremendously—demographically, politically, culturally. Thus, the country lost almost one-third of its prewar population between 1939 and 1949, due foremost to Soviet atrocities; especially brutal were the mass deportations of 1941 and 1949. After the war, there has been a steady influx of Russians; the share of the population which is ethnic Estonian declined in the present territory from 92 percent in 1939 to 68 percent by 1970.

While the minority laws of the Republic of Estonia were renowned internationally, Estonians today face grave pressures of russification and sovietization in the own ancestral territory. Creative freedoms in all fields of artistic endeavor have been severely curtailed. Russian language encroachment at all educational levels, in the mass media, and in public affairs threatens to undermine the Estonian national identity. A few years ago Soviet authorities prohibited the use of Estonian in the defense of doctoral dissertations. More recently, the Communist Party's press in the university town of Tartu announced that the forced teaching of Russian would be introduced already at the level of day care centers.

Today, it is virtually impossible for Estonians in their Soviet occupied homeland to travel abroad or to emigrate. Contrast this with the fact that in 1936 alone, for example, 120,889 Estonian citizens were able to travel abroad, and a few of them chose to emigrate. In the grips of the Soviet bear Estonia today has the sad distinction of having the world's youngest political prisoner, two year old Kaisa Randpere, who is forbidden by Moscow from joining her parents in the West. The Soviet aggression against Estonia and the unremitting, systematic violation of political and human rights, have been well documented by the United States Congress and the Department of State.

From the outset of the Soviet occupation Estonians have actively resisted and protested Moscow's actions. In the ancestral homeland such protests, even when they are nothing more than peaceful memoranda, result in long periods of banishment to the infamous Gulag, tortuous confinement to psychiatric institutions, and at times even murder in confinement, as happened with the late Juri Kukk. In spite of this, Estonians in their Soviet occupied homeland as well as those in the diaspora in the Free World, will mark Estonian Independence Day once more on February 24th. The dream of the restoration of sovereignty, of political and human rights, of freedom from the Soviet Russia oppression lives on in the hearts of Estonians everywhere. Their aspirations, hopes and struggle for freedom are shared by freedom-loving people everywhere.

Elagu Vava Eesti! (Long live Free Estonia!)

PEACE ACTIVISTS APPEAL TO GORBACHEV

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. MARKEY. Mr. Speaker, a recent crackdown on the U.S.-U.S.S.R. Trust Group, an independent peace organization in Moscow, has spurred U.S. peace activists, as well as Members of Congress, to appeal to General Secretary Mikhail Gorbachev.

Sixteen of the peace group's members were arrested, and one member, Nina Kovalenko, was badly beaten by police after the group attempted to hold a meeting Tuesday, February 4.

I, along with 28 of my colleagues, sent a letter to General Secretary Gorbachev on February 12, calling for his intervention on behalf of the Soviet peace activists.

A telegram of protest, cowritten by the Campaign for Peace and Democracy/East and West and Peace Activists East and West and signed by 32 major American peace activists, was also sent to Mr. Gorbachev. On February 21 the telegram was hand-delivered to the First Secretary of the Soviet Embassy by a delegation of American peace activists, who protested the repressive activities against the Trust Group while affirming their commitment to constructive nuclear arms control negotiations.

The text of the telegram follows:

FEBRUARY 1986.

MIKHAIL S. GORBACHEV,
General Secretary,
The Kremlin,
Moscow, U.S.S.R.

DEAR GENERAL SECRETARY GORBACHEV: We are activists and supporters of the U.S. peace movement who have condemned our government's dangerous insistence on the Star Wars program, and its failure to respond constructively to recent Soviet arms proposals and intitiatives.

We are writing now because we are alarmed by news of crackdown on independent Soviet peace activists, which has included arrests, psychiatric confinement and expulsions. We call on you to ensure that all harassment of these independent activists ceases immediately.

Sincerely,

Virginia Baron, Fellowship magazine; Steven Becker, Campaign for Peace and Democracy/East and West Noam Chomsky; Richard Baggett Deats, Fellowship of Reconciliation; Gail Daneker, Campaign for Peace and Democracy/East and West; Tom DeLuca; Ralph DiGia, War Resisters League; Polly Duncan, Sojourners; Daniel Ellsberg; Richard Falk.

Melinda Fine, Nuclear Weapons Freeze Campaign; Erica Foldy, Coalition for a new Foreign and Military Policy; Randall Forsberg, Institute for Defense and Disarmament Studies; Meg Gage, Peace Development Fund; Matthew Goodman, Defense and Disarmament News; Sanford Gottlieb; Judy Hempfling, Peace Activists East and West; Nancy L. Heskett, American Peace Test; Adam Hochschild, Mother Jones.

A. Winton Jackson, Across Frontiers; Randy Kehler; Joanne Landy, Campaign for Peace and Democracy/East and West; Robert J. Lifton, M.D.; Deborah Lubar, Peace Activists East and West; David McReynolds, War Resisters League; Seymour Melman, Mobilization for Survival; Roy Morrison, American Peace Test; Marcus Raskin, SANE; Raoul Rosenberg, Physicians for Social Responsibility; Jim Wallis, Sojourners; Beverly Woodward, ISTNA; Barbara Zheutlin, PRO-Peace.

A TRIBUTE TO HARRY VAN ARSDALE

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. GARCIA. Mr. Speaker, on Sunday, February 16, Harry Van Arsdale, Jr., passed away. Mr. Van Arsdale was the president of the New York City Central Labor Council. He was 80 years old.

Anyone who has been connected with the labor movement in New York City over the past few decades knew Harry Van Arsdale. He was a legend in his time. As John Cardinal O'Connor said at his funeral, "Few people have contributed more and not many have contributed as much as Harry Van Arsdale in trying to promote the dignity of the worker."

Cardinal O'Connor was right. Harry Van Arsdale was a giant of the labor movement. He believed in the dignity of the working man. My father belonged to local 3 of the International Brotherhood of Electrical Workers where Mr. Van Arsdale was a past president. My father

had a great deal of respect for him because Harry treated him and his fellow members with dignity. Race or creed did not matter to Harry.

When I first became involved with politics, Harry supported me. He knew my father; he knew me; and he believed in me. I owe him a great deal. His support meant a lot to a young kid starting out in public life.

Harry was born in Hell's Kitchen, and it made him a scrapper. When he was 19, he followed his father into local 3 and became a strong defender and student of the labor movement. He fought to keep his union strong and clean—sometimes he literally had to fight to make his point. In 1933 at the age of 28, he became head of local 3, and he stayed as its leader until 1968 when he stepped down.

Harry worked hard for local 3. He worked for union rights, better working conditions, and opportunity for better training and education for his union members. He encouraged his members to further their education, and set up a scholarship fund for the daughters and sons of union members.

In 1957 he was elected head of the Central Labor Council and became involved with all the city's labor unions. He became an adviser to political leaders, including mayors and Governors. His influence was wide and respect for him throughout the city was great. The council, during his presidency, represented close to 1 million union members. He was called "Mr. Labor." He was their leader.

We will miss Harry Van Arsdale. He was an institution. Cardinal O'Connor eulogized him quite aptly when he said, "God will look at the work of his hands, his laborer's hands, his union hands and say it was good."

I would like to have included as part of my statement an article on Harry Van Arsdale from the February 23 edition of the New York Times.

[From the New York Times, Feb. 23, 1986]

A UNION LEADER MADE IN NEW YORK

(By A.H. Raskin)

In the 1960's, when Nelson Rockefeller was Governor and Robert F. Wagner Mayor, no one had greater influence in Albany or City Hall than Harry Van Arsdale Jr., the pint-sized president of the million-member New York City Central Labor Council, who died last Sunday at 80.

But even at the zenith of his potency as a wheeler-dealer capable of shaping state and municipal labor policies, Mr. Van Arsdale's most passionate battles were fought not for the establishment unions enjoying the highest wage scales but for the workers at the bottom of the economic heap, organized and unorganized. He championed the emptiers of bedpans and pushers of carts in the city's hospitals, the grooms and stablehands at Aqueduct and Belmont, the taxi drivers in bondage to loansharks, the tens of thousands of exploited women in a new plague of sweatshops engulfing the five boroughs.

Not for him were the chauffeured Cadillacs that have increasingly become a badge of union prestige and power. During his tenure as a director of Lincoln Center, the bankers, industrialists and society leaders with whom he served rode to board meetings in limousines. More often than not, Mr. Van Arsdale roared up on a motor scooter driven by the editor of his union paper.

The pressures he exerted in behalf of his flock frequently squeezed the community in ways that brought him detractors as well as admirers. His backroom maneuvers were a major factor in delivering the contracts that gave many newly created public employees' unions their start, but the chain of "me-too" pay raises initiated by those early break-throughs contributed to the ballooning cost of city government, which brought New York to the brink of bankruptcy in the mid-1970's.

When John V. Lindsay came to the mayoralty in 1966, it was no secret that Mr. Van Arsdale was No. 1 among the "power brokers" he hoped to strip of the muscle that was pushing up municipal costs. But a combination of the Mayor's inexperience and the lifelines thrown to Mr. Van Arsdale at every critical juncture by his Albany buddy, Governor Rockefeller, kept Mr. Lindsay from exorcising the Van Arsdale power. The antagonists eventually developed a mutual respect that made them firm friends.

The deepening fiscal crisis after Abraham D. Beame became Mayor in 1974 projected the chief of the city's unions into a key role in staving off municipal collapse. He worked to line up union, governmental and statutory support for a bailout of the city through the investment of billions of dollars held by municipal pension funds.

His political clout was rooted in command of the central body embracing the bulk of New York City's unions, but the heartland of the Van Arsdale domain was Local 3 of the International Brotherhood of Electrical Workers, which this rock-fisted alumnus of Hell's Kitchen transformed from a jungle into a union version of the welfare state.

A GENTLER ERA

When he was elected business manager after ousting a corrupt Old Guard in 1934, the local's meetings were often so unruly that chairs had been banished lest they be used to break heads. Over the years, Mr. Van Arsdale's civilizing influence made Local 3 the hub of employer-financed educational programs that ranged from college scholarships for members' children to unionists' subsidized study of the classics in a converted Southampton mansion so sumptuous that even its bathrooms have marble fireplaces.

Along with that went bread-and-butter gains that put the electricians in a pay bracket far above that of most working stiffs, and gave them and their families unparalleled cradle-to-grave benefits.

Long before Congress prescribed rigorous accounting standards for labor, Mr. Van Arsdale required that every Local 3 expenditure, from soap to paper clips, be reported to the rank and file. When featherbedding was the rule in the New York construction crafts, he organized seminars on efficiency and sponsored contests among his electricians to encourage the use of power-driven tools and the elimination of waste time. "To get more," he often admonished, "you must give more."

Local 3 became a magnet for inspection by academics and labor management delegations from all over the world, but not all Mr. Van Arsdale's goals were universally applauded. A landmark decision of the United States Supreme Court in 1945 struck down as monopolistic a compact with New York electrical contractors banning the installation of equipment not made or assembled by New York union members.

In 1962, a successful Van Arsdale campaign for a five-hour basic work day so alarmed White House inflation-fighters that it drew a public rebuke from President John F. Kennedy, whose autographed portrait occupied a place of honor in the union chief's office. But the New Yorker felt no need to turn the picture to the wall. On the contrary, "You get unrealistic when everyone is treating you so nice," he said at the time. "Too many unions feel the size of their balance sheet is their strength, or the number of friendly gestures they get from politicians when everything is peaceful."

In his twilight years, it became the fashion among some younger unionists whose climb he had aided to grumble that Mr. Van Arsdale had become an anachronism, that it was time for mastery of the Central Labor Council to pass from the troglodytes of the building trades to the burgeoning public employee and service unions. But whatever the outcome of the impending scramble for power, it will not alter the reality that over the last half-century Mr. Van Arsdale put a distinctive "made in New York" label on many salutary aspects of American unionism.

ANNIVERSARY OF RISE OF KHOMEINI REGIME

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. TOWNS. Mr. Speaker, this month marks the anniversary of the rise of the Khomeini regime to power. At a time, when freedom loving people in Haiti and the Philippines have demanded an end to human rights abuses, tyranny, and corruption, Iran remains on the back burner in terms of human rights concerns.

In part this attitude is due to the ability of human rights organizations internationally to monitor the situation in Iran. Without the reports of escaped political prisoners, it would be difficult to ascertain the true horrors of this regime. Many Members, Mr. Speaker, had an opportunity to meet with three torture victims late last year when they appeared before the U.N. Commission on Human Rights and during their nationwide tour of the United States. The stories of Ms. Mojgan Homayounfar, Ms. Narges Shayesteh, and Mr. Hossein Dadkhah, describe a level of systematic torture and human rights that has not been equaled by any other human rights abuser, with the possible exception of the Nazis. Amnesty International in November of last year said, "there is no limit to the amount of time a political detainee may be held incommunicado, without charge or trial."

The present government also summarily executes Iranian citizens for the slightest opposition or perceived opposition to the government. It is also well documented that some 30,000 Iranians have died in the Iranian-Iraq war, many of whom are school age children who have forcibly been conscripted into the army. The abuses of Khomeini must be opposed. The world often ignored the abuses of the Shah of Iran and many innocent people suffered as a result. We must not make the same mistake with the current Iranian Government.

SALUTE TO CATHOLIC SCHOOLS IN THE DIOCESE OF STEUBENVILLE

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. APPLEGATE. Mr. Speaker, I would like you to join me today in paying tribute to the Catholic schools in my congressional district in the diocese of Steubenville. The Catholic schools play an important role in the diocese, consisting of 13 counties in southeastern Ohio, by furnishing our leaders of tomorrow with basic human, moral, and spiritual foundations.

I am pleased to honor the Catholic schools in the diocese of Steubenville with their theme, "Catholic Schools: A Rainbow of Excellence," for their excellent work in the field of learning. The Catholic education fosters the religious fervor that originates deep within our Nation's heritage encouraging all Americans to depend on God for daily strength and fulfills the threefold purpose of message, community, and service. The faith and stability demonstrated by Catholic schools perpetuate the rich tradition of education by raising levels of knowledge, competence, and experience. The longstanding tradition of Catholic education strengthens the community and the Nation by keeping viable the right to freedom of religion under law.

Mr. Speaker, i take great pride in commemorating the Catholic schools in the diocese of Steubenville. I hope you will join me in expressing appreciation for the dedication with which the faculty, staff, and students approach their respective jobs. It is to individuals such as these that we owe the continuation of, and commitment to, the Christian faith in our country.

TAX POLICY AND INTERNATIONAL TRADE

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. GRADISON. Mr. Speaker, recently, several groups and indivduals have made claims about the detrimental or beneficial impact of tax changes on this country's ability to compete in world markets. The more prevalent assertions are that the recently House-passed tax bill (H.R. 3838) would significantly worsen our international trade posture as reflected in the trade deficit, and that consumption taxes, such as Senator ROTH's proposed "business transfer tax" would significantly improve our international competitiveness. However sincere the intent of these claims, supportive evidence has, up to now, been weak or nonexistent.

Fortunately, this situation has just changed. A major study has just been released by the Congressional Research Service which tackles this question head on. If this study doesn't resolve the matter, it certainly goes a long way toward clarifying it. I take this opportunity to summarize the findings. The study is CRS Report No. 86-42E, "Corporate Tax Reform and International Competitiveness," by Jane G. Gravelle.

Using generally accepted economic theory and conventional methodology, CRS analyzed the consequences of three major tax proposals: The administration's proposal, H.R. 3838, and Senator ROTH's business transfer tax. The bottom line finding is that tax changes generally are not likely to affect international competitiveness because their impact—on relative prices and the trade deficit—will necessarily be quite small.

Put another way, considerations of international competitiveness as they pertain to tax reform should not be placed ahead of traditional issues of tax reform: economic efficiency—resource allocation—and growth, simplicity, and fairness.

I point this out even though I am a strong supporter of tax reform. I voted for both the rule and final passage of H.R. 3838. And I like Senator ROTH's tax proposal. But there are plenty of valid reasons to support tax reform generally and consumption taxes specifically without having to rely on arguments that fail to hold up under careful analysis.

This is not to say that taxes are inconsequential to trade, especially to the composition of trade. Nevertheless, the CRS study points out that a change in tax policy can only alter the trade deficit if the change alters capital flows. And as this study points out, this outcome is essentially unchanged whether or not a tax is rebated at the border.

I would also add that this is true regardless of whether the world's economy operates under a system of flexible or fixed exchange rates; the system must—sooner under flexible rates, later under fixed rates as inflation rates adjust—return to a state of balance between the demand for and supply of dollars.

What this study confirms is that there are no easy solutions to our trade woes. The principal culprit is the deficit. The Government's credit demands, as reflected in the deficit, raise interest rates, inducing more capital inflows and less capital outflows. In other words, the deficit leads to an increased demand for dollars which hurts U.S. exporters—because prices of exports go up—while flooding us with imports—because the prices of imports go down. And the dollar market necessarily equilibrates by matching the increase in net capital inflows with an increase in the trade deficit.

The identical mechanism is at work with respect to changes in tax policy. For example, the business transfer tax will actually increase the trade deficit in the short run. Why? Because reducing the taxation of capital causes investment demand to expand, which in turn raises interest rates, which in turn causes investment dollars—capital—to flow into the United States and fewer dollars to flow out. In the absence of meaningful deficit reduction, the resulting net inflow will be offset by an equivalent increase in our trade deficit.

For the very opposite reason, the House bill, which increases capital taxation, will decrease the trade deficit in the short run.

These effects decline and reverse over the long run. For example, foreign capital inflows will at first cause an increase in the trade deficit. But over time, as foreigners accumulate capital in this country, outflows of the earnings from this capital will exceed investment inflows, causing a smaller trade deficit.

The following table, taken from the CRS study, shows both the direction and magnitude of change in the trade deficit for the three tax proposals over the short run—approximately 1 year—and the long run. While they do not reflect the latest refinement in Senator ROTH's proposal, as announced late last week, there is no reason to expect any directional change.

MAXIMUM CHANGE IN RELATIVE PRICE OF EXPORTS AND DOMESTIC IMPORT-COMPETING PRODUCTION DUE TO CAPITAL FLOWS

[Percentage changes]

	Short run	Long run
Administration proposal	−0.3	−0.3
House bill (H.R. 3838)	−5.0	.9
Roth amendments	1.8	−.5

Note that, in this table, negative price changes reflect a reduction in the trade deficit, while positive changes reflect an increase. A negative change means the dollar and the trade deficit fall, and that exports are more competitive. The total effect of the administration's proposal as amended by Roth would equal the sum of the two changes in either column.

These numbers are deliberately overstated, perhaps by a magnitude of 10. The reason is that the CRS study was designed as a "sensitivity" analysis; that is, it relies on assumptions that would necessarily generate maximum price changes. According to Dr. Jane Gravelle, who authored the CRS study, these numbers are "overwhelmed by measurement error and unrelated fluctuations in the exchange rate."

Finally, to further illustrate the minimal impact of changes in tax policies on prices, I point out the relative price changes for specific industries. Keep in mind that, again owing to the deliberate underlying assumptions of the investigation, these very small price changes are nevertheless unrealistically high.

MAXIMUM RELATIVE PRICE EFFECTS ON INTERNATIONAL TRADE, BY INDUSTRY

[Percentage change in price]

	Administration	House bill	Roth amendments
Agriculture	−.3	1.3	−.1
Mining	.6	.4	.4
Crude oil	.5	.3	.8
Construction	.4	.3	.7
Manufacturing:			
Wood products	.1	.2	.1
Stone, clay and glass	.3	1.0	.2
Primary metals	.1	.4	.3
Fabricated metals	.1	−.1	.3
Machinery	−.1	−.6	.4
Electronics	0	−.2	.2
Motor vehicles	.2	.8	.2
Other transportation equipment	0	−.5	.3
Instruments	0	−.6	.4
Miscellaneous	−.1	−.1	.3
Food	−.2	.6	0
Tobacco	−.4	−.2	0
Textiles	.2	.4	0
Paper	.3	.7	.2
Printing	.5	.3	.3
Chemicals	−.1	.7	.1
Petroleum	.2	.2	.5

MAXIMUM RELATIVE PRICE EFFECTS ON INTERNATIONAL TRADE, BY INDUSTRY—Continued

[Percentage change in price]

	Administration	House bill	Roth amendments
Rubber	.2	.8	0
Leather	−.2	−.6	.3
Transportation	1.2	1.7	.5
Communications	2.0	3.7	−.2
Electric, gas utilities	−.1	4.6	.4
Trade	−1.0	−1.0	1.1
Services	.3	.3	0
General price change	−.7	1.6	−.7
Exchange rate change	1.0	−1.3	.8

Congress will produce better tax policy if we keep our focus on the generally accepted goals of tax reform—growth and efficiency, fairness, and simplicity—as well as generally accepted economic principles.

DEMOCRACY TRIUMPHS

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. COUGHLIN. Mr. Speaker, I rise today to congratulate the President, the Secretaries of our State and Defense Departments, and most of all President Corazon Aquino and the Philippine people, on the occasion of the peaceful transfer of power to the new Government of the Philippines. Coupled with the recent triumph of justice in Haiti, where America helped facilitate the establishment of a transitional government dedicated to democracy and human rights, America's recent diplomatic actions have been forward-thinking and laudable. President Reagan deserves our hearty acclaim for his key role in these critical events.

America's actions in both of these crises have been accompanied by the deeds of true heroes—the people of the Philippines and Haiti—who often in recent days have subjected themselves to the possibility of violence committed by security forces loyal to rejected autocrats, and in some cases, have paid the ultimate price. But their dreams, and the dreams of their countrymen, it appears, will soon come true. Democracy will flourish in these countries, I believe, and will be resolutely defended by the people there.

America's involvement in these events should serve to show all friends of justice and freedom around the world—as well as the enemies of these all-important ideals—that America stands for the progress of mankind and man's inevitable march toward democracy. Dictatorships still exist in many parts of the world; they will, no doubt, continue for years to come. But the restoration of civil rights and the realization of democracy have been the primary goals of this administration's foreign policy in countries where the citizenry is disenfranchised and disabused, and this Nation will continue to pursue these goals in the future.

I hope that the doubters in Congress and elsewhere will recognize that the policy of this administration—and America's policy—is and always has been to encourage democratic political institutions and free enterprise economic systems. I hope they will join in action against tyranny of the left as well as against tyranny of the right.

Again, my heartiest congratulations to President Reagan, President Aquino, and all those who cherish justice and democracy, on these recent events.

INTRODUCTION OF A RESOLUTION ON HAITI

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. GARCIA. Mr. Speaker, I am introducing today on behalf of myself, and Representatives FAUNTROY, LEVINE, BEREUTER, LELAND, TOWNS, STUDDS, BARNES, BUSTAMANTE, DE LUGO, RICHARDSON, FUSTER, COELHO, TORRES, and ROYBAL, a sense of the House resolution expressing our support for the people of Haiti, as they try to rebuild their nation economically and politically.

The Haitian people suffered for three decades under the yoke of the Duvalier dynasty. Finally, about 3 weeks ago, that dynasty came to an end. That was the first step. Now the work and struggle to rebuild Haiti must begin. Unfortunately, our resources are limited so we will not be able to give the Haitian people nearly as much as they need and deserve. This does not mean, however, that we can abdicate our responsibility to Haiti. We supported that nation during the Duvalier years. We must, therefore, now offer them help, at least some measure of help, as they try to build a democracy.

The Haitian economy is in shambles. They are running out of food. There is only $500,000 left in foreign reserves. The list of problems confronting them is nearly endless. It is in that light that I hope my colleagues will support this resolution, so that we can send a sign to the Haitian people of our support.

H. RES. 382

Resolution expressing the support of the House of Representatives for the Haitian people as they try to rebuild their nation and make a peaceful transition to democracy

Whereas the friendship between the Haitian and the American people is longstanding;

Whereas the fall of the Duvalier government has presented the Haitian people with an historic opportunity to rebuild their nation;

Whereas the United States is watching events in Haiti with great interest and hope for the future;

Whereas it is the hope of the United States that there will be respect for human rights in Haiti by the Government and the people of Haiti; and

Whereas it is the hope of the United States that there will also be respect for freedom by the Government of Haiti, including a commitment to free elections, free political parties, freedom of religion, free labor unions, and freedom of the press: Now, therefore, be it

Resolved, That the House of Representatives expresses—

(1) its support for the Haitian people as they try to rebuild their nation;

(2) its support for a peaceful transition to democracy in Haiti;

(3) its desire to strengthen the bond of friendship between the Haitian people and the United States; and

(4) its commitment to aid the Haitian people, while respecting their desire for self-determination.

VOTING RECORD

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. UDALL. Mr. Speaker, it has become my practice from time to time to list my votes in the CONGRESSIONAL RECORD. I strongly believe that the people of the Second Congressional District of Arizona have a right to know where I stand on the issues decided by this body, and I have found that printing my record here is the best way to provide that information.

This is not an all inclusive list. I have omitted noncontroversial votes such as quorum calls, motions to resolve into the Committee of the Whole House, and motions to approve the Journal of the previous day.

The descriptions are necessarily somewhat short, and I am sure that some of my constituents will have additional questions about the issues described here. So I invite them to write me for more specifics.

The votes are described as follows:

KEY

1. Rollcall Number;
2. Number of the bill or resolution;
3. Title of the bill or resolution;
4. A description of the vote;
5. The outcome of the vote;
6. The vote total;
7. My vote, in the form Y—yes, N—no, and NV—not voting;
8. The vote totals of the Arizona delegation (yes-no-not voting);
9. The date.

101. HR 1157. Maritime Programs Authorization, Fiscal 1986. Walker, R-Pa., perfecting amendment to the Jones, D-N.C., substitute to the Walker amendment, to cut the authorization for maritime programs of the Maritime Administration and the Federal Maritime Commission for fiscal 1986 by 10 percent. Rejected 100-318: NV(4-0-1), May 14, 1985. (The Jones amendment, to state that the authorization was not an increase over fiscal 1985 levels, was subsequently adopted by a voice vote).

102. HR 1157. Maritime Programs Authorization, Fiscal 1986. Passage of the bill to authorize maritime programs of the Maritime Administration and the Federal Maritime Commission for fiscal 1986. Passed 371-46: NV(2-2-1), May 14, 1985.

103. HR 2005. Social Security Minor and Technical Changes Act. Rostenkowski, D-Ill., motion to suspend the rules and pass the bill to make minor and technical changes in the Social Security and Disability Insurance programs. Motion agreed to 413-0: NV(4-0-1), May 14, 1985.

104. HR 1555. Foreign Assistance Authorization, Fiscal 1986. Adoption of the rule (H Res 140) to provide for House consideration of the bill to authorize $12.8 billion for development and security assistance programs

for fiscal year 1986. Adopted 400-2: NV(3-1-1), May 14, 1985.

107. HR 1872. Department of Defense Authorization, Fiscal 1986. Adoption of the rule (H Res 169) to provide for House floor consideration of the bill to authorize $223.8 billion for research and development, weapons procurement, test and evaluation, and operation and maintenance in the Department of Defense for fiscal year 1986. Adopted 366-25: Y(5-0-0), May 15, 1985.

108. HR 2475. Imputed Interest Rules. Rostenkowski, D-Ill., motion to suspend the rules and pass the bill to ease provisions of the Deficit Reduction Act of 1984 (P.L. 98-369) aimed at restricting the use of below-market, seller-financed real estate transactions to avoid tax payments. Motion agreed to 425-0: Y(4-0-1). May 21, 1985.

109. HR 1460. Anti-Apartheid Act. Adoption of the rule (H Res 174) to provide for House floor consideration of the bill to punish the white minority government of South Africa for its racial policy of apartheid. Adopted 414-4: Y(2-1-2), May 21, 1985.

110. HR 1460. Anti-Apartheid Act. Zschau, R-Calif., amendment to let U.S. firms continue investing in South Africa if their South African units comply with a code of worker rights. Rejected 148-256: NV(3-0-2), May 21, 1985.

111. H Con Res 152. First Budget Resolution, Fiscal 1986. Derrick, D-S.C., motion to order the previous question (thus ending debate and the possibility of amendment) on the rule (H Res 177) to provide for House floor consideration of the concurrent resolution to set budget targets for the fiscal year ending Sept. 30, 1986. Motion agreed to 255-159: Y(1-4-0). May 22, 1985.

112. H Con Res 152. First Budget Resolution, Fiscal 1986. Adoption of the rule (H Res 177) to provide for House floor consideration of the concurrent resolution to set budget targets for the fiscal year ending Sept. 30, 1986, as follows: budget authority, $1,051.5 billion; outlays, $959.1 billion; revenues, $794.1 billion; deficit, $165 billion. The concurrent resolution also revised budget levels for fiscal 1985 and included reconciliation instructions requiring House committees, within 30 days after final approval of the resolution, to submit measures to meet budget targets to the Budget Committee. Adopted 273-141: Y(2-3-0). May 22, 1985.

113. H Con Res 152. First Budget Resolution, Fiscal 1986. Dannemeyer, R-Calif., substitute to set budget targets for the fiscal year ending September 30, 1986, as follows: budget authority, $1,050.9 billion; outlays, $961.3 billion; revenues, $793 billion; deficit, $168.2 billion. The amendment also revised budget levels for fiscal 1985 and included reconciliation instructions requiring House committees, no later than June 30, to submit measures to meet budget targets to the Budget Committee. Rejected 39-382: N(1-4-0). May 22, 1985.

114. H Con Res 152. First Budget Resolution, Fiscal 1986. Pursell, R-Mich., substitute to set budget targets for the fiscal year ending Sept. 30, 1986, as follows: budget authority, $1,060 billion; outlays, $970.8 billion; revenues, $794.2 billion; deficit, $176.6 billion. The amendment also revised budget levels for fiscal 1985. Rejected 87-335: N(2-3-0). May 22, 1985.

115. H Con Res 152. First Budget Resolution, Fiscal 1986. Leland, D-Texas, substitute to set budget targets for the fiscal year ending Sept. 30, 1986, as follows: budget authority, $1,056.5 billion; outlays, $989.4 billion; revenues, $816.1 billion; deficit, $173.3 billion. The amendment also revised budget levels for fiscal 1985. Rejected 54-361: N(0-5-0), May 22, 1985.

117. H Con Res 152. First Budget Resolution, Fiscal 1986. Latta, R-Ohio, substitute to set budget targets for the fiscal year ending Sept. 30, 1986, as follows: budget authority, $1,064.9 billion; outlays, $996.1 billion; revenues, $793.5 billion; deficit, authority, $1,064.9 billion; outlays, $996.1 billion; revenues, $793.5 billion; deficit, $172.6 billion. The amendment also revised budget totals for fiscal 1985 and included reconciliation instructions requiring House committees, no later than June 30, to submit measures to meet budget targets to the Budget Committee. Rejected 102-329: N(4-1-0), May 23, 1985.

118. H Con Res 152. First Budget Resolution, Fiscal 1986. Leach, D-Texas, amendment to reduce the deficit by $75 billion in fiscal 1986, and by $350 billion over fiscal 1986-88, by eliminating increases in cost-of-living adjustments for recipients of Social Security and other federal retirement programs and by raising $12 billion in new taxes, in combination with spending cuts outlined in the concurrent resolution. Rejected 56-372: Y(3-2-0). May 23, 1985.

119. H Con Res 152. First Budget Resolution, Fiscal 1986. Oakar, D-Ohio, amendment to express the sense of the House that the Ways and Means Committee should report legislation imposing a minimum federal income tax, with new revenues to be used to reduce either tax rates or the federal budget deficit. Rejected 142-283: Y(1-4-0). May 23, 1985.

120. H Con Res 152. First Budget Resolution, Fiscal 1986. Adoption of the concurrent resolution to set budget targets for the fiscal year ending Sept. 30, 1986, as follows: budget authority, $1,051.5 billion; outlays, $959.1 billion; revenues, $794.1 billion; deficit, $165 billion. The concurrent resolution also revised budget levels for fiscal 1985 and included reconciliation instructions requiring House committees, within 30 days after final approval of the resolution, to submit measures to meet budget targets to the Budget committee. Adopted 258-170: Y(1-4-0), May 23, 1985.

122. H J Res 192. National Day of Remembrance of Man's Inhumanity to Man. Ford, D-Mich., motion to suspend the rules and pass the joint resolution to designate April 24, 1986, as "National Day of Remembrance of Man's Inhumanity to Man," to memorialize all victims of genocide, especially the 1.5 million Armenians killed in Turkey from 1915-1923. Motion rejected 233-180: Y(1-4-0), June 4, 1985.

123. HR 1460. Anti-Apartheid Act. Zschau, R-Calif., amendment to ban the importation into the United States of South African gold coins, called Krugerrands, only if the prohibition is not inconsistent with U.S. obligations under the General Agreement on Tariffs and Trade (GATT). Rejected 127-292: N(4-1-0), June 4, 1985. (The effect of the amendment was to allow the administration to kill the ban if it decided that the action constituted a violation of GATT.)

124. HR 1460. Anti-Apartheid Act. Burton, R-Ind., amendment to waive the provisions in the bill restricting new investment in South Africa if the secretary of state determined, based on poll of non-white South Africans, that a majority of non-white South Africans opposed the restrictions or the divestiture of U.S. investments in South Africa. Rejected 40-379: N(1-4-0), June 4, 1985.

125. HR 1460. Anti-Apartheid Act. Burton, R-Ind., amendment to waive the provisions in the bill restricting new investment in South Africa if the secretary of state determined, based on an internationally supervised referendum of non-white South Africans, that a majority of non-white South Africans opposed the restrictions. Rejected 30-384: N(1-4-0), June 4, 1985.

126. HR 1460. Anti-Apartheid Act. Siljander, R-Mich., substitute to establish a commission to study apartheid in South Africa and to recommend, after three years, what sanctions the United States should impose on the South African government. The amendment would also require all U.S. companies doing business in South Africa to adhere to the fair-labor code known as the Sullivan principles. Rejected 108-310: N(2-3-0), June 5, 1985.

127. HR 1460. Anti-Apartheid Act. Gunderson, R-Wis., substitute to impose sanctions against South Africa if significant progress had not been made toward eliminating apartheid in two years. The amendment would also require all U.S. companies doing business in South Africa to adhere to the fair-labor code known as the Sullivan principles. Rejected 112-313: N(3-2-0), June 5, 1985.

128. HR 1460. Anti-Apartheid Act. Dellums, D-Calif., substitute to require the immediate withdrawal of all U.S. investment from South Africa and to impose a total ban on U.S. exports to that country. Rejected 77-345: N(0-5-0), June 5, 1985.

129. HR 1460. Anti-Apartheid Act. Crane, R-Ill., motion to recommit the bill to the Foreign Affairs Committee with instructions to amend it to postpone for one year the imposition of any sanctions against South Africa and to permit the president to waive the sanctions if he determined that the African National Congress had not renounced the use of violence. Motion rejected 139-282: N(4-1-0), June 5, 1985.

130. HR 1460. Anti-Apartheid Act. Passage of the bill to impose sanctions immediately against South Africa, including a ban on bank loans to the South African government, and prohibitions against the sale of computer goods and nuclear power equipment and supplies to that country. Subject to review by the president and Congress, the bill also would bar new U.S. business investments in South Africa and prohibit the importation into the United States of the South African gold coins, called Krugerrands. Passed 295-127: Y(1-4-0), June 5, 1985.

132. HR 2577. Supplemental Appropriations, Fiscal 1985. Adoption of the rule (H Res 186) to provide for House floor consideration of the bill to appropriate $13.49 billion for fiscal 1985. Adopted 267-149: Y(2-3-0), June 6, 1985.

133. HR 2577. Supplemental Appropriations, Fiscal 1985. Edgar, D-Pa., amendment to the Whitten, D-Miss., amendment, to reduce from $150 million to $51 million the funds added for water projects of the U.S. Army Corps of Engineers. Adopted 203-202: N(0-5-0), June 6, 1985.

134. HR 2577. Supplemental Appropriations, Fiscal 1985. Whitten, D-Miss., amendment as amended by the Edgar, D-Pa., amendment to add $51 million for water projects of the U.S. Army Corps of Engineers. Adopted 325-74: Y(5-0-0), June 6, 1985.

136. HR 2577. Supplemental Appropriations, Fiscal 1985. Brown, R-Colo., amendment to cut $500 million in economic aid for Egypt. Rejected 110-314: N(2-3-0), June 11, 1985.

137. HR 2577. Supplemental Appropriations, Fiscal 1985. Walker, R-Pa., amendments to cut all supplemental appropriations for the House of Representatives and the Executive Branch. Rejected en bloc 202-217: N(4-1-0), June 11, 1985.

138. HR 2577. Supplemental Appropriations, Fiscal 1985. Zschau, R-Calif., amendment to cut all supplemental appropriations for discretionary programs by five percent. Rejected 190-226: N(3-2-0), June 11, 1985.

140. HR 2577. Supplemental Appropriations, Fiscal 1985. Boland, D-Mass., amendment to the McDade, R-Pa., amendment to continue indefinitely the prohibition of any funding by U.S. intelligence agencies that would support, directly or indirectly, military or paramilitary operations in Nicaragua. Rejected 196-232: Y(1-4-0), June 12, 1985. A "nay" vote was supporting the President's position.

141. HR 2577. Supplemental Appropriations, Fiscal 1985. Gephardt, D-Mo., amendment to the McDade, R-Pa., amendment to delay expenditure of "humanitarian" assistance to the Nicaraguan rebels until six months after enactment of the bill, to encourage negotiations under the auspices of the "Contadora" countries or through other diplomatic channels. After six months, the assistance would be made available if the president submitted a request to Congress and Congress passed a joint resolution approving his request. Rejected 172-259: Y(1-4-0), June 12, 1985. A "nay" was a vote supporting the President's position.

142. HR 2577. Supplemental Appropriations, Fiscal 1985. McDade, R-Pa., amendment to provide $27 million in "humanitarian" assistance to the Nicaraguan rebels, to be allocated in three equal installments, coinciding with the president's submission of reports every 90 days until March 31, 1986, by a U.S. agency other than the CIA or the Department of Defense. The amendment also provided $2 million for implementation of a Central America peace agreement reached under the auspices of the "Contadora" countries. Adopted 248-184: N(4-1-0), June 12, 1985. A "yea" was a vote supporting the President's position.

143. HR 2577. Supplemental Appropriations, Fiscal 1985. Hamilton, D-Ind., amendment to authorize $14 million for aid to Nicaraguan refugees outside Nicaragua, to authorize use of the Economic Support Fund to implement a Central America peace agreement reached under the auspices of the "Contadora" countries, and to extend indefinitely a prohibition on support by any U.S. intelligence agency for military or paramilitary operations in Nicaragua. Rejected 174-254: Y(1-4-0), June 12, 1985. A "nay" was a vote supporting the President's position.

144. HR 2577. Supplemental Appropriations, Fiscal 1985. Passage of the bill to provide $13.4 billion in supplemental appropriations for fiscal 1985. Passed 271-156: Y(5-0-0), June 12, 1985.

145. HR 1452. Refugee Assistance Extension Act. Sensenbrenner, R-Wis., amendment to delete a $50 million authorization for "targeted assistance" to areas with large refugee populations, such as California and Florida. Rejected 104-307: N(2-2-1), June 13, 1985. A "yea" vote was a vote supporting the President's position.

146. HR 1452. Refugee Assistance Extension Act. Pursell, R-Mich., amendment to freeze the authorization for refugee social services and medical screening programs at the fiscal 1985 appropriations level plus an adjustment for inflation. Adopted 278-112: Y(4-0-1), June 13, 1985.

147. HR 2369. Family Planning Assistance. Waxman, D-Calif., motion to suspend the rules and pass the bill to extend federal aid for family planning serving services through fiscal 1988, authorizing $454 million over three years. Motion rejected 214-197: Y(2-3-0), June 18, 1985. A "nay" was a vote supporting the President's position.

148. HR 2417. Health Maintenance Organizations. Waxman, D-Calif., motion to suspend the rules and pass the bill to phase out federal grants and loans promoting the establishment of health maintenance organizations. Motion agreed to 411-2: Y(5-0-0), June 18, 1985.

149. HR 2290. Orphan Drug Amendments. Waxman, D-Calif., motion to suspend the rules and pass the bill to extend grants for the development of drugs to treat rare diseases, authorizing $4 million each year in fiscal 1986-88. Motion agreed to 413-0: Y(5-0-0), June 18, 1985.

150. HR 1872. Department of Defense Authorization, Fiscal 1986. Aspin, D-Wis., amendment to reduce the amount authorized by the bill by $10 billion, to the level set by the House-passed budget resolution. Adopted 301-115: Y(2-3-0), June 18, 1985.

DEDICATION CEREMONY HONORS A STATESMAN, GEORGE MAHON

HON. CHARLES W. STENHOLM

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. STENHOLM. Mr. Speaker, it is with great pride that I have the opportunity to rise today and report to my colleagues about a very special occasion that took place in my district recently. This event was held in Colorado City, TX, to honor one of the finest men to ever step into this Chamber, George Herman Mahon.

On January 10, 1986, more than 300 people gathered on the lawn of the Mitchell County Courthouse to join in the dedication of a bronze bust of Mr. Mahon, who served almost 45 years of this life as Congressman for the 19th District of Texas. In that time, he rose to the position of chairman of the House Appropriations Committee, and he grew in stature and respect—a true statesman.

I am proud to say that his native Mitchell County is now a part of my district and it was my privilege to partake in this dedication. Joining me on this fine day were several Congressmen, past and present, from the great Lone Star State, who delighted the crowd with stories and anecdotes about our friend, who passed away November 19, 1985. In attendance at the dedication were the Honorable J.J. PICKLE, the Honorable Omar Burleson, the Honorable Jack Hightower, and the Honorable O.C. Fisher.

Mr. Mahon was the epitome of a Texas gentleman and statesman. He had a presence about him that was experienced by all who met and worked with him. He had the common sense and intellect that allowed him to chair one of the most powerful committees in this country at times when this Nation needed such a man.

Mr. Mahon was a compassionate being who knew how to set priorities. He could do so while sticking to a budget. Indeed, he was a smart, financial businessman. At one time while he was in office, he observed that if we didn't stop spending money like we're spending it, pretty soon our Nation's debt is going to reach a "googol." That's a 1 followed by 100 zeros. Well we've got 88 zeros to go as of today because our Nation's debt has reached $2 trillion. He was the kind of fiscal conservative we could use in the House once again today.

Too often those who serve in political office do not have very many good things said about them after they leave. That's because they have been "politicians." The testimonies that we heard about Mr. Mahon obviously dispelled that notion about him. He was a statesman, not a politician.

At this time, I would like to share with you some of the stories that were recalled and fine statements that were made at the ceremonies on that special, sunny day in Colorado City:

Texas State Senator Ray Farabee:

No one can fill the shoes of Geoge Mahon. Through the example set by Mr. Mahon, all of us in public office will do a better job. He set an example of leadership and integrity.

Texas State Representative Dick Burnett:

We are here to honor the memory of this great servant. This bust, which will always face east, should serve as a reminder to our youth that there is a Nation out there awaiting their help, awaiting their services, needing their talents and sometimes even their blood and lives.

County Judge Bill Carter:

The citizens of Mitchell County cared enough back in 1934 to send the very best when they sent George Mahon to the U.S. Congress. Our only regret is that George is not able to be here with us.

Northern District of Texas Federal Judge Eldon Mahon, his nephew:

This is a great day for the Mahon family. We are indebted to the people of Mitchell County for making this occasion possible. He was a great legislator and a great Texan. He was a good man. The only two four-letter words heard frequently in the Mahon household were "work" and "love."

In addition to these statements are the very special remarks made by my good friend and dear colleague, the Honorable JAKE PICKLE:

IN MEMORY OF GEORGE MAHON, BY U.S. REP. J.J. PICKLE, FEBRUARY 3, 1986

Mr. Speaker, last fall, our former colleague and friend, George Herman Mahon passed away. This was a great loss to those of us who knew The Chairman and a great loss to the country. George Mahon served in this House for over 40 years, and he will be remembered as one of the best to have walked these halls. We will not forget him. He was loved and admired by many. After he passed away, many of his friends took time to remember George Mahon. We all have our favorite Mahon story or saying. Appropriations Chairman Jamie Whitten, Ed Powers, Mike Gillette, and Liz Carpenter have contributed their recollections of Mahon stories and quotes, and I would like to include them in the Record.

"In 1934, when I was first elected, I thought I'd like to serve at least two terms so as not to be considered a political accident."

"President Truman's budget can, must, and will be cut."

When the Lyndon Johnson Committee questioned the moral value of "over elaborate recreational facilities," Mahon said: "Bowling is better than drinking and acquiring venereal diseases in dumps and dens. I consider money spent for recreation well worth while."

Re: Economic and military aid in Europe: "We are suffering from over administration."

"Although the future is clouded with threats of war, there are no substitutes for the old fashioned virtues of common honesty and decency, hard work, loyalty and devotion to family, God and country."

"The top brass should stick to its knitting and not go around in military planes to speak to chambers of commerce."

"If we are going to war, we are appropriating too little, if peace is to continue, we are spending too much," was Mahon's way of describing the delicate problem faced each year.

The Appropriations Committee demanded that all preliminary work on the Air Force Academy be halted until building plans are more firmly established. Members made it plain that they didn't like the ultra-modern steel, glass, and aluminum design. Mahon said: "The plans look more like a factory than a school. There is so much glass in the proposed buildings it might take all 30,000 soldiers at nearby Camp Carson to keep the windows washed."

Once, when Mrs. (Helen) Mahon returned from a trip from Texas, George dug out an exaggerated 10-gallon hat, with the wide brim turned up at the sides, and went to the railroad station to meet his wife. All eyes turned on his lanky form and floppish western hat as he strolled through the station with a big bouquet of gladiola. The Congressman ruefully reported that Mrs. didn't seem to appreciate the welcome he gave her.

George Mahon performed an heroic act, but so modest was he about this act that he wouldn't disclose or discuss what he did. From fragmentary accounts, it has been found that Mahon went to the rescue of a swimmer at Ocean City, Maryland, answering his calls for help and pulling him to safety. All the Congressman admitted was that he and Mrs. Mahon went to Ocean City. He suspected his wife quietly spread the word to a few close friends about what her husband had done.

Not only did Mahon not drink alcohol, but he rarely drank tea, coffee, or even cokes. What he really enjoyed was a good drink of water and sometimes milk or lemonade. However, one time President Carter invited Mahon down to the White House for a private lunch just between the two of them in honor of Mahon's birthday. It was a beautiful fall day and they sat out in the Rose Garden. Mrs. Carter brought out a birthday cake. When Mahon got back he sat down and wrote a general letter to his family, as he frequently did. In the letter he wrote, "It was such a pleasant occasion and I enjoyed it so much that before I knew it, I had had not only one glass of iced tea, but two. I felt practically intoxicated."

Along the same lines, H.R. Gross was always making a fuss over "entertainment" funds for the Department of State. Entertainment meant "serving of drinks." He entered into a colloquy with George about how much money was for entertainment (whiskey) in the bill being debated on the floor. This meant whiskey, rum, and vodka. It took about two hours that night to try to correct the debate so that it would not look so bad in the Congressional Record.

When Mahon had his portrait presented to the Congress, President Ford was the main speaker and Congressman Whitten, as ranking Member of the Appropriations Committee, presided. Subsequently, George sent him a picture of the ceremony showing George with his eyes closed, with a notation that said, "Jamie, I had so much confidence in you that I had my eyes closed." Jamie wrote him back, saying, "Mr. Chairman, I am glad you explained it. I thought you were praying."

Mr. Speaker, these stories, recollections, and sayings give us a good sense of George Mahon, which we will always remember. As I said, he was loved by many, and we will not forget him. At this time, I would like to have included in the Record, my luncheon speech at the unveiling of a bust of George Mahon on the lawn of the Mitchell County Court House.

If I were asked to define the word "Statesman," it would be enough to simply say, George Mahon.

Rarely in our history have we ever seen another person of such humble and simple virtures carry so much power and responsibility so quietly and so graciously.

A great political columnist, William S. White once wrote: "It is the Mahons of Congress—the quiet, little-noticed, deeply responsible men who are content with the power and never mind the pomp and publicity—who are the best justification for Congress."

It is well known, almost legendary now, that George Mahon shunned the bright lights and glitter of Washington parties; that he did not seek publicity and attention; that he did not smoke or drink liquor, or even coffee.

I tell you, such a man is rare among the high circles of power in Washington.

He was a quiet, gentle man who lived a quiet life at a time when he was one of the most powerful leaders in our nation.

He was a man dedicated to doing his job and serving his nation and few have worked harder at it than George Mahon.

He could be seen nearly every day, eating a quick lunch, often all alone in the House Restaurant.

He once said: "I'd like to have lunch with my friends, but I just don't have time to sit and talk." He was not a man who wasted time.

To George Mahon, every minute of the day was an opportunity to get something done that needed to be done. If he found himself alone on an elevator in the Capitol, he would use the time to do physical exercises. When he was driving home from work in the evening, he would pull out a toothbrush and brush his teeth as he drove because he said it invigorated his gums. And when he wasn't brushing his teeth as he drove, he was usually singing one of his favorite songs at the top of his lungs. What a sight it must have been to see a car driven through the traffic in Washington by a tall, Stetson-hatted man, singing, "How Great Thou Art."

There are very few positions in our government more powerful than the chairmanship of the Appropriations Committee. It was a power that George Mahon never abused.

In the 39 years that he served on the Appropriations Committee, he was involved in deciding how trillions of dollars would be spent to fund the general government. Majority Leader Jim Wright noted recently that George Mahon was a man who never forgot the value of a single dollar or knowingly tolerated its waste. George knew where every nickel went in the federal government and squeezed until there were tears in the Buffalo Nickel's eyes.

He felt personally responsible for every penny the government spent. He was a strong believer in pay-as-you-go government. In 1973, he said: "The day of accounting is upon us. Not even the richest country in the world can continue to spend beyond its means. No one likes to hear about it. They don't stay awake nights worrying about it. But I spend a lot of nights worrying about it."

This was an attitude that he developed early in his life. When George was in grade school in Loraine, he had heard somewhere that in order for a young man to really make something of himself in the world he needed to know shorthand or how to type.

George wanted to get ahead in life, decided to save up his money and finally got $7.50 to make a downpayment on a typewriter. When the typewriter arrived at the house one day, his parents were very surprised to learn that George had taken on an obligation amounting to about $40. His family was so concerned that he had bought something on credit that they finally prevailed upon him to return the typewriter. Said George: "I was terribly upset and disappointed and thought: I was doomed to the cotton patch."

Thus, it is little wonder that George stayed awake at nights worrying about federal deficits and government finance.

Yet, in spite of his quiet ways and gentle demeanor, George knew when to exercise the power of his position.

Once, when the Secretary of the Air Force was testifying before the Appropriations Defense Subcommittee about getting the run-around from Pentagon bureaucrats whenever he tried to get a question answered. After getting a long and eloquent roasting from George, the Secretary finally asked George: "Do you think I'm stupid?"

George shot back: "You're d——— right we think you're stupid. We know you're stupid. Now, let's get on to something controversial."

Although it was generally not his style, he knew how to play hardball when he had to.

A reporter once wrote of George Mahon: "It is said of him that he knows the byways of the Pentagon far better than any Secretary of Defense we ever had—because while secretaries come and go, Mahon has stayed on and on. Yet, if you met him, you might think him a reserved country school teacher or, possibly, a sedate rancher, in town to see the banker."

One day, during the time when George was at the height of his career in Washington. I was walking with him from the House Office Building over to the Capitol discussing some legislative business. And as we were walking along the sidewalk talking, George veered off from the sidewalk onto the lawn of the Capitol and began picking buckeyes off the ground that had fallen from a large buckeye tree.

George just kept right on talking business as he stuffed his pockets full of buckeyes until I finally stopped him and asked why he was picking up buckeyes. He said that buckeyes bring good luck and he liked to have them in his office to give them to folks who came up from Texas to visit Washington. He said it was a nice thing to give out to the people, a buckeye from the U.S. Capitol grounds.

I asked him how many buckeyes he gave away. And George said: "As of last week, 2,361."

I should have known that the Chairman of the Appropriations Committee would be good with numbers.

But that story also reminds us that he never lost that common touch even though he was a confidant of presidents.

He was the quiet giant in Congress. He held great power, but never allowed that power to change his view of himself or his job.

He once said: "I think of myself as the hired hand of about 4,000 West Texans who believe in me as their friend and who trust me in matters big and little to do my best for them."

He was a scholar. He was a statesman. He was as solid as the rough West Texas country from which he came and to which he returned.

Mr. Speaker, there is one story which I think sums up the grace, humor, and seriousness of George Mahon. It concerns former President Gerald Ford and former Vice President Nelson Rockefeller.

George and Gerry Ford were the closest of friends. Before Ford became Minority Leader in the House—the highest Republican leadership position in the House—he had served on the Appropriations Committee, and for 13 years worked with George on the Defense Subcommittee, 11 of those years while George was chairman of the subcommittee.

This meant that they sat next to each other during all the Defense hearings—a long, drawn out process.

When Congressman Ford was nominated for Vice President by President Nixon, Mr Mahon testified at his confirmation hearings in the Senate. The day after Congressman Ford was sworn in as Vice President, he called and asked if he could come up to see Mr. Mahon. Mahon, of course, agreed, thinking that some important matter was at hand.

This was also the time when the government decided that the Vice President needed a permanent home because it was getting too expensive fixing up every home where a Vice President lived, and in many cases adequate security could not be provided. So, the government had taken over the home of the Chief of Naval Operations to use as the Vice President's residence.

The Vice President arrived and they were sitting around that 20 foot long conference table in George's grand office in the Capitol. Here are the Vice President of the United States and the Chairman of the Appropriations Committee who presided over billions and billions of dollars. And the first thing that Vice President Ford said was: "George, do you think you could find money anywhere to buy dishes for the new Vice President's residence? We just can't afford it."

Mahon, of course, agreed.

But events moved very quickly and in a very short time, Nixon had resigned, Ford had become President, and Nelson Rockefeller, one of the wealthiest men in America, had become Vice President.

So the scene seemed to repeat itself. Rockefeller called and asked if he could see the Chairman. Here they were again around that big table—but this time the first thing that was said by the Vice President was, "Mr. Chairman, I'll be able to buy the dishes."

BENOIT SAMUELSON NAMED NATION'S TOP AMATEUR ATHLETE

HON. JOHN R. McKERNAN, JR.

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. McKERNAN. Mr. Speaker, I wish to share with my colleagues yet another milestone that has been achieved by marathoner Joan Benoit Samuelson, a resident of Maine's First District, which I represent.

Joan has been selected as the recipient of the Sullivan Award, distinguishing her as the Nation's top amateur athlete for 1985. Chosen by 2,400 voters comprising the U.S. Amateur Athletic Union, Joan becomes only the seventh woman to receive this award in its 56-year history. The accomplishment occurs in the year following her Olympic gold medal performance in the women's marathon.

Currently recovering from heel surgery, Joan continues to set the standard for dedication, skill, and sportsmanship, by which other athletes are measured. Upon receiving the Sullivan Award, Joan remarked that "I still have room for improvement," a testament to her unending pursuit of excellence.

I ask my colleagues to join me in congratulating Joan Benoit Samuelson on this extraordinary honor. She is an outstanding athlete and a fitting role model for the Nation and the State of Maine.

A SALUTE TO TERRY GILLES

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. LIPINSKI. Mr. Speaker, I rise before my fellow Members of Congress today in order to call their attention to a gentleman in my district, Terry Gilles. Terry has enlisted in the U.S. Army and will be joining their ranks very shortly for what he expects to be the full 20 years. You may wonder what is so unusual about such a move. I am here to explain just how unusually dedicated Terry is to both his country and his community.

To begin with, Terry is 36 years old and has already served on active duty with the U.S. Air Force. He served in the Air Force 13 years ago at a time when the armed services were not very popular with many young people of our country. For Terry, however, the experience was rewarding enough for him to reenlist for 2 more years of inactive Reserve time following his active duty. He realized the importance of military service in his youth and maintained interest as he grew older by his active involvement in the Civil Air Patrol. Patriotism, however, is not the only unique quality that Terry possesses.

In enlisting in the Army, Terry will be giving up a successful business as the operator of the Gilles True Value Hardware Store. As an operator of this store in this community for the past 12 years, he acquired a reputation as both a knowledgeable handyman and a skilled businessman. These accomplishments, though, still do not tell his complete story.

Terry has also been actively involved with a wide variety of community groups and their events. In the local chapter of the Rotary Club, he has served as both vice president and treasurer. Additionally, he has participated with this group in everything from their international student exchange program to handing out Christmas baskets to the needy. Further, Terry found time to participate in the Commodore Barry Post No. 256 American Legion and the Berwyn Township Anti-Graffiti Program to give a few more examples. His concern for his community helps make Terry unique but this is not the quality that his friends and family will miss the most.

In talking to Terry's friends and neighbors it became clear to me that they will not only miss his community services, but also the good nature and enthusiasm he has brought to his actions. As one of his friends described it, his appetite for life and its challenges was revealed only by his appetite for dinner. Of course, his parents as well as his own child will miss his love and support most directly. They, more than anyone, realize how unique Terry is.

In my opinion, Terry Gilles is a model citizen for the combination of talents he possesses and his ability to use them to benefit himself, his family, his community, and his country. I'm sure my colleagues in Congress join me in applauding Terry Gilles' past accomplishments and wishing him luck in his future.

WE MUST STAND AGAINST TERRORISM

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. PORTER. Mr. Speaker, there have been 21,000 acts of terrorism in the last 10 years; 30 percent have been against Americans. The citizens of this country have grown weary of the grief that these senseless acts of violence have brought. Terrorism and its perpetrators are an affront to the fabric of the American society. We live in freedom, but in recent years this freedom has been consistently threatened by those who have no knowledge of liberty or justice. They know only of lawlessness and violence. We have been forced through our grief to know these criminals. We must strive to stop them.

We must first take action to protect ourselves from these ruthless killers. I have cosponsored legislation to combat terrorism in a number of ways. First, the President must impose sanctions, including cutting off foreign assistance to any state which actively supports international terrorism. The Secretary of Transportation must assess security at foreign airports and revoke the operating authority of U.S. and foreign carriers which use inadequately secured facilities. All flights to and from a country where a hijacking has occurred should be suspended until action is taken to secure the airport. If no action is taken, all foreign airlines landing in that country should be prevented from flying to the

United States. And finally, armed sky marshals must be placed on all U.S. international flights. While these measures will help protect innocent Americans from falling victim to terrorist attack, they alone are not enough.

We also must reject the practice of some of our allies who capitulate to international terrorist demands and intimidation. We must establish a clear-cut, counterterrorist policy that begins with the treatment of terrorist acts as acts of war, then form a coordinated counterterrorist intelligence network with other free nations of the world. We should also plan toward establishing an international counterterrorist strike force, employing the most advanced techniques and equipment available to Western nations.

As we dedicate ourselves to fighting back against terrorism it would be wise to look to Israel. Americans cheered when the Israeli commandos overtook the terrorist kidnappers at Entebbe. We quietly applauded Israel's daring raid that destroyed the Iraqi nuclear reactor and atomic weapons program. Though America did not say so officially, the American people feel the justice in Israel's retaliation versus terrorism against her citizens by leveling the PLO headquarters in Tunis. These daring actions of Israel provided America and free world with the standard of courage and conviction to oppose terrorism that demands admiration.

President Reagan recently displayed this brand of courage when he ordered the interception of the Egyptian airliner attempting to wisk the *Achille Lauro* hijackers from justice. This type of affirmative defense against terrorists is to be applauded. The United States must not allow its citizens to be kidnapped, hijacked, or killed without swift and certain reprisal.

On December 27, terrorist attacks at the Rome and Vienna airports killed 19 people and injured 112. Five of the dead were Americans including an 11-year-old school girl. These five Americans, along with Leon Klinghoffer, and all the other American victims of terrorism gave their lives courageously. They will be remembered and in their memory we must focus our strongest efforts at eliminating the scourge of terrorism from the world.

NO AID TO THE CONTRAS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. GARCIA. Mr. Speaker, Peter Bell, of the Carnegie Endowment for International Peace, wrote a compelling article on aid to the Contras for the February 19 edition of the Los Angeles Times.

As the title of his essay clearly states, there is no good argument for giving aid to the Contras, particularly at a time when we are making such severe cuts on domestic programs.

I commend Peter Bell's thoughtful article to the RECORD for my colleagues' perusal:

[From the Los Angeles Times, Feb. 19, 1986]

WE CAN'T BUY PEACE FOR NICARAGUA

NO ARGUMENT FOR GIVING CONTRAS $100 MILLION IS SUPPORTABLE

(By Peter D. Bell)

Ineluctably, and tragically, the Reagan Administration is pushing Congress down the slippery slope leading to more direct U.S. military intervention in Nicaragua. Only a year ago, Congress was reluctant to lift its ban on financial support for the anti-Sandinista rebels. Eventually, it approved $27 million in "humanitarian" aid, which the Reagan Administration broadened to include any "nonlethal" aid. Now, the Administration is brazenly seeking $100 millilion, including outright military aid, for the *contras.*

The Administration has four arguments on behalf of additional aid, none of which really makes the case:

By keeping the Sandinistas occupied, the contras help to distract them from adventurism in El Salvador. President Jose Napoleon Duarte of El Salvador made this point when I met with him on a recent trip to Central America, but he did so without much conviction. When I pressed Duarte as to whether he favored U.S. support for the contras, he demurred, saying that this was an issue between the United States and Nicaragua. The argument today that the contras keep the Sandinistas from mischief-making in neighboring countries carries no more weight than the old argument that the contras interdicted Sandinista arms destined for the Salvadoran rebels. Everyone knows that the contras have other reasons for being.

The contras keep pressure on the Sandinistas for internal political changes. This argument presumes that the Reagan Administration would be satisfied with something less than the Sandinistas' ouster. As long as the Sandinistas believe otherwise—and the Administration keeps giving them every reason to do so—they have no incentive to consider internal political accommodations. In fact, the contras' association with the Somocista National Guard and U.S. interventionism has helped to consolidate and stiffen the Sandinista regime.

The contras will overthrow the Sandinistas. Outside of Washington, hardly anyone believes that the contras, as currently constituted, can win. The Sandinistas have used the contra threat to justify both the massive build-up of their armed forces and the resumption of emergency powers. Despite unhappiness with the way the revolution has gone, most Nicaraguans have closed ranks against outside intervention. If most of the contras had not repaired to Honduran sanctuary, they would have been defeated by now.

The Reagan Administration apparently believes that the contras' credibility as a fighting force depends not only on additional U.S. financial and material aid, but also on U.S. involvement in training the insurgents and in planning and directing the war. What the Administration will not say is how much U.S. involvement would be enough, or what the United States would do if the contras still were unable to do the job.

Support for the contras signifies U.S. resolve to stop Soviet expansionism in Central America. Much of Central America is embittered at the Leninist turn of the Nicaraguan revolution, anxious about Sandinista ties to the Soviet Union and Cuba, and concerned over alleged Sandinista support for other revolutionary movements. Yet even the most virulent opponents of the Sandinistas are not much impressed by U.S. support for the contras as such. Still, it does nurture their belief that the United States is so determined to rout the Marxists that it ultimately will move directly against Nicaragua. This belief and pledges of more aid to the contras have reinforced passivity within the internal Nicaraguan opposition, who are content to wait for "Uncle Sam."

Sustaining the contras is widely viewed in Central America as a no-win proposition for the region. It only prolongs a low-intensity war, contributes to a regional arms race, draws Central America deeper into the East-West struggle, and hampers regional trade, private investment and tourism. Such a war could always flare into a regional conflagration, with deepening superpower involvement.

Upon starting his new jobs as national security adviser, Adm. John M. Poindexter traveled to Central America to assure the region that President Reagan will fight for more assistance to the contras. The countries of the region, and of Latin America in general, hardly seek such assurance. Overwhelmingly, what would reassure them is evidence of progress toward a regional peace, starting with cessation of aid to the contras—if such a move were part of a larger set of accommodations on security issues between the Reagan Administration and the Sandinistas.

The way might then be cleared for a full-scale, Contadora-sponsored regional settlement, and the United States could concentrate its political energies on more productive tasks, such as economic development and democratization in the countries neighboring Nicaragua. Progress in these areas, not stepped-up involvement with the contras, is the key to an effective policy of containing Soviet ambitions. The success of Costa Rica's recovery and the search for social justice and self-determination in El Salvador, Honduras and Guatemala offer the best hope for keeping the Sandinista revolution within Nicaraguan bounds.

The alternative to support for the contras is not invasion or surrender, but negotiation. The basis for a deal would be U.S. acceptance of the regime in Nicaragua in return for the Sandinistas' satisfying our most immediate security concerns. These include attenuation of their ties to the Soviets and Cubans, renunciation of support for insurgencies in neighboring countries, and reduction of the size and sophistication of their army.

Ultimately, our choice is between a will-o'-the-wisp commitment to roll back the Sandinista revolution and a willingness to reach a realistic accommodation with it. "Roll back" may seem resolute and cheap in Washington, but it is viewed as ineffective and costly in Central America.

JACKSON'S ORPHANS AND THE CONTRAS

HON. DICK CHENEY

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. CHENEY. Mr. Speaker, the following article by Norman Podhoretz is a good summary of the current situation in Nicaragua and does an excellent job of making the case for the importance of supporting President Reagan's request for assistance to the Contras.

[From the New York Post, Feb. 25, 1986]

JACKSON'S ORPHANS AND THE CONTRAS

(By Norman Podhoretz)

I keep hearing from some of my old friends in the Democratic Party, most of whom were politically orphaned by the death of Sen. Henry M. Jackson in 1983, that things have been getting better in the last year or two.

No longer, these Jackson orphans tell me, does the party reflexively "blame America first." No longer is it insensitive to the dangers of Soviet expansionism. No longer is it in the grip of the position inelegantly but by now inescapably known as anti-Communism.

I wish the Jackson orphans were right. But if they were, would the Democrats in Congress be struggling so hard at this very moment against the President's request for military aid to the Nicaraguan contras?

To appreciate just how disheartening that struggle must be to the Jackson orphans, it is necessary to go yet again over ground that ought to be as familiar as the local scenery, but that keeps getting obscured by the fogs and smokescreens of ideology and propaganda.

So it is that we have to remind ourselves one more time that thousands of Nicaraguans have risen up against a Communist tyranny in their country that is not only supported and armed by the Soviet Union and Cuba but has itself also supported and armed the Communists who are trying to topple a fledgling democratic government in neighboring El Salvador.

We have to remind ourselves one more time that what these Nicaraguans are fighting for is to reclaim the democratic revolution against the Somoza dictatorship that was stolen from them by the Communist Sandinistas.

We have to remind ourselves one more time that, in waging this war, the contras are also serving American interests by making it unnecessary for us to use our own troops to prevent the establishment of another Cuba on the continental American mainland.

And we have to remind ourselves one more time that all the contras ask of us is the weapons with which to carry on their fight.

The President of the United States wants to give them those weapons. And the Democrats? According to Tip O'Neill, their leader in the House, it "would be a disaster and a shame for this country" if Congress were to agree.

O'Neill's formulation is so outlandish that one is tempted to dismiss it as the partisan hyperbole of a colorful political figure. Yet what lies behind his rhetoric is precisely the thinking that the Jackson orphans have been saying no longer rules the Democratic perspective on foreign policy.

From that perspective, in a war between Communists and anti-Communists it is in general both morally wrong ("a shame") and damaging to American interests ("a disaster") to side with the anti-Communists.

The Communists—so the moral reasoning goes—may not be everything we would wish, but they are bound to be preferable to the anti-Communists, who are usually a collection of fascist thugs.

As for American interests, there is no need to fear that the Communists will automatically ally themselves with the Soviet Union. Indeed, when they do, it is only because our hostility "drives" them into the Soviet camp.

Never mind that as applied to Nicaragua (not to mention a dozen other countries) every one of these propositions is false.

Never mind that the real thugs in Nicaraguas, are the Sandinistas, and that the contras are led by people who were among the leaders of the revolution against Somoza.

Never mind that the new regime in Nicaragua received more aid from the United States in its first 18 months than Somoza received in his last 20 years.

Never mind that even while this aid was pouring in the Sandinistas were openly declaring their commitment to Marxism-Leninism and their solidarity with the Soviet Union, while also providing help of various kinds to the Communist insurgents in El Salvador.

None of these things can shake Tip O'Neill or most of the other Democrats in the House, who are determined to stop President Reagan from sending military aid to the contras.

Charging their critics in the Reagan administration with McCarthyism, these Democrats refuse to believe, or will not understand, that cutting the contras off means turning Nicaragua irreversibly over to communism and the totalitarian horrors that have accompanied it wherever it has taken root.

Denouncing "military solutions," these Democrats refuse to believe, or will not understand, that as serious Marxist-Leninists, the Sandinistas will not more voluntarily agree to sharing power through negotiations, let alone giving it up through elections, than any other Communist regime ever has (including the ones in Yugoslavia and China even after breaking free of Soviet control.)

Calling for peaceful co-existence under the deluded Contadora proposals, these Democrats refuse to believe, or will not understand, that a consolidated Communist regime in Nicaragua would constitute a standing threat to every country in the region, and would also represent an extension of Soviet power and influence.

There are, of course, Democrats who do not suffer from this obdurate refusal to see and understand. Conversely there are Republicans who are as willfully blind to the realities of the Nicaraguan situation as the majority of Democrats. Thus in April 1985, the last time military aid to the contras was brought up in the House, 40 Republicans joined the Democratic majority in voting against it.

This Republican failing may offer a perverse species of cold comfort to my old friends in the Democratic Party. But it still leaves them as orphaned as they have been since the day Scoop Jackson died. And it leaves this country in a dangerously divided state.

RECOGNITION OF ST. MARY OF THE ASSUMPTION SCHOOL

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. KOLTER. Mr. Speaker, I rise to recognize St. Mary of the Assumption School in Butler County in my Fourth District of Pennsylvania and do so in special recognition of Catholic School Week in the Diocese of Pittsburgh.

The theme of this week, from March 2 to 8, is Catholic Schools—A Rainbow of Excellence, and the week will be honored with an all-school mass at St. Mary of the Assumption, special activities, a display of students' work, an afternoon school visit by grandparents, special student minicourses in calligraphy, cookie making, cake decorating, ceramics, macrame, cooking, typing, and parental visits.

I commend St. Mary of the Assumption School for recognizing each child's potential and preparing these youths to become better citizens. Like the rainbow the week emulates, Catholic schools and this Catholic school, brighten the lives of millions of students and parents throughout the county and the country. Such schools bring beauty, hope and promise—the symbols of the rainbow—and mostly respect for all people.

Before the U.S. House of Representatives today, I recognize and honor St. Mary of the Assumption School and the noble work it does.

THE FLOOD DISASTER IN CALIFORNIA: URGENT LEGISLATION AND WELL-DESERVED COMMENDATIONS

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. FAZIO. Mr. Speaker, northern California has been battered by a series of brutal storms over the past 2 weeks. In their aftermath is a disaster of immense proportions: at least 13 lives have been lost, tens of thousands of people have been left homeless and hundreds of millions of dollars worth of public and private property has been destroyed or damaged.

Yesterday, Mr. Speaker, I introduced, along with a bipartisan group of my affected colleagues, an emergency supplemental appropriations bill of $425 million to provide Federal assistance for the victims of this disaster.

I cannot emphasize enough the importance of taking up and approving this legislation as soon as we possibly can. As I am sure many of you are aware, hurricanes on the east coast, floods in West Virginia and mudslides in Puerto Rico have exhausted the financial resources of the Federal Emergency Management Agency. In fact, before the recent storms in California—where damage may exceed $500 million—FEMA has requested $250 million in supplemental appropriations for expenses already anticipated.

My bill would provide funding to meet FEMA's present and future shortfalls. It would also call for additional funding for relief efforts by the Army Corps of Engineers and the Department of Agriculture.

I urge my colleagues to join me in supporting and passing this vital piece of legislation with the greatest possible expedition.

I would also like to take this opportunity to express the great degree of appreciation and admiration I hold for the many people who shared their time and their skills to help make this crisis easier to bear for millions of northern Californians.

At the Federal level, the Corps of Engineers and the Bureau of Reclamation protected large areas of the State from being inundated by torrential flood waters that have swollen many rivers and streams to record-high levels. Where flooding occurred, the Corps was quick to mobilize efforts to stem levee breaks and protect populated areas. Air Force and National Guard personnel were also extremely helpful in evacuating and providing shelter for the homeless.

Over the next several months, the Small Business Administration, the Department of Transportation and the USDA will play an essential role in helping disaster victims to rebuild their homes and their livelihoods. The Federal Emergency Management Agency, which already has teams in the field to assess the damage, will have the massive responsibility of delivering disaster assistance from the aforementioned agencies to thousands of individuals in northern California.

A number of California State agencies contributed to relief efforts but several merit special commendation. From the start, the Office of Emergency Services coordinated an impressive network of relief teams throughout superior California and focused disaster assistance to those areas that needed it most. From its Flood Operations Center in Sacramento, the Department of Water Resources closely monitored California's many river systems and warned downstream communities of potential problems. The State Reclamation Board kept a steady watch along the hundreds of miles of levees and made repairs where needed. The California Department of Transportation [CalTrans] and California Highway Patrol worked diligently to keep roadways clear for emergency services and supplies. And, on the disaster's front lines, hundreds of hardworking young women and men from the California Conservation Corps endured miserable—and often dangerous—conditions to fight against rising flood waters with shovels and sandbags.

Of course, cities and counties were among the first to respond to the disaster through the efforts of sheriff and police departments, as well as street, utility, and other maintenance personnel.

Obviously, Government's response to the crisis has been exemplary, but I am particularly proud of the individuals who voluntarily gave of themselves to help others in so many different ways. As always, the American Red Cross was there first, aiding the cold, displaced and homeless with food and warm shelter. There are other heroes—many of them in every affected community—who also deserve acknowledgement but are too numerous to cite here. Thanks to all of them.

AQUINO AND THE PHILIPPINES: AN IDEA WHOSE TIME HAS COME

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. MILLER of California. Mr. Speaker, the assumption of the presidency of the Philippines by Corazon Aquino is not merely a personal victory for this courageous woman, but a great national victory for the people of the Philippines.

The inauguration of President Aquino is also a triumph for the principle of democracy itself. The insistence of the Philippine people for change, for reform, for an end to repressive and coercive government has defeated the intransigence and the tanks of Ferdinand Marcos.

Over 100 years ago, Victor Hugo foresaw this week's historic change in the Philippines. "An invasion of armies can be resisted," Hugo wrote, "but not an idea whose time has come." In Manila this week, Corazon Aquino's time, democracy's time, and the Philippine people's time has come.

There was a single dramatic turning point which I would like to note. It was not the election victory of Mrs. Aquino, which Mr. Marcos blunderingly sought to reverse. It was not the defection of key political and military leaders from the Marcos government. It was not the seizure of the television station.

The key moment, I believe, was when thousands of ordinary Philippine citizens, including many members of the clergy, sat down in front of advancing tanks manned by Marcos' soldiers. They sat, in the tradition of Gandhi and King, and they prayed.

And a miracle happened: The tanks, which had slowly advanced on the protestors, inched forward to the front line, and stopped. The soldiers, who in months past had shot those who challenged Marcos, decided they would no longer be parties to the shedding of more innocent blood in order to prop up a dying regime.

At that moment, the victory of the Philippine people was assured.

We also should note that the triumph of democracy, which is so welcome by the jubilant men and women in the Philippines and by this Congress and the American people, is shared by hundreds of thousands of Philippine-Americans who see a new birth of liberty for their native country. To those men and women, too, we send our congratulations and our commitment to continue to work with the Philippines to preserve the victory they have achieved this week.

HIGHER EDUCATION PROTECTION ACT

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. CLINGER. Mr. Speaker, I am concerned that Congress' preoccupation with the budget is obscuring some of the issues important to the future of our children. While the red ink of the deficit threatens our children's future, the lack of commitment to provide the opportunity for a college education is just as threatening to this country's future.

I have always felt that one of the most basic duties of the Federal Government is to guarantee free and equal access to higher education. In 1965, Congress enacted the Higher Education Act—landmark legislation conceived with the intent to provide lower and middle income students with grant and loan support to meet college costs. Both the Pell grant and guaranteed student loan programs have, over the years become the mainstays of access to higher education. Yet, the automatic cuts mandated by the Balanced Budget and Emergency Deficit Control Act of 1985 will cripple student assistance and eventually make a college education the privilege of the wealthy. With college costs continuing to increase disproportionately to the level of personal income, coupled with the fact that the majority of students receive one or more forms of financial assistance, there is no question in my mind that if funding for these programs is slashed, the number of low to middle income students attending college will greatly diminish.

The institutional aid program authorized under title III of the Higher Education Act is also crucial to providing quality education for those who can't afford it. It is the main source of support for institutions serving large numbers of rural area and disadvantage students. Over the years, this program has improved the academic quality and the financial stability of institutions, not only in my congressional district, but in a great number of others nationwide. Cutting this relatively inexpensive program will jeopardize the existence of these institutions and deprive many students of an education.

In the continuing effort to provide higher education to low income individuals, the TRIO Program has, since its creation, provided low-income, first generation, and physically handicapped students the supportive services they need to enroll in and graduate from college. Such services include counseling, basic skills and instruction, tutoring, and information about college admissions and financial aid. These programs provide low-income students a realistic opportunity to escape the cycle of poverty and dependence to achieve the upward mobility afforded by higher education. This program cannot afford to be cut.

In order to maintain the integrity and effectiveness of the financial assistance, TRIO, and institutional aid programs, I am today introducing a bill, the Higher Education Protection Act, to exempt these programs from sequestration under the Balanced Budget and Emergency Deficit Control Act. As a majority of my colleagues did, I voted in favor of this bill as a last ditch effort to reduce and eventually eliminate the deficit. I believe in this legislation because it is a concrete method of eliminating the deficit, actually requiring Congress to overcome its partisan differences and take action. But, in our budget cutting fervor, we have to realize that student aid is an investment in economic development, employment, and

leadership which yields returns that are far greater than the financial cost. Let us not turn our backs on the future of this country—I urge my colleagues to support this effort and cosponsor my bill.

THE C.B.I., 936, AND PUERTO RICO

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. GARCIA. Mr. Speaker, on his visit to Grenada last week, President Reagan publicly endorsed Puerto Rican Gov. Hernandez Colon's proposal to use 936 tax funds in Puerto Rico's development bank for twin plant projects throughout the Caribbean Basin.

In essence, the Governor's proposal puts tax incentives—that is investment incentives—into a faltering CBI. By utilizing 936 earnings, the CBI will be able to expand and bring to life the CBI. Several major firms are ready to commit themselves to building twin plants in Puerto Rico and a CBI nation if 936 remains intact.

So far, so good—936 was preserved in the House tax bill. It is my hope that it will not be changed or eliminated in the Senate version of the bill. It is too good an idea to let it die. Gov. Hernandez Colon deserves a great deal of credit for developing and working for this proposal. I am happy to see that the President realizes the importance of the Governor's plan.

I am submitting as part of my statement a press release from the Governor's office on the President's endorsement, and an excerpt from the President's speech delivered in Grenada last week discussing the Governor's proposal.

STATEMENT BY THE HONORABLE RAFAEL HERNANDEZ COLON, GOVERNOR OF PUERTO RICO

In my inaugural address, I announced an initiative for preserving section 936 of the Internal Revenue Code as a permanent tool of economic development for Puerto Rico by sharing its blessings with our Caribbean neighbors. We have worked closely with the Reagan Administration in pursuing this objective. Today, President Reagan publicly embraced the approach we have fashioned together. It is fitting that he chose the occasion of his visit to Grenada—the first site we targeted for demonstrating the potential impact of our strategy—to add his personal strong endorsement to the bipartisan support our approach has earned in Congress. We appreciate the President's praise and shall continue to do everything possible to put more Puerto Ricans to work and to help ourselves by helping our neighbors.

TEXT OF REMARKS BY THE PRESIDENT TO THE CITIZENS OF GRENADA

There's something else brewing that will be a big boost to the people of the Caribbean. Our Congress is considering a change in the tax code to permit funds in Puerto Rico's Development Bank to be used for investment loans elsewhere in the Caribbean. This proposal, worked out with Governor Hernandez Colon of Puerto Rico, has my endorsement and bipartisan support in Congress. The Governor has spearheaded a drive to persuade U.S. firms in Puerto Rico to invest in plants in other parts of the Caribbean. He is committed to the ambitious goal of $100 million in new investment into Caribbean Basin countries each year. Three major U.S. firms have already announced plans to place projects here in Grenada, and other projects are moving forward elsewhere in the Caribbean. The tax provisions being considered by Congress are tied to the success of this investment program. We applaud Puerto Rico's contribution and urge congressional approval.

CONGRESSIONAL SALUTE TO THE HONORABLE PETER CARUSO OF CLIFTON, NJ, 1986 "MAN OF THE YEAR," ITALIAN AMERICAN SOCCER LEAGUE OF NEW JERSEY

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. ROE. Mr. Speaker, on Friday, February 28, the residents of the city of Clifton, my congressional district and State of New Jersey will join with the members of the Italian American Soccer League of New Jersey in testimony to an outstanding individual and good friend—the Honorable Peter Caruso of Clifton, NJ, whose standards of excellence in helping our young people build strength of character, fair play, and sportsmanship through participation in the historic international game of soccer has earned him the highly prestigious honor of being chosen as the Man of the Year—the highest award that the Italian American Soccer League of New Jersey can bestow upon any of its members. I know that you and our colleagues here in the Congress will want to join with me in extending our heartiest congratulations and best of wishes to Peter Caruso and share the pride of his good wife Victoria; sons: Dominic and Robert; daughters: Mary, Theresa, Elena and Lisa; and four grandchildren on this milestone of achievement in their family endeavors.

Mr. Speaker, the Italian American Soccer League of New Jersey was organized 26 years ago and for the past quarter of a century-plus has sponsored one of the most outstanding athletic youth programs of our Nation, providing a great public service to our young people in high school and college between the ages of 17 and 22 years. The league not only provides recreation that brings joy and refreshment of spirit to the participants and those who attend the soccer games but with the proceeds of its athletic endeavors awards scholarships to worthy students to aid them in their search for knowledge and higher educational pursuits.

Peter Caruso has by his example and dedication to these true American ideals personified exemplary leadership in his untiring efforts of national and international renown in the sports world of soccer. He is being feted by the Italian American Soccer League of New Jersey as vice president of intersport promotions and was selected Man of the Year by the league's membership because of his outstanding contributions in many years of service to our young people and dedicated concern for his fellow man.

Mr. Speaker, as a nation comprised of all people of all nationalities and regions throughout the world, each singularly, and rightfully so, proud of his or her individual heritage and united in common endeavor of freedom, justice, and a good life for all, we can most assuredly be proud of the exemplary achievements that the people of Italian heritage have contributed to America's greatness.

Our Man of the Year, Peter Caruso, was born in Ferruzzano, a small village on the Agean coast of Calabria, Italy on April 4, 1927. He became a tailor's apprentice at age 9 in order to learn a trade. By the time he was 14, economic conditions deteriorated to the point that tailors were a luxury the local villages could not afford so Peter began to work for the regional pharmacist, traveling to Milan and transporting needed medical supplies. In 1945, he left this village to work in Genova as a custom tailor. At night he attended school to learn design patternmaking and fashion design and it is interesting to note that he received recognition in the garment industry here in America for the quality of his expertise and was named Designer of the Year in 1974.

In 1956 Peter Caruso brought his bride of 6 years and two children to the United States. They settled first in Jersey City, NJ where Peter worked as a pattern-maker. His dream of opening his own tailor shop could not wait so he held two full-time jobs to earn the necessary capital to establish his own business. His perseverance and industriousness prevailed and he opened his first tailor shop in September 1957, only 18 months after arriving in the United States. By the early seventies, his factory under the trade name of Marileather Fashions which is now headquartered in Passaic, NJ was employing 30 to 40 people with a prestigious clientele of many nationally recognized retailers in the garment industry.

There is much that can be said of Peter Caruso as a leading and active participant in the business community. He has truly attained the greatest respect and esteem of all of us for his compassion, dedication and untiring efforts in service to his fellow man.

Peter Caruso's deep interest in the game of soccer can be traced to his early youth in Italy when he played with an old wornout ball with his older brother and friends in the church square near his home in Ferruzzano, Italy. He became involved as a strong advocate of the highly popular international game of soccer on the professional level as a great supporter of the Cosmos and the Italian National Team based in Milan, Italy. He continues to support soccer in the area and is currently serving as president of Calabria Aurora, a soccer team based in New Brunswick, NJ.

Mr. Speaker, it is indeed appropriate that we reflect on the deeds and achievements of our people who have contributed to the quality of life her in America. As we join today in saluting Peter Caruso, may I also take this opportunity to add the deep appreciation and gratitude of all Americans for the wealth of wisdom and cultural enrichment that the people of Italian heritage have contributed to the quality of our way of life here in America.

As we gather together on Friday, February 28 in tribute to Peter Caruso's leadership endeavors and personal commitment dedicated

to service to people, we do indeed salute the 1986 Man of the Year of the Italian American Soccer League of New Jersey—the Honorable Peter Caruso of Clifton, NJ.

ISRAEL HAS MADE AID WORK

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. OBEY. Mr. Speaker, I recommend that my colleagues read the progress report on Israel's economic situation written by two noted United States economists, Stanley Fischer and Herbert Stein, which appeared in today's Wall Street Journal.

Although the Israeli Government will have to take further steps, the article indicates that, as of now, the combination of United States assistance and Israel's own efforts have brought about a significant improvement in the economy of a major United States friend and ally.

[From the Wall Street Journal, Feb. 26, 1986]

ISRAEL HAS MADE AID WORK

(By Stanley Fischer)

Israel is the largest single recipient of economic aid from the U.S. This is partly because the economic stability of Israel is uncertain and is important to U.S. national interests. Therefore a report on the progress of the Israeli economy is relevant to policy decisions to be made here.

A common view, supported by some experience, is that the availability of foreign aid prevents the recipient country from taking the steps required for its own economic health. The story of Israel suggests that there may be exceptions to this dismal lesson.

On July 1, 1985, Israel introduced a radical stabilization program designed to bring the inflation rate down from 1000% to 20% a year or less. Success was swift. Within two months inflation was down to less than 4% a month; in November and December 1985 it averaged only 1% a month. But there is still a long way to go before success is assured.

The Israeli inflation rate rose by stages from 2% per annum in 1967-70 to the 1000%-per-annum area at the end of 1984. The pattern was for an inflationary shock to kick the inflation rate up to a new plateau, at which it stabilized before the next shock.

Underlying the Israeli inflation were massive budget deficits averaging 15% of gross national product for more than a decade, fueling, and fueled by, a fast-growing national debt and a rapid monetary growth. At the heart of the government's budget problem is defense spending of 25% of GNP. Despite large-scale U.S. aid, the government found it increasingly difficult to borrow at home or abroad in 1984 and 1985, and was forced instead to print money. More than anything else, it was the difficulty of borrowing that forced the government to undertake the stabilization program.

THREE POLICY POSITIONS ARGUED

Widespread indexation of assets and of wages made living with inflation tolerable. As inflation persisted from 1979 to 1983 in the 100%-130% range, Israelis explained to foreigners that they had found a way of living with high but non-exploding inflation.

Three policy positions were argued during this period. A first group was willing to live with inflation. Another group wanted steady disinflation through gradual reductions in the budget deficit and money growth. A third, shock-treatment group argued that only a comprehensive program designed to move the economy immediately to a sustainable low inflation equilibrium could succeed.

The living-with-inflation group evaporated as inflation hit the 20%-a-month range in 1984.

Tough anti-inflationary policy was widely expected from whichever party won the July 1984 election. But it failed to materialize. The election led to a coalition government that took nearly three months to form.

The first stabilization program of the new government was a package deal with the Histadrut (national trade union organization) and employers whereby wages and prices would be frozen for three months. However, devaluation continued. The planned 1985/86 budget had sharply cut the deficit, but with the government spending increasing amounts to maintain the prices of subsidized goods, the deficit did not fall. Nor were other planned cuts in government spending implemented.

By April and May of 1985 the package deal had fallen apart and inflation was back to the 400%-per-annum area. The balance-of-payments deficit had been reduced from its 1983 level, but foreign-exchange reserves were falling rapidly as Israelis switched into dollars. The government budget deficit was at an unsustainable level and the need for action was clear.

By this stage the comprehensive approach was the only choice. The aim would be to move the government budget, monetary and exchange-rate policy, and wages and prices all at once to a new, sustainable level.

Israeli inflation 1985

[Percent per month]

January to May [1]	11.3
June	14.9
July	27.8
August	4.0
September	3.0
October	4.7
November	0.5
December	1.5

[1] Average.

The essential requirement for the stabilization was a sharp reduction in the budget deficit. Without that, no amount of wage and price controls, sophisticated exchange-rate management or clever monetary policy could do more than temporarily slow the inflation.

The program had three main ingredients:

A cut in the budget deficit from 17% to 8% of GNP. The cut came mainly through subsidy reductions.

A large devaluation to be followed by a stable (though not formally fixed) exchange rate against the dollar.

Introduction of wage and price controls and suspension of wage indexation and other elements of existing labor contracts by emergency decree.

In support of the program, monetary policy would control the growth of credit.

The devaluation and lifting of subsidies caused a 28% jump in the price level in July. Wage earners were not compensated for most of the July inflation, with the result that the real wage fell about 20%.

The government's main fear about the program had been that it would create massive unemployment. Economists argued that a reduction in the real wage and devaluation would prevent unemployment and allow a switch of production into exports. The knowledge that a requested supplementary U.S. aid package of $1.5 billion over the next two years was likely to be granted within a few months encouraged the government to act decisively, in the belief that it would have a safety net of reserves and resources to use to increase employment if things went badly wrong.

Immediate results of the plan have been positive. The data show the inflation rate coming down fast. In January 1986 the consumer price index declined 1.5%. The budget is doing even better than expected as the reduced inflation increases real tax revenue (tax receipts previously lost much of their value by the time they were collected). The trade balance has maintained the improvement that began with the maxi-devaluation at the end of 1983. The black-market exchange rate, which had been at a premium of 25%, has fallen to 5%. Price controls have not yet produced serious shortages.

Although labor objected bitterly to the use of emergency decrees to suspend contract terms, a new voluntary wage agreement was reached after remarkably little strife. The agreement allowed the real wage reduction of July to go through, but maintained partial indexation and provided for nominal wage increases of 4% a month from December 1985 to February 1986.

Monetary policy during the first months of the stabilization was strongly contractionary. The nominal interest even in October was still 13% a month, implying an annual real interest rate of more than 100%. Several large firms are in financial difficulties. The nominal interest rate was brought down rapidly in November and is now 5% a month.

Contrary to fears, unemployment rose only briefly in July and August, and has started back down again.

So far, then, the plan is a total success. Public approval for the economic policy, despite the immediate hardships it has caused, is widespread.

PROSPECT OF INFLATION-RATE RISE

Nonetheless, serious difficulties remain. The first is that the government budget deficit is still too high. At 8% of GNP, it cannot be financed without increasing debt or printing money too rapidly. Yet the government finds it increasingly difficult to cut spending. Because government revenue in Israel is near 50% of GNP, the tax burden is too high and taxes should be cut. But without further spending cuts, taxes cannot be cut. Further spending cuts are thus a high priority.

The wage agreement will raise nominal wages at least 17% over the next three months. Unless the government finds a way of neutralizing that increase, the price level will rise as business costs increase. Price controls cannot contain such pressure, and in any event cannot be successfully maintained over long periods.

The prospect is that the inflation rate will rise back to the 3%-4%-a-month rate by the end of April, unless the government finds a way of dealing with the effects of the planned wage increases. There is no way of doing so without further budget-deficit reductions. From 3%-4% a month inflation, the trip to 10% a month is easy, especially for an economy that has been that way before.

Budget decisions of the next few weeks will show whether the coalition government can bring itself to the measures now needed to protect the gains achieved by its decisive action of last July.

A TRIBUTE TO VICTOR J. RUTKOSKI, SR.

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. KOLTER. Mr. Speaker, today I rise to pay tribute to a resident of my Fourth District of Pennsylvania who has selflessly given countless hours of his time to the Freeport community at large. Mr. Victor J. Rutkcski, Sr., has served the area as a member of the Freeport Volunteer Fire Company for more than 32 years. Since he first began working there on February 4, 1956, Mr. Rutkoski has performed 234 specific jobs within this volunteer organization. These activities mainly were in ambulance service but also included service on various committees, being a member of the company's fire police and serving as the organization's sergeant at arms.

Mr. Rutkoski already has received recognition from his fellow fire fighters in Freeport and across Armstrong County. The fire company presented him the Outstanding Fireman Ray Hibbs Award during its annual award banquet on March 16, 1985.

But aside from the humanitarian aspects of Mr. Rutkoski's accomplishments for the community, he is part of an organization that is literally saving the Freeport community hundreds of thousands of dollars. He and his fellow volunteers at the company are providing a service that otherwise would be publicly funded and cost the community more than $850,000 in tax dollars each year.

So it gives me great pride and pleasure to present the accomplishments of Mr. Victor J. Rutkoski, Sr., before my colleagues in the U.S. House of Representatives. His 32 years of dedicated and life-saving services are thus noted here. But his works are ever more so duly appreciated by myself and the residents he so faithfully serves.

SACRED HEART ACADEMY, HEMPSTEAD, NY, SPONSORS PEACE DAY PROGRAM

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. McGRATH. Mr. Speaker, on March 6, students of Sacred Heart Academy in Hempstead, NY, are sponsoring a "peace day" program to join me in prayer and fellowship for world peace.

In the midst of budget battles over military spending and debate over action or restraint in foreign conflicts we can easily overlook the real goal we seek, which is a peaceful and more stable world. Many efforts throughout the world are also overlooked in spite of their effectiveness. If we look carefully, we would see activities of dedicated individuals in troubled regions. In spite of tremendous risks posed by war, famine, disease, and other hardships, members of charitable and religious organizations work tirelessly to assist the poor, care for the sick and dying, and educate people to provide for themselves.

I believe we should do whatever we can to foster an attitude of greater concern for world peace. That concern must be based on throughtful consideration of world problems and their underlying causes. Many ways exist for us to promote justice, human rights, freedom and other factors which permit peace to flouish. I hope that the peace day observance at Sacred Heart and similar events will encourage others to offer their thoughts, prayers, and efforts toward that end.

NATIONAL ENERGY EDUCATION DAY RESOLUTION

HON. W.J. (BILLY) TAUZIN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. TAUZIN. Mr. Speaker, a multitude of energy issues faces our Nation today, and will continue to come before us for years to come. One of the ways to ensure that we will be able to successfully meet the challenges of tomorrow is through educating the public on what our Nation will need in the future.

This task—educating the public—will take time. As our Nation's schools are well equipped to handle this task, and as many have included energy education in their curriculums over the past decade, our public school system is an ideal place to assist in our efforts to educate our citizens to our energy needs.

To further this effort, today I am introducing a resolution to declare March 21, 1986, as "National Energy Education Day." This year's NEED theme, "Exploring Energy Pathways to Tomorrow," will be the focus of energy education activities to call attention to the need to develop conventional and alternative energy sources. It is anticipated that between 8,000 to 10,000 schools will hold activities and programs.

Since the Congress launched NEED in 1980, a network of State, regional, and local NEED committees has evolved which provides energy educators with encouragement, information, and recognition. We are gradually becoming a more educated nation, but we cannot stop short of our goal.

I encourage my colleagues to join me in the promotion of a greater understanding of the role education will play in shaping America's energy future by cosponsoring this resolution.

THE PANAMA CANAL AMENDMENTS ACT OF 1986

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. FIELDS. Mr. Speaker, I am today pleased to introduce, along with a number of my distinguished colleagues from the House Merchant Marine and Fisheries Committee, a bill to exempt the Panama Canal Commission from the requirements of the Balance Budget and Emergency Deficit Control Act of 1985.

This historic act, better known as the Gramm-Rudman-Hollings law, will cause severe and adverse financial difficulties for the Panama Canal Commission without having any effect whatsoever on our Federal budget deficit.

The Panama Canal Commission, which was created with the enactment of the Panama Canal Act of 1979, operates as an appropriated fund Federal agency. Under the terms of the treaty, the Commission is charged with the responsibility of operating the canal until the year 2000.

It is a unique and self-sustaining agency which by law must operate on a break-even basis without any Federal assistance and at no cost to the U.S. taxpayer.

All tolls collected from ships transiting the canal and other fees received by the Commission are deposited in the Panama Canal Commission fund in the U.S. Treasury and all appropriations to the Commission are made from this fund.

These revenues must cover the cost of all canal operations including the administrative expenses of the Commission, capital expenditures, interest payments, depreciation, and certain annuity payments to the Republic of Panama.

In addition, the PCC may not accumulate any profit or carry over any funds from one fiscal year to the next.

In fact, if the PCC underestimates the amount of its projected total revenues for any fiscal year, then that profit of up to $10 million per year, must be paid directly to the Republic of Panama in accordance with article XIII, paragraph 4(c) of the Panama Canal Treaty. Also, because of the cumulative reqirement of that provision, beginning with fiscal year 1980, Panama will be entitled to any profit realized in fiscal year 1986 up to $53 million.

While the PCC has done an outstanding job of accurately forecasting the amount of its anticipated vessel traffic, the Gramm-Rudman-Hollings law completely abrogates this treaty required process.

For the current fiscal year, the Panama Canal Commission has had its appropriations reduced by $18.3 million. Unlike any other Federal agency, however, this reduction will in no way contribute toward the Federal deficit reduction goal but must be paid directly to Panama.

While I supported the enactment of the Gramm-Rudman-Hollings Act and fervently believe we must reduce our Federal deficits, it was never intended that this law would be used as a mechanism to divert funds from a Federal agency to a foreign government.

While other Federal entities face unforeseen difficulties because of the Gramm-Rudman-Hollings law, only the Panama Canal Commission finds itself in the position of having its budget significantly reduced without benefiting either our taxpayers or our Federal deficit reduction efforts.

While other agencies may in the future avoid significant reductions by increasing their revenues, this option is not available for the

PCC. In fact, by raising its revenues, through a toll increase or some other mechanism, the Panama Canal Commission would simply generate a larger profit payment for Panama.

In short, there is no way to effectively apply the Gramm-Rudman-Hollings law to the operations of the PCC. By insisting on its application, the Congress will cripple this agency and will simply fill the coffers of the Panamanian Treasury with funds that will not be used to maintain or improve the operation of the Panama Canal.

Mr. Speaker, it is imperative that we quickly enact this legislation and based on my preliminary discussions with Members of the other body and the administration, I am confident that broad support will be forthcoming for this proposal.

While no one in this Congress desires to penalize the Republic of Panama, which has been and will remain a close friend of the United States, it is absolutely clear that the Gramm-Rudman-Hollings law was never intended to have this effect on any Federal agency including the Panama Canal Commission.

In essence what we are proposing is simply a correction or an exception to Public Law 99-177 for a unique Federal agency whose accounting and funding procedures are both little known and widely misunderstood.

Mr. Speaker, let me emphasize that this amendment will in no way violate either the letter or the spirit of article XIII of the Panama Canal Treaty.

In closing, I would like to acknowledge and express my appreciation to my distinguished colleagues who have joined with me in sponsoring this important bill.

Mr. Speaker, I urge my colleagues to join with us in supporting the Panama Canal Amendments Act of 1986.

EMIGRATION OF SOVIET JEWRY

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. GEPHARDT. Mr. Speaker, recently we witnessed the release of Anatoly Shcharansky from the Soviet Union, where he was detained in a prison and labor camps for 9 years.

At long last, Mr. Shcharansky can begin his life anew, living in freedom with his wife, Avital, from whom he was separated in 1978. We joyously welcome Anatoly Shcharansky into the free world and give thanks to those including Representative GILMAN and Representative LANTOS who worked so long and so hard to secure the release of this extraordinary man with the small frame, warm humor, and the fortitude never to abandon the fight for freedom.

While we express our joy and relief, we must also express our concern about the thousands of Soviets who are still in the U.S.S.R. waiting to emigrate. As a people whose very being is underscored by the right to individual freedom and freedom of worship, we must not neglect the pleas of those who are denied such rights.

The release of Anatoly Shcharansky does not imply that emigration restrictions for Soviet Jews have been eased. In fact, only 79 Jews were allowed to emigrate from the Soviet Union in January. It is our responsibility to continue to prod the Soviets into easing emigration restrictions.

This needn't be done through the use of harsh or strident invective. Continued use of sensible diplomacy, combined with a consistent commitment not only to Soviet Jewry, but also to our own freedom-loving principles, will make a difference in the future. The Soviet leadership will hear the cries of those who demand freedom. The plight of Soviet Jewry will not be forgotten.

BUTLER, PA, YMCA CELEBRATES 100 YEARS' SERVICE

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. KOLTER. Mr. Speaker, on March 19, 1986, the Butler County Family YMCA, located in Butler, PA, will celebrate its 100th birthday. Like thousands of YMCA's across the Nation, the Butler Y is a family oriented facility that provides a wide variety of programs and activities for people of all ages and incomes.

Since it was organized on November 8, 1886, the Butler Y has promoted physical, mental, and spiritual well-being through physical education, aquatic instruction, vocational training, leadership development opportunities, club and group activities, parent-child programs, camping, and counseling. And for just as many years, the Butler Y has opened its doors to the public for community activities, always graciously lending its facilities, grounds, and personnel.

As the Butler Y prepares for its second century of community service, I am confident that it will continue its tradition of serving thousands of Butler residents.

Mr. Speaker, I ask that our colleagues join me in wishing the directors and the dedicated employees and volunteers of the Butler YMCA a very special 100th anniversary.

INDEPENDENT VOICES, EAST AND WEST, SPEAK OUT AGAINST REAGAN'S NICARAGUA POLICY

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. MARKEY. Mr. Speaker, as Congress considers the President's request for $100 million in new aid to the Nicaraguan Contras, the tide of public opinion throughout the Western world is flowing strongly against this administration's Central American policy. More surprisingly, prominent dissidents and human rights activists in Eastern Europe have now called for a reversal of this policy.

On December 1 a statement, entitled "Independent Voices, East and West, Speak Out Against Reagan's Nicaragua Policy," was printed in the Sunday New York Times. This statement, circulated by the Campaign for Peace and Democracy/East and West and Across Frontiers magazine, opposes the Reagan administration's policy on Nicaragua, and has been signed by leading peace, labor, social justice, religious, and cultural figures from the United States, Western Europe, and the Third World. For the first time they are joined in their opposition to U.S. interventionism by a large number of activists and writers from the Eastern bloc, many of whom have been persecuted in their own countries for work in independent peace and human rights movements.

Their statement and a list of signatories is reprinted below.

INDEPENDENT VOICES, EAST AND WEST, SPEAK OUT AGAINST REAGAN'S NICARAGUA POLICY

As opponents of the Cold War East and West we protest the Reagan Administration's escalating war on Nicaragua. The nature of the Nicaraguan regime is not the issue. We defend the democratic right of every nation of self-determination in complete freedom from superpower control, whether that domination is justified by the Brezhnev doctrine in Eastern Europe and Afghanistan, or by Reagan's claims of U.S. special interests in Central America and the Caribbean. The application of force against weaker nations blocks democratic social and political change, tightens the superpowers' grip on their respective blocs and spheres of influence, and fuels the arms race with catastrophic consequences for all of us.

To escape from the current global impasse we must find a Third Way in which democratic activists and movements from around the world make common cause to build an alternative to both blocs. We are raising our voices in unison against this ominous heightening of the Cold War, and demand an immediate end to the United States' growing intervention in Nicaragua. We challenge the U.S. to set an example of noninterventionism, and we ask the Soviet Union to do the same in Eastern Europe and Afghanistan.

UNITED STATES

Edward Asner, Richard Barnet, Institute for Policy Studies; Steven M. Becker, Co-Director, Campaign for Peace & Democracy East & West; Angie Berryman, Assoc. Coord., Hum. Rts./Global Justice Program, American Friends Service Committee; Bruce Birchard, Co-Coordinator, Disarmament Peace Conversion Program, AFSC; Rabbi Balfour Brickner, Stephen Wise Free Synagogue; Frank Brodhead, author; David R. Brower, Chair, Friends of the Earth; James Cannon, Noam Chomsky, Dr. Charlie Clements, Americans for Peace in the Americas.

Rev. John Collins, Darlene Cuccinello, Hum. Rts. Coordinator, Intercommunity Ctr. for Justice & Peace; Gail Daneker, Assoc. Dir., Campaign for Peace & Democracy East & West; Richard Deats, Dir., US-USSR Reconciliation, Fellowship of Reconciliation; Ronald V. Dellums, U.S. Congress; Tom DeLuca, N.Y. Mobilization for Survival; Adrian DeWind, Attorney; Daniel Ellsberg, Richard Falk, Mike Farrell, Actor; W.H. & Carol Ferry, Catherine Fitzpatrick, Allen Ginsberg, Poet; Todd Gitlin, John Glasel, Pres., Loc. 802, Amer. Fed. of Musicians.

Victor Gotbaum, Exec. Dir., D.C. 37, AFSCME; Stephen Jay Gould, Harvard University; Lee Grant, Actress and director; Mina Hamilton, Michael Harrington, Democratic Socialists of America; Thomas L. Har-

rison, CPD/EW; Grace Hane Hedemann, Peace activist; Judy Hempfling, Peace Activists East & West Coord. Comm.; Henry Hiz, Univ. of Pa.; Adam Hochschild, Mother Jones; A. Winton Jackson, Across Frontiers; Julius & Phyllis Jacobson, New Politics; Randy Kehler, Fellow, Peace Development Fund.

Charles Knights, Modern Times; Charles Komanoff, Jeri Laber, Exec. Dir., Helsinki Watch; Joanne Landy, Co-Director, Campaign for Peace & Democracy/East & West; Penny Lernoux, Writer; Margaret Lloyd, David McReynolds, War Registers League; Sam Meyers, Pres., Local 259, UAW; Dr. Stefan Niewiarowski, Temple University; Grace Paley, Paul Robeson Jr., Peggy Scherer, N.Y. Catholic Worker; Pam Solo, Bunting Institute (Radcliffe).

George Soros, Cherly Stevenson, Katharine S. Stokes, Rose Styron, Kurt Vonnegut, Jr., Jim Wallis, Sojourners; James Weinstein, In These Times; Chris Wing, Co-Coord Disarmament Peace Conv. Prog. AFSC; Rev. Dr. William Winfler, Hum. Rts. Office Nat'l Council of Churches; Max & Sylvia Wohl, Socialist Party, Cleveland; Anne Zill, Fund for Constitutional Government.

USSR AND EASTERN EUROPE

Czechoslovakia

Jiri Dienstbier, Journalist, served prison term for civil rights activities; Jiri Hajek, Former foreign minister; Eva Kanturtova, Writer; Lubos Kohout, Former Prof. now works as laborer; Vaclav Maly, Cath priest banned by State from exercising pastoral duties; Milos Rejchrt, Protestant clergyman; Jaroslav Sabata, Former univ. lecturer formerly on Communist Party Central Comm imprisoned 8 years for civil rights work; Anna Sabstova, Activist, served 2½ years in prison; Zedna Tomla, Exiled novelist; Petr Uhl, Teacher, now a stoker; 9 years in prison.

East Germany

Barbel Bohley, Women for Peace; Werner Fischer, Independent peace activist; Ralf Hirsch, Independent peace activist; Roland Jahn, Independent peace activist forcibly expelled in 1982; Gerd Poppe, Independent peace activist; Ulrike Poppe, Women for Peace; Lutz Rathenow, Author and playwright, imprisoned for publishing a book abroad; Rudiger Rosenthal, Independent peace activits.

Hungary

Gabor Demszky, Founder "AB" samizdat publishers; Istvan Eorsi, Writer, poet and playwright; Gyorgy Konrad, Novelist and essayist; Gyorgy Petri, Poet; Laszlo Rajk, Samizdat publisher, son of L. Rajk, former Communist minister executed in show trial.

Poland

Jacek Czaputowicz, Polish independent peace movement "Wolnocsi Pokoj" ("Freedom and Peace"); Jan Jozef Lipski, Solidarnose activist member of KOR (Workers Defense Committee) imprisoned under martial law.

U.S.S.R.

Sergei & Natasha Batovrin, Founding members, independent Soviet peace movement, now in NYC; Marya & Vladimir Fleishgakker, Founding members, independent Soviet peace movement, now in NYC; Lev Kopelev, Writer living in W. Germany.

Yugoslavia

Kosta Cavoski, Professor, Belgrade; Dobrica Cosik, Chair. Belgrade Comm. for Defense of Freedom of Thought & Public Expression; Mihailo Markovic, Professor; member, Belgrade Comm. for Def. of Freedom of Thought & Pub. Exp.; Ed., Praxis International; Milan Nikolic, Sociologist, tried for paper written at Brandeis U.

OTHER COUNTRIES

Isabel Allende, Chilean author; Father Ernesto Balducci, Testimonianze, Italy; Wim Bartels, Int'l Sec., Dutch Interchurch Peace Council (I.K.V.); Simone de Beauvoir, Ariel Dorfman, Chilean author; Mient-Jan Faber, Gen. Sec., Dutch I.K.V.; Carlos Fuentes, Mexican author; Dan Gallin, Gen. Sec. Int'l Union of Food & Allied Workers, Geneva; Gunter Grass, German writer; Mary Kaldor, E.N.D. Journal; Petra Kelly, Green Party, W. Germany; Rajni Kothari, Dir., Peace & Global Transform Prog., India; Sylvie Mantrant, CODENE (Comite pour le Desarmement Nucleaire en Europe), France; E.P. & Dorothy Thompson, European Nuclear Disarmament (END).

OUR INDIAN RESERVATION SYSTEM HAS FAILED TO HELP THE INDIANS

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. MARLENEE. Mr. Speaker, Ken Byerly, a sage publisher in Lewistown, MT, has written an editorial entitled "Our Indian Reservation System Has Failed To Help the Indians" that will make interesting reading to my colleagues in Congress.

Ken is not one to step away from controversy, and like any tough but fair editorial writer, he calls 'em like he sees 'em.

I suggest my colleagues read the following editorial, reprinted from the January 5, 1986 edition of the Lewistown News-Argus.

[From the Lewistown News-Argus, Jan. 5, 1986]

OUR INDIAN RESERVATION SYSTEM HAS FAILED TO HELP THE INDIANS

This editorial is not a criticism of Indians.

It is a concern for them, and an urge that something sensible be done for them at long last to reverse the tragic downward trend that Indians have suffered through for many decades.

Here are some of the sad facts as revealed in a report released recently by the Department of Health and Human Services in Washington.

It reports that more than 35 percent of all Indian deaths are related directly to alcohol. This is more than one-third of all Indian deaths in the nation.

Pin-point the Aberdeen area of the Indian Health Service, for example, which includes North and south Dakota, Nebraska, Iowa and Minnesota. Alcohol-related deaths there among Indians is 9.2 times greater than for the nation's general population.

This is almost unbelieveable, but true according to the report.

The alcohol-related deaths include accidents, alcoholism, cirrhosis of the liver, suicide and homicide.

Accidents are the leading cause of Indian deaths according to the report with about 75 percent of them alcohol related. A large number of them involve motor vehicles.

No figures seem to be readily available on this in Montana, but a study of the yearly reports of the Montana Highway Patrol reveal clearly that the percent of motor vehicle accidents per capita in counties that include our Indian reservations are consistently higher than for the state as a whole—much higher in some cases.

Here are some other startling facts revealed by the report:

Cirrhosis of the liver (related to alcohol) accounts for 6 percent of Indian deaths. This is more than three times the national rate.

Alcoholism itself is directly responsible for 3.2 percent of Indian deaths, about four times the national rate.

Suicides account for 2.9 percent of Indian deaths, about twice the national rate. The Indian Health Service estimates that about 70 percent of Indian suicides involve alcohol.

Homicides account for an estimated two percent of Indian deaths, 70 percent higher than the national rate. The IHS found that 90 percent of Indian homicides involve alcohol.

There is more, but these statistics are enough to reveal the huge and tragic toll of alcohol use by Indians.

What to do about it?

The Bureau of Indian Affairs was created by the Congress more than 150 years ago to help Indians adjust to their changing position in the United States . . . to work itself out of a job by helping Indians to stand on their own feet.

However, the Bureau has grown steadily in size and cost through the decades, but the plight of most Indians has worsened.

It is obvious from this that the Bureau of Indian Affairs has been a tragic and ever-increasingly costly failure . . . that just appropriating more and more money isn't the answer.

But let's not just blame the Indian Service for this.

Congress must take the blame because it has refused to face the issue . . . to study means of correcting it, and then having the guts to take a stand to correct the system that has failed so badly.

Some Indian leaders too are at fault.

A third of a century ago, for example, when Eisehower was elected president, many Indian leaders said to him in effect, "The nation's handling of Indian affairs is a failure. It is making bums out of many of our people who depend more and more on government handouts and less and less on getting jobs of their own.

"Turn us loose," some of these Indian leaders said, "Get us off the reservations and out into the world. It is our only hope."

Eisenhower listened. He named a director of Indian affairs with the longtime intent to help Indians do just this, and also eventually to bring an end to the Bureau of Indian Affairs.

But what happened then?

Many Indian leaders quickly reversed themselves and said in effect, "What are you trying to do to us?

The result was an end to any new hope and a return instead to the same old dreary programs that have been such a tragic, longtime failure for the Indians as well as the nation.

If the system isn't changed. . . if strong action isn't taken to help Indians regain their self-reliance. . . if Congress doesn't quit drifting along on this as it has for more than a century and a half. . . things will continue to go down hill for Indians, and it will be increasingly difficult to help them get on their own feet.

The toll alcohol takes on Indians now as a result of the present system is just further proof of the great need for sensible, strong and far-sighted action.

LOS ANGELES COUNTY HONORS CORETTA SCOTT KING

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. DYMALLY. Mr. Speaker, this year the people of this country honored for the first time through a national holiday one of our heroes, Dr. Martin Luther King, Jr. Heroism comes in many forms. Some risk their lives on the battlefield; others develop bold new techniques that contribute to human health or that improve dramatically our quality of life. Yet others, like Dr. King, are heroes because their actions cause a fundamental positive change in our national consciousness.

This weekend I was privileged to join my fellow citizens in Los Angeles County to honor another kind of heroine. Coretta Scott King was at her husband's side literally or spiritually during the whole of his adult life. She was with him through the marches. She spoke for him when jail house bars separated him from the public. She shared responsibility for the care and upbringing of the King children while Dr. King was alive. But like Eleanor Roosevelt, the greatness of Coretta Scott King became sharply apparent only after the death of her husband.

In many ways Coretta King is the prototypical woman of our time. She is the model of strength, vision, intelligence, and courage that defines for this generation of adults the most positive of responses to a world fraught with adversity, challenge, and possibility. She has lived her adult life in full view of the unblinking eye of the news camera. Under that constant pressure she has mourned the loss of her husband and gone on to raise, alone, four children who are easily the envy of parents everywhere. At the same time, she has kept before the eyes of all our citizens a vision of what America must become if it is to fulfill its promise of egalitarianism. Through the Center for Nonviolent Social Change, through her contributions to current political thinking, and through the astute commentary on world and national events which she provides through the Cable News Network, Coretta Scott King actively gives direction to our perception of the world.

At a time when the tide of thinking is exclusively toward preservation of self-interest Coretta King reminds us that private interest will ultimately perish if the common good is neglected. Through her own dedication to humanity, Coretta King has helped to preserve and to enrich the humanity of each of us. I can think of no more fitting way to celebrate Black History Month than to honor this woman whose vision partakes of black history yet is not a vision of the past but of the future. Through her insight she helps us to see what we citizens of these United States must become if our country is truly to be the land of liberty, justice, and equality for all its people.

UAB's MEDICAL CENTER RATED TOPS

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. ERDREICH. Mr. Speaker, the people of Jefferson County have long been aware of the fact that Birmingham's University of Alabama Medical Center is one of the top-ranked hospitals in this country. I am proud to say that a soon-to-be published book entitled "The Best in Medicine: Where to Get the Finest Health Care for You and Your Family" only reaffirms what we in Jefferson County and throughout Alabama have known and been proud of for many years.

The book, written by Dr. Herbert J. Dietrich, Jr., a former medical school faculty member at Harvard University and the University of Pennsylvania, and journalist Virginia Biddle, is based on 2½ years of research, including questionnaries answered by 300 doctors from across the country representing 27 different medical specialties. These doctors were asked to pick 10 hospitals where they would seek health care for themselves or their families, excluding hospitals in the locale where they practice medicine. The authors consulted with hospital administrators, professors of medicine and medical education literature. They also compared the quality of various hospitals' programs for training new doctors.

In writing about UAB's Medical Center, the authors noted:

This medical complex, with its many strong departments in medicine and surgery, has an annual budget of more than $60 million for research. It is noted for its work in hand surgery, for its treatment of cancer and spinal cord injuries, and for having one of the first arthritis rehabilitation centers in the country.

Medical research, health care, and related services have assumed a leading role in Metropolitan Birmingham's makeup because of the outstanding reputation that UAB's Medical Center has earned. UAB, in fact, is Birmingham's largest employer with over 10,000 employees, and is a vital part of our local economy.

I would like to extend my congratulations to UAB president S. Richardson Hill, Jr., and the staff and employees of UAB's Medical Center on this outstanding recognition. I am proud to represent the third highest rated hospital in the country, second only to the Mayo Medical Center and Massachusetts General, and pleased that it has received this acclaim as a premier health care facility.

Following is an editorial that appeared in the February 19, 1986, edition of the Birmingham News, congratulating UAB's Medical Center on this latest achievement:

RECOGNITION FOR MEDICAL CENTER

The secret is out.

We have known for some time that we had a world-class medical center developing at the University of Alabama at Birmingham. Now, thanks to a new book called *The Best in Medicine: Where to Get the Finest Health Care for You and Your Family,* all the world knows it, too.

That book, written after two and one-half years of research, ranks the University of Alabama Medical Center third among the nation's top hospitals, behind only the Mayo Medical Center in Rochester, Minn., and Boston's Massachusetts General Hosital.

The ranking was done by doctors themselves. Some 300 doctors from around the country were asked where they would seek health care for themselves or their families.

While the UAB Medical Center was one of the newer centers on the list, it has obtained a good reputation nationwide for the care it provides, according to Dr. Herbert J. Dietrich Jr., one of the authors of the book.

The new study confirms that Birmingham has a top-notch research and care facility. We're proud to see it getting the recognition it deserves.

BARRIERS FACING AMERICAN INDUSTRY IN JAPAN ARE FAR REACHING

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. DREIER of California. Mr. Speaker, the President last December rightfully vetoed protectionist legislation passed by Congress to restrict the import of certain foreign goods. Now there is talk of reviving the legislation, H.R. 1562, later this year in an attempt to override the President's veto.

Such a policy is, in my opinion, hypocritical given our current efforts to encourage the Japanese to open their markets to American goods. What we are advocating is the creation of something similar to what we are trying so hard to get Japan to abolish.

The barriers facing American industry in Japan are far reaching. Without a doubt, Americans produce high-quality products, yet these products continually have difficulty entering Japanese markets. Although I find it difficult to understand the rationale for these market barriers, the fact that they exist is obvious.

For instance, the policies followed by the Japanese Government have the effect of reserving nearly 98 percent of the cigarette market for Japanese products. The excise tax in Japan for Japanese cigarettes is levied on the ex-factory price plus a markup for the Government-owned monopoly. At the same time, the excise tax for imported cigarettes is based on the landed price of the product—including insurance and freight—plus the import duty—an obvious case of discrimination.

Our agriculture and high-technology products face similar restrictions. Citrus imports are restricted by limiting the number of Japanese firms that can obtain import licenses for the quotas, and juice quotas are allotted to only four manufacturing groups which determine which Japanese trading companies can be involved in the actual transactions. Similarly, United States companies do not enjoy full access to the Japanese semiconductor market—approximately 10 to 12 percent—while the Japanese dump semiconductor products at will both here and in Europe.

Given the extent of Japanese barriers, I was truly stunned when the new Minister of International Trade in Japan only 6 months ago was quoted as saying that he saw nothing in the United States that anyone in Japan would want to buy. Quite frankly, I happen to believe that the Government of Japan is arbitrarily making that decision for the Japanese people.

Mr. Speaker, I believe we in the House should do everything possible to maintain pressure on the Japanese to open their markets to American products. At the same time, however, I believe any attempt to enact protectionist trade legislation to protect our domestic markets will seriously undermine our credibility with our major trading partners, and thus hamper our efforts to break down market barriers in Japan and elsewhere. I urge my colleagues to think twice about the implications of overriding the President's veto of H.R. 1562, particularly on our efforts to end protectionism around the world.

EXTENSION OF GENERAL REVENUE SHARING

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. KINDNESS. Mr. Speaker, the General Revenue-Sharing Program is scheduled to expire at the end of the current fiscal year. Since the administration has not proposed reauthorization of the program, extension of the program by the Congress is uncertain.

I will make no bones about my philosophical opposition to general revenue sharing. When the Congress considered reauthorization in 1980, I said that the concept underlying revenue sharing was flawed—that being that the program separates the local governments from the responsibility of raising the revenue which they are given to spend. And while it is easy to refer negatively to the program as "deficit sharing," the truth is that the Federal Government has shown a deficit on its books in each year that general revenue sharing has been in effect.

I have served as a city councilman, a mayor, and a State legislator, and experienced the problems inherent in seeking approval of the taxpayers for the operation of local government, as well as the uncertainty of the nature and extent of assistance that might be available from the Federal Government. Therefore, I am sympathetic to the calls from representatives of local governments for extension of the General Revenue-Sharing Program for two reasons:

First, I do not think it is wise to force local governments to go "cold turkey" at the end of this fiscal year, when other budgetary shifts may present a variety of problems to be met and solved by local governments.

Second, since the General Revenue-Sharing Program allows local governments almost complete flexibility in the use of funds, there should be such resources available to bridge the gaps that may result from the Congress bringing the budget deficit under control.

I am introducing today a bill to extend the General Revenue-Sharing Program for 4 years during which time the program would be phased out by equal steps.

In the coming fiscal year, 1987, my bill would authorize the current level of funding, $4,185,000,000.

In the following fiscal year, 1988, local governments eligible for general revenue sharing would receive 75 percent of the current authorized level; the total amount authorized in that fiscal year would be $3,138,750,000.

In the following fiscal year 1989, local governments eligible for general revenue sharing would receive 50 percent of the current authorized level; the total amount authorized for that fiscal year would be $2,092,500,000.

And, in fiscal 1990, local governments eligible for general revenue sharing would receive 25 percent of the current authorized level; the total amount authorized would be $1,046,250,000. The last payments would be sent in October 1990.

My bill makes no other changes in the currently authorized program. Specifically: There are no changes in the eligibility criteria; and the program would remain an entitlement, rather than subject to annual appropriations.

I know that some representatives of local governments would like to reauthorize the program at the current level for as many years as the Congress could be persuaded to reauthorize it, assuming, of course, that the President would sign such a bill into law. And then they will go through the process all over again at the end of the authorization period.

I think that the time is past due to plan for the end of general revenue sharing. My bill offers a reasonable means of continuing the program in a way that will allow local governments a period of transition until the program finally expires.

The Government Operations Subcommittee on Intergovernmental Relations and Human Resources yesterday ordered a bill reported to the full Committee on Government Operations which would extend the General Revenue-Sharing Program for 3 years at a level of $4.6 billion annually, but subject to annual appropriations. Wearing my local government hat, I believe that provision, if enacted, would make continuation of the program even more uncertain than it is right now with the prospect of no reauthorization at all. My proposal provides certainty in two ways: That payments will continue in certain but declining amounts for the next 4 years and that the program will expire at the end of that 4-year period.

I hope that my colleagues will agree with me that this is a practical and fair way of dealing with the question of reauthorization of general revenue sharing and urge them to cosponsor my bill.

A SALUTE TO NEW MEXICO'S DEAN OF NEWS REPORTING ON STATE GOVERNMENT AND POLITICS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. RICHARDSON. Mr. Speaker, I want to take this opportunity to share with my colleagues the outstanding contributions of one of New Mexico's finest journalists. This Sunday, March 2, at a banquet in Albuquerque the New Mexico Chapter of the Society of Professional Journalists—Sigma Delta Chi, will present the 1985 Dan Burrows Award for outstanding and continuing contributions to journalism in New Mexico to longtime Associated Press Santa Fe Correspondent Bill Feather.

Feather was nominated for the award as an example to all of the media of what a fair, honest, accurate reporter should be.

The Burrows Award was established by the New Mexico Chapter of Sigma Delta Chi in 1971 and is presented annually in honor of the late Dan Burrows, editor of the Albuquerque Tribune from 1944 to 1966.

A native of Artesia, NM, Feather began his journalist career as a reporter for the Las Cruces Citizen in 1948, while attending what is now New Mexico State University.

Since that time, Feather has covered more than 25 legislative sessions, more than a dozen elections and countless other State events.

After brief stints on some Texas newspapers, Feather joined AP in Albuquerque on July 15, 1956. He spent a year in Santa Fe in 1958, returned to Albuquerque, and was then named as AP's Santa Fe correspondent in 1961. He left AP in 1966 to become the editor of The New Mexican in Santa Fe, but returned back to AP in 1968.

Mr. Speaker, Feather's nomination points to his outstanding contributions to journalism in New Mexico. His nomination states: "His thorough understanding of State finance, elections and the judicial system made him a walking almanac for capitol reporters, AP staffers, student reporters covering the legislature, politicians and even longtime State employees." I hope my colleagues will join with me in saluting New Mexico's dean of news reporting on State government and politics, Bill Feather.

THE MATTER OF CONTEMPT OF CONGRESS

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. DYMALLY. Mr. Speaker, in view of the fact that we are expected to consider a contempt resolution tomorrow against two lawyers who recently appeared before the House Subcommittee on Asian and Pacific Affairs, I wish to enter into the RECORD a letter which I sent to the distinguished chairman of that subcommittee. During the subcommittee and full committee consideration of the matter of contempt, I voted against the contempt citation.

I have grave concern that in our desire to learn as much as possible about the property holdings of Mr. Marcos in the United States, we are bringing into question a privilege that is of extreme importance to the concept of legal representation in the United States. The two lawyers declined to answer some questions posed by subcommittee members because they believed their answers would violate the confidentiality that exists between a lawyer and a client. I am as anxious as any

member of the subcommittee to know what we need to know about former President Marcos. But I do not want to sacrifice a time-honored facet of legal representation in the United States in the process. I ask that my letter to Mr. SOLARZ be entered into the RECORD in order to inform my colleagues about the basis for my views in this matter.

FEBRUARY 19, 1986.

Hon. STEPHEN SOLARZ,
Chairman, Subcommittee on Asian and Pacific Affairs, Longworth Building, Washington, DC.

DEAR MR. CHAIRMAN: We are writing to recommend that the Foreign Affairs Committee postpone until after February 27, 1986 introduction on the House floor of Report No. 99-462, and the resolutions of contempt set forth therein against Joseph Bernstein and Ralph Bernstein.

These resolutions of contempt resulted from the determination by these two gentlemen that they could not answer certain questions put to them under subpoena at hearings held by the Subcommittee on Asian and Pacific Affairs on December 11 and 12, 1986. The basis for these determinations was that answering the questions might require disclosure of confidential attorney-client communications. Joseph Bernstein is a member of the law firm of Bernstein Carter and Deyo. Ralph Bernstein is a former employee of the law firm.

Bernstein Carter and Deyo has submitted to the Ethics Committee of the Bar Association of the City of New York a written request for advice on the ethical obligations of the two Bernsteins under the difficult circumstances in which they find themselves. The Bernsteins have committed themselves to abide by the advice that the Bar Committee renders. Hence, if the Bar accepts the request and advises that they may answer some or all of the Subcommittee's questions, there may be no reason to proceed with floor action on these resolutions of contempt.

We understand that the Bar Association Committee will meet on February 27 to determine what action to take with respect to the Bernstein Carter and Deyo request for a ruling. Nothing will be lost, as far as the Subcommittee or the Committee is concerned, if we await the outcome of this February 27 meeting. Fortunately, the Subcommittee's investigation has proven a major success. It is our understanding that we have obtained all the information we need to demonstrate that the Marcoses own the properties examined by the Subcommittee.

We are not suggesting a postponement of floor action because we believe that the House should necessarily consider its judgment as subordinate in any sense to that of the Bar Association on the merits of the questions of privilege raised by this case. Rather, it is clear that the Bar Association's advice, if it determines to offer advice, could put the matter in a completely different light from the standpoint of Joseph and Ralph Bernstein. In that event, a serious confrontation can be avoided between Congress's investigative power and the scope of protection for confidential communications between clients and attorneys (and, for that matter, between priests and penitents, doctors and patients, and others covered by common law privileges).

We should bear in mind that the posture taken by the Bernsteins at present is that they will answer all questions put to them by the Subcommittee—to the extent that the Bar Assocation determines that it is ethical for them to do so. This is not the type of willful or unprincipled refusal to cooperate that normally underlies citation for contempt of Congress.

To turn this matter into a criminal prosecution at this point could create the perception that Congress is acting in a manner which denies these witnesses a chance they have sought to come forward and meet the Subcommittee's asserted information needs, in a manner consistent with their professional obligations.

Furthermore, a postponement of floor consideration of these resolutions will help to assure that the substantial civil liberties questions raised by this matter will not be overwhelmed by the strong feelings many of us understandably feel about the current political situation in the Philippines, following the contested Presidential election. Incursions on the privacy of attorney-client communications in this case will affect the security of all such relationships in our country, from this date forward. We should take steps that could lead to such a result only under calmer circumstances.

Sincerely,

MERVYN M. DYMALLY,
ROBERT TORRICELLI,
Members of Congress.

A TRIBUTE TO SANDY GREENBERG

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. KEMP. Mr. Speaker, this evening Sandy Greenberg, a dear friend, great humanitarian, and former resident of our Buffalo, NY community, was honored by Brandeis University as a distinguished fellow.

Our colleagues HOWARD METZENBAUM, JOHN HEINZ, STEVE SOLARZ, and I were speakers as Justice William J. Brennan delivered the main address. President Handler of Brandeis made the presentation and described the great work of Brandeis University and the good works of Sandy Greenberg.

Mr. Speaker, I insert the program of the evening that inspired more than 300 of Sandy's friends from all walks of life who were there to honor Sandy, his wife Sue, and their dear family.

UNITED STATES CONGRESS

WASHINGTON, DC

Seventy years ago the Senate confirmed Louis D. Brandeis as an Associate Justice of the Supreme Court. The debate over Justice Brandeis' confirmation had been stormy and long, reflecting the intense controversy surrounding the nomination. At the center of the controversy was Brandeis' lifelong commitment to individual freedom and each individual's right to a fair opportunity at American bounty. After World War II, when Jewish leaders sought to create a university to champion the intellectual spirit even a Holocaust could not extinguish, they turned for inspiration to the life and philosophy of this great American.

As members of the Congress and friends of the University that proudly bears Justice Brandeis' name, we are honored to announce the selection of Sanford D. Greenberg as a Fellow of Brandeis University. On behalf of the University, we welcome you to Sandy's formal hooding by Brandeis President Evelyn Handler.

Justice William J. Brennan, Jr., of the United States Supreme Court, has kindly agreed to share with us his views on Justice Brandeis' legacy to the country.

We have known Sandy Greenberg for many years. Our families have shared many a long dinner together. We have come to recognize his unique blend of talents, the breadth of his interests and experience, the strength of his character and his courage. Whether as scholar, inventor, businessman or public servant, he has comported himself with the same commitment and dedication that distinguished Justice Brandeis' career. Sandy's life, like Brandeis', is a testament to the ability of brave and resourceful Americans to overcome both physical and financial obstacles to achieve success.

We are delighted, too, that Sandy's college roommate and long time friend, Art Garfunkel, of Simon and Garfunkel, will also join us in honoring Sandy by singing at the ceremony. He will be accompanied by composer Jimmy Webb.

We are pleased to share this important evening with you.

HOWARD M. METZENBAUM,
JOHN HEINZ,
JACK KEMP,
STEPHEN J. SOLARZ.

DIRKSEN SENATE, OFFICE BUILDING

UNITED STATES SENATE, WASHINGTON, DC

Wednesday, February 26, 1986

Induction of Sanford D. Greenberg as a fellow of Brandeis University

Processional.

"America the Beautiful": Art Garfunkel, Jimmy Webb.

Welcome: Senator Howard Metzenbaum, Representative Stephen J. Solarz.

Address: "The Legacy of Justice Louis Brandeis", Justice William J. Brennan, Jr.

"Bridge Over Troubled Water": Art Garfunkel, Jimmy Webb.

Introduction of Sanford D. Greenberg: Senator John Heinz, Representative Jack Kemp.

Induction ceremony: President Evelyn Handler, Rena Blumberg, Chair of Fellows.

Acceptance: Sanford D. Greenberg.

"Old Friends": Art Garfunkel, Jimmy Webb.

Recessional.

Reception—Russell Senate Caucus Room.

A STEP TOWARD A COMPREHENSIVE STEEL INDUSTRY POLICY

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 26, 1986

Mr. WALGREN. Mr. Speaker, today I am introducing a bill designed to put into place a mechanism in the Federal Government for developing and implementing a comprehensive, coordinated steel industry policy.

The American steel industry has been battered about by several currents in recent years: a surge of imports lured into our ports by the high dollar; the drag of the recession and low demand; outdated and inefficient plants and equipment.

Production in 1984 had plummeted to 95 million tons, down from 150 million tons in

1973. Steel jobs have been more than halved, dropping from 609,000 in 1974 to 273,000 in 1984. In 1982-83, the basic steel industry experienced the worst steel recession in the postwar period. Imports have escalated from 10 percent in 1965 to 13 percent in 1975. In 1985 they reached a peak of 30 percent, averaging 25 percent for the whole year.

In my view, we will not be able to revive the steel industry without a comprehensive, long-term approach that considers all the ways in which Government affects the industry. Each Federal department and each congressional committee tends to approach the industry from its own particular perspective whether that be taxes, trade, technology, environment, labor, economics, or antitrust. There must be a mechanism in our Government for pulling all those considerations together.

There used to be one. In 1978, President Carter established the Steel Tripartite Committee which conducted a comprehensive review of the industry. When President Reagan came to office, the committee died and only after 3 years of prodding, President Reagan reestablished it. But it vanished once again in the fall of 1984, after issuing a report. Reports can be useful, but not without coordinated effort to implement them. An assessment of the industry is only the beginning of the formulation of policy. The tough part is implementing the policy. The bill I am introducing today would create an entity that can assess, report, develop, and implement a comprehensive policy.

STEEL ADVISORY COMMITTEE

Under the bill, the President is directed to establish a Steel Advisory Council to provide recommendations to the President on the modernization problems of the industry, the effects these problems have on communities dependent on steel and on other international and domestic issues related to the industry. The Federal Government's members would be the Secretaries of Commerce, Energy, Labor, and Treasury, the Attorney General, the Administrator of the Environmental Protection Agency, and the U.S. Trade Representative. In addition, the President would appoint seven industry representatives—mid- and upper-level managers—seven labor representatives, three individuals from steel communities, and three individuals with expertise in economics or technology affecting the industry.

EMPHASIS ON MODERNIZATION

The bill would give the committee a special emphasis on modernization of the industry. It is widely held that the American steel industry must modernize to survive. To modernize, the industry must have the capital to implement new technologies. Richard Pitler, vice president of Allegheny-Ludlum Steel stated it this way:

To maintain an efficient steel industry in the United States, we must recognize the changes in technology that have been occurring and will occur in the industry, driven by forces over which the industry itself has little or no control. It should be recognized that the development of these technologies may be a necessary, but very insufficient condition for the survival of the industry. It will do no good to have the technologies developed if the industry does not have the capital to install them . . . . all the technological development in the world will not improve the competitiveness of the U.S. steel industry nor keep it competitive unless capital is available to install new technologies.

Similarly, OTA in its 1980 report concluded:

The U.S. steel industry can be revitalized through increased investment in research and development and the adoption of new technology. For that to happen, however, steelmakers must increase their capital spending.

With good coordination at the top levels of Government we can bring together our best minds and develop technological processes that make our industry the best in the world. We already have in place a $12 million combined Department of Energy and Bureau of Standards "leapfrog" steel R&D initiative to begin that process.

Foreign nations are outpacing us by using newer technology more broadly. Many of those foreign competitors, have done so with the help of Government subsidies. In this country, continuous casting—which has seen increased use since 1977—still is used in only 20 percent of our production compared with 70 percent in Japan. Our ability to survive in a world market will depend on our ability to develop superior technology.

The U.S. steel industry has been unnecessarily hurt by a long series of disjointed, contradictory, sporadic, Band-Aid policies. Failure to modernize can be traced substantially to Government pressure on prices and the lack of a firm import policy. We can do better, and hopefully, this bill is one step in the right direction.

PUBLIC HEARING ON TOXIC CHEMICALS AND WATER QUALITY IN THE ST. CLAIR RIVER

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. BONIOR of Michigan. Mr. Speaker, as a result of chemical spills into the St. Clair River in the 12th District of Michigan, I held a public hearing on December 16, 1985. It was my intention to assess the water quality of the St. Clair River which provides drinking water for many of my constituents. My inquiries led to the conclusion that by and large the river is safe. However, these events teach us to care for our natural resources and be vigilant that all members of the community, both businesses and private citizens, respect the vulnerability of natural water system.

Mr. Speaker, I would like to share with my colleagues the results of my investigation by inserting into the CONGRESSIONAL RECORD a report I recently released on these events.

PUBLIC HEARING ON TOXIC CHEMICALS AND WATER QUALITY IN THE ST. CLAIR RIVER

Toxic contamination is a crisis that must be faced, and our nation has begun to respond. We have passed Superfund legislation to clean-up the landfills that are the result of past errors, and we have passed legislation to control, from cradle to grave, the handling of hazardous waste, hoping to prevent a repetition of those same past mistakes.

But there is more to be done, much more. In 1984, the Congress strengthened the legislation controlling the handling of hazardous waste. Just last year, the House passed new legislation to expand the Superfund program almost tenfold, increasing it to respond to our expanding realization of the broad problem posed by toxic waste.

But legislation is only a beginning. The problem of toxic chemicals recognizes no international boundaries and will not be solved by words on a statute book alone. It requires our communities to come together in a forceful partnership of state and local government, the private and the public sectors, and the international community.

BACKGROUND EVENTS

The Dow Chemical Company has a plant at Sarnia, Ontario which is one of the several chemical plants across the St. Clair River from Port Huron, Michigan. In mid-August, a faulty valve at the Dow plant burst and released 3100 U.S. gallons of perchloroethylene into the St. Claire River. The mid-August spill was only one of many toxic accidents. There were eleven (11) or more spills at the Dow plant during 1985.

Perchloroethylene is a clear, organic chemical compound used mainly as a dry-cleaning fluid. It is heavier than water, sinks to the bottom of the river, and does not dissolve quickly, allowing the substance to be removed from the water. In November, a black tarry substance was discovered on the bottom of the river in the area of the perchloroethylene spill.

Disturbingly, the tarry substance was discovered by scientists nearly one year earlier and reported to the Canadian government, but the Canadian government failed to notify the United States. That was only one of many cases of failed notification. The United States was only notified of the mid-August spill some two weeks after the accident, and similar notification failures occurred in the other 10 known earlier accidents at the Dow facility.

The scientists who discovered the tarry substance submitted samples of the substance for analysis at a Toronto laboratory under contract to the Canadian government. When results of the analysis were delayed, the scientists had an independent analysis done which revealed the presence of dioxin, as well as close to 40 other chemicals, in the tarry substance.

The mid-August spill was not the last accident. There were additional spills, and communication problems between the Canadian government and the United States government continued. The Canadian government failed to report to the United States government a December 20, 1985 spill of 15,000 U.S. gallons of waste water containing two poisonous compounds, isobutylene dymer and tertiary butyl alcohol at the Polysar Ltd. plant in Sarnia.

DISTURBING QUESTIONS

These events raised two significant questions with respect to remedial actions to address past spills and the tarry substance:

What are the continuing health risks posed by the spills and the tarry substance?

What is the status of the efforts to clean-up the spills and the tarry substance?

In addition, the continuing pattern of toxic accidents raised questions for the future:

What corrective steps are being taken to reduce future spills and other leaks into the Great Lakes water system?

What steps are being taken to ensure better communication in the future between

the United States and Canadian governments?

THE HEARING

On December 16, 1985, a hearing was held in Port Huron by Congressman David E. Bonior and Thomas Martin of Governor Blanchard's Office of the Great Lakes. Testimony was heard from officials of the national government of the United States and Canada, as well as state, local and provicial governments, and affected citizens.

RISK POSED BY THE PERCHLOROETHYLENE SPILL

Doug McTavish, the Southwestern Regional Director of the Ministry of Environment of the Province of Ontario, testified that the Ministry ran a computer model which, based on available information, calculated that the levels of percholoroethylene would not exceed 10 parts per billion at Canadian water treatment plants down stream and that the compound would not move onto the American side of the river. An actual test at the Canadian Walpole Island showed levels of 7 parts per billion. A test at the Canadian Stag Island found no detectable levels.

After they were notified of the spill, the Michigan Department of Public Health monitored water intakes to test perchloroethylene levels. Michael Kovach and Elgar Brown of the Department testified that levels no greater than 1.0 part per billion were reported at any of the intakes

The World Health Organization life-time daily exposure standard for perchloroethylene is 10 parts per billion, with an upward exposure limit of 2300 parts per billion for a 24 hour period, and 175 parts per billion for a ten day period.

THE INITIAL CLEANUP

Remedial action was required to clean-up the mid-August spill and the tarry material. The Ministry of the Environment of the Province of Ontario approved a plan which required:

*Vacuuming up the perchloroethylene and the tarry substance.

*Vacuuming up approximately six inches of the sediment in the entire 150 feet by 150 feet spill area in order to remove the sediment down to the hard clay bottom of the river.

The material vacuumed up was initially stored in an environmentally secure settling pond on the Dow plant site. Separation processes were undertaken to remove contaminants from the sediment.

Contaminants are to be destroyed by a high temperature incinerator on the Dow property which is approved by the Ministry of the Environment. The remaining sediment will be treated and sent to a nearby landfill.

The initial clean-up was completed on December 23, 1985.

THE TARRY SUBSTANCE

At the time of the hearing, an initial theory for the presence of the tarry substance was that the perchloroethylene spill had loosened contaminated sediment of the river bottom and the contamination coagulated to produce the black tarry masses.

There were several problems with this theory, however:

The theory did not explain the existence of the tarry material a full year before the perchloroethylene spill.

The theory did not explain why the tarry substance reappeared during inspections in January, 1986, after the Ministry of the Environment and Dow concluded the clean-up on December 23, 1985.

In addition, the chemical composition of the tarry substance changed over time. A January 28, 1986 report by the Canadian government stated that the tarry substance was 97 percent perchloroethylene in September, while the puddles in December were 65 percent perchloroethylene and 35 percent carbon tetrachloride.

In mid-January, Dow began on-site excavations at the perimeter of the sewer complex nearest to the August spill site, approximately 12 yards from the discharge point at the river. On January 22, 1986, Dow found a small seepage of the dark tarry material in the gravel bed underneath the approximately 35 inch sewer pipe leading to the river from the Dow plant. Two days later, divers discovered more tarry material in a drain pipe which runs along the sewer pipe.

The tarry substance discovered in January was cleaned up, however, there is a continuing seepage estimated at around one half gallon per day. While the exact source of this seepage has not yet been determined, the Canadian government suspects that the ultimate source of the toxic material is either waste stored on-site or an undetected leaky connection somewhere on the plant property.

CORRECTIVE ACTION

The presence of the toxic chemicals required more than a clean-up of the immediate spills. The extended pattern of spills required corrective action to reduce future accidents. Corrective action was also required to eliminate the continued seepage that appeared to be connected with the presence of the tarry substance.

In consultation with Canadian authorities, Dow took the following measures to curb the release of contaminants into the St. Clair River:

The area around the truck loading station where the faulty valve burst was isolated so that any future spills will be prevented from reaching the river.

Dow has accelerated their sewer separation program begun in 1977. This will separate the larger volume of clean cooling water from the contaminated process effluent and contaminated run-off.

Dow has also accelerated the completion of a program to install continuous analyzers to monitor the quality of water being discharged into the river.

Trenches parallel to the river are being extended in an effort to prevent the flow of toxic substances through the subsoil toward the St. Clair River.

LONG-TERM HEALTH CONSEQUENCES

The Ministry of the Environment of the Province of Ontario reported on January 28, 1986 that trace levels of dioxin were found in treated water samples taken from Ontario communities. The dioxins found were similar to those present in the tarry substance where some forth other chemicals were also found.

Peter Wise, Director of the Great Lakes National Program Office of the U.S. Environmental Protection Agency, testified that federal funds had been made available for the Michigan Department of Public Health to test water in Marysville and Algonac for dioxin. The U.S. Environmental Protection Agency did not find detectable levels of dioxin in the water tested.

None of the tests found the most toxic form of the compound, TCDD, the contaminant present in Agency Orange. U.S. and Canadian officials reported that the levels of those dioxins found are well below what is considered the maximum acceptable in drinking water, 150,000 parts per quadrillion. The Canadian tests from four Ontario communities ranged from seven to 22 parts per quadrillion.

Nevertheless, the chemicals identified present significant health risks and a serious threat to the Great Lakes ecology. Individuals testifying reported concerns about water quality. Mike Braidwood, Chairman of the Lake St. Clair Advisory Committee, for example, cited instances of salmon taken from the river which had a strong kerosene taste.

In addition, studies of leachate from Dow's Scott Road Landfill site in Sarnia discovered 2, 4, 5 trichlorophenol. Since the most dangerous form of dioxin (TCDD) occurs as a by-product in the manufacturer of 2, 4, 5 trichlorophenol, it is possible that TCDD may be present at the dump. Environmental safeguards isolate the dump, preventing run-off into the river.

The health risks posed by the chemicals that have apeared require longer term studies conducted independent of a specific spill. The need for these studies is reinforced by the pattern of spills as well as the past failure to identify the source of the tarry substance. Such studies can indicate the presence of a significant threat to water quality.

During the hearings, an official from the Michigan Department of Natural Resources announced that the Department would resume the testing of fish in the St. Clair River. The tests had been discontinued because of budget pressures. Also, the U.S.-Canadian Great Lakes Connecting Channel Study is an extensive multi-year effort designed to analyze water quality and identify sources of contamination in the Great Lakes region.

NOTIFICATION PROCEDURES

A 1978 treaty requires the Canadian and American governments to notify each other in the event of cross border spills. The respective Coast Guards are designated as the lead agencies responsible for providing and receiving official notification.

Despite this treaty obligation, American officials were notified eleven months after the tarry substance was identified and, in fact, learned about the substance from Canadian news reports. American officials were officially informed about the mid-August 1985 spill two weeks after it occurred. In 1985, Dow reported 10 other spills of varying quantities and toxicities into the St. Clair River. The U.S. Coast Guard Station at Detroit has no record of notification from the Canadians in these 10 cases.

Any failure to notify the U.S. in a timely manner of toxic spills creates two significant problems. First, it precludes appropriate U.S. emergency responses. Second, it leaves local communities wondering whether they are fully informed of the breadth and frequency of the problem.

To help address this problem, Governor Blanchard negotiated with the Province of Ontario a new notification agreement which was signed on December 6, 1985. Nevertheless, the Canadian government failed to provide notification of a new spill that occurred on December 20, 1985.

On January 17, 1986, Congressman Bonior wrote D.I. McMinn, the Regional Director General of the Canadian Coast Guard, alerting him to the Canadian failure to provide notice of the December 20th spill. In response to that letter, the Regional Director General wrote Congressman Bonior out-

lining three new steps to help ensure timely notification.

In some cases, notification apparently was not given because of the belief that the spill was not significant or would not cross the border into the United States:

The Canadian Coast Guard will notify the United States of spills even when the sequences of the spill are unclear or when it is unclear whether or not the spills will cross the border into the United States.

In at least one case, notification was not provided because the Canadian Coast Guard itself was not informed of the spill by other Canadian authorities:

A meeting will be held in February between Federal and Provincial officials and the Canadian Coast Guard to clarify the notification process, to identify any problems in the process, and to outline corrective action to be taken.

A test of the notification process will be made part of the exercises to be held between the U.S. and Canada in April 1986 in Sault Ste. Marie.

CONCLUSION

The threat to our health and the Great Lakes ecology posed by toxic chemicals requires us to come together as one community, committed to helping each other. The Canadian and U.S. governments have a key role to play in meeting this crisis. But governments cannot do everything. The answer will also have an important dimension of private responsibility that must be met by the corporations involved.

Government can mandate and help fund the studies that will seek to determine the extent of any health risk. Government can mandate and monitor the clean-up and other corrective measures to ensure that Canada and the United States work with each other so that the two countries act together to meet a common danger.

However, corporate discipline is the critical ingredient needed to stem the frequent pattern of releases, and the slow seeping of toxics into our water resources. The manufacturing companies must continue to seek out the cause of any problem and move aggressively to implement measures to respond to immediate problems and reduce future risks.

Public attention is focused on the responsible use of the environment. Canadian and American parties must forcefully respond to this attention and tackle this problem together. This problem is bigger than any one of the involved parties. But it is not bigger than all of us combined, acting together.

The Port Huron hearing was an unprecedented meeting of representatives from the private and public sectors, from Canada and the United States, and from the national, state, provincial, and local governments of each country. The challenge for the future is to maintain that level of joint effort in the face of a shared responsibility.

TEEN PREGNANCY A NATIONAL PROBLEM

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. WILLIAMS. Mr. Speaker, recently, an article appeared in the Bozeman Chronicle newspaper in Bozeman, MT, which I would like to share with my colleagues. Teen pregnancy is becoming a national problem. The information contained within this article demonstrates that the Adolescent Family Life Program does address the issue of teenage pregnancy at the family and local community level. The author of the guest editorial is Joye Kohl, director of the Parents and Adolescents Can Talk [PACT] project at Montana State University:

[From the Bozeman Daily Chronicle, Feb. 10, 1986]

TEEN PREGNANCY: ANSWERS AT HOME

(By Joye Kohl)

During the past few months The Chronicle, along with many other newspapers, has spotlighted the problems related to adolescent sexual activity. Much of the attention, however, has focused on national statistics and has linked teen-age pregnancy to minority and low-income groups.

Although many Montanans may not realize the extent of the problem of adolescent sexual activity in Montana, as a state we, too, are very much impacted by premature sexual behavior. One in every 20 15-17-year-old Montana girls becomes pregnant each year; still others become pregnant at ages younger than 15. And, like other sexually active population groups, teens risk infection from sexually transmitted diseases. The Alan Guttmacher Institute predicts, based on current trends, that two of every five 14-year-old girls today will become pregnant before they turn 20. The costs to all of us as citizens can be felt in economic, education and social terms. And, regardless whether a pregnancy or sexually transmitted disease occurs, involvement in intimate relationships gets in the way of many other growing up tasks of adolescents.

Adolescent sexual activity is a phenomenon of which we all need to be aware. No longer do the extended families bear the consequences alone; today we bear them as a society as we struggle with the resulting cycles of poverty, health problems and educational issues.

Although premature sexual activity has been around for a long time, kids today are impacted by mixed messages as they view videos and television, listen to the lyrics of rock music, and tune into ads that first and foremost sell sex. Young people must make decisions for which they are unprepared and do not and cannot understand the long range consequences of the choices before them.

Current research tells us that the media have become the most powerful influence reaching youth, but mass media impact attitudes not knowledge.

A congressional mandate in 1981, under Title XX legislation, created the potential to impact the growing epidemic of adolescent pregnancy and sexually transmitted diseases. The program authorized by the legislation has two thrusts: 1. to prevent adolescent pregnancies by encouraging postponement of premature sexual activity before teens become sexually active and, 2. to prevent the various negative consequences associated with adolescent parenting. Involvement of the family is the central theme of the adolescent family life authorized in the legislation.

Public policy traditionally has reflected greater support for "after-the-fact" treatments or crisis intervention than for prevention. Attention certainly needs to be given to the delivery of support services to those vulnerable adolescents who are either pregnant or already parents, but the only real hope for getting a grip on the adolescent pregnancy problems is through a concerted community and family approach to prevention. Although both the general public and professionals agree that the home should be the focus of human sexuality education, it is obvious from the data the task requires more attention. Schools, churches and other community groups need to work hand-in-hand with parents in planning for, implementing and evaluating greater responsibility over their sexual behavior.

Research indicates a need for education programs aimed at young people prior to their becoming sexually active. Since the birth and abortion records demonstrate that sexual activity begins as early as 12 and 13, education should begin no later than the fifth or sixth grade. Due to the wide range of consequences and the interrelatedness of sexual behavior to other life dimensions, educational strategies need to be approached from a comprehensive family life systems perspective.

One such approach is the Parents and Adolescents Can Talk (PACT) project currently in place in Gallatin County. The program is one of 33 primary prevention projects currently funded through the Adolescent Family Life Programs. The family-oriented program design was conceived by a group of parents, clergy, health care, agency and education personnel and it continues to draw community input into its design and implementation through an advisory committee and liaison committees being formed in each community throughout Gallatin County.

The heart of the PACT project is a new education curricula for fifth through eighth grade pre-adolescents/adolescents and one or both of their parents. The training program, designed in two separate curricula—one for the fifth and sixth grade pre-adolescents and their parents, and one for the seventh and eighth grade adolescents and their parents—is divided into a series of lessons or modules focusing on self-esteem, parent-adolescent communication, assertiveness, decision making and knowledge, values and attitudes toward sexuality.

The primary emphasis of the project is to help parents reclaim their responsibility as the primary sex educators of their children and to facilicate improved family communication, enhanced self-esteem and the development of assertiveness skills among adolescents in order for them to resist peer and media pressures to become sexually active; thus, to encourage postponement of premature sexual activity.

Parents and other community members are invited to investigate the PACT project at a Bozeman Junior High School Parent Advisory Committee-sponsored public meeting tonight at 7:15 in the junior high cafeteria.

The time is critical for action to tackle the adolescent sexual activity problem at the grass roots level. Your commitment and support is needed.

WEST VIRGINIA'S SHERIFFS' ASSOCIATION SUPPORTS H.R. 495, THE FIREARMS OWNERS' PROTECTION ACT OF 1985

HON. ALAN B. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. MOLLOHAN. Mr. Speaker, I would like to take this opportunity to insert into the CONGRESSIONAL RECORD a copy of a letter I recently received from the West Virginia Sheriffs' Association in which they express their strong support for H.R. 495, the Firearms Owners' Protection Act of 1985.

I believe this letter, in support of H.R. 495, shows that the law enforcement community can benefit from this important piece of legislation, as well as the law-abiding citizen and sportsman.

Mr. Speaker, it is important that the House of Representatives be given the opportunity to consider this measure. I hope my colleagues will take a minute and review the comments of the West Virginia Sheriffs' Association.

FEBRUARY 11, 1986.

Congressman ALAN B. MOLLOHAN,
Cannon House Office Building,
Washington, DC.

DEAR CONGRESSMAN MOLLOHAN: The West Virginia Sheriffs' Association held our annual meeting in Charleston, West Virginia, January 19th-21st, 1986. After committee researched the Volkmer Bill 495 and Senate Bill 49, the Association voted to endorse the bill for passage.

The West Virginia Sheriffs' Association would respectfully like to ask that you sign the discharge petition and secondly, we respectfully ask for your support and vote for this bill. The West Virginia Sheriffs' Association feel that passage of this bill would benefit law abiding citizens, sportsmen, and the law enforcement officers as well.

If the West Virginia Sheriffs' Association can be of any assistance to you in reference to the above, please feel free to contact us.

Thank you.

Respectfully,

JAY BARNETTE,
Secretary,
West Virginia Sheriffs' Association.

NO RUSH TO JUDGMENT ON CONRAIL

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. WYDEN. Mr. Speaker, one of the major items of legislative business before the House this year is the proposed sale of Conrail—either to Norfolk Southern or to some other bidder. The Senate voted earlier this year to approve Norfolk Southern's $1.2 billion offer and the House Energy and Commerce Committee will soon begin the process of determining whether the House should concur in the Senate's judgment, support one of the alternative offers or press for revisions of one or more of these proposals.

As a member of the Energy and Commerce Committee, I have not yet decided which, if any, of these proposals I will support. In my view, there are two key questions that must be answered to the satisfaction of the committee and the House before this matter moves forward. First, we must make sure that the present owners of Conrail—the American taxpayers—receive a fair price for selling a very valuable asset. Second, we must insist that any disposition of Conrail involving another railroad does not create an anticompetitive situation that hurts rail shippers and increases costs to consumers.

Mr. Speaker, the Energy and Commerce Committee will fully protect the interests of taxpayers, consumers and rail shippers in considering the future of Conrail and will not be inclined to move forward on this matter in any great haste. A recent editorial in the Journal of Commerce and a recent article in U.S. News & World Report both make this point rather well, and I request permission that these two items be printed in the RECORD at this time:

[From The Journal of Commerce, Feb. 10, 1986]

ON TO THE HOUSE

Senate approval of the Reagan administration's proposed sale of Conrail to Norfolk Southern Corp. is a victory for NS and for Transportation Secretary Elizabeth Hanford Dole. Whether or not it is a defeat for shippers and taxpayers depends on how the House handles the legislation.

The issues involved in the sale are clear cut: Is the price tag of $1.2 billion that Mrs. Dole attached to Conrail high enough? And would a merger of Norfolk Southern and Conrail be anti-competitive? The answers to these two questions remain no and yes and as long as they do, the Conrail bill has little chance of making its way through the House in its present form.

Norfolk Southern's bid is lower than either the $1.4 billion offer by Morgan Stanley or the $1.6 billion offer from Allen & Co. Conrail's assets exceed $6.5 billion. Its cash balance at the end of 1985 was $910 million. Not only that, the railroad is making money—big money. Over the past three years Conrail has reported earnings of $1.25 billion (including $440 million in 1985). Proponents of the NS bid argue that Conrail had significant labor concessions during much of that time, which is true. Conrail, however, gave those up on July 1, 1984. The Philadelphia-based carrier also projects earnings of over $420 million for 1986.

Yet in the face of this mountain of evidence to the contrary, Norfolk Southern and Mrs. Dole insist that Contrail will be bankrupt by the end of 1988. Mrs. Dole calls the sale of Conrail for $1.2 billion "a victory for the taxpayer." Others call it the "steal of the century."

Under the terms of its covenants with the Department of Transportation, Norfolk Southern would gain a tax write-off of about $150 million over five years and would receive tax credits of anywhere between $174 million (Treasury Department estimate) and $600 million (Morgan Stanley estimate). Some victory for the taxpayer.

The competitive aspects of the deal look even shakier. The Justice Department told Norfolk Southern it must divest itself of trackage before it would approve the deal. Twice NS proposals were rejected by Justice. A third divestiture bid, tentatively approved, would give Guilford Transportation Industries trackage access to Detroit through Toledo and would allow both Guilford and Pittsburgh and Lake Erie Railroad access to Fort Wayne, Ind. These two railroads lost $75 million between them from 1981 to 1984, and few serious rail industry experts give either a chance of competing against the giant that would be Conrail-Norfolk Southern.

Regretfully, the Senate didn't bother to wait for the full Justice report. Mrs. Dole and Norfolk Southern won't be so lucky in the House. The Commerce, Transportation and Tourism Subcommittee will not vote on the legislation until they see both the Justice report and the United States Railway Association report, and they won't be ready for at least two or three months.

Norfolk Southern Chairman, Robert Claytor has stated emphatically that his company will pay no more than the $1.2 billion. If that's the case, NS is going to have a very tough time in the House. Already there are rumblings that Morgan Stanley will increase its offer, a move that would put further pressure on Norfolk Southern.

In addition, it seems unlikely that either Subcommittee Chairman James J. Florio or House Energy and Commerce Committee Chairman John Dingell will find the NS divestiture package to their liking. One more thing to keep in mind, Mrs. Dole, her husband, Senate Majority Leader Robert Dole and President Reagan may find their audience less receptive in the Democrat-controlled House than they did in the Senate.

The House might approve the Conrail bill—after all, most everyone wants Conrail out of the government. But if it does, the bill will have a decidedly different look from the slapdash legislation that passed the Senate, which should give rail shippers and taxpayers hope they won't be sold down the river.

[From U.S. News & World Report, Feb. 17, 1986]

IS WASHINGTON BEING RAILROADED ON CONRAIL?

Small wonder Norfolk Southern and Morgan Stanley slug it out to purchase government-owned Consolidated Rail. Who wouldn't jump to buy a prosperous company for just four times its earnings? That's the deal the Senate approved for Norfolk Southern on February 4. Now, the matter goes to the House, where skepticism abounds.

NS would pay the government $1.2 billion, give Conrail employees $375 million for their 15 percent share and forego Conrail's tax-loss carry-forwards and investment tax credits. For this it would get a railroad—a major competitor—that earned, after taxes, $361 million in 1985 and $472 million in 1984. NS also would get access to at least $800 million from Conrail's treasury, plus $300 million more in excess pension contributions. Net cost to Norfolk Southern: Less than a year's worth of Conrail profits. The 43-investor consortium put together by Morgan Stanley isn't much more generous; it offers Washington $1.4 billion.

NS and Transportation Secretary Elizabeth Dole agreed on the price a year ago. In 1985, the market value of the nation's five largest publicly owned railroads rose by $7.6 billion, or roughly 30 percent. Their stocks sell at an average of 11.5 times 1985 earnings—about three times the value assigned Conrail by NS and Morgan Stanley.

"There will be no stampede in the House, no rush to judgment," says John Dingell (D-Mich.), whose Commerce Committee will control the Conrail bill. Dingell and other

House Democrats will lean on would-be buyers to cough up more money. A third bid, by Allen & Company, is also on the table.

How much is Conrail really worth? Far from going broke, as DOT's Dole fears, the railroad keeps getting fatter; it spent $572 million in 1985 just for capital improvements. Many analysts peg its value at a minimum $2 billion. "It's worth twice the Norfolk offer," says Henry Livingston of Kidder Peabody. Washington may settle for less, but bidding is almost certain to reopen.

ANALYST URGES TREATY

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. EVANS of Illinois. Mr. Speaker, within the next few weeks, we in Congress will again face a vote on providing aid to the "Contras." But this time, President Reagan is asking for military aid.

Before making up your mind, I recommend that our colleagues review the following article from the Moline Daily Dispatch which describes a recent presentation at Augustana College in Rock Island, IL. In speaking before a group of Augustana students, former CIA analyst and U.S. Marine Corps officer, David MacMichael, warned against military actions that could lead to a prolonged and indecisive war in Central America. Instead, he states that the best solution for the United States would be to support the Contadora Treaty. Speaking from his long experience in the region, MacMichael challenges the Reagan administration's ideological desire for military action. Rather, his realist assessment of the region calls for a more constructive approach.

I hope our colleagues will realize the gravity of the vote which looms before us and take to heart the comments of Mr. MacMichael.

ANALYST URGES TREATY

(By Tom Raithel)

The United States cannot unseat the Nicaraguan government without committing great numbers of U.S. troops to a regional war, a former Central Intelligence Agency analyst told a group of Augustana College students Thursday.

The U.S. would be better served if it signed a treaty with Nicaragua and other Latin American nations which would prevent armament buildup and encourage democracy in the region, he said.

Former CIA analyst David MacMichael, 57, Reston, Va., addressed a group of students in the College Center. He was a member of the CIA's elite National Intelligence Officers from March 1981 to April 1983. His area of expertise was Latin America, and he was responsible for advising the CIA director and other members of the intelligence community on Nicaragua.

A former Marine Corps officer and professor of Latin American history, he currently is a senior associate of the Council of Hemispheric Affairs—a research group that puts out a bi-monthly report on current affairs in the Carribean and Latin America.

He has testified before the U.S. Congress against the Reagan administration's policies toward Nicaragua.

In an interview before his speech Thursday, MacMichael said the Reagan administration's current efforts to unseat the Nicaraguan government, or the Sandinistas, are not based on any sound information, but on ideological fervor.

"When the administration came into office, one of its principal objectives was to overcome what it described as the Vietnam syndrome," MacMichael said. According to the administration, this syndrome is making the U.S. overly reluctant to engage in military activities abroad.

According to MacMichael, the administration has been seeking a foreign conflict to enter and achieve a quick victory in to end the Vietnam syndrome. It has been frustrated in many regions of the world, but not Central America, MacMichael said. These nations are relatively close and accessible to U.S. actions.

To justify U.S. actions in Nicaragua, the administration needs to demonstrate Nicaragua is assisting revolution in El Salvador and elsewhere, MacMichael said. The obstacle the administration faces, he said, is that there is no reliable evidence supporting Nicaraguan involvement in El Salvador in recent years.

MacMichael said he and other intelligence analysts sought evidence of this kind of connection between the Sandinistas and El Salvador, or between the Sandinistas and Cuba or the Soviet Union, for years, but turned up nothing.

The Reagan administration claim is so dubious, MacMichael said, that "I do not believe that their people genuinely believe this."

Without evidence of such activity, the U.S. cannot get international support for an invasion. But even if it could get that support, an invasion would be costly, MacMichael said.

"I can assure you that the U.S. invasion of Nicaragua will be no easy task. It would be a long and bloody process. You'd fill a lot of body bags," he said.

The administration has contented itself with supporting the contras—a group of Nicaraguan rebels intent on overthrowing the government, MacMichael said, but the contra effort is near collapse. "I can tell you that no matter how much money you give the contras, they are not going to do it."

The best solution for the U.S. would be to join several Latin American countries in supporting the Contadora treaty. This treaty would esablish a system of international inspections to prohibit armament buildups or foreign troop maneuvers in the region. Such an agreement would appear to relieve U.S. fears that Nicaragua would be used as a base for pro-Soviet activities in this hemisphere.

The administration, in fact, supported such a treaty at one time, but only because it expected it to be rejected by Nicaragua. MacMichael charged. When the Sandinistas demonstrated their willingness to live by those terms, the administration backed down.

MacMichael said signing the treaty would still be the best course for the U.S. The contras are too weak to overthrow the Sandinistas; a U.S. invasion would lead to a long, costly and unpopular war.

"I do not wish to cry wolf and be an alarmist, but I believe the dangers are real," MacMichael. "These fears are shared by many competent authorities."

PRESIDENT CEREZO OF GUATEMALA ABOLISHES SECRET POLICE

HON. MICHAEL BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. BARNES. Mr. Speaker, too little attention has been paid to the courageous move of Guatemala's new President, Vinicio Cerezo, in abolishing the notorious Department of Technical Investigations [DIT], Guatemala's secret police. This courageous action was the first major step in President Cerezo's attempt to improve the human rights performance of Guatemala's Government and to dismantle the structures of repression. There will be other such steps. I know we all applaud President Cerezo for this action and support him in any future actions that he may take.

I wish to include a brief UPI story on this matter that appeared in the Washington Post for February 8, and a February 7 Christian Science Monitor editorial on the subject:

[From the Washington Post, Feb. 8, 1986]

GUATEMALAN POLICEMEN TO BE PROSECUTED

GUATEMALA CITY, Feb. 7.—At least 115 Guatemalan secret police officers, part of a much-feared squad abolished by President Vinicio Cerezo this week, will be charged with human rights abuses, the Interior Ministry announced today.

Interior Minister Juan Jose Rodil Peralta said a preliminary investigation into the conduct of the more than 600 agents of the Department of Technical Investigations turned up at least 115 officers with "bad records."

The agents will be fired and the attorney general will file charges against them, Rodil Peralta said. The unit has been accused of involvement in the disappearance of thousands of Guatemalans.

[From the Christian Science Monitor, Feb. 7, 1986]

CEREZO ACTS

Guatemala's newly inaugurated President Marco Vinicio Cerezo Arévalo, has taken his first promised step toward ending human rights abuses in his troubled nation: He has abolished the feared secret police and fingerprinted its 600 members. Those suspected of crimes are to be prosecuted.

President Cerezo in effect has put on notice the military and police forces, without confronting them directly. The military remains the most powerful element in Guatemala today, far stronger than the elected government: Too broad a challenge to military or police could likely result in the unseating of Mr. Cerezo, which is why his decision to move against only one police arm, the secret police, at this time was appropriate.

It was also the correct human rights move. During his election campaign Cerezo had promised to end his country's widespread human rights abuses, reported since the late 1970s by Guatemalan exiles and international organizations and blamed on sections of the military, the police, and paramilitary forces. The secret police received a good share of the condemnation, and it deserved to be the first force to be disbanded. Other police or military departments should take note: They could be next.

LATE-BLOOMING DADS

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. LEVINE of California. Mr. Speaker, I would like to bring to the attention of my colleagues the following article which appeared in the January 19, 1986, issue of the Daily Breeze.

Entitled "For These Kids, Dad Really Is the Old Man," this article highlights the growing phenomenon of middle-aged men who have young children. These "late-blooming dads," who either delayed having families or are embracing fatherhood for the second time around, have the capacity, according to some experts, to be among the best at fathering.

One of these "late-bloomers" is Ed McMahon, sidekick to Johnny Carson, who recently adopted a newborn at age 62. Another is a good friend of mine, Ron Cawdrey, a 49-year-old Redondo Beach City Council member, who is also dad to 5-year-old Crystal.

While having a child at any age is a tremendous adjustment, for these middle-aged fathers the advantage of their experience, maturity, and financial security has made the adjustment a little less traumatic.

Mr. Speaker, I commend this article to my colleagues:

[From the Daily Breeze, Jan. 19, 1986]

FOR THESE KIDS, DAD REALLY IS THE OLD MAN

(By Jim Brooks)

Dan Shannon recalls helping his wife, Deborah, and infant daughter, Sarah, board a plane last summer on their way to Minneapolis and Sarah's christening.

"I had to leave two days later because of my work," Shannon explains, "so I helped her onto the plane at LAX . . . got her seated and taken care of, and I walked off the plane."

The 51-year-old Redondo Beach father chuckles to himself.

"I found out later that all of the stewardesses came over and said, 'My, what a nice grandfather you have.' And my wife was saying, 'That's not her grandfather, that's her father.' "

Today, Shannon has a T-shirt for just such occasions—a Father's Day gift—that reads "I am not her grandfather."

Ed McMahon sports a similarly inscribed sweatshirt, which arrived last month after the 62-year-old sidekick to Johnny Carson adopted a newborn, Katherine Mary.

"I keep calling myself granddaddy," admits the, in fact, two-time grandfather. "I find myself correcting that. 'No, I'm the daddy. I'm not the granddaddy.' "

While juggling diapers and formulas, Shannon and McMahon also are balancing on the cutting edge of what some experts say is a growing phenomenon: late-blooming dads who can rightly be called "the old man" by their youngsters.

They're either parents for the first time—often members of "the yupped-out group" who delayed having families—or dads embracing fatherhood for a second time with new, usually younger, wives.

Whatever their particular situation, these brave new poppas face a fatherhood distinctive from that of their younger counterparts.

"Well, your back hurts more," cracks Ken Miller, a 52-year-old San Pedro father who chases around after 2-year-old Andy.

Miller, a music teacher at Harbor College, is somewhat rare in that he straddles both categories. Andy is the product of a second marriage; but Miller also waited until he was 38 to start his first family of three, who now range from 10 to 15.

"I don't doubt at all that I'm not only less physically able to romp around, but I'm also less interested in doing those things," admits Miller of fatherhood after 50.

Then he adds: "I'm a roller with the kids on the floor. I wrestle with them, and probably will when I'm a grandfather, when I'm 80. . . . But it's harder for me. It's harder to get down on the floor when you're 50 than when you're 20—but I'll get down there. (I might have to say) 'Help me up.' "

The energy issue is a valid one, experts say, for those older men pondering late-night feedings again.

It's the toughest part of his new role, says Peter Kirby, 46-year-old father of 2-year-old Rachel. "I mean, I get tired," says the Santa Monica video producer and editor. Dads at 20 or 25 "get tired, but they recover quicker. At least that's what I remember. But the opposite side of that is I know how to pace myself better."

That kind of awareness is what can compensate for slower reflexes and even slower muscles and can make older fathers potentially the best dads.

It goes along with the philosophy that the gray around the ears is matched by a wisdom *between* the ears.

"It's an over-used phrase, but they 'know who they are,' as opposed to becoming a parent very young, (when) there are so many unfinished issues of childhood and adolescence that it makes it hard to deal with a child's demands," says Sharon Stone, a Rancho Palos Verdes clinical social worker. "So often young marriages have difficulty making it because the people are changing themselves, still forming themselves. So to become a parent when you've already had more chance to take care of those things for yourself could be a real benefit."

"I think it was good for me as a person to have had 20 years of adulthood to mature and try to get myself together before I tried to help other people get together," confirms Miller. ". . . Some of the problems I might have brought into a father-son or father-daughter relationship when I was younger, I've worked through to some extent."

Related to this personal acceptance is career acceptance: Older fathers are more likely to be less focused on work and finances, freeing them to lavish more attention on a child. "A lot of men when they first have their children are very much into building their own empire and getting established," says Fran Louise Hill, a marriage and family therapist with practices in Lomita and Rolling Hills.

". . . Oftentimes they don't bond as closely with the child because (their work) is demanding a great deal of their attention; they're thinking in terms of another mouth to feed and 'will I be able to do that.' . . . Later in life a man is very well established and in a better financial situation and therefore more emotionally available to the child."

Ron Cawdrey, a 49-year-old Redondo Beach councilman and dad to 5-year-old Crystal, agrees. "She's a dream, she's easy because I've gone through it all before," says Cawdrey of starting over with Crystal after fathering three other children—30, 26 and 24—from a previous marriage. "And a lot of it has to do with stability, with your economic situation."

Shannon, dean of extended education at California State University, Dominguez Hills, echoes the sentiment.

"As an adult being a lot more mature, I think it's in a sense easier to relate to (Sarah)," says the father of three older children—25, 23, and 21—from a first marriage. "I'm not as pressed, at least in terms of career, as I was much earlier on. I feel more comfortable with myself than I did when I was younger. And as a consequence I think I can focus more on her than I did as a younger man with my older children."

The gray-haired grandfather finds himself frequently playing with his infant daughter, reading to her, rolling around on the floor with her, "integrating her a lot more" into his life.

"I feel a lot more laidback about fatherhood, a lot more comfortable with the idea of it than when I was younger," Shannon explains. "The whole process of birth is different now than it was the first time for me. In the early 60s, I'd drive my wife to the hospital, drop her at the door, go park the car and then find my way to the father's waiting room, and when the baby was born they'd call me and I'd go look through the glass. And then I wouldn't see the child really until four or five days later when the infant would return with his or her mother.

"This time I went through Lamaze, and I was there through the whole birth process and held Sarah before my wife did. The whole process—I guess they call it bonding—was a lot more real this time, and as a consequence I feel very, very close to her."

Dads like Shannon and Cawdrey—long on experience and shorter on career struggles—have the capacity to be among the best at fathering, says Jeff Marsh, a clinical psychologist who leads a fathers group Saturdays in the parenting center at the Stephens S. Wise Temple in West L.A.

"The most interesting dads . . . are the guys who are starting a second family, and are in their 40s and 50s, have teen-age children or older and now have a baby coming," Marsh says. "They tend to be the ideal dads. I mean, you can see the difference in the groups. They are just more comfortable. It's not that they know that much more about how to be a father. Their questions are just as naive or open in some ways as the other guys, but the way they go about the fathering is much easier. They're more comfortable with the child, holding the child and interacting with him."

If it's easier the second time around, it's because these dads "know the score," says Rick Porter, director of the Rainbow River School Age Centers in Manhattan Beach and a leader of father workshops himself.

"If it's their first time, there might be some surprises, some new twists they hadn't thought about," he adds.

Stone puts it even more succinctly: "At a later age we do become creatures of habit—and at any age having a kid is a tremendous adjustment."

The size of that adjustment for a first-time father at 40 may be daunting, especially for those at the upper end of the baby-boom me-generation used to having it their way—when a toddler wants it his way.

"That's the classic cliche of my generation, that we want everything . . . (that) we're used to having our own way," says Kirby, who is producing a videotape called "Creative Parenting."

It's late-blooming fathers such as himself, he believes, that may account for the growing number of older dads in general. "Part of it is that adolescence for a lot of people my age and younger seems to last till you're about 30, so you end up not even thinking about getting serious with relationships and family and that sort of thing until later in life."

Marsh labels them "the yupped-out group," those men who went to college, established careers, "finally got married, and now they're wanting to experience what it's like to be a father."

"In general, you're talking about someone who's really been into his career and not into a relationship with a child," says Santa Monica pediatrician Harvey Karp.

Making that new relationship work starts with realizing that there are sacrifices along with joys in fathering, that "you have less time for yourself and to devote to the things you're used to doing," says Stone.

Says Miller, "I look around at some of my peers whose kids are off at college or off married with their own kids, and these people are in a phase of life that most 50-year-olds are in, and I'll probably never have that phase. I'll never have that smug time when the kids are grown and gone and you can concentrate on (your own interests), or that time when middle-aged couples start traveling and such."

He laughs. "My travel is between soccer and piano lessons."

Another prospect that faces the older dad—either the experienced second-family man or the first-time-around novice—is that of dealing with an adolescent as they're coping with advanced middle-age and beyond.

"You're dealing with life-cycle kind of changes," says Mitch Golant, a Brentwood clinical psychologist. "As, for example, that 40-year-old man enters his 55th birthday his child is entering adolescence, so not only is that 55-year-old man dealing with the (approaching) death of his own parents, he's dealing with his son or daughter in adolescence."

Art Bohart, a psychology professor at CSUDH who at 43 is father to 7-year-old Maura, believes "that is when some difficulties might arise. Because as fathers get toward their 60s, they tend perhaps to lose touch. Whereas in your 40s you're still young enough to be in touch with what it's like to be a child or a teen-ager, by the time you get to be 60 you're perhaps getting a little less tolerant, a little less likely to be able to understand the headstrongness of youth, so to speak."

The best way to resolve the issue, Bohart says simply, is to just be aware of the potential problems.

"I know it's going to be a frustrating period, especially with all the pitfalls that are around today for young people, with the drugs and sex and whatnot," says McMahon, who's already guided four offspring from an earlier marriage through the terrible teens. ". . . But we're going to have a very open relationship with this child. I've had some experience. I've made all my mistakes—I hope. And I'll be able to sit down and talk with her and reason with her. Because you do come from a strong point of wisdom when you're in your 70s."

For Kirby, talking about his daughter's eventual adolescence sparks a stickier issue. "It may seem weird," he says, "but one of the things that I think about a lot is am I going to see any grandchildren. Or is she going to wait till she's 35 to have any kids?"

In a similar vein, Shannon reveals that "one very peculiar feeling I've had is a sense of mortality that I didn't have before (Sarah) was born; a sense of my age relative to life expectancy, and a concern about being around long enough to see her grown and mature and marry and have children."

He, Kirby and McMahon all talk of making financial plans so their children will be secure should father time run out on them. They also speak of a keener sense of taking care of their own selves.

"You become more aware of how fragile everything is," says Kirby. "I mean, I drive more carefully and look both ways more than once when I cross the street. You're just more aware of risks all the time . . . because, you know, I want to be here for her."

FOR A TAX AMNESTY TO CUT THE DEFICIT

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. MARKEY. Mr. Speaker, we are faced this year with the difficult and unenviable task of finding approximately $60 billion to cut from the Federal budget. This will bring us to the deficit level mandated by the "march of folly" that is known as Gramm-Rudman. I believe we are required to reach this deficit target regardless of the Supreme Court decision as to the constitutionality of the triggering mechanism with Gramm-Rudman.

The budget request submitted by President Reagan for fiscal year 1987 reveals his priorities and plans for reaching the target deficit. This President would subject many vital domestic programs to elimination or draconian cuts while adding over $33 billion to the Defense budget. The President has said we must reduce the deficit but that he will veto any measures that raises revenues for the purpose of reducing that deficit.

That severely limits our options here in Congress. But, Mr. Speaker, the State of Massachusetts faced a budget deficit a few short years ago. They undertook a unique program of one time tax amnesty and tough enforcement that has yielded approximately $564 million over the last 2 years. This Revenue Enhancement and Protection Program has been successful in Massachusetts and similar programs in other States have met with like success. There is no reason to believe that such a program on a national basis would not yield the Federal Government at least $25 billion. This would be $25 billion not in tax increases, not in program cuts, but in pure deficit reduction. I have cosponsored H.R. 2530, a bill introduced by my distinguished colleague from Massachusetts, Mr. DONNELLY. This bill would implement a Revenue Enhancement and Protection Program on a national level.

We must take innovative steps to deal with our budgetary woes. This type of program is just such a step. I urge my colleagues to read the insightful article written by Governor Dukakis of Massachusetts. His article points out the windfall to be realized by careful implementation of a Revenue Enhancement Program. Let us follow the lead of Governor Dukakis and Massachusetts and attack our budget problems with vigor.

FOR A TAX AMNESTY TO CUT THE DEFICIT

(By Michael S. Dukakis)

BOSTON.—At a time when the Federal Government is hacking away at important programs in order to balance its budget and reduce its deficit, the Reagan Administration and Congress should be looking first at the revenue side—not to raise taxes but to get serious about collecting what is already owed the Treasury. They should adopt what has worked for many states: tax amnesty combined with tougher enforcement.

Tax evasion and cheating have become serious problems. To fool around with the Internal Revenue Service was once to court serious fines, prison sentences and, at least, public humiliation. But as the I.R.S. now admits, those days are long gone.

According to I.R.S. figures, voluntary tax compliance has fallen to 81 percent, down from 94 percent 20 years ago. More starkly put, 19 percent of all taxes owed on legitimate earnings are not collected. Nor does that include other major sources of lost tax revenue, such as illegal drugs and organized crime. What it all adds up to is $100 billion in Federal taxes that go uncollected every year. That's half the Federal deficit.

What to do? Once again the states have come up with a good idea. It is an idea that has taken hold in Massachusetts and has been picked up by 18 other states, including New York, which recovered $334 million.

In January 1983, Massachusetts faced a multimillion dollar deficit. I was urged to do what President Reagan and Congress have been asked to do: raise taxes, cut programs or both. But we discovered that dodging the tax man had become almost as popular a sport as watching the Celtics play basketball. We inaugurated a program called Revenue Enforcement and Protection, which aimed to collect taxes owed to the state treasury.

First, we raised the stakes by getting tough on enforcement—adding tax auditors, introducing computers and launching an aggressive campaign to seek out and prosecute tax evaders. After we had demonstrated just how tough we could be, we offered the delinquents an amnesty, a 90-day grace period to make good on what they owed the state with interest but no civil or criminal penalties.

When the amnesty period ended, we got tough again. Restaurants were padlocked and seizure notices slapped on doors, luxury yachts registered out of state to evade taxes were seized and other tax-delinquent businesses were forced to pay up. The word quickly got out—Massachusetts was serious about tax collection.

We also decided it was time to treat honest taxpayers as valued customers—men and women whose business and tax payments we appreciated. We introduced a simplified tax form, expanded taxpayer assistance programs and guaranteed that those who file early could get their refund checks within three weeks.

Amnesty was only a part of the reason for Massachusetts' success. In two years, tougher enforcement under the Revenue Enforcement and Protection Program has accounted for tens of millions in new revenues from evaders and delinquents. There has been an even more dramatic increase in voluntary compliance—a total of $564 million in new revenue in the last two years. Only $85 million of it came from amnesty.

As a result, Massachusetts enjoyed its biggest tax cut in history last year. We have a healthy surplus in the state treasury and we have the resources we need to invest in economic growth, good schools, important social services and environmental protection.

Could this work at the I.R.S.? I believe it could. In the 18 states offering amnesty programs, almost 500,000 people have paid more than $650 million in back taxes and interest.

A tough, fair, competently administered Federal revenue recovery program would yield $20 billion to $25 billion annually from amnesty, better enforcement and the increased voluntary compliance that comes with it. Getting our national tax compliance rate back to where it was 20 years ago would mean $65 billion a year in new revenue without raising taxes.

That's a serious beginning toward erasing the deficit. State programs across the nation have demonstrated the potential for a fair tax system. The Federal Government could restore public confidence in the revenue system without carving the heart out of programs that provide health, housing and job opportunities, or blowing holes in the President's defense budget.

GIVE LAW A CHANCE

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. GINGRICH. Mr. Speaker, Winston Skinner of the Newnan Times-Herald recently wrote a column that I strongly urge all of my colleagues to read. In the column he says:

All the money (that the Federal Government borrows) has to be paid (back), and the longer you wait to pay it back, the more it costs you.

I think Winston has accurately portrayed the feelings of most Americans. It's time Congress stops this ridiculous overspending:

GIVE LAW A CHANCE

The Gramm-Rudman bill is not perfect, but it is a start.

The bill, which would require the budget be balanced in the next few years, commits the federal government to doing something about the deficit. We have heard about how the growth of the economy will eliminate the deficit without increasing taxes, but we've seen the deficit grow.

The deficit is truly frightening. Like many folks, I survive on credit. But I have learned a lesson about credit. All that money eventually has to be paid, and the longer you wait to pay it back, the more it costs you.

As my teacher wife explains to her students, interest is "rent" you pay for using the bank's money. You have to pay the money back, and you have to pay the rent, too. Someday, somehow, the government must not only learn to operate on a reasonable budget, but it must pay back the principal and interest from years of spending with abandon.

As President Reagan said recently, "We do not face large deficits because American families are undertaxed. We face those deficits because the federal government overspends."

The effects of the bill are already being felt. Some government employees are getting the word to send out resumes because their paychecks will stop with the beginning of the next fiscal year this summer.

The bill requires that automatic, across-the-board, spending cuts take place if the president and congress cannot agree on a budget that meets certain criteria. For example, the fiscal year 1987 budget could have a deficit of no more than $144 billion, which is to me a staggering amount of money. The allowable deficit would decrease yearly until 1991, when the government would have to operate within its means.

Gramm-Rudman is going to cost us. According to Associated Press, Georgia stands to lose $278 million in federal funds next year because of the law.

While this sounds terrible, what it means is that there should be less control from Washington over what is done in the states. With the passage of Gramm-Rudman, if a big pile of dollar bills is to be spent on public education or social welfare or highways, it will be because someone in Georgia decided that was a need.

And while I realize state and local governments can have bureaucrats as well as Washington, I still think someone who lives in Georgia probably knows better how to deal with most of Georgia's problems than does someone from New York who went to school in New Jersey and now works in an office in Washington.

Local churches and charitable organizations will have to take a greater hand in helping the truly needy, and federal funds will have to be aimed at solving problems rather than programs which require perpetual funding.

The Reagan administration's agenda does not coincide with my view of the world. On a planet where the major powers already have the means to blow every smidgen of life away, spending ever-increasing amounts for weaponry seems futile. I have no argument with a strong defense but I think belt tightening can probably be done as "easily" in the Pentagon as it can at the local DFACS office.

In fact, it is not going to be easy anywhere, and it is going to require average citizens in places like Newnan to take a greater role in determining the kind of life to be found in their communities. The big packages filled with dollar bills from Washington are going to come less and less often.

Caring about the basic needs of people is important.

What we must do is provide for those needs as economically as possible, and there must be a constant, diligent effort to keep those who can and should work off the welfare roles.

At the same time, the federal government perhaps should tend more to its specific constitutional duties and avoid the temptation to govern every aspect of the affairs of the 50 states.

Less federal intervention would mean that state and local governments could run the schools—and many other programs—with greater efficiency. Perhaps there would be less money for some programs, but it would then come to the point where the states and counties, who generally try to live within their means, could decide if a particular program is really needed and is cost effective.

Much the same could be said for agriculture, aviation, higher education, small business development, and a host of other programs. Perhaps, after reducing its involvement in other areas, Washington can take a realistic look at defense spending and treat the Pentagon with a business-like approach, too.

Already, there is talk of suits questioning the constitutionality of Gramm-Rudman. A court challenge may render the whole bill invalid. But even if that comes to pass, the idea is still a start.

At least we have made an effort to cut federal spending so that our grandchildren will not have to worry about paying the deficit.

OHIO'S 19TH DISTRICT RESPONDS TO TAX SURVEY

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. FEIGHAN. Mr. Speaker, last year as the House debated tax report legislation, I wrote to my constituents requesting their views on several of the options under discussion. I received a massive response, reflecting the great general interest in reform of our tax system as well as a real desire to participate in correcting the unfairness of our current tax structure. I especially appreciated the time taken by many thousands of respondents who wrote detailed letters with their ideas and suggestions. Because of the large number of my constituents who shared their opinion with me, I am still in the process of responding to many of them.

While the tax legislation approved by the House is not perfect, it does go a long way toward reforming our current Tax Code. Still, any final bill that comes before the House should include several key improvements. Tax reform must be fair to all sections of our country, including those hard pressed regions that have faced real economic dislocation during the past several years. At the same time, tax reform must be equitable—insuring that all Americans pay a proper share of the costs needed to run the essential services of Government.

Finally, tax reform must be seen in the context of Nation's real economic needs. Our Tax Codes should encourage the economic growth and future vitality that are required if we hope to meet the challenges of a fast-changing world economy. Particularly in the Great Lakes region, we must recognize that several aspects of our Tax Codes have a real impact on our ability to be competitive and create needed new jobs. I am happy that so many of the respondents to my questionnaire recognized this. In fact, fully 82 percent voiced strong opposition to repealing the deductability of State and local taxes—taxes that go to pay for so many of the important educational programs and infrastructure repairs that our region needs.

Mr. Speaker, I ask that the results of the 19th district tax survey be printed in the RECORD so that other Members can review them. Our goal must continue to be a tax reform package that is both fair and equitable, and provides a sound basis for economic growth and increased jobs.

The tax survey follows:

1. President Reagan is proposing many changes in tax law. Of the changes listed below, check those you would oppose, even if they would help make possible an overall reduction in tax rates.

a. Repeal the ability of people to deduct state and local taxes—income taxes, property taxes, and sales taxes; 82%.

b. Repeal the marriage penalty deduction, 39%.

c. Limit deductions for interest, except business loans and home mortgages; 48%.

d. Repeal income averaging; 37%.

e. Repeal the additional exemption for the blind and the elderly; 67%.

f. Repeal credits for energy-saving home improvements; 34%.

g. Tax a portion of employer-paid health insurance; 62%.

h. Tax increases in the cash value of life insurance policies; 63%.

i. Tax all unemployment compensation and payments for work-related injuries; 49%.

j. Limit deductions for work-related expenses, such as union and professional dues, safety equipment, tools, uniforms, and travel; 43%.

2. Should Congress cut taxes if doing so would increase the deficit? Yes 15%; No 85%.

3. Should the oil and gas industry receive more favorable tax treatment than other industries in order to provide incentives for increased production? Yes 18%; No 82%.

4. Should capital gains (profits from the sale of stocks, bonds and other investments) be taxed at a lower rate than wages and salaries to encourage such investments, or should they be taxed at the same rate as wages and salaries? a. Lower rate 50%; b. Same rate 50%.

5. Under the present system, tax rates for people with large incomes are higher than rates for people with lower incomes. Should the system be changed so that there is less difference between tax rates for people with high incomes and rates for people with lower incomes? Yes 30%; No 70%.

6. Should the 50% top rate (for joint return income in excess of $175,000) be—15% (a) Cut to 35%; 10% (b) Cut to 40%; 8% (c) Cut to 45%; 66% (d) Kept at 50%.

7. Should business be allowed to deduct the costs of entertainment, such as taking clients on hunting and fishing trips, to the theater, or to professional sports events? Yes 25%; No 75%.

8. How much should businessmen be allowed to deduct for meals at which business might be discussed? 22% (a) The full cost; 19% (b) $25 per person; 19% (c) $15 per person; 41% (d) Nothing.

9. The goals of simplification and fairness often work against one another because much of the complexity in the tax law is due to provisions designed to assure fair treatment for taxpayers with special circumstances. Given that fact, which goal is more important: 17% (a) Simplifying the tax law, even if that results in less fairness, or; 83% (b) Assuring that everyone pays a fair share of the tax burden, even if that means less simplification.

10. What should be the main goals of tax reform? Of the nine goals listed below, which are the three most important (rank 1, 2, 3) and which are the three least important (rank 7, 8, 9). 83/6% (a) Make sure everyone, both businesses and individuals, pays a fair share of the tax burden; 12/54% (b) Reduce tax rates so that there is less difference between rates for high-income and low-income people; 21/35% (c) Reduce tax rates, but keep the differences between rates for high-income and low-income people; 20/36% (d) Leave the rate structure alone, but cut taxes by raising the personal exemption and the standard deduction; 23/42% (e) Make it easier for me to do my taxes; 63/19% (f) Eliminate complex tax breaks that give unfair advantage to those who can afford high-priced tax experts; 19/50% (g) Simplify the tax system by eliminating as many deductions and credits as possible, including those that are widely used by the average taxpayer.

DIGGER PHELPS—EDUCATOR AND COACH

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. HOWARD. Mr. Speaker, I would like to share with my colleagues an article which appeared in the February issue of Ozark Magazine on Notre Dame basketball coach Richard "Digger" Phelps.

I would especially like to draw attention to Coach Phelps' remarks in regard to education and its relationship to intercollegiate athletics. I believe my colleagues will find his comments particularly enlightening in the wake of the court case involving the University of Georgia and the subject of academic integrity.

Coach Phelps and the basketball program at Notre Dame are perfect examples of all that is good about intercollegiate athletics. In his 14 years at Notre Dame, Coach Phelps has amassed an impressive record of 277–132. Of more importance, every one of Coach Phelps' players has earned a degree. It is this record of which he is most proud.

I was extremely gratified that Coach Phelps was one of the first and strongest supporters of my legislation, H.R. 2620, the "College Athlete Education and Protection Act." By lending me this most-welcomed support, he has shown that he does more than just give lip-service concerning the problems that confront athletic departments at our colleges and universities.

Again, I urge all of my colleagues to read the following article. I am sure you will agree with me that higher education could use more people like Digger Phelps.

COURTING SUCCESS—YOU HAVE TO BE MORE THAN JUST A GREAT BASKETBALL PLAYER TO PLAY FOR NOTRE DAME'S DIGGER PHELPS

(By Thomas Granger)

At 3:00 p.m., it's time for basketball practice, but the Notre Dame varsity must wait for seven players to arrive. Another coach at another school might throw those players off the squad, but Notre Dame's Richard (Digger) Phelps knows there are extenuating circumstances for the absences. He shrugs. "Four had papers to get in or were being tutored," says Phelps, a volatile man in his mid-forties who still boasts matinee-idol good looks. "Three were freshmen who had makeup test that they had to take."

Phelps, like Indiana's Bobby Knight and Georgia Tech's Bobby Cremins, is one of those rare old-fashioned head coaches who still expect their players to achieve their grades the old-fashioned way: by earning them. Moreover, not even Knight, the fabled Hoosier disciplinarian, can claim to match Digger's record of graduating players. In contract to many basketball factories where barely one of five players leaves college with a sheepskin, Notre Dame's graduation rate of its basketball players is an amazing 100 percent. That's right—since Digger Phelps first came to South Bend back in 1971, at the tender age of twenty-nine, *every* one of his players has earned a degree, a fact made even more impressive when you consider that Notre Dame offers no so-called "pud" majors.

"That's the record I'm proudest of," says Phelps, interviewed in a spacious office whose paintings and tasteful furniture are more likely to be found on the pages of *Architectural Digest* than in a college basketball coach's environs. "That's even more important than what we've accomplished on the court. We stress that fact to high school players when we talk to them. They've got to realize that basketball isn't going to last the rest of their lives. How many people remember who won the national championship five years ago?"

What people *do* remember, with distaste, are the abundant scandals that have rocked the ranks of collegiate basketball in recent years. There is former head coach Tates Locke, who left Clemson in disgrace after admitting he knew that the Tigers' alumni regularly greased the palms of top players and recruits. There is deposed New Mexico head coach Norm Ellenberger, who played fast and loose with the transcripts of his players to keep them eligible. There is last year's point-shaving scandal at Tulane. There is the tragedy of such former players as Kevin Ross, who went back to grammar school at age twenty-seven in a belated attempt to learn to read, and there is the suicide of Bill Robinzine, whose farewell note said there was nothing left after basketball.

Digger Phelps can and frequently does recite a veritable litany of injustices he's witnessed over the past fifteen years. He insists that not even the high professional salaries paid such nongraduates as Larry Bird and Wayman Tisdale can justify the lack of a diploma.

"No mater how much money you have, there is still the question, "What are you inside yourself?' " snaps Phelps, whose own days as a player were undistinguishably spent at New Jersey's Rider College. "The only promise I make to the families of recruits is that their sons are going to graduate on time. I've had two players leave school early to play professional ball, but they came back and finished in summer school. If a youngster fails to graduate, not only will I be slapped in the face, but so will his parents."

When Digger Phelps talks, his players listen. What he has to say makes sense, and he backs up his talk with indispuable action. In addition to earning a reputation as one of the game's most solid citizens, Phelps is also respected for the quality of the teams he puts on the court. He wins and wins big, despite the apparent disadvantage of being able to recruit only those athletes who can satisfy Notre Dame's demanding SAT and high school grade point requirements. Going into the current season, these are but a few of the man's accomplishments;

An overall record of 277–132 in fourteen seasons at Notre Dame.

An awesome 303–135 career record in fifteen seasons as a college head coach. (His only other stint was a 26–3 season at Fordham sixteen years ago, catching the eye of the Notre Dame brass then looking to replace coach Johnny Dee, who had resigned.)

A reputation for developing such talented National Basketball Association stars as Utah Jazz super scorer Adrian Dantley, Detroit Pistons hotshots Bill Laimbeer and

Kelly Tripucka, and the Denver Nuggets' hustling Bill Hanzlik.

Such credentials have made Digger Phelps as popular in basketball-mad northern Indiana as the pope himself is in the Vatican. But as recently deposed football coach Gerry Faust learned all too well, no other college anywhere puts pressure to win on its coaches the way that Notre Dame does. A favorite saying on campus is that elsewhere, hope springs eternal; at Notre Dame, demand springs eternal. However, since relatively few lines crease his forehead below his salt 'n' pepper hair, Phelps is asked the secret behind his mastery of stress. "I yell a lot," guffaws Phelps, an opinion that is spontaneously cosigned by his eavesdropping secretary, Dottie Van Paris, which cracks him up once again. "That's my personality. I never keep it in; I always let it out," he explains.

Indeed, Phelps's fiery rampages alongside his team bench are the equal of Knight's, although Digger is always too much in control to launch a chair a la his Hoosier counterpart. The Fighting Irish coach has the instincts of a thespian for knowing when a tantrum is needed to motivate his team. Moreover, if his own derisive shouts at the opposition or the refs manage to deter enemy fans from distracting his more excitable players, Phelps is not opposed to such gamesmanship. "Hey, it's show business," he says with a shrug. "Let the people yell at me. I'd rather have them yelling at me than at my players. If they yell at me to sit down, I'll wait another twenty seconds before I sit down."

Without question, Richard Phelps's nickname of Digger is one of sport's most enduring handles, ranked right up there in fan recognition with the likes of the Birdman (Larry Bird), Doctor J (Julius Erving) and Tree (Wayne Rollins). Phelps earned that nickname as a boy in the Hudson valley town of Beacon, New York, by working after school for his father, a local undertaker. So devoted to the business was young Richard that he once seriously thought about going to embalming school to succeed his father. The job had several advantages, cracks Phelps, not the least of which was that he always had fresh flowers to bring his dates.

The other advantage, he notes in a serious moment, is that the job afforded him a means of putting his own joys and sorrows in their proper perspective. Seeing death and bereavement on an almost daily basis helped Phelps gain greater appreciation of life itself.

"I learned something from seeing people come home in a box," he reveals. "You enjoy what you have when you have it. You never know what's going to hit you, or when it's your turn to go.

"Growing up I saw so much of death. After all, it *was* the business. You sort of get a callous feeling about death as a reaction, but you also have to act with sensitivity and understand what people are going through."

Phelps's childhood makes it possible for him to accept occasional defeats with equanimity, although not even Terry, his wife of two decades, would go so far as to call him a good loser. "I saw it all as a kid," insists Phelps. "That experience has enabled me to say to young men, 'Hey! There's other things out there besides your sport.' That's a part of the education process that I've learned outside of the classroom that I'm trying to put into these young men's lives for their future."

No one, however, has accused the flamboyant Phelps of complacency toward his sport. He works long, hard hours and is reputed to be one of the game's best salesmen come recruiting time. To relax, he forces himself to play racquetball or some other exerting game, occasionally just hours before a critical contest begins. He also collects stamps, a diversion carried over from his childhood, jogs frequently around the pretty twin lakes on his South Bend campus and haunts art galleries with his demure and attractive wife, a doctoral student in languages.

"You can't day-in and day-out eat, sleep and drink basketball," says Phelps. "During the season I've got to go to a movie, sit down and listen to a song, visit the Italian bakery in town. I just can't stay at it twenty-four hours a day. I have to take the time to get away from it. I just put an hour aside and get out of the office to clear my head. I think that's important in order to survive."

Digger Phelps is looking for much more than mere survival this season. After all, the Fighting Irish are returning all starters on a squad that won more games (21) than any other independent last year and impressed many observers in two NCAA playoff games. This year's Irishmen are intent on avenging last year's 60-58 loss to North Carolina, which cost them an opportunity to join the NCAA's Final Four.

Seniors Ken Barlow, at six-foot-ten, and six-foot-nine Tim Kempton offer more than adequate front court protection. Barlow is capable of scoring in double figures every game, and Kempton looks ready to assert himself on the boards now that he's beefed up by twenty pounds.

Barlow believes that the 1985-86 Notre Dame team is destiny's favorite. "We accomplished a little bit more each of my first three seasons," he observes. "We went from losing in the NIT when I was a freshman to the NIT championship game as a sophomore, then to the NCAA [playoffs] last year, and we know that we can do more as we grow together. We're ready to keep moving up."

Other scoring threats are Donald Royal, who looks agile enough to dunk a ball from midcourt, and six-foot-five freshman Mark Stevenson, son of former Harlem Globetrotters ace Jack Stevenson, who earned all-American on *Parade's* high school dream team. "Mark Stevenson will speak for himself," muses Phelps. "He knows the game and he's very good as an athlete playing the game intuitively. He's going to be a solid basketball player."

Completing the squad is the team's genuine superstar, point guard David Rivers, a sophomore who is a potential future national Player of the Year (college basketball's most coveted personal honor).

Rivers is an explosive player who can shoot, pass and force opposition turnovers. *Sports Illustrated* summed up his value to the team this way: "As goes David Rivers, so goes Notre Dame." His inspired play has enabled Phelps to transform Notre Dame's traditionally plodding ball control game into an exciting run-and-gun offense. "David Rivers is allowing me to be my type of coach for the first time since I've been at Notre Dame," says Phelps. "The whole court is David Rivers's environment. It's his living room; he's most comfortable there. David does things with a basketball that are hard to believe because of his quickness. He has added a dimension that we haven't had since I've been at Notre Dame because he's a point guard who can dominate a game."

Rivers, in turn, is Digger Phelps's biggest supporter, and claims that the coach's firey style keeps the Irish from feeling complacent on the court. "He's a super motivator," says Rivers, whose 15.8 shooting average led the squad last year. "He really knows what it takes. Sometimes he'll get on our case when we're ahead by 30 points because he thinks we should be ahead by 50."

Rivers, a hard worker who brings a notebook with him when he studies game films, fits well into Notre Dame's academic environment. "The schoolwork doesn't come as easy to David as it does to some of these other guys, but he hangs in there and studies hard," notes John Heisler, the Irish's assistant sports information director. Rivers claims he's goaded to achieve in school by the peer pressure of his fellow students and by a determination not to gain the dubious distinction of being the only Notre Dame hoopster who fails to graduate. "No one wants to be the one who fails to do that," says Rivers.

If Rivers stays healthy, his team has an opportunity to thrash all NCAA competition and win the coveted national championship for Coach Digger Phelps.

The highly superstitious Phelps refuses to comment on such an eventuality, calling all predictions "the kiss of death." However, he makes no secret of the fact that winning a national championship is his life's goal, insisting he will retire, most likely to go into television broadcasting, once he succeeds. Phelps worked as color commentator during the 1984 Olympic basketball trials, using his natural charm and dry wit to maximum advantage. He pooh-poohs the notion that someday he will enter the political arena, noting that a man in his position "can do more outside than inside the political system."

Although the team seldom talks publicly about it, says Heisler, "They are aware that two longshot teams [North Carolina State and Villanova] have won the past two years." Adds Rivers, "It would be nice for this team to take the national championship, but we are more concerned with winning on a week-by-week basis."

"It's the only thing I haven't done here, and it's the only thing that would stop me from coaching," says Phelps to close the subject. "Once I'd win it, I'd leave. A national championship in basketball has never been done here. *That* is a challenge."

But win or lose, when the all-important NCAA tournament winds down that last week in March, there is one prediction you can make. Digger Phelps's players can hold up their heads when they amble across campus to get to class. Above all, he's taught them that winning isn't everything, but that integrity *is*.

"You weren't born to go undefeated," says Phelps. "You were born to learn how to survive in everyday life. I used to be a basketball freak, but I realized there's more to life than basketball. I hate to say it, but basketball is still a game. After it's over, it's time to get back to the real world. No matter whether you win or lose, the sun is going to come up the next day. There's always tomorrow. I admire [Notre Dame president] Father Hesburgh because he has been involved in civil rights, solving world hunger, nuclear disarmament, and is still a university president."

With such a philosophy, is it any wonder that Digger has left everyone else in the dust?

HANFORD—THE FORGOTTEN STEPCHILD OF DOE'S NUCLEAR DEFENSE PROGRAM

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. WYDEN. Mr. Speaker, the Department of Energy's Hanford nuclear facility has recently become the subject of intense discussion and debate in the Northwest and in Congress. As the Nation's oldest and largest federally owned nuclear production and radioactive waste complex, Hanford could also become the first permanent repository of U.S. commercial high-level radioactive wastes. Like others in the Northwest, I am concerned about the effects such a repository could have on the integrity of the Northwest's greatest treasure—the Columbia River.

The Columbia River, in its abundance, is a life source not only for the physical environment, but also for the economy of our region. A high-level nuclear waste repository containing vast amounts of radioactive and toxic substances which remain dangerous for hundreds of centuries placed so close to this vital watershed could destroy the balance between environmental protection and economic diversity. What would happen to the quality of life in the Northwest if this magnificent waterway was threatened?

It has recently become increasingly clear that the threat of contamination from the Hanford site is not hypothetical or contingent on the siting of a nuclear waste repository. In fact, for more than 45 years the Federal nuclear program has been using the Columbia River to dispose of radioactive and hazardous wastes. During the 1940's, 1950's, and 1960's, Columbia River water passed through as many as eight operating plutonium reactors at Hanford, carrying large amounts of radioactive back to the river. Although direct contamination from this type of reactor may not be as high now, severely contaminated ground water continues to steadily seep into the Columbia from the dumping of billions of gallons of radioactive and nonradioactive toxic wastes onto the grounds at Hanford. According to a 1985 report by the Rockwell Corp., which operates Hanford's waste activities, the total volume of low and intermediate liquid wastes dumped on the ground at Hanford since 1943 is in excess of 200 billion gallons—enough to cover Manhattan Island to a depth of 40 feet. Moreover, according to a September 1985 Hanford ground water report, liquid discharges directly into the environment at Hanford continue on a truly enormous scale. Since the restart of Hanford's PUREX chemical separations facility, cooling and processing waters dumped on Hanford soil exceeds 8 billion gallons per year.

To a large extent, Hanford is a microcosm of a national crisis growing around the radioactive and nonradioactive hazardous waste disposal practices of DOE's enormous nuclear industry. With an annual budget now in excess of $8 billion, the DOE defense program owns, according to the General Accounting Office, some 280 nuclear facilities—and is in itself perhaps one of the Nation's largest ultrahazardous industries.

The Federal nuclear program has, for more than 45 years, generated vast amount of toxic and radioactive wastes, a significant amount of which is stored in unstable forms and intense concentrations. Unlike hazardous chemicals generated by private industry, defense radioactive wastes have the "midas touch" of making anything they come in contact with radioactive. Extremely dangerous penetrating radiation is emitted, creating severe handling problems and necessitating the use of heavy shielding and remote equipment.

The liquid wastes that have leaked into the environment either by accident or by design are readily incorporated and concentrated in the human food chain. When radioactive wastes are combined, as is many DOE operations, with hazardous chemicals like a mercury and organic solvents, the problem becomes even more complex. Engineering News Record—a respected publication of the engineering profession—recently called for a major effort to clean up DOE's radioactive and toxic legacy, describing the problem as "an environmental time bomb that is ticking in the soil around the Federal Government's weapon plants."

It is only recently that we have been able to penetrate the curtain of secrecy that has shrouded the Federal nuclear program for an entire generation. One of the most disturbing aspects is DOE's management and disposal of toxic and radioactive waste liquids at these facilities. DOE's basic practice is simple: Soils, surface, and ground water are used as disposal and transport medium. The physical environment of the various sites used by DOE around the country is converted into a giant "sponge" to soak up these wastes.

This practice has its origins in the early days of the nuclear weapons program, when a desire to mass produce nuclear weapons as cheaply and quickly as possible superseded all other considerations—including long-term protection of the human environment. While the Nuclear Regulatory Commission forbids the commercial nuclear industry from using such disposal practices, the DOE at Hanford is not only fading to deal with this dangerous legacy head on, it is, incredibly, spending more public funds to continue the dumping of these deadly liquids into the soils of eastern Washington.

I am very concerned that DOE will attempt to avoid dealing responsibly with this massive problem in its long-awaited draft environmental impact statement [DEIS] on Hanford's defense radioactive wastes, despite the current $1.5 million public awareness campaign designed to convince the citizens of the Northwest that it is capable of cleaning up the nuclear waste mess at Hanford.

Through the DEIS process, DOE is attempting to convince the citizens of the Northwest that various options to deal with Hanford's defense wastes are under active and equal consideration and that no decisions on a final solution have been made. However, an analysis of DOE's atomic defense budgets for fiscal years 1986 and 1987, prepared for me by the Environmental Policy Institute, indicates that the Hanford defense waste DEIS may be just window dressing—and that DOE really intends to pursue the cheapest and quickest course of action, regardless of the potential long-term consequences to the Columbia River, the environment, or the health and safety of the citizens of the Pacific Northwest.

If Federal spending is any indication of the commitment of DOE to protect the long-term environmental and economic interests of the Northwest, such a commitment appears to me to be is largely illusory. The Hanford site is clearly at the bottom of DOE's list of priorities—even though the magnitude of the problem at Hanford probably dwarfs several other DOE sites.

In terms of anticipated spending for environmental protection, DOE has proposed to spend approximately $11.7 million at Hanford, mainly for preliminary work on reducing chemical and radioactive liquid discharges. By comparison, at the Savannah River plant in South Carolina, DOE plans to spend over $190 million for environmental protection—about 17 times the amount earmarked for Hanford. DOE's Lawrence Livermore Laboratory in California, where far lower levels of radioactive and toxic materials have been generated, is planning for about $175 million. DOE's Oak Ridge facility will request $83.4 million. The Fernald, OH, Feed Materials Production Center, which processes uranium fuel for Hanford's N reactor, is planning to spend more than $200 million.

Not only is Hanford at the bottom of the list for environmental protection, DOE is actually increasing the number of soil dumping sites at Hanford. DOE recently asked for and received funds to dump radioactive liquids from the N reactor into two additional "liquid effluent disposal" trenches. In fiscal year 1987, DOE is asking for an additional $1.6 million for two more disposal ponds at Hanford's high-level radioactive waste "tank farm."

Another disturbing aspect of DOE's handling of the waste problems at Hanford is the increased use of soil for the disposal fo radioactive materials in Hanford's high-level waste tanks. DOE is spending over $2 million this year to develop a "transportable grout" facility that will draw out radioactive liquids for Hanford's highlevel radioactive waste tanks, mix them with concrete and dispose of them in shallow burial pits. It is possible if not likely that the radioactivity will outlast the concrete and be released in significant quantities into the environment. Additionally, DOE also plans to dispose of about 530,000 gallons per year of neutralized and heavily contaminated acid wastes from Hanford's chemical separations facility [PUREX] in a similar manner.

Higher levels of spending by DOE at facilities other than Hanford are at least partially the result of adverse publicity, lawsuits filed by citizens and States, and congressional interest. In fact, DOE's fiscal year 1987 budget proposal acknowledges that "adverse publicity" prompted the kind of spending that is taking place at Oak Ridge and Fernald. I believe it is time to turn on the lights at Hanford, if that is what it takes to start cleaning up the serious safety, health and environmental problems at that facility and give the people of the Northwest the same level of protection citi-

zens in other regions have already begun to receive.

Without question, Hanford is the Nation's largest radioactive "graveyard" for inoperative and heavily contaminated facilities. Of the 226 defunct Government reactors, labs, processing plants and waste storage facilities, 123 are at Hanford. The number of these facilties requiring decontamination and decommissioning was even larger, until DOE removed several Hanford facilities from the list and transferred them to the interim waste program. Those facilities include serveral inactive soil dumping sites which are described as "cribs" and "ponds." DOE appears to have abandoned plans to decontaminate or decommission these severely radioactive and toxic sites, even though they will remain dangerous for centuries.

While DOE continues to use the Hanford site as a "sponge" for ever-increasing volumes of toxic and radioactive wastes, significant funds are being spent at other DOE sites to move away from this dangerous practice. The Savannah River plant is a very similar facility and therefore a legitimate point of comparison. The Savannah River plant has production reactors, laboratories, reprocessing plants and large volumes of liquid high-level radioactive wastes. Like Hanford, the Savannah River plant has used soil, surface and ground water as disposal media for toxic and radioactive wastes for more than 30 years. Unlike Hanford, however, DOE has now concluded that "discharging of mildly contaminated effluents to seepage basins is unacceptble" at Savannah River. According to DOE's budget proposal for fiscal year 1987 for the Savannah River plant, "environmental activities will include monitoring, evaluation and cleanup of ground water contamination. Engineering studies will be performed on the deactivation and decommissioning of separation area seepage basins." Yet, I am not aware of any proposal to spend a single penny to halt the use of soil as a disposal medium for the discharges from Hanford's PUREX plant.

In addition, DOE, as early as 1983, started spending considerable funds at the Savannah River plant to deal with nonradioactive hazardous wastes which, according to DOE, must "meet regulations" under the Resource Conservation and Recovery Act [RCRA]. Congress amended RCRA in 1984 when it became clear that the Federal Government, through the Departments of Defense and Energy, is a major violator of Federal toxic waste laws. At Hanford, enormous amounts of hazardous chemicals such as nitrates, chromium, and triclorethylene have been dumped on the ground. Unfortunately, it is not at all clear if DOE even knows what kinds of chemical and radioactive wastes from now defunct chemical separations plants that operated in the 1940's and 1950's have been dumped or mixed in the burial grounds at Hanford.

Earlier this month, the State of Washington and the Environmental Protection Agency issued claims against DOE for their failure to comply with RCRA regulations. I applaud this effort because it will help reverse the dangerous waste management practices at Hanford and help achieve compliance with RCRA through a more thorough accounting of Hanford's chemical dumping practices.

I am also quite concerned that DOE may have already made up its mind on what will be done with the old single-shell tanks containing high-level nuclear wastes that are now severely compromised by age and fatigue. It's no secret that the cheapest and quickest way to deal with these extremely radioactive underground tanks is to fill them with gravel, pour dirt over them and post a sign to warn human beings who may stumble on the site 1,000 years from now. A clear indication that DOE is inclined to leave these dangerous tanks permanently in the ground at Hanford can be seen in its fiscal 1987 budget request. Of the Programmatic funds being spent at Hanford relative to long-term waste disposal technologies, the only relevant project mentioned is for a "demonstration of technology required for the in-place stabilization and disposal for Hanford single-shell tanks."

The implications of DOE's nuclear and hazardous waste policies at Hanford are disturbing. Whether or not a high-level nuclear waste repository is ultimately located in the Northwest doesn't change the fact that DOE seems to be treating the Hanford site like the forgotten stepchild of the Federal nuclear program. DOE's 1986 and 1987 budgets indicate that it wants to manage and dispose of Hanford waste onsite in a way that may pose an even greater environmental burden on subsequent generations than would a permanent high-level repository. These budget proposals also lead me to suspect that Hanford may be asked to accept high-level defense wastes from other DOE sites around the country.

In terms of major construction projects to stabilize and dispose of DOE's high-level radioactive wastes, about $950 million will be spent at Savannah River over the next several years, while the comparable figure at Hanford is $148 million. Projects at Savannah River are geared toward site cleanup and conversion of high-level radioactive wastes into glass for offsite disposal. Construction spending at Hanford, however, seems to be geared toward keeping these wastes onsite and preparing to receive more. Contrary to DOE claims, these big differences in construction project funding cannot be justified strictly on the basis of geographic and demographic differences between the two sites. I refuse to accept any implication that the health and safety of people in the Southeast should somehow be a higher priority than the health and safety of the citizens of the Northwest—or that potential environmental damage in the vicinity of the Columbia River is a lower priority than similar concerns elsewhere.

I am very concerned that DOE is simply planning to write off Hanford because the problems there are perceived as too formidable and too expensive to solve. If DOE writes off Hanford, they would essentially be writing off the environmental protection of Columbia River and the long-term viability of the environment and economy of the entire Northwest. This to me would be totally unacceptable.

Before we plunge ahead with a decision to characterize the Hanford site as a potential repository site for the Nation's high-level radioactive waste, we must address the issue of how the Federal Government is planning to manage and dispose of the enormous quantities of nuclear and toxic wastes that continue to accumulate at Hanford. Otherwise, we are putting the cart before the horse.

I refuse to accept the notion that Hanford should become a national nuclear graveyard. To deal adequately with the immediate, existing waste management problem at Hanford will require a major change in congressional appropriations and the allocation of cleanup funds. Regardless of how much the DOE is spending on publicity and "citizen input" concerning possible solutions to the Hanford waste crisis, I fear that DOE's recent budget proposals are a much more accurate indicator of the agency's actual intentions. Statements of commitment to solve the enormous radioactive and toxic legacy of the Federal nuclear program at Hanford by top DOE officials have a hollow ring when budget priorities are examined closely. Past spending practices and current funding requests fail to address the existing environmental time bomb that is ticking at Hanford—and suggest a course of conduct that will increase the radioactive and toxic burden at the site. It's clearly time for a major reallocation of environmental protection and nuclear waste management resources at DOE. That is the only way Hanford will cease to be the poor stepchild of DOE's nuclear defense network. Members of Congress and the citizens of the Pacific Northwest should insist on nothing less.

Specifically, I believe that DOE spending practices at Hanford in the area of environment, health, and safety should be targeted toward: First, a thorough study of all major soil disposal sites so they can be characterized, stabilized, decontaminated, and decommissioned; second, full consideration of all alternative methods of disposal—other than the permanent entombment—of the contents of Hanford's single-shell waste disposal tanks; and third, adequate resources to enable DOE to come into compliance with RCRA at Hanford.

These are important and necessary first steps in protecting our region's environment. I hope all my colleagues from Oregon and Washington will join me in keeping a close eye on DOE activities and priorities at Hanford—and otherwise get more personally involved in this important effort. We are going to need all the help we can get if we are to responsibly come to grips with the stark legacy of Hiroshima and Nagasaki we find in our own backyard.

THE GENERAL REVENUE SHARING PROGRAM

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. McEWEN. Mr. Speaker, I wish to share with my colleagues comments that I made before the House Budget Committee:

Thank you Mr. Chairman. I appreciate having the opportunity to appear before you and the other members of the Budget Committee to express my support for the continuation of the General Revenue Sharing Program.

Mr. Chairman, a multitude of pressing concerns confront our Nation's communities.

Poverty; hunger and homelessness; increasing immigrant and refugee populations; drug use and drug-related as well as organized crime; a growing, elderly population, often on fixed incomes; and, a disenchanted youth population looking for skills, jobs and a future.

Add to that, plant closings and farm foreclosures have left permanent scars on our fellow Americans in many industrial, manufacturing and agricultural based jurisdictions.

Many community leaders have been successful in marshaling the resources to cope with these problems and others have faced severe difficulties. Some cities have benefited from the more than 280,000 new jobs that are being created in America every month now for the past 42 months. However, some have lagged behind.

It has been our Nation's mayors who have launched innovative, efficient, and cost-effective new programs to cope with the new realities of the eighties, showing Washington the way. However, some remain in the quagmire of the past.

Mr. Chairman, we have entered a new era, and we are witnessing the most dramatic changes ever in the Federal Government's relationship between our Nation's cities. Domestic programs launched under the "great society" of the 1960's and taken for granted in the seventies have now come under close scrutiny.

Local governments have always been forced to be more self-reliant and efficient in the delivery of services—forced to work harder and smarter, and do more with less.

They are now being called upon to take even more responsibility for the citizens they serve in addition to the fire protection, police protection, socials services for the elderly, youth and poor; public transportation; health care; rescue services; and parks and recreation facilities and service, etc.

In the past, they had help, particularly from the most successful and innovative Federal aid program ever—general revenue sharing.

Conceived by a Democrat economist, Walter Heller, and launched by a Republican President, Richard Nixon, revenue sharing was the right program for 1972. It was based on a sensible premise: Washington can raise revenue better and more equitably, but governments closer to home know better how to use it wisely.

The new program was, as the President said at the bill signing ceremony in October of 1972 at Philadelphia's Constitution Hall "A demonstration of a principle that we have faith in people, we believe in people, and we believe that Government closest to the people should have the greatest support."

He envisioned a program that would restore balance between the various levels of Government. He said:

"After many years in which power has been flowing away from those levels of Government which are closest to the people, power will now begin to flow back to the people again—a development which can have an enormous impact on their daily existence.

"In many States and localities, it will mean lower property taxes or lower sales taxes or lower income taxes than would otherwise have been the case. Revenue sharing can provide desperately needed tax relief for millions of Americans.

"In other places, revenue sharing will mean better schools or better hospitals.

"In some communities, this money will be used to put more policemen on the beat or to start new drug control programs.

"In still other instances, it will be devoted to job training or to recreational facilities or to public transportation.

"But the most important point is this: in each case it will be local officials responding to local conditions and local constituencies who will decide what should happen and not some distant bureaucrat in Washington, D.C."

To a great extent, the dreams that many had for the revenue sharing program have been fulfilled. Indeed, revenue sharing has been a model Federal program. It has done what it was designed to do.

It has been the bedrock of an historic effort to reform the Federal system. It is the only program that goes to practically every local government in the country, including many of which receive no other form of Federal assistance.

Revenue sharing is the only source of Federal aid that remains virtually unencumbered by lengthy Federal restrictions and paperwork requirements. In fact, GRS funds are often used to pay for unfunded mandates imposed by other Federal programs.

Finally, GRS monies are distributed in a relatively targeted manner. Per capita revenue sharing payments range from almost $30 per person in our poorest communities to less than $5 per person in our Nation's wealthiest jurisdictions.

However, if we accept the need to control Federal spending—which I do—this may well be the wrong program to eliminate. In better budgetary circumstances, I would argue that this program be expanded, not eliminated. I have been a long-time supporter of general revenue sharing and a strong advocate of its confidence in local decisionmaking approach to federalism.

But today we are confronting a budgetary crisis. We must examine every program with the utmost scrutiny. We must develop new solutions to new problems. The Federal Government no longer can afford to share revenues it does not have with communities like Beverly Hills, California, Greenwich, Connecticut, or Scarsdale, New York. As the Federal Government reduces its overall role, however, it must assure that communities that face reduced Federal aid and growing servicing responsibilities have the fiscal capacity to meet their growing needs. We must assure that general revenue sharing fulfills its fundamental role as a mechanism that mitigates fiscal disparities, and does it in the most efficient manner possible. We must, in short, refashion GRS as a fiscal safety net for needy communities.

As many of you are aware, Senator David Durenberger and I have introduced legislation calling for reauthorization and revision of general revenue sharing to give it a stronger, more contemporary rationale.

Let me briefly summarize the major components of our proposal which we're calling "targeted fiscal assistance" or TFA.

This new program will serve as a safety net, albeit loose, for needy communities. This program will ensure that in our efforts to balance the budget, we do not ignore the very real and legitimate needs of our partners in the Federal system.

TFA will provide general purpose grants to local governments, enabling mayors and local officials to determine the best uses for the funds. An interestate formula will determine each State's allocation which, in turn, will be distributed to local governments through an intrastate formula. By utilizing appropriate measures of need and fiscal capacity, the program will target funds to those communities with the greatest public burden.

The program's authorization level will be $2.3 billion per year. While this represents a 50-percent reduction from current revenue sharing, the targeted fiscal assistance program will have a greater effect in reducing the resource disparities that exist among communities.

INTERSTATE FORMULA CHANGES

Under the interstate formula, low income, low revenue capacity States will receive a greater proportion of funds than high income, high capacity States. A single formula based on population, tax effort, and revenue raising capacity will determine the total allocation for all communities within a State. The population of the State will be adjusted by heavily weighting that portion of a State's population under 150 percent of the poverty level, thereby reflecting need. A relative tax effort formula is included to reward those States that attempt to meet their own needs.

In the interstate formula, total taxable resources will be used automatically to receive funds. At the same time, the cap on grants to poor, high tax effort jurisdictions will be increased to 200 percent or twice the State's average grant. GRS presently sets a cap at 145 percent. Finally, the formula cuts off grants entirely to wealthy communities with personal income above 125 percent of the State average.

The effect of both the interstate and intrastate formulas will be to direct the greatest proportion of a State's allocation to poor rural and urban communities, particularly those that have above average tax effort relative to resources.

Can we afford this new program? I believe we have no choice.

All of us are well aware we face a challenging period. The decisions we face are not easy ones. This is true at all levels of Government. The safety net program we are proposing is the governmental counterpart to the social safety net. We all accept that the Federal Government has a responsibility to provide a level of income security to individuals who are unable to provide for themselves. But it is also true that people are not randomly spread across the country. They are often clustered in our poorest States and cities. Just as the Nation has a responsibility to establish a minimum floor of support below which our poorest citizens will not be allowed to fall, I believe it has a similar responsibility to assist those governments which are hardest-pressed to provide a minimal level of basic public services.

Even in these difficult times, I believe this must be a priority and purpose of the Federal Government.

Thirty years ago, President Dwight D. Eisenhower said, "communities are where the everlasting job of building a strong America must have its roots. America relies on the good sense and local knowledge of the community."

I say that our Nation must continue to rely on that "good sense" and provide at the minimum, the helping hand to our Nation's mayors and local leaders so that they may do the job with which they have been entrusted.

Thank you.

CHALLENGER

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. WILLIAMS. Mr. Speaker, I would like to submit, for inclusion in the RECORD, a poem written by a fourth grader in my district, Ms. Erin Ferreira. I believe the poem reflects the feelings of bereavement of the Kessler School students and my fellow Montanans for the families of the *Challenger* astronauts.

CHALLENGER

(By Erin Ferreira)

The Challenger took off.
Yip, Yippy, Yeah.
I was so excited,
I couldn't stand another day.
Then they said, "throttle up."
Then suddenly it blew up.
My heart slowed down, I looked around,
smoke was coming to the ground.
I was so scared
because a teacher was aboard.
In the beginning I felt glory
But now I feel sorry.

GROWING URGENCY OF THE SUPERFUND CONFERENCE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. FLORIO. Mr. Speaker, as my colleagues know, the conference committee on Superfund reauthorization issues has just begun the arduous process of reconciling the two versions of this crucial environmental legislation. Final passage of the legislation grows increasingly urgent because taxing authority for the program expired on October 1, 1985, and funding for the program has almost run out. Long-term cleanup at the Nation's priority sites has been at a standstill since last August.

Perhaps the most difficult issue that needs to be resolved by the conference is the nature of the funding mechanism that will support the reauthorized program. The two bodies have come up with fundamentally different approaches, and must work together to resolve their differences.

Unfortunately, a major roadblock to effective resolution of these issues has been thrown up by the administration, which has simultaneously threatened to veto both proposals and refused to come up with its own alternative.

The following editorial from the Wichita Eagle Beacon is typical of the views in newspapers across the country regarding the need to pass final Superfund legislation this year and I commend it to my colleagues' attention.

The editorial follows:

[From the Wichita-Beacon, Feb. 17, 1986]

SUPERFUND UP TO CONFEREES NOW

Among the more pressing unfinished business now facing Congress is reconciling the House and Senate versions of the Superfund renewal bill. The bill is five months overdue, and the U.S. Environmental Protection Agency has run out of money for toxic waste cleanups. Congressional leaders have made no plans to convene the conference committees that will come up with a bill acceptable to both houses.

Why not? Most likely becuase Superfund renewal poses terrible political problems. The House bill would allocate more money to cleanup between now and 1990—$10 billion versus the Senate's $7.5 billion. The House also would require the EPA, whose Superfund record between 1980 and 1985 was dismal, to adopt strict cleanup schedules and cleanup standards. The Senate bill would do neither. In short, conferees have little leeway for agreement on a responsible bill: The House version holds all the cards.

The Senate bill is marred further by the unfair method by which it would raise money for the Superfund, an excise tax on all manufacturers. The House voted to keep and increase the Superfund tax on chemical/oil feedstocks: Those most directly responsible for the materials that become toxic wastes would continue to bear the cost of cleaning them up. This disparity between House and Senate approaches to raising Superfund money is the most vexing of the political problems connected with the Superfund—at least to members of Congress.

That's because the oil and chemical industries favor the Senate's excise tax, while manufacturers favor the House's feedstocks tax. Both groups traditionally contribute heavily to the campaigns of members sensitive to their interests. Doing nothing until the election is past therefore is bound to seem attractive to Superfund conferees—particularly GOP senators, for whom control of the Senate will be on the line next November. If Congress takes that tack, the hard-won provisions of the House bill, which deserve to become law, would be lost. The 100th Congress, when it convened in January 1987, would have to start the Superfund renewal process over again.

That mustn't happen. Sen Bob Dole, R-Kan., will sit on the conference committee studying Superfund taxation. As majority leader, he can influence the conferees slated to negotiate Superfund cleanup schedules and standards. He should do all he can to launch both conferences now. The nation shouldn't have to wait for vital legislation already long overdue.

CHIEF M. SGT. HILARY W.G. EDWARDS RETIRES AFTER 30 YEARS

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. TALLON. Mr. Speaker, on the occasion of his retirement from the U.S. Air Force, I want to recognize Chief M. Sgt. Hilary W.G. Edwards, for his thirty (30) years of dedicated service to our country. In his most recent assignment as chief of the Correspondence Control Center, Congressional Inquiry Division, Office of Legislative Liaison, Chief Edwards provided invaluable service to every Member of Congress. Having demonstrated superior leadership, initiative, and strong management abilities, he was personally selected to manage the overall operation of the Correspondence Control Center which processes all Presidential, Vice Presidential and congressional correspondence for the Secretary of the Air Force and the Chief of Staff, USAF. There he managed suspense controls for all Air Force-related congressional inquiries and as the Freedom of Information Act [FOIA] manager of legislative liaison, Chief Edwards planned and executed a FOIA program that is unsurpassed. His duties, as a congressional escort brought high praise from Members of Congress and congressional staff members of traveling delegations. Chief Edwards also was the Air Force legislative liaison directorate top secret control officer because of his expertise and mature judgment. A recent inspection report described his account as the best in the Secretariat and the Air staff. His contributions during this tour have been enormous and far beyond that expected. They culminate a long and distinguished career in the service of his country.

Born in Fort Mill, SC, Chief Edwards graduated from Fort Mill High School in 1956 and continued to pursue a higher education at the University of Virginia and the Community College of the Air Force. He also completed numerous military schools and courses including the Tactical Air Command NCO Prep School, where he received the Commandant's Award, and the Senior NCO Academy.

Chief Edwards began his military career in January 1956 as a member of the Army National Guard of South Carolina. Significant assignments have included oversea tours in Guam and Libya; tactical control support to Airborne Forces; 16 years with Air Force intelligence; 9 years with Hq USAF Prisoner of War Experience Analysis Program and his final assignment with legislative liaison. Chief Edwards also served one tour in Vietnam.

Chief Edwards' awards include: Meritorious Service Medal with one oakleaf cluster; AF Commendation Medal; AF Outstanding Unit Award w/1 OLC; AF Organizational Excellence Award; AF Good Conduct Medal w/1 Silver and 1 OLC; Good Conduct Medal w/3 bronze loops; National Defense Service Medal; Vietnam Service Medal w/3 Stars; AF Longevity Service Award Ribbon w/4 OLC; Air Reserve Forces Meritorious Service Award w/1 OLC; USAF NCO PME Graduate Ribbon; and others.

Chief Edwards is married to the former Shirley Hammond from Fort Mill, SC, and they have one son, Stephen, and one daughter, Leanne.

I want to join others in commending Chief Edwards on a full and productive service career and wish him every success in civilian life.

EMERGENCY FARM INCOME AND CREDIT BILL OF 1986

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. DORGAN of North Dakota. Mr. Speaker, it is quite clear that the state of American agriculture at any given time both affects and reflects the state of the American economy. If depressions and recessions are not always "farm bred and farm led," surely farmers are

always among the first victims and among the last to benefit from economic recovery.

These are hard times on the farm, and hard times, too, for the small towns, small businesses, processing and manufacturing plants that are linked to the economic fortunes or misfortunes of the farm community. Yet, policies handed down by Congress and the administration have plunged the agricultural community into a state of crisis that shows no sign of easing. That is why I am cosponsoring the emergency farm income and credit bill of 1986.

It is senseless to help troubled agricultural lending institutions alone if that help does not permit them to continue to play an active role in their local communities. And farmers clearly need help to restructure their debts so that they are not forced off their land. Thus, this bill is an attempt to provide assistance and needed flexibility for both farmers and their lenders.

In terms of credit assistance, this bill would require the utilization of the FmHA's guaranteed operating loan program to encourage commercial lenders to restructure outstanding agricultural debt. A mandated 90 percent FmHA loan guarantee would be available to commercial lenders for the purpose of restructuring existing agricultural loans. Lenders would be required to write-off a minimal portion of the borrower's outstanding debt and accrued interest. The guarantee would be in effect during the duration of the interest reduction program and would apply to the remaining principal after loan restructuring by the lender.

Through the interest rate buy-down provision in the 1985 farm bill, the FmHA would participate in the reduction of the interest rate for the restructured loan package through a 1 percent buydown for each 10 percent reduction in principal by the lender.

In order to qualify for the FmHA loan guarantee, the interest rate on the restructured loan must be established at the cost of money to the lender. Notwithstanding the provisions of the interest rate buy-down program, the lender would be required to absorb this interest rate reduction for a period of 3 years.

With respect to a farm income safety net, this bill would mandate a minimum loan rate of $5/bu for wheat and $3.50/bu for corn. Establishing an increased loan rate would increase net farm income, while at the same time, reduce Government spending. I believe this approach makes good budget and policy sense.

This bill would also mandate a Voluntary Marketing Certificate Program. Farmers of wheat and feed grains who voluntarily participate in annual acreage reduction programs would be eligible for first, a nonrecourse loan on their crops, and second, marketing certificates equal to the program yield multiplied by the allowable planted acres—base—for their farm.

Grain accompanied by a marketing certificate, if not consumed domestically, would, if exported, be entitled to a subsidy equal to the difference between its domestic market value and the world price. The subsidy would be provided to the exporter as PIK from the CCC stocks or in cash; commodities provided as PIK export subsidies would have to be exported.

Mr. Speaker, this bill, if enacted, will provide needed assistance for American family farmers who desperately need our help. It will also provide assistance for commercial banks, who through no fault of their own are being sent into the worst tailspin in 50 years.

This bill is certainly a compromise of the proposal I offered during consideration of the farm bill. However, I feel it is the best type of compromise which will still work effectively for farmers and bankers.

BALTIC FREEDOM

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. KINDNESS. Mr. Speaker, this year the Baltic Nations of Lithuania, Estonia, and Latvia commemorate the 68th anniversary of their Declarations of Independence.

Although the Soviet Union's occupation of these nations continues today, Soviet human rights violations and attempts at "russification" of these nations have not doused the flame of freedom burning so brightly in the hearts and minds of the Baltic peoples.

I believe, Mr. Speaker, that efforts must continue here in the free world to attempt to end this cruel Soviet domination and repression of the freedom loving Baltic spirit and democratic ideals, which were so openly espoused by the Baltic people during the years of true Baltic independence.

The United States has consistently refused to recognize the incorporation of Estonia, Latvia, and Lithuania into the Soviet Union, and the strong commitment of the U.S. Congress and the Reagan administration to this policy is encouraging as the struggle to regain Baltic independence and freedom continues.

I was glad to have joined my colleagues in the Congress in expressing this commitment to the struggle for Baltic freedom in past years; and with enthusiasm and conviction, I have once again cosponsored the resolution designating the official observance of Baltic Freedom Day. I urge my colleagues to cosponsor this measure as well.

It is stated in the Joint Baltic American National Committee annual report that "one of the primary dangers facing the Baltic cause [is] a lack of awareness of the problems by the public and the individual officials who are not fully informed of long-standing policies and appropriate applications."

House Joint Resolution 500 helps to raise public awareness by serving as an important reminder of the Baltic struggle for independence over 46 years of domination.

During this year of the 68th anniversary of the Declarations of Independence for Lithuania (February 16, 1918), Estonia (February 24, 1918) and Latvia (November 18, 1918), I am reminded of the words of President Abraham Lincoln who, when describing our own Declaration of Independence, noted that it "gave liberty not alone to the people of this country, but hope to all the world, for all future time. It was that which gave promise that in due time the weights would be lifted from the shoulders of all men, and that all should have an equal chance."

As we commemorate these important anniversaries this year, the sentiment expressed in those words of Lincoln reminds us of the basis of our support for Baltic freedom, and reminds the Baltic Nations that they are not alone in their struggle.

MAYOR DAVID FORTIER

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Ms. OAKAR. Mr. Speaker, I wish to express the profound sense of grief shared by the residents of Olmsted Falls and the entire Greater Cleveland area upon the tragic and untimely death of David Fortier, mayor of Olmsted Falls, who died in an automobile accident last week. He was only 38 years old. An energetic and far-seeing public servant, Mayor Fortier has left a permanent mark on the city of Olmsted Falls.

His mother, Una, describes him best—a man committed to his city of Olmsted Falls, whose greatest enjoyment was serving his fellow citizens. He began his public service in 1969 when he was elected to city council. He was just beginning his second term as mayor when he died so tragically. I had the privilege of administering the oath of office to him last December.

David was a long-time resident of our area. He graduated from Olmsted Falls High School, the College of Wooster in Ohio and received his secondary education certification from Baldwin-Wallace College in Berea, OH.

He taught chemistry at Brunswick High School, where he was highly respected and loved by his colleagues and his students. This year's science fair at Brunswick High School is dedicated to his memory.

Although he had deep and rich roots in Ohio, Mayor Fortier also had extensive experience with other cultures. In 1979, he taught Americans and other English-speaking children in Valencia, Venezuala. Because of his dedication to his own community, David returned home. He visited South America frequently, however, following up on his keen interest in the old legends of the Incan Empire in the Andes.

People closer to home remember David Fortier for more than his public service and dedication as a teacher. He was a bright, articulate and dedicated human being with a healthy streak of adventure. An avid bicyclist, he helped to organize a long bike ride each year called TASSLE [Tour Along the South Shore of Lake Erie].

He is sadly missed. I want to join his many friends and admirers in extending condolences to his mother, Una, and his sister, Barbara, who survive him. His legacy of goodness, dedication, and public service will be a lasting tribute.

CBO SAYS CONRAIL SALE LOSES MONEY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. FLORIO. Mr. Speaker, yesterday, the Congressional Budget Office released a revised estimate of the return to the taxpayers from the administration's proposed sale of Conrail to the Norfolk Southern Corp. According to the CBO, the sale, under the terms agreed to by the administration, would cost the Government $250 million between 1987 and 1991. While the Government would gain $1.25 billion in revenue from the sale, the Government would lose $1 billion in forgone interest and dividend payments from Conrail and $500 million in lost tax revenues, for a net loss of $250 million.

Norfolk Southern is an excellent, well-managed and financially healthy railroad. However, it is clear that the sale terms proposed by the Department of Transportation would add to the deficit, not reduce it. Norfolk Southern may well be the best candidate to buy Conrail, but the existing sales terms are unacceptable. Significant improvements will be necessary.

Following is the CBO's revised estimate, which appeared in its analysis of the President's fiscal year 1987 budget:

AN ANALYSIS OF THE PRESIDENT'S BUDGETARY PROPOSALS FOR FISCAL YEAR 1987

Conrail.—The President's budget assumes that Conrail will be sold to the Norfolk Southern Corporation in fiscal year 1986. CBO estimates that the government would receive $1.25 billion at the time of such sale, but would lose, over the 1987-1991 period, approximately $1.0 billion in interest and dividend payments from Conrail and about $0.5 billion in tax revenues. (The dividend and interest losses would be reflected in budget function 400.)

A SALUTE TO NEW MEXICO'S DEAN OF NEWS REPORTING ON STATE GOVERNMENT AND POLITICS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. RICHARDSON. Mr. Speaker, I want to take this opportunity to share with my colleagues the outstanding contributions of one of New Mexico's finest journalists. This Sunday, March 2, at a banquet in Albuquerque, the New Mexico chapter of the Society of Professional Journalists—Sigma Delta Chi, will present the 1985 Dan Burrows Award for outstanding and continuing contributions to journalism in New Mexico to longtime Associated Press Santa Fe correspondent Bill Feather.

Feather was nominated for the award as, "an example to all of the media of what a fair, honest, accurate reporter should be."

The Burrows Award was established by the New Mexico chapter of Sigma Delta Chi in 1971, and is presented annually in honor of the late Dan Burrows, editor of the Albuquerque Tribune from 1944 to 1966.

A native of Artesia, NM, Feather began his journalist career as a reporter for the Las Cruces Citizen in 1948, while attending what is now New Mexico State University.

Since that time, Feather has covered more than 25 legislative sessions, more than a dozen elections, and countless other State events.

After brief stints on some Texas newspapers, Feather joined AP in Albuquerque on July 15, 1956. He spent a year in Santa Fe in 1958, returned to Albuquerque, and was then named as AP's Santa Fe correspondent in 1961. He left AP in 1966 to become the editor of the New Mexican in Santa Fe, but returned back to AP in 1968.

Mr. Speaker, Feather's nomination points to his outstanding contributions to journalism in New Mexico. His nomination states:

His thorough understanding of State finance, elections, and the judicial system made him a walking almanac for capitol reporters, AP staffers, student reporters covering the legislature, politicians, and even longtime State employees.

I hope my colleagues will join with me in saluting New Mexico's dean of news reporting on State government and politics, Bill Feather.

FREE AND OPEN ELECTIONS IN HAITI

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. OWENS. Mr. Speaker, the establishment of democratic government in Haiti which is accepted by all Haitians is of paramount importance to the United States. Now that Duvalier is gone, Haitians have expressed their concern about the present junta which has been viewed as "Duvalier without Duvalier." As we all know, the junta was named by Duvalier before his somewhat hasty departure. No matter what the individual sins or virtues of its members, its birth at the hands of Duvalier condemns it from its inception in the minds of many Haitians.

The resolution of the current situation in Haiti, which is growing more tense, can only lie in a civilian caretaker government which is committed to a fixed timetable for elections which are both open and free. Unfortunately, events in Haiti do not seem to suggest that this resolution will occur.

Last week a priest from my district was able to get a reentry permit to return to Haiti. He was held by the authorities for 3 hours of questioning upon arrival. He was then admitted as priests and nuns gathered in support of his release and entry into Haiti. Other constituents of mine have been refused reentry permits and have not been able to return to Haiti. Given that many of the most vigorously anti-Duvalier Haitians were forced to flee for fear of their lives, the interim government policy of denying reentry is a thinly veiled method of preventing anti-Duvalier Haitians from returning and participating in the formation of a new government in that troubled land. Opposition leaders such as Mr. Eugene, who agreed to the Presidency for life of Jean Claude Duvalier and thereby legalized his political party, are now calling for the exclusion of Haitian exiles during the period of the interim government. In short, they do not want competition from exiled Haitians who vigorously opposed Duvalier and who are inclined to view Eugene's agreement to the Duvalier Presidency for life as an act of treason.

Looking at the Haitian situation from an American perspective, it is clear that the Haitians have not been welcomed without reservation here in the United States. It is in our best interests to support the right of return and to do all that we can to ensure maximum participation of Haitians in the electoral process. It is only through open and free elections that we can be sure that a government will be elected which is acceptable to Haitians. The crowning glory of our elections is that the losers can accept defeat with the knowledge that they have not been shut out of the process. Participation is the key to acceptance and the peaceful transition from one government to the next. It does not guarantee that everyone will be pleased, as we all well know, but it does support acceptance for the duration.

The history of elections in Haiti informs us that we must not intervene if we truly support an open process. The September 22, 1957, election in Haiti in which Duvalier was declared the official winner by a vote of 679,884 to 266,993 for Dejoie was based upon falsified tallies which should give us pause. The actual vote count gained through a Freedom of Information Act request, was Duvalier 212,409 to Dejoie 975,687. Given the recent tactics in Liberia and the Philippines, it is imperative that we maintain a neutral stance which does not encourage this sort of counting error.

My district has 50,000 Haitians. Some are citizens who wish to remain in their adopted land. Many more are not citizens and they do wish to return and commit themselves to the rebuilding and development of their homeland. I support their aspirations and the aspirations of Haitians who wish to see a democratic government in Haiti. It is for that reason that I have introduced House Resolution 379 with Congressman WEBER which supports the aspirations of the Haitian people and calls for free and open elections in 6 months. I urge all of my colleagues in supporting this proposal which puts us squarely on the side of democracy and decency for a land which has lacked both in its government.

NATIVE AMERICAN DIABETES PREVENTION AND CONTROL ACT OF 1986

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. WILLIAMS. Mr. Speaker, today I am introducing legislation concerning one of the most serious health problems of American Indians and Alaskan Natives in this country.

The incidence of diabetes among Native Americans is significantly higher than in other population groups within the United States. In

fact, some Indian tribes report that more than 40 percent of their adult population have diabetes. This compares with statistics of approximately 3 percent of the overall U.S. adult population suffering from diabetes.

A similar bill has been introduced in the other body, S. 1988

This legislation provides for immediate steps to be taken to prevent and control diabetes. Failure to prevent and control diabetes results in kidney failure, amputations and blindness. We need to take steps now to reduce the costs to the Federal Government as the costs of treatment for the long-term complications of diabetes are skyrocketing and the suffering to the individual is severe.

This legislation, which I am introducing today, will expand and coordinate Federal research programs aimed at diabetes and related complications among Native Americans. This legislation will strengthen the Indian Health Service efforts in the treatment, prevention and control of diabetes. Most important, this legislation will result in a reduction of diabetes among American Indians and Alaskan Natives.

A concentrated effort in dealing with this tragedy is long overdue. There has been, over the last several years, a marked improvement in the health of Native Americans, largely due to the passage of the Indian Health Care Improvement Act. However, we cannot overlook the fact that 1 in every 5 Indian person suffers from diabetes. This legislation is a beginning step in addressing this national tragedy.

I urge my colleagues in the House of Representatives to join me in cosponsoring this important legislation.

The bill follows:

H.R. 4282

A bill to establish a program for the prevention and control of diabetes among Native Americans

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Native American Diabetes Prevention and Control Act of 1986".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the incidence of diabetes among Native Americans (which for purposes of this Act includes Indians and Native Alaskans) is significantly higher than in other population groups within the United States;

(2) in several Indian tribes over 40 percent of the adults have diabetes compared with approximately 3 percent of the overall United States adult population;

(3) diabetes has become the second leading reason for outpatient visits by Native Americans to Indian Health Service facilities nationwide;

(4) serious complications of diabetes, such as kidney failure, hypertension, amputation, and blindness, are increasing in frequency among Native Americans;

(5) health care costs for treatment of diabetes and related complications among Native Americans will increase significantly in the long term unless the Secretary of Health and Human Services (hereinafter referred to as the "Secretary")—

(A) determines the cause of diabetes among Native Americans,

(B) develops early diagnosis, treatment, and prevention programs to reduce the incidence of diabetes among Native Americans, and

(C) trains, or provides for the training of, Federal and Native American health care providers in the diagnosis, treatment, and control of diabetes and related complications;

(6) a Model Diabetes Control Program exists within the Indian Health Service, consisting of seven project sites which serve only 10 percent of the Indian Health Service patients; and

(7) outreach services and the conveyance of effective treatment stategies from the model project sites need to be implemented.

(b) PURPOSE.—The purposes of this Act are—

(1) to broaden the research programs within the Department of Health and Human Services relating to diabetes and related complications among Native Americans;

(2) to strengthen the efforts of the Indian Health Service for the treatment of diabetes through the implementation of a program for the prevention and control of diabetes and related complications on each Indian Reservation and for each Alaskan Native Village; and

(3) to achieve a reduction in the incidence of diabetes among Native American populations to a rate comparable to that of the general United States population.

SEC. 3. STUDY ON DIABETES AMONG NATIVE AMERICANS.

(a) IN GENERAL.—The Secretary shall determine—

(1) the incidence of diabetes among Native Americans;

(2) activities the Indian Health Service should take—

(A) to reduce the incidence of diabetes among Native Americans,

(B) to provide Native Americans with guidance in the prevention, treatment, and control of diabetes,

(C) to provide early diagnosis of diabetes among Native Americans, and

(D) to ensure that proper continuing health care is provided to Native Americans who are diagnosed as diabetic; and

(3) the fiscal impact to the Federal Government of treating the long-term complications of diabetes based upon the existing prevalence and incidence of diabetes among Native Americans.

(b) INVENTORY.—The Secretary shall prepare an inventory of all health care programs and resources (public and private) within the United States that are available for the treatment, prevention, or control of diabetes among Native Americans.

(c) REPORT.—Within 18 months after the date of enactment of this Act, the Secretary shall prepare and transmit to the President and the Congress a report describing the determinations made under subsection (a), containing the inventory prepared under subsection (b), and describing the research activities conducted under section 6.

SEC. 4. DIABETES CARE PROGRAM.

(a) PROGRAM.—Within 18 months after the date of enactment of this Act, the Secretary shall implement a program designed—

(1) to strengthen and expand the diabetes control program of the Indian Health Service;

(2) to enable all service units of the Indian Health Service to treat effectively—

(A) newly diagnosed diabetics in order to reduce future complications from diabetes,

(B) individuals who have a high risk of becoming diabetic in order to reduce the incidence of diabetes, and

(C) short-term and long-term complications of diabetes;

(3) to conduct, for Federal, tribal, and other Native American health care providers (including community health representatives), training programs concerning current methods of prevention, diagnosis, and treatment of diabetes and related complications among Native Americans;

(4) to determine the appropriate delivery to Native Americans of health care services relating to diabetes;

(5) to develop and present health education information to Native American communities and schools concerning the prevention, treatment, and control of diabetes; and

(6) to ensure that proper continuing health care is provided to Native Americans who are diagnosed as diabetic.

(b) ADDITIONAL ACTIVITIES.—The Secretary shall—

(1) promote coordination and cooperation between all health care providers in the delivery of diabetes related services; and

(2) encourage and fund joint projects between Federal and tribal health care facilities and Native American communities for the prevention and treatment of diabetes.

(c) CLINICS.—(1) The Secretary shall continue to maintain each of the following model diabetes clinics which are in existence on the date of enactment of this Act:

(A) Claremore Indian Hospital in Oklahoma.

(B) Fort Totten Health Center in North Dakota.

(C) Sacaton Indian Hospital in Arizona.

(D) Winnebago Indian Hospital in Nebraska.

(E) Albuquerque Indian Hospital in New Mexico.

(F) Terry, Princeton, and Old Town Health Centers in Maine.

(G) Bellingham Health Center in Washington.

(2) Within 2 years after the date of enactment of this Act, the Secretary shall establish and maintain model diabetes clinics in additional locations.

(3) The Secretary shall develop and implement an outreach program to ensure that the achievements and benefits derived from the activities of the model diabetes clinics maintained under this section are used by all service units of the Indian Health Service in the diagnosis, prevention, and treatment of diabetes among Native Americans.

(d) PERSONNEL.—The Secretary shall maintain appropriate personnel within the Indian Health Service to develop and implement this section and to manage and coordinate the diabetes care program of the Indian Health Service.

(e) REPORT.—The Secretary shall submit to the Congress an annual report outlining the activities, achievements, needs, and future goals of the diabetes care program of the Indian Health Service.

SEC. 5. DATA COLLECTION AND ANALYSIS.

The Secretary shall develop and maintain a comprehensive standardized system within the Indian Health Service to collect, analyze, and report data regarding diabetes and related complications among Native Americans. Such system shall be designed to facilitate dissemination of the best available information on diabetes to Native American communities and health care professionals. Such system shall be operational within 2 years after the date of enactment of this Act.

SEC. 6. RESEARCH.

The Secretary shall require each agency and unit of the Department of Health and Human Services which conducts research relating to diabetes—

(1) to give special attention to research concerning the causes, diagnosis, treatment, and prevention of diabetes and related complications among Native Americans; and

(2) to coordinate such research with all other agencies and units of the Department which conduct research relating to diabetes and related complications.

SEC. 7. REGULATIONS.

The Secretary may prescribe such regulations as may be necessary to carry out this Act.

CONGRATULATIONS TO THE VICARIATE OF SOLIDARITY IN CHILE

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. BARNES. Mr. Speaker, I would like to express my congratulations to the Vicariate of Solidarity of Chile for its receipt of the Freedom Prize by the Prince of Asturias Foundation.

The Vicariate of Solidarity, which was created by the Archbishop of Santiago, was chosen as the recipient for its work in the struggle for freedom and democracy in Chile. It is one of the principal organizations opposing the regime of General Augusto Pinochet, and its work has often put at risk the lives of its members.

The Prince of Asturias Foundation's Freedom Prize was instituted this year for the first time on the occasion of the 13th anniversary of Prince Phillip of Burbon as heir to the Crown of Spain. The prize will be officially awarded to the vicariate in October.

The selection panel, which was headed by former West German Chancellor Walter Scheel, also included former Austrian Chancellor Bruno Kriesky, former Secretary General of the United Nations Kurt Waldheim, former British Prime Minister Edward Heath, and Secretary General of the Council of Europe Marcelo Oreja.

In announcing the award of the freedom prize to the vicariate, Secretary General Oreja aptly described the vicariate as "an organization that is fighting unselfishly and effectively on behalf of the coordination of very diverse social forces in Chile and those defending human rights, at the same time that it promotes a political impulse for the peaceful transition to a system of freedoms."

Among the candidates for the prize were Polish Solidarity leader Lech Walesa; former President of Italy Sandro Pertini; the leaders of the South African opposition, Nelson and Winnie Mandela; and Soviet dissident Andrei Sakharov. Although I consider all of these individuals worthy candidates for the prize, I am particularly pleased that the foundation chose the vicariate because, unlike the other candidates, it receives so little international attention for the invaluable work it does.

I have personally met with representatives of the vicariate, both in the United States and in Chile, and I have found them all to be inspiring and dedicated individuals, who are willing to risk their lives to protect the rights of their fellow countrymen, and to help restore the rich tradition of democracy to Chile. I applaud their efforts and wish them continued success in their struggles.

THE GRAND DEAN OF DENVER TV

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. WIRTH. Mr. Speaker, the commentaries of veteran Colorado newsman Carl Akers have inspired, challenged, angered, delighted, frustrated, enchanted, and impressed countless viewers of Denver's channel 9 news since 1975. His views have compelled all of us to think about our lives, environment, and Government.

I would like to share with my colleagues a superb article from the Boulder Sunday Camera magazine, February 23, 1986, the article, reprinted below, captures this grand newsman of Denver TV:

THE GRAND OLD MAN OF DENVER TV

(By Julie Hutchinson)

Its quitting time for Carl Akers this Wednesday afternoon at Denver's KUSA Channel 9. At the stoke of 4:55, he stubs out a Winston 100 cigarette, rises from behind his big, comfortably cluttered wooden desk, slips into his dark-green down parka and takes the stairs up to the front lobby. As he heads past the reception desk, Akers is spotted by a tall, handsome man with well-cut hair who approaches eagerly, hand poised to shake.

"You old curmudgeon you, how are you?" says the man with the well-cut hair, grasping Akers' hand affectionately. Akers' big, plain face crinkles into a wide grin in return.

The man with the well-cut hair is U.S. Rep. Tim Wirth, Colorado's 2nd District Democratic congressman and recently announced U.S. Senate hopeful. In his gruffly tender greeting, Wirth has paid impromptu homage to one of Denver's most-durable television faces.

The familiar, next-door-neighbor type face of Carl Akers has launched a thousand ratings wars since 1953, raised holy hell on subjects ranging from seat belts to South Africa and endured an onslaught of media consultants who in their heyday pushed prettier faces to the forefront of TV news.

But of those whose familiarity with Akers rests only in seeing him as a commentator—a role he came to late in his career—many wonder: Who is this guy, and how does he get away with being such a cornball?

Carl Akers hasn't always been a cornball. With only a year-and-a-half absence in the late 1960s, Akers has been a staple in Denver television news since he anchored the first-ever newscast for fledgling KLZ-TV Channel 7 (now KMGH-TV) the day it debuted on the air on Nov. 1, 1953. During Akers' tenure as lead anchor for Channel 7, he was the undisputed, top-of-the-ratings king of current events. During his years as Channel 9's news director, from 1968 to 1975, he put into place the formula and the faces that boosted Channel 9 to a decade of undisputed dominance in the ratings. Since 1975 he has served as Channel 9's crusty—and controversial—commentator. In his career he has nurtured the careers of dozens of radio and TV journalists who have gone on to be household names and faces in the Rocky Mountain region, and who now look to him as one of the grand old guys.

Carl Akers remains a regular odd salty-dog kind of a guy in a medium that places great value on slick-as-a-whistle sophistication and drop-dead good looks. He's the guy with whom the gray-hair group identifies strongly, an old-fashioned, Colorado kind of guy, a reminder of those days when a one-way trip on the Denver-Boulder Turnpike cost a quarter and Stapleton was not an international airport.

"Few people are bland in their attitude toward Carl, either they like him or strongly dislike him," says Sheldon Peterson, who as KLZ Radio news director in 1948 hired a young, eager Carl Akers as writer and announcer. "Nonetheless, he's respected for his views," says Peterson, who retired as public affairs director at Channel 7 in 1976.

Since 1948, when Akers came to KLZ Radio fresh out of the University of Missouri journalism school, he's shared center stage with Denver TV and radio legends including Bob Palmer, Starr Yelland, Gene Amole, Stormy Rottman, John Rayburn and Warren Chandler, watching and being watched as the Denver television news market evolved from cow-town camp to big-city bluster.

In his thrice-daily, minute-and-15-second commentaries on Channel 9, Akers sticks out like a sore thumb. Television news has gone glamorous, beauty is bucks and cool translates into cash. Alongside Mike Landess' dreamboat good looks and the machine-gun fire intensity of darkly handsome Ed Sardella, Akers is a time-warp reminder of the days when the news was the news, and television sets were living room furniture.

For the first year or so on the air at Channel 7, newscasts ran 15 minutes and Akers read and wrote news, weather and sports—and drew his own maps. News was no-frills, it was no-nonsense and there were no bones about it. It was black and white, and it was live. Report it, roll in the cameras, read it and go home. Another day's work down and done.

But don't, don't tell Akers that you remember him when. Happens to him all the time and he hates it. "I hired a kid here some years ago, and he came in to my office one day and said, 'Carl, one of my earliest memories in life was of you on television.' He was a head taller than I was, he was around 30 I guess, and I said, 'I never want to hear that again. You just made me feel a hundred years old.' " He pulls hard on his cigarette as he tells the story, exhales and chuckles until his shoulders shake.

IN THE FLESH

He is different in person than on TV. Younger, thinner, softer. The crustiness is there, but there's a hesitation that doesn't come across on the air waves. It's almost as if he'd like to be more agreeable, but he's thought about it, thought about it long and hard, and he just can't be. He is considerate of his listeners, lights ladies' cigarettes with gusto and waves through the window of his office at Channel 9 staffers passing in the hall.

The minute-long impression he casts on the air is clipped, cantankerous, and devil-may-care. But one minute with him in the

flesh and that video visage gives way to a man who is kind, who cares about Colorado, who wants people to like him.

Akers has aged before our very eyes. He is a little heavier, jowlier and the hair that he grows long to comb over his bald spot is almost white. But there is a sense of bridled energy in his stout, powerful build. Akers turns 65 on Sept. 14, ripe for retirement, but he's not talking about what happens on that bellweather birthday. He might travel, might write a book or a newspaper column, might want to renew his contract with Channel 9.

Every time he completes a commentary, signing off with the words "This' Carl Akers," countless numbers of his 400,000 viewers react as if he just scraped his fingernails across a blackboard, wondering why he can't say "This *is* Carl Akers."

But Akers knows there are people who think he's a cornball. He doesn't care much, and for a good reason—he's still a valuable commodity in an industry that plays it by the numbers.

The Denver television market, which includes most of Colorado and parts of Nebraska, Wyoming and South Dakota, is the 19th-largest in the country. Big money is made in advertising revenues collected from evening newscasts, and Channel 9 has long been the undisputed fat cat in the ratings war.

Until two years ago, that is, when upstart KCNC Channel 4 began to nip at Channel 9's heels to the point that Channel 4 now leads in the 5 o'clock ratings and is neck-and-neck with Channel 9 at 10 o'clock. Last-place Channel 7's recent gains also threaten to erode Channel 9's portion of the first-place pie.

But Akers stands away from all the infighting, the incestuous gossip and the backstabbing competition in the Denver television news market for one simple reason: His appeal is proven.

ENTER THE CONSULTANTS

As the technology of television brought us living color, live-from-the scene reports and a dizzying display of graphics, local news programming became Big Business, capable of generating big ad bucks.

Denver TV stations relied heavily on advice from out-of-town consultants who converted newscasts from Maine to Montana into carbon copies of one another with identical, rousing theme music, exact eyewitness reports, blindingly bright graphics and monotonously slick anchor personalities.

But times have changed.

"The days of glitter and glitz are passing into oblivion," says Pete Hoffman, chairman of McHugh & Hoffman Inc., which acted as Channel 9's media consultant during part of Akers' tenure as news director, and today counts Denver's KMGH-TV Channel 7 among its 40 clients in the United States and Canada. "Substance is where it is at this point." Hoffman says viewers want perspective, and they want it delivered from someone "with a greater degree of knowledge than just a pretty microphone holder. Akers says Hoffman, has "historically had a great deal of longevity in the marketplace. He's been there, part of the mix. He's a fixture. There are other markets like Denver who've had guys who used to be anchors and transcended into senior statesman," which, translated in viewers' minds, is that undefinable quality called credibility.

"I am flat opposed to consultants," says Akers. "I have gotten my tail in a wringer, but I don't believe that anybody can sit in some other city and tell us out here about our audience and what our audience wants. . . . I've been around here so long, I'm so hard-headed and bull-headed that they leave me pretty much alone. When I was newscasting, we hired some consultants to tell us what we were doing wrong, and I thought they were wrong."

But Akers hung on, defiantly and deliberately, through those topsy-turvy times. Even as KCNC Channel 4's Bob Palmer, the only other Denver TV veteran who begins to approach the venerability of Akers, updated his hairdo and spiffed up his wardrobe, Akers flew in the face of formula and did not alter his balding pate, his nasal, cranky voice or his do-or-die opinions.

Michael Wirth, chairman of the University of Denver department of mass communications, says "I think Carl's there to reassure that things haven't changed that much . . . By the fact that Channel 9 continues to keep him on the air, I assume their research tells them a significant portion of their audience likes what he's doing."

AN INDEPENDENT STREAK

From the beginning, when Channel 7 went on the air in Denver from the old "pink palace" at Sixth Avenue and Speer Boulevard on Nov. 1, 1953, Akers has been calling—and getting—his own shots.

The oldest of three sons, Akers was born in the country near Denison, Texas. His mother was a school teacher who corrected his grammar and read Aesop's Fables and Mother Goose to her boys at bedtime. His father ran a little grocery store in town.

After oveseas duty in an Army finance unit in World War II, Akers streaked through the University of Missouri school of journalism in two-and-a-half years and then fell in love with Colorado. Sheldon Peterson remembers Carl Akers, the 1948 job applicant.

"Carl came to Denver newly married, full of ambition," says Peterson, who lives in Denver. "Yes, his voice was excellent, and of course it still is. I've had to judge voices all my life. It's hard to say what makes a good one, but you instinctively know it. One of the qualities is that he has a lot of deep timbre. He seemed to blend Texas with Colorado in a very pleasing combination."

But Clayton Brace, then Akers' boss and now vice president and general manager of KGTV Channel 10 in San Diego, felt differently about Akers' accent.

"He failed on television," says Brace, of Akers' first days as Channel 7 anchor in 1953. Akers had some crazy notion about doing the news from a set that showed the working newsroom behind him—and he wanted to look the way he looked when he was really working, with rolled-up shirt sleeves, loosened tie, no makeup.

Management wanted something else: "We were still watching John Cameron Swayze, wearing a very fine business suit, in front of a potted palm," says Brace. "I was determined to do something new," says Akers, who remembers the details of those days with arresting clarity. "None of us knew anything about television; we were all out of radio." But management gave Akers his way and the news was broadcast from a tiny office with a double-pane glass window looking into the newsroom. Though even Dan Rather broadcasts today from a working-newsroom set, Akers' idea in 1953 was revolutionary.

Despite the determination to do something new, Akers had second thoughts about his innovation when, "I think the second day on the air, our janitor, bless his heart, came into the newsroom and they tell me that he stuck his nose right against the glass right over my right shoulder and stared at the camera, while I was on the air." That very day, says Akers, a map went up over the window. "That danged set," however, stayed around 10 years.

And Akers didn't last too long either. After three days as Channel 7's first anchorman, Brace sent Akers back to radio.

Akers was terribly disappointed: "Oh, Lordy, was I. It was the roughest time of my life. I had been looking toward television for two or three or four years, because we knew it was coming, and I wanted to try my hand at it."

But Akers lost his Texas tones "very quickly," says Brace, though Akers claims he lost his accent in the Army out of self-protection.

But after a couple of months, "It wasn't long until we decided he brought more to TV than a Texas accent," says Brace. Back he came to TV news, "extremely effective on the air, as well as a very effective reporter," says Brace. "He exuded authority . . . He was a fast study, he learned the market very quickly."

"We didn't know what we were doing' says Akers, shaking his head at the memory of those early days when TV was uncharted territory. Yet, says Brace, his popularity was "like a skyrocket. He built a following never surpassed by anybody in Denver. Carl was getting huge shares of audience."

During Akers' days of dominance at Channel 7 from 1953 to 1966, Brace says the Akers name was well-known around the country. "A lot of stations sent people out to study our news," says Brace. And many of those seeking the Akers secret were "aghast," says Brace, when they saw Chanel 7's working-newsroom set "because there was no potted palm or sexy backdrop."

By 1955, Carl Akers had grown comfortable in his role as Channel 7's news anchor, and Denver was growing accustomed to the miracle of television. Then, on the night of Nov. 1, Akers realized how very different this business of television was from radio—more than just a picture to go with sound, but a medium that would bring people face-to-face with breaking news almost instantaneously, in the comfort of their very own living rooms.

A United Air Lines DC-6B bound for Portland, Ore., blew up near Longmont shortly after 7 p.m. that night, 18 minutes after taking off from Stapleton. All 44 people aboard died instantly. Denver resident John Gilbert Graham, who had purchased a life-insurance policy on his mother, a passenger on the plane, would later die in the gas chamber at Canon City after being convicted of planting a bomb on the plane.

"I remember putting that film on th air," says Akers of that night. Cameraman Jim Bennett, who doubled as Channel 7's weatherman, "jumped in his car and went up there and got the film and brought it back and the film was still wet. We didn't even have time to dry it. Didn't have time to look at it or edit it or anything." Akers and Bennett "ad-libbed" the 10 o'clock newscast.

Somehow you just get the feeling that because Akers remembers those good old days, because it's with him all the time, that's why the old fogies and the grey hairs seem to be so crazy about him. They've lived through those stories with him, and Akers is that same familiar face, amid all these greenhorn strangers.

IN THE STUDIO

Akers tapes his commentaries Monday through Friday immediately after the noon news team shuts down—and that day's taped commentary isn't shown until the following day, says Akers, so he has 24 hours to get out of town if somebody gets mad.

Once in a while, such as two weeks ago when Lee Iacocca was fired from his fund-raising job on the Statute of Liberty renovation, Akers responds to breaking news and does a hurry-up commentary.

Besides the noon news, Akers' commentaries also air during the 4:30 and 10 o'clock newscasts—the times when the ratings wars heat up and the upstart Channel 4 gets eye-to-eye with Channel 9.

Managing a mouthful of commentary in a minute or so is a rare skill which, says John Rayburn, who coanchored the Channel 7 news with Akers in the mid-'60s, Akers had down to a tee. "Carl is one of the best editors I've known in broadcasting."

Akers "retired" from Channel 7 in 1966 but was wooed by Channel 9 in 1968 by then-General Manager Al Flanagan. There he worked as both anchor and news director until 1975, when he and Flanagan "came to a mutual agreement that it was time for me to come off the air. I was just trying to do too much. And Flanagan asked me to do commentaries.

"I said, 'I don't know anything about commentaries.' I said, 'I've never done a commentary in my life.'

"He says 'B.S. You editorialize straight through newscasts . . . I've watched you do it for years—raising an eyebrow; shaking your head or scratching an ear or something like that.'

So he took the job.

"I've had people get furious about some of the stuff I say. Nobody screens my calls. I've told them . . . don't screen my calls, don't even ask them who's calling, and if they sound mad, so much the better."

Akers chooses his subject matter independently—and only Channel 9 President and General Manager Charles Leasure has override power on those editorials.

"I don't always agree," says Leasure, "but the purpose of the commentaries is to get people thinking about subjects and Carl has the ability to generate thought. While he speaks for himself and not for the station, I can imagine in all these years only two times where I have asked him not to run a comment."

One of those times, says Akers, occurred six or seven years ago when he took a hard shot at the Denver Broncos "when he thought they were playing lousy ball or something, god only knows." Leasure asked Akers to can the commentary because Channel 9 was in negotiations with the Broncos for pre-season game broadcasts.

AT HOME

Akers begins his day in his sprawling, yellow-brick ranch home in Lakewood with a big cup of coffee with cream and sugar.

"First thing I do is turn on the radio, then light a cigarette, then the third thing every morning is, *What am I going to talk about today?*" He scours the Rocky Mountain News page by page. And there are days when he's afraid there won't be anything to talk about: "I just keep throwing things in the wastebasket. . . ."

Aker's wife of 14 years, Mary Lou, knows to leave her husband alone during those early-morning brainstorming sessions. Divorced from Marge, his wife of 23 years, Akers met Mary Lou Dekker, who was the Channel 9 newsroom secretary at the time, in 1970.

Mary Lou, who Akers affectionately calls "M Lou" is 54, with a Barbiedoll figure. She takes obvious pleasure in making the Akers home peaceful and comforting and it is decorated in earth tones, with skylights, plants, books and built-ins.

They have learned to operate independently in their 14 years together, with Mary Lou taking art classes at Red Rocks Community College while Carl plies his television trade downtown. They sleep in separate bedrooms, says Akers, because he snores, smokes and wakes up in the middle of the night sometimes and listens to talk radio.

What Mary Lou loves about Akers most, she says thoughtfully, is "his honesty, intelligence. He has the greatest laugh in the world, the best smile, and the patience of Job with me.

"He is the biggest chauvinist I think I have ever known in my entire life," she adds, laughing as Carl grimaces. She says during their early married days, "I thought my name was While You're Up. . . ."

Mary Lou has a 31-year-old son from a previous marriage, but Akers has no children of his own, which Akers says was a matter of choice, not circumstance.

"I have never regretted it," he says. "I've been accused of being selfish and I am. And I'm being 100 percent honest when I say that I never thought I would make a good father. I'm short-tempered, and I don't think I would have been a good parent."

After Akers reads the papers and gets down an idea for that day's commentary, he heads out for the station, about a 15-minute drive down the Sixth Avenue freeway from home. Once he's in his basement office at Channel 9, he skims The Wall Street Journal, USA Today, and The Denver Post.

Further verification of the value Channel 9 places on Akers is his large, comfortable office with wall-to-wall carpet and plenty of seating for visitors. Though Akers won't say what the station pays him as commentator he will say "It's probably quite a bit less than Ed (Sardella) and Mike (Landess), but they have more important jobs than I do and that's just the way it is." Akers says he thinks Sardella and Landess each receive in excess of $100,000 annually, and that *his* salary is reflective of his experience.

THE PERILS OF FAME

He says he really likes only three or four or five of his commentaries a year, when the magic combination of the right words and the right humor are there.

"I've been accused of being too dour, or too straight-faced. When I try satire, or irony, some people take me very seriously, and that phone will start ringing . . . and you can't explain humor to anybody. And maybe I ought to smile once in a while, give 'em a tip-off that what I'm saying is not as serious as they might think," says Akers.

During the 1973 Arab oil crisis, Akers took the side of the Arabs, a position that some people interpreted as anti-Semitic, a suspicion that has shadowed him since, and of which Akers says he is clearly aware.

"I don't register that kind of a pulse at all," says Saul Rosenthal, regional director of the Mountain States Anti-Defamation League. "That may be Carl's perception, but I can't really confirm that myself. I think he's short-crediting himself if he thinks that. The Jewish community is no more, no less skeptical of Carl Akers than anybody else who publicly speaks to Middle East or domestic issues."

Of the perception that he is anti-Semitic, Akers says "that's one of the things that really upsets me. I try to look at our own government and even foreign governments without any prejudice whatsoever."

STILL ENTHUSIASTIC AFTER ALL THESE YEARS

Carl Akers seems to love his business for its intrinsic, hard-working qualities—not its star-making potential.

"You can get to believe that you're something special. We're not. We just do our jobs like everybody else and, really, it's not that big a deal. . . . When I was news director I used to say 'I'm gonna put you on the air' to a certain individual, and I said, 'The day that you become, in your own mind, a celebrity or a star, then you're not worth a *damn* to me as a reporter or an anchor.'"

By their very nature, says Akers, television news personalities become celebrities. "But I think it's the way an individual thinks about himself or herself. I have seen television ruin a lot of good people.

"But I do love it. One reason I thoroughly enjoy it is because it's a wide-open door to meeting so many people. I can go out and sit down, out in eastern Colorado, which I've done on many occasions, lean up against a barn, and talk to a farmer about his problems, and enjoy it. Or I can call (former Denver Mayor) Bill Nichols, which I have done, and sit down and talk with Bill about his days as mayor."

During his years as news director, Akers hired a swarm of young people wanting to make a name for themselves in the news. One of those young people was Frank Currier, who made the big time and is now a Midwest correspondent for CBS News, based in Chicago.

"I've never been able to define why one person makes it on television and somebody else doesn't. I think it goes right back to the core . . . how they feel about themselves. You can't lie to a TV camera. That's the most heartless invention ever put together by mankind. If you feel a little proud of yourself, a TV camera amplifies that to where you look like you think you're sitting just at the right hand of God, or something. If you're nervous, conversely, it'll magnify your nervousness to where you look like a raving idiot."

Despite his success in the business Akers says he never wanted to make it to the networks like his protege, Frank Currier. "In my self-appraisal, I am a realist. I don't think I could ever possibly make a go of it anywhere, maybe, except here. I don't think I have the talent, or the drive. But I will be honest with you, and I don't know whether I ought to say this or not, if I walked into a television station today and they didn't know me from Adam, they would laugh me right out of the place. Number one, because of my age; number two, had I not had the opportunity, that rare, rare opportunity to help put a station on the air, and be kind of hardheaded . . . I don't think I would have ever made it in television."

Akers has seen plenty of people come and go—including Starr Yelland, who worked as sports anchor with Akers as part of the successful Channel 7 team. Yelland was unceremoniously dumped from the Channel 7 lineup in those mid-'70s days when consultants were scrambling to provide all the answers.

"I think it was a mistake," says Akers. "It was during that change when all television was going to younger people . . . and I can understand that. I don't care what job a person has, the old process of evolution comes in. It always does. Anybody in any job eventually is going to have that job taken by a younger, more energetic individual, man or woman. It's a hell of a shock. . . . I've seen people older than I am who were really devastated when they had to retire."

But there will come a time when Akers is absent from the airwaves. "I've thought about that, and I'm not even concerned about leaving anything. I'm not worried about tomorrow, or leaving my name. The day I leave the air it will take less than a year for the majority not to remember. If one out of 10 remember, it would surprise me. Once it's off the air, it's gone. There's nothing quite as fleeting as TV."

CONGRESS SHIRKS ITS RESPONSIBILITY

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. SCHAEFER. Mr. Speaker, when attempting to explain the sequestration process of Gramm-Rudman, many in this body have compared its automatic cuts to a gun at the head of Congress, forcing its Members to make the difficult decisions necessary to reach the deficit targets called for by the law. Borrowing this analogy, as the March 1 deadline approaches, it is evident that Congress has chosen to shirk its responsibility and pull the trigger. Unfortunately, the gun is aimed at middle-class America.

Given the entire month of February to replace the sequestration order with responsible budget cuts, the House chose instead to meet only 11 of the 27 days this month. If my district is any indication, the people of this country would have much preferred us taking this time to amend the sequestration order rather than traveling across America condemning Gramm-Rudman for our own irresponsibility. Now, as usual, when forced to accept the consequences of our inaction, we tell our constituents that sequestration was inevitable.

As one of the Members who cosponsored Congressman BOULTER'S resolution to replace the fiscal year 1986 sequestration with prioritized spending reductions, I want my constituents to know that it was not Gramm-Rudman, but Congress that is responsible for pulling the automatic trigger. And, contrary to what we in this body want our districts to believe, our fingerprints are all over the gun.

Mr. Speaker, Gramm-Rudman was designed to force us to do our jobs, not to do our jobs for us. As we begin consideration of the fiscal year 1987 budget, let's work to put together a package of responsible and prioritized spending reductions and make the smoking gun a thing of the past. The sooner we treat sequestration as an unacceptable option, the sooner we can put together a budget we'll want our fingerprints all over.

Thank you, Mr. Speaker.

OHIO'S LINCOLN—FRANK J. LAUSCHE

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. OAKAR. Mr. Speaker, on November 14, 1985, there was a birthday celebration on Capitol Hill honoring Frank J. Lausche, former mayor of Cleveland, Governor of Ohio, and Senator from Ohio. Nine decades haven't lessened the vitality or vigor of this statesman from the great State of Ohio.

Frank J. Lausche is a true statesman. His values and convictions remained unwavering from the very beginning of his political career in 1932 in Cleveland, OH, when he became a municipal judge. As a judge, he cracked down on organized crime, gambling, and drove the loan sharks out of town. In 1941, he was elected mayor of Cleveland and was reelected in 1943. He became known as the "miracle man," providing Cleveland with clean government and inspirational leadership during the difficult times of World War II. In 1945, Frank Lausche became the first Catholic and first Slavic Governor of Ohio. There was universal agreement during his tenure that Gov. Frank J. Lausche continued the honest and effective stewardship he demonstrated while mayor of Cleveland for 4 years. In 1954, Frank Lausche was elected to his fifth term as Governor and by then had become a legend in Ohio politics. In 1956, Frank became the first Democrat to be elected to the U.S. Senate from Ohio in 22 years, serving until 1968.

I would like to direct my colleagues' attention to a recently published book "Ohio's Lincoln: Frank J. Lausche," a tribute and a festschrift for his 90th birthday. The book, edited by Edward Gobetz, and available through the Slovenian Research Center located at 29227 Eddy Road in Willoughby, OH, traces the life of Ohio's Lincoln from his early days as a gas street lamplighter to the present day where he continues to be vigorous and active. This beautifully crafted book contains over 350 pages of historic information, humorous anecdotes, political memorabilia, and fascinating pictures. I was honored to be a contributor to this book along with many of my colleagues and friends, and I recommend it to everyone. "Ohio's Lincoln: Frank J. Lausche" is a fitting tribute to a distinguished American. He is truly a source of pride for all Ohioans and an enduring example for all Americans active in public life. It is an honor for me to be able to pay tribute to Senator Lausche and I encourage my colleagues and their constituents to refer to "Ohio's Lincoln: Frank J. Lausche."

WORLD'S LARGEST SUPERCONDUCTING MAGNETIC FUSION FACILITY IS COMPLETED AT LAWRENCE LIVERMORE NATIONAL LAB

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. STARK. Mr. Speaker, last Friday full performance tests of superconducting magnets in the Mirror Fusion Test Facility at LLNL marked the completion of the $350 million project.

A lot of hard work and money has been invested in the world's largest superconducting, tandem mirror fusion experiment. For 8 years, some of the finest scientists and engineers in America have dedicated their time and energy to the project.

The MFTF-B is a magnificent technological achievement. Housed in a 190-foot-long vacuum vessel and weighing nearly 3 million pounds, the 24 magnets in this set store more magnetic energy than any other magnet set ever built. To operate them, they were cooled to a temperature of $-452°$ F, with one of the largest liquid-helium refrigerator systems in existence.

The magnet tests were the focus of a series of tests that began last November, other major systems were also operated successfully. These include intense particle beams that will be used for heating the fusion fuel, high-power microwave-heating systems, a complex high-speed vacuum-pumping system, and a large nitrogen-liquefaction plant to augment the computer control, using sophisticated state-of-the-art technology. Collectively, these integrated tests demonstrated the operational readiness of the facility and achieved some of the technology goals set when the project was proposed. Primary among these goals was the construction and operation of the magnets; a goal now met with the conclusion of the tests last week.

I would like to extend my sincere congratulations to the many people involved in the project. The completion of the facility marks a significant advancement toward the harnessing of fusion energy: I believe a goal well sought.

Unfortunately all is not well with the MFTF-B. Under the President's budget for fiscal year 1987, funding has not been provided for the operation of the facility. In fact, the budget proposes to pick up savings by mothballing the project. I would hope that we in the House could strike a compromise with the administration on this budget issue.

I am told by staff at LLNL that $20 million more in their budget would allow the operation of MFTF-B at a reduced level. It is not the optimum solution, but facing the deficit that we do, it is a compromise solution.

MFTF-B is truly an incredible accomplishment. I sincerely hope that the facility might be used for the experiments it was meant, and again I commend those who made it possible.

BLACK HISTORY MONTH

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. MORRISON of Connecticut. Mr. Speaker, I am proud to commemorate Black History Month. This is a time for all Americans to recognize the countless contributions that blacks have made to this country.

My district observed Black History Month through a wide variety of activities. I was honored to be the guest speaker at the Sixth Annual Black Achievement Awards Ceremony. This event was sponsored by the New Haven chapter of the Coalition of Concerned Citizens and was held at the United House of Prayer. Awards were given to over 30 members of the community.

The Afro-American Cultural Center at Yale opened the month with an art exhibit entitled "Samani Za Kale" (Once Upon A Time), the art of Njee and Kariuki Muturi. The Muturi brothers, raised in Nairobi, Kenya, used pen and ink to create large abstract symbolic pieces that evoke rich Agikuyu tradition. There were lectures on "Africa and Her New World Children: Exploring the Diaspora," "Liberation Theology: Future of the Black Church," and Fighting the Klan." The Center's Heritage Theater Ensemble featured William Hanley's hit from the 1960's, "Slow Dance on the Killing Ground." The Yale Rep performed "Othello," and the Alliance Theater performed Alice Childress' "Wine in the Wilderness."

The Dixwell Community House sponsored a Black History Program including poetry, drama, dance, and gospel. The program entitled, "Black History '86, an Expression of Hope," featured Hattie Turner as the keynote speaker, poetess Gayle P.H. Hall, and the debut of the Pal Hall Dance Co.

The New Haven Preservation Trust published a list of 21 buildings associated with the history of Afro-Americans in New Haven. The buildings dating back from 1818 to 1950, include the Goffe Street Special School, Trowbridge Square, Bethel A.M.E. Church, Dixwell Avenue Church of Christ, Immanuel Baptist Church, St. Luke's Episcopal Church, St. Paul's Union A.M.E. Church, and Varick A.M.E. Zion Church. The Goffe Street School was built in 1864 for blacks. Trowbridge square was developed in the 1830's; many black families lived there in the mid-1800's.

The Stetson Library scheduled several Black History Month activities including a movie on blacks' escape from slavery via the underground railroad; Jesse Lewis hosted the Newhallville Senior Gospel Choir, the Tony Burroughs Singers, and the Dixwell Senior Line Dancers; and Sosivu Caldwell conducted a workshop on "African Mask Making: A Look Into the Past."

As this month comes to an end, I am pleased to be able to reflect on the contributions black Americans have made to this country as well as celebrate their rich history. Black History Month is not only a celebration of the past but an inspiration for the future.

TRIBUTE TO ASSISTANT SHERIFF LARRY KALSBEEK

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. LAGOMARSINO. Mr. Speaker, I take this opportunity to bring the attention of this body the accomplishments of Assistant Sheriff Larry Kalsbeek.

Assistant Sheriff Kalsbeek joined the department on August 26, 1966, and was promoted to sergeant in 1969. His duties and responsibilities during that period included patrol supervisor, juvenile detective supervisor, homicide, and intelligence unit investigator. He also authored a grant for funding of a Sheriff—Probation Department's Law Enforcement Explorer Post.

In April 1974, Larry Kalsbeek was promoted to lieutenant and put in charge of East Valley detectives. Grants and responsibilities for the new Crimes Specific Task Force as well as County Regional Criminal Justice Planning Board and chairing the County Juvenile Justice Task Force claimed his time during this period.

In August 1975, Lieutenant Kalsbeek transferred to the personnel bureau with responsibility for recruitment, internal affairs, and administration of the Police and Sheriff's Regional Training Academy. He was also responsible for the department's affirmative action plan and initiated a career development program for sheriff's department personnel.

In April 1977, Lieutenant Kalsbeek was transferred to the city of Camarillo as new station commander and in August 1978, was promoted to commander and transferred to East Valley as new station commander and chief of police for the city of Thousand Oaks. He was responsible for a staff of 140 and a budget exceeding $6 million.

In August 1982, Commander Kalsbeek was promoted to assistant sheriff. His duties included administration of the department's court services, special services, and support services divisions. He was also charged with responsibility for preparation and management of a budget of about $38 million. Security planning for the 1983 International Regatta and the 1984 Olympic Games at Lake Casitas was the responsibility of Assistant Sheriff Kalsbeek.

I ask my colleagues to join with me in expressing our thanks to Larry Kalsbeek for a career of public service and accomplishment. May he and his family enjoy a long and fulfilling retirement.

A TRIBUTE TO SOCIAL SECURITY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. ACKERMAN. Mr. Speaker, on August 14, 1985, our Nation celebrated the 50th anniversary of the day the Social Security Act was signed into law. Historians already view this legislation as one of the most significant statutes ever enacted in the United States. Created by Congress, at the request of President Franklin D. Roosevelt, Social Security has done more to help keep Americans out of poverty than any other Government initiative.

This program was born during a time of great crisis in America's history. Millions of people were suffering the effects of the Great Depression. One-third of all Americans were ill-housed, ill-clad, and ill-fed. Unemployment was rampant. Our financial institutions were failing, wiping out the life savings of millions of Americans, leaving them no money to rely on during these hard times. Because our country could not allow its citizens to suffer like this, a national program was established to provide for unemployment and old-age insurance, and for public assistance. It was hoped that this would lesson the pain of another severe economic crisis.

Social Security has undergone many positive changes in the last half century. In 1939, it became a family program, with dependents and survivors of the insured eligible for benefits. In 1950, legislation provided additional coverage for employees of State and local governments, farm and domestic workers, and most self-employed Americans. Social Security has continued to evolve to meet the needs of the working and the elderly: The program has been expanded to include disability insurance, and, in 1965, Medicare was created. Controversial amendments in 1983 moderated benefits for future recipients, but at the same time helped assure the financial security of the program for generations to come, well into the 21st century.

For many elderly citizens today, Social Security is all that stands between them and the depths of poverty. Without this safety net, over half of our senior citizens would be thrust into poverty. We must remain committed to the ideals outlined by Franklin Delano Roosevelt, and ensure that Social Security is around for another 50 years, and another 50 after that.

We all realize the importance of Social Security and its valued role in our society. I look forward to working with my colleagues in the Congress of the United States to maintain and upgrade all the components of the Social Security system, to fulfill the commitment first made 50 years ago: That America will never abandon its elderly and disabled.

A TRIBUTE TO DISNEYLAND'S MARY BONINO JONES

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. DORNAN of California. Mr. Speaker, I am proud today to pay tribute to Mrs. Mary Bonino Jones for 24 years of outstanding service to Disneyland in my district of Anaheim, CA. Mary joined the Disneyland Public Relations Division in 1962 and, as manager of the community affairs department, has been responsible for Disneyland's extensive community relations, governmental and interna-

tional relations and corporate social responsibility operations.

Since it opened in 1955 the nationally and internationally acclaimed amusement park has entertained nearly 250 million guests from every nation in the world. It has greatly influenced the growth of Anaheim and Orange County. Mary has been an important player in that outstanding development and has been a first rate representative for Disneyland.

Recognizing that business plays a vital role in maintaining a health community, Disneyland embraces the tradition of helping to build a better community. This responsibility is not taken lightly. Disneyland has spent millions of dollars on community programs. For example, every year since 1957 Disneyland has demonstrated its responsibility to Orange County through the Disneyland Community Service Awards Program. This special program, which alone has presented nearly $2 million in 900 awards, provides incentives for organizations which foster the spirit of voluntarism characteristic of Orange County and recognizes organizations dedicated to community betterment and citizen involvement. It is a program of which Mary and her outstanding community affairs staff are justifiably very proud.

Disneyland employees also donate their time and talents to fellow citizens and organizations. And Mary has set a fine personal example for the staff and community. She served on the boards of St. Boniface Elementary School and Marywood High School and taught in the Released Time Religion Education Program. Mary also established the office of protocol for the county of Orange, CA. Her family is active in the community, as well. Mary and her husband, Wesley, have two daughters. Maria is a teacher at Cypress High School and Gloria is a Dominican Nun.

Mary's last day at Disneyland is February 28 and I want to take this opportunity to personally thank her for her many years of hard work and loyalty to Disneyland and the Orange County community. She has contributed many hours of invaluable and devoted service to Disneyland. I commend her on this special day and wish all the best in her new role as chief of protocol for the county of Orange.

THE GREAT PEACE MARCH BEGINS

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. LEVINE of California. Mr. Speaker, I rise today to share the news of a very special event in our Nation's history which will begin March 1, 1986, from Los Angeles CA, when an estimated 1,500 people will leave their jobs, families, and friends to embark on a 9-month march across the country to show their commitment for peace. It is called the "Great Peace March" and was organized by People Reaching Out for Peace or PRO-Peace. The group describes itself as "an international citizens movement with a single goal: bilateral nuclear disarmament." PRO-Peace was born from the idea that each individual can make a difference and the great ideas put forth by honest people can alter history.

Leaving from the Los Angeles Coliseum, the group will head across the Mojave Desert to Las Vegas, then march through Utah and Colorado, and up to the 12,000-foot Loveland Pass. The marchers will continue to climb over the Rocky Mountains and into Denver and then through Nebraska, past missile silos and across the Great Plains. In Iowa it is hoped that thousands of farmers will join the march through the Corn Belt. The march will continue to Chicago, and through the industrial heartland of America, past Three Mile Island near Harrisburg, on across New Jersey, over the George Washington Bridge and down through Manhattan. The march will continue down the east coast to Independence Hall in Philadelphia and then on to Baltimore and the Washington Beltway.

The night before the marchers enter Washington DC, hundreds of thousands of citizens from across the country will be asked to join the march in an all-night candlelight vigil for peace. The next morning, when the march enters the Nation's Capital to petition our Government and the Soviet Union to take the weapons down, thousands more are expected to join the march to fill the streets of Washington to walk in dignity for peace.

THE MACHINE TOOL INDUSTRY

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mrs. KENNELLY. Mr. Speaker, this Friday, February 28, makes the second anniversary to the day the machine tool industry's national security case reached the White House for review.

By any standard, that is a long time for a national security matter to sit gathering dust. Members of both parties and more than one Cabinet member agree—2 years is simply too long.

The machine tool industry is in trouble. In 3 years, imports have risen from 27 percent of the U.S. market to an astonishing 47 percent. Employment in the industry has dropped by 40 percent and is continuing to shrink.

Section 232, under which the machine tool industry filed its petition, is designed to deal with trade cases with national security implications. But section 232 does not set a deadline for decisionmaking—even though it is clearly in our interest to prevent such cases from languishing for months, even years, once they reach the White House. That is why I have introduced legislation to set a deadline for section 232 cases.

Meanwhile, the machine tool case drags on. Without some kind of relief, the future of the industry is in doubt. But at the very least, the industry is owed a decision. I urge my colleagues to join me in pressing for action on machine tools.

EMERGENCY FARM INCOME AND CREDIT ACT OF 1986

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. DASCHLE. Mr. Speaker, I rise to join with my colleagues, BERKLEY BEDELL, and 13 of our fellow House Members in introducing the emergency farm income and credit bill of 1986. We come to the floor of this House a mere 2 months after passage of the 1985 farm bill with a single objective—we will not abandon the battle of improved farm income, no matter how formidable the opposition. Through reintroduction of this emergency legislation, we intend to refocus the attention of this body, and the Nation, on the seriousness of the farm crisis.

The legislation we are introducing today contains two very important components. Perhaps most importantly, this emergency bill offers farmers the chance to achieve their primary, and most critical, objective. It permits producers the opportunity to earn a fair price for the commodities they produce. Also, recognizing the serious credit crisis facing our family farmers and ranchers, this legislation provides the framework for debt restructuring and lower interest rates through the FmHA Guaranteed Loan Program.

The crisis statistics foreign to many not involved in family agriculture are, unfortunately, all too familiar to farmers and ranchers themselves.

Nearly 45 percent of all commercial farmers are experiencing some degree of financial stress, with the majority of these farmers and ranchers facing debt-to-asset ratios in excess of 50 percent. Most of these producers have been denied a fair price for their commodities, the single best medicine available for an ailing agricultural economy.

Statistical data to document the cause of this financial stress is abundant. The availability of operating capital is critical to nearly every family farmer and rancher. The value of the producer's farm, ranch, and other assets are the collateral used to secure these loan funds. At the same time farm income has been eroding, the value of farm land throughout the Midwest has tumbled by 42 percent since 1981, causing produces with debt-to-asset ratios that were acceptable 3 year ago to suddenly find themselves facing financial insolvency. This is occurring with no basic change in the farming operation.

All of these problems—declining farm income, eroding asset bases, and increasing debt-to-asset ratios—have resulted in a not too surprising Census Bureau statistic: nearly 25 percent of all farm families are in poverty. More farmers and ranchers have left the family farm in 1985 than in any year since 1976.

Many members of this body may have heard President Reagan's comments on agriculture and think that all is well in the agricultural sector. He was asked whether "we've turned the corner on the farm economy and are headed for better times" A good many

family farmers and ranchers would challenge the President's response: " I think we are."

My colleagues and I are introducing this legislation today because we know that is not the case. Farm income will decline by an estimated $5 billion as a result of the current farm program. Carryover stocks, dramatically increasing in recent years, are expected to exceed those levels which caused the administration to implement the costly 1983 PIK Program. Increased exports, have been held out as a "carrot" for the financial salvation of farmers and ranchers, despite the fact that exports have fallen by 25 percent since 1981.

Some of my urban colleagues might ask "why should we care?" "What difference does it make to us if the agricultural sector is facing a crisis?" The answer is clear—a depression in the agricultural economy has far-reaching ramifications, into the congressional districts of nearly every Member of this body.

It has been estimated that possible unpaid Farm Credit System farm loans alone could total as much as $25 billion by 1987—equivalent to a $100 tax on every person in the Nation. General interest rates would increase, jobs would be lost, and the Federal debt would increase.

For many industries, the effect of the farm crisis has already been felt. Farm equipment production plunged 41 percent in 1985. Sales have fallen by more than 50 percent from the 1979 sales peak. Fertilizer use has decreased by more than 22 percent from a year ago. In some rural sectors, financial experts have placed a 25-percent reduction on the number of small businesses in many rural communities.

Mr. Speaker, time is of the essence. Financial decisions being considered by many family farmers and ranchers will be directly related to their future in farming and ranching. We urge our colleagues to join us in this effort to reverse the disastrous trends in the farm crisis and provide farmers with the best possible medicine—a fair price.

I ask unanimous consent to have a summary of this legislation placed in the RECORD at this point.

SUMMARY OF THE EMERGENCY FARM INCOME AND CREDIT BILL OF 1986

TITLE ONE—IMPROVED FARM INCOME THROUGH THE VOLUNTARY MARKETING PROGRAM

Marketing certificates and minimum loan rates

Under the Voluntary Marketing Certificate Program, producers of wheat and feed grains who voluntarily participate in annual acreage reduction programs would be eligible for (1) a nonrecourse loan on their crops and (2) marketing certificates equal to the program yield multiplied by the allowable planted acres for their farm.

The minimum loan rate would be $5.00 per bushel of wheat and $3.50 per bushel of corn for each of the 1986 through 1990 crops.

All wheat and feed grains sold for domestic consumption must be accompanied by a marketing certificate. Although producers who do not participate in annual acreage reduction programs may plant their entire wheat or feed grain acreage base, these producers could not receive a marketing certificate for their crop and, thus, would be required either to consume their production on their own farm (e.g. feed the grain to livestock) or sell the grain only for export at world prices.

Grain produced by a program participant in excess of the marketing certificates assigned to that farm may be consumed on that farm, sold for export, or carried over to the next year and marketed with certificates (if applicable) in subsequent years.

Marketing certificates themselves would not be transferable except that the certificates must accompany grain that is bought and sold.

Export subsidies

Grain accompanied by a marketing certificate, if not consumed domestically, would, if exported, be entitled to subsidy equal to the difference between its domestic market value and the world price. The subsidy would be provided to the exporter as an in-kind payment from Commodity Credit Corporation stocks or in cash; commodities provided as in-kind export subsidies must be exported.

The Secretary would be required to announce the value of the export subsidies daily, based on the difference between domestic and world prices for each commodity. The export subsidy would assure that our exports are sold at prevailing world market prices.

Farmers would enjoy the benefit of this export subsidy since their grain (accompanied by the certificate) would be worth more than non-certificate grain that is exported.

Acreage reduction reductions

The Secretary must announce the acreage reduction requirements for each commodity as required by the provisions of the Food Security Act of 1985, taking into account likely program participation, estimated supply and demand. As already announced by USDA, the total acreage reduction required for 1986 would be 25 percent of a producer's wheat base and 20 percent of a producer's corn base.

In crop years 1987 through 1990, the individual acreage reduction requirement may not be more than 35 percent of a producer's wheat base nor more than 20 percent of a producer's feed grain base.

TITLE TWO—EMERGENCY AGRICULTURAL CREDIT

Objective

To utilize the Farmers Home Administration's Guaranteed Operating Loan Program to encourage commercial lenders to restructure outstanding agricultural debt.

Operation of the program

A mandated 90 percent FmHA loan guarantee would be available to commercial lenders for the purpose of restructuring existing agricultural loans. Lenders would be required to "write-off" a minimal portion of the borrower's outstanding debt and accrued interest. The guarantee would be in effect during the duration of the interest reduction program and would apply to the remaining principal after loan restructuring by the lender.

Debt write off

In order to qualify for the loan guarantee, lenders would be required to write-off a minimum of ten percent of outstanding debt and interest accrued to the borrower. The interest rate buydown provisions of the legislation will encourage lenders to write-off additional unproductive debt in addition to the required initial ten percent.

Lower interest rates

In order to qualify for the FmHA loan guarantee, the interest rate on the restructured loan must be established at the cost of money to the lender. Notwithstanding the provisions of the interest rate buydown program, the lender would be required to absorb this interest rate reduction.

Interest rate buydown

Through the interest rate buydown provision in the 1985 Farm Bill, the FmHA will participate in the reduction of the interest rate for the restructured loan package through a 1-percent buydown for each 10 percent reduction in principal by the lender.

TITLE THREE—AGRICULTURAL LENDER DEBT RESTRUCTURING

Amortization of debt write-off

Once a commercial lender has agreed to restructure and refinance a borrower's outstanding debt by writing-off a portion of the borrower's outstanding debt, the lender would be permitted to amortize this debt loss over a period of 10 years. The proposed legislation would change banking regulations which currently require the entire loss to be written-off by the lender in the year in which it is incurred.

ST. NICHOLAS ROMAN CATHOLIC CHURCH, JERSEY CITY, CELEBRATES 100TH ANNIVERSARY YEAR

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. GUARINI. Mr. Speaker, one of the leading parishes of the Roman Catholic Church, in the district I represent, is celebrating its 100th anniversary this year, and its accomplishments are so outstanding that I would like to share this information for the edification of all concerned.

St. Nicholas Roman Catholic parish, located on Central Avenue and Ferry Street, Jersey City, known as the Hudson City section, was officially constituted 100 years ago yesterday, specifically February 26, 1886.

Msgr. Joseph C. Manz is pastor of St. Nicholas Church and is serving as its third pastor, succeeding Father Alois Auth, since July 1, 1967.

On that date, 100 years ago, 25 German-speaking families formed a nucleus of this new parish, which was fortunate to have as a builder of its foundation, Rev. Joseph N. Grieff, who was pastor of Holy Family parish in today's Union City, NJ. What became quickly apparent was the strong love for God, family, and country of these 25 families, who were led with tremendous pastoral zeal by Father Grieff.

Within 6 months, a church-school building, on the corner of Central Avenue and Ferry Street, was ready for service. Rev. John A. Weyland was appointed the first resident pastor of St. Nicholas parish on September 15, 1887. Within a few months, the parish plant was completed with the erection of the rectory and of the convent for the Sisters of Christian Charity, who were engaged to teach in the school.

The continued influx of German immigrants naturally fostered the growth of the St. Nicholas community so much that both the church

and the school proved to be too small. Since the burden of building both edifices could not be shouldered simultaneously, it was decided in the interests of Catholic education for the youth, to proceed first with the construction of the new school. This 12-classroom school was ready for occupancy in September 1895.

By this time, other immediate needs made themselves felt and demanded attention. The original church-school building was transformed in a fitting convent to accommodate the larger number of teaching nuns; a new parish house was built for the priests' residence and to provide space for parish offices; the spacious school hall became the temporary chapel.

It was not until the summer of 1905 that the cornerstone of the new church was finally set in place and blessed. After 3 years, including a prolonged suspension of operation due to a lack of funds, the majestic House of God was completed and dedicated on March 22, 1908.

The succeeding years witnessed the continued growth of the city and the simultaneous growth of the St. Nicholas community. The parish flourished under the direction of its pastor, Father Weyland. After almost 39 years of devoted service to the community of St. Nicholas, Father Weyland was called to his eternal reward on May 5, 1926, at the age of 73. A month later, on June 8, Rev. Alois Auth was assigned as the second pastor of St. Nicholas parish.

Since Father Weyland had completed the physical plant of his parish, Father Auth was able to concentrate his energies on the development of the school, which soon became his main charge. This personal interest in the school combined with untiring zeal and devotion produced results: St. Nicholas School achieved the distinction of being one of the outstanding schools in the city. This academic distinction was no less due to the self-sacrificing efforts of the Sisters of Christian Charity. Concrete proof of this excellence in achievement was this fact that, for a full quarter of a century, the graduates of St. Nicholas School, both the boys and the girls, were capturing the majority of the scholarships offered by the various Catholic high schools in the vicinity.

The formation of the school band, which matured into a senior band, helped St. Nicholas to extend itself beyond its parochial limits, for within a few years, it earned the reputation of being one of the finest in the State of New Jersey. The band took part in many church and civic events; it was even invited to participate in Macy's Thanksgiving Day Parade and in the St. Patrick's Day Parade, both in New York City. After 24 years of existence, the band disintegrated in 1950.

Other major projects that occupied the pastor of St. Nicholas parish in the early 1940's was the improvement of the Sister's convent and the complete renovation of the church. Besides redecorating the church, the entire sanctuary was refurnished: Beautiful marble altars replaced the former wooden ones. Eventually, a new and larger organ was installed and likewise a public address system was set up. The continued growth of the parish created a need for more priests, which in turn necessitated the enlargement of the rectory to accommodate the additional priests.

In late October 1951, due to the constantly increasing enrollment and pressing need for more classrooms, the pastor, though past 70 years of age, embarked on a new building program. The cornerstone for the new 12-room school annex was set in place in 1952. The call for more teaching Sisters occasioned the simultaneous erection of a 3-story convent annex. Both these buildings were ready for occupation and use in September 1952. The school enrollment reached its peak—1,357 pupils—during the school year of 1963–64.

Having served St. Nicholas parish as its pastor for 41 years, Father Auth, now 88 years of age, decided to retire from active duty on June 30, 1967. Father Auth spent almost 2 years in quiet retirement; he died on May 30, 1969, at the age of 90.

Three of Father Auth's assistant priests deserve mention because of the length of their services in St. Nicholas parish, namely: Father Peter T. Werne, Father George Belger, and Father Albert Stegle. All these three zealous priests have long since departed from this world.

On July 1, 1967, the day after Father Auth's resignation as pastor, Monsignor Manz was assigned as pastor and he is still functioning in this capacity. Very well prepared and rich in experiences, gained in his previous 27 years of service, mostly as an administrator, Monsignor Manz was the right choice to head the St. Nicholas community. He immediately set about making extensive repairs and improvements mainly in the old school as well as on the exterior of the church. Probably the most significant item in this area was covering all the stained glass windows, including the magnificent 18-foot rose window of St Nicholas over the choir loft, with protective weather glass.

As all things human and material undergo changes, so the parish of St. Nicholas showed changed with the passage of time. The outward appearance reflected a drastic change, ethnically speaking. Founded officially as a German parish, its membership was no longer German, since most of the German-speaking parishioners either died or moved to other parts of the city or to the suburbs. Due to the influx of a large number of Italian-speaking families into the area, a Sunday mass for the Italians was introduced in 1971. A like arrangement was made in 1979 to accommodate a similar wave of Spanish-speaking peoples from the Philippines, Puerto Rico, and Central and South America.

In preparation for the centennial celebration of St. Nicholas parish in 1986, the interior of the church was repainted, the main altar, as well as the pews were replaced, the sanctuary proper was enlarged with a corresponding reduction in the size of the body of the church, thus diminishing the seating capacity from 850 to 750 seats; the entire floor space, except that occupied by the pews, is now carpeted. All this work was duly completed in time for the actual celebration of the hundredth year, 1985–86.

The official celebration was begun on Sunday, March 3, 1985, with a mass concelebrated by Archbishop Peter L. Gerety, and a goodly number of fellow-priests. The calendar of additional centennial events will feature the following items:

October 12, 1985: Mass followed by a reception and dinner for all the Sisters who had taught at St. Nicholas School and also for the young ladies of this parish who had entered the Religious Life;

October 20, 1985: Mass for all present and former parishioners, followed by a reception;

February 7, 1986: The school children's contribution to the centennial celebration in the form of a play;

February 26, 1986: The actual centennial day of the founding of the parish: Mass by Monsignor Manz, the pastor, followed by a reception.

April 26, 1986: Dinner-dance at Meadowlands-Hilton in Secaucus, NJ.

St. Nicholas parish has been singularly fortunate and blessed in having had only three pastors in the span of 100 years. The parish plant in its entirety is a credit and a monument to the faith and loyalty of all the parishioners of St. Nicholas, as well as to all the priests who served them so devotedly. The parish is well founded and its stability augurs well for the next hundred years and more. May the benevolence of God continue to reign over this portion of His Kingdom.

During his visit in America, at Battery Park on October 3, 1979, His Holiness Pope John Paul II said:

> It greatly honors your country and its citizens that on this foundation of liberty you have built a nation where the dignity of every human person is to be respected, where a religious sense and a strong family structure are fostered, where duty and honest work are held in high esteem, where generosity and hospitality are no idle words, and where the right to religious liberty is deeply rooted in your history.

These words indeed echo the history of St. Nicholas parish and pay tribute to its glorious 100 years of service to God and man. I am certain that my colleagues share my pride and best wishes to all the parishioners, nuns, and priests of this great parish.

OLDER AMERICANS MONTH

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. McCOLLUM. Mr. Speaker, today I had the honor of introducing a resolution with 100 of my colleagues as original cosponsors calling on President Reagan to declare May of this year as "Older Americans Month."

This resolution expresses our gratitude and appreciation to all of the senior Americans who have given so much to make our country great. Older Americans are our country's most vital reservoir of knowledge and experience. None of us has to look very far to see how much our senior citizens have done for our country—and continue to do. They have developed a strong working relationship with the Federal Government as well as an interest in the issues that affect their neighbors and themselves. Through their active involvement in the political process Congress is able to better understand the special concerns of

older Americans and pinpoint the best ways to meet them.

This measure calls on the President to make the official designation and asks citizens to plan special activities to commemorate the month-long observance. It is a great honor to be part of this observance which means so much to our Nation's older Americans.

AMERICAN HEART MONTH

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. RANGEL. Mr. Speaker, the importance of proper nutrition to safeguard the health of Americans has never received as much attention as it has recently. Even as February 1986 is proclaimed American Heart Month by the President and Congress, the Nation is being characterized as a kind of nutritional battlefield with old dogmas and new theories competing. Sometimes scientists themselves are deadlocked. For example, just last year the National Academy of Sciences, which is charged with periodically reviewing national diet guidelines, reportedly failed to issue recommended dietary allowances for vitamins and nutrients. The reason for this first ever precedent in over 40 years of reporting: "Scientific differences of opinion."

There are solid rocks around which these eddies flow. For example, U.S. News & World Report, in its January 20, 1986, issue, declared that the key controversy surrounding heart disease, the Nation's No. 1 killer and a subject of great interest to us this month, centers on the role of fat and cholesterol in foods. "Leading the attack on high-fat foods," said the magazine, "is the American Heart Association, which recommends that people dramatically cut back their consumption of fat from the current 40 percent of total calories to 30 percent. It also advises no more than two eggs a week. In 1984, a consensus panel of experts at the National Institutes of Health endorsed these dietary guidelines."

It is true that many scientists are examining these guidelines against genetic variability. This does not undermine the guidelines, according to U.S. News & World Report:

But to many health leaders, the Heart Association's guidelines remain good for everybody * * *. Over the past 15 years, heart-disease rates declined 28 percent. The key, say doctors, is for people to understand their own risks. While heredity plays a role, tests can help determine a person's susceptibility to the ill effects of salt, cholesterol and fats.

At this point, Mr. Speaker, the question is how are susceptible members of the public going to be able to make market decisions in their own interest? Dr. Virgil Brown of Mount Sinai School of Medicine in New York City and the chairman of AHA's Nutrition Committee gave this advice when he testified on S. 1669 before the Senate Committee on Labor and Human Resources last October:

Labeling of foods is strongly advocated so that the public can more easily choose food of the desired composition. Many people desire to alter their eating habits but have insufficient knowledge of the composition of the food to help them accomplish the change.

Dr. Brown said such labeling should include—

The specific common or usual name of each fat or oil, the total fat, type of fat (saturated, monounsaturated and polyunsaturated), cholesterol and caloric content in relation to a well-defined serving measurement.

However guidelines may change, members of the public will need this information to protect themselves against the ravages of heart disease.

I urge my colleagues to support nutrition labeling legislation, H.R. 3751, which I have introduced. When passed, this legislation will allow consumers to make informed decisions on food purchases through accurate and specific labeling.

PRESIDENT'S BUDGET AND FEDERALLY EMPLOYED WOMEN

HON. SALA BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mrs. BURTON of California. Mr. Speaker, I would like to bring the following item to the attention of my colleagues. It outlines the potential effects of the President's budget on female Federal employees.

[From the Washington Post, Feb. 27, 1986]

CUTS UNFAIR TO WOMEN?

(By Mike Causey)

Women, who make up 41 percent of the federal government's work force, would be hit especially hard by President Reagan's proposed budget, the organization Federally Employed Women contends.

Because women are concentrated in the government's eight lowest pay grades, FEW President Marie Argana said, they would suffer the most from White House proposals to limit federal pay raises to 3 percent during each of the next three years.

In addition, Argana said, the plan to reduce future cost-of-living adjustments for federal retirees would place many women who are on federal pensions below the poverty level. Argana said the average federal pension for women is $8,000 a year, compared with more than $12,000 a year for male retirees.

The president is proposing to skip the 1987 raise that is due retirees (just as the 1986 increase was frozen by the Gramm-Rudman-Hollings amendment to the Deficit Reduction Act), and to limit future retiree raises to 2 percentage points below the actual rise in inflation.

The FEW president said the budget, which calls for job cuts in most nondefense agencies, could mean layoffs for many women. Argana said women who have recently been promoted to middle- and upper-level jobs are "vulnerable to being riffed [fired or demoted] first. Furthermore, many of the job categories where women predominate are functions that the government is contracting out to the private sector."

DISPUTES BETWEEN THE HOPI AND NAVAJO TRIBES

HON. JOHN McCAIN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. McCAIN. Mr. Speaker, today, Chairman MORRIS UDALL and I introduced a proposal in an effort to stimulate discussions and facilitate negotiations designed to resolve, in a comprehensive manner, many of the disputes between the Hopi, and Navajo Tribes.

In the 1880's, the Federal Government made decisions which had an impact on both tribes, without fully consulting them, nor anticipating the long-term results. Similar decisions were made in the 1930's. As a result, the Hopi tribal reservation became totally surrounded by the Navajo Reservation, and hundreds of thousands of acres became disputed lands as to ownership and control. This area came to be known as the Joint Use Area [JUA].

The tribes have struggled on the land, in the courts, and in the Congress to resolve the disputes. Congress attempted to solve the problem through the Navajo and Hopi Resettlement Act of 1974. The basis of this act was the empowering of a Federal commission to relocate those families, through monetary and housing inducements, that were on the wrong side of a court-partitioned boundary in the JUA, forming the Hopi partitioned lands [HPL] and the Navajo partitioned lands [NPL]. For many reasons, the efforts at relocation have not been successful, and it is apparent that hundreds of Navajo families will not be relocated by this July, the legislated completion date.

Chairman UDALL and I are proposing a comprehensive exchange of lands and minerals receipts, along with the dismissal of outstanding lawsuits between the tribes to settle the longstanding dispute. I believe Congress and the tribes should take a look at this proposal and determine if the current relocation policy can or should be changed.

I have joined Chairman UDALL in this proposal in the hope that discussion and negotiations will ensue, resulting in a just settlement that will alleviate the human suffering existent on both sides. It is my fervent hope that both tribes, and all parties concerned, will examine this legislation in that light.

NATIONAL PARKINSON'S DISEASE AWARENESS MONTH

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. BIAGGI. Mr. Speaker, I wish to bring to the attention of my colleagues a disease about which little is known but is crippling an estimated 1.5 million elderly Americans. One out of every 100 Americans over the age of 60 suffer from Parkinson's disease, a devastating neurological disorder that affects the center of the brain which controls movement.

Unfortunately, Parkinson's is a relatively unknown and often misunderstood affliction. To this end, I am introducing legislation, along with my good friend and colleague, Mr. PEPPER, to designate April 1, 1986, as "National Parkinson's Disease Awareness Month." It is my hope that national recognition of this disease, and the efforts of all those engaged in the fight to understand both the causes and treatments of Parkinson's, will increase public awareness and understanding of this disease and ensure that the needs of Parkinson's victims and their families are effectively addressed.

Parkinson's disease can render its victims virtually helpless. In advanced stages, Parkinson's disease may cause the patient to encounter serious difficulties doing the most basic of chores such as eating. These difficulties pose a tremendous challenge to those who must manage, treat, and assist victims of Parkinson's disease. Perhaps the greatest tragedy of Parkinson's is in the way it affects the family. The presence of a Parkinson's victim in a family can be overwhelming; and the need for strong family support services is vital to both victims and their families.

At this time, I wish to recognize the many all-volunteer Parkinson's support groups across America. They have been instrumental in working for the amelioration of Parkinsonism, and have been devoted to assisting Parkinson's patients and their families cope with this illness. It is through their efforts and support that hope continues to burn brightly for the millions of families affected by Parkinson's disease.

It is altogether fitting that such a commemoration take place and that it receives the full support of all Members of Congress. For the benefit of my colleagues, I am inserting the full text of the resolution in the RECORD.

THE BAY OF PIGS AND VIETNAM ALL OVER AGAIN?

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. EDWARDS of California. Mr. Speaker, as we prepare to consider President Reagan's request for $100 million for aid to the Nicaraguan Contras, we are forced to consider some very difficult questions. While examining these questions, we must take a hard look at history, and we must take a hard look at the present.

In looking at the recent past, there exist two obvious examples of disaster brought about by a parochial foreign policy. To some, the Cuban experience, and the Vietnam war are old arguments against the Reagan administration's requests for military aid for the Contras. These arguments may be old, but they have lost none of their validity.

In looking at the present, what exactly is our understanding of the inclinations of the citizens of Nicaragua? Mr. Speaker, I assert that the desire of Nicaraguans to preserve their independence, sovereignty, and freedom of choice, through their own process, is a fact that has not been grasped by the Reagan administration.

Aggravating this situation is the failure of the United States to support the Contadora peace effort. While seemingly doing everything in its power to undermine the work of the four Latin American countries which comprise the Contadora Group, and the four democracies which make up the Support Group, the United States has consistently opposed renewal of direct negotiations with Nicaragua.

Mr. Speaker, in light of the failure of the United States to fully comprehend the nationalism of the Nicaraguan people, I would like to share with my colleagues, a well written and hard hitting essay that examines precisely this inadequacy.

The essay, which is titled, "The Bay of Pigs and Vietnam All Over Again?" was written by Michael Robins. In this piece Mr. Robins recounts the experiences of Nicaraguan citizens, with whom he met in Nicaragua.

The text follows:

THE BAY OF PIGS AND VIETNAM ALL OVER AGAIN?

(By Michael Robins)

Twenty-five years ago President John F. Kennedy's underestimation of popular support for the Cuban Revolution led directly to the fiasco known as the "Bay of Pigs." His miscalculations on Vietnam were even more costly. Today, President Reagan's escalating war in Nicaragua threatens to replay those ignominious chapters of American history.

During a recent two-week visit to Nicaragua, I found that all of the citizens I spoke with—in Managua, Esteli, Condega, and Masachapa—viewed the FDN, the main contra group, as a mercenary invading force made up of former Somoza National Guard. Even those who oppose the Sandinistas viewed the contras as the instrument of U.S. imperialism. Having spent six months in Nicaragua over the last two years, it is clear to me that the vast majority of Nicaraguans recall that the United States supported 46 years of the Somoza dynasty, and therefore they are reluctant to believe that the "gringos" could today have the Nicaraguan people's best interests at heart.

"Look," one shop owner told me, "I don't like the Sandinistas. They are lousy administrators and want too much control of importing and exporting. But I will never support the contras. Look at their methods: killing innocent people, burning crops and buildings, stealing like a bunch of bandits."

A middle-aged woman, once an active supporter of the Sandinista party, today criticizes the government for too much bureaucracy, abuse of privileges, and poor economic planning. Yet what if the contra forces show up in the foothills near her small town? "I will pick up my gun like every other patriotic Nicaraguan and protect our sovereignty—to the end. This is our process."

Given such sentiment and the fact that 63 percent of the population voted for the Sandinistas in the November 1984 election, the majority of Nicaraguans appear quite disposed to protect their independence from outside aggression. This sense of nationalism—which is obvious to most of the 40,000 U.S. citizens who have visited Nicaragua since the 1979 revolution—is a fact that seems to have escaped administration policymakers.

How is it possible—in the 1960s in Cuba and Vietnam, and now in Nicaragua—that the most sophisticated and experienced intelligence gathering agencies, military analysts, and foreign policy bureacracy cannot accurately determine the political climate of a revolutionary country? Are US policymakers blinded by their own preconceptions and values? Why cannot they accurately gauge the subjective view of people in other cultures? Has anti-communism and its by-product, crisis mentality so skewed the policy apparatus that it cannot evaluate hard data?

Policymakers have assumed that, because the Sandinista regime looks to them Marxist-Leninist, the Nicaraguan people must be anxiously waiting to throw off their Sandinista oppressors. Never mind that, to many Nicaraguans, the mixed economy, the preponderance of private property, the participation of priests in the government, and the existence of diverse political parties do not add up to the Marxist-Leninist picture Administration officials paint.

A number of vital facts get overlooked in this mode of reasoning. The Nicaraguan peasant who received land, health care, literacy training, greater access to credit, and technical assistance under the Sandinista regime is not likely to want to return to the past. The Nicaraguan worker whose barrio today has electricity and running water, whose wages increase with inflation, who is involved in a labor union for the first time, and whose children have access to education at every level is likely to defend the Nicaraguan revolution. While such persons do not make up all of Nicaragua's population, they do form the vast majority.

The inability to take off the blinders of virulent anti-communism and reckon with the participants' view resulted in misreading the Cuban people in 1961. In Vietnam, it resulted in the useless death of more than 50,000 young North American men and as many as two million Vietnamese. Policymakers appear once again unable to accept the reality of popular support for the forces of change and revolution.

Elliot Abrams, the Assistant Secretary of State for Inter-American Affairs, said on December 31 that if Congress does not authorize greater support to the contra forces, only two other policy options will remain: "You can use American military force . . . or you can surrender."

Is this simply political blackmail aimed at whipping up congressional support for the contras? Or is it in fact true that the only other option being considered, outside of supporting an unpopular gang of contra hoodlums, is a direct invasion that is doomed to fail precisely because it will confront the overwhelming opposition of the Nicaraguan people?

Perhaps more to the point: What does "surrender" really mean? Does it mean normalizing relations with the Sandinistas before they are irretrievably dependent on Cuban and Soviet support? Does it mean allowing an independent, sovereign nation to exist in this hemisphere? Does "surrender" mean permitting the Nicaraguan people to be the masters of their own destiny?

Mr. Abrams and his colleagues should forge a sane policy toward Nicaragua, based on an accurate picture of the Nicaraguan reality, not on the wish-fulfillment of strong anti-communism. And they should forge this policy now, before we commit ourselves to the Nicaraguan "Bay of Pigs."

BLACK HISTORY MONTH

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mrs. JOHNSON. Mr. Speaker, in these, the closing days of Black History Month, I think it is important to recall the fact that the history of blacks in the United States of America is the history of the United States of America.

From the beginning, the experience of this country and its black sons and daughters have been coterminous. I would hope, in the final hours of our official celebration of a common heritage, that it has fostered a greater appreciation of the contributions of talented and committed Americans, from the country's inception to the present day.

In Groton, CT, there is a memorial plaque to the bravery of Jordon Freeman, a Revolutionary War patriot who died while fighting for the new Nation's freedom—and his own—as he was a slave. He was killed after he lanced a British officer, Maj. William Montgomery, at the battle of Groton Heights.

I mention Jordon Freeman, because I know that his story and that of his contemporaries, the 5,000 black Revolutionary War patriots, is not well known. There are no national monuments to the service of blacks in the Continental Army and State militias. There is but one monument to a black in the entire city of Washington: To Mary McLeod Bethune in Lincoln Park. While all of us recognize the patriotism of individuals such as Jordan Freeman during Black History Month, we have yet to include his story in regular school curricula.

Blacks are part of the American mainstream. Their story is as dynamic and as integral as that of the Pilgrims, the immigrants who passed through Ellis Island, native Americans—the amalgam of cultures that make up American society. I am proud to join my colleagues in commemoration of Black History Month, and I look forward to the time when the goals of this month of special recognition will be maintained throughout the year.

UNDERSTANDING THE OPPOSITION

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. GARCIA. Mr. Speaker, on Tuesday, the 27th Party Congress began in the Soviet Union. I have come upon three good articles on Mr. Gorbachev and the future of the Soviet Union this past week.

One appeared in last Sunday's Washington Post, it was by Dimitri Simes, a Russian emigre and scholar. Another appeared in the March 3 edition of U.S. News & World Report. It was by Seweryn Bialer, a distinguished Russian scholar teaching at Columbia University. The third was in today's New York Times. It was by journalist and foreign affairs expert, Flora Lewis.

I believe that the more we know about the Soviet Union, the better we will be able to deal with them. I hope my colleagues find these three analyses useful.

The articles follow:

[From the Washington Post, Feb. 23, 1986]

WHAT'S SO GREAT ABOUT GORBACHEV?
NOTHING—YET

(By Dimitri K. Simes)

The applause for Mikhail Gorbachev this week will be so loud that observers may overlook the fact that the new Soviet leader's performance, thus far, has been quite modest.

At the 27th Communist Party congress that opens in Moscow on Tuesday, Gorbachev will declare that, despite serious difficulties at home and abroad, things are getting better. He will make innovative-sounding proposals on domestic and foreign policy. The party faithful will voice resounding approval for his leadership.

Gorbachev watchers in the West probably will be only slightly less restrained in their praise for the new Soviet leader. Commentators will credit Gorbachev for his bold policies, compare his reformist ideas to those of the late Nikita Khrushchev and warn that the Soviet party chief poses a vigorous new challenge to the United States, both as a partner and a rival.

But Gorbachev's performance doesn't yet merit this chorus of congratulation. For there is less to the general secretary's international momentum than meets the eye.

Gorbachev's successes thus far mostly have been in two limited areas: personnel and public relations. He has proved adept at both, placing his supporters in key positions and presenting a fresh young face to the Soviet and Western publics. But these are largely procedural accomplishments, triumphs of style and political cunning rather than substantive policy.

Beneath the public-relations veneer, Gorbachev faces the same problems that troubled his predecessors: a feeble economy, a fraying empire, a restless population. These problems haven't improved since Gorbachev's accession to power, and in some cases they have gotten worse. More important, Gorbachev hasn't shown any willingness to consider the fundamental changes that might improve the Soviet position.

Consider Gorbachev's paltry record:

The Soviet economy, rather than improving under Gorbachev's supposedly dynamic leadership, remained sluggish last year and in some important areas actually declined. National income rose 3.1 percent, a slight gain over 1984 but less than the average annual increase of 3.2 percent over the last five years under Brezhnev, Andropov and Chernenko.

Soviet foreign policy under Gorbachev has produced much noise but little benefit for Moscow. U.S.-Soviet dialogue, resumed by his predecessor Konstantin Chernenko, hasn't borne any fruit other than a get-acquainted summit. President Reagan's commitment to the Strategic Defense Initiative appears unshakeable. Attempts to build separate bridges to the West Europeans at the expense of NATO cohesion haven't gone very far. The Chinese and the Japanese remain suspicious of Soviet overtures. The situation in Eastern Europe is under control for the moment, but the potential for turmoil is as great as ever. And in the Third World, the Soviets are confronted by U.S.-backed counterinsurgencies against some of their clients, which raise the costs of Soviet empire.

Gorbachev, the supposed innovator, in fact appears to suffer from the same insecurities, anxieties and rigidities that have hindered Soviet foreign and domestic policy for decades. At a time when the Soviet economy cries out for basic reforms, he appears wary of tampering with the system of state socialism created by Stalin. Abroad, he continues to depend on the same motley array of clients: Angola, Ethiopia, South Yemen, Vietnam, Cuba, Nicaragua.

The weakness of Gorbachev's performance is masked by his public-relations skill. The general secretary is now routinely described as a great communicator. British Prime Minister Margaret Thatcher said that she could conduct business with him. And after the Geneva summit, President Ronald Reagan publicly vouches for "the sincerity" of the Soviet leader and later expressed thanks for his arms-control package, which one administration official described as "breathtaking."

But spectacular imagery is not a substitute for cutting through the web of foreign and domestic problems in which Moscow has become increasingly entangled during the last ten years. And with the exception of nuclear arms control, Gorbachev hasn't given a hint of any intent to reform the familiar Soviet world outlook.

Because Gorbachev made so few changes in Soviet policy, outside the arms-control arena, during his first year in power, one must look to his team of advisers for clues about his intentions. For if the new general secretary is quietly masterminding a shift in Soviet international conduct, he should already be putting in place a cadre of like-minded associates.

But the Gorbachev team is far from innovative. His appointees are younger and more public-relations oriented, but they have shown little desire to break with the established pattern of Soviet international behavior.

Gorbachev's chief political deputy is the tough provincial secretary from Tomsk, Yegor P. Ligachev, 65. A protege of the late Mikhail Suslov, for decades the protector of Communist orthodoxy, Ligachev has already impressed the foreign communists who have encountered him as a hard-nosed ideologue, suspicious of change.

Addressing the Cuban Communist Party congress several weeks ago, Ligachev emphasized the continuity in Soviet policy under Gorbachev: "I would like to stress that all our plans, perspectives and tasks are based on the accomplishments of our society during all the years of the Soviet authority." That doesn't signal enthusiasm for major domestic reforms.

As his new foreign minister, Gorbachev picked Eduard A. Shevardnadze, 57. Like Ligachev, he lacked any international background when he took office. A former police chief and party functionary from the southern republic of Georgia, Shevardnadze appeared to be a risk-taker and relatively open to new ideas, by the standards of the Soviet bureaucracy. But his inexperience, his background as a problem-solver rather than a conceptualizer and his well-documented tendency to defer to Politburo heavyweights may prove to be a problem.

Lower-level appointments confirm this pattern of new faces but old policies. For example, Anatoly Chernyaev has replaced Andrei Aleksandrov, who has served as foreign-policy assistant to every general secretary from Brezhnev on. This change was touted as a breath of fresh air, since Chernyaev, trained as a European historian, had been popular among Moscow's liberal intel-

lectuals, who found him unusually broad-minded and easygoing for a party official.

But old friends have noticed that as Chernyaev rose through the hierarchy, his views gradually became more orthodox. They say that he would enthusiastically praise the human qualities and intellectual faculties of the stolid Leonid Brezhnev, for whom he sometimes wrote speeches.

Another aide who has Gorbachev's ear on international matters is the chief of the Central Committee's propaganda department, Aleksandr N. Yakovlev. Since he served as ambassador to Canada and is described as an Andropov protege, Yakovlev is regarded by some analysts as an innovator who understands the West. But several of Yakovlev's former subordinates at the Institute of World Economy and International Relations, where he worked before moving to the propaganda job, describe Yakovlev as an ideologue who—despite his stint in Ottawa—has a simplistic, dogmatic view of democratic societies.

Gorbachev's own public-relations savvy also has some striking limitations. U.S. officials who dealt with him in Moscow and Geneva complained about the rigidity and nearly arrogant self-confidence with which the Soviet leader would lecture Americans about their own country.

In an October interview with French television, Gorbachev asked rhetorically what would happen if workers were allowed for even half a year into Western parliaments. The question was particularly inappropriate in France, where the Socialists are in power and where dozens of Communist deputies sit in the National Assembly.

In that interview, Gorbachev claimed that nowhere else do Jews enjoy the same rights as in the Soviet Union. And in an interview early this month with the French newspaper "L'Humanite," the general secretary declared that Soviet-style censorship "exists in one form or another, in every country." He also explained that "Stalinism is a concept thought up by the enemies of Communism and widely used to discredit the Soviet Union and socialism as a whole."

This assertive parochialism is coupled with a burning desire to enhance his country's superpower status. At the April 1985 Central Committee Plenum, Gorbachev implied that one urgent reason for improving the Soviet economy was the danger of losing ground in the international competition. Fedor Burlatsky, a distingushed Soviet political commentator and a former Central Committee aide with links to Gorbachev, made the point particularly bluntly: "We have to think about the future. . . . Either we will be able to ride on it, to rule it, or other peoples and states will begin to pass us and to push us around. . . ."

Gorbachev obviously suffers from his inexperience. He made a costly gaffe at a joint press conference with French president Francois Mitterand during his autumn visit to France, when he left his host no alternative but to repudiate the Soviet proposal regarding separate talks with Paris and London on intermediate-range nuclear forces in Europe.

At the same event, the general secretary also managed to offend the Dutch, who were about to make a crucial decision on deploying American cruise missiles. He answered a Dutch correspondent's question regarding the number of SS-20 missiles with a patronizing: "Your government has been informed of our proposals. That is enough for the Netherlands."

Gorbachev's offer to separate the issue of intermediate-range nuclear systems from progress on the Strategic Defense Initiative was also clumsily presented. Moscow claimed that an agreement would require Britain and France to forego the planned modernization of their obsolete nuclear arsenals. Since Paris will surely refuse this demand, European arms-control advocates will have to blame the likely deadlock on France rather than the United States. No wonder some Reagan administration officials were openly relieved.

These incidents remind us that an excessive self-confidence may be dangerous. As one Soviet official with access to Gorbachev observed: "The general secretary is a very smart man. You start a sentence in his presence and he finishes it up for you. The only problem is that sometimes he finishes it up wrong. And few would dare to correct him."

Gorbachev's openness toward the United States may also have backfired, since it has eased the pressure on the Reagan administration to offer real concessions to the Soviets. The very fact of the Geneva summit—with its images of Reagan and Gorbachev smiling at each other—inevitaby created an impression in the United States that Reagan's hard-line policy toward Moscow had worked and forced the Soviets back into serious arms negotiations.

In Western Europe, the opportunities for Soviet public diplomacy are greater. Unfortunately for Gorbachev, he came to power three years too late. If the Soviets had displayed half of his flexibility on intermediate-range nuclear weapons before the first American missiles were deployed, European public opinion would be rallying massively behind his initiatives.

But the missiles are being installed without much trouble. Reagan has become more sensitive to allied perspectives on East-West diplomacy and there is no sense of urgency in Europe to cut a deal with Gorbachev. Moscow's continuing heavy-handed treatment of West Germany mars the Soviet image in Western Europe as well.

The Kremlin hasn't been much more successful in the Far East. Shevardnadze's January trip to Tokyo revived Soviet-Japanese dialogue, but accomplished little else. The Chinese, despite sweet approaches from the Soviets, have refused to consider a non-aggression pact as long as Moscow continues its intervention in Afghanistan, supports the Vietnamese occupation of Kampuchea and remains unwilling to reduce its forces on the Sino-Soviet border.

In Eastern Europe, where Gorbachev's appointment was received with hope, he has also encountered difficulties. Moscow is trying to put the East Europeans on a shorter political leash. But it also wants to stop subsidizing them. Indeed the Soviets want the East Europeans to contribute to Soviet economic development. To stay afloat, however, the East Europeans need a combination of domestic economic reforms and cooperation with the West—precisely what the Kremlin finds undesirable.

These foreign problems are all compounded by the weakness of the Soviet economy, which advertises the failings of the Soviet system and forces painful political decisions about how to allocate scarce resources.

The economic crisis may even be getting worse. Economist Jan Vanous explains in the latest issue of his newsletter PlanEcon Report: "Contrary to the general impression conveyed throughout 1985 in the Soviet economic press and emphasized by Western media, Soviet economic growth did not accelerate in response to the more dynamic leadership of Gorbachev and his program of improved economic discipline."

Vanous adds that according to his own estimates of Soviet production during 1985, it's possible that "Gorbachev presided over the second-slowest growth in post World War II Soviet economic history."

Because the Soviet model of development has lost nearly all its worldwide appeal, Gorbachev's foreign policy will continue to be based on bayonets. Smiling at the same time won't provide a long-term solution.

That Gorbachev cannot walk on water is no reason for complacency in Washington. Even under his inept predecessors, the Soviet superpower had a major impact on the world. But the Reagan administration until recently could be confident that Washington's diplomatic blunders would be more than matched by Moscow. The free ride is over. Gorbachev demonstrated his skill at public diplomacy most recently by accepting the principle of on-site inspection—removing at a stroke the Reagan administration's most convenient excuse for avoiding arms control agreements.

The general secretary has the potential to grow on the job. Gorbachev still may not be sure how far, how fast and in which direction he will take the Soviet Union. At this early stage, dismissing the Soviet leader is as foolish as portraying him larger than life.

But Gorbachev will have to make tough decisions and major policy shifts before the current Soviet decline is reversed. The delegates at this week's Party congress in Moscow shouldn't hold their breath.

[From U.S. News & World Report, March 3, 1986]

ODDS WEIGH HEAVILY AGAINST REAL SUCCESS

(By Serveryn Bialer)

The Soviet Union is at one of the major crossroads of its history. On the eve of his party congress, Mikhail Gorbachev stands determined to reverse a long period of Soviet decline. It is a formidable mission.

Gorbachev has left no doubt of his resolve. In one of his definitive speeches, he put his task in these ambitious terms: "What is at stake today is the ability of the Soviet Union to enter the new millennium in a manner worthy of a great and prosperous power. . . . Without the hard work and complete dedication of each and every one, it is not even possible to preserve what has been achieved."

This 27th Soviet Communist Party Congress is a milestone. In some ways it will earn the label "historic" as the leadership suggests. Gorbachev will attempt to invigorate Russia, overcome domestic stagnation, reinstate Soviet status as a global power and regain the international initiative. Stacked with Gorbachev loyalists, the congress will predictably ratify his every initiative, creating in the process the image of a Soviet Union that is now on the move.

But the image may be, in large part, an illusion. Gorbachev's experience during his first year in office suggests that the odds weigh heavily against any real success. Confronted with the reality of a moribund and unyielding Soviet system, Gorbachev was, is and will be stymied at virtually every turn.

His struggle against socioeconomic stagnation—which, in turn, jeopardizes international and security goals—is weighed down by the full burden of Russian and Soviet tradition. The new General Secretary is himself a product of traditions that dictate the glaring limitations of his program. And, in his quest for revitalizing the country, the barriers tossed up by these traditions loom as his most powerful opponents.

Of the many problems facing Gorbachev the most intractable may be the insular views, deeply ingrained habits and lack of initiative of not only the peasant but also the worker, the manager, the bureaucrat, the high-level leader.

Brutalized and ostracized by Stalin, fragmented and isolated during the post-Stalin period, the peasantry is interested today only in its own survival—not in the grand scheme of Soviet society and destiny. A peasant's small private plot—and not the collective farm—is his world. If the successful Chisese experiment of reprivatization of the land were introduced in the U.S.S.R., it probably would fail for lack of peasant interst. The young and the bold leave the farms for the cities. The demographic structure of the village is weighted heavily in favor of old men, middle-age women and the very young.

The same lack of motivation afflicts the Soviet industrial working class. A society that venerates the worker has, ironically, unlearned how to work. It lacks work ethics—that essential and basic combination of duty and pride in work. There is reason to doubt that even greater material incentives would induce harder work.

A joke currently making the rounds in Moscow goes to the heart of the matter: A Japanese and a Soviet worker meet. The Japanese says: "Two hours of my working day I work for myself, 2 hours I work for my boss and 4 hours I work for the good of greater Japan." The Soviet answers: "I, too, work 2 hours for myself. But I have no boss, and why should I work for greater Japan?"

The habits of the Soviet managers will be very difficult to change. They were brought up and educated within the traditional—that is, centralized and Stalinist—Soviet economic system. They know how to cope with it, and they know how to exploit it. Most are rational men who have adjusted to a nonrational system where quality and economy are not top priorities and new technology is regarded as highly suspect. But unless this system drastically changes, the Soviet managerial pattern of behavior is not going to change. Increased worker productivity—so essential to reviving the Soviet economy—is going to remain the casualty.

The nature of the country's leadership is another obstacle to Gorbachev-style progress. While there has been a massive influx of new party and government leaders on all levels, there are not bold men bent on new adventures; the new leaders are, by and large, deputies of the old order. They are quick now to criticize the leaders they have succeeded. Yet if the system within which they, too, must work cannot be changed to fulfill their plans and ambitions, they inevitably will end up participating in the evils they now so roundly condemn: Rigged statistics, bribery, attempts to lower planned targets, rampant favoritism.

Gorbachev has moved faster and more decisively in consolidating his power than any previous leader in Soviet history. The challenge to his rule—or, rather, its effectiveness—comes not from the top leadership groups, where his voice is decisive, but from the inertia at the bottom and the swamp within the middle and lower leadership. The key slogans of the 27th party congress—that can be defined as "Throw the rascals out" and "Change the style of leadership"—will produce only short-term improvements.

Despite its domestic and international trouble, the Soviet Union remains an immensely powerful global force, although one whose strength is expressed primarily, if not exclusively, in military terms. Yet the Soviet Union is just as obviously on the defensive now.

Without dynamic and consistent growth on the home front, the Gorbachev team faces near certain failure in its efforts to assure Soviet dominance in the international arena. Barring any fundamental change in the Soviet system—even if the will to reform of the Gorbachev team persists—the country is unlikely to bridge the gap between itself and its adversaries in technology and economic-military potential.

Gorbachev will, in all probability, improve Soviet performance. But what he can do at most is set into motion the forces of change in a land that for decades has viewed change as the enemy.

[From the New York Times, Feb. 27, 1986]

GORBACHEV'S NEW OLD DIRECTION

Moscow.—There is a curious point-counter-point both to Mikhail Gorbachev's urgent demand for an overhaul of the Soviet economy and to the way his Communist Party is reacting.

Without any doubt, he really does seem to want to shake things up, move the country along, climb out of the doldrums. He talks about doubling practically everything by the year 2000, a year he can confidently expect to celebrate in power since he will have his 55th birthday on Sunday.

But his complaint about the stultified Brezhnev era rings true about his own regime so far. He told the 27th congress of the Soviet Communist Party yesterday that his predecessors had "a peculiar psychology, how to improve things without changing anything." That is the atmosphere of Moscow now.

Mr. Gorbachev followed the tradition of delivering a soporific all-day speech, divided in four parts. Two parts, about the economy and the party, sounded innovative, resounding with the new but not-yet-explained code words about "acceleration of socioeconomic development" and "scientific-technological progress." The other two parts, about the evils of capitalism and foreign policy, were full of all the old cliches.

Then the deputy chief of Gosplan, the state central planning agency, was sent to explain the economic ideas to foreign correspondents, and he sounded as completely wooden as ever. His idea of reform evidently went no further than replacing the manager of an enterprise that has failed, and then carrying on as before.

The fashionable official phase of the moment is "turning point." There is an energetic, rather new effort to convince everybody that this is really a historic moment, a watershed, a change in direction. And then the direction is described as doing more and better just what has been going on all the time until now.

Mr. Gorbachev is moving officials around, threatening sluggish workers with loss of their usually automatic bonuses, talking up a storm, but there is still no evidence of any readiness to change the way things are done, to give people any real incentive to show initiative, work hard, solve problems instead of finding someone else to blame.

The German Communist playwright Bertolt Brecht made a biting comment on the system he believed in during the workers' uprising in East Berlin in 1953. He said that "the Government has lost the confidence of the people, so it has to elect a new people." Somehow the same undertones echo in Moscow just now.

There is a tangible desire to modernize, to admit how many of the inevitable old boasts were empty and how few of the promises have been delivered on, but an equally tangible reluctance to say why or to do much about it. Seweryn Bialer, an astute American Sovietologist, has pointed out that the West should not confuse Mr. Gorbachev's ideas of reform with liberalization, and he is clearly right. Mr. Gorbachev wants to make the Soviet system work more efficiently, he doesn't want to improve it, because he evidently believes that it is fine as it is. If it doesn't work, it's the fault of the people who have been trying to work it, not the system itself, in his view.

There are some changes, vast compared with the Stalin era but noticeable even in comparison with a year or two ago. Moscow looks well and festive, dressed up for the party congress with sparkling snow, lots of red banners, bright and tastefully designed ornamental street lighting, and far fewer of the trite ideological banners and iconographic portraits than on past occasions. And the pictures are only of dead men, mostly Lenin, some Marx and Engels, but none of the current leaders.

People are much better dressed than they used to be. The long queues in the street are almost all in front of liquor stores now, since Mr. Gorbachev put harsh restrictions on sales and banished the usual vodka and cognac from official functions.

But these things aren't going to "accelerate the socioeconomic development" he talks about. He seems to have in mind a vibrant, productive society, but with its hands still tied and its mouth still gagged, with individuals there to serve the state and to accept what it chooses to give them, making no demands.

There is a sense of crossroads here, but it is just being approached, tentatively, cautiously. The decisive steps haven't been taken, don't even seem to be contemplated. So there is not the exhilaration of a real "turning point," just new faces, new words, same old habits.

PORTNOY HUMANITARIAN AWARD TO UNION'S JOHN J. DAVIS

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. RINALDO. Mr. Speaker, the Phil Portnoy Association will honor an outstanding business and community leader, John J. Davis, president and chief executive officer of the Union Center National Bank, with its annual Humanitarian Award on March 8.

Jack Davis is not only an astute banker and businessman, but his compassion and involvement in community fund raising activities has been an inspiration to others. Whether it is the Cancer Society Crusade, the Kiwanis Club, the United Way, or the Wheelchair Gallery project, Jack Davis has done more than his share to stimulate community interest and support.

Jack Davis attended the New York University School of Finance and since 1961 has served in various capacities in the banking business. He is a member of the American Bankers Association, the New Jersey Bankers

Association and the Community Bankers Association of New Jersey.

He is the chairman of the Business and Industry Committee for the Union County Unit of the American Cancer Society. In Union Township he serves as business fund raising chairman of the Wheelchair Gallery, Inc. and the capitol campaign chairman for the Boys and Girls Club. He is past president of the Union Township Kiwanis Club and the finance chairman of St. Margaret's Church in Morristown, NJ. Mr. Davis has previously served on the United Way of Eastern Union County, and on the board of directors of the Visiting Nurse Association of Morris County. He also has been active in numerous other charities and certainly is a most deserving recipient of this year's humanitarian award.

MEDICARE DISCHARGE APPEALS OPPORTUNITY ACT

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. GEJDENSON. Mr. Speaker, today I am introducing legislation to enable hospitalized Medicare beneficiaries to appeal discharge notices without placing themselves at financial risk. At present, peer review organizations have 3 working days to respond to even an expedited review request, but Medicare patients have only a 2-day grace period after receiving a notice of noncoverage.

Therefore, in order to get a review, patients must be able to assume financial responsibility for their hospital bill if they lose. Those who cannot afford to take that risk, are forced to leave the hospital and forfeit their right to a prompt review. The bill I am introducing today rectifies this inequity by requiring the PRO's to complete their review within the 2-day grace period.

The prospective payment system was designed to put pressure on hospitals to operate more efficiently, but evidence is mounting that some have responded by discharging Medicare patients prematurely. Not long ago, I heard of such a case from one of my constituents. Sitting in my office, she described her shock when a nurse walked into her hospital room last May, pulled the IV out of her arm and announced "You Don't Really Need To Be Here."

Hospitals are supposed to absorb the loss from those patients who are hospitalized longer than the average for their DRG, but the lack of a meaningful review opportunity makes it far too easy to shift those costs to the elderly ill. I urge my colleagues to support this vital Medicare reform.

ARTS CAUCUS WELCOMES PETER, PAUL, AND MARY

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. DOWNEY of New York. Mr. Speaker, this week the members of the Congressional Arts Caucus were honored to have as their guests the talented folk-singers Peter, Paul, amd Mary, who were celebrating their 25th anniversary.

Since their debut as a group at New York's Bitter End Club in 1961, Peter Yarrow, Noel ("Paul") Stookey, and Mary Travers have continued to articulate the major concerns of our time. Their first hit single, "If I Had a Hammer," reached the top 10, and brought folk music and social consciousness to the popular music mainstream. Well-remembered for their other hits—"Blowin' in the Wind," "Puff the Magic Dragon," and "Leavin' on a Jet Plane"—Peter, Paul, and Mary received three Grammy Awards, and although they have pursued solo careers since 1970, they often reunite to perform at benefits.

At the caucus general membership luncheon on February 25, each of the folk-singers commented on their music and its relationship to the concerns of our Nation. "It is the responsibility of the artist," stated Mary, "to articulate the questions of our time." Adding to her remarks, Paul stressed how important the imagination and visions are to society and noted that there is "no funding for the imagination—artists must discover it." "It is our common responsibility as artists to share in the American dream, to keep our Nation on course," concluded Peter. The group reminded the members of Woodie Guthrie's comment that civilization should always be funded by the arts. Their performance of "This Land Is Your Land" perfectly summarized these sentiments as well as their unparalleled 25-year career as a conscience for society.

"BILL OF HOPE" FOR AMERICA'S FARMERS

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. EVANS of Illinois. Mr. Speaker, the desperate economic conditions plaguing our Nation's farm belt have not subsided. They have gathered increasing speed, leaving in their wake bankruptcies of both farms and banks, shattered lives and, with alarming frequency, reports of suicides on our farms.

The farm bill signed into law by the President will in no way help to reverse this situation. Prices will continue to fall, along with the livelihood of a great number of Americans. Cuts mandated by Gramm-Rudman are crippling many of the programs and services that our farmers depend on. And what Gramm-Rudman won't do, the administration budget for fiscal year 1987 aspires to.

We cannot sit by and watch the most valuable sector of our country's economy wither away. That is why I have joined in introducing the "Bill of Hope" for our farmers. This measure will accomplish two very important things. It will give our farmers a fair price for their goods, so that these individuals may start to climb from under their mountains of debt. This income will also trigger renewed spending in our rural communities.

The "Bill of Hope" also meets the demands of the second-round cuts of Gramm-Rudman required of agriculture by saving our taxpayers and Federal Government approximately $1 billion. I urge you to do our farmers and our Federal budget a favor, and support this legislation.

TRIBUTE TO HAL BARKER UNIT 79 OF AMERICAN LEGION AUXILIARY

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. DORGAN of North Dakota. Mr. Speaker, an example of volunteers providing a community service occurred in Cando, ND. The members of the Hal Barker Unit 79 of the American Legion Auxiliary purchased two telephone emergency units to be placed in the homes of sick people who may need emergency help and would otherwise have no phone.

The Towner County Memorial Hospital will determine who will receive the telephone lines based on need. The aim is to provide emergency medical help if necessary, but encouraging sick or elderly patients to continue to live at home as long as possible.

I would like to commend the members of the Hal Barker Unit 79 of the American Legion Auxiliary for this progressive step in making medical help more readily available.

M.B. OGLESBY, THANKS

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. O'BRIEN. Mr. Speaker, let me take this occasion to express my personal thanks and gratitude to M.R. Oglesby, an Illinois native, who is leaving the White House staff to take up work in private enterprise.

"B" Oglesby has been more than conscientious in carrying out his duties as Asssitant to the President for Legislative Affairs. No issue was too big for "B." No concern too small for his prompt and courteous response.

"B" is well schooled in the ways and wiles of Washington. His experience with the State of Illinois Washington office taught him the importance of what many regard as the minutiae of government, all the tiny jots and titles that go together in a successful piece of legislation.

His service on Capitol Hill moved him up close to the legislative process where he promptly distinguished himself in the political pushing and tugging needed to move a bill through the congressional traps.

At the White House, "B" moved to the very pinnacle of legislative strategy when he replaced the legendary Max Friedersdorf last August and became the top legislative advisor to the President of the United States.

M.B. Oglesby, thanks—we wish you the best in the future.

HONORING M.B. OGLESBY

HON. EDWARD R. MADIGAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. MADIGAN. Mr. Speaker, I rise to inform my colleagues of the fact that a man who has been a very good friend to many of us in this Chamber has decided to take his leave of government service. I refer to my friend of over 20 years, M.B. Oglesby.

"B," as he is affectionately known to us, and I have worked together in government service since January 1967, both in Illinois and here in Washington. "B" came to government service from private industry at the urging of the speaker of the Illinois House of Representatives. Serving first as the speaker's administrative assistant, he later became the administrative assistant of then Governor Ogilvie, and in 1973, came to Washington to be the administrative assistant in my office. He later served on the staff of the Committee on Energy and Commerce, as a special assistant to President Ford, and is serving now in the White House with President Reagan.

In nearly 20 years of association with this man, I have never received anything from him but straight talk, and I know from conversations with other Members of the House that they have had that same experience.

The time comes in every public servant's life when he must think about leaving government service in order to proceed with other challenges. Many persons leave government service, and some are missed. "B" Oglesby will be among those who are missed by all of us. But I know that every Member of this Chamber joins me in expressing our hope that his new career will provide him with sufficient challenges and rewards equal to his many abilities.

REMEMBERING FATHER HARTKE

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. ADDABBO. Mr. Speaker, I would like to call to the attention of my colleagues the passing of a very special man in the Washington theater community, Rev. Gilbert V. Hartke.

For almost 50 years, Father Hartke was a guiding force behind the expansion of Washington theater. Father Hartke's influence in the world of the performing arts will remain with us for generations to come. As founder of the department of speech and drama at Catholic University, the Dominican priest built the school's drama program into one of the foremost community and regional theaters in the country. The National Players, a professional touring group of drama graduates created by Hartke in 1949, continues to entertain thousands of fans each year throughout the United States and abroad. The Hartke Theatre, Catholic University's 590-seat theater completed in 1970, represents another spectacular addition to the acting community due to Father Hartke's hard work and dedication.

As a mentor to almost 2,500 students, Father Hartke's everlasting contributions will never be forgotten. He never stopped encouraging aspiring actors to remain committed to the achievement of their goals. "Believe in your own creativity" were the words he preached to his drama students.

Father Hartke was a pioneer in the world of theatrics, who will be truly missed by all lovers of the performing arts. However, we must not forget that his enthusiastic love for drama will be carried on in the careers of those he taught and in the programs he established.

IMMEDIATE INCOME AND CREDIT RELIEF TO FARMERS

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. BEDELL. Mr. Speaker, I am today joined by my colleagues, Mr. DASCHLE, Mr. VOLKMER, Mr. ENGLISH, Mr. PENNY, Mr. GLICKMAN, Mr. EVANS of Illinois, Mr. DORGAN of North Dakota, Mr. SYNAR, Mr. MCCURDY, Mr. WILLIAMS, Mr. SIKORSKY, Mr. WATKINS, Mr. JONES of Oklahoma, Mr. ALEXANDER, and Mr. KASTENMEIER in introducing legislation designed to provide immediate income and credit relief to farmers.

The need to reduce Federal budget deficits—whether under Gramm-Rudman or some other formula—almost certainly will mean a further chipping away at the already illusory price support levels approved in the 1985 farm bill. The bill we are introducing today is meant to stand as a ready alternative to this anticipated erosion in farm support levels while recognizing the constraints on Government spending.

Our "bill of hope" proposes to restore profitability to agriculture, and offer needed debt rescheduling to deserving farmers, by increasing the loan rate on wheat and feed grains, assuring that wheat and feed grains are exported at competitive prices, allowing rural banks to amortize their losses over a 10-year period, and guaranteeing reduced-interest loans made by banks that agree to reduce a farmer's indebtedness.

We believe that this package can reverse agriculture's current plight while reducing Federal farm outlays for wheat and feed grains by nearly $1 billion from current levels.

Mr. Speaker, we urge all those who are interested in arresting the crisis in rural America to lend their support to this urgently needed and yet budget-conscious measure.

TRIBUTE TO JOSEPH ROOS

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. LEVINE of California. Mr. Speaker, it is with great pleasure that I pay tribute today to a man who is not only a friend, but an inspiration to people and the community he has served with distinction. His name is Joseph "Joe" Roos.

It was during his Chicago days in the 1940's, that Joe first distinguished himself. He edited the National Free Press, a newspaper which he described as "an educational campaign of enlightenment on the subject of Hitlerism." He didn't hesitate to "take on" the German-American Bund, the Nazis, the Silver Shirts, Father Coughlin, and the Ku Klux Klan. It was during his tenure that he uncovered the first attempt by the Nazis to engage in espionage in America. He was loaned by the paper to Army Intelligence to conduct the first official investigation of the Nazis in the United States.

He left Chicago and moved to Los Angeles, where he tracked the Nazis at the German House, the headquarters for the German-American Bund. In 1954, he began writing for the Heritage newspaper. For 35 years, Joe served as executive director of the Community Relations Committee in Los Angeles. In 1979, Joe's many achievements were recognized by his colleagues and he received the U.S.C. Distinguished Achievement Award, putting him in the same league as previous recipients like Walter Cronkite, Ralph McGill, Theodore White, Norman Cousins, and Dan Rather.

This year is a very special one for Joe and his wife Alvina. This year, Joe and Alvina will be celebrating their golden wedding anniversary. They are a very special couple with a very special relationship.

Mr. Speaker, I am honored to know this man, and I ask my colleagues to join me in paying tribute to him.

MACHINE TOOL PETITION FINDINGS 2 YEARS OLD TOMORROW

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mrs. JOHNSON. Mr. Speaker, tomorrow, February 28, marks a special anniversary for a hard working group of Americans on which the future of U.S. security relies.

It is not a happy occasion for these people, who are not in the military but make their contribution in industry. Rather, it is an embarrassing anniversary for this administration which has ignored a cabinet-level recommendation for 2 years.

The issue? Is our defense industrial base capable of meeting the wartime, or even peacetime, requirements of our military and economy? In the case of machine tools, the answer from the Commerce Department, backed by the Pentagon, has been an emphatic no.

But Cabinet debate of Commerce's detailed analysis of our foreign dependence on state-of-the-art cutting and shaping tools, a prime ingredient in building and maintaining our weapons systems and supplying our troops, and its proposed remedies has been unconscionably delayed, sidetracked, and bottled up by senior staff at key agencies.

While these hidden agenda bureaucrats have stymied top-level consideration of our Nation's ability to defend itself in the decades ahead, our dependence on machine tool im-

ports have doubled and reached as high as 80 percent in the most critical technologies.

Two years tomorrow, and nothing to show for it. What is Congress to think of such bald-faced obstructionism and neglect?

THE COMPREHENSIVE TEST BAN TREATY

HON. TOMMY ROBINSON

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. ROBINSON. Mr. Speaker, last evening, this House voted to approve House Joint Resolution 3, calling on the President to propose negotiations on a comprehensive test ban on nuclear weapons to the Soviet Union.

Unfortunately, I had an important meeting away from Capitol Hill which prevented me from recording my vote. If I had been present, I would have voted in favor of the rule; against the Hyde-Byron substitute; and in favor of final passage.

Passage of this legislation is the first step on the long road to arms control. I realize that I have a reputation as a "hawk," and I have voted for weapons such as the MX missile. I did so because this weapon fills a gap in our strategic forces that must be addressed in the short term. I support the Comprehensive Test Ban Treaty because it will prevent a third generation of sophisticated, and dangerously accurate nuclear weapons from being developed and deployed. We must draw the line here.

I am proud that this body has gone on record supporting this important arms control measure.

THE LONG-TERM CARE PATIENTS' BILL OF RIGHTS

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Ms. SNOWE. Mr. Speaker, in the CONGRESSIONAL RECORD of December 3, 1985, I announced my intention to introduce legislation to ensure protection of the rights of residents in long-term care facilities. Today I am introducing that bill, H.R. 4279, which requires development of a State plan to outline and enforce the rights of long-term care residents as a condition of receipt of Federal Medicaid funds.

It is well-documented that the institutionalized population in long-term care facilities is particularly vulnerable to many forms of abuse, ranging from direct physical and mental harm to unauthorized biochemical experimentation. Some regulations purport to protect institutionalized persons, but there is no existing statute that specifically guarantees the civil rights of long-term care residents. In the absence of a clear statement of congressional intent, it is uncertain whether Medicaid residents, who make up the bulk of the nursing home population, have the right to sue the facility in which they live for violation of their rights. This bill would give them that right, and would also prohibit discrimination against patients who are Medicaid recipients.

Each State would have the necessary flexibility to fashion its own plan for enumerating and enforcing the rights of long-term residents within the guidelines of this bill. Among the rights to be protected are:

The right of a resident to be informed about his or her medical condition and treatment;

The right to refuse to participate in drug experimentation;

The right to privacy during medical treatment and in personal visits;

The right to confidentiality of residents' records and personal communications;

The right to associate with persons and groups of their choice;

The right to freedom from physical and mental abuse, and from unreasonable restraint;

The right to personally manage the resident's financial affairs.

This legislation will protect persons who reside in long-term care facilities by affirming that their rights can neither be denied nor abridged because of their institutionalization. This legislation will ensure that residents of long-term care facilities have the same rights as the rest of us and that they will not surrender those rights to which they are entitled.

PLEASE HELP FIND LIVER FOR TERALYNN LANDIS

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 27, 1986

Mr. TRAFICANT. Mr. Speaker, I rise today to make a plea to my colleagues to assist in the effort to find a suitable liver for a young girl in my district who is in very dire need of a liver transplant.

Her name is Teralynn Landis and she is from Youngstown, OH. Teralynn is 3½ months old and weighs only 11 lbs. Teralynn has tyrosinemia, a disease which gradually poisons the liver. Pittsburgh University Hospital has agreed to perform the operation when a suitable donor can be arranged.

Teralynn is currently being treated at the Rainbow Babies and Children's Unit at University Hospital in Cleveland, OH. I am urging my colleagues to assist in finding a liver for Teralynn. Any information on a possible donor should be given to Beth Eden of University Hospital at 216/844-1500.

HOUSE OF REPRESENTATIVES—*Friday, February 28, 1986*

The House met at 11 a.m., and was called to order by the Speaker pro tempore [Mr. FOLEY].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
February 28, 1986.

I hereby designate the Honorable THOMAS S. FOLEY to act as Speaker pro tempore for today.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Reverend Charles Mallon, permanent deacon, Holy Family Church, Mitchellville, MD, offered the following prayer:

Happy is he whose fault is taken away, whose sin is covered. Happy the man to whom the Lord imputes not guilt, in whose spirit there is no guile.—Psalm 32: 1-2.

Father you are the God of all nations and all that is good comes from You.

We ask You to look upon the faith of this Nation and to count it as righteousness. Make us a great nation and let all the nations of the world find in us a blessing. Draw us into a brotherhood that reaches new solutions to the ancient problems that plague mankind.

We ask this through Jesus Christ our Lord, who lives and reigns with You, one God, world without end. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment joint resolutions of the House of the following titles:

H.J. Res. 409. Joint resolution to direct the President to issue a proclamation designating February 16, 1986, as "Lithuanian Independence Day"; and

H.J. Res. 499. Joint resolution designating the week beginning March 2, 1986, as "Women's History Week."

CAPT. WILLIAM J. (BUD) FLANAGAN, JR.

(Mr. NICHOLS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NICHOLS. Mr. Speaker, I would like to take this opportunity to express my sincere gratitude to a career Navy officer who has done an outstanding job during his tenure of 2 years as the principal deputy chief of legislative affairs for the Department of the Navy in the U.S. House of Representatives. I speak of our good friend, Capt. William J. (Bud) Flanagan, Jr.

In my years of service, here in Congress, I have had the pleasure to work with many fine officers of our Nation's proud services. Their dedicated service is a vital part of the communication that is imperative between the Department of Defense and Members of Congress for effective authorization and appropriation of funds to keep our Nation strong and secure.

During his 2 years of duty in Navy liaison, Captain Flanagan has represented his service and his country well, and has always been a good example of the type of highly capable and patriotic service personnel that is prevalent throughout our Department of the Navy and Department of Defense.

Captain Flanagan is also an avid outdoorsman, especially when it comes to hunting. He and I have spent many enjoyable hours together, and in this light we have formed a special friendship. While I could go on with a long list of personal accomplishments bestowed on Captain Flanagan during his lifetime—like being named one of the 10 most outstanding young men in America by the U.S. Jaycees—I will not, because his friends and peers know of his many achievements.

Bud, while your service will be missed in this House of Representatives, we know that you will do a fine job leading many of our Nation's young sailors on your new assignment as commander of Destroyer Squadron No. 5, homeported in San Diego, CA. Best wishes to you, my friend, and I will look forward to continuing to watch your career advancement in the Department of the Navy.

DESIGNATION OF HON. THOMAS S. FOLEY TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS UNTIL MARCH 4, 1986

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
February 28, 1986.

I hereby designate the Honorable THOMAS S. FOLEY to act as Speaker pro tempore to sign enrolled bills and joint resolutions until March 4, 1986.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the designation is agreed to.

There was no objection.

NEED TO MODIFY SEQUESTRATION ORDER UNDER GRAMM-RUDMAN FOR DAIRY

(Mr. JEFFORDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JEFFORDS. Mr. Speaker, it is unfortunate that I found it necessary to insist that the House be in session today. But it's worth noting that the other body is in session trying to accomplish what I was not allowed to try here yesterday.

I have no illusions about being allowed to do anything more today. But my desire to save tens of thousands of dairy farmers from unnecessary bankruptcy compels me to try. The inconvenience we all have today is miniscule compared to what farm families will be forced to suffer by our inaction.

Gramm-Rudman set up certain procedures to prevent unnecessary hardships: It protected Social Security recipients, welfare recipients and others.

Gramm-Rudman also set up procedures to modify the sequestration order to further prevent unnecessary hardships. We followed those procedures to carry out an agreement we had on dairy to correct unintended dairy cuts—cuts that will cost farmers over $300 million in lost income, as well as lost dollars for the Treasury.

We followed those rules in the Agriculture Committee, the Budget Committee, the Rules Committee. Yet we were prevented from carrying out that mandate by the House leadership yesterday.

If we fail to reverse that situation, the tragic consequences to our farmers will be enormous.

GRAMM-RUDMAN AND THE DAIRY PROGRAM

(Mr. LOWRY of Washington asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOWRY of Washington. Mr. Speaker, tomorrow, because of Gramm-Rudman, there are going to be all kinds of people in this country hurt. There are going to be hard cuts.

Just a few, if you do not mind me picking out a few, 27,000 adult and youth participants in the Job Training Program will be eliminated tomorrow; 25,000 youth eliminated from the Summer Youth Employment Program; 3,000 workers from the Dislocated Workers Program, 4,000 from the Older Americans Employment Program, 150,000 students from the Student Loan Program; $47 million from Head Start.

I lost two valuable staff people. One of my committees is going to lose 10. There is a secretary who has 4 children under 13 years old that worked for somebody else that got laid off.

Now Gramm-Rudman is tough. That 4.3 percent cut is tough.

Along comes the dairy lobby and we say we are not going to do it to dairy. Baloney.

I objected yesterday to the dairy bill because those that voted for Gramm-Rudman are the reason there is a 4.3-percent cut, and I will object today if it comes up again.

THE DAIRY PROGRAM

(Mr. FRANK asked and was given permission to address the House for 1 minute.)

Mr. FRANK. Mr. Speaker, we also ought to be clear what the nature of the proposed dairy amendment is.

Under Gramm-Rudman, dairy expenditures, Federal funds that are spent are to be cut by 4.3 percent, just as everything else on the domestic side. What the dairy farmers want us to do, many of them, is to avoid that cut in expenditures, to have the Government spend every penny it was going to spend, and to make up for that by raising the tax that we put on the privilege of being a dairy farmer in America. There is an assessment, in effect an excise tax that is paid by every dairy farmer whether or not he or she is a beneficiary of the program.

If you lower the support price the way Gramm-Rudman as drafted says we should, you tend to put downward pressure on milk prices. Therefore, the dairy industry says no, do not do anything that would put downward pressure on milk prices. Instead, let us increase the tax that is being paid by everybody, whether they are a beneficiary or not, because we pass some part of that along to the consumer.

So the question is, and it is not neutral here, should we go ahead as Gramm-Rudman says with something that will have a downward pressure on dairy prices, or should we do what the dairy industry wants, change our policy, raise taxes rather than cut expenditures under Gramm-Rudman and generate some upward pressure on dairy prices. I hope we do not.

PARTISAN POLITICS IN THE DAIRY PROGRAM

(Mr. COELHO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COELHO. Mr. Speaker, in regard to the controversy on the dairy situation, I resent the fact that certain individuals on the other side of the aisle have decided to make this a partisan thing. As chairman of the Dairy Subcommittee, and on the majority side, I do not think there is anybody on the minority side who can say that they have worked harder to try to resolve the dairy situation than the gentleman in the well.

I think when people on the other side start to make those comments that they, in effect, hurt their own dairy constituents, that they in effect hurt the dairy farmers across this country because they try to make something partisan that is not. As a result, with those of us who represent agriculture, representing only 6 percent of the American public, and consequently only 6 percent of those of us in the Congress, the only way that we can get something through to help out dairy farmers, the only way we can get something through to help out farmers is if we have bipartisan support. And if individuals try to make this partisan, they, in effect, are hurting their own people. I just want everybody to know that.

Mr. LOWRY of Washington. Mr. Speaker, will the gentleman yield?

Mr. COELHO. I yield to the gentleman from Washington.

Mr. LOWRY of Washington. Mr. Speaker, I want to compliment the chairman of the subcommittee for the work he does. I want to say that I think his point is absolutely correct.

I also want to point out the gentleman in the well voted against Gramm-Rudman. The 4.3-percent cut in the support price that you were trying to do something about to help the dairy farmers was caused by Gramm-Rudman and the gentleman in the well voted against that.

Mr. COELHO. I thank the gentleman very much, and as one who is a strong opponent to Gramm-Rudman, who felt that it did not make any sense, I have trouble recognizing when press releases are issued blasting this thing on a partisan basis when the majority of the minority side voted against the dairy assessment program, when this administration is working against every part of the dairy program.

□ 1110

That if we want to start pointing partisan fingers, we can do it; we can do it very selectively and very carefully. There is noboby in this House who can say, I think, that there is anybody more partisan than the gentleman in this well. If we want to play partisan politics, let us go to it.

THE PRESIDENT SHOULD SQUARE UP THE FIGURES IN HIS BUDGET

(Mr. MILLER of California asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, Members of the House, earlier this year when the President sent his budget to the Congress of the United States, he said he was going to play by the same set of rules that he expected the Congress to play by, and that was agreement on the baselines and that we would all meet the $144 billion deficit target that Gramm-Rudman sets forth for the next fiscal year.

We are now told by the Congressional Budget Office that the President did not meet that target; that in fact his military spending is $15 billion higher than his budget recognizes. I think we ought to send that budget back to the President of the United States and ask him to square up the books so that he is using the same figures that we are.

What the President in fact is really asking is that Members of the Senate and Members of the House make a whole set of political incisions and judgments that he refuses to make. Because there is only one way that the President can pay for that $15 billion that is hidden in his budget; he can either raise taxes or increase the deficit, and the President is simply set to ignore that fact; and he has chosen to increase the deficit to continue his wasteful military buildup.

I think we should do as Chairman ROSTENKOWSKI did when his tax bill was not revenue-neutral; he sent it back to the White House, told them to square up the figures. Secretary Baker, a man of his word, did that. I would hope that the President would do the same with his budget.

REQUEST FOR CONSIDERATION OF H.R. 4188, EFFECTING REDUCTIONS IN EXPENDITURES FOR MILK PRICE SUPPORT ACTIVITIES REQUIRED BY BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985

Mr. JEFFORDS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4188) to effect reductions in net expenditures for milk price support activities as required by the Balanced Budget and Emergency Deficit Control Act of 1985, and ask for its immediate consideration.

This has been cleared with the leadership on this side of the aisle.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Vermont?

Mr. LOWRY of Washington. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will now entertain special order requests, subject to possibly returning to unanimous-consent business.

ADJOURNMENT TO MONDAY, MARCH 3, 1986

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore (Mr. FRANK). Is there objection to the request of the gentleman from Washington?

Mr. JEFFORDS. Reserving the right to object, Mr. Speaker. First of all, I apologize for having brought the House into session today. I think my reasons have been stated already, and I will elaborate on them further later on.

However, certain matters have come to my attention which in my judgment make it unnecessary for me to hold the House in session tomorrow; and for that reason I will not object at this time.

Mr. FOLEY. I thank the gentleman from Vermont [Mr. JEFFORDS] for his consideration.

Mr. JEFFORDS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

GRAMM-RUDMAN AND DAIRY PRICE SUPPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Vermont [Mr. JEFFORDS] is recognized for 60 minutes.

Mr. JEFFORDS. Mr. Speaker, I will not take the length of time I took yesterday, certainly, but I think it is important for us to discuss why we are here today and to again review the situation, because for various reasons so much information and misinformation and disinformation gets promulgated around here.

Sometimes we lose sight of why it was that we were here yesterday, trying to bring up a bill; why I am here today trying to bring up a bill, and the ramifications of what will happen if that bill is not brought up, as it has not been brought up today.

Gramm-Rudman is a term which has become more familiar than many of us would like to have it in our vocabulary these days. That bill was set in motion in order to bring about a reduction in the tremendous deficits that this Nation faces; was passed, and it was passed at approximately the same time the farm bill was.

Now that bill, in order to try and get us to get our act together to get the deficit under control had automatic provisions in it. It said if you don't meet certain goals, that somebody else will do it for you; and that this fellow, sort of a Darth Vader sort standing in the background with a big meat ax says "If you guys aren't rational and don't do it in a way which will bring some legitimate and some acceptable changes in spending policies, I'm going to run around and chop everybody 4.3 percent."

When the bill was being negotiated an effort was made to take care of groups who we did not want to chop. Thus, we did not, for instance, take away the cost-of-living increases for Social Security recipients. We allowed the people on welfare, people who needed nutritional help, and the WIC Program and many others to escape that automatic cut because we wanted to take care of certain groups of people and to make sure that we did not do things to them which would be appropriate and would cause incredible suffering.

In the agricultural area, there was an attempt in the bill itself to take care of certain agricultural interests; and that was done. The grain and the crops areas were taken care of in the sense of how it was done with respect to the kinds of contracts that are entered into with the crops of grain and corn and other crops, because there was a feeling that we want to make sure there, in those hard-pressed farm areas, that we do not do things in a way which would disrupt their already very difficult situations.

Recognizing the grains are different from dairy, in the farm bill we attempted and got an agreement as to how the dairy provisions would be taken care of. That was, instead of requiring what would be a drop in farm income and again placing dairy farmers in the kind of sorry situation that the grain farmers and others find themselves; instead of requiring a some $380 or $350 million cut in farm income without anywhere near the kind of benefit to the taxpayers and to those who want to reduce the deficits by reducing the cost of the program, we would put a rather low assessment—in fact, we reduced the assessment, then, in the bill in order to accommodate it to ensure that we did not create any serious disruptions in the economy and the economics of the dairy industry because a farm bill was being passed.

The farm bill itself does take into consideration the dairy policy which has been tried to have been thrust into this argument. For instance, we argued very seriously an immediate price cut, advocated by the gentleman from Massachusetts, and we defeated him fair and square on the House floor. He would like to, of course, put that in through Gramm-Rudman; a dairy policy issue, not a dairy budget issue.

So we did what Gramm-Rudman says that we should have done. What it says is, if there is a problem that we did not anticipate which the Congress wants to solve, then from the time of the 1st of February through the end of February, Congress has an opportunity to amend the sequestration order which has been promulgated.

We did that. We went to subcommittee, got it passed by voice vote. We went to full committee, got it passed by voice vote. We brought it to the Budget Committee; we got a statement from the Budget Committee that it was budget neutral. We then went to the Rules Committee, got it passed by the Rules Committee.

Then we came to the House floor, and we were all in anticipation and expectation that we would be allowed to bring that bill up, to be able to do something which would, one, help the Treasury by increasing the amount of money which would be used to reduce the deficit, the purpose of Gramm-Rudman; and at the same time to prevent a drastic loss of farm income to dairy farmers, of some $300 million.

□ 1120

Now obviously if dairy farmers are in a situation, as I explained it to the House yesterday, where they are in a break-even point and then, because of the farm bill's attempts to try to get things under control, actually in an adverse, negative income situation, then if you double that downtrend you are not going to be able to carry out the purposes of the dairy provisions of the farm bill to bring about a rational lessening of supply to meet the

demand and thus end the surplus situation.

In addition to that we have a whole-herd buyout provision which will allow farmers to voluntarily get out of the business, and the 40 cents assessment is being used to pay partially for that program. We wanted to pay for it all but the other body said the taxpayers should pay for part of it. It is a rational, logical way to try to handle the requirements of the dairy industry to meet Gramm-Rudman.

There have been statements over and over again and it really tries my patience to have people saying that we are not—that we are trying to get out from under Gramm-Rudman. No, we are trying to get out from the legal entanglements which the language dealing with corn and wheat calls for the dairy industry to come in in a way that would save the taxpayers money as well as preventing serious ramifications to the dairy industry by draconian cuts being heaped on the farmers all at once, that no one in the time that we have been talking dairy policy has asked them to come in at this time.

Now there are other serious ramifications of Gramm-Rudman which are created because of this process. Under Gramm-Rudman the sequestration order which we all refer to here which is going into effect on March 1 has been ruled unconstitutional by the lower court. That means that if the Supreme Court states that it is unconstitutional, then that order, unless later endorsed by the Congress and the other body, and signed into law, will be null and void. That means that the money which had been denied to the various programs would be returned to those programs. The money which would have been taken from the wheat farmers or the corn farmers would be returned to the wheat and the corn farmers. However in dairy because the provisions affect it quite differently, the money that might be returned will not go to those that it should go to. It will go to those that have the surplus, selling to the CCC, it will go to co-ops, to handlers or whatever, but the dairy farmer, the small farm, that has produced milk and maybe in some cases not sold any to the Government, will not get any of that money back. But that same dairy farmer will have lost 50 cents on every hundredweight he has produced, which will mean thousands of dollars to each of the small dairy farms in this country which will be forever lost because there is no way you can get it back unless of course you increase the price above where it would be after the order goes out.

So it would create a tremendous unfairness to one group, the only group in this country that it will create that kind of unfairness to.

Second, it will cause a serious disruption in the orderly pursuance of dairy marketing. You will in a sense lower the cost of the dairy support program on the 1st of March or shortly thereafter and then later on you will increase the price if it is thrown out by the Court such that you will have a dip and then a raise, which creates all sorts of havoc in inventory controls and the people who try to keep a stable market across and will send all sorts of weird and unusual signals and wrong signals to the dairy farmers of this country.

OK, why, with such logic and such rationale for this bill, why did it not come up? It did not come up because it appears, as near as I can analyze it, that the Democratic leadership listened to two groups and their reasoning and rationale. You may agree or disagree with that, I do not know.

One group is the group led by consumer advocates who said, "Hey, here is an opportunity to get that which we did not get in the farm bill. Hey, we can do what we want it to do. We can get that price cut right now and, boy, we will do something which we can go home and write our press releases about."

That group, I understand that group. We are willing to take them on on the House floor.

The other group gives me some concern, some difficulty in understanding. That group says, as I understand it, that, "We voted against Gramm-Rudman and therefore what we want to do is to make Gramm-Rudman so terrible on anyone, we will not correct anything that should be corrected in the normal course of business under Gramm-Rudman. We will make Gramm-Rudman so awful to those people that they eventually will vote to do away with the bill or what we will do is raise revenues so that we will not have to make any cuts. We are in favor of tax increases."

I can understand that group, I understand their feelings. But what I do not understand is how you rationalize that logic for those individuals who are on the other side of the aisle who are trying to say that they protect the programs for the needy, the poor, the helpless, most of which have been protected under Gramm-Rudman to start with. But how they are going to do it in this case is to create a whole new group of people who will lose their homes, who will lose their farms, who will be required to go into bankruptcy, required to go onto the welfare rolls. They want to make a point. That is all they are doing, is make a point to show how bad Gramm-Rudman is by making other people suffer. To me that is totally inconsistent with their policy. I cannot understand why a group who believe that way would take this bill and use it as an example of how bad it is by forcing tens of thousands of small dairy farms into bankruptcy to make that point. To me that is totally illogical, irreconcilable with any kind of sense or the kind of compassion which they are intending to tell people is the reason that they are preventing this bill from coming to the House floor.

I feel sad; I feel bad because I came to this House with the full expectation that if I played the game right that I would have the opportunity on the floor to be able to pursue those goals which I feel are so important to those people that I want to protect. But here, unfortunately, in this body it is not how you play the game that counts, it is whether you win or lose regardless of how you play the game; or in this case you cannot play the game at all. We cannot get the bill on the House floor. That makes me sad because I know, I know I am going to have to go back, and those of us who represent dairy areas, and face those farmers who are going to be thrown out of business, going to lose their homes, lose their farms because of the inaction yesterday on this House floor.

I yield to the gentleman from Texas.

Mr. GONZALEZ. I thank my colleague from Vermont. I rise because the gentleman attributed some motives having to do with the opposition to Gramm-Rudman, being so inflexible that it would impose hardship on anybody, just to prove how bad the measure was. I do not reconcile that with the gentleman's genuflection. You know I do not genuflect before Gramm or Rudman or Hollings, but the gentleman seems to. Everytime the gentleman gets up he says, "Well, we were for Gramm-Rudman, we are for Gramm-Rudman in principle, yet we object to this particular effect of Gramm-Rudman."

What I believe is that—I have introduced a repealer bill that would repeal Gramm-Rudman outright because my opposition to Gramm-Rudman was based on very, very fundamental reasons having to do with the integrity of the legislative processes of this Congress.

So I think that I would not attribute that motivation if I were the gentleman.

I would say that it has to do with some of the persons.

Now for instance I agree with the gentleman with respect to the milk producers. I have supported, I voted identically with the gentleman from Vermont, even before the gentleman from Vermont became a Member of this House. I have been supportive. I was supportive of the milk producers where it was a lot tougher, that is in the State Senate of Texas.

So I feel that the record ought to reflect that whatever the motivation is I do not question another Member's motives; I assume they are just as pristine

as mine and I feel mine are. But I think we have to understand that if we are appealing for a dispensation from a bill we supported on the basis that there is undue hardship in this particular segment whereas the other Members feel equally grieved, as the gentleman from Washington stated a while ago, that perhaps that is the real reason; that they feel there ought to be a little bit more of symmetry now that that is law and that we must all suffer alike. That is the only point I wanted to make. In principle I would say that the record would show that I have always supported what I believe to be a legitimate need to be recognized on a national level with respect to this particular segment of our agriculture producing folks.

Mr. JEFFORDS. I appreciate the sentiment of the gentleman from Texas and do not mean to indicate that he personally is trying to do that. All I am doing is taking from the statements that were made on the House floor yesterday which have, I think, distorted the issue, and that is to say that the dairy farmers are trying to get out from under Gramm-Rudman, trying to get out from under the 4.3-percent cut. That is not the case here. What we are trying to do first of all is put back into effect an agreement that we thought could be implemented. We had testimony in the committee from the Department that said they believe they had two alternatives, one to use the assessment and the other was to use the route they had. But the lawyers overruled them and said the only route they had, because of the language of Gramm-Rudman, was to go forward with the price-cut avenue. We are not trying to get out from under it. We are trying to do it in a way that was agreed upon and in a way that would make a rational, logical, compassionate, answer to the effect of Gramm-Rudman.

I yield to the gentleman from Texas.

Mr. GONZALEZ. That is exactly the point I am trying to make. I do not understand the need to genuflect before Gramm or Rudman or Hollings. I do not understand the gentleman when he does that.

Mr. JEFFORDS. I will say what I have said time and time again: The only thing good about Gramm-Rudman is that it is so bad. But the only way you can make it good is by using the legislative process to bring about the changes and the reduction of the deficit that are necessary to meet the Gramm-Rudman goals and not to let the impact of the guy swinging the meat ax to come into effect. And that is all we are trying to do here.

Mr. GONZALEZ. But the gentleman must accept the fact that if we do that, if we say, "Well, the only thing that is so good about Gramm-Rudman is that it is so bad, that it is susceptible of improvement if we make exceptions here or exceptions there," then what we have is an inconsistency that will never be resolved. The only way I feel that we can really remedy the situation is to excise, to cut out this cancer known as Gramm-Rudman. You cannot put a patch on it.

Mr. JEFFORDS. Again the gentleman is saying we are asking for an exception to Gramm-Rudman; we are not. We are asking within the meaning of Gramm-Rudman to take and use the committee's jurisdiction to make the cuts which are mandated by Gramm-Rudman in a way slightly different from the unintended way which was required in the bill. That is quite different from asking an exception.

Mr. GONZALEZ. I thank the gentleman for yielding.

Mr. JEFFORDS. I would also just point out that I will not require the House to be in session tomorrow. I have done that because it has come to my attention that for various reasons that we will have until Tuesday night of next week to carry out this bill or to the purposes for which the committee intended without the necessity of not having the markets disrupted to any great extent. Therefore, I will allow the gentlemen to spend the weekend with their families or wherever else they would like to go, although I always enjoy coming on this House floor and entering into this scintillating dialog with the gentleman from Texas, who is most faithful in these procedures, and with the other gentlemen who have been so kind as to share the House floor with me this morning.

Mr. Speaker, with that, I yield back the balance of my time.

ORDER OF BUSINESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that the gentleman from California be permitted to precede my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

AN UPDATE ON THE DAIRY PROGRAM REQUIREMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. COELHO] is recognized for 60 minutes.

Mr. COELHO. I thank the Speaker and I thank the gentleman from Texas for his courtesy.

Mr. Speaker, I think it is important that those who are watching today know that there are many of us on this side who agree with the gentleman who preceded me in the well talking about what needs to be done in regard to the Dairy Program.

□ 1135

But I think it is also important, though, that on the subcommittee that I chair, the Dairy Subcommittee in this House, that every Member on the minority side, without exception, voted for Gramm-Rudman. They voted for Gramm-Rudman, I assume, knowing full well that it would have an impact on the Agriculture Program, that it would have an impact on the Dairy Program.

When we came to the floor with regard to the 1985 farm bill and we had an amendment offered by the gentleman from Virginia and the minority leader of the House, the gentleman from Illinois, that the Democrats on this side of the aisle voted over 2-to-1 against the amendment to have price support cuts and for the amendment for assessments. On the other side of the aisle, my distinguished colleagues over there voted overwhelmingly to have price support cuts and against assessments.

The same thing is true in the Conable amendment of 1983; and of course, on Gramm-Rudman when it came up in 1985, the numbers were the same, overwhelmingly the Democrats were against it, overwhelmingly my colleagues on the other side of the aisle were for it.

I happen to feel very strongly that the way to approach the dairy situation is to go after assessments. After all, that is the program I have been advocating and pushing for the last year. I am appreciative of the colleagues in the House who have supported it.

But I think it is necessary to make sure that we understand that instead of, as the gentleman from Vermont said, that the cuts will take place as a result of no action here in the House. But I think it is important to recognize that the U.S. Senate has not taken any action on this bill, and every indication is that it will not, and that the administration said they would veto this bill if it came out solo.

So we have a situation where I can understand where people who supported Gramm-Rudman, and it now goes into effect on Saturday, do not want to have to explain to their constituents what their vote for Gramm-Rudman is all about. That is understandable. But they are going to have to explain it, and they cannot point their finger at somebody else and blame somebody else for what they did.

I knew when Gramm-Rudman came forth what the impact would be on a lot of people, my dairy farmers, but also my handicapped kids, my elderly, those who need housing, and the other

programs that I feel are necessary. That is why I voted against it. I have no difficulty going home to my dairy farmers and explaining what took place and what is about to take place.

So I think it is necessary that we give both sides of the question and I just wanted to spell that out. I am prepared at a later time to go into more discussion of this, but as I indicated earlier, I would hope that this would not develop into a partisan situation.

Mr. LOWRY of Washington. Mr. Speaker, will the gentleman yield?

Mr. COELHO. I would be glad to yield to the gentleman from Washington.

Mr. LOWRY of Washington. Mr. Speaker, I thank the chairman of the Subcommittee on Dairy for yielding.

I, again, find it incredible that some may be trying to say that the chairman of the Subcommittee on Dairy, someone who brought this bill out, along with the subcommittee, but its chairman brought this bill out, worked through the process, brought it here to try to address what the chairman of the subcommittee wanted to do, and so on, to offset the effect of the mistaken Gramm-Rudman bill some way should be blamed for the fact that now there is going to be this 4.3-percent cut; when, in essence, what happened is, I stood up and objected to the unanimous-consent request to bring it up. I stood up and objected to the unanimous consent of the chairman of the subcommittee who requested to bring the bill up, who wanted to pass this.

I mean, I just find it incredible that someone could say in some way that the gentleman from California has not moved to try to provide for the dairy producers an answer to this problem which is caused solely by the passage of Gramm-Rudman, and the gentleman opposed the passage of Gramm-Rudman. I just find that amazing.

I objected because tomorrow the 4.3-percent cut is going to hit all kinds of programs around this country hard. I read just a few of them in the well during my 1-minute, but I will mention a few more now.

Tomorrow there will be a $28 million cut from the elderly meal program under the Older Americans Act. For instance, in Seattle, that is called the SPICE Program. There will be a $160 million cut tomorrow, March 1, for the basic social services grants that include child care, care for the protection of abused children and abused spouses, cut in the residential care for troubled youth, right down the line. There will be cuts in health research, AIDS research, a 4.3-percent cut.

Why? Because this Congress and the administration chose to put into effect Gramm-Rudman.

When Gramm-Rudman passed, there could not have been any doubt that, for 1986, there would be the 4.3-percent sequester, because the deficit target required under the Gramm-Rudman that passed, that the people in this House and the other side voted for, and the President signed, set a deficit target that could not possibly have been met. So, upon voting for that, they knew they were voting for what would be, in effect, the 4.3-percent cut in all these programs.

Then they came along and said, well, gee, why did you not change that?

Well, I am on the Budget Committee. Gramm-Rudman also requires—and we are working very hard to meet this, real hard to meet this—but by about the 25th of March, we will report out of the Budget Committee the Budget Committee's recommended budget for 1987. This is a process, as the gentleman well knows, that in the past has taken months and months and months. But we have compressed into many, many, many hours of meetings of working on this so that we could be out with that budget by the 25th of March.

Now they say, hey, if you wanted to do something about some of these other programs, why did you not pass changing these by March 1 so that the compensatory education program would not be cut by 4.3 percent, and these other programs would not be cut? It would be impossible because Gramm-Rudman made it impossible.

So then along comes this program that does change Gramm-Rudman, that says, hey, the people who voted for Gramm-Rudman who represent dairy producers, and those dairy producers are now getting a 4.3-percent cut because they voted for Gramm-Rudman, are saying, do not do it to us.

That is why I objected yesterday. The chairman of the subcommittee tried hard to get that bill to the floor. I objected, and I will object again today.

Mr. COELHO. Mr. Speaker, I would like to continue with the gentleman. I find it also intriguing that, as the gentleman said, we are trying to raise some additional revenue to take care of the Gramm-Rudman cuts.

But some of the same people who are advocating this are objecting to raising revenue to cover cuts in other programs.

I voted against Gramm-Rudman. I am the advocate of taking care of our dairy farmers all across this country. I am prepared to vote for additional revenue to take care of the problems of other Gramm-Rudman cuts, but I do not get that from my colleagues on the other side of the aisle. I find the inconsistency rather intriguing.

Mr. LOWRY of Washington. Mr. Speaker, if the gentleman will yield further, I find that inconsistency very intriguing also.

Mr. JEFFORDS. Mr. Speaker, will the gentleman yield?

Mr. COELHO. I would be happy to yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Speaker, I just wanted to say that certainly from my own working with the chairman, certainly in none of my statements have I intended to imply that the gentleman has not done all possible things to try to bring this bill to the House floor and to try to help under the demands of Gramm-Rudman to try to take care of this very unfortunate situation with the dairy farmers.

□ 1145

I want to make the record clear on that because I do not mean to in any way imply that the gentleman has not done his job. In my estimation, the gentleman has. He has tried to bring it up, and I appreciate that very much and working with the gentleman to try to solve this very serious problem for the dairy farmers. I just wanted to make the record clear on that.

Mr. COELHO. I appreciate the gentleman's remarks. However, I do read in his press release that he issued today, I am sure for home consumption, where he attacks the House majority, he does not make exceptions for anybody. I consider myself in the majority of the House and I am very proud of it. I am one of those, hopefully, responsible for keeping us in the majority. And when the gentleman attacks the majority for home consumption, he should know that other people read that besides his constituents. The news release that I got here does not make the exception the gentleman just said. I think that it is important that we recognize that some of those comments that were made in this press release are not conducive to the bipartisan needs in this House to help out the dairy farmers in the gentleman's district as well as in my district. The thing that this gentleman has done since I have been chairman is to try to make sure that we do not handle dairy in a partisan manner and that the only way we are going to get dairy legislation through and the only way we were able to get it through in 1985 was because it was handled in a bipartisan manner, that we had the Republican leader in this House opposed to the dairy bill, and still opposed to it, and we had Democrats opposed to it, but the thing that saved it for our dairy farmers is that we had people like the gentleman on his side together to get it through. And that is what it takes.

Mr. JEFFORDS. If the gentleman will yield, I would agree certainly, from my observation, that he is a minority of the majority. But, unfortunately, a majority of the majority can frustrate the majority of the House, as it did in this case.

Mr. COELHO. I will take back my time to make one correction, that when we defeated Olin-Michel, I was in the minority of the majority. As a

matter of fact, the numbers were 170 Democrats against Olin-Michel and 65 for Olin-Michel. That means I was in the majority. So I am a majority of the majority.

Let us talk about the gentleman's party. For Olin-Michel, 101. Against Olin-Michel, 74. So the gentleman is a minority of the minority. And I happen to be in the majority of the majority and, hopefully, we can keep it that way from different perspectives. But I would like to make sure that the gentleman, in making accusations about who is or is not supporting the dairy farmers, that it is recognized that people on both sides of this aisle are strongly supporting the dairy farmers and people on both sides of the aisle are strongly opposing the dairy farmers all across this country, and that it is not a partisan issue. The gentleman makes a major mistake when he tries to do that.

I will be glad to yield to the gentleman from Nebraska.

Mr. JEFFORDS. As long as a majority of the majority control the operations on the House floor——

Mr. COELHO. I will be glad to yield to the gentleman from Nebraska.

The SPEAKER pro tempore. The gentleman yields to the gentleman from Nebraska.

Mr. DAUB. I thank the gentleman, a distinguished Member of his majority party's leadership and, indeed, a well-known advocate for those in my district and in our State of Nebraska who are concerned about what we do, not just with agriculture but in particular, with his subcommittee chairmanship, the work of the dairy industry in this country, as Congress and the laws of our Federal Government relate to it.

I just wanted to say that I think indeed this whole thing is unfortunate.

Mr. COELHO. Absolutely.

Mr. DAUB. Because I think the gentleman's heart was in the right place. I think perhaps my colleague from Vermont misunderstood a comment I made a minute ago when I said I had hoped that the gentleman from California was in the minority of his majority when they voted to pull the bill yesterday, which may very well have been true—and the gentleman need not respond—but the fact of the matter is that Gramm-Rudman, when it passed this House, had 153 Republicans voting for it. That was, I think, record vote No. 473.

Mr. COELHO. And 24 Republicans voted against it.

Mr. DAUB. And 118 Democrats voted for it.

Mr. COELHO. And 130 voted against it.

Mr. DAUB. I appreciate that. But the fact is that 153 Republicans cannot pass anything around here. So we appreciated the very bipartisan spirit which overcame the House and its tendency from time to time to be partisan to a fault and come together on this whole idea—and I am sure the gentleman agrees with me—on deficit reduction, to do something about getting this country's Federal books back in order.

When I start to think about agriculture and the agony that the sector of our economy is going through, I start, then, to think about the process of how we resolve it. And when I look at March 1 and what we call "Baby Gramm-Rudman" I think back to the conference on Gramm-Rudman where, in the end, were some 50 Members of the House and the Senate sitting around that table. It was thought by most that it might be wiser, to get our learning up to speed on what sequestration might mean, that we avoid "Baby Gramm-Rudman" efforts in fiscal year 1986. Well, there was thought, then, politically, that that might be escaping our responsibility because it was a political year, maybe we ought to start the process now. I thought it was a particularly good idea that we start in 1986 and not wait until the year 1987. Nevertheless, I did not think that TED KENNEDY, a gentleman from the other body, was any less compassionate the day after Gramm-Rudman than he was the day before he voted for Gramm-Rudman.

The SPEAKER pro tempore. The Chair is constrained to advise the gentleman that references to the other body and Members of the other body are proscribed by the House rules.

Mr. DAUB. I apologize, and I withdraw the statement.

The point is that we have a function to think sensibly inside of the constraints that we put on ourselves to spend and tax. It seems to me that whether it is the Veterans' Program or the Dairy Program, we all had hoped we would be able to sensibly prioritize those reductions and not see the ax fall in a rather mindless way across the board.

I think there may be enough room for partisan finger-pointing, in terms of the numbers of who voted for what on both sides of the aisle. My hope would be that we do not let the lessons of "Baby Gramm-Rudman" and March 1 become the realities on October 15 while we are enjoying the final few weeks of our campaigns before November 4, that we act in the month of September on things like that portion of Gramm-Rudman which was held constitutional, that we cannot adjourn for the Fourth of July around here until we pass our 13 appropriations bills. Gramm-Rudman mandates that we do that here in the House. I hope we do not figure a way around that. Gramm-Rudman says——

Mr. COELHO. Mr. Speaker, I will take back my time at this point, just to keep the record straight. As the gentleman knows, on the history on appropriations bills the House of Representatives has a tremendous record in passing appropriations bills, that the individuals in the other body—I withdraw the comment.

The SPEAKER pro tempore. Comments on action or inaction in the other body are not permitted by the rules.

Mr. COELHO. I withdraw the comment. That the lack of action by other people in this town have a tendency to frustrate us, and we are unable to get things done. So I do not think there will be any trouble for the House to abide by the provision. We have been doing it, in effect, regularly. So that is not a problem for us. But other people in this town may have some difficulty with that.

Mr. DAUB. Mr. Speaker, will the gentleman yield on another point?

Mr. COELHO. I yield to the gentleman from Nebraska.

Mr. DAUB. Gramm-Rudman puts the Social Security trust fund off line beginning January 1, 1987. I think we all agree on the need to keep that fund sounder and solvent and out of the way of the unified budget and the grab-bag of political interests that are sometimes attached to it. So there were a lot of good things in Gramm-Rudman while at the same time putting some pinch points into the way we have been doing business around here, and I think that we have sort of found a couple of them this past week and I just hope they serve as good lessons for the more consequential effort we have to undertake as we approach the August 15, September 1, October 15 benchmark points in Gramm-Rudman which indeed do not have to be as mindless as these days might be if we all work together to that end, that we take the responsibility seriously to vote on each of these cuts or tax increases or whatever the combination might have to be, to avoid this across-the-board result that hurts people like our dairy farmers are getting hurt right now.

Mr. COELHO. I thank the gentleman from Nebraska.

I just want to make one additional point. As I indicated yesterday on the floor, the impact of Gramm-Rudman does not have to be felt by our dairy farmers immediately, that the administration, as a result of a meeting I had yesterday with colleagues on the Dairy Subcommittee on both sides of the aisle, acknowledged that, while under Gramm-Rudman, if they purchase surplus commodities, that they would have to go ahead and provide for the lower rate but that they do not have to purchase commodities, so that the impact of Gramm-Rudman can be delayed if the administration so desires.

Now, the problem that we have is that the administration has not so desired on any part of the Dairy Pro-

gram so far. We are asking dairy farmers to make decisions on their livelihood, starting next week, decisions as to what they will be doing for the foreseeable future, as to whether or not to put all of their cows and heifers and bulls up for slaughter or to export them or to stay in the dairy business, a major decision that people have to make, people that I was born and raised with.

Now, in line with that, the administration was requested to issue rules and regulations several weeks ago. They have yet to issue regulations. I think people have to question as to why it has taken them so long to do it when farmers are being demanded to make decisions by the end of next week and the administration is also opposed to extending the deadline for signup. It sounds to me that we have some people in the Department of Agriculture who are not so willing to be supportive and helpful of our dairy farmers.

So I would hope that those people on the other side of the aisle who like to point their finger in a partisan way on this Dairy Program will recognize the bipartisan support that has existed and will, instead of using their energies up on a partisan situation on this, that they would use their energies to talk to the individuals in their party who are running the Department of Agriculture to not make those purchases and give us a chance to try to rectify this. We will see how lucky they are and how constructive they can be in the next few days.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, yesterday I had the opportunity to enlarge a little bit into the question that will soon be agitating not only the House and the Senate but the headlines in our country. It is not difficult at all to predict, prophetize, that soon we will be seeing scandalous headlines about a Mig and a half in Nicaragua, or some such thing, and then the outcry for doing something about it, and the President's request for $100 million not only rubberstamped but probably with a vengeance. This has happened. It happened, in case my colleagues have forgotten, right after, immediately after, the election in 1984.

I had predicted at the time we broke up in 1984, that session before the elections, that something like that would happen and that the outcry would be very much like when we had the President—Mr. Johnson, in that case—present us with what is now known in history as the Gulf of Tonkin resolution. But the flurry of headlines, the agitation of those headlines, lasted about 3 days and then disappeared from the headlines, and by that weekend there were subdued stories about how indeed and in fact there was no such thing as Mig's either in or on their way to Nicaragua but, rather, mistaken intelligence had discovered that the ships' cargoes that were presumably holding Mig's, or the like, were something else.

The truth of the matter is, to show the disconcerting disarray in this administration generally in its actions, in its requests before the Congress, in its presentations to the country and to the world, is that there is a big ado about a people who, against great odds successfully overturned one of the most corrupt, one of the most tyrannical, one of the most unjust regimes in the history of any part of the world, and that immediately having done that, our policy was one not to address these crying injustices in that and in other countries south of the border but rather to try to play the old gunboat diplomacy that was rancid, outmoded and absolutely a bankrupt activity and policy as late as 1929 and to which, fortunately, our country had not appealed until the advent of Ronald Reagan as President of this country.

□ 1200

The fact is that there is a country not too far away from the isthmus in South America that presently has 20-plus Mig's in its armed services and nobody is making an issue that that country is a threat to our security, even though the administration of that country is not necessarily a great avid pro-American administration.

The reason is that ever since General Haig, the first month he assumed power as Secretary of State and announced that in the smallest country in the Western World, the New World, El Salvador, we were having a direct East-West confrontration that challenged the national interest and the security of the United States and that he was saying in the name of the United States that he would draw the line there in that country, the smallest one in the Western World, and that if necessary would go to the source of the problem.

Everybody construed that statement to mean Cuba, because he was by direction and indirection blaming Castro, the Communists, Russian influence for the revolutionary movement or movements in El Salvador.

When, Mr. President Reagan, have you or any member of your administration addressed the extreme poverty, the injustice still prevailing in endemic form south of the border? When have you come before the Congress to request any kind of recognition of our responsibility to address that aspect of the problems of these people who now as of the last 15 years exceed our total population by over 80 million? For the first time in some 300 years, 15 years ago, we now are exceeded in population in the so-called Latin American world, which is very, very susceptible of easy misinterpretation when we use such a generalized term as Latin America and tend to lump every single entity in Latin America as one homogeneous type of entity.

The fact is, and history will show, that that is far from the truth.

When, Mr. President, have you come before the Congress—and, of course, I ask this question rhetorically, because if you do not do charity in your own country, how can we expect you to do it elsewhere? We expect and I expect that any President, such as Mr. Reagan, in the promulgation of the policies he has thus far publicly announced, would be very, very loathe to do more elsewhere than he is doing in his own backyard.

And what is the story in our backyard? Well, just a few minutes ago we heard a litany of some of things that are going to result that will bring a form of injustice, a sense of injustice, to that which already prevails in sufficient quantity in our own country.

I cannot expect a man who happens to be President, who is accustomed to wearing $3,500 boots and a wife who is accustomed to wearing $28,000 plus gowns to much think that there is any suffering if any family in the country is cut $75 a month in food stamps. I do not expect that. I know better. All my life I have had to deal with that kind of people in power.

But, Mr. President, the fact is that we do not live alone on this globe and in the interdependent world such as it is today, it is not only dangerous, it is catastrophic to act in a way that seems to forget the fact that we live in a multitudinous world which has contracted and which is in reality small and which is so interdependent that no longer can we exclusively domestically dictate policies that we can carry out unmolested because of the inflexible and the inexorable impact of forces beyond our control, external to our borders, over which we have no longer any direct control.

The world not only everywhere else, but particularly south of our borders, has changed drastically, radically, dramatically in just the last 5 years, and as I have said before, even if such Presidents as John Kennedy, who announced soon after he assumed office what was popularly known as the Alliance for Progress, were he to be President today in the context of what we call Latin America today, his policy known as the Alliance for Progress would not take off.

It was, after all, a unilateral pronouncement, though it was based on a partnership, an alliance, aliancia.

The fact is that the world of John Kennedy's Latin America is no longer here, anymore than the world in Europe of 1946 and 1947 is any longer there.

Yet there seems to be, and I fail to see any awareness of that, either from the executive branch, the Presidency or the administration generally, or from the Halls of Congress.

I could not believe it, except I had been through the experience before where I had seen similar things happen, that after this very same Congress had had some pause to reflect and had summoned forth for questioning on the floor the policies of unilateral military intervention as possibly infringing on the war powers limitation law, that when it received some attention on this House floor, the issue was lost sight of and the debate turned out to be not whether the President was indeed and in fact in violation of the War Powers Limitation Act, which incidentally I have averred since I have introduced such resolutions for the past two Congresses, one in the case of the marines in Beirut and two in the case of El Salvador in Central America where the President has indeed been conducting war and all the resolution says is, Mr. President, the Constitution says that only the Congress makes war and declares war, so you stop making war until you come before the Congress or the Congress declares war, because in the meanwhile the Congress has defined the permissible ambit or the parameters of action that the Congress feels will at least attempt to circumscribe what we have called Presidential wars and to which our country has become inured.

Mr. President, the fact is that your policy has been one of an arrogance and a complacency that was true in the days of gunboat diplomacy, of Calvin Coolidge, one or two Presidents in between Calvin Coolidge and Teddy Roosevelt; but the truth is that I must remind you of what Shakespeare has said about nations and peoples in similar situations.

In one of his plays, referring to Anthony, he says that when we become complacent and arrogant, he has one of the characters saying, "Anthony, you have been a boggler ever. When we in our viciousness grow hard, oh, misery on it, the wise gods seal our eyes. In our filth we drop our clear judgment, make us adore our errors, lassets while we strut to our confusion."

That is a perfect description of where we are today. We strut to our confusion. We pound our chests about achievements that never were, that will crumble before the inexorable course of events which will postpone that judgment day to be borne by our children in such a way that they will curse and rue the Congresses of today and the Presidents of today.

This I am sure as the fact that I am standing here today.

The basic reason has been pointed out centuries ago by the first legislators and lawgivers that we learned at great length about. One of them, Sallon, the lawgiver from Athens in ancient Greece said, "Injustice anywhere," he said, "that goes uncorrected will corrupt and infect the society which tolerates the unjustice."

Well, then, how do you correct the injustice? He went further to say that the only way that the injustice would ever be corrected would be, and that day would come, when those who were not hurt by the injustice would feel just as indignant as those who were.

This up to now has been the saving grace of the English speaking peoples, the Anglo-American tradition. What made England different in its colonizing experiences from either France or for that matter Spain, or for that matter Germany later in the 20th Century? It was the fact that the ruling classes in Britain, as corrupted as they may have gotten on occasion, had a saving remnant that recognized and the English people themselves in their inherent zeal for freedom and self-expression did not accept and did not allow, but also those in dominant power, at least a segment, small as it might have been, eventually recognized the need to correct that injustice.

It was in the Corpus of English law that we first find the basic upholding and sustaining of these expressions of freedom, not that other countries, for example, Spain had a very similar development, but the difference came later as the riches from the newly conquered and explored New World came and it took the fervent zeal of the missionaries to remind their Catholic majesties that the soul of the Indian was just as valuable as the soul of the Spaniard. Even that did not prevent peonage, but it did prevent either a legal or a juridical or a religious or a philosophical concept that would recognize such a thing as the right of enslavement by one human being over another.

This to our shame did not find room in the traditon of Anglo-American jurisprudence. It was no more than just 120 years ago that you had such things as indentured servants, that you have the concept that human beings were chattel before the law, because that was the only way that slavery could exist as an institution under the Constitution of the United States.

□ 1215

If you define a slave not as a person, then the term persons under the Constitution would not prevail and, therefore, they were considered chattels, as fixed goods such as furniture or any kind of personal property.

Women in the Anglo-Saxon common law tradition, a wife was considered a chattel until very recently in English or Anglo-American jurisprudence. So that even today, we find that in the Southwest where the tradition and the heritage of Spanish or civil law has prevailed, those States were the first and only ones for years and years that recognized such a thing as community property or the moiety of interest as the lawyers call it of the wife. That is equal share in the matrimony's possessions and property.

These were the contributing factors so that in the Texas Revolution, it was won by a combination of peoples. It was not won by Texans of Anglo descent, Crockett and Travis and the like. They would never have gotten anywhere had it not been for the joinder of Juan Nepumecendo Sequin and such men as Francisco Luis Jose Antonio Navarro. Those certainly were not Anglo names, but no sooner had Santana been overrun in the bayou at San Jacinto when slavery was introduced and it led to such men as Juan Nepumecendo Sequin leaving Texas and going to live in Mexico in protest against slavery. And the Mexican legal tradition, which incidentally it had not recognized slavery, but economically, socially, it did set up the rigid class system including peonage, which is the nearest equivalent to slavery one can think of.

So with all of this backlog, a glimmer which those of us, from these areas close to the border that at one time were within the sovereign power and ownership and possession of the Spanish Crown and later the Mexican Republic such as it was, are a little bit more exposed to that. But the overwhelming preponderant bulk of Americans are totally unaware.

Yet, this part is part and parcel of the history and the culture and the series of developments in that entire world south of our border, and to our great detriment and to our great pain we will discover what it is we will be paying for that ignorance in the way of blood and treasury, this is why I rise again, as I did yesterday, and I intend to do so because I know that when we get to debate on this matter, I will not be allowed time to address the subject matter unless I go to extreme legislative measures, which I have been loathed to do in this body, such as offering preferential motions to excise the enacting clause in order to have 5 minutes. I have then instead resorted to this privilege in which a Member, and that is the intention of this privilege, is given the chance as a Member of a numerous body to extend his views on issues either present or soon-to-be discussed, and because of

the limited rules of debate, we would be prevented from enlarging upon.

But I feel this is so vital, so vital when a President and his coterie of advisors are so willy-nilly headstrong and have been so influential as to overcome any sensible discussion in the Halls of the Congress that it is imperative that we pause in time and measurably consider, dispassionately discuss what it is that we are being asked to embark upon.

Let us study relatively recent history and America's reaction. In 1959, President Eisenhower was in power. In 1960, by January 1960, which was the beginning of an election year, the CIA had embarked, with or without the knowledge of the President of the United States, on an endeavor that would involve several million dollars in the preparation of some of the so-called Cuban refugees to train for an invasion of Cuba, with the mistaken notion that this motley group of diverse elements, who never could get together in Cuba when they were in power, to reinvade Cuba, knock out Castro, and rule Cuba. So that by the time December 1960 came around, I was informed again through sources that all through my career, wholly unexpected, but nevertheless quite substantial and reliable, and in a way I humbly accepted as a sort of respectful trust in my judgment, informed me that the CIA has already expended $2.5 million just in the Miami area for the purposes of invading Cuba. I was even given the information as to the exact date of sailing of that enterprise. This was December 11, 1960.

Now what did I know about Cuba? As I said yesterday, so many of my fellow citizens and Members think that because my name is what it is, that that automatically makes me a big expert on Latin America. Well, of course, I am not even an expert on San Antonio, TX, which today is part only of my district. I was not an expert when the district comprised the entire county. I was not an expert when I was in the State senate. And when I took the floor and filibustered, used the filibuster to fight the race bills, certainly anybody thinking there was political mileage in that just did not know or thought I was so ignorant of politics that I would not know that the black constituency in my county has never been even 8 percent.

But the fact is that the fundamental issue involved there is no different from what we face here today, and the environment is the same. The environment is such that the challenge is to penetrate the level of consciousness of the average Member of the colleagues here in the House to begin with. I would like to even begin with the members of the committees that have jurisdiction in this matter.

□ 1225

That is that nobody pondered: "Well, what's going to happen just in case the invasion takes place," at what later turned out to be the Bay of Pigs, which incidentally was about the worst place logistically that could have been selected for that purpose.

What would happen even if the forces were able to prevail, the invading forces, and were able to knock out Fidel Castro. Who then would rule Cuba? Nobody has ever asked that. The truth of the matter is, as I was informed by the very people that were in the midst of those confabulations in Miami, highly placed individuals. Some of them had been former Cuban members of the World Court; some of them had been high ranking ambassadors from Cuba.

They certainly had no big zeal on behalf of Fidel Castro. They had fled Fidel Castro; they were in exile in our country.

So why would they say "Hey, look, we understand you are a good friend of President-elect John Kennedy. Please tell him that this is about to take place in February and it won't work. It won't work. And unless the United States goes in and occupies Cuba, and when it does that, it better be prepared to lose about 20,000 soldiers. And then prepared to sit on Cuba for a long time."

Short of that, this group cannot, would not and never will be able to rule Cuba. History rolled on. Those are imponderable questions today, but nobody ever stopped to ask.

I will not go into the detail of what happened after I was informed, and my efforts to try to get ahold of President-elect Kennedy, who happened to be visiting in Texas that weekend. I made arrangements to visit with him; but then the main source of my information was kidnaped in Miami; and he did not meet me as had been the commitment, in San Antonio.

I will never forget that, because it happened just identically even to the date I had been informed. That did not count the training camps in Nicaragua that Anastasio Somoza had permitted because he detested and in turn was detested by Fidel Castro.

Why would not Fidel Castro? After all, that was the other launching place of the attempted invasion of Cuba.

The CIA started it, engineered it, conducted it, spent the money for it. Did the Presidents know? I doubt it. I know President Kennedy did not know in December 1960. Now, whether he was briefed by January 20, I don't know. All I know is that he was magnanamous. And when we had the results of the Bay of Pigs he said: Regardless, I will accept responsibility. In fact, that is when he quoted the famous statement: "Success has a thousand fathers, failures and orphans."

Unlike President Reagan who, from the beginning, has always blamed somebody else for every problem he inherited, for every problem he continues not to be able to solve, for every problem that arises for which he has no offer of even the beginning of a solution; blame somebody else, from Jimmy Carter on down.

In fact, he blamed Jimmy Carter for everything from carbuncles to the hostages in Tehran. So I think that shows the difference in leadership, right there. One fact.

Now, the one thing that did not change, though, was that the CIA continued, very much like the Federal Reserve Board, and to some extent, the domestic agency we call the FBI, where noboby in Congress can tell me exactly what is the sum total of moneys we give these agencies; including the CIA, much less. But today you have such things as the NSA, the National Security Agency, which makes the CIA and the FBI look like Boy Scouts. There is noboby in Congress that has oversight.

There is not a man or woman in Congress that will tell me for sure that what I know to be sure is something the Congress is aware of, that the NSA, for instance, will intercept international calls of American citizens. They will intercept mine; and I am sure I am in their dossier if I get a call south of the border.

That is neither here nor there other than to show that at this point, then, from the interest of the American people in general, it behooves the Congress more now than ever to participate and to oversee these activities south of the border by the CIA.

Where has been the outcry in this body other than a few voices to the horrible violations of international law perpetrated by the President through the CIA? We have been conducting war in Central America. We have since 1982 and 1983 involved our military in the heaviest presence of any in the history of this part of the world, on both the Caribbean as well as the Pacific side. Never in history has anybody massed such a heavy military presence. Yet, I have seen no awareness of it, either in committee or in the House or in the Senate.

I think this is wrong. I think it is a grave abdication of trust to the people who elect us. Whether we agree or do not agree with the President's policies, we have the responsibility of understanding and knowing the implications and the impact, and what it is the President is asking.

When he comes as he did night before last, to ask that we give $100 million approval to his obviously bankrupt policy of directly helping the so-called Contra forces without our questioning even "Who are they?" "By what right are they in a country that

is at peace with its neighbors, Honduras, where the Honduran people don't want us." Their assembly has never, never approved what we have done there. We have debauched their leaders; we have bought off those that seem to want to protest, but even there the present Honduran Government has not released 50 percent of the last amount the President bamboozled the Congress into giving in terms of nonlethal aid, some $40 million. Half of that is still loaded because the Honduran Government cannot afford in the eyes of international law, say that it is giving hospitality to a group that is preparing to invade its neighbor. Because it is not at war with Nicaragua. Its people do not want to fight a war with anybody.

If they would, it would probably be more toward El Salvador than it would be to Nicaragua, where you have had these traditional and these ancient and sort of predorate rivalries and histories of hatred.

In fact, it was in 1979 that you had the so-called football war between whom? It was not Nicaragua. It was El Salvador and Honduras. Who knows about that? Who cares here?

Yet, we had better, because we are about to embark—and I am sure that by the time the President and his supporters crank up the PR that we will all be in here voting to save America from a potential invasion of these Communists from south of the border. This has already been said right here on this floor. In fact, it has been said by some of my Texas colleagues, that the next stop will be the Texas border.

That is so ludicrous that we have become the laughing stock of every one of those countries. The fact is, as I said yesterday, that there is not one country, even including Canada, that is in agreement with whatever it is we call the policy of Reagan's administration thus far. There is not a country in Europe, there is not a country in Asia that is in agreement with these policies.

Can it be that we are wrong? I know we are, for the simple reason that after 4 years, 5 years exactly this last month, that the President, through his Secretary of State then drew the line in El Salvador, and after expending in that country alone better than $3 billion direct and indirect, even in the movement of this tremendous amount of money, the President has multiplied by 750; that is by 7½ times, 750 percent, which we call his discretionary budget, if you include all of that and include the direct sums that you can go into the budget and find somewhere; it will be over $3 billion.

□ 1235

And we are no closer to any kind of solution there than we were 5 years ago. Should this not make us pause and say what is wrong? Well, obviously what is wrong is that we have not correctly analyzed the cause. We have not correctly analyzed the situation. If we insist on interpreting an event for what it is not but what we, through our ideological blinders, want it to be, then of course we are not going to find the solution. First, it is clear from the policy statements made by the President whether he is trying to bring about ideological purity in the statements or whatever follows to be the policies of these countries or these regimes that may be temporarily in power. Does he want to say that he does not want anybody to say that he is a Communist or is for communism or Marxist-Leninism and be allowed to be in power anywhere? Then let me say, my colleagues, you will never succeed, because communism will never be bombed out of existence. Surely we should have learned that in 1918 when we lost over 300 of our soldiers in invading Russia in that year, in 1918, with France and England to try to put down the Russian revolution then. We did not succeed then and we have not in any other similar endeavor. Certainly if we did not learn in 1918, and of course it was as somebody said a little over 300 soldiers so who cared; at that time we had just ended a terrible bloodletting; but we should have learned in Korea. We should have learned most of all in Southeast Asia, what was French Indochina, or Vietnam. We should have known that what you have there is not a straight up-and-down ideological confrontation; you have a civil war within a religious war within indigenous wars. After that we blithely step out on the basis that we are going to stop the tide of communism? Of course we will make errors and lose blood as we did, over 50,000 or our American youth. I do not think a correct perception would have led to that. But I see that we are learning nothing. We are following the identical tactics and policies, almost calling them by the same name, "village pacification," which is what we are doing in El Salvador now. I think if the American family, the average American family could see on TV what we are doing in El Salvador now, what we are imposing on El Salvador now, there would be an outcry to put a stop to it because we are killing innocent peasants, women, children. We are uprooting entire hamlets, moving them out as we did in Vietnam. And what is happening is that those of us in the Southern tier of our country are beginning to see more, so-called, illegal or wrongfully entering aliens from that part, instead of from Mexico, or in equal numbers. You come to my city and I will go out and show you as many Salvadorans there hiding out as you have Mexican illegals. That is what our policies have brought about. Yet, what is our reaction domestically? We hound the churches, the churchmen, the civilians who say, "Let us have compassion. We will give them a sanctuary area here so that they will not be thrown in jail. You in Congress please define this as a situation that involves political refugees." Well, Congress will not do that, because in the meanwhile we have pressure from the administration, as it has pressured the Government of Mexico in the case of Guatemala or Quatemaltecan, which is the correct word, peasants and refugees that are even today, even after the election in Guatemala, over 20,000 on the Mexican side.

From time to time the Quatemaltecan soldiers come in and bayonet, who? All these terrible 6-month-old Marxist-Leninists, poor peasants, the poorest of the poor in the world. We have been directly responsible for the genocidal action among the Indian tribes up in the hills of Guatemala who happen to be the poorest of the poor, in the poor, all in the name of what? Stamping out Marxist-Leninism.

I have yet to see anybody, any official, prior or now elected, say that these people have received arms from Communist countries. Not a one. It cannot be because in that case there is absolutely, absolutely no evidence of such a thing.

The weapons that are used to kill the 6-month-old babies, rip open their bellies. Americans do not understand what a civil war is and I hope we never do, since the last one.

You just do not have any idea. What we have been directly responsible for, when the Mexican Government, mostly because the bishop of Chiopas, which is a neighboring state to Mexico, who incidentally visited with me, it will be 4 years in December, described with his own words, with his own tongue what his eyes were continuing to witness. The fact that when the church tried to do something and the Mexican Government was saying, "Well, let's see what we can do to aid you," the American Government intervened and said, "We have had a complaint from the Quatemaltecan officials who say you are giving hospice and protection to the Marxist-Leninists that they are trying to subdue in Guatemala." That is where we come in. This is how erroneous the policy has been. This is how we are associated in the minds of the people who sooner or later will prevail. We are not on the side of justice. We are not on the side of the oppressed. We are not liberators. We have been on the side of the oppressors. We have protected them, we have sustained them, we have given the arms, in the case of El Salvador, to knock off over 50,000 of their own people including the archbishop.

Why? Do not ever for a minute think that Archbishop Romero was knocked off without the full knowledge and even the cooperation of the CIA hired hands in El Salvador. The death squads which were proudly boasted by the leader of that regime who today still has a controlling voice and which Napoleon Duarte cannot do anything about, and he dare not. We forget that Napoleon Duarte had been in power two times and had been knocked out two times by the very same people that are there and who, when they come to Washington, are received by the so-called conservative forces in our country as heroes.

These are the men who have brought American goods and supplies and moneys in vast quantities in order to go into countries like El Salvador and conduct daily the death squads that have in the case of El Salvador killed off more than 50,000 Salvadorans. This is the smallest country.

What are we going to do? It is inevitable that in Guatemala we will have to decide what it is our policy will be. Is it an indigenous, is it a native civil war or is it an externally imposed Marxist Communist regime? We have not wanted to look beyond that and we had better.

Certainly even the President in his condemnation and his insistence that we knock out the present Nicaraguan regime will tell you that the reason he is so exercised is that the revolution, after it gained power, betrayed the revolution by becoming Marxist-Leninist. The truth of the matter is that the Nicaraguan uprising never was anything but an indigenous civil war, a native civil war. And you will always have persons present who spout Marxist-Leninism jargon and semantics and dialectics. But if we are going to go out and try to purify that then maybe we ought to start in Europe with France, because the French Cabinet has two Marxist-Leninist members in the French Cabinet.

Now we do not seem to get excited about that. We do not get excited about our Secretary of State, our Secretary of Defense going to China, which is proud to say that it is a Marxist-Leninist state, and enter into a secret military agreement that has yet to be reported to the American people. These are inconsistencies that are outside of our ambit of discussion and are common knowledge to the external world which certainly does not add to any respect for our leadership either in the Congress or in the executive branch of the Government.

What I am saying here today is that it is my hope and my trust that we will at least go into a full-blossomed discussion, I will not call it debate, but a discussion about the implications of approving $100 million to the Contras.

I will say this, my colleagues: If you do, you will be approving American intervention, you will be approving the death of many, many of our boys with no fruitful or profitable eventual benefit to our country.

Now I will say that unless one of your own is involved you will not be much aware, very much like during Vietnam. Those first years in 1965 in August when I announced here on the floor that at that point over 45 percent of the boys in Vietnam who were getting shot at and were going to be shot at, were draftees and of that number over 80 percent were what we call ethnic minorities, but 100 percent were poor, poor Americans who did not know what it would take to get exempted from the draft.

They could not go to college, they could not afford to go to Harvard and take the special courses they had there on how to avoid the draft. So they got drafted. There they were in the front lines, if we want call them that, over about 47 percent. When I made that announcement I immediately had advisers of the President, who was a friend, he was a neighbor, President Johnson, saying, "What have you got against the President?" This is exactly what is happening today. It is not the issue.

When we discussed the so-called war powers limitation we did not even discuss it. The issue came down to, "Are you loyal to our leader in this time of need or are you not?"

Many of the Members would tell me, "But, Henry, suppose the President is right and the Commies take over. We will be blamed." I said, "You are going to be blamed whether they do or don't." That fact is that is not the issue. That is a spurious issue. If you are talking about putting down communism you will never do it by bombing communism out of existence.

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You have never bombed out an idea. The only way to beat communism, and it is the only way it has been, is to fight injustice, to show some glimmer of hope to those who are oppressed. The oppressed may be ignorant, they may be unschooled, but they know the difference between freedom and not, but they also know the relative difference between being exterminated and at least having somebody saying, well, look, buddy, we will try to help you, whether it is because they want power or not.

How else do we explain a man like Hitler? Do you think that Hitler suddenly came in and took over the German people? Of course, not. The German people were and always have continued to be a virile, a sturdy, the most cultured people in the world. How do you explain Hitler?

Well, look at some of the pictures in the history books of 1929. As I remember, and I am old enough to remember, you will see times of emaciated German mothers with their little children waiting in line for their handouts of milk, with the caption saying, "German mother at relief station obtaining milk for children."

Then another picture of a line of men with their heads on a rail, an iron rail apparently, in some kind of a shelter, saying, "German homeless men sleeping in a shelter." They had their heads on an iron railing sleeping.

Well, should we be shocked or surprised if somebody eventually would come and say, "Germans, I give you hope. We will escape the chains. We will rise to the true purpose and destiny of the German race." It happened to be Hitler, and he happened to have the combination, and he happened to have the joinder of many forces that later regretted it, but it was too late.

What was the party that he rose on the backs of? It was the labor union party or the National Socialist Party of Germany. The same thing with Mussolini. What was it that Mussolini came up on? He came up on the workingman's shoulders. He was a Socialist leader, the Labor Party leader, or the equivalent of the Labor Party of Italy. What is in Russia? It is the United Soviet Socialist Republic. Hitler's was the National Socialist Party of Germany.

But he brought milk to the children. He put those unemployed homeless to work in building the autobahns and everything else. That is why. He at least was there. What was offered by the Allies other than demands for the full payment of the reparations? Finally, Hoover had to declare a moratorium. To whom? To our allies, who were paying us back through the reparations the Germans were being squeezed out of. Then when the Germans could no longer, or reached the point where they said a pox on all houses, then we had to declare a moratorium on the payment of the debts to us.

But the real issue was not on the governmental level. It was on the private level, where our resources through our bankers had been sucked in, taken up to the bond houses in New York and then invested in Japanese Government imperial bonds in 1921 to mature in 1941, in German Government bonds, with the financial wizard known as Hjalmar Schact, who was just as American as he was German. Germany then had dual nationality. You could be an American citizen or you could be a German citizen. They worked Wall Street beautifully. The only trouble with that was that it was sucking in our working Americans' deposits in banks who, in their greed, just like they are today, were investing in what looked like was paying a very high rate of interest, just like the tremendous outpouring of our main principal banks of the

United States who, today, if they were small banks in our community, we would say they were insolvent. Their investment in the countries that cannot pay back, not at the going interest rate of 30 to 35 percent, which is the greed that attracted these bankers, they have invested and have overhung their balance of debt greater than their capitalization structure. When you have that, you are bankrupt. It is a matter of time. But there is no awareness. It is just as bankrupt as our so-called foreign policies which, in turn, are dictated to by these interests.

It is not Ronald Reagan. Ronald Reagan is an actor. He never has lied to the people. He said he was an actor. That is all he has been. He acts the role. The trouble is, he needs a script. And when his script writers cannot agree, he is not smart enough to write script.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. COELHO, for 60 minutes, today.

(The following Members (at the request of Mr. JEFFORDS) to revise and extend their remarks and include extraneous material:)

Mr. JEFFORDS, for 60 minutes, today.

(The following Members (at the request of Mr. LOWRY of Washington) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. JEFFORDS) and to include extraneous matter:)

Mr. BILIRAKIS.

Mr. BROOMFIELD in two instances.

Mrs. BENTLEY.

(The following Members (at the request of Mr. LOWRY of Washington) and to include extraneous matter:)

Mr. WIRTH.

Mr. COLEMAN of Texas.

Mr. WOLPE.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 56 minutes p.m.) under its previous order, the House adjourned until Monday, March 3, 1986, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2864. A letter from the Assistant Secretary of the Army (Installations and Logistics), transmitting notice of the decision to convert to contractor performance the reception station food service, Fort Jackson, SC, pursuant to 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

2865. A letter from the Chairman, Securities and Exchange Commission, transmitting the annual report on the activities of the Commission, pursuant to the act of June 6, 1934, chapter 404, section 23(b) (89 Stat. 155); to the Committee on Energy and Commerce.

2866. A letter from the Director, Office of Legislative Affairs, Agency for International Development, transmitting a report on amounts of obligated and expended in Nicaragua for international security and development assistance, pursuant to Public Law 97-113, section 724(e) (95 Stat. 1553); to the Committee on Foreign Affairs.

2867. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Navy's proposed letter(s) of offer to Canada for defense articles and services, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

2868. A letter from the Secretary of State, transmitting the fifth report on the multinational force and observers to implement the treaty of peace between Egypt and Israel, pursuant to 22 U.S.C. 3425; to the Committee on Foreign Affairs.

2869. A letter from the Assistant Secretary of the Treasury (Management), transmitting a report on activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2870. A letter from the Chairwoman, U.S. International Trade Commission, transmitting a report on activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2871. A letter from the Director of Administration, Department of Energy, transmitting a report on activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2872. A letter from the Director, Federal Emergency Management Agency, transmitting a report on activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2873. A letter from the Chairman, Occupational Safety and Health Review Commission, transmitting a report on activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2874. A letter from the Secretary of Health and Human Services, transmitting the annual report on the Refugee Resettlement Program, pursuant to 8 U.S.C. 1523(a); to the Committee on the Judiciary.

2875. A letter from the Assistant Secretary for Conservation and Renewable Energy, Department of Energy, transmitting the fifth update to the wind energy program management plan status, pursuant to Public Law 96-345, section 4(c); to the Committee on Science and Technology.

2876. A letter from the Administrator, Agency for International Development, transmitting reasons for continuing AID-funded private voluntary organization activity in Brazil where prohibitions on U.S. assistance have been applied, pursuant to 22 U.S.C. 2151u(e); jointly, to the Committees on Foreign Affairs and Appropriations.

2877. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a report on the number of full-time permanent employees hired and promoted between October 1 and December 31, 1985, pursuant to Public Law 93-438, section 201(h) (91 Stat. 1482); jointly, to the Committees on Post Office and Civil Service and Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Omitted from the Record of Feb. 26, 1986]

Mr. YATRON: Committee on Foreign Affairs. H.R. 2958. A bill to amend the Foreign Assistance Act of 1961 to protect biological diversity in developing countries; with an amendment (Rept. 99-478). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FOLEY:

H.R. 4284. A bill to revise the terms of certain agricultural export assistance programs; to the Committee on Agriculture.

By Mr. ALEXANDER:

H.R. 4285. A bill to amend the Consolidated Farm and Rural Development Act to make the existing farm homestead protection program mandatory rather than just discretionary for the Department of Agriculture or the Small Business Administration; to the Committee on Agriculture.

By Mr. MILLER of California (for himself, Mr. FAZIO, Mr. MATSUI, Mr. RUSSO, Mr. SCHUMER, Mr. MRAZEK, and Mr. ATKINS):

H.R. 4286. A bill to provide a one-time amnesty from criminal and civil tax penalties for taxpayers who notify the Internal Revenue Service of previous underpayments of Federal tax and pay such underpayments in full with interest; to the Committee on Ways and Means.

By Mr. PEPPER (for himself, Mr. ROYBAL, Mrs. LLOYD, Mr. FRANK, and Mr. REID):

H.R. 4287. A bill to amend title XVIII of the Social Security Act to provide for an optional part C program to furnish comprehensive, catastrophic, long term, and preventive benefits through prepaid plans; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. WYDEN:

H.R. 4288. A bill to amend title 18, United States Code, to authorize prosecution of ter-

rorists who attack U.S. nationals abroad, and for other purposes; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

297. The SPEAKER presented a memorial of the Legislature of the State of California, relative to the National Historical Trail System; to the Committee on Interior and Insular Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 3549: Mr. BUSTAMANTE and Mr. BURTON of Indiana.

H.R. 3643: Mr. BARTON of Texas and Mr. EMERSON.

H.R. 3830: Mr. BIAGGI, Mr. THOMAS of Georgia, Mr. MARTINEZ, and Mr. BOUCHER.

H.R. 4079: Mrs. SMITH of Nebraska, Mr. STRANG, and Mr. VALENTINE.

H.J. Res. 422: Mr. EDGAR.

H. Res. 375: Mr. SCHAEFER, Mr. PACKARD, Mr. BATEMAN, Mr. KASICH, Mr. CRAIG, Mr. STRANG, Mr. STUMP, Mr. SLAUGHTER, Mr. SAXTON, Mr. SCHULZE, Mr. GOODLING, and Mr. MCCANDLESS.

PETITIONS, ETC.

Under clause 1 of rule XXII,

280. The SPEAKER presented a petition of John B. Watson et al., Chicago, IL, relative to Medicare; which was referred to the Committee on Ways and Means.

SENATE—*Friday, February 28, 1986*

(Legislative day of Monday, February 24, 1986)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Loving Father in Heaven, we pray for the healing of all who are hurting in our large Senate family. Give renewal of health and strength to those who are recovering from illness or surgery. Be with husbands or wives who are estranged. Dissolve stubborn pride that refuses to say "I am sorry" or that will not forgive. Encourage parents whose children are disturbed or whose teenagers are rebelling. Give fathers and mothers wisdom in parenting and dealing with difficult family situations. Help those who are in financial difficulty. Teach them that You are able and willing to supply their needs. Some are discouraged, fearing termination of their jobs. Some are frustrated, unable to cope. Some are lonely and feel unloved and rejected. Gracious God, You know every need, in grace, restore and renew and heal. We ask this in His name who is love incarnate. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, and then a special order in favor of the Senator from Wisconsin, Mr. PROXMIRE, for not to exceed 15 minutes, and then routine morning business until 11:30 with Senators permitted to speak therein for not more than 5 minutes each.

As I understand, we need to act on the committee funding resolutions today. It is the last day. Hopefully we can act on a couple of rather minor farm bills that are pending that are very critical from a time standpoint. With respect to the dairy legislation, if it is not passed today, then the Gramm-Rudman-Hollings application will occur.

We believe we have an alternative that satisfies nearly everyone. I suggested the sponsors might want to discuss it more with Senators MOYNIHAN, HAWKINS, and D'AMATO and others who have some problems with it.

The other measure contains about six provisions that, in effect, clarify or, frankly, change provisions in the farm bill we passed in late December. They are very necessary changes. Again, the urgency is that next week we start signup in all of these programs in the Midwest and other places. And farmers are going to be required to come back time and time again unless we can clarify the provisions, which we have outlined in our proposal.

Again, the proposal is bipartisan. We did meet with about 20 Senators, Democrats and Republicans. I think there are a number of Democrats who feel as strongly as I do about passing it today. Senators RIEGLE, LEVIN, MITCHELL, BENTSEN, BOREN, ZORINSKY, and others—this is the other package—and we have a like number of Republicans.

So it is my hope we can work that out and satisfy the concerns expressed by Senators HARKIN and MELCHER. If they permit us to move ahead on that bill, it will be very helpful to American farmers. Hopefully, we can resolve any problems they have.

WILLIAM RANDOLPH BASHAM

Mr. DOLE. Mr. President, the Senate lost an old friend yesterday with the passing of William Randolph Basham, the deputy superintendent of our Senate press gallery.

Bill was a hardworking gentleman who earned the respect of many, many associates during his lifelong work in the Washington area. As a reporter for the Washington Star, my colleagues and I came to know him as a dedicated journalist who would pursue a story with tenacity but never overstep the boundaries of fairness and accuracy.

In January 1982, Bill came to Capitol Hill to work in the press gallery where he was able to benefit many a journalist with his ample know-how and experience. Mr. President, the hours are long in this Chamber and the pressures are many when dealing with a hungry press corps working on deadline, so we appreciate the dedication and enthusiasm Bill brought to the Senate. He met the challenge with the same good humor and courtesy that was the hallmark of his years as a reporter.

We will miss this good man and we mourn his passing. As Senate majority leader, I speak for all the Members of this body in expressing our sympathy to the family of William Randolph Basham.

(Mr. McCONNELL assumed the chair.)

WISHING M.B. OGLESBY GOOD LUCK

Mr. DOLE. Mr. President, I want to take a moment to say, "Thank you and good luck" to B. Oglesby, who today will leave his post as Assistant to the President for Legislative Affairs.

"B" has been a very important presence in the majority leader's office. His guidance and perseverance have been instrumental in achieving many of the administration's legislative successes over the past few years. And I can say, personally, that he has helped make my job considerably easier.

"B" has been a public servant in Washington since the early 1970's when he came from Illinois to be an assistant to Representative EDWARD MADIGAN. He also served as a staff assistant to the House Energy and Commerce Committee, and in 1981 became Deputy Assistant to the President for Legislative Affairs. In 1985 he became assistant to the President.

As we all know, congressional liaison jobs are very demanding ones. "B" has made a generous contribution as a public servant, and I understand his desire to return to work in the private sector. Those of us who have worked closely with "B" will miss his wisdom and wit. But we wish him the very best of luck in his new job and in all his future endeavors.

Mr. THURMOND. Mr. President, will the distinguished majority leader yield?

Mr. DOLE. I am happy to yield.

Mr. THURMOND. Mr. President, I just wanted to associate myself with the remarks of the able majority leader about B. Oglesby. He has been at the White House now for several years. He has done an outstanding job. He has been very accommodating. He has worked with Senators and he has shown a spirit of helpfulness in all of his work.

I regret to see him leave there, but I certainly wish him well in his new undertakings.

A FOND FAREWELL TO JOHN TUCK

Mr. DOLE. Mr. President, I know this will be of interest to the President pro tempore and other Senators on

both sides, but particularly on our side, because today we bid a fond farewell to John Tuck, assistant secretary for the majority. While we will undoubtedly miss John on the Senate floor and in the cloakroom, it is likely we will still be seeing John in his new role as Special Assistant to the President for Legislative Affairs under the new Assistant to the President for Legislative Affairs, Will Ball. I congratulate Will and his choice; John is not only able, he is dedicated and honest. These are terms that are used loosely in this town but I am using them in their strictest sense because that is how they apply.

John has served the Senate since January 1981. Prior to helping us here, he spent 7 years in the House of Representatives. He has an excellent working knowledge of both Chambers and hence takes to the White House a special sense of the workings of the legislative process that will undoubtedly enhance that branch's liaison capabilities. We are going to miss John's presence in the Senate but are confident that we will still share the benefits of his good judgment and good work.

Mr. THURMOND. Will the able majority leader yield?

Mr. DOLE. Yes.

Mr. THURMOND. Mr. President, I wish to associate myself with his kind remarks, also, about John Tuck.

In the 31 years I have been here, I have seen no attaché of the Senate who has been more efficient, more caring, more understanding, and more helpful than John Tuck. The Senate has been very fortunate to have had a man of his fine qualities here assisting us in an important way.

I certainly wish him well in the liaison work he is going to do at the White House. I feel certain he will continue to carry on there as efficiently and capably as he has done here in the Senate.

TV AND RADIO IN THE SENATE

Mr. DOLE. Mr. President, someone indicated this morning they did not think the Senate would ever address TV in the Senate. Well, the thing we have forgotten about is radio. I got to thinking last night that we never mentioned radio in the Senate. As I understand it, as soon as we start, not later than May 1, radio is live?

Mr. BYRD. Radio is live and will not be subject to the question of permanence.

Mr. DOLE. That is right.

I do not think any of us meant to downgrade the role of radio. It is very important. Many, many more Americans listen to radio than watch television. But I guess with all the focus on the rules changes and television in the Senate radio, was overlooked. I knew what would happen. But there was not any great discussion indicating that we were willing to accept radio. And we never had any question about radio. There is just something about being seen on television that gives some of us cause to wonder if it is a great idea.

But to all those in the radio industry and the radio broadcasters, we certainly look forward to doing business with you.

Mr. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. DOLE. Yes.

Mr. BYRD. I suppose that Senators, having tested and tried radio during the Panama Canal debates, are less concerned about possible problems with radio and its impact on the Senate than with respect to television. Both tests are to begin as soon as possible, and no later than May 1. That does include radio.

TRIBUTE TO JOHN TUCK AND M.B. OGLESBY

Mr. BYRD. Mr. President, I, too, want to commend Mr. Oglesby and John Tuck. They both have been very courteous at all times to the minority. I have found Mr. Oglesby to be one who is considerate of the requests and needs of the minority, and he has always and without exception responded as best he could to our calls for service from the other end of the avenue.

John Tuck has been consistently courteous and helpful. I, too, will miss John Tuck. He is a very personable young man. I hope he has a great future, and I believe he does, at the White House. I say Presidents come and go, but Senators just fade away. I would rather John would stay with us.

I ask unanimous consent that I reserve the balance of my time throughout this calendar day.

The PRESIDING OFFICER. Without objection.

Mr. BYRD. I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order the Senator from Wisconsin [Mr. PROXMIRE], is recognized for not to exceed 15 minutes.

SUPPOSE TERRORISTS HAD NUCLEAR WEAPONS

Mr. PROXMIRE. Mr. President, all of us are aware that we are moving into an age of terrorism. Almost no one has observed that this age of terrorism coincides with the nuclear age, the age when nuclear weapons can bring the sudden and total destruction of entire cities.

Suppose fanatic terrorists secure atomic weapons. What would be the most alluring target? Answer: The big cities in the most powerful and richest country on Earth. Qadhafi has talked of bringing terror to American cities. He has publicly talked of trying to acquire nuclear weapons. He is not alone among national leaders seeking nuclear power. Suppose someone like Qadhafi secured just a few of the present world supply of 50,000 nuclear bombs, perhaps just a few of the small tactical nuclear bombs. His victims would not be five or six people in a New York airport. It could be most of Wall Street. It could be the U.S. Capitol when the civilian and military heads of Government gathered together in one very small space to hear the President of the United States deliver his State of the Union speech. It could be a hundred thousand Americans at a football game. It could be a combination of targets, that could result in tens of thousands of American deaths or the decapitation of the American Government.

Terrorism and nuclear weapons have not come together. Not yet. But the technology is racing on. Reports persist that India, Pakistan, and others are well underway to building nuclear weapons arsenals. The United States and the Soviet Union are adding to the power and variety of their nuclear arsenal every day. Recent reports affirm the fact that both the United Kingdom and France will raise their arsenals to more than 1,000 strategic nuclear weapons each. China is moving ahead on the nuclear front and greatly increasing its economic capacity so it can be expected to have a formidable nuclear arsenal in the future.

This is what we know. There is much more almost certainly going on in nuclear weapon production and deployment that we do not know. At least a half dozen additional countries have the economic capacity and the desire to acquire nuclear weapons. And this Congress, following the lead of the administration, has become a pushover—a pushover—for industry lobbyists working hard to promote a permissive policy for the sale of nuclear weapons material abroad.

Are they succeeding? They sure are. For instance, what happened to the Glenn amendment? The Glenn amendment simply provided that the United States-China agreement on nuclear technology transfer shall not take effect until the President certifies to the Congress that the agreement includes "standards and methods of materials accounting and inspection essentially equivalent to those normally applied by the International Atomic Energy Agency." That was a conservative requirement that we know whether or not there was proliferation of the key elements necessary for the explosion of nuclear bombs. Does it sound reasonable, The U.S. Senate thought so. This body so firmly believe in stopping proliferation that we overrode

our top leaders to insist on safeguards. Just last December 9, there was an attempt by the Senate leadership and the administration to kill the Glenn amendment. The administration and the Senate leadership was soundly defeated by a 59-to-28 vote That is better than 2 to 1. But in the confusing and complex House-Senate conference on the continuing resolution the Glenn amendment was dropped. Most Members of the Senate did not even know at the time that it was dropped. Not a word was said on the floor until after the continuing resolution sailed through without the Glenn amendment.

As a result this country will export to the biggest Communist country on Earth a nuclear technology the Chinese can export freely anywhere in the world. And what safeguard do we have to prevent such proliferation? We have a White House toast more than a year ago in which a Chinese official made the assertion: "The Chinese do not proliferate." This is in the present tense. Not that they will not; that they do not proliferate. That is it. Nothing else. This is the same China that has been reliably reported to have assisted Pakistan, South Africa, Brazil, and Argentina in their various efforts to develop nuclear weapons capability. It is true that China already has its own nuclear military capability. But it has had no nuclear energy production facilities. There is a difference, because with the acquisition of such facilities from the United States, the Chinese will have a new source for the production of weapons grade plutonium which they in turn can sell throughout the world. This means the product of American supplied nuclear facilities could enable countries everywhere to acquire the one, prime ingredient they need to fuel a nuclear arsenal.

What has all this to do with terrorists blowing up big sections of New York, Washington, or other cities? The answer: plenty. We have been amazingly lucky in the first 40 years of the nuclear age. International safeguards against the spread of nuclear weapons materials have succeeded far better than we had any right to expect. We are dealing here, Mr. President, with a power that many fanatic leaders in various countries throughout the world would literally kill to get. The old cliche that we are dealing with dynamite does not apply in this case because we are dealing with something far more powerful. International leaders who employ state-directed terrorists could make their wildest fantasies of terrorism come true. With proliferation—with more and more countries acquiring nuclear weapons—this country could have no sure basis for knowing where the destruction was coming from. We have grown fat and lazy and very careless in our control of nuclear technology. Unless we act fast to bring proliferation under control this country could suffer terrible disasters.

WHY AND HOW TO REPEAL THE FAIRNESS DOCTRINE

Mr. PROXMIRE. Mr. President, the Senate decided last night to authorize television and radio broadcasts in the U.S. Senate beginning in a very few weeks. I would like to speak on a subject related to that because it is something that the Congress has failed to do which is certainly in the interest of freedom in this country.

Mr. President, the time has come for the Congress to repeal the so-called "Fairness Doctrine". This doctrine requires broadcasters to provide opportunities for contrasting viewpoints on issues of public importance. Superficially, it sounds great. And masquerading under the label of "fairness," it has proved irresistible for many years.

But it is wrong, wrong, wrong. Why is it wrong? Answer: Who determines "fairness"? It has to be determined by some authority with the power of enforcement. "Fairness" is not determined by an all seeing, always just God. It is determined by the Government. Who is the Government? In this case it is the Federal Communications Commission. And who are the Commissioners? Well they are not Gods. They are fallible human beings. The so-called "fairness" doctrine hands those fallible human beings the power to determine what is fair and what is not. That power is censorship. In a totalitarian society—a Communist society for instance—we call that kind of power bureaucratic censorship. The Communists husband that as a very real power; the one essential power of a Communist dictatorship, power over what their public reads, hears, and sees. In our society the Federal Communications Commission exercises that same censorship power just as if they were a Communist totalitarian instrumentality. Do you doubt it?

Then let me read to you what Chairman Mark Fowler who heads the Federal Communications Commission has written about the power he exercises over radio and television stations. Keep in mind that reliable surveys show that more than two-thirds of the American public receive their news primarily from radio and television. As far as most of America is concerned today the press is not the newspaper, it is TV and radio. Is this press in America today free? Listen to what the Chairman of the Federal Communications Commission wrote in the Washington Post on the op-ed page of that paper last Tuesday, February 25. Ponder the first two short paragraphs of that Fowler article. Here they are:

> When you turn to these pages (the editorial pages of the Washington Post) you expect to find controversy, overall balance, and possibly enlightenment. What you don't expect to find are the initials of a government censor in the corner, approving the layout, presentation and reasonableness of the editor.
>
> But if this page contained the transcript of a television or radio station, and not the words of myself and other writers, those initials are exactly what you'd find. And under the law today, those initials would be mine.

The reason is the fairness doctrine.

Mr. President, let me repeat part of what Chairman Fowler said:

> But if this page contained the transcript of a television or radio station, and not the words of myself and other writers, those initials are exactly what you'd find. And under the law today, those initials would be mine.

Those initials of the censor are exactly what you would find. Under the law today, those initials would be the initials of the Chairman of the Federal Communications Commission.

That is right, Mr. President, the Chairman of the Federal Communications Commission, Mark Fowler, to his everlasting credit, has called to the attention of the Congress that the law makes him a censor just like a Communist totalitarian censor. Fowler goes on to spell out the grim consequences of this censorship.

Some people might say, "Well, so what? It is an abridgement of the freedom of speech, but what are the consequences of it?"

Well, there are plenty. Chairman Fowler spells that out.

The FCC, especially under such enlightened leadership as Mr. Fowler, does not stop free speech. But believe me the threat of the fairness doctrine sure does exactly that. Mr. Fowler spells out how it works. Here is how he puts it:

> Instead of enhancing the discussion of controversial issues, the doctrine "chills" speech. Our record is replete with examples from stations large and small, that told of their fear of government punishment if their coverage of a controversial issue missed the FCC's mark for fairness.
>
> Broadcasters decided it was "safer" not to carry programs on controversial issues. Why cover the nuclear arms race, religious cults, municipal salaries or other matters of concern and risk losing your license? When a lawsuit can cost thousands of dollars in legal fees and many times more in lost staff time, why take the risk? . . . Those with a controversial message—whether it's about abortion, the national debt or atomic power—are told they can't buy time. That's not more speech. That's silencing the dissident voice. But the first amendment teaches that the remedy for "unfair" speech is not to censor it or regulate it, but to foster more speech.

Now, what can we do about this? Chairman Fowler transmitted to the Congress just this week his recommendation for legislative changes. They include a recommendation to do away with the so-called "Fairness" doctrine.

We ought to act on that. He has recommended that we do that this year, the FCC has recommended, and we

should do so. I have advocated that course for a number of years. Senator PACKWOOD fought to eliminate the fairness doctrine when he was chairman of the Senate Commerce Committee. Senator PACKWOOD was right. As chairman of the Commerce Committee, he was in a great position to win its enactment. He did not. Why not? Well, the answer, Mr. President, is in the name, "fairness" doctrine.

All of us are for fairness. It is hard in a public forum to win a fight to knock out anything that has such a politically appealing name. Do we want our constituents to believe that we are against "fairness"? Maybe, Mr. President, instead of mounting the usual frontal assault on the so-called fairness doctrine, we should instead simply pass an amendment changing the name of this FCC policy so it would be accurately labeled. Why can we not henceforth label this policy as the "Communist totalitarian censorship doctrine"? We might have a chance of repealing it. That is certainly a far more accurate and honest description of what this doctrine is. After all, it requires the Government to intervene with a private news agency and dictate to that agency what they can say and how they can say it. Our Founding Fathers would turn over in their graves at this assault on the bill of rights of our Constitution. So let us call the policy what it is, "the Communist totalitarian censorhip doctrine." If we do that, I have a hunch we could repeal it.

Mr. President, I ask unanimous consent that the article to which I have referred by Mark Fowler in the Tuesday Washington Post be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 25, 1986]

THE FAIRNESS DOCTRINE CAN HURT

(By Mark S. Fowler)

When you turn to these pages, you expect to find controversy, overall balance and, possibly, enlightenment. What you don't expect to find are the initials of a government censor in the corner, approving the layout, presentation and reasonableness of the editor.

But if this page contained the transcript of a television or radio station, and not the words of myself and other writers, those initials are exactly what you'd find. And, under the law today those initials would be mine.

The reason is the fairness doctrine, a government policy that requires broadcasters to provide opportunities for contrasting viewpoints on issues of public importance. Now, fairness is a virtue of good journalism. But it's another thing for government officials to be second-guessing journalists.

Last year, in a comprehensive study of the history and effects of the fairness doctrine, the Federal Communications Commission concluded that the doctrine was the wrong way to ensure the public access to diverse viewpoints on controversial viewpoints. Rather than there being a "scarcity" of information sources, we found the public has scores of outlets—from magazines to broadcasting, from direct mail to newspapers—from which to hear a diversity of viewpoints and attitudes.

But many would still have government continue to enforce the fairness doctrine. They insist it works, even though the government-ordered "correction" comes sometimes years after the initial, supposedly unfair, broadcast took place. And despite the world of outlooks and opinions surrounding the output of a single radio or television signal, they think that the doctrine alone guarantees that the public gets a balanced outlook on things.

It's foolish, of course. Worse, it suggests something about those who want to continue enforcement of the doctrine. Their purpose is plain: continue licensing the content of one segment of an ever expanding electronic press. Their implicit assumption is that the common man is too dimwitted to discern the truth among diverse voices, fair and unfair, moderate and extreme. Yet the American people have been well served by newspapers for more than 200 years, with no fairness doctrine for print, no Federal Newspaper Commission.

If this were just a matter of chit-chat among press-law buffs, maybe I wouldn't argue so often and so uncompromisingly for elimination of the doctrine. But it's not. The fairness doctrine can hurt.

As the FCC's report makes clear, instead of enhancing the discussion of controversial issues, the doctrine "chills" speech. Our record is replete with examples from stations, large and small, that told of their fear of government punishment if their coverage of a controversial issue missed the FCC's mark for fairness.

Broadcasters decided it was "safer" not to carry programs on controversial issues. Why cover the nuclear arms race, religious cults, municipal salaries or other matters of concern, and risk losing your license? When a lawsuit can cost thousands of dollars in legal fees and many times more in lost staff time, why take the risk? What happens is that broadcasters don't—they don't as matter of institutional policy. And they are wary of letting anyone else do so on their frequency, either. I'd suggest you look at what's happening with W. R. Grace & Co.'s current, controversial TV ad about the risks of high deficits. On second thought, forget it. Look, but you will not find; the networks are reluctant to run it.

Those with a controversial message—whether it's about abortion, the national debt or atomic power—are told they can't buy time. That's not more speech. That's silencing the dissident voice. But the First Amendment teaches that the remedy for "unfair" speech is not to censor or regulate it, but to foster more speech.

This month the commission will formally transmit to Congress our "legislative package," a wish list of changes in the laws governing broadcasting and other FCC matters. Again, we have asked Congress to do away with the fairness doctrine.

It is not the first time we have done so. And because the doctrine weakens rather than strengthens the power of broadcasters in the press-government equation. I fear it may not be the last.

But reform is already overdue. The marketplace of ideas is too important to be subject to the blue grease pencil of the censor. As a democratic society we should recognize when we have strayed from the principles of free speech and press. The fairness doctrine is an aberration in our tradition of free expression and should be abolished.

MYTH: THE DEPARTMENT OF ENERGY IS THE DEPARTMENT OF ENERGY

Mr. PROXMIRE. Mr. President, the myth of the day is that the Department of Energy is the Department of Energy.

Now, how can that be, Mr. President? How can a Federal department not be what it says it is?

Well, all you have to do is look at the fiscal year 1987 budget the President has just submitted to the Congress and you discover that the Department of Energy is no longer primarily concerned with energy.

I ask unanimous consent that the following table submitted by the administration, which breaks out DOE's budget, be entered into the RECORD after this statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 1.]

Mr. PROXMIRE. The figures in the budget breakout confirm this myth as plain as day.

In fiscal year 1985, 47 percent of the DOE budget was devoted to atomic energy defense activities. These are defense activities that serve the Pentagon, such as nuclear weapons production and naval reactors development. They have nothing to do with the national energy policy or effort of the Federal Government.

For fiscal year 1986, 60 percent of the DOE budget was for atomic energy activities—that is, Pentagon work.

What about fiscal year 1987? How much more is DOE tilting toward the Pentagon? Of the $12.1 billion budgeted for the Energy Department, a whopping $8.2 billion goes to atomic energy defense activities. In other words, more than two-thirds of the DOE budget is for Pentagon work.

What about the energy work that actually makes up less than a third of the energy budget? Well, you practically have to use a microscope to find it. Alternative fuels funding, like for solar power, has been zeroed out. Fossile energy research has been cut to the bone. Conservation funding has been reduced by 91 percent. Other energy research has been practically frozen.

In other words, Mr. President, we have an Energy Department that cares relatively little about energy. And it is a myth to think otherwise.

If this kind of funding keeps up, we should start calling the Department of Energy "son of DOD" instead of its present name.

EXHIBIT 1

DEPARTMENT OF ENERGY FISCAL YEAR 1987 BUDGET

[Dollar amounts in millions]

Summary by appropriation	Budget authority			
	1985	1986	1987	change
Energy supply research and development	$1,967	$1,698	$1,254	−26
Uranium enrichment	238	191		−100
General science and research	725	656	773	18
Atomic energy defense activities	7,322	7,232	8,230	14
Departmental administration	129	150	151	1
Power marketing activities	573	558	564	1
Federal Energy Regulatory Commission	55	42	20	−52
Nuclear waste fund	328	499	769	54
Payments to states	1	1	1	
Subtotal, energy and water development activities	11,338	11,025	11,762	7
Alternative fuels production	1,170			
Fossil energy research and development	289	312	83	−73
Naval petroleum and oil shale reserved	157	13	127	877
Energy conservation	457	428	40	−91
Economic regulation	27	23	22	−4
Emergency preparedness	6	6	6	
Strategic petroleum reserve	2,050	107		−100
Energy information activities	61	58	60	3
Subtotal, Interior and related agencies activities	4,217	947	338	−64
Total, Department of Energy	15,555	11,972	12,100	1

Mr. PROXMIRE. Mr. President, I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HEFLIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO M.B. OGLESBY

Mr. HEFLIN. Mr. President, I understand that today is the last day that Mr. B. Oglesby, who has been the congressional liaison from the White House, will function in that capacity and that he will be leaving the White House and will go into private business.

I take this opportunity to praise Mr. Oglesby for his excellent work. He has been very cooperative, not only with Members of the majority party but also with Members of the minority party. He has been helpful in many ways. I found him to be a highly intelligent individual and willing to listen and to try to cooperate in many things. I thank him for his many acts of cooperation and his many acts of kindness that he has shown to this Senator.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. HECHT). Under the previous order, there will now be a period for the transaction of routine morning business.

CALL TO CONSCIENCE

Mr. LEVIN. Mr. President, again this year the congressional call to conscience is focusing our attention on the plight of Soviet Jewry. The recent release of Anatoly Shcharansky has dramatized the issue and put it in the headlines, largely because Shcharansky courageously endured a great deal of suffering and because he had become a symbol of the Jewish emigration movement. While we have all rejoiced in this wonderful development, no one is claiming that it represents a major change in Soviet policy, or that the struggle for free emigration is over. In fact, I have sensed a renewed resolve to increase our efforts on behalf of the remaining prisoners of conscience, and the thousands of refuseniks still awaiting permission to leave. As Shcharansky himself said after his arrival in Israel, his release should be "only the beginning of a long process of improving the situation of emigration and human rights."

There are so many cases which must be resolved as part of this long process. Let me mention three.

Before the Geneva summit, there were indications that Abe Stolar, his wife Gita, his son Michael, and Michael's wife Julia would be granted exit visas. More than 3 months later, they are still waiting. The Stolars have been trying to emigrate to Israel for over a decade. Twice before the Stolars have been on the verge of leaving, only to have their hopes dashed at the last minute. All of us who have worked on the Stolars behalf sincerely hope that this latest episode will not be another disappointment.

I am also deeply concerned about the case of Tanya Bogomolny and her husband Benjamin. The Bogomolnys are refuseniks whose situation is made all the more poignant by the fact that Tanya is terminally ill. Her fondest wish is to be able to spend her final days in Israel. Mr. Bogomolny has the dubious distinction of being the longest-standing refusenik—he first applied for permission to emigrate in 1966. If after 20 years the Soviets will still not recognize Mr. Bogomolny's right to emigrate, they should at least allow him and his wife to leave on humanitarian grounds. We will continue to press the Soviet Government on this case.

Another humanitarian issue of great concern to me is the reunification of divided spouses. In the immediate aftermath of the summit, the Soviets took some encouraging steps toward resolving cases involving divided families. A number of separated family members of American citizens were allowed to leave the Soviet Union. But approximately 20 of these cases remain unresolved. Among those who remain separated are Mr. Keith Braun of Southfield, MI, and his wife Svetlana, living in Moscow. The Soviets can show that they are serious about honoring their pledge to assist in family reunification by allowing the Brauns and the rest of the divided spouses to live together in the country of their choice.

It is essential that we seek improved relations with the Soviet Union. As we move toward this goal, we must not forget the Stolars, Bogomolnys, Bruans, and so many others like them who are denied fundamental human rights because of the policies of the Soviet Government. Let this year's call to conscience be a reminder that we must not slacken our efforts on behalf of Soviet Jewry.

NBA SCORES POINTS IN FIGHT AGAINST DRUGS

Mrs. HAWKINS. Mr. President, today I would like to give well-deserved praise to the National Basketball Association for announcing, on February 25, the painful but necessary action of banning for life the first active NBA player, Michael Ray Richardson, for testing positive for continued cocaine use.

It was indeed a tragic day for Mr. Richardson, as it means the destruction of another promising career by cocaine. It also means the voiding of Mr. Richardson's 4-year, $3 million contract. This action was taken under the terms of the drug agreement negotiated between the NBA and the players union, which was announced on September 28, 1983. Both the league and the players' union are to be highly commended for making this courageous step possible.

USA Today, the New York Times, and others in our media who gave prominent play to this NBA action are also to be commended for heightening its impact.

A much needed signal has been given to our professional athletes, and our children, that there is a definite limit to our society's tolerance and forbearance toward illicit drug users, especially those in prominent positions who are idolized by our youth.

Mr. Richardson was given very generous and tolerant treatment by his team after his drug problem surfaced in 1983. He was sent to the NBA's Rehabilitation Center in California late in 1985 for 3 weeks of treatment. Last week, upon being found using illegal drugs for a third time, he was automatically banned for life from the league. A strong prevention message has been delivered. Drastic sanctions against drug use are for real.

Yesterday, I praised the world-class leadership efforts of Equadoran President Febres-Cordero in the fight against the producer end of international trafficking in illegal drugs. Today, we hail this difficult, but heartening move by the NBA against

our insidious drug problem, which attacks the user end of the chain—the demand side, rather than the supply side. Increased effort on all fronts of this problem are necessary.

Not only professional sports teams, but other organizations are beginning to take tough and courageous stands against drug use. In my own State of Florida, the Miami Herald newspaper recently announced it would institute mandatory drug testing of all prospective employees. The Los Angeles Times adopted a similar program for drug testing of employees late last year. The New York Times and Chicago Tribune have long conducted tests to screen employees for drug use. The Men's International Professional Tennis Council recently approved mandatory drug testing as part of the men's professional tennis tour in 1986.

Experts in the drug-testing field now estimate that 25 percent of all Fortune 500 companies screen for drugs in preemployment physicals, as opposed to 10 percent in 1981. Other organizations, especially those with high visibility in fields such as professional sports, entertainment, and the media, should also bite the drug-testing bullet. If we have learned anything from our long and difficult struggle with the debilitating and cancerous growth of illicit drug use, it is to carry on the fight as vigorously as we can on all fronts.

Thank you, NBA and the players' union for showing the way and making our day.

HUGO LaFAYETTE BLACK DAY

Mr. HEFLIN. Mr. President, Justice Hugo LaFayette Black has long been regarded as one of the true giants in the history of the U.S. Supreme Court. February 27, 1986, marks the 100th anniversary of the birth of this great Alabamian and American. It is fitting that this date has been declared "Hugo LaFayette Black Day."

Born in Clay County, AL, Justice Black graduated with honors from the University of Alabama Law School. As a practicing lawyer, prosecuting attorney, and police court judge in Birmingham, AL, Justice Black distinguished himself as an able and effective advocate.

As Senator from the State of Alabama, he sponsored far-reaching legislation, including the first minimum wage bill. Justice Black was President Franklin D. Roosevelt's first nominee to the Supreme Court in 1937. His long and productive tenure at the Court spanned six Presidents and five Chief Justices.

Justice Black stood firm and unwavering in protecting and defending our cherished constitutional rights. He believed that the purpose of the law is to better the lot of humanity.

Justice Black was known for his graciousness, his sympathy for the underdog, and his contagious sense of humor. He believed in the value of a hard day's work and set an example for others. His work was his life, and he pursued a career of dedicated public service until he retired at age 85.

Justice Black was a great patriot and jurist. As Chief Justice Burger stated, "He loved this Court as an institution, and contributed mightily to its work, to its strength, and to its future. He revered the Constitution; * * * But above all he believed in the people".

In recognition of Justice Black's invaluable contributions to American jurisprudence, the President has designated February 27, 1986, as "Hugo LaFayette Black Day."

Mr. President, I ask that this most fitting editorial which appeared in the St. Louis Post-Dispatch be printed in the RECORD, as well as the text of the joint resolution.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HONORING JUSTICE BLACK

The faces of only four American judges—John Marshall, Oliver Wendell Holmes, Charles Evans Hughes and Harlan Fiske Stone—have appeared on stamps. If the Citizens' Stamp Advisory Committee, in its meeting on July 21-22, so recommends, the fifth judge to be so honored may be Hugo L. Black, who sat on the Supreme Court with Hughes and Stone. Like the other four justices, Black, who served from 1937 to 1971, surely deserves to be recognized as one of the giants of the Supreme Court.

Sen. Howell Heflin and Rep. Ben Erdreich of Alabama have introduced legislation calling for the observance on Feb. 27, 1986, the 100th anniversary of the justice's birth, as Hugo LaFayette Black Day.

Justice Black was surely one of the most influential justices of the 20th century. A staunch champion of the Bill of Rights, he argued in dissent for years that the 14th Amendment's command that the states observe due process meant that, like the federal government, the states were bound to respect individual rights enumerated in the first 10 amendments. Eventually Black won the court over to his view that the 14th Amendment required the states to provide free counsel for indigent criminal defendants, to respect the right against self-incrimination, the right to confront witnesses, the protection against illegal searches and seizures and the proscription against cruel and unusual punishment.

But among the 10 articles in the Bill of Rights, Justice Black considered the First Amendment the cornerstone of liberty, and he called freedom of speech the heart of the First Amendment. Although he never persuaded his fellow justices to adopt his absolutist view, he contributed mightily to the nation's recognition of the importance of freedom of expression. For his incomparable defense of individual liberties, Justice Black deserves recognition in the Great American stamp series.

S.J. RES. 59

Whereas Hugo LaFayette Black's reverence for the Constitution of the United States and the freedoms it guarantees led him to a career of dedicated public service in the State of Alabama, the United States Senate, and the United States Supreme Court, spanning over fifty years;

Whereas Hugo LaFayette Black's courageous leadership, devotion to wisdom and scholarship, and dedication to the cause of justice brought meaning to the concept of democracy and has had a far-reaching influence on the development of American jurisprudence;

Whereas Hugo LaFayette Black stood firm and unwaivering in protecting and defending our cherished constitutional rights and freedoms, and contributed greatly to the strength and vitality of our Nation;

Whereas future generations will continue to benefit from Hugo LaFayette Black's devotion to the common good and sense of compassion for all;

Whereas February 27, 1986, is the one hundredth anniversity of the birth of Hugo LaFayette Black; and

Whereas it is fitting and proper to honor Hugo LaFayette Black as a defender of freedom, a patriot; and a dedicated public servant; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled. That the President is authorized and requested to issue a proclamation designating February 27, 1986, as "Hugo LaFayette Black Day", and calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

WALTER T. COX, INTERIM PRESIDENT OF CLEMSON UNIVERSITY IN CLEMSON, SC

Mr. THURMOND. Mr. President, today I should like to call the attention of my colleagues to the outstanding leadership of Mr. Walter T. Cox, who is ending his service as interim president of Clemson University in Clemson, SC.

In recognizing Walter Cox today, I am commending a man of exceptional character who has set an example for all Americans. Walter Cox assumed the presidency of Clemson University during a very difficult time in its history and molded a divided institution into a cohesive organization. He has integrity and tact, intelligence and understanding, and is both leader and servant. I am pleased to honor him today.

As one of the older graduates of Clemson University, I have seen few alumni with a greater love for that institution than Walter Cox. A native of Belton, SC, Mr. Cox entered Clemson as a freshman in 1935, and graduated in 1939, and, except for his military service during World War II, he has worked at that institution ever since. He has been assistant football coach, athletic business manager, baseball coach, director of public relations and alumni affairs, assistant to the university president, vice president for student affairs, dean of students, and university president. His service in each of those capacities has been commend-

able, his ethics above question, and his resolve unshakeable.

He has a fatherly image on campus and is known universally and affectionately as "Dean Cox." In the 8 months of his presidency, his strong leadership and impartial judgment have restored unity to one of South Carolina's finest universities.

Walter Cox has been honored with Clemson's highest awards—the Distinguished Alumni Award in 1963; the Clemson Medallion in 1984, and the Clemson University Athletic Hall of Fame, 1984. He was a member of the 1939 football team which defeated Boston College in the Cotton Bowl that year.

In addition, he is active in many civic and business organizations. He is father of four children, one of whom is Judge Walter Cox, confirmed by the Senate for the U.S. Military Court of Appeals over a year ago.

Mr. Cox will continue to serve as special assistant to the new president, Dr. Max Lennon, who assumes that position tomorrow. Clemson's board of trustees has made a fine choice in selecting Dr. Lennon, and I have high hopes for Clemson's future.

Mr. President, Walter Cox is a man who has been faithful to the task before him, dedicated to the high ideals of Clemson University, and is unswervingly loyal to this fine institution. I ask my colleagues to join me today in recognizing this great American and my good friend.

BEST WISHES TO GEORGE MURPHY

Mr. QUAYLE. Mr. President, today is the last day for George Murphy, who has been the chaperone of the "Special Secret Room" of the Capitol.

Every Senator knows George Murphy and everyone knows of the valuable service that he has performed over the years. He has been helpful to both sides of the aisle and I know that many Senators will deeply miss a very special contact a number of us have had over the years. It just will not be the same to go to our briefings and not have George there to greet us and tell us what is really going on in the world. He is a fountain of information. He has a great deal of expertise and a memory that is practically irreplaceable.

We wish George the very best and I personally look forward to working with him in his new role, which will be outside the confines of this secret world.

SUPPLEMENTAL APPROPRIATIONS FOR COMMODITY CREDIT CORPORATION

Mr. COCHRAN. Mr. President, last night before the Senate adjourned, it was brought to the attention of the body that there was at the desk a bill making supplemental appropriations for the Commodity Credit Corporation. This bill had been held at the desk in hopes that it could be taken up by the Senate without being considered by the Appropriations Committee in a formal way, be passed, and sent to the President for his signature.

There was some consideration of asking unanimous consent that the bill be taken from the desk and considered by the Senate last night. This was about 8 o'clock in the evening when the other business of the Senate had been completed.

Some Senators were concerned, though, that there was a provision added to that bill in the House of Representatives which took away, in effect, borrowing authority that had been vested in the Federal Crop Insurance Corporation and the Conservation Reserve Program permitting borrowing to take place from the Commodity Credit Corporation for the operation of those programs. In the case of the Conservation Reserve Program, funds could be borrowed from the Commodity Credit Corporation to operate those activities provided for in the farm bill which was passed last year in both fiscal years 1986 and 1987, but that beginning in 1988, under the terms of the previously passed farm bill, that program would be operated as other programs and subject to annual appropriations.

In the case of the Federal Crop Insurance Program, I had offered an amendment when that bill was being considered by the Agriculture Committee to give the Corporation borrowing authority so that it could obtain funds on an emergency basis and when needed to pay claims against insurance contracts that might be due and owing but which could not otherwise be paid for lack of a reserve fund in the Federal Crop Insurance Corporation.

The reason for that was that last year, for example, the Federal Crop Insurance Corporation ran out of money on four different occasions, payments were delayed to commission agents, to those who were entitled to benefits under the Federal Crop Insurance Program, and in other ways the operation of the Crop Insurance Program was disrupted.

It was thought that this would help solve that problem providing emergency borrowing authority from the Commodity Credit Corporation so that Congress would not have to pass a supplemental appropriations bill every time the Federal Crop Insurance Program exhausted its existing funds.

The House of Representatives included in the supplemental appropriations bill it passed and sent to the Senate provisions which prohibit the Federal Crop Insurance Corporation from borrowing funds from the Commodity Credit Corporation. This causes some Senators some serious problems. It causes this Senator very serious problems because I had been convinced that the change we made in the farm bill was a good change. It was needed, it was justified, and would only be used in unusual circumstances.

Because of this concern that exists here in the Senate for the orderly operation of the Federal Crop Insurance Program, I know that there may be an amendment offered to the supplemental appropriation bill that would strike that House language as it applies to the borrowing authority of the Federal Crop Insurance Corporation and the Conservation Reserve Program.

I do not know what the Senate intends to do about that language, whether it intends to approve such an amendment or not. But I would feel that it is my responsibility as chairman of the Subcommittee on Agriculture Appropriations to at least bring that to the attention of Senators for their consideration.

Mr. ABDNOR. Mr. President, will the Senator yield?

Mr. COCHRAN. I am happy to yield to the Senator from South Dakota.

Mr. ABDNOR. I thank the Senator for yielding.

I express my appreciation for the fact he has brought this to the attention of the Senate. We have discussed this in the Appropriations Committee this morning.

I feel extremely strong on this matter. It was one of the reasons that I could support the farm bill. I think keeping that conservation reserve and the crop insurance, which is also part of the amendment the Senator refers to, are two key elements in the bill, and if the Senator will recall, we finally put a sodbuster bill into this legislation.

I think conservation reserve and the sodbuster bill are two of the greatest things that could happen to South Dakota. We retire fragile land that has been plowed up because of the past programs that actually encouraged it.

Before this session ends and the tax bill is adopted, I hope to see my proposal in a farming bill. If the Senator will recall, last year in the budget fight we did pass a sense-of-Congress resolution saying this would be right to include a provision such as this as a tax provision, to keep additional people from farming the tax law instead of the farmlands for the purposes of farming.

They all tie together. But if we are going to get this kind of land out for the good of the country, land we do not need, but land that never should have come under the plow in the first place because that is highly erodable, it is absolutely imperative that conservation reserve stays in place.

So I just want to say thank you for bringing this to the attention of the Senate.

Mr. COCHRAN. Mr. President, I thank the distinguished Senator from South Dakota for his comments and for his assistance in these agricultural issues as they come up from time to time in the Senate. He has proven to be a leader in this subject matter and has enjoyed a position of respect here in the Senate for many years and before that in the House of Representatives.

I might say that there is some concern that has been expressed to me by some who administer the Conservation Reserve Program that, unless there is an assurance of funding for the program, legally binding contracts cannot be entered into between the Department of Agriculture and individual landowners who would want to participate in the Conservation Reserve Program. They are concerned that if the program is made subject to annual appropriation acts of Congress, farmers are not going to have the confidence that money will be there to actually fulfill the Government's part of that bargain, so they may be reluctant to take that land out of production and run the risk of not being fully compensated according to the terms of the contract that may have been entered into between them and the Federal Government.

So this does present an element of uncertainty that could jeopardize that program. I point that out not to say that we could not get around that or we could not have overcome that uncertainty, because I really do believe that we face a very difficult choice here in the Senate. But when this bill does come before the Senate, which it surely must, the Senate is going to have to decide whether it wants to make those changes and take a clean appropriations bill back to the House. So that Senators could understand the choice that they confront, I thought it was important that these words of explanation be expressed today so that Senators would be aware of what we confront.

It is important that the Commodity Credit Corporation funding be made available at the earliest possible time. It had been my hope that we could have approved it last night. It became obvious that it could not be approved last night and sent to the President; that if it had been brought to the floor, that it would have been amended, maybe in many different ways. We do not want that. And the chairman of the Appropriations Committee, who has given great leadership to our committee and to the Senate in these matters, is again providing strong leadership to us in our effort to see that this funding bill is passed and that it is a matter which is handled in an expeditious way so that the Commodity Credit Corporation can continue to function.

Senators need to know, too, that on Monday the Commodity Credit Corporation is due to issue and deliver checks to land owners and to farmers who are participating in programs administered by the Commodity Credit Corporation. That Corporation is not going to be able to make delivery of those checks if this bill has not been passed. If it is passed with amendments that have to be taken up by the House or considered in conference between representatives on the part of the Senate and the House, that is going to cause even further delay. And those who are expecting benefits from the Corporation on Monday may not be getting those benefits for days beyond that date. That is unfortunate and every effort I think ought to be made here in the Senate to keep that from happening.

Mr. PRESSLER. Mr. President, there are several important pieces of farm legislation currently before the Senate. It is urgent that the Senate act on these measures promptly.

The supplemental appropriations bill for the Commodity Credit Corporation is a must piece of legislation. If we do not act very soon, the Commodity Credit Corporation will run out of money. This would result in delays in issuing checks for commodity loans, deficiency payments and other obligations at a very critical time for farmers. They are lining up financing and purchasing seed, fertilizer and other items needed to plant this year's crops. Many farmers are depending on CCC payments to make those purchases. The delayed enactment of the 1985 farm bill put farmers in a difficult situation. A further delay in issuing farm program benefits would make an already bad situation even worse. I urge the Senate to act on the CCC supplemental appropriation as quickly as possible.

The second critical piece of legislation for farmers is the package of amendments to the 1985 farm bill, which would revise the crop yield provision and modify the Dairy Program and several other programs. The formula for establishing average yields in the 1985 farm bill will reduce the yields of many wheat and corn farmers, with a corresponding reduction in price suports and farm income. This provision alone is estimated to reduce deficiency payments by nearly $1 billion. Farm income already is severely depressed. Most farmers simply cannot afford yield basis reductions of 10 to 20 percent. The bill before the Senate would compensate such losses with PIK payments.

Another critical part of this package is the dairy provision. If this bill is not enacted, the Gramm-Rudman-Hollings budget reductions would reduce dairy price supports by approximately 55 cents per hundredweight. Dairy farmers in South Dakota cannot afford such a reduction. The proposal we are considering would increase the current dairy assessment on all dairy production by 12 cents per hundredweight. The same Gramm-Rudman budget reduction requirements will be met by increasing the assessment by 12 cents. However, it is plain to see that a 12-cent assessment would be much easier for dairy farmers to take than a 55-cent price reduction.

As a strong supporter of expanding agricultural exports, I cannot support reducing export incentive programs. Increasing exports and demand for farm products is critical for a prosperous farm economy. This package is a tradeoff between price supports and export programs. As I said, I do not support cutting export programs, but the potential loss of farm income in 1986 as a result of the dairy and yield provisions is critical.

These proposed changes in the Farm Program must be acted on today. The dairy price support reduction goes into effect tomorrow, March 1, and signup for the Farm Program begins Monday.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMENDING SIDNEY L. BROWN, BUDGET REVIEW CHIEF

Mr. DOMENICI. Mr. President, today I present a resolution commending the services of the chief of the budget review for our committee, the Budget Committee of the U.S. Senate, Sidney L. Brown. Most people around here call him "Sid;" some call him "Chief Number Cruncher." Nonetheless, those of us who have been privileged to work with Mr. Brown know that he will be leaving his current position in a few days to become vice president for finance administration of the National Public Radio—our loss and their gain.

Mr. President, Sid is truly a remarkable and talented person. He will be missed not only by his friends and colleagues on the Budget Committee but also by innumerable staff, Senators, and Congressmen throughout Capitol Hill and staff with the executive branch.

Sid's departure from the committee after 11 years of service to it and to the Congress marks a degree of commitment and dedication to the purposes and goals of the budget process and all of those concerns about fiscal

problems of our Nation that is unmatched by any person that I know. It can truly be said, Mr. President, that Sid has been with the Budget Committee from its very beginning and has been instrumental in the staff work of every budget resolution and every reconciliation bill that this Congress has ever adopted. For the record, let it be known that that constitutes 18 first and second budget resolutions, beginning with the first one in May of 1975, and four omnibus reconciliation acts, beginning with the first one in 1980.

I personally have worked with Sid on the Budget Committee for the last 9 years. In his capacity as chief budget review officer, I have learned to rely on his expertise, his dedication, and his judgment, and I have grown accustomed to expecting from him long, difficult hours, and absolute commitment to whatever has to be done. No one will ever know how much he and his family have sacrificed in terms of time and effort so that he could be sure that his share of the responsibility around here was always met and perhaps done better than anyone has ever done it and maybe better than it will be done for many years.

I believe that all members of my committee, the Budget Committee, from both political parties join me in recognizing his accuracy, his fairness, his commitment to excellence, and his ability to accomplish worthwhile goals in the difficult, challenging environment that we live in here on Capitol Hill.

While this resolution commends him for his work on the committee staff, he will be remembered for his personal qualities. He is a kind and patient man. He has respect for the other person's point of view, and he has personal integrity.

For all of these reasons, I am sure he will perform well with his new position for National Public Radio, and for all of these reasons I personally will miss him when he leaves the Budget Committee and the Hill. And I am sure others will miss him also. And for everyone, it will be our loss, and for National Public Radio—as I said in my opening remarks—it will be their gain.

Mr. President, I send the resolution to the desk on behalf of myself and Senators CHILES, ARMSTRONG, HOLLINGS, HATFIELD, HATCH, ANDREWS, QUAYLE, JOHNSTON, EXON, BYRD, METZENBAUM, GRASSLEY, SASSER, and DOLE commending Sidney L. Brown for his service to the country and the Senate, and ask unanimous consent for its immediate consideration.

I understand that this has been cleared on both sides. I am joined by a number of cosponsors in this resolution along with consent for its adoption.

I ask unanimous consent that the resolution remain open for additional cosponsors for the remainder of this day.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 357) commending Sidney L. Brown for his service to the country and the Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

THE DEPARTURE OF SID BROWN

Mr. HATFIELD. Mr. President, Members of this body have often heard me be critical of the all too frequent excesses of the congressional budget process. What began as a useful tool to implement fiscal discipline has become an all-consuming monster, torturing sound policy and proper procedure to achieve a political result. But I hope I have always made it clear that my comments are directed at the process, not the people involved. That is certainly the case when it comes to the chairman of the Budget Committee, Senator DOMENICI, who is truly my good friend.

It is also true of Sid Brown, who has served the Budget Committee since its beginning, under Democratic and Republican leadership, and has done so in a professional manner that brings credit to his calling. As the chief "numbers cruncher" for the Budget Committee, Sid has plunged deeper into the thickets of scorekeeping than most folks, and he has emerged with his humor intact. I do not pretend to understand all the mysteries of scorekeeping—I recently referred to one particular explanation of a spending issue as "scorekeeping abracadabra"—but I do know that in attempting to explain those mysteries to Senators and staff on both sides of the aisle, Sid Brown has been unfailingly patient, fair, and objective. I and the staff of the Appropriations Committee thank him for that.

Mr. President, this body does not often adopt resolutions honoring staff, nor do I think we should. But Sid Brown's work is worthy of this exceptional recognition, and I am happy to join Chairman DOMENICI as a cosponsor of this resolution.

Mr. DOMENICI. I ask unanimous consent that the distinguished Senator from Ohio, Senator METZENBAUM, be added as an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I ask unanimous consent that the distinguished majority leader be added as an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I ask unanimous consent that Senator GRASSLEY be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESOLUTION FOR SIDNEY BROWN

Mr. GRASSLEY. Mr. President, the Senate Budget Committee is losing an able assistant and a most cherished friend in Mr. Sidney Brown. It is like parting with a security blanket: When Sid Brown gave you a budget number, you always knew it was correct. His counsel and demeanor transcended mere professionalism. His was the voice of quiet reason, and a guiding hand in this Member's dealings in the day-to-day affairs of the Budget Committee.

Too often we take such a valuable resource for granted. But never so with such a friendship.

I am proud to cosponsor this resolution. I wish Sid Brown the best, and as much in his new future as he has given to us.

Mrs. KASSEBAUM. Mr. President, I appreciate this opportunity to add my voice to those who have already expressed the appreciation of the Senate to Sid Brown for his years of dedicated service. Today is Sid's last day with the Budget Committee staff. There are few people associated with this institution that can truthfully be described as irreplaceable. Sid, however, may be one.

I say that for two reasons. First, Sid has an encyclopedic command of the esoteric statistical data that fuels the budget decisionmaking process. Sid's knowledge and comprehension of budget figures exceeds that of any member of the committee he serves. It quite possibly exceeds the collective budget knowledge of all the Members he serves. When David Stockman remarked in Atlantic Monthly that "no one knew what was going on with all these numbers," I was sorely tempted to tell him to call Sid Brown.

Sid's second great strength is his rapport with the members of the Budget Committee. Through his quiet, unassuming—almost matter-of-fact approach to budget analysis, Sid has earned the confidence of both the majority and minority on the committee. Sid has never allowed his political philosophy to interfere with the factual information he has provided to all committee members.

Sid's departure will leave a large void on the Budget Committee staff. Taking this time to recognize his past contributions is the least we can do. We wish Sid well in his new position with National Public Radio. He will be sorely missed.

Mr. BOSCHWITZ. Mr. President, in my 7 years in the Senate, one of my greatest pleasures has been sitting on the Budget Committee, especially during markups when we go day after

day, often morning, afternoon and evening, and as everyone knows, the congressional budget process always goes forward without a hitch. Deadlines are met; the budget is always in balance. The principal reason for all of this is that Sid Brown has been for many years—under Democrats and Republicans—the chief analyst of the Senate Budget Committee.

As long as we are telling lies about Sid Brown, I thought I would tell a really big one.

Seriously, we are going to miss Sid Brown. He has always been a fair, trustworthy, and extraordinarily competent person with whom to work. In addition, he has a very steady demeanor, often in high-pressure situations. Most importantly all of us on both sides of the aisle, have always had confidence in the figures he gave us and I have never found that confidence ill founded. Of course there is good reason for all of this. Sid is a Minnesotan.

I wish Sid the best in his future endeavors. He deserves it. He has served the Senate and his Nation well, and I know that he will continue to do so.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 357) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 357

A resolution, (S. Res. 357), commending Sidney L. Brown for his service to the country and the Senate

Whereas the Senate wishes to express its appreciation to Sidney L. Brown, who has served the United States as Chief of Budget Review for the Senate Budget Committee from 1975 to 1986;

Whereas Sidney L. Brown has carried out his difficult duties and responsibilities with the highest degree of professional integrity and dedication;

Whereas Sidney L. Brown has served three Chairmen of the Committee on the Budget, United States Senate, representing both parties, with the most exacting standards of precision and candor; and

Whereas Sidney L. Brown has earned our affection and esteem: Now, therefore, be it

Resolved, That Sidney L. Brown is hereby commended for his long, faithful, and exemplary service to his country and to the United States Senate.

Mr. ARMSTRONG. Mr. President, I rise in support of this resolution which gives thanks and bids a fond farewell to Sid Brown—but I do so, quite frankly, with mixed feelings.

I, of course, join with my colleagues—especially the distinguished chairman of the Budget Committee, PETE DOMENICI—in celebrating with Sid his new venture and wishing him all the best in his life after Congress.

But I must add that those of us who serve on the Senate Budget Committee are simply not happy to see him go. We will miss Sid very much—not just for the tremendous expertise in budget matters which he brought to the committee, nor the indefatigable effort he gave to the Senate in helping us make something of what we call a budget process.

I, for one, will miss Sid not just because he served the committee with great professional distinction—but more importantly because he served with good humor and friendship. I am especially grateful for the wonderful help he gave me when I first entered the Senate and became a junior member of the Budget Committee. I can recall many times during those days when Sid took the time and had enough patience to coach me on budget matters. Sid really played an important part in my coming to understand the Federal budget and how to tame it, and I'll always appreciate it.

Today is Sid's last day in his cluttered Budget Committee office where as chief of budget review he churned out every conceivable number and asterisk those of us on the committee could dare to imagine. He did so with relentless skill and good grace. He spent many a sleepless night here on the floor or in his office on the sixth floor of the Dirksen building busily crafting some new compromise plan to break a long logjam on the floor. I hope he knows how much we appreciated his efforts which were beyond the call of duty.

Mr. President, I would just like to conclude my remarks by observing that it is something of a rare event when the Senate takes time out from considering the issues of the day and pauses to honor one of its family. I am happy we have done so today, for few who have labored in the vineyards such as Sid has deserve this recognition, this praise, and this word of thanks as we bid him farewell.

Sid will always have my admiration and I'm sure that of Chairman DOMENICI and all the members of the committee. I am certain his new venture at National Public Radio will be filled with great success and happiness.

Mr. President, I ask unanimous consent to insert an article on Sid Brown which appeared in the February 8, 1986 issue of National Journal.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATE BUDGET GURU SHUNS THE SPOTLIGHT

(By Jonathan Rauch)

Picture the quintessential, and essential, Capitol Hill staff man: one who is relied upon for clear, honest answers to complicated, sometimes controversial, questions, who is always around and never conspicuous, who thrives in the deep shadows of anonymity.

Imagine him never seeming to lose his temper or run out of patience and you have before you Sidney L. Brown, the longtime head numbers cruncher and budget builder for the Senate Budget Committee who recently announced that he is leaving the Hill. Brown's title is chief of budget review, but those who know him are inclined to think that "Senate budget guru" might be more fitting. Since he joined the committee in 1975, a few months after it was created by the 1974 Budget Act, Brown, 53, has been the man whom two Democratic chairmen and current chairman Pete V. Domenici, R-N.M., have looked to for analysis that is unclouded by politics.

"He's an extraordinary analyst who never sleeps," said Rudolph G. Penner, the director of the Congressional Budget Office. "He works endlessly, he's totally professional, and you can find no hint of ideology in his work."

That's typical of what budget professionals around town say about Brown's work. "He's the best numbers person in town," said Carol G. Cox, the president of the nonpartisan Committee for a Responsible Federal Budget and a former committee staffer. "You can't push Sid into jimmying the numbers. But you can get him to listen to you forever."

David G. Mathiasen, a senior career staffer at the Office of Management and Budget (OMB) who is, in some respects, the Administration's counterpart to Brown, said: "No one's ever worried about his ambition. Sid is always going to tell it like he sees it."

On most committee staffs, including that of the Senate Budget Committee, the man at the top is the political operative, the eyes and ears, of the chairman. At the Budget Committee, that role is filled by Stephen E. Bell, who also recently announced that he will leave in a few weeks for a private sector job. Brown, perched a few rungs down the ladder, serves whoever the chairman happens to be by figuring out how to do what the politicians want to get done. The departure of both Bell and Brown, a loss for the Budget Committee of both its top political strategist and its senior professional staff member, could be troublesome at the start of a congressional budget cycle.

Each year as the committee drafted its budget, it was Brown who stacked and cemented the numbers. When the Senate and House were deep in negotiations over the 1985 Balanced Budget Act, Brown was instrumental in figuring out how to write a workable procedure for calculating and applying automatic spending cuts.

"He played a critical role," Bell said. "He was there day and night with us." The fact that the first round of automatic budget cutting under the act came off smoothly, rather than crashing into a mass of vague or unworkable legal language, says much about the quality of Brown's work.

It certainly says more than he is willing to say himself. Try to drag him into the light of public exposure and the normally jovial Brown becomes markedly less amiable. He compares himself to the man deep in the bowels of a ship who tends the engines while the politicians outside break champagne bottles on the bow. And he says he likes it down there.

"I have absolutely no desire to be famous or public," he said adding a not-very-subtle suggestion that some other subject be found for an article. "In fact, publicity makes me very uncomfortable. I value my anonymity highly."

During the 1960's Brown was a budget examiner and an assistant to the director at the old Bureau of the Budget, which later became OMB. Later he worked at the Agency for International Development before joining the Budget Committee staff. Next month, he moves to National Public

Radio, as vice president for finance and administration.

Brown, whose office shelves are lined with budget books going back forever, has been the Budget Committee's rememberer, its institutional memory. He recalls starting out at the committee when today's congressional budget process had yet to be set up. "They said 'Create a process,' " Brown said. "And that's exciting." With him, as he leaves, goes one of the budget process's founders and guiding spirits.

FAREWELL TO MR. SID BROWN

Mr. HATCH. Mr. President, the end of February brings sadly the departure of one of the most brilliant budget analysts to ever serve the Senate Budget Committee. His departure will leave many of us, Senators and staff alike, disappointed at the loss of an institutional memory like Sid Brown's. His clear, concise, and accurate explanation of a multitude of numbers representing numerous programs will be a loss shared by all of us who from time to time have tapped the expertise of budget guru Sid Brown. His honest analysis always received a warm welcome in the political climate of Capitol Hill where, all too often, issues are muddled. The privilege has been mine to work during the past 7 years with a man who has a phenomenal understanding of the budget process.

As an adept "budget cruncher," Sid has provided not only a nonpartisan analysis of the numbers, but also he was characterized by his amiable personality in a world frequently marked by high tensions and short-tempered actors. Despite many tedious hours of number crunching, often into the middle of the night, Sid remained approachable and willing to answer even the most obscure questions that only a man with an infinite memory for detail could answer.

I wish him the best of luck and join my colleagues in commending him for his many years of faithful service.

AWARD OF THE MIGEL MEDAL TO SENATOR BUMPERS

Mr. BYRD. Mr. President, it is with great pleasure that I announce that today, on February 28, our colleague, the distinguished senior Senator from Arkansas [Mr. BUMPERS], will be awarded the Migel Medal of the Foundation for the Blind. He is being presented this award for his leadership role in improving the quality of life for blind and other disabled citizens.

In receiving this award, Senator BUMPERS joins a list of other distinguished Americans who also have been recipients—this list includes Helen Keller and two former members of this body, Senator Jacob Javits, and my former colleague from West Virginia, Senator Jennings Randolph.

Because of the good that Senator BUMPERS has accomplished, and through the efforts of others like him, disabled Americans are becoming more and more recognized for their abilities, and less and less neglected or discriminated against because of their disabilities.

And because of the work of persons such as our colleague, the American public is gaining a greater awareness of the needs of the handicapped, and the contributions they can make if only provided with an opportunity.

I congratulate Senator BUMPERS on receiving this award. I am happy to call it to the attention of my colleagues. And I ask unanimous consent that the congratulatory telegram that I have sent to Senator BUMPERS be included in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

[Telegram]

FEBRUARY 27, 1986.

Hon. DALE BUMPERS,
c/o Dr. Max Woolly, Arkansas School for the Blind, Little Rock, AR.

DEAR DALE: I join in congratulating you on receiving the Migel Medal of the American Foundation for the Blind.

In recent years, the American people have become increasingly sensitive to the needs of their impaired fellow-citizens. That progress has not been accidental. Through your work and that of other sensitive leaders, the public has been led to a greater awareness of the needs of the handicapped and disabled, and of the contributions that so many of these often talented and brilliant people can make to our whole society. Your efforts have been translated into opportunities, particularly for the blind, and into better lives for thousands.

Again, I congratulate you for the outstanding services that you have rendered to blind Americans and for the humane benefits that you have made possible throughout our country.

With best wishes, I am
Sincerely yours,

ROBERT C. BYRD.

Mr. MATHIAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CROSS-COMPLIANCE FOR THE 1986 CROP YEAR

Mr. COCHRAN. Mr. President, I am advised that later today the majority leader may ask the Senate to take up legislation to make some changes in the farm bill that was passed last year. In anticipation of the consideration by the Senate of that measure, I point out that there are some problems that I am aware of in the administration of the ASCS Income Support Program that do need attention by the Department of Agriculture.

Some may recall that we recently passed a technical amendment that corrected a drafting error concerning the issue of cross-compliance for the 1986 crop year. As a member of the conference on the farm bill, on the part of the Senate, I can recall that we were discussing whether to have a provision in the farm bill that would mandate cross-compliance in the commodity programs. It was decided by the conferees that this should be discretionary, that the Secretary of Agriculture should be given authority to require cross-compliance by those who benefit from the commodity programs.

Somehow, though, in the drafting of those provisions, the statute inaccurately reflected that the conference agreed to mandate cross-compliance in wheat and feed grains but to have discretionary authority given to the Secretary of Agriculture in the programs involving rice and cotton. This was an error, and this was corrected in the recently passed bill. I do not think the President has signed that bill yet. He may have, but I am not aware of it. I am confident that it will be signed.

The point is that this change in the law has made it impossible for many farmers to accurately determine the number of base acres which they are eligible to plant in 1986 without running the risk of being found ineligible to participate in the commodity programs. The signup date under the ASCS Program and approval of the plan is March 1. That is tomorrow. So let us look at what has happened.

A farmer, not knowing the base acreage he would be eligible to plant, could not possibly file with the ASCS office form 561, farm operating plan for payment limitation review. Yet, the ASCS is requiring farmers to gain final approval of their farm operating plan for payment limitation review by March 1.

I think we need to send a directive to the Department of Agriculture and, if necessary, include this in the change that is being suggested to the farm bill, which would permit a farmer to have until April 1 to amend or somehow develop an approvable plan, a plan that can be approved by ASCS.

In the other body, the Agriculture Committee considered a suggestion made by Representative WEBB FRANKLIN of Mississippi on this subject, and an amendment was actually approved to a bill being considered by the House Agriculture Committee.

I have agreed to bring this up here in the Senate and urge the Senate to adopt the same provision.

Mr. President, I ask unanimous consent that a copy of that amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

"Sec. . The Food Security Act of 1985 (P.L. 99-198) is amended as follows:

(1) In title X after "SEC. 1001." insert "(a)".

(2) After the new subsection (a) insert the following: "(b) Notwithstanding any other provision of this section, for the 1986 crops of wheat, feed grains, upland cotton, extra long staple cotton and rice, in applying the definition of "person" as required under subsection (a)(5) of this section, the Secretary shall provide, in the case of individuals whose applications for a change in status have been denied and those individuals whose applications are pending as of March 1, 1986, that such individuals may reapply by April 1, 1986, for a determination whether multiple individuals or other entities constitute one or separate persons.

Mr. COCHRAN. I am going to refer to this amendment as the Franklin-Cochran amendment. As we consider changes to the farm bill, I hope the Senate will consider including this provision in any change that is made to the farm bill that was passed last year by Congress.

There may be a way to handle this administratively. If there is, that is fine. I do not care that we enact this, if the ASCS will go ahead and give an indication that it will permit farmers to have up to April 1 to file an amended form 561, if the initially filed plan is not approved for some reason by the ASCS administrators.

There are other changes, of course, being discussed with the farm bill, and we will have an opportunity to discuss those later when the bill is actually before the Senate.

But in anticipation of the bill being called up, I wanted to bring that matter that has some urgency to the attention of the Senate and ask that it be favorably considered by Senators.

I yield the floor, Mr. President, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SYMMS). Without objection, it is so ordered.

THE FARM BILL

Mr. DOLE. Mr. President, it is my hope that we can do at least one thing today to send a signal to certain agencies and to the American farmer that we are trying to respond to some of the concerns that have arisen in the past couple of months with reference to six or seven areas in the farm bill, a bill that we passed in December 1985.

One of those relates to dairy. I know there are Members on each side of the aisle who have problems with what we propose to do. If we could bring up the bill today with a dairy provision in it and set it aside until Tuesday, when it will be open to further amendment, we might be able to avoid an objection in that area.

The other areas also affect Senators on both sides but, more importantly, they affect farmers. Senators are not really that important, but the farmers are important. One section deals with the underplanting provision that was provided for in the 1985 Farm Act. As it turned out, it has created a big discussion between producers of nonprogram crops and producers who have crops with price support programs.

Again, Senators representing States like Michigan, Maine, and Idaho may have a different view on this than Senators from Oklahoma, Kansas, and other places. So they are not partisan in that sense.

There is also a question with reference to crop yields. There was an amendment offered late in the conference by the distinguished Member of Congress, Congressman STENHOLM from Texas, dealing with yields and bases, and he made a very convincing, persuasive case. I do not suggest that he was wrong, and it was indicated in conference that this provision would save about $1.2 billion over the life of the bill.

But the yield provision has been a matter of great concern, again among farmers in primarily wheat areas, and this concern is reflected by Senators on both sides of the aisle.

There was a minor provision with reference to the salary requirement level for the Special Assistant for Agricultural Trade and Food Assistance. That is a matter of particular concern to the Senator from Montana, Senator MELCHER. As I understand it, he has had a visit with the chairman of the committee. There probably could be a resolution of that if Senator HELMS agrees.

The other reference is to the export assistance program. That has been changed, to make it discretionary for fiscal years 1986, 1987, and 1988.

Then we had to change or reduce the amount of CCC commodities required to be used under the Export Enhancement Program from $2 billion to $1 billion to pay for all the other things we were doing.

We also allow wheat and feed grain producers to hay and graze set-aside acreage during at least 5 of the principal growing months for 1986. This again, is a matter that I understand has been worked out on a bipartisan basis. There is also agreement on requiring the Secretary to hold hearings and implement a marketwide service-payments plan to allow dairy cooperatives to receive compensation for processing nonmember milk.

What I am suggesting is that there are seven or eight provisions we have been able to work out, in some cases without additional cost. The chairman of the Agriculture Committee is here, and is prepared to ask for immediate consideration of this proposal with the dairy provision included. This is February 28, and it should be clear that we did attempt to take action before the so-called Gramm-Rudman ax falls at midnight. That is with reference to dairy.

With reference to all the other matters mentioned, the signup period for wheat, feed grains, and other crops begins next week. In an effort to save farmers from having to travel back and forth to the ACS office, it would be helpful if we could dispose of these provisions and pass them in the Senate today. If not, we could pass them on Tuesday and send them to the House.

As I indicated last evening, I have been in contact with the chairman of the House Agriculture Committee. I have also been in contact with Congressman FOLEY, a member of the committee, and chairman of the Wheat and Feed Grain Subcommittee. I am advised that we are in almost total agreement and it would be very helpful if we could send them a Senate-passed bill.

So, having said that, I am prepared to call upon the distinguished chairman of the Senate Agriculture Committee and hopefully we can do some business.

FOOD SECURITY IMPROVEMENTS ACT OF 1986

Mr. HELMS. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of the Food Security Improvements Act of 1986, the so-called corrections to the farm bill.

Mr. HARKIN. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The reservation is heard.

Mr. HARKIN. Mr. President, first of all, a parliamentary inquiry. Was this unanimous consent to turn to a bill that is pending at the desk?

The PRESIDING OFFICER. Does the Senator yield for an inquiry?

Mr. HARKIN. Mr. President, I am asking a parliamentary inquiry of whether this was a unanimous consent to turn to a bill that is now laying at the desk?

The PRESIDING OFFICER. The Senator is correct. It is a unanimous-consent request to turn to a bill that has just been sent to the desk by the Senator from North Carolina, the Food Security Improvements Act.

Mr. HARKIN. A further parliamentary inquiry, Mr. President. Is this a bill that has been enacted upon by one of the standing committees of the Senate?

The PRESIDING OFFICER. It is a bill simply to be introduced by the Senator from North Carolina.

Mr. HARKIN. I am trying to get an exact understanding of what bill it is that the distinguished Senator from

North Carolina is asking unanimous consent to move to. I have on my desk a copy of the bill entitled "Food Security Improvements Act of 1986." It has a time written on it of 12:28 p.m. I am not certain if this is the bill we are talking about.

Mr. President, I am asking for guidance from the Chair to enlighten this Senator as to what we are being asked to turn to by unanimous consent.

The PRESIDING OFFICER. The bill that the Senator from North Carolina, Senator HELMS, and Senator DOLE sent to the desk is a bill to make certain improvements to amendments made by the Food Security Act of 1985, and for other purposes.

Mr. LEAHY. Will the Senator yield for a question without losing his right to continue this?

Mr. HARKIN. I yield for a question.

Mr. BYRD. Mr. President, the Senator from North Carolina has the floor.

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. HELMS. Mr. President, if I may, I would like to reclaim the floor and complete my unanimous-consent request so that the Senator from Iowa and others know fully what we contemplate if we are permitted to do it.

To continue the unanimous-consent request:

I further ask unanimous consent that debate only occur during consideration of the bill today and that any rollcall votes ordered be postponed until after 2 p.m. on Tuesday, March 4.

Now, the bill is already at the desk. That is, in total, the unanimous-consent request.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. Reserving the right to object.

Mr. LEAHY. Reserving the right to object, and I shall not, I wonder if I could ask one question just for clarification. Does this bill, as sent to the desk by the chairman of the Senate Agriculture Committee, include the dairy section that Senator KASTEN and I have submitted as a bill?

Mr. HELMS. It does not. But let me say to my friend that I would be willing to modify it to include it.

Mr. LEAHY. If the distinguished Senator modifies his bill to include the dairy provision worked out by the Senator from Wisconsin and myself, I certainly have no objection. I cannot speak for anybody else, of course, but I would have to object if the bill is not so modified.

Mr. HELMS. I thank the Senator.

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. I object.

The PRESIDING OFFICER. Objection is heard. The Senator from Ohio objects.

Mr. HELMS. Mr. President, there was an objection. Who made the objection?

The PRESIDING OFFICER. The Senator from Ohio.

Mr. LEAHY. Mr. President, may I be recognized for a parliamentary inquiry?

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. HELMS. Mr. President, I yield the floor.

Mr. METZENBAUM addressed the chair.

Mr. LEAHY. Mr. President, could I make a parliamentary inquiry?

The PRESIDING OFFICER. The Senator from Vermont was seeking recognition first.

Mr. LEAHY. Mr. President, concerning the bill as submitted by the distinguished Senator from North Carolina, did the modification reach the desk?

The PRESIDING OFFICER. The modification did not reach the desk. An objection was lodged.

Mr. LEAHY. Mr. President, I make another parliamentary inquiry. Notwithstanding the objection to the request of the distinguished Senator from North Carolina, does the distinguished Senator from North Carolina still have a right to modify his bill?

The PRESIDING OFFICER. The sponsor of the bill may modify the bill prior to the Senate action occurring.

Mr. LEAHY. I thank the Chair.

Mr. METZENBAUM. Mr. President, I objected because I do not know what is in this bill. My guess is that nobody else on the floor of the Senate, except maybe one or two, know what is in the bill. I was sitting in my office listening in on the squawk box. I have been around here all day long. I have indicated I was ready to come to the floor in connection with any issue. But, all of a sudden, I hear on my squawk box that a bill is being introduced, called up, and requesting unanimous consent to proceed forward.

That is no way to run the U.S. Senate. We are entitled to know what we are being asked to vote on.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. METZENBAUM. I yield without losing my right to the floor for a question.

Mr. HELMS. The Senator will not lose his right to the floor. He knows that.

Will the Senator inquire as to whether both sides put this bill on the hotline 20 or 25 minutes ago? Was not that done an hour ago?

That is the way the Senate operates, Senator.

Mr. METZENBAUM. I do not know that it was on the hotline. At least I was not notified of it. If it was, it may have been, and I am not going to say that it was not. But this Senator was not advised of it.

Mr. DOLE. Mr. President, will the Senator yield to me?

(Mr. ABDNOR assumed the chair.)

Mr. METZENBAUM. I certainly do yield.

Mr. DOLE. I do not quarrel with the Senator from Ohio. But I did insert this material into the RECORD last night, after indicating to all Senators that we would be in session today for the purpose of trying to resolve this issue.

I inserted in the RECORD a section-by-section explanation along with my statement of what the bill did. Since there have been some minor modifications to accommodate the distinguished Senator from Montana in one area, we also agreed to include the proposal of Senator LEAHY and Senator KASTEN on dairy, which has not been done as part of the package. The chairman has indicated he is willing to modify it.

I want the RECORD to reflect that it is not a surprise attack.

Mr. SYMMS. Will the Senator from Ohio yield for an additional question?

Mr. METZENBAUM. No; I would like to be heard.

Last evening, Senator KASTEN moved with respect to a dairy bill, and asked for unanimous consent to proceed forward. Then Senator SYMMS attempted to move forward with respect to another piece of legislation.

Mr. SYMMS. The Senator did not attempt to do that, but I would say to my good friend, I spoke in flavor of moving forward. I gave the Senator a copy of similar legislation.

Mr. METZENBAUM. I stand corrected. The Senator gave me a copy of that.

Senator DOLE indicated last night that there was some legislation that he might be calling up and putting something into the RECORD. But that was not the basis on which any of us could determine what really was going to be called up. There were three separate pieces of legislation.

Now we are told that they have been amended in various ways. I have no idea what the cost is. I do not know whether it cost anything. I do not know whether it costs the consumers, or if it does not cost the taxpayers. I do not know what it does to help the farmers. And my whole point is, we ought to know what we are doing. It is Friday afternoon, and a quarter to 3. I do not mind working this afternoon, or tomorrow, or whatever the case may be. That is fine with me. But I do mind being charged with responsibility for having permitted a bill to pass, either by unanimous consent or otherwise, without knowing what it is all about.

Mr. BOSCHWITZ. Will the Senator yield?

Mr. METZENBAUM. I yield without losing my right to the floor.

Mr. BOSCHWITZ. I say to my friend from Ohio that this bill is not being forcibly passed by unanimous consent as just indicated but it is being brought up for debate. This bill has been around the Halls of the Senate and has been discussed by Members for many days now.

With all due respect, I say to my friend from Ohio that he is not normally involved in negotiations on agricultural legislation.

Mr. METZENBAUM. If the Senator from Minnesota had been good enough to share the wisdom offered last evening, I did address myself to the fact that I heard that many Senators had been discussing the subject—so-called agricultural state Senators. Some of us have agricultural concerns in our own States, we also have consumer concerns, and we also have budgetary concerns.

So that merely because a group of farm state Senators might agree that a bill was good for those States does not necessarily mean it is good for the country. I do not mean to suggest by implication or inference that it is bad for the country. I do mean to say that it is bad for the country for us to be called upon to legislate without knowing what we are voting on.

Mr. LEAHY and Mr. SYMMS addressed the Chair.

Mr. BOSCHWITZ. Mr. President, will the Senator yield again for a question?

Mr. METZENBAUM. I yield for a question.

Mr. BOSCHWITZ. Let me comment that this bill has indeed been moving about the Senate for consideration. And when the Senator says that it has suddenly come up on a Friday afternoon, I would respectfully take issue with my friend from Ohio. I know that it has been of particular interest to the Senator. I am also amazed by the intensity of his interest on so many different subjects.

My recollection is that his interest has occasionally been directed at agriculture. Since I am part of those negotiations, in the future, I will see that the Senator and his office are informed. But this is not a matter that is new to the Senate this afternoon, and it is only a unanimous consent to proceed which is being sought.

Mr. LEAHY. Mr. President, will the Senator yield for a question?

Mr. METZENBAUM. I do.

Mr. LEAHY. Mr. President, so we can review all the proposed legislation, will the Senator be willing to allow the distinguished Senator from North Carolina or another Member to modify the proposal to include the dairy provision. It would be helpful to have the whole package before us as we proceed with this discussion?

Mr. METZENBAUM. As we all know, the Senator from North Carolina has the right without consent to modify any proposal that is before the Senate whether it is original text or by amendment. So he can do that without my agreeing to it or anyone else agreeing to it. But I think that there is some merit to our knowing exactly what the package is that he wants us to act on this afternoon.

Mr. DOLE. Will the Senator yield?

Mr. SYMMS. Will the Senator from Ohio yield?

Mr. METZENBAUM. I am not trying to hold the floor, and keep things from happening. I want to make my position clear. Each Senator has questions coming from different points of view.

Mr. SYMMS. Will the Senator from Ohio yield?

Mr. METZENBAUM. I yield to the Senator from Idaho.

Mr. SYMMS. I thank the Senator for yielding.

I say to my good friend that this piece of legislation that Senator HELMS sent to the desk is the same piece of legislation this Senator gave to the Senator and discussed with him last evening on the floor right before adjournment. There is no attempt here on the part of any farm state Senators to pull anything over on the rest of the Senate. But it is urgent with the signup period coming right now that this be done as soon as possible because it is going to cost literally millions of dollars both to the Treasury and to the farmers. If this is not corrected, some of these corrections will not be made in the farm bill before planting season.

So I only appeal to the Senator that we are talking about the lives of people out there that are talking about signing up in programs next week. We need to resolve this as soon as possible. I appeal to the Senator to allow the Senator from North Carolina to resubmit his request so we can get this business pending before the Senate.

I thank the Senator.

Mr. HARKIN. Mr. President, will the Senator from Ohio yield for a question?

Mr. METZENBAUM. I yield to the Senator from Iowa.

Mr. HARKIN. I thank the Senator for yielding.

I would like to respond to the comments just made by the distinguished Senator from Idaho that the measure now that was just sent to the desk is not, I believe it is not——

Mr. METZENBAUM. Mr. President, the Senator from Iowa is speaking.

Mr. HARKIN. Mr. President, I was just saying that in response to the comments made by the distinguished Senator from Idaho to the Senator from Ohio that the package at the desk I do not believe is the same as what was presented to the Senator last evening.

Mr. SYMMS. The Senator is correct.

The PRESIDING OFFICER. The Senator from Ohio has the floor. Does he yield?

Mr. METZENBAUM. I yield without losing my right to the floor.

Mr. SYMMS. The Senator has a minor modification, as the majority leader said. The majority leader said that on the floor to accommodate Senator MELCHER there had been a minor modification.

Mr. HARKIN. Mr. President, will the Senator yield further?

Mr. METZENBAUM. For the purpose of a question I yield further.

(Mr. SYMMS assumed the chair.)

Mr. HARKIN. If the Senator will yield further, I say in response that there are also changes made in the underplanting provisions. I say to the distinguished Senator from Idaho that he might want to look at the changes made last evening in the underplanting provisions.

But be that as it may, I agree with the Senator from Ohio that this is no way to run a ship. It is certainly no way to run the U.S. Senate. What we are seeing here are not technical changes made in any farm bill. What we are seeing here are major policy changes, policy changes that are going to skew and redirect planting, decisions made by farmers that they are going to have to make in the next couple of months, and plus, if I read the RECORD right from last evening, that this is going to cut the Agriculture Program in the next 3 years by an additional $415 million.

Quite frankly, I think our farmers have been cut enough. If we are being asked here on the floor to accept by unanimous consent changes in the farm bill which are way beyond technical changes, but which are policy changes, then I would say this Senator from Iowa would be constrained to object, and to have the bill go through the proper and normal process of going through the Agriculture Committee where we might bring up some witnesses, where we might have a hearing, and where we might debate it.

But that is not being done.

Mr. President, I would just say to my distinguished colleague and friend from North Carolina that 3 weeks ago, when a true technical change came up in the farm bill, this Senator raised no objection whatsoever. I would not raise objections to what I think would legitimately be technical changes in the farm bill.

But these represent substantive policy changes, policy changes which will, in sum total—not in every specific instance but in sum total—have a deleterious effect on my farmers in Iowa. Therefore, I cannot stand idly by and let this unanimous-consent request be agreed to without raising those objections.

The Senator from Ohio has raised legitimate objection to this process, and I congratulate him for it. I think the process is to have this measure go to the Agriculture Committee where we could fully debate and discuss policy changes, not technical changes, but policy changes.

I thank my distinguished colleague from Ohio for yielding.

(Mr. EAST assumed the chair.)

Mr. METZENBAUM. Mr. President, I am about to yield the floor, but before doing so I want to make clear I do not know whether this is a good bill or a bad bill. I know there was a dairy bill around which was very important. I guess that bill is now incorporated in this bill. I hear some changes are made in the second bill from last night. All I am saying is we ought to know what we are doing and not be asked to vote on something which would be akin to buying a pig in a poke.

I hope the Senator from North Carolina will seek to introduce this as an entire package. He certainly should be able to have his legislation in the form that he wants it.

Mr. DOLE. Mr. President, I think it is fairly clear we are not going to be able to accommodate the American farmer today. I do not know if the American farmer really cares whether this bill goes to committee or not, or whether we have hearings, or whether we drag it around for 3 or 4 weeks in the Agriculture Committee. We did that all last year on the farm bill. As a result, we passed the bill in December, which was much too late for wheat producers and others. If we are going through the same process, we can see the potential delay creeping up to block action to help the American farmers. I just want the record to show what happened.

The record should reflect there was a true effort made to assist the dairy farmers, to assist the wheat and feed grain producers, to make changes in the commodity programs, to make changes in the agricultural trade assistant position in the White House so we can have someone there to ride herd on the broad picture. Those efforts have been resisted.

I understand there have been a lot of television specials this past week on the plight of the farmer and how tough it is. But it has been made tougher today because we cannot move legislation to help the farmer in the Senate.

This is February 28. Tomorrow morning Gramm-Rudman is in effect. It is a particularly sensitive time for dairy people. Senator KASTEN and Senator LEAHY had something worked out. That was objected to by Senators on both sides. I think we have been able to work out their differences.

I do not know anything in this bill that has not been blessed by Members on each side of the aisle, Democrats and Republicans. But I know we have to satisfy everyone except the American farmer. We satisfy the Senator from Ohio and we satisfy the Senator from Iowa by not doing anything. In the process, we make it more difficult for hundreds of thousands of farmers and require a couple more trips to the ACS office. I assume we can try again on Monday or Tuesday. But the record should reflect the effort was blocked.

Mr. METZENBAUM. Will the Senator from Kansas yield for a question?

Mr. DOLE. I am glad to yield.

Mr. METZENBAUM. Does the Senator, the majority leader, think that all of this could have been averted? We knew this problem was coming. It is not something that came up overnight. We spent 3 weeks on Conrail; we spent 2 weeks on changing the rules of the Senate on TV. I have no quarrel about either of those issues, but I do not think it is quite fair for the leader of the Senate to somehow suggest that those of us who do not think a bill ought to be passed without any prior notice should be blamed or accept any responsibility for the plight of the farmers.

I think it is a fact that this was a problem for better than 2 months that we have been in session and we could have been working on this issue and maybe should have been working on this issue.

Mr. DOLE. If I could answer, we have been working on it. I do not know how many hours we have spent in meetings with Senators of both parties, with Members of the House, with the OMB Director, three or four meetings with people from the USDA. So the mere point that it has not been out on the floor and we have been wasting a lot of time does not measure the work that has been going on by Members of both parties. I do not know how many dairy meetings were held. Senator LEAHY should respond to that. I know how many meetings we had on the yield question. Senator ABDNOR introduced a bill about a month ago.

Mr. ABDNOR. It was before the recess.

If I may say, if this is new, I am amazed. We have too many intelligent people in this body who had to hear of this. I think anyone on either side of the aisle would have been happy to explain it, if there had been concern. I have to believe that if some of the people questioning now could take a look at it, and after years and months of serving on the committee, they would know how it affects their area. It is to the benefit of the farmer.

I think it has been pointed out that no additional dollars are involved. This is really for the convenience of the farmer. Well, more than the convenience of the farmer but it is to help the farmer, who needs it immediately.

If I understand, we would not be doing any voting now. If that is the intent, they have the entire weekend, until Tuesday, to discuss it with anyone they want to and then we will take a vote. If they do not like it, they would vote no. But if they do not allow us this opportunity, they are telling the farmers of this country, "Go fly a kite. I am not interested in you. I am more interested in some technicality that we have before us."

I have been around here now going into 6 years. This is not the first time that emergencies have come up, to my knowledge. We have taken care of them in the past. It has been very beneficial every time we have done it. I cannot imagine a group suffering today as agriculture is that we cannot give some help to them and some knowledge before they go sign up on Monday, or whatever the day is, so that they might know what is in store for them and what we might do to help their cause. It shocks me to see anyone dragging their feet on this. If they are really interested in farmers and their well-being, if they are really interested in wanting to know what is in the bill, believe me, they have had every opportunity to find out.

It is a little difficult to bring 100 Members of the Senate together on every issue and try to discuss the problem. Those who have been interested should ask the questions. I do not think I had a written invitation every time I wanted some information. The chairman of the committee has been very helpful, and also his staff. The other side has been very helpful when I asked.

I just cannot imagine people saying at this late date that this is something that has just come up today.

Mr. DOLE. The Senator is correct.

I do not want to get into a partisan hassle here, but I would indicate that the record is clear. Again, I honestly think the Senator from Ohio will not have a problem with this bill after he has a chance to review it. I am complimenting the Senator from Ohio. He does have a deep understanding of this issue.

There are concerns that ought to be mentioned: the budgetary concerns, the cost of this package, the policy implications. But we can debate those on the floor.

I think the Senator from North Carolina and all Senators on the Agriculture Committee know how much time we spent last year trying to get a farm bill out. If you did not come from a wheat State, maybe you were not punished as we were. Passing a wheat bill in December, when the ground had been planted 2 months earlier, did not make it any easier. We would like to correct these things and not have to go back to the committee for 2 or 3 weeks.

I will yield the floor and still hope that the chairman can work this out this afternoon to the satisfaction of Members on both sides.

The final point I want to make is this: There are just as many Members on the Democratic side as the Republican side who have an interest in this legislation. That does not mean that we ought to yank it through here and say that is fine, that we have 10 Senators on both sides.

I cleared it with the ranking Democrat on the committee, Senator ZORINSKY, before he left last night. I said if there were any votes we would put them off until Tuesday. That was his concern.

I think there are other—Senator LEAHY has already expressed his interest in dairy, and Senators RIEGLE, LEVIN, and MITCHELL are all concerned with the underplanting issue. There are like-minded Members on this side. I think we can work it out. I would like to have done it today. And I am hopeful that, if we can work it out by Tuesday, the farmers will not be penalized too heavily.

Mr. MELCHER. Will the majority leader yield before he loses the floor?

Mr. DOLE. Yes, I yield.

Mr. MELCHER. I thank him for yielding.

May I just put in a calming note here, a note of common sense? The committee has not met on this. Not only that, I find that our very illustrious counsel back here has just been able to get the final copy that has been laid at the desk right now.

He is going through it. Parts of it he is very familiar with. But we do need to have this language looked at. It is apparently just an oversight that it has not been provided.

Mr. DOLE. We could not find him.

Mr. MELCHER. We tried to find him also.

Mr. DOLE. It is not our fault.

Mr. MELCHER. We cannot find everybody at the drop of a hat. But I do want to say a lot of us have been insisting on these various bills—I think I am a cosponsor of the bill with the Senator from South Dakota. I have given my support—I do not know that I have cosponsored the dairy amendments, but I have let it be known that my support is here.

We do find ourselves at a little bit of a disadvantage, however, because we do need to have this language looked at. There are parts of the bill I am very familiar with. I may understand it all by now, I am not sure. But there are parts of the bill that have some real merit that need to be corrected. It is also fair to point out that in order to make those corrections, we are cutting back on some of the exports. For that reason—I do want to have the majority leader's attention and the chairman's attention—we are cutting back on some export titles or sections of the bill. I do want to look around, to find, as we have just today that there is some African relief food aid money that is available that has not been expended. The reason is that the Departments—State Department, AID, Agriculture—have not pushed. AID has not done it. I think those are very essential points to get into the bill before it is passed.

Mr. DOLE. Could I say at that point that since that was called to my attention, we are trying to check it.

Mr. MELCHER. I know the Senator is.

Mr. DOLE. I thank the Senator for reminding me.

Mr. MELCHER. We do need to make up some of the exports on money, that has already been appropriated because we are losing some in these modifications.

Mr. DOLE. The Senator is correct. In that particular case, there would be no additional money, just getting some people to act on them.

Mr. MELCHER. That is correct. I thank the majority leader for yielding.

Mr. HELMS. Mr. President, let me say there is nothing in this bill that is going to make the farmers of North Carolina jump with joy. I am sort of like the fellow who saw his mother-in-law drive over the cliff in his new uninsured Cadillac. I have mixed feelings about all this. I am trying to be helpful to Senators on both sides of the aisle who have come to me and said, "Look, we have to move and move fast on this." Let me send a modification to the desk on behalf of Senator LEAHY and myself and ask that the bill be modified, which it will be.

The PRESIDING OFFICER. The Chair wishes to advise that the bill has not been introduced as of yet.

Mr. HELMS. I have sent the bill to the desk.

In any case, Mr. President, we will take care of the modification. I want to make a couple of points.

The distinguished Senator from Iowa repeatedly said he was not going to sit around here and permit something to pass by unanimous consent on Friday afternoon. But I do not think we proposed that. I do not think the Senator was listening.

I hope the Senator from Ohio will also listen carefully to the entire unanimous-consent request, because all we are trying to do is get this bill up so we can begin to consider it; so that we can go over it line by line—it would suit me if the Senator from Ohio wishes to go over it syllable by syllable, because we need all the help we can get in making a good piece of legislation. I do not know how we can consider a bill if we do not have it before us.

Mr. SYMMS. Will the Senator yield?

Mr. HELMS. If the Senator from Idaho will forbear for a moment, once again, I am going to ask unanimous consent, and I hope there will not be an objection this time prior to my concluding the unanimous-consent request.

I ask unanimous consent that the Senate now turn to the consideration of the Food Security Improvements Act of 1986, the so-called technical corrections to the farm bill.

I further ask unanimous consent that debate only occur during consideration of the bill today and that any rollcall votes ordered be postponed until after 2 p.m. on Tuesday, March 4.

Now, just to make it formal, I send the bill to the desk, as modified.

The PRESIDING OFFICER. The Senator is sending the bill to the desk as modified.

Mr. HELMS. That is correct.

The PRESIDING OFFICER. Is there object to the request?

Mr. METZENBAUM. I object.

The PRESIDING OFFICER. There is objection.

Mr. HELMS. I am sorry, my hearing is not good. Was there objection?

The PRESIDING OFFICER. The Senator from Ohio objected.

Mr. HELMS. Senator METZENBAUM?

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. I withdraw the bill.

Mr. BOSCHWITZ. Mr. President, I hope my friend from Ohio who has been critical of this process because we do not have the measure before us will now allow the bill to come to the floor so we can indeed debate it. That is what he wants and that is what we want. This bill has, as I have said, been around the Halls and the offices and in consultation for weeks. It frankly took some time to get some form of agreement among all the parties involved so that it could come to the floor.

No one knows better than the Senator from Ohio that as a practical matter, in order to work it out and to bring it to the floor with some degree of understanding by the major participants, it takes a lot of time. Very often, we back up to the very critical hour, in the case of a farm bill or other legislation, when time is running out on a statutory basis.

I say to my friend from Iowa that his point is well made. If the Senator from Iowa would give me his attention and also the Senator from Montana, who has left the floor now—if he is within earshot, I hope he will come back to the floor as well. No one knows the contents of these provisions better than the Senator from Iowa and the Senator from Montana. Nobody can give a quicker perusal and deeper understanding to each and every one of these provisions than the Senator from Montana or my friend from Iowa, with whom I have worked on the Agriculture Committee long

and hard. I submit that he knows the dates involved just as well as I do and the other Senators involved in this procedure know those dates also very well.

Now to turn back to committee and begin hearings and have witnesses is, if I may say so to my friend from Iowa, somewhat mischievous. That would mean that we would miss all those dates and he knows it. He has a great understanding of these provisions. He participated in the negotiations with respect to a large number of these provisions. We want to bring it to the floor, where we will have full opportunity to debate. Expediency is required because the time constraints are rather short from the standpoint of what dates are applicable in the dairy provisions, the dates to sign up for crop programs. and other things. It has to be done now.

In the event he wants to hold this up, he can hold it up. Any single Senator can hold it up very successfully, far beyond the time limits that the law presently expresses and which make this very critical. So I hope, and I would say to my friend from Ohio, that we want to do just what he wanted to do. That is, to consider the bill.

Mr. MELCHER. Mr. President, will the Senator from Minnesota yield?

Mr. BOSCHWITZ. I am almost done, and then I will yield the floor entirely. I said in the Senator's absence, I might say, that the Senator from Montana is as familiar with each and every one of these provisions as any Member of the Senate. As a matter of fact, I am often amazed at the detail and the knowledge he brings to the Agriculture Committee where I deal with him so often. We simply have to act on this now if we are going to reasonably help the farmers. Farmers are a funny group of people; funny in the sense that by trying to help one we can often do something that hurts another. All of those considerations were worked into this Food Security Improvements Act of 1986.

One of the reasons it took so long to work out the provisions of this bill is that, when you give aid and comfort to one group, you sometimes harm another group. Balancing it out took some time. We finally got it to the floor in a form that is fairly well balanced and that had virtually all Senators agreeing. Apparently, that was not the case. But I would hope my friend from Ohio and my friend from Iowa—I believe my friend from Montana does want us to go ahead—would relent and let this go ahead. We could talk about it on the floor for the rest of the day and Monday, if we are in session at that time, and also on Tuesday. They have ample opportunity to prevent passage of this legislation in the event that is what their objective is. I yield the floor.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, following up on a comment made by my friend from Minnesota, let me state that most of the parts which are in this package, if it is still the same as it was at 12:28 today, I am very familiar with and do support. I previously stated that I have no problem with the dairy proposals by Senator KASTEN and Senator LEAHY and support their efforts, too. There are a couple sections in the bill, though, that I think do cause us some problems. In order to straighten out the yield and the underplanting provisions, the bill presents some cuts in the targeted export program, or calls for cuts in it, and also calls for cuts in another export program dealing with subsidizing our exports in competition with other countries where a 301 trade case has clearly demonstrated that those countries have subsidized their exports. So in effect we are giving up about $1.5 billion worth of export enhancement, and I use that term to apply to both sections.

Now, that is very vital to all of agriculture in the United States. If we are ever going to return to where the market prices are better for our producers, we are going to have to improve our exports. They dwindled very sharply during the past 3 years, which is one of the principal reasons why the farm and ranch producers in this country are in dire economic straits.

I had earlier mentioned to the majority leader, in trying to make up for changing the targeted export program, that is, reducing it, and reducing the amount of money that would be available for the Export Enhancement Program, we do have to find out where the bureaucracy has slowed down to the point of no usage of money already appropriated to provide for agricultural exports. Some of it is in food aid. I mentioned the African Relief Program. We are advised that there is roughly $225 million of that fund already appropriated that had not been programmed, and we believe it should be. So that will probably be needed in another section of this bill. We may find other examples like that. And we have been busy the last 2 days now—yesterday and today—attempting to run those matters down.

But I do want to make clear, Mr. President, that we have just now during the past few minutes been able to submit the proposal as it has been presented now—it was changed, as we understand it, for the last time at 12:30 this afternoon, and we have just been able to permit counsel on our side of the Agriculture Committee to go through it to see exactly what the bill as presented proposes to do and whether the language, indeed, does carry out what is described in the explanations as the intention of the language.

Mr. BOSCHWITZ. Will the Senator yield?

Mr. MELCHER. Yes; I will be delighted to yield to my friend.

Mr. BOSCHWITZ. It is not clear to me whether or not we are going to be in session on Monday. I ask the Presiding Officer, has there been any announcement as to whether or not the Senate will convene on Monday?

The PRESIDING OFFICER. There is yet no order.

Mr. BOSCHWITZ. May I ask my friend from Montana, in the event the unanimous-consent request were to be made on Monday, would he and others, including my friend from Ohio, have adequate time over the weekend to review the various provisions so that we can move forward with it at that time?

Mr. MELCHER. Mr. President, I would be delighted to respond to my friend from Minnesota on that point by saying that it was my understanding we would probably, if we are in Monday, take this up, but in any event we would be on it on Tuesday.

Mr. BOSCHWITZ. There would be no votes.

Mr. MELCHER. There would not be any disposal of the matter prior to Tuesday. I personally feel that by either Monday or Tuesday I am going to have exhausted all of the efforts I can to attempt to find other than the unused African food relief money. I am going to pick around with the aid people down at the State Department. I am going to inquire of the Agriculture Department.

I might say that there is one further point that has been brought to my attention, and that is that on 416 exports there is some problem as to whether or not there has been any designation of part of the money that has been appropriated for food aid being available for 416. Section 416 was greatly enhanced and broadened in the recently passed farm bill. If there is no authorization or no designation of the funds already appropriated for food aid to be utilized by 416, I would want to make that correction also in the bill when we act on it next week. So we know two points that need to be acted upon——

Mr. BOSCHWITZ. Will the Senator yield?

Mr. MELCHER [continuing]. In regard to food aid, because they are part of our exports, so this is the appropriate place to do it. Yes, I yield again to my friend from Minnesota.

Mr. BOSCHWITZ. The Senator knows that he has submitted to the majority leader the question about the African food aid, just a matter of a couple hours ago, and that efforts are being made to find out from the Congressional Budget Office whether or

71-059 O-87-10 (Pt. 3)

not there would be an impact. Certainly from my standpoint we would look at the Senator's request with great sympathy.

Apparently, the appropriate person in the Congressional Budget Office cannot be found at the moment. We are trying to check with CBO.

However, we want to make clear to the distinguished Senator from Montana that while this, too, is a matter of very recent origin, we certainly do not object to moving expeditiously in checking out the Senator's point, which he feels is well made. Certainly, by Monday or Tuesday there will be adequate time.

I ask my friend again if he feels that he will have an adequate opportunity, in the event we move to this legislation on Monday, to make the same request, and ask the same question of my friend from Ohio—if he will have an adequate opportunity to view this legislation so that he would not feel the necessity of objecting to its moving forward.

Mr. MELCHER. I think these points that I am interested in will be cleared up by Monday, but certainly by Tuesday.

I might say that because there is not somebody available to respond to us in CBO on this point—and the majority leader's staff has pursued that diligently in the past couple of hours—but just because we cannot get that response immediately, we cannot blame CBO for that. They do have other requests. I want nothing in my remarks to imply that CBO has let us down. They have not, so far as I know. They just have to review these matters. We cannot always get the one on the particular program.

The same applies to our counsel: The Democratic counsel is supposed to be able to digest all this language just off the top of his head. We have to rely on careful perusal of the language in these bills, especially when there is no committee hearing or no committee discussion on it.

Mr. BOSCHWITZ. Mr. President——

Mr. MELCHER. Mr. President, I have to complete my statement, and I will be glad to yield after that, if the Senator from Minnesota wants me to yield.

Simply because we find, in the waning days of February, that we want to do something by Saturday, the 1st of March, we still have to rely on what the language says and if it is going to carry out the intent of Congress.

We have had about four or five examples that have cropped up in the farm bill that was before the committee all year and before the conference committee for a month and a half, and still there are points that crop up in the language, while it was being implemented during the last couple of months, that were not our intent at all. Those are some of the corrections we have to make.

To think that we are going to get away from having counsel review the language carefully to determine exactly what it says and whether it carries out the intention of Congress is almost a fundamental premise around here; and to the extent that we hasten through these various meetings here and there is a couple of days to put all the language together, that does not mean we can just ignore having counsel go over it very carefully. It is pretty much of an outrageous and ridiculous proposition to make, that somehow the Democratic counsel is derelict because he was not available when the Republican counsel was ready for it.

I do not think we need to think that anybody is hiding from the other. I think it is clear that what we have here is a proposition that has been changed and changed and changed during the past several days, and no one knew what was in it.

Mr. SYMMS. Mr. President, will the Senator yield on that point?

Mr. MELCHER. I am going to yield in just a moment.

Mr. BOSCHWITZ. Mr. President, will the Senator yield?

Mr. MELCHER. The impression has been created that somehow somebody is delaying simply because they want to have the language understood and simply because counsel ought to review the language.

I yield to my friend from Minnesota.

Mr. METZENBAUM. Mr. President—

Mr. BOSCHWITZ. I thank the Senator for yielding.

Mr. METZENBAUM. I think I have the floor.

Mr. BOSCHWITZ. No, the Senator does not.

The PRESIDING OFFICER. The Senator from Ohio has the floor.

Mr. BOSCHWITZ. The Senator from Montana yielded.

The PRESIDING OFFICER. It was the Chair's understanding that he yielded the floor.

Mr. MELCHER. Mr. President, to clarify that, I will repeat it. I will yield to my friend from Minnesota or the Senator from Idaho.

Mr. METZENBAUM. You cannot yield the floor to somebody in this body.

The PRESIDING OFFICER. Will Senators desist?

The Chair will assume that the Senator from Montana is yielding to the Senator from Idaho or the Senator from Minnesota for a question.

Mr. METZENBAUM. Mr. President, I really do not object, but I want to make it clear that the Senator from Montana said, "I yield the floor." Those were his words. You can change them if you want, and I have no objection. Let the Senator from Minnesota get his question in. But I want to say that the language was, "I yield the floor," and the Senator from Ohio was then recognized. I do not know how you undo it.

Mr. MELCHER. Mr. President, I advise my friend from Ohio that I said I yield to either my friend from Minnesota or Idaho.

Mr. METZENBAUM. That was the second one.

Mr. MELCHER. I did not say, "I yield for a question."

Mr. BOSCHWITZ. I would not criticize my friend from Ohio. I did not hear the Senator from Montana say anything other than, "I yield to the Senator from Minnesota or Idaho."

Mr. President, I have forgotten what the question is.

Mr. SYMMS. My question to my good friend from Montana is this, just to repeat the question: Does not the Senator from Montana agree with me that the Senators from Maine, one Republican and one Democrat; the two Democratic Senators from Michigan; the two Senators from California, one a Democrat and one a Republican, have an equal, enthusiastic interest in correcting the underplanting, making some accommodation on the underplanting provisions that came out of the farm bill, which were not in the bill when it passed the Senate, but were in that conference report of 13 pounds, hundreds of pages, which came back to us before Christmas?

Would the Senator from Montana not confirm that, so that our friend from Ohio will not think that this is some kind of partisan effort to do anything here? This is a totally bipartisan effort, and it depends upon the type of agriculture and the interests of the States from which the various Senators come.

Is that a fair statement?

Mr. MELCHER. The Senator from Idaho is correct on that point, and that is in section 2 of this bill. Section 3 deals with the point that I discussed with the Senator from South Dakota [Mr. ABDNOR], and I believe I cosponsored a bill he introduced on the same subject.

Then we go down to section 4, which deals with agricultural trade and food aid, with a series of amendments, in one of which I have a vital interest and which I just saw yesterday was in this package.

Section 5 and section 6 are the two sections that deal with taking away part of the money for export enhancement. Those two sections are, of course, significant. They were discussed earlier than the last couple days, or at least I only knew that they were even going to be proposed less than 48 hours ago.

Then section 7 goes into haying and grazing set-aside which is a new matter.

Section 8 picks up on the question of nonprogrammed crops, a brand new proposition, I might say, that I think, if I am not mistaken, our counsel is looking at right now, to try to determine what the language is supposed to do. I think that was added sometime during the daylight hours of today.

Section 9 is another new section that looks harmless and innocuous dealing with the dairy cooperative and holding hearings by the Secretary of Agriculture.

But on the point the Senator from Idaho raised, I am well aware of that point for the past couple weeks and it is a bipartisan matter. I do agree with him. It is a bipartisan matter and Senators on both sides are interested.

I think what has confused everyone, I might explain to this near-empty Chamber, is that there are many other sections that came along just recently that are quite strange to us and do have to be understood.

Personally, I have not found anything too hard to understand about it or too confusing. It does cause me somewhat of an alarm when we do reduce our export enhancement programs but, as I mentioned earlier, I think there are ways of picking that up and I think by Tuesday we will probably have that job done and be able to add something more to the bill that will offset what is being decreased by those two sections.

Mr. SYMMS. I thank the Senator for his answer.

Mr. MELCHER. Mr. President, I yield the floor now.

Mr. SYMMS. Mr. President, I thank the Senator from Montana greatly for his answer and I would just hope we could have an understanding, before the Senator from Montana leaves the floor, in light of the question the Senator from Minnesota asked. The section of the bill containing the underplanting provisions, which are so vital to my State, I think was worked out last night by Senators BOREN, HARKIN, LEVIN, REIGLE, and others who wanted to work in some of the details of that agreement. I would hope that we could at least have some kind of understanding hopefully by next week we will not get objections from the Senator's side of the aisle on this particular issue. I hope we have that resolved.

If there are questions about it I think that the question of the Senator from Minnesota is certainly pertinent, that if there are Senators who anticipate objecting on Tuesday or Monday, I would hope they would take the time to study the proposition over the weekend because the farmers are suffering and the bean prices are collapsing. The Maine potato farmers are getting 15 cents a hundred right now for potatoes that they grew last year and the anticipation that there may be more acres of farmers who are on subsidies growing potatoes next year is devastating to that part of the State of Maine, not to mention the State of Iowa, where this Senator comes from.

So I would hope that the Senators here and the Senator from Ohio could take a careful look at this, check with the Senators on his side of the aisle if he thinks this is some kind of a Republican versus Democratic agreement. It is not, and I hope we can remove those objections from that side of the aisle by the first of next week.

Mr. BOSCHWITZ and Mr. METZENBAUM addressed the Chair.

THE PRESIDING OFFICER. The Senator from Minnesota.

Mr. METZENBAUM. Mr. President, could the Senator from Ohio at some point get recognition?

Mr. BOSCHWITZ. The Senator from Ohio was just stressing and describing the rules of the Senate and no one knows better than he that a Senator who rises first and seeks recognition obtains recognition. He has obtained recognition a few more times than I even on this floor.

But I ask my friend from Montana, if I could gain his renewed attention and also the Senator from Ohio. In the event we convene on Monday or Tuesday, for that matter, would they feel that at that time the objections with respect to proceeding on this bill would be lifted?

I address that as a question to my friend from Ohio and also address it as a question to my friend from Montana.

Mr. METZENBAUM. I would be prepared to respond after the Senator gives up the floor and I will address myself to that issue.

Mr. BOSCHWITZ. I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I think we should understand where we are and I am glad the distinguished Senator from North Carolina has returned to the floor because I wanted to specifically address myself to his unanimous-consent request, to two parts of that unanimous-consent request. One part has to do with the right to introduce the bill. I have no objection to his introducing the bill. It is my understanding that procedures were to be worked out where the bill would be introduced today by unanimous consent and it could not be introduced otherwise at this point except by unanimous consent, that there could be Agriculture Committee hearings on Monday and the bill brought to the floor or at least reported out by Monday afternoon and at that point the Senate either could proceed to consider the bill or refuse to do so, but at least we would have followed an orderly procedure along that line.

Instead of that we are asked by unanimous consent to introduce the bill although I do not think it was ever spelled out in that language. I think he just said, "I send the bill to the desk," but I think it was implied the Senator was asking unanimous consent to introduce the bill and to call it up at the same time.

I objected to that and would object again.

The majority leader indicated that there had been a hot line on this matter and indeed there had been a hot line on this matter but it was not the same matter. The hot line had to do with the right of Senator DOLE to take up the food security amendments bill including the Kasten-Leahy dairy provisions and that the bill be laid aside until Tuesday, March 4. That is a long way removed from the Helms' request and I might say this: Our office indicated we had objections to that as did others. The Helms request was to ask unanimous consent that the Senate proceed to consider a bill introduced, intended to be proposed by him, that debate only be in order today and that any rollcall votes ordered be postponed until after 2 p.m. Tuesday next.

It did not include anything about the dairy matter. And it provided for the 2 p.m. rollcall matter and did not address itself to the question of whether we would or would not be acting on Monday.

The main objection still has to do with the fact that the action is a precipitate one and what we really see here is an effort to forestall the impact of Gramm-Rudman with respect to the dairy industry and what we see is an effort to undo portions of the agriculture bill that Senators, such as I, voted for because those who ostensibly speak for agriculture around here said that that was a good piece of legislation. So we voted for it.

Now we find it has created some problems and so they want to package that together with a diary bill which directly has to do with Gramm-Rudman and ask us to pass that under expedited procedures.

I think that is unreasonable, but I will say to my colleague from North Carolina if he wants to introduce the bill this afternoon, I would certainly not object to that but, as he well knows, the bill cannot be introduced this afternoon except by unanimous consent.

I, therefore, yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I thank the Chair.

The Senator from Ohio stated the situation correctly. I do not know what the Democratic hotline stated with reference to proceeding with this legislation. I do not even know what the Republican hotline stated. But the effect of it was to notify Senators that another effort would be made, as was

made last evening, to get this package of provisions before the Senate.

The Senator from Ohio, in two instances objected, and he said he would object in any case to an expedited procedure. That, of course, is within his rights and I respect him for exercising his rights. Senator HARKIN also objected at one point.

Thereafter, the Senator from North Carolina propounded the entire unanimous-consent request again, because I was interrupted by two or three Senators in the middle of propounding the unanimous-consent request in the first place.

Mr. President, let me say to the Senator from Ohio what I said earlier. This package of provisions has no appeal to the farmers of North Carolina. The dairy section, in particular, gives my dairy farmers some heartburn because of the milk tax. But I agreed to the expedited procedure at the behest of Senators on both sides. And it is my duty to try to proceed with legislation pursuant to such an agreement. But I agreed to it because it was explained to me that farmers in this country are in distress.

Now, I am not going to get myself involved in any conflict between other Senators. I am just trying to do my job as chairman of the Senate Agriculture Committee. And I have not had a request at all for this measure to be considered by the Agriculture Committee because that would involve a delay. I did have a suggestion today from the distinguished Senator from Montana to take it to the Agriculture Committee, and I am perfectly willing to do that if that is agreeable to those who are asking for my assistance.

Now, the Senator, I believe, at one time referred to this procedure as not being a normal procedure. I cannot recall his exact words, but there was something of that nature. Well, it is perfectly normal in this Chamber to call up or to try to call up a piece of legislation without taking the additional time for a committee markup. But let me say to the Senator that I am amenable to anything the Senator wants me to do with respect to helping the farmer.

Having said all that, I think I am most distressed by what I believe to be the preception by the farmers across this country that political games are being played in this Senate. We have Senator after Senator engaging in one-upmanship, saying "I'm going to do more for the farmer than Senator X." Senator X says, "Oh, no, I'm doing more for the farmer than Senator Y." But I think that we ought to exercise our responsibility and do something other than engage in what might be classified as dilatory tactics.

Now, I was handed by the majority leader a page from the Chicago Tribune of Friday, February 28, today, an article bearing the headline "Farm-Fund Debate Gets Earthy." It is written by Christopher Drew and Dorothy Collin. I consider this to be a pretty good analysis of what is going on in the Chamber in terms of political one-upmanship. I ask unanimous consent, Mr. President, that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FARM-FUND DEBATE GETS EARTHY

(By Christopher Drew and Dorothy Collin)

WASHINGTON.—What had been a quiet drive to alter federal grain and dairy programs erupted Thursday into a political brouhaha involving farm-state legislators and the leaders of both houses.

Some Democratic senators lashed out at efforts by Majority Leader Bob Dole [R., Kan.] to boost subsides for troubled farmers by taking $1 billion to $2 billion from export-subsidy programs.

An aide said Sen. Tom Harkin [D., Ia.] saw the plan as an attempt "to take some of the heat off the Republicans who are up for reelection and are taking the blame for the farm cruch."

Meanwhile, House Speaker Thomas P. O'Neill Jr. [D., Mass.] refused to let the House consider an Agriculture Committee plan to substitute an increase in a levy against milk producers for cuts in price supports required Saturday under the Gramm-Rudman-Hollings law.

O'Neill said he had been "blindsided" by the committee action and warned that it could open the floodgates to other interests hoping to soften the impact of the budget-balancing law.

But Rep. Steve Gunderson [R., Wis.] charged that Democratic leaders were holding up the bill "so they can run around the country and say Gramm-Rudmann . . . is a bad idea."

A fight also broke out over what had appeared to be routine passage Wednesday of a House bill to pump $5 billion into the Commodity Credit Crop., which runs the farm programs. The infusion would ensure that the agency would have money to disburse when farmers start to sign up for subsidies next week.

Senate leaders discovered Thursday that Rep. Jamie Whitten [D., Miss.] had stuck language into the bill giving appropriations committees new authority over spending on a major program to retire millions of acres of erodible cropland. Some senators said they would not pass the measure until Whitten agreed to rescind the changes.

In the end, all the squabbling made it highly unlikely that Congress would finish working on the bills before adjourning for the weekend.

Such a delay would mean that planned cuts in dairy price supports would take effect Saturday and grain farmers would face some uncertainty in weighing this year's program benefits.

But it might not cause major disruptions for either group. If Congress eventually approved the dairy changes, it could make them retroactive. And grain farmers will have until April 11 to sign up for their programs.

Worries about who will be blamed for the worst farm crisis since the 1930s led to highly partisan battles in writing a huge new farm bill last fall. Similar fights seem likely to punctuate any further farm-policy debates leading up to this year's midterm elections.

Mr. HELMS. In conclusion, let me say again to my friend from Ohio that I admire him for exercising his rights as he sees them and his responsibility. I hope he understands that my only function or my only intended function is to serve Senators who feel that they are distressed in the agriculture sector. I am not trying to slip anything by. I am not trying to do anything except encourage the Senate to act as expeditiously as possible, making sure that every Senator's rights are protected. And that is it. I say again that I admire the Senator for standing up when he thinks something is going on that he does not like. I may not agree with him, however.

Mr. METZENBAUM. I want to say to my colleague, I do not even know that I do not like it. I am concerned about the farmers. We have a lot of farmers in Ohio. We have dairy farmers, we have wheat farmers, we have soybean farmers. I am concerned about farmers.

Mr. HELMS. Mr. President, do I understand that I do not lose my right to the floor?

The PRESIDING OFFICER. Would the Senator please repeat his question?

Mr. HELMS. We have an understanding that I will not lose my right to the floor.

The PRESIDING OFFICER. The Senator from North Carolina has yielded for purposes of a question.

Mr. METZENBAUM. I am not in disagreement that there is a problem with respect to farmers. My sole function out here, and my sole concern is I want to know what I am doing and I do not want to be put in an embarrassing position because I have the temerity to say I would like to know what is in the bill before I vote for it. The Senator from North Carolina has been here long enough and has a distinguished enough record that he certainly would agree with that.

Mr. HELMS. Indeed I do.

Mr. METZENBAUM. I would say to my friend from North Carolina and my friend from Kansas, we may be able to move this bill, but just give us a chance to know what it is all about. I urge upon my friend from North Carolina that he put the bill in. I think he ought to put it in so that it is not just a revolving kind of piece of legislation that suddenly gets a little change from the Symms bill and the dairy bill and something else. I think we ought to know what the bill is.

My recollection is, when the Senator did not get unanimous consent, it was withdrawn, appropriately so. But I am saying to the Senator now that if he wants to offer the bill, I certainly would not object to a unanimous consent to that effect. And I think by

that time we would get a chance to look it over, over the weekend. I expect to be here on Monday. I am not going to tell you what I am going to do, because I do not know. But I think that that would be the orderly way to proceed. I think that that at least would get us on the right road so we know what we are talking about rather than at the moment when I am objecting to a bill and I do not know what is in the bill and that is the reason I am objecting.

Mr. HELMS. I was about to say, Mr. President, to my friend from Ohio, and decided against it because it may sound churlish, but I think I am going to say it because he knows I am not being churlish. I would be glad to sit down with him right now and we will go over the bill together, line by line, syllable by syllable, if it takes until midnight tonight. I want him to understand everything, every provision in this bill.

Mr. METZENBAUM. I know the Senator would not be churlish, and I do not want to be churlish. I do not know enough about the bill to sit down and go over it line by line. That is the reason many of us in this body have professional staff. We will have to go over it over the weekend and on Monday—and no one will be around here voting on Monday anyhow—we will give some time to it. Is the majority leader going to tell us we are going to have some votes on Monday?

Mr. LEAHY. Will the distinguished chairman yield?

Mr. HELMS. Let me say one thing and then I will yield the floor. First of all, I will instruct the staff to furnish the Senator from Ohio, or his aide, a copy of the bill as modified right now.

Are you listening? Watch my lips. I want the Senator from Ohio and/or his designated staff member to have a copy of the bill.

Furthermore, Mr. President, I ask unanimous consent that the bill, as modified, meaning the addition of the dairy provision, be printed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. Mr. President, I did not hear. Mr. President, could I hear that again?

The PRESIDING OFFICER. Would the Senator from North Carolina please restate the unanimous consent request?

Mr. HELMS. I simply inserted in the RECORD—I do not know whether the Chair acted upon the unanimous-consent request. I simply inserted in the RECORD the text of the bill as modified. I ask unanimous consent in that connection.

Mr. METZENBAUM. Reserving the right to object, and I do not intend to object——

Mr. HELMS. I hope not.

Mr. METZENBAUM. Does the Senator mean by his unanimous-consent request printing in the RECORD?

Mr. LEAHY. The text.

Mr. METZENBAUM. I understand that. You have not at the same time indicated that you are sending the bill to the floor?

Mr. HELMS. No.

Mr. METZENBAUM. Are you introducing the bill?

Mr. HELMS. No. I want the Senator from Ohio, and all other Senators who are absolutely passionately interested in this legislation, to have the exact text before them.

Mr. METZENBAUM. And the bill will not actually be before the Senate at that point?

Mr. HELMS. No, Senator.

Mr. METZENBAUM. I do not object.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. I ask a question in regard to objecting. I wonder if the bill that is being asked to be put in the RECORD is the one that is—and there are versions floating around—I wonder which one it is. There was one printed in the RECORD of February 27 on page S. 1759. Is this a different bill, Mr. President?

Mr. LEAHY. Will the Senator yield to me on that point just for a moment?

I hope the Senator does not object to this request just to have the text printed. Then there would be no question of what bill we are talking about because it would be printed. If there are going to be objections, unless it totally disrupts the schedule of the distinguished majority leader I am apt to seek recognition in my own right and read the text of the bill so it will be on the record. But I would much prefer somebody print the darned thing so we can see what it is, and Senators could look at it Monday knowing we all eagerly come to our office each morning to read the CONGRESSIONAL RECORD, and later on with VCR's we can watch it. It must be an extraordinary, thrilling event this afternoon on this thing.

But I would hope no Senator would object at least to putting the darned text of the thing because otherwise I am inclined to read it.

Mr. HARKIN. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. And I will not object but I take this time just to point out that there was a bill printed in the RECORD yesterday. It had seven sections. Now I understand this new bill that will be printed in the RECORD has nine sections. I think it is good it is printed in the RECORD because I daresay by the time we get back next week there might be another bill with 10 sections. So I think it is important that Senators see how rapidly changing and evolving the so-called technical changes are.

Mr. President, I remove my reservation.

The PRESIDING OFFICER. Is there any further objection? If not, it is so ordered.

Mr. HELMS. Mr. President, let me say to the Senator it already has 10 sections. We may go to 11. [Laughter.] But that is beyond my control.

I send the text, as modified, to the Chair.

The PRESIDING OFFICER. The bill will be printed.

There being no objection, the material was order to be printed in the RECORD, as follows:

S. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Food Security Improvements Act of 1986".

SEC. 2. NONPROGRAM CROPS.

(a) WHEAT.—Section 107D(c)(1)(of the Agricultural Act of 1949 (as added by section 308 of the Food Security Act of 1985) is amended—

(1) in subparagraph (C), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (K))";

(2) in subparagraph (C)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (K)).."; and

(3) by striking out subparagraph (K) and inserting in lieu thereof the following new subparagraph:

"(K)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (C) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (c) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(b) FEED GRAINS.—Section 1050(c)(1) of the Agricultural Act of 1949 (as added by section 401 of the Food Security Act of 1985) is amended—

(1) In subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (I))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (I)).."; and

(3) by striking out subparagraph (I) and inserting in lieu thereof the following new subparagraph:

"(I)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(c) COTTON.—Section 103A(c)(1) of the Agricultural Act of 1949 (as added by section 501 of the Food Security Act of 1985) is amended—

(1) in subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (G))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (G)).."; and

(3) by striking out subparagraph (G) and inserting in lieu thereof the following new subparagraph:

"(G)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(d) RICE.—Section 101A(c)(1) of the Agricultural Act of 1949 (as added by section 601 of the Food Security Act of 1985) is amended—

(1) in subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (G))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (G))."; and

(3) by striking out subparagraph (G) and inserting in lieu thereof the following new subparagraph:

"(G)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(e) APPLICAITON.—In the case of the 1986 crops of wheat, feed grains, upland cotton, and rice, the amendments made by this section shall not apply to any producer who demonstrates to the satisfaction of the Secretary of Agriculture that the producer, before February 26, 1986, planted or contracted to plant for the 1986 crop year a portion of the permitted acreage of the producer to any agricultural commodity other than wheat, feed grains, upland cotton, extra long staple cotton, rice, or soybeans.

SEC. 3. FARM PROGORAM PAYMENT YIELDS.

(a) ESTABLISHED PRICE PAYMENTS FOR 1986 AND 1987 CROP YEARS.—Section 506(b) of the Agricultural Act of 1949 (as added by section 1031 of the Food Secruity Act of 1985) is amended—

(1) in paragraph (1), by striking out "paragraph (2)" and inserting in lieu thereof "paragraphs (2) and (3)";

(2) by redesignating paragraphs (2) through (4) as paragraphs (3) through (5), respectively; and

(3) by inserting after paragraph (1) the following new paragraph:

"(2)(A) In the case of the 1986 crop year for a commodity, if the farm program payment yield for a farm is reduced more than 3 percent below the farm program payment yield for the 1985 crop year, the Secretary shall make available to producers established price payments for the commodity (in the form of commodities owned by the Commodity Credit Corporation) in such amount as the Secretary determines is necessary to provide the same total return to producers as if the farm program payment yield had not been reduced more than 3 percent below the farm program payment yield for the 1985 crop year.

"(B) In the case of the 1987 crop year for a commodity, if the farm program payment yield for a farm is reduced more than 5 percent below the farm program payment yield for the 1985 crop year, the Secretary shall make available to producers established price payments for the commodity (in the form of commodities owned by the Commodity Credit Corporation) in such amount as the Secretary determines is necessary to provide the same total return to producers as if the farm program payment yield had not been reduced more than 5 percent below the farm program payment yield for the 1985 crop year.".

(b) FARM PROGRAM PAYMENT YIELDS FOR 1988 AND SUBSEQUENT CROP YEARS.— Section 506(c)(1) of the Agricultural Act of 1949 is amended by adding the end thereof the following new sentence: "Notwithstanding any other provision of this paragraph, for purposes of establishing a farm program payment yield for any program crop for any farm for the 1988 and subsequent crop years, the farm program payment yield for the 1986 crop year may not be reduced more than 10 percent below the farm program payment yield for the farm for the 1985 crop year.".

SEC. 4. SPECIAL ASSISTANT FOR AGRICULTURAL TRADE AND FOOD ASSISTANCE.

(a) CHANGE OF TITLE.—(1) Section 1113 of the Food Security Act of 1985 is amended—

(A) in the caption, by striking out "FOOD AID" and inserting in lieu thereof "FOOD ASSISTANCE"; and

(B) in subsection (a), by striking out "Food Aid" and inserting in lieu thereof "Food Assistance".

(2) The table of contents in section 2 of such Act is amended by striking out "Food Aid" in the item relating to section 1113 and inserting in lieu thereof "Food Assistance".

(b) APPOINTMENT OF INITIAL SPECIAL ASSISTANT.—Section 1113(a) of such Act is amended by adding at the end thereof the following new sentence: "The President shall appoint the initial Special Assistant not later than May 1, 1986.".

(c) REMOVAL OF LEVEL I CLASSIFICATION.— Section 5312 of title 5, United States Code, as amended by section 1113(d) of the Food Security Act of 1985, is amended by striking out the item relating to:

"Special Assistant for Agricultural Trade and Food Aid.".

(d) COMPENSATION FOR THE SPECIAL ASSISTANT.—Section 1113(d) of the Food Security Act of 1985 is amended to read as follows:

"(d) Compensation for the Special Assistant shall be fixed by the President at an annual rate of basic pay of not less than the rate applicable to positions in Level III of the Executive Pay Schedule.".

SEC. 5. TARGETED EXPORT ASSISTANCE.

Section 1124 of the Food Security Act of 1985 is amended by striking out subsection (a) and inserting in lieu thereof the following new subsection:

"(a) For export activities authorized to be carried out by the Secretary of Agriculture or the Commodity Credit Corporation, in addition to any funds or commodities otherwise required under this Act to be used for such activities—

"(1) for each of the fiscal years ending September 30, 1986, through September 30, 1988, the Secretary may use under this section an amount determined by the Corporation; and

"(2) for each of the fiscal years ending September 30, 1989, and September 30, 1990, the Secretary shall use under this section not less than $325,000,000 of funds of, or commodities owned by, the Corporation.".

SEC. 6. DEVELOPMENT AND EXPANSION OF MARKETS FOR UNITED STATES AGRICULTURAL COMMODITIES.

Subsection (i) of section 1127 of the Food Security Act of 1985 is amended to read as follows:

"(i)(1) During the period beginning October 1, 1985, and ending September 30, 1988, the Secretary shall use agricultural commodities and the products thereof referred to in subsection (a) to carry out this section, except that the value of the commodities and products may not be less than $1,000,000,000, nor more than $1,500,000,000. To the maximum extent practicable, such commodities shall be used in equal amounts during each of the years in such period.

"(2) During each of the fiscal years ending September 30, 1986, through September 30, 1988, of the commodities and products used in accordance with paragraph (1), the Secretary shall use commodities and products equal in value to not less than $50,000,000 to provide export assistance under this section on a priority basis in the case of commodities and products referred to in section 1124(c).".

SEC. 7. HAY AND GRAZING ON DIVERTED WHEAT AND FEED GRAIN ACREAGE.

(a) WHEAT.—Subparagraph (C) of section 107D(f)(4) of the Agricultural Act of 1949 (as added by section 308 of the Food Security Act of 1985) is amended to read as follows:

"(C)(i) Except as provided in clause (ii), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage diverted from production by participating producers in such State to be devoted to—

"(I) hay and grazing during not less than 5 of the principal growing months (as established for a State by the State committee), in the case of the 1986 crop of wheat; and

"(II) grazing, in the case of each of the 1987 through 1990 crops of wheat.

"(ii) In the case of each of the 1987 through 1990 crops of wheat, grazing shall not be permitted for any crop of wheat, grazing shall not be permitted for any crop of wheat under clause (i)(II) during any 5-consecutive-month period that is established for such crop for a State by the State committee established under section 8(b) of such Act.".

(b) FEED GRAINS.—Subparagraph (C) of section 105C(f)(4) of the Agricultural Act of 1949 (as added by section 401 of the Food Security Act of 1985 is amended to read as follows:

"(C)(i) Except as provided in clause (ii), the Secretary shall permit, at the request of the State committee established under section 9(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage diverted from production by participating producers in such State to be devoted to—

"(I) hay and grazing during not less than 5 of the principal growing months (as established for a State by the State committee), in the case of the 1986 crop of feed grains; and

"(II) grazing, in the case of each of the 1987 through 1990 crops of feed grains.

"(ii) In the case of each of the 1987 through 1990 crops of feed grains, grazing shall not be permitted for any crop of feed grains under clause (i)(II) during any 5-consecutive-month period that is established for such crop for a State by the State committee established under section 8(b) of such Act.".

SEC. 8. PROTECTION OF BASE ON NONPROGRAM CROP ACREAGE.

Section 504(b)(2) of the Agricultural Act of 1949 (as added by section 1031 of the Food Security Act of 1985) is amended—

(1) by redesignating clause (D) as clause (E); and

(2) by striking out clause (C) and inserting in lieu thereof the following new clauses:

"(C) acreage in an amount equal to the difference between the permitted acreage for a program crop and the acreage planted to the crop, if the acreage considered to be planted is devoted to conservation uses or the production of commodities permitted under section 107D(c)(1)(K), 105C(c)(1)(I), 103A(c)(1)(G), or 101A(c)(1)(G), as the case may be;

"(D) in the case of each of the 1986 through 1989 crop years, acreage in an amount equal to and not to exceed 50 percent of the permitted acreage for a program crop for each of the 1986 and 1987 crop years, 35 percent of the permitted acreage for the 1988 crop year, and 20 percent of the permitted acreage for the 1989 crop year, if—

"(i) the acreage considered to be planted is planted to a crop, other than a program crop, peanuts, soybeans, extra long staple cotton, or commodities specified in clause (C);

"(ii) the producers on the farm plant for harvest to the program crop at least 50 percent of the permitted acreage for such crop; and

"(iii) payments are not received by producers under 107D(c)(1)(C), 105C(c)(1)(B), 103A(c)(1)(B), or 101A(c)(1)(B), as the case may be; and".

SEC. 9. MARKETWIDE SERVICE PAYMENTS.

(a) HEARING.—Not later than 60 days after receipt of a proposal to amend a milk marketing order in accordance with section 8c(5)(J) of the Agricultural Adjustment Act (7 U.S.C. 608c(5)(J)) (as added by section 133 of the Food Security Act of 1985), the Secretary of Agriculture shall conduct a hearing on the proposal.

(b) IMPLEMENTATION.—Not later than 120 days after a hearing is conducted under subsection (a), the Secretary shall implement a marketwide service payment program in accordance with section 8c(5)(J) of the Agricultural Adjustment Act.

SEC. 10. INCREASED MILK ASSESSMENTS TO MEET DEFICIT REDUCTION REQUIREMENTS.

Effective March 1, 1986, section 201(d)(2) of the Agricultural Act of 1949 (as amended by section 101(a) of the Food Security Act of 1985 (Public Law 99-198) is amended—

(1) in subparagraph (B), by striking out "The" and inserting in lieu thereof "Except as provided in subparagraph (E), the"; and

(2) by adding at the end thereof the following new subparagraph:

"(E)(i) In lieu of any reductions in payments made by the Secretary for the purchase of milk and the products of milk under this subsection during the period beginning March 1, 1986, and ending September 30, 1986, required under the order issued by the President on February 1, 1986, under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), the Secretary shall increase the amount of the reduction required under subparagraph (A) during the period beginning April 1, 1986, and ending September 30, 1986, as the sole means of meeting any reductions required under the order in payments made by the Secretary for the purchase of milk and the products of milk under this subsection.

"(ii) The aggregate amount of any increased reduction under clause (i) shall be equal, to the extent practicable, to the aggregate amount of the reduction that would otherwise be required under the order referred to in clause (i) in payments made by the Secretary for the purchase of milk and the products of milk under this subsection during the period beginning March 1, 1986, and ending September 30, 1986, except that the amount of any increased reduction under clause (i) may not exceed 12 cents per hundredweight of milk marketed.".

Mr. HELMS. Mr. President, for the purposes of the record, I believe it essential that there be, at this point, an analysis of the provisions of this measure.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ANALYSIS

Section 2 of the bill would revise the so-called underplanting provision of the Food Security Act of 1985. Under the Food Security Act, a producer participating in a commodity program would be allowed to plant only 50 percent of his permitted acreage to the program crop and collect 92 percent of the deficiency payments on the entire permitted acreage, while planting an alternative, nonprogram crop on the remaining 50 percent of the permitted acreage.

Section 2 would revise this provision by limiting the definition of alternative, nonprogram crops to conserving crops. In addition, haying and grazing, at state option, would be permitted on the underplanted acreage.

It has come to the attention of numerous senators that producers of several unsubsidized crops, including dry edible beans and popcorn, could experience substantial drops in income as a result of the underplanting provision. In some areas, contract price offers for the fall 1986 harvest have fallen by more than 50 percent for dry edible beans and popcorn since enactment of the Food Security Act.

This decline in price is predicated on the expectation that many farmers will take advantage of the underplanting provision and plant the underplanted acres to nonprogram crops, leading to surplus production of everything from potatoes to lettuce. Indeed, the underplanting provision, as currently written, essentially expands the domain of Federal farm subsidies to virtually every crop grown in the United States.

I appreciate the frustration of the growers of these nonprogram commodities with the underplanting provision and can understand their desire to stay out from under the leaky umbrella of Federal farm programs. The depressed markets for these commodities are demonstrating that the same incentives that have led to excess production of commodities under the farm programs could have the same ruinous effect on prices for these nonprogram commodities.

The concerns of the dry edible bean producers, the popcorn producers, and many others remind us that less than 50 percent of agricultural production in the United States is directly subsidized. Those producers who are not subsidized have a right to be concerned when the Congress insists on developing new ways to distribute government subsidies, at times with unintended economic impacts on sectors that do not receive direct benefit from the Federal largess.

The Congressional Budget Office estimates that because revising the underplanting provision could add to surplus production of the program crops, leading to increased deficiency payments and loan forfeitures, the cost of this section would be $190 million during the fiscal year 1986-88 period. Although I have serious reservations about added spending on the farm programs in any form, I am compelled by the legitimate complaints of producers whose commodities have not been directly subsidized in the past.

Section 3 of the bill deals with the important area of farm program payment yields. As many senators are aware, the Food Security Act of 1985 changed the formula for calculating program payment yields for individual wheat, feed grains, cotton, and rice farms. Under the new formula, program payment yields would be the average of 1981 through 1985 program payment yields, dropping the high and low years.

The intent of Section 3 is to limit the impact of this formula change. Specifically, for 1986 crops, producers would be compensated in government-owned commodities for reductions in program payment yields for individual farms in excess of 3 percent of the 1985 program payment yield level. For 1987 crops, producers would be compensated in government-owned commodities for reductions in program payment yields in excess of 5 percent of the 1985 program payment yield. For purposes of calculating program payment yields in 1988 and subsequent crop years, the program payment yield for 1986 crops could not be more than 10 percent below the 1985 program payment yield for an individual farm.

This amendment is in response to the concerns of individual producers who would experience substantial reductions in their program payment yields as a result of changes in the formula for calculating program payment yields. Senators have cited examples to me of reductions in program yields of 20 to 30 percent.

According to the US Department of Agriculture and the Congressional Budget Office, this provision would incur no additional direct outlays. Nevertheless, it will increase indirect outlays substantially, as government-owned commodities flood onto the market. Commodity prices will undoubtedly be reduced as a result of this provision, thereby increasing deficiency payments and loan defaults. The Congressional Budget Office has estimated that this additional cost will be $390 million during fiscal years 1986-88.

Let me briefly reconstruct the scenario that led to the adoption of the new program payment yield calculation formula by the Conference Committee on the Food Security Act of 1985.

After the conference reached agreement on many of the provisions of the commodity programs, the cost estimates over three fiscal years remained several billion dollars in excess of the expenditure limits imposed by the Congressional budget resolution and the spending levels desired by the Administration.

The new formula was adopted by the Conference Committee partly to address these fiscal concerns. The Department of Agriculture estimated that the new formula would reduce outlays by $1.2 BILLION during the next three fiscal years, thus greatly improving chances for signature of the 1985 farm bill into law.

It is extremely important to emphasize that the Conference Committee on the 1985 farm bill was fully aware of the overall impact of using a five-year average of program payment yields—not actual yields—in calculating program payment yields for the 1986 and 1987 crop years. The transcripts of the Conference Committee clearly indicate the Congress' intent that the US Department of Agriculture calculate yields based on past program payment yields.

As poor fiscal policy as this provision represents, it also entails a delay in implementation of an important forward step in our agricultural policy. Indeed, officials of the Department of Agriculture have stated that the program payment yield provision of the farm bill is one of the most positive policy provisions of the bill.

Instead, if this change to the farm bill is enacted, we will, in effect, continue the policy of basing subsidy levels for individual producers on past actual yields they have received for two more years.

The policy of using proven or actual yields has several negative effects. First, producers who harvest the best crops year after year, are the most technologically innovative, and are generally in the best financial condition, are also in a position to receive the largest goverenment subsidies under this system.

This is antithetical to the principle of targeting limited resources to those who need it. Indeed, under this approach, it's no wonder that only $1 of $5 spent on agriculture programs goes to producers experiencing financial stress.

Secondly, the use of actual yields in the calculation of program payment yields contributes to uneconomic production practices and regional shifts in production, as producers respond to the incentives created by the commodity programs to escalate their yields beyond normally economic levels through heavy fertilization, added pesticide use, etc. This practice is often referred to as "base-building" or "yield-building."

This has been particularly evident in the pattern of wheat production in recent years in the United States. In response to the high target price and the yield-increase incentive, farmers in southeastern states have increased wheat production substantially and thus have taken markets away from the traditional Great Plains wheat belt.

Mr. President, as a senator from a southeastern state, I admit that this has some appeal to my constituents. However, it is not in the best interest of the Nation's wheat

producers, particularly those in the Great Plains. Nor is this good policy for the corn producers in the Midwest, who could be victimized by a similar shift in production patterns.

In short, Mr. President, the yield provision of this bill represents poor fiscal policy and perpetuates bad farm policy. It would restore many of the same costly provisions that were removed to ensure signature of the 1985 farm bill into law. The vast majority of added expenditures wil go to well-to-do farmers. In fact, this provision is redeemed only by other provisions of the bill that are expected to save the added Federal outlays that will be incurred as a result.

Section 4 of the bill deals with the newly created position of Special Assistant for Agricultural Trade and Food Aid. Specifically, it would change the title of this position to "Special Assistant for Agricultural Trade and Food Assistance", and would change the requirement that the position carry a Level I salary requirement, to a requirement that the position be compensated at a level III or higher salary.

It is fortunate that the Food Security Act of 1985 contains a number of provisions aimed at improving U.S. commercial exports in the near term; the success of our effort in the developing world might well detemine the health of our agricultural sector in the long run. The evidence is clear that the economic growth in poorer nations will produce customers for U.S. farmers.

Of the top 10 overseas markets for U.S. agricutural products in 1984, eight of those countries had at some time received food assistance from the United States. During that year, South Korea spent almost as many dollars on U.S. farm products as it had received in American food aid over a period of 25 years.

Rapid economic growth in developing countries leads to sharp increases in demand for food. As incomes increase, demand for food increases. Those increases in food consumption take several forms. With growing incomes, people tend to consume more preferred cereals such as wheat as opposed to course grains. They also tend to eat more meat, poultry, and dairy products, creating more of a demand for feedstuffs.

As a result, developing countries have been among the most rapidly growing markets for U.S. agricultural commodities. In the 1960's and 1970's, when middle income countries were experiencing economic growth or 5 to 7 percent, they became an explosive market for farm products. In the years between 1960-63 and 1977-79, they increased their imports of grain by over 300 percent.

The challenge faced by our government is to help assure development in poorer countries today, so that they may become paying customers tomorrow. They key to their development, however, lies in the free enterprise system, with its innate ability to draw upon the creative energies of people in such a fashion so as to create wealth which is widely shared.

In order to help share this miracle of the free enterprise system with developing countries, the Food Security Act of 1985 included some important revisions to our food assistance programs. Specifically, the Act created a new Food for Progress program which will provide countries willing to adopt free enterprise agricultural policies with multi-year grants of surplus U.S. commodities. In addition, the Act amended Title I of P.L. 480 to permit the repayment of concessional sales with local currencies to be used for private enterprise loans in recipient countries.

While these program reforms hold much promise for spreading the free enterprise system, and encouraging economic development, their success may well depend upon how effectively they are administered. But the current administrative procedure for food assistance programs is confusing, drawn out, and muddled.

Before food assistance agreements can be executed with foreign nations, they must be developed and approved by a working group consisting of representatives of five different government agencies with different, and often conflicting, objectives. The Department of Agriculture seeks to develop markets for U.S. commercial exports of food, and looks to dispose of national commodity surplus. The Department of State is concerned with avoiding trade frictions, protecting strategic balances, and promoting political objectives. The Office of Management and Budget is concerned with limiting government spending, and the Treasury attempts to maintain the stability of the international financial system. The Agency for International Development, which coordinates the process, seeks to promote economic development and to respond to emergency food needs.

The process works slowly and inefficiently. Coordination is done by AID, even though it is traditionally the weakest of the agency, and has little experience with promoting free enterprise. Veto power is given, not to those agencies traditionally associated with food aid, but rather to the Treasury and OMB.

If our food assistance programs are going to be successful in helping developing countries to adopt more free-enterprise oriented economies, and gain the wealth necessary to become paying customers of our farmers, then administration of our food assistance programs will need to be streamlined and better coordinated.

To help streamline and better coordinate U.S. food assistance programs, the Food Security Act included a provision creating the new position of Special Assistant for Agricultural Trade and Food Aid to serve in the Executive Office of the President. In order to assure that the Special Assistant has the authority to effectively carry out his duties, the Act provided that he be given a "Level I" classification.

However, since passage of the Act, a preference has arisen for not creating a new paid position to perform the duties of Special Assistance, but rather for adding the responsibilities provided by the Act to those of a high level official already serving in the Executive Office of the President.

This legislation aims to give the Administration greater flexibility in selecting the new Special Assistant. In so doing, it is hoped that the Administration will forego hiring a new official, and instead, fold these new responsibilities into those already held by the appropriate high level Presidential appointee, with that official being provided the appropriate staff necessary to udertake these responsibilities.

Section 5 of the bill makes the Targeted Export Assistance Program, authorized at $325 million per fiscal year in the 1985 farm bill, discretionary during the fiscal year 1986-88 period. The provision would retain the required annual funding level of $325 million for the 1989 and 1990 fiscal years.

The Targeted Export Assistance Program was included in the farm bill to give the Secretary of Agriculture broad authority to use Commodity Credit Corporation funds or commodities to counter the subsidies, import quotas, or unfair trade practices of a foreign country. It should be pointed out that the Secretary of Agriculture would retain this authority, albeit discretionary, if this change is enacted.

The Congressional Budget Office has estimated that for each dollar reduction in the magnitude of the Targeted Export Assistance Program, Federal outlays will be reduced by 50 cents, as the quantity of commodities available in the marketplace is reduced. Therefore, it is expected that this amendment will reduce Federal outlays by up to $487.5 million over the fiscal year 1986-88 period.

Section 6 of the bill would make the Export Enhancement Program (EEP) much more manageable for the US. Department of Agriculture by reducing the floor on the dollar value of commodities to be shipped under the program from $2 billion to $1 billion over three fiscal years. It would also place a ceiling of $1.5 billion on the value of the commodities shipped over the fiscal year 1986-to-1988 period. In addition, at least $50 million-worth per fiscal year under the program would need to be applied to commodities that either have been rendered a favorable decision under Section 301 of the Trade Act of 1974 or have been subject to retaliatory action as a result of a favorable decision under Section 301.

Mr. President, the EEP program has brought added uncertainty to the marketplace for our agricultural commodities and has incited the protests of many of our trading partners.

As currently mandated in law, the Secretary of Agriculture would be virtually requried to make in-kind, across-the-board export subsidies to all our agricultural export customers including the Soviet Union and other regimes explicitly opposed to the national security interest of the United States, perhaps including the terrorist states, Libya and Iran.

By giving the Secretary this needed flexibility, this provision will allow him to continue to enahance commodity exports to individual countries on a selective, case-by-case basis.

The bill would authorize the Secretary to utilize commodities valued at $1.5 billion to carry out the export enhancement program over a three-year period, or about $500 million-worth per year. This is easily a sufficient amount to accommodate continued operation of the current program. Since the EEP's inception in May 1985, $93 million-worth of bonus commodities have been shipped under the program. Wheat and flour constitute the bulk of the commodities used, although poultry have also been shipped. The Foreign Agriculture Service reports that 11 percent of our total wheat exports during this period can be attributed to EEP initiated sales.

The Congressional Budget Office has estimated that, as for the Targeted Export Assistance Program, Federal outlays will be reduced by 50 cents for each dollar reduction in the magnitude of the Export Enhancement Program. Therefore, it is expected that this amendment will reduce Federal outlays by $500 million over the fiscal year 1986-88 period.

This provision would not emasculate the Export Enhancement Program, but would rather allow the Secretary of Agriculture to apply it selectively, enhancing our market share in areas of potential market growth

and where our market share has eroded in recent years—often due to unfair and predatory trade practices of foreign exporters.

Section 7 would allow wheat and feed grain producers in individual states to hay and graze set-aside acreage during at least five of the principal growing months for 1986 crops, provided that their home-state ASCS committee requests such a privilege. At state committee option, grazing would also be permitted for the 1987 through 1990 crops.

The provision is in response to the Secretary of Agriculture's announcement that haying and grazing will not be permitted in 1986 on set-aside acres during the five principal growing months. I must point out that this legislation does not specify that grazing at state-committee option shall be permitted on set-aside acres during the 1987-90 period.

Section 8 provides acreage base protection to farm program participants who choose to plant less than their permitted acreage to program corps and plant a non-conserving-use crop on the underplanted acreage.

This provision is intended to allow producers to diversify their operations within their permitted acreage base and yet retain their program acreage base at the full permitted acreage level.

Specifically, this provision will allow acreage, not to exceed 50 percent of the permitted acreage for the 1986 and 1987 crops, planted to nonprogram, non-conserving-use corps to be considered planted for purposes of calculating future acreage bases. However, in no case could the acreage figure used to calculate future acreage bases exceed the permitted acreage for the program crop. The maximimum acreage that could be protected under this provision would be 35 percent of the permitted acreage for the 1988 crop year and 20 percent of the permitted acreage for the 1989 crop year.

The Food Security Act of 1985 provides for the inclusion of a new provision in milk marketing orders, relating to marketwide service payments. This new provision provides for the payment, from the total sums payable by all handlers for milk and before computing uniform prices and making adjustments in payments, to handlers who are cooperative marketing associations and to handlers with respect to whom adjustments in payments are made, for services of marketwide benefit such as processing surplus milk during flush periods.

Section 9 of the bill would further address implementation of this new marketing order provision. Specifically, it would require that a hearing be held not later than 60 days after receipt of a proposal to amend a milk marketing order to provide for marketwide service payments. In addition, it would require the Secretary to implement a marketwide service payment program within 120 days following a hearing.

Mr. President, this section is another provision which I would prefer not to see. During consideration of the Farm Bill, I had doubts about the wisdom of providing the authorities for marketwide service payments as could require all farmers within a marketing order to pay for expenses incurred by cooperatives and handlers, regardless of the farmers' affiliation. This section moves this provision more towards being mandatory.

Section 10 changes the manner in which the US Department of Agriculture would achieve the reduction in net outlays for the dairy price support program required under the March 1, 1986 Gramm-Rudman-Hollings sequestration order.

Specifically, it would require the Secretary of Agriculture to meet the necessary 4.3 percent outlay reduction for the dairy program by increasing the tax on all dairy production by a maximum of 12 cents per hundredweight, over and above the 40-cent tax scheduled to commence on April 1, 1986.

The Department has announced that if such legislation is not enacted, it will reduce payments to processors for surplus dairy products by 4.3 percent to meet the Gramm-Rudman-Hollings cuts. This would effectively reduce the support price level by 55 cents per hundredweight.

Mr. President, I have long opposed milk taxes. When the Farm Bill was considered in this Chamber this past November, I offered an amendment expressing the sense of the Senate that a milk tax not be used to encourage reductions in milk production. My amendment passed without objection.

A milk tax in itself is bad policy. It hurts both the farmer and the consumer, and it has proven incapable of solving the basic problem of oversupply in the dairy price support program. As with any tax increase, it will likely bring about a reduction in revenues in the long run.

For the dairy farmer, a milk tax is unfair. It reduces his income much more than does a comparable drop in the support level, and without regard for local market demand for his milk. And unlike a price cut, it does nothing to increase the sale of his products.

Let me illustrate how a milk tax reduces a farmer's income more than does a comparable—or even greater drop in the support level.

As my colleagues will recall, the Dairy and Tobacco Adjustment Act of 1983 contained a 50 cent tax, meaning that every dairy farmer in the country had a full 50 cents pulled out of his milk check for every hundredweight he marketed.

Also as part of the 1983 act, we had a 50 cent price cut take effect on January 1, 1984. However USDA figures indicate that this price support drop resulted in a decline in the average blend price paid to farmers of only 20 cents nationwide, with no region having an average blend price drop of more than 25 cents.

While taxes come directly out of each and every farmer's paychecks for the full amount, the effects of price cuts are buffered by market forces. So while the President's sequestration order proposes an effective drop in the price support level of 55 cents, this may not necessarily mean much more of a reduction in the dairy farmer's milk checks than would be created by increasing the milk tax 12 cents. This is especially the case as the implementation of the whole herd reduction program is likely to place upward pressures on market prices.

Unlike price support reductions, milk taxes reduce farm income without encouraging increases in consumption. And I might point out, Mr. President, that the surest way to maintain the health of the dairy industry, and promote opportunity for dairy farmers is for the industry to sell more milk on the market.

It is estimated that by the year 2000, cows will be 43 percent more productive than they are today. This means that if demand for milk fails to increase at the same rate as productivity, fewer cows—and farmers—would be needed to meet market needs for milk.

If instead of taxing dairy farmers, we were to allow a reduction in the price support level, then our farmers could create new markets for their products and opportunities for their futures. Specifically, according to a study done at Purdue, a drop in the price of milk of just 10 percent will result in an increase in consumption of 17 percent.

On the other hand, to the extent that milk taxes are used to artificially inflate the price of milk, consumption is discouraged, and farmers are forced to live with stagnation and shrinking markets.

With artificially high prices, users of milk and dairy products seek substitutes, consumers buy less in the store, and the food industry is provided with strong disincentives to finding new uses for milk and dairy products.

In addition, Senator a milk tax is also a tax on consumers—a tax which falls heaviest upon those in society who can least afford it.

A milk tax maintains artificial prices for milk and dairy products in the grocery store. By so doing, it operates as does any other food tax—requiring consumers to pay more than they would otherwise.

As a food tax, it falls heaviest upon the low-income family—which on the average spends 2½ times as much of their income on food as compared to average income families.

And a milk tax is possibly even more regressive than the average food tax as it is the young families of America—the homes with infants, children, and adolescents—who are the major consumers of milk and dairy.

Despite the problems entailed with a milk tax, and despite Senate approval of my amendment, the Conferees on the Farm Bill, over my objections, agreed to tax every dairy farmer in the country 40 cents for every hundredweight they produce from April 1, 1985, through December 31, 1986, and 25 cents for every hundredweight they produce from January 1, 1987, through September 30, 1987.

At the time this new tax was agreed to, it was explained to me to be "a compromise". There are numerous reports that the addition to this tax being offered today is based on an agreement reached during the Farm Bill Conference. While I do not question that there was such an understanding among those who developed the final version of the dairy legislation, I did not participate in those discussions, and the agreement was not acted upon by the Conference Committee.

The tax increase provided for in this legislation is geared to reduce net outlays for the dairy price support program by an amount sufficient to meet the 4.3 percent requirement for the dairy program. However, it does not address the hidden costs to the consumer—the one for whom the milk is being produced in the first place.

I can assure you that this measure does not receive the support of the working family in our cities—or in rural America—struggling to make ends meet, but yet required to carry the burden of the inflated prices, and government costs created by the dairy price support program.

Mr. President, milk taxes are just plain wrong. They reduce farm income without increasing consumption, and they end up taxing those in society least able to afford it. To increase the current tax instead of allowing the President to reduce purchase prices for surplus milk is a step in the wrong direction, and I regret that such an action is being undertaken.

However, I am encouraged that this provision will apply only to the fiscal year 1986 sequestration process and not to any seques-

tration orders in fiscal year 1987 or subsequent years. My support for this provision is predicated on this premise alone: future sequestration order reductions will not be met by increases in the milk tax. I have received assurances from the senators supporting this measure that this is the case.

Under a best-case scenario, this bill may be budget-neutral in the aggregate. While many of its provisions are undesirable from fiscal and policy standpoints, I hope that this "improvements" measure will address in great degree the concerns expressed by many senators regarding the provisions of the 1985 farm bill.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I do not know if there is any other business today. We have not had any yet. I would not want to break precedent. [Laughter.]

But I would indicate that I left for about 1 hour and nothing happened while I was gone. I appreciate my colleagues. This is a highly emotional matter, and could be made highly partisan. I hope the Senator from Iowa will not succumb to the temptation to bring politics into this area at this time. I would hope that we could keep the farmers in mind in addition to what might be good for Republicans or for Democrats. And I hope that sometime next week we can address the farmers' concerns and not the politicians' concerns.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I am sorry that the majority leader was not here because I do not know what he was doing outside, whether he was dreaming or whether he was in a different world or did not have his squawk box on. I do not find anything partisan about this. As a matter of fact, I heard Senator after Senator get on the floor and talk about this as being a bipartisan issue. I heard Senator SYMMS talking about Senator RIEGLE and Senator LEVIN having concerns about it. I know Senator LEAHY has a concern about it. And they very much are interested in it. And it is not like the majority leader to suggest that something is partisan because a Senator wants to know what is in a bill.

Mr. DOLE. I did not refer to the Senator from Ohio. I referred to the Senator from Iowa.

Mr. METZENBAUM. I thought the majority leader said the Senator from Ohio.

I do not think my colleague from Iowa is that partisan. But he can speak for himself.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, and I am sorry that the majority leader saw fit to try to interject partisanship into this debate.

Mr. DOLE. Will the Senator yield? I just referred to the Chicago Tribune quote of yesterday by one of the Senator's aides. It said that Republicans were attempting to use this farm bill for partisan political purposes.

Mr. HARKIN. Is the majority leader saying I was quoted in the Chicago Tribune?

Mr. DOLE. The Senator's aide.

Mr. HARKIN. Mr. President, I cannot hear the majority leader.

The PRESIDING OFFICER. The majority leader said the Senator's aide. [Laughter.]

Mr. HARKIN. My aide was quoted?

The PRESIDING OFFICER. That is correct.

Mr. HARKIN. I just note that the majority leader's aide was quoted in a Kansas paper recently as saying some very derogatory things about the State of Kansas. Do those attributions also apply to the majority leader himself? Does he want to support those remarks made by his aide, and in the newspaper about the distinguished State of Kansas? I rather doubt so, Mr. President. I do not think an aide of mine quoted by a reporter can be directly attributed to me.

Mr. DOLE. If the Senator will yield, my aide was joking. I think the aide of the Senator from Iowa was serious.

Mr. HARKIN. I do not know. The newspaper writer at the time said he did not think it was a joke.

Mr. DOLE. The Senator should ask the writer.

Mr. HARKIN. Be that as it may, my problem in this bill transcends partisanship. It has to do with the fact that the farmers in Iowa really got stung by the farm bill last year because their incomes are going to be cut drastically this year. If people want to make policy changes in the farm bill, it is fine with me. But there is a proper procedure for doing so. That is for the Agriculture Committee to have the hearings where we can discuss it, and debate it. This Senator has been here since January 10, or whenever it was that we came back from Christmas. We have not had any meetings of the Agriculture Committee to discuss any of this. I have heard comments here on the floor today that this has been floating around for 3 or 4 weeks. It has been floating around in some pretty private chamber someplace.

I can tell you that because it has not surfaced anywhere in the committee or anywhere else.

So I just wanted the record to show that my problem with this is that, No. 1, we passed the farm bill with our eyes open. Everyone knew what was in it. At least they were responsible for knowing what was in it. There was a provision inserted in the Agriculture Committee debate that dealt with this whole issue of underplanting, of giving the wheat and wheat-grains farmers some avenue to get out of just planting wheat and feed grains, and to get them to plant some other kind of a crop. That is why this underplanting provision was put in there. Now, because a few farmers from some other part of the country feel that their interests are going to be hurt they are now trying to prevail upon the Senate to pass a change to undo what the Senate Agriculture Committee did, the House Agriculture Committee did, what the conference committee did, and what the President signed into law.

You know, it is true, as someone said earlier: It seems like every time we do something here, someone else is going to get hurt. If we want to move the wheat and feed-grains farmers away from those crops and have them plant something else, then let us leave the underplanting provision as it is in the bill. At least that is a small bone that some farmers have in the farm bill. Now, to take that away from them is to further erode any income prospects that they may have made this year on some of those acres they could have taken out under this underplanting provision.

So it is not a partisan problem that I have. The problem is that it is digging into my farmers' pockets. That is the problem.

I also have a problem with the crop yields. If we want to go back and undo what the committee did on the crop yields, it is fine with me. I am all in favor of that. But I still want to point out that this measure that was just sent to the desk, as I read it, still reduces the payment yields by 3 percent.

Well, again, I daresay if this bill had come to the committee last month, I think it would have been restored fully rather than a 3-percent cut. It would have been restored fully.

Mr. BOSCHWITZ. Will the Senator yield?

Mr. HARKIN. I yield.

Mr. BOSCHWITZ. It does not say they will be reduced. But, rather, it says by not more than 3 percent. If the Senator will look at the yield figures, he will see that this will be quite an advantage over the 1985 farm bill. If he looks at some of the other provisions, he will see beneficial provisions for his farmers and my farmers. We are neighbors.

There is great advantage in this bill. He will severely penalize his farmers in the event he does not allow us to move.

Mr. HARKIN. I would like to comment on that. Some of my farmers may rather do away with hay and grazing rights for both wheat and feed grains totally. So, again, it is a small bone that is being thrown here.

I am not saying that there are not helpful provisions in here that are

somewhat better than what was enacted in the 1985 farm bill. I am saying overall it does not do that much.

Gramm-Rudman and the farm bill passed in December. We have had this much time to deal with these problems.

I would also say that this would be very hasty action.

Others have said that we will miss some dates if we do not do this, that because of the Gramm-Rudman going into effect tomorrow we will miss some dates. We will miss those dates anyway even under the chairman's unanimous-consent request because we will be back here next week, probably, working on this.

But also I see that this bill is going to produce savings of $415 million out of the agriculture function.

I do not think we can squeeze that out. I think we have sequeezed enough. To squeeze another $415 million beyond I think is asking too much.

There is something else, however. If this body wants to do something for the farmers right now, there is something that can be done. I have suggested this, but I do not seem to get much response from the other side. I do not get much response from the majority leader on this.

I met last week with the Iowa Bankers Association Board of Directors, and I can tell you in the last week or so the phone calls have been more than quadrupled into my office from farmers who have not been able to get money to get their crop in this year. If they are able to get financing all they have to pay is 13 and 14 percent interest for it. They cannot afford to pay that kind of interest.

If a farmer signs up next week for the farm program, he is entitled to get a commodity loan when he harvests that crop this fall. He is entitled to that under current law.

All I am asking is that the President exercise his authority, the authority he has right now under section 1003 of the farm bill, to advance one-half of that commodity loan at the time the farmer signs up. That means next week when the farmer signs up he could get one-half of the commodity loan he is otherwise entitled to get next fall. He would have to pay interest on it. But the interest on those loans is 7.75 percent, not the 13 or 14 percent that he will have to pay if he goes to the bank and gets a loan.

I cannot begin to tell you what a shot in the arm that would be to farmers in Iowa and all of the Midwest, if they can get some money to help put in their crops at 7.75 percent interest rather than 13 and 14 percent interest.

The beauty of this is that it will not cost anything. These loans will be obtained by these farmers this fall anyway. They are entitled to them. They cannot be denied those loans. We are just moving a sum of money from fiscal year 1987 to fiscal year 1986.

A lot of them, if they do not get the money or that low-interest loan now, will not be around in the fall to get the low-interest commodity loans.

I do not understand why the administration is so dead set against this. I do not see why we are not providing this kind of assistance which can be done right now.

The distinguished Senator from Minnesota said to me that he had a Gramm-Rudman problem, that it does not fit into the Gramm-Rudman guidelines.

I mentioned to him that we could have a waiver here. He said. "I cannot get a waiver here."

I would remind Members of this body, Mr. President, that last December when the farm bill came on the floor of the Senate, it was subject to a point of order. The record is clear. This Senator took the floor and said, "I will not object, I will not raise a point of order against the farm bill under Gramm-Rudman," which I was allowed to do, "but wait until next year when we come here and there will be some time when something will come up just like this, which will not cost the Government anything at all in terms of the amount of money that we are going to spend but because it does not fit in to Gramm-Rudman someone will raise a point of order against it."

That is what I see now. If we did not raise a point of order against Gramm-Rudman in December, then I do not think a point of order should be raised against putting in a provision to allow these farmers one-half of their loans at the time they sign.

I make that my point. If those who would like to move this legislation would like to get the administration to enact that provision, and provide that farmers could get one-half of their loans up front, then perhaps combining that with this legislation it will not hurt my farmers so much after all. But the way this bill is drafted right here, I cannot see any reason for moving ahead with it under unanimous consent. I think it ought to go to committee where we can debate it and offer amendments and change it as the committee sees fit.

I agree with the Senator from Ohio. I serve on the Agriculture Committee. I served in the other body for 10 years on the Agriculture Committee. I have had this legislation for 3 or 4 hours now, and I am not sure of all the implications.

So, Mr. President, I soundly reject the implication of the distinguished majority leader that this somehow has to do with partisanship. It has to do with protecting the farmers that I represent in my State and I think beyond the borders of Iowa in making sure that they are not put in any worse position than they already are.

Mr. President, I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER (Mr. GRAMM). The minority leader.

STATEMENT BY SENATOR ROBERT C. BYRD ON A COLLEAGUE'S SINGULAR ACHIEVEMENTS

Mr. BYRD. Mr. President, last week a notable event occurred in the world of learning when the first Britannica Prizes were announced in New York City. For more than two centuries, from the time it was first published in Edinburgh in 1768, the Encyclopedia Britannica has been an indispensable compendium of the world's knowledge. For some years it has been published from the United States, and now for the first time in its long history it has commenced a series of annual awards, including a handsome gold medal, to persons who have achieved "exceptional excellence in the dissemination of learning for the benefit of mankind."

This year's awards have been presented to John Tuzo Wilson; the distinguished Canadian geophysicist; Malcolm Sim Longair, the Astronomer Royal of Scotland; to Dame Leonie Judith Kramer, the distinguished Australian author and educator; and to two Americans, Dr. Lewis C. Thomas, the renowned physician and president emeritus of the Memorial Sloan-Kettering Cancer Center; and to our own esteemed and learned colleague, DANIEL PATRICK MOYNIHAN.

I know that all Members of the Senate will join me in extending congratulations to each of the Britannica medalists, and especially to Senator MOYNIHAN. Speaking of gold medals, might I take this occasion to congratulate Senator MOYNIHAN on the success of his long effort to have Congress strike a gold medal in honor of Roy Wilkins, long time president of the National Association for the Advancement of Colored People, and one of the great civil rights leaders of our century. President Reagan presented the medal to Mrs. Aminda Badeau Wilkins in a moving White House ceremony on January 16, 1986.

Might I also draw the attention of the Senate to two other awards Senator MOYNIHAN has received in recent months. In September 1985, the Regents of the Smithsonian Institution presented him the Joseph Henry Medal, named for the great scientist and first Smithsonian Director. I am told that Senator MOYNIHAN courted his vivacious wife, Elizabeth, a distinguished scholar in her own right, in the shadow of the Joseph Henry Insti-

tute in Albany when they were both aides to then Gov. Averell Harriman.

In the 140-year history of the Smithsonian Institution, the Joseph Henry Medal has been conferred only 17 times. Senator MOYNIHAN received the award on the occasion of his stepping down after 12 years' service as founding chairman of the board of trustees of the Hirshhorn Museum and Sculpture Garden.

The citation from the Smithsonian recognizes Senator MOYNIHAN:

Outstanding service . . . as the founding Chairman of the Hirshhorn Museum and Sculpture Garden's Board of Trustees, an office he discharged with the greatest distinction through his superbly-developed skills as an advocate, leader, diplomat and practical visionary * * *.

I confess that I myself was not aware that he had any association with the enterprise until his award was announced. It has evidently been Senator MOYNIHAN's belief that the interests of the public were better served if they read about the museum itself rather than about the man ultimately responsible for it.

Similarly, on November 27 last, Senator MOYNIHAN was awarded the Emory Buckner Medal of the Federal Bar Council of New York. This award has been conferred on some of the great legal scholars and jurists of our time, and on this occasion it was notable that it was awarded to a nonlawyer.

Allow me to give some background. Until Senator MOYNIHAN was elected in 1976, it was accepted practice for U.S. attorneys to be removed from office whenever a change of party took place in the Presidency. Senator MOYNIHAN's first act on assuming office was to announce that he would not propose, nor accept, the replacement of any of the four U.S. attorneys in New York State—each appointed by a Republican administration—until they had served the full 4-year term for which they had been confirmed by the Senate.

He further announced that he would appoint a bipartisan committee to make nominations for him, for U.S. attorneys, and Federal district court judges, thus transforming a practice of two centuries standing. On that occasion, an editorial in the New York Times praised this "uncommon (act) of statesmanship." In the years since, the quality of Senator MOYNIHAN's choices for prosecutors and judges has been singular, as the receipt of the Emory Buckner Medal attests.

On the occasion of receiving the Buckner Medal, Senator MOYNIHAN delivered a powerful address on the issue of "court-stripping," referring to the attempts which have been made in this Chamber in recent years to deny the Supreme Court appellate jurisdiction with respect to certain constitutional issues. Senator MOYNIHAN argued:

If you can strip from the Supreme Court the right to hear one question, you can strip from it the right to hear any question.

I would note that in his 10 years in the Senate, this is the one subject that has moved him to exercise a Senator's prerogative of extended debate.

Turning, if I may, from gold to silver, last October, Senator MOYNIHAN received the much prized cup awarded the Sol Feinstone Lecturer at the U.S. Military Academy at West Point. On the occasion, he presented a synthesis of postwar foreign aid and American military policy in the Far East which has since been published in the National Interest to considerable interest and acclaim.

Finally, I note that Senator MOYNIHAN was appointed Godkin Lecturer for 1984-85 by the dean of the faculty of government at Harvard University. In that capacity, last April, he presented three papers, now published as "Family and Nation." I could do no better than to cite James Reston, who on February 16, devoted his Sunday New York Times column to this remarkable book:

[From the New York Times, Feb. 16, 1986]

DO WE REALLY CARE?

WASHINGTON.—Among the many imposing sights in Washington these days you would have to include the tall figure of Senator Daniel Patrick Moynihan of New York, striding along with an old, battered Irish hat on his head.

Over 20 years ago, this former professor of government at Harvard, assistant in the Cabinet or sub-Cabinet to Presidents Kennedy, Johnson, Nixon and Ford and Ambassador to India and the United Nations reported a crisis of illegitimate and neglected children in the black families of America.

As he says, he got "a bloody nose" in the process, but here he is again with an update of the facts in a remarkable book called "Family and Nation." It is different in two respects from his original monograph.

First he notes that the tragedy of broken families is not only a black problem but now a general problem, not merely the responsibility of local, state and Federal officials but a challenge to the conscience of all of us.

"Do we care?" he asks. Do we really care? He quotes from President Reagan's 1985 State of the Union address: "A nation renewed, stronger, freer and more secure . . . knowing that as the family goes, so goes our civilization."

Senator Moynihan doesn't come up with any thumping conclusions except one: that if the people and the press don't pay more attention to the fact of family life in America, there will be no effective remedies. So he asks:

Do we care that, in a period of our greatest prosperity, the number of our citizens living below the Government's official poverty line is higher than ever before?

Do we care that one out of four of the nation's preschool children are living below this poverty line; that, as things are now going, within 10 years the majority of 17-year-olds will come from broken families, and that even today more than half of all births to teen-age mothers' are out of wedlock?

Do we care that in 1984, 61 percent of poor adults were women; that more than three-quarters of all the poor were either adult women or children under 18, and that the poverty rate for children in households that were female-headed was much higher—54 percent?

Do we care that the illegitimate birth rate, like the crime rate, is higher in the United States today than in any other Western nation?

Well, it's true that Pat Moynihan thinks with his heart and writes with his fist, but he is a trained scholar careful of his facts who for two decades has been trying to get at the leading principle or parent truth of our national life.

No doubt he stuns his hearers with his passion, and this is no accident, for what he is trying to do is get our attention to something maybe more important than President Marcos of the Philippines, and more immediate than the exploration of outer space.

He knows something of human frailty from his experience in the corridors of the university and the bureaucracy of Washington. His speeches are not like the mental wanderings of most ghost-written speeches in the Congress, and he can say serious things with a glint of Irish humor.

It's interesting that as he grows older, Mr. Moynihan is more concerned about the plight of the children than he is of the elderly.

"A commonplace of political rhetoric," he says at the end of "Family and Nation," "is that the quality of a civilization may be measured by how it takes care of its elderly. Just as surely, the future of a society may be forecast by how it cares for its young."

But time and again he insists that the hope of easing this problem lies not with our leaders but with ourselves. He points out that this crisis in our family life did not come about through some great cataclysmic event such as war or epidemic or oppression from abroad. The American people did it mainly on their own, and will have to begin by facing the facts.

Senator Moynihan is not the first Harvard professor who has railed against public indifference.

Archibald MacLeish, the poet, identified the problem even before Senator Moynihan.

"We are deluged with facts," he wrote in 1958, "but we have lost, or are losing, our human ability to feel them . . .

"Nothing could more convincingly demonstrate that knowledge without feeling is not knowledge and can lead only to public irresponsibility and indifference—and conceivably to ruin.

"Nothing," he concluded, "could more clearly provide that when the fact is disassociated from the feel of the fact in the minds of an entire people—in the common mind of a civilization—that people, that civilization, is in danger."

It is because Senator MOYNIHAN does care, does think, does write, that he has proved to be such an effective legislator. Now in his 10th year in the Senate, he has compiled a truly exceptional record, not least in the defense and improvement of basic social legislation. As sometime chairman and more recently ranking member of the Subcommittee on Social Security, he has been a vigilant champion on our side of the aisle of this most basic of legislation. For not only does he write, he reads. And not only does he write

and read, he speaks and speaks well. Allow me to cite a passage from Ernest Wittenberg's forthcoming book, "Winning in Washington," which describes Senator MOYNIHAN's crucial role in bringing about the Social Security Amendments of 1983, Public Law 98-21, which restored the trust funds to a position of unquestioned solvency and security:

The social security crisis of a few years ago is a prime example [of crisis management]. From the moment President Reagan took office, the fate of the Social Security System was splashed over the papers without any solution in sight because there were at least three camps. The White House wanted it turned into a voluntary pension fund. The Democrats, led by Pat Moynihan, thought that the fund was healthy but needed some adjustments, and the Republican senators were caught squarely in the middle. Clearly an impasse, and as happens with every vexing problem in Washington, a blue ribbon commission was appointed by the president to dissect it, analyze it and give it a decent burial. After a year, the Republicans filed a majority report, the Democrats a minority report, and the commission closed down shop at the end of 1982, still deadlocked. On Jan. 3, 1983 Moynihan, arriving in Washington to be sworn in for another term, picked up his copy of the New York Times and ran across an op-ed piece signed by Bob Dole. It said that the social security problem could be fixed and that the president would be amenable to a solution. At the swearing-in ceremony, Moynihan asked Dole that morning whether he meant what he said. He did.

They started to meet privately, and then quickly expanded the group to include a few other key players who had to be part of any acceptable solution. They were White House Chief of Staff James Baker, Speaker Tip O'Neill, Barber Conable for the House Republicans—

May I say parenthetically that Senator MOYNIHAN was one of my two nominees, the second being Lane Kirkland of the AFL-CIO.

and several specialists. In 12 days of nonofficial talks that moved from a Senate back room to Jim Baker's rumpus room, to the elegant drawing room of Blair House, they hammered out an agreement that became the Social Security Amendment of 1983. It took 45 minutes to get the amendment through the Ways and Means Committee, which might be a new speed record in a Chamber that usually has a gestation period of 9 months for even the least controversial of legislation. Moynihan says that the appearance of Dole's article in the Times, the right message at the right time in the right place, was distinctly the catalyst. "It was as if he had left a note on the bulletin board for me.

Mr. President, I can talk less freely obviously about Senator Moynihan's 8-year term as a member of the Senate Select Committee on Intelligence, during the last 4 years of which he served as vice chairman. Suffice that at the end of that period of service the Senate took the step—rather extraordinary step, I would think—of adopting a resolution of thanks to him and his distinguished friend and chairman, Senator BARRY GOLDWATER of Arizona. Their collaboration was a model of responsible bipartisanship in foreign policy, and the Senate, in Senate Resolution 58, so stated on January 31, 1985:

S. RES. 58

Whereas, Senator Daniel Patrick Moynihan, with unstinting devotion to the national security of the United States, served on the Select Committee on Intelligence from March 1977 until January 1985;

Whereas, Senator Daniel Patrick Moynihan served as Vice Chairman of the Committee in the 97th and 98th Congresses in a spirit of bipartisanship and national interest;

Whereas, throughout his tenure on the Committee, Senator Daniel Patrick Moynihan demonstrated a keen appreciation of the role of intelligence and through his leadership of the Committee has materially helped the United States remain free and at peace;

Whereas, Senator Daniel Patrick Moynihan brought to his leadership of the Committee his extraordinary background as Ambassador to India and to the United Nations, service in the cabinets of Presidents of both parties, and a well deserved reputation as scholar, social critic, wit and raconteur;

Whereas, Senator Daniel Patrick Moynihan is truly a tribune of the Empire State;

Whereas, Senator Daniel Patrick Moynihan has throughout his career vigorously defended and enhanced the role of law at home and abroad;

Whereas, Senator Daniel Patrick Moynihan may justly be proud of the immeasurable role he has played in strengthening responsible oversight of the intelligence Community by the Congress;

Whereas, Senator Daniel Patrick Moynihan by his efforts has added to the understanding and support by the American public of the necessary and constructive role that responsible intelligence gathering plays in maintaining the security of the United States; therefore be it

Resolved, That the United States Senate express and record its deep appreciation for Senator Daniel Patrick Moynihan's exceptionally distinguished service to the Select Committee on Intelligence, to the Senate, and to the people of the United States.

None of this surprises us. Senator MOYNIHAN came to this Chamber with an exceptional background.

Mr. President, I seek to garner just a little bit of credit, I shall say, for some of this in that it was I who appointed Mr. MOYNIHAN to the Senate Intelligence Committee and, as I stated earlier, it was I who appointed him also to the commission which dealt with Social Security. Naturally, I am proud of Mr. MOYNIHAN. I am proud that my confidence in him was never misplaced or in vain.

He had previously been a member of the Cabinet or sub-Cabinet of Presidents Kennedy, Johnson, Nixon, and Ford; the only person in American history to serve in four successive administrations. He was the United States Ambassador to India, 1973-75, and United States Permanent Representative to the United Nations, 1975-76. In February 1976, he was President of the United Nations Security Council. Earlier, he served on various diplomatic missions involving the Alliance for Progress, NATO, and the General Agreement on Tariffs and Trade.

From 1955 to 1958 he was an aide to Gov. Averell Harriman of New York.

He enlisted in the U.S. Navy in 1944, and was on active duty for 3 years, latterly as gunnery officer of the U.S.S. *Quirinus.* In 1966, he completed 20 years in the Naval Reserve and was retired.

At various times, Senator MOYNIHAN has taught in the extension programs of Russell Sage College and the Cornell University School of Industrial Relations. He was an assistant professor of government at Syracuse University, and professor of government at Harvard University. He was also director of the Joint Center for Urban Studies at MIT and Harvard for the years 1966-69.

His early education was in the public and parochial schools of New York City. He graduated from Benjamin Franklin High School in East Harlem in 1943, and attended the City College of New York for a year before entering the Navy. He received his bachelor's degree, cum laude, from Tufts University in 1948, and his Ph.D from the Fletcher School of Law and Diplomacy in 1961.

He is the author, coauthor, or editor of 13 books, beginning with "Beyond the Melting Pot," with Nathan Glazer, a study of ethnic groups in New York City, which won the Anisfield-Wolf Award in Race Relations in 1963. He is a member of the publication committee of the Public Interest, and, formerly, of the American Scholar.

He is a member of the American Academy of Arts and Sciences and the American Philosophical Society. He has served as vice chairman and as a member of the board of directors of the American Association for the Advancement of Science Advisory Committee. He is an honorary member of the American Institute of Architects.

He has received 53 honorary degrees, including Doctor of Strategic Intelligence, the first such degree granted by the Defense Intelligence College. In chronological order, beginning in 1966, these are:

Harvard University, Master of Arts, 1966.
LaSalle College, 1966, LL.D.
Seton Hill College, 1966, LL.D.
Providence College, 1967, Dr. of Public Administration.
University of Akron, 1967, Dr. of Humane Letters.
Catholic University, 1968, LL.D.
Illinois Institute of Technology, 1968, LL.D.
Villanova University, 1968, Dr. of Social Sciences.
St. Louis University, 1968, LL.D.
Duquesne University, 1968, Dr. of Social Work.
Hamilton College, 1968, Dr. of Humane Letters.
New School for Social Research, 1968, LL.D.

Tufts University, 1968, LL.D.
University of California, 1969 LL.D.
University of Notre Dame, 1969, LL.D.
Fordham University, 1970, LL.D.
St. Bonaventure University, 1972, LL.D.
Bridgewater State College, 1972, Dr. of Humanities.
Michigan Technological University, 1972, D.Sc.
Indiana University, 1975, LL.D.
St. Anselm's College, 1976, LL.D.
Boston College, 1976, LL.D.
Hofstra University, 1976, LL.D.
Ohio State University, 1976, LL.D..
Hebrew University, 1976, Dr. of Philosophy.
Salem College, 1977, LL.D.
LeMoyne College, 1977, LL.D.
Canisius College, 1977, Dr. of Humane Letters.
Colgate University, 1977, Dr. of Civil Law.
Baruch College, 1977, Dr. of Humane Letters.
New York Law School, 1977, LL.D.
Ithaca College, 1978, LL.D.
Skidmore College, 1978, LL.D.
College of St. Rose, 1978, LL.D.
Hartwick College, 1978, LL.D.
Yeshiva University, 1978, LL.D.
Rabbinical College, 1979, Dr. of Humane Letters.
Pace University Law School, 1979, LL.D.
Marist College, 1979, Dr. of Humane Letters.
Brooklyn Law School, 1979, LL.D.
St. John Fisher, 1980, LL.D.
St. Lawrence University, 1980, LL.D.
The John Marshall Law School, 1980, LL.D.
Dowling College, 1981, LL.D.
Pratt Institute, 1982, LL.D.
New York Medical College, 1982, Dr. of Humane Letters.
Bar-Ilan University, 1982, LL.D.
Rensselaer Polytechnic Institute, 1983, LL.D.
Union College, 1983, Dr. of Civil Law.
Syracuse University (School of Law), 1984, LL.D.
New York University, 1984, Dr. of Humane Letters.
Defense Intelligence College, 1984, Dr. of Strategic Intelligence.
Bard College, 1985, Dr. of Humane Letters.

In 1984, the State University of New York at Albany awarded Senator MOYNIHAN a Medallion of the university, its highest award for public service, in recognition of his "extraordinary public service and leadership in the field of education."

Senator MOYNIHAN has also received the Meritorious Service Award of the U.S. Department of Labor, 1965; the Arthur S. Flemming Award as "an architect of the Nation's program to eradicate poverty," 1965; the International League for Human Rights Award, 1975; the John LaFarge Award for Interracial Justice, 1980; and in 1983 the first Hubert Humphrey Award by the American Political Science Association in recognition of "notable public service by a political scientist."

In hailing our colleague, it is perhaps appropriate to note that the people of New York have not failed to appreciate his qualities. In 1982 he was reelected by the largest majority in a midterm election in the history of the U.S. Senate. On that occasion, he carried 50 of the 62 counties of New York. In the almost two-century history of the New York Democratic Party, no one has approached that record. The closest was Martin Van Buren, the first President of the United States from New York. Running in 1836, at a time when the Jacksonian persuasion was strong in upstate New York, and before the founding of the Republican Party (which in time established that area as its stronghold in the State), Van Buren even so carried but 42 counties. Later New York Democratic Presidents had to get by on much more narrow margins. Grover Cleveland in 1884 and 1892 carried 14 and 16 counties, respectively; and Franklin D. Roosevelt carried 10, 13, 7, and 7, respectively.

Senator MOYNIHAN is very much a Senator; very much wants to remain a Senator; and I for one very much hope he will continue to do so.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PREVENTION OF NUCLEAR EXPLOSIVE TESTING

Mr. DOLE. Mr. President, I ask for the first reading of House Joint Resolution 3, to prevent nuclear explosive testing, which is at the desk, having been received from the House of Representatives on Thursday, February 27.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 3) to prevent nuclear explosive testing.

The PRESIDING OFFICER. Is there objection to second reading of the joint resolution?

Mr. DOLE. I object.

The PRESIDING OFFICER. Objection is heard.

CALENDAR

Mr. DOLE. Mr. President, I wish to inquire of the distinguished minority leader if he is in position to pass the following calendar numbers: Calendar No. 524, Senate Resolution 337; Calendar No. 527, Senate Resolution 354; Calendar No. 528, Senate Resolution 365.

Mr. BYRD. Mr. President, these items have been cleared on this side.

Mr. DOLE. I thank the distinguished minority leader.

AUTHORIZING THE PAYMENT OF CERTAIN JUDGMENTS

The resolution (S. Res. 337) to authorize payment from the contingent fund of judgments in a civil action against the widow of a former Senate employee as representative of his estate, was considered, and agreed to.

The preamble was agreed to.

The resolution, and the preamble, are as follows:

S. RES. 337

Whereas Civil Action No. 516-69, captioned Alan McSurely, et al. v. John L. McClellan, et al., was filed on March 4, 1969, in the United States District Court for the District of Columbia, against Members and staff of the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, including John Brick, a former subcommittee investigator;

Whereas that court on January 10, 1983, after a jury trial, entered judgments against several defendants which included an award in the amounts of $11,660 for Alan McSurely and $9,400 for Margaret McSurely against John Brick's widow, Mary Brick, as representative of his estate, for the deceased's interference in 1968 with the plaintiffs' rights to privacy under the common law of the Commonwealth of Kentucky;

Whereas on January 18, 1985, the United States Court of Appeals for the District of Columbia Circuit reversed the judgments against all defendants except for the award against Mary Brick for John Brick's violation of the plaintiffs' right of privacy

Whereas the Supreme Court has denied certiorari, and therefore all subsequent review has been exhausted, and judgments pursuant to the mandate of the Court of Appeals are being entered against Mary Brick;

Whereas the actions underlying those judgments occurred almost twenty years ago in the course of John Brick's subcommittee service with which Mary Brick had no involvement; and

Whereas, in the unique circumstances of this case, it is in the interests of justice that the Senate accept responsibility for paying the judgments resulting from the actions of John Brick by relieving Mary Brick of the burden of the judgments; Now, therefore, be it

Resolved, That the Committee on Rules and Administration is authorized to make payment from the contingent fund of the Senate to Alan McSurely in the amount of $15,208.49, to constitute total satisfaction of the judgment against Mary Brick for $11,660, plus $3,548.49 in interest, calculated in accordance with 28 U.S.C. § 1961 (1982).

SEC. 2. That the Committee on Rules and Administration is authorized to make payment from the contingent fund of the Senate to Margaret McSurely in the amount of $12,260.69, to constitute total satisfaction of the judgment against Mary Brick for $9,400, plus $2,860.69 in interest, calculated in accordance with 28 U.S.C. § 1961 (1982).

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

GRATUITY TO LEE R. SCHROER

The resolution (S. Res. 354) to pay a gratuity to Lee R. Schroer, was considered and agreed to; as follows:

S. RES. 354

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate to Lee R. Schroer, widower of Jo Anne W. Schroer, an employee of the Senate at the time of her death, a sum equal to nine and one-half months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

GRATUITY TO JOAN W. PERSETIC

The resolution (S. Res. 355) to pay a gratuity to Joan W. Persetic, was considered, and agreed to; as follows:

S. RES. 355

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Joan W. Persetic, widow of Raymond J. Persetic, an employee of the Senate at the time of his death, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

COMMENDATION OF FREDERICK G. SPARROW, JR.

Mr. DOLE, Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read as follows:

A resolution (S. Res. 358) commending Frederick G. Sparrow, Jr.

S. RES. 358

Whereas Frederick G. Sparrow, Jr., enrolling clerk of the Senate, has ably and diligently served the Senate as a valued employee of the Office of the Secretary of the Senate, and

Whereas he has been unfailing in his duties and responsibilities to all Members of the Senate, and

Whereas he has demonstrated loyal dedication to the Senate as an institution and leaves a legacy of superior and professional service: Now, therefore, be it

Resolved, That Frederick G. Sparrow, Jr., be hereby commended for his exemplary service to his country and the United States Senate.

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, those of us who frequent the Senate floor are aware of the cadre of able and dedicated support staff who are responsible for the smooth administrative functioning of the legislative process. While we might not routinely voice our appreciation of these fine men and women, we do take notice of their contributions and capabilities.

Valued employees such as Frederick G. Sparrow, Jr., the Senate enrolling clerk who retires Friday after 17 years in the Enrolling Office, leave a legacy of superior and professional service to this Chamber. In those 17 years, Fred has proofread and prepared for printing all Senate-passed legislation. He has transmitted all Senate messages to the House of Representatives and has arranged for the delivery of all enrolled bills and resolutions to the White House. Fred will undoubtedly be missed but we have faith that his example of superior work will be carried on.

Mr. BYRD. Mr. President, I understand that Mr. Fred Sparrow is retiring, as the distinguished Senator from Kansas, the majority leader, has stated.

Mr. Fred Sparrow has served the U.S. Government for 43 years and most recently has been the enrolling clerk of the Senate. He has proofread every version of every Senate bill, joint, concurrent, and simple resolution considered by the Senate since 1969.

He has been thorough and meticulous in his official responsibilities; his record for avoiding errors is unsurpassed. In his dealings with Senators and their staffs he has always been thoughtful and courteous.

I understand that he will be succeeded by his able assistant, Brian Hallen, who will serve the Senate very well if he but carries on the high standard of quality shown in the Enrolling Clerk's Office since 1969. We all wish Fred Sparrow the very best in his new pursuits.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent that my name be added as a cosponsor to the resolution commending Frederick G. Sparrow, Jr.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMENDATION OF JOHN TUCK

Mr. DOLE. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 359) commending John Tuck for his long and outstanding service to the United States Congress.

Whereas, John Tuck has served the United States Senate with honor and distinction as Assistant Secretary for the majority; and

Whereas, the said John Tuck has carried out his duties, both in the cloakroom and on the floor with skill and dedication; and

Whereas, he served the House of Representatives with equal expertise; and

Whereas, he has shown a commitment and loyalty to Congress as an institution, and to its Members; and

Whereas, he will continue his public service and his link to Congress as a Special Assistant to the President for Legislative Affairs: Now, therefore, be it

Resolved, That John Tuck is hereby commended for his years of faithful and exemplary service to the United States Congress.

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The distinguished majority leader is recognized.

Mr. DOLE. Mr. President, I yield to the distinguished minority leader.

Mr. BYRD. Mr. President, I am proud to ask that my name be added as a cosponsor on this resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Earlier today, I commended John Tuck and told him that we on this side of the aisle have been treated always fairly and courteously by him and we are going to miss him. We hope that he will decide before long that this is the best end of Pennsylvania Avenue because Presidents come and go while Senators just fade away.

Mr. DOLE. Mr. President, I have also indicated earlier today my great respect for John Tuck and his integrity, honesty, and hard work. We look forward to working with him, maybe not quite as smoothly as we have up here, but we will do the best we can as he joins the White House crew.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 359) was agreed to.

The preamble was agreed to.

MESSAGES FROM THE HOUSE

ENROLLED JOINT RESOLUTIONS SIGNED

At 3:10 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker pro tempore (Mr. FOLEY) has signed the following enrolled joint resolutions:

H.J. Res. 409. Joint resolution to direct the President to issue a proclamation designating February 16, 1986, as "Lithuanian Independence Day"; and

H.J. Res. 499. Joint resolution designating the week beginning March 2, 1986, as "Women's History Week".

The enrolled joint resolutions were subsequently signed by the President pro tempore (Mr. THURMOND).

At 3:54 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 371. Joint resolution to designate March 16, 1986, as "Freedom of Information Day".

MEASURE PLACED ON THE CALENDAR

The following joint resolution was read the first and second times by unanimous consent, and placed on the calendar:

H.J. Res. 371. Joint resolution to designate March 16, 1986, as "Freedom of Information Day".

MEASURE READ THE FIRST TIME

The following joint resolution, previously received from the House of Representatives, was read the first time:

H.J. Res. 3. Joint resolution to prevent nuclear explosive testing.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HEINZ, from the Special Committee on Aging: Special Report entitled "Developments in Aging, 1985, Volume 1 (Rept. No. 99-242).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HART (for himself, Mr. NUNN, Mr. BRADLEY, and Mr. MATSUNAGA):

S. 2127. A bill to call for a multilateral conference to seek a new flexible exchange rate structure, to foster private sector development in less developed countries, to reform the trade laws, to enhance the competitiveness of American industry, to assist firms and workers dislocated by foreign trade, and for other purposes; to the Committee on Finance.

By Mr. TRIBLE:

S. 2128. A bill to require the District of Columbia to reimburse Fairfax County, Virginia, for costs incurred by the county in relation to the Lorton prison; to the Committee on Governmental Affairs.

By Mr. KASTEN (for himself, Mr. DANFORTH, Mr. HOLLINGS, and Mr. ROCKEFELLER):

S. 2129. A bill to facilitate the ability of such organizations to establish risk retention groups, to facilitate the ability of such organizations to purchase liability insurance on a group basis, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. DURENBERGER (for himself, Mr. CHAFEE, Mr. MOYNIHAN, Mr. KASTEN, Mr. BAUCUS, and Mr. HATFIELD):

S. 2130. A bill to preserve, protect, and revitalize the National Park System; to the Committee on Energy and Natural Resources.

By Mr. MITCHELL:

S. 2131. A bill to provide for the public financing of general elections for the United States Senate, and for other purposes; to the Committee on Finance.

By Mr. METZENBAUM:

S.J. Res. 284. A joint resolution to designate the month of May 1986 as "Better Hearing and Speech Month"; to the Committee on the Judiciary.

By Mr. GRASSLEY (for himself, Mr. WEICKER, Mr. NUNN, Mr. DURENBERGER, Mr. WARNER, Mr. CHILES, Mr. ABDNOR, Mr. CRANSTON, Mr. EAST, Mr. HOLLINGS, Mr. LAXALT, Mr. ROCKEFELLER, Mr. SYMMS, Mr. ZORINSKY, Mr. ANDREWS, Mr. LEVIN, Mr. DENTON, Mr. METZENBAUM, Mr. HEINZ, Mr. SIMON, Mr. MCCLURE, Mr. BRADLEY, Mr. MURKOWSKI, Mr. BUMPERS, Mr. PACKWOOD, Mr. INOUYE, Mr. THURMOND, Mr. MATSUNAGA, Mr. BOSCHWITZ, Mr. DOLE, Mr. PROXMIRE, Mr. SARBANES, and Mr. GLENN):

S.J. Res. 285. A joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Osteoporosis Awareness Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOMENICI (for himself, Mr. CHILES, Mr. ARMSTRONG, Mr. HOLLINGS, Mr. HATFIELD, Mr. HATCH, Mr. ANDREWS, Mr. QUAYLE, Mr. JOHNSTON, Mr. EXON, Mr. METZENBAUM, Mr. BYRD, Mr. GRASSLEY, Mr. SASSER, Mr. BOSCHWITZ, Mr. DOLE, and Mrs. KASSEBAUM):

S. Res. 357. A resolution commending Sidney L. Brown for his service to the country and the Senate; considered and agreed to.

By Mr. DOLE (for himself and Mr. BYRD):

S. Res. 358. A resolution commending Frederick G. Sparrow, Jr.; considered and agreed to.

By Mr. DOLE (for himself and Mr. BYRD):

S. Res. 359. A resolution commending John Tuck for his long and outstanding service to the United States Congress; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HART (for himself, Mr. NUNN, Mr. BRADLEY, and Mr. MATSUNAGA):

S. 2127. A bill to call for a multilateral conference to seek a new flexible exchange rate structure, to foster private sector development in less developed countries, to reform the trade laws, to enhance the competitiveness of American industry, to assist firms and workers dislocated by foreign trade, and for other purposes; to the Committee on Finance.

COMPETITIVE AMERICAN TRADE REFORM ACT

Mr. HART. Mr. President, I am pleased to be joined today by Senators NUNN, BRADLEY, and MATSUNAGA in reintroducing the Competitive America Trade Reform Act, comprehensive legislation which deals with the underlying causes of America's trade crisis.

Too often, when we discuss our Nation's competition in world trade, we focus on the bad news. That's natural, because there's plenty of it—$148 billion worth. But there are some things we must remember.

The United States remains the world's largest economy, largest market, and largest importer and exporter. With only 5 percent of the world's population, we produce 22 percent of its industrial goods. Americans know the world economy is changing in ways that threaten our jobs and our competitive edge. But they're not ready to throw in the towel; they're eager to take up the gauntlet. They ask only for creative leadership to point the way.

What should we do? Our answer relates fundamentally to our vision of America's future. If we allow the trade crisis to continue, we condemn our Nation to a future of less global influence, fewer jobs, smaller markets, lower incomes, and shrinking expectations. Yet, if we accept protectionism as our sole response, we will treat only symptoms and not causes. We will be hiding from the economic realities of today instead of investing in the innovations, workers, businesses, and profits of the future.

Fortunately, there is an alternative to the extremes of letting American industries wither and keeping them alive on life support systems. This alternative involves making America's workers and firms trade competitive, by focusing on the following areas: The overvalued dollar; the collapse of Third World demand for our products; unfair trading practices by other nations and weak enforcement of American trade rights; declining competitiveness of U.S. industries; the absence of an effective program to assist American firms and workers in adjusting to changing economic forces.

The first goal of our competitive trade policy is to give Americans more opportunity and control over their economic future—in short, economic empowerment. Today, too many Americans feel that, somehow, the ability to compete market-shares through better sales. Workers feel that improving productivity just won't help. In a great country, that should never happen.

To give our people back a sense of control, our first imperative is to reduce the overvalued dollar. While estimates vary, as much as 75 percent of

the deterioration in the U.S. trade balance since 1980 stems from the overvaluation of the dollar.

At the so-called "Group of Five" meeting last fall, the administration substantially revised its dogmatic free-market stance against intervention in currency exchange markets. As a result of this action and other factors, the dollar has declined by 23 percent since its high on March 6 of last year. But according to Edward M. Bernstein, former research director for the IMF, it remains 20-25 percent too high. In short, more needs to be done.

Our legislation advocates a new "Bretton Woods" international conference, and directs the President to design long-term strategies for currency intervention. We must increase the coordination between different countries' monetary and fiscal policies, and find new ways to stop the wild fluctuations in value that now plague major currencies. Bringing down the overvalued dollar will not help immediately—it may take 1 year or more before the improvement is reflected in our trade balance. But that simply means we must act as soon as possible.

Economic empowerment also means our workers must not be held hostage to changes in the global economy beyond their control. In the early 1960's, we made a social compact with our workers. We began pushing for expanded world trade. But we also created Trade Adjustment Assistance to protect workers from the inevitable rough spots of a dynamic world economy. That program has had its problems, but we need it more than ever. This month, the Office of Technology Assessment reported that 11 million American workers lost their jobs between 1979 and 1984 as a result of the trade deficit. Only 60 percent of those workers have been rehired, in part because many of those jobs moved overseas.

Yet, the President's latest budget continues his fight to eliminate TAA. In contrast, our bill strengthens that program in exchange for industry agreements to adjust and modernize.

The second goal of the Competitive America Trade Reform Act is to raise America's sights on trade—to increase our ability to compete and win. To do that, we must first expand world trade rules and eliminate unfair practices by our competitors. We can't pretend foreign practices are completely to blame for our trade woes. If we could somehow wave a wand and abolish all the illegal trade barriers, the trade deficit would only fall about 10 percent. Yet, unfair practices are real, and we must do more to stop them.

This legislation calls for a new approach to defending America's trading rights. For starters, we would establish clearer definitions of what constitutes unfair practices by other nations. That definition must include failure to extend GATT to trade in services, high technology, or agriculture, and failure to combat counterfeiters and pirates of intellectual property.

Once those thresholds are crossed, sanctions will be automatic. No Presidential action would be necessary; for, as we've seen, a President can too easily refuse to act. And the President could only suspend the sanctions by certifying the negotiation to eliminate the unfair practices were underway.

This is much stronger medicine than existing law. Competitors would face a clear choice: negotiate away unfair practices or face stiff sanctions—such as loss of most-favored-nation status. Yet, unlike many protectionist measures, this remedy is not keyed to arbitrary levels of trade imbalances. Rather, it links sanctions to the specific practices we want to eliminate.

As we broaden the world's trade rules, we must also ensure our own products and industries are strong enough to win. That will require major improvements in education, training, and innovation. Many reforms can only take place by enlisting the help of teachers, entrepreneurs, and State and local governments. But America has never sustained economic growth without the Government playing an active role. From establishment of our land grant universities, to New Deal reconstruction, to the space program, to military advances in aircraft and computers there was a creative and productive role for Government to play.

Industrial modernization must be at the core of any sound trade policy. Our bill would provide genuine reforms for our antitrust laws (without wholesale resurrection of trusts and monopolies), develop better data on our service industries, and increase export promotion through the Exim Bank. And it would dramatically improve instruction in math, science, and foreign languages to our young people—skills to make them the next generation of engineers, scientists, and overseas marketers.

These reforms must be adopted, and soon. Today, our principal competitors are teaching their children twice as much math and graduating five times as many scientists and engineers as we are. In large cities across this country, 8 percent of our workers are testing out as functionally illiterate. In Japan, it's one-half of 1 percent. As Dr. Lester Thurow has commented, "How can you compete with someone when you have on your payroll 16 times the number of illiterates they do?"

The final goal of our bill is to reinforce our foreign policy—to strengthen democracy, advance human rights, and defend our security. It would do this by addressing the debt and recession crises in the developing world.

The Third World buys more U.S. exports than Western Europe, Eastern Europe, Australia, New Zealand, the Soviet Union, and China combined. Developing nations once absorbed 40 percent of our exports. But to meet growing interest payments, many debtor nations have been forced to cut consumption and investment, and increase exports. As a result, we're selling them fewer American goods, they're competing more and more with American exports, and—as a result of harsh austerity measures—many new and promising democracies are in jeopardy.

Instead, we should help these nations expand their economies so they can buy more American goods. Our bill would extend new loans, grants, and trade privileges to these nations to help ease their recessions and debt crises. These steps can expand American exports, and improve the economic atmosphere for democracy and human rights throughout the developing world.

Our legislation is comprehensive, and grounded on the belief that there is no single adequate response to our country's trade deficit. It's an agenda that reflects our values of opportunity, economic justice, shared effort, and investment in the future. It's an agenda that can recapture our mantle of economic leadership and eliminate our trade deficit by the next decade.

Two centuries ago, Thomas Paine could exult that America was remote from "all the wrangling world." But today we are right in the thick of that world, and we cannot afford to become economic isolationists. To compete effectively in the new global economy and to be leaders in the world economy, we need a long-term strategy that anticipates, not reacts—that is competitive, not protective.

Mr. President, I am honored by the willingness of a number of trade policy leaders in the Congress to join me in sponsoring this bill. Congressman FAZIO is one of the most farsighted and forward-looking leaders in the House of Representatives. This week, we testified before the Energy and Commerce Subcommittee on Transportation, Commerce, and Tourism. And he was an effective and vigorous advocate for the policies we are proposing in this legislation.

I also appreciate the cosponsorship and support of Senators NUNN, BRADLEY, and MATSUNAGA, members of the Democratic Party who are champions in the fight for new approaches and new solutions from defense to tax policy.

I ask unanimous consent that the text of the bill and a section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2127

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Competitive America Trade Reform Act of 1986".

SEC. 2. TABLE OF CONTENTS.

	Page
Sec. 1. Short title	1
Sec. 2. Table of contents	1
Sec. 3. Findings and policy	4
TITLE I—INTERNATIONAL MONETARY REFORM	
Sec. 101. Commission on International Monetary Reform; report	7
Sec. 102. Personnel	10
Sec. 103. Proceedings	11
Sec. 104. Authorization	12
Sec. 105. Termination	12
Sec. 106. Disposition of report	13
Sec. 107. Repeal of exemption from withholding tax on portfolio interest of foreigners	14
TITLE II—FOREIGN ASSISTANCE AND INVESTMENT	
Sec. 201. Purpose; policy	16
Sec. 202. Reinstate and expand Cooley Loan Program	17
Sec. 203. Economic Security Council	19
Sec. 204. Extension of trade concessions to least-developed developing countries	20
Sec. 205. International Private Enterprise Institute	22
Sec. 206. Clarification of missions: AID and OPIC	23
Sec. 207. International debt management	24
TITLE III—TRADE LAWS AND AGREEMENTS	
Subtitle A—General Agreement on Tariffs and Trade	
Sec. 301. Reform of the GATT	25
Subtitle B—Reform of Certain United States Trade Laws	
Sec. 302. United States trade policy; purpose of subtitle	27
Sec. 303. Import relief under chapter 1 of title II of the Trade Act of 1974	29
Sec. 304. Relief under chapter 1 of title III of the Trade Act of 1974	45
Sec. 305. Relief under section 337 of the Tariff Act of 1930	61
Sec. 306. Countervailing and antidumping duty investigations	78
Sec. 307. Investigations of unfair trade practices	79
TITLE IV—ENHANCING INTERNATIONAL COMPETITIVENESS	
Subtitle A—International Commerce	
Sec. 401. National Commission on International Competitiveness	80
Sec. 402. Antitrust reform	86
Sec. 403. Foreign corrupt practices	88
Sec. 404. Trade in services	89
Sec. 405. Export promotion	90
Subtitle B—Technology Transfer, Research, and Development	
Sec. 411. Amendments to Stevenson-Wydler Technology Innovation Act of 1980	90
Sec. 412. National Corporation for Cooperative Laboratory Research	96
Sec. 413. Monitoring technology transfer activities of Federal laboratories	101
TITLE V—EDUCATION FOR AMERICAN COMPETITIVENESS	
Sec. 501. Short title	102
Subtitle A—High Technology Morrill Program	
Sec. 511. Findings	102
Sec. 512. Statement of purpose	104
Sec. 513. Definitions	105
Sec. 514. Establishment of the Technology Education Trust Fund	106
Sec. 515. Technology education grants	109
Sec. 516. Application for grants	110
Sec. 517. Uses of funds	113
Sec. 518. Payments; distribution of funds	114
Sec. 519. Withholding of payments	116
Sec. 520. Administration	116
Sec. 521. Audit	118
Subtitle B—Teacher Training and Postsecondary programs	
Sec. 551. Teacher training initiatives	119
Sec. 552. Definitions	120
Sec. 553. Authorization of appropriations	121
Subtitle C—Foreign Language Assistance	
Sec. 571. Findings	121
Sec. 572. Grants program authorized	122
Sec. 573. Definitions	125
Sec. 574. Authorization of appropriations	125
TITLE VI—TRADE ADJUSTMENT ASSISTANCE	
Sec. 601. Eligibility of workers for benefits	126
Sec. 602. Cash benefits	127
Sec. 603. Job training	132
Sec. 604. Adjustment assistance for firms	134
Sec. 605. Funding	135
Sec. 606. Imposition of small uniform duty on all imports	137
Sec. 607. Effective dates	138

SEC. 3. FINDINGS AND POLICY.

(a) FINDINGS.—The Congress finds that—

(1) the current account deficit of the United States threatens domestic security and the future trade performance of United States workers and industries;

(2) the roots of our trade deficit lie in areas which include—

(A) historically high Federal budget deficits,

(B) record high real interest rates arising from a structural imbalance between our fiscal and monetary policies,

(C) prolonged delay by the administration in acknowledging the impact of an overvalued dollar on United States competitiveness,

(D) an overt policy of unilateral free trade in the face of unequivocal protectionism on the part of nations which engage in trade with the United States, and

(E) sustained attempts to reduce expenditures for Federal programs to increase United States exports, to aid in the development of the economies of foreign countries, and to retrain United States workers who have lost their jobs or whose jobs are threatened due to imports of foreign products;

(3) these self-imposed policy failures have directly fostered the primary contributing factors leading to our current trade crisis, including—

(A) a severely misaligned dollar,

(B) the collapse of markets in less developed countries for United States exports,

(C) unfair practices by countries which engage in trade with the United States,

(D) declining competitiveness of important United States industries,

(E) the lack of an aggressive export promotion policy on the part of the Federal Government, and

(F) the absence of an effective trade adjustment program to assist the transition of firms and workers into emerging industries and markets;

(4) no national policy for coping with our current trade crisis can succeed without attacking each of these elements simultaneously and in a coordinated fashion; and

(5) failure to defend aggressively the trading rights of United States industries has encouraged our trading partners to restrict access to their markets and engage in practices inimical to the open trade principles of the General Agreement on Tariffs and Trade and the existing laws of the United States, has exacerbated our negative balance of trade, and has encouraged policies of protectionism which will ultimately harm the economic interests of the United States and the economic welfare of our allies.

(b) POLICY.—It is, therefore, the policy of the United States that—

(1) the United States shall call for a multilateral conference, under the auspices of the International Monetary Fund, to seek a new international monetary regime within a flexible exchange rate structure;

(2) it shall be a goal and objective of the foreign policy of the United States to use its foreign assistance programs to aid the development of the private sectors in less developed countries in order to promote political stability, improve United States access to those markets, and provide greater demand for United States exports;

(3) rules of trade, procedures for settling international trade disputes, and penalties for trade violations enumerated in the General Agreement on Tariffs and Trade and the relevant laws of the United States, should be strengthened;

(4) new policies are required to assist industries in the United States to improve their competitive posture in international markets; and

(5) a new program of transition assistance to workers and firms is needed in response to changing global economic conditions.

TITLE I—INTERNATIONAL MONETARY REFORM

SEC. 101. COMMISSION ON INTERNATIONAL MONETARY REFORM.

(a) ESTABLISHMENT.—There is established a temporary National Commission on International Monetary Reform (hereafter in this title referred to as the "Commission") to be comprised of individuals appointed by the President from the executive branch, the Federal Reserve System, and the private sector of the United States.

(b) REPORT.—Within 9 months after its establishment, the Commission shall transmit a report to the President and each House of Congress analyzing and evaluating—

(1) proposed reforms of the international monetary system designed to achieve economic stability within a flexible exchange rate system;

(2) the effects of international capital flows on exchange rate volatility and proposals for taxing or otherwise restricting capital transactions;

(3) proposed mechanisms for coordinated fiscal and monetary policies by the major industrialized nations;

(4) objectives and criteria for joint intervention in foreign exchange markets, including methods for calculating target values or ranges for major currencies con-

sistent with fundamental exchange rate equilibrium;

(5) a detailed working agenda to be presented to the International Monetary Fund for a new "Bretton Woods" Conference; and

(6) such other matters, including recommendations of legislation, as the Commission deems appropriate.

(c) COMPOSITION.—The Commission shall be composed of twenty-one members as follows:

(1) The Chairman of the Federal Reserve System, who shall serve as Chairman of the Commission.

(2) The Secretary of the Department of the Treasury, who shall serve as Vice-Chairman of the Commission.

(3) The Chairman of the President's Council of Economic Advisors.

(4) The United States Director of the International Monetary Fund.

(5) Five members of the Federal Open Market Committee, designated by the Chairman of the Federal Reserve, which shall include the President of the New York Federal Reserve Bank.

(6) Three members appointed by the Speaker of the House of Representatives, in consultation with the Minority Leader of the House of Representatives, of which two shall be members of the majority party of the House of Representatives and one which is a member of the minority party of the House of Representatives.

(7) Three members appointed by the President pro tempore of the Senate, in consultation with the Minority Leader of the Senate, of which two shall be members of the majority party and one shall be a member of the minority party.

(8) Six members appointed by the President from the private sector of the United States, of which three members shall be from among individuals recommended by the American Economic Association.

(d) CONTINUATION OF TERM.—If any member of the Commission who was appointed to the Commission as a Member of Congress leaves that office, he may continue as a member of the Commission until his successor is appointed.

(e) VACANCIES.—A vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(f) TERMS.—Members of the Commission shall be appointed for the life of the Commission.

(g) COMPENSATION AND EXPENSES.—

(1) Only those members of the Commission serving pursuant to subsection (c)(8) of this section shall be compensated. Such compensation shall be paid at a rate equal to the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of the duties of the Commission.

(2) Such members shall be paid per diem and reimbursed for travel and transportation expenses in connection with the performance of the functions and duties of the Commission as provided in sections 5702 and 5703 of title 5, United States Code.

(h) QUORUM.—Eleven members of the Commission shall constitute a quorum.

(i) MEETINGS.—The first meeting of the Commission shall be held not later than 30 days after the effective date of this Act. The Commission shall meet at least once every 30 days after its first meeting. The day and time of all meetings of the Commission shall be at the call of the Chairman, but additional meetings shall be scheduled at the request of a majority of its members.

SEC. 102. PERSONNEL.

(a) EXECUTIVE DIRECTOR.—The Commission shall have an Executive Director who shall be appointed by the Chairman of the Commission and who shall be paid at a rate to be determined by the Chairman. The rate of pay may not exceed the annual rate of basic pay payable for GS-18 of the General Schedule.

(b) ADDITIONAL PERSONNEL.—Subject to such rules as may be prescribed by the Commission, the Chairman of the Commission may appoint and fix the pay of such additional personnel as the Chairman considers appropriate. A rate of pay fixed pursuant to the first sentence may not exceed the annual rate of basic pay payable for GS-18 of the General Schedule.

(c) STATUS OF EMPLOYEES.—The Executive Director and staff of the Commission shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(d) TEMPORARY SERVICES.—The Chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay payable for GS-18 of the General Schedule.

(e) DETAILS.—Upon request of the Commission, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this Act.

SEC. 103. PROCEEDINGS.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this title, hold such hearings and conferences, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(b) INFORMATION.—The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this title. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(c) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(d) ADMINISTRATIVE SUPPORT.—The Administrator of General Services shall provide to the Commission, on a reimbursable basis, such administrative support services as the Commission may request.

SEC. 104. AUTHORIZATION.

There are authorized to be appropriated for the fiscal year ending on September 30, 1986, such sums as may be necessary to carry out this title. Any sums appropriated under the authorization contained in this section shall remain available until expended.

SEC. 105. TERMINATION.

The Commission shall terminate 30 days after its report is transmitted to the President and each House of Congress pursuant to section 101(b).

SEC. 106. DISPOSITION OF REPORT.

(a) SUBMISSION OF LEGISLATION.—Within 45 days of receipt of the Commission's report by the President and each House of Congress, the Secretary of the Treasury shall submit recommendations for legislation to the Congress implementing such changes in policy that may be recommended by the Commission, and authorizing the submission of the Commission's proposed working agenda to the International Monetary Fund.

(b) CONSIDERATION OF LEGISLATION.—

(1) Legislation implementing the recommendations of the Commission pursuant to subsection (a) shall be referred to the Senate Committee on Banking, Housing and Urban Affairs and to the House Committee on Banking, Finance and Urban Affairs. Such legislation shall be subject to discharge of the House and Senate committees, referred to in this subsection, if not reported within 30 days of referral. A motion to proceed to the consideration of such legislation may be made as soon as the committee has been discharged.

(2) Not later than 15 days after enactment of such legislation, the Secretary of the Treasury shall request the International Monetary Fund to convene a ministerial working group to consider the working agenda for an international conference on monetary reform contained in such legislation.

SEC. 107. REPEAL OF EXEMPTION FROM WITHHOLDING TAX ON PORTFOLIO INTEREST OF FOREIGNERS.

(a) IN GENERAL.—

(1) Section 871 of the Internal Revenue Code of 1954 (relating to 30 percent tax on income not connected with United States business) is amended by striking out subsection (h) and redesignating subsection (i) as subsection (h).

(2) Section 881 of such Code (relating to tax on income of foreign corporations not connected with United States business) is amended by striking out subsection (c) and redesignating subsection (d) as subsection (c).

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 871(a) of the Internal Revenue Code of 1954 (relating to tax on income other than capital gains) is amended by striking out "Except as provided in subsection (i), there" and inserting in lieu thereof "There".

(2) Paragraph (2) of section 864(c) of such Code (relating to effectively connected income) is amended by striking out "section 871(a)(1), section 871(h), section 881(a), or section 881(c)" and inserting in lieu thereof "section 871(a)(1) or section 881(a)".

(3) Subsection (a) of section 881 of such Code (relating to imposition of tax on foreign corporations not connected with United States business) is amended by striking out "Except as provided in subsection (c), there" and inserting in lieu thereof "There".

(4) Subsection (c) of section 1441 of such Code (relating to withholding of tax on nonresident aliens) is amended by striking out paragraph (9) thereof.

(5) The last sentence of section 1442(a) of such Code (relating to withholding of tax on foreign corporations) is amended—

(A) by striking out ", and the references in section 1449(c)(9) to sections 871(h)(2) and 871(h)(3) shall be treated as referring to sections 881(c)(2) and 881(c)(3)", and

(B) by inserting "and" after "section 881(a)(4),".

(6)(A) Subsection (b) of section 2105 of such Code (relating to bank deposits outside the United States) is amended—

(i) by inserting "and" at the end of paragraph (1),

(ii) by striking out "and" at the end of paragraph (2), and

(iii) by striking out paragraph (3).

(B) The heading for section 2105(b) of such Code is amended to read as follows:

"(b) CERTAIN BANK DEPOSITS, ETC.—".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to interest received after December 31, 1985, with respect to obligations issued after such date, in taxable years ending after such date.

TITLE II—FOREIGN ASSISTANCE AND INVESTMENT

SEC. 201. PURPOSE; POLICY.

(a) PURPOSE.—It is the purpose of this title to—

(1) assist the development of the private sectors of less developed countries in order to promote political stability,

(2) improve American access to markets in those countries,

(3) provide the basis for greater demand for United States exports, and

(4) increase foreign reserve earnings by those countries.

(b) POLICY.—It is the policy of the United States that—

(1) the foreign assistance and private sector development programs referred to in this title should be administered so as to promote the development of as diverse a range of economic sectors within developing countries as is practicable, and

(2) no domestic United States industry or economic sector should bear a disproportionate economic burden as a result of any bilateral trade or investment agreement or of the operation of any United States economic development program in foreign countries.

SEC. 202. REINSTATE AND EXPAND COOLEY LOAN PROGRAM.

(a) IN GENERAL.—The Secretary of State, after consultation with the Secretary of the Treasury and the Secretary of Agriculture, is authorized to develop a list of those less developed countries (hereafter in this section referred to as "host countries") in which Cooley Loan Program activities may be conducted. The Secretary is further authorized to enter into negotiations with any host country and conclude bilateral agreements for the implementation of a Cooley Loan Program.

(b) AGREEMENTS.—Such agreements shall provide for—

(1) the sale of surplus United States agriculture and other commodities to be paid for by local currencies of the host country where sales occur;

(2) such currencies to be made available to designated accounts under the control of the Secretary of State to defray the costs of—

(A) the operation of embassies and official United States agencies in the host country where such sales have taken place;

(B) United States trade and investment missions to that host country; and

(C) development grants and loans;

(3) not less than 50 percent of funds expended or loans provided under subsection (b)(2)(C) shall be for the purpose of direct private sector development in the host country;

(4) agreements entered into pursuant to this section shall specify—

(A) maximum local currency reserve levels in the designated accounts;

(B) monetary growth targets in the host country; and

(C) conditions under which the United States or the host country may terminate the program.

(c) RESPONSIBILITY.—Notwithstanding any other provision of law, activities carried out under the provisions of subsection (b)(3) of this section shall be the responsibility of the Overseas Private Investment Corporation under guidelines established by the Secretary of State.

(d) IMPLEMENTATION.—The Secretary of State, working in cooperation with the Secretary of Agriculture and the Secretary of the Treasury, shall issue such guidelines as may be necessary to implement the provisions of this section.

SEC. 203. ECONOMIC SECURITY COUNCIL.

(a) ESTABLISHMENT.—There is hereby established a council to be known as the Economic Security Council (hereafter referred to in this section as the "Council").

(b) MEMBERSHIP.—The Council shall be composed of—

(1) the President;

(2) the Secretary of State;

(3) the Secretary of the Treasury;

(4) the Secretary of Defense;

(5) the Secretary of Agriculture;

(6) the Secretary of Commerce;

(7) the Secretary of Labor;

(8) the Secretary of Energy;

(9) the United States Trade Representative;

(10) the Chairman of the Council of Economic Advisers;

(11) the Director of the Office of Management and Budget; and

(12) the Director of the United States International Development Cooperation Agency.

(c) PRESIDING OFFICER.—The President shall preside over meetings of the Council. In the President's absence, the Secretary of the Treasury shall preside over meetings of the Council.

(d) FUNCTIONS.—

(1) The Council shall—

(A) advise the President on domestic and international economic matters;

(B) examine the domestic, foreign policy, and national security implications of the economic policy of the United States;

(C) integrate United States policies on international debt management, trade and investment, technology transfer, and foreign aid;

(D) arbitrate conflicting policy objectives of Federal agencies; and

(E) develop guidelines for conditioning economic development assistance on trade liberalization by recipient countries.

(2) The Council shall develop, in consultation with the International Monetary Fund and the World Bank, an international bankruptcy procedure to guide commercial banks of the United states and banking regulatory agencies in responding to impending defaults by debtor nations.

(e) CABINET COUNCIL ON ECONOMIC AFFAIRS.—The Cabinet Council on Economic Affairs shall terminate on the date of enactment of this Act.

SEC. 204. EXTENSION OF TRADE CONCESSIONS TO LEAST DEVELOPED DEVELOPING COUNTRIES

(a) AGREEMENTS.—The President is authorized to enter into trade agreements with least developed developing countries which provide for liberalization of trade between the United States and such foreign countries.

(b) CONTENT OF AGREEMENTS.—Any agreement entered into with a foreign country under subsection (a) shall provide for—

(1) the reduction or elimination of duties imposed by the United States on the products of such country,

(2) the withdrawal of the trade concessions made by the United States under such agreement gradually in proportion to the degree of economic growth attained by such country after the effective date of such agreement, and

(3) the suspension or termination of such agreement, or of any portion of such agreement, by the President upon notice.

(c) IMPLEMENTATION.—

(1) Any agreement entered into under subsection (a) shall enter into force with respect to the United States in accordance with the terms of such agreement.

(2) The President is authorized to proclaim—

(A) such modifications of any duty or import restriction, and

(B) such duty-free treatment,

as the President determines to be necessary to carry out any agreement entered into under subsection (a).

(d) WITHDRAWAL; TERMINATION.—Upon termination of, or complete withdrawal from, any agreement entered into with a foreign country under subsection (a), the President shall, by proclamation, restore application of the rates of duty that would apply to the products of such country if no agreement had been entered into under subsection (a).

(e) MOST-FAVORED-NATION TREATMENT.—Notwithstanding any other provision of law, the benefits and obligations of any agreement entered into under subsection (a) shall only apply to the parties to such agreement.

(f) LEAST DEVELOPED DEVELOPING COUNTRY.—For purposes of this section, the term "least developed developing country" means any country identified by the United Nations as a least developed country.

SEC. 205. INTERNATIONAL PRIVATE ENTERPRISE INSTITUTE.

(a) ESTABLISHMENT.—

(1) There is established within the International Development Cooperation Agency the International Private Enterprise Institute (hereafter in this section referred to as the "Institute") the purpose of which is to provide expertise and technical assistance to less developed countries in attracting financial investment, developing indigenous industries, and promoting exports.

(2) The Director of the International Development Cooperation Agency shall appoint the Director of the Institute.

(b) FUNCTION.—The Institute shall serve as liaison and coordinating office of the United States Government with the Multilateral Investment Guarantee Agency of the International Bank for Reconstruction and Development.

(c) STAFF.—The Institute may employ and fix the compensation of such staff as it deems necessary.

SEC. 206. CLARIFICATION OF MISSIONS: AGENCIES FOR INTERNATIONAL DEVELOPMENT AND OVERSEAS PRIVATE INVESTMENT CORPORATION.

(a) IN GENERAL.—

(1) Funds authorized to be appropriated for programs conducted by the Agency for International Development shall be used, to the maximum extent practicable, for government-to-government and official agency-to-agency activities which foster economic growth in the developing countries and which promote a favorable economic and institutional climate for the development of the private sector in those countries.

(2) Funds authorized to be appropriated for programs conducted by the Overseas Private Investment Corporation shall be used to promote economic growth and stability through the direct involvement of the private sectors of the United States and developing nations.

(b) SPECIAL OFFICES.—There is established in the Overseas Private Investment Corporation the following special offices for program development:

(1) Office of Reinsurance;

(2) Office of Small Business Investment Opportunities;

(3) Office of Joint Ventures and Licensing; and

(4) Office of Managerial Exchange.

(c) EQUITY.—The Overseas Private Investment Corporation is authorized to take partial equity interest in qualified development projects. Any proceeds derived from participation in such projects shall be used to fund venture capital projects in the countries where such investments are made.

SEC. 207. INTERNATIONAL DEBT MANAGEMENT.

(a) SPECIAL CONFERENCE.—It is the sense of the Congress that the United States should call upon the International Monetary Fund and the International Bank for Reconstruction and Development to convene a special conference of the Group of Ten industrial nations and debtor nations for the purposes of formalizing growth-oriented conditionality guidelines to promote the creditworthiness of less developed countries, debt repayment flexibility, and trade liberalization.

(b) REPORT.—Pursuant to this section, the Secretary of the Treasury shall prepare and transmit to the Congress a report on debt recycling, interest rate caps, conditionality rules, and choice-of-currency payback options as a discussion protocol for the conference.

TITLE III—TRADE LAWS AND AGREEMENTS

Subtitle A—General Agreement on Tariffs and Trade

SEC. 301. REFORM OF THE GENERAL AGREEMENT ON TARIFFS AND TRADE.

The United States Trade Representative shall formally request the Contracting Parties to the General Agreement on Tariffs and Trade to join the United States in ministerial sessions preparatory to a new round of negotiations which would seek to—

(1) create or strengthen articles in the General Agreement on Tariffs and Trade (hereafter in this section referred to as "GATT") on—

(A) trade in services,

(B) agricultural and commodities trade,

(C) technology and related processes and products,

(D) protection of intellectual property,

(E) tax neutrality,

(F) waivers of articles of the GATT for concessions to less developed countries, and

(G) safeguard standards;

(2) strengthen the GATT as an institution by means of—

(A) expanding the permanent staff of the Secretariat,

(B) reforming of GATT voting rules,

(C) creating an Office of General Counsel,

(D) clarifying GATT rules and precedents,

(E) establishing annual ministerial meetings for policy coordination,

(F) cataloging of trade practices that violate the GATT, and

(G) obtaining commitments from all Contracting Parties to the GATT to increase their reliance on, and appeal to, the GATT as the primary instrument for monitoring and facilitating international trade relations; and

(3) tighten GATT enforcement mechanisms through reforms of the panel system, including—

(A) automatic panel creation,

(B) addition of professional and technical experts to the panels,

(C) establishment of a 30-day period within which a panel will be convened,

(D) timely meetings, and

(E) standardization of the formats for findings and recommendations of the panels.

Subtitle B—Reform of Certain States Trade Laws

SEC. 302. UNITED STATES TRADE POLICY: PURPOSE OF SUBTITLE.

(a) TRADE POLICY.—It is the policy of the United States to view the failure by any country to—

(1) demonstrate good faith in adhering to the principles of the General Agreement on Tariffs and Trade (hereafter in this section referred to as "GATT");

(2) cooperate in extending GATT coverage to the key areas enumerated in section 301;

(3) actively seek to eliminate cases of counterfeiting, pirating of intellectual property, or violation of export licensing regulations (within the country's control); or

(4) assist in international efforts to curb illicit drug traffic;

as evidence that such country does not fully subscribe to the open trade principles of the GATT, warranting the imposition of trade sanctions.

(b) PURPOSE OF SUBTITLE.—It is the purpose of this subtitle to—

(1) establish overall structural reforms of the trade laws of the United States;

(2) redefine the trade roles of the President, the International Trade Commission, the United States Department of Commerce, and the Office of the United States Trade Representative;

(3) clarify the standards and procedures which shall apply in trade remedy cases;

(4) make the United States International Trade Commission the primary factfinding agency for all determinations involving international trade activities and practices, covering both imports to and exports from the United States;

(5) make the United States Department of Commerce responsible for assessing the economic conditions and commercial prospects of existing and emerging domestic industries;

(6) provide as the primary function of the United States Trade Representative the formulation and implementation of trade policy for the United States including, but not be limited to—

(A) determining the nature and timing of trade sanctions to be imposed on other countries upon the investigation and findings of the United States International Trade Commission, and

(B) responsibility for all activities involving United States participation in the GATT, and

(7) limit the discretion of the President in unfair trade cases to the suspension of sanctions determined by the United States Trade Representative.

SEC. 303. IMPORT RELIEF UNDER CHAPTER 1 OF TITLE II OF THE TRADE ACT OF 1974.

(a) IN GENERAL.—Chapter 1 of title II of the Trade Act of 1974 (19 U.S.C. 2251 et seqq.) is amended—

(1) by redesignating sections 202 and 203 as sections 206 and 207, respectively, and

(2) by striking out section 201 and inserting in lieu thereof the following new sections:

"SEC. 201. INITIATION OF INVESTIGATION.

"(a)(1) A petition for eligibility for import relief for the purpose of facilitating orderly adjustment to import competition may be filed with the United States International Trade Commission (hereafter in this chapter referred to as the 'Commission') by an entity, including a trade association, firm, certified or recognized union, or group of workers, which is representative of an industry.

"(2) Any petition filed under paragraph (1)—

"(A) shall allege that an article is being imported into the United States in such increased quantities as to be—

"(i) a substantial cause of serious injury to the domestic industry producing an article like, or directly competitive with, the imported article, or

"(ii) a substantial threat of serious injury to a nascent domestic industry producing an article like, or directly competitive with, the imported article, and

"(B) shall include a statement describing the specific purposes for which import relief is being sought, which shall include the objective of facilitating the orderly transfer of resources to alternative uses or other means of adjustment to new conditions of competition.

"(3)(A) By no later than the date that is 25 days after the date on which the petition is submitted under paragraph (1), the Commission shall determine whether the petition alleges all the elements necessary for relief under this chapter.

"(B) If the determination of the Commission under subparagraph (A) is affirmative—

"(i) the Commission shall transmit a copy of the petition to the United States Trade Representative, the Secretary of Commerce, the Secretary of Labor, and the National Commission on International Competitiveness,

"(ii) the Secretary of Commerce shall initiate an investigation for the purpose of making a determination under section 202, and

"(iii) the Secretary of Commerce shall publish in the Federal Register notice of the initiation of such investigation.

"(b)(1) Upon request of the President, the United States Trade Representative, or the Commission, or upon his own motion, the Secretary of Commerce shall initiate an investigation for the purpose of making a determination under section 202.

"(2) The Secretary of Commerce shall publish in the Federal Register notice of any investigation initiated under this subsection and of the allegations described in subsection (a)(2) that are the basis of such investigation.

"SEC. 202. INVESTIGATION BY THE SECRETARY OF COMMERCE.

"(a) By no later than 90 days after the date on which an investigation is initiated under section 201, the Secretary of Commerce shall determine whether—

"(1) any domestic industry described in section 201(a)(2)(A)(i) is being seriously injured, or

"(2) any nascent domestic industry described in section 201(a)(2)(A)(ii) is being threatened with serious injury.

"(b)(1) In making any determination under subsection (a), with respect to any domestic industry, the Secretary of Commerce shall take into account—

"(A) the extent to which the domestic industry is operated efficiently and economically,

"(B) the prevailing market conditions,

"(C) conditions unique to such domestic industry, and

"(D) all economic factors which it considers relevant, including (but not limited to)—

"(i) with respect to serious injury, the significant idling of productive facilities in the domestic industry, the inability of a significant number of firms to operate at a reasonable level of profit, and significant unemployment or underemployment within the domestic industry; and

"(ii) with respect to a threat of serious injury, a decline in sales, a higher and growing inventory (whether maintained by domestic producers, importers, wholesalers, or retailers) and a downward trend in production, profits, wages, or employment (or increasing underemployment) in the domestic industry.

"(2) The presence or absence of any factor which the Secretary of Commerce is required to evaluate in clauses (i) and (ii) of paragraph (1)(D) shall not necessarily be dispositive of serious injury or threat of serious injury to the domestic industry.

"(3) For purposes of subsection (a), in determining the domestic industry producing an article like or directly competitive with an imported article, the Secretary of Commerce—

"(A) may, in the case of a domestic producer which also imports, treat as part of such domestic industry only its domestic production,

"(B) may, in the case of a domestic producer which produces more than one article, treat as part of such domestic industry only that portion or subdivision of the producer which produces a like or directly competitive article, and

"(C) may, in the case of one or more domestic producers, who produce a like or directly competitive article in a major geographic area of the United States and whose production facilities in such area for such article constitute a substantial portion of the domestic industry in the United States and primarily serve the market in such area, and where the imports are concentrated in such area, treat as such domestic industry only that segment of the production in such area.

"(c)(1) If the determination under subsection (a) is affirmative, the Secretary of Commerce—

"(A) shall transmit to the Commission a copy of such determination, and

"(B) shall make available to the Commission all information upon which such determination was based and which the Commission considers relevant to its determination, under such procedures as the Secretary of Commerce and the Commission may establish to prevent disclosure, other than with the consent of the party providing it or under protective order, if any information to which confidential treatment has been given by the Secretary of Commerce.

"(2) If the determination under subsection (a) is negative, the Secretary of Commerce shall terminate the investigation and notify the Commission, the United States Trade Representative, the Secretary of Labor, and the National Commission on International Competitiveness of such termination.

"(3) Each determination made under subsection (a) shall be published in the Federal Register.

"(d) For purposes of this section, the term 'serious injury' has the meaning given to such term under regulations which the Secretary of Commerce shall prescribe.

"(e) The Secretary of Commerce shall prescribe by regulations such procedures (including hearings) as may be necessary to conduct investigations initiated under section 201 for the purpose of making the determination required under subsection (a).

"SEC. 203. INVESTIGATION BY UNITED STATES INTERNATIONAL TRADE COMMISSION.

"(a) By no later than 30 days after the date on which the Secretary of Commerce makes an affirmative determination under section 202(a), the Commission shall determine whether imports of the article under investigation are a substantial cause of the serious injury, or threat of serious injury, found by the Secretary of Commerce under section 202(a).

"(b)(1) In making any determination under subsection (a) the Commission shall take into account any increase in imports (either actual or relative to domestic production) and any decline in the proportion of the domestic market supplied by domestic producers.

"(2) In the course of any investigation under this section, the Commission shall—

"(A) investigate any factors which in its judgment may be contributing to increased imports of the article under investigation; and

"(B) whenever in the course of its investigation the Commission has reason to believe that the increased imports are attributable in part to circumstances which come within the purview of title VI or section 1337 of the Tariff Act of 1930, or other remedial provisions of law, the Commission shall promptly take action, or notify the appropriate agency so that such action may be taken, as is otherwise authorized by such provisions of law.

"(c)(1) The Commission shall report to the United States Trade Representative the determination made under subsection (a) and the basis for such determination and shall include in each report any dissenting or separate views. If the determination of the Commission under subsection (a) is affirmative, the Commission shall—

"(A) find the amount of the increase in, or imposition of, any duty or import restriction on such article which is necessary to prevent or remedy the injury, and

"(B) if it determines that adjustment assistance under chapters 2 and 3 can effectively remedy such injury, recommend the provision of such assistance,

and shall include such findings or recommendation in its report to the United States Trade Representative.

"(2) The Commission shall furnish to the United States Trade Representative a transcript of the hearings and any briefs which were submitted in connection with each investigation. Upon making the report under paragraph (1), the Commission shall promptly make public such report (with the exception of information which the Commission determines to be confidential) and shall cause a summary thereof to be published in the Federal Register.

"(d) Except for good cause determined by the Commission to exist, no investigation for the purposes of this chapter shall be made with respect to the same subject matter as a previous investigation under this chapter, unless 1 year has elapsed since the Commission made a report under subsection (c) of the results of such previous investigation.

"(e) The Commission shall prescribe by regulation such procedures (including hearings) as may be necessary to conduct investigations for the purpose of making the determinations required under this section.

"SEC. 204. INDUSTRY MODERNIZATION AGREEMENTS.

"(a) Upon initiation of an investigation under section 201, the Secretary of Commerce and the Secretary of Labor shall enter into negotiations with representatives of the domestic industry producing articles like, or directly competitive with, the article that is the subject of such investigation for the purpose of entering into an agreement that provides for the modernization of such domestic industry.

"(b)(1) Except as provided in paragraph (2), determinations may be made under section 206 and actions taken under section 207 only if—

"(A) an industry modernization agreement has been entered into under subsection (a), and

"(B) the National Commission on International Competitiveness has approved such agreement.

"(2) The United States Trade Representative may waive the application of paragraph (1) for a period that does not exceed 6 months if—

"(A) the United States Trade Representative determines that the domestic injury would suffer irreparable injury if action is not taken immediately under section 207, and

"(B) the Secretary of Commerce certifies to the United States Trade Representative that progress is being made in obtaining an industrial modernization agreement under this subsection that the National Commission on International Competitiveness is likely to approve.

"(3) The running of any period of time provided in section 206 or 207 shall be suspended while determinations and actions under such section are prohibited by reason of this subsection.

"(c)(1) The Secretary of Commerce shall transmit a copy of any industry modernization agreement entered into under subsection (a) to the United States Trade Representative and to the National Commission on International Competitiveness.

"(2)(A) By no later than 45 days after an industry modernization agreement is entered into under subsection (a), the National Commission on International Competitiveness shall approve or reject such agreement.

"(B) The National Commission on International Competitiveness shall provide written notice of any approval or rejection made under subparagraph (A) to the United States Trade Representative and to all the parties to such agreement.

"SEC. 205. ACTIONS TAKEN UNDER GATT.

"(a) By no later than 15 days after the date on which an investigation is initiated under section 201, the United States Trade Representative shall, if appropriate, request the initiation of proceedings under Article XXII of the General Agreement on Tariffs and Trade with respect to imports of the article that is the subject of such investigation.

"(b) By no later than 15 days after the date on which the report of the Commission is submitted under section 203(c)(1), the United States Trade Representative shall, if appropriate, request the initiation of proceedings under Article XXIII of the General Agreement on Tariffs and Trade with respect to imports of the article that is the subject of such investigation.".

(b) ACTIONS BY THE UNITED STATES TRADE REPRESENTATIVE.—

(1) Section 206 of the Trade Act of 1974, as redesignated by subsection (a), is amended—

(A) by striking out "PRESIDENTIAL" in the section heading,

(B) by striking out "section 201(b)" each place it appears and inserting in lieu thereof "section 203(a)",

(C) by striking out "section 203" in subsections (a)(1)(A) and (c) and inserting in lieu thereof "section 207",

(D) by striking out "President" each place it appears and inserting in lieu thereof "United States Trade Representative",

(E) by striking out "section 201(d)" in subsection (a)(2) and inserting in lieu thereof "section 203(c)(1)",

(F) by striking out "60 days (30" in subsection (b) and inserting in lieu thereof "30 days (15",

(G) by striking out "60-day (or 30-day)" in subsection (b) and inserting in lieu thereof "30-day (or 15-day)",

(H) by striking out "and' at the end of subsection (c)(8),

(I) by striking out the period at the end of subsection (c)(9) and inserting in lieu thereof a semicolon, and

(J) by adding at the end of subsection (c) the following new paragraphs:

"(10) domestic economic and political constraints affecting the domestic industry; and

"(11) the international market for such articles and labor conditions in the production of such articles.".

(2) Section 207 of the Trade Act of 1974, as redesignated by subsection (a), is amended—

(A) by striking out "President" each place it appears (except in subsection (h)(4)) and inserting in lieu thereof "United States Trade Representative",

(B) by striking out "section 202(a)(1)" in subsection (a) and inserting in lieu thereof "section 206(a)(1)",

(C) by striking out "section 202(c)" in subsection (a) and inserting in lieu thereof "section 206(c)",

(D) by striking out "section 202" each place it appears and inserting in lieu thereof "section 206",

(E) by striking out "section 201(d)(1)(A)" each place it appears and inserting in lieu thereof "section 203(c)(1)(A)",

(F) by striking out "proclaim" each place it appears and inserting in lieu thereof "order",

(G) by striking out "proclaims" each place it appears and inserting in lieu thereof "orders",

(H) by striking out "section 201(d)" in subsection (c)(2) and inserting in lieu thereof "section 203(c)",

(I) by striking out "subsection (a) or (c)" each place it appears and inserting in lieu thereof "order issued under this section",

(J) by striking out "proclaimed" each place it appears and inserting in lieu thereof "ordered",

(K) by striking out "proclamation" each place it appears and inserting in lieu thereof "order",

(L) by striking out "section 201(b)" each place it appears and inserting in lieu thereof "section 203(a)", and

(M) by striking out "in the national interest" in subsection (h)(4) and inserting in lieu thereof "is necessary for national security".

(3) Subsection (e) of section 207 of the Trade Act of 1974, as redesignated under subsection (a), is amended by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) Import relief ordered under this section shall take effect 15 days after the date of such order.

"(2)(A) Except as provided in subparagraph (B), the United States Trade Representative shall order the import relief that the United States Trade Representative has determined to provide under subsection (a) by no later than the date that is 15 days after the date on which such determination is made under section 206(b).

"(B) No import relief ordered under subsection (a) shall take effect if the President—

"(i) determines that the import relief the United States Trade Representative has determined to take under section 206(b) should not be taken for reasons of national security, or

"(ii) certifies to the Congress that good faith negotiations have been entered into for the purpose of obtaining orderly marketing agreements or voluntary restraint agreements regarding imports of the article that is the subject of the investigation.

"(C) If no action is taken under subsection (a) by reason of subparagraph (B)(ii), the United States Trade Representative shall submit a semiannual report on the status of negotiations described in subparagraph (B)(ii).

"(D) Upon enactment into law of a joint resolution described in section 152(a)(1)(C), after the date that is 18 months after the date on which a certification is made under subparagraph (B)(ii), the United States Trade Representative shall order the action the United States Trade Representative has determined to take under section 206(b).".

(4) Paragraph (1) of section 152(a) of the Trade Act of 1974 (19 U.S.C. 2192(a)(1)) is amended—

(A) by striking out "and" at the end of subparagraph (A),

(B) by striking out the period at the end of subparagraph (B), and inserting in lieu thereof "; and", and

(C) by adding at the end thereof the following new subparagraph:

"(C) a joint resolution of either House of Congress the matter after the resolving clause of which is as follows: 'That the United States Trade Representative shall order the action the United States Trade Representative determined to take under section 206(b) which was reported to the Congress under section 207(b) on ————', the blank line being filled with the appropriate date.".

(c) MONITORING OF AFFIRMATIVE DETERMINATIONS.—Subsection (i) of section 207 of the Trade Act of 1974, as redesignated by subsection (a), is amended by adding at the end thereof the following new paragraphs:

"(6) If the United States Trade Representative takes action under this section, the Secretary of Commerce shall, as long as such action remains in effect—

"(A) monitor the domestic industry that was the subject of the affirmative determination made under section 202(a), and

"(B) notify the United States Trade Representative of any change in circumstances that would alter the continued validity of such determination.

"(7) If the United States Trade Representative takes action under this section, the Commission shall, as long as such action remains in effect—

"(A) monitor the domestic industry and any foreign country or trade agreement that were the subjects of the affirmative determinations made under section 203(a), and

"(B) notify the United States Trade Representative of any change in circumstances that would alter the continued validity of such determinations.".

(d) CONFORMING AMENDMENTS.—The table of contents of the Trade Act of 1974 is amended by striking out the items relating to sections 201, 202, 203, 204, 205, and 206 and inserting in lieu thereof the following:

"Sec. 201. Initiation of investigation.

"Sec. 202. Investigation by the Secretary of Commerce.

"Sec. 203. Investigation by United States International Trade Commission.

"Sec. 204. Industry modernization agreements.

"Sec. 205. Actions taken under GATT.

"Sec. 206. Action after investigations.

"Sec. 207. Import relief.".

SEC. 304. RELIEF UNDER CHAPTER 1 OF TITLE III OF THE TRADE ACT OF 1974.

(a) IN GENERAL.—Chapter 1 of title III of the Trade Act of 1974 is amended—

(1) by redesignating section 305 as section 307, and

(2) by striking out sections 301, 302, 303, 304, and 306 and inserting in lieu thereof the following new sections:

"SEC. 301. INITIATION OF INVESTIGATION.

"(a)(1) A petition requesting the United States Trade Representative to take action under this chapter may be filed with the United States International Trade Commission (hereafter in this chapter referred to as the 'Commission') by any person, including a trade association, firm, certified or recognized union, or group of workers, which is representative of a domestic industry.

"(2) Any petition filed under paragraph (1)—

"(A) shall allege that—

"(i) the rights of the United States under any trade agreement are not being enforced, or

"(ii) an act, policy, or practice of a foreign country—

"(I) is inconsistent with the provisions of, or otherwise denies benefits to the United States under, any trade agreement, or

"(II) is unjustifiable, unreasonable, or discriminatory and burdens or restricts United States Commerce; and

"(B) shall allege that such unenforcement or act, policy, or practice is—

"(i) a cause of injury to a domestic industry, or

"(ii) a threat of injury to a nascent domestic industry.

"(3)(A) By no later than the date that is 25 days after the date on which the petition is filed under paragraph (1), the Commission shall determine whether the petition alleges all the elements necessary for relief under this chapter.

"(B) If the determination of the Commission under subparagraph (A) is affirmative—

"(i) the Commission shall transmit a copy of the petition to the United States Trade Representative and the Secretary of Commerce,

"(ii) the Secretary of Commerce shall initiate an investigation for the purpose of making a determination under section 302, and

"(iii) the Secretary of Commerce shall publish in the Federal Register notice of the initiation of such investigation.

"(b)(1) Upon request of the President, the United States Trade Representative, or the Commission, or upon his own motion, the Secretary of Commerce shall initiate an investigation for the purpose of making a determination under section 302.

"(2) The Secretary of Commerce shall publish in the Federal Register notice of

any investigation initiated under this subsection and of the allegations described in subsection (a)(2) that are the basis of such investigation.

"SEC. 302. INVESTIGATION BY THE SECRETARY OF COMMERCE.

"(a) By no later than 90 days after the date on which an investigation is initiated under section 301, the Secretary of Commerce shall determine whether—

"(1) the domestic industry identified in the petition or in the notice published under section 301(b)(2) is being injured, or

"(2) any nascent domestic industry identified in the petition or in such notice is being threatened with injury.

"(b)(1) In making any determination under subsection (a), with respect to any domestic industry, the Secretary of Commerce shall take into account—

"(A) the extent to which the domestic industry is operated efficiently and economically,

"(B) prevailing worldwide market conditions, and

"(C) conditions unique to such domestic industry affecting the export capability of such domestic industry.

"(c)(1) If the determination under subsection (a) is affirmative, the Secretary of Commerce—

"(A) shall transmit to the Commission a copy of such determination, and

"(B) shall make available to the Commission all information upon which such determination was based and which the Commission considers relevant to its determination, under such procedures as the Secretary of Commerce and the Commission may establish to prevent disclosure, other than with the consent of the party providing it or under protective order, if any information to which confidential treatment has been given by the Secretary of Commerce.

"(2) If the determination under subsection (a) is negative, the Secretary of Commerce shall terminate the investigation and notify the Commission and the United States Trade Representative of such termination.

"(3) Each determination made under subsection (a) shall be published in the Federal Register.

"(d) For purposes of this chapter—

"(1) The terms 'injury' and 'threat of injury' have the respective meaning given to each of such terms under regulations which the Secretary of Commerce shall prescribe.

"(2) Any domestic industry which is experiencing levels of exports below those levels which the Secretary of Commerce determines would reasonably be expected to prevail (taking into account worldwide market conditions and the capability of the domestic industry to export competitively) shall be considered to be injured.

"(3) Any nascent domestic industry which is experiencing substantially reduced export opportunities for reasons not related to reduced worldwide market demand or such industry's own potential capability to export competitively (as determined by the Secretary of Commerce) shall be considered to be threatened with injury.

"(e) The Secretary of Commerce shall prescribe by regulations such procedures (including hearings) as may be necessary to conduct investigations initiated under section 301 for the purpose of making the determination required under subsection (a).

"SEC. 303. INVESTIGATION BY UNITED STATES INTERNATIONAL TRADE COMMISSION.

"(a) By no later than 30 days after the date on which the Secretary of Commerce makes an affirmative determination under section 302(a), the Commission shall determine—

"(1) whether—

"(A) the rights of the United States under any trade agreement alleged in the petition or in the notice published under section 301(b)(2) are not being enforced, or

"(B) an act, policy, or practice of a foreign country alleged in the petition or in such notice—

"(i) is inconsistent with the provisions of, or otherwise denies benefits to the United States under, any trade agreement, or

"(ii) is unjustifiable, unreasonable, or discriminatory and burdens or restricts United States commerce; and

"(2) whether such unenforcement or act, policy, or practice is a cause of the injury, or threat of injury, found by the Secretary of Commerce under section 302(a).

"(b)(1) In making any determinations under subsection (a) the Commission shall take into account—

"(A) the unique features of the goods and services involved,

"(B) market conditions in the foreign country at issue,

"(C) the extent of foreign government involvement in the acts, practices, and policies described in subsection (a)(1)(B), and

"(D) the existence of trade agreements affecting the goods and services involved.

"(2) In making determinations under subsection (a)(1)(B), the Commission may devise such distinct standards as the Commission determines to be appropriate for distinct types of acts, policies, and practices.

"(c)(1) The Commission shall report to the United States Trade Representative the determinations made under subsection (a) and the basis for such determinations and shall include in each report any dissenting or separate views.

"(2) If both determinations made under paragraphs (1) and (2) of subsection (a) are affirmative, the Commission shall include in the report submitted under paragraph (1) a recommendation of the actions or sequence of actions that the United States Trade Representative should take under section 305.

"(3) Upon making the report under paragraph (1), the Commission shall promptly make such report public (with the exception of information which the Commission determines to be confidential) and shall publish a summary of such report in the Federal Register.

"(d) The Commission shall prescribe by regulation such procedures (including hearings) as may be necessary to conduct investigations for the purpose of making the determinations required under this section.

"(e) For purposes of this chapter—

"(1) The terms 'discriminatory', 'burden', and 'restrict', with respect to any act, policy, or practice, have the respective meaning given to such terms under regulations which the Commission shall prescribe.

"(2) The term 'commerce' includes, but is not limited to—

"(A) services (including transfers of information) associated with international trade, whether or not such services are related to specific goods, and

"(B) foreign direct investment by United States persons with implications for trade in goods or services.

"(3) An act, policy, or practice, of a foreign country or instrumentality that burdens or restricts United States Commerce may include the provision, directly or indirectly, by that foreign country or instrumentality of subsidies for the construction of vessels used in the commercial transportation by water of goods between foreign countries and the United States.

"(4) The term 'unreasonable' means any act, policy, or practice which, while not necessarily in violation of or inconsistent with the international legal rights of the United States, is otherwise deemed to be unfair and inequitable. The term includes, but is not limited to, any act, policy, or practice which denies fair and equitable—

"(A) market opportunities,

"(B) opportunities for the establishment of an enterprise, or

"(C) provision of adequate and effective protection of intellectual property rights.

"(5)(A) The term 'unjustifiable' means any act, policy, or practice which is in violation of, or inconsistent with the international legal rights of the United States.

"(B) The term 'unjustifiable' includes, but is not limited to, any act, policy, or practice described in subparagraph (A) which denies national or most-favored-nation treatment, the right of establishment, or protection of intellectual property rights.

"(6) The term 'discriminatory' includes, where appropriate, any act, policy, or practice which denies national or most-favored-nation treatment to the United States goods, services, or investment.

"(7) The term 'foreign country' includes foreign instrumentalities.

"SEC. 304. ACTIONS UNDER GATT.

"(a) By no later than 15 days after the date on which an investigation is initiated under section 301, the United States Trade Representative shall, if appropriate, request the initiation of proceedings under Article XXII of the General Agreement on Tariffs and Trade with respect to the matter that is the subject of such investigation.

"(b) By no later than 15 days after the date on which the Commission makes affirmative determinations under paragraphs (1) and (2) of section 303(a), the United States Trade Representative shall, if appropriate, request the initiation of proceedings under Article XXIII of the General Agreement on Tariffs and Trade with respect to the matter that is the subject of such determinations.

"SEC. 305. ACTIONS BY THE UNITED STATES TRADE REPRESENTATIVE.

"(a) If both determinations of the Commission under paragraphs (1) and (2) of section 303(a) are affirmative, the United States Trade Representative shall, by no later than 30 days after the date on which the report is submitted under section 303(c)(1), determine what action or sequence of actions the United States Trade Representative will take to—

"(1) enforce any rights of the United States that the Commission determined under section 303(a)(1)(A) are not being enforced, and

"(2) obtain the elimination of all acts, policies, and practices of foreign countries with respect to which the Commission has made an affirmative determination under section 303(a)(1)(B).

"(b)(1) Actions which United States Trade Representative may determine to take under subsection (a) with respect to a foreign country include—

"(A) suspension, withdrawal, or prevention of the application of benefits of trade agreement concessions to carry out a trade agreement with the foreign country,

"(B) increases in, or the imposition of, duties or other import restrictions on the products of, and, notwithstanding any other

provision of law, fees or restrictions on the services of, such foreign country for such time as the United States Trade Representative determines to be appropriate,

"(C) notwithstanding any other provision of law—

"(i) imposition of restrictions, in the manner and to the extent the United States Trade Representative determines to be appropriate, on the terms and conditions of any service sector access authorization, or

"(ii) denial of the issuance of any such authorizations,

"(D) suspension of any compensation provided with respect to the foreign country under section 123, and

"(E) denial of patent, copyright, or trademark protections (which have not previously been recognized by the United States) to nationals of the foreign country.

"(2) Actions that the United States Trade Representative determines to take under subsection (a) may apply with respect to any goods or sector—

"(A) on a nondiscriminatory basis or solely against the foreign country involved, and

"(B) without regard to whether or not such goods or sector were involved in the act, policy, or practice described in section 303(a)(1)(B).

"(3) Actions authorized under paragraph (1)(C) may apply—

"(A) only with respect to service sector access authorizations granted, or applications therefor pending, on or after the date on which the investigation is initiated under section 301, and

"(B) only if the services involved are subject to regulation by any agency of the Federal Government or of any State after the United States Trade Representative has consulted with the head of the agency concerned.

"(4) For purposes of this subsection, the term 'service sector access authorization' means any license, permit, order, or other authorization, issued under the authority of Federal law, that permits a foreign supplier of services access to the United States market in a service sector concerned.

"(c) In making the determination under subsection (a), the United States Trade Representative shall take into account—

"(1) the record of the foreign country against which action is to be taken in adhering to the General Agreement on Tariffs and Trade,

"(2) domestic economic and political constraints affecting the act, policy, or practice described in section 303(a)(1)(B) and any right of the United States under a trade agreement that is not being enforced,

"(3) the cooperation of such foreign country in initiatives made by the United States regarding counterfeiting of goods, protection of intellectual property rights, drug enforcement, and extension of multilateral agreements to key economic sectors, and

"(4) prevailing international market and labor conditions.

"(d)(1) By no later than 15 days after the date on which the determination is made under subsection (a), the United States Trade Representative shall issue an order taking the action, if any, that the United States Trade Representative has determined to take under subsection (a).

"(2)(A) Except as otherwise provided in this subsection, any order issued by the United States Trade Representative under paragraph (1) shall take effect 15 days after the date such action is ordered.

"(B) Action ordered by the United States Trade Representative under paragraph (1) against a foreign country shall not take effect if the President—

"(i) determines that such action should not take effect for reasons of national security, or

"(ii) certifies to the Congress that such foreign country has entered into good faith negotiations with the United States for the purpose of—

"(I) obtaining an agreement that achieves the objectives described in paragraphs (1) and (2) of subsection (a), or

"(II) providing compensatory trade liberalization measures for the United States.

"(C) If an action ordered by the United States Trade Representative under paragraph (1) does not take effect by reason of subparagraph (B)(ii), the United States Trade Representative shall submit to the Congress a semiannual report on the status of the negotiations described in subparagraph (B)(ii).

"(3) Upon enactment into law of a joint resolution described in section 152(a)(1)(D) after the date that is 18 months after the date on which a certification is made to the Congress under paragraph (2)(B)(ii), the United States Trade Representative shall issue another order implementing the action the United States Trade Representative determined to take under subsection (a) and such order shall take effect 15 days after the date of enactment of such law.

"SEC. 306. MONITORING OF AFFIRMATIVE DETERMINATIONS.

"(a) If the United States Trade Representative takes action under section 305, the Secretary of Commerce shall, as long as such action remains in effect—

"(1) monitor the domestic industry that was the subject of the affirmative determination made under section 302(a), and

"(2) notify the United States Trade Representative of any change in circumstances that would alter the continued validity of such determination.

"(b) If the United States Trade Representative takes action under section 305, the Commission shall, as long as such action remains in effect—

"(1) monitor the domestic industry and any foreign country or trade agreement that were the subjects of the affirmative determinations made under section 303(a), and

"(2) notify the United States Trade Representative of any change in circumstances that would alter the continued validity of such determinations.".

(b) IMPLEMENTING JOINT RESOLUTION.—Paragraph (1) of section 152(a) of the Trade Act of 1974 (19 U.S.C. 2192(a)(1)) is amended—

(1) by striking out "and" at the end of subparagraph (B),

(2) by striking out the period at the end of subparagraph (C), and inserting in lieu thereof "; and", and

(3) by adding at the end thereof the following new subparagraph:

"(D) a joint resolution of either House of Congress the matter after the resolving clause of which is as follows: 'That the United States Trade Representative shall order under section 305(d)(3) the action the United States Trade Representative determined to take under section 305(a) on ————', the blank line being filled with the appropriate date.".

(c) CONFORMING AMENDMENTS.—The table of contents of the Trade Act of 1974 is amended by striking out the items relating to sections 301, 302, 303, 304, and 305 and inserting in lieu thereof the following:

"Sec. 301. Initiation of investigation.

"Sec. 302. Investigation by the Secretary of Commerce.

"Sec. 303. Investigation by the United States International Trade Commission.

"Sec. 304. Actions under GATT.

"Sec. 305. Actions by the United States Trade Representative.

"Sec. 306. Monitoring of affirmative determinations.

"Sec. 307. Requests for information.".

SEC. 305. RELIEF UNDER SECTION 337 OF THE TARIFF ACT OF 1930.

(a) IN GENERAL.—Section 337 of the Tariff Act of 1930 (19 U.S.C. 1337) is amended—

(1) by striking out "this section" each place it appears and inserting in lieu thereof "title VIII",

(2) by striking out paragraph (1) of subsection (b) and redesignating paragraphs (2) and (3) of subsection (b) as paragraphs (1) and (2), respectively,

(3) by striking out subsections (c), (d), (e), (f), (g), (h), and (i), and

(4) by redesignating subsection (j) as subsection (c).

(b) INVESTIGATION AND RELIEF.—The Tariff Act of 1930 is amended by adding at the end thereof the following new title:

"TITLE VIII—INVESTIGATION OF, AND RELIEF FROM, SECTION 337 VIOLATIONS

"SEC. 801. INITIATION OF INVESTIGATION.

"(a)(1) A petition requesting the United States Trade Representative to take action under this title in response to a violation of section 337 may be filed with the United States International Trade Commission (hereafter in this chapter referred to as the 'Commission') by any person, including a trade association, firm, certified or recognized union, or group of workers, that is representative of a domestic industry.

"(2) Any petition filed under paragraph (1) shall allege that—

"(A) an unfair method of competition is being used, or an unfair act is being committed, in—

"(i) the importation of any article, or

"(ii) the sale in the United States of any imported article,

by the owner or consignee of the imported article, or by an agent of such owner or consignee, and

"(B) the effect or tendency of such unfair method or unfair act is to—

"(i) substantially injure an industry in the United States which is being operated efficiently and economically,

"(ii) prevent the establishment in the United States of an industry which can efficiently and economically produce an article like, or directly competitive with, such article, or

"(iii) restrain or monopolize trade and commerce in the United States.

"(3)(A) By no later than the date that is 25 days after the date on which the petition is filed under paragraph (1), the Commission shall determine whether the petition alleges all the elements necessary for relief under this title.

"(B) If the determination of the Commission under subparagraph (A) is affirmative—

"(i) the Commission shall transmit a copy of the petition to the United States Trade Representative and the Secretary of Commerce,

"(ii) the Secretary of Commerce shall initiate an investigation for the purpose of

making a determination under section 802, and

"(iii) the Secretary of Commerce shall publish in the Federal Register notice of the initiation of such investigation.

"(b)(1) Upon request of the President, the United States Trade Representative, or the Commission, or upon his own motion, the Secretary of Commerce shall initiate an investigation for the purpose of making a determination under section 802.

"(2) The Secretary of Commerce shall publish in the Federal Register notice of any investigation initiated under this subsection and of the allegations described in subsection (a)(2) that are the subject of such investigation.

"SEC. 802. INVESTIGATION BY THE SECRETARY OF COMMERCE.

"(a) By no later than 90 days after the date on which an investigation is initiated under section 801, the Secretary of Commerce shall determine whether—

"(1) the domestic industry identified in the petition or in the notice published under section 801(b)(2) is—

"(A) being operated efficiently and economically, and

"(B) being substantially injured,

"(2) the establishment of the domestic industry identified in the petition or in the notice published under section 801(b)(2) is being prevented, or

"(3) the trade or commerce in the United States identified in the petition or in the notice published under section 801(b)(2) is being restrained or monopolized.

"(b)(1) In making any determination under subsection (a), with respect to any domestic industry, trade, or commerce, the Secretary of Commerce shall take into account—

"(A) the prevailing domestic market conditions, and

"(B) conditions unique to such domestic industry, trade, or commerce.

"(c)(1) If the determination under subsection (a) is affirmative, the Secretary of Commerce—

"(A) shall transmit to the Commission a copy of such determination, and

"(B) shall make available to the Commission all information upon which such determination was based and which the Commission considers relevant to its determination, under such procedures as the Secretary of Commerce and the Commission may establish to prevent disclosure, other than with the consent of the party providing it or under protective order, of any information to which confidential treatment has been given by the Secretary of Commerce.

"(2) If the determination under subsection (a) is negative, the Secretary of Commerce shall terminate the investigation and notify the Commission and the United States Trade Representative of such termination.

"(3) Each determination made under subsection (a) shall be published in the Federal Register.

"(d) For purposes of this section—

"(1) The term 'substantially injured' has the meaning given to such term under regulations which the Secretary of Commerce shall prescribe.

"(2) The term 'restrained or monopolized', with respect to trade or commerce, has the meaning given to such term under regulations which the Secretary of Commerce shall prescribe.

"(e) The Secretary of Commerce shall prescribe by regulations such procedures (including hearings) as may be necessary to conduct investigations initiated under section 801 for the purpose of making the determination required under subsection (a).

"SEC. 803. INVESTIGATION BY UNITED STATES INTERNATIONAL TRADE COMMISSION.

"(a) By no later than 30 days after the date on which the Secretary of Commerce makes an affirmative determination under section 802(a), the Commission shall determine—

"(1) whether the method of competition or act alleged in the petition or in the notice published under section 801(b)(2) exists and is—

"(A) an unfair method of competition described in section 801(a)(2)(A), or

"(B) an unfair act described in section 801(a)(2)(A), and

"(2) if the determination under paragraph (1) is affirmative, whether such method or act effects or tends to effect—

"(A) the substantial injury to a domestic industry,

"(B) the prevention of establishment of a domestic industry, or

"(C) the restraint or monopolization of trade or commerce,

that the Secretary of Commerce found in the determination made under section 802(a).

"(b)(1) For purposes of this section, the terms 'unfair method of competition' and 'unfair act' have the meaning given to such terms under regulations which the Commission shall prescribe.

"(2) The regulations prescribed under paragraph (1) shall take into account—

"(A) the unique features of the goods and services involved,

"(B) the nature of the domestic market for the goods or services involved,

"(C) the extent of foreign government involvement in the methods of competition or the acts, and

"(D) the existence of trade agreements affecting the goods and services involved.

"(3) In making determinations under subsection (a), the Commission may devise such distinct standards as the Commission determines to be appropriate for distinct types of acts, policies, and practices.

"(c)(1) The Commission shall report to the United States Trade Representative the determinations made under subsection (a) and the basis of such determinations and shall include in each report any dissenting or separate views.

"(2) If both determinations made under paragraphs (1) and (2) of subsection (a) are affirmative, the Commission shall include in the report submitted under paragraph (1) a recommendation of the actions or sequence of actions that the United States Trade Representative should take under section 805.

"(3) Upon making the report under paragraph (1), the Commission shall promptly make such report public (with the exception of information which the Commission determines to be confidential) and shall publish a summary of such report in the Federal Register.

"(d) The Commission shall prescribe by regulation such procedures (including hearings) as may be necessary to conduct investigations for the purpose of making the determinations and recommendations required under this section.

"(e) For purposes of this title, the term 'effects or tends to effect' has the meaning given to such term under regulations which the Commission shall prescribe.

"(f)(1) If, during the course of an investigation under this title, the Commission determines that there is reason to believe that there is a violation of section 337 which may threaten the public health or safety, or cause irreparable harm to a domestic industry, the Commission may order that the articles concerned, imported by any person with respect to whom there is reason to believe that such person is violating such section, be excluded from entry into the United States. After considering the effect of such exclusion upon the public health and welfare, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, and United States consumers, the Commission may, at any time prior to its report to the United States Trade Representative under subsection (c)(1), vacate such exclusion order. The Commission shall notify the Secretary of the Treasury of its action under this subsection ordering or vacating such exclusion from entry, and upon receipt of such notice, the Secretary of the Treasury shall, through the proper officers, refuse such entry, except that such articles shall be entitled to entry under bond determined by the Commission and prescribed by the Secretary of the Treasury.

"(2) Any action taken under this paragraph shall expire 30 days after the date on which the Commission submits to the United States Trade Representative the report required under subsection (c)(1).

"SEC. 804. ACTIONS UNDER GATT.

"(a) By no later than 15 days after the date on which an investigation is initiated under section 801, the United States Trade Representative shall, if appropriate, request the initiation of proceedings under Article XXII of the General Agreement on Tariffs and Trade with respect to the matter that is the subject of such investigation.

"(b) By no later than 15 days after the date on which the Commission makes affirmative determinations under paragraphs (1) and (2) of section 803(a), the United States Trade Representative shall, if appropriate, request the initiation of proceedings under Article XXIII of the General Agreement on Tariffs and Trade with respect to the matter that is the subject of such determinations.

"SEC. 805. ACTIONS BY THE UNITED STATES TRADE REPRESENTATIVE.

"(a) If both determinations of the Commission under paragraphs (1) and (2) of section 803(a) are affirmative, the United States Trade Representative shall, by no later than 30 days after the date on which the report is submitted under section 803(c)(1), determine what action or sequence of actions the United States Trade Representative will take to respond to the violation of section 337.

"(b)(1) Actions which United States Trade Representative may determine to take under subsection (a) are—

"(A) denial of entry into the United States of the article that is the subject of the unfair method of competition, or the unfair act, with respect to which affirmative determinations were made under section 803(a) by the persons who engaged in such method of competition or committed such act,

"(B) issuance of an order to any person to cease and desist from engaging in such method of competition or committing such act, and

"(C) if such method of competition was engaged in by a foreign country or such act was committed by a foreign country—

"(i) suspension, withdrawal, or prevention of the application of benefits of trade agree-

ment concessions to carry out a trade agreement with the foreign country,

"(ii) increases in, or the imposition of, duties or other import restrictions on the products of such foreign country for such time as the United States Trade Representative determines to be appropriate,

"(iii) suspension of any compensation provided with respect to the foreign country under section 123 of the Trade Act of 1974, and

"(iv) denial of patent, copyright, or trademark protections (which have not previously been recognized by the United States) to nationals of the foreign country.

"(2) The United States Trade Representative may determine under subsection (a) that no action should be taken to respond to a violation of section 337 if the United States Trade Representative determines that each of the actions described in paragraph (1) would have a substantial adverse effect on—

"(A) the public health or safety of the people in the United States,

"(B) competitive conditions in the United States,

"(C) the production of like or directly competitive articles in the United States, or

"(D) consumers in the United States.

"(c) In making the determination under subsection (a), the United States Trade Representative shall take into account—

"(1) the effect the action would have on the factors described in subparagraphs (A), (B), (C), and (D) of subsection (b)(2), and

"(2) if the unfair method of competition was engaged in, or the unfair act committed by a foreign country—

"(A) the record of the foreign country in adhering to the General Agreement on Tariffs and Trade,

"(B) domestic economic and political constraints affecting such method or act,

"(C) the cooperation of such foreign country in initiatives made by the United States regarding counterfeiting of goods, protection of intellectual property rights, drug enforcement, and extension of multilateral agreements to key economic sectors, and

"(D) prevailing international market and labor conditions.

"(d)(1) By no later than 15 days after the date on which the determination is made under subsection (a), the United States Trade Representative shall order the action, if any, that the United States Trade Representative has determined to take.

"(2)(A) Except as otherwise provided in this subsection, any action ordered by the United States Trade Representative under paragraph (1) shall take effect 15 days after the date such order is issued.

"(B) Action ordered by the United States Trade Representative under paragraph (1) shall not take effect if—

"(i) the President determines that such action should not take effect for reasons of national security, or

"(ii) in the case of such action to be taken against a foreign country, the President certifies to the Congress that such foreign country has entered into good faith negotiations with the United States for the purpose of—

"(I) obtaining an agreement that eliminates the unfair method of competition or the unfair act, or

"(II) providing compensatory trade liberalization measures for the United States.

"(C) If an action ordered by the United States Trade Representative under paragraph (1) does not take effect by reason of subparagraph (B)(ii), the United States Trade Representative shall submit to the Congress a semiannual report on the status of the negotiations described in subparagraph (B)(ii).

"(3) Upon enactment into law of a joint resolution described in section 152(a)(1)(E) of the Trade Act of 1974 after the date that is 18 months after the date on which a certification is made to the Congress under paragraph (2)(B)(ii), the United States Trade Representative shall issue another order implementing the action the United States Trade Representative determined to take under subsection (a) and such order shall take effect as determined by the United States Trade Representative, but in no case later than 15 days after the date of enactment of such joint resolution.

"(e) If the United States Trade Representative determines that the unfair method of competition or unfair act with respect to which action is taken under subsection (d) has terminated, the United States Trade Representative shall order the termination of such action and such termination shall take effect 15 days after the date of such order. Such order shall be published in the Federal Register.

"(f) Any order issued under subsection (d) in cases based on claims of United States letters patent, shall not apply to any articles imported by and for the use of the United States, or imported for, and to be used for, the United States with the authorization or consent of the Federal Government. If any article would have been excluded from entry or would not have been entered pursuant to the provisions of such order but for the operation of this subsection, a patent owner adversely affected shall be entitled to reasonable and entire compensation in an action before the United States Claims Court pursuant to the procedures of section 1498 of title 28, United States Code.

"(g) Any person who violates an order issued under subsection (d) shall forfeit and pay to the United States a civil penalty for each day on which an importation of articles, or their sale, occurs in violation of the order of not more than the greater of—

"(1) $10,000, or

"(2) the domestic value of the articles entered or sold on such day in violation of the order.

Such penalty shall accrue to the United States and may be recovered for the United States in a civil action brought in the United States District Court for the District of Columbia or for the district in which the violation occurs. In such actions, the United States district courts may issue mandatory injunctions incorporating the relief sought appropriate in the enforcement of such order.

"SEC. 806. MONITORING OF AFFIRMATIVE DETERMINATIONS.

"(a) If the United States Trade Representative takes action under section 805, the Secretary of Commerce shall, as long as such action remains in effect—

"(1) monitor the domestic industry, trade, or market that was the subject of the affirmative determination made under section 802(a), and

"(2) notify the United States Trade Representative of any change in circumstances that would alter the continued validity of such determination.

"(b) If the United States Trade Representative takes action under section 805, the Commission shall, as long as such action remains in effect—

"(1) monitor the unfair method of competition or unfair act that was the subject of the affirmative determinations made under section 803(a), and

"(2) notify the United States Trade Representative of any change in circumstances that would alter the continued validity of such determinations.".

(c) IMPLEMENTING JOINT RESOLUTION.—Paragraph (1) of section 152(a) of the Trade Act of 1974 (19 U.S.C. 2192(a)(1)) is amended—

(1) by striking out "and" at the end of subparagraph (C),

(2) by striking out the period at the end of subparagraph (D), and inserting in lieu thereof "; and", and

(3) by adding at the end thereof the following new subparagraph:

"(E) a joint resolution of either House of Congress the matter after the resolving clause of which is as follows: 'That the United States Trade Representative shall order under section 805(d)(3) the action the United States Trade Representative determined to take under section 805(a) on ———— ', the blank line being filled with the appropriate date.".

SEC. 306. COUNTERVAILING AND ANTIDUMPING DUTY INVESTIGATIONS.

(a) IN GENERAL.—Title VII of the Tariff Act of 1930 (19 U.S.C. 1671, et seqq.) is amended—

(1) by striking out "Commission" each place it appears and inserting in lieu thereof "administering authority", and

(2) by striking out "administering authority" each place it appears and inserting in lieu thereof "Commission".

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 771 of the Tariff Act of 1930 (19 U.S.C. 1677(1)) is amended to read as follows:

"(1) ADMINISTERING AUTHORITY.—The term 'administering authority' means the Secretary of Commerce or any other officer of the United States to whom the responsibility for carrying out the duties of the administering authority under this title are transferred by law.".

(2) Paragraph (2) of section 771 of the Tariff Act of 1930 (19 U.S.C. 1677(2)) is amended to read as follows:

"(2) COMMISSION.—The term 'Commission' means the United States International Trade Commission.".

SEC. 307. INVESTIGATION OF UNFAIR TRADE PRACTICES.

(a) SUBJECT OF INVESTIGATION.—Paragraph (1) of section 181(a) of the Trade Act of 1974 (19 U.S.C. 2241(a)(1)) is amended—

(1) by striking out "and" at the end of subparagraph (A),

(2) by inserting "or (B)" after "subparagraph (A)" in subparagraph (B),

(3) by redesignating subparagraph (B) as subparagraph (C), and

(4) by inserting after subparagraph (A) the following new subparagraph:

"(B) identify and analyze—

"(i) foreign industrial targeting,

"(ii) the protection of intellectual property rights by foreign countries,

"(iii) the procurement practices of foreign governments,

"(iv) the protection provided by foreign countries to nascent industries within such foreign countries, and

"(v) tax and financial incentives and other subsidies provided by foreign countries; and".

(b) UNITED STATES INTERNATIONAL TRADE COMMISSION TO CONDUCT INVESTIGATION.—Section 181 of the Trade Act of 1974 (19 U.S.C. 2241) is amended—

(1) by striking out "United States Trade Representative" in subsection (a)(1) and inserting in lieu thereof "United States International Trade Commission (hereafter in this section referred to as the 'Commission')", and

(2) by striking out "Trade Representative" each place it appears and inserting in lieu thereof "Commission".

TITLE IV—ENHANCING INTERNATIONAL COMPETITIVENESS

Subtitle A—International Commerce

SEC. 401. NATIONAL COMMISSION ON INTERNATIONAL COMPETITIVENESS.

(a) ESTABLISHMENT.—There is hereby established the National Commission on International Competitiveness (hereafter in this section referred to as the "Commission") for the purpose of assisting United States industries in competing in international markets.

(b) MEMBERSHIP.—

(1) The National Commission on International Competitiveness shall consist of—

(A) the Secretary of Commerce,

(B) the United States Trade Representative,

(C) the Secretary of Education,

(D) a Commissioner of the United States International Trade Commission designated by such Commission,

(E) a Commissioner of the Federal Trade Commission designated by such Commission,

(F) the Chairman of the National Science Foundation,

(G) the Director of the Office of Science and Technology Policy,

(H) 3 Members of the Senate appointed by the President by and with the advice and consent of the Senate after consultation with the Majority Leader and Minority Leader of the Senate, no more than 2 of which may be members of the same political party,

(I) 3 Members of the House of Representatives appointed by the President by and with the advice and consent of the Senate after consultation with the Speaker of the House of Representatives and the Minority Leader of the House of Representatives, no more than 2 of which may be members of the same political party,

(J) a representative of the Office of Technology Assessment appointed by the President by and with the advice and consent of the Senate,

(K) a representative of the National Academy of Sciences appointed by the President by and with the advice and consent of the Senate,

(L) a representative of the National Academy of Engineering appointed by the President by and with the advice and consent of the Senate, and

(M) 12 individuals representative of the private sector appointed by the President by and with the advice and consent of the Senate, of which at least 5 shall represent businesses operated for profit.

(2)(A) Except as provided in subparagraph (B), the term of office for each member of the Commission appointed under subparagraphs (J), (K), (L), and (M) of paragraph (1) shall be 4 years.

(B) Of the initial members of the Commission appointed under subparagraphs (H), (I), (J), (K), (L), and (M) of paragraph (1)—

(i) 7 shall have a term of office of 1 year,

(ii) 7 shall have a term of office of 2 years, and

(iii) 7 shall have a term of office of 3 years.

The President shall specify the length of the term of each of such members at the time of appointment.

(C) Except as otherwise provided in subparagraph (B), the term of office for each member of the Commission appointed under subparagraph (H) or (I) of paragraph (1) shall terminate on the earlier of—

(i) the date that is 4 years after the date on which such appointment is confirmed by the Senate, or

(ii) the date on which such member ceases to be a Member of the Congress.

(3) A vacancy on the Commission shall be filled in the same manner in which the original appointment was made. A member so appointed shall serve for the remainder of the term of office to which such member is appointed.

(4) The Secretary of Commerce shall be the Chairman of the Commission.

(c) DUTIES.—The Commission shall—

(1) under criteria and procedures prescribed by the Commission, approve or reject agreements providing for the modernization of industries that are submitted for purposes of title II of the Trade Act of 1974,

(2) monitor the factors affecting the ability of United States industries to compete in international markets,

(3) recommend ways in which United States industries can—

(A) reduce capital expenses,

(B) improve productivity,

(C) train workers, and

(D) promote exports,

(4) establish guidelines for the consideration of applications requesting a waiver of the antitrust laws for a joint venture established to conduct research and development programs,

(5) monitor the effects of foreign industrial policies and practices on United States industries,

(6) assess the effectiveness of public education in preparing American youth with the skills and training they will need in emerging industries and occupations, and

(7) submit to the Congress an annual report on the activities of the Commission described in the preceding paragraphs.

(d) COMPENSATION AND EXPENSES.—

(1) Only those members of the Commission appointed under subsection (b)(1)(L) shall be compensated. Such compensation shall be paid at a rate equal to the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which such members are engaged in the actual performance of the duties of such Commission.

(2) All members of the Commission shall be paid per diem and reimbursed for travel and transportation expenses in connection with the performance of the functions and duties of the Commission as provided in sections 5702 and 5703 of title 5, United States Code.

(e) PERSONNEL.—

(1) The Chairman of the Commission shall appoint an Executive Director who shall be paid at a rate to be determined by the Chairman. The rate of pay may not exceed the annual rate of basic pay payable for GS-18 of the General Schedule.

(2) Subject to such rules as may be prescribed by the Commission, the Chairman of the Commission may appoint and fix the pay of such additional personnel as the Chairman considers appropriate. A rate of pay fixed pursuant to the preceding sentence may not exceed the annual rate of basic pay payable for GS-18 of the General Schedule.

(3) The Executive Director and staff of the Commission shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(4) The Chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay payable for GS-18 of the General Schedule.

(5) Upon request of the Commission, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this Act.

(f) PROCEEDINGS.—The Commission may, for the purpose of carrying out the duties of the Commission, hold such hearings and conferences, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(g) COOPERATION.—The head of each department and agency of the Federal Government shall cooperate with the Commission and shall provide such information and such assistance to the Commission as the Commission may determine to be necessary in carrying out the duties of the Commission.

SEC. 402. ANTITRUST REFORM.

(a) POLICY.—The Congress declares that the purpose of this section is to amend the antitrust laws to provide that global market conditions which may affect goods in American industries, including the extent to which foreign goods are available in the domestic market, explicitly be taken into consideration in any case alleging a monopoly or an attempt to monopolize any part of trade or commerce, or an unfair or deceptive act or practice. It is not the purpose of this section to impair the effective enforcement of the antitrust laws which preserve competition in the United States.

(b) SHERMAN ACT.—Section 2 of the Sherman Act (15 U.S.C. 2) is amended by adding at the end thereof the following: "In any action brought under this section the court shall consider global market and competitive conditions in any case in which it is alleged that there has been a monopoly or an attempt to monopolize any part of trade or commerce. Such conditions shall include the extent to which foreign goods are available in the domestic market and the impact such goods have on the price or availability of domestic goods.".

(c) CLAYTON ACT.—The Clayton Act is amended by inserting between section 4H and section 5, the following:

"4I. Notwithstanding any other provision of this Act, in any action alleging a violation of this Act the court shall consider global market and competitive conditions before the court makes any finding that any provision of this Act has been violated. Such consideration shall include the extent to which foreign goods which are the subject of the violation alleged are available in the domestic market for such goods, and the impact of such foreign goods on the domestic market.".

(d) REGULATIONS FOR ANTITRUST WAIVER.—

(1) The Attorney General of the United States and the Federal Trade Commission

shall develop regulations for procedures to expedite consideration of any application received pursuant to the National Cooperative Research Act of 1984 for a waiver of the antitrust laws for joint ventures proposing to undertake research and development ventures. Such regulations and procedures shall be developed in accordance with guidelines established by the National Commission on International Competitiveness and the National Cooperative Research Act of 1984, and shall be submitted to such National Commission within 120 days after the date of enactment of this Act.

(2) The Commission may modify or amend such regulations but shall adopt regulations within 180 days after the date of enactment of this Act. Such regulations shall be effective for any application for a waiver proposed after the date of adoption of such regulations.

SEC. 403. FOREIGN CORRUPT PRACTICES.

Title I of the Foreign Corrupt Practices Act of 1977 is amended by adding at the end thereof the following:

"COUNTRY EXEMPTIONS

"(a) The Attorney General is authorized to waive the applicability of this title and section 30A of the Securities Exchange Act of 1934 with respect to conduct involving any foreign country which the Attorney General certifies has—

"(1) effective bribery or corruption statutes; and

"(2) an established record of aggressive enforcement of such statutes.

"(b) The Attorney General is authorized to share information obtained in investigations by the Department of Justice with countries with respect to which a certification under subsection (a) has been made.

"(c) This section and any certifications of the Attorney General under this section shall cease to be effective upon the expiration 5 years after the date of enactment of this Act.".

SEC. 404. TRADE IN SERVICES.

(a) MONITORING.—The Secretary of Commerce shall—

(1) develop a classification code for monitoring international trade in services,

(2) monitor international trade in services, and

(3) submit to the Congress an annual report on—

(A) the actual volume of international trade in services, and

(B) the estimated potential for expansion of United States exports of services.

(b) BILATERAL AGREEMENTS.—Until international trade in services is brought within the scope of the General Agreement on Tariffs and Trade, the President shall pursue bilateral agreements with foreign countries regarding trade in services.

SEC. 405. EXPORT PROMOTION.

(a) EXTENSION OF COMMERCIAL ATTACHE PROGRAM.—The United States Foreign and Commercial Service shall expand commercial attache programs to cover developing countries which are now served by the personnel of the Department of State.

(b) EXPORT-IMPORT BANK ACT AMENDMENT.—Section 2 of the Export-Import Bank Act of 1945 is amended by adding at the end thereof the following:

"(e) The Bank shall develop and implement a program of coinsurance with State and regional export financing facilities for the purpose of expanding small business exports.

"(f) In consultation with the Agency for International Development, the Bank shall develop a special fund to counter predatory, subsidized financing and mixed credit programs of other countries.".

Subtitle B—Technology, Transfer, Research, and Development

SEC. 411. AMENDMENTS TO STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT OF 1980.

(a) AVAILABILITY OF FOREIGN TECHNICAL LITERATURE.—The Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et. seq.) (hereinafter in this section referred to as the "Act") is amended in section 5 (15 U.S.C. 3704) by—

(1) redesignating subsection (d) as subsection (e); and

(2) inserting immediately after subsection (c) the following new subsection:

"(d) FOREIGN TECHNICAL LITERATURE.—In addition to the duties specified in subsection (c), the Secretary, through the Director and on a continuing basis, shall increase the availability of foreign science and engineering literature to United States businesses, scientists, and engineers through increased accessibility, monitoring, screening, translation, abstracting, indexing, dissemination, and marketing. In the conduct of this activity, the Secretary may make grants and, to the extent provided in advance by appropriations Acts, enter into contracts with private for profit, nonprofit, and educational organizations. In addition, the Secretary may provide funds to other Government organizations, coordinate with other Government organizations, and use the Directors, staffs, and facilities of the National Bureau of Standards and the National Technical Information Service.".

(b) FEDERAL LABORATORY CONSORTIUM FOR TECHNOLOGY TRANSFER.—

(1) Section 11 of the Act (15 U.S.C. 3710) is amended in subsection (b) by striking out "The agency head may waive the requirements set forth in (1) and/or (2) of this subsection. If the agency head waives either requirement (1) or (2), the agency head shall submit to Congress at the time the President submits the budget to Congress an explanation of the reasons for the waiver and alternate plans for conducting the technology transfer function at the agency.".

(2) Section 11 of the Act (15 U.S.C. 3710) is further amended by redesignating subsection (e) as subsection (f), and by inserting the following new subsection after subsection (d):

"(e) ESTABLISHMENT OF FEDERAL LABORATORY CONSORTIUM FOR TECHNOLOGY TRANSFER.—

"(1) There is hereby established the Federal Laboratory Consortium for Technology Transfer (hereinafter referred to as the 'Consortium') in the National Science Foundation.

"(2) The Director of the Foundation shall, in accordance with the second sentence of section 14(a) of the National Science Foundation Act of 1950 (42 U.S.C. 1873(a)), appoint an individual to manage the Consortium, and such individual may, subject to the requirements of title 5, United States Code, governing appointments in the competitive service, appoint employees to carry out the responsibilities of the Consortium.

"(3) The Consortium shall, in cooperation with Federal laboratories—

"(A) develop and disseminate techniques and procedures for Federal laboratories and agencies to use on a voluntary basis to aid in the early determination of the commercial potential of new technologies generated in performance of Federal laboratory research;

"(B) develop and administer training courses and materials to increase the awareness of Federal laboratory researchers regarding the commercial potential of inventions and the methods and options available to Federal laboratories for commercialization;

"(C) develop and disseminate model provisions for Federal laboratories and agencies to use on a voluntary basis in carrying out cooperative research and development agreements;

"(D) furnish advice and assistance requested by Federal laboratories for use in their cooperative research and development program and projects;

"(E) receive requests for technical assistance from Federal agencies or laboratories, State and local governments, industrial organizations, universities, and other persons and refer such requests to the appropriate Federal laboratories;

"(F) facilitate communication and coordination between the Offices of Research and Technology Applications of Federal Laboratories;

"(G) utilize the expertise and services of the National Science Foundation, the Department of Commerce, and the Center for Utilization of Federal Technology, as necessary; and

"(H) facilitate the use by Federal laboratories of appropriate technology transfer mechanisms such as personnel exchanges and computer-based systems.

"(4) Not later than two years after the date of enactment of this subsection, and every two years thereafter, the Director of the National Science Foundation shall submit a report to the President and to the appropriate authorization and appropriation committees of both Houses of the Congress on the activities carried out under this section and section 12. Other Federal agencies shall cooperate with such Director in providing information necessary to prepare the reports.

"(5) Each Federal agency shall transfer not less than 0.01 per centum of the research and development budget of such agency for each fiscal year beginning after the date of the enactment of this subsection to the National Science Foundation for the purpose of carrying out activities of the Consortium under this subsection.".

(c) REAUTHORIZATION.—Section 14 of the Act is amended—

(1) in subsection (a), by striking out "and 1985." and inserting in lieu thereof "1985, 1986, 1987, 1988, 1989, and 1990.";

(2) in subsection (b), by striking out "and 1985." and inserting in lieu thereof "1985, 1986, 1987, 1988, 1989, and 1990."; and

(3)(A) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively;

(B) by inserting immediately after subsection (b) the following new subsection:

"(c) In addition to authorization of appropriations under subsections (a) and (b), there is authorized to be appropriated to the Secretary for the purposes of carrying out the provisions of section 5(d) not to exceed $500,000 for each of the fiscal years ending September 30, 1986, September 30, 1987, and September 30, 1988."; and

(C) by amending subsection (d), as newly redesignated by subparagraph (A) of this paragraph, to read as follows:

"(d) Such sums as may be appropriated under subsections (a), (b), and (c) shall remain available until expended.".

(e) CONFORMING AMENDMENTS.—The Act is amended as follows:

(1) Section 9(d) is amended by striking out "or 13" and inserting in lieu thereof "11, or 13".

(2) Section 11(c)(3) is amended by inserting ", the Federal Laboratory Consortium for Technology Transfer," after "Federal Technology".

(3) Section 11(d) is amended—

(A) in paragraph (1), by striking out "serve as" and all that follows through "transfer of" and inserting in lieu thereof "collect, disseminate, and transfer";

(B) by striking out paragraph (2);

(C) by redesignating paragraph (3) as paragraph (2) and by striking out "existing" in such paragraph;

(D) by striking out paragraph (4);

(E) by redesignating paragraph (5) as paragraph (3); and

(F) by redesignating paragraph (6) as paragraph (4).

(4) Section 11(f), as redesignated by subsection (b)(2) of this section, is amended by striking out "Center for the Utilization of Federal Technology" and inserting in lieu thereof "Federal Laboratory Consortium for Technology Transfer".

SEC. 412. NATIONAL CORPORATION FOR COOPERATIVE LABORATORY RESEARCH.

(a) FINDINGS.—The Congress finds that—

(1) access by the private sector to Federal laboratories is inadequate to foster the increased level of research and innovation required by the Nation in the coming decades;

(2) there is a need for greater awareness by all members of the scientific community of the research facilities in the Federal laboratories, and the nature of the work being conducted in such laboratories;

(3) the proliferation of individual Federal agency laboratories encourages duplication of resources and fragmentation of research efforts of high national interest;

(4) in administering autonomous laboratories, many Federal agencies develop a parochial attitude toward project funding and exclusive use of laboratory facilities by only the personnel of the agency; and

(5) the national interest requires a concerted effort to promote synergy among public and private sector research institutions to develop and exploit the scientific and technological resources of the Nation.

(b) NATIONAL SCIENCE FOUNDATION STUDY.—The National Science Foundation shall, within one hundred and eighty days after the date of enactment of this Act, report to the Congress on the relative merits and feasibility of the establishment of the National Corporation for Cooperative Laboratory Research (hereafter in this section referred to as the "Corporation") with the functions and responsibilities enumerated in subsection (c). Such study shall include, but not be limited to, consideration of—

(1) the size, composition, appointment, length of service, and compensation of members of the Corporation board of directors and the permanent staff;

(2) the powers exercised by the Corporation over the laboratories, and the facilities and personnel of such laboratories;

(3) criteria for determining which Federal laboratories would be transferred to the control of the Corporation;

(4) Corporation authority to construct and operate new Federal laboratories;

(5) rules and policies for the operation of the Corporation laboratories, including—

(A) priorities of use;

(B) allocation of approved research projects to specific laboratories;

(C) fees to be charged for private sector use of the laboratories, and waivers thereof;

(D) contracting policies governing private use of the laboratories and proprietary rights arising from the nature of the research; and

(E) security and clearance procedures;

(6) the relationship of the Corporation to the Federal Laboratory Consortium and other Federal scientific technological agencies;

(7) advisory panels within the Corporation to facilitate information exchange among the Corporation, laboratories operated by the Corporation, and the scientific community;

(8) congressional oversight by the appropriate committees on science and technology; and

(9) budget formulation and any special funding mechanisms.

The National Science Foundation shall solicit the views of appropriate Federal agencies, representatives of industry and labor, and prominent members of the scientific community in conducting the study pursuant to this subsection. In the report to Congress, the National Science Foundation shall include any recommendations for legislation to establish the Corporation.

(c) NATIONAL CORPORATION FOR COOPERATIVE LABORATORY RESEARCH.—The Corporation studied pursuant to subsection (b) would be an independent Federal entity with control over, and administrative responsibilities for, designated Federal laboratories under the control of separate Federal departments and agencies prior to the establishment of the Corporation. The primary functions of the Corporation would be to—

(1) make Federal laboratories available for research important to the public interest and national and economic security for which adequate facilities might not otherwise be available;

(2) consolidate facilities, resources, and research activities conducted within the Federal laboratory network to achieve cost savings and improve the efficiency and effectiveness of research operations in the Federal laboratories;

(3) actively promote, through public information efforts and appropriate incentives, greater use of the Federal laboratories by academic institutions and private industry;

(4) encourage greater sharing of information and expertise between the Government, universities, and the private sector;

(5) develop priorities of use of the Federal laboratories by public and private sector users, and encourage collaborative research efforts if feasible to achieve the highest and best use of laboratory resources;

(6) develop a system for assuring cost reimbursement by private sector users for use of Federal laboratory facilities; and

(7) negotiate with private parties such patent, royalty, and license agreements as are necessary to—

(A) encourage private sector use of Federal laboratories;

(B) encourage commercialization of innovations developed in Federal laboratories; and

(C) protect the economic interests of the people of the United States in the results of research conducted in Federal facilities.

SEC. 413. MONITORING TECHNOLOGY TRANSFER ACTIVITIES OF FEDERAL LABORATORIES.

Section 3(a) of the National Science Foundation Act of 1950 (42 U.S.C. 1862(a)) is amended—

(1) in paragraph (6) by striking "and" after the semicolon;

(2) in paragraph (7) by striking the period and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end thereof the following new paragraph:

"(8) through the Federal Laboratory Consortium for Technology Transfer, established pursuant to section 11(e) of the Stevenson-Wydler Technology Act of 1980, to—

"(A) monitor technology transfer activities of Federal laboratories;

"(B) assess the resources and effectiveness of collaborative efforts among the laboratories, private industry and the academic community; and

"(C) promote a national network of information sharing to foster private sector commercialization of Federal laboratory research and discoveries.".

TITLE V—EDUCATION FOR AMERICAN COMPETITIVENESS

SEC. 501. SHORT TITLE.

This title may be cited as the "Education for American Competitiveness Act".

Subtitle A—High Technology Morrill Program

SEC. 511. FINDINGS.

The Congress finds that—

(1) the relationship between a healthy and vibrant national educational system and a healthy economy is inseparable in an era of technology dependent economic growth;

(2) competitor nations have given priority to the relationship between education and economic growth, especially as it pertains to new high technology industries such as electronics, computers, communications, aerospace, biotechnology, new materials, energy, and other technology-intensive fields;

(3) the future international industrial competitive position of the United States depends on maintaining United States scientific and technological leadership, increasing the rate of innovation, and increasing the productivity of our basic industries, all of which require a well-educated, motivated, and technologically proficient work force;

(4) while the rapid growth of high technology industries and the large increases in defense spending are exerting increasing pressure on the availability and quality of scientific, engineering, and technical personnel, our educational infrastructure is experiencing serious limitations in providing sufficient personnel with high quality training in critical areas, in keeping the proficiency of the current science and engineering work force up to date, and in maintaining high levels of technological literacy nationwide;

(5) although cooperation between industry and the academic community is now increasing, much more effort is necessary and can be achieved with a national policy that provides leadership and support for technology education;

(6) a national partnership among government, industry, and educational institutions, can most effectively carry out a nationwide program to improve the quality of math and science teaching at the elementary and secondary school level, upgrade the quality and capacity of community colleges, vocational schools, universities, and graduate schools to provide scientific, engineering, and technical education in areas of critical skill shortages, and expand the opportunities for lifelong education in all technological fields; and

(7) the Act of July 2, 1862 (commonly known as the First Morrill Act), which set aside publicly owned natural resources to

fund investment in education for agriculture and the mechanic arts by establishing the land grant college system, provides a useful model for fusing the interests of government, industry, and education into a national policy for economic growth.

SEC. 512. STATEMENT OF PURPOSE.

It is the purpose of this subtitle to establish a national technology education program designed to—

(1) assure an adequate supply of scientific, engineering, and technical personnel to ensure United States scientific and technological leadership, international competitiveness, and national security;

(2) strengthen programs in science, technology, and engineering of both public and private institutions of higher education;

(3) improve the quality of math and science training in elementary and secondary schools;

(4) improve the science and engineering knowledge and technical skills of the current work force, aid workers in keeping up with scientific and technological progress, and accelerate the absorption of workers into areas of critical skill shortages; and

(5) strengthen the partnership between industry, the academic community, and government to ensure that our educational system provides professional and technical skills relevant to national economic and security needs and that industrial resources are used to enhance the quality of education.

SEC. 513. DEFINITIONS.

For purposes of this subtitle—

(1) The term "area vocational education school" has the same meaning given that term by section 521(3) of the Carl D. Perkins Vocational Education Act.

(2) The term "educational institution" means any local educational agency, any State educational agency applying on behalf of schools directly operated by the State educational agency, any area vocational education school, any institution of higher education (including community colleges), and any postsecondary vocational educational institution.

(3) The term "elementary school" has the same meaning given that term by section 198(a)(7) of the Elementary and Secondary Education Act of 1965.

(4) The term "local educational agency" means any such agency as defined in section 198(a)(10) of the Elementary and Secondary Education Act of 1965.

(5) The term "postsecondary vocational educational institution" means any such institution as defined in section 521(3) of the Carl D. Perkins Vocational Education Act.

(6) The term "secondary school" has the same meaning given that term by section 198(a)(7) of the Elementary and Secondary Education Act of 1965.

(7) The term "Secretary" means the Secretary of Education.

(8) The term "State educational agency" means any such agency as defined in section 198(a)(17) of the Elementary and Secondary Education Act of 1965.

(9) The term "institution of higher education" means any such institution as defined in section 1201(a) of the Higher Education Act of 1965.

(10) The term "State" means each of the several States and the District of Columbia.

(11) The term "Trust Fund" means the "Technology Education Trust Fund" established under section 514.

SEC. 514. ESTABLISHMENT OF THE TECHNOLOGY EDUCATION TRUST FUND.

(a) TRUST FUND ESTABLISHED.—

(1) There is established in the Treasury of the United States a Trust Fund to be known as the "Technology Education Trust Fund" consisting of such amounts as are transferred to the Trust Fund under subsection (b). Subject to subsection (d) the Trust Fund shall remain available without fiscal year limitation and the amounts may be used only for payments in accordance with this subtitle.

(2) The Secretary of the Treasury shall be the trustee of the Trust Fund and shall report to the Congress not later than March 1 of each year on the operation status of the Trust Fund during the preceding fiscal year.

(b) TRANSFERS TO FUND.—The Secretary of the Treasury shall transfer from the general fund of the Treasury to the Trust Fund for each of the fiscal years 1987, 1988, 1989, 1990, and 1991, 3 percent of the rents, royalties, and other sums paid to the United States under—

(1) the Outer Continental Shelf Lands Act;

(2) the Act entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, gas and sodium in the public domain", approved February 25, 1920 (commonly known as the Mineral Leasing Act of 1920); and

(3) any other Federal statute authorizing payments for mineral resource development designated by the Secretary of the Treasury for the purpose of this subtitle;

except that transfers under this subsection shall not exceed $250,000,000 in any one fiscal year. The amounts required to be transferred under this subsection shall be transferred at least quarterly on the basis of estimates made by the Secretary of the Treasury. Proper adjustment shall be made in any amount subsequently transferred to the extent prior estimates were in excess of, or less than, the amounts required to be transferred.

(c) USES OF TRUST FUNDS.—

(1) Amounts in the Trust Fund shall be available for making payments in accordance with this subtitle as provided in advance by appropriation Acts.

(2) Notwithstanding any other provision of law, unless enacted in specific limitation with the provisions of this subsection, any funds appropriated from the Trust Fund to carry out this subtitle shall remain available without fiscal year limitation.

(d) TERMINATION.—

(1) No transfers required by subsection (b) of this section may be made by the Secretary of the Treasury to the Trust Fund after September 30, 1991.

(2) The Secretary of the Treasury shall pay into the general fund of the Treasury any amounts remaining in the Trust Fund after September 30, 1993, which were not expended and which remain in the Trust Fund.

SEC. 515. TECHNOLOGY EDUCATION GRANTS.

(a) GRANTS AUTHORIZED.—

(1) The Secretary is authorized, in accordance with the provisions of this subtitle, to make grants to educational institutions, private for-profit business concerns, and State agencies making application jointly to pay the Federal share of the cost of technology education programs.

(2) An application for a grant under this subsection may be submitted to the Secretary jointly by private nonprofit organizations and a State agency or agencies if the nonprofit private organization represents an educational institution and a for-profit business concern, or a group of such institutions and concerns.

(b) CONDITIONS OF GRANTS.—No grant may be made under this section unless—

(1) the application is consistent with the economic development and educational policies of the State, as determined by the chief executive of the State, and is consistent with the priorities of the private sector and needs of educational institutions within the State; and

(2) the Secretary determines that there is a probability that the activities described in the application could not be carried out unless assistance sought under the application is furnished.

SEC. 516. APPLICATION FOR GRANTS.

(a) CONTENTS OF APPLICATION.—Each educational institution, private for-profit business concern, and State agency applying jointly or nonprofit private organization and State agency, complying with the provisions of section 515, desiring to participate in the program authorized by this subtitle shall prepare and submit an application at such time, in such manner, and containing or accompanied by such information as the Secretary deems reasonably necessary. Each application shall—

(1) provide a description of the activities for which assistance is sought, including an estimate of the costs of the activities and the location in which the activities will be carried out;

(2) provide assurances that—

(A) the applicant will pay from non-Federal sources the non-Federal share of the cost of carrying out the application, and

(B) not less than 20 percent of total costs of the application will be paid by the for-profit business concern joining in the application and the remaining percent but not exceeding 30 percent of the total costs of the application will be paid from State and local public sources;

(3) provide justification for any operational cost associated with carrying out the activities so described which have been supported under this subtitle for a period of more than one year;

(4) provide an analysis of the benefits which such activities may be expected to produce, particularly economic, employment, and educational benefits; and

(5) provide such fiscal control and fund accounting procedures as may be necessary—

(A) to insure a proper accounting of Federal funds paid to the applicant under this subtitle; and

(B) to insure the verification of the costs of the technology education program furnished by the applicant.

(b) APPROVAL OF APPLICATIONS.—Applications made under this section may not be approved by the Secretary unless he determines that—

(1) the application meets the requirements set forth in subsection (a) and is consistent with the other provisions of this subtitle;

(2) the activities for which assistance is sought under the application show promise of applying innovative approaches in the field of technology education which are not addressed by existing public or private educational programs;

(3) the activities described in the application will strengthen educational programs and courses of training necessary for occupations for which there is a clearly established need for personnel in the area which is to be served by the applicant; and

(4) the activities described in the application are likely to result in sustained efforts

or lasting improvements in the courses of training offered by the educational institution participating in carrying out the application.

(c) SPECIAL RULES.—In reviewing and approving applications made under this section the Secretary shall encourage—

(1) joint programs between institutions of higher education and elementary and secondary schools and area vocational education schools, and between postsecondary vocational educational institutions and elementary and secondary schools and area vocational education schools;

(2) joint programs between two or more institutions of higher education, including postsecondary vocational educational institutions;

(3) the participation of small business concerns; and

(4) the provision of activities designed to address technology education and economic development on a substate and interstate regional basis.

SEC. 517. USES OF FUNDS.

Grants made under this subtitle may be used—

(1) to develop, modernize, and expand laboratory equipment and related facilities in educational institutions;

(2) to improve the quality of science and mathematics education and to increase computer literacy in elementary and secondary schools through teacher training, improving equipment, and curricula development;

(3) to expand technical training programs and initiate programs at institutions of higher education (including postsecondary vocational educational institutions) designed to retrain workers for jobs requiring more technical skills;

(4) to establish or maintain existing research/education centers designed to train or retrain new scientific, engineering, and technical employees while carrying out applied research or stimulating innovation, technology transfer, and the application of new technologies;

(5) to enhance mathematics, science, and engineering teaching as a career through faculty development activities which may include support for graduate students who enter the teaching profession, faculty exchange programs with industry, teaching retraining programs, or other programs to encourage retention of faculty;

(6) to improve the skills of the available scientific, engineering, and technical work force through lifelong learning and cooperative education activities;

(7) to improve educational productivity through the development of new educational methods and equipment such as computer based educational aids, and telecommunication instructional technologies;

(8) to improve the access of women, minorities, and handicapped to technical, engineering, and scientific fields, including teaching positions in such fields; and

(9) to stimulate cooperative programs between the humanities and the sciences.

SEC. 518. PAYMENTS; DISTRIBUTION OF FUNDS.

(a) PAYMENT; FEDERAL SHARE.—

(1) From the amounts appropriated for each fiscal year pursuant to section 514, the Secretary shall pay, in accordance with the provisions of this subtitle, to each applicant which has an application approved under section 516, an amount equal to the Federal share of the cost of activities described in the application.

(2)(A) The Federal share of the cost of carrying out the application under this subtitle shall not exceed 50 percent for any fiscal year.

(B) The non-Federal share shall be in cash or in kind. In determining the amount of the non-Federal share, the Secretary may attribute fair market value to services, equipment and facilities contributed from non-Federal sources.

(b) EQUITABLE DISTRIBUTION REQUIRED.—

(1) The Secretary shall establish criteria for the equitable distribution of payments made in each fiscal year to applicants having applications approved under section 516.

(2) In carrying out the provisions of paragraph (1) of subsection (a), the Secretary shall take into account the size and location of the educational institution submitting the application as well as whether the educational institution is establishing or expanding the research capacity of the institution.

(3) The aggregate amount of payments made to applicants having applications approved under section 516 in a State in any fiscal year shall not exceed 10 percent of the aggregate amount of all such payments in all States for such fiscal year.

(c) PAYMENT RULES.—

(1) Payments under this subtitle shall be made as soon as practicable after approval of the application.

(2) Payments under this subtitle may be made in installments, in advance or by way of reimbursement with necessary adjustments in account on overpayments and underpayments.

(3) In carrying out this subtitle, the Secretary may enter into contracts with any applicants having an application approved under section 516 containing provisions for multiyear obligations.

SEC. 519. WITHHOLDING OF PAYMENTS.

Whenever the Secretary, after reasonable notice and opportunity for a hearing to any applicant, finds that there has been a failure to comply substantially with the provisions set forth in the application approved under section 516, the Secretary shall notify the applicant that further payments will not be made under this subtitle until he is satisfied that there is no longer any failure to comply. Until he is so satisfied, no further payments shall be made under this subtitle.

SEC. 520. ADMINISTRATION.

(a) GENERAL AUTHORITY.—In order to carry out this subtitle, the Secretary is authorized to—

(1) establish, rescind and amend such rules and regulations as may be necessary;

(2) appoint and fix the compensation of such personnel as may be necessary;

(3) procure temporary and intermittent services to the same extent as authorized by section 31 of title 5, United States Code;

(4) establish advisory committees including representatives of industry, the academic community, State governments, professional societies, and labor organizations; and

(5) accept and use with their consent with or without reimbursement, such services, equipment, and facilities of other Federal agencies as are necessary to carry out such functions efficiently.

(b) ADVISORY COMMITTEE MEMBERS.—Each member of a committee appointed pursuant to paragraph (4) of subsection (a) of this section who is not an officer or employee of the Federal Government shall receive an amount not to exceed the daily rate prescribed for GS-18 under section 5332 of title 5, United States Code, as determined by the Secretary, for each day he is engaged in the actual performance of his duties (including traveltime) as a member of a committee. All members shall be reimbursed for travel, subsistence and necessary expenses incurred in the performance of their duties.

(c) SERVICES, EQUIPMENT, AND FACILITIES.—Each Federal agency is authorized and directed to furnish such services, equipment, and facilities directly to the Secretary, upon a written request made by the Secretary.

(d) CONSULTATION; SECRETARY OF DEFENSE.—

(1) In carrying out the provisions of this subtitle, the Secretary shall consult with the Secretary of Defense to coordinate technical training programs supported by the Department of Defense and activities assisted under this subtitle.

(2) Whenever the Secretary of Defense determines that funds available for technical training programs to the Department of Defense are available for and would contribute to carrying out the purposes of this subtitle, the Secretary of Defense is authorized to transfer such funds for use by the Secretary in carrying out the provisions of this subtitle.

(e) CONSULTATION; GENERAL.—In carrying out the provisions of this subtitle, the Secretary shall consult with the Secretary of Commerce, the Secretary of Labor and the heads of such other Federal agencies as the Secretary deems appropriate.

(f) REPORT.—The Secretary shall prepare and submit to Congress an annual report on the activities assisted by this subtitle during the preceding fiscal year.

SEC. 521. AUDIT.

The Comptroller General of the United States, and any of his duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of any applicant receiving assistance under this subtitle that are pertinent to the sums received and disbursed under this subtitle.

Subtitle B—Teacher Training and Postsecondary Programs

SEC. 551. TEACHER TRAINING INITIATIVES.

(a) GENERAL AUTHORITY.—The Secretary is authorized to establish a program of grants to institutions of higher education for the purpose of encouraging coordination between such institutions and local educational agencies in the improvement of science, mathematics, and foreign language education. No grant to any such institution for any fiscal year shall exceed $200,000. In making such grants, the Secretary shall ensure an equitable geographic distribution of the funds available therefor. Proposals for such grants shall be evaluated through a peer review process, including practitioners from the elementary, secondary, and postsecondary education communities. Such proposals shall be developed by the recipient institution in collaboration with one or more public schools or school districts and other appropriate agencies or councils.

(b) PRIORITIES.—In making grants under this subtitle, the Secretary shall give priority to proposals which include any of the following activities:

(1) summer institutes and workshops and a parallel program of in-service education, conducted by higher education institutions to provide practicing teachers and supervisors with up-to-date science, mathematics, and foreign language information and pedagogical concepts;

(2) projects to enhance the capacity of institutions of higher education to meet the professional needs of both new and practic-

ing teachers, including faculty development activities; and

(3) support for exemplary State, local, and institutional activities designed to attract, retain, and motivate teachers to pursue careers in precollege science, mathematics, or foreign language education, as well as identification of exemplary teacher training projects, and the dissemination of information about such projects.

SEC. 552. DEFINITIONS.

For the purposes of this subtitle—

(1) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public, elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary and secondary schools.

(2) The term "institution of higher education" has the meaning given such term by section 1201(a) of the Higher Education Act of 1965.

(3) The term "State" means a State, the District of Columbia, Puerto Rico, Guam, American Samoa, the Northern Marianas, the Trust Territory of the Pacific Islands, or the Virgin Islands.

(4) The term "Secretary" means the Secretary of Education.

SEC. 553. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this subtitle $25,000,000 for fiscal year 1987, $30,000,000 for fiscal year 1988, and $20,000,000 for fiscal year 1989.

Subtitle C—Foreign Language Assistance

SEC. 571. FINDINGS.

The Congress finds that—

(1) the economic and security interests of this Nation require significant improvement in the quantity and quality of foreign language instruction offered in the Nation's educational institutions, and Federal funds should be made available to assist this purpose;

(2) many endeavors in both the public and private sectors involving such matters as international relations or multinational business transactions require the skills of individuals with knowledge of foreign languages; and

(3) the educational institutions of the Nation should provide students with an understanding of the history and culture which influence the perspectives, values, and attitudes of the people of other countries, and foreign language instruction is one means of achieving this goal.

SEC. 572. GRANTS PROGRAM AUTHORIZED.

(a) GRANTS TO STATE EDUCATIONAL AGENCIES.—The Secretary shall make grants to State educational agencies whose applications are approved under subsection (b) in order that such agencies may fund model programs, designed and operated by local educational agencies, providing for commencement or improvement and expansion of foreign language study for students residing within their school districts. Any State whose application is approved shall receive an amount equal to the sum of (1) $275,000, plus (2) the product of $0.06 multiplied by the population of the State (as determined in accordance with the most recent decennial census). The amount described in the preceding sentence shall be made available to the State for two additional years after the first fiscal year during which the State received a grant under this section if the Secretary determines that the funds made available to the State during the first year of funding were used in the manner required under the State's approved application.

(b) APPLICATIONS.—Any State educational agency desiring to receive a grant under this section shall submit an application therefor to the Secretary at such time, in such form, and containing such information and assurances as the Secretary may require. No application may be approved by the Secretary unless the application—

(1) contains a description of model programs designed by local educational agencies, and representing a variety of alternative and innovative approaches to foreign language instruction, which were selected by the State educational agencies for assistance under this subtitle;

(2) provides assurances that all children aged five through seventeen who reside within the school district of the local educational agency shall be eligible to participate in any model program funded under this section (without regard to whether such children attend schools operated by such agency);

(3) provides assurances that, if the application of the State educational agency is approved, each model program described in the application shall have available to it sufficient funds from State and local sources, in addition to any funds under this section, to ensure that the program is carried out as described in the application; and

(4) provides that the local educational agency will provide reliable and valid evaluations of pupils' proficiency at appropriate intervals in the program, and provide such evaluations to the State educational agency.

(c) RATABLE REDUCTION IN SUMS IF RATED INSUFFICIENT.—If sums appropriated to carry out this section are not sufficient to permit the Secretary to pay in full the grants which State educational agencies may receive under subsection (a), the amount of such grants shall be ratably reduced.

(d) RESERVATION FOR GRANTS FOR LOCAL EDUCATIONAL AGENCIES.—

(1) From sums reserved for each fiscal year pursuant to section 574 to carry out the provisions of this subsection, the Secretary is authorized to make grants to local educational agencies whose applications are approved under paragraph (3) in order that such agencies may support exemplary programs providing for commencing or improving and expanding foreign language study for students residing within their school districts.

(2) The Secretary may not approve any application for a grant under this subsection unless the Secretary determines that the exemplary program described in the application is consistent with the State programs approved under subsection (a) for the State in which the local educational agency is located.

(3) Each local educational agency desiring to receive a grant under this subsection shall submit an application to the Secretary at such time, in such form, and containing or accompanied by such information and assurances as the Secretary may require.

SEC. 573. DEFINITIONS.

For the purpose of this subtitle—

(1) The terms "local educational agency" and "State educational agency" have the same meaning given such terms under section 198 of the Elementary and Secondary Education Act of 1965.

(2) The term "Secretary" means the Secretary of Education.

(3) The term "State" means any of the several States, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

SEC. 574. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for each of the fiscal years 1987, 1988, and 1989, $35,000,000 to carry out the provisions of this subtitle, of which $5,000,000 shall be available in each fiscal year to carry out subsection (d) of section 572.

TITLE VI—TRADE ADJUSTMENT ASSISTANCE

SEC. 601. ELIGIBILITY OF WORKERS FOR BENEFITS.

(a) GROUP ELIGIBILITY.—Section 222 of the Trade Act of 1974 (19 U.S.C. 2272) is amended by striking out "he determines" and inserting in lieu thereof "the Secretary determines, or the Secretary of Commerce has determined under section 251(c) (and the certification of such determination has not been terminated)".

(b) INDIVIDUAL WORKER ELIGIBILITY.—

(1) Subchapter A of chapter 2 of title II of the Trade Act of 1974 is amended by adding at the end thereof the following new section:

"SEC. 226. REPAYMENT AGREEMENTS.

"(a) No benefits shall be provided under this chapter to any worker with respect to any total separation from adversely affected employment until the worker submits to the Secretary (in such form and in such manner as the Secretary may prescribe) a written statement in which the worker agrees, in consideration of such benefits, to pay to the Secretary the applicable repayment amount for such worker in monthly installments over the course of the first year of full-time employment of such worker occurring after such total separation.

"(b) The Secretary shall deposit into the general fund of the Treasury of the United States any amounts paid under the repayment agreements submitted under subsection (a).

"(c) For purposes of this section—

"(1) The term 'applicable repayment amount' means, with respect to any worker for any year, the lesser of—

"(A) an amount equal to 25 percent of the excess, if any, of—

"(i) the salary of such worker for such year, over

"(ii) the salary of such worker prior to the total separation from adversely affected employment, or

"(B) 25 percent of the value of the benefits the worker receives under this chapter.

"(2) If a worker is not paid on the basis of annual salary, an amount which the employer estimates to be the aggregate amount of wages and remuneration such worker will earn during the year shall be treated as the salary of such worker for such year.".

(2) The table of contents of the Trade Act of 1974 is amended by inserting after the item relating to section 225 the following new item:

"Sec. 226. Repayment agreements.".

SEC. 602. CASH BENEFITS.

(a) ELIMINATION OF CERTAIN RESTRICTIONS REGARDING UNEMPLOYMENT COMPENSATION.—

(1) Section 231 of the Trade Act of 1974 (19 U.S.C. 2291) is amended—

(A) by striking out "which begins more than 60 days after the date on which the petition that resulted in such certification was

filed under section 221" in subsection (a) and inserting in lieu thereof "which is described in subsection (c)",

(B) by striking out "(or would be entitled to if he applied therefor) unemployment insurance" in subsection (a)(3)(A) and inserting in lieu thereof "unemployment insurance (or would be entitled to unemployment insurance if such worker were not eligible for trade readjustment allowances and such worker applied for unemployment insurance)",

(C) by adding "and" at the end of subsection (a)(3)(A),

(D) by striking out subparagraph (B) of subsection (a)(3),

(E) by redesignating subparagraph (C) of subsection (a)(3) as subparagraph (B) of subsection (a)(3), and

(F) by adding at the end thereof the following new subsection:

"(c) The weeks of unemployment for which an application for trade readjustment allowances may be made under subsection (a) are any weeks—

"(1) which occur after the week in which occurs the earlier of—

"(A) the date that is 60 days after the date on which the petition requesting certification under section 223(a) of the adversely affected worker was filed under section 221, or

"(B) the date on which such certification is made under section 223(a), and

"(2) for which no unemployment insurance has been received by the adversely affected worker.".

(2) Subsection (b) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291(b)) is amended to read as follows:

"(b)(1) If the Secretary determines with respect to any labor market area that—

"(A) a high level of unemployment exists,

"(B) suitable employment opportunities are not available, and

"(C) there are facilities available for the provision of training under section 236 in new or related job classifications,

the Secretary may, in accordance with such regulations as he shall prescribe, require all adversely affected workers who were totally or partially separated in such area and for whom such training is approved under section 236 to accept such training by no later than the date that is 14 days after the date on which such workers apply for trade readjustment allowances under subsection (a).

"(2) No worker may be required under paragraph (1) to—

"(A) accept training or undertake a job search under this subsection until after the close of the 8-week period beginning on the date on which the total or partial separation of such worker from adversely affected employment occurred, or

"(B) accept, or to participate in, such training for a period longer than the remaining period to which he is entitled to such trade readjustment allowances.

"(3) For purposes of this subsection, the term 'labor market area' has the same meaning as is given such term in the Introduction to the Directory of Important Labor Areas, 1980 edition, published by the Department of Labor; except that for any portion of any State which is not included within that term in such Introduction, the county or counties in which that portion is located shall be treated as the applicable labor market area.".

(3) Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended—

(A) by striking out paragraph (2) of subsection (a),

(B) by redesignating paragraph (3) of subsection (a) as paragraph (2) of subsection (a), and

(C) by striking out "subsection (a)(3)" in subsection (b) and inserting in lieu thereof "subsection (a)(2)".

(4) Paragraph (1) of section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293) is amended to read as follows:

"(1) The maximum amount of trade readjustment allowances payable with respect to the period covered by any certification to an adversely affected worker shall be equal to the amount determined by multiplying—

"(A) 26, by

"(B) the trade readjustment allowance payable to the worker for a week of total unemployment (as determined under section 232(a)).".

(b) NO UNEMPLOYMENT COMPENSATION WHILE WORKER IS ELIGIBLE FOR TRADE READJUSTMENT ALLOWANCES.—Section 239(c) of the Trade Act of 1974 (19 U.S.C. 2311(c)) is amended to read as follows:

"(c) Each agreement under this subchapter shall provide that—

"(1) unemployment compensation otherwise payable for a week to an adversely affected worker under the State unemployment compensation law shall not be paid if such worker is eligible for a trade readjustment allowance for such week; and

"(2) any week for which such worker is eligible for a trade readjustment allowance shall not be counted for purposes of determining such worker's benefit year.".

SEC. 603. JOB TRAINING.

Section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended—

(1) by striking out "may approve" in the first sentence of subsection (a)(1) and inserting in lieu thereof "shall approve",

(2) by inserting "directly or through a voucher system" after "by the Secretary" in the second sentence of subsection (a)(1),

(3) by striking out "under paragraph (1)" in subsection (a)(2) and inserting in lieu thereof "under subsection (a)",

(4) by striking out "this subsection" in subsection (a)(3) and inserting in lieu thereof "this section",

(5) by redesignating paragraphs (2) and (3) of subsection (a) as subsections (d) and (e), respectively, and

(6) by inserting at the end of subsection (a) the following new paragraphs:

"(2)(A) The aggregate amount of payments that may be made under paragraph (1) for any worker shall not exceed $4,000 for each partial separation or total separation.

"(B) The Secretary may issue more than one voucher under paragraph (1) to a worker with respect to any partial separation or total separation, but the aggregate value of such vouchers shall not exceed the amount of the limitation imposed by subparagraph (A) with respect to such separation.

"(3) The training programs that may be approved under paragraph (1) include, but are not limited to, the following:

"(A) any training program provided by a State pursuant to section 303 of the Job Training Partnership Act,

"(B) any training program approved by a private industry council established under section 102 of such Act,

"(C) a training program provided by an employer who agrees to employ the worker upon completion of such training for at least 26 weeks,

"(D) any training program approved by the Secretary, but only if the Secretary determines that there is a reasonable expectation that the worker will obtain employment upon completion of the training program, or

"(E) an individually designed apprenticeship program, but only if the Secretary determines that there is a reasonable expectation that the worker will obtain employment upon completion of the apprenticeship program.

"(4) The Secretary shall establish a national retraining certification program utilizing, where available, local job training facilities.".

SEC. 604. ADJUSTMENT ASSISTANCE FOR FIRMS.

Subsection (c) of section 251 of the Trade Act of 1974 (19 U.S.C. 2341(c)) is amended—

(1) by striking out "he determines" and inserting in lieu thereof "the Secretary determines, or the Secretary of Labor has determined under section 222 (and the certification of such determination has not been terminated)",

(2) by striking out "and" at the end of paragraph (2),

(3) by striking out the period at the end of paragraph (3) and inserting in lieu thereof ", and", and

(4) by inserting after paragraph (3) the following:

"(4) that representatives of such firm have entered into an agreement which—

"(A) provides for—

"(i) the modernization of the industry, and

"(ii) a gradual elimination of assistance to such firm under this chapter within a period that does not exceed 5 years, and

"(B) has been approved by the National Commission on Industrial Competitiveness.".

SEC. 605. FUNDING.

(a) ELIMINATION OF TERMINATION.—Section 285 of the Trade Act of 1974 (19 U.S.C. note preceding 2271) is amended by striking out "and chapters 2 and 3 shall terminate on September 30, 1985".

(b) TRUST FUND.—Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended to read as follows:

"SEC. 245. TRADE ADJUSTMENT ASSISTANCE TRUST FUND.

"(a) There is established within the Treasury of the United States a trust fund to be known as the Trade Adjustment Assistance Trust Fund (hereafter in this section referred to as the 'Trust Fund'), consisting of such amounts as may be transferred or credited to the Trust Fund as provided in this section or otherwise appropriated to the Trust Fund.

"(b)(1) The Secretary of the Treasury shall transfer to the Trust Fund out of the general fund of the Treasury of the United States amounts determined by the Secretary of the Treasury to be equivalent to the amounts received into such general fund which are attributable to—

"(A) the duty imposed by section 605 of the Competitive America Trade Reform Act of 1985, or

"(B) amounts paid into the general fund by the Secretary under section 231(c)(2).

"(2) The amounts which are required to be transferred under paragraph (1) shall be transferred at least quarterly from the general fund of the Treasury of the United States to the Trust Fund on the basis of estimates made by the Secretary of the Treasury of the amounts referred to in paragraph (1) that are received into the Treasury. Proper adjustments shall be made in the amounts subsequently transferred to the

extent prior estimates were in excess of, or less than, the amounts required to be transferred.

"(c)(1) It shall be the duty of the Secretary of the Treasury to be trustee of the Trust Fund and to report annually to the Congress on—

"(A) the financial condition of the Trust Fund during the preceding fiscal year, and

"(B) the expected condition of the Trust Fund during the current fiscal year and the 5 fiscal years succeeding the current fiscal year.

Such report shall be printed as a House document of the session of the Congress to which the report is made.

"(2)(A) It shall be the duty of the Secretary of the Treasury to invest such portion of the funds in the Trust Fund as is not, in his judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States. For such purpose, such obligations may be acquired—

"(i) on original issue at the issue price, or

"(ii) by purchase of outstanding obligations at the market price.

"(B) Any obligation acquired for the Trust Fund may be sold by the Secretary of the Treasury at the market price.

"(C) The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

"(d) Amounts in the Trust Fund shall only be available for making expenditures, as provided by appropriations Acts, to carry out the provisions of this chapter and chapter 3.

"(e) There are authorized to be appropriated out of the Trust Fund such sums as may be necessary to carry out the provisions of this chapter and chapter 3.".

SEC. 606. IMPOSITION OF SMALL UNIFORM DUTY ON ALL IMPORTS.

(a) The United States Trade Representative shall undertake negotiations necessary to achieve changes in the General Agreement on Tariffs and Trade that would allow any country to impose a small uniform duty of not more than 1 percent ad valorem on all imports to such country for the purpose of using the revenue from such duty to fund any program which assists the workers and firms of such country in adjusting to import competition.

(b)(1) There is hereby imposed a duty on the entry, or withdrawal from warehouse, for consumption in the customs territory of the United States of any article.

(2) The rate of the duty imposed by paragraph (1) shall be 1 percent ad valorem.

SEC. 607. EFFECTIVE DATES.

(a) The provisions of section 605(a) shall take effect on the date of enactment of this Act.

(b) The provisions of section 605(b) shall apply to any article entered, or withdrawn from warehouse, for consumption after the date that is 1 year after the date of enactment of this Act.

(c) The amendment made by section 604(b) shall take effect on the date that is 1 year after the date of enactment of this Act.

(d) The amendments made by sections 601, 602, 603, and 604(a) shall take effect on the date that is 2 years after the date of enactment of this Act.

COMPETITIVE AMERICA TRADE REFORM ACT OF 1986

SEC. 1 SHORT TITLE.

"COMPETITIVE AMERICA TRADE REFORM ACT OF 1986"

SEC. 2. FINDINGS AND POLICY.

The Congress finds that the current trade crisis can be traced to a number of foreign and domestic causes. Primary among these have been the overvalued dollar; the collapse of Third World markets for American exports; trade laws, agreements and institutions which are out of step with current trade practices; a variety of domestic circumstances and policies which undermine our competitiveness in the global marketplace; a public education system which has been slow to respond to the emerging world economy and the challenges it poses for new entrants to the workforce; and our failure to develop an effective program to assist trade-impacted firms and workers in making the transition to alternative enterprises.

TITLE I—INTERNATIONAL MONETARY REFORM

SEC. 101. Commission on International Monetary Reform; Report Creates a blue-ribbon; temporary national commission which will study and report on:

proposed reforms of the international monetary system consistent with a flexible exchange rate regime;

effects of capital flows on exchange rate volatility;

mechanisms for coordinated macroeconomic policies by the major industrial powers, and objectives for joint intervention in foreign exchange markets;

The Commission will also propose a working agenda to be presented to the IMF for a "New Betton Woods" multilateral conference.

SECS. 102-106.

These sections specify the administrative and operational aspects of the national commission, and provide a fast-track legislative vehicle for Congressional consideration of the proposed working agenda for the New Bretton Woods conference.

SEC. 107. REPEAL OF EXEMPTION FROM WITHHOLDING TAX ON PORTFOLIO INTEREST OF FOREIGNERS.

Reinstates the 30% withholding tax on interest income earned by foreigners on their interest-bearing assets in the U.S. Currently, American institutions can attract foreign capital by issuing Eurobonds with a tax advantage—zero withholding on the interest income on the bonds. This section reimposes the 30% withholding tax on such interest when such payments are paid to nonresident alien individuals and foreign corporations.

The purpose of this provision is two-fold:

(a) counter upward pressure on the dollar caused by the granting of the exemption under DEFRA; and

(b) remove a major incentive for capital flight from LDCs to the U.S. (consistent with policies in Title II, below).

TITLE II—FOREIGN ASSISTANCE AND INVESTMENT

SEC. 201. POLICY

To help rebuild the economies, and thus the political stability and commercial prospects of LDCs; to improve access to their markets; and enhance their prospects for solving the debt crisis.

SEC. 202. REINSTATE AND EXPAND COOLEY LOAN PROGRAM.

Revives the Cooley Loan Program of PL-480, with sufficient quality control and conditionality to avoid the excesses of the program in the 1960s. The program would sell surplus American commodities (primarily agricultural, but not limited thereto) for LDC local currencies; such curencies to be recycled in the host country through private-sector development projects and local expenses of U.S. trade missions and embassies. The State Department would craft bilateral agreements with LDCs, and OPIC would administer the program.

The experience in the '50s and '60s with Cooley turned negative when we found ourselves with excess amounts of local currencies from such countries as India and Pakistan; so much that we could not effectively recycle them. The legislation mandates the Secretary of State to include explicit provisions in bilateral Cooley agreements setting forth maximum currency reserves, monetary growth targets in the LDC (to prevent them from inflating their currency to pay for our commodites), and options for either country to withdraw from the program.

OPIC will administer the program since they have experience from the earlier period, and they are the primary U.S. agency concerned with developing the private sector in the LDCs.

SEC. 203. ECONOMIC SECURITY COUNCIL.

Following the recommendation of the President's Task Force on International Private Enterprise, this section creates, and specifies a number of policy-coordinating roles for the ESC. This cabinet-level council would integrate international and domestic economic policies on trade, investment, foreign assistance, and finance. Since this ESC mandate subsumes and expands the concerns of the existing Cabinet Council on Economic Affairs, the CCEA is abolished.

SEC. 204. EXTENSION OF TRADE CONCESSIONS TO LDDCS.

This section extends and modifies the concessions and incentives of the Caribbean Basin Initative to the poorest nations by authorizing the President to conclude bilateral trade agreements with individual LDDCs (least-developed developing countries), irrespective of geographical region.

SEC. 205. INTERNATIONAL PRIVATE ENTERPRISE INSTITUTE.

Another proposal from the President's Task Force on International Private Enterprise, this section creates the IPEI within the International Development Cooperation Agency to provide expertise and technical assistance to LDCs in attracting foreign investment, developing indigenous industries, and promoting exports.

SEC. 206. CLARIFICATION OF MISSIONS: AID AND OPIC.

States that AID will administer public sector foreign assistance programs (government-to-government), while OPIC will be responsible for private-sector-level assistance. This provision addresses recent concerns about the tendency of AID to move into programs traditionally the jurisdictional responsibility of OPIC, thus causing confusion, and siphoning off foreign aid monies to private development projects.

SEC. 207. INTERNATIONAL DEBT MANAGEMENT.

Calls for a special multilateral conference to deal with the LDC debt crises. Recent criticism from the Third World has centered on the draconian conditions imposed by the IMF on debtor countries as a condition for refinancing.

This legislation addresses this dilemma by acknowledging that the IMF has a fiduciary responsibility to major lending countries, but pointing out that debt repayment is un-

likely under conditions for political unrest and instability brought on by harsh IMF terms. It calls for a collaborative approach through a conference to formulate "growth-oriented conditionality" polices to guide further IMF and G-10 lending to insolvent LDCs.

TITLE III—TRADE LAWS AND AGREEMENTS

SUBTITLE A—GENERAL AGREEMENT ON TARIFFS AND TRADE

SEC. 301. REFORM OF THE GATT.

USTR shall formally propose a special ministerial session of GATT contracting parties for a "super-round" of negotiations to strengthen the GATT as a world trade forum and dispute-settlement institution. Major trade issues are identified for specific article reforms, including:

trade in services;
agricultural and commodities trade;
technology and intellectual property;
tax neutrality;
GATT waivers for LDDC concessions; and
improved safeguard standards.

Calls for strengthening the GATT dispute-settlement process by creating an Office of General Counsel, improving professional and technical expertise of the panel system, standardizing format and rules of fact finding, and clarifying GATT rules and precedents.

SUBTITLE B—REFORMS OF CERTAIN U.S. TRADE LAWS

SEC. 302. POLICY.

States the justification for U.S. trade remedies and sanctions. Declares that the United States will interpret certain egregious and persistent unfair trade practices as evidence that the offending country operates outside generally accepted rules of trade conduct, and is thus not entitled to the full protection of international trade agreements.

Clarifies the roles and relationships of our primary official trade institutions. Substantially upgrades the U.S. International Trade Commission; shifts policy formulation and discretion over sanctions from the President to the USTR; limits Commerce Dept. role in trade remedy cases to assessing economic status of domestic industry; and greatly restricts Presidential discretion to countermand trade sanctions.

Rather than tinkering with existing trade statutes (e.g., by imposing new quotas or tariffs, or lowering injury standards), the bill addresses the inadequacy of our current institutional framework for dealing with unfair trade practices and promoting adjustment. In general, it applies a standard procedure for dealing with trade remedy petitions, as follows:

(1) the ITC would receive all petitions and make a preliminary determination as to the sufficiency of the pleadings;

(2) after weeding out frivolous complaints, the ITC would refer petitions to the Commerce Dept. for a determination as to the economic health of the domestic industry (i.e., is the domestic industry "injured"?); Commerce makes its finding of injury (without regard to the foreign practices at issue) after considering factors appropriate to the nature of the complaint, market forces, and the industry itself;

(3) if Commerce finds that the injury threshold is met, it reports its findings to the ITC, which then assesses the extent to which the foreign practice complained of contributes to the injury;

(4) if the ITC determines that the causality threshold contained in the relevant statute is met, it reports its findings to the USTR, along with recommendations for relief or sanctions;

(5) on receipt of an affirmative finding from the ITC, the USTR must grant some relief (although its discretion is preserved), and it may choose to impose a series of escalating sanctions to provide additional incentive for the offending party to negotiate redress;

(6) once the USTR has ordered relief/sanctions, the President may suspend that action on only one of two grounds:

(a) national security; or

(b) certification that good-faith negotiations have begun with the offending country to redress the grievance.

Eighteen months after Presidential suspension, Congress may, through fast-track legislative procedure, re-impose original USTR sanctions.

USTR may vacate its order at any time that the ITC or Commerce Dept. report that trade conditions or practices have changed sufficient to vitiate their previous determinations.

This paradigm is intended to apply, to the extent practicable, to each of the major trade remedy statutes (i.e., 201, 301, 337, countervailing duties, and antidumping cases).

The legislation reinforces our reliance on international forums for dispute settlement by requiring that the USTR commence Article XXII bilateral proceedings through the GATT soon after the ITC refers the complaint to the Commerce Dept. At the conclusion of Commerce and ITC investigations, if the ITC files an affirmative report, the USTR must commence Article XXIII settlement proceedings under GATT. The effect of these provisions, and the escalating sanctions, is to encourage negotiations to eliminate the offending practice, rather than rely too heavily on sanctions, which often act to injure American consumers as much as foreign producers.

SEC. 303. IMPORT RELIEF UNDER CH. 1 OF TITLE II OF THE TRADE ACT OF 1974

Applies the process described above to "Section 201" cases (injurious imports; no allegation of unfair practice). Maintains "serious injury" standard. Requires explicit consideration of whether the domestic industry is being "operated efficiently and economically" as factor which Commerce Dept. must consider in evaluating economic health of the industry. No relief granted absent "industrial moderanization agreement" negotiated by industry, Commerce and Labor Depts., and approved by National Commission on International Competitiveness (see Title IV).

SEC. 304. RELIEF UNDER CH. 1 OF TITLE III OF THE TRADE ACT OF 1974

Applies basic process to "Section 301" cases (unfair foreign trade practice; primarily affecting markets abroad). Adds injury standard to minimize frivolous or harassing petitions (comparable to legal requirement of "standing"). Injury defined as evidence by foregone export sales or opportunities, not linked to inefficient or noncompetitive methods on the part of domestic procedures. In devising sanctions, USTR reviews track record of offending country with respect to adherence to GATT principles and previous cooperation with the U.S. in stemming other trade abuses and drug traffic.

SEC. 305. RELIEF UNDER SECTION 337 OF THE TARIFF ACT OF 1930

Applies basic model to "Section 337" cases (unfair foreign competition in exports to U.S. e.g., trademark infringement), by adding new title to Tariff Act of 1930. Maintains quick-response option of existing law by permitting ITC embargo (as interlocutory decree) when ITC concludes that further imports, pending final determination, would threaten public health of safety, or cause irreparable harm to domestic industry.

SEC. 306. COUNTERVAILING AND ANTIDUMPING INVESTIGATIONS

Maintains current provisions of Title III of the Tariff Act of 1930, but reverses existing roles of ITC and Commerce to conform to the new process for resolving sanctions.

SEC. 307. INVESTIGATIONS OF UNFAIR TRADE PRACTICES

Amends Section 181 of the Trade Act of 1974 (relating to annual reports on barriers to market access) by adding the following items to be reported on: foreign industrial targetting, foreign treatment of intellectual property rights, foreign government procurement practices, foreign favoritism with respect to their own emerging industries, and foreign tax/financial incentives provided to their export industries.

Shifts investigative and reporting responsibilities under Section 181 from USTR to ITC.

TITLE IV—ENHANCING INTERNATIONAL COMPETITIVENESS

SUBTITLE A—INTERNATIONAL COMMERCE

SEC. 401. NATIONAL COMMISSION ON INTERNATIONAL COMPETITIVENESS

Creates permanent national commission to monitor competitive posture of American industry in world markets, review industrial modernization agreements under Section 201, recommend policies and programs to improve productivity, education, and training, and other purposes.

SEC. 402. ANTITRUST REFORM

Amends Clayton and Sherman Acts by requiring the effects of global competition to be explicitly considered in evaluating monopoly of anticompetitive effects of domestic industry actions. Attorney General and FTC to develop fast-track procedures for antitrust waivers for cooperative research consortia under guidelines developed by the National Commission on International Competitiveness.

SEC. 403. FOREIGN CORRUPT PRACTICES

Attorney General may waive application of FCPA with respect to any country which has effective bribery or corruption laws and a proven record of enforcing them effectively.

SEC. 404. TRADE IN SERVICES

Commerce Dept. will develop mechanism for classifying and monitoing international trade in services (i.e., services equivalent of current Standard Industry Classification Code). Such services code will form the basis for regular monitoring and reporting on services trade. Pending GATT article on trade in services, President will pursue bilateral agreements.

SEC. 405. EXPORT PROMOTION

Expands current commercial attache program to LDCs. Currently, Commerce Dept.'s U.S. and Foreign Commercial Service provides commercial attaches to serve in our embassies in the largest industrial countries. State Dept. covers this function with regular foreign service officers (doing double duty) in smaller countries and the LDCs. This provision would improve the caliber of our official commercial representation abroad by expanding USFCS activities to cover more countries.

Creates program within Eximbank for co-insurance with State/regional facilities.

Takes advantage of growing number of "mini-Eximbanks" being developed at the state and regional level to promote exports by small businesses. Eximbank has made slow movement in this direction already. This would mandate program and give clear signal of Congressional support for the trend.

Creates special mixed credit fund in AID and Eximbank to counter predatory financing by our competitors. Mixed credit financing is bad policy—but most of our major competitors utilize this system of blending foreign aid and export credit to "sweeten the deal" for their major exporters. Efforts to set forth an international agreement constraining the use of this device have been unsuccessful, to some degree due to the lack of a U.S. mixed credit device to use as leverage. This provision would create the mechanism to counter foreign devices, pending negotiation of an end to the practice.

SUBTITLE B—TECHNOLOGY TRANSFER, RESEARCH AND DEVELOPMENT

SEC. 411. AMENDMENTS TO STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT OF 1980

Amends Stevenson-Wydler to:

(a) promote efforts of U.S. government to identify, acquire, translate and disseminate foreign technical literature within the United States, but expands beyond Japanese publications;

(b) convert existing ad hoc Federal Laboratory Consortium into an official U.S. entity within the National Science Foundation, and specifies FLC tech transfer mandates; and

(c) reauthorize Stevenson-Wydler through 1990.

SEC. 412. NATIONAL CORPORATION FOR COOPERATIVE LABORATORY RESEARCH

Calls for NSF study and report on the merits and feasibility of creating a permanent national corporation to administer and operate most federal laboratories. Responds to the need to foster closer cooperation between the federal labs, private industry and the academic/scientific community. Promotes consolidation of federal resources and minimizes duplication of facilities and activities. Some existing federal labs (e.g. defense and energy related) would likely remain wholly adjunct to their parent agencies. However, placing the majority of labs under a coodinating agency allows for allocation of federal personnel and facilities to their highest and best uses, and taps the resources of the private sector to create a "synergy" of research output greater than the sum of several autonomous, fragmented efforts.

The Corporation would have full legal, administrative, and operational control over those federal labs transferred to it. It would establish priorities for use of federal facilities among public and private users, promote information sharing and tech transfer to nonfederal entities, develop a system of cost reimbursement for use of federal lab facilities, and (like NASA) negotiate patent, license and royalty agreements on a case-by-case basis as appropriate to the nature of the research and the types of nonfederal participants in the project.

NSF would study the relative merits and feasibility of such a proposal and report its conclusions within 180 days. This report would deal with the issues mentioned above, as well as specific aspects of board selection and terms of service, formal relationships between the Corporation and individual labs, operational rules and policies, advisory panels, budget formulation, and Congressional oversight. NSF will seek out expert advice from both public and private sectors, and include recommendations for legislation to implement the proposal.

SEC. 413. MONITORING TECHNOLOGY TRANSFER ACTIVITIES OF FEDERAL LABS

Amends National Science Foundation Act to reflect creation of Federal Laboratory Consortium within NSF.

TITLE V—EDUCATION FOR AMERICAN COMPETITIVENESS

SEC. 501. SHORT TITLE

SUBTITLE A—HIGH-TECH MORRIL PROGRAM

SEC. 511-521

Incorporates provisions of "High-Technology Morrill Act" (S. 935). Creates a national technology education program in elementary, secondary and higher education institutions to strengthen science, technology and engineering education programs. Provides competitive grants for programs jointly sponsored by industry, educational institutions and state governments. Authorizes the transfer of 3% of the revenues from the sale and rental of mineral resources of Federal lands, with a maximum of $250 million/year through 1991.

SUBTITLE B—TEACHER TRAINING AND POSTSECONDARY PROGRAMS

SECS. 551-553

Incorporates provisions of "American Defense Education Act" (S. 177). Creates a program of higher education grants (maximum of $200,000) to promote a coordinated effort between local education agencies and higher education to improve math, science and foreign language education. Provides grants for teacher training programs including summer institutes, workshops, and in-service education programs. Authorizes $25 million/year through 1989.

SUBTITLE C—FOREIGN LANGUAGE ASSISTANCE

SECS. 571-574

Incorporates provisions of Panetta "Foreign Language Assistance for National Security Act of 1985" (H.R. 3048). Provides grants to state and local educational agencies to fund model foreign language programs in elementary and secondary schools.

TITLE VI—TRADE ADJUSTMENT ASSISTANCE

SEC. 601. ELIGIBILITY OF WORKERS FOR BENEFITS

In order to qualify for TAA benefits, a trade-dislocated worker would be required to agree to repay the program a certain amount upon return to full-time employment. Applicable repayment amount equal to 25% of the excess of post-training salary over pre-separation salary, or 25% of the value of training received, whichever is less.

Prohibits payment of UI benefits to worker eligible for TAA (i.e., mandates eligible worker to shift to TAA program in lieu of UI). Modifies existing mandatory training requirement (only where training facilities are available) by requiring training to begin no later than 2 weeks after certification of TAA eligibility, *except that* no worker will be forced into a training program during the first 8 weeks of unemployment.

Currently, a worker must exhaust UI benefits before receiving TAA benefits. This bill requires a certified "TAA eligible" worker to accept TAA benefits—not UI—and thus meet the mandatory retraining requirement of the TAA program.

This bill provides for the same total number of weeks (52) of income maintenance as the current system. However, it shifts the coverage between TAA and UI by "front-loading" TAA (and thus, retraining) early in the period of unemployment. As a result, instead of waiting until UI is exhausted before putting the worker on the TAA/training track, this bill shifts him off UI and onto TAA as soon as certification is made. If the worker has not found employment by the time TAA benefits and training are exhausted, he then reverts to UI coverage for the remainder of the total 52-week period of coverage. The advantage here is that his subsequent job search (while receiving state UI) benefits from the fact that his "marketability" as an employee is improved as a result of his having received training in another skill.

SEC. 602. JOB TRAINING

Authorizes payment for job training through a voucher system or direct payment. Limits maximum payment to $4,000. Expands the types of qualifying training programs to include JTPA, programs approved by private industry councils, employer-sponsored programs that provide post-training employment, and individually-designed apprenticeship programs that are likely to provide employment opportunities.

Secretary of Labor to establish a national retraining certification program.

SEC. 603. ADJUSTMENT ASSISTANCE FOR FIRMS

In order to qualify for adjustment assistance, firms required to enter into an industrial modernization agreement negotiated with Commerce Dept. and approved by the National Commission on International Competitiveness.

SEC. 604-606. FUNDING

Establishes within the Treasury a "trade adjustment assistance fund," financed by a 1% uniform import duty. Requires USTR to negotiate changes in GATT that would permit any country to impose such a duty to fund assistance programs for workers and firms impacted by import competition.

By Mr. TRIBLE:

S. 2128. A bill to require the District of Columbia to reimburse Fairfax County, VA, for costs incurred by the county in relation to the Lorton prison; to the Committee on Governmental Affairs.

REIMBURSEMENT OF FAIRFAX COUNTY, VA, FOR LORTON PRISON EXPENSES

Mr. TRIBLE. Mr. President, I am introducing legislation today to ensure that the citizens of northern Virginia no longer bear the financial burden of playing host to the Lorton prison.

For many years, Washington, DC's prison has been located in Fairfax County, VA. During those years, the Lorton correctional facility has been plagued by escapes, riots, and similar disturbances, and the financial burden of resolving those problems has often fallen on Fairfax County citizens.

It is they who pay the cost of mobilizing the county police force to search for an escaped convict. It is they who pay county police to guard the prison's perimeter during a riot to help prevent escapes. And, it is they who must finance other emergency efforts by county personnel made necessary by Lorton's presence in Fairfax County.

My proposal will redress this unfair situation by requiring that the District government reimburse Fairfax County

for expenses incurred by the county in providing police, fire, and related services to the prison. Simply put, this bill will help place the financial burden of handling emergencies at Lorton back where it belongs—on the city that runs the correctional facility.

Last year, I offered an amendment similar to this to the D.C. appropriations bill. That amendment was approved by the Congress, and I am pleased that $50,000 of the District's fiscal year 1986 budget has been earmarked for reimbursements to Fairfax County.

However, I believe that the reimbursement requirement must be made permanent. To that end, this bill will help ensure that the costs of maintaining the Lorton prison and responding to emergencies there will be borne by the District government, and not by my constituents in northern Virginia.

Mr. President, I ask unanimous consent that a copy of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2128

Be it enacted by the Seante and House of Representatives of the United States of America in Congress assembled, That (a) the District of Columbia shall reimburse Fairfax County, Virginia, for expenses incurred by the County in providing police, fire, rescue, and related safety and medical services to the Lorton prison in response to escapes, riots, and similar disturbances.

(b) Within 90 days of the date of enactment of this Act and every three months thereafter, the Mayor of the District of Columbia shall make a report to the Chairman of the Senate Appropriations Subcommittee on the District of Columbia and the Chairman of the House Committee on the District of Columbia regarding the amount and purpose of reimbursements made to Fairfax County as required by this Act.

By Mr. KASTEN (for himself, Mr. DANFORTH, Mr. HOLLINGS, and Mr. ROCKEFELLER):

S. 2129. A bill to facilitate the ability of organizations to establish risk retention groups, to facilitate the ability of such organizations to purchase liability insurance on a group basis, and for other purposes; to the Committee on Commerce, Science, and Transportation.

RISK RETENTION AMENDMENTS

Mr. KASTEN. Mr. President, today I am introducing the Risk Retention Act Amendments of 1986. Senators DANFORTH, HOLLINGS, and ROCKEFELLER join me in this effort to amend the Product Liability Risk Retention Act of 1981 in order to make it easier for businesses, associations, professionals, governmental entities, and other organizations to form collective purchasing groups and self-insurance groups for general liability coverage.

In 1981, I was one of the original sponsors of the Product Liability Risk Retention Act. This act was passed to facilitate the ability of manufacturers, product sellers, and distributors to obtain self-insurance coverage on a group basis for product liability risks. The law also facilitates the ability of businesses to purchase comprehensive general liability insurance, which includes product liability insurance, on a group basis.

The Product Liability Risk Retention Act of 1981 specifically authorized the creation of two different mechanisms to facilitate the ability of businesses to insure product liability risks: "risk retention groups," which are authorized to self-insure product liability risks, and collective purchasing groups which are authorized to purchase comprehensive liability insurance on a group basis, if the policy includes coverage for product liability risks. The law facilitates the establisment of such groups by preempting, to the extent necessary, certain State laws which restrict the organization of group captive insurance companies and the sale of insurance on a group basis.

Mr. President, the measure I am introducing today with Senators DANFORTH, HOLLINGS, and ROCKEFELLER amends the Risk Retention Act to make it easier for others to form collective purchasing groups and risk retention groups for general liability insurance, without imposing on them conflicting requirements in each State in which they operate. Since the Risk Retention Act was intended only to address the problem of obtaining affordable product liability insurance, the act's definitions of "risk retention groups" and purchasing groups restrict the application of the law to product liability or completed operations liability insurance. The amendments we are introducing today expand the definition of such groups so as to permit them to cover others seeking general liability insurance. These amendments expand the definition of those eligible to form risk retention and purchasing groups under the act to include businesses, professional groups, hospitals, schools, churches, or other institutions, and State and local government entities. Such groups would be able to form purchasing groups or risk retention groups to obtain all types of general liability insurance, except for personal risk insurance, workers' compensation, and employers' liability insurance.

Of course, today the increasing cost and scarcity of liability insurance have become matters of national concern. Manufacturers, municipal governments, truckers, hazardous waste disposers, day-care providers, schools, corporate directors and officers, nurse-midwives, physicians, architects, and other professionals find themselves facing huge premium increases for liability insurance. Some have had their coverage canceled or have faced reduced coverage with increased deductibles. Others cannot obtain coverage at any price.

Mr. President, this proposal is not intended as a cure-all for the current liability insurance crisis. It would only facilitate the ability of others seeking general liability coverage to obtain favorable rates or to self-insure as part of a risk retention group. Nonetheless, expansion of the Risk Retention Act should provide some immediate relief for those affected by the current liability insurance crisis, and it is my hope that the Senate will move ahead expeditiously to enact this legislation.

Many of us approach the problem of the current insurance crisis with different views of its causes, but I think there is general agreement that those unable to obtain liability coverage should be given a greater opportunity to help themselves—particularly when the insurance industry does not have the capacity to do so. I urge my colleagues to support this measure, and I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2129

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Risk Retention Amendments of 1986".

SEC. 2. Section 1 of the Product Liability Risk Retention Act of 1981 (hereinafter referred to as "the Act") (15 U.S.C. 3901, note) is amended—

(1) by striking "Product"; and

(2) by striking "1981" and inserting in lieu thereof "1986".

SEC. 3. (a) Section 2(a) of the Act (15 U.S.C. 3901(a)) is amended—

(1) by striking paragraphs (1) and (3);

(2) by redesignating paragraph (2) as paragraph (1), and by redesignating paragraphs (4) through (6) as paragraphs (5) through (7), respectively;

(3) by inserting after paragraph (1), as so redesignated, the following:

"(2) 'liability insurance' means insurance covering an organization's legal liability for damages because of injuries to other persons, damage to their property, or other loss or damage arising out of its business, trade, products, services (including professional services), premises, or operations, but does not include (A) personal risk insurance or (B) workers' compensation and employers' liability insurance;

"(3) 'organization' means any association, business, corporation (whether for-profit or not-for-profit), professional corporation or partnership, church, hospital, school, university, or other institution, or a State of local government (or agency of such a government);

"(4) 'personal risk insurance' means homeowners, tenant, private passenger non-fleet automobile, mobile home, and other liability and casualty insurance primarily for personal, family or household needs rather than for business or professional needs;".

(4) in paragraph (5), as so redesignated—

(A) by striking ", State, Bermuda, or the Cayman Islands";

(B) in subparagraph (A), by striking "product liability or completed operations";

(C) in subparagraph (C), by striking all after "State" the first time it appears and inserting in lieu thereof "; and";

(D) in subparagraph (D), by striking "and"; and

(E) by striking subparagraph (E); and

(5) in paragraph (6), as so redesignated, by striking "product liability or completed operations".

(b) Section 2(b) of the Act (15 U.S.C. 3901(b)) is amended—

(1) by striking "product liability and product"; and

(2) by inserting "and personal risk insurance" immediately after "insurance" the second time it appears.

(c) Section 2 of the Act (15 U.S.C. 3901) is further amended by adding at the end thereof the following:

"(c) Nothing in this Act shall be construed to exempt a group authorized under this Act from the policy form or coverage requirements of any State no-fault automobile insurance law.

"(d) The authority to offer or provide insurance under this Act is limited to liability insurance. This Act does not authorize a risk retention group or a purchasing group to provide coverage of any other line of insurance.".

SEC. 4. Subsection (a)(1)(C) and (D) and subsection (b)(1) and (2) of section 3 of the Act (15 U.S.C. 3902(a)(1)(C) and (D) and (b)(1) and (2), respectively) are amended by striking "product liability or completed operations".

SEC. 5. Section 4(b) of the Act (15 U.S.C. 3903(b)) is amended—

(1) in paragraph (1), by striking "product liability or completed operations liability insurance, and comprehensive general" and "which includes either of these coverages,"; and

(2) in paragraph (2), by striking "product liability or completed operations insurance, and comprehensive general".

By Mr. DURENBERGER (for himself, Mr. CHAFEE, Mr. MOYNIHAN, Mr. KASTEN, Mr. BAUCUS, and Mr. HATFIELD):

S. 2130. A bill to preserve, protect, and revitalize the National Park System; to the Committee on Energy and Natural Resources.

NATIONAL PARK SYSTEM RESOURCES PRESERVATION AND REVITALIZATION ACT

● Mr. DURENBERGER. Mr. President, today I am introducing, along with my colleagues, Senators CHAFEE, MOYNIHAN, KASTEN, HATFIELD, and BAUCUS, the National Park System Resources Preservation and Revitalization Act of 1986.

The National Park System was created in 1916 to protect and conserve areas of breathtaking beauty, unique historical and cultural significance, and valuable wildlife habitats for the enjoyment and use of present and future generations.

With great wisdom and foresight we have set aside bits and pieces of cities, lakes, hills, mountains, rivers, and plains to provide for the recreational opportunities needs of present and future Americans. The National Park System not only includes parks, but monuments, historic areas, parkways and recreation areas, wild and scenic rivers, preserves, seashores, lakeshores, scenic trails and the National Capitol System here in Washington, DC.

We learned in 1980, with the National Park Service's state of the parks report, that these resources were in danger. This report found that scenic resources were threatened in 60 percent of the parks; air quality resources were endangered in more than 45 percent of the parks; and animal, plant, and freshwater resources were threatened in more than 40 percent of the parks. Further, it was estimated that 75 percent of the reported threats to park resources were inadequately understood or documented.

In 1980 we know that not only were the scenic and cultural resources threatened, but park facilities were deteriorating, causing health and safety problems for park visitors. We responded by spending $1 billion in 5 short years to correct deficiencies in lodges, employee dormitories, water and sewer systems, drinking water facilities, bridges, and tunnels.

We spent just a fraction of that on natural resource problems. For example, although 175 serious resource problems were identified in 1984, only 61 could be funded for research or remedial action, leaving numerous pressing projects in limbo. These projects range from building fences to stabilizing dunes and controlling soil erosion to monitoring water quality.

The current Park Service estimate is that it would take over $300 million over a 5-year period to address the significant natural resource problems contained in approved park management plans. That figure does not even get us beyond addressing the most critical problems and into long term resource management and protection. Nor does the Service have adequate staff or research capabilities to meet these needs.

The Conservation Foundation published a report last summer entitled, "National Parks for a New Generation." This is a good, well-documented anaylsis of the status of the National Park System. But its prognosis is not good. The bottom line is that we must take action now to mitigate threats to park resources or we risk losing the resources for which the park was created and they will be lost to future generations.

The bill that I am introducing today is in response to the foundation's "Preservation '95" recommendation. It is a long term resource counterpart to the $1 billion facilities oriented park restoration and improvement project. It is a four part, $50 million per year for 10 years, program designed to institutionalize resource management and protection as higher priorities within the National Park Service.

First, this legislation requires the National Park Service to prepare resource management plans for each unit of the National Park System and update them at least every 5 years. Although the Park Service currently requires resource management plans to be prepared for each unit, these plans often vary in quality and are often based on fragmentary information. They may not adequately identify potential resource problems nor detail steps already being taken or needed to remedy them.

Specifically, the resource management plans are to include an inventory of significant resources, identification of current and potential resource management problems, current and proposed responses to problems identified, and strides made toward resolving them. The Secretary is also directed to establish criteria to determine priorities in resolving the resource problems identified in the plans. The 100 most critical problems identified through this process will be addressed each year to a maximum of $12 million.

Second, based on these the Secretary of the Interior is directed to identify and undertake the 100 most critical research and monitoring projects to a maximum of $12 million per year. In addition, the Service is instructed to establish more uniform methods of collecting information in a way that can be utilized by resource managers. At the present time, the Park Service does not know if particular resources are under stress, and if there are visible signs, what they are and what the causes might be. This section also authorizes a pilot program to be followed by a report to Congress before any systemwide methodology is implemented.

Third, S. 2130 establishes a permanent resource management training center and mandates a continuing education program in resource management. Despite recent attempts to train additional personnel, there is a serious shortage of trained resource managers and interpreters within the National Park Service. Furthermore, continuing training requirements for other personnel, such as rangers, focuses far more heavily on law enforcement and visitor services than on resource protection and management.

Fourth, the Secretary is required to prepare a biennial, systemwide assessment of park resources that documents their condition, analyzes possible remedial measures and the costs thereof, and the adequacy of funding and legal authority to address problems identified. This report would be submitted to Congress to enable it to more effectively exercise oversight authority, to better inform the public of resource conditions, and to enable the Service to better establish priorities for addressing problems.

Finally, in order to assure that funding will be available to carry out the activities of the bill, I have included language which would allow the Park Service to raise entrance fees from $2 to no more than $5, raise the Golden Eagle year-long pass from $10 to $25, and charge a one time fee of $10 for the Golden Age Passport. Educational groups would be exempted from the entrance fees and 1 free day per month would be established.

Currently, revenues from entrance fees are around $22 million per year. This provision would raise an additional $23 million a year for a total of $45 million which would be targeted back to the Park Service to carry out the requirements of this act.

Earlier this week the Park Service briefed Senate staff on the administration's fee proposal. I would like to make it clear to my colleagues that their proposal is significantly different than the one I am introducing today. The administration would raise fees up to $10, but there is no cap on that amount, 20 percent of those fees would be used to retire the Federal deficit, leaving the remaining 80 percent to cover basic park operations.

Mr. President, the need for the legislation I am introducing today is beyond doubt. The natural and cultural resource problems that were identified in the 1980 report are still with us. We have a clear national responsibility to maintain, protect and preserve our national parks. It is my hope that we can work together to address these serious problems before it is too late.

I ask unanimous consent that a section-by-section analysis and a copy of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2130

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "National Park System Resources Preservation and Revitalization Act of 1986".

FINDINGS

SEC. 2. The Congress finds that—

(1) the National Park System was established to protect and preserve unique natural and cultural resources which constitute a major source of pride, inspiration, and enjoyment for the people of the United States and which have gained international recognition and acclaim;

(2) increasing use of the parks and development within and outside of park boundaries have strained facilities and resources in the National Park System leading to resource deterioration and decline;

(3) between 1981 and 1985, Congress authorized the expenditure of nearly $1,000,000,000 by the National Park Service under the Park Restoration and Improvement Program to remedy serious health and safety problems associated with roads, sewers, visitor-use structures, and similar facilities within the National Parks;

(4) the National Park Service has identified hundreds of pressing resource problems throughout the National Park System, and Congress has appropriated nearly $15,000,000 in fiscal year 1985 to address those problems of highest priority;

(5) despite this expenditure, National Park System resources continue to be degraded leaving future quality and suvival in doubt;

(6) no comprehensive, long-term methodology now exists within the National Park Service—

(A) for detecting, measuring, and documenting resource problems;

(B) to set priorities for addressing such problems; or

(C) for assessing the success or failure of the National Park Service in responding to problems identified;

(7) the National Park Service lacks sufficient staff with adequate technical capabilities to manage and interpret the resources of the National Park System effectively, as well as the strong research and analytical capability necessary to anticipate and address future resource problems;

(8) in a system whose perceived core responsibility has been its natural areas, the commitment of the National Park Service to the management and protection of cultural resources needs continued strengthening; and

(9) unless a comprehensive, multiyear program is undertaken to—

(A) preserve and revitalize park natural and cultural resources;

(B) provide improved stewardship for future generations;

(C) address a growing backlog of deferred restoration and protection needs;

(D) involve the private sector more effectively in their protection; and

(E) institutionalize scientifically based resource management and resource interpretation as higher priorities within the National Park Service.

resource degradation will continue, and future remedial measures will become prohibitively costly.

PURPOSE AND POLICY

SEC. 3. (a) In furtherance of the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1-4), it is the purpose of this Act to protect and preserve natural and cultural resources within the National Park System for the benefit of present and future generations by establishing a comprehensive resources revitalization and protection program.

(b) The policy of the comprehensive resources revitalization and protection program shall be to—

(1) preserve, maintain, and revitalize natural and cultural resources;

(2) monitor and study the effects of park resource management policies and practices and human activity from within and outside the boundaries of National Park System units on natural and cultural resources;

(3) prepare resource management plans for each unit of the National Park System and biennial, systemwide assessments on resource conditions and steps being taken to address the problems identified; and

(4) provide sufficient technical and scientific staffing and continuing education for effective resources management, interpretation and research.

DEFINITIONS

SEC. 4. As used in this Act—

(1) the term "Secretary" means the Secretary of the Interior acting through the Director of the National Park Service;

(2) the term "resource" or "resources" includes both cultural and natural resources and means—

(A) in the case of natural resources, the geology, paleontological remains, and flora and fauna which are principally of indigenous origin; and

(B) in the case of cultural resources, the historic and prehistoric districts, sites, buildings, structures, objects, and human traditions associated with or representative of human activities and events, including related artifacts, records, and remains;

(3) the term "unit" means a unit of the National Park System; and

(4) the term "park" means a unit of the National Park System.

PRESERVATION AND REVITALIZATION

SEC. 5. (a) The Secretary of the Interior shall establish a comprehensive program to preserve and revitalize resources in the National Park System. The program shall be implemented as provided in subsections (b), (c), and (d).

(b) The Secretary shall prepare resource management plans for each unit of the National Park System and shall update such plans at least every five years. The plans shall address both natural and cultural resources of the park units and shall include—

(1) a brief historical overview of the past composition, treatment, and condition of the resources of each park unit;

(2) a brief statement of the purposes and objectives for the management and preservation of the individual and collective components of the resource base;

(3) an inventory of significant resources and their current condition, prepared in accordance with acceptable scientific baseline data collection methods and as appropriate to support effective resource managment decisionmaking;

(4) an identification of current and potential problems associated with the protection and management of the resources, including those in need of urgent stabilization, repair and restoration, emanating from sources both inside and outside park unit boundaries;

(5) a comprehensive, detailed program of proposed actions to be taken to prevent or reverse the degradation of the natural and cultural resources of each park unit, including a proposed schedule of actions to be initiated and the estimated costs to complete such actions; and

(6) a brief summary of accomplishments in resolving resource problems identified pursuant to paragraphs (4) and (5) of this subsection.

(c) The Secretary shall develop criteria to establish priorities for addressing the resource problems identified in the resource management plans prepared pursuant to subsection (b). Such criteria shall include the following considerations—

(1) the existence of similar resource problems in other National Park System units;

(2) the severity of the problem and need for remedial action;

(3) the irreversibility of damages if no action is taken; and

(4) the feasibility of remedying the problem.

(d)(1) Based upon the information contained in the resource management plans and on the criteria developed pursuant to subsection (b), the Secretary shall—

(A) prepare a priority list of those cultural and natural resources within the National Park System units needing preservation and revitalization; and

(B) based on the priority list, devote such sums as are necessary to address a minimum of the one hundred most critical natural and cultural resource problems each year, to a maximum of $12,000,000 per year.

(2) In making expenditures under paragraph (1), the Secretary may expend funds in affiliated areas of the National Park System where the expenditure of Federal funds is not prohibited by law.

MONITORING AND RESEARCH

SEC. 6. (a)(1) Based upon the information contained in resource management plans and on criteria developed pursuant to section 4(b), the Secretary shall—

(A) prepare a priority list of unit and systemwide monitoring and research needs; and

(B) based on the priority list, expend such sums as are necessary to address a minimum of the one hundred most critical natural and cultural resource research and monitoring projects each year, to a maximum of $12,000,000.

(2) In making expenditures under paragraph (1), the Secretary may expend funds in affiliated areas of the National Park System where the expenditure of Federal funds is not prohibited by law.

(b)(1) To improve monitoring and research capabilities systemwide, the National Park Service shall establish, where appropriate, model uniform methods of conducting baseline inventories and data collection based upon pilot programs in ten units of the National Park System, to be selected by the Secretary, which constitute a representative sampling of ecosystems and types of resources found in the system. To assist in the establishment of uniform model methods, research shall be undertaken where appropriate, such model methods shall be designed to produce data and other information necessary for effective resource management and protection within the various units of the National Park System.

(2) Within 36 months after the date of enactment of this Act, the National Park Service shall prepare and transmit a progress report to Congress summarizing—

(A) how the pilot programs established pursuant to paragraph (1) has worked;

(B) what it has accomplished; and

(C) whether it should be extended in place or to other units and under what circumstances.

(c) In addition to the other requirements of this section, the National Park Service shall take such further steps as are necessary to improve its ability to monitor resource conditions and enhance its knowledge of resource conditions, including—

(1) establishing within the agency an independent research capability for the purpose of investigating the resources of the National Parks, including problems of management, protection, and interpretation of these resources.

(2) collecting and disseminating statistics, data, and other information on resource conditions, problems, and trends; and

(3) seeking additional scientific advisory assistance and advice on a contractual or non-contractual basis from Cooperative Park Service Study Units, Park Service research programs, the National Academy of Sciences, universities and colleges, nonprofit organizations, and other Federal, state and local agencies.

STAFFING AND TRAINING

SEC. 7. To ensure that an adequate number of trained personnel are available to manage and interpret National Park System resources, the Secretary shall—

(1) establish within 24 months after the date of the enactment of this Act, a national natural and cultural resources training center within the National Park Service to be located at the Horace M. Albright Training Center;

(2) provide a comprehensive training course for at least thirty-five prospective resource management specialists each year for a minimum of 5 years after the date of enactment of this Act, and following each training course, place these specialists in permanent resource management positions within such units and offices of the National Park System as needed;

(3) institute programs of personal development and mandatory continuing education available annually for personnel involved in positions concerned with the condition of park resources, including superintendents, park managers, interpreters, rangers, and research scientists, as appropriate; and

(4) in addition to other requirements of this section, the National Park Service shall take such further steps as are necessary to strengthen the long-term scientific and technical capabilities of the agency.

RESOURCE CONDITION ASSESSMENT

SEC. 8. (a) In order to—

(1) more effectively establish systemwide resource management and protection priorities;

(2) better evaluate the response by the National Park Service to the priorities established;

(3) facilitate congressional oversight; and

(4) better inform the public about the condition of park resources,

the Secretary shall prepare and transmit to Congress a biennial assessment of resource conditions, problems, possible remedial actions, and future needs for the National Park System to be submitted to the Congress as part of the appropriation process.

(b) Based upon information contained in resource management plans as specified in section 4(a) of this Act and other information available to the Secretary, the assessment required by subsection (a) shall contain—

(1) documentation of the condition of park resources in each unit of the National Park System, including problems, policies, and practices relating to their degradation and possible solutions;

(2) an analysis of the effectiveness of measures taken to address the resource issues identified in each unit and those measures identified in systemwide policies and programs and the costs thereof;

(3) an analysis of future resource management needs and an estimate of the costs thereof; and

(4) an evaluation of the adequacy of current funding levels and legal authorities to address resource problems.

RESOURCE PROTECTION CHALLENGE GRANTS

SEC. 9. For the purpose of developing and fostering innovative partnerships between the National Park Service and not-for-profit organizations, universities and colleges, and State and local agencies to preserve, revitalize, monitor and study, and interpret park resources, the Secretary shall make available the sum of $2,000,000 annually for grants, to be matched on a one-to-one basis with other funds or in-kind services. Highest priority in awarding such grants shall be given to preservation and revitalization projects and to research and monitoring projects.

AUTHORIZATION OF APPROPRIATIONS

SEC. 10. There are authorized to be appropriated for the fiscal year beginning October 1, 1986, to the Department of the Interior $50,000,000 to carry out the provisions of this Act, and in each succeeding fiscal year until the fiscal year ending September 30, 1996, the sum of $50,000,000.

AMENDMENTS TO THE LAND AND WATER CONSERVATION FUND ACT OF 1965

SEC. 11. (a) Section 4 of the Land and Water Conservation Fund Act of 1965 (78 Stat. 987; 16 U.S.C. 4601-6(a) is amended—

(1) in the first sentence of subsection (a) by striking out the period and inserting in lieu thereof the following: ", except that any unit which provides significant outdoor recreation opportunities in an urban environment and to which access is publicly available at multiple locations may not be so designated.";

(2) in the first sentence of paragraph (1) of subsection (a) by striking out "for a fee of not more than $10" and inserting in lieu thereof "for a fee of not more than $25";

(3) in paragraph (2) of subsection (a) by—

(A) striking out "(2) Reasonable" and inserting in lieu thereof the following: "(2)(A) Except as provided in subparagraph (B), reasonable"; and

(B) adding at the end thereof the following:

"(B) No fee shall be charged on a day designated by the Secretary as a fee-free day. At least one fee-free day shall be designated each month of the year.";

(4) in the second sentence of paragraph (4) of subsection (a) by striking out "without charge" and inserting in lieu thereof "for a fee of $10";

(5) in the third sentence of paragraph (4) of subsection (a) by striking out "other";

(6) in subsection (a) by adding at the end thereof the following new paragraph:

"(6) The Secretary of the Interior shall establish procedures providing for the issuance of special permits for persons or groups undertaking educational or research activities in a unit if such persons or groups apply for such permit. Such procedures shall assure that each special permit shall be issued only to persons or groups to be determined by the Secretary to be involved in legitimate educational and research activities on a not-for-profit basis. Such permit shall be nontransferable, shall be issued without charge, and shall entitle the permittee or any person accompanying said permittee in a noncommercial vehicle or vehicles or other means, to entrance to any area designated pursuant to this subsection."

(7) in subsection (e) by adding at the end thereof the following new sentence: "When authorized by the head of the collecting agency, volunteers may sell permits and collect fees authorized or established pursuant to this section, and funds appropriated or otherwise available to the collecting agency shall be available to cover the cost of any surety bond as may be required of any such volunteer in performing such authorized services under this subsection."; and

(8) in subsection (f)—

(A) by striking out "(f) Except" and inserting in lieu thereof "(f) (1) Except as provided in paragraph (2) and except"; and

(B) by adding at the end thereof the following new paragraph:

"(2) For the period ending ten years from the date of enactment of this paragraph, all receipts collected from fees or permits for admission or entrance to the National Park System, and all fees collected under subsections (b) and (c) of this section with respect to the National Park System, shall be available without further appropriation, for expenditure under guidelines developed by the Secretary—

"(A) to defray the cost of collection;

"(B) for the purposes set forth in section 3 of this legislation within the collecting unit; and

"(C) for the purposes set forth in section 3 of this legislation within all units of the National Park System.".

(b) TECHNICAL AMENDMENT.—Section 402 of Public Law 96-87, relating to entrance fees to units of the National Park System, is amended by striking out "in excess of the amounts which were in effect as of January 1, 1979, or charge said fees at any unit of the National Park System where such fees were not in effect as of such date," and inserting in lieu thereof "in excess of $5,".

NATIONAL PARK SYSTEM RESOURCES PRESERVATION AND REVITALIZATION ACT OF 1986—SECTION BY SECTION ANALYSIS

SECTION 1. TITLE.

National Park System Resources Preservation and Revitalization Act of 1986.

SECTION 2. FINDINGS.

Although the National Park System was established to protect and preserve natural and cultural resources for the use of present and future generations, these resources are in a serious state of decline, there is no long-term process within the National Park System to address these problems and if action is not taken soon we are in danger of losing the resources.

SECTION 3. PURPOSES AND POLICY.

The purpose of this bill is to institutional resource management and protection as higher priorities within the National Park Service through the implementation of a four part resources revitalization, protection and management program.

SECTION 4. DEFINITIONS.

Defines for the purposes of the Act, the Secretary, resources, the National Park System, unit and National Park Service.

SECTION 5. PRESERVATION AND REVITALIZATION.

Directs the Secretary to prepare, and update every five years, resource management plans for every unit of the National Park System. The plans are to address both natural and cultural resources. These plans are to include an inventory of significant resources, identification of current and potential resource management problems, current and proposed responses to problems indentified and strides made toward resolving them.

This section also directs the Secretary to develop criteria to establish priorities for addressing the resource problems identified in the resource management plans, and based on this criteria prepare a problem priority list.

Finally, the 100 most critical problems identified are to be addressed each year to a maximum of $12 million.

SECTION 6. MONITORING AND RESEARCH.

Based on the resource management plans the Secretary is directed to establiish a priority list of research and monitoring needs and to address a minimum of 100 projects to a maximum of $12 million per year.

This section also directs the Secretary to establish a pilot program to establish model uniform methods of conducting baseline inventories and data collection and report to Congress before implementing the program systemwide.

SECTION 7. STAFFING AND TRAINING.

Establishes a permanent resource management training center for 35 prospective resource management specialists, as well as a program of continuing education in resource management which will be available to park personnel including superintendents, park managers, interpreters, rangers, research scientists and other personnel as appropriate.

SECTION 8. RESOURCE CONDITION ASSESSMENT.

The Secretary is required to prepare and submit to Congress a biennial, systemwide assessment of park resources that documents their condition, analyzes possible remedial measures, the costs of such measures, the adequacy of funding and legal authority to address problems identified.

SECTION 9. RESOURCE PROTECTION CHALLENGE GRANTS.

Authorizes a grants program of $2 million per year, to be matched on a one-to-one basis by participants, for non-profit organizations, universities, colleges, state and local agencies for resource management and protection projects.

SECTION 10. AUTHORIZATION OF APPROPRIATIONS.

Authorizes the expenditure of $50 million per year for 10 years to carry out the activities of this Act.

SECTION 11. AMENDMENTS TO THE LAND AND WATER CONSERVATION FUND.

Allows the Park Service to raise entrance fees from $2 to no more than $5, the Golden Eagle pass from $10 to $25, and a one time charge of $10 for the Golden Age Passport. Educational groups are exempted and the Secretary is required to establish one fee-free day per month.

A total of $45 million would be raised under this provision to offset the cost of collection and to carry out the activities of this Act for the collecting unit and for the National Park System.●

● Mr. BAUCUS. Mr. President, I am pleased to join with Senator Durenberger and others in cosponsoring this bill which will help preserve, protect, and revitalize the National Park System.

Our national parks are important to me and to all Montanans. Our dual "crown jewels" of Yellowstone and Glacier National Parks are an important part of what makes Montana such a special place. They add immeasurably to the intangible quality of life and, by attracting millions of visitors annually, are also a considerable economic asset. Other national parks throughout the rest of the country provide similar benefits.

The goal of this legislation is to set up a 10-year program within the Park Service to provide more emphasis on natural and cultural resource management. Under this program, the Park Service would:

First, develop a comprehensive resource management plan for each national park, national monument, scenic lake shore, and other units in the Park System.

Second, establish an independent research capability within the Park Service and set up 10 pilot resource monitoring programs across the Park System.

Third, set up mandatory programs to provide Park Service resource management personnel with continuing education and training.

Fourth, prepare a biennial systemwide report for Congress that analyzes the condition of and problems threatening park resources.

Fifth, be authorized to spend $2 million annually for matching grants to universities and private organizations to help preserve, revitalize, monitor, and study park resources.

This program would be implemented without any additional drain on the U.S. Treasury. Park Service programs would continue to be funded through general revenues, but these revenues would be supplemented by fees paid by users of the park.

This bill, however, calls for a modest increase in these fees. For example, the current $2 fee per car entering a national park would be raised to $5. The last time this fee was raised was in 1972.

Golden Eagle passes to national parks would increase from $10 to $25, and senior citizens would be required to pay a one-time fee of $10 that would provide them with unlimited admittance to any unit in the park system.

To insure that all Americans could enjoy our national parks, there would be 1 free day each month, and visitors that are part of an educational or research program would get in free.

Most important, for the first time, fees collected at the entrances to our parks would be spent there. The fees would go back to the Park Service to fund resource management. It's important that the fees collected for management of the parks be used for that purpose.

PROBLEMS IN PARK SYSTEM

Despite good intentions, the Park Service has put more emphasis on expanding and improving the physical facilities in a national park than on scientific research and resource management.

For example, less than 16 percent of the Park Service's fiscal year 1985 budget was allocated to natural and cultural resources, while 51 percent was allocated to visitor services.

As a result, the Park Service is ill-equipped to deal with the growing number of threats to the resources in our national parks.

The "State of the Parks—1980," a report prepared by the Park Service, identified 4,300 threats to the national and cultural resources of the parks.

Every one of the 334 national parks, scenic lake shores, and other areas operated by the Park Service reported

degradation. Our own Glacier National Park was identified in that report as the most threatened park in the System.

Yet, some 75 percent of the reported threats were classified as being inadequately documented or in need of further research.

About half of the problems identified in the report came from external sources, such as acid rain, pesticides, ground water contamination and drainage from mines and oil spills. The other problems are related to greater usage of the parks.

More and more Americans are visiting national parks. In 1984, 340 million people visited our national parks, compared to only 33 million in 1950. In my own State, 1.6 million people toured Glacier Park last year, as compared to 500,000 in 1950, and 2.2 million traveled through Yellowstone Park, as compared to 1 million in 1950.

The National Park System cannot be faulted for the creation of acid rain, oil spills, or pesticide contamination. Nor should the Park Service seek to discourage people from visiting the parks.

But the Park Service must focus more of its energies on improving resource management. The Service has been markedly slow in recognizing and responding to threats to the Park System.

This is largely because the Park Service does not have the scientific and technical resources and mechanisms it needs to identify problems adequately and come up with workable solutions.

For example, many of the impacts to parks are characterized by their incremental nature. No single source of degradation may be a cause for concern by itself, but collectively they have cumulative effects which threaten the park's integrity. Recognition of these subtle influences and their cumulative impact requires a high degree of technical capability. This capability is now beyond the reach of the Park Service.

RESOURCE PLANS

As a first step toward improving resource management, the Park Service needs to develop resource management plans for each park and other units in the system.

Resource plans are the basis for decisions in the Forest Service and in the Bureau of Land Management.

Currently, although the National Park Service requires management plans for each of its units, they vary greatly in quality. They do not provide a comprehensive analyses of a park's resources. And they fail to adequately identify problems. These shortcomings lead to inadequate actions and unintended results.

Grant Village in Yellowstone is a prime example of the shortcoming of this type of approach. Grant Village was intended to replace the Fishing Bridge Campground because of the proximity of this latter area to critical grizzly bear habitat; yet Grant Village itself subsequently has been found to be within critical grizzly bear habitat.

The ongoing problem of wildlife losses caused by interstate truck traffic traveling through Yellowstone Park and the continuing debate over how closing the dumps within Yellowstone Park has affected grizzly bear populations, are two other examples of shortsightedness and inadequate understanding of park resources.

In the early 1970's, Glacier Park found itself similarly ill-prepared to address the threats of indiscriminate logging and coal development north of its border. The Flathead River Basin study of which Glacier Park sat on the steering committee remedied many of these problems. But the threats and the need to find ways to address these threats is as real now as they were then.

These resource plans should be updated at least every 5 years. They should include an inventory of the resources, identify problems and remedial actions, provide an action schedule and identify the cost of proposed actions.

There is a need for systemwide criteria to address resource problems facing our parks and to set priorities for protection and management. This legislation addresses these planning requirements.

RESEARCH AND MONITORING

To accomplish sound planning and implementation of plans requires reliable, scientifically sound information about the resources. Baseline data on major components of the ecosystem are needed to spot the first signs of degradation and to identify consequences of management policies and practices. Only with this type of knowledge can effective remedial actions be taken in a timely manner.

Currently, resource monitoring, capable of being implemented systemwide, has not been put in place. This legislation provides for 10 pilot monitoring programs, along with essential research support, to be established across representative samples of the Park System.

Beyond the needs for monitoring resources, park resource managers and interpreters need to be supported by a research program that is second to none. Effects of actions can only be predicted when there is knowledge about the functioning of resources and their relationship to human activity.

Every park will benefit from this type of effort. Even in Yellowstone Park, which is one of the most studied units, park managers do not know the boundaries of the geothermal reservoir that fires Old Faithful and Yellowstone's 200 other geysers. Yet only 10 miles to the west, the Island Park geothermal area of Idaho has been under intense scrutiny as an energy source. Congress finally stepped in to prohibit leasing out of concerns for the park's geysers.

More recently, controversy has arisen over the movement of bison off of Yellowstone onto private lands in Montana and the related role of these animals as vectors of brucellosis, a serious threat to Montana's ranching community. This problem could have been avoided if more were known about factors regulating the size of the bison population, the relationship of bison to their food resources, and the potential for transmitting brucellosis to cattle.

The National Parks Service needs a strong research program characterized by: First, a high level of quality control; second, effective and efficient use of available scientific talent; third, the ability to conduct unbiased investigations; fourth, a free flow of information to the public and the scientific community, irrespective of its policy implications; and fifth, a clear purpose to support resource management and interpretive functions of the National Parks System.

This legislation will accomplish this goal. It directs the Park Service to establish an independent research capability whose purpose is to provide the new information needed to support resource management and interpretation.

Implementation of a high-quality independent research program will require the Park Service to establish an effective research organization structure within the agency. Quality control, effective use of scientific talent, unbiased studies, and the free flow of new information to the public, can only be ensured if the research program is managed and financed through a line of authority that is separated from the agency's action programs; that is, the people who are making resource management policies and decisions in a park should not be administering and directing the research program.

PERSONNEL TRAINING

Highly qualified technical personnel are basic to solving resource problems. However, there are not enough technical staff in the Park Service to address complex resource problems.

For example, take the generalist ranger. His duties include such technical tasks as identifying and reporting threats to park resources, implementing fire management projects, collecting resource data, and implementing erosion control projects.

Out of a Park System work force of over 14,000 full-time equivalents [FTE's], there are only 350 FTE's doing ranger duties. Of these, none have advanced degrees beyond the B.S., and 20 percent have no college

degree. What is particularly disturbing is that, on the average, a ranger participates in some type of training only once every 7½ years.

This legislation will provide clear direction to the Park Service to upgrade the technical capabilities of its staff by implementing mandatory programs in personnel development and continuing education, particularly in the area of resource management.

BIENNIAL REPORT

The fourth major provision in this legislation will require the Park Service to prepare a biennial systemwide assessment of resource conditions, including analysis of remedial measures and their costs, and the adequacy of funding and legal authorities to solve problems identified.

This report will allow the Park Service to gain a systemwide perspective of resource problems and their solutions. This assessment will facilitate more effective understanding by Congress and the American public of the problems.

MATCHING GRANTS

The fifth major provision authorizes the Park Service to spend $2 million annually for matching grants to universities and private organizations to work on projects to monitor and study park resources.

CONCLUSION

This legislation will not solve all the problems facing the National Park System. It will provide the Park Service with the basic tools to understand and address the problems it is facing. It will ensure that the rich, natural beauty and wildlife resources of the Nation's parks are secured for future generations of Americans to enjoy. I enthusiastically support this legislation.●

● Mr. MOYNIHAN. Mr President, I rise today to support and cosponsor the National Parks Service Resource Preservation and Revitalization Act introduced today.

In 1980, the National Park Service, under the guidance of William Whelan, issued a report to the Congress on the condition of the resources in our Nation's parks. Mr. President, Mr. Whelan did not have good news. Our parks, once pristine areas, are being exposed to many of the air and water pollutants plaguing our cities. The report concludes, "It is clear that events are taking place that are causing demonstrable and severe damage to the natural and cultural resources of the nation's national parks . . ." The National Parks Preservation and Revitalization Act addresses the problems cited by the National Park Service in the 1980 report.

The National Park Service was created by the Yellowstone Act of 1872 to protect areas of unique beauty and to preserve prime examples of the Nation's natural and cultural heritage. In the past 25 years, more than 54 million acres have been added to the National Park Service and total visits to Park Service lands have increased from 135 million to 350 million per year. Pressures on the parks' resources have increased dramatically, yet many of the parks have no resource management plan, and no baseline data. Without documentation of the resource, it is difficult or impossible for the Park Service to identify the incremental changes caused by overuse, pollution, or both.

The legislation introduced today will ensure that each unit of the National Park Service devises a resource management plan providing an inventory of significant resources and their current condition and identifying current and potential problems for protection and management. With this data, the parks will be able to devise a program to prevent and reduce the degradation of the resource base so vital to this Nation's heritage.

Secretary Watt implemented a $1 billion parks restoration and improvement project to improve and refurbish the National Park Service user facilities in 1982. The project is nearly complete. It is time that the Congress addresses itself to the resource base itself. We must do all we can to protect the resources within the Nation's national parks; we otherwise risk degrading our heritage.●

By Mr. MITCHELL:

S. 2131. A bill to provide for the public financing of general elections for the U.S. Senate, and for other purposes; to the Committee on Finance.

SENATE CAMPAIGN COST LIMITATION AND PUBLIC FINANCING ACT

● Mr. MITCHELL. Mr. President, I am today introducing legislation directed to one of the oldest and most vexing problems facing any democracy: How best to give people a fair chance to select those who will represent them in government.

Although we treat campaign reform and election financing problems as uniquely modern issues, the truth is that these problems are as old as representative democracy and have never been easy to resolve.

Three hundred years ago, the British House of Commons passed a standing order banning any candidate for Parliament from spending more than 10 pounds on campaign costs.

More than 200 years ago in the American Colonies, a young politician named George Washington, campaigning for the Virginia House of Burgesses, provided 28 gallons of rum, 50 gallons of rum punch, and 82 additional gallons of what were then called the "customary means of winning votes"—which amounted to more than a quart and a half of "customary means" per eligible voter.

Modern elections may not involve inducements of this kind, but the same factor unifies the experience of the early British Parliament, the governments of the American Colonies and the Congress today. It is the difficult one of ensuring fair competition between candidates for the support of potential voters.

Since 1883, Congress has attempted to regulate campaign financing. The 1925 Federal Corrupt Practices Act was the major law by which Federal election campaigns were regulated until 1971, by which time an enormously increased electorate and revolutionary changes in communicating with it mandated modernization.

The subsequent abuses of the Watergate period, when hundreds of thousands of dollars in cash were used for illegal activities and some of our major corporations were virtually shaken down for money by the administration in office, led to the first major campaign reform of modern times, the 1974 law.

That law imposed limits on both campaign contributions and, equally importantly, on campaign spending.

The Congress which enacted that law recognized that the problem was not only the public perception that large campaign contributions gave undue influence to extremely wealthy individuals and interests. That Congress also recognized the equally important factors that dictate the need to curtail spending by candidates.

The circumstances of an election campaign contain no automatic self-reinforcing feature that works to limit spending. When does a candidate decide that voters have been surfeited with information and persuasion?

To the contrary, all the circumstances of an election campaign argue the opposite. Every candidate believes that amplifying the message, reaching more people, saturating the public airwaves will help to win.

Even the existence of a terminal date for a campaign does not inhibit that normal feeling. The ever-earlier activities of potential Presidential candidates demonstrate that fact.

The paradox is that a healthy, vigorous democracy also depends on that fact. We do not want a republic in which election campaigns mean so little that not even the candidates care. Fortunately, human nature makes that a remote danger.

But the paradox remains that we want the outcome that energetic and enthusiastic candidates provide: Vigorous public debate between different viewpoints. But at the same time, we do not want election campaigns—and the financial demands they entail—to absorb the energy and enthusiasm of those candidates when they have finally been elected.

It was this tension between the different factors involved in campaigning and governing that the 1974 campaign

reform bill intended to resolve. The law recognized the two realities involved: Public perceptions of undue influence-buying that taint an elected candidate's independence in office, and the human nature that causes candidates to run in the first place.

The 1974 law never took effect. It was immediately challenged from two sides. One side claimed an unfettered first amendment right to spend as much as could be raised. The other claimed that limits on the spending of personal wealth constituted an infringement on property rights as well as first amendment rights.

In Buckley versus Valeo, a majority of the Supreme Court accepted sufficient elements of both arguments to rule the spending limits in the 1974 law unconstitutional. The one exception the Court made was to agree that Congress could condition the receipt of public financing on spending limits.

So today's Presidential elections, at least for the final months of their duration, are conducted under spending restrictions that reflect each candidate's ability to attract public support.

Ironically, those spending restrictions at the Presidential level have contributed to the fact that the effect of eviscerating half the 1974 law is now concentrated in congressional election campaigns. The litany of problems with our method of electing Members of Congress is well known.

Campaigns last too long and cost too much.

Fundraising is time-consuming and absorbs the personal attention of candidates, so candidates focus on the most efficient means of fundraising. That means PAC's. Political Action Committees, which numbered just over 600 a decade ago, now number over 4,000.

Ordinary people feel that the proliferation of financially wealthy PAC's and the amounts they can donate overwhelm the role of small contributions. Some contribute their funds to PAC's instead of candidates. But most simply stop participating.

A 1985 study found that fewer than 2 percent of the public contribute to political causes at all. But more significantly, it found that smaller contributions play less and less of a role in campaign budgets.

Contributions of less than $100 made up 38 percent of the typical Senate campaign budget in 1974. In 1984, those small contributions accounted for just 15 percent of the typical Senate campaign budget.

The outcome of this development is obvious. People believe that when candidates depend on self-identified political interests for their election, they can be less responsive to the concerns of unorganized voters.

What do we expect people to think when candidates spend $6 and $7 million to run for a position that pays $75,000 a year?

The bill I am introducing is modest. It will not correct every campaign abuse. It will not guarantee substantive debate in place of appealing advertisements. It is limited to Senate campaigns.

But it restores the integrity that was eliminated from the 1974 law by the Buckley decision. It imposes limits on campaign spending. It does so by providing for limited public financing: It offers matching funds for contributions up to $100 and no higher.

It creates an incentive to seek such contributions and the public support of which they are a reflection.

It seeks to strengthen the voice of the average voter by granting small contributions the enhancement of matched funds. And it limits the extent to which funds from whatever source can be spent by any candidate who accepts public financing, the same conditions which now apply to Presidential elections.

Because control of Federal deficits remains our top priority, I propose to finance this matching provision by repealing the existing tax credit for political contributions. The annual $300 million cost of the tax credit will more than offset the cost of public financing.

The tax credit was originally enacted to encourage small campaign contributions from individuals. There is considerable doubt, however, that the credit had achieved its objective. Individual contributions of less than $100 as a percent of campaign funds have declined year after year and few taxpayers claim the credit. Those that do claim the credit are generally from a higher income population and fully half of them have not been able to substantiate the credit on IRS audit.

I remain concerned that small individual contributions play a larger role in campaigns for federal office. However, I believe the inducement the tax credit was intended to create for small contributions would be accomplished through my public financing proposal. The matching aspect of the program, which is only available to contributions from individuals of less than $100, will create the incentive to give. People will appreciate and respond to the greater importance of their small contributions.

In 1974, Congress reformed election campaign law. But because of the Supreme Court decision, the effect of the 1974 law has been exactly the opposite of reform. So it is not surprising that calls for campaign reform do not galvanize public attention.

But there are instances when it is our duty to act even in the absence of public demands. Election campaign reform is precisely such an instance, because it is, by its nature, an issue that will not evoke public demand until there is another enormous scandal. We are not discharging our duty by waiting for such an event to force us to act.●

By Mr. METZENBAUM:

S. J. Res. 284. Joint resolution to designate the month of May 1986 as "Better Hearing and Speech Month"; to the Committee on the Judiciary.

BETTER HEARING AND SPEECH MONTH

● Mr. METZENBAUM. Mr. President, today I am introducing a joint resolution to designate May 1986 as "Better Hearing and Speech Month."

Better Hearing and Speech Month is intended to promote awareness among Americans of the needs and achievements of the communicatively handicapped. There are 22 million Americans who suffer hearing or speech disabilities due to illness, heredity, excessive noise, accident, age, or, ironically, medical treatment.

Among this group, the very young and the very old are the most affected. It is estimated that among all Americans over the age of 65, approximately 25 percent have hearing or speech impairments.

Regardless of their age, communicatively impaired individuals are sometimes denied access to employment, housing, and educational opportunities because of their disabilities. We must reaffirm our support for the communicatively impaired people in our society. They are as capable as "normal" people in leading independent and productive lives when provided with the opportunity to do so. Those with hearing and speech impairments have contributed to virtually every aspect of our national life from science and education to sports and the arts.

Great strides are being made in technology designed to aid those with communicative disorders. Some of these innovations include closed captioned television, improved hearing aids, the use of hearing ear dogs, synthetic voice replication systems, and new surgical techniques. Despite the progress we have made, we have a long way to go to make society completely accessible to the hearing and speech impaired. By proclaiming May 1986 as Better Hearing and Speech Month, we can continue this progress.

This year the sponsors of Better Hearing and Speech Month are honored to have as their president, Dr. Jerry Lee, president of Gallaudet College, the world's only liberal arts college for hearing impaired students. Dr. Lee will chair a council that represents a consortium of 22 national organizations whose affiliates serve those with hearing and speech impairments in communities across the United States.

Better Hearing and Speech Month will begin with a kickoff celebration in Washington, DC, followed by a month

of activities nationwide. These activities, which will include radio and television public service announcements, will focus the attention of all Americans on the needs and abilities of the communicatively handicapped in an effort to bring them closer to the mainstream of society.

I hope my colleagues will join me in supporting this joint resolution.

I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 284

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas more than fifteen million Americans of all ages experience some form of hearing impairment, ranging from mild hearing loss to profound deafness;

Whereas more than ten million Americans of all ages experience some form of speech or language impairment;

Whereas the deaf, hard of hearing, and speech or language impaired have made significant contributions to society in virtually every occupational category and profession;

Whereas those with communication disorders continue to encounter impediments and obstacles which limit their education and employment opportunities; and

Whereas the remaining barriers which prevent the communicatively handicapped from fulfilling their potential must be recognized and elminated.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of May 1986 is designated "Better Hearing and Speech Month" and the President is requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.●

By Mr. GRASSLEY (for himself, Mr. WEICKER, Mr. NUNN, Mr. DURENBERGER, Mr. WARNER, Mr. CHILES, Mr. ABDNOR, Mr. CRANSTON, Mr. EAST, Mr. HOLLINGS, Mr. LAXALT, Mr. ROCKEFELLER, Mr. SYMMS, Mr. ZORINSKY, Mr. ANDREWS, Mr. LEVIN, Mr. DENTON, Mr. METZENBAUM, Mr. HEINZ, Mr. SIMON, Mr. MCCLURE, Mr. BRADLEY, Mr. MURKOWSKI, Mr. BUMPERS, Mr. PACKWOOD, Mr. INOUYE, Mr. THURMOND, Mr. MATSUNAGA, Mr. BOSCHWITZ, Mr. DOLE, Mr. PROXMIRE, Mr. SARBANES, and Mr. GLENN):

S.J. Res. 285. Joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Osteoporosis Awareness Week of 1986"; to the Committee on the Judiciary.

NATIONAL OSTEOPOROSIS AWARENESS WEEK

Mr. GRASSLEY. Mr. President, I am pleased to introduce legislation today which would designate May 11-17, 1986 as "National Osteoporosis Awareness Week."

More than 25 of my colleagues join me in alerting the American population to the importance of this preventable disease. Osteoporosis is a major predisposing cause of bone fracture and an important health problem in women over the age of 45.

Mr. President, let me begin by describing to you exactly how this silent epidemic in women and older Americans strikes. Osteoporosis is a progressive thinning of the bones which can leave the skeleton too fragile to withstand even mechanical stress. Thus, the bone mineral gradually weakens and the bones become prone to fractures. The dowagers hump is an example of this weakening. A woman suffering from vertebral collapse can lose a total of 8 inches or more from her maximum adult height.

Those who are at greater risk are women who have undergone menopause. Elderly men can also be affected but at a rate which is less common and severe. Slender, fair-skinned women who are not physically active are particularly prone to this disease.

A variety of causes contribute to a loss of bone mineral. Bone mineral requires a balance between its breakdown and rebuilding processes. This balance is upset when the rate or bone loss—resorption—exceeds the rate of new bone formation—accretion. Post menopause women often suffer a deficiency of estrogen. Estrogen deficiency in turn plays an important factor in bone mineral and its chemical balance process.

An inadequate amount of calcium in the diet can play a major role in the development of osteoporosis. Some experts suggest that the recommended daily allowance for women be increased from 800 to 1,500 mg per day for women after menopause. Unfortunately most women reduce their calcium and dairy intake after adolesence. Doctors believe bone density can be maintained if adequate calcium intake is developed earlier in life. It may even be necessary for an individual to take calcium supplements. However, each person should consult with their doctor to determine what is best for their diet.

Osteoporosis affects other areas as well, that should be considered. Health care costs associated with osteoporosis are over $6 billion. This figure also includes long-term care costs and lost wages. Also individuals suffering from osteoporosis can experience great pain and emotional trauma. I know from visiting with older Iowans afflicted with this disease that illness such as this can result in a loss of independence and mobility.

Research is being done to find the cause of osteoporosis. Emphasis is being placed both on detecting and treating the disease. Individuals, with the help of their doctors, should be aware of, and implement, preventive measures which might decrease their chances of developing osteoporosis. The first step is moderate exercise: Weight bearing exercises such as walking and jogging are recommended. Calcium intake should be monitored so that a person is receiving the recommended daily allowance. Finally, smoking should be eliminated and caffeine reduced.

I urge Americans to take the opportunity to secure information from Organizations such as the National Dairy Council, the National Institute on Aging and the newly established National Osteoporosis Association, so that they may learn how to avoid osteoporosis.

I ask that you join me and your fellow colleagues in support of "National Osteoporosis Awareness Week," which is crucial to the prevention and awareness of a public health problem that is facing an increasing number of Americans.

ADDITIONAL COSPONSORS

S. 750

At the request of Mr. D'AMATO, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 750, a bill to redesignate the National Institute on Aging as the National Institute on Aging and Alzheimer's Disease, to require the Secretary of Health and Human Services to coordinate and support research concerning Alzheimer's disease and related disorders, and for other purposes.

S. 1446

At the request of Mr. ANDREWS, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 1446, a bill to amend title 38, United States Code, to improve veterans' benefits for former prisoners of wars.

S. 1773

At the request of Mr. LEAHY, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 1773, a bill to express the policy of the Congress on the number of members of the Soviet mission at the United Nations headquarters.

S. 1900

At the request of Mr. ROTH, the name of the Senator from New Hampshire [Mr. RUDMAN] was added as a cosponsor of S. 1900, a bill to amend the Foreign Agents Registration Act of 1938 by providing for the 5-year suspension of exemptions provided to an agent of a foreign principal convicted of espionage offenses.

S. 1901

At the request of Mr. ROTH, the name of the Senator from New Hampshire [Mr. RUDMAN] was added as a cosponsor of S. 1901, a bill to amend the Foreign Missions Act regarding the treatment of certain Communist countries, and for other purposes.

S. 1917

At the request of Mr. BRADLEY, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 1917, a bill to amend the Foreign Assistance Act of 1961 to provide assistance to promote immunization and oral rehydration, and for other purposes.

S. 2052

At the request of Mr. CRANSTON, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 2052, a bill to establish, for the purpose of implementing any order issued by the President for fiscal year 1986 under any law providing for sequestration of new loan guarantee commitments, a guaranteed loan limitation amount applicable to chapter 37 of title 38, United States Code, for fiscal year 1986.

S. 2085

At the request of Mr. KASTEN, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 2085, a bill to amend the Agricultural Act of 1949 to require that milk assessments be increased during fiscal year 1986 to meet any deficit reduction requirements for milk price support levels.

S. 2090

At the request of Mr. PRYOR, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 2090, a bill to provide that the Internal Revenue Service may not before July 1, 1987, enforce its regulations relating to the tax treatment of the personal use of vehicles, and for other purposes.

S. 2113

At the request of Mr. DIXON, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 2113, a bill to advance a portion of Commodity Credit Corporation loans to eligible producers, to support the 1986 planting season operation, and for other purposes.

SENATE JOINT RESOLUTION 143

At the request of Mr. GORE, the names of the Senator from Nebraska [Mr. ZORINSKY], the Senator from Rhode Island [Mr. PELL], and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of Senate Joint Resolution 143, a joint resolution to authorize the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia at an appropriate site in Constitution Gardens.

SENATE JOINT RESOLUTION 261

At the request of Mr. DOMENICI, the names of the Senator from Hawaii [Mr. INOUYE], the Senator from Pennsylvania [Mr. HEINZ], and the Senator from Ohio [Mr. GLENN] were added as cosponsors of Senate Joint Resolution 261, a joint resolution to designate the week of April 14, 1986 through April 20, 1986 as "National Mathematics Awareness Week."

SENATE JOINT RESOLUTION 275

At the request of Mr. D'AMATO, the names of the Senator from Iowa [Mr. GRASSLEY], the Senator from Massachusetts [Mr. KERRY], the Senator from Pennsylvania [Mr. HEINZ], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of Senate Joint Resolution 275, a joint resolution designating May 11 through May 17, 1986, as "Jewish Heritage Week."

SENATE JOINT RESOLUTION 278

At the request of Mr. PACKWOOD, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of Senate Joint Resolution 278, a joint resolution to designate March 16, 1986, as "Freedom of Information Day."

SENATE JOINT RESOLUTION 282

At the request of Mr. MOYNIHAN, the name of the Senator from Tennessee [Mr. SASSER] was added as a cosponsor of Senate Joint Resolution 282, a joint resolution to express the disapproval of the Congress with respect to the proposed rescission of budget authority for the General Revenue Sharing Program.

SENATE CONCURRENT RESOLUTION 105

At the request of Mr. GRAMM, the names of the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Utah [Mr. HATCH] were added as cosponsors of Senate Concurrent Resolution 105, a concurrent resolution to express the sense of the Congress that any tax reform provisions relating to tax-exempt municipal bonds take effect no earlier than January 1, 1987.

SENATE CONCURRENT RESOLUTION 109

At the request of Mr. BYRD, the names of the Senator from Washington [Mr. GORTON], and the Senator from California [Mr. CRANSTON] were added as cosponsors of Senate Concurrent Resolution 109, a resolution expressing the sense of the Congress that February 28, 1986, should be designated "National Trio Day."

SENATE RESOLUTION 275

At the request of Mr. HUMPHREY, the name of the Senator from Colorado [Mr. ARMSTRONG] was added as a cosponsor of Senate Resolution 275, a resolution to express the opposition of the United States to the "one-child" family planning policies of the Government of the People's Republic of China and to encourage the People's Republic of China to abandon such policies.

AMENDMENT NO. 1635

At the request of Mr. GORTON, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of amendment No. 1635 intended to be proposed to House Joint Resolution 534, a joint resolution making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes.

SENATE RESOLUTION 357—COMMENDING SIDNEY L. BROWN FOR HIS SERVICE TO THE SENATE

Mr. DOMENICI (for himself, Mr. CHILES, Mr. ARMSTRONG, Mr. HOLLINGS, Mr. HATFIELD, Mr. HATCH, Mr. ANDREWS, Mr. QUAYLE, Mr. JOHNSTON, Mr. EXON, Mr. METZENBAUM, Mr. BYRD, Mr. GRASSLEY, Mr. SASSER, Mr. DOLE, Mr. BOSCHWITZ, and Mrs. KASSEBAUM) submitted the following resolution; which was considered and agreed to:

S. RES. 357

Whereas the Senate wishes to express its appreciation to Sidney L. Brown, who has served the United States as Chief of Budget Review for the Senate Budget Committee from 1975 to 1986;

Whereas Sidney L. Brown has carried out his difficult duties and responsibilities with the highest degree of professional integrity and dedication;

Whereas Sidney L. Brown has served three Chairman of the Committee on the Budget, United States Senate, representing both parties, with the most exacting standards of precision and candor; and

Whereas Sidney L. Brown has earned our affection and esteem: Now, therefore, be it

Resolved, That Sidney L. Brown is hereby commended for his long, faithful, and exemplary service to his country and to the United States Senate.

SENATE RESOLUTION 358—COMMENDING FREDERICK G. SPARROW, JR.

Mr. DOLE (for himself and Mr. BYRD) submitted the following resolution; which was considered and agreed to:

S. RES. 358

Whereas Frederick G. Sparrow, Jr., Enrolling Clerk of the Senate, has ably and diligently served the Senate as a valued employee of the Office of the Secretary of the Senate, and

Whereas he has been unfailing in his duties and responsibilities to all Members of the Senate, and

Whereas he has demonstrated loyal dedication to the Senate as an institution and leaves a legacy of superior and professional service: Now, therefore, be it

Resolved, That Frederick G. Sparrow, Jr. be hereby commended for his exemplary service to his country and the United States Senate.

SENATE RESOLUTION 359—COMMENDING JOHN TUCK

Mr. DOLE (for himself and Mr. BYRD) submitted the following resolution; which was considered and agreed to:

S. RES. 359

Whereas, John Tuck has served the United States Senate with honor and distinction as Assistant Secretary for the Majority; and

Whereas, the said John Tuck has carried out his duties, both in the cloakroom and on the floor with skill and dedication; and

Whereas, he served the House of Representatives with equal expertise; and

Whereas, he has shown a commitment and loyalty to Congress as an institution, and to its Members; and

Whereas, he will continue his public service and his link to Congress as a Special Assistant to the President for Legislative Affairs: Now, therefore, be it

Resolved, That John Tuck is hereby commended for his years of faithful and exemplary service to the United States Congress.

NOTICES OF HEARINGS

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR-301, Russell Senate Office Building, on Tuesday, March 4, 1986, at 11 a.m., to hold an administrative business meeting. The committee will be considering the procurement of a new telecommunications system for the Senate.

For further information concerning this meeting, please contact John Swearingen of the Rules Committee staff on x49078.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. MATHIAS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Friday, February 28, 1986, in closed executive session, in order to receive a briefing from the Packard Commission, on DOD organization.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. MATHIAS. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Friday, February 28th, 1986, in order to conduct a hearing on the "Human Resources Impact: OTC Product Packaging Safety."

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

WHO ARE THE CONTRAS?

● Mr. LUGAR. Mr. President, in the coming weeks, we face an important debate on the President's request to provide assistance to the Contras in Nicaragua. There has been a great deal of discussion about "Who are the Contras?" I asked Assistant Secretary of State Elliot Abrams to respond to this question. I want to share his full report to me. His conclusion essentially is that we do have a viable democratic alternative to the growing Communist dictatorship in Nicaragua. I believe that the United States should be saying to the Nicaraguan dictators that we will continue to support the Contras until there is an election and Nicaraguans have a free choice in their affairs, just as the Filipinos did.

I ask that Mr. Abrams' letter be printed in the RECORD.

The letter follows:

DEAR MR. CHAIRMAN: You asked about the allegation that the Nicaraguan resistance consists of, or is led by, supporters of the late dictator Anastasio Somoza. We have reviewed the facts carefully and conclude that this charge is incorrect and misleading.

The leaders of the main resistance organization, the United Nicaraguan Opposition (UNO), are Adolfo Calero, Arturo Cruz, and Alfonso Robelo. All three actively opposed Somoza while he was still in power. Calero was jailed by Somoza; first Robelo then Cruz became Junta members with the Sandinistas.

The largest guerrilla forces belong to the Nicaraguan Democratic Force (FDN), headed by Calero since 1983. Other important resistance organizations include ARDE, built by Robelo and former Sandinista Comandante Eden Pastora, and MISURASATA and KISAN guerrillas active among the Indians of the Atlantic Coast.

We expect the UNO coalition to continue to broaden, both inside and outside of Nicaragua, but UNO is already far more representative of the wishes of the Nicaraguan people than Somoza ever was or than the Sandinistas are today.

Resistance fighters are overwhelmingly rural youths. Most are between 18 and 22 years old; when Somoza fell in 1979, they were in their early teens. They fight today in response to Sandinista attempts to control their farming, their churches, and in some cases their indigenous cultures. Many joined the resistance in preference to being drafted to fight for the Sandinistas against their friends and neighbors. In defending their families and communities, these young Nicaraguans are fighting for self-determination above all else. Their struggle is not on behalf of the old dictatorship—it is against the new dictatorship armed by Cuba and the Soviet Union.

The commanders are older than their troops (most are 25-35), are more likely to come from urban areas, and have more diverse occupations and backgrounds. They include both former National Guardsmen and former Sandinista fighters, but most are civilians from the very groups the Sandinistas claim to represent: peasants, small farmers, urban professionals, and students. One was a primary school teacher; another, an evangelical pastor. Even in the FDN, which has the largest number of former military professionals, less than half the commanders have prior military experience, either in the National Guard under Somoza or in the army, militia, or security services under the Sandinistas.

We have obtained information on the backgrounds of all senior FDN military leaders, including the incumbents of every position from the civil-military command down to task force deputy commander or executive officer. The results, based on a November 1985 survey, are summarized in Table I, below. Allowing for casualties, transfers, and other personnel changes, we believe that this general pattern holds today.

TABLE I.—*Prior occupations of senior FDN military leaders*

Civilian (Professionals or urban employees total, 39: Peasants or small farmers, 34; Students, 5)	78
Military (National Guard total, 41: Officers, 23; Soldiers, 18. Sandinista army, militia, or security services total, 30: Officers, 8; Soldiers, 22)	71
No information available	4
Total	153

While accepting that most FDN fighters are peasants, a report prepared last year for the Arms Control and Foreign Policy Caucus (Who are the Contras?, April 18, 1985) claimed that the FDN "army is organized and commanded by former National Guardsmen." This allegation, though false, has become almost an article of faith for many who oppose U.S. support for the Nicaraguan resistance.

The Caucus staff claimed that "46 of the 48 positions in the FDN's command structure are held by former Guardsmen." "[A]ll but one of the 12 top central staff" and "five out of six regional commanders, and all 30 task force commanders" were said to be Guardsmen.

The Caucus staff is correct in identifying the FDN's military commander, Enrique Bermudez, as a former Guard officer. It is also correct in describing the FDN's regional and task force commanders as "the key military field leaders." But the report's overall figures and conclusions are incorrect.

The FDN has 14 regional commands (each has roughtly 800 combatants organized into 2 to 4 task forces). At the time of the survey, the FDN had 52 task forces or equivalent commands (task forces have from 60 to 700 members). Tables II and III show the backgrounds of the regional and task force commanders. They are based on the same data as Table I.

TABLE II.—*Prior occupations of FDN regional commanders*

Sandinista soldiers	6
National guard soldiers	2
Peasants or small farmers	2
National Guard officer	1
Civilian medical doctor	1
Evangelical pastor	1
Student	1
Total	14

Rather than 5 of 6 regional commanders being former Guard members as ssserted in the Caucus report, we find 3 of 14.

TABLE III.—*Prior occupations of commanders of FDN task forces or equivalent commands*

Peasants or small farmers	19
National guard (Officers, 5; Soldiers, 9)	14
Sandinista Army or Militia (Officers, 4; Soldiers, 9)	13
Medical student	1
No information	4
Vacant	1
Total	52

Whereas the Caucus report claimed that 30 out of 30 task force commanders were former Guardsmen, we find that 14 out of 47 did have prior Guard service, but that 33, more than twice as many, never served in the Guard in any capacity.

FDN headquarters links the strong-willed and independent field commanders who control the troops with the UNO political

leadership. The Caucus claim of 11 former Guardsmen in 12 top positions omitted several positions held by persons who were not former Guardsmen. A complete count must include all members of the strategic and civil-military commands, all operational commanders, and all chiefs of support services. Of the 21 individuals in these positions late last year, 12 (including Bermudez) once served in the Guard. A former Sandinista Army officer and eight civilians from professional or technical backgrounds held the other key positions.

As noted above, it is true that the FDN's military commander was in the National Guard. But it is wrong to call Enrique Bermudez a backer of Somoza. Somoza had him posted out of Nicaragua during the last three years of his regime. Not even the Sandinistas accused Bermudez of human rights abuses under Somoza. In 1979, Somoza rejected a Carter Administration suggestion that Bermudez, then a colonel, might assume command of the National Guard after Somoza's departure.

The presence in the resistance of men like Bermudez seems unobjectionable unless one is seeking to deny to the resistance the services of all former Guardsmen simply because they once served in the Guard. That is a standard not followed by the Sandinistas themselves, who have used former Guardsmen together with Cuban, Soviet and other foreign advisors and technicians to consolidate their power on the basis of a pervasive military security apparatus.

The Sandinista armed forces are the largest and best equipped in the history of Central America. They are at least six times larger than the armed forces of any of the Somozas at their height.

Although the Sandinistas frequently portray themselves as nationalists, their soldiers are trained and supported in combat by thousands of Cubans and other foreigners known as "internationalists." When Daniel Ortega spoke in Havana on February 5 to the Congress of the Cuban Communist Party about "the blood of Cuban internationalists fallen on Nicaraguan ground," he was talking about Cubans killed fighting Nicaraguans inside Nicaragua.

Resistance to the Sandinistas and to their Cuban and other foreign allies is eroding past differences and gradually forging a new national coalition similar to the one that rose up against Somoza. In the early days, who fought with whom typically depended on relationships that went back to the Somoza era. When Pastora, for example, first took up arms against his former comrades, he refused to have anything to do with former Guardsmen or with anyone else who had not been actively Sandinista at least for a time. The increased coordination within UNO between ARDE commanders associated with Pastora and FDN commanders also operating on the southern front is therefore a significant change.

More must be done to improve the human rights performance of the armed resistance (UNO has begun a program one of whose objectives is to assign at least one fully trained person in human rights to every task force). More must be done politically to develop, articulate, and coordinate the programs of the armed resistance with those of the civil opposition.

Sandinista abuses have aroused entire sectors of the population. Some FDN units are made up of men from the same cluster of villages or the same department. Other units reflect a new Nicaraguan nationalism: Four of the fourteen regional commands have among their commanders both former Guard and former Sandinista military personnel. In three of the four, former Sandinista military personnel outrank (and hence give orders to) former Guardsmen.

To continue to associate Nicaragua's resistance forces with Somoza is patently misleading. Somoza is dead. The Central American dictatorships associated with Somoza have all given way to elected governments committed to democracy. Today, the only Central American President who wears a military uniform is the Sandinista president of Nicaragua.

We join with the Nicaraguan democratic resistance forces and the people of Nicaragua in our commitment to a democratic outcome for that country. The people of Nicaragua and the resistance forces are struggling for a future of freedom and peace, and they deserve our support.

ELLICOTT ABRAMS,
Assistant Secretary of State
For Inter-American Affairs.●

DR. WILSON L. HEFLIN, TEACHER AND SCHOLAR

● Mr. HOLLINGS. Mr. President, Dr. Wilson L. Heflin had two lifelong passions: Melville and whaling. He was lucky enough to devote much of his life to both.

One of Dr. Heflin's many accomplishments was his work on "Herman Melville: Damned in Paradise," a documentary which was perhaps a culmination of his life's work. Dr. Heflin started this life's work during his early years at the Naval Academy. He spent his summers studying whaling in Nantucket and visiting Melville's old haunts. These early years foreshadowed the unmatched scholarly expertise he was to acquire on the subject of "Moby Dick" and other Melville writings.

But Dr. Heflin, the brother of our esteemed colleague and friend, HOWELL HEFLIN, didn't restrict his career to collecting knowledge, thank goodness; he spent much of it imparting it. He was not just a scholar; he was a teacher. And he opened the world of American literature to many a midshipman.

Dr. Wilson's friends and colleagues, remarking on his recent passing, have already eloquently described his accomplishments and fine qualities much better than I could, and I would like to share their comments with you.

I ask that the following attached tributes to Dr. Heflin and a clipping from the Annapolis Capital immediately follow my remarks.

First. A clipping from the Annapolis Capital.

Second. A remembrance of Wilson Heflin by James M. Tolbert.

Third. A remembrance of Wilson Heflin by Prof. Fred M. Fetrow.

Fourth. A remembrance of Wilson Heflin by Donald Yannella.

Fifth. November 11, 1985—Prof. Charles L. Crane for Wilson Heflin.

Sixth. Eulogy, Rev. William L. Barnet.

Seventh. Euglogy delivered by Stanton Garner at the annual meeting of the Melville Society, Chicago, December 28, 1985.

The material follows:

[From the Annapolis (MD) Capital, Nov. 13, 1985]

WILSON HEFLIN

Wilson L. Heflin, 72, a professor of English for nearly 40 years at the Naval Academy and an authority on whaling, died of cancer Monday at Ann Arundel General Hospital after a brief illness.

A nationally recognized whaling scholar, Mr. Heflin was a consultant for the 1985 public television documentry, "Herman Melville: Damned in Paradise."

He wrote many articles on whaling and on the works of Melville which were published in prestigious journals. He was a founder and past national president of the Melville Society.

He was a Navy flight training officer at the Naval Air bases in Corpus Christi, Texas, from 1943 to 1946. He joined the academy faculty as an officer instructor in 1946 and became a civilian instructor in 1947.

He was editor of the "Annual Summary of Research" and a member of the Dean's Promotion and Tenure Committee.

Born in Tuscaloosa, Ala., he received a bachelor of arts degree from Birmingham Southern College in 1934 and a master of arts from Vanderbilt University in 1936.

He taught literature at the University of Alabama and at Vanderbilt before World War II. He received his doctorate from Vanderbilt in 1952.

His wife, the former Kathryn Rochester, died in September. He is survived by two daughters, Kathryn Heflin of Washington, D.C., and Anne Kaldrovics of Waldorf; and a brother, U.S. Sen. Howell T. Heflin, D-Ala.

A memorial service will be held at 3 p.m. Friday at the Naval Academy Chapel.

In lieu of flowers, memorial contributions may be made to the Wilson Heflin Award for Leadership in the Humanities, Department of English, Naval Academy, Annapolis, Md. 21402.

A REMEMBRANCE OF WILSON HEFLIN

(By James M. Tolbert)

Wilson was my oldest friend. We went through high school together in Columbus, Georgia, then a sleepy town of about forty thousand people. At seventeen he was slim and quick and merry, with very blond hair cut short in the style of the 1920s. The main things I remember about Miss Rogers senior Latin class are Wilson's laugh and his superior translations of Virgil. His laugh was infectious, and Miss Rogers would shush us, with her finger to her lips and her face red with the effort to keep from laughing. But although I knew him when he was a boy, I can say of him almost nothing that would surprise you who knew him only as a man—because, thank goodness, he kept his boyish qualities, far more successfully than most of us. (And he remained a Southerner all his life too, though the mention of his name has brightened faces of opened doors in Nantucket.)

His boyish enthusiasm was, I think a main source of his charm, and it was infectious too. He took me through each edition of his annual summary of the research done by the Academy faculty and managed to interest me in it with his enthusiasm; I call that an achievement. Boyish too was his generos-

ity of spirit. I was almost never in his house or he in mine that he didn't insist on giving me books. He couldn't attend the one reunion our high-school class had, so he wrote a letter to the reunion committee—about my achievements, not his. He was generous in his judgment of persons. I never heard him say anything really damning about anybody, except certain far-off Republican leaders. He admired most of his colleagues, and was silent about the rest.

Nearly every picture I have in my memory of Wilson as a boy shows him grinning; but he was serious about his studies. The man whom we all knew was serious about his teaching and research—no one more so—and yet I think we may remember him rather for his joyous merriment, his chuckling, wry self-depreciation, his glee at his own stories, the lively warmth with which he always welcomed his friends, the pervasive buoyancy that lifted all who knew him.

Man and boy, Wilson had a quality that I think is best called purity. He was totally without quile. He said what he thought. He had a vulnerable eagerness, and he showed affection openly. His profanity had no sting, no edge, in part because it was usually bathed in laughter, mainly because of this purity that shaped his behavior. You might prefer to call it integrity, or honesty; but I think he had integrity and honesty because of that purity.

When my family and I moved to Annapolis thirty-two years ago to be at St. John's College, on our first morning Wilson knocked at our door, sunny and warm. We soon agreed that no matter how often we might meet, he and Katy and my wife and I would get together every July 4, and we stuck to that, even in those times when, finally, only Wilson and Katy's courage and will saved their friends from despair and gave us a heartening paradigm of human possibilities.

I last saw Wilson a week before he died. Mrs. Tolbert and I took dinner and spent the evening with him. It was talk and laughter as usual, except that he exercised his wit on the inconveniences his illness had brought. He stayed up beyond his usual bedtime. When we handshook goodnight, he squeezed my hand with surprising strength and, his face crinkling in that radiant grin, said, "Goodnight, old pal." Now, I know few persons, maybe none, would use that expression without self-consciousness, even embarrassment. But that was Wilson speaking—genuine, enthusiastic, saying what he meant, vulnerable, pure.

A Remembrance of Wilson Heflin

(Prof. Fred M. Fetrow; read by Prof. Michael Jasperson)

I am honored to be asked by Fred Fetrow, who could not be here this afternoon, to share with you his thoughts about Wilson Heflin. Like Fred, I have the most profound affection for Wilson, with memories dating back to 1959, when I reported for duty in the English, History, and Government Department as a "wet-behind-the ears" Lt. j.g. From that time on, Wilson was for me the most delightful of colleagues and the sagest of advisors. So, while the words that I will read are uniquely Fred's, his recollections of this great gentleman match my own. Here, then, are Fred's remarks:

I suppose it is natural to remember someone in personal, individualized ways. I well recall, for example, one of my first impressions of Professor Heflin when I came to the Academy: I said to myself, "Gee, I hope I still have such mental energy when I'm his age." Later, after I knew him better, I shifted my wishful thinking to, "Gee, I hope I can achieve that level of intellectual vitality by the time I reach his age."

But I am not speaking strictly for myself today; I am instead presuming to speak for my colleagues on the English Department faculty, because Wilson Heflin had similar effects on all of us. Through his intellectual and personal vitality, Wilson sort of lulled us into a sense of security—we thought such eloquence could not die. And yet, in a sense, we were right, for although he is gone, and must be replaced in our ranks, he can never be gone from, or replaced in our hearts and memories.

Indeed, Wilson continues to teach us. He leaves his friends and colleagues a legacy of insight, an understanding we can gain from his example. He makes vivid a concept of what I call "secular immortality." Quite simply, secular immortality refers to Wilson's sustained influence, his continuing presence in the lives of those students he taught and advised over the years. By "years" I mean an outstanding teaching and scholarly career spanning almost forty years. One result of that career is that now literally thousands of young men (and some not so young anymore) and women continue even to this day to sustain Wilson's intellectual and moral presence as they manifest his influence in their professional and personal lives. So we can all derive comfort from the knowledge that Wilson helped shape so many young lives, and from the perception that he lives on in the form of that continuing influence.

But, what has Wilson left us, his colleagues in the educational endeavor to which he devoted virtually his entire adult life? Well, consider this. As well as we knew and loved him, our myriad various relationships with him were by and large based on relatively limited contacts in working spaces and social hours. Unlike those thousands of midshipmen, we did not all enjoy the benefits of his company and knowledge three hours a week consistently over an entire semester or year at a time.

Had we been able to spend that much time with him, on that consistent a basis, just imagine how much more we could have gained from him. His students are the beneficiaries, and the degree of influence is his, and his alone; but, similarly his legacy to us now is our realization that we can follow his example. Inspired by his example, we can dedicate ourselves to teaching our own "generations" of students in his manner, hoping eventually to share that secular immortality he has already achieved through selfless devotion to his students, his colleagues, his school, and his profession. Such immortal status permanently reflects the degree of our loss in his passing, and yet it also verifies our gain in his having passed through.

"Dying's not death; do not grieve."
Think only of what he gave,
And what we receive.

A Remembrance of Wilson Heflin

(Donald Yanella, Secretary-Treasurer The Melville Society)

I am attending this memorial for Wilson L. Heflin this afternoon as a representative of the Melville Society and also as his friend. Our friendship grew these past fifteen years out of our shared enthusiasm, our passion, for Herman Melville and his writings. At first we saw each other only as professional colleagues, and our relations were polite, correct, probably somewhat mannered and guarded—in a word, formal. But the lines that defined and distanced us for that short period in the late 1960s and early 1970s dissolved quickly. We went through, in fact, the same sort of process so few of Melville's characters do. I shall not suggest that ours was exactly like the encounter Ishmael and Queequeg had, but it was something akin to it.

Allow me to begin with a few words that describe the development of our connection. I shall be a bit formal and speak of him first as a scholar.

Professor Heflin was widely respected among Melvilleans; he was one of the selected group of Society presidents, an honorary post. I know first-hand how scrupulous, how tough of mind he was. At times he went beyond ordinary scholarly caution and gave me and others admirable demonstrations of applied skepticism. He could be a hard professional, an unrelenting quester in search of the certitude that he, like Ishmael, would never quite expect to attain. Among Melvilleans he was the source on matters nautical. He seemed to know it all, and if he did not, he learned—or went after it—as vigorously as is humanly possible. Frankly, I have rarely published anything about Melville and the sea in our Extracts these last twelve years without asking Professor Heflin to look it over, check it out. Why this reliance on him, this intrusion into his busy schedule? Any of our crew of renegades and castaways who gam at least once a year could tell you. They read his work and heard the several scholarly presentations he offered at our gatherings the past dozen years, these in addition to the many of an earlier period. (He was one of the Society's founding members in the mid-1940s.) His learning commanded attention, his precision and clarity demanded awe. All of us will remember him as a fine scholar, a dedicated researcher who fished waters such as the National Archives, Nantucket, and New Bedford and made fast to some big ones over a long career.

But speaking of him as a professional's professional, I am in peril of turning him into a Captain the Honorable Wilson Lumpkin Heflin. He possessed a remarkable sense of fun, of good wit, that is evident among other places in the piece of "cetological erotica" included in an article he wrote for the May 1980 issue of our Extracts; he wrote in part as a reminiscence about the early days in Melville research and, more important, perhaps, as a preparation, a background, for mostly younger Melvilleans about to attend one of our special two-day conferences that month. Wilson's humor in reporting how he was made privy to the "grandissimus" owned by the whaling museum in New Bedford was outdone only by his actually showing the staff where it was; he even sweet-talked them into displaying the "cassock," setting up an on-the-spot, instant exhibit of the object, laid on a canvas rug and surrounded by ropes to prevent—as museum staffers are wont to do—the viewers from getting too close to the marvel. Well, our crew stepped over the the ropes to get a closer look, and a number of snapshots taken was surpassed only by the gales of laughter. Wilson stood to the side, unobstrusive as he so often was, and smiled about the amusement he had so cleverly engineered. That afternoon there was a special luster in his winkling, rascally blue eyes, a broader than usual grin.

Wilson was not of the quarterdeck but one of the people, the crew, the forecastle man. He was a kind generous person, a colleague

and friend to younger Melvilleans as well as the members of the older generation, his contemporaries and seniors—people such as Harrison Hayford, Jay Leyda, Henry Murray, and Howard Vincent, to name but a few. I shall never forget Leon Howard's telling me, non-stop during a two-hour auto trip to New Mexico in 1979, his version of adventures, even escapades, with Wilson. Wilson was a solid and enduring friend, a humble man who left indelible impressions on those he met. Perhaps this was because he was so genuinely down-to-earth, so unpretentious. I recall a December afternoon a decade ago when the two of us went a few hours early to the site of the Society's annual meeting; Wilson wanted to set up a slide projector and make sure that the presentation he was to make would be perfect, and I had to check the physical arrangements, as well as pour a hundred and more glasses of the lubber's grog (sherry) we end our gatherings by sharing. Wilson was anxious about all going well with his presentation but, having finished his preparations before I had poured the last drop, he walked over to help pour the wine and open bags of pretzels. One of the people, a friend. When we finished and before the crowd arrived, we stole a precious few minutes for some private conversation in a coffee shop nearby, an encounter as vivid to me now as if it had taken place yesterday.

This giving man, this person who probably gave too much, will be sorely missed. He was always to be counted on for a favor, always willing to pitch in. He will be sorely missed by those he taught, formally and informally, all of whom respected and admired him, most of whom loved him. I am one of those. For me, Wilson was friend, colleague, something of a mentor or father in scholarship.

For my family he was as special as his voice on the phone was unique. The children knew it was Wilson when, answering the phone, they heard his gentle Southern tones—somewhat amplified in order to be heard through miles of wires (a habit from his youth, I imagine)— announce first that it was "long distance calling," then chat amiably, courteously, warmly with whomever had answered before he and I began our long telephonic gam.

Perhaps my wife, Kathleen, expressed our feeling best when, being told of his death, she reflected for a few moments, then said, "He was a gentle man, a soft person."

Wilson Heflin will be missed by students and colleagues here at the Academy; he will be remembered fondly by those who were fortunate enough to have been touched by him. We in other parts (or ports) of the profession, we "Melvillains," as he would chucklingly call us, will continue to feel this absence. We shall remember our Wilson L. Heflin: intelligent, generous, hard-working, principled, demanding, patient, humane, witty, courteous, humble. A gentleman and a scholar. One of the people, yes—assuredly. But also a leader, an inspirer, a veritable Jack Chase in his own way.

Prof. CHARLES L. CRANE, FOR WILSON HEFLIN

As children, you and I
Born in a time of "war to end all wars"
In separate, sentimental Southern towns
Watched annual Armistice Day parades,
Heard speeches not understood
About heroic deaths in Flanders Fields—
We probably confused them with the tales
Of gallant grandfathers in Confederate gray.
Gaily, we waved our little flags
November eleventh seemed an exciting day.
Later as young men, you and I
Went forth to serve in another war
That brought the realities of shipmates lost
And knowledge of our own mortality.
The somberly renamed Veterans Days
Would find us in this place that trains for war
But keeps alive the arts and crafts of peace.
Here, quickly, we were friends.
Sharing a Southern accent and a love for books and Bach and classrooms.
In the forty-year academic marathon
Your scholarship kept you miles ahead of me,
But off that cinder track, in your home or mine,
With your dear wife present, your genial modesty
Never let me feel less than equal comrade.
I have had special griefs on Veterans Days:
First, for a loved father,[1] in nineteen fifty-three,
His life a model of all I aspired to be
And much I never could attain.
Next, this day the silver anniversary of his death,
A dynamic younger brother,[2] freed from a German prison camp
Into a Christian ministry of world-wide brotherhood,
And dying in Geneva, by that peaceful lake
Where rulers soon will meet, one hopes to try
To slow the world's march toward self-inflicted death.
And now, on another eleventh day
Of a falling-leaf gold eleventh month,
You, the imagined playmate of my boyhood days,
You, the honored friend of all who hear these words,
You have gone bravely into that goodnight.
Wilson, you are most worthy to enshrine
In my memory's brightest pantheon
With the father and brother of my blood
And a few others whose remembrance needs no special day.
Must Veterans Days be associate only with the sense of loss?
No! Lives so fully spent as those I honor
In the sharing of wisdom and gentle courtesy and love
Flow into and quicken the hearts of the living.
Father, brother, friend,
For you I hereby give yet one more name
To this eleventh day of the eleventh month:
Henceforth, you shall be "Inspiration Day."

EULOGY

(The Reverend William L. Barnett, Minister Emeritus, Unitarian Church, Anne Arundel County)

Edwin Markham wrote:

Man comes a pilgrim of the universe
Out of the mystery that was before the world,
Out of the wonder of old stars.
Far roads have felt his feet, forgotten wells
Have glassed his beauty bending down to drink.
At altar fires anterior to earth
His soul was lighted, and it will burn on
After the suns have wasted in the void.
His feet have felt the presence of old worlds,
And are to tread on others yet unnamed,
Worlds sleeping yet in some new dream of God.

In Moby Dick Herman Melville wrote:

Death is only a launching into the region of the strange Untried; it is but the first salutation to the possibilities of the immense Remote, the Wild, the Watery, the Unshored.

We are gathered here this fall day, the season of Thanksgiving, to bid farewell to a relative, a colleague, a friend. And thanksgiving does not come readily to our hearts and lips when we say goodbye.

We stand together facing a mystery which each of us must someday enter, with relief sometimes, with fear for many, yet offering at the same time some ultimate peace.

Our thanksgiving must rise within us for having been granted to know Wilson Heflin.

Some of you knew him as father, as brother, others knew him as a co-worker in the English Department here, first in 1946 as an officer instructor, and then in 1947, when he finished his Navy tour of duty, as a civilian professor. Many of you knew him as a founding member and past president of the Melville Society, and some saw him not long ago on a television presentation about the creator of Moby Dick. Some of you are familiar with his writings on whaling as a segment of American history. But most fortunate among you are those who knew him as a friend. I was his minister for twenty years, but more importantly, we were friends. And it is the friend whom I miss this day and will miss until my time is done.

As we think of our relationship to him, each of us feels differently, for each of us knew only that facet of the person which we can translate into our own reality.

So nothing we say here, not even the fragments of memory which crowd in upon each of us, can begin to encompass the totality of the man.

A human being is always a unique wonder, eluding us always, revealing at times some new facet, yet never being fully revealed, but together in this moment of memory and tribute an image emerges which may appropriate the whole man.

Some of you knew best the dedicated scholar, some saw him essentially as a teacher in which capacity his gentle persuasion brought countless young minds to the appreciation of literature, the precision of language, and the joy of knowledge. Some of you knew his love of photography. Some knew him in family relationships. But all of us knew the gentleman he was in his concern for others, coupled with a tempering of judgment. The man I knew gave the word its original meaning: he was a gentle man.

There is surely a secure place for such a man in the heart: a place for him in the secret chapel of your mind.

In saying these things, in seeking to convey what we feel, we fall back on words, at best clumsy tools. And using them we know that they will not assuage our loss, for loss carves out a personal void where each stands alone. And into that void comes so many moments of times past . . . flashes of memory . . . remembered fragments of joy and shards of sorrow . . . and little chunks of happiness, but all shot through now with regret for things undone, thoughts unvoiced, moments unshared.

And the questions persist. Facing the ultimate mystery, in turn fearful, perplexed, and hurt, we asked with job: Why? Why now? Why him?

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[1] Charles L. Crane, Sr., Presbyterian missionary to the Belgian Congo, Nov. 7, 1884-Nov. 11, 1953.

[2] William Henry Crane, missionary and Africa Secretary for the World Council of Churches, Nov. 25, 1921-Nov. 11, 1970.

We know only that the door Wilson has passed through is one we, too, approach, and for all the generations upon generations of humans who have peopled the earth, we have no more factual knowledge of this ultimate unknown than the day man first stepped from his cave, stood erect, faced the night, and wondered. . . .

We do know some things, though. We know that death is not some isolated phenomenon, some stranger to life, but rather one facet of the vaster mystery of this thing we call living. And, accepting the fact that death is a part of the total mystery, then through the pain, beyond the pain; through the anger, beyond the anger; through the emptiness, and at last beyond the emptiness—we find some solace, because the coming into the life we know and the leaving the life we know are inextricably woven into a single tapestry.

Of all this the self is a part, the unique wonder which is a human life is a vital part. Most richly John Donne sensed this and shared it in his deathless meditation:

No man is an island, entire of itself; every man is a piece of the continent, a part of the main. If a clod be washed away, Europe is the less, as well as if a promontory were, as well as if a manor of thy friend's or of thine own were. Any man's death diminishes me because I am involved in mankind, and therefore . . . never send to know for whom the bell tolls . . . it tolls for thee.

In this involvement in the living and in the dying of one another there comes at last acceptance and comfort . . . we come to know that just as joy is succeeded by sorrow, so are times of sorrow succeeded by joy. And if the later joys are more restrained, because tempered by the memory of sorrow, they are because of this richer and more humane. And these are the things which come to bring understanding to our reasoning minds, and some peace to our spirits, and we feel that we are not alone, but that we belong . . .

Most of the pain of life comes from partings. But much of the wonder of life is that we are so deeply involved in one another. To the extent that this is true, those of us here this afternoon can grant him this one sure immortality: that into the fabric of our lives we can weave some of the rich threads that were his. In doing this we prove that we neither live alone, nor ever fully die.

William James once wrote with deep conviction:

Out of my experience . . . one fixed conclusion dogmatically emerges, and this is . . . that we . . . are like islands in the sea, or trees in the forest . . . The trees comingle their roots in the darkness underground, and the islands also hang together through the ocean's bottom. Just so there is a continuum of cosmic consciousness, against which our individuality builds but accidental fences, and into which our several minds plunge as into a mother sea.

Let us bow our heads: To Wilson, goodnight, and to Kitty and Anne, his daughers, and to all his loved ones who remain yet awhile, peace . . . peace and quiet of mind, for he would have wished it so. Any may the eternal spirit which men call God be with you this day, and from this day forward. Amen.

EULOGY DELIVERED BY STANTON GARNER AT THE ANNUAL MEETING OF THE MELVILLE SOCIETY CHICAGO

(December 28, 1985)

(By Wilson Heflin)

In the early fall, after enduring the gales of illness for many plucky years, Katie Heflin sailed at last into home port. Then last month her husband Wilson unexpectedly followed her. With their departure, the scholarly community, and the Melville Society in particular, have suffered a grievous loss.

Wilson L. Heflin, past-President of the Society and one of its founders, was born in Tuscaloosa, Alabama, on the nineteenth of September, 1913. After graduating from Birmingham-Southern College in 1934, he entered the Vanderbilt University graduate school, where he took the masters degree in English in 1936 and the doctorate in 1952. In 1937 he joined the faculty of the University of Alabama as an instructor, where he was teaching when he married Katie in 1939. Eventually, two children were born to them. During the Second World War, Wilson became a naval aviator, rising to the rank of lieutenant commander, but he was a teacher and a scholar at heart. While still on active duty he began his career at the United States Naval Academy, becoming a civilian member of the English faculty there in 1947

For two years Wilson and I were together at the Academy, though we did not know each other than. While I was a midshipman whiling away the summer as an apprentice warrior aboard a battleship, Wilson was in Nantucket doing the work he loved, tracing Herman Melville's life and travels aboard whale ships.

In order to appreciate Wilson's contribution to his profession, one must understand the Annapolis of that time, the later 1940s. Instead of an English department, there was a catch-all Department of English, History, and Government, rigidly administered by sea-going officers whose assignment to the humanities was often accepted in the same spirit as an assignment to a fleet tanker. In the standardized curriculum, English courses were offered just as the flag was raised, as a patriotic duty cheerfully performed but not one essential to the operation of the ship: there was composition, but no literture other than a hurried survey of great books. Still, the faculty was fortunate in having a few men like Wilson who, despite their official impotence and consequent frustration, nurtured the germ of learning in hope of better days in the future when their influence might be felt. It was, and after some years Wilson participated in the development of a genuinely academic instituiton for the education of naval officers, one with an excellent English Department and an admirable English program.

Despite these early hardships, Wilson always remained true to the ideals of his profession. His commitment to the literature of the sea and of Melville, which overshadowed his other interest in Stephen Crane and his period, took him to archives around the United States and to the National Archives in Washington in particular. Taking as his personal area of research Melville's years at sea, he earned membership in that eminent though small community of scholars to whom all of us owe so much, the men who with their vision and their uncompromising methodologies patiently forged and to this day continue to augment the published resources upon which we Melville people depend, and so it was appropriate that in 1958 Wilson became the President of this Society.

Wilson published a number of solid and informative Melville essays of a historical nature, but the pressing urgency of his other commitments made it impossible for him to write the book that would certainly have contained the full results of his research. We are the poorer for that. It may be that in time someone else will write it, but it is difficult to imagine that another person could piece together the immense knowledge of the old Navy and of its part in the lives of Herman Melville and the Gansevoorts that Wilson possessed.

I was introduced to Wilson only about a decade ago, on an occasion in which he and a slide projector were instructing those present at a meeting of the Melville Society on various nuances of navigation that would enable a landsman to understand better certain passages in Moby-Dick, among other works. He was imposing in appearance, a striking man, tall, well-favored, and rugged, but with a gentle Southern voice that spoke with authority and patience flavored with a touch of earthiness. I could not escape the impression that he could have been a model for the Southern sailors, such as Bulkington, of Melville's imagination. I later discovered that Katie was the perfect match for such a man, petite and gracious.

In 1980, when he was instrumental in bringing me to the Naval Academy as a visiting professor, I had the privilege of knowing him well. He regarded my generation, those of us who have now reached the end of our sixth decade, as youngsters in need of his encouragement and guidance, and with a special combination of sensitivity and tolerance that forbade resentment, he patiently introduced me to his second home, the National Archives. At the time I did not even know the location of the door through which researchers pass, supposing that to find Herman Melville one had to go by way of the Declaration of Independence, not a bad idea in itself, but to Wilson the Archives was no more intimidating than was a freshman theme. Although he was aging and the crowds and bustle of Washington were becoming burdensome to him, he took me in hand and introduced me to people, locations, and records as though he were confiding to me the location of a secret Alabama fishing stream. I sensed then, and I still believe now, that he was passing on to me and to all of us a responsibility to carry on his work and that of his generation.

In recent years his character and stature made Wilson the grand old man of the Department to which he had committed so much of himself. He was constitutionally incapable of retirement, but continued to act as an advisor to everyone, students, instructors, and deans, and as the editor of the annual report of faculty scholarship at the Academy he gently prodded his colleagues on to continued research. To the end, he encouraged the youngsters—even those younger than myself—to keep to the high road, to teach well and to pursue knowledge wherever their interests led. Perhaps with the impatience of youth some of the younger faculty members were less tolerant of him than he was of them, but they were reaching for the excellence toward which he had pointed the way, and he understood.

Now the friendly voice is silent and the courtly smile is gone. His office, once a treasure-house of nautical pictures and models, is empty, and the house on Melvin Street now is no longer warm with the Heflins' special humanity. The elegance of

Katie and Wilson will be sorely missed by those of us who are left behind to mourn the loss of our two friends and to wish them safe passage into port.●

ESTONIA'S STRUGGLE FOR INDEPENDENCE

● Mr. PRESSLER. Mr. President, Estonia was forcibly taken over by the Soviet Union in 1940. Since that time, the human rights of the Estonian people have been blatantly abused by the Soviet Union. February 24 marked the 68th anniversary of the Declaration of Independence of the Republic of Estonia. Under the dominion of the Soviet Union, the Estonians are unable to celebrate this special day.

Estonia has had a very turbulent history. Prior to World War I, many foreign armies invaded and illegally occupied this country. At the end of World War I, Estonia acquired its independence after engaging in a war with the Bolshevik Russians. Unfortunately, this period of freedom was very short lived. In 1940, the Soviet Union illegally seized and occupied the Estonian Republic and incorporated it into the Union of Soviet Socialist Republics. After all they have been through, the people of Estonia have not given up their struggle for sovereignty and independence from the Soviet Union. The United States has never recognized Estonia as Soviet territory.

Estonians have suffered tremendously under the rule of the Soviet Union. Many Estonians met their deaths from 1939 to 1949 as they struggled for freedom. During this tragic period, one-third of the entire Estonian population either died or fled their beloved country. Thousands of Estonians have been slaughtered and imprisoned in slave labor camps or committed to "psychiatric" institutes. The Soviets have ruptured the Estonian way of life by practicing a Russification program. This program involves removing the Estonians from their homeland and relocating many Russians to Estonia. Only about 60 percent of the native Estonians presently live in their homeland. The Soviet Union continues to show total disregard for even the most basic of human rights of the Estonian people.

Even after 46 years, Estonians have not given up their fight for sovereignty and independence from the Soviet Union. The people of the United States should continue to show their support for the Estonian people by demanding independence for the Republic of Estonia.●

THE PLIGHT OF SOVIET JEWS

● Mr. CHILES. Mr. President, I wish today to participate in the 1986 Congressional Call to Conscience to concentrate upon the desperate plight of Soviet Jewry. The world watched as the Soviets finally delivered Anatoly Shcharansky to freedom in the West. But for every Shcharansky, there are thousands of lesser known refuseniks and prisoners of conscience waiting for their day to emigrate. If history is any guide, that day will not come soon enough.

In 1979, Soviet authorities released over 50,000 Jews—more than ever before or since. It appeared as if the Soviet Union was executing its duties under the Helsinki accords of 1975 and finally recognizing the human rights of those who chose to emigrate.

A series of international events, however, demonstrated to the world that the Soviets still consider the refuseniks a political issue and fail to see their own intransigence as a human rights abuser. Since 1979, emigration of Soviet Jews has dropped dramatically. In 1984, only 896 people were allowed to leave. Last year, 1,140 were permitted to emigrate but this figure is still a mere 2 percent of the 1979 total. The numbers themselves are alarming. But to truly understand their suffering, one must study the details. According to the National Conference on Soviet Jewry:

Refuseniks may undergo great suffering. They and their families are often targeted for harassment. Among the forms employed are repeated questioning by the authorities, firing people and forcing them into menial jobs, or expelling them from universities and professional institutions. In some cases, their academic or professional credentials were revoked. Some refusenik youth, waiting for years, have been conscripted upon reaching draft age. Once a person is discharged, after two or three years of army service, the authorities maintain that he possesses "military secrets." This could add an addional five year wait before the individual can reapply for an exit visa, thus delaying the family's departure for a minimum of seven or eight years.

Sadly, the Soviets have made it an ordeal for refuseniks to even apply to leave. Such behavior by that Government is not in the spirit of the Helsinki accords.

What we must impress upon the Soviets is that their pattern of emigration denials is not a domestic Soviet political issue but instead an international human rights issue. We must take action to ensure that the Soviets will once again adhere to the Helsinki accords. To this end, I commend the efforts of groups such as the National Conference on Soviet Jewry and the Student Coalition for Soviet Jewry which work so hard to make the plight of the Soviet refuseniks known to the world. I wish both groups success in their efforts and echo their pleas that the Soviet emigration numbers must rise. This is a challenge we must all face.●

RULES OF THE SELECT COMMITTEE ON INTELLIGENCE

● Mr. DURENBERGER. Mr. President, I submit for the RECORD the rules of the Select Committee on Intelligence.

The material follows:

RULES OF PROCEDURE

RULE 1. CONVENING OF MEETINGS

1.1 The regular meeting day of the Select Committee on Intelligence for the transaction of committee business shall be every other Wednesday of each month, unless otherwise directed by the chairman.

1.2 The chairman shall have authority, upon proper notice, to call such additional meetings of the committee as he may deem necessary and may delegate such authority to any other member of the committee.

1.3 A special meeting of the committee may be called at any time upon the written request of five or more members of the committee filed with the clerk of the committee.

1.4 In the case of any meeting of the committee, other than a regularly scheduled meeting, the clerk of the committee shall notify every member of the committee of the time and place of the meeting and shall give reasonable notice which, except in extraordinary circumstances, shall be at least 24 hours in advance of any meeting held in Washington, DC, and at least 48 hours in the case of any meeting held outside Washington, DC.

1.5 If five members of the committee have made a request in writing to the chairman to call a meeting of the committee, and the chairman fails to call such a meeting within seven calendar days thereafter, including the day on which the written notice is submitted, these members may call a meeting by filing a written notice with the clerk of the committee who shall promptly notify each member of the committee in writing of the date and time of the meeting.

RULE 2. MEETING PROCEDURES

2.1 Meetings of the committee shall be open to the public except as provided in Senate Resolution 9, 94th Congress, 1st session.

2.2 It shall be the duty of the staff director to keep or cause to be kept a record of all committee proceedings.

2.3 The chairman of the committee, or if the chairman is not present the vice chairman, shall preside over all meetings of the committee. In the adsence of the chairman and the vice chairman at any meeting the ranking majority member present shall preside.

2.4 Except as otherwise provided in these rules, decisions of the committee shall be by majority vote of the members present and voting. A quorum for the transaction of committee business, including the conduct of executive sessions, shall consist of five committee members, except that for the purpose of hearing witnesses, taking sworn testimony, and receiving evidence under oath, a quorum may consist of one Senator.

2.5 A vote by any member of the committee with respect to any measure or matter being considered by the committee may be cast by proxy if the proxy authorization (1) is in writing; (2) designates the member of the committee who is to exercise the proxy; and (3) is limited to a specific measure or matter and any amendments pertaining thereto. Proxies shall not be considered for the establishment of a quorum.

2.6 Whenever the committee by roll call vote reports any measure or matter, the report of the committee upon such measure or matter shall include a tabulation of the votes cast in favor of and the votes cast in

opposition to such measure or mater by each member of the committee.

RULE 3. SUBCOMMITTEES

Creation of subcommittees shall be by majority vote of the committee. Subcommittees shall deal with such legislation and oversight of programs and policies as the committee may direct. The subcommittees shall be governed by the rules of the committee and by such other rules they may adopt which are consistent with the rules of the committee.

RULE 4. REPORTING OF MEASURES OR RECOMMENDATIONS

4.1 No measures or recommendations shall be reported, favorably or unfavorably, from the committee unless a majority of the committee is actually present and a majority concur.

4.2 In any case in which the committee is unable to reach a unanimous decision, separate views or reports may be presented by any member or members of the committee.

4.3 A member of the committee who gives notice of his intention to file supplemental, minority, or additional views at the time of final committee approval of a measure or matter, shall be entitled to not less than three working days in which to file such views, in writing with the clerk of the committee. Such views shall then be included in the committee report and printed in the same volume, as a part thereof, and their inclusion shall be noted on the cover of the report.

RULE 5. NOMINATIONS

5.1 Unless otherwise ordered by the committee, nominations referred to the committee shall be held for at least 14 days before being voted on by the committee.

5.2 Each member of the committee shall be promptly furnished a copy of all nominations referred to the committee.

5.3 Nominees who are invited to appear before the committee shall be heard in public session, except as provided in rule 2.1.

5.4 No confirmation hearing shall be held sooner than seven days after receipt of the background and financial disclosure statement unless the time limit is waived by a majority vote of the committee.

5.5 The committee vote on a confirmation shall not be sooner than 48 hours after the committee has received transcripts of the confirmation hearing unless the time limit is waived by unanimous consent of the committee.

5.6 No nomination shall be reported to the Senate unless the nominee has filed a background and financial disclosure statement with the committee.

RULE 6. INVESTIGATIONS

No investigation shall be initiated by the committee unless at least five members of the committee have specificaly requested the chairman or the vice chairman to authorize such an investigation. Authorized investigations may be conducted by members of the committee and/or by designated committee staff members.

RULE 7. SUBPOENAS

Subpoenas authorized by the committee for the attendance of witnesses or the production of memoranda, documents, records or any other material may be issued by the chairman, the vice chairman, or any member of the committee designated by the chairman, and may be served by any person designated by the chairman, vice chairman or member issuing the subpoenas. Each subpoena shall have attached thereto a copy of Senate Resolution 400, 94th Congress, 2d session, and a copy of these rules.

RULE 8. PROCEDURES RELATED TO THE TAKING OF TESTIMONY

8.1 *Notice.*—Witnesses required to appear before the committee shall be given reasonable notice and all witnesses shall be furnished a copy of these Rules.

8.2 *Oath or Affirmation.*—Testimony of witnesses shall be given under oath or affirmation which may be administered by any member of the committee.

8.3 *Interrogation.*—Committee interrogation shall be conducted by members of the committee and such committee staff as are authorized by the chairman, vice chariman, or the presiding member.

8.4 *Counsel for the Witness.*—(a) Any witness may be accompanied by counsel. A witness who is unable to obtain counsel may inform the committee of such fact. If the witness informs the committee of this fact at least 24 hours prior to his appearance before the committee the committee shall then endeavor to obtain voluntary counsel for the witness. Failure to obtain such counsel will not excuse the witness from appearing and testifying.

(b) Counsel shall conduct themselves in an ethical and professional manner. Failure to do so shall, upon a finding to that effect by a majority of the members present, subject such counsel to disciplinary action which may include warnings, censure, removal, or a recommendation of contempt proceedings.

(c) There shall be no direct or cross-examination by counsel. However, counsel may submit in writing any question he wishes propounded to his client or to any other witness and may, at the conclusion of his client's testimony, suggest the presentation of other evidence or the calling of other witnesses. The committee may use such questions and dispose of such suggestions as it deems appropriate.

8.5. *Statements by Witnesses.*—A witness may make a statement which shall be brief and relevant, at the beginning and conclusion of his testimony. Such statements shall not exceed a reasonable period of time as determined by the chairman, or other presiding member. Any witness desiring to make a prepared or written statement for the record of the proceedings shall file a copy with the clerk of the committee, and insofar as practicable and consistent with the notice given, shall do so at least 72 hours in advance of his appearance before the committee.

8.6 *Objections and Rulings.*—Any objection raised by a witness or counsel shall be ruled upon by the chairman or other presiding member, and such ruling shall be the ruling of the committee unless a majority of the committee present overrules the ruling of the chair.

8.7 *Inspection and Correction.*—All witnesses testifying before the committee shall be given a reasonable opportunity to inspect, in the office of the committee, the transcript of their testimony to determine whether such testimony was correctly transcribed. The witness may be accompanied by counsel. Any corrections the witness desires to make in the transcript shall be submitted in writing to the committee within 5 days from the date when the transcript was made available to the witness. Corrections shall be limited to grammar and minor editing, and may not be made to change the substance of the testimony. Any questions arising with respect to such corrections shall be decided by the chairman. Upon request, those parts of testimony given by a witness in executive session which are subsequently quoted or made part of a public record shall be made available to that witness at this expense.

8.8 *Requests to Testify.*—The committee will consider requests to testify on any matter or measure pending before the committee. A person who believes that testimony or other evidence presented at a public hearing, or any comment made by a committee member or a member of the committee staff may tend to affect adversely his reputation, may request to appear personally before the committee to testify on his own behalf, or may file a sworn statement of facts relevant to the testimony, evidence, or comment, or may submit to the chairman proposed questions in writing for the cross examination of other witnesses. The committee shall take such action as it deems appropriate.

8.9 *Contempt Procedures.*—No recommendation that a person be cited for contempt of Congress shall be forwarded to the Senate unless and until the committee has, upon notice to all its members, met and considered the alleged contempt, afforded the person an opportunity to state in writing or in person why he should not be held in contempt, and agreed, by majority vote of the committee to forward such recommendation to the Senate.

8.10 *Release of Name of Witness.*—Unless authorized by the chairman, the name of any witness scheduled to be heard by the committee shall not be released prior to, or after, his appearance before the committee.

RULE 9. PROCEDURES FOR HANDLING CLASSIFIED OR SENSITIVE MATERIAL

9.1 Committee staff offices shall operate under strict security precautions. At least one security guard shall be on duty at all times by the entrance to control entry. Before entering the office all persons shall identify themselves.

9.2 Sensitive or classified documents and materials shall be segregated in a secure storage area. They may be examined only at secure reading facilities. Copying, duplicating, or removal from the committee offices of such documents and other materials is prohibited except as is necessary for use in, or preparation for, interviews or committee meetings, including the taking of testimony, and in conformity with Section 10.3 hereof.

9.3 Each member of the committee shall at all times have access to all papers and other material received from any source. The staff director shall be responsible for the maintenance, under appropriate security procedures, of a registry which will number and identify all classified papers and other classified materials in the possession of the committee, and such registry shall be available to any member of the committee.

9.4 Whenever the Select Committee on Intelligence makes classified material available to any other committee of the Senate or to any member of the Senate not a member of the committee, the clerk of the committee shall be notified. The clerk of the committee shall maintain a written record identifying the particular information transmitted and the committee or members of the Senate receiving such information.

9.5 Access to classified information supplied to the committee shall be limited to those committee staff members with appropriate security clearances and a need-to-know, as determined by the committee, and

under the committee's direction, the staff director and minority staff director.

9.6 No member of the committee or of the committee staff shall disclose, in whole or in part or by way of summary, to any person not a member of the committee or the committee staff for any purpose or in connection with any proceeding, judicial or otherwise, any testimony given before the committee in executive session including the name of any witness who appeared or was called to appear before the committee in executive session, or the contents of any papers or other materials or other information received by the committee except as authorized by the committee in accordance with section 8 of Senate Resolution 400 of the 94th Congress and the provisions of these rules, or in the event of the termination of the committee, in such a manner as may be determined by the Senate.

9.7 Before the committee makes any decision regarding the disposition of any testimony, papers, or other materials presented to it, the committee members shall have a reasonable opportunity to examine all pertinent testimony, papers, and other materials that have been obtained by the members of the committee or the committee staff.

RULE 10. STAFF

10.1 For the purpose of these rules, committee staff means employees of the committee, employees of the members of the committee assigned to the committee, consultants to the committee, employees of other government agencies detailed to the committee, or any other person engaged by contract or otherwise to perform services for or at the request of the committee.

10.2 The appointment of committee staff shall be confirmed by a majority vote of the committee. After confirmation, the chairman shall certify committee staff appointments to the financial clerk of the Senate in writing.

10.3 The committee staff works for the committee as a whole, under the general supervision of the chairman and vice chairman of the committee. Except as otherwise provided by the committee, the duties of committee staff shall be performed, and committee staff personnel affairs and day-to-day operations, including security and control of classified documents and material, shall be administered under the direct supervision and control of the staff director. The minority staff director and the minority counsel shall be kept fully informed regarding all matters and shall have access to all material in the files of the committee.

10.4 The committee staff shall assist the minority as fully as the majority in the expression of minority views, including assistnace in the preparation and filing of addition, separate and minority views, to the end that all points of view may be fully considered by the committee and the Senate.

10.5 The members of the committee staff shall not discuss either the substance or procedure of the work of the committee with any person not a member of the committee or the committee staff for any purpose or in connection with any proceeding, judicial, or otherwise, either during his tenure as a member of the committee staff or at anytime thereafter except as directed by the committee in accordance with section 8 of Senate Resolution 400 of the 94th Congress and the provisions of these rules, or in the event of the termination of the committee, in such a manner as may be determined by the Senate.

10.6 No member of the committee staff shall be employed by the committee unless and until such a member of the committee staff agrees in writing, as a condition of employment to abide by the conditions of the nondisclosure agreement promulgated by the Senate Select Committee on Intelligence pursuant to section 6 of Senate Resolution 400 of the 94th Congress, 2d Session.

10.7 No member of the committee staff shall be employed by the committee unless and until such a member of the committee staff agrees in writing, as a condition of employment, to notify the committee or in the event of the committee's termination the Senate of any request for his testimony, either during his tenure as a member of the committee staff or at any time thereafter with respect to information which came into his possession by virtue of his position as a member of the committee staff. Such information shall not be disclosed in response to such requests except as directed by the committee in accordance with section 8 of Senate Resolution 400 of the 94th Congress and the provisions of these rules, or in the event of the termination of the committee, in such manner as may be determined by the Senate.

10.8 The committee shall immediately consider action to be taken in the case of any member of the committee staff who fails to conform to any of these rules. Such disciplinary action may include, but shall not be limited to, immediate dismissal from the committee staff.

RULE 11. PREPARATION FOR COMMITTEE MEETINGS

11.1 Under direction of the chairman and the vice chairman, designated committee staff members shall brief members of the committee at a time sufficiently prior to any committee meeting to assist the committee members in preparation for such meeting and to determine any matter which the committee member might wish considered during the meeting. Such briefing shall, at the request of a member, include a list of all pertinent papers and other materials that have been obtained by the committee that bear on matters to be considered at the meeting.

11.2 The staff director shall recommend to the chairman and the vice chairman the testimony, papers, and other materials to be presented to the committee at any meeting. The determination whether such testimony, papers, and other materials shall be presented in open or executive session shall be made pursuant to the rules of the Senate and rules of the committee.

RULE 12. LEGISLATIVE CALENDAR

12.1 The clerk of the committee shall maintain a printed calendar for the information of each committee member showing the measures introduced and referred to the committee and the status of such measures; nominations referred to the committee and their status; and such other matters as the committee determines shall be included. The calendar shall be revised from time to time to show pertinent changes. A copy of each such revision shall be furnished to each member of the committee.

12.2 Unless otherwise ordered, measures referred to the committee shall be referred by the clerk of the committee to the appropriate department or agency of the Government for reports thereon.

RULE 13. COMMITTEE TRAVEL

13.1 No member of the committee or committee staff shall travel abroad on committee business unless specifically authorized by the chairman and vice chairman. Requests for authorization of such travel shall state the purpose and extent of the trip. A full report shall be filed with the committee when travel is completed.

13.2 When the chairman and the vice chairman approve the foreign travel of a member of the committee staff not accompanying a member of the committee, all members of the committee are to be advised, prior to the commencement of such travel, of its extent, nature and purpose. The report referred to in rule 13.1 shall be furnished to all members of the committee and shall not be otherwise disseminated without the express authorization of the committee pursuant to the rules of the committee.

13.3 No member of the committee staff shall travel within this country on committee business unless specifically authorized by the staff director as directed by the committee.

RULE 14. CHANGES IN RULES

These rules may be modified, amended, or repealed by the committee, provided that a notice in writing of the proposed change has been given to each member at least 48 hours prior to the meeting at which action thereon is to be taken.

[Appendix A]

94TH CONGRESS, 2D SESSION, S. RES. 400

[Report No. 94-675]

[Report No. 94-770]

(In the Senate of the United States March 1, 1976)

[May 19, 1976, Considered, amended, and agreed to resolution, to establish a Standing Committee of the Senate on Intelligence, and for other purposes]

Resolved, That it is the purpose of this resolution to establish a new select committee of the Senate, to be known as the Select Committee on Intelligence, to oversee and make continuing studies of the intelligence activities and programs of the United States Government, and to submit to the Senate appropriate proposals for legislation and report to the Senate concerning such intelligence activities and programs. In carrying out this purpose, the Select Committee on Intelligence shall make every effort to assure that the appropriate departments and agencies of the United States provide informed and timely intelligence necessary for the executive and legislative branches to make sound decisions affecting the security and vital interests of the Nation. It is further the purpose of this resolution to provide vigilant legislative oversight over the intelligence activities of the United States to assure that such activities are in conformity with the Constitution and laws of the United States.

SEC. 2. (a)(1) There is hereby established a select committee to be known as the Select Committee on Intelligence (hereinafter in this resolution referred to as the "select committee"). The select committee shall be composed of fifteen members appointed as follows.

(A) two members from the Committee on Appropriations;

(B) two members from the Committee on Armed Services;

(C) two members from the Committee on Foreign Relations;

(D) two members from the Committee on the Judiciary; and

(E) seven members to be appointed from the Senate at large.

(2) Members appointed from each committee named in clauses (A) through (D) of

paragraph (1) shall be evenly divided between the two major political parties and shall be appointed by the President pro tempore of the Senate upon the recommendations of the majority and minority leaders of the Senate. Four of the members appointed under clause (E) of paragraph (1) shall be appointed by the President pro tempore of the Senate upon the recommendation of the majority leader of the Senate and three shall be appointed by the President pro tempore of the Senate upon the recommendation of the minority leader of the Senate.

(3) The majority leader of the Senate and the minority leader of the Senate shall be ex officio members of the select committee but shall have no vote in the committee and shall not be counted for purposes of determining a quorum.

(b) No Senator may serve on the select committee for more than eight years of continuous service, exclusive of service by any Senator on such committee during the Ninety-fourth Congress. To the greatest extent practicable, one-third of the Members of the Senate appointed to the select committee at the beginning of the Ninety-seventh Congress and each Congress thereafter shall be Members of the Senate who did not serve on such committee during the preceding Congress.

(c) At the beginning of each Congress, the Members of the Senate who are members of the majority party of the Senate shall elect a chairman for the select committee, and the Members of the Senate who are from the minority party of the Senate shall elect a vice chairman for such committee. The vice chairman shall act in the place and stead of the chairman in the absence of the chairman. Neither the chairman nor the vice chairman of the select committee shall at the same time serve as chairman or ranking minority member of any other committee referred to in paragraph 4(e)(1) of rule XXV of the Standing Rules of the Senate.

SEC. 3. (a) There shall be referred to the select committee all proposed legislation, messages, petitions, memorials, and other matters relating to the following:

(1) The Central Intelligence Agency and the Director of Central Intelligence.

(2) Intelligence activities of all other departments and agencies of the Government, including but not limited to, the intelligence activities of the Defense Intelligence Agency, the National Security Agency, and other agencies of the Department of Defense; the Department of State; the Department of Justice; and the Department of the Treasury.

(3) The organization or reorganization of any department or agency of the government to the extent that the organization or reorganization relates to a function or activity involving intelligence activities.

(4) Authorizations for appropriations, both direct and indirect for the following:

(A) The Central Intelligence Agency and Director of Central Intelligence.

(B) The Defense Intelligence Agency.

(C) The National Security Agency.

(D) The intelligence activities of other agencies and subdivisions of the Department of Defense.

(E) The intelligence activities of the Department of State.

(F) The intelligence activities of the Federal Bureau of Investigation, including all activities of the Intelligence Division.

(G) Any department, agency, or subdivision which is the successor to any agency named in clause (A), (B), or (C); and the activities of any department, agency, or subdivision which is the successor to any department, agency, bureau, or subdivision named in clause (D), (E), or (F) to the extent that the activities of such successor department, agency, or subdivision are activities described in clause (D), (E), or (F).

(b) Any proposed legislation reported by the select committee, except any legislation involving matters specified in clause (1) or (4)(A) of subsection (a), containing any matter otherwise within the jurisdiction of any standing committee shall, at the request of the chairman of such standing committee be referred to such standing committee for its consideration of such matter and be reported to the Senate by such standing committee within thirty days after the day on which such proposed legislation is referred to such standing committee; and any proposed legislation reported by any committee, other than the select committee, which contains any matter within the jurisdiction of the select committee shall, at the request of the chairman of the select committee, be referred to the select committee for its consideration of such matter and be reported to the Senate by the select committee within thirty days after the day on which such proposed legislation is referred to such committee. In any case in which a committee fails to report any proposed legislation referred to it within the time limit prescribed herein, such committee shall be automatically discharged from further consideration of such proposed legislation on the thirtieth day following the day on which such proposed legislation is referred to such committee unless the Senate provides otherwise. In computing any thirty-day period under this paragraph there shall be excluded from such computation any days on which the Senate is not in session.

(c) Nothing in this resolution shall be construed as prohibiting or otherwise restricting the authority of any other committee to study and review any intelligence activty to the extent that such activity directly affects a matter otherwise within the jurisdiction of such committee.

(d) Nothing in this resolution shall be construed as amending, limiting, or otherwise changing the authority of any standing committee of the Senate to obtain full and prompt access to the product of the intelligence activities of any department or agency of the Government relevant to a matter otherwise within the jurisdiction of such committee.

SEC. 4. (a) The select committee for the purpose of accountability to the Senate, shall make regular and periodic reports to the Senate on the nature and extent of the intelligence activities of the various departments and agencies of the United States. Such committee shall promptly call to the attention of the Senate or to any other appropriate committee or committees of the Senate any matters requiring the attention of the Senate or such other committee or committees. In making such report, the select committee shall proceed in a manner consistent with section 8(c)(2) to protect national security.

(b) The select committee shall obtain an annual report from the Director of the Central Intelligence Agency, the Secretary of Defense, the Secretary of State, and the Director of the Federal Bureau of Investigation. Such reports shall review the intelligence activities of the agency or department concerned and the intelligence activities of foreign countries directed at the United States or its interest. An unclassified version of each report may be made available to the public at the discretion of the select committee. Nothing herein shall be construed as requiring the public disclosure in such reports of the names of individuals engaged in intelligence activities for the United States or the divulging of intelligence methods employed or the sources of information on which such reports are based or the amount of funds authorized to be appropriated for intelligence activities.

(c) On or before March 15 of each year, the select committee shall submit to the Committee on the Budget of the Senate the views and estimates described in section 301(c) of the Congressional Budget Act of 1974 regarding matters within the jurisdiction of the select committee.

SEC. 5. (a) For the purposes of this resolution, the select committee is authorized in its discretion (1) to make investigations into any matter within its jurisdiction, (2) to make expenditures from the contingent fund of the Senate, (3) to employ personnel, (4) to hold hearings, (5) to sit and act at any time or place during the sessions, recesses, and adjourned periods of the Senate, (6) to require, by subpoena, or otherwise, the attendance of witnesses and the production of correspondence, books, papers, and documents, (7) to take depositions and other testimony, (8) to procure the service of individual consultants or organizations thereof, in accordance with the provisions of section 202(i) of the Legislative Reorganization Act of 1946, and (9) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The chairman of the select committee or any member thereof may administer oaths to witnesses.

(c) Subpoenas authorized by the select committee may be issued over the signature of the chairman, the vice chairman or any member of the select committee designated by the chairman, and may be served by any person designated by the chairman or any member signing the subpoena.

SEC. 6. No employee of the select committee or any person engaged by contract or otherwise to perform services for or at the request of such committee shall be given access to any classified information by such committee unless such employee or person has (1) agreed in writing and under oath to be bound by the rules of the Senate (including the jurisdiction of the Select Committee on Standards and Conduct [1] and of such committee as to the security of such information during and after the period of his employment or contractual agreement with such committee; and (2) received an appropriate security clearance as determined by such committee in consultation with the Director of Central Intelligence. The type of security clearance to be required in the case of any such employee or person shall, within the determination of such committee in consultation with the Director of Central Intelligence, be commensurate with the sensitivity of the classified information to which such employee or person will be given access by such committee.

SEC. 7. The select committee shall formulate and carry out such rules and procedures as it deems necessary to prevent the disclosure, without the consent of the person or

[1] Name changed to the Select Committee on Ethics by S. Res. 4, 95-1, Feb. 4, 1977.

persons concerned, of information in the possession of such committee which unduly infringes upon the privacy or which violates the constitutional rights of such person or persons. Nothing herein shall be construed to prevent such committee from publicly disclosing any such information in any case in which such committee determines the national interest in the disclosure of such information clearly outweighs any infringement on the privacy of any person or persons.

SEC. 8. (a) The select committee may, subject to the provisions of this section, disclose publicly any information in the possession of such committee after a determination by such committee that the public interest would be served by such disclosure. Whenever committee acton is required to disclose any information under this section, the committee shall meet to vote on the matter within five days after any member of the committee requests such a vote. No member of the select committee shall disclose any information, the disclosure of which requires a committee vote, prior to a vote by the committee on the question of the disclosure of such information or after such vote except in accordance with this section.

(b)(1) In any case in which the select committee votes to disclose publicly any information which has been classified under established security procedures, which has been submitted to it by the executive branch, and which the executive branch requests be kept secret, such committee shall notify the President of such vote.

(2) The select committee may disclose publicly such information after the expiration of a five-day period following the day on which notice of such vote is transmitted to the President, unless, prior to the expiration of such five-day period, the President, personally in writing, notifies the committee that he objects to the disclosure of such information, provides his reasons therefor, and certifies that the threat to the national interest of the United States posed by such disclosure is of such gravity that it outweighs any public interest in the disclosure.

(3) If the President, personally in writing, notifies the select committee of his objections to the disclosure of such information as provided in paragraph (2), such committee may, by majority vote, refer the question of the disclosure of such information to the Senate for consideration. The committee shall not publicly disclose such information without leave of the Senate.

(4) Whenever the select committee votes to refer the question of disclosure of any information to the Senate under paragraph (3), the chairman shall not later than the first day on which the Senate is in session following the day on which the vote occurs, report the matter to the Senate for its consideration.

(5) One hour after the Senate convenes on the fourth day on which the Senate is in session following the day on which any such matter is reported to the Senate, or at such earlier time as the majority leader and the minority leader of the Senate jointly agree upon in accordance with paragraph 5 of rule XVII of the Standing Rules of the Senate, the Senate shall go into closed session and the matter shall be the pending business. In considering the matter in closed session the Senate may—

(A) approve the public disclosure of all or any portion of the information in question, in which case the committee shall publicly disclose the information ordered to be disclosed,

(B) disapprove the public disclosure of all or any portion of the information in question, in which case the committee shall not publicly disclose the information ordered not to be disclosed, or

(C) refer all or any portion of the matter back to the committee, in which case the committee shall make the final determination with respect to the public disclosure of the information in question.

Upon conclusion of the consideration of such matter in closed session, which may not extend beyond the close of the ninth day on which the Senate is in session following the day on which such matter was reported to the Senate, or the close of the fifth day following the day agreed upon jointly by the majority and minority leaders in accordance with paragraph 5 of rule XVII of the Standing Rules of the Senate (whichever the case may be), the Senate shall immediately vote on the disposition of such matter in open session, without debate, and without divulging the information with respect to which the vote is being taken. The Senate shall vote to dispose of such matter by one or nore of the means specified in clauses (A), (B), and (C) of the second sentence of this paragraph. Any vote of the Senate to disclose any information pursuant to this paragraph shall be subject to the right of a Member of the Senate to move for reconsideration of the vote within the time and pursuant to the procedures specified in rule XIII of the Standing Rules of the Senate, and the disclosure of such information shall be made consistent with that right.

(c)(1) No information in the possession of the select committee relating to the lawful intelligence activities of any department or agency of the United States which has been classified under established security procedures and which the select committee, pursuant to subsection (a) or (b) of this section, has determined should not be disclosed shall be made available to any person by a Member, officer, or employee of the Senate except in a closed session of the Senate or as provided in paragraph (2).

(2) The select committee may, under such regulations as the committee shall prescribe to protect the confidentiality of such information, make any information described in paragraph (1) available to any other committee or any other Member of the Senate. Whenever the select committee makes such information available, the committee shall keep a written record showing, in the case of any particular information, which committee or which Members of the Senate received such information. No Member of the Senate who, and no committee which, receives any information under this subsection, shall disclose such information except in a closed session of the Senate.

(d) It shall be the duty of the Select Committee on Standards and Conduct [1] to investigate any unauthorized disclosure of intelligence information by a Member, officer or employee of the Senate in violation of subsection (c) and to report to the Senate concerning any allegation which it finds to be substantiated.

(e) Upon the request of any person who is subject to any such investigation, the Select Committee on Standards and Conduct [1] shall release to such individual at the conclusion of its investigation a summary of its investigation together with its findings. if, at the conclusion of its investigation, the Select Committee on Standards and Conduct [1] determines that there has been a significant breach of confidentiality or unauthorized disclosure by a Member, officer, or employee of the Senate, it shall report its findings to the Senate and recommend appropriate action such as censure, removal from committee membership, or expulsion from the Senate, in the case of a Member, or removal from office or employment or punishment for contempt, in the case of an officer or employee.

SEC. 9. The select committee is authorized to permit any personal representative of the President, designated by the President to serve as a liaison to such committee, to attend any closed meeting of such committee.

SEC. 10. Upon expiration of the Select Committee on Government Operations With Respect to Intelligence Activities, established by Senate Resolution 21, Ninety-fourth Congress, all records, files documents, and other materials in the possession, custody, or control of such committee, under appropriate conditions established by it, shall be transferred to the select committee.

SEC. 11. (a) It is the sense of the Senate that the head of each department and agency of the United States should keep the select committee fully and currently informed with respect to intelligence activities, including any significant anticipated activities, which are the responsibility of or engaged in by such department or agency: *Provided*, That this does not constitute a condition precedent to the implementation of any such anticipated intelligence activity.

(b) It is the sense of the Senate that the head of any department or agency of the United States involved in any intelligence activities should furnish any information or document in the possession, custody, or control of the department or agency, or person paid by such department or agency, whenever requested by the select committee with respect to any matter within such committee's jurisdiction.

(c) It is the sense of the Senate that each department and agency of the United States should report immediately upon discovery to the select committee any and all intelligence activities which constitute violations of the constitutional rights of any person, violations of law, or violations of Executive orders. Presidential directives, or departmental or agency rules or regulations; each department and agency should further report to such committee what actions have been taken or are expected to be taken by the departments or agencies with respect to such violations.

SEC. 12. Subject to the Standing Rules of the Senate, no funds shall be appropriated for any fiscal year beginning after September 30, 1976, with the exception of a continuing bill or resolution, or amendment thereto, or conference report thereon, to, or for use of, any department or agency of the United States to carry out any of the following activities, unless such funds shall have been previously authorized by a bill or joint resolution passed by the Senate during the same or preceding fiscal year to carry out such activity for such fiscal year:

(1) The activities of the Central Intelligence Agency and the Director of Central Intelligence.

(2) The activities of the Defense Intelligence Agency.

(3) The activities of the National Security Agency.

[1] Name changed to the Select Committee on Ethics by S. Res. 4, 95-1, Feb. 4, 1977.

(4) The intelligence activities of other agencies and subdivisions of the Department of Defense.

(5) The intelligence activities of the Department of State.

(6) The intelligence activities of the Federal Bureau of Investigation, including all activities of the Intelligence Division.

SEC. 13. (a) The select committee shall make a study with respect to the following matters, taking into consideration with respect to each such matter, all relevant aspects of the effectiveness of planning, gathering, use, security, and dissemination of intelligence:

(1) the quality of the analytical capabilities of United States foreign intelligence agencies and means for integrating more closely analytical intelligence and policy formulation;

(2) the extent and nature of the authority of the departments and agencies of the executive branch to engage in intelligence activities and the desirability of developing charters for each intelligence agency or department;

(3) the organization of intelligence activities in the executive branch to maximize the effectiveness of the conduct, oversight, and accountability of intelligence activities; to reduce duplication or overlap; and to improve the morale of the personnel of the foreign intelligence agencies;

(4) the conduct of covert and clandestine activities and the procedures by which Congress is informed of such activities;

(5) the desirability of changing any law, Senate rule or procedure, or any Executive order, rule, or regulations to improve the protection of intelligence secrets and provide for disclosure of information for which there is no compelling reason for secrecy;

(6) the desirability of establishing a standing committee of the Senate on intelligence activities;

(7) the desirability of establishing a joint committee of the Senate and the House of Representatives on intelligence activities in lieu of having separate committees in each House of Congress, or of establishing procedures under which separate committees on intelligence activities of the two Houses of Congress would receive joint briefings from the intelligence agencies and coordinate their policies with respect to the safeguarding of sensitive intelligence information;

(8) the authorization of funds for the intelligence activities of the Government and whether disclosure of any of the amounts of such funds is in the public interest; and

(9) the development of a uniform set of definitions for terms to be used in policies or guidelines which may be adopted by the executive or legislative branches to govern, clarify, and strengthen the operation of intelligence activities.

(b) The select committee may, in its discretion, omit from the special study required by this section any matter it determines has been adequately studied by the Select Committee To Study Governmental Operations With Respect to Intelligence Activities, established by Senate Resolution 21, Ninety-fourth Congress.

(c) The select committee shall report the results of the study provided for by this section to the Senate, together with any recommendations for legislative or other actions it deems appropriate, no later than July 1, 1977, and from time to time thereafter as it deems appropriate.

SEC. 14. (a) As used in this resolution, the term "intelligence activities" includes (1) the collection, analysis, production, dissemination, or use of information which relates to any foreign country, or any government, political group, party, military force, movement, or other association in such foreign country, and which relates to the defense, foreign policy, national security, or related policies of the United States, and other activity which is in support of such activities; (2) activities taken to counter similar activities directed against the United States; (3) covert or clandestine activities affecting the relations of the United States with any foreign government, political group, party, military force, movement or other association; (4) the collection, analysis, production, dissemination, or use of information about activities of persons within the United States, its territories and possessions, or nationals of the United States abroad whose political and related activities pose, or may be considered by any department, agency, bureau, office, division, instrumentality, or employee of the United States to pose a threat to the internal security of the United States, and covert or clandestine activities directed against such persons. Such term does not include tactical foreign military intelligence serving no national policymaking function.

(b) As used in this resolution, the term "department or agency" includes any organization, committee, council, establishment, or office within the Federal Government.

(c) For purposes of this resolution, reference to any department, agency, bureau, or subdivision shall include a reference to any successor department, agency, bureau, or subdivision to the extent that such successor engage in intelligence activities now conducted by the department, bureau, or subdivision referred to in this resolution.

SEC. 15. (This section authorized funds for the select committee for the period May 19, 1976 through February 28, 1977.)

SEC. 16. Nothing in this resolution shall be constructed as constituting acquiescence by the Senate in any practice, or in the conduct of any activity, not otherwise authorized by law.

[APPENDIX B]

94TH CONGRESS, 1ST SESSION, S. RES. 9

[In the Senate of the United States, January 15, 1975]

[Resolution amending the rules of the Senate relating to open committee meetings.]

Resolved, That paragraph 7(b) of rule XXV of the Standing Rules of the Senate is amended to read as follows;

"(b) Each meeting of a standing, select, or special committee of the Senate, or any subcommittee thereof, including meetings to conduct hearings, shall be open to the public, except that a portion or portions of any such meeting may be closed to the public if the committee or subcommittee, as the case may be, determines by record vote of a majority of the members of the committee or subcommittee present that the matters to be discussed or the testimony to be taken at such portion or portions—

"(1) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

"(2) will relate solely to matters of committee staff personnel or internal staff management or procedure;

"(3) will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy, or will represent a clearly unwarranted invasion of the privacy of an individual;

"(4) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement; or

"(5) will disclose information relating to the trade secrets or financial or commercial information pertaining specifically to a given person if—

"(A) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

"(B) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person.

Whenever any hearing conducted by any such committee or subcommittee is open to the public, that hearing may be broadcast by radio or television, or both, under such rules as the committee or subcommittee may adopt.".

SEC. 2. Section 133A(b) of the Legislative Reorganization Act of 1946, section 242(a) of the Legislative Reorganization Act of 1970, and sections 102 (d) and (e) of the Congressional Budget Act of 1974 are repealed.

DR. WILLIAM GRAHAM SHOULD BE NASA ADMINISTRATOR

● Mr. WALLOP. Mr. President, there has been much talk lately of the need for good leadership at the National Aeronautics and Space Administration. Having dealt with perhaps the most expensive, and the most successful, part of the U.S. Space Program for 8 years, and having seen NASA up close, I can only concur. NASA has been in existence for a full generation now. It has developed some of the sclerosis that comes with a leadership group that has worked together a long time and that has acquired excessive interest in getting along with one another and in looking good. I well remember, as chairman of the Budget Subcommittee of the Senate Committee on Intelligence, arguing that this country was relying too heavily on the shuttle for launching some of our most important payloads. The shuttle is a wonderful tool, I argued, but it should not be our only means of launching payloads into space. It is best for resupplying, repairing, and returning spacecraft. The simple job of lifting payloads should be spread among a variety of vehicles. Well, this commonsense argument ran into a stone wall of opposition from NASA. The newly universal concern was to secure a kind of monopoly for the shuttle, and to foreclose any slippage of support for their No. 1 program. I understand that is how bureaucracies work. But I know the country needs better than bureaucratic solutions.

Nowadays we hear much in the press about how the professionals at NASA

want one of their own fraternity to be appointed as the Administrator. I think that the President would not serve the country well if he gave in to the bureaucrats. The bureaucrats and their spokesmen are adamant. Dr. William Graham, the very recently appointed Deputy Administrator, the man who became Acting Administrator, a few days before the disaster, should not be appointed as the permanent Administrator, they say. Well, I can say that Dr. Graham was one of the few people, who, years ago, saw the logical need to provide this country with some expendable launchers we could use to supplement or back up the shuttle. He proved to be right, and the bureaucracy proved to be wrong. I know that bureaucrats find it hard to forgive such things, and to accept outsiders, but the President and the Congress are not here to make bureaucrats happy, we are here to make sure that bureaucracies are led by people who have a record of being right. Dr. Graham is such a man.

Dr. Graham is a brilliant engineer who has been right about technical questions such as missile guidance systems, and about broad political questions. More to the point, he has a good nose for where our resources should be allocated for the sake of the country, and the personal fortitude to say no to bureaucrats. He has served the President honorably and well.

I have been dismayed, but not surprised, by attacks in the press and on the Hill against this man, who has handled a difficult, even a tragic function admirably, even without the benefit of the full authority that comes with a regular title to the job. I believe it is time for the President, as well as for those of us in Congress who care about our country and who believe that rewards should follow faithful competence, to support Dr. William Graham as the permanent Administrator of NASA.●

S. 2099—AMENDMENTS TO SECTION 201 OF TRADE ACT OF 1974

● Mr. ROTH. Mr. President, I ask that the bill, S. 2099, I introduced on February 25, with Senators WALLOP and DURENBERGER, along with a brief summary and a section-by-section analysis, be printed in the RECORD.

The material follows:

S. 2099

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INVESTIGATIONS.

(a) ADJUSTMENT PROPOSAL.—Subsection (a) of section 201 of the Trade Act of 1974 (19 U.S.C. 2251(a)) is amended—

(1) by striking out the second sentence of paragraph (1), and

(2) by adding at the end thereof the following new paragraph:

"(3)(A) Each petition filed under paragraph (1) shall include an adjustment proposal which sets forth—

"(i) the specific objectives of the import relief being requested,

"(ii) a schedule for achieving such objectives which—

"(I) coincides with the period for which import relief is requested, and

"(II) identifies goals that are to be achieved within specific intervals in the period for which import relief is requested, and

"(iii) a description of actions which will be taken to achieve such objectives.

"(B) The objectives of the import relief requested in a petition may include—

"(i) the facilitation of orderly transfer of resources to alternative uses, or

"(ii) other means of adjusting to new conditions of competition.

"(C) The adjustment proposal required under subparagraph (A) or (D) may address, among other factors, the following factors relating to the domestic industry:

"(i) the level of capital investment,

"(ii) production capacity utilization,

"(iii) production capacity projections,

"(iv) automation of production,

"(v) management innovations,

"(vi) labor policy,

"(vii) changes in other cost structures, or

"(viii) market strategies.

"(D) Notwithstanding subsection (b)(1), no investigation may be initiated by the Commission under this section until an adjustment proposal described in subparagraph (A) has been submitted to the Commission by any person who would be eligible to initiate such investigation by filing a petition under paragraph (1).".

"(b) DETERMINATIONS.—Subsection (b) of section 201 of the Trade Act of 1974 (19 U.S.C. 2251(b)) is amended—

"(1) by striking out subparagraph (P) of paragraph (2) and inserting in lieu thereof the following:

"(B) with respect to the threat of serious injury—

"(i) a decline in sales in the domestic industry concerned,

"(ii) a higher and growing inventory in the domestic industry concerned (whether maintained by domestic producers, importers, wholesalers, or retailers),

"(iii) a downward trend in production, profits, wages, or employment (or increasing underemployment) in the domestic industry concerned,

"(iv) any policy or plan of a foreign government, or any policy or plan efficiently santioned by a foreign government, which—

"(I) has the stated purpose of enhancing, or

"(II) has the foreseeable result of enhancing,

the competitiveness of an industry of such foreign country (relative to the world market or the market in such foreign country) in order to create for such industry a greater comparative advantage than the industry would have absent such policy or plan,

"(v) the existence of final affirmative antidumping or countervailing duty determinations under section 303 or title VII of the Tariff Act of 1930 with respect to any merchandise that is produced by the domestic industry concerned,

"(vi) the extent to which firms in the domestic industry concerned are unable to maintain existing levels of expenditures on research and development,

"(vii) the extent to which the United States market is the focal point for diversion of exports of the article that is the subject of the investigation by reason of restraints on exports of such article to, or on imports of such article into, the markets of any foreign country,

"(viii) any increase in production capacity, or existing unused capacity, in foreign countries that is likely to result in a significant increase in imports into the United States of the article that is the subject of the investigation,

"(ix) any rapid increase in United States market penetration and the likelihood that the penetration will increase to the level of serious injury,

"(x) the probability that imports of such article will enter the United States at prices that will have a depressing or suppressing effect on domestic prices of such article, and

"(xi) the potential for product-shifting if production facilities owned or controlled by the foreign manufacturers, which are not being used, but could be used, to produce such article, are subsequently used to produce such article, and

"(xii) any other demonstrable adverse trends that indicate the probability that the importation (or sale for importation) of such article (whether or not such article is actually being imported at the time) will be the cause of serious injury.", and

(2) by adding at the end thereof the following new paragraph:

"(8) Any determination by the Commission under paragraph (1) that an industry in the United States is threatened with serious injury shall be made on the basis of evidence that the threat of serious injury is real and that actual serious injury is imminent. Such a determination may not be made on the basis of mere conjecture or supposition, but may be made on the basis of official statements of intended action made by a foreign government.".

(c) RECOMMENDATIONS.—Subsection (d) of section 201 of the Trade Act of 1974 (19 U.S.C. 2251(d)) is amended—

(1) by striking out "the Commission finds with respect to any article, as a result of its investigation, the serious injury or threat thereof described in subsection (b)" in paragraph (1) and inserting in lieu thereof "the determination of the Commission under subsection (b)(1) is affirmative",

(2) by striking out "or" at the end of paragraph (1)(A),

(3) by adding "or" at the end of paragraph (1)(B),

(4) by inserting after subparagraph (b) of paragraph (1) the following new subparagraph:

"(C) make the finding described in subparagraph (A) and recommend the provision of adjustment assistance under chapters 2 and 3,", and

(5) by adding at the end thereof the following new paragraph:

"(3)(A) If the Commission has made an affirmative determination under subsection (b)(1), the Commission shall—

"(i) conduct an investigation of, and, after reasonable notice, hold a public hearing (at which all interested parties shall be provided an opportunity to present testimony and evidence) on—

"(I) the finding the Commission is required to make under paragraph (1)(A),

"(II) the determination and estimate the Commission is required to make under clauses (ii) and (iv), and

"(III) the adjustment proposal, if any, required under subsection (a)(3),

"(ii) determine the probable effectiveness of import relief which may be provided under section 203,

"(iii) evaluate the effectiveness of such adjustment proposal as a means of enabling the domestic industry to compete competitively, and

"(iv) estimate the short-term and long-term effects of the actions the Commission has found to be necessary under paragraph (1)(A) on private and industrial consumers (including the effect on the price and availability of the imported article and the like, or directly competitive, article produced in the United States).

"(B) The Commission shall include in the report submitted to the President under paragraph (1)—

"(i) the determination made under subparagraph (a)(ii),

"(ii) a summary of the evaluation made under subparagraph (A)(iii),

"(iii) the estimate made under subparagraph (A)(iv), and

"(iv) any comments of any Commissioners on any relief which the President is authorized to provide under section 203.".

SEC. 2. RELIEF FROM IMPORTS.

(a) DETERMINATIONS.—Paragraph (1) of section 202(a) of the Trade Act of 1974 (19 U.S.C. 2252(a)(1)) is amended—

(1) by striking out "and" at the end of subparagraph (A),

(2) by redesignating subparagraph (B) as subparagraph (C), and

(3) by inserting after subparagraph (A) the following new subparagraph.

"(B) shall evaluate the objectives and actions specified in the adjustment proposal required under section 201(a)(3), and".

(b) RELIEF WHICH MAY BE PROVIDED.—

(1) Subsection (a) of section 203 of the Trade Act of 1974 (19 U.S.C. 2253(a)) is amended—

(A) by striking out "or" at the end of paragraph (4),

(B) by redesignating paragraph (5) as paragraph (7), and

(C) by inserting after paragraph (4) the following new paragraphs:

"(5) direct the Attorney General, in consultation with the Secretary of Commerce, to review applications from members of the industry in question for antitrust law exemptions in accordance with subsection (l)(1);

"(6) enter into multilateral negotiations to address problems not susceptible to unilateral solution, such as diversion of imports due to government targeting; or".

(2) Paragraph (1) of section 203(b) of the Trade Act of 1974 (19 U.S.C. 2253(b)(1)) is amended—

(A) by striking out "On the day" and inserting in lieu thereof "(A) On the day", and

(B) by adding at the end thereof the following new paragraph:

"(B) Each report submitted by the President under subparagraph (A) shall include a description of—

"(i) the probable effects such import relief will have on the ability of the domestic industry concerned to adjust to imports,

"(ii) all actions (hereafter in this chapter referred to as the 'adjustment agreement') which the firms and workers in the domestic industry concerned and the Federal, State, and local governments are taking, or have agreed to take during the period for which import relief is provided under this section to enable the domestic industry concerned to compete more effectively with imports, and

"(iii) the probable effects the import relief the President has determined to take under section 202(b) will have on consumers.".

(3) Section 203 of the Trade Act of 1974 (19 U.S.C. 2253) is amended by adding at the end thereof the following new subsection:

"(l)(1)(A) Any firm that is part of the industry injured, or threatened with injury, may submit to the Attorney General an application for exemption from section 7 of the Clayton Act (15 U.S.C. 18), section 2 of the Sherman Act (15 U.S.C. 2), and section 1 of the Sherman Act (15 U.S.C. 1) insofar as it applies to mergers and acquisitions.

"(B) If directed by the President under subsection (a)(5) to consider applications submitted under subparagraph (A), the Attorney General, in consultation with the Secretary of Commerce, shall grant the exemption sought upon determination that—

"(i) the applicants are members of the industry found by the Commission under section 201(b) to have been injured, or to be threatened with injury,

"(ii) the action for which exemption is sought is reasonably related to enhancing competition with foreign competitors to whom market share has been lost, and, considering worldwide competition, outweighs any adverse competitive impact on the domestic market, and

"(iii) the specified action would not violate provisions of the antitrust laws for which exemption cannot be requested.

"(C) the Attorney General shall report any exemption allowed under this section to the Judiciary Committee and the Ways and Means Committee of the House of Representatives and the Judiciary Committee and the Finance Committee of the Senate.

"(2)(A) If the action that the President determines to take under section 202(b) is described in subsection (a)(6), the President shall determine, before the date that is 1 year after the day on which the Commission submitted the report under section 201(d)(1), whether such action has provided any substantial relief from the serious injury, or threat of serious injury, to the domestic industry.

"(B) If the determination made under subparagraph (A) is negative, the President shall, by no later than the date that is 15 days after the date on which such determination is made, determine the extent, if any, to which it is necessary to increase or impose a duty or other import restriction on the imported article and the duration of such increase or imposition.

"(C) Each of the determinations made by the President under subparagraphs (A) and (B) shall be submitted to the Congress by no later than the date that is 5 days after the date on which such determination is made.

"(D) The President shall, on the date that is 90 days after the date on which the determination made under subparagraph (B) is submitted to the Congress, proclaim the increase in, or imposition of, any duty or other import restriction on the imported article that the President determined to be necessary under subparagraph (B).

"(E) If—

"(i) the import relief the President determines to provide under subparagraph (B) differs from the import relief the Commission found to be necessary under section 201(d)(1)(A), or

"(ii) the President determines to provide no additional import relief under subparagraph (B),

the import relief that the Commission found to be necessary under section 201(d)(1)(A) shall take effect (as provided in subparagraph (D)) upon the enactment of a joint resolution described in section 152(a)(1)(A) disapproving of such determination within the 90-day period described in subparagraph (D).

"(F) If a joint resolution described in section 152(a)91)(A) that disapproves any determination made under subparagraph (B) is enacted into law within the 90-day period described in subparagraph (D)—

"(i) no proclamation may be issued under subparagraph (D) with respect to such determination, and

"(ii) the President shall (within 30 days after such enactment) proclaim the interest in, or imposition of, any duty or other import restriction on the article which was found to be necessary by the Commission under section 201(d)(1)(A).

"(m)(1) After import relief provided under this section has terminated, the Commission shall evaluate the effectiveness of the relief.

"(2) During the course of the evaluation conducted under paragraph (1), the Commission shall, after reasonable public notice hold a hearing on the effectiveness of the import relief. All interested persons shall have the opportunity to attend such hearing and to present evidence or testimony at such hearing.

"(3) A report on the evaluation made under paragraph (1) and the hearing held under paragraph (2) shall be submitted by the Commission to the President and to the Congress by no later than the date which is 6 months after the date on which the import relief terminated.

"(n)(1) If the import relief is provided to a domestic industry under this section—

"(A) the President shall establish procedures for monitoring achievement of the goals of the adjustment agreement and may terminate or modify such import relief if the firms or workers do not take the actions agreed to in the adjustment agreement, and

"(B) the President may submit to the Congress such recommended legislation as the President considers necessary or appropriate for the purpose of achieving the objectives specified in the adjustment agreement.

"(2) Any proposed legislation described in paragraph (1)(B) that is submitted by the President to Congress shall—

"(A) be introduced by the majority leader of each House of the Congress (by request), and

"(B) Be treated as an implementing bill for purposes of subsections (d), (e), (f), and (c) of section 151.".

(c) PETITIONS FILED TO RENEW IMPORT RELIEF.—Subsection (j) of section 203 of the Trade Act of 1974 (19 U.S.C. 2253(j)) is amended to read as follows:

"(j)(1) No investigation may be initiated under section 201 with respect to imports of any article for which import relief has previously been provided under this section—

"(A) at any time within the 2-year period ending on the date of initiation of such investigation, or

"(B) during any two nonconsecutive periods of time.

"(2) If import relief was provided under this section with respect to imports of any article during any previous nonconsecutive period of time—

"(A) the sole objective of any subsequent import relief which may be provided under this section with respect to such article shall be facilitation of the orderly transfer to alternative uses of resources in the domestic industry producing an article like, or directly competitive with such article.

"(B) any petition filed under section 201(a) requesting such subsequent import relief shall specify in the adjustment proposal the means of accomplishing such objective.

"(C) any subsequent import relief which may be provided under this section with respect to such article shall be at a level of relief no greater than the level of relief previously provided under the section, and

"(D) subsection (h)(3) shall not apply with respect to such subsequent import relief.".

"(d) CONFORMING AMENDMENTS.—

(1) Section 203 of the Trade Act of 1974 (19 U.S.C. 2253) is amended—

(A) by striking out "subsection (a) or (c)" each place it appears and inserting in lieu thereof "subsection (a), (c), or (1)(2)",

(B) by striking out "of subsections (a) and (c)" each place it appears and inserting in lieu thereof "this section", and

(C) by striking out "(5)" in subsections (e) and (g)(2) each place it appears and inserting in lieu thereof "(7)".

(2) Subsection (b) of section 154 of the Trade Act of 1974 (19 U.S.C 2194(b)) is amended by striking out "sections 203(c), 407(c)(2), and 407(c)(3)" and inserting in lieu thereof "subsections (c) and (1)(2) of section 203 and section 407(c)(3)".

SUMMARY

KEY OBJECTIVES

To assure that the interests of all industries, communities and individuals are taken into account on a regular basis in decisions on import protection under section 201.

To encourage the President to grant import relief by transforming section 201 into an effective "adjustment" statute, a statute that facilitates the adjustment of domestic industries to international competition.

SUMMARY

Retains Presidential discretion to consider the national economic interest in making decisions on import relief when unfair trade and national security are not at issue.

Establishes new procedures to encourage an industry receiving import protection to adjust to import competition.

Expands the factors that may indicate threat of serious injury to include, among others, foreign government targeting, the level of R&D in the domestic industry, and the potential for product-shifting if production facilities overseas, which are not now being used, could be used to produce the article.

Clarifies that the International Trade Commission (ITC) can recommend both import restrictions and adjustment assistance to help a petitioning industry.

Requires the ITC to make a new finding on the probable effectiveness of import relief and to estimate the consumer effects of any proposed import restrictions.

Expands the President's array of remedy options to include special consideration of antitrust exemptions and multilateral negotiations to address problems not susceptible to unilateral solutions.

Requires the ITC to hold a public hearing after relief is terminated to evaluate the effectiveness of the relief in aiding the industry to adjust to import competition.

Provides a maximum of 13 years import protection to an industry under section 201.

SECTION-BY-SECTION ANALYSIS—S. 2099

AMENDMENTS TO SECTION 201 OF THE TRADE ACT OF 1974

Section 1—Investigations

(a) ADJUSTMENT PROPOSAL.—Elaborates on the current requirement that petitions for relief "include a statement describing the specific purposes for which import relief is being sought, which may include such objectives as facilitating the orderly transfer of resources to alternative uses and other means of adjustment to new conditions of competition." Requires the petitioner to submit an "adjustment proposal" which specifies the specific objectives for which import relief is requested and a schedule for achieving the objectives, including interim goals. In addition to the broad objectives of relief, the adjustment proposal may also address other factors, such as the level of capital investment, production capacity utilization, labor policies, cost structures, etc. Adjustment proposals are required in all 201 cases, even those initiated by any means other than a petition.

(b) DETERMINATIONS.—Expands the factors relevant to threat of serious injury to include foreign government targeting, injurious dumped or subsidized imports, the level of R&D expenditures in the domestic industry, the extent to which the U.S. is the focal point for diversion of exports, increases in production capacity overseas, rapid increases in market penetration, the probability that imports will depress domestic prices and the potential for product-shifting if production facilities overseas, which are not now being used, could be used to produce the article. Also, makes clear that a determination of threat of serious injury may not be made on the basis of mere conjecture or supposition, but may be made on the basis of official statements of intended action made by a government.

(c) RECOMMENDATIONS.—Clarifies that the ITC may recommend import relief, adjustment assistance or both. If the ITC has made an affirmative injury determination, the Commission is required (1) to conduct an investigation and hold a hearing on: the import relief remedy, the probable effectiveness of import relief as a means of promoting adjustment, the consumer effects of import relief, and the adjustment proposal, (2) to make a second determination on the probable effectiveness of import relief as a means of promoting adjustment, (3) to evaluate the effectiveness of the adjustment proposal and (4) to estimate the effects of proposed import relief on consumers. The Commission's report to the President would include discussion of its determination on the probable effectiveness of relief, a summary of the evaluation of the adjustment proposal, the consumer effects estimate and comments on remedies available to the President, but not available to the Commission.

Section 2—Import relief

(a) DETERMINATIONS.—Directs the President to evaluate the objectives and actions specified in the adjustment proposal.

(b) RELIEF WHICH MAY BE PROVIDED:

(b)(1)—Expands the President's remedy options to include special consideration of exemptions from antitrust laws, and multilateral negotiations to address problems not susceptible to unilateral solutions.

(b)(2)—Requires the President to include in his report to the Congress on the relief he has selected a description of the probable effects such import relief will have on the ability of the domestic industry to adjust to imports and the effects on consumers as well as all actions firms and workers in the domestic industry and the Federal, State, and local governments are taking, or have agreed to take during the period for which import relief will be provided to make the domestic industry more competitive. These actions would constitute the "Adjustment Agreement."

(b)(3)(l)—Establishes procedures for granting exemptions from antitrust laws. Provides authority for the imposition of other import remedies, if multilateral negotiations are not successful after a year. If the President does not provide relief or modifies relief at this point, the ITC remedy will take effect if the Congress enacts a joint resolution.

(b)(3)(m)—Requires the Commission to hold a public hearing after relief is terminated to evaluate the effectiveness of the relief and to submit a report on the evaluation to the President.

(b)(3)(n)—Directs the President to establish procedures to monitor achievement of the goals of the adjustment agreement and to terminate or modify import relief if firms or workers do not take actions agreed to. Authorizes consideration of legislation recommended by the President to carry out the adjustment agreement on a fasttrack.

(c) PETITIONS FILED TO RENEW IMPORT RELIEF.—Limits the duration a import relief. Industries would continue to be able to receive relief for five years, with a possible extension of three years, and they would be able to petition again for relief two years after the initial relief period. But the only purpose for which relief could be granted a second time would be to facilitate the orderly transfer of resources to alternative uses. The petitioner's adjustment proposal accompanying this second petition would specify goals and objectives to accomplish this transfer. The second relief period would have a maximum five year duration, with no extension possible. Relief during this second period could not be greater than during the initial relief period. No further relief would be possible under this statute. Thus, no industry would receive more than thirteen years relief under Section 201.●

DEDUCTIBILITY OF STATE AND LOCAL TAXES

● Mr. HUMPHREY. Mr. President, I should like to call to the attention of my colleagues the second of a recent series of articles in the Washington Times by nationally syndicated economics columnist Warren Brookes concerning the deductibility of State and local taxes. In his column of February 17, entitled "Why House Tax Plan Needs Repair" Mr. Brookes spells out why this deduction must be eliminated in order to achieve serious tax rate reform.

In this column, Mr. Brookes addresses the deduction in general and the "tax upon a tax" argument of those who favor retaining this unfair and costly deduction in particular. Mr. Brookes points out that "with at least four major levels of taxing authority (city, county, State, and Federal), there is simply no way to avoid 'taxes on taxes.'" Mr. Brookes correctly goes on to point out that "The genius of

the Federal system, which promotes the one thing monopolistic government lacks, dynamic competition, is in fact deliberately undermined by this deduction."

Mr. President, the arguments raised by Mr. Brookes in this and his other articles on the subject clearly demonstrate the fairness issue involved in deductibility. I would urge my colleagues to strongly consider the points made by Mr. Brookes as the Senate continues consideration of the tax reform issue.

Mr. President, I ask that the article referred to above be printed in the RECORD.

The article follows:

[From the Washington Times, Feb. 17, 1986]

WHY HOUSE TAX PLAN NEEDS REPAIR

(By Warren Brookes)

Senate Finance Committee Chairman Robert Packwood has embarked on the difficult task of trying to write an entirely *new* "tax reform" bill for at least one reason: The only way to generate the $25–30 billion he needs to "fix" the House bill (H.R. 3838) is to get rid of the entire state and local tax deduction—but he comes from one of the five highest-taxed states in the nation, Oregon.

He will soon discover, however, that *no* serious tax rate reform or reduction is possible (barring a new tax) without dumping this costly ($35–40 billion a year) deduction.

This is why getting rid of this deduction in favor of lower tax rates for everyone has long been the central tax-reform theme of the nation's top liberal think-tank, the Brookings Institution and its distinguished liberal tax expert, Joseph Pechman.

Mr. Pechman's position is solidly based both on equity and economics. Not only do 80 percent of the benefits of this deduction go to the top 20 percent of the taxpayers, but the deduction is a direct subsidy of high-tax, low-growth states at the expense of low-tax, high-growth states.

In this sense, keeping tax rates deliberately high for all taxpayers in order to "fund" this deduction that helps the very few amounts not only to an explicit but perverse "income-transfer" program from lower incomes to higher. It is also an even more perverse "industrial policy," one that works against the natural competitive dynamics of the "federalist" system, and probably costs the nation 1–2 points a year in real growth of the gross national product.

This is why the "fall-back" position taken by liberals like Democratic Sen. Daniel Patrick Moynihan of high-tax, low-growth New York, namely that the deduction in some way *preserves* federalism because it prevents a "tax upon a tax," is somewhat disingenuous.

With at least four major levels of taxing authority (city, county, state, federal), there is simply no way to avoid "taxes on taxes." Social Security, for example, is a tax on the federal income tax and vice versa; city and county taxes are taxes on state taxes; and corporate taxes are taxes on so many other taxes it is impossible to count them or to sort them out.

Indeed, the same liberals who now defend *double* taxation of corporate dividends are making the so-called "tax-on-tax" case *against* repealing the state and local deductions.

Their position becomes even more tenuous when on the one hand they argue (correctly) for taking the myriad "loopholes" and "incentives" out of the corporate tax system to make it more economically "neutral," and on the other hand for preserving a deduction that explicitly subsidizes the 13 highest-tax states.

The genius of the federalist system, which promotes the one thing monopolistic government lacks, dynamic competition, is in fact deliberately undermined by this deduction.

Particularly when you discover that not only does it favor high taxes, it promotes the most economically harmful "tax-mix," namely personal *income* taxes over *sales* taxes.

This is the unassailable conclusion of a detailed regression analysis made for this column by former Joint Economic Committee tax economist Richard Vedder of Ohio University.

Using the actual 1982 federal income tax data, and the actual tax levels in the 48 mainland states of the three major deductible taxes—income, property, and sales—Mr. Vedder determined the state "winners" and "losers" from this deduction, which we shall detail in our next column.

What he also found is that because the property and sales taxes are by definition "regressive," falling most heavily on the 65 percent who don't itemize, the present deduction is most favorable to those states with very high and graduated *income* taxes, and it punishes those states which depend most on *sales* taxes.

"My analysis suggest that a $1 increase in state income taxes reduces federal income tax liability by a whopping 45 cents—but a similar increase in sales taxes only lowers federal liability by 18 cents, and a similar increase in property taxes only lowers the average individual's payments by a dime." Federal taxpayers now subsidize 45 cents of every state income-tax dollar, but only 18 cents of every sales-tax dollar.

Furthermore, in a research paper for *Public Choice* magazine, Mr. Vedder found that "the *negative* growth impact of individual income taxes on personal income 1970–82 was 2.68 times larger than that of sales taxes." Income taxes are harshly anti-growth.

Mr. Vedder's thesis is borne out in the table, which shows that the 10 states with highest income taxes have less than one-third the income and job-creation rates of those with the lowest (or no) income taxes; while the 10 lowest sales-tax states had *no* real economic growth advantage over the 10 highest.

This may explain why the state of Washington, with high sales taxes but no income taxes, has since 1978 enjoyed nearly *double* the rate of job and income growth as Sen. Packwood's Oregon, with no sales tax but the third-highest income taxes in the United States.

ECONOMIC GROWTH RATES COMPARED—WEIGHTED AVERAGES

	Personal income (real) 1970–83 (percent)	Jobs (payroll non-agriculture) 1975–83 (percent)
State income taxes (45 percent of which are deducted):		
10 highest personal-income-tax States	31.6	11.5
10 lowest personal-income-tax States	102.7	33.7

ECONOMIC GROWTH RATES COMPARED—WEIGHTED AVERAGES—Continued

	Personal income (real) 1970–83 (percent)	Jobs (payroll non-agriculture) 1975–83 (percent)
State sales taxes (18 percent of which are deducted):		
10 highest sales-tax States	65.7	12.1
10 lowest sales-tax States	71.2	14.0

SOURCE: Department of Commerce, Bureau of Labor Statistic.●

DOUGLAS KELLEY GOES TO MOUNT. EVEREST

● Mr. DURENBERGER. Mr. President, one of the joys of working here in the Senate is the opportunity to work with some of the most talented and ambitious young people that our Nation has produced. We are deeply indebted to the commitment and skill which they bring to serving the U.S. Senate. Perhaps we don't say it enough, but the Senate is not just 100 Senators, it is thousands of good people who serve here day in and day out.

I take this time to call to the attention of my colleagues an extraordinary event in the life of my staff: The departure of my administrative assistant, Douglas Kelley, in the next few days for Tibet and an assault on the world's tallest mountain, Mount. Everest. I want the Senate family to be aware of this exciting experience for one of our own so that we all can share in the vicarious thrill and pride of Doug's participation in this ultimate adventure.

The 12-person climbing team of which Doug will be a part will be assaulting Everest from the difficult and dangerous north face. Their successful expedition will mark the first time a group of Americans will have reached the summit from the north side and only the second group in history. From the time they reach base camp, the expedition will spend almost 2 months on the mountain.

While we will certainly miss Doug during his absence, we sense and participate in his spirit of adventure and wish him good fortune, safety and success. Our best wishes and prayers go with him.●

RULES OF PROCEDURES FOR THE COMMITTEE ON ARMED SERVICES

● Mr. GOLDWATER. Mr. President, paragraph 2 of rule XXVI of the Standing Rules of the Senate requires that each committee of the Senate publish its rules not later than March 1 of each year. Therefore, I submit for the RECORD the rules of the Committee on Armed Services.

The rules are as follows:

ARMED SERVICES COMMITTEE RULES OF PROCEDURE

(Adopted March 7, 1985)

1. *Regular Meeting Day and Time.* The regular meeting day of the committee shall be each Thursday at 10:00 a.m., unless the committee or the chairman directs otherwise.

2. *Additional Meetings.* The chairman may call such additional meetings as he deems necessary.

3. *Special Meetings.* Special meetings of the committee may be called by a majority of the members of the committee in accordance with paragraph 3 of Rule XXVI of the Standing Rules of the Senate.

4. *Open Meetings.* Each meeting of the committee, or any subcommittee thereof, including meetings to conduct hearings, shall be open to the public, except that a meeting or series of meetings by the committee or a subcommittee thereof on the same subject for a period of no more than fourteen (14) calendar days may be closed to the public on a motion made and seconded to go into closed session to discuss only whether the matters enumerated below in clauses (a) through (f) would require the meeting to be closed, followed immediately by a record vote in open session by a majority of the members of the committee or subcommittee when it is determined that the matters to be discussed or the testimony to be taken at such meeting or meetings—

(a) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(b) will relate solely to matters of committee staff personnel or internal staff management or procedure;

(c) will tend to charge an individual with a crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy or will represent a clearly unwarranted invasion of the privacy of an individual;

(d) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement;

(e) will disclose information relating to the trade secrets or financial or commercial information pertaining specifically to a given person if—

(1) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

(2) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person; or

(f) may divulge matters required to be kept confidential under other provisions of law or Government regulations.

5. *Presiding Officer.* The chairman shall preside at all meetings and hearings of the committee except that in his absence the ranking majority member present at the meeting or hearing shall preside unless by majority vote the committee provides otherwise.

6. *Quorum.* (a) A majority of the members of the committee are required to be actually present to report a matter or measure from the committee.

(b) Except as provided in subsections (a) and (c), and other than for the conduct of hearings, six members of the committee shall constitute a quorum for the transaction of such business as may be considered by the committee.

(c) Three members of the committee, one of whom shall be a member of the minority party, shall constitute a quorum for the purpose of taking sworn testimony, unless otherwise ordered by a majority of the full committee.

(d) Proxy votes may not be considered for the purpose of establishing a quorum.

7. *Proxy Voting.* Proxy voting shall be allowed on all measures and matters before the committee. The vote by proxy of any member of the committee may be counted for the purpose of reporting any measure or matter to the Senate if the absent member casting such vote has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded.

8. *Announcement of Votes.* The results of all rollcall votes taken in any meetng of the committee on any measure, or amendment thereto, shall be announced in the committee report, unless previously announced by the committee. The announcement shall include a tabulation of the votes cast in favor and votes cast in opposition to each such measure and amendment by each member of the committee who was present at such meeting. The chairman may hold open a rollcall vote on any measure or matter which is before the committee until no later than midnight of the day on which the committee votes on such measure or matter.

9. *Subpoenas.* Subpoenas for attendance of witnesses and for the production of memoranda, documents, records, and the like may be issued by the chairman or any other member designated by him, but only when authorized by a majority of the members of the committee. The subpoena shall briefly state the matter to which the witness is expected to testify or the documents to be produced.

10. *Hearings.* (a) Public notice shall be given of the date, place, and subject matter of any hearing to be held by the committee, or any subcommittee thereof, at least 1 week in advance of such hearing, unless the committee or subcommittee determines that good cause exists for beginning such hearings at an earlier time.

(b) Hearings may be initiated only by the specified authorization of the committee or subcommittee.

(c) Hearings shall be held only in the District of Columbia unless specifically authorized to be held elsewhere by a majority vote of the committee or subcommittee conducting such hearings.

(d) Witnesses appearing before the committee shall file with the clerk of the committee a written statement of his proposed-testimony at least 24 hours not including weekends or holidays prior to a hearing at which he is to appear unless the chairman and the ranking minority member determines that there is good cause for the failure of the witness to file such a statement.

(e) Confidential testimony taken or confidential material presented in a closed hearing of the committee or subcommittee or any report of the proceedings of such hearing shall not be made public in whole or in part or by way of summary unless authorized by a majority vote of the committee or subcommittee.

(f) Any witness summoned to give testimony or evidence at a public or closed hearing of the committee or subcommittee may be accompanied by counsel of his own choosing who shall be permitted at all times during such hearing to advise such witness of his legal rights.

(g) Witnesses providing unsworn testimony to the committee may be given a transcript of such testimony for the purpose of making minor grammatical corrections. Such witnesses will not, however, be permitted to alter the substance of their testimony. Any question involving such corrections shall be decided by the chairman.

11. *Nominations.* Unless otherwise ordered by the committee, nominations referred to the committee shall be held for at least seven (7) days before being voted on by the committee. Each member of the committee shall be furnished a copy of all nominations referred to the committee.

12. *Real Property Transactions.* Each member of the committee shall be furnished with a copy of the proposals of the Secretaries of the Army, Navy, and Air Force, submitted pursuant to 10 U.S.C. 2662 and with a copy of the proposals of the Director of the Federal Emergency Management Agency, submitted pursuant to 50 U.S.C. App. 2285, regarding the proposed acquisition or disposition of property of an estimated price or rental of more than $50,000. Any member of the committee objecting to or requesting information on a proposed acquisition or disposal shall communicate his objection or request to the chairman of the committee within thirty (30) days from the date of submission.

13. *Legislative Calendar.* (a) The clerk of the committee shall keep a printed calendar for the information of each committee member showing the bills introduced and referred to the committee and the status of such bills. Such calendar shall be revised from time to time to show pertinent changes in such bills, the current status thereof, and new bills introduced and referred to the committee. A copy of each new revision shall be furnished to each member of the committee.

(b) Unless otherwise ordered, measures referred to the committee shall be referred by the clerk of the committee to the appropriate department or agency of the Government for reports thereon.

14. Except as otherwise specified herein, the Standing Rules of the Senate shall govern the actions of the committee. Each subcommittee of the committee is part of the committee, and is therefore subject to the committee's rules so far as applicable.

15. *Powers and Duties of Subcommittees.* Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it. Subcommittee chairmen shall set dates for hearings and meetings of their respective subcommittees after consultation with the chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of full committee and subcommittee meetings or hearings whenever possible.●

SOVIET HUMAN RIGHTS VIOLATIONS

● Mr. WALLOP. Mr. President, this week the Helsinki Commission held two hearings on human rights and the CSCE process. The Commission's leaders, Senator ALFONSE D'AMATO and Congressman STENY HOYER, cochaired those hearings which focused on

human rights abuses in Eastern Europe and in the Soviet Union.

Mr. President, I wish to commend the Commission for its work in bringing to light the extent of human rights violations in the East bloc countries and in the Soviet Union. The Commission has pointed out the hypocrisy and cynicism of the Communist countries which signed the Helsinki Final Act 10 years ago.

Mr. President, I have long thought that the Congress should review the CSCE process as a whole with a view to assessing the pluses and minuses for U.S. foreign policy of that process since the Helsinki accords were signed in 1975. The CSCE process has kept the pressure on those states. Whether or not they choose to adhere to the Helsinki accords, the Soviet Union and the states of Eastern Europe signed them. This they cannot deny. By so doing, they expressed on paper some noble ideas. Therefore, their failure to carry out these promises stands as a revelation of their hypocrisy and their cynicism.

Mr. President, that failure demonstrates clearly, for all the world to see, how hollow the promises of the Soviets and their allies can be, whether in written form or otherwise. Broken promises are broken promises, whether made in treaties, covenants, contracts, or in diplomatic assurances. And in this context, the Soviet and East bloc governments have made a mockery of the promises they made to the West in the Helsinki accords. We must bear this in mind as we approach arms control negotiations and summits with the Soviet Union.

Occasionally, Mr. President, the pressures on the Soviet Union of the Helsinki process, of arms control proposals, and superpower summitry build to such a pitch that the Soviet monolith is moved to make gestures to try to save face. We have seen a long line of gestures made around summits or around announcements of Soviet propaganda proposals in arms control. Then the world just rejoices that some families have been reunited or that some individuals have obtained the freedom they so richly deserve as human beings and citizens of this planet, and averts its eyes from the continued human savagery practiced by the Soviet Union.

Such events cause us to celebrate but they should give us pause. Pause to recall all those who have not been released. Pause to recall all those who are still imprisoned, in psychiatric hospitals, enduring torture and all manner of inhuman persecutions. Pause to remember other imprisoned Soviet human rights fighters, such as Vladimir Slepak, Yuri Orlov, and Alexander Lerner.

Mr. Chairman, we are all delighted with the release to freedom of Anatoly Shcharansky. His struggle has ended in a triumph of the human spirit and of human rights. But it might have ended differently or even tragically. How may others have not been released? How many have died enduring the savage bonds of existence in a Soviet prison or psychiatric ward or slave labor camp? How many human rights activists in the Warsaw Pact countries will never have the chance to walk over Glienicke Bridge into West Berlin and into freedom? Tragically, hundreds of thousands. And they deserve our attention and support. We must make every effort that is humanly possible to help them. In this season of arms control negotiations and preparations for the next summit, we must keep the pressure on.

Mr. Chairman, I want to remember Estonia, which this week would have marked the 68th anniversary of its independence. That valiant republic was gobbled up by Soviet tyranny. We must continue to keep the fate of Estonia and the other Baltic republics of Lithuania and Latvia ever in mind. We must point to every known case of abuses of their human and political rights by the Soviet Empire.●

NATIONAL PARK SYSTEM RESOURCES PRESERVATION AND REVITALIZATION ACT OF 1986

● Mr. KASTEN. Mr. President, I rise to voice my support for the National Park System Resources Preservation and Revitalization Act of 1986. I am deeply committed to the conservation and wise management of America's natural resources. I feel that a healthy environment is essential to the present and future well-being of our country.

This legislation establishes a Federal program to protect the natural and cultural resources of our National Park System. This comprehensive approach to resource management affords much needed protection to vulnerable wildlife habitat, vegetation, historic structures, as well as other park resources. The four major elements of this 10-year program include: Preservation and revitalization of park resources; provision for monitoring and researching activities to enable the Park Service to better understand park resources and alert it to emerging resource pressures so it can respond in a timely and effective manner; preparation of resources management plans providing for periodic, systemwide reports on resource conditions; and the provision for an increased staff and for training in natural and cultural resource management.

Over the past several years, we have made significant advances to protect our environment but the job of environmental protection is far from finished. We need continued vigilance to see that past gains are not lost. We need innovative ideas to deal with problems that have not been addressed before. It is imperative that legislation such as this is adopted so that the National Park System is afforded the highest degree of protection. Resource management is a fundamental component to the preservation and enhancement of natural beauty.●

THE FARM BILL

● Mr. BENTSEN. Mr. President, the 1985 farm bill made major changes in the method of establishing bases and yields. Recognizing that this change would cause problems, allowances were made for transition rules. Broad powers were provided for these adjustments. If there are no transition rules, no chances for the county ASCS [Agricultural Stabilization and Conservation Service] committees to make adjustments, then many farmers will be hurt severely.

These rules must be issued, and they must be issued quickly. Many Texas farmers are already planting. It is totally unfair to force Texas farmers to plant under one set of rules, or no rules at all, and then make adjustments in time for farmers farther north.

What can the Secretary of Agriculture do about these problems? Under the law he seems to be able to do just about anything he deems necessary to be "fair and equitable."

In looking at a copy of Public Law 99-198, I note that section 504 of title X gives the Secretary authority to establish regulations which would allow the inclusion of any acres that he determines are necessary in order to establish a fair and equitable crop acreage base, including making adjustments to reflect crop rotations and such other factors as the Secretary determines should be considered.

Sections 504, 506, 507, and 508 give the county ASCS committee, in accordance with regulations established by the Secretary, the authority to make adjustments in bases and yields. This authority granted to the county committees includes authority for adjustments in bases and yields to allow for natural disasters and other similar conditions beyond the producer's control. Section 508 is a general grant of authority to the county committee to establish bases and yields for a farm if they cannot be established under any other section. This authority is limited by only two requirements. One is that bases and yields "be established in a fair and equitable manner." The other is that they may not be established if the farmer is subject to penalties for cultivating highly erodible land or converted wetland.

Mr. President, the 1985 farm bill clearly gives the Secretary of Agriculture sweeping powers over bases and ylelds. However, to date there has been no use of that authority.

71-059 O-87-12 (Pt. 3)

USDA has said they will allow appeals, but that is unfair to Southern States who must plant earlier. A change issued after a formal appeal may help a farmer in the upper Midwest, but a south Texas farmer will be well past his planting date by the time that appeal is filed and decided.

I was told by USDA staff in recent weeks that there would be no use of this discretionary authority. That is totally contrary to the intent of the Food Security Act of 1985. The law clearly grants that authority, and it was put in there to be used. If it is not used then the Secretary will cause tremendous hardships and financial losses for many farmers.

Recently I raised this problem in a meeting with Secretary Naylor, Secretary Amstutz, and ASCS Administrator Hertz. I was told that USDA does have the authority to allow county committees to make these adjustments, that they did recognize the problems I raised, and that they would work with me on this. I am encouraged by those statements, and I am working to help them move forward quickly to solve these problems.

I have prepared amendments to deal with some of these problems if necessary. However, the best solution is for USDA to use their discretionary authority to let county ASCS committees make these necessary adjustments. There are too many different problems to legislate solutions to each one as it comes up.

Since I have been told by the top officials now at USDA that they do have that authority and that they will work with me to address these concerns, I will not press these amendments. The point I wanted to make is that many of the problems farmers are having now with bases and yields can and should be taken care of by the Secretary of Agriculture.

I am tired of hearing from Texas farmers who have problems with bases and yields and are being told by their county ASCS director that he has no authority to help them. The county ASCS committee should be taking care of most of these problems right now. Those broad dicretionary powers in title X were put there to be used. They were put there to help farmers.

The U.S. Senate has better things to do than deal individually with hundreds of problems with the implementation of the farm bill. The only really effective way to deal with these problems is for USDA to use that discretionary authority. With the help of the majority leader and with the assurances I have received from the leaders of the USDA I think we can work this out. I was told just a little while ago that Secretary Amstutz and ASCS Administrator Hertz have met this morning and that they hope to have a decision made late this afternoon. I am very encouraged by that news. I hope we can have something out to our farmers very quickly.

HEART MONTH 1986

● Mr. BURDICK. Mr. President, Congress and the President have designated February 1986, as "American Heart Month." At this time it is important that we recognize the efforts of the American Heart Association and the Federal Government, through the National Institutes of Health, aimed at assisting the public to further understand the causes, treatments and ways to prevent cardiovascular disease.

It is estimated that over 63 million Americans have one or more forms of cardiovascular disease. Stroke is one form of cardiovascular disease that affects the blood vessels that supply oxygen and nutrients to the brain. It strikes over 500,000 victims each year. In 1983 alone, over 156,400 individuals died as a result of stroke. Furthermore, stroke has the dubious distinction of being the most expensive disease in the United States, costing about $11.3 billion per year in direct and indirect costs. It is estimated that in the United States alone, there are over 1.3 million stroke victims still living.

Black Americans especially are susceptible to stroke. Black Americans are more likely than white Americans to suffer hypertension, which is a major risk factor in the causation of stroke. In fact, much of the progress that has been made against stroke has come from advances in the diagnosis and treatment of hypertension.

Significant advances have been achieved in the prevention and treatment of stroke. The identification of the major risk factors for stroke—hypertension, atherosclerosis—hardening of the arteries—high red blood cell count, and diabetes—has aided in preventing the occurrence of the disorder. Also, the identification of transient ischemic attacks—a series of "little strokes" that often precede major strokes—has allowed for the provision of prompt medical and surgical attention. Methods include new monitoring techniques—telemetering and video methods—for patients with stroke that allow the study of behavior and brain function; other continuous monitoring techniques, primarily position emission tomography [PET] and nuclear magnetic resonance [NMR], provide vital information with regard to understanding and treating tissue damage caused by stroke; and new treatment methods have been developed that can be administered immediately after a stroke with the aim of minimizing its effects.

Thanks to these and other developments, progress against stroke and its debilitating consequences has been made in recent decades that is unparalleled in the world. In the past decade the death rate from stroke had declined by approximately 52 percent. When compared to the decline in death rate from all other diseases—13 percent—it is highly evident that the rapid progress against stroke is unique in medicine.

However, we must not rest upon our past accomplishments in the stroke field. Now the challenge is even greater—to prevent the future occurrence of strokes and its debilitating consequences. Stroke primarily affects the elderly. Unless further advances in treatment and prevention of stroke are pursued, as our population ages we may see an increased incidence of stroke in the future.

Much has been accomplished in the stroke field by both the American Heart Association and the National Institutes of Health in the areas of research, professional and public education, and community service programs. I urge my colleagues to join with me in recognizing these fine achievements during Heart Month, 1986, and throughout the year.●

ORDERS FOR MONDAY, MARCH 3, 1985

RECESS

Mr. DOLE. Mr. President, I ask unanimous consent that once the Senate completes its business today, it stand in recess until the hour of 12 noon on Monday, March 3, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

Mr. DOLE. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order, there be a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, following that, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 1:30 p.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, I am hopeful that on Monday we will be able to clear the little farm package that is floating around the Senate. It is important.

We also need to approve on Monday the Commodity Credit Corporation package. I have just been advised by the Department that they will be out of money by next Tuesday. They may

have to delay signup in farm programs next week. So, in addition to the dairy assessment and the other package, I guess the most urgent bill is to fund the Commodity Credit Corporation. I do not see any problem with that.

I believe Senators on each side have some problem with an amendment that was added by the House, and I share their view. But I hope that we might dispose of that package on Monday.

It is my understanding that Senator MOYNIHAN has indicated that perhaps on Tuesday he would be in a position to let us proceed on at least the dairy portion. I also hope that by Tuesday we will have satisfied the concerns of Senators on both sides of the aisle. We have been working with the Senator from Montana, Senator MELCHER, on a couple of provisions. One we have agreed to, another is still under consideration. I am not certain precisely what the distinguished Senator from Iowa, Senator HARKIN, would want us to do.

But, in any event, I again underscore the bipartisan support for this package. I hope that those who really have an interest would contact their friends on each side so that we can proceed to this bill.

I am also advised, again, by experts—and I am not one—that the underplanting provision is of particularly great concern. As farmers go in to sign up for programs, they will not know what to do until they know what happens to this provision. So I really believe that this is an emergency. We do not have time to go back and go through the normal hearing process, which would take a week or two.

Again, I will state that I have been in contact with my friends on the House side—Congressman FOLEY, Congressman DE LA GARZA, the chairman of the committee; and Congressman MICHEL, the Republican leader. I really do not believe there is much in this bill in the way of politics. I think it is a purely bipartisan package and I hope that we can move on it quickly. If that can be done on Monday, it would certainly be very welcome. This Senator will not be here on Monday. Of course, under the new rule, there are no rollcall votes after 6 p.m.

RECESS UNTIL MONDAY, MARCH 3, 1986

Mr. DOLE Mr. President, there being no further business to come before the Senate, I move that the Senate stand in recess until the hour of 12 noon, on Monday, March 3, 1986.

The motion was agreed to; and, at 4:51 p.m., the Senate recessed until Monday, March 3, 1986, at 12 noon.

EXTENSIONS OF REMARKS

TAX AMNESTY: A SOUND ALTERNATIVE TO A TAX INCREASE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 28, 1986

Mr. MILLER of California. Mr. Speaker, in 1984, the Federal Government lost more revenues due to underreported and unpaid taxes than ever before: An estimated $90–$120 billion. At the same time, Internal Revenue Service audits have been reduced, making it easier for tax evaders to shirk their tax obligations.

Before we consider imposition of new personal, corporate, or energy taxes on those who already pay their fair share, shouldn't we find a way to bring tax violators into compliance with the law and reduce the deficit at the same time?

Today, I am introducing legislation to create a proven mechanism for recovering much of that lost revenue: A one-time nationwide tax amnesty. Under the amnesty, taxpayers who had failed to file or report their earnings accurately would be granted immunity from prosecution in exchange for the immediate repayment of all back taxes and interest.

Tax amnesties have generated hundreds of millions in additional revenues. I am delighted to be joined in introducing this legislation by my colleagues Mr. FAZIO and Mr. MATSUI of California, Mr. RUSSO of Illinois, Mr. ATKINS of Massachusetts, and Mr. SCHUMER and Mr. MRAZEK of New York.

Tax amnesties have generated hundreds of millions of dollars in the States we represent during the last few years. My home State of California raised $144 million with a 3-month amnesty that ended last March—nearly double the predictions made when collections began in December.

Last week, the New York Times reported that New York had collected over $330 million in its own amnesty program, more than $100 million than originally predicted. Massachusetts, Illinois, and 13 other States have also raised substantial revenues through the use of tax amnesty programs.

A nationwide tax amnesty could generate billions of tax dollars, according to tax experts, without raising either personal or corporate taxes at all.

For those who continue to willfully violate the tax laws, we must substantially toughen enforcement. It costs the Internal Revenue Service just 48 cents to collect $100 in taxes. Yet, in 1984 there were just 1.27 audits for every 100 returns, less than half the 1976 level.

My legislation calls for an increase in the IRS enforcement audit staff by 2,500 personnel, as included in the 1985 House Budget resolution. These additional personnel will increase tax collection by hundreds of millions of dollars annually.

I urge my colleagues to join this effort to fight tax evasion and to raise much needed Federal revenues.

The text of the bill follows:

H.R. 4286

A bill to provide a one-time amnesty from criminal and civil tax penalties for taxpayers who notify the Internal Revenue Service of previous underpayments of Federal tax and pay such underpayments in full with interest

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tax Amnesty, Enforcement and Deficit Reduction Act of 1986".

SEC. 2. FINDINGS AND PURPOSES.

(a) The Congress finds that—

(1) tens of billions of dollars in tax revenues owed to the Treasury are not paid each year because of underpayment, non-filing of returns, and non-declaration of illegally-earned income;

(2) the failure to collect appropriate revenues substantially contributes to the size of the national debt;

(3) several states have utilized tax amnesties which have resulted in the collection of several hundred million dollars, thereby contributing to lower deficits in those states; and

(4) the capacity of the Internal Revenue Service to enforce the tax laws has been significantly restricted by the lack of adequate numbers of enforcement agents.

(b) The purposes of this Act are to—

(1) authorize a one-time, six month tax amnesty which will encourage delinquent taxpayers to meet voluntarily all outstanding tax obligations, including interest on unpaid obligations, without imposition of any other penalties of law;

(2) to devote all revenues raised by means of the amnesty to the exclusive purpose of reducing the federal debt; and

(3) to expand the enforcement staff of the Internal Revenue Service to assure the improved timely collection of revenues.

SEC. 3. WAIVER OF CRIMINAL AND CIVIL PENALTIES.

(a) GENERAL RULE.—In the case of any underpayment of Federal tax for any taxable period, the taxpayer shall not be liable for any criminal or civil penalty (or addition to tax) provided by the Internal Revenue Code of 1954 with respect to such underpayment if—

(1) during the amnesty period—

(A) the taxpayer files a written statement with the Secretary which sets forth—

(i) the name, address, and taxpayer identification number of the taxpayer,

(ii) the amount of the underpayment for the taxable period, and

(iii) such information as the Secretary may require for purposes of determining the correct amount of the underpayment for the taxable period, and

(B) the taxpayer agrees to a waiver of any restriction on the assessment or collection of such underpayment,

(2) when filing the statement described in paragraph (1), the taxpayer pays the amount of the underpayment shown on such statement, and

(3) not later than 30 days after the date on which the taxpayer is notified by the Secretary of the amount of interest payable with respect to the underpayment (and the amount of any tax delinquent amount with respect to the taxpayer), the taxpayer pays the full amount of such interest (and such tax delinquent amount).

The preceding sentence shall apply only to the extent the underpayment for the taxable period does not exceed the amount set forth on the written statement filed under paragraph (1).

(b) INSTALLMENT PAYMENT OF TAX PERMITTED IN CERTAIN CASES.—The requirements of paragraphs (2) and (3) of subsection (a) shall be treated as met if—

(1) the taxpayer in the statement filed under subsection (a)(1) requests the privilege of making installment payments under this subsection, and

(2) the taxpayer enters into an agreement with the Secretary for the payment (in installments) of the amounts required to be paid under paragraphs (2) and (3) of subsection (a) within 30 days after contacted by the Secretary or purposes of entering into such an agreement (or in any case where the Secretary determines that permitting the payment in installments of such amounts is not appropriate, the taxpayer pays the entire amount of such amounts within 30 days after notified by the Secretary of such determination).

The Secretary may provide that the provisions of subsection (a) shall cease to apply with respect to any underpayment payable in installments under this subsection if any such installment is not paid on or before the due date for such installment (including extensions thereof).

(c) AMNESTY NOT TO APPLY IN CERTAIN CASES.—

(1) WHERE PENALTY ASSESSED BEFORE AMNESTY PERIOD.—Subsection (a) shall not apply to any penalty (or addition to tax) assessed before the first day of the amnesty period.

(2) WHERE FRAUD IN SEEKING AMNESTY OR WHERE CRIMINAL INVESTIGATION PENDING.—Subsection (a) shall not apply to any taxpayer if—

(A) any representation made by such taxpayer under this section is false or fraudulent in any material respect, or

(B) a Justice Department referral (within the meaning of section 7602(c)(2) of the Internal Revenue Code of 1954) is in effect with respect to such taxpayer as of the time the statement is filed under subsection (a)(1).

(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

(1) AMNESTY PERIOD.—The term "amnesty period" means the 6-month period which begins on the first June 30 after the date of the enactment of this Act.

(2) FEDERAL TAX.—The term "Federal tax" means any tax imposed by the Internal Revenue Code of 1954.

(3) TAXABLE PERIOD.—

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

(A) IN GENERAL.—The term "taxable period" means—

(i) in the case of a tax imposed by subtitle A of the Internal Revenue Code of 1954, the taxable year, or

(ii) in the case of any other tax, the period in respect of which such tax is imposed.

(B) SPECIAL RULE FOR TAXES WITH NO TAXABLE PERIOD.—In the case of any tax in respect of which there is no taxable period, any reference in this section to a taxable period shall be treated as a reference to the taxable event.

(4) ADDITION TO TAX INCLUDES ADDITIONAL AMOUNT.—The term "addition to tax" includes any additional amount.

(5) SECRETARY.—The term "Secretary" means the Secretary of the Treasury or his delegate.

(6) FORM OF STATEMENT.—Any statement under subsection (a)(1) shall be filed in such manner and form as the Secretary shall prescribe.

(e) PERIODS FOR WHICH AMNESTY AVAILABLE.—The provisions of this section shall apply only to underpayments of Federal tax for taxable periods ending before January 1, 1985 (or, in the case of a tax for which there is no taxable period, taxable events before January 1, 1985).

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out the purposes of this section including (but not limited to) such sums as may be necessary—

(1) to inform the general public as to the provisions of this section through the media, advertisements, public service announcements, or otherwise,

(2) to make available to the general public forms and instructions for filing statements under subsection (a), and

(3) for other administrative expenses of the Internal Revenue Service.

SEC. 4. SUBMISSION OF PLAN TO INCREASE INTERNAL REVENUE SERVICE ENFORCEMENT PERSONNEL.

Not later than the date 6 months after the date of the enactment of this Act, the Secretary of the Treasury shall submit to the Congress—

(1) a plan for increasing Internal Revenue Service enforcement personnel by 2,500 additional agents and a timetable for the implementation of such plan, and

(2) an estimate of the additional revenues which would result from the implementation of such plan.

SEC. 5. DEDICATION OF ADDITIONAL TAX REVENUES TO DEFICIT REDUCTION.

Any and all revenues raised through the tax amnesty authorized by this Act shall be devoted exclusively to reduction in the deficit for the year in which those revenues are collected.

COURAGEOUS PILOTS SET FOUR WORLD RECORDS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, February 28, 1986

Mr. BROOMFIELD. Mr. Speaker, three courageous fliers from my congressional district were honored Thursday by the National Aeronautic Association for their 7,000-mile flight to the North Pole that established four world-class flying records.

John F.X. Browne, George R. Smith, both of Bloomfield Hills, MI, and Clark Putman of Utica, MI, made the flight in a twin-engine Piper Aztec between May 5 and June 11, 1985.

Their flight over desolate polar wasteland produced four point-to-point speed records which were officially recognized Thursday at the National Aeronautics and Space Museum in ceremonies presided over by Col. Milton M. Brown, secretary of the National Aeronautic Association's contest and records board.

I had the privilege of meeting with them while they were in Washington and was impressed with their sense of adventure, their dedication to aviation, and their pioneering courage.

Mr. Speaker, they represent what is finest about the American spirit and I commend to you the following article which describes their journey over the frozen Arctic:

Air traffic controllers north of the Arctic Circle at Resolute, in Canada's Northwest Territories, and Spitzbergen, Norway, excitedly broadcast congratulations to a small private aircraft flying fragile and vulnerable in the desolate polar vastness.

The felicitations were joyfully received by an even more excited three-man crew, who had just reached their North Pole goal as part of a 7,000-mile odyssey that established four world flying records.

For George R. Smith, 71, co-pilot, navigator, engineering executive, retiree, grandfather, and 1937 GMI graduate, it was the realization of dreams from boyhood, when his heroes were the likes of polar explorer Admiral Richard Byrd, the first to fly over both North and South Poles, and aviation pioneer Charles Lindbergh, the Lone Eagle.

Smith, now an engineering consultant after retiring in 1981 as an executive engineer with 48 years' service at General Motors Corporation, was still "on top of the world" six months after the memorable flight. Interviewed in his fashionable Bloomfield Hills, MI, home, he remained highly enthusiastic about the May 5-June 11 high adventure.

Smith, along with John F. X. Browne, Bloomfield businessman, owner and pilot of the record-setting, twin-engine Piper Aztec, and Clark "Putt" Putnam, of Utica, MI, described as one of the best airplane mechanics around, departed from Berz Macomb Airport, Utica, at 11 a.m. May 5, after bidding farewell to family and friends.

The trio had discussed the flight possibility for over four years and had tried unsuccessfully two years previously, but were forced to turn back at Norway due to strong headwinds that would have consumed too much precious fuel, Smith explained.

"So, we felt we had some unfinished business," he said. "We loaded the Piper with six extra fuel tanks to extend flying time from 6½ hours to 14½. Also jammed into the small plane were special navigation, weather, and fuel-measuring equipment; survival gear including rifles and fishing lines; and enough dried food to last for eight days as required by Canadian authorities in case we were forced down in that hostile environment."

The trio stopped for a customs check at Thunder Bay, Ontario, headed to Churchill on Hudson's Bay for refueling, and ended the first day's flight at Resolute, more than 2,000 miles from home, 60 miles east of the Magnetic Pole and 900 miles from their North Pole objective.

They had trouble sleeping that night in anticipation of the flight, which took off from Resolute at 5 p.m. on a Sunday for the seven-hour trip to the Pole and four more hours after that to Spitzbergen, the base from which Byrd made his historic flight, May 9, 1926.

Smith's navigation and fuel consumption estimates had to be precise or Piper Axtec N2FX could have wound up in Russia or crashed at sea or somewhere in the Arctic expanse.

"Regular compasses won't work because of the magnetic pole. We had all of our compasses taped up so we wouldn't mistakenly take false readings. We had to navigate by the sun.

"We reached the Pole at midnight. It was full daylight at that time of year, but clouds obscured the sun, making navigation tricky. We were leery of dropping too low to inspect the area because it would burn too much fuel to return to our 10,000-foot altitude. All we could see was ice, snow and open water.

"John made four clockwise passes around the North Pole so we could claim we went around the world four times and had added four days to our year. Maybe I should have talked him into flying counterclockwise to reduce my seniority by four days.

"Resolute and Spitzbergen radio were calling in congratulations and were practically drowning each other out in their excitement. We were cheering and waving our arms. We wished we had brought some champagne to mark the occasion. But as it was, we were too busy with navigation and fuel checks and taking photos of the instruments to substantiate the flight.

"I'd been dreaming of this moment all my life, and it was all over in 8 to 10 minutes. But the getting there and the memories were worth it—from the time of my first airplane ride, which cost 86 cents based on a penny a pound. I was 14 and weighed 86 pounds. In my late teens, I was a stock boy and worked two days a week overtime to save $10 for flying lessons. I could only afford half a lesson, which cost $20 an hour."

Piper N2FX went on to Spitzbergen, where landing was delayed until reindeer were cleared from the runway. About four hours' fuel remained in the tanks. The trio went to Oslo and Brussels, then landed at Paris Le Bourget Airport, where Lindbergh ended his epic trans-Atlantic solo flight, May 21, 1927.

They visited the huge Paris air show, where their feat and flying records were acknowledged by the Federation Aeronatique Internationale, the international air-record sanctioning body. Smith pointed out Gen. Chuck Yeager was on the same program for having achieved another aviation milestone.

Next came visits to London and Geneva before heading home via Dublin; Reykjavik, Iceland; and Goose Bay, Labrador.

Smith is a man of accomplishments, including being one of the eight engineers who worked on the original design of GM's Hydramatic Drive automatic transmission. As executive engineer in charge of the Environmental Activities Staff at GM's Tech Center, Smith was responsible for the corporation's first air bag test fleet program, which included 1,000 cars.

He has a mountain of memories and the self satisfaction of achieving goals. Does he have any others?

Smith, who owns his own plane, replied:

"Maybe the South Pole. Who knows?"

AN INSIGHTFUL JURIST

HON. TIMOTHY E. WIRTH
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES

Friday, February 28, 1986

Mr. WIRTH. Mr. Speaker, Federal Judge John L. Kane has been a diligent, effective jurist. His published opinions, as columnist Al Knight of the Rocky Mountain News writes, show "a skill in the straightforward use of language, careful attention to legal precedent, and a sense of humor." I am placing in the CONGRESSIONAL RECORD today Al Knight's interesting column:

[From the Rocky Mountain News (Denver, CO), Feb. 23, 1986]

OF CYNICISM, APATHY, AND JUDGE JOHN L. KANE

(By Al Knight)

The press, when it comes to reporting on itself, is almost invariably upbeat. On the rare occasions when a troublesome ripple disturbs the pond, journalists reluctantly acknowledge the press can be an agent for the production of public apathy or cynicism.

A case in point is the widespread recent coverage of the rapidly changing American tort system that has resulted in heretofore-unheard-of cash settlements, skyrocketing liability rates, and a public, more or less convinced, that lawyers belong in one of the lower rings of Dante's Inferno.

This is not to say that the messenger is solely responsible for the low esteem in which the legal profession currently is held. Lawyers have speeded the process by which affections are alienated.

A recent issue of Lawyers Alert, to pick one example, has a kind of a dancing-on-the-grave quality. This publication of late-breaking legal developments has a single theme: The tragedy and sorrow of private lives often is good news to lawyers to the extent that it brings with it opportunities for new lawsuits.

Some sample items:

"The attitudes of the federal courts and the state courts are becoming increasingly out of sync. During such a period, lawyers can often discover a 'hidden gold mine. . . .'

In a story describing who can be sued when a drunk driver injures or kills someone (a long list, by the way), Lawyers Alert concludes, "In today's climate of anti-drunk-driving sentiments, imaginative suits are being rewarded."

"Across the country, the decisions as to when and why an employee can be fired are being taken out of the hands of employers and are being placed squarely in the hands of juries."

And finally these two giddy tidbits:

"Auto insurance cannot exclude family members from suing each other."

"If a house burns down, can you do more than just collect the insurance? In 1986, innovative lawyers will often be suing the manufacturer of the smoke detector."

Cynicism, as deep as that which surrounds the legal profession, clearly has many fathers. The press, for its part, contributes generally spotty coverage of the profession; the killer who gets a light sentence, the multi-million dollar verdict in a personal-injury case, the suspected burglar who escapes the courts on technical grounds, to name a few common journalistic themes.

Once created, however, the first casualty of cynicism is the public's ability to differentiate. Where there is cynicism, the normal and quite admirable human quality of looking first on the one hand and then the other, is suspended or revoked.

It is no wonder, therefore, that the meritorious workers in the legal vineyard are lumped with the others. When it is generally asserted that lawyers are no good, that is that.

All of this is preamble to the fact that there are good works, and if the public loses the ability to differentiate among them, it will have lost more than it knows.

Consider federal judges.

The usual verdict on federal judges is that they get their jobs because of politics rather than merit, aren't responsible to anyone and are therefore arrogant, stay too long at the federal trough and frequently abuse their power.

As in all generalizations, there is some truth in this.

There are, however, others who have worked hard and effectively, tending to the day-to-day business of the court, free of the tendency to bend cases for ideological or other narrow purpose.

Such a judge is John L. Kane, who in his 8 years on the bench has handled some very difficult and very public cases, notably Ramos vs. Lamm, which resulted in his order to close the maximum security unit "Old Max" at the Colorado State Prison.

A recent case on wilderness water rights attracted a large amount of attention and considerable criticism, to name another.

There are citizens who, based on these cases, might conclude that Kane is something of a wild man, tossing precedent to the wind and issuing rulings as he pleases.

A complete reading of his published opinions gives a different impression. Even in the very controversial rulings, the opinions are much more balanced and temperate than the initial accounts indicated.

In the Ramos case, for example, Kane avoided the trap of telling the state how to run a prison. He merely said that the institution did not meet the constitutional test, and that it was up to the state to bring it within constitutionally accepted limits. The ruling avoided the kind of approach used by federal judges in school desegregation cases, who, in effect, ended up running various school districts across the nation. In less skilled hands, the judge might have become the warden or the architect.

Kane, mostly out of his own love of writing, has written a great deal more than most local federal judges. He says one of his early motivations for writing detailed opinions was to try to forstall reversals by higher courts. Experience showed that didn't seem to make much difference. "When they want, they find their own cases and throw yours out," he said.

He has continued to write extensively because he believes other lawyers and interested members of the public should receive a full explanation of the basis of rulings, and because he likes to write.

Kane's published opinions fill six volumes. Collectively, what they show is a skill in the straightforward use of language, careful attention to legal precedent, and a sense of humor. If there is a political or ideological bent, it is not apparent.

There are notable literary touches in almost every opinion, but a dozen or more of the total are especially memorable, in part because of style, but mostly because of the forcefulness of their content.

On May 25, 1984, in a carefully crafted opinion, Kane sentenced convicted bank robber and kidnapper Michael James O'Driscoll to terms of 300 and 25 years.

"The law's warnings must be real. The grim consequence of imprisonment must be shown to be inevitable," he said. Then, in agonizing and wrenching detail, Kane described the crimes, which included the kidnapping and murder of Kent Martin, a Denver area salesman, and the history of the defendant, concluding:

"It is difficult, indeed impossible, to describe accurately the physical and emotional suffering and loss which this defendant has caused to so many, yet he demonstrates not even a scintilla of remorse. Instead, he is preoccupied with the immediate gratification of his own needs."

In a matter of less significance, Kane's sense of the ridiculous played a part in the decision to deny the federal government a 1982 Audi and a 1979 Jeep seized during a criminal investigation.

He excoriated the government attorneys for their arrogance in asserting a claim for the cars, the Audi for the Secret Service and the Jeep for the Customs Service. The attorneys said Customs "does not have sufficient budgeted vehicles to meet its operational needs and forfeited cars are not included in its budget allocation for vehicles."

Kane's ruling said, "Apparently, the government has not considered that the Congress of the United States is intended by the Constitution to set the budget."

As to the government's claim that the forfeiture was part of a plea-bargain agreement and therefore of a special legitimacy, Kane said, "This is perhaps not the most appropriate case in which to analyze all the outrages visited upon the criminal justice system by plea bargaining. Suffice it to say that the foregoing reference to an exchange of criminal charges for used cars is made without any accompanying sense of shame or embarrassment."

The Kane opinions, in addition to the big and well-publicized cases, or the ones in which he was simply having some fun, include a number in which he was able to address either a larger audience, or make a series of important points.

It is in the last category that an April 30, 1984, ruling falls. Kane turned down a request by a Rocky Flats protester to modify the sentence. The protester, Gerry Lee Hendey, had been found guilty of trespassing.

What Hendey got for his trouble was a finely-crafted lesson on the difference between trespassing and civil disobedience.

"The arms race doesn't have a thing to do with trespass. The symbolic act, as you suggest, of trespassing may symbolize many things for you but it symbolizes violence to the law to me, and the law is something which none of us is above and none is below."

In an opinion he wrote for a three-judge disciplinary panel, Kane explained why a lawyer was denied admission to practice law before the federal bench:

"Our review . . . demonstrates to us that this applicant engages in recurrent episodes of dissimulation; that she is incapable of candor and that her explanations of questionable conduct even when under oath amount at best to an insouciant disregard for accuracy and consistency."

The last eight years have produced a performance from Kane that was unexpected at the time of his appointment by President Jimmy Carter.

He was selected as one of three finalists by a supposedly non-partisan committee,

which during its short life resulted in the selection of three Democrats for the bench. It was a new kind of judicial politics, but it was politics that brought Kane to the job he now loves. In reflection, he credits his appointment to his extensive work within the bar. The support he had as a result of his work in the American Bar Association made the difference in his case.

Former U.S. District Court Judge Fred Winner said he doesn't think you could drive Kane out of his job now, he likes it so. Kane's mentor and long-time friend, former Denver District Court Judge Robert Kingsley agrees, noting that Kane will stay as long as he finds it challenging and valuable work.

As near as one can tell, Kane was regarded as a skilled and competent attorney. He may be more highly regarded as a judge. The challenge of being a judge—especially following other judges he had admired—appears to have galvanized and focused his energies.

In a couple of separate instances Kane has, himself, defined the measures that might be used to judge a judge.

In one, where he was commenting upon the brief, not to say cryptic evaluations of the judiciary by the legal profession, he suggested questions that might be asked:

"Does this judge decide motions promptly? Does he take cases under advisement and then not rule? Does he give serious consideration to motions for summary judgment? Does he write his own opinions or does he have lawyers prepare findings of fact and conclusions of law for him to sign? Does his trial calendar have integrity? Does he continue cases to suit his own convenience? Does he enforce the rules of procedure and evidence? Does he impose sanctions when called for? Perhaps most importantly, does this judge tend to business?"

A second and more eloquent comment was a part of a case involving alleged misconduct by defense attorneys:

"It was the evidence which persuaded me and the law which guided me to reach my decision in this case. The personalities and conduct of counsel did not turn me to one side or the other."

The better elements of the bar and bench need to be more forceful and outspoken. Many of them are silent, and thus the current debate over the lack of public confidence in legal system is being waged by weaker and more suspect factions of the legal fraternity. Absent standards by which to differentiate, the public will be a while installing the legal profession in a higher status than the one it now enjoys.

PERSONAL EXPLANATION

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 28, 1986

Mr. BILIRAKIS. Mr. Speaker, yesterday, I was unavoidably detained in my congressional district until late afternoon and therefore, missed the vote on H.R. 4130. Had I been present, I would have voted in support of this bill.

I was proud to be a cosponsor of H.R. 4130, which corrects an error in the administration's sequestering estimate for the VA Home Loan Program. This error endangered the continued operation of the program past March 1 of this year and imposed an unnecessary burden on the veterans for whom this program was created.

Therefore, I was very pleased with the overwhelming and expeditious vote of approval for H.R. 4130 and wanted to take this opportunity to reiterate my own strong support for this bill.

Thank you, Mr. Speaker.

ROBERT A. O'CONNOR

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 28, 1986

Mr. MARTINEZ. Mr. Speaker, I ask my colleagues to join me in saluting Robert A. O'Connor who recently retired from the Monterey Park, CA, Police Department after 26 years of dedicated service to the department and the community. Sergeant O'Connor is being honored by his many friends and former colleagues at a retirement dinner tonight.

Robert O'Connor began his career with the Monterey Park Police Department on December 1, 1959. He first served in the uniform patrol division, in which he consistently received outstanding evaluations. On March 5, 1966, Robert O'Connor was promoted to the rank of detective, putting his talents to work in the investigation of homicides and robberies.

Robert O'Connor received another promotion in November 1970, when he was made a police agent-detective. He made valuable contributions investigating complex cases and aiding the successful prosecution of violent criminal offenders. His accomplishments earned him yet another promotion in October 1975, when the department named him senior agent-detective.

Six years later, on October 13, 1981, Robert O'Connor was promoted to police sergeant and assigned to the patrol bureau as a watch commander and field supervisor. He was later assigned to the detective bureau as an assistant bureau commander. Sergeant O'Connor used his considerable experience as an outstanding investigator to help train new investigators in the vital skills of criminal investigation.

Sergeant O'Connor has been praised by his police chief, Jon Elder, as "one of the most skilled Investigators that I have ever worked with * * *." Chief Elder also remarked that Sergeant O'Connor "is extemely proficient in all facets of police work." Police officers such as Robert O'Connor demonstrate their courage and dedication every day. It is fitting that we take time to recognize his many accomplishments and to wish him the best of luck as he retires after his many years of service to the people of Monterey Park.

NATIONAL TEACHER DAY/ SCHOOL FAMILY DAY

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, February 28, 1986

Mr. WOLPE. Mr. Speaker, on March 4, 1986, public school teachers in my congressional district and from across the country will join with the National Education Association [NEA] in recognizing National Teacher Day/ School Family Day. I would like to take this time to pay tribute to one of our Nation's most precious resources: America's educators.

A few years ago, the National Commission on Excellence in Education released a dramatic report on the state of American education. The commission's thoughtful report cited few successes and numerous problems, and offered a variety of recommendations to improve educational performance. The commission's overriding conclusion was stated loudly and clearly: The goal of achieving excellence in education cannot be reached without the active participation of teachers and the educational community-at-large. Rather than blaming teachers for the state of our educational system, we should look to them as an invaluable resource in our effort to correct its deficiencies. And we must recommit ourselves to providing the support, the training, the compensation, and the resources teachers require to do their job.

Mr. Speaker, it is not surprising that the commission recognized the vital role that teachers will play in addressing the future challenges that confront American education. It is the classroom teacher who is challenged daily to reach out to enormously diverse student populations—comprised of diverse backgrounds and abilities—to provide the assistance and guidance necessary for full intellectual development. It is the classroom teacher who immeasurably influences the lives of every student, and therefore plays a major role in determining the future quality of life in America. Indeed, it is the classroom teacher that provides the foundation upon which our democratic institutions rest.

Mr. Speaker, I'm not much for bumper-sticker philosophy, but I'm reminded of one sticker you see quite often that says: "if you can read this, thank your teacher." It wouldn't fit on a bumper, but the sign could just as properly say: "If you have a sense of citizenship and participation in our Nation's future, thank your teacher."

Mr. Speaker, I know all of my colleagues will want to join me in paying tribute to the public school teachers in my congressional district and across the country. They are richly deserving of our praise and admiration.

PERSONAL EXPLANATION

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, February 28, 1986

Mrs. BENTLEY. Mr. Speaker, I was unavoidably unable to be present during the week of February 17 and February 24, 1986. I was officially excused by the U.S. House of Representatives because of illness. If I had been able to be present, then I would have voted for the following rollcall votes:

Rollcall No. 27, "Yea."
Rollcall No. 29, "Yea."
Rollcall No. 32, "Yea."
Rollcall No. 33, "Nay."

GOOD SECURITY FOILS TERRORIST ATTACK ON U.S. EMBASSY

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, February 28, 1986

Mr. BROOMFIELD. Mr. Speaker, good security has foiled a potentially serious terrorist attack on the United States Embassy in Portugal. Thanks to the heightened attention being given to Embassy security by the Department of State and sound security procedures at the Embassy in Lisbon, the terrorist plot was foiled with no loss of lives nor damage to the Embassy. More security, not less, is what is needed for our facilities around the world.

According to information provided by the Department of State, the head of the Marine detachment assigned to protect the Embassy was returning to the building at 7 p.m. In accordance with the strict security procedures in effect at the facility, he stopped his vehicle after entering a screening zone at the main gate leading into the Embassy compound. In checking the inside of the hatchback vehicle, a Portuguese national security guard, who is employed by the Embassy, noticed a strange case which the marine driver was unable to identify. In carefully checking the container which apparently had been placed in the vehicle by terrorists, the marine and local guard noticed wires and other suspicious items. In accordance with existing security procedures, the area around the vehicle was quickly cleared of all personnel. A few minutes later, the car exploded.

The force of the explosion totally destroyed the vehicle, but, thanks to good procedures and alertness on the part of the concerned guard and marine, nobody was hurt. The Embassy was not damaged.

The Embassy in Portugal was built a few years ago and incorporates relatively modern security systems and design. The modern vehicle screening area at the main gate of the compound has a vehicle arrest system and the Embassy is set far back from the main road.

With the increase in terrorism in recent years, good security features of this kind are being built into new structures. Embassy personnel are more conscious of the importance of good security and regional security officers are more professional and their advice is being heeded.

Much more, however, remains to be done. While the Department of State quickly implemented many of the recommendations of the Secretary of State's Advisory Panel on Overseas Security, which was chaired by Adm. Bobby Inman, retired, the Embassy building program and other recommendations need significant funding in order to become a reality. While Congress is laboring under the fiscal restraints imposed by the Gramm-Rudman-Hollings law, I encourage my colleagues to do everything possible to make funding available for the protection of our fellow citizens serving in our diplomatic missions around the world. Secure Embassies are expensive, but necessary in this age of terrorism. It is an investment worth making.

With those observations in mind, I recommend the following New York Times article on the bombing of our Embassy in Portugal to my colleagues in the Congress.

The article follows:

[From the New York Times, Feb. 19, 1986]

BOMB BLAST AT U.S. EMBASSY IN LISBON

LISBON, Feb. 18.—A bomb placed in the car of a United States Embassy employee exploded in the embassy compound today, sending flames and shattered metal slashing through the air but causing no injuries, guards at the embassy reported.

State Department officials in Washington said the bomb was discovered in a routine check by a security guard. The bomb had been placed in the trunk of a car of an American or Portuguese employee of the embassy.

The officials said the car was moved to an isolated area in the compound where the bomb went off.

"There was no indication of any material loss except for the car," one official said.

He said no one claimed responsibility for the bombing, but embassy officials suspected a left-wing Portuguese group known as the Popular Forces of April 25.

The embassy declined to identify the employee or give his position with the embassy or nationality.

EMBASSY PERSONNEL EVACUATED

A guard working for the Portuguese security organization employed by the embassy to check all vehicles entering the grounds of the complex said that after the bomb was discovered all personnel were cleared from the area. The embassy is on the northern outskirts of Lisbon.

"No one was injured at all," said the guard, who declined to give his name.

Steve Chaplin, public affairs officer at the embassy, told reporters the car belonged to an embassy employee who had returned "to finish up some work" after the embassy had closed at the normal hour of 5:30 P.M. The bomb went off shortly before 7 P.M.

An American diplomat, speaking on condition of anonymity, said that the man whose car was bombed was a friend of his and that he was safely away when the device went off. It was not known if the driver had left the vehicle for the security check, or was warned to get out after the check.

The diplomat said the bomb probably had been placed in the car while it was parked somewhere in Lisbon outside the embassy and was probably set to explode in the street since the terrorists would not have known the employee planned to return to work.

Dennis Redmont, bureau chief in Rome for The Associated Press, who was on a business trip in Lisbon, was in a building 400 yards from the Embassy when the bomb exploded.

"There was a deafening boom," he said, "and I ran to the window to see a column of flames about one story high topped by thick black smoke."

The new embassy was under construction for four years, with strict security standards. It replaced a downtown apartment building that was considered a risk.

The bombing today was the third attack or attempted attack on the embassy since Oct. 27, 1984, when the police found a homemade mortar launcher with two 60-millimeter shells ready to be fired into the compound. The device was dismantled. No group claimed responsibility.

But the April 25 group, also known as FP-25, claimed responsibility for an attack about a month later, on Nov. 25, when four 60-millimeter mortar shells were fired into the compound and damaged three unoccupied cars but caused no injuries.

A note distributed after that attack said it marked the anniversary of an unsuccessful coup by left-wing extremists on Nov. 25, 1975.

The April 25 group's name grew from an incident on April 25, 1974, when army officers led a coup that ended half a century of right-wing dictatorships.

Lieut. Col. Otelo Saraiva de Carvalho, a hero of the 1974 coup, is among some 70 suspected April 25 members now being tried in a specially built courtroom in Lisbon. The defendants are accused of involvement in the 1975 coup attempt and some in subsequent terrorist attacks.

HOUSE OF REPRESENTATIVES—*Monday, March 3, 1986*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Our hearts are thankful, O Gracious God, for all the good gifts that You have bestowed upon us. Help us, O God, to respond to Your goodness to us by reaching out to others in prayer for those with special needs, and by deeds of justice and mercy. May we be worthy of the responsibilities and opportunities given to us that Your will may be done on Earth as it is in Heaven. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed joint resolutions of the following titles, in which the concurrence of the House is requested:

S.J. Res. 266. Joint resolution to authorize and request the President to designate the month of June 1986 as "Youth Suicide Prevention Month", and

S.J. Res. 271. Joint resolution designating "Baltic Freedom Day."

The message also announced that pursuant to Public Law 93-29, as amended by Public Law 98-459, the President pro tempore appoints Mrs. Mary J. Majors, of Iowa, as a member from private life to the Federal Council on the Aging.

The message also announced that pursuant to Public Law 99-83, the President pro tempore appoints Mr. Edward Howell Sims, of South Carolina, and Rabbi Morris Shmidman, of New York, as members from private life, to the Commission for the Preservation of America's Heritage Abroad.

The message also announced that pursuant to sections 276d-276g, title 22, of the United States Code, the Vice President appoints Mr. MATTINGLY, as a member on the part of the Senate to the Canada-United States Interparliamentary Group during the 2d session of the 99th Congress to be held in Tucson, AZ, on February 27 to March 3, 1986.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker pro tempore signed the following enrolled joint resolutions on Friday, February 28, 1986:

H.J. Res. 499. Joint resolution designating the week beginning March 2, 1986, as "Women's History Week" and

H.J. Res. 409. Joint resolution to direct the President to issue a proclamation designating February 16, 1986, as "Lithuanian Independence Day."

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to House Resolution 384, agreed to on February 27, 1986, the Speaker did, on February 28, 1986, make certification to the U.S. District Attorney for the District of Columbia as required by House Resolution 384, of the refusal of Ralph Bernstein and Joseph Bernstein to answer questions of the Subcommittee on Asian and Pacific Affairs of the Committee on Foreign Affairs.

THERE IS NO REPLACEMENT FOR OLOF PALME

(Mr. DOWNEY of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY of New York. Mr. Speaker, assassination, it seems, is reserved for the men who dedicate their lives to nonviolence. Words, not weapons; talk, not targets, were the higher inspirations of Olof Palme. He was sometimes strident and gruff in the pursuit of peace. During the war in Vietnam, his caustic criticism of United States involvement there stung many in our country. Who is this man who presumes to lecture us? We learned later from his work on the Palme Commission that peace was his passion and disarmament his means. The rift between north and south, east and west, was his constant concern.

His latest project, the five-continent peace initiative, is a bold effort of six nations—Sweden, Mexico, Tanzania, Argentina, Greece, and India—to stop nuclear weapons-testing and to prevent the heavens from joining the nuclear arms race. He made Sweden a force for peace. Millions on this planet share his view of the future and grieve this champion of reason. He would want his work continued and while there is no replacement for Olof Palme, neither is there any substitute for his goal. We will miss and mourn him and honor him by learning to live in peace.

A SECOND CHANCE FOR DAIRY FARMERS

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GUNDERSON. Madam Speaker, last Thursday and Friday, this House was involved in a very partisan debate over the leadership's decision to pull from consideration legislation which would allow the dairy farmers of this country to meet their savings under Gramm-Rudman through an assessment rather than a price cut.

Many have suggested that the Republicans won that partisan debate last Thursday, but I would suggest that there is little consolation in winning a partisan debate at the expense of America's troubled farm community.

On Friday, the Department of Agriculture gave this House of Representatives a second chance when they announced that they would not make any purchases of dairy products on Monday or Tuesday of this week, giving us until Wednesday to try to correct our mistake of last week.

I therefore now call on the Democratic leadership to, No. 1, show that, yes, this House of Representatives can legislate deficit reduction; No. 2, I call on the Democratic leadership to show that they really are the party of fairness that they claim to be; No. 3, I call upon the Democratic leadership to provide the leadership in the House of Representatives which they believe they have earned by becoming the majority party in the House.

We have until Wednesday to correct that mistake of the Democratic leadership of last week. I beseech you, in fairness to America's dairy farmers, to do just that.

AN APOLOGY BY MR. DORNAN

(Mr. YATES asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. YATES. Madam Speaker, last Friday I was shocked to hear on a TV news program, a statement made by the gentleman from California [Mr. DORNAN] which, while critical of Vladimir Posner, the Soviet spokesman,

clearly smacked of anti-Semitism. I gave notice to him I intended to take the floor today to respond to it.

Since that time, I have heard that Mr. DORNAN apologized, and conceded that his remark was poorly phrased. It is unfortunate that his words were conveyed throughout the country by the TV press as he uttered them, but in view of his retraction and his apology I am not disposed to press the matter further at this time.

THE 27TH COMMUNIST PARTY CONGRESS AND HUMAN RIGHTS

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Madam Speaker, the 27th Communist Party Congress is now in progress in Moscow. More than 500 delegates have traveled to Moscow from all parts of the Soviet Union to endorse a new agenda for programs that will guide them through to the end of the 20th century.

As General Secretary Gorbachev implements his new programs and consolidates his leadership, it is important for him to realize how important human rights are to the United States. How Gorbachev implements Soviet human rights policy over the next year will have a major influence in the future relationship between our two countries.

I urge my colleagues to join me in sending a message to the delegates at the Party Congress emphasizing that improvements in human rights and emigration policy must be a focus of their foreign policy initiatives. It is time that the Soviet Union recognize and live up to its international human rights

The delegates to the Party Congress must realize that they are not only setting a future agenda for themselves, but also for the future of United States-Soviet relations and thereby, in large measure, the future of the world.

U.S. INTERNATIONAL TRADE DEFICIT SETS ANOTHER RECORD

(Mr. ECKART of Ohio asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. ECKART of Ohio. Madam Speaker, one of our President's most recurring campaign themes of 1984 was, "You ain't seen nothin' yet." And this, unfortunately, is painfully true, as the case for our Nation's continued trade deficit grows.

Last Saturday, the international trade deficit figures for the month of January were released, and with great anguish I read that we once again set another new record.

In January alone, our deficit was $16½ billion, far surpassing the previous 1-month record of $15.1 billion, and setting this Nation on a course of an international trade deficit of $198 billion annual if continued unabated for 1986; or an amount equal to the Federal budget deficit.

The Reagan administration continues to cry wolf when it comes to our Nation's trade status. The administration continues to claim that good and prosperous times are indeed just around the corner and that there is light at the end of the tunnel; but these continued dismal trade statistics seem to indicate the contrary, and indeed, the light at the end of the tunnel in terms of international trade is a freight train headed squarely toward the jobs of Americans all across this Nation.

THE LONE STAR STATE CELEBRATES ITS SESQUICENTENNIAL

(Mr. CHAPMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHAPMAN. Madam Speaker, yesterday my home State of Texas paid tribute to 150 years of independence. The day's festivities were part of what has been, and will continue to be, a year-long celebration and commemoration of key dates in Texas' history.

The spirit and legends that live in Texas today contributes an important chapter in the history books for all Americans.

The only State in the Union to have once been its own nation, Texas has followed history down an unbridled path of self-determination and destiny.

As we remember 150 years of independence, we should reflect on the accomplishments of our heroes, the legacies they have left us, and look forward to a future that recognizes no bounds.

In his last letter from the Alamo 150 years ago, Col. William Barrett Travis closed with a prosphetic refrain: "God and Texas—Victory or Death!"

To Travis and his 187 defenders of liberty who lost their lives at the Alamo, death was preferable to disgrace.

In the 6 weeks following, their memories inspired a garrison of Texans to victory at San Jacinto, winning freedom and independence for the newly formed Republic.

It is the spirit of Colonel Travis, Sam Houston, Stephen Austin, and the authors of our Texas Constitution that inspires us again today throughout some 3,000 cities and towns across the Lone Star State as we celebrate our sesquicentennial.

For tomorrow and beyond, the special people who have contributed to Texas' greatness will remind us of the legends lived and the legends yet to come.

□ 1210

DEMOCRACY SHOULD START AT THE BOTTOM AND WORK ITS WAY UP

(Mr. SCHUMER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. SCHUMER. Madam Speaker, during the next few days, Secretary Shultz will come to Capitol Hill and renew his full-court press to see that this Congress gives $100 million of military aid to the Contras in Nicaragua.

Flush with victory from its stand in the Philippines, the administration is now going to make the argument that, if we must aid democracy when authoritarians of the right are in charge, then we must also aid democracy when authoritarians of the left are in charge.

But there are three questions that this administration has never fully answered, questions which must be answered before we vote a single nickel of military aid to the Nicaraguan Contras. First, who are we aiding? The Contras, as our own studies have shown, have an uncomfortably high percentage not of democrats in their ranks but of former Fascists from the Somoza regime. These are not people we want to put into power.

Second, when should we use armed force?

We certainly did not in the Philippines. The will of democracy came from the bottom up, from the people, and that is what toppled Marcos, not a ragtag army funded by U.S. aid, covert or overt.

Third, even if the first two questions could be adequately answered, for what end are we doing this? Can we win? For the last 3 years the administration has told us we are near victory. Yet current reports show more than 60 percent of the Contras are ensconced in Honduras, not waging war at all.

Madam Speaker, until these three questions are answered I do not think anyone in this body can vote for military aid to the Contras.

DAIRY INDUSTRY SAYS "DON'T CUT US, CUT EVERYBODY ELSE"

(Mr. LOWRY of Washington asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOWRY of Washington. Thank you, Madam Speaker.

Saturday, the first of March, many, many programs across this Government received a 4.3-percent cut. I have

in front of me a list of about 60 or 70 low-income and education programs that were cut 4.3 percent on the first of March.

I can only read a few of them.

Handicapped education, cut $61 million; low-income home energy assistance cut $90 million; child abuse protection and care of abused children and spouses was cut $116 million; local antipoverty program, emergency food and shelter cut $16 million; the distribution of surplus was cut $2 million; the program for sexual abuse used with problems in the criminal justice system was cut $3 million, Head Start was cut $47 million. And I have about 70 more that I do not have time to read.

Then in comes the dairy lobby and says, "Don't give us a 4.3-percent cut that all these other programs are getting." And those Members of this institution that voted for Gramm-Rudman to close the 4.3-percent cut in these programs but do not want it to happen to their dairy farmers, I am saying that is not fair. It has to happen to everybody or we have to have justice back.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Madam Speaker, I rise today to continue with a special emphasis on developments that have been headlined and registered in the newspapers otherwise over the weekend, the line of thought that I had attempted to outline to my colleagues last week.

Last week I spoke twice. The last half of last week's presentation had to do with the fact that the President has embarked on what I consider to be a catastrophic course of action with respect to those countries south of the border. At this point, two of our most immediate neighbors, the Republic of Mexico and Guatemala, the one right next to Mexico, are relatively quiescent insofar as our newspaper headlines are concerned. However, there is no question that churning underneath this apparent surface of calm are the same situations, the same forces that have erupted and have caused our heavy investment, heavy in treasure up to now and relatively light in blood but unquestionably, as I said last Thursday, if the President persists in his line of action and he has given absolutely no indication that he will change or veer one iota, will be heavy in blood.

I feel it is such a mistaken course of action that it is not difficult to advise my colleagues that should they continue to acquiesce and succumb to the blandishments and threats and the pressure, at times, depending on the methods and the occasions as they arise, which one the President uses, to this last request of $300 million to be given in direct aid, military and otherwise, the President has stripped himself of this mask of hypocrisy that he put on last year in which he flummoxed out of this Congress about $40 million worth of so-called nonlethal humanitarian aid but which in effect was aiding a motley and unseemly group of assassins, terrorists, rapists, rapists of schoolteachers, innocent and young teenage girls in Nicaragua, all sanctioned by the approval that the President's policy and, up to now, as endorsed by the Congress, have given, a sanction which I think American public opinion would not, once informed of the facts.

Why is it the American people do not have the facts? Well, essentially, why is it the American people do not have facts about who the real decisionmakers are with respect to their very, very vital standard of living or their economic well-being?

I would think for the same reasons essentially. That is that we live in a day and time in which a free society can be just as much manipulated, can be just as much brainwashed as any country that we have always despicably and sort of condescendingly looked down upon. Even the term "brainwash" for example was something that when first used during the Korean conflict was considered alien to any, in any manner, shape, or form, of our thinking. This would be only that which a wily oriental people, devoid of the average feeling for human life, would employ. I recall that phrase was first used and then gained quite a bit of currency during the Korean conflict.

We like to think that we do not think that way. We look upon ourselves from the point of view and a perspective which, regrettably, the external world does not share. This is true with respect to our attitude and our assessments of what is going on in the societies that, of necessity, must share the future and our destiny with us in the New World.

These misperceptions, I believe, and I believe it imperative that they be corrected insofar as it is humanly possible if in no other manner, shape, or form, by the record.

The greatness of our system is, as we review the history even of a body such as the House of Representatives of the United States, that there have always been even in the midst of an overwhelming tide of events a few voices which have been on the record cautioning, advising, dissenting, and then, in retrospect, we are quite impressed when we find that this voice, feeble as it may have been at the time, was nevertheless being expressed in the course of deliberations of the House of Representatives.

The very fact that an individual Member of this House would resort to what we call special orders, which is the privilege that allows me to address the House in an extended form and which exists for the reason that a member of a numerous body, such as this, will be given an opportunity to extend over and above the limitations of debate that must necessarily prevail during what we call discussion or debate.

But that does not detract from the responsibility of the equally powerful forces in our country, those who collect, garner, and disseminate the facts of occurrences in our country, in and out of our country. It does not absolve them and I do not think history will absolve our much touted free press from actually pursuing, despite heavy pressure from the administration, as it has exerted on some periodicals in our country.

□ 1225

It in no way excuses these periodicals from pursuing and obtaining the truth and disseminating it to the best of their abilities, because this is the only way that we can redeem freedom of the press in a free society.

We are relatively free. Of course, no society has ever known complete freedom, because freedom bespeaks responsibility and self-restraint and discipline. But when we have the powerful forces, some of which control 95 percent of the viewing time of our American public through the electronic media and in the press, now whose ownership is so concentrated that it represents a concentration unthought of, never quite anticipated even 20 years ago, in which concentration of ownership is interlocking, the same interests that own the printed media, whether journal, magazines or daily newspapers, also are governing the destinies of banks and some of our chief corporations, main corporations in the country.

In just the last 5 years, the concentration of wealth through two main conduits—one, the redistribution through tax policies as of 1981; and two, the absolute abdication of responsibility in enforcing the so-called antitrust laws—have resulted for the first time in our history with less than 7 percent of our segment of society owning and controlling over 80 percent of the wealth of this Nation.

If that does not give almost total power to determine the key issues, I do not know what could.

This is reflected in our assessment in the coverage of our media of the events that are churning and broiling right now in countries that have not yet erupted into crisis, but who will present in their essential form the

same type of crisis problem that we have confronted unsuccessfully for the last 5 years especially in the smallest country in the Western Hemisphere, El Salvador. Rather, we have opted for the same tactics that I think, for a while at least, we saw in blazing headlines in the case of the Philippines. The essential issues involved are no different.

If the administration and the President can successfully P.R. the situation, at least for the time being, into thinking that somehow, somewhere, it had a policy that won something in the Philippines, let me dispel that notion from my colleagues' minds. Let me disabuse your minds of that. No matter who would win in the Philippines, the problems are endemic, they are profound, unresolved, and we have developed no policies with which to address them. If we think for the moment the fact that Ferdinand Marcos was ejected from the Philippines is even a step toward a solution to these problems, let me disabuse my colleagues.

Let me also point out the national interest involved, truly involved, in the case of the principal bases that we must depend on in that part of the world, at least up until now. Right before the events took the turn that they did in the Philippines just less than a week ago, we had some newspaper references to military experts saying, well, they are not indispensible, these bases in the Philippines, Subic Bay, the naval base and the other.

But the fact is that this is the argument we have always heard after we lost. I want to point out to my colleagues that nothing succeeds like success and nothing fails like failure. Your insistence on calling failure a success is piling up the day of reckoning for us, in which we will be asked to pay a price that I do not think the American people ought to be asked to pay or that they will willingly pay without further devisiveness in our society, which will be costly and detrimental to our own development.

Why do I say this? Well, just look at the facts. When we poured millions of dollars into the construction of Cam Ranh Bay on the Vietnamese coast, there was no thought ever given that we would lose possession of those waters and control. Why, we had the powerful fleet, the Pacific Fleet, just like we have the powerful Mediterranean Fleet; just like we have piled armament on the Caribbean and Pacific sides of the isthmus like never in the history of that part of the world.

But who are we kidding? Cam Ranh Bay is right now used daily in operational functions by the Russian Navy, the Russians; the Communists, if you please. These are the ones that we went in there to build Cam Ranh Bay against.

How could it happen? Well, we deluded ourselves into thinking that we had won something when we were kicked out of South Vietnam, rushed pell-mell, and lost far more than just physical possession of some bases we had built at great cost. Had we not had things develop in that form, I can assure you, my colleagues, we would not have had the hostage situation in Iran, nor would we now presently have been, for all intents and purposes, ejected from any serious presence in the Middle East itself.

When a people and their leaders insist on deluding themselves, and the leaders have the ability to delude the people, it does not take a prophet, it does not take an expert to know that that society is in trouble. If we are callous to what has been going on south of the border in which, in the name of fighting communism, or Marxist-Leninist whatever, we equip those who rape, who pillage, who plunder, if we insist through our military technicians in forming armies that use the techniques that did not win for us in Vietnam, how else are we going to end up but in a catastrophic defeat, a costly one in blood and treasure.

I have from a newspaper, USA Today, for today, March 3, because I think events speak far more eloquently than any words or verbal speeches one may make, an article.

On the one hand, I would like to place in the RECORD at this point, this article, and then I will develop the interconnection between these events with what I have been saying and what I will try to say in the remaining portion of my time.

The articles follow:

NEIGHBORS TRY TO SAVE FARM COMMUNITY

(By Chuck Raasch)

WETMORE, KANSAS.—On the road leading into town is a faded red sign.

"Wetmore, the Modern City of Opportunity," It boasts. "Build More with Wetmore."

Guy Stedman knows differently. "Hasn't been opportunity here for years," the businessman says softly, as if his hometown of 376 people is a sick friend.

In many ways it is.

Powerful forces are clashing here and in hundreds of other small USA towns where the 1980s farm crisis has become a test of spirit and survival.

Families are leaving, businesses are closing, rumors of bankruptcies blow like ill winds. A fire last month wiped out Stedman's hardware store and two other businesses, adding to the woes.

Yet townsfolk take shelter in hometown pride and resilience. "I like the values of a small town," says Mayor Dan Maltby, 50, a father of five. "I can drive down the streets and know pretty much everybody who lives in the houses."

"A lot of people who have resided here and have gone through hard times still feel this will be home," says resident June Carson. "Maybe things will come back."

Stedman, 40, isn't so sure. "We're being plunged into poverty," says the man who two years ago started Help the Farmers, an aid and referral service for needy families.

"It's that lack of control over their own lives that bothers people the most," says Bill Persinger, director of a mental health center in nearby Hiawatha. "A general sense of foreboding, that 'I don't know what is going to happen.'"

Wetmore sits astride Highway 9 in the broad, fertile lap of corn and wheat where Kansas, Nebraska, Iowa and Missouri fold together. Church steeples and grain elevators pierce the USA's geographical heart.

Agriculture dominates this region—from Kansas to the Canadian border—more than any other area, making it vulnerable to depression. One-fourth of all small-town businesses in seven Midwestern states could fail by 1988, according to a survey of 950 bankers earlier this winter. And a 1984 Nebraska study declared farm towns with populations under 500 an endangered species.

The exodus is nothing new, as the gray winter landscape bears out. In one 50-mile stretch, there are 40 long-abandoned farmsteads.

Crumbling barns and houses now teeter in the wind, their vacant windows peering out like eyes with hollow stares.

In its heyday 80 years ago, Wetmore had three grocery stores, two banks, a cannery, two grain elevators and twice as many people. Today, it has one bank, one grocery store, a telephone company, a school, and a manufacturing firm that employs 11. A beauty shop closed last fall. Its operator moved to California, leaving a ring of unswept hair on the floor.

A bright note: Little Chef Restaurant, which closed about the same time (its calendar is stuck on October) will be reopened Tuesday by a Topeka businessman.

The Wetmore Lions Club, as owner of the building, had offered the place—dishes and all—rent-free for several months in an effort to attract business.

"It seems like the town is just dead" without a restaurant, says Carson, who co-owns JBN Telephone Co., with husband, Robert. "It's like every day is a holiday or a Sunday."

Banker John Morrissey says most new businesses probably are unmarketable because you couldn't pay off a loan and clear the $15,000 it takes to raise a family here. The domino theory worries many.

"You have to spend $15 to drive to another town to get a 15-cent bolt, you say, 'I might as well get my groceries there,'" says Mayor Maltby. "If that happens, there goes your grocery store, too."

Stedman would like to rebuild—"This town needs a hardware store"—but doesn't know if he could get a loan. He was falling behind on his $800-plus-a-month business mortgage before the fire, which investigators blamed on electrical wiring, and says insurance won't cover all his losses. (Help the Farmers has relocated to the old beauty shop.)

Tax preparer Eddie Porter, 67, and dentist Phil Lapham, 82—who also lost businesses in the fire—won't rebuild.

"It makes the crossroads we were coming to a lot closer," says Maltby. "Before, it was 'if, if in two or three years it didn't get better.' But right now, it is today, tomorrow."

Townsfolk faced a crossroad two years ago when a tornado destroyed the American Legion Hall. Despite talk of not rebuilding, residents later donated money and labor for a new brick hall on Second Street. The building was seen as a confirmation of Wetmore's future.

But many say the things you can't see—the mental strain people are experiencing inside their homes—are the most destructive forces here.

The number seeking counseling in Persinger's clinic, which covers four rural northeastern Kansas counties, has tripled in three years.

People who are outwardly strong, often pillars of the community, are ripped apart by the prospect of going bankrupt in front of the tight circle of friends and families.

Persinger, who helped talk one farmer out of suicide this winter, says even if the economy improves overnight, some of the hardest-hit towns face a "delayed stress syndrome" similar to what veterans go through after wars.

Some farmers, wary of rumors, stay out of town.

Despite the hurt, the pulses of life in Wetmore continue in a steady beat. The Modern Study Club, Sunny Side Club, Golden Age Club—all social organizations—meet monthly. Glynda Noe's weekly column of local social events in area newspapers is spiced with reports like Dorothy Scott's 80th birthday, when 150 people came calling.

Residents gather and gossip daily over coffee and doughnuts at the American Legion Hall.

Wetmore High School's annual plays are a big success. The First Methodist Church has a turkey dinner every Thanksgiving. The ham and chicken dinner at St. James Roman Catholic Church in June draws hundreds, as does its soup supper and bazaar before Christmas.

More than 100 people turned out to celebrate Herb Kling's 100th birthday in November, even though the reclusive man—rarely seen outside his ramshackle house on the edge of town for 30 years—didn't show because he hates crowds.

Overall, people are cordial and caring. During February's big fire, Lyle Whitaker, owner of the Machine Design factory in town, stuck a $1,000 check in Stedman's pocket to cover living expenses. Others gave him $20 and $50 bills and food. One neighbor bulldozed the rubble and refused payment.

"I found out that I had hundreds of friends," says Stedman, who returned to his hometown from Chicago five years ago after a divorce because, he says, it was the most comforting place to go.

"I really don't want Wetmore to be a ghost town," he says. "There are a lot of people across this land who . . . want to be able to go home, they want their homes to keep on living. It's the roots, that basic American feeling of knowing where they come from."

WEAKER DOLLAR GIVES STRENGTH TO U.S.A. FIRMS

(By Constance Mitchell)

USA companies doing business abroad finally are feeling the effects of the falling dollar.

A survey compiled by Drexel Burnham Lambert Inc. estimates that foreign earnings of USA multinationals rose between 20% and 25% in the fourth quarter of 1985 from the same period a year earlier, after declining for 16 of the past 17 quarters.

Most gains resulted from currency translations, which made sales and earnings of foreign subsidiaries worth more because they are converted into more dollars.

"The change has been surprisingly strong," said Rein van der Does, Drexel's director of international research. "The dollar is helping tremendously," and will boost foreign earnings by at least 35% in the current quarter, he said.

For example, Dow Chemical Co. operates plants in 30 countries, and derives 55% of its total revenues outside the USA. In the fourth quarter, Dow's European sales were $1.09 billion, up 22% from $891 million a year earlier.

Strong demand for chemicals contributed to part of the gain, but currency conversions boosted Dow's European operating income to $62 million, up 38% from $45 million in the same period a year earlier.

A pound of industrial-grade plastic, for example, made by Dow's Swiss subsidiary and priced at 100 francs, brought home $40 in late 1984 when one dollar converted into about 2.5 francs, said Pahyne Hansen, a spokesman for Dow Chemical in Horgen, Switzerland. Friday, when one dollar was worth 1.88 francs, the plastic fetched $53.

But currency translations might not eliminate the USA's $150 billion merchandise trade deficit or shift the competitive balance in the USA's favor. To improve on those fronts the dollar needs to fall another 15% to 20%, experts say. When that happens:

Exporters of steel, computers, machine tools and other heavy equipment will benefit as their products become less expensive overseas, compared with their foreign-made counterparts.

"People won't run out and replace their old equipment just because the dollar dropped a little," said Stephen Newhouse of Caterpillar Tractor Co., which ships a large portion of its earth-moving equipment abroad. "It has to fall down and stay down to be significant."

Companies that produce and sell most of their products here—autos, electronic equipment, clothing—will benefit as rising import prices make their products more attractive to domestic consumers. Some of these companies also will be able to raise their prices slightly, and still be competitive with foreign suppliers.

PROFITS FROM ABROAD [1]

Company	Foreign revenue [2]	Earnings per share estimate	
		1985	1986
Procter & Gamble	90	$4.34	$5.23
Burroughs	66	5.17	6.27
Coca-Cola	65	5.20	6.06
Dow Chemical	54	2.49	3.54
Pfizer	44	3.49	3.93
Merck & Co	43	7.53	8.70
Caterpillar	42	1.36	2.99
IBM Corp	40	10.68	12.61
AMP, Inc	38	1.03	1.57
Digital Equipment	35	8.42	11.31

[1] These U.S. companies get a big share of their profits from foreign sales and could benefit from a weaker dollar.
[2] As percent of total sales in 1985.
Source: Zacks Investment Research.

Mr. GONZALEZ. The first one, No. 1, is entitled, "Cover Story: Neighbors Try to Save Farm Community." It is datelined Wetmore, KS.

It starts by pointing out that Wetmore, as a faded road sign says at its entrance, "The Modern City of Opportunity," is literally wasting away.

□ 1235

It quotes:

Families are leaving, businesses are closing, rumors of bankruptcies blow like ill winds. A fire last month wiped out Stedman's hardware store and two other businesses, adding to the woes.

Second, I offer for inclusion a very brief, three-line item in the same newspaper, USA Today, Monday, March 3, in what they call the "Moneyline" section, and it says:

Failures up: Business failures in 1985 increased by 9.6%, to 57,067 from 52,078 in 1984, Dunn & Bradstreeet Corp. reported Sunday.

Well, that is just what Dunn & Bradstreet reported.

The third item, same newspaper except on the column entitled "Washington," same date:

SOVIET UNION: SUPPORT PLEDGED FOR CASTRO

Moscow.—Soviet leader Mikhail Gorbachev, who turned 55 Sunday, gave his official blessing to the Kremlin's ally in the Caribbean: Cuban President Fidel Castro. They met Sunday and Gorbachev pledged continued support for Cuba's fight against what the official news agency Tass called "the threats and acts of provocation of U.S. imperialism." Castro, who had not been in Moscow since the funeral of Yuri Andropov in February 1984, was given the honor of being the first foreigner to address the 27th Communist Party Congress. Castro accused the USA of fighting "progressive patriotic forces" in Nicaragua, El Salvador, Angola, Namibia, South Africa, Cambodia, Afghanistan and opposing the Palestinian cause.

Also in that same newspaper is another article in which it is reported that today the President will meet with the leaders that he feels that he needs to meet with today in order to sell the Congress on the $300 million that he wants us to give him for the so-called Contras.

This one is on page 2-A for today:

REAGAN TO MEET 3 "CONTRA" LEADERS

Three top civilian leaders of the U.S.-backed "contras" meet with President Reagan today—continuing a White House push for $100 million in aid for those fighting Nicaragua's Marxist regime.

Adolfo Calero is one. Now, Calero, yes, he fought or did something against Somoze, the dictator, but he also happened to have been the Managua Coca-Cola franchise holder of the bottling plant in Managua.

Arturo Crus; Considered the most prominent leader of Nicaragua's opposition. Before joining the anti-Sandinista forces in 1981, he was the Sandinistas' ambassador in Washington as well as head of Nicaragua's Central Bank.

But there is a little disclaimer. It says: "* * * Cruz opposes the U.S. trade embargo against Nicaragua * * *"

The complete article is as follows:

REAGAN TO MEET 3 "CONTRA" LEADERS

Three top civilian leaders of the U.S.-backed "contras" meet with President Reagan today—continuing a White House push for $100 million in aid for those fighting Nicaragua's Marxist regime:

Adolfo Calero: A leader of the political opposition during the Anastasio Somoza years, Calero now heads the 15,000 to 20,000-member Nicaraguan Democratic Force, the

largest of several groups fighting the Sandinistas.

Educated at Notre Dame and Syracuse universities, Calero was general manager of the Managua Coca-Cola bottling plant until 1983—when he joined the fight against the Managua regime.

He is the most conservative of the rebel leaders who meet Reagan today.

Arturo Cruz: Considered the most prominent leader of Nicaragua's opposition. Before joining the anti-Sandinista forces in 1981, he was the Sandinistas' ambassador in Washington as well as head of Nicaragua's Central Bank.

Despite his prominence within the contra movement, Cruz opposes the U.S. trade embargo against Nicaragua, calling it counterproductive.

Cruz is a graduate of Georgetown University.

Afonso Robelo: Was one of two non-Sandinista anti-Somoza activists who joined the junta established in July 1979 when Somoza fell. He and Violeta Chamooro left the junta in 1980.

Robelo, a prominent businessman, was jailed by the Sandinistas after he resigned from the junta.

Well, this is what President Reagan says was a national emergency, because the President cannot invoke that section of the law which we have delegated him power unless he first determines there is a threat to the national interest in an emergency.

Nicaragua, then, has been declared as a serious threat, emergency status, to our security. Yet we have an Ambassador in Managua. We have not called him back. All during the time we have been having the CIA invest millions of dollars in trying to knock out the Sandinista leaders, blow up their wharves and docks and their public buildings and try to assassinate some of their leaders, we have had our Ambassador there grinning and shaking hands and going to ambassadorial functions, meaning that we recognize the regime that the President says we have got to knock out.

So if we were to say that this is the way the Russians operate, everybody would say, "Oh, sure." But nobody wants to look at ourselves, when we work the same way, in fact, in a far more despicable way, because at least there is no pretence, in the case of an authoritarian regime. Then the third person will be Alfonso Robelo, "One of two non-Sandinista anti-Somoza activists who joined the junta established in July 1979, when Somoza fell. He and Violeta Chammorro left the junta in 1980."

Well, if we can try to imagine, from the point of view of the Nicaraguan people who held an election in November 1984, and in which they had the overwhelming, preponderant number of Nicaraguan citizens participate, and which, for the information of my colleagues, that the American papers did not publish, the official Communist Party candidates did not even get 6 percent of the vote, so that this is where Marxist-Leninist concepts, jargon, and the like, really go, even in El Salvador, where you have five different rebel groups, the weakest up to now. Of course, the way we are going, in desperation, the people are going to make them strong, just as we have Fidel Castro. Fidel Castro has not been what I would consider to be the topnotch type, but we made him. Through our calamitous misunderstanding and assessments, we have made leaders. We have given communism credit that I would hardly give communism. I would say that we failed in realizing that unless we join the forces, correct an injustice, unless we take positions that show clearly that we are not on the side of the oppressors and unjust regimes, we are leaving room open for anybody, even if it is the devil with pitchfork and tail, who says, "I want to help you, I want to give you employment, I want to give milk for your children, I want to give you bread for your tables, I'll find a way to employ you, where you won't be in idleness here, as useless members of this society."

Well, I will guarantee you that if you get human beings desperate enough, they do not care if the devil himself comes in person, much less a Marxist-Leninist. How else do we think Hitler gained power? Do we think it was the charm of his personality, or what he first promised with the desperate situation prevailing in that Germany of starving children, of high rates of unemployment, high rates of homelessness, which, incidentally, we are beginning, and have gone for the last 3 years a long way, to produce a growing army of homeless Americans. If anybody here can tell me that we can look with equanimity and complacency on these forces, we better look at ourselves first, before we think that we can go out and impose regimes in other countries. If we think we can do that and get away with it, I am afraid history is going to be a very sorrowful record for us. It has, up to now, and at great pain do we ignore it.

What is the connecting link between all of these four items I have included in the RECORD? Because there is.

First, the very forces and elements that today have complete power of determining our economic well being in our country are the ones who are also shaping the policies south of this country. But who are they? Well, they are the great J. Peter Grace who own the great conglomerates, he is one of those great plutocrats we have developed, who also happens to own now, as one of the little parts of their empire, what used to be called United Fruit, which has and continues to pretty much dominate a little country like Honduras. In Honduras the railroad is owned by United Fruit, the dwelling houses of the workers are owned by United Fruit, the pay is dictated by United Fruit, everything else is dependent upon United Fruit.

We are in Honduras in a heavy military way not because the people of Honduras want us. In fact, they do not. At no time has their duly elected body, known as the assembly, ever passed any resolution welcoming us there or even inviting us there. But Honduras is the second poorest country in all of that area. They have been desperate. We have in the immediate past tried to use "divide and conquer" tactics, because the interpretation given by our plutocrats of the developments in that part of the world are labeled as Communist or Marxist-Leninist because these individuals that will be meeting with the President today will look upon it that way.

Of course, the Coca-Cola bottling plant manager or concessionaire went along when he saw the tide rising, but he was not about to go, when, all of a sudden, a labor leader in power said, "Hey, you are not paying enough".

Now, whether it is in Mexico, which by far is far more advanced than these countries south of Mexico—but it is true there, too, whether it is Mexico, Guatemala, or, especially, in El Salvador, where you had 12 or 14 families ruling absolutely in total control for generations.

As a matter of fact, all we have to do is read a little bit of history and see that in 1930 you had similar uprising, and it was put down at great cost of blood, too, and again with the tacit aid of the United States because of our commercial links who do business with those who rule and in this case happen to be the people who have become accustomed, after 250 years of total and absolute rule.

What I am saying is that all that world, not only the rest of the world, but particularly this part of the world, has radically changed. It is no longer the Latin America that we used to speak of as a somnolent, guitar-strumming, romantic-speaking people. They never were. But that was our concept. And now, especially in view of the churning events of history, it is far more imperative that we understand this than perhaps it was in 1961 when President Kennedy announced the Alliance for Progress.

So the connection is there. We cannot, in our own country, sink ourselves in a frozen indifference on the part of our Government to the needs for food of many of our citizens and then go out and say that we can expect those same leaders to do more for some alien people. Of course not.

So where has the Reagan administration ever offered any kind of a policy development, any kind of a program, to aid the needs of those people south of the border? It is nonexistent, except and unless it is based on military aid.

□ 1250

That, I say, is not only counterproductive, it is a tragic mistake.

Somebody asked me in speaking this way back home in my district, because I do not speak differently anywhere else. They said, "Well, what would you do?"

I said, "Well, it isn't what I would do, because I don't have the power; but I think what you are asking is sort of a rhetorical question, like, 'if you did have the power, what would you do?' "

I said, "Well, No. 1, if I had the power, I would pull out all our military, lock, stock and barrel. Instead of a heavy tank down in Honduras, I would send a watertank and go from there."

Of course, by now, almost through self-fulfillment and in total need to defend, because the President's policy toward Nicaragua has been, in sort and in plain language, "drop dead or we will kill you."

Well, you cannot do that to people in the 20th century like you used to do it in 1930 and as we have done, not any longer, because one, they are not going to drop dead; and second, they are going to fight for their revolution.

If the British Crown in the 1770's and 1780's had done the equivalent of what they would have done, they would have called Benedict Arnold and said, "Hey, we want to help you. We want to give you aid."

How did we look on Benedict Arnold? A great traitor.

Well, this is exactly the same way those people down there look on these people that the President is going to receive today to see in what way, what method, what kind of a format, what kind of a scenario can be developed that can pressure the Congress.

Well, I will tell the President—he does not have to call those three Nicaraguans. I will tell him, because this is the way it is going to be. We will see screaming headlines in which they will find Mig's or something else in Nicaragua, or else some of our servicemen, some of whom, as I have said before, have been illegally deployed and immersed them into the civil war raging down there, will get killed, and that is all it will take, and unfortunately some loss of life there.

Say the headline tomorrow is, "Sandinistas kill six American soldiers in Honduras." There is not a man in this body that will not rise to the plea of the President.

I ought to know. I was here when we had the Gulf of Tonkin resolution, and that was no different, and that was a wholesale delegation of power to the President.

The President is not asking for $100 million because he cannot find ways to send $100 million. He is asking for the Congress to give him the imprimatur of approval of a bankrupt policy.

My colleagues, when you do that, history will be inexorable. You will not be pardoned. It will be inexorable in its judgment because you are now charged with knowledge. The threats of 2, 3, or 4 years ago that if we did not, why, the Communists were going to take over, and we had floor speeches in which one or two of my colleagues said, "Why, the next stop of those forces will be at the Texas border." This is how far we have gone in the past, so I can tell you that it will not take much to stir that up again.

Now, how is all of that connected with these other dismal pictures of our situation at home?

Well, in the same newspaper this morning, the big story was about how interest rates have fallen below 10 percent. Well, that has happened once before, not too long ago, shortly for a while; but the real fact is that when some of us have tried to get an accountability from the powerful factotums, like the Chairman of the Federal Reserve Board, and I noticed recently there was a cover story in the Newsweek magazine which has a glorious picture of him as the second most powerful man in America.

Well, I have news for Newsweek. He is the most powerful man in America, because he does not have to account to the President, and he has not. He does not have to account to the Congress, and he has not, neither have his four predecessors with whom I have had the opportunity to work with as a member of the Banking Committee for almost 25 years.

Now, what does that mean? That sounds like something you cannot connect up, but it does. It has everything to do with what is happening internally and externally.

Why? Because at this point, of course interest rates will fall; of course you will have a little surge of employment.

Where? Well, in the construction area, because if you have a lowering of interest, you are going to have a spurt in home purchases, maybe some home construction, but what we have had in the immediate past is that you had home construction, but not at affordable prices where the average American family could buy a new home.

The same thing is true today; but just a scant few years ago, not even more than 2½, all these august chairmen were coming before us and saying, "Well, you are not going to have any drop in interest rates until you control inflation," and then saying that the Congress was to blame for inflation.

Well, at this point, the Federal Reserve Board has cranked the printing presses, because it is the Federal Reserve that prints our money now, not the Treasury, not, like they used to say, the politicians. It is the biggest banker in our country. They have just ordered the printing presses to go on out.

Well, you cannot do that, though, no matter who does it, without having some what they call hot activity or inflationary pressure.

So as of the week before last, the Chairman of the Federal Reserve Board began to say, "Well, now, the thing we have to fear right now is a little flareup of inflation."

Well, why should we not? Last autumn in the third quarter the money supply was a little better than 3½ percent. As of today, it is 15 percent.

Why? Well, could it be a little bit of politics? Let me assure my colleagues, it is all politics.

It was all politics in 1972 when Mr. Nixon wanted to get reelected and Chairman Arthur Burns was the Chairman and all of a sudden those printing presses at the Fed were churning out the money in the summer. At the same time, they were breaking in at Watergate, they were cranking up the printing presses, so that at least by election time, there could be some economic activity.

This year the President has the bulk of his Senators over in the Senate that have to get reelected.

Now, is that a happenstance connection? Of course not.

Now, maybe the theorists, maybe the civics books will not tell you that, but let me assure you, that is what it is.

So what have we done, though? In this same newspaper of today, in an inside page, there is a story on Buffalo, NY, where they had 10,000 people applying for about 200 jobs.

Where is the story that over 200,000 of our ex-automobile workers are still unemployed?

Who worries about those 9-plus million unemployed Americans?

Well, not now, anymore than anybody worried about interest rates in 1966; but let me tell you, we ought to be, because there will be a day of reckoning, just as sure as we are here.

So all those forces add up, because those same people that are in control of the economic destinies of our country are the ones who are doing this. J. Peter Grace has more to do with shaping our Latin American policy than does Secretary Shultz, let me put it that way.

So what I hate to see is a bunch of our kids in the not-to-distant future fighting and dying in the jungles of Central America, for whom? For Chiquita Banana, that is for whom. It will not be for democracy, because the President is asking us to give $100 million out-and-out to this group of men that by all accounts—not only American, but other nations' accounts—are

over 80 percent ex-Somasistas who were kicked out of the country.

None of these three men that the President will see today, even if they were to come in and conquer Nicaragua, will be able to govern Nicaragua. So who will govern? It will be the United States having to occupy Nicaragua and for decades and decades having our troops there, our Americans there, sniped at and killed. That whole area, not just Nicaragua, will be engaging in surreptitious guerrilla warfare.

When I first spoke out on this, as I said before, it was on April 1, 1980, and I pointed out then, and the President was not Ronald Reagan, it was Jimmy Carter, so those who would like to make some partisan issue out of this I would ask to examine the record.

At that time, I also pointed out, because I had been unable to have access to the President, who as inaccessible as he was, was a little bit more accessible than this President. This President, as I have said repeatedly, does not even answer a Congressman's letter. Even Richard Nixon would do that much.

So that with that inaccessibility, I was impelled to take the floor on April 1, 1980, and I pointed to an interrelationship between the fact that the United States had dropped its investment rate, its business intercourse rate with Latin America, from about 40 percent to just about 17 percent. That is something was happening in those markets in which America was losing somewhere, somehow.

Whoever discussed that? Why, not even in the halls of academia did I ever hear anybody say anything.

We must remember that Central America was the scene of what was considered and touted to be, at least in Latin America, a very progressive step, and that was the Latin Central American Confederation of Nations, who tried to erect an economic community among those countries, and therefore reached a good point of maturity and then, of course, without some real moral support from the United States, it could hardly be expected; but our investors in their greed could not see that if we not only offered, but gave, the leadership, that we would not have to worry about competitive foreign sources such as the European producing nations, or for that matter, Japan; but we have lost those markets.

I want to tell my friends that we are not going to win the hearts, we are not going to shoot ourselves into the hearts of the Latin Americans, and this is what we are trying to do.

We are not going to enhance our trade, which is a tragedy, because the United States is ideally set up to do it. I think we had two Presidents who showed what could be done with policies of friendship and cooperation; Franklin Roosevelt with his good neighbor policy, his rejection of the bankrupt Calvin Coolidge policy of unilateral military intervention; in fact, in Nicaragua in 1929 where we put in the Marines for 13 years and imposed the Samosa regime and built up their so-called national guard, which were finally kicked out in 1979, so that no matter how much we fool ourselves, from 1929 and 13 years thereafter, it was certainly made clear that once Franklin Roosevelt began to grasp policy formation that we had better try the other.

Then under the brilliant stewardship of Sumner Wells, who for years was our Assistant Secretary of State for Latin American Affairs and one of the most brilliant we ever had in that capacity, if not the most brilliant, but who was very well aware of history. He wrote one of the best histories of Santo Domingo, an exhaustive history, that anybody has ever written in or out of the halls of our colleges and universities; but we have not had that kind of mentality in charge of either State Department areas of action or of the Treasury. We have not had a Secretary of the Treasury that has had the slightest of international finance since Morganthau, and that is going back some years.

So all of this ends up in a failure of diplomacy, which then means that Presidents become obsessed with resorting to force or military.

□ 1305

No nation, no nation ever resorts to the military unless and until it has failed diplomatically, no country, no country in the history of the world. Ours is no exception.

If that is the case, then, it is absolutely imperative that we understand, one, our potentials, and two, our limitations. We have been unwilling to do that in the case of other areas of action in the world in which, as I say and repeat, the loss of Treasury and life has been immense. But we must do it now.

I say that even at the risk of having the President condemn us for aiding and giving solace and comfort to the Communists that we stand up to the President and compel him to give us the leadership that a modern-day President ought to in this most vital of matters. We cannot afford business as usual as it as been the last 5 years.

By their fruits you shall know them. What are the fruits of President Reagan's policies? Failure. We do not have any presence in the Middle East. In the Philippines, we are just beginning to face the dimension of the problems that will be fundamental to our own national interests now.

South of the border, we cannot get one country, big or small, from Canada on down to the Cape of Good Hope, we cannot get one industrialized nation in Europe or Japan to side with us in the policies that thus far have been announced and carried into effect with congressional help, I might remind my colleagues, thus far by the President with respect to Latin America. So would we not say that then by the fruits, we shall know them? I know that I have always said that a politician, despite all the PR and the rhetoric and everyday modern campaigning, once given power is going to be judged like a farmer, not by the amount of fertilizer he spreads, but what he produces. And this is the same thing. Mr. President, what have you produced in your policies with respect to Latin America? You have placed us in the position of arming those that have perpetrated genocide in the case of the poorest of the poor Indian tribes in the mountains and hills of Guatemala. It is our bayonets, it is our rifles, it is our equipment. Up to now, there is not a person that can say that whatever it is, this rebellion in Guatemala has received guns from the Communists, Cubans, Castro, Russians.

So where are we there, Mr. President? When Mexico develops, and you do not have to be an expert, you have an inflationary rate of about 50 percent with the drop in the oil prices which are catastrophic to the Government of Mexico who told us week before last that they cannot meet their payments to our bankers, not to our Government, to the bankers. This is what we are fighting for.

So what are we going to do? We have already helped without there being any real accounting because when the crisis developed up and down the Mexican border with us in 1982, what did our great Federal Reserve Board do? What did our great President and Secretary of the Treasury do? Nothing.

We had suggestions. I have never taken this forum and assailed any President or any other member of the Government without, one, defining the basis for it, and two, if possible, offering constructive suggestions or alternatives, and they are all in the record. It is not me saying it. In that case, the record will show I put it in the RECORD, that I addressed myself to the Chairman of the Federal Reserve Board, I addressed myself to the Secretary of the Treasury, and I suggested that instead of having these bailouts through the swap fund or stabilization fund, as they call them, the Secretary of the Treasury was trying to tell me in his answer that they had no such in the Treasury.

Well, all that did was reveal and confirm what I already knew about his absolute incapacity as Secretary of the Treasury. The Chairman of the Federal Reserve Board, in his nonanswer, was not only nonresponsive, he just as much said, well, we do not care what you come up with, we ain't going to do

it. So as a result, we have 23 percent continuing unemployment on our side of the border. We have had literally thousands of businesses that have gone and dropped by the wayside.

Now the issue is inescapable, as I see it. Either we are going ahead and totally bailing out Mexico; that is, with our principal banks who are on a clique with Mexico and Argentina and Brazil, and got so foolish and irresponsible that they loaned out, under impossible circumstances to pay back, more than the entire capitalization structure of these banks.

You say we are in fine condition. Well just remember that less than a year and a half ago, we had Continental Illinois go under, and we had to nationalize it. We do not call it that. If Mexico did it, we would say that was nationalizing. We do not call it that. But it cost you, the taxpayers, 6 billion bucks which we sorely need for our domestic programs, which we sorely need for these farming communities that are being told as of March 1, too bad, buddy, it is the law of the jungle. Every man for himself and let the devil take the hindmost. That has been the creed and the motto of the people in power in this administration.

The President, I do not mind saying it for the record, I have said it back home, I have said it in public, I have said it in private, I see no reason why I should not say it in the RECORD, I consider the President to be totally inept. The President has not lied to us. He never pretended to be anything else but an actor. Unfortunately, he is an actor that has to have a script, and our trouble stems when his scriptwriters cannot agree among themselves. The President is not smart enough to pick the right script. That is why we are in trouble.

I say that we in the Congress have, under these circumstances, a greater responsibility than ever not to abdicate, not to convey or delegate constitutional power, but to rise to the independence and coequality and separation of our three basic orders of Government, and as never before, because involved there are the very basic liberties of our country. A people, all history shows, seldom lose their liberty and freedom by external invasion. We have gone a long way in doing it. President Reagan last year, just about some 10 months ago, issued an Executive order that gives him total power. He can at this moment declare an emergency and have every dissident who has given shelter to some Salvadoran refugee arrested and imprisoned.

□ 1315

He has evoked, basically, the 1917 Espionage Act, but more than that, there was not a whimper from anybody in the Congress. It took a lowly administrator who, repelled by the extent of this power, said something in the summer of last year.

Has anybody in the Halls of Congress addressed this? Well, perhaps over in one of our subcommittees of the Judiciary, somebody might have said it, but not in the RECORD, and not in any deliberation of the committees; and yet, it is a most awesome, awesome development thus far.

If we think that other countries are the only ones that can have political prisoners, let me point to this Executive order of last year, and what it does, and how far the President can go. He can make a single-handed determination overnight. He did it in the case of Nicaragua when he invoked the so-called embargo. Has he reported to the Congress what good the embargo has done? No, he has not, and he will not.

In order for him to announce the embargo, he first had to declare a state of national emergency. I do not think the majority of my colleagues; I do not think even 35 percent of the American people felt there was any cause for that kind of an emergency and yet, we are living under that defined status, and the action the President called.

So all of these matters are interrelated as long as the powers that be, that have the controlling decisionmaking power through the judgmentmaking valuations have that power.

DEALING WITH MEDICAL MALPRACTICE—PROPOSING ACTIONS BY THE STATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. PORTER] is recognized for 15 minutes.

Mr. PORTER. Madam Speaker, I do not often avail myself of the opportunity of addressing the viewing public and the Membership through the RECORD, but I wanted to do so today because I think we are facing, in our country, a crisis of major proportions. I refer to the liability explosion that is occurring throughout America.

I am wearing a button that says, "Liability—Recovery Depends on Reform." I think that is exactly what recovery, in both the medical sense and the legal sense, depends upon. We need reform in the approach to compensation of personal injuries in our society, not only with respect to medical malpractice and product liability, but also with respect to its impact on every unit of local government throughout our country.

I address the liability problem today because the General Accounting Office has just released the first report of five installments on medical malpractice. This 2-year study was requested by Senator JOHN HEINZ and myself a year ago, and results have just begun to be issued by GAO.

I think the study will help us address the malpractice problem in a very thorough and intellectual way with hard data. I want to express my appreciation to the General Accounting Office for the fine work they are doing in bringing before the Congress the essence of this very serious problem of medical malpractice.

Coincidentally, Congressman PETE STARK of California and I today are introducing a resolution that urges the States, not the Federal Government but the States, to take specific actions in addressing medical malpractice. We ask them to take those actions in four basic areas:

One, in identifying, controlling, and bringing to account incompetent medical providers. Second, in making certain that the insurance industry is regulated in a way that protects consumers. Third, in reforming State tort systems, the legal systems under which personal injuries are compensated; and fourth, in providing an environment for the patient and the doctor where mutually agreed contractual arrangements that avoid use of the courts can be validated and encouraged.

This is, Madam Speaker, a real crisis. In the beginning when doctors were the only ones affected, their premiums were going up and they had problems with their coverages, but no one else paid much attention. When businesses were getting hit with huge increases in their product liability insurance coverage, nobody paid a great deal of attention. Nothing conclusive has happened here in Washington on that problem, either. Now, however, for the first time the problem is reaching municipalities, school districts, park districts, and fire protection districts. All the units of local government seem to be facing huge increases in the cost of their liability coverages, and they are looking at the curtailment of services. In my own district, in Illinois, the toboggan hill in the village of Northbrook was threatened with closing because coverage could not be obtained. Paramedic services in the town of Zion were no longer going to be provided because insurance could not be obtained for them, putting the town into the catch 22 of possibly being sued for lack of prompt emergency medical services.

In New Trier, one of the preeminent high schools of our country, located in my district of Winnetka, the entire sports program was going to be completely eliminated because liability insurance coverage could not be obtained.

We think the resolution that we are introducing, on medical malpractice would, if followed by the States, also address the other liability problems that are part of this great crisis that faces our country.

Medical malpractice has led, as I said earlier, to higher insurance premiums for medical providers. It has also led to some doctors going bare; that is, not having any insurance coverage. That means their patients are left, if the doctor is found guilty of negligence, with no recourse. The patient has no chance to recover from that doctor for his negligence because the doctor has taken his own personal assets and protected them from lawsuits and then not provided any medical liability insurance coverage.

Defensive medicine is being practiced, by doctors and other medical providers, like hospitals and laboratories. They are all running tests that are really not necessary in their medical judgment and doing medical procedures that really are not necessary, solely to protect themselves from the possibility of lawsuits. The American Medical Association has estimated the cost of defensive medicine to our society to be at least $15 billion, and some estimate it as high as $40 billion. That money could be far better spent on providing medical procedures that are needed, rather than ones that are not.

We have, in addition, lost talented physicians who say they will no longer perform surgery or offer their talents to solve high-risk medical problems because they must pay such huge premiums for medical malpractice.

The high judgments that have been handed down repeatedly by juries have really created a social welfare system for victims, and that part is certainly fine, but it is one that has become entirely unpredictable, without any control on the costs; and that part is certainly far less than fine.

Insurance companies are accused of making huge profits, but when you see an insurance company that has been in the field providing coverage for many years refusing any longer to provide any coverage, withdrawing from the field as it were, then we have to admit to ourselves that there is a real crisis. When insurance availability contracts drive up costs, this is a crisis for the American people.

Our resolution focuses on what the States ought to do about it. Why the States? Because insurance regulation has always been a subject for State action, because the resolution and compensation of personal injuries has always been a subject for State, not Federal, jurisdiction, and that seems to me the place where it ought to stay.

Let us today warn the States that if they do not take sensible actions that can really address this liability problem, then the pressures on Washington to do something about it will be great indeed.

Our resolution in that respect is a "shot across the bow" for State governments and State legislatures throughout our country, to warn them that they must take charge of this problem and make the sensible policy judgments that will solve it. If not, Washington will be intervening a year or two from now.

I do not think that what we ask in terms of changes are massive at all; they are really modest reforms.

For example, in respect to the tort system, we ask that the States consider a cap on recovery for noneconomic loss.

□ 1325

We are not talking here about preventing people from being compensated for their actual economic losses, their medical bills, their loss of income. What we are talking about is that, if a person gets injured, the jury can only add to their recovery for economic loss a certain additional maximum amount, say $250,000 or $500,000, for pain and suffering and other noneconomic losses. That cap makes the system predictable. The insurer can then say what its exposure would be and is able to set its premiums and take on the risk. Today these risks are not predictable.

We also ask that the problem of joint and several liability be addressed, the so-called deep pocket problem. Under the joint and several doctrine, minor parties with a tiny proportion of fault are potentially liable for 100 percent of the financial recovery. Over and over again municipalities that are responsible for maybe 5 percent of an injury have been held to pay 100 percent of the recovery, all out of the funding available in their "deep pocket." Those who are responsible for a relatively small proportion of the injury should only be paying a proportionately small amount of the cost.

We are asking for information on those in the medical profession who are not living up to medical standards, for information from malpractice complaints and actions, and for insurance settlement information to flow to those agencies at the State level that can strengthen the standards of the profession and weed out the incompetent people. We ask also for exemption from antitrust prosecution for those who would discipline their peers for malpractice. Peer-review panels today, Madam Speaker, are being accused of violating antitrust laws when they refuse to seat on a hospital staff a physician whom they have identified as incompetent. That is certainly something that was never intended by the antitrust laws and also allows the incompetent physician to be where he should not be.

I think we should realize finally, Madam Speaker, that there are ideas already afloat in Washington to federalize the entire insurance industry, with all the regulation coming in the future out of Washington. There is an additional idea, Madam Speaker, that I think is the most outlandish one I have heard. That is to create a Federal reinsurance pool for risks that other insurers would or could not cover. This would put the Federal Government into the insurance business and make available to juries who want to tap it a huge pool of money that could be reached without any controls. What is more, if we think the recoveries for pain and suffering are now large, wait until there is an unlimited pool of Federal reinsurance resources on which to draw.

That is the kind of idea I think we should guard against, rather than encourage, but it is the kind of idea being floated. We ought to be saying to the States, "Look out; if you don't do something about this problem, such undesirable Federal actions are going to be the result."

I want to announce for the record also the cosponsors of this resolution. Congressman STARK, as I said, and I are the cosponsors. He is, of course, chairman of the Health Subcommittee of the Committee on Ways and Means.

We also have the ranking minority member of that committee, Mr. GRADISON of Ohio. We have the ranking member on the Republican side of the Health and Environment Subcommittee of Energy and Commerce, Mr. MADIGAN, as a cosponsor. We have two further members of the Committee on Ways and Means: Mr. GEPHARDT of Missouri and Mr. MATSUI of California. We also have Mr. LEWIS of California, Mr. SILJANDER of Michigan, Mr. MILLER of Ohio, and Mr. DORNAN of California. These are supporting this resolution at the very beginning just as we have begun to circulate a letter asking for cosponsors.

We also have the U.S. Chamber of Commerce, which endorsed our resolution. This morning on "Good Morning, America" on which I appeared, the American Medical Association, through its executive vice president, Dr. James Todd, has also indicated that it is the kind of legislation they believe would do a lot to help solve the medical malpractice problem.

I might say that we welcome cosponsors here in the Congress. Congressman STARK, my colleague on this resolution, has promised that he would be holding hearings on this matter very soon. We think that the resolution can go a long way toward sending a message to the States that action is needed, it is needed now, it is needed to be responsible, it is needed to be responsive to the problem. We need, not cosmetic solutions, but real changes; not radical changes but only those that make good sense in protecting the individual who in fact is injured and in weeding out the incompetent physicians as we must do. We need to make certain that we have a system that, while compensating injuries, is predictable, understandable, and will

encourage insurance coverage that is needed to protect the consumer and the patient and ensure their recovery in case of negligent injury.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ACKERMAN (at the request of Mr. WRIGHT), for this week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PORTER) to revise and extend their remarks and include extraneous material:)

Mr. BARTON of Texas, for 15 minutes, March 11.

Mr. JEFFORDS, for 60 minutes, March 3.

Mr. PORTER, for 15 minutes, March 3.

Mr. BEREUTER, for 60 minutes, March 6.

Mr. HILLIS, for 60 minutes, March 11.

(The following Members (at the request of Mr. SCHUMER) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 60 minutes, today.

Mr. DYMALLY, for 60 minutes, March 4.

Mr. GONZALEZ, for 60 minutes, March 4.

Mr. GONZALEZ, for 60 minutes, March 6.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. PORTER) and to include extraneous matter:)

Mr. LOWERY of California.

Mr. DORNAN of California.

Mr. PORTER.

Mr. COURTER.

(The following Members (at the request of Mr. SCHUMER) and to include extraneous matter:)

Mr. BEDELL.

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. LLOYD in five instances.

Mr. HAMILTON in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in 10 instances.

Mr. DE LA GARZA in 10 instances.

Mr. COLEMAN of Texas.

Mr. MARKEY in two instances.

SENATE JOINT RESOLUTIONS

Joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J Res. 266. Joint resolution to authorize and request the President to designate the month of June 1986 as "Youth Suicide Prevention Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 271 Joint resolution designating "Baltic Freedom Day"; to the Committee on Foreign Affairs and Post Office and Civil Service.

ENROLLED JOINT RESOLUTIONS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled joint resolutions of the House of the following titles, which were thereupon signed by the Speaker pro tempore:

H.J. Res. 409. Joint resolution to direct the President to issue a proclamation designating February 16, 1986, as "Lithuanian Independence Day," and

H.J. Res. 499. Joint resolution designating the week beginning March 2, 1986, as "Women's History Week."

ADJOURNMENT

Mr. GONZALEZ. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 30 minutes p.m.), the House adjourned until tomorrow, Tuesday, March 4, 1986, noon.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports and amended reports of various House committees and delegations traveling under authorizations from the Speaker concerning the foreign currencies and U.S. dollars utilized by them during the third and fourth quarters of calendar year 1985 in connection with foreign travel pursuant to Public Law 95-384 are as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON AGRICULTURE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Gene Chappie	11/15	11/30	Italy	2,596,000	1,527.00						1,527.00
Commercial transportation							974.00				974.00
Committee totals					1,527.00		974.00				2,501.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

E de la GARZA, Chairman, Jan. 31. 1986.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ENERGY AND COMMERCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Freeman, Phyllis	10/13	10/17	Colombia		400.00						400.00
Commercial airfare							1,147.00				1,147.00
Kitzmiller, Wm. M	11/03	11/11	Egypt		950.00						950.00
Commercial airfare							893.67				893.67
Westmoreland, Timothy	11/21	11/24	Belgium		288.00						288.00
	11/24	11/26	Switzerland		190.00						190.00
	11/26	12/3	Belgium		96.00						96.00
Conference fee									100.00		100.00
Commercial airfare							1,561.00				1,561.00
Committee total					1,924.00		3,601.67		100.00		5,625.67

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JOHN D. DINGELL, Chairman, Feb. 24, 1986.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO BRAZIL, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN AUG. 14 AND AUG. 22, 1985

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
William V. Alexander	8/14	8/22	Brazil	3,477,300	519.00		[3] 6,820				7,339.00
William J. Miles	8/14	8/22	Brazil	3,477,300	519.00		6,820				7,339.00
Dorothy L. Thomas	8/14	8/22	Brazil	3,477,300	519.00		6,820				7,339.00
Dwight Talburt	8/14	8/22	Brazil	3,477,300	519.00		6,820				7,339.00
Committee total											29,356.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Based on estimates total cost of military transportation per Member or employee on a pro rata basis less shares attributed to Executive Branch personnel on the trip and reimbursement made by Ambassador Motley at commercial air rates. Air Force Accounting Procedures place the cost of operating a C9 aircraft at $2,310 per hour.

WILLIAM V. ALEXANDER.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2878. A communication from the President of the United States, transmitting his determination that continued nuclear cooperation with the European Atomic Energy Community [Euratom] is needed in order to achieve U.S. nonproliferation objectives and to protect our common defense and security, pursuant to 42 U.S.C. 2155(a)(2) (H. Doc. No. 99-170); to the Committee on Foreign Affairs and ordered to be printed.

2879. A letter from the Chief Immigration Judge, Executive Office for Immigration Review, Department of Justice, transmitting copies of orders and applications concerning each alien whose deportation has been suspended, pursuant to 8 U.S.C. 1254(c); to the Committee on the Judiciary.

2880. A letter from the Secretary of State, transmitting a report on the steps taken for the inclusion of the Office of Inspector General at the Department of State under the Inspector General Act of 1978, pursuant to Public Law 99-93, section 150(c); jointly, to the Committees on Foreign Affairs and Government Operations.

2881. A letter from the Acting Administrator, Health Care Financing Administration, Department of Health and Human Services, transmitting the 16th annual report on Medicare for fiscal year 1982, along with reports on the End Stage Renal Disease Program and the Medigap Voluntary Certification Program, pursuant to SSA sections 1875(b), 1881(g), and 1882(f)(2); jointly, to the Committees on Ways and Means and Energy and Commerce.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. DE LA GARZA: Committee on Agriculture. H.R. 4079. A bill to amend the Agricultural Act of 1949 to authorize the Secretary of Agriculture to modify the definition of nonprogram crop to discourage any increase in the production of any commodity that would adversely affect the income of producers of that commodity; with an amendment; referred to the Committee on Appropriations for a period not to exceed 15 legislative days with instructions to report back to the House as provided in section 401(b) of Public Law 93-344, as amended (Rept. 99-479, Pt. 1). Ordered to be printed.

Mr. DE LA GARZA: Committee on Agriculture. H.R. 4105. A bill to provide for an equitable method of establishing 1986 and 1987 farm program payment yields for the purposes of the wheat, feed grain, upland cotton, and rice programs; with an amendment; referred to the Committee on Appropriations for a period not to exceed 15 legislative days with instructions to report back to the House as provided in section 401(b) of Public Law 93-344, as amended (Rept. 99-480, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEREUTER:

H.R. 4289. A bill to amend the Federal Deposit Insurance Act to authorize the issuance of net worth certificates by banks which recognize losses on portions of agricultural loans as part of a restructuring of such loans to the extent of the recognition of such losses; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BONER of Tennessee:

H.R. 4290. A bill to provide that the Administrator of the National Aeronautics and Space Administration may accept gifts and donations for construction of a space shuttle orbiter, and that such orbiter shall be named *Challenger II*; to the Committee on Science and Technology.

By Mr. GARCIA (for himself, Mr. SMITH of Florida, Mr. REID, Mr. ORTIZ, Mr. ROYBAL, Mr. BUSTAMANTE, Mr. LEVINE of California, Mr. DE LUGO, Mr. RICHARDSON, Mr. FUSTER, Mr. COELHO, and Mr. TORRES):

H. Res. 385. Resolution expressing the sense of the House of Representatives that both Spain and Israel should be congratulated for their recent decision to establish full diplomatic relations; to the Committee on Foreign Affairs.

By Mr. PORTER (for himself, Mr. STARK, Mr. DORNAN of California, Mr. GEPHARDT, Mr. GRADISON, Mr. LEWIS of Florida, Mr. MADIGAN, Mr. MATSUI, Mr. MILLER of Ohio, and Mr. SILJANDER):

H. Res. 386. Resolution to recommend to the States measures for medical cost and quality control; jointly, to the Committees on Ways and Means, and Energy and Commerce.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 1356: Mr. HAMILTON.

H.R. 1438: Mr. ACKERMAN, Mr. BATEMAN, Mr. DYSON, and Mr. THOMAS of Georgia.

H.R. 2075: Mr. BUSTAMANTE and Mr. UDALL.

H.R. 2353: Mr. QUILLEN.

H.R. 2583: Mr. STUMP.

H.R. 2943: Mr. OWENS, Mr. COATS, Mr. BADHAM, and Mr. BONIOR of Michigan.

H.R. 2952: Mr. EDGAR.

H.R. 3000: Mrs. LLOYD, Ms. KAPTUR, Mr. CLINGER, Mr. GEJDENSON, and Mr. HUGHES.

H.R. 3521: Mr. ROBERT F. SMITH, Mr. RIDGE, Mr. COATS, Mr. BUSTAMANTE, Mr. HUNTER, Mr. LIGHTFOOT, Mr. BURTON of Indiana, Mr. PACKARD, Mr. SMITH of Iowa, Mr. DARDEN, Mr. STANGELAND, Mr. TAUKE, Mr. MAVROULES, Mr. SPENCE, Mr. HILER, Mr. CHAPPIE, and Mr. BOULTER.

H.R. 3646: Mr. SWINDALL.

H.R. 3647: Mr. SWINDALL.

H.R. 3648: Mr. SWINDALL and Mr. DELAY.

H.R. 3649: Mr. SWINDALL.

H.R. 3897: Mr. LAGOMARSINO, Mr. COBLE, Mr. THOMAS of Georgia, Mr. TAUKE, Mr. DWYER of New Jersey, Mr. NIELSON of Utah, Mr. ARMEY, and Mr. EVANS of Iowa.

H.R. 4003: Mr. SMITH of Florida and Mr. BEDELL.

H.R. 4057: Mr. MCGRATH, Mr. DEWINE, Ms. KAPTUR, Mr. SMITH of New Jersey, Mr. LEWIS of California, and Mr. BENNETT.

H.R. 4090: Mr. HUTTO, Mr. FUQUA, Mr. BENNETT, Mr. CHAPPELL, Mr. MACKAY, Mr. GIBBONS, Mr. IRELAND, Mr. NELSON of Florida, Mr. MICA, Mr. SHAW, Mr. SMITH of Florida, Mr. LEHMAN of Florida, Mr. PEPPER, and Mr. FASCELL.

H.R. 4194: Mr. SCHUMER, Mrs. BURTON of California, Mr. MAVROULES, Mrs. BOXER, Mr. MILLER of Washington, Mr. RUSSO, Mr. SOLARZ, Mr. TOWNS, Mr. ACKERMAN, Mr. FUSTER, Mr. FRANK, Mr. BEILENSON, Mr. HEFTEL of Hawaii, Mr. TORRICELLI, Mr. STARK, Mr. WRIGHT, Mr. LIVINGSTON, and Mr. SMITH of Florida.

H.J. Res. 492: Mr. ROSTENKOWSKI, Mr. MOODY, Mr. VENTO, Mr. ROTH, Mr. SAVAGE, Mr. SCHUMER, Mr. FAZIO, Mr. KILDEE, Mr. GREEN, Mr. STRANG, Mr. HORTON, Mr. LANTOS, and Mr. ASPIN.

H. Con. Res. 224: Mr. SWINDALL.

H. Res. 183: Mr. MARTINEZ.

SENATE—*Monday, March 3, 1986*

(Legislative day of Monday, February 24, 1986)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. The prayer today will be offered by the Reverend Monsignor John Murphy, St. Joseph's Church, Washington, DC.

PRAYER

The Reverend Monsignor John Murphy, St. Joseph's Church, Washington, DC, offered the following prayer:

Heavenly Father, Who art in Heaven, praised be Your name. We ask You, at this moment, to bless those gathered here, with the consciousness of Your presence, so that whatever they are asked to do in behalf of mankind, may reflect Your good and gracious purpose. Bless them with an enthusiastic encouragement that comes from colaboring with You in a stewardship of excellence.

And finally, Lord, bless too their families whose love and understanding empowers them to labor and serve with singular dedication.

And in the words of the psalmist, "Let all the Earth cry out to God with joy. Blessed be God who refused me not my prayer or His kindness." Amen.

RECOGNITION OF THE ASSISTANT MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished assistant majority leader is recognized.

THE PRAYER OF THE VISITING CHAPLAIN

Mr. SIMPSON. Mr. President, I thank Monsignor John Murphy for his thoughtful prayer. My colleague from Wyoming, the senior Senator from Wyoming, is on the floor also. We know of the Monsignor's great friendship with our Catholic bishop in Wyoming, Bishop Joe Hart.

We will communicate to him, that Monsignor Murphy was the Chaplain of the Senate on this day. I know he would send his warmest wishes to the Monsignor.

SCHEDULE

Mr. SIMPSON. Under the standing order, the two leaders have 10 minutes each. This morning there is a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes. Routine morning business will not extend beyond the hour of 1:30 p.m., with Senators permitted to speak therein for not more than 5 minutes each.

Following routine morning business, the Senate may return to the technical corrections package to the farm bill, or the committee funding resolution, or possibly the balanced budget amendment.

The Senate may also turn to the consideration of any legislative or executive items which have been previously cleared for action. Rollcall votes could occur during the session today.

Mr. President, I reserve the remainder of the leader's time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. WALLOP). Under the previous order, the distinguished minority leader is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent that I may reserve the remainder of my time throughout the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the Chair.

Mr. President, I yield the floor to the distinguished acting majority leader or the distinguished President pro tempore, should they need some time.

Mr. SIMPSON. Mr. President, I thank the distinguished minority leader. I yield 3 minutes to the distinguished President pro tempore.

The PRESIDING OFFICER. The President pro tempore is recognized.

JANUARY 1986 TEXTILE IMPORT FIGURES

Mr. THURMOND. Mr. President, I have some terrible news to report to my Senate colleagues. This news is being felt in all 50 States. Most American families can relate to its disappointment. The news I am referring to is the latest textile and apparel import figures. Yes, Mr. President, they continue to get worse. For the month of January 1986, textile and apparel imports soared up an astonishing 42.4-percent over January of 1985. That is correct, a 42.4 percent increase.

Mr. President, the American people cannot take this much longer. They deserve better. It is our duty to correct this horrible situation. Last spring and summer we were told that things had turned around. We were told that a lower dollar would slow the growth of imports. We were told that actions had been taken to prevent foreign textile products from flooding our markets. Unfortunately, this is not the case.

For 2 months in a row, textile imports have increased by over 40 percent. From September 1985 through January 1986, imports of textiles were up over 31 percent. The year 1985 marked the fifth consecutive year that textile and apparel imports have reached new record levels. No wonder plants continue to close and workers continue to lose their jobs.

Mr. President, the closing of a textile plant in many towns can be almost as shocking, disruptive, and awesome an experience as the loss of a loved one. The pain, hurt, unsettlement, and sheer fright can be devastating and have a permanent impact. The scars on workers and their children are lasting. Yet, we hear about the creation of jobs as if every new job is filled by a displaced industrial worker. The truth is that these new jobs bring about as much comfort to victims of a plant closing as the daily birth announcements bring to a mother who has just lost her child.

Mr. President, our domestic textile industry is the most modern and productive in the world. However, it cannot survive if these import surges continue. I remind my colleagues that the Defense Department ranks textiles second only to steel in importance to national security. One out of every 10 manufacturing jobs in our country is in this vital industry.

Tens of thousands of hard working Americans are being affected by the decline of our industrial base. The human suffering caused by the uncontrolled growth of imports is tragic. We cannot stand idly by and watch our status as a world power deteriorate. I urge my colleagues to continue to fight to save American industry, and to preserve American jobs.

Mr. President, I yield the floor and I thank the acting majority leader.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

CONGRESS SHOULD STOP THE $30 MILLION FOR STAR WARS' THINK TANK

Mr. PROXMIRE. Mr. President, in a story in the Washington Post on Saturday, March 1, Fred Hiatt reported that the Defense Department is planning to establish a "think tank" to support the strategic defense initiative—SDI or star wars. How much would the taxpayer have to pay for this new SDI propaganda initiative? The Post reports it could cost $30 million every year, or more. The Defense Department describes it as a Pentagon version of the Rand Corp. Mr. President, this is outrageous. Here we are coming off a recordbreaking $212 billion deficit in 1985, the fourth mammoth deficit in 4 years. We have just instituted the first step in Gramm-Rudman's long path toward fiscal responsibility. We know we must cut spending at every and all levels. The Defense Department and our national security will have to bear a very heavy share of these reductions—maybe too heavy. And now Secretary Weinberger will support the SDI request for a multimillion-dollar taxpayer-supported office to bedazzle the taxpayer into the illusion that this most futile, most costly, and most wasteful expenditure in the history of the world will somehow be worth its cost.

Just think of the arrogance of this proposal. The Defense Department is not content with the enormous power the President has to advance any weapons program. In this Senator's more than 28 years in this body, I have yet to see the Congress refuse to fund even one major new weapons program supported by any of the seven Presidents who have served since I came to this body. President Reagan has a special capacity to give to whatever foolish, vain, or worthless weapons system he may choose to champion a special force because of the remarkable Reagan popularity. Is that enough for star wars? No. The Defense Department recognizes that the merit of the Star Wars Program is so weak that even the President of the United States, for all his power and popularity, cannot save it without help. And they are right. The Star Wars Program is such a transparently foolish fiasco that even the most popular and articulate President in this generation cannot sell it without a $30 million propaganda machine to overwhelm the critics. What a confession of lack of faith in star wars.

Does the country really need another conservative pro-military think tank? In the past few years, the country has seen a proliferation of conservative military-oriented foundations of this kind. The moderate Brookings Foundation stands almost alone as a group of scholars who are not kneejerk, automatic champions of right-wing economic and foreign policy dogma. The Rand Corp. would, according to the Defense Department, provide a kind of model for this new star wars office. The Rand Corp. has been operating for a number of years, but it is a prime example of the new think tanks. It is a champion of more and more defense spending. It has been critical of arms control. But there is a crucial difference. Like the Heritage Foundation and other new conservative think tanks, the Rand Corp. is privately funded. It has an institutional integrity, because it is privately funded—I repeat, Mr. President, privately funded. It is independent of the Government or Government agencies, or Government direction or discipline.

But how about this new star wars think tank? The taxpayer would pay for it. It would be under the control of the Defense Department. Result: No matter how respected the management of this new agency might be, the agency itself would have no credibility. Could Congress trust a Government agency under the thumb of the Secretary of the Defense to tell Congress the truth about this highly controversial Star Wars Program? Whom are we trying to kid? Of course not. But the agency would spend tens of millions of dollars annually to "snow" the press and public under a constant, unrelenting barrage of self-serving propaganda about the wonders of this new technology.

In the Hiatt story, a Defense Department spokesman is quoted as saying that the new agency would insure that the Defense Department would make decisions on star wars "that would hold no allegiance to any particular sector or organization." That means to this Senator that the Defense Department is proposing to create an agency that could impose absolute discipline, as only a military organization can, on all the decisions on the course of the program. It means that SDI will be more insulated from independent, external, expert criticism of this most costly project ever.

Think of it. Here we have a program that may become the first trillion-dollar Government project anywhere in world history. It will not only absorb massive amounts of our financial resources at a time when the Federal Government is plunging deeply in debt, it will sweep tens of thousands of our limited number of scientists and engineers away from other vital national projects, including defense programs, into this impossible dream. Can any Senator think of a Government program that more clearly calls out for independent, outside criticism? This proposed $30 million star wars propaganda machine is wrong. This Senator intends to do everything he can to stop it.

Mr. President, I ask unanimous consent that the article to which I have referred, from the March 1 issue of the Washington Post by Fred Hiatt and headlined, "Pentagon Plans To Create a Think Tank for SDI," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PENTAGON PLANS TO CREATE A THINK TANK FOR SDI

(By Fred Hiatt)

The Defense Department is planning to establish a government-funded think tank to support the Strategic Defense Initiative (SDI), its $3 billion-a-year effort to develop a space-based defense against nuclear missiles, officials said this week.

Lt. Gen. James A. Abrahamson, chief of the SDI office, has won Defense Secretary Caspar W. Wenberger's support for a "Star Wars" version of the Rand Corp., a Pentagon spokesman said in response to inquiries.

The center—"essentially a government-owned, high-technology company doing systems analysis," as one industry source said—would be based in the Washington area and might cost $30 million per year or more, officials said.

The proposal has drawn strong opposition from some persons in industry, who say the proposed think tank would compete unfairly with private firms while being almost immune from congressional scrutiny.

Other opponents portrayed the effort as a means to help entrench the controversial SDI program while the Reagan administration remains in power.

"There are some high emotions on it," one industry consultant said.

Abrahamson's spokesman decline to discuss the proposal, but the Air Force general has told others that a nonprofit think tank could offer impartial advice. Private firms may be biased when evaluating programs that could yield large profits in the future, officials said.

Robert B. Sims, chief Defense Department spokesman, said Weinberger believes the new think tank would help "insure over the long run that we make good choices and that we have technical support that would hold no allegiance to any particular sector or organiztion."

"He has been briefed on the concept, and thinks it's a good idea," Sims added. "He has not signed off on any paperwork yet. It is in the works, as far as ironing out the various details of the paperwork."

Military and civilian science agencies support 36 federally funded research and development centers (FFDCs, as the bureaucracy calls them).

The centers and laboratories, many managed by private firms or universities, receive more than $5 billion in sole-source, noncompetitive contracts each year, according to the Professional Services Council, a trade association.

The Defense Department sponsors nine centers, including Rand's Project Air Force in California and the equivalent Center for Naval Analyses in Alexandria; the Logistics Management Institute in Bethesda, and the recently formed Software Engineering Institute in Pennsylvania, which studies military applications of computer programs.

A new think tank dedicated to SDI resreach would expand the program without as much red tape as expanding the SDI organization or letting more competitive contracts would entail, industry officials said.

"Obviously, Abe [Gen. Abrahamson] has got to be motivated by a desire to institu-

tionalize the program, and this may be one of the ways to do that," one industry source said.

The ease of dealing with such centers has prompted many agencies to use them when private firms could do the work for less money, said Virginia Littlejohn, executive director of the Professional Services Council, which represents private firms that compete with federally supported think tanks.

"These FFRDCs tend to be among the highest priced—if not the highest priced—of the independent and high-quality research firms," Littlejohn said.

"We have been watching with increasing concern the degree to which they are expanding their mandates. There is no real sunset provision, there is no real oversight. So they just continue," she said.

THE MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, the myth of the day is that the administration's underestimate of defense spending is merely a technical question—a dispute between the "green eyeshade sets." In fact, it is the keystone of the administration's strategy on the budget.

Here is the issue. The administration estimates that the Pentagon will spend $282 billion in fiscal year 1987. But the Congressional Budget Office—the CBO—says that we will have to spend almost $297 billion to buy what the administration wants. The administration is busy downplaying this dispute, arguing that making these estimates is an inexact science.

Is this true or nothing more than a useful myth? Look at the record. This difference between CBO and the administration, almost $15 billion, is more than double the biggest spread before this year. Before this year, the biggest difference came to $6.5 billion.

What is the explanation for this sudden dispute among the experts? Until this year, both the CBO and the administration had used historical data to estimate Pentagon spending; that is, if it took 3 years from the time Congress appropriated the money until the Pentagon paid the bill, then it would again take 3 years to spend the money. But this year the administration decided that this historical pattern was no longer valid, that the Pentagon would spend slower.

Anyone who believes that the administration made this change for technical reasons should start shopping for a good buy on the Brooklyn Bridge. It allows the administration to argue that it complied with the Gramm-Rudman deficit target while maintaining the defense buildup and the social safety net—all without raising taxes. And the administration is not bashful about saying to Congress: If we can do it, why can't you?

Suppose the administration had not made this change. Then it would have had to make another $15 billion cut in domestic spending to comply with the $144 billion deficit target. Administration officials are smart enough to know that if their current budget is dead on arrival, then one with another $15 billion cut in domestic spending would be mummified on arrival.

No wonder the administration wants us to swallow the myth that this dispute is only technical. If we do not, then their finely crafted, house-of-cards budget comes tumbling down.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond the hour of 1:30 p.m., with statements therein limited to 5 minutes each.

TVA'S UNTAMED WILDERNESS SURPRISE

Mr. FORD. Mr. President, I would like to call my colleagues attention to an article that recently appeared in the Washington Post's Sunday travel section. "TVA's Untamed Wilderness Surprise" described the Tennessee Valley Authority's unique national demonstration program that is going on in the beautiful land between the lakes region in southwestern Kentucky and neighboring Tennessee.

Known simply as LBL, this parcel of public land, one of the largest Federal holdings east of the Mississippi, is run in a manner that is different from any other in the country. Its lands, forest, water, wildlife, fish and facilities are managed to provide optimum benefits from seemingly conflicting purposes. There is farming at LBL, and timber harvesting, wildlife restoration programs and hunting, environmental education for children and adults, cultural and historic preservation, interpretive trails and scientific research. This is all in addition to hiking, boating, fishing, backpacking, and camping.

Integrated resource management, the key to the success of land between the lakes, has been in effect since its inception 23 years ago. It is a national laboratory, a model for every State and for other countries, too, of how a wilderness area can flourish with a small amount of funding and a great amount of enthusiasm and careful planning.

I hope Senators and staff alike will take the time to read the story of land between the lakes. Last year as many tourists came to LBL as went to Yellowstone National Park, and I extend an invitation to all of you to come down and visit.

Mr. President, I ask unanimous consent that the article from the Washington Post of Sunday, January 26 be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 26, 1986]

TVA'S UNTAMED WILDERNESS SURPRISE

(By Arthur H. Purcell)

Winding roads and mist-shrouded woods and ponds. Miles of unspoiled shoreline. Unlimited camping. Year-round fishing on two giant lakes and a dozen little ones. This is Land Between the Lakes, 170,000 untamed acres in the Tennessee River Valley and a wilderness getaway for all seasons.

Land Between the Lakes (or simply LBL, as it is locally known) is an off-the-interstate (Western Kentucky Parkway) surprise—an unexpected adventure on a major east-west route through the mid-South. LBL is one of the country's least crowded and best preserved natural areas. You can hike through its forest and along its waters for hours and encounter few signs of human intrusion.

Paradoxically, though, LBL exists because of massive—albeit carefully planned—intervention. It was a creation of the Tennessee Valley Authority. Started by the Roosevelt administration in the early 1930s, the TVA has built hydroelectric dams and artificial lakes across the South. One of its most ambitious projects resulted in LBL. The Reagan administration is expected to propose a 50 percent budget cut for TVA, including a zero LBL budget, for the coming fiscal year; and there is little indication that another federal agency or Kentucky and Tennessee would take over operations. So LBL's status as a federal recreation area may be in danger. For the present, however, Land Between the Lakes is open and free.

Western Kentucky is an almost wholly rural land and very likely looks much the same as it has for the past two centuries: Small farms dot the landscape and tobacco patches bloom bright pink in the summer. Retired farmers in their obligatory coveralls and plaid shirts gather at the county courthouses to play checkers. Art Deco movie theaters face town squares and people sit on their front porches after dinner. The Land Between the Lakes seems a part of this timelessness, even though it is new and man-made—and subject to the whims of economic development.

A quiet, forested strip covering 265 square miles, LBL is bordered by Kentucky Lake to the west and Lake Barkley to the east. It is remote—accessible by road at only five points over its 40-mile length—and that is a strong point, for it is too far for the day-tripping hordes: more than 800 miles from Washington, 175 miles southeast of St. Louis and 200 miles beyond Lexington, Ky. LBL averages under 6,000 visitors a day, or fewer than two people per 50 of its scenic acres.

A pair of hiking shoes is the ticket to a lot of enjoyment here. Two hundred miles of picturesque trails make their way through the area; add a backpack and you can camp for days at a site of your choice—on one of the lakes, near a pond, in a clearing or right in the middle of the woods. Except for the eight family and group campgrounds, there is no charge for camping, and there are 25 designated "informal use" camping areas—many of which have shorelines, boat ramps and even chemical toilets.

If you bring a pole and string, a superlative diminsion of LBL unfolds—its excellent fishing, on Barkley and Kentucky lakes as well as bountiful inland ponds. No matter

what time of year, something (besides mosquitoes) will be biting.

For the recreation-minded traveler, Land Between the Lakes is really the land of three B's: backpacking, bicycling and boating. Its 400-mile network of maintained roads (100 miles are paved) means lots of pretty and safe biking terrain. These roads also give you the option to be lazy and drive through wilderness vistas (the Trace is the main north-south road connecting attractions) or to camp within a short walking distance of your vehicle.

Backpacking in LBL offers a lot of pluses and few minuses. The trails are easy and they provide enough variation in terrain and vistas to keep long-hike tedium to a minimum. You are never far from the water if you need to cool off; campsites are seemingly infinite in number. And, with 3,500 miles of shoreline to choose from, finding a strip of private beach to settle on for the night (no need to worry about tides here) is usually not difficult. Serious backpacking should be avoided in summer months, however, as LBL can get very hot and muggy, with temperature and humidity both in the nineties.

Boating, a major drawing card of LBL, is responsible for the largest human concentration within its borders. There are numerous boat launching areas, and rentals are available in adjoining commercial areas such as Grand Rivers at the north entrance. There are few restrictions for boaters, though sailing—growing in popularity on both lakes—and motorboat use occasionally get into competition.

The lakes themselves are large; their surface area within LBL is considerably more than LBL's land area. Kentucky Lake is slightly wider than Lake Barkley (up to two miles as opposed to about a mile). One curious feature of the lakes is a scattering of tiny islands that once were the tops of hills protruding from the now-flooded Cumberland and Tennessee River valleys.

LBL's colorful history has created some of its most popular attractions, including Center Furnace, Golden Pond and The Homeplace. Before President Kennedy signed an executive order in June 1963 making it a federal recreation area, LBL was an iron-producing area with many small farms and (from the Prohibition era until just after World War II) productive moonshine stills.

In the early 19th century, charcoal and iron ore from the area, which was then known as "Between the Rivers," was used to make structural iron. The area soon became a thriving industrial center. The once-impressive Center Furnace in the northern half of LBL was last fired to make iron in 1912. This brick structure is now in ruins.

During Prohibition the LBL region took on a new kind of industry—bootleg whiskey. Golden Pond, now the site of the main LBL visitor pavilion, was the center of this activity; a scattering of crumbled foundations are all that remain of the old hamlet of Golden Pond.

But the area's farming tradition lives on at The Homeplace. LBL serves as a national environmental education, research and demonstration center, and The Homeplace is a featured part of this effort. The Homeplace includes 16 restored period buildings and is staffed by a farm "family" living and working as they might have in the 1850s. LBL guests are invited not only to visit here but to step back into history—at least for a few minutes—and become part of the 19th-century rural South by helping with farm chores and getting a taste of that era's Kentucky farm life.

In addition to the working farm environment of The Homeplace, visitors can get a glimpse of simple contemporary activities at Empire Farm, in the northern part of LBL land on the shore of Lake Barkley. Empire Farm has been set up to demonstrate modern methods of resource conservation—such as composting, sorghum making and solar energy use. Silo Overlook at Empire Farm, built on an old silo, provides a sweeping view of the lake and surrounding terrain.

Besides conservation, preservation is another environmental objective at LBL. Efforts are under way to nurture species once indigenous to this part of the country. The American bison has been successfully reintroduced into the area and you can now pass a herd peacefully grazing in a pasture near the southern end. Wildlife as diverse as bobcats and eagles also are found in LBL, and rangers have set up special monitoring and preservation programs for these and other dwindling species.

TVA has set aside portions of Land Between the Lakes for special interest groups ranging from handicapped persons to off-road vehicle users. Duncan Lake, near the Wildlife Restoration Center, is reserved for mobility-impaired users. Four of the campgrounds are accessible to handicapped individuals or groups. Long Creek Trail is a two-mile paved path in the Environmental Education Area specially designed for use by the handicapped.

Adjoining the Golden Pond Visitor Center is the 2,350-acre Turkey Bay Off-Road Vehicle Area with nearly two miles of Kentucky Lake shore front.

The visitors centers in LBL are particularly friendly places, where you can find out about current exhibits or special activities. Talk to Fern at the North Information Center and she will try to sell you on the popular North-South Trail. This 60-mile path winds through woods, on top of ridges and along shorelines as it runs the length of LBL and goes back and forth between Kentucky and Tennessee, bordering waters that cover the past.

Old Eddyville, seat of Lyon County, lies under Lake Barkley. The new Eddyville is a textbook "instant" city—town square, courthouse and shops—which was built in the early 1960s to replace the original eclectic town. Civil War battlefields also lie underwater, adjacent to the Kentucky State Prison, an imposing castle-style structure that may be one of the most scenically located reformatories in the nation, on a hill overlooking the sweep of the lake.

Eddyville and Lyon County, home base for LBL, have a tradition of remoteness, like LBL itself. This may well change, however. The opening last summer of the Tennessee-Tombigbee Waterway, a $2-billion, 234-mile-long canal, links the area to the Gulf of Mexico and makes it a port. The county is hoping to take advantage of this new status to attract business and industry. While this may not bode well for those seeking isolation and remoteness, ultimately it may attract more visitors and more attention, thus making the loss of LBL's federal wilderness status less likely.

Today LBL is considered underutilized by the Reagan administration; in comparison with other recreation areas of its size, it has few visitors. Recognizing that underutilization may mean reduced federal funds for maintaining LBL, its managers are currently developing an aggressive marketing campaign.

As federal expenditures for wilderness programs have dropped, areas like LBL have felt the pinch. Hopefully this area will survive the crunch and continue to offer free access to visitors. In the meantime, this is a good time to take advantage of serene public treasures such as Land Between the Lakes and western Kentucky's calm beauty.

PRAISE FOR COLOMBIAN MARIJUANA ERADICATION PROGRAM

Mrs. HAWKINS. Mr. President, I would like to call attention to the dramatic success of the Colombian Government's Marijuana Eradication Program in 1985. The United States can also take some pride in this success because of our substantial narcotics control assistance and encouragement which we provide to the Colombian Government for narcotics control programs.

According to the Department of State's international narcotics control strategy report, mandated by the Congress and released on February 21, 1986, Colombia, through aerial herbicide eradication programs, succeeded in reducing its marijuana crop by 67 percent country-wide including an 85 percent reduction in the key northern growing areas. This success is especially heartening in view of the significant political and economic clout of the traffickers in Colombia and the dangerous collaboration between guerrillas and traffickers.

Who can forget the 1984 assassination of Minister of Justice Rodrigo Lara Bonilla, reputedly ordered by the traffickers, and the violent assualt by insurgent terrorists, the FARC, on the Palace of Justice in 1985, which resulted in some 100 deaths, including 11 Supreme Court Justices. While this latter incident also had political motives, the destruction of Ministry of Justice records relating to narcotics extradition cases in Colombia may have been at least partial motivation for this armed assualt in the Palace of Justice.

Colombia has borne tragic witness to the deadly and corrupting threat which illicit drugs can pose to a society's basic institutions, if allowed to grow and spread unchecked.

Those who question the efficacy of our Government's narcotics control strategy, which currently stresses the eradication of illicit drug crops in the field, should take careful note of this latest success in Colombia. This success in Columbia's accelerated Marijuana Crop Eradication Program, which began in mid-1984, coincides with the results of the Department of Defense 1985 drug use survey showed a significant decline in the recent use of Marijuana by the youngest junior officer group, down from 22 percent in 1982 to 15 percent in 1985. In addition, the 1985 drug use survey of high

school seniors in the United States reports a slight decline in marijuana use last year.

While other sources of supply for marijuana such as Mexico, Belize, and even domestic producers have increased their output to adjust to the disruption of supply from Colombia, we should not discount the value of even temporarily disrupting the trafficking distribution network. The bottom line is a decline in marijuana use in the United States in 1985, and I have cites above the evidence that this has occurred.

Attacking the source of supply of illicit narcotics is an important part of any serious strategy in dealing with the drug problem. It is not the only front in this battle. We must also do all we can to decrease demand for illicit drugs in the United States and elsewhere. But going after the source of supply and displaying the willingness to incur the substantial costs of this battle in blood, sweat, and tears, as the Colombian Government and people have done, delivers a powerful prevention message to all that illicit drugs are indeed a deadly menace to decent societies everywhere.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DANFORTH). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REGARDING THE CASE OF MIROSLAV MEDVID

Mr. HUMPHREY. Mr. President, over 100 days have passed since the Soviet freighter *Konev* departed the United States for the Soviet Union. In spite of the passage of almost 4 months, we know little more about the case than we did on November 9, 1985. However, we do have a great many questions about the case today, more than we had several months ago.

We do know that last October a young man desperately attempted to reach asylum in the United States and twice jumped into the waters of the Mississippi River in darkness to avoid returning to the Soviet Union. Yet, for some reason, he was returned to the Soviet Union, quite possibly against his will.

It is clear to this Senator and to many of my colleagues that our Government did not take all of the steps which seemed prudent to ascertain Mr. Medvid's true wishes before allowing him to return to his ship.

The American people were given assurances that Mr. Medvid was thoroughly examined in an interview. However, important medical documents which were later released make it clear that no such thorough examination was undertaken.

Mr. President, a lengthy article appeared recently in the New York Times which raises even more questions about this case. In the article we learn that there are several pieces of information that support the thesis that the Mr. Medvid who was interviewed by United States officials, first aboard the ship, then aboard a Coast Guard vessel, and even later at a naval station ashore, was not the same individual who jumped from the Soviet freighter.

The New York Times article points to a series of inconsistencies on this point.

From the article we learn that the operator of the launch which returned Medvid to the ship observed "wild fighting, kicking, and punching" when Medvid was apprehended on shore. A little background, perhaps, is in order. We were told that Mr. Medvid jumped off the ship initially, swam to shore, came into contact with one Joe Wyman, who turned him over to local police, who, in turn, took him to New Orleans and he was ultimately placed in the hands of the U.S. Border Patrol who interviewed him.

Then, for some inexplicable reason because he asked for asylum, he was turned over to agents of the shipping company who returned him to the Soviet grain carrier.

Now we are at the point where the operator of the launch who was taking him back to the Soviet grain carrier, says—he jumped into the water, swamp to shore, and then the launch operator observed "wild fighting—kicking and punching." In other words, the second time he jumped in, he resisted violently. The launch operator, Mr. Raymond Guthrie, and a representative from the shipping company, Mr. Michael Flad, observed that Medvid "began banging his head against some rocks until he was dragged away and carried back to the ship."

Banging his head against the rocks. He was handcuffed at that point, I note.

Yet, Mr. President, in a hearing before the Immigration and Refugee Policy Subcommittee on February 5, I specifically asked the Navy physician who later examined the man who was presumed to be Medvid if the physician had observed any head wounds when he examined this individual. This physician replied under oath, "He had no head injuries."

There is yet another bit of evidence which lends weight to the argument that we were duped, we were had, that the Soviets pulled a switch on us.

Were we duped? I do not know, but it certainly looks that way. A follow-on question may be, if we were duped, were we knowingly duped or unknowingly duped? That focuses back on the concern many have had that there might have been some political shenanigans involved in this case inasmuch as all of these events preceded the summit meeting in Geneva between Mr. Gorbachev and President Reagan by about a week's time.

Mr. President, there are many inconsistencies in this case and many questions remain to be answered. Unfortunately, we are having to rely upon the news media to conduct the investigation. That is unfortunate indeed, because there lies before this body a resolution cosponsored now by 61 Senators who desire to set up a special independent panel to investigate this whole matter from top to bottom. That resolution has lain before us now for days and days and weeks and weeks and months and months and it lies before us now. If an independent investigation is lacking, it is through no fault but our own.

How peculiar it is that 61 Senators desire a certain course of action by this body, yet nothing happens. I presume the leadership is at liberty to call up that resolution at any time. Perhaps the press ought to be inquiring why that resolution, cosponsored by 61 Senators, lies at the table yet. Perhaps there are some who wish this matter would just go away.

I want to say in the same breath that I have discussed this matter many times with the majority leader and he has made some efforts to find some common ground—I should say to find some way of compromising on this issue. I shall not get into the details of why any compromise might be necessary, but it involves matters of jurisdiction, I think it would be fair to say. The bottom line is that nothing has happened, nothing concrete has been achieved so far.

Mr. President, Senator DIXON and I and our 59 cosponsors desire ardently that an independent investigation be conducted beginning immediately that would get to the bottom of this case, that would establish the facts through an aggressive discovery process—not simply a rehashing by means of a hearing or two of information already provided to us by the administration, but through an aggressive process of discovery involving sworn statements, oath-giving, and subpoenas if necessary of persons and material; that the facts of this case be established once and for all and made public and conclusions be drawn and, if any impropriety be found, persons be held accountable.

I thank the Chair. I ask unanimous consent that the new York Times article to which I referred be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 2, 1986]

WAS SOVIET SEAMAN SWITCHED FOR A NON-DEFECTOR?

(The following article is based on reporting by Clyde H. Farnsworth and Joel Brinkley and was written by Mr. Brinkley.)

WASHINGTON, March 1.—Four months after a Soviet seaman jumped into the Mississippi River and said he wanted to defect, only to be sent home after apparently changing his mind, 60 senators want to reopen the case amid allegations that Soviet officials switched seamen.

Members of Congress and others are saying the man who jumped overboard near New Orleans on Oct. 24 may not have been the man who later told American officials he wanted to return to the Soviet Union.

State Department officials say they are certain there was no switch. And Boris Malakhov, a spokesman for the Soviet Embassy in Washington, said, "It's crazy to think it was not Miroslav Medved who was interviewed."

But several pieces of evidence support the possibility of a switch, at least raising questions about the case of Mr. Medved, whose attempted defection touched off a weekend crisis in Soviet American relations two weeks before the Geneva summit.

A LIEUTENANT'S PHOTOS

And caught in the crossfire is Lieut. James R. Geltz, whose surreptitious photographs of the interviewed seaman are cited as evidence by those who believe he was not Miroslav Medved. As a result of the incident, Lieutenant Geltz was reprimanded and is leaving the Navy.

Also, an official form completed by Border Patrol officers said the man who jumped from the freighter Marshal Konev and then was hauled kicking and screaming back to the ship was 5 feet 10 inches tall and weighed 174 pounds. But a Navy doctor who examined a seaman on board the ship less than 24 hours later described the man in his report as "short stature, approximately 150" pounds.

The man who jumped ship spoke fluent Ukrainian in his first evening ashore, according to the first interpreter who spoke with him. The man interviewed later spoke the language with difficulty, the State Department said afterward.

Two independent handwriting analysts concluded that handwriting samples taken on different days probably were written by different people.

Mr. Medved appeared terrified as he pleaded for political asylum after jumping ship, saying, "I want to live in a decent country." But the man who spoke to State Department officials on Oct. 28 and 29 was described as alternately flippant, belligerent and arrogant, and he repeatedly remarked that the Soviet system was superior.

Finally, there are Lieutenant Geltz's pictures, taken Oct. 29, the only known photographs of the man interviewed by the State Department. When the lieutenant showed his pictures to a man who had seen the seaman the day the incident began, both became convinced that the Russians had pulled a switch.

The Federal Bureau of Investigation compared the photos with one taken of the seaman who jumped ship, a Senate aide said, and found that no firm conclusions could be drawn. In Congressional testimony Feb. 5, William M. Woessner, a Deputy Assistant Secretary of State, said "The Department of State has no doubt that the individual we interviewed was the same man who originally jumped from the M.V. Konev on Oct. 24."

Still, nagging questions have led more than half the Senate to co-sponsor a resolution calling for a new inquiry. If the resolution is approved, the Senate would set up an investigative panel.

"Something smells fishy here," said Senator Gordon Humphrey, the New Hampshire Republican who is leading the call for an investigation.

A key part of the controversy is Lieutenant Geltz. He was the public affairs officer at the Naval Support Facility in Algiers, La., where the seaman who was removed from the freighter on Oct. 28 underwent interviews and examinations by American officials.

Lieutenant Geltz said he became convinced that the Russians had "pulled a fast one."

"I decided I sure better tell my superiors," he said. But, he added, "I was certainly not prepared for what happened."

SURPRISE AT REACTION TO OFFICER'S SUGGESTION

In the days that followed, Lieutenant Geltz, a 10-year Navy officer with an unblemished record, found the Government's only reaction was anger. Asked by a commanding officer to relinguish his pictures, he refused, saying he wanted to be sure they were safeguarded. He was arrested briefly and placed under armed guard. Later he was reassigned to a job he considers inconsequential, officially reprimanded and forced to resign from the Navy, effective this spring.

"It was like I was political poison, a leper," the 35-year-old officer said in an interview last month.

Navy officials say his case was handled just as any other would be. But Lieutenant Geltz's civilian lawyer, Mark McTernan, believes the Navy acted "vindictively," and he is appealing the reprimand.

Some suspect that, even so, Lieutenant Geltz is fortunate when compared with Mr. Medved, whom many people believe may be dead or in prison. Mr. Malakhov, however, says the seaman was interviewed by Tass shortly after his return and was quoted as saying he was "amused by the reports in the U.S. press" that he was imprisoned or dead. Instead, Tass reported last fall, Mr. Medved was preparing to enter Lvov State University, adding that he asked Americans not to worry about him because "my freedom is guaranteed by the constitution of the U.S.S.R."

Whatever his fate, Federal officials have acknowledged that the seaman's experience in New Orleans demonstrated major flaws in the way the Government deals with those seeking political asylum.

Federal officials concede that immigration officers acted improperly when, hours after Mr. Medved jumped ship, they sent him back to the Soviet freighter even though he had requested asylum. As a result, the immigration service reprimanded and demoted two Border Patrol officers, Ernest Spurlock and J.C. Bashaw.

Some details of Mr. Medved's and Lieutenant Geltz's experiences have been reported previously, but new information from interviews in New Orleans and Washington, court transcripts, Government documents and other sources make possible a comprehensive account of what happened to the seaman and the officer.

TO DRIPPING SEAMAN, "YOU RUSSIAN?"

At dusk on Thursday, Oct. 24, Mr. Medved, a 25-year-old from the western Ukraine near Poland, jumped overboard while his ship lay off shore in the lower Mississippi, waiting her turn to load grain. His first sights after climbing the bank were probably the satellite television dishes and power boats in the backyards off Belle Chasse Highway.

Half a mile away, Joseph H. Wyman, who had been a deputy sheriff in suburban Jefferson Parish, was locking his jewelry store when Mr. Medved, dripping wet, came running across the parking lot toward him. The man spoke hurriedly in an unrecognizable language while repeatedly looking over his shoulder, apparently to see if he was being pursued.

"You Russian?" Mr. Wyman asked.

"Ukrainian," the seaman answered twice, pounding his chest with pride.

Mr. Wyman asked the seaman if he was trying to defect but could understand only the words: "Novi Orleans" and "Politsia." Mr. Wyman said he grabbed the seaman's shoulders and shook him to calm him down. "We were eye to eye, the same height," said Mr. Wyman, who is 5 feet 10 inches.

Mr. Wyman turned to his nephew, Wayne Wyman, who was also in the parking lot, and asked him to drive the seaman into New Orleans. The seaman virtually leaped into the car.

At about 9 P.M., Wayne Wyman left Mr. Medved at a small police station in the French Quarter. Mr. Medved tried to apologize for getting the car seat wet and he shook Mr. Wyman's hand and then tried to kiss it. Inside, officers had no idea how to deal with the situation and called the Harbor Police, who turned the seaman over to the Border Patrol.

To communicate with the seaman, the Border Patrol officers telephoned Irene Padoch, a Ukrainian interpreter in New York City who happened to come from the same region of the Soviet Union as Mr. Medved. For 90 minutes she spoke to Mr. Medved and interpreted for Mr. Spurlock of the Border Patrol.

Right away, she said, Mr. Medved pleaded with her several times, "Can you come immediately here," adding, "I am very much afraid what will happen to me."

Repeatedly he told Mrs. Padoch that he wanted political asylum. The two spoke in Ukrainian, and Mrs. Padoch said he spoke fluently.

BACK TO THE FREIGHTER, KICKING AND SCREAMING

After the phone conversations ended, the officers decided to return Mr. Medved to his ship for reasons that still are not clear. They noted on an immigration form, "Subject claims that he jumped ship in the United States for political and moral reasons," an indication they thought he wanted to defect.

The agents measured and photographed Mr. Medved and then turned him over to Mike Flad, an employee for the shipping company that was handling the grain deal with the Soviet ship. The agents gave Mr. Flad a pair of plastic handcuffs, which he lay on the dashboard, and told him to take Mr. Medved back to the ship.

The seaman, still wet, was docile on the drive to the dock, apparently unsure where he was going. But when he saw his ship in the distance, "he put his fingers across his throat," indicating "he thought when he got to the ship they would probably cut his throat," said Raymond Guthrie, who operated the shipping company's launch that would take the seaman back.

Still, Mr. Medved got into the launch. When the boat drew beside the Konev, the ship's second mate "looked very shocked" to see Mr. Medved, Mr. Guthrie said. Then the seaman jumped into the river again and began swimming desperately back to shore.

The launch pursued him with the Russian second mate aboard and reached shore at about the same time as Mr. Medved. The Soviet second mate and Mr. Medved began "wild fighting—kicking and punching," Mr. Guthrie said. Finally, with two Americans helping, Mr. Medved was subdued and handcuffed. Left alone in despair, he began banging his head against some rocks until he was dragged away and carried back to the ship. It was early Friday morning.

"I'm sorry this had to happen," Mr. Flad told the ship's captain, V. Tyschenko.

"Oh, no problem," the captain replied.

State Department officials said they did not learn of the incident until that afternoon. Over the weekend, President Reagan said the United States would use force if the Soviet Union did not allow Mr. Medved to be questioned in a neutral environment.

On Friday afternoon Mr. Spurlock boarded the ship and saw Mr. Medved lying unconscious in the sick bay. Later, Soviet officials explained that he had been given a major tranquilizer. Six hours later American officials were allowed to board the ship; among them was a Navy doctor who examined Mr. Medved.

On Monday, the seaman was taken off the ship for interviews, first aboard a Coast Guard cutter and then at the Naval facility where he spent the night.

During this period American officials said he was cocky and belligerent. He maintained that he fell off his ship by accident and wanted to return home. Later American officials speculated that he has been threatened and perhaps drugged to tell this story.

A State Department interpreter who assisted with the interviews was fluent in both Russian and Ukrainian. In Congressional testimony this month Mr. Woessner, the State Department official, said: "It was our interpreter's assessment that Seaman Medved was more fluent in Russian. When he spoke Ukrainian, he made grammatical errors. At no time did he express a wish to have the interview conducted in any other language than Russian."

He acknowledged that Mrs. Padoch had "testified that Seaman Medved was fluent" in Ukrainian but theorized that he had come to that conclusion only because she did not speak Russian. Mrs. Padoch said the seaman never asked to speak Russian.

LIEUTENANT DECIDES "I OUGHT TO GET A PICTURE"

Lieutenant Geltz's office was just across from the bachelor officer's quarters where the seaman was staying, and the lieutenant said he spent Tuesday morning "just hanging around because I wanted to see the guy."

When Lieutenant Geltz learned that the seaman was going home, he said, he decided he "ought to get a picture, just to get it on film for historical documentation purposes."

Not sure the State Department would approve, the lieutenant and his civilian assistant, Bernard Cleary, shot 19 pictures through their office windows while the seaman was being led to a car.

The next day Mr. Cleary told Lieutenant Geltz the photos were "not too great, kind of fuzzy." The lieutenant said he forgot about them for a few days.

Mr. SIMPSON. Mr. President, the New York Times, in a front page article yesterday, asked "was Soviet seaman switched for a non-defector?"

This afternoon, the senior Senator from New Hampshire stated on the floor that, "we know little more about the case today than we did on November 9, 1985." That is not quite so.

The fact is that the Subcommittee on Immigration and Refugee Policy—which I chair—has conducted a continuing investigation of the case of Miroslav Medvid, since we do indeed have a great deal more information about the case today than we did on November 9, 1985, the day the *Marshal Konev* sailed out from American waters, with this confused young man aboard.

In fact, Mr. President, the subcommittee has held three hearings on the Medvid case and a fourth one is scheduled for this Friday, March 7. In addition, during the Lincoln day recess, I dispatched the chief counsel of the subcommittee, Richard W. Day, to New Orleans with instructions to make a full investigation of what occurred in New Orleans between October 24, 1985, the day that Miroslav Medvid jumped ship, until October 29, 1985, the day that Medvid returned to his ship after being interviewed over a period of 2 days by U.S. officials.

Included in my instructions was a request that Mr. Day interview any and all persons who had significant contact with Medvid when he was ashore, particularly those who had an opportunity to personally see Medvid. Over a period of 6 days, the chief counsel interviewed most of the people who had important previous contact with Medvid. During those interviews the witnesses who had come into contact with Medvid on his first time ashore were shown the pictures taken by the Navy photographers during Medvid's second trip ashore. Those witnesses who had come into contact with Medvid during his second time ashore were shown a picture of Medvid as taken by Border Patrol agents the first time he was ashore. Nineteen of the 22 persons interviewed positively identified Medvid as being the person who was portrayed in the pictures. The witnesses were also asked to estimate the height and weight of Miroslav Medvid, and the estimates ranged from 5'8" to 6' and from 160 lbs. to 180 lbs. That range of height and weight estimates fits well with the actual height and weight of Medvid as recorded by the Border Patrol: 5'10", 174 lbs.

Mr. President, we do know a great deal more about the case now than we did in November, particularly regarding the possibility of there being "two Medvids." We will know even more after our hearing this Friday. The subcommittee will continue its investigation and I invite any of my colleagues to submit to the subcommittee any evidence they may have or issues they may wish us to examine or information about any persons they may wish to subpoena. I intend to hold further hearings and to continue this investigation until we have all of the answers. That is my pledge.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE NEW PRESIDENT OF CLEMSON UNIVERSITY

Mr. THURMOND. Mr. President, today I would like to call the attention of my colleagues to the outstanding qualifications of Dr. Max Lennon, who begins his first official day as president of Clemson University in Clemson, SC.

Dr. Lennon becomes Clemson's 11th president, succeeding interim president Walter T. Cox. He was selected unanimously from a field of 200 candidates, and I am confident that he will be an able and effective leader for Clemson. All of Clemson University join me in welcoming him, his lovely wife, Ruth, and his two fine children.

Dr. Lennon comes to Clemson with an extensive background in higher education. A native of North Carolina, he earned his bachelor and doctoral degrees in animal science from North Carolina State University. Upon completing his studies, he became associate professor at Texas Tech University in Lubbock, TX, and was later appointed associate dean and director of research in the College of Agricultural Sciences at that university. He went on to become dean of the College of Agriculture and director of the Agricultural Experiment Station at the University of Missouri. His most recent position was at Ohio State University, where he was executive dean for agriculture, home economics, and natural resources, and vice president of agricultural administration.

Mr. President, I ask my colleagues to join me in welcoming Dr. Lennon to his new position, and I ask unanimous consent that the following remarks from the January 1986 edition of Clemson World magazine be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Clemson World, Clemson University, Clemson, SC, January 1986]

"MEET THE MAX LENNON"

Ruth Lennon was not surprised that her husband was chosen to lead one of the nation's foremost land-grant universities. Even with some 300 applicants looking for the job, she said, "I thought they were going to

pick him; I think he was more surprised than I was when they did!" She has complete confidence in Max Lennon and what he hopes to achieve for Clemson University.

When the six-member selection committee of the board of trustees met in Greenville with the four finalists—Max and Ruth were together the entire time—Ruth said, "Things were very positive." Max said, "I thought the interview went extremely well; it felt very good, even though they said they had some other very, very strong candidates—and obviously they did."

Ruth said, "He had had interviews in the past, but this was the first one for me—and I was a little nervous at first, but not for long." She had not even seen the campus until Homecoming Weekend, and the final interview was the following Monday, October 14, and Dr. Max Lennon's approval by the full board and selection as president was announced later that day in a news conference on the Clemson campus. Max said, "Ruth did a good job in the interview, and without question she is part of the reason I'm going to Cemson. She has a terrific personality and enjoys meeting people."

One of the things that interested Max was that earlier—when they had narrowed the search down to 10 or 12 candidates—Clemson did a videotape of the final contenders. The Lennons were on a short vacation to visit their daughter at Texas Tech, and Clemson officials arranged to make the videotape in Dallas, Texas.

The first family-to-be includes two children . . . son Daniel, 23, and daughter Robin, who will be 21 in February. Dan is a sophomore at Ohio State majoring in Food Science, while Robin is a junior at Texas Tech majoring in Home Economics (consumer science option). Dan played baseball in high school, and just missed making the team at the University of Missouri. Robin started teaching exercise classes at her Ohio State dorm before transferring to Texas Tech: she was so successful at it that she was hired by Ohio State to teach these classes. In Texas she is deeply involved with student organizations and her hobby is music. Dan has worked several summers in hotels and restaurants, and is presently working in a restaurant in Columbus, Ohio.

After being named President here, the first person Max Lennon told was his boss, Ohio State's president—with whom he had previously discussed his career move at great length before applying for the job. "While I discussed details with the Clemson board," Max said, "Ruth went into a private office and called my father and her mother to let them know, and she also called my assistant." Ruth couldn't contact the children at that moment, but she told them as soon as they returned to Columbus. "When Robin comes home at Christmas, we will take them down and show them the campus," Ruth said. "Neither of them has seen Clemson."

Max will take over as president March 1. Meanwhile he has several major functions in his present job (including a bowl game in Orlando, Florida), and will spend as much time as he can after his last official function in Columbus on Feb. 7, visiting Clemson and studying its operation.

Clemson's new president has an impressive track record in both the academic and business worlds. Born in Evergreen, N.C., in Columbus County (just north of Horry County and west of Wilmington), he went to Mars Hill College, at that time a two-year college. "My mother went to Mars Hill," he pointed out. "I was the last of eight children and all of us went to Mars Hill . . . after Mars Hill we could go anywhere we wanted to."

Max and Ruth met while she was still in high school in the town of Mars Hill. She later went to Mars Hill and Meredith College, and they were married in 1961—when Max was finishing his junior year at N.C. State, where he transferred after graduating at Mars Hill.

After he received his B.S. degree at N.C. State. Max immediately began training of another kind—in the real world. He went into partnership with his brother in Columbus County running a 300-acre farm. "I had a lot of fun," he recalled, but a lot of hard work went with it. A diversified operation, with livestock and crops, "it took everything we had to start" . . . and Max and his brother found that they needed extra income to keep things going: so they went into the fertilizer and seed business and custom harvesting ventures to raise the necessary resources. "My brother still operates the farm," he said. The two worked on the farm from 1962 to 1966.

Max went back to State for his doctorate in 1966 without getting a master's degree; his degree was Animal Science and his specialty was swine nutrition. He studied ways to increase soybean protein utilization in very young animals, chiefly pigs, and he joined the Texas Tech faculty in 1970. Three years later he put his training to practical use when he joined the Central Soya Company in Ft. Wayne, Ind., one of the world's largest soybean processing and feed companies, as swine feed research specialist; later he became director of the program.

His research took him to many nations throughout the world. "The company had more animals in other countries consuming our products than in the United States," he recalled. He was assigned to Canada on one occasion with the responsibility of developing new products, and worked with several nations with centrally planned economies, where our technology was much in demand—and whenever possible, Ruth went with him. Two years later, in late 1974, he went back to Texas Tech to chair the animal science department where he had previously taught.

Max Lennon has had two major and exciting challenges in his administrative career that he rates as his greatest opportunities thus far. The first occurred in 1980, when he became Dean of the College of Agriculture at the University of Missouri. He came there during a time of economic downturn throughout the country. "As a result," he said, "we had to learn to manage with decreasing resources—it was real challenge." It also gave him a philosophy which he carries with him still.

"We had to focus clearly on what we were going to do, within our limitations, and do it well," he said. "As a result, we developed a program called Food For The Twenty First Century, focusing on the main issues which agriculture would be facing." Because of the program's success, available resources are now increasing at Missouri, he reports, and "it was because of that success that Ohio State became interested in my coming here."

When the Lennons came to Ohio State three years ago, Max faced what he considers the second major opportunity of his life. "When I arrived here," Dr. Lennon said, "they told me, 'We have a wonderful past, but now we want to position ourselves to become one of the finest agricultural units in the nation in the 1990's' . . . that has been my exciting challenge, and we have been marvelously successful!"

He went on, "We are focusing here on new and important issues that will be with us in the year 2000; we call the program Ohio-21 (for the 21st Century), and we've established major priorities to reach this goal." His efforts have been a major factor in the initial success of a $350 million capital campaign now under way at Ohio State. At Clemson, he plans to work with members of the faculty, staff and administration plus regional and state leadership . . . "those who are ready to move aggressively into the future."

Ruth Lennon, like Max, is not accustomed to failure, and manages to make the best of a bad situation. "If I burn something that was scheduled for dinner, I just throw it away and start over," she said cheerfully. One time she planned a dinner for 45 at their home; although she managed to put tables together to accommodate this large group, she had no tablecloth large enough for one of the tables . . . so she called the University and they promptly supplied one.

"As a student, I know what I expected of my dean and his wife," she observed, "so when I got here I wanted to be good, and was very conscientious about participating in University activities." She has taught piano lessons, worked with foreign students, and hosted distinguished women visitors from foreign nations in her home, as well as many church and student groups.

The Lennons are Southern Baptists, and Max is a deacon and Sunday School teacher for married students . . . and Ruth works side by side with him; she does church work on an average of two days a week. Their church (Lane Ave. Baptist) has a congregation of about 700 . . . but Max says, "This is small compared to the First Baptist Church in Lubbock, Texas, where they had a congregation in excess of 10,000!"

Ruth is treasurer of the University Women's Club, which supports scholarship programs, and she also keeps permanent membership records for the 650-member group. Max was active in civic affairs as a faculty member in Texas, but his duties as administrator now leave little time for community activities. He does, however, make an average of seven speeches a week . . . "everything from the downtown Rotary Club in Cleveland to a soil and water conservation group in a nearby county." He says, "It's a challenge and I enjoy it."

Max finds it difficult to participate in any sport regularly with his present school commitments. He says, "We walk, jog, whatever we can to work around my schedule." There are good hiking and bike paths around their home in suburban Worthington, and they do a lot of walking. Ruth says, "We have always been very family-oriented, and that's probably why Max isn't a golfer—we like to spend weekends together; when he goes out, I go out with him." But she admits that he really likes to watch football and other sports on television.

She also notes that he's "always putting things together and taking them apart . . . I guess that's his hobby, other than his work." As an example, she says. "He recently repaired an ice machine in the refrigerator, which quit when I needed ice for my jaw (after dental work) . . . but unfortunately, he had to wait for a new part to come in after locating the trouble." Max points out, "When you are brought up on a farm, and then run your own, you have to know how to fix things." Ruth comments,

"I would put off things like that, but he goes ahead and does them!"

Ruth further discloses that the two of them painted the outside of their house last summer . . . "on weekends and holidays." She also confides that Max is an expert at wallpapering. Ruth has done some painting in the past, and enjoys other crafts such as flower arranging, when she has time.

They don't have much time for cooking at home, averaging two or three meals a month there. Max says, "Most of my meals are at meetings, and you consume what's served." But they enjoy cooking outside . . . his specialty is a grilled pork dish. In cold weather they like fixing a fire in the fireplace, and cooking spicy dishes like chili. "When we go out, we like to enjoy Chinese foods," he remarks, and notes that Columbus is home for more than 30 food companies, and that there are many good family restaurants.

Ruth says that they enjoy having breakfast together (and sometimes watch the sun come up). She says, "Max likes sausage, grits, eggs and biscuits—typical Southern fare—while I enjoy omelettes and other things." At Clemson, she is planning to make an upstairs bedroom into a sitting room, where they can install a microwave oven and have simple breakfasts without a lot of clean-up afterwards.

Their home contains mostly traditional furniture ("made in the Carolinas," he says proudly). The dining room suite has a French flair, and they have a prized Bombay table they acquired in Texas. They plan very little redecorating in the President's Home at Clemson: Max says, "only minor replacements from normal wear and tear, such as small sections of carpet." During our visit to their home, the Lennons introduced me and my photograher to Sophie, a nine-year-old, cafe au lait poodle who is a long-time family member. During their times away from home, Sophie usually stays with friends or with Ruth's mother in Mars Hill . . . "They're great buddies," Max points out.

Max Lennon does not claim to have any master blueprint for his career—but he and Ruth have obviously made the most of their opportunities. His motto is: "Do the best you can with what you have . . . and tomorrow will take care of itself. My basic policy is to do with what one has rather than what one wants." He continues, "We have had ample opportunities to pursue new horizons, but will concentrate on today."

He sincerely believes that there is a major economic and industrial transition under way, and that South Carolina is a major part of it—but that it is world-wide in scope. "The land-grant university has a major obligation in that transition," he says, "and it is to provide quality education." He declares, "The future is going to be an exciting time . . . and I believe universities can really make a major difference in determining the ultimate course of world events."

Going back to the basic word he uses so often, he says, with great intensity, "We have to *focus* and move ahead aggressively; the challenge of focusing is the large one, and is somewhat difficult . . . but we have to do it!"

A final word on Max and Ruth Lennon. They did not accomplish what they have so far in life together by trying to be something they are not. What Clemson folks can expect when they meet the new First Family is a warm, friendly, and genuinely likeable family. Max Lennon can be counted on to do his very best for the University at all times . . . and if his past record is any indication of what lies ahead, he can be expected to raise Clemson University to new heights of achievement.

EXTENSION OF ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, I announce on behalf of the majority leader that it is still very much the intention of the leader to take up the committee funding resolution this afternoon. We are awaiting the arrival of certain principals to accomplish that, and when they arrive in the Chamber we will proceed.

It seems appropriate and very important in the meantime that Senator BYRD, the distinguished minority leader, share with us another installment in his remarkable series on the history of the Senate, which at some time will be compiled in book form and will be a single effort that will, I am sure, be part of our history for decades to come, as he has shared with us that remarkable insight into the history of the workings of the Senate and the people who have made its history.

So, accordingly, I ask unanimous consent that morning business be extended for a time sufficient to allow Senator BYRD to deliver his remarks. He has indicated every cooperation; at the time we find ourselves prepared to go forward with our business, he will indeed accommodate us. So I thank the minority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. BYRD. Mr. President, I thank the distinguished assistant Republican leader, Mr. SIMPSON, for arranging this period of morning business, with permission for me to speak therein.

From time to time, I deliver one in a series of speeches which I have been making since March of 1980 on the subject of the United States Senate. I always make it clear that if any business is to be transacted, I will gladly yield the floor.

Today, a part of that continuing series, the title of my remarks is "Lyndon Johnson and the United States Senate, 1948-1961."

THE UNITED STATES SENATE

LYNDON JOHNSON AND THE UNITED STATES SENATE, 1948-1961

Mr. BYRD. Mr. President, in his classic study, *U.S. Senators and Their World*, political scientist Donald Matthews observed that the leadership of the Democratic and Republican parties in the Senate was quite different. "Democratic party leadership is highly personalized, informal, centralized in the hands of the floor leader," Matthews wrote. "* * * Republican leadership is more formalized, institutionalized, and decentralized."[1] That statement, made in 1960, is to a degree still true today, but it described with keen accuracy the years when Lyndon Baines Johnson was Democratic leader.

The saga of Lyndon Johnson and the United States Senate began on the most remarkable election day in modern political history. On November 2, 1948, to everyone's surprise, Harry S. Truman defeated Thomas E. Dewey for the presidency. That triumph was matched in Congress, where Democrats washed away the Republican majorities of the 80th Congress. The "Class of '48," elected that day, included men who would dominate national politics for the next generation. In addition to Lyndon Johnson, the list included Clinton Anderson of New Mexico, Paul Douglas of Illinois, Hubert Humphrey of Minnesota, Estes Kefauver of Tennessee, Robert Kerr of Oklahoma, and—the only member of the class still serving in the Senate—RUSSELL LONG of Louisiana.

Lyndon Johnson was no newcomer to Washington. He had first arrived in the capital in 1931 as a staff aide to Texas Representative Richard Kleberg. Johnson immediately established himself as a mover and shaker, winning election as speaker of the "Little Congress," an association of House staff members. During the New Deal, Johnson returned to Texas to become state director of the National Youth Administration, where he drew attention as a hard-working and effective administrator. In 1937, at the age of twenty-eight, he won a special election to fill a vacant House seat. His election, as a staunch advocate of the New Deal, occurred in the midst of the monumental fight to "pack" the Supreme Court, which brought the young congressman to the attention of Franklin Roosevelt. Four years later, when Johnson ran for a Senate seat, it was with Roosevelt's blessing and strong support. Lyndon Johnson lost his first Senate race, after some suspicious ballot stuffing by his opponents. He remained in the House, with a

Footnotes at end of article.

brief stretch in the Navy during the war, and grew under the tutelage of House Speaker Sam Rayburn. Johnson was among the select group of congressmen invited to join the speaker's afternoon "Board of Education" meetings. He was there on that April afternoon in 1945 when Harry Truman received word from the White House that Franklin Roosevelt was dead.

At that time, I was a welder in a shipyard in Tampa, Florida, and Spessard Holland was Governor of the State of Florida.

In 1948, Johnson made his second try for the Senate, this time winning—by the slim margin of 87 votes.[2]

When Lyndon Johnson came from the House to the Senate, warnings preceded him, as Darrell St. Claire, the former Assistant Secretary of the Senate recalled. Those who knew Johnson warned, "Wait till he gets here."[3] Johnson's long time aide, Walter Jenkins, noted that "Mr. Johnson took to the Senate as if he'd been born there. From the first day on it was obvious that it was *his* place—just the right size; he was at his best with small groups, and at that time he was one of only 96 senators, while in the House he had been one of 435, a group in which it was much more difficult to make his influence felt, to be effective. But with only 95 others—he *knew* he could manage that."[4]

Among the first people the newly elected Senator Johnson contacted was the Senate's chief telephone page, a twenty-year old South Carolinian named Bobby Baker, who had a reputation for scouting out the strengths and weaknesses of every senator. Johnson called Baker over to his office in the Cannon Building and questioned him bluntly: "I want to know who's the power over there, how you get things done, the best committees, the works." He wanted information on the senators with whom he was unfamiliar, keeping up the questioning for two hours. Bobby Baker was impressed by Johnson's determination to learn: "He was coming into the Senate with his neck bowed, running full tilt, impatient to reach some distant goal I then could not even imagine. * * * Politics simply consumed the man."[5]

Next, Johnson set out to cultivate the Senate's senior leaders in general and Georgia Senator Richard Russell in particular. Although Scott Lucas of Illinois served as Democratic leader in the 81st Congress, Richard Russell was the undisputed leader of the Senate's "Inner Club." Chairman of the Senate Armed Services Committee, and of the "Southern Caucus," Russell had political power and respect unmatched in the Senate. As Lyndon Johnson had hitched his wagon to Sam Rayburn's star in the House, he now associated himself with Dick Russell in the Senate. Russell, in return, acceded to Johnson's desire for a seat on the Armed Services Committee, an appointment normally beyond the grasp of freshmen senators.

In a recent recorded interview with Senator RUSSELL LONG, I was able to capture his perception as to how Lyndon Johnson operated. This is what Senator LONG had to say:

He—

Meaning Lyndon Johnson—

was sworn in on the first day of the 81st Congress, and he immediately went to work at ingratiating himself to Dick Russell, who was the leader of the southern group, and he managed to have himself assigned to the Armed Services Committee, and in short order, he was working as chairman of the Preparedness subcommittee. This took some doing, but he sold Dick Russell the idea that there should be a subcommittee on Preparedness. It was almost like turning the whole committee over to Lyndon, because what is Armed Services for if it is not for preparedness?

He started getting out these reports by this Preparedness Subcommittee, and, incidentally, he had that subcommittee so structured that not only was he the chairman, but every member of the committee was an ex officio member if not directly a member of the Preparedness Subcommittee. He managed to get himself a small but efficient staff, and he started issuing reports critical of the way the defense establishment was run—criticizing the efficiency, the effectiveness, the readiness. Some of the style of it was clever and some of it amusing. The Pentagon did not find it funny at all, and they resented it, but it was effective.

And he started bringing about some changes in the military. He became a very powerful member of the Armed Services Committee in short order.

Johnson did not follow Russell one hundred percent of the time. When Russell called the first meeting of the Southern Caucus in the 81st Congress, only two Southern senators were absent: Estes Kefauver of Tennessee and Lyndon Johnson of Texas. Kefauver was known as a liberal, and his absence was expected. But where was Johnson?

We might say that Senator Johnson was suffering from a political identity crisis. Having arrived in Congress with much hoopla as a New Deal liberal from a conservative state, and having publicly embraced Franklin Roosevelt, Johnson had moved to the right during his efforts to win a Senate seat. He explained his situation to Bobby Baker during their first meeting: "I know you count noses and maybe you lobby a little bit to help the Democratic program. Fine. But I gotta tell you, Mr. Baker, that my state is much more conservative than the national Democratic party. I got elected by just eighty-seven votes and I ran against a caveman. * * * I cannot always vote with President Truman if I'm going to *stay* a senator."[6]

Despite Harry Truman's spectacular election victory, and the reestablishment of Democratic majorities in Congress, Truman's "Fair Deal" program had just as little chance of passage in the Democratic 81st Congress as it did in the Republican "80th Congress." Real power in Congress continued to lie with a coalition of conservative Democrats and Republicans. Within the Democratic majority were several groups. Southern Democrats, led by such men as Richard Russell and Walter George of Georgia, and Kenneth McKellar of Tennessee, chaired the key committees and represented the "Inner Club" which dominated the institution. Border state and Southwestern Democrats, such as Arizona's Carl Hayden and Ernest McFarland, allied themselves with the Southerners. Western Democrats, whether conservative or liberal, had made their peace with the Southerners by not supporting civil rights legislation, and in return received Southern support on water projects and commodity supports dear to their region. Isolated from the rest were the Northeastern liberal senators who had supported Hubert Humphrey's effort to place a civil rights plank in the party's 1948 platform. These liberal senators, while espousing the program of the New Deal and the Fair Deal were, in the words of Senator Paul Douglas of Illinois, "at the bottom of the totem pole of prestige" in the Senate.[7]

For the most part, Lyndon Johnson avoided political labels and attempted to steer a middle course between the various factions in his party. He went out of his way to make friends with both Dick Russell and Hubert Humphrey. Johnson recognized the conservative nature of the Senate's power structure, and the conservative demands of his own state, but he had national political ambitions. At first, Johnson's votes in the Senate seemed to locate him in the conservative camp. He began by supporting efforts to block liberal revision of the cloture rule, intended to make it harder to filibuster against civil rights legislation. Also in 1949, Senator Johnson took the lead in opposing President Truman's nomination to the Federal Power Commission of Leland Olds—who was opposed by Texas oil and gas interests—a fight which led to Olds' defeat by a vote of 53 to 15. Although an impressive victory for a freshman senator, blocking Olds' nomination alienated Johnson from Senate liberals. As Senator Hubert Humphrey noted, "Our little group of twenty-five or so liberal senators was very suspicious of Johnson in those early years, very suspicious. I was maybe the one that looked on him with more friendship, more acceptance. I always felt that he was a lot more liberal than he ever acted."[8]

Hubert Humphrey had launched his own long and distinguished career in the Senate with a very bumpy start. On his arrival he found that his support of the civil rights plank in 1948

had earned him the animosity of many of his colleagues, who overtly snubbed him. He chose his first battles poorly, once rising to demand the abolition of the Joint Committee on Reduction of Non-Essential Federal Expenditures as a non-essential expenditure. Now, this committee had not met in years, but it was chaired by Virginia's Senator Harry Byrd, Sr., a highly respected fiscal conservative, who happened to be absent from the Senate visiting his ailing mother at the time Humphrey launched his attack. Byrd's friends rushed to his defense, and Humphrey found himself even more isolated in the Senate.[9] Lyndon Johnson did not join those who shunned Hubert Humphrey. Instead, he invited Humphrey to his office to advise the voluble Minnesotan how to get along better with his Senate colleagues, whom to make friends with, how to direct his energies most effectively, how to become accepted.[10] This was the beginning of their famous friendship that culminated with Johnson's selection of Humphrey as his vice presidential running mate in 1964.

After only two years in the United States Senate, Lyndon Johnson suddenly and unexpectedly catapulted into his party's leadership. In the election of 1950, both the Senate Majority Leader, Scott Lucas, and Majority Whip, Francis Myers, went down to defeat. Political commentators took these defeats as a sign of public disappointment over the failure to enact Truman's Fair Deal program, worry over the Korean war, and confusion over Senator Joe McCarthy's anti-Communist crusade. To fill this double vacancy, Arizona Senator Ernest McFarland became Democratic leader, and Lyndon Johnson became Whip. McFarland never fully grasped the reins of leadership, and his two years in the job were a study in frustration. Johnson, on the other hand, used his new position to broaden his contacts and study how the Senate operated. "At that time the assistant leadership was little more than an honorary degree," *Newsweek* correspondent Sam Shaffer observed. "But to Lyndon it lifted him out of the rut of a freshman senator, and he would sit in the leadership councils until the majority leader was out in the hustings campaigning, making a speech, and then he would be in charge of the fort. He would be noticed. Other senators would be aware of him." [11]

Mr. President, since history these days, is often collected in the form of oral history, that is, the tape recorded personal reminiscences of participants in events, I recently asked Senators JOHN STENNIS and WILLIAM PROXMIRE, in addition to Senator LONG—three of the six members of the 99th Congress, myself included, who served with Lyndon Johnson in this body—to record some of their memories of Johnson as a senator. "I remember what a terrific worker he was from the very beginning," Senator STENNIS recalled:

> He hadn't been here much more than a few months before he became an active candidate for assistant floor leader . . . of the Democratic party which had a majority of the Senate then. He called by telephone in Mississippi and wanted to know if I could and would support him for the position. Well, I told him . . . "Lyndon, you might have known that I wasn't just going to promise a whole lot out of the clear sky", and I said "Senator Russell and I are very close and he's put me on committees, I would naturally consult with him before I would give a final answer to anyone." He said, "You must think that I am foolish," and he said that "I wouldn't have been calling you or anybody else about voting for this position unless I already had a firm position from Dick Russell that /I am/ the man." So that's characteristic of him. He was thorough; he was thorough and he knew what he was doing. I have never seen anyone . . . have the vigor and the energy and time and everything that he used, working all the time and on worthwhile things.

When Scott Lucas lost as majority leader at the end of 2 years, Dick Russell got behind Ernest McFarland as the majority leader and Lyndon Johnson indicated he would like to be the whip. So Dick Russell helped Lyndon Johnson become the whip, not that Lyndon Johnson wouldn't have had that good a chance just campaigning in his own right, but he knew that about 40 percent of those Democratic votes were Southerners and those people rallied behind Dick Russell. He was the Southern leader in those filibusters that took place and the Southern Senators had enormous confidence in Richard Russell. So when Dick Russell was supporting Lyndon, that pretty well assured that Lyndon would be elected majority whip, just as it pretty well assured that Ernest McFarland would have the votes to be elected majority leader.

Two years later, in the election of 1952, a political newcomer, BARRY GOLDWATER, defeated Senate Democratic Leader McFarland. At the same time, Republicans won narrow majorities in the Senate and House. On the Republican side, as I discussed in a previous address on the Senate's history, the party's long time behind-the-scenes leader, Robert Taft, at last agreed to take the formal title of Majority Leader. On the Democratic side, many members hoped that Richard Russell would follow Taft's example. Lyndon Johnson called Russell immediately after the election and urged him to become the party leader, with Johnson as his whip. "I'll do the work and you'll be the boss," Johnson promised. But Russell once again declined the leadership, and Johnson moved quickly to seize the post for himself. As a result of his speedy campaigning, in no time at all Johnson had gathered a majority of the Democratic votes.[12]

One holdout was his friend Hubert Humphrey. A small band of liberal Senators planned to nominate Montana's James Murray for leader and Humphrey felt obligated to support them. Johnson called Humphrey to his office and described how as leader he planned to give liberal Senators more of a voice on the Steering Committee and Policy Committee, promising Humphrey a major role in rebuilding the Democratic party in the Senate. When Humphrey would not cooperate, Johnson warned that the liberals did not have the votes, that several prominent liberal senators were already committed to Johnson's candidacy, and that if Humphrey's group persisted in nominating Murray they would only embarrass him. "You ought to quit fooling around with people you can't depend on," Johnson advised. Humphrey held his ground, but Johnson's predictions came true. When the Democratic conference met, Murray received only three votes. Humphrey then moved to make Johnson's election as Democratic minority leader unanimous. Despite their defection, liberals still gained by Johnson's ascendancy. He appointed Senator Murray to the democratic Policy Committee, and Humphrey to the Steering Committee. Humphrey also got a coveted seat on the Foreign Relations Committee. From then on, Hubert Humphrey learned to take Lyndon Johnson's advice more seriously, and to work within the Senate system rather than outside it. As he told a reporter shortly afterwards, "I've stopped kicking the well."[13]

At forty-five, only four years after entering the Senate, Lyndon B. Johnson sat at the front of the chamber in the Democratic leader's seat when the 83rd Congress opened. He was minority leader by the barest of margins. The Democrats had 47 Senators to the Republicans' 48. Wayne Morse, having recently left the Republican Party, was the Senate's lone Independent, but he had promised to vote with the Republicans to organize the Senate. In July 1953, when Senator Robert Taft died and a Democrat took his seat, the minority Democrats then outnumbered the majority Republicans, but committee chairmanships remained Republican. California's William F. Knowland became Republican majority leader, a post for which he possessed little skill or finesse. The blustery Knowland was a man of principle, to the point of bullheadedness. So often did he cross paths with his president's program, that Dwight Eisenhower soon found he could work more comfortably with the Senate's Democratic leader than with the Republican Knowland.[14]

William Knowland had all the burdens of majority leadership, without having the votes. Once, in February 1954, Knowland lamented: "Mr. President, I have presented the case . . . from a position in which no man has heretofore been asked to serve, a position in which I have the responsibilities of being majority

leader in this body without having a majority . . . I say we cannot have an effective legislative program if the responsibility is here but the power is exercised on the other side of the aisle." To which Lyndon Johnson replied: "Mr. President, the Senator from California frequently refers to himself as a majority leader with a minority; and he has made reference to all the problems that go with that situation. If anyone has more problems than a majority leader with the minority, it is a minority leader with a majority.[15]

Unlike William Knowland, Lyndon Johnson proved especially adept at Senate leadership. Boldly and imaginatively, he shook the Senate's seniority system by giving each freshman Democrat a seat on one major committee, rather than allowing the party's young talent to wither for years on minor committee assignments. As he promised, Johnson revitalized the Democratic Policy Committee, bringing in such talented staff members as Gerald Siegel, George Reedy, and Harry McPherson.

Mr. President, I came over from the House of Representatives in that 1958 class. Both Jennings Randolph and I ran in the 1958 election. Senator Randolph ran for the unexpired Senate seat which had been left vacant by the late Matthew M. Neely. I ran for the full term, Senator Revercomb having been a Senator from the State of West Virginia a second time.

I can remember when I came here in that big class of 1958. My colleague, Senator Randolph, and I went to see Lyndon Johnson in the leader's offices, just off the floor. Senator Randolph, who had served in the House for 14 years and who after a period of 12 years as vice president of Capital Airlines, reentered politics and had won a Senate seat. Senator Randolph had some seniority over me by virtue of the fact that he had served 14 years in the House, and I had served only 6, and also by the fact that he was sworn the very next day following the general election in November 1958. I became a Senator on January 3, 1959.

Senator Randolph requested the Committee on Public Works, I believe, as an assignment. And I requested the Appropriations Committee as an assignment. I had been on the Foreign Affairs Committee in the House of Representatives before coming to the Senate.

I was told by many that it would be pretty unlikely that I would get a seat on the Appropriations Committee as a newcomer here. I went to see Senator Russell to get his support. I went to see Carl Hayden, who was the chairman of the Appropriations Committee in the Senate. And I also went with Senator Randolph, as I say, to see the then Democratic leader, Lyndon Johnson.

I was somewhat pleasantly surprised a few days later as I sat on the back row, when Lyndon Johnson came up to me and told me that he was putting me on the Appropriations Committee. He told me that he had to face up to the resentment on the part of one or two very senior Democratic Senators whose names had been on the list for quite some time. And it was resented by at least one of those Senators, whose name I will not mention today.

But Lyndon said, "I faced him down. Don't you worry. You will be on the Appropriations Committee."

Mr. MATSUNAGA. Will the distinguished Senator from West Virginia yield?

Mr. BYRD. Yes. I am happy to yield to my distinguished friend, SPARKY.

Mr. MATSUNAGA. I wish to congratulate the senior Senator from West Virginia upon having served as of tomorrow a year longer than any other Senator from the great State of West Virginia, second in beauty only to heaven, although we claim Hawaii to be heaven. So we can still compete with West Virginia in that respect.

It is not so important how long one serves but how he serves. And I must say that in the case of one ROBERT BYRD of West Virginia he has served well, not only the people of the State he represents, but the people of the entire United States, including the people from my home State of Hawaii. And I rise to thank the Senator from West Virginia for having dedicated so much of his life to making this great country great. Congratulations.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Hawaii, Senator MATSUNAGA, for his very gracious remarks.

I shall always treasure the friendship of Senator MATSUNAGA, and I shall never forget the very nice things he has had to say along the way.

He is the kind of Senator who, if he goes to the hospital, which, thankfully, isn't often, he sends me flowers. His is that kind of warm, engaging personality. He is very much a sensitive and caring human being.

Again quoting from my oral interview with Senator LONG:

He was a tremendous salesman.

Speaking of Lyndon Johnson.

He had a way of putting his attention, and his warm smile, and his persuasive ways on the person that he chose to persuade, and he could be the most effective person I have ever seen in that respect, in selling his point of view and selling himself. Sometimes, perhaps, he got so enthused in what he was selling that he oversold himself on what he was trying to do. He had a way of getting his troops together and bringing all the points of power together to support what he wanted to do. As a leader, as much as I have ever seen any other leader do it—certainly any Democratic leader—he would call upon those committee chairmen to help him get his job done, and then he would go very much out of his way to accommodate them. In other words, to the extent that they really wanted something very much, he would just do whatever it took to help them to be effective committee chairmen.

Perhaps the most telling example of Johnson's style as minority leader was his response to Senator Joe McCarthy's rampant "McCarthyism." Many of those both inside and outside the Senate who opposed McCarthy's bullying, smearing, guilt-by-association tactics, hoped that Johnson would take the lead in opposing the Wisconsin Republican. But Johnson held back, calling it "a Republican problem." He feared that any Democratic intervention would only turn McCarthyism into a partisan issue, and he knew how ruthless an enemy McCarthy could be. "Joe will go an extra mile to destroy you," Johnson once observed. Rather than challenge McCarthy directly, Johnson worked behind the scenes for the appointment of a special committee to investigate McCarthy's behavior. It was a blue-ribbon panel of solid, respected, conservative senators, chaired by Republican Arthur Watkins of Utah and including Democrats John Stennis, Sam Ervin, and Walter George. The Watkins Committee eventually presented the Senate with the charges on which Senator McCarthy was censured.[16]

The McCarthy censure took place during a "lame duck" session of the 83rd Congress, in December, 1954. The previous month, presumably as a sign of their disaffection with the behavior of Senator McCarthy and his congressional supporters, voters put the Democrats into the majority in both the Senate and the House. This was the beginning of twenty-six years of uninterrupted Democratic majorities in the Senate, the longest period of one party's dominance in this body's history. When the 84th Congress opened in January 1955, Lyndon Johnson, having just been reelected to his second term, stepped to the front desk as majority leader. He proceeded cautiously at first, with a slim 49 to 47 margin, and with a popular Republican president in the White House, but before long it became eminently clear that Lyndon Johnson was the master of the Senate, and that he would run the show like no other majority leader had before him.

Lyndon Johnson practiced the art of consensus building, persuading other members, coaxing them, cajoling them, simetimes threatening them, listening to them, discovering their weaknesses, respecting their strengths, overpowering them with his seemingly limitless energy. Richard Riedel, who had worked in the Senate Press Gallery since the days when Henry Cabot Lodge, Sr., was majority leader, watched Johnson's performance with awe.

Lyndon Johnson overwhelmed with a style of forceful persuasion unique to him. Dashing from one to another, the tall Texan would sit down beside a senator, shift to the edge of the chair, lean forward and twist his neck around in order to look up into the face of his now-captive audience. What could be more fascinating to a senator than a convincing argument coming from beneath his own chin? A senator was compelled to listen to Johnson's earnest pleas which inevitably carried their own weight. Completely absorbed in his own insistent reasoning, Johnson would lock onto the coat lapels of his victim with both hands; and eye to eye, he would hypnotize the senator into a state ranging from enthusiastic cooperation to suspended animation, or possibly, to complete paralysis.[17]

Nor was Johnson at all hesitant to use his knowledge of the Senate's rules and procedures. Hubert Humphrey recalled how on a slow afternoon during Johnson's first session as majority leader in 1955, he had commented, "I think we'll pass that minimum wage bill now." He called a short quorum call, and then called up the bill and passed it by voice vote. Florida's Senator Spessard Holland, who was leading the opposition to the bill, stormed onto the Senate floor and demanded to know what was going on. "Well, Spessard, I had a little quorum call," Johnson replied. "If you fellows aren't on the job around here, I've got legislation to pass." On the other hand, our colleague John Stennis has recalled that from all his experiences with Lyndon Johnson, "he never did tell me any fake about /a/ bill or what was in it. Or what he would or wouldn't do." [18]

Senator Stennis told me how he once tried to get the floor one morning with remarks he felt he could not postpone. Johnson also wanted the floor. "I was trying to get the floor and he wouldn't help me," Senator Stennis recalled, then "word came from him that he would yield to me if I would finish in twenty minutes, or some time like that, and I said no that I want . . . the floor unconditionally."

Well, that is just like JOHN STENNIS. I could have guessed that that would have been his reaction even if he had not told me.

"Anyway, he sent me word later that all right, that /I/ would be the next speaker . . . I didn't speak but ten minutes, I just wanted to show him that I didn't have to buy the floor,"—again, typically JOHN STENNIS—that a senator is entitled to the floor if he is willing to wait for a reasonable time. But, he wasn't trying to smother me out; he was just anxious to get his own words in. He was a terrific worker all the way down the line."

By the end of that first session, the national press was touting the Democratic majority leader as "The Texan Who Is Jolting Washington," and as a potential presidential candidate. But the months of long hours, missed meals, chain-smoking, and tension took their toll on Lyndon Johnson, who on July 2, 1955, suffered his first heart attack. In an ironic way, that illness helped to prolong his life. On doctor's orders, Johnson lost weight, stopped smoking, and began eating regular meals. He also took regular vacations to his ranch in Texas, a ritual which came to affect the Senate's schedule. During Johnson's absences, Democratic Whips Earle Clements and later Mike Mansfield would nominally serve as floor leader, but the Majority Secretary, Bobby Baker, saw to it that no substantive business was conducted in Johnson's absence. There would be long, languid periods of legislative inaction, to be followed by a burst of activity when Johnson arrived back in town to take command.[19]

When the second session of the 84th Congress opened in 1956, Lyndon Johnson had recuperated sufficiently to return to the leadership. His grasp of the way the Senate could and did operate increased steadily, and there was no doubt as to who was in command. Dr. Floyd Riddick, our parliamentarian-emeritus, has recalled how Johnson during this period reoriented the work of the Senate by the use of unanimous consent agreements. Previously, unanimous consent had been used at the end of sessions to reach agreements as to how long members would debate various bills. That is, senators would agree to vote on a certain bill on a specified day at a set time. "What Mr. Johnson did was introduce the use of what we call unanimous consent agreements," observed Dr. Riddick, "a detailed agreement as to how you were going to consider or the procedure that you were going to use for the consideration of a specific bill; how long each amendment would be debated; how long the general debate of the bill would last; whether all amendments were to be germane to the bill; and details of that nature. . . . It was almost to the point that hardly any major bill was considered without eventually reaching a general unanimous consent agreement to the final disposition of the bill." What this procedure did was remove much of the deliberation over a bill from public display on the floor and remove it to the cloakrooms, where LBJ the consensus-seeker could work his charm.[20]

Johnson was also credited with devising the current system of quorum calls. Before the 1950's, quorum calls were used, as their title implies, to establish a quorum. LBJ, however, began the practice of calling frequent quorum calls simply to take up time in between other business in the schedule. As Evans and Novak noted: "These abortive quorum calls held the Senate in suspended animation while Johnson worked out his deals in the cloakroom. Soon, nobody answered the quorum calls." While Majority Leader, Lyndon Johnson also made effective use of night sessions, shaking the Senate out of its leisurely routines and keeping the Senators working late into the night until they exhaustedly gave in to his unanimous consent agreements.[21]

Mr. LONG. Mr. President, will the Senator yield at that point?

Mr. BYRD. Yes; I am happy to yield to my good friend, Senator RUSSELL LONG, whom I quoted just a few minutes ago.

Mr. LONG. I thank the Senator.

Mr. President, I believe it is fair to state that using quorum calls to hold the Senate in suspense while Senators worked out their arrangements did not start with Lyndon Johnson. He may have done a lot more of it than others did, but my recollection is that that was a procedure that was used back as far as my father's day and maybe long before that. In other words, a quorum call was always a convenient way simply to hold things where they were while Senators either met in the cloakroom or whispered in one another's ears on the floor or in the lobby behind the Senate Chamber to decide what they are going to do next.

It may be that Lyndon Johnson did a lot more of it and I would not be surprised if that were the case, but I really feel that that is a practice that the Senate had used long before Lyndon Johnson became majority leader.

Mr. BYRD. Mr. President, I thank the distinguished Senator [Mr. LONG], whose long and effective participation in, and recollection of, the history of the Senate is very valuable. I have been glad to turn to him for his recollections.

Mr. LONG. Mr. President, let me congratulate the Senator from West Virginia, the minority leader and my dear friend, for the chore he assigned himself in covering the history of the U.S. Senate. I have no doubt that in years to come, his will be the most authoritative text anyone will be able to find to say what did happen and what did not happen in the Senate, both while the Senator from West Virginia [Mr. BYRD] was a Member and in the years prior thereto. I have enjoyed reading his speeches on the subject and I have been honored on the occasions he has sought my advice about some aspect of it, including some of the things he discussed in connection with the life of Lyndon Johnson and his service as a leader.

I was a great admirer of Lyndon B. Johnson, as the Senator so well knows. He was a human being like the rest of us. He was not perfect, but he had a way of getting things done. In this Senator's mind, he did what he thought was best for the country, and he paid a high price for it.

Mr. BYRD. Yes, Mr. President, I am sure he did pay that high price. It was

a very interesting period in American politics. My good friend, Senator LONG, has spent more time in service here by virtue of his having preceded my coming here by several years; he also spent a longer time than I working with Lyndon Johnson and being able to observe how Lyndon Johnson operated.

It is my opinion that Lyndon would not be able to operate that way today. If he were majority leader at this time, he would not be able to do what he was then able to do in those days.

When I first came to the Senate—I believe the distinguished Senator from Louisiana [Mr. LONG] will agree with me—each of the old Confederate States had two Democratic Senators. As I have said earlier, Senator Russell was the uncrowned king of the Southern bloc. Lyndon had a very important thing going in his favor in that Sam Rayburn, Lyndon's good friend and mentor from Texas, was the Speaker of the House. Lyndon also had a tremendous advantage at that particular time in having Senator Russell and that Southern bloc of very distinguished and powerful Senators from which to draw support in the Senate.

At the present time, if we could just recall those States, Florida has one Republican Senator, Georgia has one Republican Senator, Alabama has one Republican Senator, South Carolina has one Republican Senator, North Carolina has two Republican Senators, the State of Virginia has two Republican Senators, Texas has one Republican Senator, Mississippi has one Republican Senator. The border States, most if not all of which at that time had two Democratic Senators, are somewhat the same in that, as we look at Oklahoma, Oklahoma has one Republican Senator. Missouri today has one Republican Senator. When I came here and when Lyndon Johnson was majority leader, each of those States had no Republican Senators.

Today, out of the whole kit and caboodle of Confederate States, I believe Louisiana, Arkansas and Tennessee are the only three States—I include West Virginia, which is a border State—that still have two Democratic Senators. That did, indeed, make a difference; it has to make a tremendous difference in this body. That is one of the reasons why I say that Lyndon Johnson could not be today the leader that he was or the type of leader that he was in his time.

Additionally, I believe it can rightly and truthfully be said that the Southern bloc Senators, as a whole, are younger than they were then. What does that say? Well, Southern Senators in that day had been here a long time, had great seniority.

They revered the institution. I am not saying the younger Senators, the current Senators, do not revere the institution. But those Senators in that day had an institutional memory. I think of Dick Russell in particular. The Senate was Dick Russell's bride. He had never been married. He was married to the Senate. His whole life, I think, was dedicated to the service of this Nation and to the Senate as an institution.

If the distinguished Senator from Louisiana wishes to comment on this, I welcome his doing so.

Mr. LONG. I thank the Senator for his perspective. The Senator is most thoughtful in his analysis. I will read the part of the Senator's speech that I have not had the opportunity to hear up to this point, and I will be glad to give him some further thoughts on the subject, because I am sure that virtually everything he says in this speech today strikes a chord in my recollection.

The Senator knows so well that there was a time when he and I were part of the Democratic leadership and we would go up to the White House when Lyndon Johnson was President. Both of us, the Senator from West Virginia as well as the Senator from Louisiana, had a way of being very frank and very forthright with the President and now and then saying some things that were not calculated to be popular at all with the President, but we did give him the benefit of our views. I think he was better off for it because so often the man in the White House is handicapped by the fact that a lot of people just will not tell him news that is less than all good, particularly when there are some things out there that there are not going too well; a lot of people just will not tell him.

The Senator from West Virginia was one who was very frank and forthright about matters of that sort. I like to think the Senator from Louisiana also was that way. If something was not the way it ought to be, we would tell him that. And now and then it would be unpopular, too, because that was not what he was hearing from his aides.

I enjoyed working with the Senator from West Virginia as well as Lyndon Johnson during his days as majority leader, Vice President, and President of the United States. He was a great President. Of all the Presidents I served with, I think I would put Lyndon Johnson at the top of the heap because he did so much. In many respects he will not be fully appreciated until later in this Nation's history. But more than any other person, he passed legislation to meet problems. While some of it will need to be changed because it did not meet the test of time, a lot of it did meet the test of time. It was my privilege, for example, to manage the Medicare bill when it went through the Senate, and that is one of those many things he did that has met the test of time. Clearly, this Nation would be in bad shape, indeed, if we had waited until now to do something for the elderly as they reach their later years without someone having provided for health care for those dear people.

While his war on poverty may be criticized by some who say that he fought a war on poverty and poverty won, he was right and they were wrong. This Nation is a great Nation because together we are strong, and Lyndon Johnson realized that together we could meet any challenge; we were adequate to face any problem if we were wise enough. He was one of those who felt that no one need be hungry, no one need suffer, no one need go without educational guidance because of any failure of this Nation; that the Nation had the potential to provide the very best; that is, the best in the way of opportunities, that any nation had ever provided; that if we had the wisdom and leadership, we could provide an opportunity for everyone to live a meaningful life, to provide well for himself and for his loved ones as well as his Nation.

So I am pleased the Senator is making this speech about Lyndon Johnson, and I await with great interest my opportunity to read this speech in its entirety tomorrow.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Louisiana [Mr. LONG], who is second in seniority only to Senator STENNIS in this body today. I shall never cease to admire Senator RUSSELL LONG. We are going to miss him when he retires from this Senate.

He spoke a moment ago about the times when the leadership would be called to the White House to talk with Lyndon Johnson, and about the frank discussions that went on there.

I can remember on one occasion just after the Tet offensive, almost immediately thereafter, we sat around the table at the White House. Lyndon Johnson's haggard appearance—long, deep lines in his face—revealed a very troubled man. I said to the President: "Mr. President, something must be wrong with our intelligence gathering apparatus. It seems to me that we should have known a great deal more about the capabilities of the enemy than we knew. It seems to me that we lost a lot of men because we didn't know enough."

Lyndon Johnson was furious, and he berated me no end on that occasion. When he had finished, I said, "Mr. President, I did not come down here to be lectured. I thought you wanted us to speak our minds." Whereupon, he gave me a second tongue-lashing. When he finished, I said, "Mr. President, I have spoken my viewpoint. I am very candid to say that that is exactly the way I see it. It just seems to me that we failed to get the kind of in-

formation that we should have had." And I said a second time that I had not come to be lectured for having expressed my own honestly held views, which I felt were the views of many, many people, not only in the Congress but also outside the Congress, following the Tet offensive.

After the meeting at the White House, I came back to the Senate Chamber, and I felt bad because of the conversation. After all, Lyndon Johnson had made me a member of the Appropriations Committee and had been good to me. Incidentally, I was assigned to the Armed Services Committee to fill the vacant chair that Johnson left when he became Vice President of the United States.

I got to thinking about it all, and I wondered how I might have reacted if I had been in Lyndon Johnson's place in the White House, with all the burden of that war, facing all the criticism that he was getting, realizing that we were very deeply involved in that war and we were not getting any less involved as the days went on, and more and more American boys were being killed. So I put in a call to the President from the cloakroom here, and he came on the line.

I said: "Mr. President, I want to apologize to you for the attitude that I took this morning. I spoke what I thought, but I think I could have done it better and said it more gently, and perhaps I should not have said anything. I realize how this is troubling you, how hard it is for you to bear. You are the President of the United States, and I cannot see it from all perspectives that you have, and I can understand how I got on your nerves. I hope you will forgive me."

He said, "Well, Bob, don't think anything more about it. I was wrong in the attitude that I took. I'm sorry that I reacted as I did. You were saying what you felt you should say, and I guess I just became a little overly wrought. You don't owe me any apology. There is nothing I need to forgive you for. You did your duty."

So, that is the way it went.

When the 85th Congress convened in 1957, Johnson faced a thorny problem. The Eisenhower administration was pressing its Civil Rights Program. In 1956, the House had passed the administration bill, but the measure had died in the Senate Judiciary Committee, chaired by James O. Eastland of Mississippi. Johnson had a mixed record on civil rights. In the House he had voted as a conservative Texas Representative against civil rights legislation. In the Senate, especially as majority leader, he had tried to take a national rather than a State position on the issue.

As Senator LONG has said in speaking of the late Lyndon Johnson:

"He began to separate himself from the southerners on the issue of civil rights. I believe that he thought that there was no future in that and that eventually the civil rights bills would have to pass, and the more the South could be persuaded to accommodate itself to it, the better it was going to be.

"I think, to be fair about it, he also felt that it was not going to be to his long-term best interests to be involved on the southern side of the southern filibuster, and you could almost see how he, bit by bit, separated himself from southern filibusters that were being waged at that time against the efforts to move the civil rights legislation."

Johnson was one of only three southern Senators who did not sign the so-called "Southern Manifesto" in 1956, in which southern members of the House and Senate denounced the Supreme Court's ruling in *Brown* v. *Board of Education* and declared their support for racial segregation. Johnson was the pivotal man in the civil rights struggle. If he joined with other southerners or even chose to remain neutral to protect his popularity in his home State, the coalition of Eisenhower Republicans and liberal Democrats who supported the civil rights would lack both the numbers and the expertise to break the expected filibuster on the floor.

Officially, Republican Leader William Knowland served as floor manager of the Civil Rights bill, but in reality Lyndon Johnson was its chief strategist—so much so that he made it more his bill than Eisenhower's. Supporters of the bill won their first victory in a 45-to-39 vote against referring the civil rights bill to the hostile Judiciary Committee. Even this victory, however, left the bill subject to possible filibuster on the Senate floor. Recognizing that he led a sharply divided party, with liberal Democrats from the North and West supporting the civil rights bill, and Southern Democrats lined up against it, Senator Johnson did all in his power to avoid a southern filibuster. In addition to creating a Civil Rights Commission, the Eisenhower administration's bill had proposed broad powers for the Attorney General to file civil suits for court injunctions against any deprivation of civil rights. Behind the scenes, Johnson worked to limit the Attorney General's power by requiring jury trials for civil rights cases. This provision mollified Southern leaders, most notably Richard Russell. With the exception of a 24-hour-and-18-minute speech by the Senator from South Carolina, STROM THURMOND, The civil rights bill of 1957 went through the Senate without protracted debate.

Once Johnson had gained assurance that southern Democrats would not filibuster against the bill, he moved his own role from behind-the-scenes to the front-lines of the public debate. Journalists in the press galleries observed that: "More assured, sensing ultimate victory, Johnson was on his feet now, stalking the Senate floor, correcting extreme statements from both sides, skillfully cooling tempers and disarming angry antagonists * * * In his coat pocket were smudged copies of the Senate roll call, filled in with checks and x's and dotted with notes and reminders, that he constantly pulled out to show this or that Senator. These were his head counts, and the tallies changed day-by-day as he gathered in his majorities on the two key amendments." [22]

The victory of the Civil Rights Act of 1957, by a vote of 72 to 18, on August 7, 1957, was largely attributed to Lyndon B. Johnson. New York Times correspondent William S. White commented: "It was actually the most skillful single job of leadership I ever saw, because Johnson of course had to deal with his southern friends who had up to that point formed the basis really of his constituency in the Senate." Johnson, as he himself pointed out, was the first Texas Senator in nearly a century to vote for a civil rights bill. As Johnson told the Senate: "Political ambition which feeds off hatred of the North or hatred of the South is doomed to frustration. There is a compelling need for a solution that will enable all Americans to live in dignity and unity. This bill is the greatest step toward that objective that has ever been made." Of course, the 1957 bill was just the first step, to be followed by much stronger and more effective civil rights legislation in 1964 and 1965. But the 1957 bill led the way. That bill also completed Lyndon Johnson's transformation from a regional to a national political figure, and made him a leading contender for the presidential nomination in 1960.[23]

While Johnson went to great lengths to avoid filibusters, once they had begun, Warren Weaver noted, "he tended to regard filibusters as a personal challenge to his stewardship. Instead of making an end run around the combatants with the rest of the Senate business, he often preferred to break the filibuster by keeping the Senate in session for long hours, even around the clock, and forcing the minority ultimately to give up in exhaustion." [24] This was part of what Rowland Evans and Robert Novak, in their penetrating study of Johnson's years as majority leader, termed the "Johnson Procedure." It consisted of night sessions, unanimous consent agreements, and constant head counting, to keep the Senate dancing to Johnson's tune. Evans and Novak also paid tribute to the "Johnson System" of rewarding his friends and elevating them to positions of leadership, building a support staff, and generally

making himself the center of all legislative activities. But for all his procedural and structural activities, the "dominant ingredient" in his success as majority leader, they suggested, was his own personality, or what they termed the "Johnson Treatment."

"The treatment could last 10 minutes or 4 hours," wrote Evans and Novak. "It came, enveloping its target, at the LBJ Ranch swimming pool, in one of LBJ's offices, in the Senate cloakroom, on the floor of the Senate itself—wherever Johnson might find a fellow Senator within his reach. Its tone could be supplication, accusation, cajolery, exuberance, scorn, tears, complaint, the hint of threat. It was all of these together. It ran the gamut of human emotions. Its velocity was breath taking, and it was all in one direction. Interjections from the target were rare. Johnson anticipated them before they could be spoken. He moved in close, his face a scant millimeter from his target, his eyes widening and narrowing, his eyebrows rising and falling. From his pockets poured clippings, memos, statistics. Mimicry, humor, and the genius of analogy made the treatment an almost hypnotic experience and rendered the target stunned and helpless." One Senator from that period recalled of Johnson: "He would have his arm around you, and he would say. 'Beloved, can you help me?' You got the feeling you would like to help him." [25]

It sometimes seemed as if Lyndon Johnson disliked the direct approach to anything. He preferred cloakroom maneuvering, back room strategies, and the "The Treatment" to simple, direct, and candid dealings with people. For the most part his unique style succeeded admirably. Sometimes, however, Johnson overdid it. There was his effort, for example, to convince Theodore Francis Green to step down voluntarily as a committee chairman. Senator Green had nominated Johnson for Democratic leader in 1953 and generally supported him on the floor. Green was an intelligent, hard-working, and well-liked gentleman, but he was ninety years old when he reached the chairmanship of the important Foreign Relations Committee. He was simply too old to function effectively, as he soon demonstrated. Johnson would have preferred to see the considerably younger Senator J. William Fulbright as chairman, but had no authority to remove Green. Then, in January 1959, the *Providence Journal*, in Green's home state of Rhode Island, published an editorial demanding that Green retire as chairman because of his age. Johnson rushed to Green's side to express his outrage over the editorial. A man of Green's distinguished stature and record should not be subjected to such abuse, he insisted. Green deserved some respite. So the argument went until Senator Green came to the same conclusion: that he did not deserve such abuse and that he would step down as chairman.

Johnson then called a special, closed-door meeting of the Foreign Relations Committee to announce Green's decision. To demonstrate that Green was not being forced out of office, Johnson, who was not even a member of that panel, arranged for the committee to eulogize Green's service as chairman and to vote to ask him to continue in that post. Senator Green, who was extremely hard of hearing, genially thanked them for their expressions of support, but added that he would not reverse his decision. Johnson, unfortunately, did not know when to stop. "The members of the committee said what I said, only more eloquent than I * * *. They voted unanimously to ask you to continue." The official transcript then records this unexpected exchange:

The CHAIRMAN (Senator Green). Who did?

Senator JOHNSON. This committee.

The CHAIRMAN. I didn't know that they had.

Senator JOHNSON. Just a few minutes ago. They now ask unanimously for you to reconsider.

The CHAIRMAN. Is that what you were doing?

Senator JOHNSON. You remember what I told you.

The CHAIRMAN. I certainly would not be brash enough to turn it down if it were put to the meeting here. I appreciate it highly, and I know I ought to give it serious consideration. It didn't occur to me that it would be this way." [26]

Johnson now realized that his elaborate orchestration was coming undone. He called a recess of the committee to allow the chairman to retire to an adjoining room to think over the situation. "Go with him," Johnson whispered to the committee's chief of staff, Carl Marcy. "Don't let him change his mind!" Fortunately for Johnson, the staff was successful in persuading Green to hold firm to his original decision. The majority leader must have breathed a sign of relief when Green returned to the room to assure them that he was indeed stepping down. The incident, however, remained a favorite story on Capitol Hill of the way the "Johnson Treatment" could sometimes backfire.[27]

Mr. President, there were two distinct periods of Lyndon Johnson's majority leadership, determined largely by the size of the majority he led. From 1955 through 1958, the Democrats controlled the Senate by a slim 49 to 47 margin. There are many observers of the legislative process who contend that the closer the margin, the easier it is for a leader to keep his ranks in line. Lyndon Johnson certainly subscribed to that theory. But the election of 1958 caused a dramatic change in party fortunes. In circumstances not unlike those facing the Senate next year, twenty Republican seats and twelve Democratic seats were at stake in that contest. It was a mid-term election during the second administration of a Republican president. A faltering economy, concern over Soviet successes in space, and a scandal involving White House staff, all contributed to a massive Democratic victory that November. Twenty-four Democrats won election to the Senate, along with only eight Republicans. The Democratic majority in the Senate was 64-to-34. This was the largest majority for any party since World War II, and the greatest transfer of seats from one party to another in the entire history of the Senate.

I have already stated that I was a member of that remarkable class of 1958. I am also the last member of that class still serving in the Senate. At a future date, I expect to devote an entire address in my history of the Senate to that notable class.

The first sign of discontent came immediately after the election when Pennsylvania Senator Joseph Clark protested to Johnson that Northeastern senators lacked—and wanted—"proportionate representation" on the Democtratic party committees in the Senate. Johnson rejected Clark's call for a restructuring of the Steering and Policy Committees, which he chaired. But within months the Northern liberal revolt bubbled up again in February 1959, when Wisconsin Senator William Proxmire rose on the Senate floor in opposition to Johnson's leadership tactics. "There has never been a time when power has been so sharply concentrated as it is today in the Senate," said Senator Proxmire. "The typical Democratic senator has literally nothing to do with determining the legislative program and policies of the party. Without frequent caucuses, the individual senator cannot exercise his responsibilities to hold the leadership accountable * * *. The majority in the Senate is generally responsible to a majority of the nation. But the majority leader, under present conditions is not." While a majority of Senate Democrats rose to the majority leader's defense in response to this speech, Proxmire, Clark, Paul Douglas of Illinois, and other Senate liberals has sounded a warning that Johnson's freewheeling style of leadership would not go unchallenged.[28]

I asked Senator Proxmire about his first clash with Lyndon Johnson. "I had been here long enough to see how thoroughly Senator Johnson as majority leader dominated the Senate," he told me.

There were no caucuses, no opportuntiy for the leadership to get a consensus so that the party could move together; and I thought that was wrong. So, I rose on the floor of the Senate and I said so * * *. After I gave that speech, the majority leader obviously was unhappy with what I said. He told

me so. He didn't mince any words. On the other hand, there was no attempt on his part to wreak any vengeance on me or to discipline or punish me in any way. He accepted the fact that we disagreed, and as a matter of fact he was very helpful in some agricultural measures that affected Wisconsin * * *. I didn't publicly protest out of any disrespect for Lyndon Johnson, who was an extraordinarily able, very intelligent person with a whale of a lot of personal force, and of course he accomplished a great deal. He got a great deal done as majority leader. But, I objected to that kind of dominating conduct. Incidentally, I delivered that attack on the majority leader on Washington's birthday, right after another senator had delivered Washington's Farewell Address. One reporter in the Press Gallery commented: "There were two farewell addresses delivered in the Senate today—Washington's and Proxmire's."

Senator Proxmire continued:

I think that the essence of Johnson's power was brought out by Dick Neuberger when he and I clashed on the floor after my statement. Neuberger said, "After all, look what you're doing. You are biting the hands that feed you. Everything that you've got in the Senate was given to you by Lyndon Johnson. He put you on the Agriculture Committee that you wanted to be on, he put you on the other committees, the Banking Committee that you wanted. After all, don't you have any gratitude for what the majority leader has done for you? Well, Senator Neuberger made my point. Senator Johnson sure did make the committee appointments, he did indeed decide what legislation would come up and what would not, and everybody in the Senate knew that if you wanted to get things done you had to do it through the leader or he could stop you. I think that was the crux of his power.

"There were a lot of strong, independent-minded people in the Senate," Senator Proxmire recalled.

Wayne Morse, I don't think that there was anybody any more independent or tougher-minded than Wayne was, and of course, he disagreed with the majority leader often. Paul Douglas was another giant in the Senate, in my view, who disagreed with Lyndon, but knew perfectly well that there was no point in his taking him on. Albert Gore was another. It is interesting that after I made my speech criticizing Lyndon, Lyndon critics didn't call me in my office because they figured that somehow Lyndon would hear about it. They called me at home and they said now keep my name under your hat. But you're right. Keep it up, give it to him. But there was nothing open about that because frankly, they were afraid of him. They feared his power.

I asked Senator Proxmire if he did not think there were some other uncrowned kings in the Senate on whose support Johnson really had to count. He agreed that there was not just one powerful senator, but several, and that Johnson had to be careful how he handled those strong personalities in the Senate who had built up influence and power over the years, men such as Dick Russell and Bob Kerr. "I remember," he said,

Douglas used to call Bob Kerr the uncrowned king of the Senate. But obviously the king of the Senate was Lyndon Johnson. . . . I think that it was true that he had to do that, and there probably aren't the same kind of power senators, now, partly through the work of Senator Byrd and Mike Mansfield, both of whom have made every senator feel that he was equal to every other senator, and that every senator should feel free to speak up and should state his position, and should be given the fullest possible opportunity. The Senate is run far, far better now than it was when I first came here * * *. I think that the Mansfield-Byrd leadership has been far better not only for the typical senator but for the way the Senate has conducted its business in reaching a consensus.

At the same time that Johnson experienced discord within his party ranks, he also found himself more at odds with the Eisenhower administration than ever before. Eisenhower and Johnson had established good relations over the previous years, in part because the president was not a partisan man by nature and because he needed the cooperation of the Democratic leadership to enact his legislative program. After the 1958 disaster at the polls, Eisenhower found much resentment from congressional Republicans, who blamed him for not campaigning more vigorously for them. As a lame duck president, he found that the Senate was no longer as cooperative as it had been before—especially considering the large number of senators who thought of themselves as potential presidential candidates in 1960.

Mr. President, there is a certain irony to President Eisenhower's lame duck status. It was the Republican-controlled 80th Congress that originated the Twenty-Second Amendment to the Constitution, limiting a president to no more than two terms. No one doubted that this was a response to Franklin D. Roosevelt's election to four terms as president. But since the enactment of that amendment, only Republican presidents, Eisenhower, Nixon, and Reagan have achieved lame duck status. Perhaps this should serve as a warning against hasty revisions of the Constitution.

In any case, after the 1958 election, with his party's shrunken representation in Congress, President Eisenhower exerted more presidential authority vis-a-vis Congress than he had before. This observation is drawn from a fascinating oral history given to the Eisenhower Library by Bryce Harlow, Eisenhower's chief congressional liaison. Harlow also noted that Eisenhower turned "sharply conservative in the last two years, in contrast to the previous years" of this presidency.[29] The years from 1959 to 1960 were characterized by Eisenhower's persistent efforts to hold down the budget against any congressional attemps to initiate new domestic or defense programs. In 1959, Eisenhower vetoed public housing bills, public works appropriations, and other domestic bills he considered too costly. The strained relations between the administration and the Senate were symbolized in June 1959, when the Senate rejected Eisenhower's nomination of Lewis Strauss to become Secretary of Commerce. Over the past six decades, this was the only cabinet nomination to have been rejected by a Senate vote. Johnson, in many ways, regretted the action, since he believed a president should have the ability to choose his own advisors, but he recognized that there was too much personal hostility toward the abrasive Strauss, and too much discontent with the domestic directions of the administration.[30]

I remember the very controversial issue of Strauss' nomination. I recall that one day there was a column in the press by Drew Pearson in which Mr. Pearson stated something to the effect that John L. Lewis, the then United Mine Workers leader, the national leader, had my vote and Mr. Randolph's vote in his pocket. Mr. Pearson stated that the 2 West Virginia Senators would vote for Mr. Strauss's nomination.

I called my senior colleague, Senator Randolph, on the phone that day. I said to Senator Randolph: "Jennings, I note in the paper that Mr. Drew Pearson's column says John L. Lewis has your vote and mine in his pocket and that we will vote for Strauss."

The truth of the matter was I had not yet come to any conclusion as to how I was going to vote.

I said to Jennings, "Jennings, I will vote against Mr. Strauss because I'm just not going to have people think that Mr. Lewis has my vote in his pocket." And Jennings said, "Well, Bob, I feel the same way." So we both voted against Mr. Strauss. That is an indication of how sometimes on very little things the course of actions is affected.

The Senate was also sharply suspicious of President Eisenhower's defense budgets, particularly in light of Soviet missile and space achievements. Lyndon Johnson chaired the Preparedness Subcommittee of the Senate Armed Services Committee, where he grilled administration witnesses on reports of a growing "misssile gap" between the United States and the Soviet Union. In addition to the slow pace of American missile development, the Johnson subcommittee also pointed to weaknesses in American conventional forces. Despite these charges, however, the Congress did not substantially increase defense appropriations over Eisenhower's requests.[31]

As the second session of the 86th Congress opened in 1960, Johnson faced another potentially divisive fight over civil rights. The Civil Rights bill of 1960 was intended to repair some inadequacies in the '57 Act, largely in regard to voting rights. Johnson, who had been successful in staving off a debiliating filibuster three years earlier, could not hold back the tide at this

point. Under the leadership of Richard Russell, opponents of the bill conducted a well-organized and effective campaign to block its consideration. Johnson felt he had no alternative but to hold the Senate in continuous, round-the-clock sessions. Those of us who were members of the Senate at that time well recall those sessions, with sleepy, pajama-clad members answering quorum calls in the early hours of the morning, members chain-smoking and gulping down pots of coffee in the cloakrooms to stay alert, and everyone showing the signs of nervous exhaustion.

Around-the-clock sessions were held from February 29 through March 8. The Senate was in continuous session for nine days, or a total of 157 hours and 26 minutes—with two breaks. The first break (15 minutes) occured on March 2 from 7:14 a.m. until 7:29 a.m. The Senate next recessed at 5:31 p.m. on March 5. As of that time it had been in session 82 hours and 3 minutes. The Senate reconvened on March 7 at 12:00 noon and continued until March 8 at 8:10 p.m.

Thus it is correct to say: As of 5:31 p.m. on March 5, the Senate had been in session 125 hours and 31 minutes, or the Senate was in session for 157 hours and 26 minutes with two breaks, or the Senate was in session for 82 hours and 3 minutes without a break.

Much is said these days about the quality of life, but think how it was then. I presided over the Senate for 22 continuous hours—all night, all day—and I guess I would have sat there longer, had the Vice President, Mr. Nixon, not shown up to claim the chair. Cloture votes failed to end the filibuster. At last, the Eisenhower administration agreed to delete those sections most objectionable to its opponents, and the Senate passed a watered down version of the bill.

For all his efforts, Lyndon Johnson won little support from his liberal critics. "I know the liberals felt I made too many compromises," he said later. "I felt I got the best bill I could with the votes I had, and if they could have gotten a better bill, we would have gotten it. But I know there was a lot of feeling among the liberals that they ought to have the whole loaf. And a lot of us would like to have a whole loaf, but you don't always get what you want." [32]

The protracted filibuster demonstrated another of Johnson's problems that year. He was widely regarded as a front-runner for the Democratic presidential campaign, but while such candidates as Senators John Kennedy and Hubert Humphrey were out on the campaign trail, Johnson was in Washington leading the Senate through its paces. Johnson found that while being majority leader may catapult a senator into the national limelight, it was not very conducive to campaigning for the presidency. A leader cannot abandon his responsibilities for long, and modern campaigning for the presidency requires a candidate's exclusive attention over many years, witness the campaigns of John Kennedy, George McGovern, and Jimmy Carter as examples. It came, I think, as a profound shock to Johnson when his party passed him by for the nomination in 1960 in favor of young John Kennedy—who at that time might have been called a "back bencher" in the Senate, just as I was. It was a measure of Johnson's commitment to his party, however, that he swallowed his pride and agreed to run as vice president on Kennedy's ticket, a move which many of Johnson's closest advisors urged him to reject. It was also a measure of his insatiable political ambition.

"I remember his candidacy for the vice president," Senator Stennis told me, "and frankly I got to where I could hardly think of the Senate without Lyndon Johnson in it." Senator Stennis was in Johnson's suite at the convention during the discussions over whether to accept Kennedy's offer to take the vice presidential nomination. "I know Senator Johnson's thinking with reference to that matter," he said. "I frankly hated to give him up in the Senate. He took that position and added greatly to the campaign, no doubt about that, and really helped Mr. Kennedy in his race for the presidency."

So it was, when the Congress reconvened in August 1960, after its recesses for the party conventions, that Johnson no longer was the preeminent Democrat in the chamber. How many of us recall that historically unique session? The Democratic presidential nominee, John F. Kennedy, led his party's forces, aided by vice presidential nominee, Lyndon Johnson. And presiding over the Senate was the Republican presidential nominee, Vice President Richard Nixon. Will we ever see such a confrontation again? For Johnson it could not have been an easy session, with Republicans addressing Senator Kennedy as "the majority leader's leader." The politically charged atmosphere of the session was also completely unconducive to legislative accomplishment. The Senate rejected a Kennedy-sponsored Medicare bill, and no action was taken on federal aid to education and minimum wage legislation, two important planks in the Democratic platform. When the Senate adjourned on September 1, 1960, nothing of substance had been achieved. It was a totally inappropriate conclusion for Lyndon Johnson's career as majority leader.[33]

In November 1960, John F. Kennedy and Lyndon B. Johnson were elected President and Vice President of the United States. They won by the narrowest of margins, and it was clear that Johnson's presence on the ticket had helped to hold sufficient Southern states and his native Texas to give the needed margin for the ticket.

On January 3, 1961, the 87th Congress convened, Lyndon Johnson resigned his Senate seat, and Democratic liberals revolted against Johnson's leadership in their party caucus. Democrats had just elected Montana Senator Mike Mansfield as their leader to succeed Johnson. Johnson, as outgoing leader, presided over the meeting. In his first act as leader, Senator Mansfield moved that Johnson as vice president be invited to preside over future meetings of the Democratic Conference. Can you imagine that? This action by the new majority leader reflected the quiet and unassuming nature of Mike Mansfield, but it was a mistake. Although in those days the conference rarely met, it suggested that Johnson would attempt to play a leading role in enacting Kennedy's legislative program. Various senators were immediately on their feet protesting that such an arrangement would violate the spirit of the constitutional separation of powers. "We might as well ask Jack Kennedy to come back to the Senate and take his turn at presiding," said Senator Albert Gore, Sr., of Tennessee. Others rose with the same complaint, but it was clear that many were venting their frustration over Johnson's all-powerful style of leadership; they wanted no more of it. Although Senator Mansfield's motion carried by a vote of 46 to 17, Johnson was stunned by the vehemence of the opposition, and the fact that old friends like Clinton Anderson of New Mexico would have risen to object to his election. At the next meeting of the conference, Johnson handed the gavel to Senator Mansfield and never returned to preside.[34]

The vice presidency was too small to contain a man as big as Lyndon Johnson. Those who knew him realized how frustrated he felt in such a constitutionally powerless post. There was a delightful story that Johnson liked to tell about his Senate chauffeur, a man who had driven every majority leader since Joe Robinson. When Johnson became vice president, he invited the chauffeur to continue to drive for him. No, the chauffeur replied, he preferred to drive for men with real power. Although he was the second man in our national political structure, Lyndon Johnson realized that he had abdicated real power when he left the majority leadership. Not until tragic events catapulted him into the White House, three years later, would Johnson once again show his full capacities for leadership.

Mr. President, I ask unanimous consent to insert into the RECORD footnotes to "Lyndon Johnson and the United States Senate."

There being no objection, the footnotes were ordered to be printed in the RECORD, as follows:

FOOTNOTES TO "LYNDON JOHNSON AND THE UNITED STATES SENATE"

[1] Donald R. Matthews, "U.S. Senators and Their World" (New York, 1960), 123-4.

[2] For Johnson's early years, see Robert A. Caro, "The Years of Lyndon Johnson: The Path to Power" (New York, 1982).

[3] "Darrell St. Claire, Assistant Secretary of the Senate," Senate Historical Office, Oral History Interview, 130.

[4] Merle Miller, "Lyndon, An Oral Biography" (New York, 1980), 141.

[5] Bobby Baker, "Wheeling and Dealing, Confessions of a Capitor Hill Operator" (New York, 1978), 40.

[6] Baker, "Wheeling and Dealing," 40.

[7] Paul H. Douglas, "In the Fullness of Time: The Memoirs of Paul H. Douglas" (New York, 1972), 204.

[8] Miller, "Lyndon," 142-3.

[9] Carl Solberg, "Hubert Humphrey: A Biography" (New York, 1984), 143-5.

[10] Rowland Evans and Robert Novak, "Lyndon B. Johnson: The Exercise of Power" (New York, 1966), 54-6.

[11] Miller, "Lyndon," 150.

[12] Evans and Novak, "Lyndon B. Johnson," 51.

[13] Ibid., 56-7; Solberg, "Hubert Humphrey," 162-4.

[14] Eisenhower once noted of Knowland: "It is a pity that his wisdom, his judgment, his tact, and his sence of humor lag so far behind his ambition." Stephen E. Ambrose, "Eisenhower: The President" (New York, 1984), 164.

[15] CONGRESSIONAL RECORD, 83d Congress, 2d sess., 2218.

[16] Evans and Novak, "Lyndon B. Johnson," 81-7; Robert Griffith, "The Politics of Fear: Joseph R. McCarthy and the Senate" (Lexington, 1970), 239, 294-306.

[17] Richard Langham Riedel, "Halls of the Mighty: My 47 Years at the Senate" (Washington, 1969), 159-60.

[18] Miller, "Lyndon," 176,179.

[19] Darrell St. Claire Oral History, 134-5.

[20] Floyd M. Riddick: Senate Parliamentarian," Senate Historical Office, Oral History Interviews, 251-3.

[21] Evans and Novak, "Lyndon B. Johnson," 114-6.

[22] Ibid., 138.

[23] Ibid., 125-40; Miller, "Lyndon," 210.

[24] Warren Weaver, Jr., "Both Your Houses; The Truth About Congress" (New York, 1972), 116.

[25] Evans and Novak, "Lyndon B. Johnson," 104; Jay G. Sykes, "Proxmire" (Washington, 1972), 109.

[26] "Executive Sessions of the Senate Foreign Relations Committee (Historical Series)", vol. XI, 86th Congress, 1st sess., 1959 (Washington, 1982), 133-50.

[27] See Donald A. Ritchie, "Making Fulbright Chairman: Or How the 'Johnson Treatment' Nearly Backfired," in The Society for Historians of American Foreign Relations Newsletter, XV (September 1984), 21-8.

[28] Sykes, "Proxmire," 109-20; CONGRESSIONAL RECORD, 86th Congress, 1st sess., 2814-20.

[29] Bryce Harlow Oral History, Eisenhower Library, Abilene, KS, 45.

[30] Charles C. Alexander, "Holding the Line: The Eisenhower Era, 1952-61" (Bloomington, 1975), 251-2; Baker, "Wheeling and Dealing," 136-8.

[31] Alexander, "Holding the Line," 253.

[32] Miller, "Lyndon", 226-9.

[33] Evans and Novak, "Lyndon B. Johnson", 223-4; Miller, "Lyndon", 230-1.

[34] Miller, "Lyndon", 275-6.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SYMMS). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ABDNOR). Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. SIMPSON. Mr. President, after conferring with the minority leader, I ask unanimous consent that the Senate go into executive session to consider the following nominations: Calendar Order No. 667, Calendar Order No. 668, Calendar Order No. 669, Calendar Order No. 670, Calendar Order No. 671, Calendar Order No. 673, Calendar Order No. 674, Calendar Order No. 676, Calendar Order No. 677, Calendar Order No. 678, Calendar Order No. 679, and Calendar Order No. 680; and Nominations placed on the Secretary's desk in the Senior Foreign Service, with the exception of Edwin G. Corr.

Mr. BYRD. Mr. President, all of the nominations to which the distinguished assistant Republican leader has directed his remarks have been cleared on this side of the aisle and are ready to go.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the nominations be considered en bloc and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

THE JUDICIARY

Frank J. Magill, of North Dakota, to be U.S. circuit judge for the eighth circuit.

Danny J. Boggs, of Kentucky, to be U.S. circuit judge for the sixth circuit.

Lawrence P. Zatkoff, of Michigan, to be U.S. district judge for the eastern district of Michigan.

Ronald R. Lagueux, of Rhode Island, to be U.S. district judge for the district of Rhode Island.

Thomas J. McAvoy, of New York, to be U.S. district judge for the northern district of New York.

David R. Hansen, of Iowa, to be U.S. district judge for the northern district of Iowa.

Miriam G. Cedarbaum, of New York, to be U.S. district judge for the southern district of New York.

INTER-AMERICAN DEVELOPMENT BANK

Larry K. Mellinger, of California, to be U.S. Alternate Executive Director of the Inter-American Development Bank.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Hugh W. Foster, of California, to be U.S. Alternate Executive Director of the International Bank for Reconstruction and Development for a term of 2 years.

DEPARTMENT OF STATE

Gaston Joseph Sigur, Jr., of Maryland to be an Assistant Secretary of State.

Paul Dundes Wolfowitz, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Indonesia.

Arthur H. Davis, of Colorado, to be Ambassador Extraodinary and Plenipotentiary of the United States of America to the Republic of Panama.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE SENIOR FOREIGN SERVICE

Senior Foreign Service nominations beginning Stanton H. Burnett, and ending Gerald A. Waters, which nominations were received by the Senate on January 24, 1986, and appeared in the CONGRESSIONAL RECORD of January 27, 1986.

Senior Foreign Service nominations beginning Peter W. Askin, and ending Richard C. McClure, which nominations were received by the Senate on January 24, 1986, and appeared in the CONGRESSIONAL RECORD of January 27, 1986.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMERICAN GOODS ARE GOOD FOR AMERICA

Mr. BUMPERS. Mr. President, on February 17, I participated in a very unique news conference in Little Rock, AR, with the management team of one of America's most aggressive and growing companies, Wal-Mart. This unbelievably successful retail chain has embarked on one of the most dynamic experiments in the annals of American business. At first I was doubtful but now I am not only enthusiastic, I am downright excited about the possibilities of its success and its spread to other retailers in America. The name of the plan is right on target—"American Goods Are Good for America."

First, this company was founded by a great Arkansan, Sam Walton, in 1962. By 1980, its sales were $1.248 billion, and in 1985, Wal-Mart's sales were almost $8.5 billion. After the amazing press conference, with the Wal-Mart management team and the representatives of American manufacturers who are participating, not only do I believe that it will be successful, but it will be contagious to other retailers in this Nation.

In short, Mr. President, while most retailers buy American where they can, until now, noboby has taken the initiative in trying to "make it happen." Buyers need reliable suppliers and suppliers need reliable buyers. This plan, which was designed to make buying American not only patriotic,

but profitable and beneficial to the consumers, is "making it happen." Already, 4,538 jobs have been saved in America by Wal-Mart's purchases of American goods, which were formally purchased overseas. And what is the criterion for buying American? It is simple. Wal-Mart agrees to a 1- or 2-year contract with a manufacturer for a particular line of merchandise. The test is simple. If the quality of the American-made product is as good or better than its foreign counterpart, and the price is equal to or better than its foreign counterpart, then they make the deal. Under this simple formula, American manufacturers can give the lowest price, knowing that there is a reliable purchaser, and in many instances produce better quality at a lower price than their overseas competitors. Some plants, with a 2-year contract under their belts, are even able to buy new high-technology capital equipment, which reduces the price even further.

With the recent decline in the value of the dollar, some American manufacturers are already finding themselves able to compete against foreign goods here, and some are even finding foreign markets open to them which have previously been closed. But the Wal-Mart buy American campaign will add greatly to the amount of American goods that will be sold in American outlets. Jobs will be saved, and the consumers will benefit. How could a formula work better to reduce our trade deficits and restore American pride?

There can be little question that the campaign to strengthen the partnership between retailers and manufacturers to develop increased competition, in price and quality, between American-made goods and imported items is just what America has been needing.

I would like to wax eloquent on the man who founded this company, and whose continuing unique ideas have made this company so successful, but he continually reminds me that there is a gigantic management team and 120,000 "associates" who are the real key to Wal-Mart's colossal success.

Mr. President, I salute Wal-Mart for helping keep America strong, and sincerely hope that this one idea will become contagious throughout America, and that thousands upon thousands of American jobs will be saved.

I ask unanimous consent that three newspaper articles and a flyer from Wal-Mart on this campaign be printed in the RECORD.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

[From the Little Rock (AR) Gazette, Feb. 18, 1986]

WALTON TOUTS U.S. GOODS, BUYING PLAN—PITCH FERVENT, POSITIVE

(By Bob Stover)

Using the salesmanship and fervor that catapulted him to the position of the richest man in America, Sam Walton Tuesday afternoon touted his Wal-Mart chain's Buy American program.

His rapt audience at the Statehouse Convention Center included a United States senator, the governor, three United States representatives, officials of more than two dozen companies that have profited from the program and officials from a dozen economic development departments in other states.

American goods are good for America and Wal-Mart, he said, predicting that the program could save manufacturing jobs and help retailers at the same time. That would help reduce or eliminate the nation's trade deficit, he said.

Walton's rare public appearance was an orchestrated event held in conjunction with Wal-Mart's annual training meetings.

Figuratively, Walton wrapped his program in the flag. Literally, he wrapped himself in a large beach towel. The towel was one of several items that his company is now buying from American companies, but a year ago was purchasing from overseas. To show his enthusiasm, he also waved cooking utensils, held up lawn chairs so the audience could see that the cheaper American-made product was better than its overseas counterpart, tossed wash cloths to a reporter so she could feel the difference and led the press on a brisk walk through a merchandise display area that featured American-made products.

Walton announced his Buy American program in March 1985, citing a growing federal trade deficit and a loss of jobs by Wal-Mart customers as two of his motivations.

IMPROMPTU TESTIMONIALS

Representatives of about 30 companies, several of them based in Arkansas, were seated behind Walton as he gave his rambling, loud and consistently positive pitch. Several times he called on the manufacturing company representatives for impromptu testimonials and each time they responded with rousing endorsements. Some of them said Wal-Mart was responsible for keeping their plants operating.

The secret, most of them said, was that Wal-Mart has agreed to give them long-term contracts, large orders and immediate payment when the product was produced. They and Walton said other large retailers should do the same. They said some other companies buy American when they can, but don't co-operate with manufacturers to make it work.

Walton gave an example of a windshield wiper manufacturer in Florida. Wal-Mart imported wipers last year. This year they will buy $1.5 million worth from the Florida company.

Last year Wal-Mart sold a lawn chair made overseas for $6.99. This year the American-made product, which Walton sat in to demonstrate, will sell for $4.93. "This year we'll do $3 million worth of business with them and they did us a favor," Walton said, "Folks, that can be done time and time again."

He had similar accounts about microwaves, candles, shirts, boots, shoes and caps for toy cap guns.

One manufacturer, Whitney Stevens of J.P. Stevens, said he was a little worried about Walton. Stevens said his company was selling Walton a beach towel that will retail two for $7. "And he's bought so many beach towels that if he doesn't sell some of them by summer, he's going to be up to his * * * in beach towels," Stevens said.

Walton, wrapping one of the blue towels around his waist and showing it off for the audience, asked Stevens how many towels Wal-Mart had ordered. Eight million dollars worth at retail, he was told.

"We'll sell them," Walton said. Walton admitted that at one time he looked at his suppliers as adversaries. "That's got to change," he said. "We've got to have a partnership and be supportive of each other."

Governor Bill Clinton, United States Senator Dale Bumpers and United States Representatives John Paul Hammerschmidt of Harrison and Bill Alexander of Osceola each were given a couple of minutes to comment, and naturally they praised Walton. Walton insisted they give the credit to the company, not him. Mr. Clinton said that when Walton first talked to him about the campaign last year he never dreamed it would have the impact it has. United States Representative Tommy Robinson of Jacksonville also attended the presentation.

Walton fielded some questions from reporters. He said several reasons caused companies to buy overseas, including that it was easier and buyers probably liked the trips to the Orient. He said although his top officials were opposed to any protectionist bills, he personally probably would support some mild protectionist legislation if it had a time limit.

He also said that he "could care less about Japan at the moment" and was interested in seeing trade diverted from the Orient to Central and South American countries where the United States "has a tremendous interest and responsibility."

Walton and David Glass, Wal-Mart president, said the company was going to expand the Buy American program this year to try and persuade some large manufacturers that have some or all work done overseas to move operations back to the United States.

[From The Arkansas Democrat, Feb. 18, 1986]

"BUY AMERICAN" PLAN PAYS OFF, WALTON SAYS

(By Dave Wannemacher)

Amid a circus-like atmosphere, "Salesman" Sam Walton, head of the Bentonville-based Wal-Mart Stores Inc., briefed businessmen, politicians and reporters Monday on his company's "Buy American" program that he said has put 4,538 people to work in the last 12 months.

Several hundred people jammed Little Rock's Statehouse Convention Center to listen to Walton, who was speaking as part of his company's annual Spring Merchandising Seminar.

The charismatic Walton, a billionaire as a result of building his company to its current size, wore $29.84 shoes manufactured in Wynne and sold at Wal-Mart as he led reporters and businessmen on a tour of the convention center, which was converted to look like one of his company's stores.

Along one wall was an array of products, mostly clothing, that Wal-Mart formerly imported, but which now are being manufactured by American companies. It is Wal-Mart's commitment, he said, to put Americans back to work and reduce a foreign

trade deficit that has swelled to more than $140 billion.

Holding up a child's size 2 T-shirt, manufactured by Pixie Playmates of Florida, Walton said, "They say we can't do it in the United States, but we're going to have these in our stores for two for $5."

Sitting behind Walton during a 1½-hour press conference were executives from 28 companies across the country whose manufacturing operations were increased as a result of the "Buy American" program. At a table next to them sat the politicians: Gov. Bill Clinton, Sen. Dale Bumpers, D-Ark, Reps. Tommy Robinson and Bill Alexander, both D-Ark, and Rep. John Paul Hammerschmidt, R-Ark.

All sat quietly and briefly conversed among themselves while Walton presented his sales pitch for the "Buy American" program.

In many ways, Walton resembled a preacher extolling the virtues of good versus evil, with the company representatives giving testimonials on how much better off they were because of Wal-Mart.

Walton, meanwhile, even went so far as to sling a wire deck chair over his shoulder—missing Clinton by inches—to prove a point that the American product was superior to the one manufactured overseas.

But Walton's message was clear: at no time did the company compromise quality or price just to put Americans back to work. The program is successful, Walton said, because Wal-Mart has worked closely with American manufacturers to see that a product can be developed at a cost equal to or better than the foreign competition.

About the only concessions, he said, were in Wal-Mart's profit margin.

David Glass, president of the discount chain, said Wal-Mart currently buys 5 percent of its merchandise directly from companies overseas. Another 25 percent is manufactured overseas by American-owned companies, which will be the target of Phase II of Wal-Mart's program, Glass said.

This year, the second of the "Buy American" program, Wal-Mart will try to arrange purchasing contracts that will allow American companies that produce overseas to bring the jobs back home, Glass said.

Walton also unveiled three new television commercials to be shown in Wal-Mart's trade area beginning today. One was filmed in Brinkley featuring Farris Fashions.

The goal for Wal-Mart in 1986 is to reach $11 billion in sales, and the company's newest slogan is "Yes, We Can."

[From the Washington Post, Feb. 15, 1986]

WAL-MART HEAD TO PUSH BUY-AMERICAN PROGRAM

(By Caroline E. Mayer)

The richest man in America is determined to make America even richer.

Sam Walton, the chairman of Wal-Mart Stores, Inc., plans to step up his Buy-American campaign next week, calling a major news conference to ask other retailers publicly to join his efforts to prove that American manufacturers can be as competitive as their increasingly popular foreign counterparts.

Walton, who last year was named the richest man in America by Forbes magazine, has been engaged for the last year in virtually a single-handed effort to reduce the growing trade deficit and increase jobs here at home.

Since last March, Wal-Mart, one of the nation's fastest-growing and most successful discount chains, has set out to prove that American manufacturers can make quality goods that will match or beat the prices of imported goods.

Among other things, Wal-Mart offered favorable terms—including longer lead times and more advantageous financial agreements—to domestic manufacturers to make it possible for them to compete with foreign firms whose labor costs are far less than companies in the United States.

In addition to helping reduce the deficit, the campaign also serves Wal-Mart, which is based in the rural areas in the Southeast and Midwest. Many of the manufacturers that have signed up with Wal-Mart are based in the Wal-Mart marketing area. Without the Wal-Mart contracts, some of these companies may have gone out of business, reducing business as well for the discount chain, which is second only to K mart Corp. in size.

Wal-Mart says it has been able to save some $200 million from being spent overseas by finding American manufacturers to do the same job. That savings, in turn, has translated into creating or retaining some 4,500 jobs, Wal-Mart contends.

But with the U.S. merchandise deficit totaling $148.5 billion for 1985, Walton realizes he cannot solve the problem alone. As a result, he now is trying to enlist other retailers, including the giants such as Sears, Roebuck & Co. and K mart to join his battle.

So far, only one has agreed: Venture Stores, a discount chain owned by May Department Stores Co.

Walton hopes to change all that next week, however, when he calls manufacturers and government officials together in Little Rock to explore ways to form a stronger partnership between American manufacturers and retailers.

AMERICAN GOODS ARE GOOD FOR AMERICA—A SOLUTION WITHIN THE SYSTEM

On March 15, 1985, Sam M. Walton, founder and chairman of Wal-Mart stores sent a message to his merchandise managers: "Find products that American manufacturers have stopped producing because they couldn't compete with foreign imports." This mandate is a result of Mr. Walton's concern for the economy's high balance of trade deficits and the attendant loss of jobs and dollars flowing out of the country.

(In one year 1983–1984, non-oil related imports grew $70 billion, a 33 percent increase, while the balance of trade deficit grew by 78 percent to $123.3 billion, in that same period.)

That concern was translated in a letter to Wal-Mart's 3,000 domestic suppliers stating that between 1981 and 1984 an estimated 1.6 million American jobs were lost to imports. In one year, 1983–1984, non-oil related imports grew $70 billion, a 33 percent increase, while the balance of trade deficit grew by 78 percent, to $123.3 billion, in that same period.

Said Walton, "Something can and must be done to reverse this very serious threat to our free enterprise system."

Wal-Mart initiated the "Buy American" program. It is designed to work toward a long range goal strengthening that free enterprise system. The "Buy American" effort is not an anti-import campaign. Wal-Mart is not suggesting trade regulation legislation, tariffs or controls on imported items. Mr. Walton is the first to state that certain lines of merchandise will continue to be bought overseas, and necessarily so. The "Buy American" program is a cooperative effort between retailers and domestic manufacturers to re-establish a competitive position in price and quality, American made goods to the market place.

Wal-Mart has taken the initiative of working and planning with American manufacturers and suppliers to obtain goods that are competitive in price and quality with foreign imports. Wal-Mart is making great strides to make the partnership work. The "Buy American" plan gives select American manufacturers some of the same terms and cooperation that are extended by many to foreign manufacturers. This involves providing manufacturers long term commitments and guaranteed orders which in some cases act as domestic letters of credit for smaller companies.

(American producers will have to be more "market driven" instead of continuing to be traditionally "product driven.")

Sam Walton expects manufacturers to make an equal commitment. "In turn, our American suppliers must commit to improving their facilities and machinery, remain financially conservative and work to fill our requirements, and most importantly, strive to improve employee productivity: This means that American producers will have to be more 'market driven' instead of continuing to be traditionally 'product driven.' "

Pricing of any merchandise is determined on its own merit. But Wal-Mart's overriding concern is the maintenance of its competitive edge by offering quality merchandise at the most affordable prices.

(Since March, 1985, Wal-Mart converted or retained $197.3 million in purchases, at cost, that otherwise would have been placed or produced off-shore.)

The Wal-Mart program has realized great success in the short time it has been in effect. Since March, 1985, Wal-Mart converted or retained $197.3 million in purchases, at cost, that otherwise would have been placed or produced off-shore. That meant creating or retaining 4,538 jobs for Americans.[1]

Wal-Mart has shown and top management believes American retailers and manufacturers can make a difference if they provide the leadership for American workers. Changes in the economy can occur if:

Retailers are willing to give manufacturers in the United States the same advantages provided to overseas vendors.

Manufacturers are committed to improve facilities and machinery, remain financially conservative and strive to improve employee productivity.

Retailers and manufacturers have realistic profit goals. High levels of unit volume movement provide most effective use of available production.

Retailers and manufacturers are committed to deliver quality and value superior to imports to our American consumers.

Retailers and manufacturers form a partnership based on mutual needs and recognize and address the needs of each.

The foundation of this program rests in securing additional members in the retail and manufacturing industry to work cooperatively within the system toward a mutually beneficial goal; more jobs and a reduced trade deficit.

To date, Wal-Mart's "Buy American" buying position has gained momentum in Mr. Walton's goal of working with vendors in "bringing production back to our shores." A few examples include:

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[1] Based on United States Department of Commerce statistics equating each $1 million of lost merchandise production to a loss of 23 jobs.

(1) Wal-Mart ordered 207,000 portable electric fans from Lasko Metal Products and the more than $2.6 million worth of fans will be produced predominantly in Fort Worth, Texas. In the process, the Lasko employment rolls in the Texas plant will grow by 18 percent.

(2) In 1983, Wal-Mart imported most of its dress shirts; however, in 1985, 50 percent of the dress shirts sold at Wal-Mart were produced domestically. Capital Mercury Shirt Company has, as the result of Wal-Mart's drive, brought back to the continental, United States some of its production and even hopes to expand some of its facilities to meet the needs of other retailers.

(3) Wal-Mart is also selling more domestic flannel shirts, as it has been learned that men's flannel shirts can be produced on a competitive basis in price and quality in the continental United States. Farris Fashions, Inc. in Brinkley, Arkansas, has a $3,741,000 order for 864,000 flannel shirts. The plant has updated its equipment, increased it of employees from 85 to 210.

(4) Julie Girl, a manufacturer of ladies' sportswear and loungewear, has received new Wal-Mart orders which will create about 200 more jobs, as Wal-Mart has extended a longer lead time allowing the manufacturer to fulfill orders. The result has been better production planning and more efficient plant operations through the lowering of costs and overhead.

(5) Outdoor stacking chairs had been purchased from Taiwan. Flanders industries, a Fort Smith, Arkansas based manufacturer of casual furniture, received a $459,000 commitment from Wal-Mart. The company, which employes 100 people was able to create 13 new positions because of the order and stay in production year 'round.

Wal-Mart executives realize the long range commitment needed for eventual, successful results of their program. They are asking fellow retailers to join their efforts in a conscious buying effort to help ensure continued growth in domestic manufacturing. Success and change will be realized to an even greater capacity with full industry cooperation. One man and one company can not achieve effective deficit reduction alone. It will require a concentrated, conscious effort on the part of manufacturers, retailers and consumers alike. But the guidelines have been set and the initial results have been encouraging.

Mr. Walton expressed his goal in a column of the company's employee publication, Wal-Mart World:

"Our Wal-Mart can and should set an example for others in helping the United States out of the very difficult financial situation that we're in. . . We should initiate an all-out campaign to cooperate with our industries and manufacturers to buy everything possible in the U.S. We should assist them to be competitive and more efficient in many ways, and that should be our intent and objective. If done correctly, I am very certain that U.S. workers, if provided the proper equipment, incentives and participation, can produce merchandise in these United States that will be as good a value, or better, than anything we can buy offshore."

Al Johnson, Executive Vice-President, Merchandise and Sales or Jim Von Gremp, Director, Corporate & Public Affairs, Wal-Mart Stores, Inc., Corporate Office, P.O. Box 116, Bentonville, AR 72712, (501) 273-4000

VENDORS ATTENDING "BUY AMERICA" NEWS CONFERENCE

HOME/SEASONAL

Vendor, Representative, and Title:
Belton—John McGovern, President.
Cannon Mills—Bill Heitman, V.P./Nat'l Sales Mgr/Monticello.
Cannon Mills—Bob Dillinger, V.P./Terry Products.
Cannon Mills—Bill Purdue, V.P./Regional Sales Manager.
Cannon Mills—Dana Folsum, V.P./Kitchen Products Manager.
Cannon Mills—Jeff Gregg, V.P./Regional Sales Manager.
Fieldcrest/St. Mary's—Charles Horn, President.
Fieldcrest/St. Mary's—Kevin Finley, V.P./St. Mary's.
Fieldcrest/St. Mary's—John Wallace, V.P./Regional Sales Manager.
Fieldcrest/St. Mary's—Clyde Harr, Account Manager.
Flanders, Ind.—Don Flanders, Chairman.
Flanders, Ind.—Dudly Flanders, President.
J.P. Stevens—Whitney Stevens, Chairman.
J.P. Stevens—Davy Tracy, Vice Chairman.
J.P. Stevens—Marvin Crow, Manager/Director/Fabrics.
J.P. Stevens—Mike Cannon, Regional Sales Manager.
Mirro—Leonard Raskin, President.
Mirro—Mark Bittner, Territory Sales Manager.
Welby-Elgin—Sidney Swislow, President.
Welby-Elgin—Richard Griffin, V.P./Sales/Marketing.
Wire Company—Larry Strodtman, President.
Wire Company—Steven Housefield, V.P./Sales/Marketing.

HARDLINES

Candle-Lite—Bob Staab, President.
Emerson—Steve Lane, President.
Emerson—Rick Bond, V.P./Sales.
Fashion Magic—Jay Kent, President.
General Wax—Mike Tapp, President.
Hi Lift—Ralph Ternes, President.
Hi Lift—Bill Malone, Vice President.
Huffy—John Mariatti, President/Manager.
Murray Ohio—Richard Sapperfield, President/C.E.O.
Pylon Manufacturing—Pat Mullarkey, V.P./Sales.
Redball—Svey Cohen, President.
Rubber Queen—David Crater, President.
Scotch—Jim Appleby, Market Manager.
Capital Mercury—Bob Welch, President.
Capital Mercury—Dick Bebon, Vice President.
Carolina Mfg.—N.C. English, President.
Carolina Mfg.—Walter L. Jones, V.P. of Sales.
Crown-Tex Lingerie—Mel David, President.
Farris Fashions—Farris Burroughs, President.
Farris Fashions—Marilyn Burroughs, Vice President.
Garan—Jerry Kamiel, President.
Garan—Paul Lipman, V.P. Infant/Toddler.
Garan—Perry Mullen, V.P. of Manufacturing.
H.H. Cutler—Hal Smith, President.
H.H. Cutler—Fred Rozell, Vice President.
Julie Girl—Lou Perlman, President.
Julie Girl—Marty Israel, Sales Manager.
Pixie Playmates—Kenny Jarkow, President.
Pixie Playmates—Jeff Lopatin, Chairman of the Board.
Sea Weed of Calif.—Stuart Geller, President.
Sea Weed of Calif.—Michael Geller, President/Jrs. Only.
Skyline Ltd. (Elkay)—Alvin Friedman, President.
Skyline Ltd. (Elkay)—Sonny Robinson, Vice President.
Stone Manufacturing—Jack Stone, Chairman.
Stone Manufacturing—Harold Hendrix, Reg. Sales Mfg./Dallas.
Sutton Shirt—Frank Scuderi, President.
Sutton Shirt—Allen Sussman, President.
Washington Mfg.—Paul Harris, President.
Wrangler-Blue Bell—Varnell Moore, President, Wrangler.
Wrangler-Blue Bell—John Sturgis, National Account Exec.
Univ. of Arkansas—Dr. Sarah Jordan, Home Economics Dept. Head.
Univ. of Arkansas—Dr. Mary Warnock, Assoc. Prof./Clothing, Textiles and Merchandising.
Univ. of Missouri—Dr. Kitty Dickerson, Assoc. Prof./Textiles Dept. Head.

SHOES

Munro & Co.—Don Monro, President.
Texas Boot Co.—Harry Vise, President.
Texas Boot Co.—Dave Strasinger, Exec. Vice President.
Walker Shoe Co.—Kent Anderson, President.
Walker Shoe Co.—Leonard Richardson, Exec. Vice President.

MOTHER OF SENATOR DANIEL K. INOUYE SUCCUMBED

Mr. BYRD. Mr. President, I was saddened to learn this morning that Mrs. Kame Imanaga Inouye, the mother of our distinguished colleague from Hawaii, passed away yesterday at the age of 82.

Senator INOUYE has my deepest sympathy and most sincere condolences in his time of grief. But I know that Senator INOUYE will always have the fondest of memories for this loving and caring parent.

Mrs. Inouye was not only the type of parent, but the type of person, of whom this Nation should be proud. Indeed, Mrs. Kame Inouye was the personification of the very finest of both Japanese and American cultures. Although her life was beset with poverty, hardship, and bigotry, it also was filled with joy and success. Her mother died when she was only 6 years old. At the age of 7, she went to work in the Hawaiian cane fields.

In his autobiography, "Journey to Washington," Senator INOUYE touchingly writes of how his father "met a small, bright-eyed girl named Kame Imanaga. She was a nisei, an orphan, living in the home of a Methodist minister * * *. My father fell in love with her, and they were married in September 1923."

Married to this former plantation worker who was the child of Japanese parents, she raised a family in a one-bedroom cottage just across the way from the fashionable Pacific Club, which barred all Orientals.

"We struggled to bring up a family," Mrs. Inouye said, "but we were always happy."

When asked how she brought up her children, Mrs. Inouye responded: "Half permissiveness, half strict discipline," and that discipline involved teaching her children the traditional Japanese virtues of honesty truthfulness, and respect for one's elders.

She obviously knew what she was doing, for one of her three sons became a U.S. Senator—the first Member of this Chamber of Japanese ancestry.

I know that these loving memories will comfort the Senator during these very difficult days, along with the knowledge that his mother is now in the embrace of an all-loving God:

Do not stand at my grave and weep.
I am not there.
I do not sleep.

I am a thousand winds that blow;
I am the diamond glints on snow.
I am sunlight on ripened grain;
I am the gentle autumn's rain.

When you awaken in the morning's hush,
I am the swift uplifting rush
Of quiet birds in circled flight.
I am the soft star that shines at night.

Do not stand at my grave and cry.
I am not there.
I did not die.

(Author Unknown).

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2571. A communication from the Chairman of the Securities and Exchange Commission transmitting, pursuant to law, the 1985 SEC Annual Report; to the Committee on Banking, Housing, and Urban Affairs.

EC-2572. A communication from the Assistant Secretary of Energy transmitting, pursuant to law, notice of delays in completion of the Wind Energy Technology Comprehensive Program Management plan; to the Committee on Energy and Natural Resources.

EC-2573. A communication from the Secretary of Energy transmitting, pursuant to law, the annual report and 1985 fourth quarter report on the Strategic Petroleum Reserve; to the Committee on Energy and Natural Resources.

EC-2574. A communication from the Acting Assistant Secretary of State transmitting, pursuant to law, a determination to authorize continuation of certain assistance to Haiti; to the Committee on Foreign Relations.

EC-2575. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, D.C. Act 6-138; to the Committee on Governmental Affairs.

EC-2576. A communication from the Acting Archivist of the United States transmitting, pursuant to law, the final set of regulations governing access to the Nixon Presidential materials; to the Committee on Governmental Affairs.

EC-2577. A communication from the Vice Chairman of the Export-Import Bank transmitting, pursuant to law, the Bank's 1985 Freedom of Information Act report; to the Committee on the Judiciary.

EC-2578. A communication from the Director of Administration, DOE, transmitting, pursuant to law, the DOE Freedom of Information Act report for 1985; to the Committee on the Judiciary.

EC-2579. A communication from the Assistant Secretary of the Treasury transmitting, pursuant to law, the Treasury's 1985 Freedom of Information Act report; to the Committee on the Judiciary.

EC-2580. A communication from the Vice Chairman of the Export-Import Bank transmitting, pursuant to law, the Bank's 1985 Freedom of Information Act report; to the Committee on the Judiciary.

EC-2581. A communication from the Director of the Federal Emergency Management Agency transmitting, pursuant to law, the Agency's 1985 Freedom of Information Act report; to the Committee on the Judiciary.

EC-2582. A communication from the Secretary of Education transmitting a draft of proposed legislation to improve teaching and administration in the public and private nonprofit schools; to the Committee on Labor and Human Resources.

EC-2583. A communication from the Secretary of Education transmitting a draft of proposed legislation to amend the Bilingual Education Act; to the Committee on Labor and Human Resources.

EC-2584. A communication from the Director of the National Science Foundation transmitting, pursuant to law, a report on the implementation status of the President's private sector survey on cost control recommendations affecting the Foundation; to the Committee on Labor and Human Resources.

EC-2585. A communication from the Secretary of Eduction transmitting, pursuant to law, final funding priorities for innovative programs for the severely handicapped children's program; to the Committee on Labor and Human Resources.

EC-2586. A communication from the Administrator of the Environmental Protection Agency transmitting, pursuant to law, a report on Competition Advocacy; to the Committee on Governmental Affairs.

EC-2587. A communication from the Assistant Secretary of Housing and Urban Development transmitting, pursuant to law, a report on an amended Privacy Act system of records; to the Committee on Governmental Affairs.

EC-2588. A communication from the Special Counsel, U.S. Merit Systems Protection Board, transmitting, pursuant to law, the 1985 Freedom of Information report; to the Committee on the Judiciary.

EC-2589. A communication from the President of the National Endowment for Democracy transmitting, pursuant to law, the 1985 report on activities under the Freedom of Information Act; to the Committee on the Judiciary.

EC-2590. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, the annual report on the Refugee Resettlement Program; to the Committee on the Judiciary.

EC-2591. A communication from the Assistant Secretary of Defense transmitting, pursuant to law, a report for 1985 on the Freedom of Information Act; to the Committee on the Judiciary.

EC-2592. A communication from the Chief Immigration Judge, Department of Justice, transmitting, pursuant to law, a report on grants of suspension of deportation under section 244 of the Immigration and Nationality Act; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and an amended preamble:

S.J. Res. 246: Joint resolution to designate May 25, 1986 as "Hands Across America Day," for the purpose of helping people to help themselves, and commending United Support of Artists for Africa and all participants for their efforts toward combating domestic hunger with a 4,000-mile human chain from coast to coast.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. THURMOND (for himself and Mr. BINGAMAN) (by request):

S. 2132. A bill to authorize certain construction at military installations for fiscal year 1987, and for other purposes; to the Committee on Armed Services.

By Mr. HATFIELD (for himself, Mr. ANDREWS, Mr. BURDICK, Mr. DOLE, Mr. HOLLINGS, Mr. LUGAR, Mr. PELL, Mr. RIEGLE, Mr. STAFFORD, Mr. SPECTER, Mr. BAUCUS, Mr. COCHRAN, Mr. INOUYE, and Mr. HEFLIN):

S.J. Res. 286. Joint resolution to designate the week of April 20, 1986, through April 26, 1986, as "National Reading Is Fun Week"; to the Committee on the Judiciary.

By Mr. BOREN:

S.J. Res. 287. Joint resolution designating September 29, 1986, as "National Teachers Day"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. THURMOND (for himself and Mr. BINGAMAN) (by request):

S. 2132. A bill to authorize certain construction at military installations

for fiscal year 1987, and for other purposes; to the Committee on Armed Services.

MILITARY CONSTRUCTION AUTHORIZATION

Mr. THURMOND. Mr. President, by request, for myself and the junior Senator from New Mexico [Mr. BINGAMAN], I introduce for appropriate referral a bill to authorize certain construction at military installations for fiscal year 1987, and for other purposes.

I ask unanimous consent that a letter of transmittal requesting consideration of the legislation and explaining the purpose be printed in the RECORD immediately following the listing of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2132

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be cited as the "Military Construction Authorization Act, 1987".

TITLE I—ARMY

SEC. 101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) INSIDE THE UNITED STATES.—The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States.

UNITED STATES ARMY FORCES COMMAND

Camp Dawson, West Virginia, $8,700,000.
Fort Bragg, North Carolina, $24,600,000.
Fort Campbell, Kentucky, $21,240,000.
Fort Carson, Colorado, $11,300,000.
Fort Devens, Massachusetts, $20,800,000.
Fort Drum, New York, $615,000,000.
Fort Hood, Texas, $13,350,000.
Fort Irwin, California, $2,870,000.
Fort Lewis, Washington, $25,980,000.
Fort McPherson, Georgia, $2,900,000.
Fort Ord, California, $6,550,000.
Fort Polk, Louisiana, $27,000,000.
Fort Richardson, Alaska, $11,200,000.
Fort Riley, Kansas, $12,500,000.
Fort Sam Houston, Texas, $3,700,000.
Fort Sheridan, Illinois, $2,050,000.
Fort Stewart, Georgia, $1,550,000.
Fort Wainwright, Alaska, $126,700,000.
Presidio of San Francisco, California, $5,100,000.

UNITED STATES ARMY WESTERN COMMAND

Hawaii Various, $12,000,000.
Wheeler Army Air Field, Hawaii, $2,900,000.

UNITED STATES ARMY TRAINING AND DOCTRINE COMMAND

Carlisle Barrack, Pennsylvania, $800,000.
Fort Belvoir, Virginia, $5,600,000.
Fort Benning, Georgia, $16,180,000.
Fort Eustis, Virginia, $2,050,000.
Fort Jackson, South Carolina, $1,300,000.
Fort Knox, Kentucky, $3,200,000.
Fort Leavenworth, Kansas, $1,100,000.
Fort Lee, Virginia, $17,600,000.
Fort Leonard Wood, Missouri, $43,200,000.
Fort McClellan, Alabama, $540,000.
Fort Rucker, Alabama, $44,500,000.
Fort Sill, Oklahoma, $3,050,000.
Fort Story, Virginia, $2,700,000.

MILITARY DISTRICT OF WASHINGTON

Fort Myer, Virginia, $3,800,000.

UNITED STATES ARMY MATERIEL COMMAND

Aberdeen Proving Ground, Maryland, $42,750,000.
Anniston Army Depot, Alabama, $1,950,000.
Badger Army Ammunition Plant, Wisconsin, $980,000.
Corpus Christi Army Depot, Texas, $10,550,000.
Detroit Arsenal, Michigan, $1,350,000.
Dugway Proving Ground, Utah, $12,900,000.
Fort Monmouth, New Jersey, $4,900,000.
Fort Wingate, New Mexico, $350,000.
Harry Diamond Laboratory, Maryland, $680,000.
Hawthorne Army Ammunition Plant, Nevada, $7,000,000.
Letterkenny Army Depot, Pennsylvania, $1,900,000.
Lexington-Blue Grass Depot Activity, Kentucky, $540,000.
Navajo Depot Activity, Arizona, $3,900,000.
Pueblo Depot Activity, Colorado, $600,000.
Red River Army Depot, Texas, $1,350,000.
Redstone Arsenal, Alabama, $19,500,000.
Savanna Army Depot, Illinois, $320,000.
Seneca Army Depot, New York, $1,100,000.
Sierra Army Depot, California, $2,450,000.
Tooele Army Depot, Utah, $1,850,000.
Umatilla Depot Activity, Oregon, $1,050,000.
Yuma Proving Ground, Arizona, $820,000.

AMMUNITION FACILITIES

Holston Army Ammunition Plant, Tennessee, $11,280,000.
Indiana Army Ammunition Plant, Indiana, $1,560,000.
Kansas Army Ammunition Plant, Kansas, $1,050,000.
Lake City Army Ammunition Plant, Missouri, $370,000.
Milan Army Ammunition Plant, Tennessee, $610,000.
Radford Army Ammunition Plant, Virginia, $19,750,000.

UNITED STATES ARMY INFORMATION SYSTEMS COMMAND

Fort Huachuca, Arizona, $17,200,000.

UNITED STATES MILITARY ACADEMY

U.S. Military Academy, New York, $28,500,000.

MILITARY TRAFFIC MANAGEMENT COMMAND

Sunny Point Military Ocean Terminal, North Carolina, $650,000.

ASSISTANT CHIEF OF ENGINEERS

Classified, United States, $7,400,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

UNITED STATES ARMY, JAPAN

Kawakami, Japan, $1,200,000.

EIGHTH UNITED STATES ARMY

Camp Carroll, Korea, $1,740,000.
Camp Casey, Korea, $24,940,000.
Camp Castle, Korea, $4,800,000.
Camp Essayons, Korea, $3,000,000.
Camp Greaves, Korea, $3,990,000.
Camp Hovey, Korea, $9,000,000.
Camp Howze, Korea, $5,850,000.
Camp Humphreys, Korea, $16,800,000.
Camp Jackson, Korea, $1,800,000.
Camp Laguardia, Korea, $2,970,000.
Camp Libby, Korea, $1,100,000.
Camp Liberty Bell, Korea, $780,000.
Camp Long, Korea, $5,600,000.
Camp Market, Korea, $540,000
Camp Nimble, Korea, $1,950,000.
Camp Page, Korea, $1,400,000.
Camp Pelham, Korea, $2,280,000.
Camp Red Cloud, Korea, $4,550,000.
Camp Stanley, Korea, $4,700,000.
H220, Korea, $2,750,000.
K-16 Army Airfield, Korea, $2,520,000.
Pusan, Korea, $12,940,000.
Second Infantry, Korea, $5,150,000.
Taegu, Korea, $4,900,000.
Yongsan, Korea, $8,760,000

BALLISTIC MISSILE DEFENSE SYSTEMS COMMAND

Kwajalein, $20,600,000.

UNITED STATES ARMY FORCES COMMAND, OVERSEAS

Panama, $420,000.
Classified, $4,000,000.
Various, $4,900,000.

UNITED STATES ARMY EUROPE AND SEVENTH ARMY

Ansbach, Germany, $1,790,000.
Aschaffenberg, Germany, $7,000,000.
Bad Kreuznach, Germany, $10,200,000.
Bamberg, Germany, $18,000,000.
Baumholder, Germany, $30,850,000.
Bitburg, Germany, $19,920,000.
Einsiedlerhof, Germany, $4,750,000.
Frankfurt, Germany, $3,500,000.
Fulda, Germany, $1,000,000.
Giessen, Germany, $22,570,000.
Goeppingen, Germany, $1,850,000.
Hanau, Germany, $26,150,000.
Heidelberg, Germany, $1,600,000.
Heilbronn, Germany, $2,100,000.
Hohenfels, Germany, $8,800,000.
Kaiserslautern, Germany, $1,400,000.
Karlsruhe, Germany, $10,000,000.
Manheim, Germany, $2,450,000.
New Ulm, Germany, $26,050,000.
Nuernberg, Germany, $5,500,000.
Rheinberg, Germany, $35,610,000.
Schweinfurt, Germany, $39,000,000.
Stuttgart, Germany, $820,000.
Various, Germany, $19,350,000.
Vilseck, Germany, $69,620,000.
Wildflecken, Germany, $3,800,000.
Wuerburg, Germany, $1,900,000.
Drama Remote Site, Greece, $730,000.
Katsimidhi Site, Greece, $560,000.
Zelo, Italy, $610,000.

UNITED STATES ARMY INTELLIGENCE AND SECURITY COMMAND, OVERSEAS

Location 177, $1,950,000.
Location 276, $3,700,000.
Location 280, $2,100,000.

SEC. 102. FAMILY HOUSING.

The Secretary of the Army may construct or acquire Family Housing units (including acquisition of land) at the following installations in the number of units shown, and in the amount shown, for each installation:

Fort Wainwright, Alaska, one hundred and fifty units, $33,000,000.

Fort Irwin, California, thirty-eight manufactured home spaces, $730,000.

Fort Ord, California, three hundred and eighty-five units, $34,000,000.

Crailsheim, Germany, forty units, $4,100,000.

Darmstadt, Germany, forty units, $3,150,000.

Erlangen, Germany, one hundred and six units, $9,400,000.

Herzo Base, Germany, thirty-four units, $3,300,000.

Mainz, Germany, twenty units, $1,850,000.

Schweinfurt, Germany, ninety units, $8,400,000.

Vilseck, Germany, two hundred and twenty-four units, $21,000,000.

Wildflecken, Germany, twenty-four units, $2,050,000.

Various Locations, Germany, one hundred and twenty units, funded under section 103.

Livorno, Italy, ninety units, $7,700,000.

Fort Polk, Louisiana, five hundred and eighty-three units, $37,000,000.

Kwajalein, Marshall Island, one hundred and thirty-six units, $23,000,000.

Aberdeen Proving Ground, Maryland, one hundred and forty units and seventy manufactured home spaces, $10,800,000.

Fort Drum, New York, one thousand and two hundred units, $91,000,000.

Seneca Army Depot, New York, thirty units, $2,900,000.

SEC. 103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

(a) AMOUNT AUTHORIZED.—Subject to section 2825 of title 10, United States Code, the Secretary of the Army may make expenditures to improve existing military family housing units in an amount not to exceed $146,000,000 and may make additional expenditures not to exceed $10,460,000 for energy conservation projects using funds generated from prior years' savings.

(b) WAIVER OF MAXIMUM PER UNIT COST FOR CERTAIN IMPROVEMENT PROJECTS.—Notwithstanding the maximum amount per unit for an improvement project under section 2825(b) of title 10, United States Code, the Secretary of the Army may carry out projects to improve existing military family housing units at the following installations in the number of units shown, and in the amount shown, for each installation:

Fort Huachuca, Arizona, thirty-eight units, $1,710,000.

Aschaffenburg, Germany, one hundred and forty-four units, $4,240,000.

Aschaffenburg, Germany, forty-eight units, $2,640,000.

Bremerhaven, Germany, twenty-four units, $1,320,000.

Karlsruhe, Germany, twenty-four units, $1,320,000

Kitzingen, Germany, one hundred and two units, $5,610,000.

Mainz, Germany, one unit, $60,000.

Worms, Germany, six units, $330,000.

Fort Benjamin Harrison, Indiana, one hundred and sixty-six units, $4,753,000.

Pusan, Korea, forty-eight units, $2,237,000.

Yongsan, Korea, one unit, $70,000.

Fort Indiantown Gap, Pennsylvania, six units, $166,000.

Fort Sam Houston, Texas, twenty-three units, $930,000.

Fort Myer, Virginia, three untis, $140,000.

SEC. 104. FORT DRUM, NEW YORK

The Secretary of the Army may, in advance of the availability of the appropriations authorized to be appropriated by subsection 601(b), enter into one or more contracts for the military construction projects authorized by section 101 to be accomplished at Fort Drum, New York, provided that such contracts limit the government's liability to the appropriations then available for obligation under each contract. Such construction may be accomplished by using one-step turn-key selection procedures, or other competitive contracting methods.

TITLE II—NAVY

SEC. 201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) INSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

UNITED STATES MARINE CORPS

Headquarters Marine Corps, Arlington, Virginia, $3,020,000.

Marine Corps Air Station, Beaufort, South Carolina, $4,990,000.

Camp H. M. Smith, Oahu, Hawaii, $2,070,000.

Marine Corps Base, Camp Lejeune, North Carolina, $39,120,000.

Marine Corps Air Station, Camp Pendleton, California, $10,410,000.

Marine Corps Base, Camp Pendleton, California, $37,140,000.

Marine Corps Air Station, Cherry Point, North Carolina, $15,510,000.

Marine Corps Air Station, El Toro, California, $13,450,000.

Marine Corps Air Station, Kaneohe Bay, Hawaii, $40,720,000.

Marine Corps Air Station, New River, North Carolina, $21,710,000.

Marine Corps Recruit Depot, Parris Island, South Carolina, $1,870,000.

Marine Corps Recruit Depot, San Diego, California, $8,440,000.

Marine Corps Air Station, Tustin, California, $14,910,000.

Marine Corps Air-Ground Combat Center, Twentynine Palms, California, $37,630,000.

Marine Corps Air Station, Yuma, Arizona, $8,410,000.

SPACE AND NAVAL WARFARE SYSTEMS COMMAND

Naval Electronic Systems Engineering Center, Portsmouth, Virginia, $1,870,000.

CHIEF OF NAVAL OPERATIONS

Naval Academy, Annapolis, Maryland, $2,660,000.

Navy Tactical Interoperability Support Activity, Long Beach, California, $510,000.

Naval Legal Service Office, Norfolk, Virginia, $1,080,000.

Naval Legal Service Office Detachment, Oceana, Virginia, $540,000.

Commandant Naval District, Washington, District of Columbia, $26,000,000.

COMMANDER IN CHIEF, ATLANTIC FLEET

Naval Air Station, Brunswick, Maine, $3,320,000.

Naval Air Station, Cecil Field, Florida, $8,640,000.

Naval Station, Charleston, South Carolina, $1,400,000.

Naval Ocean Processing Facility, Dam Neck, Virginia, $540,000.

Naval Air Station, Jacksonville, Florida, $9,030,000.

Naval Air Station, Key West, Florida, $10,140,000.

Naval Amphibious Base, Little Creek, Virginia, $6,970,000.

Naval Station, Mayport, Florida, $880,000.

Naval Supply Center Detachment, Mayport, Florida, $3,730,000.

Naval Submarine Base, New London, Connecticut, $16,880,000.

Naval Station, New York, New York, $62,200,000.

Fleet Intelligence Center Europe and Atlantic, Norfolk, Virginia, $1,880,000.

Naval Air Station, Norfolk, Virginia, $1,570,000.

COMMANDER IN CHIEF, PACIFIC FLEET

Naval Air Station, Adak, Alaska, $24,400,000.

Naval Facility, Adak, Alaska, $5,700,000.

Naval Air Station, Alameda, California, $18,625,000.

Naval Submarine Base, Bangor, Washington, $15,230,000.

Trident Refit Facility, Bangor, Washington $1,570,000.

Naval Air Station, Barbers Point, Hawaii, $25,300,000.

Naval Facility, Centerville Beach, California, $1,370,000.

Naval Amphibious Base, Coronado, California, $16,070,000.

Naval Station, Everett, Washington, $95,400,000.

Naval Air Station, Fallon, Nevada, $35,200,000.

Naval Air Station, Lemoore, California, $980,000.

Naval Station, Long Beach, California, $10,990,000.

Naval Magazine, Lualualei, Hawaii, $4,350,000.

Naval Station, Mare Island, California, $470,000.

Naval Air Station, Miramar, California, $21,900,000.

Naval Station, Pearl Harbor, Hawaii, $3,240,000.

Naval Submarine Base, Pearl Harbor, Hawaii, $690,000.

Naval Station, San Diego, California, $19,460,000.

Naval Submarine Base, San Diego, California, $9,100,000.

Naval Station, Seattle, Washington, $2,950,000.

Naval Air Station, Whidbey Island, Washington, $5,180,000.

CHIEF OF NAVAL EDUCATION AND TRAINING

Naval Air Station, Corpus Christi, Texas, $690,000.

Fleet Combat Training Center, Atlantic, Dam Neck, Virginia, $820,000.

Naval Guided Missile School, Dam Neck, Virginia, $3,140,000.

Naval Training Center, Great Lakes, Illinois, $5,300,000.

Naval Construction Training Center, Gulfport, Mississippi, $1,180,000.

Naval Air Station, Kingsville, Texas, $3,780,000.

Combat Systems Technical Schools Command, Mare Island, California, $5,200,000.

Naval Air Station, Memphis, Tennessee, $17,380,000.

Naval Air Station, Meridian, Mississippi, $4,660,000.

Naval Submarine School, New London, Connecticut, $9,540,000.

Naval Education and Training Center, Newport, Rhode Island, $11,700,000.

Surface Warfare Officers School Command, New port, Rhode Island, $8,840,000.

Fleet Training Center, Norfolk, Virginia, $5,400,000.

Naval Training Center, Orlando, Florida, $15,170,000.

Naval Diving and Salvage Training Center, Panama City, Florida, $2,850,000.

Naval Technical Training Center, Pensacola, Florida, $7,360,000.

Naval Construction Training Center, Port Hueneme, California, $4,710,000.

Fleet Intelligence Training Center, Pacific, San Diego, California, $4,220,000.

Fleet Training Center, San Diego, California, $3,930,000.

Naval Training Center, San Diego, California, $12,870,000.

Naval Technical Training Center, San Francisco, California, $9,820,000.

Naval Air Station, Whiting Field, Florida, $2,120,000.

NAVAL MEDICAL COMMAND

Naval Hospital, Camp Lejeune, North Carolina, $1,670,000.

Naval Hospital, Pensacola, Florida, $690,000.

CHIEF OF NAVAL PERSONNEL

Naval Weapons Station, Charleston, South Carolina, $16,500,000.

Naval Air Station, Miramar, California, $22,500,000.

NAVAL OCEANOGRAPHY COMMAND

Naval Observatory, Washington, District of Columbia, $980,000.

NAVAL TELECOMMUNICATIONS COMMAND

Naval Communication Area Master Station, Eastern Pacific, Honolulu, Hawaii, $1,080,000.

Naval Communication Station, Stockton, California, $2,750,000.

NAVAL SECURITY GROUP COMMAND

Naval Security Group Activity, Adak, Alaska $14,600,000.

Naval Security Group Detachment, San Diego, California, $1,570,000.

NAVAL SUPPLY SYSTEMS COMMAND

Naval Supply Center, Bremerton, Washington, $500,000.

Naval Supply Center, Jacksonville, Florida, $830,000.

Naval Ships Parts Control Center, Mechanicsburg, Pennsylvania, $1,670,000.

Naval Supply Center, Norfolk, Virginia, $3,140,000.

Naval Supply Center, Oakland, California, $3,490,000.

Naval Supply Center, Pearl Harbor, Hawaii, $11,820,000.

Naval Supply Center, San Diego, California, $3,820,000.

NAVAL AIR SYSTEMS COMMAND

Pacific Missile Range Facility, Barking Sands, Kauai, Hawaii, $8,260,000.

Naval, Air Rework Facility, Cherry Point, North Carolina, $37,200,000.

Naval Air Test Center, Patuxent River, Maryland, $21,140,000.

Naval Air Rework Facility, Pensacola, Florida, $8,050,000.

Pacific Missile Test Center, Point Mugu, California, $590,000.

NAVAL FACILITIES ENGINEERING COMMAND

Naval Air Station, Adak, Alaska, $500,000.

Naval Amphibious Base, Coronado, California, $5,100,000.

Naval Construction Battalion Center, Gulfport, Mississippi, $17,650,000.

Navy Public Works Center, Norfolk, Virginia, $8,740,000.

Navy Public Works Center, Pearl Harbor, Hawaii, $25,690,000.

Navy Public Works Center, Pensacola, Florida, $2,120,000.

Naval Construction Battalion Center, Port Hueneme, California, $7,120,000.

Naval Submarine Support Facility, San Diego, California, $300,000.

Naval Training Center, San Diego, California, $8,250,000.

Navy Public Works Center, San Francisco, California, $450,000.

Marine Corps Air Station, Yuma, Arizona, $450,000.

NAVAL SEA SYSTEMS COMMAND

Charleston Naval Shipyard, Charleston, South Carolina, $10,810,000.

Naval Weapons Station, Charleston, South Carolina, $6,130,000.

Naval Weapons Station, Concord, California, $790,000.

Naval Weapons Support Center, Crane, Indiana, $6,880,000.

Naval Weapons Station, Earle, New Jersey, $54,760,000.

Naval Ordnance Station, Indian Head, Maryland, $4,180,000.

Naval Undersea Warfare Engineering Station, Keyport, Washington, $5,890,000.

Long Beach Naval Shipyard, Long Beach, California, $3,630,000.

Norfolk Naval Shipyard, Portsmouth, Virginia, $5,900,000.

Naval Sea Combat Systems Engineering Station, Norfolk, Virginia, $980,000.

Supervisor of Shipbuilding, Pascagoula, Mississippi, $4,120,000.

Naval Ship System Engineering Station, Philadelphia, Pennsylvania, $400,000.

Portsmouth Naval Shipyard, Kittery, Maine, $23,170,000.

Naval Weapons Station, Seal Beach, California, $6,100,000.

Naval Weapons Station, Yorktown, Virginia, $4,220,000.

OFFICE OF THE CHIEF OF NAVAL RESEARCH

Naval Weapons Center, China Lake, California, $14,120,000.

Naval Surface Weapons Center, Dahlgren, Virginia, $15,960,000.

Naval Coastal Systems Center, Panama City, Florida, $880,000.

Naval Research Laboratory Annex, Quantico, Virginia, $1,500,000.

Naval Research Laboratory, Washington, District of Columbia, $8,730,000.

STRATEGIC SYSTEMS PROJECT OFFICE

Naval Submarine Base, Kings Bay, Georgia, $132,390,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

MARINE CORPS

Marine Corps Air Station, Futenma, Okinawa, Japan, $4,270,000.

Marine Corps Base, Camp Smedley D. Butler, Okinawa, Japan, $8,950,000.

COMMANDER IN CHIEF, ATLANTIC FLEET

Naval Station, Guantanamo Bay, Cuba, $2,600,000.

Naval Air Station, Keflavik, Iceland, $27,140,000.

Naval Facility, Keflavik, Iceland, $1,570,000.

Atlantic Fleet Weapons Training Facility, Roosevelt Roads, Puerto Rico, $4,415,000.

Naval Station, Roosevelt Roads, Puerto Rico, $7,080,000.

COMMANDER IN CHIEF, PACIFIC FLEET

Administrative Support Unit, Bahrain Island, $2,550,000.

Naval Air Station, Cubi Point, Republic of the Philippines, $5,300,000.

Mobile Construction Battalion, Camp Covington, Guam, $15,500,000.

Naval Facility, Guam, $820,000.

Naval Supply Depot, Guam, $400,000.

Naval Station, Subic Bay, Republic of the Philippines, $1,710,000.

Naval Supply Depot, Subic Bay, Republic of the Philippines, $290,000.

Naval Ship Repair Facility, Subic Bay, Republic of the Philippines, $1,770,000.

COMMANDER IN CHIEF, UNITED STATES NAVAL FORCES EUROPE

Naval Activities, London, United Kingdom, $1,180,000.

Naval Support Activity, Naples, Italy, $25,070,000.

Naval Station, Rota, Spain, $4,600,000.

Naval Air Station, Signonella, Italy, $1,370,000.

Classified Locations: $15,700,000.

NAVAL TELECOMMUNICATIONS COMMAND

Naval Communications Area Master Station, Western Pacific, Guam, $480,000.

Naval Communications Station, Harold E. Holt, Exmouth, Australia, $2,180,000.

Naval Communications Area Master Station, Mediterranean, Naples, Italy, $8,250,000.

Naval Communications Station, San Miguel, Republic of the Philippines, $470,000.

Naval Communication Station, Thurso, United Kingdom, $350,000.

NAVAL SECURITY GROUP COMMAND

Naval Security Group Activity, Edzell, Scotland, $2,250,000.

Naval Security Group Detachment, Guam, $2,150,000.

Naval Security Group Activity, Sabana Seca, Puerto Rico, $790,000.

NAVAL FACILITIES ENGINEERING COMMAND

Navy Public Works Center, Guam, $1,570,000.

Navy Public Works Center, Subic Bay, Republic of the Philippines, $2,100,000.

OFFICE OF THE CHIEF OF NAVAL RESEARCH

Naval Underwater Systems Center, Andros Island, Bahamas, $3,730,000.

HOST NATION INFRASTRUCTURE SUPPORT

Various Locations, $300,000.

SEC. 202. FAMILY HOUSING

The Secretary of the Navy may construct or acquire family housing units (including land acquisition) at the following installations in the number of units shown, and in the amount shown, for each installation.

Naval Station, Long Beach, California, three hundred units, $22,900,000.

Naval Air Station, Moffett Field, California, one hundred and twenty-six units, $11,600,000.

Navy Public Works Center, San Francisco, California, three hundred units, $26,450,000.

Marine Corps Air-Ground Combat Center, Twentynine Palms, California, three hundred and ninety-two units and seventy-five mobile home spaces, $35,300,000.

Marine Corps Base, Camp Pendleton, California, one hundred mobile home spaces, $1,800,000.

Naval Station, New York, New York, three hundred units, $28,330,000.

Marine Corps Base, Camp Lejeune, North Carolina, seventy-five mobile home spaces, $930,000.

Marine Corps Development and Education Command, Quantico, Virginia, fifty mobile home spaces, $790,000.

Naval Station, Keflavik, Iceland, two hundred and fifty units, $48,642,000.

SEC. 203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

(a) AMOUNT AUTHORIZED.—Subject to section 2825 of title 10, United States Code, the Secretary of the Navy may make expenditures to improve existing military family housing units in an amount not to exceed $51,580,000.

(b) WAIVER OF MAXIMUM PER UNIT COST FOR CERTAIN IMPROVEMENT PROJECTS.—Notwithstanding the maximum amount per unit for an improvement project under 2825(b) of title 10, United States Code, the Secretary of the Navy may carry out projects to improve existing military family housing units at the following installations in the number of units shown, and in the amount shown, for each installation:

Naval Station, Mare Island, Vallejo, California, one hundred units, $5,200,000.

Marine Corps Logistics Base, Albany, Georgia, one unit, $33,300.
Navy Public Works Center, Great Lakes, Illinois, two hundred and ten units, $9,400,000.
Naval Air Station, Brunswick, Maine, forty-four units, $1,274,600.
Naval Construction Battalion Center, Gulfport, Mississippi, one unit, $28,700.
Naval Air Station, Fallon, Nevada, forty-four units, $1,868,500.
Naval Station, New York, New York, one hundred and twenty units, $9,600,000.
Naval Air Development Center, Warminster, Pennsylvania, six units, $256,800.
Naval Education and Training Center, Newport, Rhode Island, one hundred and eighty-six units, $10,200,000.
Navy Public Works Center, Guam, one unit, $64,700.
Navy Public Works Center, Guam, one hundred and nine units, $10,360,000.
Naval Air Station, Agana, Guam, one hundred units, $9,517,000.
Naval Air Station, Agana, Guam, one unit, $58,600.

SEC. 204. ACQUISITION OF EXISTING HOUSING UNITS ON GUAM

The Secretary of the Navy may acquire, without reimbursement, eighty-nine existing family housing units constructed and used by the Federal Aviation Agency on land in Finegayan, Guam, held by the Navy under the provisions of section 1158 of title 49, United States Code.

TITLE III—AIR FORCE

SEC. 301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) INSIDE THE UNITED STATES.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

AIR FORCE LOGISTICS COMMAND

Hill Air Force Base, Utah, $20,550,000.
Kelly Air Force Base, Texas, $49,900,000.
McClellan Air Force Base, California, $28,900,000.
Newark Air Force Station, Ohio, $3,000,000.
Robins Air Force Base, Georgia, $16,055,000.
Tinker Air Force Base, Oklahoma, $32,900,000.
Wright-Patterson Air Force Base, Ohio, $19,500,000.

AIR FORCE SYSTEMS COMMAND

Arnold Air Force Station, Tennessee, $3,530,000.
Edwards Air Force Base, California, $16,400,000.
Eglin Air Force Base, Florida, $2,370,000.
Fort MacArthur, California, $3,000,000.
Hanscom Air Force Base, Massachusetts, $4,000,000.
Patrick Air Force Base, Florida, $2,600,000.
Sunnyvale Air Force Station, California, $2,600,000.

AIR TRAINING COMMAND

Chanute Air Force Base, Illinois, $11,300,000.
Goodfellow Air Force Base, Texas, $10,000,000.
Keesler Air Force Base, Mississippi, $1,970,000.
Lackland Air Force Base, Texas, $21,500,000.
Laughlin Air Force Base, Texas, $3,700,000.
Mather Air Force Base, California, $740,000.
Randolph Air Force Base, Texas, $2,250,000.
Williams Air Force Base, Arizona, $8,700,000.

AIR UNIVERSITY

Gunter Air Force Station, Alabama, $2,900,000.
Maxwell Air Force Base, Alabama, $5,310,000.

ALASKAN AIR COMMAND

Eielson Air Force Base, Alaska, $20,790,000.
Elmendorf Air Force Base, Alaska, $8,170,000.
Galena Airport, Alaska, $11,600,000.
King Salmon Airport, Alaska, $4,050,000.
Shemya Air Force Base, Alaska, $22,300,000.

MILITARY AIRLIFT COMMAND

Altus Air Force Base, Oklahoma, $310,000.
Andrews Air Force Base, Maryland, $45,430,000.
Charleston Air Force Base, South Carolina, $6,290,000.
Kirtland Air Force Base, New Mexico, $11,800,000.
Little Rock Air Force Base, Arkansas, $2,750,000.
McChord Air Force Base, Washington, $11,300,000.
McGuire Air Force Base, New Jersey, $13,595,000.
Norton Air Force Base, California, $1,450,000.
Pope Air Force Base, North Carolina, $3,400,000.
Scott Air Force Base, Illinois, $8,900,000.
Travis Air Force Base, California, $8,200,000.

PACIFIC AIR FORCES

Hickam Air Force Base, Hawaii, $5,850,000.

SPACE COMMAND

Cape Cod Air Force Station, Massachusetts, $4,300,000.
Cavalier Air Force Station, North Dakota, $2,820,000.
Falcon Air Force Station, Colorado, $6,400,000.
Peterson Air Force Base, Colorado, $8,630,000.

SPECIAL PROJECT

Various Locations $37,056,000.

STRATEGIC AIR COMMAND

Base 18, Classified Location, $29,970,000.
Base 43, Classified Location, $5,500,000.
Beale Air Force Base, California, $9,516,000.
Blytheville Air Force Base, Arkansas, $4,410,000.
Carswell Air Force Base, Texas, $490,000.
Castle Air Force Base, California, $2,630,000.
Dyess Air Force Base, Texas, $4,130,000.
Ellsworth Air Force Base, South Dakota, $5,410,000.
Fairchild Air Force Base, Washington, $7,520,000.
F.E. Warren Air Force Base, Wyoming, $8,550,000.
Grand Forks Air Force Base, North Dakota, $23,130,000.
Griffiss Air Force Base, New York, $1,590,000.
Grissom Air Force Base, Indiana, $3,850,000.
Holbrook Radar Bomb Score Site, Arizona, $630,000.
K.I. Sawyer Air Force Base, Michigan, $1,730,000.
La Junta Radar Bomb Scoring Site, Colorado, $5,460,000.
Loring Air Force Base, Maine, $13,500,000.
Malmstrom Air Force Base, Montana, $3,800,000.
March Air Force Base, California, $14,440,000.
McConnell Air Force Base, Kansas, $35,740,000.
Minot Air Force Base, North Dakota, $33,100,000.
Offutt Air Force Base, Nebraska, $24,970,000.
Pease Air Force Base, New Hampshire, $2,200,000.
Plattsburgh Air Force Base, New York, $9,610,000.
Vandenburg Air Force Base, California, $2,700,000.
Whiteman Air Force Base, Missouri, $10,700,000.
Wurtsmith Air Force Base, Michigan, $11,740,000.

TACTICAL AIR COMMAND

Avon Park Auxiliary Air Field, Florida, $4,100,000.
Bangor International Airport, Maine, $1,250,000.
Base 37, Classified Location, $14,950,000.
Base 38, Classified Location, $14,710,000.
Base 39, Classified Location, $2,300,000.
Bergstrom Air Force Base, Texas, $5,250,000.
Davis-Monthan Air Force Base, Arizona, $15,830,000.
England Air Force Base, Louisiana, $2,300,000.
George Air Force Base, California, $14,550,000.
Holloman Air Force Base, New Mexico, $14,760,000.
Homestead Air Force Base, Florida, $6,550,000.
Indian Springs Auxiliary Field, Nevada, $1,700,000.
Langley Air Force Base, Virginia, $9,640,000.
Luke Air Force Base, Arizona, $9,190,000.
MacDill Air Force Base, Florida, $3,730,000.
Moody Air Force Base, Georgia, $900,000.
Mountain Home Air Force Base, Idaho, $14,760,000.
Myrtle Beach Air Force Base, South Carolina, $3,000,000.
Nellis Air Force Base, Nevada, $23,800,000.
Seymour-Johnson Air Force Base, North Carolina, $2,760,000.
Shaw Air Force Base, South Carolina, $3,700,000.
Tyndall Air Force Base, Florida, $600,000.
Various Locations, CONUS, $2,300,000.
WESTCONUS, $18,500,000.

UNITED STATES AIR FORCE ACADEMY

Air Force Academy, Colorado, $5,820,000.

VARIOUS LOCATIONS

Various Energy Conservation Investment Projects, $10,000,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

MILITARY AIRLIFT COMMAND

Lajes Field, Portugal, $15,750,000.
Rhein-Main Air Base, Germany, $1,300,000.

PACIFIC AIR FORCES

Kadena Air Base, Japan, $7,365,000.
Misawa Air Base, Japan, $10,300,000.

Totsuka Air Base, Japan, $700,000.
Yokosuka Air Base, Japan, $600,000.
Yokota Air Base, Japan, $4,900,000.
Camp Humphreys, Korea, $8,300,000.
Camp Red Cloud, Korea, $1,450,000.
Kimhae Air Base, Korea, $3,620,000.
Kunsan Air Base, Korea, $11,020,000.
Kwang-Ju Air Base, Korea, $600,000.
Osan Air Base, Korea, $17,800,000.
Suwon Air Base, Korea, $3,850,000.
Taegu Air Base, Korea, $5,170,000.
Diego Garcia Air Base, Indian Ocean, $4,700,000.
Clark Air Base, Republic of the Philippines, $61,270,000.
Saipan, $5,200,000.

SPACE COMMAND

Sondrestrom Air Base, Greenland, $5,860,000.
Thule Air Base, Greenland, $9,790,000.
Woomera Air Station, Australia, $2,300,000.

STRATEGIC AIR COMMAND

Andersen Air Force Base, Guam, $7,600,000.

TACTICAL AIR COMMAND

Keflavik Naval Air Station, Iceland, $1,600,000.
Masirah, Oman, $3,500,000.
Thumrait, Oman, $3,400,000.

UNITED STATES AIR FORCES IN EUROPE

Florennes Air Base, Belgium, $8,820,000.
Bitburg Air Base, Germany, $5,350,000.
Hahn Air Base, Germany, $15,720,000.
Hessisch Oldendorf Air Station, Germany, $2,000,000.
Lindsey Air Station, Germany, $1,200,000.
Pruem Air Station, Germany, $1,150,000.
Ramstein Air Base, Germany, $73,620,000.
Sembach Air Base, Germany, $7,400,000.
Spangdahlem Air Base, Germany, $9,360,000.
Wueschheim Air Station, Germany, $310,000.
Zweibrucken Air Base, Germany, $10,290,000.
Iraklion Air Station, Greece, $320,000.
Aviano Air Base, Italy, $4,200,000.
Camp Darby, Italy, $270,000.
Comiso Air Station, Italy, $4,010,000.
San Vito Air Station, Italy, $6,240,000.
Morocco, $25,400,000.
Camp New Amsterdam, The Netherlands, $5,250,000.
Woensdrecht Air Base, The Netherlands, $34,300,000.
Torrejon Air Base, Spain, $1,450,000.
Zaragoza Air Base, Spain, $540,000.
Ankara Air Station, Turkey, $6,780,000.
Incirlik Air Base, Turkey, $16,160,000.
Pirinclik Air Station, Turkey, $3,000,000.
Martlesham Health, United Kingdom, $1,650,000.
RAF Alconbury, United Kingdom, $19,520,000.
RAF Bentwaters, United Kingdom, $10,450,000.
RAF Chicksands, United Kingdom, $950,000.
RAF Croughton, United Kingdom, $630,000.
RAF Fairford, United Kingdom, $4,450,000.
RAF Greenham Common, United Kingdom, $2,100,000.
RAF Lakenheath, United Kingdom, $1,700,000.
RAF Mildenhall, United Kingdom, $4,700,000.
RAF Molesworth, United Kingdom, $2,430,000.
RAF Upper Heyford, United Kingdom, $14,000,000.
RAF Welford, United Kingdom, $1,590,000.
RAF Wethersfield, United Kingdom, $650,000.
RAF Woodbridge, United Kingdom, $5,050,000.
Base 30, Classified Location, $2,950,000.
Base 33, Classified Location, $4,470,000.
Overseas Classified Location, $11,500,000.
Various Location, Europe, $3,953,000.

SEC. 302. FAMILY HOUSING

(a) IN GENERAL.—The Secretary of the Air Force may construct or acquire family housing units (including acquisition of land) at the following installations, in the number of units shown, and in the amount shown, for each installation:
Bitburg Air Base, Germany, three hundred and thirty-two units, $26,415,000.
Hahn Air Base, Germany, one hundred and fifty units, $11,300,000.
Osan Air Base, Korea, one unit, $160,000.
La Junta Air Force Station, Colorado, forty units, $4,000,000.
Beale Air Force Base, California, family housing maintenance shop, $180,000.
Davis-Monthan Air Force Base, Arizona, family housing management office, $300,000.
McGuire Air Force Base, New Jersey, family housing management office, $325,000.
Pope Air Force Base, North Carolina, family housing management office, $300,000.
Edwards Air Force Base, California, twenty-four mobile home spaces, $376,000.

(b) OSAN AIR BASE, KOREA.—Notwithstanding the space limitations of section 2826 of title 10, United States Code, the Secretary of the Air Force may construct one family housing unit at Osan Air Base, Korea with a maximum net floor area of 3,000 square feet at a cost not to exceed $160,000.

SEC. 303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

(a) AMOUNT AUTHORIZED.—Subject to section 2825 of title 10, United States Code, the Secretary of the Air Force may make expenditures to improve existing military family housing units, including energy conservation projects, in an amount not to exceed $58,644,000.

(b) WAIVER OF MAXIMUM PER UNIT COST FOR CERTAIN IMPROVEMENT PROJECTS.—Notwithstanding the maximum amount per unit for an improvement project under section 2825(b) of title 10, United States Code, the Secretary of the Air Force may carry out projects to improve existing military family housing units at the following installations in the number of units shown, and in the amount shown, for each installation:
Eielson Air Force Base, Alaska, eighty-eight units, $6,186,000.
Elmendorf Air Force Base, Alaska, twelve units, $760,000.
Air Force Academy, Colorado, one unit, $120,000.
Peterson Air Force Base, Colorado, four units, $149,000.
MacDill Air Force Base, Florida, one hundred and fifty-eight units, $4,430,000; seven units, $553,000; seventy-one units, $2,103,000.
Scott Air Force Base, Illinois, one hundred and twelve units, $4,690,000.
Barksdale Air Force Base, Louisiana, one hundred and fourteen units, $5,342,000.
Bangor Air Force Station, Maine, one unit, $30,000.
Andrews Air Force Base, Maryland, seven units, $518,000.
Pease Air Force Base, New Hampshire, two-hundred units, $7,177,000.
Plattsburgh Air Force Base, New York, twenty-nine units, $2,272,000.
Shaw Air Force Base, South Carolina, one hundred and twenty-five units, $4,385,000; seventy-four units, $2,598,000.
Carswell Air Force Base, Texas, two hundred and three units, $7,478,000.
Lackland Air Force Base, Texas, sixty-four units, $1,920,000.
Randolph Air Force Base, Texas, five units, $402,000.
Reese Air Force Base, Texas, one hundred units, $2,895,000.
Langley Air Force Base, Virginia, five units, $441,000.
Andersen Air Force Base, Guam, two hundred units, $14,517,000.
Kadena Air Base, Japan, one hundred units, $5,054,000; three units, $240,000.

TITLE IV—DEFENSE AGENCIES

SEC. 401. AUTHORIZED CONSTRUCTION PROJECTS AND LAND ACQUISITION FOR THE DEFENSE AGENCIES

(a) INSIDE THE UNITED STATES.—The Secretary of Defense may acquire real property and carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

DEFENSE COMMUNICATIONS AGENCY

Scott Air Force Base, Illinois, $7,600,000.
Pentagon, Virginia, $2,300,000.

DEFENSE LANGUAGE INSTITUTE

Defense Language Institute, Monterey, California, $5,400,000.

DEFENSE LOGISTICS AGENCY

Defense Fuel Support Point, Estero Bay, California, $680,000.
Defense Construction Supply Center, Columbus, Ohio, $860,000.
Defense Reutilization and Marketing Office, Mechanicsburg, Pennsylvania, $1,290,000.
Defense Fuel Support Point, Charleston, South Carolina, $460,000.
Defense Fuel Support Point, Naval Supply Center, Charleston, South Carolina, $5,130,000.
Defense Depot, Memphis, Tennessee, $1,160,000.
Defense Depot, Ogden, Utah, $10,400,000.
Defense Fuel Support Point, Mukilteo, Washington, $6,360,000.

DEFENSE MAPPING AGENCY

Aerospace Center, St. Louis, Missouri, $16,700,000.

DEFENSE MEDICAL FACILITIES OFFICE

Fort Wainwright, Alaska, $8,800,000.
Edwards Air Force Base, California, $3,950,000.
March Air Force Base, California, $2,350,000.
Fort Ord, California, $530,000.
Vandenberg Air Force Base, California, $1,900,000.
Pearl Harbor, Hawaii, $9,700,000.
Mountain Home Air Force Base, Idaho, $30,500,000.
Fort Polk, Louisiana, $2,650,000.
Andrews Air Force Base, Maryland, $2,000,000.
Keesler Air Force Base, Mississippi, $3,100,000.
McGuire Air Force Base, New Jersey, $3,800,000.
Kirtland Air Force Base, New Mexico, $25,550,000.
Camp Lejeune, North Carolina, $3,900,000.
Brooks Air Force Base, Texas, $1,850,000.

Fort Hood, Texas, $3,450,000.
Randolph Air Force Base, Texas, $13,700,000.

DEFENSE NUCLEAR AGENCY

Naval Research Laboratory, Washington, District of Columbia, $3,200,000.
Armed Forces Radiobiology Research Institute, Bethesda, Maryland, $790,000.
Field Command, Kirtland Air Force Base, New Mexico, $900,000.

JOINT TACTICAL COMMAND, CONTROL, AND COMMUNICATIONS AGENCY

Fort Huachucha, Arizona, $9,890,000.

NATIONAL SECURITY AGENCY

Fort Meade, Maryland, $9,570,000.
Classified Location, $3,000,000.
Classified Location, $4,000,000.
Classified Location, $1,000,000.

OFFICE OF THE SECRETARY OF DEFENSE

Classified Location, $3,000,000.
Pentagon, Virginia, $2,500,000.

DEPARTMENT OF DEFENSE SECTION 6 SCHOOLS

Fort McCellan, Alabama, $2,830,000.
Fort Benning, Georgia, $1,080,000.
Robbins Air Force Base, Georgia, $2,440,000.
Fort Campbell, Kentucky, $1,340,000.
Fort Knox, Kentucky, $4,350,000.
Governors Island, New York, $2,600,000.
Camp Lejeune, North Carolina, $1,190,000.
Dahlgren, Virginia, $1,130,000.
Quantico, Virginia, $420,000.

STRATEGIC DEFENSE INITIATIVE

Edwards Air Force Base, California, $4,140,000.
Pacific Missile Range, Kaui, Hawaii, $2,890,000.
White Sands Missile Range, New Mexico, $1,930,000.

UNIFORMED SERVICES UNIVERSITY OF HEALTH SCIENCES

Bethesda, Maryland, $900,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of Defense may acquire real property, and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

DEFENSE LOGISTICS AGENCY

Defense Reutilization and Marketing Office, Bitburg, Germany, $650,000.
Defense Fuel Support Point, Chimu Wan, Japan, $6,640,000.
Defense Fuel Support Point, Tsurumi, Japan, $3,520,000.
Defense Reutilization and Marketing Office, Bupyong, Korea, $1,290,000.
Defense Fuel Support Point, Toegeywon, Korea, $1,010,000.

DEFENSE MEDICAL FACILITIES OFFICE

Boeblingen, Germany, $3,650,000.
Grafenwoehr, Germany, $3,950,000.
Karlsruhe, Germany, $6,800,000.
Vilseck, Germany, $5,600,000.
Naples, Italy, $29,300,000.
Camp Edwards, Korea, $1,800,000.
Camp Long, Korea, $1,850,000.
Camp Pelham, Korea, $720,000.
Camp New Amsterdam, The Netherlands, $6,000,000.

DEPARTMENT OF DEFENSE DEPENDENT SCHOOLS

Florennes, Belgium, $1,260,000.
Naval Air Station, Bermuda, $4,280,000.
Aschaffenburg, Germany, $6,600,000.
Bad Kissingen, Germany, $1,330,000.
Baumholder, Germany, $1,600,000.
Dexheim, Germany, $2,430,000.
Erlangen, Germany, $3,220,000.
Gelhausen, Germany, $1,130,000.
Grafenwoehr, Germany, $2,500,000.
Hahn, Germany, $3,470,000.
Heidelberg, Germany, $3,190,000.
Hessisch-Oldendorf, Germany, $2,310,000.
Hohenfels, Germany, $1,190,000.
Kaiserslautern, Germany, $7,880,000.
Nuernberg, Germany, $8,580,000.
Schwaebish Gmuend, Germany, $1,640,000.
Stuttgart, Germany, $4,530,000.
Wuerzburg, Germany, $7,760,000.
Naples, Italy, $19,590,000.
Seoul, Korea, $510,000.
Woensdrecht, The Netherlands, $7,420,000.

STRATEGIC DEFENSE INITIATIVE

Pacific Missile Range, Kwajalein, $1,340,000.

SEC. 402. FAMILY HOUSING

The Secretary of Defense may construct or acquire three family housing units (including land acquisition) at classified locations in the total amount of $270,000.

TITLE V—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

SEC. 501. AUTHORITY OF THE SECRETARY OF DEFENSE TO MAKE CONTRIBUTIONS

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization infrastructure program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 605 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

TITLE VI—AUTHORIZATION OF APPROPRIATIONS AND RECURRING ADMINISTRATIVE PROVISIONS

SEC. 601. AUTHORIZATION OF APPROPRIATIONS, ARMY

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1986, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $3,445,216,000 as follows:

(1) For military construction projects inside the United States authorized by section 101(a), $927,770,000.

(2) For military construction projects outside the United States authorized by section 101(b), $551,160,000.

(3) For military construction projects inside the United States authorized by section 101 of the Military Construction Authorization Act, 1986, $51,000,000.

(4) For military construction projects outside the United States authorized by section 101 of the Military Construction Authorization Act, 1986, $17,000,000.

(5) For unspecified minor construction projects under section 2805 of title 10, United States Code, $20,000,000.

(6) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $131,640,000.

(7) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $463,380,000; and

(B) for support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,277,266,000, of which not more than $31,246,000 may be obligated or expended for the leasing of military family housing units in the United States, the Commonwealth of Puerto Rico, and Guam, and not more than $142,639,000 may be obligated or expended for the leasing of military family housing units in foreign countries, and

(C) for the Homeowners Assistance Program as authorized by section 2832 of title 10, United States Code, $6,000,000.

(b) ADVANCE AUTHORIZATION OF APPROPRIATION FOR FORT DRUM, NEW YORK.—Funds are hereby authorized to be appropriated in advance for fiscal years beginning after September 30, 1986, for the construction authorized to be accomplished at Fort Drum, New York, by subsections 101(a) and 104 of this Act as follows:

(1) $221,000,000 in FY 1988; and

(2) $162,000,000 in FY 1989

(c) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS AUTHORIZED IN TITLE I.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 101 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a) and subsection (b).

SEC. 602. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1986, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,588,293,000 as follows:

(1) For military construction projects inside the United States authorized by section 201(a), $1,428,855,000.

(2) For military construction projects outside the United States authorized by section 201(b), $156,905,000.

(3) For military construction projects at Kings Bay, Georgia, authorized by section 201(a) of the Military Construction Authorization Act, 1986, $45,450,000.

(4) For unspecified minor construction projects under section 2805 of title 10, United States Code, $15,000,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United State Code, $143,770,000.

(6) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $5,400,000.

(7) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $230,322,000; and

(B) for support of military housing (including functions described in section 2833 of title 10, United States Code), $562,591,000 of which not more than $5,214,100 may be obligated or expended for the leasing of military family housing in the United States, the Commonwealth of Puerto Rico, and Guam, and not more than $17,244,900 may be obligated or expended for the leasing of military family housing units in foreign countries.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS AUTHORIZED IN TITLE II.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, any any other cost variation authorized by law, the total cost of all projects carried out under section 201 of this Act may not exceed the total amount

authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 603. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1986, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $2,563,229,000 as follows:

(1) For military construction projects inside the United States authorized by section 301(a), $993,032,000.

(2) For military construction projects outside the United States authorized by section 301(b), $533,828,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $16,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $127,260,000.

(5) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $32,700,000.

(6) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $109,000,000; and

(B) for support of military housing (including functions described in section 2833 of title 10, United States Code), $751,409,000, of which not more than $5,600,000 may be obligated or expended for the leasing of military family housing units in the United States, the Commonwealth of Puerto Rico, and Guam, and not more than $74,176,000 may be obligated or expended for the leasing of military family housing units in the foreign countries.

(b) AUTHORIZATION OF UNOBLIGATED FUNDS FOR ENERGY CONSERVATION INVESTMENT.—Military Construction funds appropriated to the Department of the Air Force for fiscal year 1987, and prior years' funds that remain available for obligation for Air Force energy conservation projects, are hereby authorized to be made available for obligation for Air Force energy conservation projects, are hereby authorized to be made available for energy conservation projects authorized in section 301 of this Act at various locations in the amount of $10,000,000. The Committees on Armed Services and Appropriations of the Senate and the House of Representatives shall be notified prior to the obligation of funds for such projects.

(c) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS AUTHORIZED IN TITLE III.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 301 may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a) and the amount specified in subsection (b).

SEC. 604 AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1986 for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $692,200,000 as follows:

(1) For military construction projects inside the United States authorized by section 401(a), $241,160,000.

(2) For military construction projects outside the United States authorized by section 401(b), $166,540,000.

(3) For military construction projects at Fort Meade, Maryland, authorized by section 401(a) of the Military Construction Authorization Act, 1986, $53,700,000.

(4) For military construction projects at Fort Lewis, Washington, authorized by section 101(a) of the Military Construction Authorization Act, 1985, $72,100,000.

(5) For unspecified minor construction projects under section 2805 of title 10, United States Code, $4,000,000.

(6) For construction projects under the contingency construction authority of the Secretary of Defense under section 2804 of title 10, United States Code, $5,000,000.

(7) For Conforming Storage Facilities under the construction authority of section 804 of this Act, $21,400,000.

(8) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $110,700,000.

(9) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $270,000; and

(B) for support of military housing (including functions described in section 2833 of title 10, United States Code), $17,300,000, of which not more than $14,027,000 may be obligated or expended for the leasing of military family housing units in foreign countries.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS AUTHORIZED IN TITLE IV.—Notwithstanding the cost variations authorized by section 2858 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 401 may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 605. AUTHORIZATION OF APPROPRIATIONS, NATO

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1986, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of construction projects for the North Atlantic Treaty Organization Infrastructure Program as authorized by section 501, in the amount of $247,000,000.

SEC. 606. EXPIRATION OF AUTHORIZATIONS; EXTENSION OF CERTAIN PREVIOUS AUTHORIZATIONS

(a) EXPIRATION OF AUTHORIZATIONS AFTER TWO YEARS.—(1) Except as provided in paragraph (2), all authorizations contained in titles I, II, III, IV, and V for military construction projects, land acquisition, family housing projects and facilities, and contributions to the NATO Infrastructure Program (and authorizations of appropriations therefor contained in sections 601 through 605) shall expire on October 1, 1988, or the date of the enactment of the Military Construction Authorization Act for fiscal year 1989, whichever is later.

(2) The provisions of paragraph (1) do not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the NATO Infrastructure Program (and authorizations of appropriations therefor), for which appropriated funds have been obligated before October 1, 1988, or the date of the enactment of the Military Construction Authorization Act for fiscal year 1989, whichever is later, for construction contracts, land acquisition, family housing projects and facilities, or contributions to the NATO Infrastructure Program.

(b) Notwithstanding the provisions of section 607(a) of the Military Construction Authorization Act, 1984 (Public Law 98-115, 97 Stat. 780), authorizations for the following projects authorized in section 101 to that Act, as extended by section 606(b) of the Military Construction Authorization Act, 1986 (Public Law 98-167, 99 Stat. 983) shall remain in effect until October 1, 1987 or the date of enactment of the Military Construction Authorization Act for fiscal year 1988, whichever is later:

(1) Unaccompanied Personnel Housing in the amount of $1,400,000 at Argyroupolis, Greece.

(2) Operations Building in the amount of $370,000 at Argyroupolis, Greece.

(3) Multi-Purpose Recreation Facility in the amount of $480,000 at Argyroupolis, Greece.

(4) Unaccompanied Officer Housing in the amount of $600,000 at Perivolaki, Greece.

(5) Operations Building in the amount of $410,000 at Perivolaki, Greece.

(6) Multi-Purpose Recreation Facility in the amount of $620,000 at Perivolaki, Greece.

(7) Physical Fitness Training Center in the amount of $1,000,000 at Elefsis Greece.

(c) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1985 PROJECTS.—Notwithstanding the provisions of section 607(a) of the Military Construction Authorization Act, 1985 (Public Law 98-407, 98 Stat. 1515), authorizations for the following projects authorized in sections 101, 201, 301, and 401 of that Act shall remain in effect until October 1, 1987, or the date of enactment of the Military Construction Authorization Act for fiscal year 1988, whichever is later:

(1) Barracks with Dining Facility in the amount of $11,400,000 at Presidio of San Francisco, California.

(2) Child Care Center in the amount of $1,980,000 at Presidio of San Francisco, California.

(3) Barracks in the amount of $6,600,000 at Presidio of San Francisco, California.

(4) Multi-Purpose Recreation Facility in the amount of $1,150,000 at Koropi, Greece.

(5) Multi-Purpose Recreation Facility in the amount of $960,000 at Katsimidi, Greece.

(6) Unaccompanied Personnel Housing in the amount of $1,100,000 at Yiannitsa, Greece.

(7) Barracks Modernization in the amount of $660,000 at Argyroupolis, Greece.

(8) Unaccompained Personnel Housing in the amount of $1,800,000 at Drama, Greece.

(9) Barracks Modernization in the amount of $660,000 at Perivolaki, Greece.

(10) Barracks with Dining Facility in the amount of $2,350,000 at Elefsis, Greece.

(11) Multi-purpose Recreation Facility in the amount to $1,050,000 at Yiannitsa, Greece.

(12) Contingency Facility in the amount of $4,300,000 at Palmerola, Honduras.

(13) Unaccompanied Enlisted Personnel Housing in the amount of $10,740,000 at the Marine Corps Air Station, Yuma, Arizona.

(14) Antenna Support Facility in the amount of $320,000 at the Naval Security Group Activity, Adak, Alaska.

(15) Data Processing Center in the amount of $6,160,000 at the Naval Supply Center, Bremerton, Washington.

(16) Unaccompanied Enlisted Personnel Housing in the amount of $12,130,000 at the Naval Air Station, Whidbey Island, Washington.

(17) Unaccompanied Enlisted Personnel Housing in the amount of $6,600,000 at the Naval Station, Mare Island, Vallejo, California.

(18) Mountain Warfare Training Facility (Bridgeport) in the amount of $1,490,000 for the Marine Corps Base, Camp Pendleton, California.

(19) Medical/Dental Clinic (Bridgeport) in the amount of $1,410,000 for the Naval Hospital, Camp Pendleton, California.

(20) Hospital Modernization in the amount of $29,140,000 at the Naval Hospital, Oakland, California.

(21) Facility Energy Improvements in the amount of $5,770,000 at the Navy Public Works Center, San Francisco, California.

(22) Cadet Gymnasium in the amount of $10,000,000 at the United States Air Force Academy, Colorado.

(23) GLCM—Clothing Sales Store in the amount of $300,000 at Comiso Air Base, Italy.

(24) GLCM—Library in the amount of $570,000 at Florennes AB, Belgium.

(25) Anti-Satellite Facilities in the total amount of $16,500,000 at Langley Air Force Base, Virginia to include: Integrated Maintenance Facility for $9,870,000; Missile and Motor Storage Facility for $3,870,000; Administrative Building for $645,000; Hydrazine Storage for $370,000; Control Center for $860,000; and Cryogen Storage and Procurement Facility for $955,000.

SEC. 607. ESTABLISHMENT OF CERTAIN AMOUNTS REQUIRED TO BE SPECIFIED BY LAW

For projects or contracts initiated during the period beginning on the date of enactment of this Act and ending on the date of the enactment of the Military Construction Authorization Act for fiscal year 1988 or October 1, 1987, whichever is later, the following amounts apply:

(1) The maximum amount for an unspecified minor military construction project under section 2805 of title 10, United States Code, is $2,000,000.

(2) The amount of a contract for architectural and engineering services or construction design that makes such a contract subject to the reporting requirement under section 2807 of title 10, United States Code, is $300,000.

(3) The maximum amount per unit for an improvement project for family housing units under section 2825 of title 10, United States Code, is $30,000.

(4) The maximum annual rental for a family housing unit leased in the United States, Puerto Rico, or Guam under section 2828(b) of title 10, United States Code, is $10,000.

(5)(A) The maximum annual rental for a family housing unit leased in a foreign country under section 2828(e)(1) of title 10, United States Code, is $16,800.

(B) The maximum number of family housing units that may be leased at any one time in foreign countries under section 2828(e)(2) of title 10, United States Code, is 34,500.

(6) The maximum rental per year for family housing facilities, or for real property related to family housing facilities, leased in a foreign country under section 2828(f) of title 10, United States Code, is $250,000.

TITLE VII—GUARD AND RESERVE FORCES FACILITIES

SEC. 701. AUTHORIZATION FOR GUARD AND RESERVE FACILITIES

There are authorized to be appropriated for fiscal years beginning after September 30, 1986, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefore, under chapter 133 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $121,100,000, and

(B) for the Army Reserve, $86,700,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserves, $44,500,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $140,000,000, and

(B) for the Air Force Reserve, $58,900,000.

TITLE VIII—GENERAL PROVISIONS

CONSTRUCTION OF POSTAL FACILITIES

SEC. 801. (a) Section 4779 of title 10, United States Code, is amended by (1) striking out subsection (b), and (2) changing subsection (c) to subsection (b).

(b) Section 9779 of title 10, United States Code, is amended by (1) striking out subsection (b), and (2) changing subsection (c) to subsection (b).

Renovation of facilities

SEC. 802. (a) Chapter 169 of title 10, United States Code, is amended by adding at the end of subchapter I the following new section:

"§ 2810. Renovation of facilities

"(a) The Secretary concerned may carry out renovation projects that combine maintenance, repair, and minor construction projects for an entire single-purpose facility, or one or more functional areas of a multipurpose facility, using funds available for operations and maintenance.

"(b) The maximum amount authorized to be obligated on each such renovation project shall not exceed the maximum amount specified by law for a minor construction project.

"(c) Construction of new facilities or additions to existing facilities may not be carried out under the authority of this section."

(b) The table of sections at the beginning of such subchapter is amended by adding at the end thereof the following new item:

"2810. Renovation of Facilities.".

OVERSEAS FAMILY HOUSING

SEC. 803. Subsection 2828(e)(1) of title 10, United States Code, is amended by deleting the number "200" and inserting in lieu thereof, the number "220".

HAZARDOUS WASTE STORAGE

SEC. 804. (a) In order to meet the pressing need for the storage of hazardous and toxic materials and wastes on miltiary installations, the Secretary of Defense may, using funds available for military construction, carry out military construction projects not otherwise authorized by law for the construction of hazardous waste storage facilities.

(b) When a decision is made to carry out a project under this section, the Secretary of Defense shall notify in writing the appropriate committees of Congress of that decision, of the justification for the project, and of the estimated cost of the project. The project may then be carried out only after the end of the 21-day period beginning on the date the notification is received by the committees.

(c) The cost of a hazardous waste storage facility project authorized by this section may be increased by not more than 25 percent of the estimated cost of the project as contained in the notification provided to the committees pursuant to subsection (b) if the Secretary of Defense determines (A) that such an increase is required for the sole purpose of meeting unusual variations in cost, and (B) that such variations in cost could not have been reasonably anticipated at the time the project justification was originally submitted to the Committees.

(d) As used in this section, the term hazardous waste includes both excess hazardous materials and hazardous wastes as defined by applicable laws and regulations.

(e) A project for the construction of hazardous waste storage facilities under this section may, notwithstanding any other provision of law, including but not limited to the Solid Waste Disposal Act, as amended (42 U.S.C. § 6901 et seq.), be commenced at the time the Secretary of Defense files an application for a permit to conduct the storage of hazardous wastes with the appropriate Federal or State agency, provided, that the operation of any facility constructed under the authority of this section may not commence until the issuance of appropriate permits.

(f) No military construction project for the erection of a hazardous waste storage facility may be commenced under the authority of this section after September 30, 1991.

INCREASE CONTRACT THRESHOLDS

SEC. 805. Contracts awarded by the Department of Defense estimated to cost $25,000 or less for the maintenance, repair, and construction of facilities need not meet the requirements for publication mandated by (1) section 18 of the Office of Federal Procurement Policy Act, as amended by section 303 of the Small Business and Federal Procurement Competition Enhancement Act of 1984, and (2) section 8 of the Small Business Act (15 U.S.C. § 637), as amended by section 404 of the Small Business and Federal Procurement Competition Enhancement Act of 1984.

MILITARY FAMILY HOUSING

SEC. 806. (a) Subsections (g) (7), (8), and (9) of section 2828 of title 10, United States Code, are hereby repealed.

(b) Subsections (f), (g), and (h) of section 802 of the Military Construction Authorization Act, 1984, Public Law 98-115, as amended, are hereby repealed.

TITLE IX

SEC. 901. There are authorized to be appropriated for fiscal year 1988 such sums as may be necessary for the Secretary of Defense and the Secretaries of the Army, Navy, and Air Force to establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities and equipment.

GENERAL COUNSEL OF THE
DEPARTMENT OF DEFENSE,
Washington, DC.

Hon. GEORGE BUSH,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: Enclosed is a draft of legislation "To authorize certain construction at military installations for Fiscal Year 1987, and for other purposes." The Office of Management and Budget advises that enactment of this legislation would be in accordance with the President's Budget for Fiscal Year 1987. Appropriations in support of Title I through VII of this legislation are discussed in the Budget.

This proposal would authorize appropriations for new construction and family housing support for the Active Forces as follows: $3,445,216,000 for the Department of the Army, $2,588,293,000 for the Department of the Navy, $2,563,229,000 for the Department of the Air Force, and $692,200,000 for the Defense Agencies. Included in Title I is authorization for construction of production base support at Army Ammunition Facilities. Title V would authorize $247,000,000 for the United States' share of the NATO Infrastructure Program. Title VII, totaling $451,200,000 would authorize appropriations for the Guard and Reserve Forces.

In addition to the authorization for appropriations, Title VI contains recurring administrative provisions applicable to the Military Construction Program in accordance with chapter 169 of title 10, United States Code. Title VIII contains nonrecurring general provisions. Title IX provides authorization for Fiscal Year 1988 to meet the basic requirements of the Congressional Budget and Impoundment Control Act of 1974, as amended.

The projects that would be authorized by this proposal have been reviewed to determine if environment impact statements are required by Public Law 91-190; required environmental statements will be submitted to the Congress by the Military Departments.

Sincerely,

H. LAWRENCE GARRETT III.

By Mr. HATFIELD (for himself, Mr. ANDREWS, Mr. BURDICK, Mr. DOLE, Mr. HOLLINGS, Mr. LUGAR, Mr. PELL, Mr. RIEGLE, Mr. STAFFORD, Mr. SPECTER, Mr. BAUCUS, Mr. COCHRAN, Mr. INOUYE, and Mr. HEFLIN):

S.J. Res. 286. Joint resolution to designate the week of April 20, 1986, through April 26, 1986, as "National Reading is Fun Week"; to the Committee on the Judiciary.

NATIONAL READING IS FUN WEEK

● Mr. HATFIELD. Mr. President, I am introducing "National Reading Is Fun Week" to help focus attention on the destructive forces of illiteracy which threaten our Nation. This is an effort coordinated by the National Reading Is Fundamental organization, which includes approximately 100,000 volunteers who fight for a fully literate America.

There are vast numbers of people who communicate without the ability to read. Some 66 million individuals under the age of 18 will need to be taught to read if they are to become informed adults able to function effectively in our complex society.

Illiteracy drains billions of dollars from America's marketplace due to job incompetence, welfare expenses, remedial education expenses, as well as prison costs. An estimated 50 percent of our Nation's prison population is illiterate; 36 percent of the unemployed are categorized as reading incompetent. "National Reading Is Fun Week" will help to combat illiteracy which contributes to these problems. It will help bridge some of the social gaps which often divide our Nation.

Literacy allows people to perform such simple tasks as deciphering maps and filling out job applications—things which many of us take for granted. The reader is warned of emergency while the illiterate may be left to wallow in confusion, unable to read the warning message.

More importantly though, the ability to read nurtures feelings of self-worth in the individual. Having to depend on the reading skills of others to communicate cultivates feelings of inadequacy and being intimidated. Learning to become self-reliant allows people to enjoy a healthier self-esteem.

"National Reading Is Fun Week" is designed to contribute to the development of lifelong reading and learning skills which will enable individuals to enjoy fulfillment in life as educated, well-rounded citizens. This effort will broaden awareness of the importance of reading at a time when our Nation ranks 49th in literacy among the 158 members of the United Nations. I urge you to join in the cause of a fully literate America by supporting this legislation designating the week of April 20-26, 1986, as "National Reading Is Fun Week."

I ask unanimous consent that the text of the joint resolution be printed into the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 286

Whereas reading for pleasure contributes to the development of lifelong reading and learning skills;

Whereas the lack of those skills is a pervasive and destructive force in America, and millions of adults cannot read well enough to function in our society;

Whereas it is essential that the sixty-six million youngsters in America under the age of 18 grow up reading in order to become literate, informed adults; and

Whereas "National Reading Is Fun Week" will be a nationwide literacy effort encouraging millions of young people to read:

Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of April 20, 1986, through April 26, 1986, is designated as "National Reading Is Fun Week" and the President is authorized and requested to issue a proclamation calling upon Federal, State, and local government agencies and the people of the United States to observe the week with appropriate programs, ceremonies, and activities.●

By Mr. BOREN:

S.J. Res. 287. Joint resolution designating September 29, 1986, as "National Teachers Day"; to the Committee on the Judiciary.

NATIONAL TEACHERS DAY

● Mr. BOREN. Mr. President, I am proud to rise today to offer a Senate joint resolution designating September 29, 1986, as "National Teachers Day." This day will call attention to the importance of education in our communities and will honor the many individuals who influence the lives of students all across our country. These teachers deserve recognition by Congress for their important and vital work in education.

I have chosen this particular date for several reasons: Appropriately, school students all over the country return to the classrooms each September for another year of new opportunities and some second chances. Also September 29, 1986, will be the 94th birthday of Mrs. Minnie Canada, a dedicated public school teacher in Oklahoma for 54 years.

Nothing is more essential to the quality of education than the quality and commitment of the teacher. Few persons outside of our own immediate families exert such an influence on our lives. Few make such a mark on our total culture and society as do our teachers. Minnie Canada's life is a testimony to all of us of a life well spent developing the minds of the children that will influence the course of our great Nation.

We cannot assume that the future will take care of itself. We must take actions now to assure that the incentives are in place for these students to learn, as well as to encourage more students to pursue teaching as a promising career. And as any teacher or parent knows, seeing the children grow up and begin applying these experiences to the lessons of life is truly rewarding.

I am pleased to join my colleague in the House of Representatives, Congressman MICKEY EDWARDS, in this effort to designate September 29, 1986, as "National Teachers Day." I hope that all of my colleagues here in the Senate will also join with me on this occasion to honor and support our teachers, and to offer special thanks and birthday greetings to a dedicated Oklahoma educator, Mrs. Minnie Canada.

Mr. President, I request that the full text of this joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 287

Whereas teachers are the primary link between school systems and community resources;

Whereas teachers and the public recognize the strategic role of education in this Nation's continued development;

Whereas teachers are increasingly required to possess special skills and expertise beyond a teacher's degree;

Whereas teachers are committed to programs to promote professional development in their own careers;

Whereas teachers and students return to school in September;

Whereas teachers deserve recognition for their significant accomplishments, community service, experience, and dedication;

Whereas Minnie Canada, who was a public school teacher in Oklahoma for 54 years, exemplifies such dedication; and

Whereas on September 29, 1986, Minnie Canada will be 94 years old: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 29, 1986, is designated "National Teachers Day". The President is requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate ceremonies and activities.●

ADDITIONAL COSPONSORS

S. 524

At the request of Mr. ARMSTRONG, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of S. 524, a bill to recognize the organization known as The Retired Enlisted Association, Inc.

S. 869

At the request of Mr. MITCHELL, the name of the Senator from Florida [Mr. CHILES] was added as a cosponsor of S. 869, a bill to provide that the pensions received by retired judges who are assigned to active duty shall not be treated as wages for purposes of the Social Security Act.

S. 945

At the request of Mr. THURMOND, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of S. 945, a bill to recognize the organization known as the National Association of State Directors of Veterans' Affairs, Incorporated.

S. 1134

At the request of Mr. COHEN, the names of the Senator from Pennsylvania [Mr. HEINZ] and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of S. 1134, a bill to amend title 5, United States Code, to provide administrative civil penalties for false claims and statements made to the United States by certain recipients of property, services, or money from the United States, by parties to contracts with the United States, or by Federal employees, and for other purposes.

S. 1154

At the request of Mr. MATSUNAGA, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1154, a bill to amend title XVIII of the Social Security Act to provide direct Medicare reimbursement for services performed by registered nurse anesthetists.

S. 1562

At the request of Mr. GRASSLEY, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 1562, a bill to amend the False Claims Act, and title 18 of the United States Code regarding penalties for false claims, and for other purposes.

S. 1743

At the request of Mr. KENNEDY, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1743, a bill to amend section 810 of the Housing and Community Development Act of 1974, section 202 of the Housing Act of 1959, and section 8 of the United States Housing Act of 1937, to establish a special program for housing for the chronically mentally ill.

S. 1744

At the request of Mr. KENNEDY, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1744, a bill to require States to develop, establish, and implement State comprehensive mental health plans.

S. 1745

At the request of Mr. KENNEDY, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1745, a bill to amend titles XVI, XVIII, and XIX of the Social Security Act with respect to services and benefits for chronically mentally ill individuals.

S. 1747

At the request of Mr. ROTH, the name of the Senator from Maryland [Mr. MATHIAS] was added as a cosponsor of S. 1747, a bill to amend the Foreign Assistance Act of 1961 to protect tropical forests in developing countries.

S. 1748

At the request of Mr. ROTH, the name of the Senator from Maryland [Mr. MATHIAS] was added as a cosponsor of S. 1748, a bill to amend the Foreign Assistance Act of 1961 to protect biological diversity in developing countries.

S. 1793

At the request of Mr. KENNEDY, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 1793, a bill to amend the Public Health Service Act to establish a grant program to develop improved systems of caring for medical technology dependent children in the home, and for other purposes.

S. 1900

At the request of Mr. ROTH, the names of the Senator from Pennsylvania [Mr. SPECTER], the Senator from Michigan [Mr. RIEGLE], and the Senator from Florida [Mr. CHILES] were added as cosponsors of S. 1900, a bill to amend the Foreign Agents Registration Act of 1938 by providing for the 5-year suspension of exemptions provided to an agent of a foreign principal convicted of espionage offenses.

S. 1901

At the request of Mr. ROTH, the names of the Senator from Pennsylvania [Mr. SPECTER], the Senator from Michigan [Mr. RIEGLE], and the Senator from Florida [Mr. CHILES] were added as cosponsors of S. 1901 a bill to amend the Foreign Missions Act regarding the treatment of certain Communist countries, and for other purposes.

S. 1923

At the request of Mr. THURMOND, the name of the Senator from Oklahoma [Mr. NICKLES], was added as a cosponsor of S. 1923, a bill to provide for additional bankruptcy judges.

S. 1980

At the request of Mr. THURMOND, the names of the Senator from Arkansas [Mr. PRYOR], and the Senator from South Dakota [Mr. ABDNOR], were added as cosponsors of S. 1980, a bill to amend title 17, United States Code, regarding the conveyance of audiovisual work, and for other purposes.

S 2129

At the request of Mr. KASTEN, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 2129, a bill to facilitate the ability of such organizations to establish risk retention groups, to facilitate the ability of such organizations to purchase liability insurance on a group basis, and for other purposes.

SENATE JOINT RESOLUTION 275

At the request of Mr. D'AMATO, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of Senate Joint Resolution 275, a joint resolution designating May 11 through May 17, 1986, as "Jewish Heritage Week".

SENATE JOINT RESOLUTION 282

At the request of Mr. MOYNIHAN, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of Senate Joint Resolution 282, a joint resolution ot express the disapproval of the Congress with respect to the proposed rescission of budget authority for the general revenue sharing program.

SENATE CONCURRENT RESOLUTION 105

At the request of Mr. GRAMM, the name of the Senator from Virginia [Mr. TRIBLE] was added as a cosponsor of Senate Concurrent Resolution 105, a concurrent resolution to express the sense of the Congress that any tax reform provisions relating to tax-exempt municipal bonds take effect no earlier than January 1, 1987.

NOTICES OF HEARINGS

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER AND RESOURCE CONSERVATION

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a hearing before the Senate Subcommittee on Public Lands, reserved Water and Resource Conservation on Saturday, March 15, 1986 in Rock Springs, WY.

The hearing will be held at the Rock Springs City Hall, 212 D Street, Rock Springs, WY, from 9 a.m. to 1 p.m.

The subcommittee will hear testimony in panels from invited organizations and groups on:

First, the assessment, identification and definition of public and private land access policies, laws, and practices;

Second, the private and commercial users of private and public lands who need or desire access and how the patterns of access develop;

Third, the identification of access problems, the need to resolve or reduce conflicts, current strategies and agreements for providing access on public and private lands; and

Fourth, the solutions and recomendations for resolving problems and the recommendations for administrative or legislative change.

The public is invited to attend the hearing and questions to the panelists and members may be submitted at the hearing. Testimony from the public concerning specific complaints or problems should not be given at the hearing but can be directed toward organizations gathering that data.

For further information regarding this hearing please contact Senator WALLOP's offices at 261-5098 in Casper, 772-2416 in Cheyenne, 332-2293 in Lander, 382-5127 in Rock Springs or 672-6456 in Sheridan or Kate DuPont in Washington, DC at 202-224-6441 or Tony Bevinetto of the subcommittee staff at 202-224-5161.

ADDITIONAL STATEMENTS

THE RISK RETENTION ACT AMENDMENTS OF 1986

● Mr. ROCKEFELLER. Mr. President, I am pleased to cosponsor S. 2129, the Risk Retention Act Amendments of 1986, with my colleagues, Senators KASTEN, DANFORTH, and HOLLINGS. This measure provides municipalities, professionals, associations, and businesses with an alternative way to insure themselves against property/casualty losses.

It's undeniable, Mr. President, that we are in the midst of an insurance crisis. Buyers are being turned away by their insurers. Those that are fortunate enough to find insurance coverage are faced with astronomical insurance rates. The issue for many insurance consumers is: do we pay the sky high rates or do we run the risk of unprotected legal liability?

The bill we are introducing today may not be a cure-all for everyone seeking affordable insurance, but it should provide relief for some. The Risk Retention Act Amendments of 1986 would make it easier for businesses, associations, professionals, and governmental organizations to join together to form insurance groups outside of the traditional commercial path.

Expanding the Product Liability Risk Retention At of 1981 with the 1986 amendments would give businesses, governmental entities, associations, and professionals the same insurance options that manufacturers now have. First, they can self-insure through insurance pools called risk retention groups. By choosing this insurance option, groups can avoid what is now a limited and expensive insurance market and can benefit through their own insurance groups' claims experience. Second, they can join together to form "purchasing groups," which will buy insurance collectively, from either a broker or an insurer.

This bill simply broadens the concept Congress enacted in 1981. Prior to 1981, most States had some type of antigroup insurance laws on the books. The 1981 act preempted many of those State laws but only for products' manufacturers; thus, enabling groups of manufacturers to purchase insurance and allowing insurers to give preferential treatment to groups seeking product liability insurance.

The 1986 amendments recognize that some States have not yet abandoned their antigroup insurance laws. Furthermore, varying State requirements still pose an insurmountable barrier to those who wish to form risk retention or purchasing groups. In these times of insurance crisis, it's imperative that we leave as many options open as possible to insurance buyers.

I know that the Senate Commerce Committee and many other congressional committees are examining the insurance situation. The problem is too important to ignore. There seems to be plenty of blame-placing going on, yet one one has come forward with the necessary answers. For our cities, towns, and small businesses insurance is not a luxury—it's a necessity in order to operate. I believe that we should work to understand the causes of the insurance problem, but we should then move on to find some practical ways to ease the crisis.

This bill is a sound first step in that direction. ●

CONGRATULATIONS TO KING HASSAN II OF MOROCCO

● Mr. BOSCHWITZ. Mr. President, today marks the 25th anniversary of the accession to the throne of King Hassan II of Morocco. I am sure my Senate colleagues would not want this day to pass without joining me in extending our congratulations to one of America's closest friends and consistent supporters in the Arab and African world.

In many large and small ways, the King of Morocco has, like his father during World War II, made his friendship visible and tangible to us. During the past 25 years he has, on many an unheralded occasion, worked to increase understanding between East and West, Africa and America, Arab and Israeli, Christian and Muslim.

Most recently, Hassan has invited and authorized the construction of our largest Voice of America station in the north of his country. He has also offered to NASA the use of Casablanca airport as an emergency alternate shuttle landing site—an offer warmly welcomed.

The King has ruled now for 25 years—an extraordinary record of stability during which he has nurtured the growth of a multiparty political system and safeguarded the richness of a vigorously pluralistic society.

The kingdom of Morocco was the very first nation to recognize the United States upon our independence. Next year will mark the 200th anniversary of the Moroccan-American Treaty of Amity and Commerce, the basic provisions of which constitute our oldest ongoing treaty relationship with any nation. This remarkable bilateral relationship, as old as it is and as vibrant as it remains today, is most deserving of our recognition and support. The treaty is framed and is displayed in the Foreign Relations Committee room here in the Capitol.

As a member of the Foreign Relations Committee, I speak on behalf of several other Senators in recognition of this milestone for King Hassan and extend the wish that his reign continue to provide stability to Morocco and friendship between our two peoples. ●

NATIONAL ANTHEM DAY

● Mr. D'AMATO. Mr President, today is a day to renew the beliefs and tenents of basic human rights and individual freedoms espoused by our Founding Fathers. It is a day to strengthen our national committment to liberty, to freedom, and to representative government. It is a day to bolster our confidence in our national capacity to perpetuate these principles.

Today is National Anthem Day, and one of the best ways we can pay tribute to our anthem and pay homage to this great Nation is to reflect on its true meaning and the heritage it symbolizes: national and civil rights and liberties, freedom, justice, and the pur-

suit of happiness. As we take time today to pause and consider our shared past, I would like to recount briefly the circumstances which surrounded one man's inspiration to put the meaning of this Nation to verse.

On September 14, 1814, as morning dawned on Fort McHenry on Chesapeake Bay, Francis Scott Key was held captive aboard a British frigate for fear that he would alert Americans on shore of their impending bombardment. From that ship, Key had witnessed a night of violence and assault as British guns flailed in their purpose.

But the next morning, when the Sun illuminated the battered shoreline, he saw a woundrous sight: the American flag was still waving in the breeze. His emotions swelled as he "versed" through the rocket's red glare to announce that the American flag was, and is still, there for all to see.

The very day after the poem was written, it was brought to the attention of a Baltimore printer who ran it off on handbills, entitled "Defense of Fort McHenry." The name was later changed to "The Star-Spangled Banner," and on March 3, 1933, the Senate agreed to a measure designating the "Star-Spangled Banner" as our national anthem. It was signed into law the same day by President Herbert Hoover.

I commend the words of "The Star-Spangled Banner" to the attention of the Senate, and I ask that they be printed in the RECORD.

The material follows:

THE STAR-SPANGLED BANNER

Oh! say, can you see, by the dawn's early light,
What so proudly we hailed at the twilight's last gleaming?
Whose broad stripes and bright stars, thro' the perilous fight,
O'er the ramparts we watched were so gallantly streaming?
And the rockets' red glare, the bombs bursting in air,
Gave proof through the night that our flag was still there.
Oh! say, does that star-spangled banner yet wave
O'er the land of the free and the home of the brave?

On the shore, dimly seen thro' the mist of the deep,
Where the foe's haughty host in dread silence reposes,
What is that which the breeze, o'er the towering steep,
As it fitfully blows, half conceals, half discloses?
Now it catches the gleam of the morning's first beam,
In full glory reflected, now shines on the stream.
'Tis the star-spangled banner. Oh! long may it wave
O'er the land of the free and the home of the brave!

And where is that band who so vauntingly swore
That the havoc of war and the battle's confusion
A home and a country should leave us no more?
Their blood has washed out their foul footstep's pollution.
No refuge could save the hireling and slave
From the terror of flight or the gloom of the grave,
And the star-spangled banner in triumph doth wave
O'er the land of the free and the home of the brave.

Oh! thus be it ever when freemen shall stand
Between their loved home and the war's desolation,
Blest with vict'ry and peace, may the Heav'n-rescued land
Praise the Pow'r that hath made and preserved us a nation.
Then conquer we must, when our cause it is just,
And this be our motto, "In God is our trust."
And the star-spangled banner in triumph shall wave
O'er the land of the free and the home of the brave.

Mr. D'AMATO. Mr. President, many Americans have tried to capture in verse the spirit and patriotic emotions felt by Americans through the singing of "The Star Spangled Banner." One such song readily comes to mind when I think of all this Nation has gone through since its birth in 1776, and that is "The Ragged Old Flag" by Johnny Cash.

On June 14, 1977, Johnny Cash stood before the Senate in celebration of Flag Day to tell us his story about how it was that he wrote "The Ragged Old Flag." It was a very moving story for those in attendance, almost as moving as the song which he wrote. I commend the words of that song to the attention of the Senate as well, and I ask that they be printed in the RECORD.

The material follows:

RAGGED OLD FLAG

I walked through a county court house square; on a park bench an old man was sitting there.
I said, "Your court house is kinda run down." He said, "Naw it'll do for our little town."
I said, "Your old flag pole has leaned a little bit, and that's a Ragged Old Flag you got hanging on it."
He said, "Have a seat," and I sat down. "Is this the first time you've been to our little town?"
I said, "I think it is," he said, "I don't like to brag, but we're kinda proud of that Ragged Old Flag.
You see, we got a little hole in that flag there when Washington took it across the Delaware.
And it got powder burned the night Francis Scott Key sat watching it writing "Say Can You See?"
And it got a bad rip in New Orleans with Packinham and Jackson tuggin' at its seams.
And it almost fell at the Alamo beside the Texas flag, but she waved on through.
She got cut with a sword at Chancellorsville and she got cut again at Shiloh Hill.
There was Robert E. Lee, Beauregard and Bragg, and the south wind blew hard on that Ragged Old Flag.
On Flanders Field in World War I she got a big hole from a Bertha gun.
She turned blood red in World War II, she hung limp and low by the time it was through.
She was in Korea and Vietnam, she went where she was sent by her Uncle Sam.
She waved from our ships upon the briney foam, and now they've about quit waving her back here at home.
In her own good land here she's been abused: she's been burned, dishonored, denied, and refused.
And the government for which she stands is scandalized throughout the land.
And she's getting threadbare and wearing thin, but she's in good shape for the shape she's in.
'Cause she's been through the fire before, and I believe she can take a whole lot more.
So we raise her up every morning, take her down every night; we don't let her touch the ground, and we fold her up right.
On second thought, I do like to brag, 'cause I'm mighty proud of that "Ragged Old Flag."

Mr. D'AMATO. This recitation has a simple, but important, message, that because we, as a people and as a Nation, have had to negotiate a road to strength and prosperity that has involved many twists and curves, and that we have done so successfully, we have reason to boast. This message has been the focus of many literary works throughout our Nation's history, and it is part of our celebration today.

Another American patriot, Henry Holcomb Bennett, born in 1863, lived during a time when America was recovering from that most twisted curve of all: the Civil War, a war which tested the bonds of our national unity. From it, we emerged a people more committed to the national and civil freedoms we all enjoy so dearly. Mr. Bennett saw this revitalized national spirit, and he wrote about it in one of his most famous poems, "The Flag Goes By." I ask that the words of this poem also be printed in the RECORD.

The material follows:

(From: "Breathes There the Man," edited by Frank S. Meyer, 1973)

THE FLAG GOES BY

(Henry Holcomb Bennett)

Hats off!
Along the street there comes
A blare of bugles, a ruffle of drums;
A flash of color beneath the sky:
Hats off!
The flag is passing by!

Blue and crimson and white it shines,
Over the steel-tipped, ordered lines.
Hats off!
The colors before us fly;
But more than the flag is passing by.

Sea-fights and land-fights, grim and great,
Fought to make and save the State:
Weary marches and sinking ships;
Cheers of victory on dying lips;

Days of plenty and years of peace;
March of a strong land's swift increase;
Equal justice, right, and law,
Stately honor and reverend awe;

Sign of a nation, great and strong
To ward her people from foreign wrong
Pride and glory and honor,—all
Live in the colors to stand or fall.

Hats off!
Along the street there comes
A blare of bugles, a ruffle of drums;
And loyal hearts are beating high:

Hats off!
The flag is passing by!

Mr. D'AMATO. The spirit of America is embodied in that poem, the same spirit which many of us will remember, that filled our hearts during the 1920's and 1930's. During those years, patriotism was a virtue all shared, a virtue that touched every American home.

There are countless Americans to cite who have inspired us and blessed us with their ability to capture the American spirit in verse. Among them, I have named but a few. But before I mention one of my favorites, I would like to call attention to an individual whose music I remember from long ago when I was growing up on Long Island. I am certain we all remember the music of John Philip Sousa and his famous composition, "The Stars and Stripes Forever."

Sousa composed the march while aboard a ship from England to the United States in the fall of 1896. It is said that he paced the deck with a mental brass band playing the march fully a hundred times during his voyage home. "The Stars and Stripes Forever" was copyrighted for piano the following year. Since that time, it has been the hallmark of school-band performances across the Nation. Perhaps many of us remember the days when our own school bands played this piece during concert recitals. While there are no words to this music, it serves us well at this time to recall its captivating melody, which almost compels us to stand up and march to its crashing cymbals and drum-beating rhythm.

Finally, I would like to commend to the attention of the Senate the words to "God Bless America," written by a man who has composed many of the most famous American popular songs. I speak, of course, of Irving Berlin, who composed it for his Army show, "Yip, Yip, Yaphank" in 1918, but did not publish it until 1938. This song immediately became popular, and rightfully so. The words to this song speak for themselves. They paint an image in our minds of a beautiful and majestic land that has been our home for more than 200 years. I ask that the words to this song also be printed in the RECORD.

The material follows:

GOD BLESS AMERICA

While the storm clouds gather
Far across the sea,
Let us swear allegiance
To a land that is free;
Let us all be grateful
For a land so fair,
As we raise our voices
In a solemn prayer.

(Chorus)

God Bless America,
Land that I love,
Stand beside her and guide her
Through the night with a light from above;
From the mountains, to the priaries,
To the oceans white with foam,
God Bless America
My home sweet home.

Mr. D'AMATO. Mr. President, the celebration today of our national anthem will involve many community activities and programs throughout the country. I am certain that the spirit of this occasion will never cease to rouse the deepest patriotic emotions we all harbor toward this great Nation.

In celebration of National Anthem Day, I sat down over the weekend in an attempt to author a modest ode of admiration, honor, and appreciation for my flag and my country. As I pondered several ideas, I asked myself a question, a question to which I began to search for an answer: Why do we rise for the National Anthem? I ask that these humble words of mine be printed in the RECORD at this point.

The material follows:

WHY DO WE RISE FOR THE NATIONAL ANTHEM?

Why do we rise for our National Anthem,
A song with Key's lyrics 'bout Ol' Glory, our emblem?
Why do we sing this, and to where do we look
For an answer to these questions—in a history book?

If this is the case, then just look to the day,
Through our annals of history for Chesapeake bay.
T'was aft Fort McHenry was pounded from the sea,
When Francis Scott Key wrote "Oh, say can you see . . ."

Why do we rise for our National Anthem,
A song of a sovereign and free Ol' Glory, our emblem?
Should we look farther back than Key's citation,
To the time when our fathers began a new nation?

If the answer's here, finding it's no chore,
Yet it is more than driving the British from our shore.
After winning our freedom during the Revolution,
Our fathers gathered to form our constitution.

Why do we rise for our National Anthem,
A song of a proud and strong Ol' Glory, our emblem?
Do we look 'yon when we and the British collided
And closer to when our house was nearly divided.

If here lies a clue, we must search through the fields,
When brothers and sisters to each other held shields.
The slavery of men, we all learned to abhor,
But only after the bloodshed of our Civil War.

Why do we rise for our National Anthem,
A song of the future of Ol' Glory, our emblem?
Why do we sing this, we know where to look,
For all of these answers—not just in a book,
We rise when we sing for the red, white, and blue,
Because we love you Ol' Glory, to you we are true,
That is why we rise for our National Anthem,
And never shall others hold you for ransom.
All of our emotions are captured in verse,
By a man who saw his country at its very worst.
Today is the day that we thank Francis Scott Key,
But also a Nation, which spans sea to shining sea.●

CHARLES A. HALLECK

● Mr. LUGAR. Mr. President, at 4:30 a.m. today, this Nation and the Hoosier State lost one of our greatest leaders. Charles A. Halleck passed away at the age of 85.

I had the good fortune to know Charlie Halleck, who shared with me the wealth of his experience as a Hoosier who brought common sense to national decisionmaking for over three decades. He began his public service in 1924 as prosecuting attorney for the Jasper-Newton County Circuit. In 1935, he was elected to the first of 17 consecutive terms as Indiana's Second District Congressman. When he retired from the House of Representatives in 1959, he had served in Congress longer than any other Hoosier, had been the House majority leader and minority leader and served his constitutents and America in such a way that Dwight D. Eisenhower called him "the greatest legislator I have ever seen."

The history of Congress during the "Halleck Era" will continue to show the daily successful efforts of Charlie Halleck to maintain national security and fiscal prudence. He served his constituents in the Second Congressional District of Indiana and all Americans with the skill and style of a great Hoosier gentleman.

He was the pride of Indiana as the last Republican to be the majority leader of the U.S. House of Representatives. Halleck was able to show again and again through his political career the ability to win the respect of his House colleagues and his constituents. He was a close friend of Everett Dirksen, Wendell Willkie, and President Dwight Eisenhower. He gained considerable fame in those days for joint press conferences with Senator Dirksen, known as the "Ev and Charlie Show."

I remember listening to the 1948 Republican Convention on the radio when Halleck was the Hoosier favorite son candidate for President. He would later give the seconding speech for Governor Dewey. I vividly remember Halleck's legendary rhetorical style. His style made him a favorite on the

Lincoln day dinner circuit in Indiana and throughout the country.

That convention and the leadership of Halleck during those years as the great Republican from Indiana had a great impact on me. When I became the keynote speaker at the 1972 Republican Convention in Miami, I thought about the night that my father and I spent listening to Charlie Halleck. I felt in Miami that I was following in the footsteps of a truly great Hoosier.

Halleck's impact on Indiana politics will be remembered for many years. His impact on Congress and politics of this country were historic. The legacy of this great citizen from Rensselaer will be remembered for many generations. In 1983, a bill I introduced was signed by the President to name the Federal building in Lafayette, IN, the Charles A. Halleck Federal Building.

Mr. President, I ask that the statement of another great Hoosier Congressman from the Halleck Era, the late Ambassador E. Ross Adair, which appeared in the CONGRESSIONAL RECORD on September 18, 1968, be printed again.

The statement follows:

HON. CHARLES ABRAHAM HALLECK

Mr. ADAIR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of my special order, the Honorable Charles Abraham Halleck.

Mr. Speaker, when the House of Representatives adjourns sine die it will bring to a close the career of a man who has served in the Congress longer than any other Hoosier in the history of Indiana—Charles Abraham Halleck, who has served 17 consecutive terms in this body.

I could not hope, at this time, to enumerate adequately, let alone assess, his achievements and his contributions during what amounts to an adult lifetime of service to his district, his State, and his Nation. One book has already been written on that subject. I suspect there will be others. But I do at this time want to spread on the RECORD some highlights, at least, in the career of Indiana's all-time "Mr. Republican," and, in my book, one of the all-time truly great Members of this body:

Charles A. Halleck, Republican, of Rensselaer, was born in Jasper County, Ind., August 22, 1900, and has resided there all his life; attended grade and high schools in Rensselaer; was graduated from Indiana University with an A.B. degree in 1922 and with an LL.B. degree in 1924; elected a member of Phi Beta Kappa and Order of the Coif, and is also a member of Beta Theta and Phi Delta Phi; served in World War I and is a member of the American Legion; married to Blanche White, of Indianapolis, and they have two children, Charles W. and Mrs. Walter R. Litchfield; was elected prosecuting attorney of the Jasper-Newton circuit in 1924, and was reelected four times; was elected to the 74th Congress at a special election held on January 29, 1935; reelected to 75th and succeeding Congresses; majority leader in the 80th and 83rd Congresses; minority leader in the 86th, 87th and 88th Congresses.

Committee assignments have included Rules, Interstate and Foreign Commerce, Select Committee on Small Business, Investigation of the National Labor Relations Board, Expenditures in the Executive Departments, Lobbying Activities, House Administration, Public Works, and, currently, Armed Services and Standards of Official Conduct—ranking Republican member.

Other offices:

Chairman of the National Republican Congressional Committee, 1945-46, which helped elect Republican House.

Republican majority leader, House of Representatives, 80th Congress.

Chairman, subcommittee which drafted Republican Statement of Principles and Objectives, adopted February 6, 1950.

Cochairman, National Committee Speakers' Bureau, 1952.

Majority leader, House of Representatives, 83d Congress.

Minority leader, House of Representatives, 86th, 87th, and 88th Congresses.

Placed the name of Wendell Wilkie in nomination as candidate for President of the Republican ticket, 1940.

Seconded the nomination of Thomas Dewey, 1948.

Placed the name of Dwight D. Eisenhower in nomination for his second term, 1956.

Served as permanent chairman of the Republican National Convention, 1960.

Seconded the nomination of Barry Goldwater as the Republican candidate for President, 1964.

Mr. Speaker, many people have expressed themselves concerning Charlie Halleck and his abilities. I quote from some of these:

Joe McCaffrey of the Capitol Radio Correspondents' Gallery said:

Halleck is one of the handful of men to come to the surface of the big manpower pool of the House of Representatives. . . .

Halleck is no Daniel Webster. His oratory is far from the flowery style that placed the old New Englander in oratorial history. With a lawyer-trained mind, Halleck goes to the heart of the issues under discussion. He has a wonderful capacity for sensing the mood of his audience, for being able to feel what arguments will be most effective, and knowing that, he passes very lightly over other arguments that to many may seem more vital. . . .

Halleck can "will" his audience to listen to him. . .

Ben Cole, Washington correspondent for the Indianapolis Star said:

John Barrett thought I ought to be a little entertaining and a little sentimental tonight, seeing this is kind of a celebration for Charlie Halleck. But, except for my wife, I can't think of anybody who thinks I'm very entertaining when I'm sentimental.

I've been a Charlie Halleck watcher for a long, long time. I used to stand in the wings with Blanche waiting for Charlie to finish a speech so I could have the lone copy of his text. He usually didn't follow the script, but that didn't make too much difference. I reported it anyway.

When I got to Washington, Charlie was nice to me. He didn't give me many scoops, you understand. Old Dan Kidney got those. But he was pleasant, and I must say Charlie never ducked a reporter and he would answer the question on the record.

I have a collection of memories of Charlie.

Winning the Congress for the GOP in 1946.

Losing it again after Harry Truman kicked the 80th Congress all the way from Yonkers to Walla Walla in 1948.

Charlie helping get the Marshall Plan through Congress. It sounds so orthodox today. But remember we Hoosiers hadn't even recognized New York City.

Saving Indiana from its open-record welfare law. That was a little trouble we newspapermen cooked up for him.

Leading the GOP-Dixiecrat majority against the Administration in Harry Truman's day.

Leading the GOP-regular Democrat majority against the Dixiecrats in Dwight Eisenhower's administration.

Ducking Puerto Rican bullets in the House Chamber.

Treating the Indiana Republican delegation to duck in his Capitol hideaway he called the "Clinic." They all swore they never found a single bird-shot in the duck.

Being Indiana's favorite son in 1948. I'll bet he can give Roger Branigan some solid counsel on that vice presidency bit.

Having Cale Holder slam the door in his face when he wanted to be a national convention delegate in 1952.

Nominating Wilkie; nominating Ike; running the convention that nominated Nixon; seconding Barry Goldwater—boy, Charlie, that was a good one!

And all the time, I reckon, Charlie was aiming at being Speaker of the House one day, but the day never came.

The Republicans gave his leadership post to Jerry Ford. I think some of them would give it back now, Charlie, if they could.

But Lyndon Johnson never forgot him. Remember the first thing he did after he got to be President? Had Charlie over to his house—he wasn't even in the White House yet—for some of that thick bacon that Charlie likes.

I suppose President Johnson is a little bit like me. I'm Charlie Halleck, Democrat. Of course, I haven't been able to afford any of that thick bacon, prices and taxes being what they are. And you saw just part of the Federal payroll here tonight.

I know the reason why Charlie has friends on both sides of the aisle. He has always played the game by the rules. He has observed the white lines of the political skirmish. I've heard him blister the Democrats on the Floor and watched them afterward go over and shake his hand. Above all, he has been a patriot first and a partisan second.

You know, you can tell a whole lot more about a man's patriotism by the way he observes a traffic sign than by the ostentatious way he wraps himself in the flag on the Fourth of July. I'd call Charlie a 365-day-a-year man.

And he's got a good kid, too. young Chuck Halleck is the most prominent General Sessions Judge Washington, D.C., has ever had. He has the startling notion that poor people's courts are supposed to be places of justice. And he insists on following the law. On a few occasions, this has resulted in Chuck's turning the defendants loose and putting their lawyers in jail. It makes great stuff for the newspapers. And I'm told on high authority that when President Johnson reads abut it in the papers, he says, "That's my boy."

Charlie and Blanche will be going back to Rensselaer at the end of the year. They will take a lot of affection from this place with them.

Why, by the time Charlie gets out of Congress, so many parties will have been held for him that there won't be a healthy liver left in the capital.

The Press Club's having a shin-dig for him. The friends of Charlie Halleck are having a clam-bake. There are receptions

and cocktail parties and banquets. And you name it.

I think the list of organizations starts with the Student Non-Violent Coordinating Committee's Charlie Halleck Chapter down to the Brotherhood of Duck Baiters and Dune Hoppers . . .

All Hoosiers—Democrats and Republicans alike—are proud of Charlie Halleck. He has served his country, his state, and his party well. Those of us who toil here in Washington shall miss him.

Thank you, Charlie, for being a wonderful Hoosier. And thank you, ladies and gentlemen, for the fine humor in which you have accepted this small effort of mine.

A news release from General Eisenhower's office reads:

First copy of a newly-published biography of Rep. Charles A. Halleck [Charles Halleck: A Political Biography by Dr. Henry Z. Scheele] is presented by the veteran Hoosier Congressman to Former President Dwight D. Eisenhower, who wrote a foreword to the book. Author is Dr. Henry Scheele of Purdue University. Presentation was made recently at General Eisenhower's headquarters on the campus of Gettysburg College.

General Eisenhower broke precedent in agreeing to Dr. Scheele's request that he write a foreword.

"It has been my rule since entering public life to avoid writing prefatory remarks for or an endorsement of another person's publication," General Eisenhower writes in the foreword to the book, Charlie Halleck.

"Here," the former President continues, "I deliberately and happily break that rule. I do so out of an abiding personal affection, a high respect, and a deep sense of obligation to the able, hard-working and loyal Charles A. Halleck whose counsel and leadership in his field I found indispensable throughout my service in the presidency . . . I salute him as one of the finest men I have known in the top councils of government."

"Charles A. Halleck has been an exemplary public servant. He has been a foremost patriot. He has demonstrated many times not only political courage but a high order of selflessness in service to our nation. He has been faithful to friends, a hard-hitting but fair partisan, a dynamic and effective leader, and always a respected advocate of his views."

The new book also carries an introduction by Senate Republican Leader Everett McKinley Dirksen.

GETTYSBURG, PA, September 17, 1966.

Fred A. Sabatini of Logansport, Ind., said of him:

A great American author, John Steinbeck, once said, "If anywhere in your travels you come on a man with guts, mark the place . . . This used to be a nation of giants. Where have they gone . . . Where are they now?"

The Second Congressional District of Indiana found its giant. It found him thirty-four years ago.

A giant who dined at the White House in Washington with kings and Presidents . . . and who ate fried chicken with his people in Jasper County, Indiana.

A giant who advised and guided Presidents, Secretaries of Defense and of State . . . and who took the time to advise and guide a young man from Cass County, Indiana.

There are those here who say this giant needs no real introduction, but maybe he does . . . for there are young people here who may not know.

He came from Indiana University in 1924, armed with a law degree and a lot of courage. He returned to his hometown, ran for Prosecuting Attorney and won . . . and has run and won every two years since.

He was Majority Leader of the 80th and 83rd Congresses, and Minority Leader of the 86th, 87th and 88th.

There are also those who say that he was unlucky—for he just missed being Vice President and Speaker of the House. But there are others who say he was the President for several years in the mid-50s. Crucial years, but years when no American boy was killed anywhere in the world.

And no man with the number of friends Charlie Halleck has can be called "unlucky."

We are honored to have here tonight the man who made it possible for all of us to have been able to use five words which open doors from Walton, Indiana, to Washington, D.C. To me they are the five proudest words in politics—"I'm from Charlie Halleck's District."

Charlie, we're sorry you will not be our Congressman . . . But we're proud to have had you. And we're proud of the fact that like the true champion you are, you chose to take the high road home.

I guess, friends, the first time I remember seeing Charlie Halleck was in 1956 on television. His words at that time were, "I now place in nomination as the candidate of the Republican Party for President of the United States, the name of the most widely beloved, the most universally respected, the most profoundly dedicated man of our times—Dwight David Eisenhower."

And a few years later, in Rensselaer, Indiana, many of us here heard Ike say, "And I am deeply grateful that in the office I held, you provided me with a loyal fighting and deeply patriotic legislative leader, Charlie Halleck. In security affairs, foreign affairs, strengthening our ties abroad, forging bulwarks against the probings of Communists—indeed Charlie Halleck has put America above every other consideration.

My friends in Cass County, I now present to you the man we know to be the best Congressman in the United States, the name of the most widely beloved, the most universally respected, the most profoundly dedicated man of our times—Charles Abraham Halleck.

An editorial by John Scott of the Lafayette, Ind., Journal & Courier, of February 3, 1968, follows:

ON OUR "TRAVELS WITH CHARLEY" WE FOUND A MAN WITH GUTS

In his book "Travels With Charley" John Steinbeck wrote "If anywhere in your travels you come on a man with guts, mark the place . . . This used to be a nation of giants. Where have they gone? . . . Where are they?"

Indiana's Second Congressional District found its giant, all right, more than thirty years ago, and Charlie Halleck has notched his gratitude ever since—by marking the place.

So well, in fact, did he mark it that this little corner of America was lighted up because he left here and kept returning. Imagine. Rensselaer, Indiana—famous for nothing. Except growing a giant.

Once he made it to the Congress, there never was a doubt that his people would send him back for as long as he wished it. The closest a Democrat came to beating him was during a Roosevelt landslide and, even then, Halleck's margin was almost five thousand votes, which in hundreds of other congressional districts would have been a Republican landslide. Finally in resignation the opposition ran mostly hacks against him. His last opponent, persuaded that he had a chance, fled the district after the debacle, hopefully to fashion a new life free of terror.

With such comfortable employment security, Halleck could have paid less attention to the home folk. They would not have complained very much because he adorned their residency. "I'm from Charlie Halleck's district" was enough to open a door in Washington. "I'm a Republican county chairman from Charlie Halleck's district" would not only open the door; it would induce a free drink in a capital saloon, a chance to clutch a famous hand and find out what really was holding up Aunt Nellie's social security.

The reason for his influence in the world never really got across to the people in the Second District. This was because of a duality that permitted him to shift gears when he crossed Highway 31. It was there with regularity he changed from a national power-packed politician to a Jasper county dirt farmer as quickly as he could say "Now, I'm agonna tell ya, folks." A few hours ago it would have been "If it please the chair, Mr. Speaker, I should like to invite the attention of my distinguished colleagues. . . ."

It is hard to realize that, starting from ground zero, he could amass such influence. His desk drawers were stacked with IOU's from cronies of both parties. Presidents relied upon him or feared him, depending upon the time or the issue. He mastered parliamentary politics the way some men coach teams or maneuver troops in the field. What he did not know about the behaviour of his contemporaries he could sense or intuit.

Back in time there was a tip-off. His brilliance was the Phi Beta Kappa kind that is easily recognizable. But that was way back and, in later years, those who were awed by his skills didn't realize that the skills could have been placed about anyplace with equal success. Politics, it turned out, provided more than the normal satisfactions of achievement. It was seeing America first—in everything. And it was fun.

And Halleck kept coming home, home to the chicken suppers and the county fairs. From the international amphitheater to the high school gymnasium was only a rumpled overnight trip, and a safe one, because Charlie knew all the ruts in the road.

Often he would bring back with him the great Republicans of his era, showing them off to his district, and his district to them. Once he brought Eisenhower through the area in a massive campaign appeal prior to an election so easy for him that he could have died and been reelected posthumously. He called this "running scared."

There are those who say that Halleck was unlucky, that he missed the vice-presidential nomination, missed being Speaker of the House, and was ousted as Minority Leader.

Actually, these episodes were part of a pattern of good fortune that involved most of his public life. Had he won the nomination for vice president with Dewey his name already would be in the oblivion that contains Charles McNary, John W. Kern, Henry G. Davis, and other unsuccessful nominees for the job of listening for heartbeats in the White House.

Had he been Speaker of the House under Eisenhower he would have won neither his renown as a gut-fighter nor his enormous prestige with the old man who loved him be-

cause he knew how to use the tools of minority power and coalition. Ike's legislative victories were manufactured by the underdogs in the corridors, not by the titled gentry in the aisles. Halleck's last defeat in the Congress when he was ousted as minority leader by Gerald Ford, was a superb display by a dying lion. He roared and bit and fought and finally keeled over. Ford had a narrow victory and has become a colorless substitute who has made Halleck look exciting in contrast.

Had he not been what he was in the point of time that he appeared in, Charlie Halleck would not have had television to illuminate his role. While the "Ev and Charlie Show" offered two aging free enterprisers, he and Senator Dirksen gave America a new insight into constitutional government. Their rasping, nagging eloquence made them famous. The battle lines were always clear, if only on their rutted faces.

It was typical of Halleck's unusual sense of timing that he chose this year as his last. No descent to the dungeon, no ignominous anticlimax to a career stuffed with grandeur, no wilting among the embarrassed new breed. Instead Halleck is taking the high road home, back to the people who are grateful, along with the Republic, for their travels with Charlie.

So, Mr. Speaker, a friend, a great Hoosier, and a great American is terminating his service as a Member of the House of Representatives. But he is not, and never will be, terminating his love and his devotion to our beloved country.

Mrs. Adair joins me in extending best wishes to Blanche and Charlie Halleck.●

BUDGET SCOREKEEPING REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate the budget scorekeeping report for this week, prepared by the Congressional Budget Office in response to section 5 of the first budget resolution for fiscal year 1986. This report also serves as the scorekeeping report for the purposes of section 311 of the Congressional Budget Act, as amended.

This report reflects congressional action on the fiscal year 1986 budget through March 1, 1986. It also incorporates the reductions in budgetary resources and outlays required by the Balanced Budget and Emergency Deficit Control Act of 1985 Public Law 99-177, which took effect on March 1, 1986, pursuant to the Presidential order of February 1.

All budget authority, outlay, and revenue estimates in this report have been revised to be consistent with estimates required by section 251(a)(1)(A) of Public Law 99-177. While we do not normally make such revisions until a subsequent budget resolution is adopted, it is necessary at the present time in order to reflect accurately the effect of the Presidential reduction order under Public Law 99-177.

I ask that the report be printed in the RECORD.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 3, 1986.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of congressional action on the budget for fiscal year 1986. The estimated totals of budget authority, outlays, and revenues are compared to the appropriate or recommended levels contained in the most recent budget resolution, Senate Concurrent Resolution 32. This report meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32 and is current through March 1, 1986. The report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended.

Since my last report the Congress has cleared for the President's signature H.R. 4130, increasing the guarantee loan level for veterans' home purchases.

At your request this report incorporates the latest Congressional Budget Office economic assumptions and estimating procedures of February 1986 and reflects the effects of reductions in budgetary resources required by the Balanced Budget and Emergency Deficit Control Act of 1985, Public Law 99-177. Reductions under Public Law 99-177 are reported in a Presidential order dated February 1, 1986 and are effective on March 1, 1986.

Sincerely,

RUDOLPH G. PENNER.

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 99TH CONGRESS, 2D SESSION, AS OF MARCH 1, 1986

[Fiscal year 1986—in billions of dollars]

	Budget authority	Outlays	Revenues	Debt subject to limit
Current level [1]	1,061.1	986.6	777.8	1,964.8
Budget resolution, Senate Concurrent Resolution 32	1,069.7	967.6	795.7	[2] 2,078.7
Current Level is:				
Over resolution by		19.0		
Under resolution by	8.6		17.9	113.9

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level excludes the revenue and direct spending effects of legislation that is in earlier stages of completion, such as reported from a Senate committee or passed by the Senate. Thus, savings from reconciliation action assumed in Senate Concurrent Resolution 32 will not be included until Congress sends the legislation to the President for his approval. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $2,078.7 billion.

FISCAL YEAR 1986, SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99TH CONGRESS, 2D SESSION, AS OF MARCH 1, 1986

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			777,832
Permanent appropriations and trust funds	710,401	629,773	
Other appropriations	538,575	544,873	
Offsetting receipts	−188,561	−188,561	
Total enacted in previous sessions	1,060,415	986,085	777,832
II. Enacted this session:			
Commodity Credit Corporation Urgent Supplemental Appropriation, 1986 (Public Law 99-243)			
Federal Employees Benefits Improvement Act of 1986 (Public Law 99-251)		4	
Total		4	
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses: VA home loan guarantee amendments (H.R. 4130)		—	
Total		−51	
V. Entitlement authortiy and other mandatory items requiring further appropriation action:			
Veterans compensation	272	185	
Veterans readjustment benefits	91	91	
Compact of free association	205	205	
Family social services	100	75	
Guaranteed student loans	6		
Payment to the civil service retirement	(37)	(37)	
Total entitlements	674	555	
Total current level as of March 1, 1986	1,061,089	986,594	777,832
1986 budget resolution (S. Con. Res. 32)	1,069,700	957,600	795,700
Amount remaining:			
Over budget resolution		18,994	
Under budget resolution	8,611		17,868

Note: Numbers may not add due to rounding.●

S. 2059—FRANKING COSTS CONTROL ACT

● Mr. BOREN. Mr. President, I am pleased to join in cosponsoring S. 2059, the "Franking Costs Control Act," introduced by my colleague from Indiana, Senator QUAYLE.

At a time when so many Americans are being asked to sacrifice in dealing with our disastrous, budget deficit crisis, it is hypocritical for the Congress to continue spending millions of dollars on mass mailings. By reducing next fiscal year's allocation by 10 percent, saving $14 million, we will begin to make an impact in one of the most abused privileges of Congress.

I had decided some time ago, to only send out one statewide newsletter annually to those who had contact with my office over the years. It was used primarily to poll the views and opinions of my constituents. Just a couple weeks ago, I announced that for 1986, I would not send a mass mailed news-

letter in an effort to save the taxpayers money.

I hope the rest of my colleagues will agree that this is one area where the Congress must practice some restraint and do our part to help cut the deficits that have plagued our economy.●

DEDUCTIBILITY OF STATE AND LOCAL TAXES

● Mr. HUMPHREY. Mr. President, I would like to call to the attention of my colleagues the final of a recent series of articles in the Washington Times by nationally syndicated economics columnist Warren Brookes concerning the deductibility of State and local taxes. In his column of February 20, entitled "A Different Tax Deduction Climate in the Senate," Mr. Brookes demonstrates clearly how an overwhelming majority of States would benefit from the repeal of this unfair deduction.

In this column, Mr. Brookes discusses how some States lose by retaining this deduction while others are clear winners. Mr. Brookes points out that this deduction basically amounts to a direct subsidy of 13 high-tax States by 13 low-tax States. Using a regression analysis done by former Joint Economic Committee economist, Richard Vedder, Mr. Brookes concludes that "the 13 highest-taxed States now suck in some $5.6 billion in Federal income tax subsidies, almost all of it from the 13 lowest-taxed States, which lose $5.5 billion on this deduction." Such an arrangement, Mr. President, is blatantly unfair. Mr. Brookes goes on to point out that 31 States would be clear winners if deductibility were eliminated in favor of lower rates. Another study, which appeared in the National Journal on June 29, 1985, shows 34 States as winners. This should then translate into at least 62 Senate votes, Mr. Brookes concludes.

Mr. President, Mr. Brookes has clearly demonstrated the fairness issue involved in repealing deductibility. I would urge my colleagues to strongly consider the points made by Mr. Brookes in these columns as the Senate continues consideration of the tax reform issue.

Mr. President, I ask that both the article and the table referred to above appear in the RECORD.

The material follows:

[From the Washington Times, Feb. 20, 1986]

A DIFFERENT TAX DEDUCTION CLIMATE IN THE SENATE

(By Warren Brookes)

Behind the scenes, a consensus is building among some Senate Finance Committee members that all or a major share of the state and local tax deduction should go. This consensus reflects the much different political dynamics of the Senate and the House.

Even though there are only about 13 high-tax (but mostly very populous) states for which this issue is crucial, in the House they very nearly constitute a bipartisan majority, while in the Senate, they constitute less than 30 of the 100 votes.

There is also, unfortunately, terrible ignorance about this issue among politicians from states that would be real "winners" from the dumping of this deduction in return for much lower tax rates.

When House Ways and Means Chairman Daniel Rostenkowski, Democrat of Illinois, capitulated to liberal Democrat Rep. Tom Downey of New York and agreed to retain the full deduction (thus raising President Reagan's marginal tax rates for all Americans by 10-20 percent), he was selling out his own state's taxpayers.

The same could be said for congressmen from New Jersey, Connecticut, and Ohio, who were also eager to "save" a deduction which is "costing" their taxpayers hundreds of millions of dollars a year.

A careful regression analysis of the state and local tax deduction, and how getting rid of it in favor of lower rates would affect individual states—an analysis made by former Joint Economic Committee tax economist Richard Vedder—shows far more "winners" than "losers" from dumping it, or vice versa from keeping it. (See table.)

For example, Rosty's Illinois now "loses" about $20 per capita (almost $232 million) a year on this deduction, because the state's tax burden, especially its income tax, is about 13 percent below the national average. This is a whopping 31 percent below spendthrift New York, which siphons more than $2 billion a year ($117 per capita) away from other states. So Illinois' average taxpayers are paying about $60 in extra taxes per family just to help keep New York's richest (top 20 percent) taxpayers from fleeing that high-tax state.

The same thing is happening, in spades, to low-tax New Jersey. That state is losing $373 million a year (about $150 per family) because its tax burden is nearly 30 percent below New York's. Connecticut, with a 24 percent lower tax burden, chips in $341 million to neighboring New York, and Pennsylvania gives New York almost $200 million, even though its income level is 14 percent below the Empire State's. (See table.)

Similarly, low-tax Ohio is losing $428 million a year, most of it ($365 million) to neighboring high-tax and more-affluent Michigan, while high-tax Wisconsin and Minnesota are jointly siphoning almost $850 million out of low-tax states like Texas, which loses $1.9 billion a year, and Florida, which loses close to $1 billion.

Meanwhile, Senate Finance Chairman Robert Packwood's Oregon is collecting a $210 million subsidy entirely from its neighbor, low-tax, high growth Washington, which is paying $278 million more than it should.

The sad truth is: the 13 highest-taxed states now suck in some $5.6 billion in federal income tax subsidies, almost all of it from the 13 lowest-taxed states, which lose $5.5 billion on this deduction. The remaining 24 states are relatively "neutral."

Ironically, the 13 states losing the most under the present deduction system are those most dependent on the economically benign *sales* tax; the 13 winning the most are those most dependent on the growth-threatening *income* tax. This explains why the relative job and income growth rates of the 13 biggest "losers" are more than *double* those of the 13 biggest "winners." The deduction is decidedly anti-growth.

Fortunately, we can count at least 31 states (62 Senate votes) which would be clear "winners" by eliminating this deduction. We tally another six states (12 votes) where the negative effect is infinitesimal.

Unfortunately, this potential 74-26 Senate majority isn't quite matched in the Finance Committee, since Chairman Packwood, Republican of Oregon, represents a big potential (short-term) loser, as do six other high-tax-state senators: Democrat Daniel Moynihan of New York, Republican William Roth of Delaware, Republican Dave Durenberger of Minnesota, Republican Charles Grassley of Iowa, Republican John Chaffee of Rhode Island, and Democrat Spark Matsunaga of Hawaii.

Nevertheless, there are (or should be) 11 solid Finance Committee votes *for* dumping the deduction, especially those of Republican Bob Dole of Kansas, Democrat Bill Bradley of New Jersey, Democrat Russell Long of Louisiana, Democrat Lloyd Bentsen of Texas, Democrat David Boren of Oklahoma, Republican Bill Armstrong of Colorado, Republican Malcolm Wallop of Wyoming, and Republican John Danforth of Missouri.

Interestingly, the 11 potential yea votes represent lower-tax states whose weighted average real income growth (1970-83) was a husky 73 percent and job growth (1975-83) 27 percent. This is almost *triple* the 27 percent income growth and 9 percent job growth of the eight states with the likely Finance Committee nay votes.

In short, eliminating this deduction may be the Senate's single most powerful "pro-growth" act.

STATE WINNERS AND LOSERS WITH FULL TAX DEDUCTIBILITY [1]

[In millions of 1982 dollars, except per capita]

	Total taxes	Per capita	1975-83 job growth as percent of national average
Big winners:			
New York	$2,080	$117.73	39.2
Wisconsin	473	99.66	60.2
Minnesota	372	88.89	95.3
Oregon	211	79.16	88.8
Massachusetts	438	75.95	102.3
Delaware	33	54.65	91.8
Utah	84	52.03	167.3
California	1,252	49.73	155.0
Iowa	131	45.11	13.5
Rhode Island	37	45.25	73.7
Maine	51	44.09	104.7
Idaho	42	44.14	94.2
Michigan	365	40.26	9.3
Total	5,569	[2] 73.11	[2] 89.1
Big losers:			
Texas	−1,928	−122.60	224.0
Connecticut	−341	−108.60	104.7
New Hampshire	−104	−108.81	229.2
Florida	−985	−92.17	244.4
Nevada	−80	−89.69	315.8
Louisiana	−386	−86.99	146.8
Washington	−278	−64.62	168.4
Tennessee	−284	−60.59	83.0
North Dakota	−35	−51.07	129.2
New Jersey	−373	−49.87	97.0
Oklahoma	−137	−41.49	175.4
Ohio	−428	−39.79	10.0
Colorado	−113	−36.32	217.0
Total	−5,475	[2] −78.19	[2] 155.3

[1] Winners and losers are defined as those whose total tax deductions are far enough above or below the national averages so as to constitute a net subsidy or loss as compared with ending full deductibility. For example, New York has relatively low sales taxes and loses on them but very high income and property taxes and gains subsidies from them.

[2] Average.

Source: Analysis by Prof. Richard Vedder, Ohio University.

[From the National Journal, June 29, 1985]

WINNERS AND LOSERS IF DEDUCTIBILITY ENDS

If deductibility of state and local taxes were ended and federal tax rates were reduced to ensure that revenues remained unchanged, New Yorkers would pay $1.9 billion in added taxes. But as the table below shows, taxpayers in a majority of states would have reduced their tax liabilities.

	Per capita tax liability	Statewide tax liability (millions)
New York	$107	$1,878
Maryland	54	231
Minnesota	48	200
District of Columbia	47	30
Wisconsin	42	201
Delaware	42	25
Michigan	40	368
California	38	932
Massachusetts	32	183
Oregon	29	77
New Jersey	22	164
Rhode Island	20	19
Utah	17	27
Hawaii	16	16
Virginia	4	24
South Carolina	3	8
Georgia	1	8
North Carolina	−1	−4
Vermont	−4	−2
Idaho	−4	−4
Maine	−5	−6
Nebraska	−5	−9
Kentucky	−11	−40
Colorado	−12	−36
Arizona	−13	−37
Arkansas	−15	−35
Iowa	−16	−45
Ohio	−17	−180
Pennsylvania	−17	−201
Illinois	−18	−207
Connecticut	−21	−64
Alabama	−21	−82
Mississippi	−22	−56
Oklahoma	−25	−80
Missouri	−26	−129
Kansas	−27	−64
New Hampshire	−40	−38
Montana	−40	−33
Indiana	−41	−225
West Virginia	−43	−84
New Mexico	−43	−59
Tennessee	−45	−210
South Dakota	−46	−32
Washington	−46	−197
North Dakota	−47	−31
Florida	−54	−565
Nevada	−60	−52
Louisiana	−67	−292
Texas	−77	−1,180
Wyoming	−85	−43
Alaska	−153	−68

Sources: Advisory Commission on Intergovernmental Relations; congressional Joint Economic Committee.●

NEW TRADE DEFICIT RECORD

● Mr. BINGAMAN. Mr. President, on Saturday, March 1, a new trade deficit record was reached, once again without fanfare, but with serious implications for our economy. The U.S. merchandise trade deficit jumped to $16.5 billion in January. The January trade deficit set a monthly record and was $1.4 billion higher than the $15.1 billion in December, and $4.1 billion higher than the monthly average for last year.

The new deficit level paints an unfortunate picture. First, it shows that American manufacturers are continuing to lose ground to foreign importers. Second, it shows the administration's continued failure to come to grips with our trade problems. And, third, it shows that our continuing inaction in trying to solve our trade problems is leading and will continue to lead to a loss of economic competitiveness and a reduced standard of living for Americans.

Imports in January reached a record $33.47 billion, an 11.7 percent increase over the 1985 monthly average. Virtually no industry was spared. The largest item was $23.5 billion in manufactured goods, $3.7 billion in new cars (half from Japan), $16.6 billion in telecommunications equipment, $1.5 billion in electrical machinery, and $1.5 billion in clothing. During January, exports totaled $17 billion, about the same as the month before, but 4.5 percent less than the 1985 average.

The continuing rise in the trade deficit for the month of January means that we are starting the new year on the same unfortunate note that we left off last year, when the trade imbalance reached a new record of $148.5 billion. It was the fourth time in as many years that the deficit set a record. In 1980, the year before President Reagan was inaugurated, the merchandise trade deficit was $36.3 billion. It has risen every year since—to a new record high in each of the last 4 years.

In 1981, the merchandise trade deficit rose to $39.7 billion, in 1982 to $42.7 billion, in 1983 to $69.4 billion, in 1984 to a whopping $123.3 billion, and in 1985 to $148.5 billion.

This disturbing and harmful trend must be reversed, yet, this administration continues to ignore trade matters. Over the last 5 years the Reagan administration's economic and trade policies have given the United States one record-breaking trade deficit after another.

Because of that the American economy has not reached the heights it should have, or attained the stability we need. With the rising deficit we have seen lost jobs, lower wages, industrial dislocation, and economic turmoil. Further, we have seen the United States become a debtor nation for the first time in more than 70 years.

Add the continued high domestic deficit to the trade imbalance and it means we are not as competitive as we need to be in the new global economy. All American people need to acknowledge the threat to our standard of living that exists. We need modernization by our industries, we need commitment from the United States workforce, and we need action by our Federal Government.

We must begin immediately to implement an effective and coordinated trade policy, we must enforce our trade laws, and we must expand our exports. These are not calls for protectionism. They are calls for realistic action that acknowledges our situation and the eventual harm it will do if left uncorrected. I have introduced legislation in each of these areas, as have many of my colleagues. I am hopeful that the Congress this year can act on these measures without further delay.●

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER (Mr. ABDNOR). The Chair, in accordance with 19 U.S.C. 2211, and upon the recommendation of the chairman of the Committee on Finance, and on behalf of the President pro tempore, appoints the following Senators as official advisers to the U.S. delegation to international conferences, meetings, and negotiations on sessions relating to trade agreements during the second session of the 99th Congress: the Senator from Oregon [Mr. PACKWOOD], the Senator from Kansas [Mr. DOLE], the Senator from Delaware [Mr. ROTH], the Senator from Louisiana [Mr. LONG], and the Senator from Texas [Mr. BENTSEN].

ORDERS FOR TUESDAY

RECESS UNTIL 11 A.M.

Mr. SIMPSON. Mr. President, after conferring with the minority leader, I ask unanimous consent that once the Senate completes its business today, it stand in recess until the hour of 11 a.m. on Tuesday, March 4, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. SIMPSON. Further, I ask unanimous consent that following the recognition of the two leaders under the standing order, there be two special orders in favor of the Senator from Wisconsin, Mr PROXMIRE, and the Senator from Tennessee [Mr. SASSER] for not to be exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. SIMPSON. Following the special orders, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 12 noon with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS BETWEEN THE HOURS OF 12 NOON AND 2 P.M.

Mr. SIMPSON. At the conclusion of routine morning business, I ask unanimous consent that the Senate stand in recess between the hours of 12 noon and 2 p.m., in order for the weekly party caucuses to meet.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. Mr. President, at 2 p.m., the Senate could be asked to

turn to any legislative or executive items that can be cleared.

Rollcall votes can be expected during the day on Tuesday, and could occur prior to the hour of 12 noon.

Mr. President, it was a good attempt today to do business. But we found it impossible with various holds and limitations from this side of the aisle. Therefore, we will be about our business once again on tomorrow.

RECESS UNTIL 11 A.M. TOMORROW

Mr. SIMPSON. Mr. President, in accordance with the order just entered, I move that the Senate stand in recess until the hour of 11 a.m., on Tuesday, March 4, 1986.

Thereupon, at 4:26 p.m., the Senate recessed until tomorrow, Tuesday, March 4, 1986, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate March 3, 1986:

DEPARTMENT OF LABOR

John A. Pendergrass, of Minnesota, to be an Assistant Secretary of Labor, vice Robert A. Rowland, resigned.

NATIONAL TRANSPORTATION SAFETY BOARD

Joseph Trippe Nall, of North Carolina, to be a member of the National Transportation Safety Board for the remainder of the term expiring December 31, 1987, vice Vernon L. Grose.

IN THE COAST GUARD

Pursuant to the provisions of 14 U.S.C. 729, the following-named captain of the Coast Guard Reserve to a permanent commissioned officer in the Coast Guard Reserve in the grade of rear admiral, lower half:

Daniel J. Murphy.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Robert L. Wetzel [redacted], age 55, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Colin L. Powell [redacted], U.S. Army.

IN THE ARMY

The following-named officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, sections 3353:

MEDICAL CORPS

To be colonel

Robert C. Lim, Jr., [redacted]
Theodore S. Roberts, [redacted]

To be lieutenant colonel

Robert S. Bausch, [redacted]
William F. Blankenship, [redacted]
Eloy Caracuel, [redacted]
Mutaz B. Habal, [redacted]
Ben C. Harmon, [redacted]
Samuel R. Heth, [redacted]
Roger E. Linnemann, [redacted]
Thomas M. Lunsford, [redacted]
Byron P. Marsh, [redacted]
Edward J. McGuire, [redacted]
Dormond E. Metcalf, [redacted]
John A. Neufeld, [redacted]
Louis R. Zako, [redacted]

CONFIRMATIONS

Executive nominations confirmed by the Senate March 3, 1986:

INTER-AMERICAN DEVELOPMENT BANK

Larry K. Mellinger, of California, to be U.S. Alternate Executive Director of the Inter-American Development Bank.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Hugh W. Foster, of California, to be U.S. Alternate Executive Director of the International Bank for Reconstruction and Development for a term of 2 years.

DEPARTMENT OF STATE

Gaston Joseph Sigur, Jr., of Maryland, to be an Assistant Secretary of State.

Paul Dundes Wolfowitz, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Indonesia.

Arthur H. Davis, of Colorado, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Panama.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

THE JUDICIARY

Frank J. Magill, of North Dakota, to be U.S. circuit judge for the eighth circuit.

Danny J. Boggs, of Kentucky, to be U.S. circuit judge for the sixth circuit.

Lawrence P. Zatkoff, of Michigan, to be U.S. district judge for the eastern district of Michigan.

Ronald R. Lagueux, of Rhode Island, to be U.S. district judge for the district of Rhode Island.

Thomas J. McAvoy, of New York, to be U.S. district judge for the northern district of New York.

David R. Hansen, of Iowa, to be U.S. district judge for the northern district of Iowa.

Miriam G. Cedarbaum, of New York, to be U.S. district judge for the southern district of New York.

SENIOR FOREIGN SERVICE

Senior Foreign Service nominations beginning Stanton H. Burnett, and ending Gerald A. Waters, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on January 27, 1986.

Senior Foreign Service nominations beginning Peter W. Askin, and ending Richard C. McClure, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on January 27, 1986.

EXTENSIONS OF REMARKS

WESLEY SMITH ON NICARAGUAN HUMAN RIGHTS: PART I

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1986

Mr. COURTER. Mr. Speaker, I submit for the RECORD the first half of an excellent report on the current state of human rights in Nicaragua, compiled by Mr. Wesley Smith, a recent graduate of Brigham Young University. His independent analysis derived from extensive interviews inside and outside of Nicaragua, adds to the abundant evidence of ever-increasing repression by Nicaragua's Communist Government.

NICARAGUAN HUMAN RIGHTS ABUSES: AN UPDATE

PART I

(By Wesley Smith)

INTRODUCTION

This report is an update of an original report entitled *Nicaragua* which was published April 1, 1984. Information for this update was collected during the last two years. Interviews were conducted during a recent visit to Costa Rica and Honduras in February 1986 as well as a trip to Nicaragua and Honduras in August 1985.

Over 500 Nicaraguans, inside and outside Nicaragua, have been interviewed. These interviews were conducted without any assistance from relief agencies, government organizations, or international groups. We believe that the interviews were conducted in an unbiased manner and the information we received reflects the true experiences of the people interviewed.

The majority of the interviews were gathered from refugees living in Costa Rica and Honduras. Most of these refugees are farmers who lived in the rural areas of Nicaragua. However, there is a sufficient number of representatives of other sectors of Nicaraguan society to enable us to draw reliable conclusions about the difficulties faced by all Nicaraguans.

The interviews we conducted inside Nicaragua have added support and legitimacy to claims made by Nicaraguans living outside the country. Because so many similar reports were gathered, we believe that the ones which appear in this report accurately represent all Nicaraguans living inside and outside the country. The Nicaraguan conflict is a very complex issue. To include every incident which has taken place over the last three years would be confusing and counterproductive to understanding the reality of the Nicaraguan crisis. Therefore, this report focuses on the major conflict in Nicaragua today. By examining the events in Nicaragua's recent past we can more accurately understand what is happening to the country of Nicaragua and its people.

Many people we contacted did not want their real names to appear in this report fearing for the safety of their families still living in Nicaragua. However, they were willing to give detailed information about themselves and their experiences. Except for the names, the places, dates, and specific events are printed as they were gathered from the people.

METHODOLOGY

In conducting this report, neither the Sandinista Government nor the rebel groups (known as Contras) were used in obtaining information. Each one of those groups has documented numerous cases of human rights abuses. However, it was our intent to avoid using accounts from interested parties in order to insure the truthfulness and impartiality of the accounts. Therefore, Nicaraguan civilians are the sole persons whose accounts appear in this report.

Assuming that either side is systematically involved in human rights abuses, it would be naive to think that Nicaraguans living in those respective areas would criticize the group under which they live. For example, it would be difficult to imagine Nicaraguans living within the control of the Sandinista Government to denounce that government of human rights violations—assuming they were violating such human rights. It would be equally incorrect to think people would denounce the Contra forces while living under control of the Contras.

This is necessary to understand because the overwhelming majority of the people we interviewed spoke of abuses committed by the Sandinista Government. However, none of these testimonies were gathered in areas controlled by the rebel forces. Most were gathered in refugee camps in Honduras and Costa Rica. These camps are directed by the United Nations and are far removed from areas of control of the rebel forces. Therefore, these people were able to speak freely about what had happened to them in Nicaragua. Another 25 percent of the testimonies were gathered inside Nicaragua in areas of complete Sandinista control, such as Managua, Matagalpa, and Masaya. These accounts of Sandinista abuse carry an additional weight due to the fact that these people ran a great risk to their personal safety by speaking out against their government while still under its control. They asked that their names be withheld, but were willing to speak in order to help others understand the severity of the situation in Nicaragua.

The Nicaraguans interviewed in this report were picked at random. While inside Nicaragua we contacted no government agency to help us in our search for people who had experienced violations of human rights. In the refugee camps in Costa Rica and Honduras the refugees were interviewed randomly and most of the accounts were corroborated from other refugees who had lived in the same areas in Nicaragua, but were located in different refugee camps. This insured the independence of the accounts received in the refugee camps. It is important to remember that although there are under 100 personal accounts included in this report they represent tens of thousands of similar abuses. Neither time nor funding permitted a study which would document all cases of human rights abuses taking place in Nicaragua. However, our method of gathering information on human rights from the Nicaraguan people insures the validity and accuracy of this report.

FINDINGS

The Nicaraguan campesino and the youth have been most affected by changes in Nicaragua since the 1979 revolution. The Agrarian Reform laws of the Nicaraguan Government have displaced large numbers of peasant farmers. The current war with the rebel forces has involved a nationwide military draft and equally encompassing resistance to it among the nation's youth.

The economy has plummetted and all Nicaraguans have felt the difficulty of earning enough to feed and clothe themselves. However, that was not the major concern of the Nicaraguans living inside the country, nor was it the major reason the refugee gave for having left Nicaragua.

Our investigations indicated that the main reason for the mass exodus from Nicaragua and the internal conflict of that nation is that the Nicaraguan people find their condition intolerable. The following conditions were among those most commonly experienced by those we interviewed.

1. Unwarranted imprisonment by the Sandinista Government.
2. Physical and psychological torture while imprisoned.
3. Beating, torture, imprisonment, and summary executions by the Sandinista Government against those not willing to support the policies of the Sandinistas.
4. Relocation of the campesino into guarded internment camps.
5. Confiscation and destruction of land owned by the Nicaraguan peasantry.
6. Forced military recruitment of Nicaragua's youth.
7. Forced labor on government run cooperatives.
8. Harassment, physical threats, and imprisonment for one's religion.

The believe these conditions have not only been instituted by the Sandinista Government, but are supported and perpetuated by it as well.

The people we interviewed seldom blamed the rebel groups for causing the problems which the country faces. Few of those interviewed had any tolerance for the actions of the Sandinista regime, because they see no rationale for their behavior. Although they understand the complexities of war—in which the Sandinistas and Contras are involved—they believe the Sandinistas are the cause of the problems, the war being one of those problems.

IMPRISONMENT—PRISONER MISTREATMENT

According to testimony gathered, it has become the policy of the Sandinista army, and police forces to use systematic means of torture to extract information from prisoners, intimidate those who oppose the government, and weaken the resistance of the opposition.

The subjects of capricious imprisonment, and mistreatment of prisoners are being dealt with jointly, because in nearly all cases people who had been imprisoned for political motives were either physically or psychologically abused by State Security

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

forces. Instances of torture and capricious imprisonment are so numerous they could not all be listed here. For that reason we have chosen only those which were satisfactorily substantiated by other independent claims.

Total number of political prisoners

It was extremely difficult to formulate an accurate estimation of political prisoners inside Nicaragua because of the abundance of clandestine prisons spread throughout the country. Approximately 70 percent of all male refugees interviewed had at one time been detained, interrogated, imprisoned, or tortured by officials of the Sandinista military or State Police.

Estimates of political prisoners held by the Sandinistas range from 4,000 to as many as 20,000 at any given time. Due to the nature of some of these imprisonments it is apparent that Sandinista statistics regarding political prisoners are misleading. Most refugees and people who had been imprisoned said that any opposition to the Sandinista regime was considered a criminal act. They were, therefore, treated as other criminals, with additional maltreatment for being "enemies of the state".

We estimate there are from 13,000 to 15,000 political prisoners in Nicaragua. These estimates were calculated from testimony of prisoners, former Sandinista soldiers defense lawyers still inside Nicaragua, and the Nicaraguan Red Cross. These prisoners range from 4,500 former members of the Somoza Guard to people who were imprisoned for selling grain on the open market.

The following is a list of only some of the prisoners and their locations. As mentioned earlier, there is no possible way of telling the exact number of prisoners. Estimates are made based on testimonies of Nicaraguans who had been in specific prison systems.

La Quinta Ye, Leon.
La Chacara, Esteli.
La Barranca, Esteli.
La Zona Franca, Managua.
El Chipote, Managua.
Palo Alto, Managua.
El Sistema, Chinandega.
La Tejas, Matagalpa.

Extract information

Mauricio Arlola Sequeira, Nueva Guinea, Department of Zelaya South, left Nicaragua in December 1985. Since his brother had been a member of one of the rebel groups he was taken prisoner and interrogated by the State Security.

"My brother was with the Contras so they accused me of being with them also. They took me to the Central Command post in Nueva Guinea. The first night there they interrogated me and started threatening me. They said if I didn't tell them where my brother was they would kill me. They hit me in the ribs and hit me on the head with the butt of a pistol. After that they put the pistol in my mouth and hit my teeth with the barrel of the pistol. They were very drunk and continued doing this for what seemed like two hours. The next day I was taken to the State Security cell and they put me into 'La Chiquita' with eight others. The cell was about six feet by six feet. They kept us there five days without food. There was no light in the cell. After this first five days they put us into individual cells farther underneath the ground. After about 2 or 3 minutes we thought we were suffocating and began banging on the walls of the cells. They then took us out and once again interrogated me. I was there with another person I knew and so they interviewed both of us in different rooms and tried to get us to denounce the other. When that didn't work I was thrown back into 'La Chiquita' and the next day was put into a larger cell. After two months I opted to join the militia instead of staying in prison. I escaped and hid in Juigalpa where a few days later I fled to Costa Rica."

It is important to emphasize that most of these testimonies are from people who have been imprisoned for not supporting certain policies of the Sandinistas. Vendors in the Eastern Market in Managua have received up to 20 years imprisonment for refusing to buy their goods through channels of the Sandinista government. Peasants are imprisoned for selling their grain on the open market instead of to the government run cooperatives MICOIN, which regulates the flow of food within the country.

We have one instance of a woman from the Eastern Market who has been imprisoned 11 times within the last 9 months for selling prohibited items on specific days, such as milk or cheese. Our information indicates that the Sandinista government has used imprisonment systematically to squelch individual and group opposition to it's policies.

Nicaraguan Permanent Commission on Human Rights

The CPDH estimates that over 95 percent of those convicted by the People's Anti-Somoza Tribunals were convicted by accusations against themselves while in State Security prisons. Of that 95 percent nearly all have been tortured into accusing themselves. On the average, those accused spend more than 6 months in prison before going before the Tribunals. Those brought before the Tribunals are condemned by evidence gathered in three ways.

(1) Confessions of prisoners against themselves while in State Security cells.

(2) Confessions of prisoners against other prisoners.

(3) Testimonies of State Police interrogators who heard prisoners confessions during interrogations.

In the majority of the cases the peasants were accused of giving food or logistical aid to the contras. The following is part of an interview with Lino Hernandez of the CPDH in January 1985.

"In principle every person who arrives at the State Security prisons is declared guilty. They have a method for each person. We have received testimonies of tortures that don't leave marks or scars. While in State Security they are subject to isolation in dark cells without any light. They are not given food either. We have received information that they use both physical and psychological torture."

Accounts we gathered of torture and interrogations of prisoners support the claims made by the CPDH. However, it also becomes evident that very small numbers of prisoners are ever actually being brought before a judge. Refugees imprisoned during 1982 and 1983 mentioned judicial processes of release. The majority of the refugees imprisoned during 1984 and 1985 had neither communication with the outside nor exposure to any aspect of the judicial process.

RELIGIOUS PERSECUTION

Our investigations show that during 1984 and 1985 religious persecution increased dramatically. Within the last few years nearly all religions not openly professing their support for the Sandinista government are accused of counterrevolutionary activities. Their churches have been confiscated, leaders imprisoned, and members intimidated.

Since June of 1985 the Catholic church has been under renewed attacks from the government. This more subtle repression of the Catholic Church has not received much media attention, but still represents a violation of freedom of expression and worship.

Sofonias Cisneros was imprisoned on May 14, 1985. As director of a parent-church group called The Assembly of Parents of the Family, involved in selecting the curriculum for the parochial schools in Nicaragua, he had openly criticized the Sandinista regime for their insistence on placing pro-Marxist materials in the classroom.

Because of his remarks he was taken to prison by State Security police and beaten by the Managua Chief of Police, Lenin Cerna. We were able to secure a personal interview with him to clarify his report made to the Nicaraguan Permanent Commission on Human Rights, CPDH.

"On May 14, 1985 I was arrested by men in uniforms who arrived at my house. I was taken to a place known as 'El Chipote' which is behind the Intercontinental Hotel there in Managua. They took me there in a military jeep. When I arrived there I was made to take off all my clothes. I was eventually approached in a room by several military people. Since I didn't have my glasses on I couldn't tell who they were until one asked me who he was. When I responded that I didn't know he told me he was commander Lenin Cerna and that I was going to die before I ever got out of that place. I was kicked and hit several times while detained. They also hit my head against the wall by grabbing my hair. They finally released me after having tortured me in this way."

In late July 1985, 15 catechists, members of a Catholic youth organization, were doing missionary work in the southern part of Nicaragua in a comarca called San Vicente near the town of Diriamba. There were 7 girls ranging from 15 to 17 years old in the group.

They were raped by eight Sandinista soldiers while they slept in one of the houses in Diriamba. The 8 boys who were with the group were badly beaten and were later accused by the same group of soldiers of having raped the young women. When the incident was reported to the Sandinista authorities it was publicly denied. However, our investigations revealed that a secret investigation was being conducted within the government to find those responsible for the raping incident. Father Pena Rojas is a Nicaraguan Catholic Priest. The neighborhood over which he has jurisdiction is located close to the Eastern Market in Managua. He has personally been the object of Sandinista persecution and has witnessed the persecution of his parishioners.

"The persecution of members of my church has increased dramatically during this year [1985] and last. Since a lot of my members work in the Eastern Market they are subjected to harassment by the government when they attend the masses conducted here or at the Eastern Market. Many times throughout the months of June, July and August of this year [1985] the people who came to my mass were not permitted to buy meat. They must buy their meat from the government who is the sole supplier and they were simply told there was none. We knew they were lying because others were able to get the meat during the same day."

Father Pena and Father Mondragon led large groups of people to see Cardenal Obando y Bravo return from his ordination in the Spring of 1985. They were pushed back by Sandinista police. When they finally arrived at the airport a large group of men were randomly singled out and arrested. They were youth who had been holding anti-communist pro-catholic signs to greet the arrival of the Cardenal.

The most severe religious persecution occurs in the rural areas of Nicaragua, where access to media and communication lines is practically non-existent. Religious campesinos have told us that unless they are willing to fight for the Sandinistas as well as God, then they are accused of counterrevolutionary activities. We have received numerous reports that during mass meetings which the Sandinista Army regularly holds in these remote regions, Sandinista officials threaten those campesinos who openly profess their religion.

Desiderio Centeno (47 years) is from Bana in the department of Jinotega. He fled Nicaragua on April 28, 1984. While in the country he was repeatedly harassed by State Security forces trying to prevent him from preaching the "word" as he called it.

People like Desiderio are common among the peasant class. Over 50 similar accounts like his were collected during our investigations. His story should be emphasized because it represents the religious persecution of the peasantry inside Nicaragua.

"They don't want you going around preaching the word because they say we are just preaching politics and preaching about the counterrevolution. They would gather us together in the town plaza there in Bana Centro and humiliate us about our religious beliefs. They said that if we really loved God then we not only had to have the bible in one hand but a rifle in the other. We had to attend these meetings because it was a direct order from the State police. We had to attend these gatherings 4 or 5 times a week up until the time I left with my family. The State Security privately interrogated me a total of three times. They always threatened me during these interrogations and on one occasion he struck me in the face with his fist."

From reports gathered, those religious groups and individuals who openly support the Sandinista government and its policies do not receive threats, intimidation or harassment. However, those who openly or even individually espouse Christian ideals run the risk of Sandinista reprisal.

LITHUANIAN INDEPENDENCE DAY

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1986

Mr. LOWERY of California. Mr. Speaker, as a member of the Ad Hoc Committee on Baltic States and the Ukraine, I rise to speak on behalf of the courageous people of Lithuania and their long struggle for freedom in the face of Soviet imperialism. On February 16, 1918, the country of Lithuania became a free and independent state. However, their political and social freedom has since been stripped from them by the Soviets.

After a series of Soviet and German occupations of Lithuania dating from World War I through World War II, the Lithuanian people fell under the vicious grip of their Communist neighbor on July 13, 1944. Prior to then, the people of Lithuania had adopted a constitution protecting human rights and were allowed admission to the League of Nations.

Today, the people of Lithuania must struggle to maintain their identity. The Communists deny Lithuanians the freedom to travel and the liberty to practice religion in peace. The Soviet policy toward the church is an appalling one which includes repression and intimidation through violence. In the schools, religious and cultural heritage is under assault where the Lithuanian children are indoctrinated in atheism and communism.

The United States has, rightfully, never acknowledged the Soviet conquest of Lithuania. Our country has showed its support by formally recognizing the independent Government of Lithuania and also by our continuing diplomatic relations with their representatives.

Mr. Speaker, although political independence for Lithuania remains to be restored, I wanted to take this opportunity on the 68th anniversary of Lithuanian independence to praise the people of Lithuania for their continuing efforts to achieve freedom.

GAFFNEY AND GARWIN ON RELIABILITY TESTING

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1986

Mr. MARKEY. Mr. Speaker, I have recently had a very interesting correspondence with the Defense Department regarding the issue of reliability or proof testing of existing warheads. I would like to call the attention of my colleagues to the letter, and to an analysis of its contents prepared by IBM physicist, Dr. Richard Garwin, a longtime consultant to the Defense Department on nuclear weapons issues.

The letters follow:

OFFICE OF THE
ASSISTANT SECRETARY OF DEFENSE,
Washington, DC, January 21, 1986.

Hon. EDWARD J. MARKEY,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN MARKEY: On behalf of Secretary of Defense Weinberger, I would like to thank you for your letter of 4 December 1985 requesting information regarding the military characteristics (MCs) of nuclear weapons, specifically a "requirement that weapons be designed so that they could be remanufactured in the future without explosive 'reliability' testing." Such a requirement, in your view, is in order given our long-term goal of a comprehensive test ban.

As you correctly point out, a comprehensive test ban, or CTB, that strengthens global stability and enhances security has been a long-term objective of the United States for some time. As you also indicate, for the foreseeable future, the United States will need to maintain a credible nuclear deterrent in order to ensure our national security and that of our allies and friends. In this context, the need for nuclear testing is as valid and recognized today as it was in the 1960s. Indeed, for as long as a nuclear deterrent is as essential to our security as it is today, a CTB would have quite the opposite effect to that intended. That is, a CTB in the foreseeable future would not strengthen stability but rather lead to a less secure and more dangerous world as the nuclear nations, unsure of the reliability of their nuclear weapons, increased their stockpiles to compensate for this uncertainty and as some non-nuclear nations, unsure of the reliability of the guarantees of the nuclear states, decided their security required them to build independent nuclear deterrent forces.

In 1963 President Kennedy forged a consensus for ratification of the Limited Test Ban Treaty (LTBT) around Safeguards which assured conduct of comprehensive, aggressive, and continuing underground nuclear test programs to add to our knowledge and to improve our weapons in all areas of significance to our military posture for the future. The Safeguards also required maintenance of modern nuclear laboratory facilities and programs in theoretical and exploratory nuclear technology to ensure continued progress in that technology. In part, the Safeguard concept resulted from our experience during and immediately after the 1958-61 moratorium on nuclear testing, which included serious stockpile problems with which Dr. Seaborg should be familiar. Those problems have been described in recent testimony before the HASC by representatives of the Department of Energy and the national weapons laboratories.

The consensus to maintain vigorous nuclear testing and weapons development programs and strong weapons laboratories provided the context for national decisions of the 1960's which determined the structure and characteristics of the nuclear forces we have today. Those decisions did not emphasize aspects of warhead design which would enhance weapon endurance in a no-test environment. In fact, long stockpile lifetimes were generally not envisioned in the mid-to-late 1960s because the changing Soviet threat and the rapid evolution of nuclear technology dictated constant weapon improvements.

The decisions of the 1960s, which included the choice of relatively small ballistic missiles of limited throwweight and MIRVing of those missiles with miniaturized warheads, emphasized enhanced military effectiveness, efficiency, and reliability, as well as safety, security and reduced costs in the design of our nuclear systems. Meeting these requirements has taken nuclear design in the direction of increasing technical sophistication and a stockpile ever more dependent on competent design judgments validated by continued nuclear testing. Despite improvements in calculations and in our general understanding of how nuclear explosives work, nuclear testing is still essential not only for continued development of new weapons, modification of existing designs, and confidence in the reliability of the existing stockpile, but also for confidence in the judgments made by the weapons designers in the performance of these tasks.

If we had placed, or were to place, primary emphasis on stockpile longevity, and today's security requirements were to continue, we almost certainly would need larger, heavier warheads in greater numbers and with larger yields to maintain today's level of deterrence. Hence, we would need larger delivery systems with greater throwweights. That is, we would need a costly and completely new and different nuclear deterrent force.

Today, as in the past, military requirements determine the characteristics of our nuclear weapons. In a typical case, their order of priority is: nuclear safety (always foremost), size and weight of the nuclear device to ensure compatibility with delivery vehicle requirements, minimum probability of plutonium dispersal in case of accident, operational reliability, yield, conservation of reactor products and enriched uranium, minimum maintenance, and operational simplicity.

In 1982, the DOD added warhead endurance to the military characteristics (MCs), stating the desirability of warheads with an inherent endurance obtained as a result of design considerations. These considerations address maximizing warhead lifetime, maximizing the ability to replicate the warhead at a future date, and maximizing the ability to incorporate the warhead into other delivery systems.

Therefore, the design, development, and production must be well documented and involve processes that to the extent possible allow replication at a future date. Beyond this, however, it would be futile for us to insist in the MCs on weapons whose reliability can be ensured indefinitely in the absence of nuclear tests. This is simply impossible, even if we were to relax all other requirements; without recourse to nuclear testing we would soon lose confidence in the design judgments applied to stockpile-aging and rebuilding problems.

If the MCs result in design conflict, priorities are usually observed in the order listed, giving consideration to tradeoffs which allow high-priority MCs to be attained while minimizing the degradation of the competing lower-priority MCs. Technical feasibility and cost provide the basis against which desired competing characteristics are measured, with nuclear safety the overriding requirement. Lifetime is maximized to the extent possible, consistent with attaining the other MCs.

As a practical matter, we cannot always remanufacture nuclear warheads using original design specifications. First, they might not satisfy current military requirements or meet the evolving Soviet threat. When an existing well-tested design can be adapted for a new application (e.g., the Peacekeeper warhead), modifications are necessary to make the design compatible with the new weapons system and to meet other requirements. The modifications are generally extensive enough to require not only expert design judgment but also further testing. Second, older designs lack what are now considered essential features for safety and security. In addition, production requires monitoring by the weapon designer. For an older design, the original designer might no longer be in the weapons program, forcing reliance on people without first-hand experience in the weapon and competent only to the extent of their current testing experience. Materials, fabrication techniques, and equipment used for older weapons will not necessarily be available or permissible for health and safety reasons. Substitutions often affect the operation of the weapon; they require judgments regarding the need for testing to provide assurance that failure would not result, and such judgments would be increasingly prone to error as testing experience receded into the past. Moreover, as recent hard experience has shown us, not all design problems can be eliminated by extensive non-nuclear testing alone. To rely solely on non-nuclear tests, absent actual proof tests of the weapon, would entail serious risks to the safety and reliability of our nuclear deterrent forces, and would soon reduce our confidence in those forces.

The requirement to test nuclear weapons should not be surprising to anyone. Any sophisticated equipment—airplanes, radar, tanks—requires testing. As complex mechanisms age, they change in ways that cannot be predicted. In the real world of engineering, nothing complex can be remanufactured—even to precise specifications—and relied on without testing.

In sum, I believe there is historical consistency in our position that a CTB is a long-term objective to be achieved in the context of broad, deep, and verifiable arms reductions, substantially improved verification capabilities, expanded confidence-building measures, greater balance in conventional forces, and at a time when a nuclear deterrent is no longer as essential an element as currently for international security and stability. As President Kennedy wrote to Senate leaders in 1963 during the LTBT ratification hearings, "While we must all hope that at some future time a more comprehensive treaty may become possible by changes in the policies of other nations, until that time our underground testing program will continue."

Sincerely,

FRANK J. GAFFNEY, Jr.,
Deputy Assistant Secretary of Defense, Nuclear Forces and Arms Control Policy.

IBM THOMAS J. WATSON
RESEARCH CENTER,
Yorktown Heights, NY, February 20, 1986.

Hon. EDWARD J. MARKEY,
The House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN MARKEY: This response to your request that I comment on the letter of 01/21/86 to you from Frank J. Gaffney, Jr., Deputy Assistant Secretary of Defense for Nuclear Forces and Arms Control Policy.

I welcome this opportunity, because there are many interesting points made by Secretary Gaffney, which I address in numbered order.

1. In the second paragraph, Gaffney says ". . . as the nuclear nations, unsure of the reliability of their nuclear weapons, increased their stockpiles to compensate for this uncertainty . . ." I wish to point out that this argument has quite the opposite sign to the argument that Secretary Gaffney and his superiors have often made in regard to the SDI—that the Soviet Union ". . . unsure of the reliability of their nuclear weapons, would decrease their stockpile . . ." Now I don't say that either version of this theorem is correct, but surely they cannot both be correct—that uncertainty imposed by the existence of a defense would lead to reductions in the offense, while uncertainty imposed by lack of confidence (because of the Comprehensive Test Ban) would lead to increase in the offensive stockpile. Therefore, I believe that this argument should be given no weight.

2. In the fourth paragraph, Gaffney notes "In fact, long stockpile lifetimes were generally not envisioned in the mid-to-late 1960s because the changing Soviet threat and the rapid evolution of nuclear technology dictated constant weapons improvements." It seems to me, that although many weapons entered the stockpile, they were expected to remain there for a long time. I was never involved with the weapons laboratories in the development or the production of what might be called "junk bombs," by analogy to the financial scene these days.

3. In the fifth paragraph, Gaffney implies that among other reasons, continued testing is essential to maintain confidence in the reliability of the existing stockpile, and that is the point which I want to address further. My response will appear in consideration of other quoted statements.

4. In his sixth paragraph, Gaffney argues, "If we had placed, or were to place, primary emphasis on stockpile longevity, and today's security requirements were to continue, we almost certainly would need larger, heavier warheads in greater numbers and with larger yields to maintain today's level of deterrence." In the first place, if we had "larger, heavier warheads" to provide the same yield and accuracy, I fail to see the reason why we would need also "greater numbers and larger yields." But this same argument holds if we place "primary emphasis" on safety. The program to build nuclear weapons with insensitive high explosive (IHE) indeed requires "larger, heavier warheads" than would otherwise be the case. Yet Secretary Gaffney apparently believes that this is a good idea, and perhaps that is the reason why we need "greater numbers and larger yields to maintain today's level of deterrence." I personally, do not believe this.

It is fundamental to understand that the purpose of a CTBT is not to limit U.S. weapons. It is to improve the security of the United States by limiting Soviet weapons and weapons of other nations. The question for us is whether the limitations on U.S. weapon development are acceptable in view of the security gains.

5. In his seventh paragraph, Gaffney says "Today, as in the past, military requirements determine the characteristics of our nuclear weapons." That is exactly the point which I challenge. It should be that U.S. security requirements determine the characteristics of our nuclear weapons. Of course, a smaller, more accurate, higher yield weapon is more suitable for military use, but it may very well be (and I think it is likely) that the capping of Soviet weapon development and the firm base which a CTBT would give us to prevent nuclear weapon proliferation throughout the world, and the contribution it would make to limiting nuclear weapons among the major powers, far outweigh these "military requirements."

6. In paragraph 9, Gaffney maintains that "without recourse to nuclear testing we would soon lose confidence in the design judgment applied to stockpile-aging and rebuilding problem." I doubt this. People could well study existing test data and correlate these results with performance. One could continue to improve computer programs, but one could frankly spend money to avoid having to apply "design judgment," since one would stay far away from the vague boundary between acceptable and unacceptable changes.

7. To that "lifetime is maximized to the extent possible, consistent with attaining the other MCs." simply means that this is given low priority. But the priority should be assigned from the *outside*, not set in the Department of Energy weapon program.

8. To say that "As a practical matter, we cannot always remanufacture nuclear warheads using original design specifications," ignores the vast resources available to the program. Furthermore, the arguments given do not support this assertion. It says "When an existing well-tested design can be adapt-

ed . . ., modifications are necessary to make the design compatible with the new weapon system and to meet other requirements." In actuality, if the requirement were imposed to use the MX warhead *without* modification, on the Midgetman missile, that could certainly be done. These "necessary modifications" are not in fact necessary—they are convenient.

To say that "Older designs lack what are now considered essential features for safety and security," is a judgment. These older designs are in the inventory, and they are adequately safe there (else we would take them out of service immediately), and it should be a national judgment whether fewer of these persisting into the future in a CTBT era is better for our security than new, supposedly safer and more secure weapons. To say that "Materials, fabrication techniques, and equipment used for older weapons will not necessarily be available or permissible for health and safety reasons" ignores the exception in the OSHA law for national security programs. It also ignores the fact that in the nuclear weapons program people are accustomed to working with plutonium in controlled atmospheres, and the like, and this can easily be done with spray adhesive or other semi-noxious materials like beryllium.

To say that ". . . not all design problems can be eliminated by extensive non-nuclear testing along" begs the question. I am talking about weapons which have been placed into the stockpile after thorough testing. If there are design problems, then by definition they do not interfere with the initial reliable performance of the weapon, and degradation in the stockpile can be asertained by non-nuclear testing and fixed by remanufacture.

9. In paragraph 12, Gaffney compares a nuclear weapon with the "airplanes, radar, tanks," which require testing as complex mechanisms, but I propose always to test the nuclear weapons by non-nuclear means. They are put through their paces, and only the fissile material is untested after the proof tests associated with the initial phase of weapon deployment.

In all, I think the analogy with President Kennedy's efforts are imperfect. The "changes in the policies of other nations' which President Kennedy called for are reflected in the apparent willingness of the Soviet Union now to have an indefinite moratorium and (one hopes) a thoroughly verifiable Comprehensive Test Ban Treaty. Certainly there has been progress since those days in the acceptance of unmanned seismic monitoring stations on Soviet territory, and the demonstration of a satisfactory prototype.

To put a CTBT as a "long-term objective" reminds me of the reputed plea of St. Augustine, in which he asked the Lord essentially to "Make me chaste, but not just yet."

I think that the arguments put forth in the letter of 01/21/86 from Secretary Gaffney, while interesting, do not stand up to analysis.

Sincerely yours,

RICHARD L. GARWIN.

HY-LOND CONVALESCENT HOSPITAL REMEMBERS HOSTAGES

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1986

Mr. DORNAN of California. Mr. Speaker, I made a pledge to my colleagues, to the families of our Americans held hostage in Lebanon, and to myself that I would not let this body, or the American people, forget those held against their will so far from home.

I am proud today to share with this body the outstanding efforts of the Hy-Lond Convalescent Hospital in my district in Westminster, CA, in remembering the hostages and helping their families.

The residents of Hy-Lond have held prayer vigils every day since July for the release of the captured Americans. The program was initiated by Nancy Fontaine, Hy-Lond activities director. The residents have also participated in two ceremonies with the families of the hostages.

I am grateful for their selfless efforts and I am proud to let my colleagues know that Hy-Lond has been recognized by the Freedom Foundation of Valley Forge, PA, for having one of the Nation's best civic programs last year with its "Freedom Day of Prayer." Hostage families, along with former hostage, Benjamin Weir, are flying to California, at their own expense, to pay tribute to the residents at the awards ceremony in El Toro on April 24. Hy-Lond's presentation was judged among the best of the more than 100 entries received nationwide and the ceremony is expected to draw national media attention.

The conviction and perseverance exhibited by the Hy-Lond residents exemplify the best in America and I thank them for their sacrifices and determination.

IN MEMORY OF THE SHUTTLE SEVEN

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1986

Mr. McGRATH. Mr. Speaker, I would like to include in the RECORD two poems which recently appeared in the Valley Stream, Long Island Maileader. The first entry, "Challenger-Unchallenged," was written as a joint effort by the fifth grade class of the Wheeler Avenue School in Valley Stream, under the guidance of Mrs. Nancy Stalb. The second, "Our Sadness," was written by Alison O'Flaherty and Cinty Mata, two fourth graders at the Holy Name of Mary School, also of Valley Stream, NY.

CHALLENGER-UNCHALLENGED

A costly, scary, and dangerous thing happened
People were stunned, sad, and mad
The tragedy shocked us all,
We were surprised to witness such sorrow
The astronauts would not see tomorrow
Pow! like a firecracker in the sky
We really don't know how or why
Halley's Coment will have to wait
Because of Challenger's terrible fate.
On Challenger, seven heroes died
Looking, searching for what the future held
This was an important mission
Why do heroes have to die?
Why were seven lives lost over a dream of space?
They did not know what was going on
In a minute all was gone
The Challenger did not make it into space
Sadness is on everyone's face
Scobee, Smith, Resnik, Onizuka, McNair, Jarvis, McAuliffe
Heroes All
We're sure they're way up high
Touching the face of God in the sky
The county mourns their terrible fate
Families will always remember the date.
Special were they who loved to fly
Seeking knowledge for all mankind
Of the vast beyond-the sky.
The future belongs to the
Bold and the Brave
Not the faint of heart

OUR SADNESS

To All the people on the Space Shuttle who died.
And for their families that cried and cried.
I knew quite well, my eyes began to swell.
My throut choked up,
I could not get up,
When I learned they were not here.
I pray for them every day,
And I know everyone else will pray.
I am very sad,
And my family is, too.
I'm sure everyone else will pray,
Including you.
I could not bear the sight;
When they went up for their final flight.
My classmates talk about it every day.
I wish this never happened.
And could have been stopped in some way.
I pray for the children who are very sad.
I will try through my prayers,
To keep them from feeling so bad.
I hope it works,
I'm almost sure it will,
But until then, I will have to be patient,
And sit still.

It has now been over a month since the tragic space shuttle "Challenger" explosion in the skies over Florida's Atlantic coast. The sorrow and disbelief remain in the hearts and minds of all Americans. These feelings will stay with us all in the days, weeks and years to come. However, we must remember that like the shuttle's name, space exploration is a challenge and like all endeavors for the greater good, it can never be free from risk. But we can and will persevere.

VFW ANNUAL MEETING IN WASHINGTON

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1986

Mr. FLORIO. Mr. Speaker, I would like to take this opportunity to once again congratulate the Veterans of Foreign Wars of the United States. The VFW has been a great help to me in my role as a member of the House Veterans' Affairs Committee. This week the national and local leadership of the

VFW are in Washington to meet with their elected representatives and I am looking forward to seeing New Jersey State Commander Edward Fischer of Roseland, NJ.

Mr. Speaker, veterans service organizations perform a very useful role particularly in this era of budget reductions and benefit cutbacks. Many times the veteran first learns of the personal effects of those actions through his service organization. With the executive director of the VFW, Cooper Holt, and the current national commander, John Staum, I know that the VFW and its millions of members are in good hands.

I congratulate Messrs. Fischer, Staum, and Holt and all the members of the VFW for a job well done. I look forward to seeing them all this week.

RESOLUTION ON SPAIN AND ISRAEL

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1986

Mr. GARCIA. Mr. Speaker, today I introduced a sense of the House resolution congratulating Spain and Israel for their recent decision to establish full diplomatic relations along with, Representative SMITH of Florida, Representative REID, Representative ORTIZ, Representative ROYBAL, Representative BUSTAMANTE, Representative LEVINE, Representative DE LUGO, Representative RICHARDSON, Representative FUSTER, Representative COELHO, and Representative TORRES.

On January 17 of this year, Spain and Israel formally established full diplomatic relations. This historic occasion was the culmination of several years of work on the part of leaders in both nations, as well as the support of many of us who consider ourselves to be friends of Spain and Israel.

In January of this year, Spain also formally became a member of the European Economic Community and established itself as a full member of the community of democratic nations, not only in Europe but throughout the world. The rise of the Spanish democracy is similar to the rise of Israel as an outpost of democracy in the Middle East. That is, both nations have struggled to achieve democracy. Yet, there has never been any question in either nation that the struggle has somehow not been worth it. It has.

This simple resolution is a way of letting the Governments and people of Spain and Israel know that we support them in their efforts to establish a better, more open relationship. Diplomatic relations should not be taken lightly. The exchange of ambassadors is a privilege, not a right. I am certain that Spain and Israel were well aware of this when they decided to establish diplomatic relations.

I urge my colleagues to cosponsor this resolution so that we can send a positive signal of support to our friends in Spain and Israel.

H. RES. 385

Resolution expressing the sense of the House of Representatives that both Spain and Israel should be congratulated for their recent decision to establish full diplomatic relations

Whereas on January, 17, 1986, Spain and Israel established full diplomatic relations;

Whereas the relationship between Spain and the Jews is historic;

Whereas the contribution of Spanish Jews to Spanish and world culture is significant, particularly the contributions of individuals such as the 12th century philosopher Moses Maimonides;

Whereas the nadir of the relationship between Spain and the Jews occurred 500 years ago in 1492 with the expulsion of the Jews from Spain;

Whereas the people of Spain and Israel have put behind them that tragic event; and

Whereas the Governments of Spain and Israel are, in keeping with the best traditions of their people and nations, firmly committed to democracy and the democratic tradition: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that—

(1) both Spain and Israel should be congratulated on establishing full diplomatic relations with each other;

(2) full diplomatic relations between Spain and Israel can only be beneficial to bringing about enhanced understanding between all nations committed to democracy and peace; and

(3) the relationship between Spain and Israel should grow and prosper.

HOUSE JOINT RESOLUTION 513

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1986

Mr. EDWARDS of California. Mr. Speaker, I recently cosponsored legislation introduced by my colleague and good friend, Mr. GONZALEZ, expressing the strong disapproval of the House to President Reagan's planned deferral and recission of Community Development Block Grant and other housing program moneys. I urge my colleagues to join me in opposing the President's housing policies.

The administration's strangulation of the CDBG Program will jeopardize the availability of housing for low-income and very low-income families, single parents and senior citizens. In my district, $2.5 million in CDBG money garnered $5.6 million of private financing to ensure the construction of housing for 470 people. Without the capacity to leverage private financing and thus reduce the cost of housing projects, 8 of 10 projects developed in recent years in the Santa Clara Valley would not have been realized.

The CDBG Association of San Jose has prepared an analysis of the impact the President's proposed deferral and recission will have upon services and programs in the Santa Clara Valley. I would like to share this summary with my colleagues, for it is an example of one community's plight that can be extrapolated on a nationwide basis. I urge my fellow House Members to support House Joint Resolution 513, and send a clear message to the President that abandonment of housing and community development programs will not be tolerated.

COMMUNITY HOUSING DEVELOPERS,
San Jose, CA, February 19, 1986.

Re Impact of CDBG funding cutbacks on services provided by Non-profits in San Jose.

Congressman DON EDWARDS,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN EDWARDS: The CDBG Association of San Jose is very concerned that the proposed cutbacks in CDBG funding will severely curtail critically needed services to low income residents of San Jose and Santa Clara County.

The Association is composed of twenty-nine CDBG funded nonprofit agencies serving over 34,000 low income persons (see attached roster of member agencies) of these approximately: 11,356 are Seniors and disabled persons; 15,605 are Low income adults; 7,534 are Youth.

The services provided by members of the Association are varied but generally fall into two categories: housing and community services.

The housing services include programs that:

Increase the availability of affordable housing for low income families, seniors and the disabled through new construction, acquisition and rehabilitation of existing units and shared housing arrangements.

Improve the existing supply of housing through weatherization, rehabilitation and home modifications for the disabled.

Provide emergency shelter, food and crisis intervention for battered women and their children and emergency shelter for homeless families and adults.

Provide tenant-landlord legal counseling and housing discrimination services.

Place mentally ill adults and seniors in independent living situations.

Programs in the community services category are funded by the City of San Jose to enhance traditional City services for residents earning 80% or less of the County median income by providing:

Free legal services to seniors and low income persons speaking Asian Pacific Languages.

Assistance to small business.

Job training to the mentally ill.

Recreational activities to seniors, disabled, mentally ill and disadvantaged youth.

Food to supplement the diets of seniors and handicapped.

Consumer advocacy services to elderly persons in nursing homes, the developmentally disabled and the mentally ill.

If the proposed 30% cutback in 1986 CDBG funding is implemented 70% of the agencies who are members of the CDBG Association would be forced to cut their services by 50% or more. This would mean that 15,000 fewer low income San Jose residents would receive essential housing and community services in 1986. More severe cutbacks would eliminate the services provided by many of the non-profits entirely.

The CDBG Association of San Jose urges you to vote against any cuts in the CDBG program this year or in the future years, including the impoundment of funds already allocated. Cuts in CDBG funding impact the most needy in our society and threaten the "safety net" that the Reagan Administration promised to leave in place for the poor.

We are aware of your past support of Federal Programs benefiting seniors, disabled and low income persons and hope that you

will not forget the needs of your low income constituents when Congress makes its budget decisions this year. If we can supply you with any further information regarding the impact of CDBG cuts on services provided by non-profits in San Jose, please let me know. I can be reached at Community Housing Developers, Inc. (408) 292-9969.

Sincerely

LINDA SMITH,
President,
CDBG Association of San Jose.

REMARKS OF HON. RICHARD GEPHARDT AT IOWA FARM BUREAU FEDERATION ANNUAL MEETING

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 3, 1986

Mr. BEDELL. Mr. Speaker, recently our colleague, DICK GEPHARDT, spoke to the Iowa Farm Bureau Federation on the urgent need to revamp Federal agricultural policy if we are to reverse the downward spiral in farm income and halt the current exodus from our farms and rural communities.

In his presentation, Mr. GEPHARDT not only accurately identified those agricultural, fiscal, and monetary policies that have brought agriculture to its knees, he also outlined those principles that must guide us as we attempt to correct what is wrong in rural America today.

I commend Mr. GEPHARDT's address to the attention of all those who recognize the need for new leadership and a new direction in agricultural policy.

Text follows:

PREPARED TEXT OF U.S. REP. RICHARD A. GEPHARDT (D-MO) BEFORE THE IOWA FARM BUREAU FEDERATION ANNUAL MEETING DES MOINES, IA

It is a special honor to be asked to give the Democratic view on national farm policy what that policy has been, and what it should be.

In my view, there are few issues of more critical importance on the national agenda.

I say that as the Chairman of the U.S. House Democratic Caucus, as a Member of Congress from an urban district in the city of St. Louis, and as an American whose family has been touched—seared might be a better word for it—by what can happen when things go haywire in rural America.

I want you to know—even though I come from one of the nation's largest cities—when I see what's happening in rural America, I do not just see dry statistics and empty numbers.

Like you, I know on a personal level, this farm crisis is real, it is severe, and its consequences are disastrous in human as well as economic terms.

I want to say at the outset I did not come to Iowa to engage in an exercise in Republican farm policy bashing.

But it is impossible to discuss the current farm crisis without discussing current farm policy—Republican farm policy—and the impact those policies have had on our farm families and on our rural communities.

And I am not unmindfull of the fact that—as an organization—the Farm Bureau has generally supported many of those policies.

If we are serious about getting our farm economy back on track . . . if are serious about the need to change the failed policies of the past, it is here, in the heartland, in Des Moines, and with America's largest and most influential farm group where that discussion must begin.

I commend you for taking the initiative to fully participate in that debate. And for providing this opportunity, for me to be part of it.

In 1980, Ronald Reagan asked: "Are you better off today than you were four years ago?"

I think that's a pretty fair question to ask farmers today.

Are you better off today than you were five years ago? Are your neighbors down the road better off today than they were five years ago?

The answer is obvious.

I can't tell you what Republican farm policies have done for the farmer over the past five years.

All I know is what they've done to farmers.

I noted with some interest that just a few weeks ago, the Vice President flew out to Iowa and—five years after this Administration came into office—allowed that they might have been a "little slow" in expressing their concern for the farm problem.

Well, I have news for the Vice President.

This administration doesn't have a "farm problem."

Farmers have a big problem with this administration.

They promised farm prosperity, but their Republican farm policies have delivered a Farm Crisis, the likes of which we've not seen since the Great Depression.

In the past five years: The value of farm assets has fallen by $84 billion; 123,000 farmers are technically insolvent; in Iowa alone, one-third of the farmers are in serious financial trouble and another third are barely hanging on.

And even as our nation's economic future depends increasingly on foreign trade, the overseas figures for agriculture are just as bad.

Before the Republicans came to power, farm exports were growing at a rate of 17 per cent a year . . . and had increased in value every year—without interrupiton—for 14 straight years.

What's happened since then?

Every year for the last five years, the Republicans promised to open new markets for our farmers.

And in those five years, farm exports have dropped by $10 billion. Our agriculture trade surplus has been cut in half.

The final figures for 1985 are not yet in. But the preliminary reports are in and they look no better.

The Department of Agriculture predicts at the end of 1985, the year-to-date total for farm exports will be 19 per cent below what it was in 1984.

That represents a 31 percent plunge from the value of farm exports five years ago.

Do American farmers have a problem with Republican farm policies?

When tens of thousands of farm families watch their lives auctioned off, and then read in the newspapers about a Republican President who: Vetoes the Emergency Farm Credit Bill (as he did last March); blocks passage of a meaningful Farm Bill (as he did this fall); and threatens to veto another Emergency Farm Credit Bill (as he did last month) . . . You bet we've got a probelm with Republican farm policies.

When Iowa's Governor has to declare an Economic Emergency—the first since the Depression—you bet we've got a problem with Republican farm policies.

When young people who once dreamed of one day taking over the family farm, now tell me they're trying like the devil to avoid that prospect, you bet we've got a problem with Republican farm policies.

When the President of the United States says we should keep the grain and export the farmers—and thinks it's funny—you bet we've got a problem with Republican farm policies.

And when Willie Nelson and Bob Dylan have to hold a benefit concert to save American farmers within weeks of one to save starving Africans you know we've got a problem with Republican farm policies.

This Administration seems to think losing your farm is like losing your country club membership. You can always go elsewhere.

They believe family farms are nothing but a business. If you fail, it's your problem, not theirs. It's nothing anybody else need be concerned about.

I say—the Democratic Party says—they are dead wrong about that.

What is at stake today is not just the economic survival of a few businesses.

What's at stake is the survival of a democratic nation's basic system of producing food and fiber—our belief that: 1. Our land and our production will not be controlled by just a wealthy few, but that it shall be held widely in the hands of many. 2. And that it is in the national interest to have many own, live on, and obtain their livelihood from the land . . . because doing so builds good citizens by making them full participants in the American Dream.

But, for tens of thousands of American farm families, the American Dream has become a night-mare.

Republican farm policies have now placed in jeopardy the very survival of our most basic American way of life.

I know many of you—in the past—have supported this Administration, the Republican Party, and the farm policies they have given us.

But my message to you today is that I hope you re-think that position.

Don't wonder if you should leave the Party which gave us the farm policy which produced this mess.

The fact is, the Republican Party has already left you.

The question, then, becomes: What's the alternative? Where do the Democrats stand?

We believe American farm policy should rest on several basic principles: First, there must be profitability in agriculture; second, farmers must be paid a fair price for their product and their labor. That requires the government to provide the necessary environment to manage the supply that farmers produce; third, to meet those twin goals, the government has some specific responsibilities:

First—to be aggressive in the search for new markets and new uses for farm products; and

Second—to help not hinder our efforts to sell our farm products abroad.

We believe the federal government has a responsibility to provide stability in agriculture. To a far greater extent than any other business, farmers must be able to plan for the future.

We reject the idea that farmers should have to cope with the wild extremes the Republicans have given them over the past five years—everything from: The penny

wise & pound foolish 1981 Farm bill; to the wild and wreckless spending abandon of the PIK program which would put an entire fleet of the proverbial drunken sailors to shame.

We believe we must halt and reverse the trend toward concentration of farms and our move away from the efficiencies of medium size and family farms.

We believe we must expand exports & match our food supply with food needs around the world.

And in contrast to what the Republicans delivered, we recognize that exports alone will not save our agriculture industry . . . nor will simple talk about increasing exports substitute for a real agricultural export promotion strategy.

Finally—and I know this needs to be said out loud in Iowa—we recognize grain embargoes hurt our farmers more than they help our foreign policy.

But there's something else that needs to be said out loud in Iowa: Jimmy Carter's 1980 embargo of grain sales to the Soviet Union had no more impact on Soviet foreign policy than did Ronald Reagan's leaving it in place for nearly half a year or Ronald Reagan's 1981 embargo on the sale of dairy products to the Soviet Union.

And those who seek partisan advantage in farm forums by pretending as if only one Party ever imposed an embargo do no service to the cause of preventing them.

We Democrats believe we must undertake three important initiatives:

First, we must eliminate the three major deficits in this country—the budget deficit, the trade deficit, and the leadership deficit.

We have to stop the reckless "borrow and spend" policies the Republicans have given us.

The biggest budget deficits in history have buried farmers under high interest rates. And they have over-valued the dollar so badly that those who seek to sell our farm products abroad find themselves at a tremendous disadvantage.

We must reduce the $150 billion trade deficit—graphic and glaring evidence of our increasing inability to compete in world markets.

That means corporations and tax shelters are going to have to pay their fair share of taxes. That means the Pentagon is going to have to settle for hammers that cost seven dollars instead of seven hundred dollars.

And it means our trading partners abroad are going to have to start trading like friends instead of enemies.

The second important initiative we must undertake is a complete overhaul of our farm price support system.

And by a complete overhaul, I don't mean pulling the government out and throwing family farmers to the whims of a market that is not yet fair or the winds of nature.

Far from it.

Government has a critical role to play in agriculture, just as it has in developing our manufacturing and high tech industries.

Our ag research facilities—the ones at Iowa State University in Ames are prime examples—should be strengthened, not cut back.

We should develop new ways to finance agriculture, which encourages capital to find its way into real farms . . . not tax farms.

We should eliminate conflicting goals in federal farm policy which only promote waste and inefficiencies.

We should expand our efforts to take land out of production. A conservation reserve can bring supply more in line with demand and make us better stewards of the land.

We should maintain the diversity of agriculture by nurturing the small family farm.

And we should strengthen the rural community way of life by fostering off-farm economic activities and promoting crisis centers to help farm families in distress.

And in these difficult times, we should be willing to target our farm programs so that they help those who need help. American family farmers.

The final and most challenging initiative is to unchain the productive genius of our farmers to eliminate world hunger.

It is a disgrace that the Republicans would have us believe the American farmers' ability to produce food in abundance is a problem instead of an opportunity. We live in world with widespread hunger here at home and mass starvation in countries around the globe.

It is time to turn the best minds in the country to eliminating hunger in America and hunger around the world.

Not to reduce it. Not to ease it. But to eliminate world hunger.

I propose that the federal government make a pledge to America's farmers that none of their crops will ever sit idle in storage bins while children go to bed hungry at night.

We should continue to maintain our own strategic reserve.

But there is no excuse for excess grain being held in storage bins and left hanging over the market when it is desparately needed to keep human beings from starving to death.

Oh, I know there are those who say the world hunger problem is too big and our ability to use our farm abundance to solve it too limited.

I'm tired of hearing what we can't do.

If there's one thing I know about Americans, it is when we have the will, we will find the way.

I challenge this nation to see what we can do.

If we can boost our arms sales abroad by the hundreds of millions of dollars, we can do the same with our farm products.

If the Republicans can increase U.S. military aid overseas by 111 per cent the past five years, surely we can increase the Food for Peace program by more than the piddling 5 percent they've turned in so far.

And if the Republicans can challenge the Soviet Union to meet us in a race for the most sophisticated outer-space weaponry, we can certainly challenge them to help us eliminate world hunger.

We face a critical choice between two very different futures for our farm communities.

We can choose the Republican future for farming . . . lower prices, more foreclosures, and more lives put on the auction block.

Or we can choose a bright future—one that puts agriculture on the cutting edge of economic change and opportunity and includes the family farmer in the American dream.

The Republicans have taken us into a period of drift and lack of national purpose—especially in agriculture.

They would have us believe we've entered an era of limits.

They say we have too many farmers and that farm prices have been kept at prices artificially too high.

They say the future of agriculture is one of re-trenchment. Restructure. Retreat.

I say—the Democratic Party says—they are wrong.

We have a legacy to preserve in this country. We are a nation born of activists—of pioneers, of settlers, of adventurers, questing, striving, reaching new goals and seeking new horizons.

We confront problems. We tell ourselves what we can do, not what we cannot do.

That's the legacy we Democrats cherish, and which we Americans must pass on to our children.

For the frontiers we have yet to explore are boundless.

From the far side of space, to the inside of men's minds, there are breakthroughs just waiting to happen.

I say the future lies in meeting those challenges, not in defining our limits.

We must once again challenge this nation to greatness, challenge it to excellence.

The American dream is not fading, and the family farmer need not go the way of the dinosaur.

The federal government must not stand idly by and let American agriculture. . . . the family farm. . . . wither and die on the vine.

Our hopes, our silent prayers, our vision of a world made better for our children—and our determination to leave no stone unturned in that quest—that's what makes America the most favored nation on Earth.

We must never allow that light of hope to go out.

We must never allow the dream to die.

Thank you.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, March 4, 1986, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 5

9:00 a.m.

Commerce, Science, and Transportation

To hold hearings on the nomination of Alfred C. Sikes, of Missouri, to be Assistant Secretary of Commerce for Communications and Information.

SR-253

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Institutes of Health, Department of Health and Human Services.
SD-116

Judiciary
Juvenile Justice Subcommittee
To hold oversight hearings on the activities of the Office of Juvenile Justice and Delinquency Prevention, Department of Justice.
SD-226

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Strategic Defense Initiative.
SD-192

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Science Foundation, and the Federal Emergency Management Agency.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Highway Administration and the National Highway Traffic Safety Administration, Department of Transportation.
SD-138

Governmental Affairs
Governmental Efficiency and the District of Columbia Subcommittee
To hold oversight hearings on the District of Columbia courts.
SD-342

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on the Tennessee Valley Authority.
SD-192

Budget
Business meeting, to mark up the first concurrent resolution on the fiscal year 1987 budget.
SD-608

Foreign Relations
To hold hearings on the nominations of Morton I. Abramowitz, of Massachusetts, and H. Allen Holmes, of the District of Columbia, each to be an Assistant Secretary of State, and Otto J. Reich, of Virginia, to be Ambassador to the Republic of Venezuela.
SD-419

*Judiciary
To hold hearings on pending nominations.
SD-226

3:00 p.m.
Conferees
On S. 1078, authorizing funds for fiscal years 1986, 1987, and 1988 for the Federal Trade Commission.
S-205, Capitol

MARCH 6

*9:15 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To hold oversight hearings on airline safety in the United States.
SD-342

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Small Business Administration, Board for International Broadcasting, and the Japan-United States Friendship Commission.
S-146, Capitol

Banking, Housing, and Urban Affairs
To hold hearings to review the farm credit situation.
SD-538

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Foreign Relations
To hold hearings to review the current situation in Ethiopia, focusing on forced population removal and human rights.
SD-419

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on proposed legislation authorizing funds for child care programs.
SD-430

10:00 a.m.
Environment and Public Works
To hold oversight hearings to review the funding levels and programmatic changes in the Federal-aid Highway Program and the administration's legislative proposal.
SD-406

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Special on Aging
To hold hearings on the reuse abuse of disposable dialysis devices.
SD-628

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Minerals Management Service, Department of the Interior.
SD-138

4:00 p.m.
Select on Intelligence
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

MARCH 7

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the nominations of Paul Lamboley, of Nevada, and J.J. Simmons, of Oklahoma, each to be a Commissioner of the Interstate Commerce Commission.
SR-253

10:00 a.m.
Energy and Natural Resources
To hold hearings on the nomination of Jed Dean Christensen, of Virginia, to be Director of the Office of Surface Mining Reclamation and Enforcement.
SD-366

Judiciary
Immigration and Refugee Policy Subcommittee
To resume closed hearings to review issues surrounding the attempted defection of Miroslav Medvid and the Administration's procedures regarding East bloc defectors.
SD-226

11:00 a.m.
Joint Economic
Agriculture and Transportation Subcommittee
To hold oversight hearings on the state of agricultural and rural economy.
SD-562

MARCH 10

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1987 for the National Institutes of Health, Department of Health and Human Services.
SD-116

MARCH 11

9:00 a.m.
Labor and Human Resources
Employment and Productivity Subcommittee
To hold hearings on S. 2069, to improve the Job Training Partnership program stability and lessen burdensome administrative requirements, improve services to youth and the hard-to-serve, and strengthen enforcement.
SD-430

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1987 for the National Institutes of Health, Department of Health and Human Services.
SD-116

Banking, Housing, and Urban Affairs
To resume hearings to review the farm credit situation.
SD-538

Commerce, Science, and Transportation
Consumer Subcommittee
To resume hearings on S. 1999, to provide for a uniform product liability law.
SR-253

Small Business
Innovation and Technology Subcommittee
To hold oversight hearings on the implementation of the Small Business

Innovation and Research Program (P.L. 97-219).
SR-428A

10:00 a.m.
Judiciary
Patents, Copyrights and Trademarks Subcommittee
Business meeting, to mark up S. 1543, to prohibit the importation, use or sale in the country of products made abroad by a U.S. patented process, and S. 1093, to allow an extension of patent life for agricultural chemicals and veterinary medicines for time lost in regulatory review procedures at the Environmental Protection Agency and the Food and Drug Administration.
SD-226

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Park Service, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on solar and renewable energy, energy research, and environment programs.
SD-192

Select on Intelligence
Closed briefings on arms control issues.
SH-219

MARCH 12

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Health Resources and Services Administration and the Office of the Assistant Secretary for Health, both of the Department of Health and Human Services.
SD-116

Labor and Human Resources
To hold hearings on the nomination of Robert E. Rader, Jr., of Texas to be a Member of the Occupational Safety and Health Review Commission.
SD-430

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1987 for certain intelligence programs.
S-407, Capitol

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Environmental Protection Agency.
SD-124

Appropriations
Transportation and Related Agencies Subcommitttee
To hold hearings on proposed budget estimates for fiscal year 1987 for the St. Lawrence Seaway Development Corporation, Department of Transportation, and the Panama Canal Commission.
SD-138

11:00 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Commerce, and the International Trade Commission.
S-146, Capitol

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of the Treasury, focusing on multilateral development banks.
SD-124

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Administrative Conference of the United States, U.S. Tax Court, Committee for the Purchase From the Blind and Handicapped, Advisory Commission on Intergovernmental Relations, Merit Systems Protection Board, Office of the Special Counsel, Advisory Committee on Federal Pay, and the Federal Labor Relations Authority.
S-126, Capitol

Energy and Natural Resources
To hold closed oversight hearings on the domestic and international petroleum situation.
SH-219

Judiciary
To resume oversight hearings on white collar crime in the United States.
SD-226

MARCH 13

9:00 a.m.
Labor and Human Resources
Employment and Productivity Subcommittee
To resume hearings on S. 2069, to improve the Job Training Partnership Program stability and lessen burdensome administrative requirements, improve services to youth and the hard to serve, and strengthen enforcement.
SD-430

Office of Technology Assessment
The Board to hold a general business meeting.
S-205, Capitol

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Centers for Disease Control, Alcohol, Drug Abuse and Mental Health Administration, Office of Inspector General, and Office of Civil Rights, all of the Department of Health and Human Services.
SD-116

Banking, Housing, and Urban Affairs
To resume oversight hearings to review Federal deposit insurance programs.
SD-538

Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain Defense programs, focusing on guard and reserve affairs.
SD-192

Governmental Affairs
Permanent Subcommittee on Investigations
To resume oversight hearings on airline safety in the United States.
SD-342

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on proposed legislation authorizing funds for low-income energy assistance programs.
SR-385

10:30 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for foreign assistance programs of the Department of State.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Indian Education, Department of Education, and the Institute of Museum Services.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on nuclear fission, uranium enrichment, and nuclear waste management.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Financial Management Service, Bureau of Public Debt, U.S. Mint, the U.S. Savings Bond Division, and the Internal Revenue Service, all of the Department of the Treasury.
SD-124

Judiciary
To hold hearings on the nomination of Jefferson B. Sessions III, to be U.S. district judge for the Southern District of Alabama.
SD-226

4:00 p.m.
Select on Intelligence
To continue closed hearings on proposed legislation authorizing funds for fiscal

year 1987 for the intelligence community.
SH-219

MARCH 14

9:30 a.m.
Finance
Health Subcommittee
To hold hearings on S. 2121, to revise the method of payment to hospitals for capital-related costs under the Medicare Program.
SD-215

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Navy shipbuilding programs.
SD-192

10:30 a.m.
Energy and Natural Resources
To resume oversight hearings on the domestic and international petroleum situation.
SD-366

MARCH 18

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Health Care Financing Administration, Social Security Administration, Office of Child Support Enforcement, and refugee programs, all of the Department of Health and Human Services.
SD-116

Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on the retirement policy for public safety officials under the Age Discrimination in Employment Act.
SD-430

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Army modernization programs
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Postal Service.
SD-124

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for international security assistance programs of the Department of State.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on the Nuclear Regulatory Commission and the Federal Energy Regulatory Commission.
SD-192

MARCH 19

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Human Development Services, Office of Community Services, Departmental Management (salaries and expenses), and Policy Research, all of the Department of Health and Human Services.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, and the Arms Control and Disarmament Agency.
S-146, Capitol

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Defense programs, focusing on force management and personnel.
SD-192

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Veterans' Administration.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Transportation Safety Board, Department of Transportation, and the Architectural and Transportation Barriers Compliance Board.
SD-138

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Export-Import Bank.
S-126, Capitol

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the General Services Administration, National Archives and Records Service, Executive Office of the President, and National Park Service, Department of the Interior (regarding White House and Vice President residence).
SD-124

Judiciary
To hold hearings on pending nominations.
SD-226

MARCH 20

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1987 for NASA.
SR-253

Energy and Natural Resources
To hold oversight hearings on the implications of fees on imported oil.
SD-366

Labor and Human Resources
Handicapped Subcommittee
To hold hearings on proposed legislation authorizing funds for rehabilitation programs.
SD-430

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Secret Service, Bureau of Alcohol, Tobacco and Firearms, and the Federal Law Enforcement Training Center, all of the Department of the Treasury.
SD-124

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on proposed legislation authorizing funds for the community services block grant programs.
SD-562

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the United States Geological Survey, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on the Power Marketing Administrations.
SD-192

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold oversight hearings on government nonproliferation activities for 1985.
SD-342

4:00 p.m.
Select on Intelligence
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

MARCH 21

9:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on S. 1992 and S. 1993, bills to preserve the rights of certain parties with an interest in certain vessels or fishing facilities, or with an interest in aircraft, aircraft parts, or vessels.
SR-253

MARCH 25

9:30 a.m.
Labor and Human Resources
Handicapped Subcommittee
To resume hearings on proposed legislation authorizing funds for rehabilitation programs.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Forest Service, Department of Agriculture.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on atomic energy defense activities.
SD-116

MARCH 26

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Trade Commission, and the U.S. Commission on Civil Rights.
S-146, Capitol

Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for the National Science Foundation.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Interstate Commerce Commission and the Office of the Secretary of Transportation.
SD-138

MARCH 27

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Customs Service, Department of the Treasury.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Holocaust Memorial, and the Bureau of Mines, Department of the Interior.
SD-138

APRIL 8

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy conservation programs.
SD-138

APRIL 9

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary of Education, Departmental Management (salaries and expenses), Office for Civil Rights, and Office of Inspector General, all of the Department of Education.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Attorney General, Department of Justice.
S-146, Capitol

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Railroad Administration, Department of Transportation, and the National Railroad Passenger Corporation (Amtrak).
SD-138

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Personnel Management, and the Federal Elections Commission.
SD-124

APRIL 10

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including elementary and secondary education, education block grants, and impact aid.
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for National Oceanic and Atmospheric Administration, focusing on funds for satellite and atmospheric programs.
SR-253

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Management and Budget.
S-126, Capitol

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Inspector General, Agency for International Development, Peace Corps, Inter-American Foundation, and the African Development Foundation.
S-126, Capitol

APRIL 14

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

APRIL 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including education for the handicapped, rehabilitation services and handicapped research, and special institutions (including Howard University).
SD-116

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Agency for International Development.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Endowment for the Arts and

National Endowment for the Humanities.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

APRIL 16

9:00 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of AMVETS, Vietnam Veterans of America, World War I Veterans, Jewish War Veterans of the U.S.A., and Atomic Veterans.
SD-106

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including student financial assistance, guaranteed student loans, higher and continuing education, higher education facilities loans and insurance, college housing loans, and educational research and training.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Oceanic and Atmospheric Administration, Department of Commerce, and the Marine Mammal Commission.
S-146, Capitol

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold hearings on Acquired Immune Deficiency Syndrome.
SD-430

10:00 a.m.
Appropriations
HUD—Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Aeronautics and Space Administration.
SD-124

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Coast Guard, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of the Treasury, Postal Service, and general government programs.
SD-124

APRIL 17

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including bilingual education, vocational and adult education, education statistics, libraries, and the National Institute of Education.
SD-116

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for foreign assistance programs.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-192

APRIL 22

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Labor Relations Board, National Mediation Board, Occupational Safety and Health Review Commission, Federal Mediation and Conciliation Service, and the United States Institute of Peace.
SD-116

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on international narcotics control, migration and refugee assistance, and antiterrorism programs.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Navajo-Hopi Indian Relocation Commission, and the Office of Surface Mining, Reclamation and Enforcement, Department of the Interior.
SD-192

APRIL 23

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for ACTION (domestic programs), Corporation for Public Broadcasting, National Council on the Handicapped, Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, and National Center for the Study of Afro-American History and Culture.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Bureau of Investigation and Drug Enforcement Administration, Department of Justice, and the Equal Employment Opportunity Commission.
S-146, Capitol

Labor and Human Resources
To hold hearings on S. 1815, to prohibit any employer from using any lie detector test or examination in the workplace, either for preemployment testing or testing in the course of employment.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Railway Association and Conrail.
SD-138

APRIL 24

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 1018, to clarify the meaning of the term "guard" for the purpose of permitting certain labor organizations to be certified by the National Labor Relations Board as representatives of employees other than plant guards.
SD-430

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on voluntary contributions to international organizations programs, and for the Office of the U.S. Representative to the United Nations.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Energy Information Administration and the Economic Regulatory Administration, Department of Energy.
SD-192

APRIL 29

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
HUD—Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Bureau of Indian Affairs, Department of the Interior.
SD-192

APRIL 30

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of U.S. Trade Representative, and the Federal Communications Commission.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on the human resources impact of reentry of women into the labor force.
SD-430

10:00 a.m.
Appropriations
HUD—Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

MAY 1

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for territorial affairs, Department of the Interior.
SD-192

MAY 6

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

MAY 7

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Supreme Court of the United States, U.S. District Courts/Courts of Appeals, and the Commission on the Bicentennial of the U.S. Constitution.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on medical malpractice.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Urban Mass Transportation Administration, Department of Transportation, and the Washington Metropolitan Area Transit Authority.
SD-138

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

*10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Aviation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Smithsonian Institution.
SD-192

MAY 13

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

MAY 14

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol

Labor and Human Resources
To hold hearings to review barriers to health care.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Transportation and certain related agencies
SD-138

MAY 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for fossil energy and clean coal technology.
SD-192

MAY 20

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Indian Health Service, Department of Health and Human Services.
SD-192

MAY 21

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Information Agency. and the National Endowment of Democracy.
S-146, Capitol

Labor and Human Resources
To resume oversight hearings on medical malpractice.
SD-430

MAY 29

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary and Office of the Solicitor, Department of the Interior.
SD-192

JUNE 4

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Commerce, Justice, and State, the Judiciary, and certain related agencies.
S-146, Capitol
Labor and Human Resources
To hold oversight hearings to review the imposition of user fees in FDA approval procedures for new drugs.
SD-430

JUNE 11

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations to the National Advisory Council on Women's Educational Programs.
SD-430

JUNE 17

9:30 a.m.
Labor and Human Resources
To hold hearings on food safety issues.
SD-430

JUNE 18

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JUNE 25

9:30 a.m.
Labor and Human Resources
To hold hearings on the administration of the Mine Safety and Health Review Commission.
SD-430

JULY 16

9:30 a.m.
Labor and Human Resources
To hold hearings on the establishment of generic drug procedures and patent term restoration for animal drugs.
SD-430

JULY 30

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

AUGUST 5

9:30 a.m.
Labor and Human Resources
To hold hearings to review the private sector initiatives in human services.
SD-430

SEPTEMBER 10

9:30 a.m.
Labor and Human Resources
To hold hearings to review the human resources impact on drug research and space technology.
SD-430

SEPTEMBER 16

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations.
SD-430

SEPTEMBER 24

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

CANCELLATIONS

MARCH 5

2:00 p.m.
Judiciary
To resume oversight hearings on white-collar crime in the United States.
SD-226

HOUSE OF REPRESENTATIVES—*Tuesday, March 4, 1986*

The House met at 12 o'clock noon.

PRAYER

The Reverend Valdemaras Cukuras, chaplain, Sisters of Immaculate Conception Convent, Putnam, CT, offered the following prayer:

Almighty God, our Heavenly Father and Ruler of all nations:

We ask You to bless this august body of distinguished legislators and leaders of our Nation.

On the occasion of the 68th anniversary of the Declaration of Independence of Lithuania we offer our humble petitions for the enslaved Lithuanian people suffering for more than 45 years under the Soviet occupation: Give them Your encouragement and support in their struggle for freedom.

We are deeply grateful, Father, for having given the clear insight and courage to the people of the United States and their Government to stand firm in defending the fundamental God-given rights of free choice and independence, for consistently refusing to recognize the illegal and forced annexation of Lithuania into the Soviet Union.

Continue to bless, O Lord, the people of the United States of America who show such solidarity with captive nations. Strengthen their efforts in maintaining peace in the world, and sustain their mission "to establish justice, ensure tranquility, promote the general welfare, and secure the blessings of liberty." Let all these noble efforts become a beacon of hope also for the brave people of Lithuania.

This we ask in the name of Your Son, the crucified and risen Lord, Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PRIVATE CALENDAR

The SPEAKER. This is the day of the call of the Private Calendar. The Clerk will call the bill on the Private Calendar.

STEVEN McKENNA

The Clerk called the bill (H.R. 1598) for the relief of Steven McKenna.

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

REV. VALDEMARAS CUKURAS

(Mr. ANNUNZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANNUNZIO. Mr. Speaker, it is a genuine pleasure for me to welcome to our Nation's Capital, Rev. Valdemaras Cukuras, chaplain of the Sisters of the Immaculate Conception of the Blessed Virgin Mary in Putnam, CT, who offered the opening prayer.

Father Cukuras was born in Bauska, Latvia on April 11, 1915, and after graduating from the Kaunas Theological Seminary in Lithuania, worked as the school chaplain from 1938 to 1944. After fleeing from the Russian occupation of Lithuania, he did pastoral work among the Lithuanian refugees in Thuringia, Germany, in 1944 and 1945.

During the next 5 years he continued his studies in Rome, obtaining a doctorate in theology from Gregorian University and a doctorate in philosophy from the Angelicum University. He arrived in the United States in 1950, initially living in Ohio, and then moved to Voluntown, CT, where he taught the Lithuanian language and literature to Lithuanian girls at Annhurst College. Father Cukuras became chairman of the department of philosophy at Annhurst College, and since his arrival in our country, he has written many articles on religion and philosophy for the Lithuanian press.

I want to thank Father Cukuras for being with us today, and to wish him continuing success in his dedicated work in the church.

LET DEMOCRACY IN AND SHOW ORTEGA TO THE DOOR

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, it's two down and one to go. Dictators Duvalier and Marcos are gone. Now it's time for Comandante Ortega to leave. I have an idea how to get him out.

Democracy is on the move around the world. We were all impressed by the spirit of liberty in both Haiti and the Philippines. Nicaragua is no exception to the rule. The majority of the people of Nicaragua want freedom from oppression just like the people of Haiti and the Philippines.

I have a solution to the dilemma, Mr. Speaker.

Maybe Uncle Sam could agree to fly Ortega out of Managua to either Havana or Moscow. Better yet, he, Marcos, and Duvalier could spend time together on a remote island. What a fitting end for three birds of a feather. I think it might work.

THE RISK RETENTION ACT AMENDMENTS OF 1986

(Mr. WYDEN asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. WYDEN. Mr. Speaker, across the State of Oregon and across this country, our citizens are having great difficulty securing affordable general liability insurance. We are seeing our businesses and our child care centers and our professions and numerous American institutions faced with a treacherous insurance market where premiums skyrocket by as much as 1,200 percent a year, and coverage is drastically reduced, if available at all.

I am introducing legislation that I think can help turn this situation around. Under existing law, individuals seeking product liability insurance who find themselves in such a financial bind can join together to form collective self-insurance groups.

My bill, the Risk Retention Act Amendments of 1986, would extend this right to individuals and groups seeking general liability coverage and thus help resolve the great economic crisis that we are facing in this country; and that is the difficulty—obtaining affordable insurance coverage.

REPUBLICANS STAND READY TO MEET ON THE BUDGET

(Mrs. MARTIN of Illinois asked and was given permission to address the House for 1 minute, and to revise and extend her remarks.)

Mrs. MARTIN of Illinois. Mr. Speaker, minority Republicans stand ready to cooperate on tackling the budget, but the Democratic majority is giving no signs of its willingness to cooperate.

For example, we have heard nothing from the majority on the 1986 reconciliation bill, which reportedly has been moving around in the shadows.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

What about a Democratic policy on any supplemental appropriations, or about the proposals for rescissions and deferrals to meet budget targets?

What are the Democrat-sponsored changes in the farm bill? All of these affect how this House should and must handle the budget, and the majority must begin to say where they stand.

Are the Democrats more interested in budget sabotage than in true bipartisan compromise? Well, we hope not, and we Republicans stand ready to meet; but we would hope that while the other body begins its mark and while we have the President's budget, that someday we will see a Democratic budget, and see them put to paper more than disparaging remarks about what Republicans are doing.

□ 1210

BEST SOLUTION IN CENTRAL AMERICA IS A NEGOTIATED DEMILITARIZATION

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, yesterday's remarks by the President on aid to the Contras were an exercise in desperation. He knows that his arguments don't hold water, so he resorts to exaggeration, distortion, and falsification of the record.

The President says Nicaragua won't negotiate unless we vote Contra aid. The record shows otherwise. Costa Rica and Nicaragua have just concluded an agreement for the demilitarization of their common border. Sending arms to the Contras won't strengthen that peace agreement; it will undermine it.

The American people know it—there is no significant support in America for a needless war in Central America.

To sell his proposal, the President invokes the specter of a hemispheric threat, reaching from South America all the way to Harlingen, TX, emanating from one of the smallest and poorest countries in the hemisphere. Mr. Speaker, how many of us really are capable of believing this fantasy? Mexico stands between Nicaragua and Harlingen, TX, and Mexico is not quaking in its boots. Mexico, in company with all the other Contadora countries, says the best solution in Central America is negotiated demilitarization. They say the best way to start the peace process is to end funding for the Contras. We have had enough of foreign policy by fantasy, and it has already cost us too much. It's time to base our foreign policy on the facts. It's time to end the Contra war.

LET US AID OUR FRIENDS IN NICARAGUA

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, let's face it. We in this House are charged with defending the United States from our enemies. If our enemies are so anxious to see the Sandinista Communists succeed, shouldn't we be just as anxious so see that they don't?

Libya has given the Nicaraguan Communist government some $400 million over the last 4 years. Qadhafi's regime has also given aircraft, arms, oil, and military advisers, some of whom are advising the Sandinista political police on techniques in interrogation. You can bet that training does not include courses in respect for human rights.

Qadhafi says he is supporting the Communists "because they are fighting America at its doorstep. Nicaragua means a great thing; it means fighting America near its borders."

The Libyan, Soviet, Cuban, Eastern block, PLO support for the Communists tips the scales heavily in their favor in the fight for the survival of the democracies in Central America. If we want to protect those democracies and our own, we had better make sure that our enemies' friends in Nicaragua do not succeed.

WE SHOULD BE WILLING TO SACRIFICE NOW TO PROVIDE KNOWLEDGE FOR THE FUTURE

(Mr. PERKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PERKINS. Mr. Speaker, we have all heard the President speak of his dream about America's future. He sees a land teeming with educated contented citizens looking forward always to the next frontier. I share that dream. I think we all do. But I see a fatal flaw. The President is providing us no way to reach that dream.

Let's think for 1 minute about these highly educated people. Where are they coming from? The President proposes a 27-percent cut in fiscal year 1987 on student financial assistance programs. At this rate, only the wealthy can afford a higher education. Are there enough wealthy people to carry this whole country forward? Can we afford to waste the intelligence of the middle class and the poor?

My fellow Members, educated people don't come from nowhere. We have to be willing to make the sacrifices now to provide a base of knowledge for the future. Programs like Follow Through, College Work Study, and college loans and grants are the building blocks on which we will construct a strong and secure America. Without this foundation there will be little left on which to build a dream.

WE SHOULD ACT NOW ON DAIRY BILL TO FAIRLY IMPLEMENT GRAMM-RUDMAN

(Mr. JEFFORDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JEFFORDS. Mr. Speaker, today is Town Meeting Day in Vermont—a day that, as CBS' Charles Kuralt recently observed, every citizen in Vermont becomes a legislator deciding town business. It becomes ironic, therefore, that I—as the lone Congressman from Vermont—stand before you once again because I have been denied the ability to legislate here. In fact, so have you.

Last week, a bill that would allow this body to implement Gramm-Rudman in the Dairy Program went through all the proper channels to appear before you. It passed the Agriculture Committee, it obtained a rule from the Rules Committee. At the last minute, however, it was pulled from consideration here by the House leadership.

That action, if not reversed, forecloses on your ability to implement the concept of Gramm-Rudman fairly. More important, it forecloses on the livelihoods of tens of thousands of farmers who will be driven into bankruptcy by our inaction.

Let me make one thing very clear. H.R. 4188 does not exempt dairy from Gramm-Rudman. It does not circumvent Gramm-Rudman. What H.R. 4188 does is to implement Gramm-Rudman in a way that would save the U.S. Treasury $80 million without unnecessarily taking more than $300 million in income away from farmers.

There is still time to act—and I urge my colleagues now to do so.

TRADE ADJUSTMENT ASSISTANCE SHOULD BE RENEWED

(Mr. ECKART of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ECKART of Ohio. Mr. Speaker, last week the Commerce Department released new figures indicating our Nation suffered from yet another record trade deficit in January, a level far above that achieved in any previous month. There is a price and a cost attached to those new records. They are found in my constituents in northeastern Ohio. Trade deficits are synonymous with unemployment; and with increasing influx of foreign goods into our domestic markets U.S. firms lose their goods to foreign competition,

and lost business translates into lost jobs in Ohio.

Most economists and trade experts estimate that our record trade deficits of the last few years have not come cheaply. The price: 3 million jobs across America and 40,000 lost in northeastern Ohio alone. While we have not had significant progress on the trade front, the President's budget proposes to shred that part of the safety net which is left for the workers who lose their jobs. I am referring, of course, to trade adjustment assistance.

Proposed to be eliminated in the President's budget, this meager program provides training, job search, and relocation expenses for those who have suffered as the casualties of this international trade war.

Not only do we not have a coherent trade policy but we shred those last remaining articles of decency and self-respect that the unemployed currently have. We need to move forward with reconciliation, we need trade adjustment assistance, we need a national trade policy.

DOES GRAMM-RUDMAN REALLY HAVE AN OBLIGATION FOR THIS CONGRESS

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Speaker and Members, we have to decide this week a very, very important question. That is, the question of whether or not Gramm-Rudman really has an obligation for this Congress. The question really boils down to this: Does Gramm-Rudman mean legislated deficit reduction or does Gramm-Rudman simply mean sequestration.

I would suggest to my Democratic colleagues that if Gramm-Rudman simply means sequestration we would have implemented the March 1 cuts back in December when we first passed Gramm-Rudman. Rather it was the will of the conferees to give us from December until March 1 to try to legislate those reductions, those savings in each and every committee. I would suggest that it is the similar will of the conferees as we look toward October 1 and fiscal year 1987. Last week we brought from the House Committee on Agriculture to this Congress, to the floor of the House of Representatives, legislation which would meet Gramm-Rudman savings in the dairy area.

Most importantly we legislated those savings. We did not try to implement them through sequestration.

Second, our legislative proposal actually would have saved the Government more money than would have an across-the-board 4.3-percent cut in the dairy area. Unfortunately, Mr. Speaker, it was the decision of the Democratic leadership to pull that legislation from consideration last Thursday. The Department of Agriculture has graciously given us until tomorrow, additional time to try to correct that mistake.

I beseech the Democratic leadership: Show your commitment to fairness and show most of all your willingness to legislate deficit reduction and bring that legislation back for consideration.

MARCOS WAS OUSTED BY QUIET DIPLOMACY, NOT FORCE OF ARMS—LET US LEARN THIS LESSON IN NICARAGUA

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, this week the President has been coddling the Contras is an attempt to liken them to the supporters of Corazon Aquino. This public relations gimmick grossly misrepresents the situation in Central America—to say nothing of the good name of President Aquino.

First, Mr. Reagan is asking for $100 million in aid for military purposes. Marcos was not ousted by the force of arms, but by the might of quiet diplomacy. Years of American military aid to the Philippines was on the side of Marcos, not Aquino.

Second, the real enemy of the United States in developing nations is hunger, disease, and poverty. Ultimately, it was Marcos' failure to address these needs that led to his downfall. Mr. Reagan is making the same mistake in Central America.

Mr. Speaker, the President's new PR initiative, shows once again a direction to align the American people with a failed policy of military intervention as an answer to the aspirations of an oppressed people longing for a better life.

REMEMBER OUR HOSTAGES

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, I rise today to once again recall the plight of our hostages in Lebanon.

Two weeks from today, March 18, will mark the 2 year anniversary of the kidnaping of William Buckley in Lebanon. Mr. Buckley, has not been seen for over 1 year and presumed dead. Nor do we know the fate of Peter Kilburn. Nothing has been heard about Mr. Kilburn, since his capture 15 months ago yesterday.

March 16 will be the 1 year anniversary of AP correspondent Terry Anderson's captivity. Father Lawrence Jenko's 1 year anniversary of cruel captivity just passed on January 8. On May 28, David Jacobsen, from my county in California, will have been held for 1 year. Thomas Sutherland was kidnaped 9 months ago this coming Sunday. The end of the captivity of these long suffering Americans is still nowhere in sight.

Mr. Speaker, as I said last November, after Father Jenko, and Terry Anderson, David Jacobsen and Tom Sutherland wrote to me and GEORGE O'BRIEN, "I continue to stand ready to do whatever I can to help bring their release and I will not just sit tight."

In the meantime I continue to hold out hope that the efforts of Mr. Terry Waite, whose last mission to Beirut on Christmas Eve ended in yet another setback, and others, will be successful in the near future. I continue to remember each one in my grace before meals and will continue to do so. I enjoin each of my colleagues, and each American to join with me and pray for their release. I ask again that the kidnapers communicate with us so that the ordeal that they are suffering will end.

□ 1225

THE DEINDUSTRIALIZATION OF THE UNITED STATES

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, the feature article in the March 3 issue of the Business Week magazine carries the title "The Hollow Corporation." A new kind of company is evolving in this country, a company that farms out everything from manufacturing to billing, or a company that buys parts and assembled products in low-wage countries, slaps its own name on them, and distributes them in America.

If this country allows its industrial base to shrink, if business persists in the process of hollowing its own manufacturing capability while focusing only on short-run returns, then we can look forward to a declining standard of living. This is an economics of capital destruction, an economics of instant gratification. It is an abdication of responsibility to our children, to our workers and consumers.

The American manufacturing industry cannot be revitalized as long as capital investment has to compete with the riskless return of 8 percent on Government bonds. We need a monetary system that will make it possible once more for the Government to borrow at 2 to 2¼ percent, and for industry, at 2¼ to 3 percent interest. There is no other way to stop the process of deindustrialization and capital consumption in America, before

more lasting damage is done to our security and prosperity.

The issuance of Gold Eagle Bonds by the U.S. Government would not only bring down the rate of interest to those levels, but it would also avert a debt crisis threatening the financial markets in this country and abroad. Our future is literally in our own hands, if we have the courage and foresight to recognize the danger and its twin brother, opportunity.

CRIPPLING HOUSING PROPOSALS

(Mr. AuCOIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AuCOIN. Mr. Speaker, I'm dismayed that the Presidents budget recommend slashing the No. 1 program; put American Families in homes. The FHA Mortgage Program. This budget bans FHA loans for families making more than $40,000 a year, increasing the user fee from 3.8 percent to 5 percent and, on top of that, requiring that the user fee be paid up front as part of the closing costs.

Right now the average required downpayment for an FHA loan on a $59,000 home is $3,500. The administration's proposal would raise that figure to $8,055.

How many working couples making under $40,000 a year can afford to come up with that much cash?

Thousands of would-be homebuyers in Oregon would not be able to get FHA loans under the President's proposal.

When the President told us in January that "America is on the move", a lot of us were pleased. But Mr. President, where are young families going to move when they can't find mortgages?

I ask my colleagues to join me in writing to the President and the chairman of the House Budget Committee expressing our opposition to these crippling housing proposals.

TRIBUTE TO PRESIDENT DWIGHT DAVID EISENHOWER

(Mr. ROBERTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROBERTS. Mr. Speaker, President Dwight David Eisenhower is one of Kansas' most celebrated sons. His career of service to this Nation is well known and requires little elaboration.

Ike, as we all know him, grew up in Abilene, KS, and went on to make his hometown and State proud. After graduation from West Point in 1915, his military career took him across the country and around the world. From Camp Colt near Gettysburg, PA, to the Panama Canal Zone, and from the Philippines to the miraculous cross-channel invasion of France at the Normandy beachhead.

Following the war, Eisenhower returned to serve as the President of Columbia University, but returned to military service to oversee the creation of NATO military forces and assume the duties of Supreme Commander.

Eisenhower gave his first political speech in Abilene on June 4, 1952, and was elected to the Presidency of the United States that same year.

Mr. Speaker, the year 1990 marks the 100th anniversary of the birth of Dwight David Eisenhower on October 14, 1890. Today, I am introducing legislation to create the Eisenhower Centennial Commission to plan for the proper observance of this important event. I invite my colleagues to cosponsor this important legislation.

FAIR STANDARDS FOR POLYGRAPH TESTS

(Mr. VALENTINE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VALENTINE. Mr. Speaker, the use of polygraph tests as a condition of employment has raised questions concerning both the rights of employers and the rights of employees and job seekers.

H.R. 3916 offers protection to individual rights while allowing employers the use of tests conducted with this protection in mind.

This bill sets minimum standards for the conduct and use of such testing. It ensures that testing is voluntary; it prohibits questions that pry into religion, race, political beliefs, sexual preferences, or activity in labor organizations. The bill allows the examinee to stop the test at any time. It requires testers to review their questions in advance with the persons they examine.

The bill states that employers may take no action based on the test results alone. The bill also guards test results from disclosure to unauthorized persons.

H.R. 3916 enforces these rules by allowing States and local governments to set up plans in line with the standards described in the bill. The Secretary of Labor will have power to enforce these plans. Those who violate the bill's standards will be subject to fines of $10,000 and penalties described by the Fair Labor Standards Act of 1938.

I urge my colleagues to vote for this bill. It will protect the constitutional rights of polygraph subjects while guarding the legitimate rights of employers. Because this bill so well secures the rights of all the parties involved in polygraph testing, it deserves our approval.

REPUBLICANS OPPOSE SEQUESTRATION AS ANSWER TO THE 1987 BUDGET

(Mr. BOULTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOULTER. Mr. Speaker, it looks as if quite a few Members of this body are hoping for a painful and catastrophic sequestration procedure in October, just before the November elections. To reach this goal, they seem to be opposing legislation to reduce Federal spending, supporting legislation to increase Federal spending, and rebuffing attempts to develop a bipartisan, rational plan for the 1987 budget.

Republicans are opposed to sequestration. Sequestration was set up in the Gramm-Rudman Act only as a measure of last resort. It stands as the threat that is supposed to force all of us to get serious about deficit reduction. We Republicans still believe that sequestration would be terrible for the country. Republicans and Democrats alike will all get blamed if sequestration occurs. It would be an admission that we don't have the courage to do our jobs. That is why we are eager to begin working with our Democratic colleagues on a realistic, defensible and enactable budget that hits the $144 billion deficit target.

Time is wasting. The Senate Budget Committee begins writing their budget tomorrow. I hope the House leadership has plans to do something other than wait for sequestration. I hope they plan to do more than block every bill that reduces the deficit.

It's time to quit posturing. It's time to sit down on a bipartisan basis and begin to write a serious budget.

THE FOURTH AMENDMENT: STILL PART OF OUR CONSTITUTION

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, yesterday the administration announced the battle plan for its war on drug trafficking by organized crime. The cornerstone of its strategy is to institute mandatory drug testing for a captive civilian work force; captive because they will be tested or they will be fired.

Trying to stop organized crime's multimillion-dollar drug business by creating a police state in Federal office buildings would be ineffective and would create one crime to create another.

In its zeal to map out an agenda, this administration has once again trampled on vital constitutional rights, and

failed to examine the effectiveness of its proposals.

Mr. President, the fourth admendment is still part of this Constitution, at least the last time I looked. The visions of millions of workers lining up outside their workplace for drug tests before entering work sounds more like Soviet Russia than the United States of America.

We on the Judiciary Committee will give close scrutiny to the administration's plan.

NATIONWIDE TAX AMNESTY

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks).

Mr. CONTE. Mr. Speaker, a reading from the Book of Internal Revenue: Thus sayeth the Code:

We are the shepherds of the flock.

Verily, verily, we say unto thee: "Come forth, ye wayward sheep. Come forth into the fold of the honest taxpayer."

"Turn from thy wicked ways. Apply thee for tax amnesty. We give thee one final chance. Before thee shall be smitten."

"I shall smite thee," sayeth the tax collector. And the shepherds must turn their backs. Amnesty shall only be one time. Come back and join the flock of law abiding citizens.

Mr. Speaker, the press reported this morning that the Budget Committees are considering a nationwide tax amnesty as a means of raising revenue.

Last year, with my friends BRIAN DONNELLY and BARNEY FRANK, I introduced a nationwide tax amnesty bill modeled after the highly successful amnesty program run in our home State of Massachusetts. I've recently spoken with OMB Director Miller on this issue, and I urge support for tax amnesty.

□ 1235

HAITI

(Mr. OWENS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS. Mr. Speaker, all of us applauded the departure of dictator Jean-Claude Duvalier and the liberation of the Haitian people. However, the problem now is that there is a disease festering in the palace that dictator Duvalier left behind, and that disease is the disease of the power struggle. In the palace there is a jockeying for power that has begun that will only result in another bloodbath or another setback for the Haitian people. The only solution to that disease, the only cure, is an injection of moral force in the form of free elections.

Congressman VIN WEBER and I have introduced a nonpartisan resolution which simply calls upon the House of Representatives to express its support for the democratic aspirations of the people of Haiti and to call upon the interim Government of Haiti to establish an electoral process culminating in free and open elections not later than 6 months after the date of the enactment of this resolution. It is a very simple solution to a very threatening disease.

I urge that all of the people who have been exiled from Haiti in the past by the dictators Papa Doc and Baby Doc Duvalier be allowed to return to their country. The best and the brightest were forced out of the country. They should be allowed to return to participate in these free elections, and free elections in Haiti should go forward as soon as possible.

I urge all of my colleagues to support this resolution.

ENERGY POLICY

Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, today our Nation's energy picture looks bright indeed. Oil prices have fallen to a low never anticipated by energy experts. The year since the deregulation of natural gas prices has resulted in steady prices for consumers. Renewable sources of energy have emerged over the past 5 years to provide nearly 10 percent of our Nation's energy needs.

A recent article in the Wall Street Journal, however, examined the future of our Nation's renewable energy resources. While the article noted the accomplishment of our country's wind farms in saving the Nation nearly 1.5 million barrels of oil in 1985 as an example of the progress of renewable energy, it also provoked some strong questions about our Nation's renewable energy future, as well as our general energy picture.

The expiration of energy tax credits at the end of 1985 may force many innovative energy technologies to wither on the vine without ever having the opportunity to demonstrate their potential in the energy market. This action may or may not be the most desirable direction for our Nation's energy policy.

This time of energy plenty is the ideal condition under which Congress should more closely assess the Nation's energy policy. Now is the time that we should ask whether the development of alternative energy sources serves the future of the Nation.

With the future availability of world oil reserves remaining uncertain; with the majority of those reserves located in unstable Middle East countries, new energy options and sources must remain at the forefront of our decisionmaking policy. Let us now accept the responsibility of acting wisely in today's environment of abundance to insure that future generations will be free of the enormous penalties of energy shortages.

SATELLITE SIGNAL SCRAMBLING

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, the issue of scrambling of satellite signals is one of extreme importance to my rural district in northern New Mexico and to many rural districts across the country.

The satellite dish has made it possible for many rural Americans to view television for the first time—the scrambling of cable program signals, without a corresponding marketing plan for these signals—could send rural America back to its "no TV" days.

While few continue to argue that cable programmers should be denied the right to protect their products through the scrambling of signals, many—including myself—would argue that we need time to ensure that the rural dish user is able to receive cable programming through an orderly marketing system, at reasonable and equitable rates.

My constitutents are not asking for a free ride—they are asking for a fair ride. My constituents are not asking for HBO for free—but they are asking that they are not charged more for HBO than are their counterparts in the cable market.

Mr. Speaker, I urge my colleagues to join with me in support of H.R. 1769 and H.R. 1840, both of which would ensure that the rights of the satellite dish user are protected.

DRUG TESTING

(Mr. SHAW asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHAW. Mr. Speaker, the President's Commission on Organized Crime has released a very important report to President Reagan on drug use in America. It recommends something that the private sector has long employed, drug testing of employees.

I support this idea, and I urge other Members of Congress to do the same. I, along with my staff workers in Washington and in Fort Lauderdale, have agreed to volunteer for these tests, and I am proud of this commitment to honor and respect the public's trust of government workers.

Mr. Speaker, until our society makes the statement that only acceptable drug use is no drug use at all, we can never hope to win the war on drugs.

Sadly enough, we are not even prepared for drug testing here in the House. Our House rules do not provide for anyone to take the test, analyze them or to pay for them. I intend to work to change this archaic system, and I urge my colleagues to join me.

Mr. Speaker, private industry has made great strides in employing fair methods of testing that have reduced drug use among the employees. We should follow that lead. It is time that the people of America say "no" to drugs. It is time that the U.S. Congress says "no" to the people who take drugs.

THE ADMINISTRATION'S POLICY IN NICARAGUA

(Mr. FEIGHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FEIGHAN. Mr. Speaker, yesterday the President met with the self-declared leaders of the Nicaraguan Contras. With great fanfare, he welcomed them to the White House, embraced their cause, and pleaded for Congress' support for his proposal to give $100 million toward their struggle for freedom. It was compelling theater.

Where was the President's fanfare when the Contadora ministers finished their meeting in Venezuela? Where was the invitation for the Contadora ministers to visit the White House and argue for peace? Where was the President's attention when every one of those ministers called for an end to U.S. support for the Contras? The callous inequity here is apparent, and it is not lost on the American people.

The administration's policy in Nicaragua has accomplished nothing but senseless bloodshed in 4 years. Twelve thousand Nicaraguans have died in the undeclared war between the Contras and the Sandinistas. Even with the closest CIA supervision, training, funding, and combat assistance, the Contras numbers have dwindled. And despite the administration's promises of their popularity, they have failed to establish one secure base, or keep one firm stronghold.

More importantly, the much hailed effort to curb human rights abuses by the Contras have been to no avail. The manual we all received in our offices yesterday outlines strict moral conduct regarding civilians, children, pregnant women, and noncombatants. Several independent reports, however, have documented rampant brutality against these innocent people—reports that the administration refutes without evidence to the contrary except these Contra leaders' assurances that the abuses have been curbed.

At a critical time for the fragile peace process in Central America, we are being asked to redirect defense funds to continue a bloody, protracted, illegal war. Nothing could take us farther from the cause of justice, or bring us closer to direct military intervention than this plan.

Who will benefit from this initiative? Certainly not the American people, who overwhelmingly have rejected the military option and oppose the introduction of U.S. troops. Not the American economy, which must take drastic cuts for the next 5 years to bring it back to order. Not the Nicaraguan people, who despite their disagreements with the direction of the Sandinista revolution have not turned their national loyalty to the armed resistance. And certainly not the other Central American nations who have been trying to forge a regional solution to a conflict that has been fueled by the United States.

What, then, is proved by upping the military ante in Nicaragua? What we prove is that the United States will not try peaceful diplomacy. And we prove that we learned nothing in Southeast Asia. Ronald Reagan defended his covert operations in Nicaragua by saying that overt aid to the Contras would be illegal. We are fighting a war that we cannot win, and that we should not be involved in.

I believe this aid plan must be defeated, and I urge you to join me in voting "no."

A FORMULA FOR DEFEAT

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, we have heard from a number of the liberals today who have told us that, on the issue of providing aid to the Communist resistance in Nicaragua, they are against it.

The liberals have made it quite clear here today they are against any help to the anti-Communists. One of the people who spoke was a Member who, a few months ago, wanted us to impeach the President for having challenged the Communist government in Grenada. That should say something about what they really think is in the best interest of this country. It is increasingly clear that the leftwing of the Democratic Party is unwilling to help anti-Communist movements throughout the world. Their attitude is to do nothing here in Congress and to blame the President for all that he tries to do. That, I would say, is a formula for defeat, a defeat that free men and women cannot afford.

COMMEMORATING 125TH ANNIVERSARY OF GOVERNMENT PRINTING OFFICE

Mr. FOLEY. Mr. Speaker, I send to the Speaker's table a resolution (H. Res. 387) commemorating the 125th anniversary of the Government Printing Office, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the resolution.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 387

Resolution commemorating the 125th anniversary of the Government Printing Office

Whereas on June 23, 1860, President James Buchanan signed Joint Resolution No. 25, providing for the establishment of the Government Printing Office;

Whereas, pursuant to that resolution, the Government purchased a printing plant at the corner of North Capitol and H Streets, NW., Washington, DC, and the Government Printing Office commenced operations on March 4, 1861;

Whereas the Government Printing Office began printing the Congressional Record on March 5, 1873, and has printed and distributed the debates of Congress since that time;

Whereas since 1895, the Superintendent of Documents has distributed hundreds of millions of copies of Federal publications through the Government Printing Office; and

Whereas, for 125 years, the Government Printing Office has provided exemplary public printing service to the three branches of the Government: Now, therefore, be it

Resolved, That the House of Representatives recognizes the achievements of the Government Printing Office and, on the occasion of the 125th anniversary of its establishment, extends appreciation and best wishes to the employees of the Government Printing Office, both past and present, for their many contributions to the Nation.

Mr. FOLEY. Mr. Speaker, the purpose of this resolution is to commemorate the 125th anniversary of the U.S. Government Printing Office.

On March 4, 1861, the Government Printing Office opened its doors to serve the printing needs of the Congress and the Nation. The origins of that significant event, which we celebrate today, March 4, 1986, are rooted in the history of this Congress.

Mr. Speaker, I insert in the RECORD at this point a complete explanation of the purpose of the resolution.

Mr. Speaker, during 1789, the first mention of public printing occurs in a House recommendation that proposals be invited for "printing the laws and other proceedings" of the new Congress. By May, printers' petitions were being received asking to "be employed in the printing for Congress." Indeed, the House Journals for the first and second sessions were done by New York printers Francis Childs and John Swaine. The Senate's printing was done by John Fenno. The Secretary of the Senate and the Clerk of the House were directed by a joint committee to have printed "600 copies of the acts of Congress

and 700 copies of the journals." When Congress moved to Philadelphia in 1790, printers Childs & Swaine, and John Fenno, moved with them. There they were joined by Philadelphia printer Samuel H. Smith. Together, their firms produced the bulk of congressional printing from 1793 to 1800.

An act of 1794 contained an appropriation for public printing. It provided—

For the expenses of firewood, stationery, and printing work, and all other contingent expenses of the two houses of Congress, ten thousand dollars.

For the same purposes, the act provided $2,261.67 to the Secretary of State; $4,000 to the Treasury Department; and $800 to the War Department.

When Congress moved to the new capital of Washington in 1800, printers followed. President Thomas Jefferson encouraged printer Samuel H. Smith to make the move from Philadelphia. In 1801 Smith was printing reports of congressional debates in his Washington newspaper, the National Intelligencer. Three times a week the paper appeared. Its stenographers took notes in Congress and asked speakers to review them prior to publication. Lateness of reports was common. In December 1801 a proposal was made in the House by Virginia's Representative John Randolph to appoint a printer to the House. After lively debate, this was defeated and the work was left to enterprising local printers.

Not until 1818 were the shortcomings of local printing addressed. Congress appointed a joint committee to—

Consider and report whether any further provisions of law are necessary to insure dispatch, accuracy, and neatness in the printing done for the two houses of Congress.

In 1819 the committee issued a report over the names of New Jersey Senator James J. Wilson and Pennsylvania Representative Thomas J. Rogers. It asked that Congress consider—

The establishment of a national printing office (with a bindery and stationery annexed), which should execute the work of Congress while in session, and that of the various Departments of Government during the recess, and should do all the binding, and furnish the stationery, for the Departments, as well as for Congress. . . . The committee are of the opinion that such an establishment, under the superintendence of a man of activity, integrity, and discretion, would be likely to produce promptitude, uniformity, accuracy, and elegance in the execution of the public printing . . .

However, the time for reform was not propitious. Instead of a Government Printing Office and a Public Printer, the hasty resolution of March 3, 1819, provided that the House and Senate should elect their own printers, instruct how the work should be done, and say what price would be paid.

The practice of electing House and Senate printers was to last until 1861. Between 1819 and 1846 these printers included Gales & Seaton, Duff Green, Blair & Rives, Thomas Allen, and Ritchie & Heiss. With the introduction of power presses, these firms were able to take advantage of Government rates slow to change. One firm, Blair & Rives, did so well that in 5 years they purchased their rented building, bought townhouses—including Blair House—and acquired country estates. In 1840, the House appointed a Select Committee on Public Printing and asked it to report on prices considered just and reasonable, the propriety of separating Government printing from newspaper publishers, and the practicality of a national printing office. One result of this investigation was a House bill which asked:

That there shall be erected . . . on some suitable spot in the city of Washington, to be selected by the President of the United States, a building of brick, suitable and convenient for a printing office, in which all the printing for Congress, and for the Executive Departments, and for the Post Office Department, shall be performed.

Again, the bill did not pass, and Congress moved instead to a system in which printing should be done by the lowest bidder.

Another result of the investigation was a joint resolution of August 3, 1846, which called for advertising in local papers at the beginning of the last session of Congress and requesting sealed bids for Senate and House printing during the next Congress. The first local printers to undertake the contract were Cornelius Wendell and Charles Van Benthuysen. They took the contract at low rates, filled it, but lost money. The printing costs to Government during the period 1846 to 1852 nevertheless amounted to $3,462,655.12, which was almost as much as had been expended between 1819 and 1846.

This expense of printing for Congress gave rise to the act of August 26, 1852, which repealed the law of 1846. It provided:

That there shall be a Superintendent of the Public Printing, who shall hold his office for the term of two years, who shall receive for his services a salary of $2,500 per annum and who shall give bond with two sureties to be approved by the Secretary of the Interior, in the penalty of $20,000, for the faithful discharge of his duties under law. The said Superintendent shall be a practical printer, versed in the various branches of the arts of printing and bookbinding, and he shall not be interested, directly or indirectly, in any contract for printing for Congress or for any department or bureau of the Government of the United States.

A well-known citizen of Washington, DC, was selected by President Millard Fillmore in 1852 to serve as the first Superintendent of Public Printing. He was John T. Towers, a practical printer who had learned his trade in the office of Duff Green, printer to the Senate in 1830. He later worked as foreman for Thomas Allen, also a printer to the Senate. At the time of his appointment, Mr. Towers owned his own book and job printing firm. A committed trade unionist, he noted:

As far back as 1832, in the city of New York, I was a member of the first trades union in America, pledged to maintain the 10-hour system, and the principles sustained by me then as a journeyman printer have been and ever will be sustained by me as an employer.

Mr. Towers served as Superintendent during 1852 and 1853. He went on to become Mayor of Washington, DC, and died in 1857. Three more Superintendents followed prior to the creation of the Government Printing Office. They were: A.G. Seaman, 1853–57; Gen. George W. Bowman, 1857–59; and John Heart, 1859–61. Meanwhile, the practice of electing House and Senate printers continued, but with oversight from the Superintendent of Public Printing.

The new system was not without abuses; and in January 1860, three congressional committees were investigating all phases of public printing and binding. Fixed rates were a part of the problem. Advancing technology enabled some firms to take advantage of the rates. The election of House and Senate printers was considered a political plum, and majority parties received generous donations as a result. The elected House and Senate printers in turn farmed out jobs to working printers for a percentage of the profits. Binding, engraving, and paper purchases were similarly farmed out for a cut, and political donations were expected. The Select Committee on Public Printing reported overcharges to Government of $750,000.

The uproar produced a reform bill sponsored by Ohio Representative John A. Gurley, a former newspaperman, and chairman of the select committee. The bill called for the establishment of a Government Printing Office. After vigorous debate in the House, on May 31, 1860, H.R. 22 was passed 120 to 56. The Senate went on to pass it on June 16, 1860, 31 to 14. To implement the bill, on June 23, 1860, Joint Resolution No. 25, authorizing the establishment of the GPO, was signed into law by President James Buchanan. It said that the Superintendent of Public Printing was—

Authorized and directed to have executed the printing and binding authorized by the Senate and House of Representatives, the executive and judicial departments, and the Court of Claims, and, to enable him to carry out the provisions of this act, he is hereby authorized to contract for the erection or purchase of the necessary buildings, machinery, and materials for that purpose.

Thus, on the eve of the greatest crisis to be faced by Americans since 1776, the time finally arrived for the realization of an idea often mentioned in the past. The U.S. Government Printing Office was about to be born.

We are proud of this achievement of the U.S. Congress; and we are proud of the impressive achievement of the men and women of the U.S. Government Printing Office. May your record of service to the Nation for 125 years be a source of pride to all of you, as it is to all Members of Congress. We wish you a happy birthday on this March 4, 1986.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on both motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has been concluded on both motions to suspend the rules.

CONSOLIDATED FEDERAL FUNDS REPORT

Mr. BROOKS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3168) to require the Director of the Office of Management and Budget to prepare an annual report consolidating the available data on the geographic distribution of Federal funds, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3168

A bill to require the Director of the Office of Management and Budget to prepare an annual report consolidating the available data on the geographic distribution of Federal funds, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Consolidated Federal Funds Report Amendments of 1985".

SEC. 2. (a) Title 31, United States Code, is amended by inserting after chapter 61 the following new chapter:

"CHAPTER 62—CONSOLIDATED FEDERAL FUNDS REPORT

"Sec.
"6201. Definitions.
"6202. Content, form, and data for report.
"6203. Printing and distribution of reports and machine-readable records.
"6204. Delegation.
"6205. Availability of information.
"6206. Data consistency and uniformity of data elements.
"6207. Authorization of appropriations.

"§ 6201. Definitions

"As used in this chapter, the term—

"(1) 'Director' means the Director of the Office of Management and Budget;

"(2) 'State' means any State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, the Government of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands; and

"(3) 'municipality' means any subcounty unit of general local government that received Federal assistance in the fiscal year that is the subject of the report.

"§ 6202. Content, form and data for report

"(a) For fiscal years 1986, 1987, 1988, 1989, and 1990, not later than 180 days after the end of each fiscal year, the Director shall prepare a Consolidated Federal Funds Report presenting the total amount of Federal funds that were obligated for expenditure or expended in each State, county or parish, congressional district, and municipality of the United States in appropriate general categories of Federal funds during the preceding fiscal year. To the extent practicable, such categories shall be consistently constituted from year to year. The report shall be in the form described in subsection (b) and shall be based on the data referred to in subsection (c).

"(b) The Director shall include in each report required by subsection (a)—

"(1) the total amount of Federal funds that were reported obligated for expenditure in each State, county or parish, congressional district, and municipality of the United States in appropriate general categories of Federal funds in the fiscal year preceding the fiscal year in which the report is made; or

"(2) the total amount of Federal funds that were reported actually expended in each State, county or parish, congressional district, and municipality of the United States in appropriate categories in the fiscal year preceding the fiscal year in which the report is made.

"(c) The report required by subsection (a) shall be based on the data included in—

"(1) the Federal assistance awards data system established pursuant to section 6102a of this title;

"(2) the Federal procurement data system established pursuant to section 6(d)(5) of the Office of Federal Procurement Policy Act (41 U.S.C. 405(d)(5));

"(3) the appropriate data files of the Office of Personnel Management;

"(4) the payroll, pension, and grants files of the Office of the Secretary of Defense;

"(5) the appropriate data files of the United States Postal Service and the Postal Rate Commission;

"(6) the data system used by the Bureau of the Census to prepare the annual Federal aid to States report;

"(7) the retirement and disability files of the United States Coast Guard, the Tennessee Valley Authority, the Commissioned Corps of the Public Health Service, the Commissioned Corps of the National Oceanic and Atmospheric Administration, and the Foreign Service;

"(8) the insurance claims files of the Federal Emergency Management Agency and the Department of Agriculture;

"(9) the grants files of the Legal Services Corporation;

"(10) the excess earned income tax credit file of the Internal Revenue Service;

"(11) the appropriate data files of the National Railroad Passenger Corporation; and

"(12) the payroll file of the Federal Bureau of Investigation.

"(d) For the purposes of subsection (b), the general categories of Federal funds presented in each report required by subsection (a) shall include data with respect to grants, loans, purchases and contracts, cooperative agreements, direct Federal payments to individuals, pay of civilian employees of the Government, military pay, annuities, retirement pay, pensions, and disability compensation.

"§ 6203. Printing and distribution of reports and machine-readable records

"(a)(1) The Director shall—

"(A) prepare—

"(i) printed copies of each of the reports required by this chapter; and

"(ii) machine-readable records of such reports; and

"(B) make the printed copies of the reports and the machine-readable records available to the public for purchase at a price fixed under subsection (b).

"(2) The Director shall transmit free of charge one of each of the printed copies of the reports required by this chapter to—

"(A) each Federal regional depository library;

"(B) the Committees on Government Operations, the Budget, and Appropriations of the House of Representatives; and

"(C) the Committees on Governmental Affairs, the Budget, and Appropriations of the Senate.

"(3) The Director shall also transmit promptly after the end of each calendar year, free of charge, one machine-readable record of the report required by section 6202 to the Committee on Rules and Administration of the Senate and to the Committee on House Administration of the House of Representatives.

"(4) Subject to subsection (b), the Director may, at his discretion, waive all or part of the fee required by subsection (a)(1)(B) of this section.

"(b) In carrying out subsection (a)(1)(B), the Director shall, based on the estimates made under paragraphs (1) and (2) of this subsection, fix the price of each printed copy and each machine-readable record of the report so that the aggregate revenues obtained in each fiscal year under subsection (a) will cover as much as is feasible of the incremental costs incurred in making these reports and machine-readable records available for purchase by the public. In computing these costs the Director shall not consider the costs of the activities set forth in sections 6102a and 6205 of this title but shall consider—

"(1) the cost of compiling the reports required by this chapter; preparing the printed copies and machine-readable records under subsection (a); and distributing the printed copies and the machine-readable records of the report for each fiscal year; and

"(2) the number of printed copies and the number of machine-readable records of the report that will be purchased.

"§ 6204. Delegation

"In order to carry out sections 6202 and 6203 of this chapter, the Director may delegate to any authority of the executive branch of the Federal Government the responsibility for carrying out such sections. The Director shall oversee the activities of any authority to which responsibilities are delegated under this section and shall monitor the compliance of each authority with respect to the requirements set forth in section 6205.

"§ 6205. Availability of information

"Each head of any authority of the Government having custody of the data files and systems referred to in section 6202(c)—

"(1) shall make available to the Director (or other authority to which the Director has delegated the responsibility to carry out such section) the information requested in the form designated; and

"(2) is authorized to make available to the Director (or such other authority) such administrative services, equipment, personnel, and facilities (and funds appropriated therefor) as the Director or such authority requires to carry out such section.

"§ 6206. Data consistency and uniformity of data elements

"The Director shall designate a single organizational unit to provide for data consistency and uniform reporting of data elements.

"§ 6207. Authorization of appropriations

"There are authorized to be appropriated to carry out this chapter such sums as may be necessary for each of the fiscal years 1986, 1987, 1988, 1989, and 1990.".

(b)(1) Section 6102a of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) The Director shall transmit promptly after the end of each calendar quarter, free of charge, the data in the system required by subsection (a) to the Committee on Rules and Administration of the Senate and to the

Committee on House Administration of the House of Representatives.".

(2) Section 6101(4)(B) of such title is amended by striking out everything after "does not include" and inserting "assistance from an agency for an agency".

(c) The table of chapters for subtitle V of title 31, United States Code, is amended by inserting after the item pertaining to chapter 61 the following new item:

"62. Consolidated Federal Funds..... 6201".

(d) Effective on May 1, 1986, the Consolidated Federal Funds Report Act of 1982 is repealed.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Texas [Mr. BROOKS] will be recognized for 20 minutes, and the gentleman from New York [Mr. HORTON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3168 is a bill to reauthorize the consolidated Federal funds report [CFFR] through 1990.

The CFFR was created in 1982 with the passage and signing of Public Law 97-326. This report replaced the geographic distribution of Federal funds report which had been found to be flawed and was therefore discontinued by the Office of Management and Budget.

In the past 3 years, the CFFR has come to be the best and most comprehensive source of information about where the Federal Government spends its money. Each year this report tells us by State, county, and subcounty unit where the Federal Government is purchasing goods and services, paying wages, and funding various programs. In addition to being a widely used source of information, the CFFR has also been found to be a valuable management tool by the Office of Management and Budget.

If ever there was a time when more and better information about Federal spending was needed, it is now. With an annual deficit in the hundreds of billions of dollars and the total national debt close to $2 trillion, we must have accurate and reliable information on where our money is being spent. While data on geographic spending is only one type of information helpful to making budgetary plans and decisions, it is indeed valuable and should be available. H.R. 3168 will see that this is the case.

I urge Members to vote in favor of this bill.

Mr. HORTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3168. This is a noncontroversial bill which was reported by voice vote by the Government Operations Committee.

The consolidated Federal funds report is the most comprehensive source of information about where the Federal Government spends its money. Representatives of the Office of Management and Budget, the General Accounting Office, and the House Administration Committee all testified before our committee that this report is highly useful to managers of Federal, State, and local governments, as well as the public.

OMB and its agent, the Census Bureau, have done an excellent and efficient job of compiling the report, and the other agencies have been responsive in sharing data with them.

The bill before us extends the authorization for the report for 5 years, something which I think is well merited, and which is supported by the administration.

I urge the Members to join me in giving support to this bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

□ 1250

Mr. BROOKS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. BROOKS] that the House suspend the rules and pass the bill, H.R. 3168, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

TO RESTRICT THE USE OF GOVERNMENT VEHICLES

Mr. BROOKS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3614) to restrict the use of Government vehicles for transportation of officers and employees of the Federal Government between their residences and places of employment, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3614

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1344 of title 31, United States Code, is amended to read as follows:

"§ 1344. Passenger carrier use

"(a)(1) Funds available to an executive agency, by appropriation or otherwise, may be expended by the executive agency for the maintenance, operation, or repair of any passenger carrier only to the extent that such carrier is used to provide transportation for official purposes. Notwithstanding any other provision of law, transporting any individual other than those listed in subsections (b) and (c) between such individual's residence and such individual's place of employment is not transportation for an official purpose.

"(2) For purposes of paragraph (1), transportation between the residence of an officer or employee and various locations that is required for the performance of field work is transportation for an official purpose, when approved in writing by the head of the agency.

"(b) A passenger carrier may be used to transport between residence and place of employment the following officers and employees of executive agencies:

"(1)(A) the President and the Vice President;

"(B) no more than 6 officers or employees in the Executive Office of the President, as designated by the President;

"(C) no more than 10 additional officers or employees of executive agencies, as designated by the President;

"(2)(A) officers compensated at Level I of the Executive Schedule pursuant to section 5312 of title 5, United States Code; and

"(B) a single principal deputy to an officer described in subparagraph (A) of this paragraph, when a determination is made by such officer that such transportation is appropriate;

"(3) principal diplomatic and consular officials abroad, and the United States Ambassador to the United Nations;

"(4) the Deputy Secretary of Defense and Under Secretaries of Defense, the Secretary of the Air Force, the Secretary of the Army, the Secretary of the Navy, the Joint Chiefs of Staff, and the Commandant of the Coast Guard;

"(5) the Director of the Central Intelligence Agency and the Director of the Federal Bureau of Investigation;

"(6) the Chairman of the Board of Governors of the Federal Reserve System;

"(7) an officer or employee with regard to whom the head of an executive agency makes a determination, which shall be effective for no longer than 15 calendar days, that highly unusual circumstances present a clear and present danger, that an emergency exists, or that other similarly compelling operational considerations make such transportation essential to the conduct of official business.

"(c) A passenger carrier may be used to transport between residence and place of employment any person for whom protection is specifically authorized pursuant to section 3056(a) of title 18, United States Code or for whom transportation is authorized pursuant to section 28 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2700).

"(d)(1) Any determination made under paragraph (7) of subsection (b) shall be in writing and shall include the name and title of the officer or employee affected, the reason for such determination, and the duration of the authorization for such officer or employee to use a passenger carrier for transportation between residence and place of employment.

"(2) If a clear and present danger, an emergency, or a similarly compelling consideration described in subsection (b)(7) extends or may extend for a period in excess of 15 calendar days, the head of the executive agency shall determine whether authorization under subsection (b)(7) shall be extended beyond 15 calendar days up to a period of 90 additional calendar days. Determinations made under this paragraph may be reviewed by the head of such agency, and, where appropriate, subsequent determinations may be made whether such danger, emergency, or consideration continues to exist and whether an additional extension, not to exceed 90 calendar days, may be authorized.

"(3) The authority to make designations under paragraphs (1)(B) and (1)(C) and to make determinations pursuant to paragraphs (2)(B) and (7) of subsection (b) and paragraph (2) of this subsection may not be delegated, except that, with respect to the Executive Office of the President, the President may delegate his authority under such paragraph (7) to an officer in such Executive Office. No determination under this section may be made solely or principally for the comfort or convenience of the officer or employee.

"(4) Notification of each designation or determination made under paragraphs (1)(B), (1)(C), (2)(B), and (7) of subsection (b) and paragraph (2) of this subsection, including the name and title of the officer or employee affected, the reason for any such determination under such paragraph (7), and the expected duration of the authorization, shall be transmitted promptly to the Committee on Government Operations of the House of Representatives and the Committee on Governmental Affairs of the Senate.

"(e) As used in this section—

"(1) the term 'passenger carrier' means a passenger motor vehicle, aircraft, boat, ship, or other similar means of transportation that is owned or leased by the United States Government; and

"(2) the term 'executive agency' has the meaning given by section 103 of this title and includes any executive department, military department, Government corporation, Government-controlled corporation, or other establishment in the executive branch of the Government (including the Executive Office of the President and the Smithsonian Institution), any independent regulatory agency, or any nonappropriated fund instrumentality.".

SEC. 2. (a) Title 10, United States Code, is amended—

(1) by striking out section 2637 thereof; and

(2) in the table of contents of chapter 157 thereof, by striking out the item pertaining to section 2637.

(b) Section 636(a)(5) of the Foreign Assistance Act of 1961 (22 U.S.C. 2396(a)(5)) is amended by striking out "(without regard to the limitations contained in section 5 of Public Law 63-127, as amended (31 U.S.C. 638a(c)(2)) and section 201 of Public Law 85-468 (31 U.S.C. 638c))".

(c) Section 48 of the Arms Control and Disarmament Act (22 U.S.C. 2588) is amended by striking out "without regard to the limitations contained in section 78(c) of title 5 of the United States Code".

(d) Section 11 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2678) is repealed.

(e) Section 8(a)(1) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403j (a)(1)) is amended by striking out "transportation of officers and employees of the Agency in Government-owned automotive equipment between their domiciles and places of employment, where such personnel are engaged in work which makes such transportation necessary, and transportation in such equipment" and inserting in lieu thereof "transportation in Government automotive equipment".

(f) Section 660 of title 14, United States Code, is amended by striking out subsection (e).

The SPEAKER pro tempore. Is a second demanded?

Mr. HORTON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas [Mr. BROOKS] will be recognized for 20 minutes, and the gentleman from New York [Mr. HORTON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3614 is a bipartisan effort which establishes consistent and practical limitations on the use of Government vehicles by the executive branch.

Mr. Speaker, with a few exceptions, all Government employees are responsible for providing their own means of transportation between their home and place of employment, meaning any location where official duties are performed. Since enactment of the 1946 act regulating Government-furnished transportation, however, agencies have been inventive in their attempts to circumvent the law.

In 1983, I asked the Comptroller General to review legal memoranda of two agencies to determine whether their interpretations of this act, authorizing home-to-work transportation for a number of employees, were in fact consistent with the law. The resulting decision by the Comptroller General clearly states that current law contains "A clear prohibition which cannot be waived or modified by agency heads through regulations or otherwise." A 1985 survey, however, found that at least 128 Government employees were using Government vehicles for transportation between their homes and work—at least 79 illegally.

H.R. 3614 would restrict the use of Government vehicles to official purposes only. It authorizes home-to-work transportation only for specified Government employees, together with a limited number of discretionary authorizations provided to the President. It also establishes appropriate procedures should an agency head find that a clear and present danger, an emergency, or similarly compelling operational considerations make such transportation essential on a temporary basis. All other employees are responsible for providing their own means of transportation between their homes and places where official duties are performed. The intent is to authorize Government officials and employees who are at their place of employment to use a Government car when required for transportation to another location on official business. Any use of a Government vehicle to pick up a Government official or employee at his or her home and transport that person to a place where official duties are performed is prohibited.

Mr. Speaker, in these times of fiscal austerity, legislation is needed to provide clear congressional guidance which will prevent future waste of Government funds. This bill could actually save more than one-half million dollars annually by eliminating current agency practice permitting the use of Government vehicles for home-to-work transportation.

The administration provided the first draft of legislation on this issue and is supporting this effort. I urge Members to vote in favor of this bill.

Mr. HORTON. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I rise in support of the bill.

Mr. Speaker, home-to-office transportation for Government officials is an easy target for demagoguery. Obviously, taxpayers' money shouldn't be spent for chauffering to and from work every official who wants to look like Mr. Big.

There is a serious side to the subject, too, however, and H.R. 3614 focuses on it. Major corporations frequently provide home-to-office transportation for their top executives. They don't do this out of the goodness of their hearts. They do it because those top executives are critical to the operation of the companies, and by extending the useful work-hours of the highest managers, the companies are helping themselves. As fiduciaries of the taxpayers, we should do no less with regard to top executives of the Federal Government.

Mr. Speaker, the question of which officials merit this service has been batted around, usually behind closed doors, for a long time. Current law is extremely restrictive, but practice has been far different. There is no telling how many officials received this transportation before the subject came to public light in the last few years. Even after the General Accounting Office issued an opinion in 1983 taking a strict interpretation of the law, agencies recently told GAO that 128 officials in the United States were receiving this service. And we shouldn't be surprised by this situation: GAO and agency opinions on this matter have been varied and conflicting for years; no one can really tell who is entitled to the transportation and who isn't.

The bill which is before us today would provide the first clear, concise guidance ever given on the subject of home-to-office transportation. It would cut the number of named officials to less than half the number of officials who now receive it, and would allow additional employees to get it only on the basis of specific reasons, and for many, only after the Congress is notified. As the ranking minority member of the committee to which those notifications would be referred, I pledge to keep an eagle eye on them

to ensure that this privilege is not abused.

Mr. Speaker, I want to note specially that our chairman, the gentleman from Texas [Mr. BROOKS], has gone out of his way to avoid making a political issue of this subject. He has approached matters in a fair but tough way, giving the administration proposal careful thought and working it into a good piece of legislation that we can be proud of. The administration has recognized this responsible effort by giving its support to the bill.

Mr. Speaker, I am pleased to have participated in the writing of H.R. 3614, and as cosponsor of the measure, I urge my colleagues to endorse it.

Mr. Speaker, I have no further requests for time and yield back the balance of my time.

Mr. BROOKS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. BROOKS] that the House suspend the rules and pass the bill, H.R. 3614, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the two bills just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

MASSIVE DRUG TESTING IS AN UNREASONABLE "SEARCH AND SEIZURE"

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HOYER. Mr. Speaker, the report issued yesterday by the President's Commission on Organized Crime calling for a complete national resolve to fight drug use is a welcome one.

It is clear that we are not winning the battle to prevent drugs from entering our country. We are not reducing drug sales on our streets. And, most importantly, we are not keeping drugs away from our children.

There are Americans who abhor the crime caused by drugs, but condone their "private" use. We have to change our national outlook on this problem. The people who are using illicit drugs must recognize that their patronage contributes to organized crime organizations and spreads the cancer of drug-caused crime across our Nation's cities.

Many of the Organized Crime Commission's suggestions for combatting the drug problem are welcome, including: increased prosecutions, increased drug education, and increased funding for drug enforcement agencies.

What is not welcome, is the call to test all Federal employees for drug use.

A fundamental tenet of our society is embodied in the fourth amendment protection against unreasonable searches and seizures. Massive drug testing is clearly a violation of that right.

There is no evidence that Federal employees are as a group drug users. A testing program would only have the effect of demoralizing the work force, wasting money and testing literally millions of people.

Secretary Shultz indicated in the strongest of terms his refusal to take a polygraph exam. It would be interesting to see his response to the request to submit to a urinalysis test.

SUBCOMMITTEE ON CIVIL SERVICE,
Washington, DC, March 4, 1986.

Hon. RONALD REAGAN,
President of the United States,
The White House, Washington, DC

DEAR MR. PRESIDENT: If a prize were created for the most idiotic recommendation of a Presidential Commission, the recommendation of the President's Commission on Organized Crime that all Federal workers be subject to drug tests would surely be the winner.

All of us want to rid American society of the scourge of dangerous drugs. We know that they destroy lives and enrich gangsters. Yet, that's not the point.

The recommendation of the National Commission on Organized Crime that all Federal employees be subject to drug testing is an embarassment to all who are concerned about an efficient and effective Federal workforce. It reflects a basic ignorance of government management, civil liberties and drug testing technology.

Does the Commission have evidence that Federal employees are engaged in organized crime? Is the bureaucracy a hotbed of mob activity? If so, the Commission should promptly come forward with its evidence. If not, the Commission should have stayed within its charter, rather than proposing policies to demoralize the workforce.

The foolishness of the Commission's approach is demonstrated by the fact that no one is proposing testing for off duty use of the two most addictive and destructive drugs known to society—alcohol and tobacco. The Surgeon General has documented that cigarette smoking results in greater illness and use of sick leave. We all know what a hang-over can do to work performance. If we are looking for off duty conduct which interferes with on the job performance, cigarette smoking and alcohol consumption might be candidates. Still, prohibiting Federal workers from smoking or drinking off duty would be abhorrent to me and most Americans.

Widespread drug testing would be bad management even if urinalysis were accurate. It is not. The relatively cheap drug store urinalysis kits where chemicals are inserted into a vial of urine produce high proportions of false negatives and false positives. Only highly expensive laboratory tests have a high degree of reliability. With a $200 billion deficit and a strong policy embodied in Gramm-Rudman to reduce that deficit, we cannot afford to spend the hundreds of millions of dollars it would take to give reliable tests to all Federal workers. And the Commission has not provided any justification for this sort of massive new Federal program.

Urinalysis tests are, not surprisingly, much more accurate for drugs which leave high concentrations of residue in the body, such as marijuana, and not very accurate for hallucinogens and designer drugs. Yet, it is this latter group of drugs which is likely to have a much greater work impact. It is also this latter group which is more appropriately the target of major government intervention. So, drug testing poorly serves the policy of ridding society of its most dangerous drugs.

To clear the air and reassure the Federal workforce, I urge you to publicly repudiate this stupid proposal.

With kind regards,

Sincerely,

PATRICIA SCHROEDER,
Chairwoman.

AMENDMENT TO THE SENATE AMENDMENT TO THE HOUSE AMENDMENT TO THE SENATE AMENDMENT TO H.R. 3128

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GRAY] is recognized for 5 minutes.

Mr. GRAY of Pennsylvania. Mr. Speaker, in anticipation of action by the House on amendments to the pending reconciliation package, I am submitting for printing in the RECORD the following amendment to the measure as follows:

Amendment to the Senate amendment to the House amendment to the Senate amendment to H.R. 3128:

In section 4016, insert "or seasonal suspension" after "adjustment in frequency"; and insert "adjustment or" after "service unless such".

In subparagraph (F)(ii) of paragraph (10) of section 204(b) of the Magnuson Fishery Conservation and Management Act, as proposed to be amended by section 6021, strike out "from such nations".

In subsection (b)(2)(B) of section 315 of the Coastal Zone Management Act, as proposed to be amended by section 6044, strike out "environmental" and insert "environment".

In section 3A of the National Ocean Pollution Planning Act of 1978, as proposed to be added by section 6072(2)—

(1) amend subparagraph (B) of subsection (a)(2) to read as follows:

"'(B) be headed by a director who shall—

'(i) be appointed by the Administrator,

'(ii) serve as the Chair of the Board, and

'(iii) be the spokesperson for the program;' ";

(2) insert a quotation mark and a period after the period at the end of subparagraph (D) of subsection (b)(2); and

(3) strike out paragraph (3) of subsection (b).

In section 6085—

(1) insert "and duties" after "functions" in the long title of the Act of August 6, 1947 cited in such section; and

(2) strike out "'or subdivision thereof'" and insert "'or subdivision thereof,'" in paragraph (2).

In section 8003, amend the first sentence of the proposed section 8(g)(2) of the Outer Continental Shelf Lands Act to read as follows:

"Notwithstanding any other provision of this Act, the Secretary shall deposit into a separate account in the Treasury of the United States all bonuses, rents, and royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profit taxes, derived from any lease issued after September 18, 1978, of any Federal tract which lies wholly or partially within three nautical miles of the seaward boundary of any coastal State."

In section 8004(a), strike out "January 1, 1986" and insert in lieu thereof "April 15, 1986".

In section 8006(a), insert "issued after September 18, 1978" after "any Federal leases".

In section 8006(a)(1), insert "issued after September 18, 1978" after "derived from any lease".

Amend section 8201 by striking out the close quote and period at the end and inserting in lieu thereof the following new paragraph:

"(4)(A) Notwithstanding the provisions of this subsection, a lessee may petition the Secretary for a waiver of the requirements of this subsection.

"(B) The Secretary shall assign an Administrative Law Judge to conduct a hearing on the record on the petition and make a finding for the Secretary.

"(C) The Administrative Law Judge shall recommend to the Secretary that the Secretary grant such waiver if the Administrative Law Judge finds that the lessee's exploration or development and production plan cannot be carried out solely because of the additional costs that would be incurred as a result of the requirements of this subsection.

"(D) If the Secretary receives the recommendation from the Administrative Law Judge provided in paragraph (C), the Secretary may grant the waiver if the Secretary concurs with the finding of the Administrative Law Judge.".

In subtitle A of title IX, strike out sections 9203, 9212, 9302, 9311, and 9312, and conform the table of contents of title IX accordingly.

In section 9101—

(1) in subsection (a), strike out "FEBRUARY 28" and "February 28" and insert in lieu thereof "April 30" and "April 30", respectively;

(2) in subsections (b), (e)(1)(B), (e)(2)(B), (e)(2)(C), and (e)(3)(B), strike out "1 percent" and insert in lieu thereof "1/2 percent";

(3) in subsection (d), strike out "December 19, 1985" and insert in lieu thereof "March 15, 1986";

(4) in subsection (e)(1)(A), strike out "March" and insert in lieu thereof "May";

(5) in subsection (e)(2)(B), strike out "5 months" and "7 months" and insert in lieu thereof "7 months" and "5 months", respectively; and

(6) in subsection (e)(3)(B), strike out "7/12" and insert in lieu thereof "5/24".

In section 9102—

(1) in subsection (d)(2)(B), strike out "5 months" and "7 months" and insert in lieu thereof "7 months" and "5 months", respectively, and

(2) in subsection (d)(3), strike out "March" and insert in lieu thereof "May".

In section 9103, in subsections (a) and (b)(2), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9104, in subsections (a) and (c)(1), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9105, in subsections (a) and (e), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9123(b), strike out "January" and insert in lieu thereof "April".

In section 9124(b)(1), strike out "April" and insert in lieu thereof "July".

In section 9128, strike out "will go" and insert in lieu thereof "went".

In section 9201(d), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9211(e), strike out "February" and "April" and insert in lieu thereof "May" and "July", respectively, each place each appears.

In section 9301—

(1) in subsection (a), strike out "JANUARY 31" and "January 31" and insert in lieu thereof "APRIL 30" and "April 30", respectively;

(2) in subsection (b), strike out "11-month", "February", "January 31", "4-month", and "January 1986" and insert in lieu thereof "8-month", "May", "April 30", "7-month", and "April 1986", respectively, each place each appears; and

(3) in subsection (c)(5), strike out "July" and insert in lieu thereof "October".

In section 9303—

(1) in subsection (b)(2), strike out "April", "1987" and "December 31, 1986" and insert in lieu thereof "July", "1988", and "December 31, 1987", respectively, and

(2) in subsection (b)(5)(A), strike out "April" and insert in lieu thereof "July".

In section 9304(b)—

(1) strike out "11-month" and "February" and insert in lieu thereof "8-month" and "May", respectively;

(2) in paragraph (1) in the matter before subparagraph (A), insert "at any time" after "in the case of any physician who"; and

(3) in paragraph (1)(B), strike out "is not a participating physician" and all that follows through "September 30, 1985, or" and insert in lieu thereof "was not a participating physician (as defined in section 1842(h)(1) of the Social Security Act) on September 30, 1985, and who is not such a physician".

In section 9307(c)—

(1) in paragraph (1), strike out "subsection (1)" and insert in lieu thereof "subsection (k)";

(2) in paragraph (2), strike out "after subsection (k), added by section 146(a) of this title," and insert in lieu thereof "at the end"; and

(3) in the subsection added by paragraph (2), strike out "(l)(1)" and insert in lieu thereof "(k)(1)".

In subtitle B of title IX, strike out sections 9504, 9513, and 9521, and conform the table of contents of title IX accordingly.

In section 9501(d)(1), strike out "April" and insert in lieu thereof "July".

In section 9505(b)(1)—

(1) strike out "sections 9501 and 9504" and insert in lieu thereof "section 9501", and

(2) strike out "(VI)" and "(VII)" and insert in lieu thereof "(V)" and "(VI)", respectively

In section 9506(a), in proposed subsection (k)(2) of section 1902 of the Social Security Act, insert "(other than by will)" after "established".

In section 9511(b) strike out "January" and insert in lieu thereof "April".

In section 9517(c), amend paragraph (2) to read as follows:

(2)(A) Except as provided in subparagraph (B), the amendments made by paragraph (1) shall apply to expenditures incurred for health insuring organizations which first become operational on or after January 1, 1986.

(B) In the case of a health insuring organization—

(i) which first becomes operational on or after January 1, 1986, but

(ii) for which the Secretary of Health and Human Services has waived, under section 1915(b) of the Social Security Act and before such date, certain requirements of section 1902 of such Act.

clauses (ii) and (vi) of section 1903(m)(2)(A) of such Act shall not apply during the period for which such waiver is effective.

In section 9522, insert "(or submitted during 1986 by)" after "granted to".

In section 9523—

(1) in subsection (a) strike out "CONTINUED" and "continue" and insert in lieu thereof "RENEWED" and "renew", respectively, and

(2) In subsection (b)—

(A) strike out "continued" and insert in lieu thereof "renewed".

(B) strike out "the date of the enactment of this Act" and insert in lieu thereof "December 31, 1985".

In section 9526, at the end of subsection (a) of proposed section 1920 of the Social Security Act, add the following:

"(F) Section 310(b)(1) of Public Law 96-272 (relating to continuing medicaid eligibility for certain recipients of Veterans' Administration pensions).

In section 12301—

(1) in subsection (b)—

(A) strike out "or 1903(u)" in paragraph (1), and

(B) strike out "titles IV-A and XIX" and insert in lieu thereof "title IV-A" each place it appears; and

(2) after subsection (d), strike out "and 1982.".

In section 12304(a)(3), immediately before the semicolon at the end of the proposed new subparagraph (C), insert the following: "; but the State shall not be subject to any financial penalty in the administration or enforcement of this subparagraph as a result of any monitoring, quality control, or auditing requirements".

Part 1 of subtitle A of title XIII of the bill is amended to read as follows:

PART 1—TRADE ADJUSTMENT ASSISTANCE

SEC. 13001. SHORT TITLE.

This part may be cited as the "Trade Adjustment Assistance Reform and Extension Act of 1986".

SEC. 13002. ELIGIBILITY OF WORKERS AND FIRMS FOR TRADE ADJUSTMENT ASSISTANCE.

(a) WORKERS—Sections 221(a) and 222 of the Trade Act of 1974 (19 U.S.C. 2271(a); 2272) are each amended by inserting "(including workers in any agricultural firm or subdivision of an agricultural firm)" after "group of workers".

(b) FIRMS.—

(1) Subsections (a) and (c) of section 251 of the Trade Act of 1974 (19 U.S.C. 2341) are

each amended by inserting "(including any agricultural firm)" after "a firm".

(2) Paragraph (2) of section 251(c) of the Trade Act of 1974 (19 U.S.C. 2341(c)(2)) is amended to read as follows:

"(2) that—

"(A) sales or production, or both, of the firm have decreased absolutely, or

"(B) sales or production, or both, of an article that accounted for not less than 25 percent of the total production or sales of the firm during the 12-month period preceding the most recent 12-month period for which data are available have decreased absolutely, and".

SEC. 13003. CASH ASSISTANCE FOR WORKERS.

(a) PARTICIPATION IN JOB SEARCH PROGRAM REQUIRED.—

(1) Subsection (a) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291(a)) is amended by adding at the end thereof the following new paragraph:

"(5) Such worker, unless the Secretary has determined that no acceptable job search program is reasonably available—

"(A) is enrolled in a job search program approved by the Secretary under section 237(c), or

"(B) has, after the date on which the worker became totally separated, or partially separated, from the adversely affected employment, completed a job search program approved by the Secretary under section 237(c).".

(2) Section 231 of the Trade Act of 1974 (19 U.S.C. 2291) is amended by adding at the end thereof the following new subsection:

"(c) If the Secretary determines that—

"(1) the adversely affected worker—

"(A) has failed to begin participation in the job search program the enrollment in which meets the requirement of subsection (a)(5), or

"(B) has ceased to participate in such job search program before completing such job search program, and

"(2) there is no justifiable cause for such failure or cessation.

no trade readjustment allowance may be paid to the adversely affected worker under this part on or after the date of such determination until the adversely affected worker begins or resumes participation in a job search program approved under section 237(c).".

(3) Subsection (a) of section 239 of the Trade Act of 1974 (19 U.S.C. 2311(a)) is amended—

(A) by striking out "training," in clause (2) and inserting in lieu thereof "training and job search programs,"; and

(B) by striking out "and (3)" and inserting in lieu thereof "(3) will make determinations and approvals regarding job search programs under sections 231(c) and 237(c), and (4)".

(b) QUALIFYING WEEKS OF EMPLOYMENT.—The last sentence of section 231(a)(2) of the Trade Act of 1974 (19 U.S.C. 2291(a)(2)) is amended by striking out all that follows after subparagraph (C) and inserting in lieu thereof "shall be treated as a week of employment at wages of $30 or more, but not more than 7 weeks, in case of weeks described in paragraph (A) or (C), or both, may be treated as weeks of employment under this sentence.".

(c) WEEKLY AMOUNTS OF READJUSTMENT ALLOWANCES.—Section 232 of the Trade Act of 1974 (19 U.S.C. 2292) is amended—

(1) by striking out "under any Federal law," in subsection (c) and inserting in lieu thereof "under any Federal law other than this Act",

(2) by striking out "under section 236(c)" in subsection (c) and inserting in lieu thereof "under section 231(c) or 236(c)", and

(3) by striking out "If the training allowance" in subsection (c) and inserting in lieu thereof "If such training allowance".

(d) LIMITATIONS.—

(1) Paragraph (2) of section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)(2)) is amended by striking out "52-week period" and inserting in lieu thereof "104-week period".

(2) Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended by adding at the end thereof the following new subsection:

"(e) No trade readjustment allowance shall be paid to a worker under this part for any week during which the worker is receiving on-the-job training.".

SEC. 13004. JOB-TRAINING FOR WORKERS.

(a) IN GENERAL.—Section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended—

(1) by striking out "for a worker" in subsection (a)(1)(A) and inserting in lieu thereof "for an adversely affected worker",

(2) by striking out "may approve" in the first sentence of subsection (a)(1) and inserting in lieu thereof "shall (to the extent appropriated funds are available) approve",

(3) by striking out "under paragraph (1)" in subsection (a)(2) and inserting in lieu thereof "under subsection (a)",

(4) by striking out "this subsection" in subsection (a)(3) and inserting in lieu thereof "this section",

(5) by redesignating paragraphs (2) and (3) of subsection (a) as subsections (e) and (f), respectively,

(6) by inserting at the end of subsection (a) the following new paragraphs:

"(2) For purposes of applying paragraph (1)(C), a reasonable expectation of employment does not require that employment opportunities for a worker be available, or offered, immediately upon the completion of training approved under this paragraph (1).

"(3)(A) If the costs of training an adversely affected worker are paid by the Secretary under paragraph (1), no other payment for such costs may be made under any other provision of Federal law.

"(B) No payment may be made under paragraph (1) of the costs of training an adversely affected worker if such costs—

"(i) have already been paid under any other provision of Federal law, or

"(ii) are reimbursable under any other provision of Federal law and a portion of such costs have already been paid under such other provision of Federal law.

"(C) The provisions of this paragraph shall not apply to, or take into account, any funds provided under any other provision of Federal law which are used for any purpose other than the direct payment of the costs incurred in training a particular adversely affected worker, even if such use has the effect of indirectly paying or reducing any portion of the costs involved in training the adversely affected worker.

"(4) The training programs that may be approved under paragraph (1) include, but are not limited to—

"(A) on-the-job training,

"(B) any training program provided by a State pursuant to section 303 of the Job Training Partnership Act,

"(C) any training program approved by a private industry council established under section 202 of such Act, and

"(D) any other training program approved by the Secretary,", and

(7) by inserting after subsection (c) the following new subsection:

"(d) Notwithstanding any provision of subsection (a)(1), the Secretary may pay the costs of on-the-job training of an adversely affected worker under subsection (a)(1) only if—

"(1) no currently employed worker is displaced by such adversely affected worker (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits),

"(2) such training does not impair existing contracts for services or collective bargaining agreements,

"(3) in the case of training which would be inconsistent with the terms of a collective bargaining agreement, the written concurrence of the labor organization concerned has been obtained,

"(4) no other individual is on layoff from the same, or any substantially equivalent, job for which such adversely affected worker is being trained,

"(5) the employer has not terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created by hiring such adversely affected worker,

"(6) the job for which such adversely affected worker is being trained is not being created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals,

"(7) such training is not for the same occupation from which the worker was separated and with respect to which such worker's group was certified pursuant to section 222,

"(8) the employer certifies to the Secretary that the employer will continue to employ such worker for at least 26 weeks after completion of such training if the worker desires to continue such employment and the employer does not have due cause to terminate such employment,

"(9) the employer has not received payment under subsection (a)(1) with respect to any other on-the-job training provided by such employer which failed to meet the requirements of paragraphs (1), (2), (3), (4), (5), and (6), and

"(10) the employer has not taken, at any time, any action which violated the terms of any certification described in paragraph (8) made by such employer with respect to any other on-the-job training provided by such employer for which the Secretary has made a payment under subsection (a)(1).".

"(b) ON-THE-JOB TRAINING DEFINED.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended by adding at the end thereof the following new paragraph:

"(16) The term 'on-the-job training' means training provided by an employer to an individual who is employed by the employer.".

"(c) AGREEMENTS WITH THE STATES.—Section 239 of the Trade Act of 1974 (19 U.S.C. 2311) is amended—

(1) by amending subsection (a)(2) by inserting "but in accordance with subsection (f)," after "where appropriate,"; and

(2) by adding at the end thereof the following new subsections:

"(e) Agreements entered into under this section may be made with one or more State or local agencies including—

"(1) the employment service agency of such State,

"(2) any State agency carrying out title III of the Job Training Partnership Act, or

"(3) any other State or local agency administering job training or related programs.

"(f) Each cooperating State agency shall, in carrying out subsection (a)(2)—

"(1) advise each adversely affected worker to apply for training under section 236(a) at the time the worker makes application for trade readjustment allowances (but failure of the worker to do so may not be treated as cause for denial of those allowances), and

"(2) within 60 days after application for training is made by the worker, interview the adversely affected worker regarding suitable training opportunities available to the worker under section 236 and review such opportunities with the worker.".

SEC. 13005. JOB SEARCH ALLOWANCES.

(a) IN GENERAL.—Section 237 of the Trade Act of 1974 (19 U.S.C. 2297) is amended by adding at the end thereof the following new subsection:

"(c) The Secretary shall reimburse any adversely affected worker for necessary expenses incurred by such worker in participating in a job search program approved by the Secretary.".

(b) DEFINITIONS.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319), as amended by section 13004(b) of this Act, is further amended by adding at the end thereof the following new paragraph:

"(17)(A) The term 'job search program' means a job search workshop or job finding club.

"(B) The term 'job search workshop' means a short (1 to 3 days) seminar designed to provide participants with knowledge that will enable the participants to find jobs. Subjects are not limited to, but should include, labor market information, résumé writing, interviewing techniques, and techniques for finding job openings.

"(C) The term 'job finding club' means a job search workshop which includes a period (1 to 2 weeks) of structured, supervised activity in which participants attempt to obtain jobs.".

SEC. 13006. ADJUSTMENT ASSISTANCE FOR FIRMS.

(a) TECHNICAL ASSISTANCE.—

(1) Paragraph (1) of section 252(b) of the Trade Act of 1974 (19 U.S.C. 2342(b)(1)) is amended to read as follows:

"(1) Adjustment assistance under this chapter consists of technical assistance. The Secretary shall approve a firm's application for adjustment assistance only if the Secretary determines that the firm's adjustment proposal—

"(A) is reasonably calculated to materially contribute to the economic adjustment of the firm,

"(B) gives adequate consideration to the interests of the workers of such firm, and

"(C) demonstrates that the firm will make all reasonable efforts to use its own resources for economic development.".

(2) Section 252 of the Trade Act of 1974 (19 U.S.C. 2342) is amended by striking out subsection (c) and redesignating subsection (d) as subsection (c).

(3) Paragraph (2) of section 253(b) of the Trade Act of 1974 (19 U.S.C. 2343(b)(2)) is amended by striking out "such cost" and inserting in lieu thereof " such cost for assistance described in paragraph (2) or (3) of subsection (a)".

(b) NO NEW LOANS OR GUARANTEES.—Section 254 of the Trade Act of 1974 (19 U.S.C. 2344) is amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding any other provision of this chapter, no direct loans or guarantees of loans may be made under this chapter after the date of enactment of the Trade Adjustment Assistance Reform and Extension Act of 1986.".

SEC. 13007. EXTENSION AND TERMINATION OF TRADE ADJUSTMENT ASSISTANCE.

(a) IN GENERAL.—Section 285 of the Trade Act of 1974 (19 U.S.C. 2271, preceding note) is amended—

(1) by striking out the first sentence thereof and inserting in lieu thereof "(a)",

(2) by striking out the section heading and inserting in lieu thereof "SEC. 285. TERMINATION.", and

(3) by adding at the end thereof the following new subsection:

"(b) No assistance, allowances, or other payments may be provided under chapter 2, and no technical assistance may be provided under chapter 3, after September 30, 1991.".

(b) CONFORMING AMENDMENT.—The table of contents of the Trade Act of 1974 is amended by striking out the item relating to section 285 and inserting in lieu thereof the following:

"Sec. 285. Termination.".

SEC. 13008. AUTHORIZATION OF APPROPRIATIONS.

(a) WORKERS.—Secton 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended by striking out "1982 through 1985" and inserting in lieu thereof "1986, 1987, 1988, 1989, 1990, and 1991".

(b) FIRMS.—Subsection (b) of section 256 of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended—

(1) by inserting "for fiscal years 1986, 1987, 1988, 1989, 1990, and 1991" after "to the Secretary",

(2) by striking out "from time to time", and

(3) by striking out the last sentence thereof.

SEC. 13009. EFFECTIVE DATES; APPLICATION OF GRAMM-RUDMAN.

(a) IN GENERAL.—Except as provided in subsections (b) and (c), the amendments made by this part shall take effect on the date of the enactment of this Act.

(b) JOB SEARCH PROGRAM REQUIREMENTS.—The amendments made by section 13003(a) apply with respect to workers covered by petitions filed under section 221 of the Trade Act of 1974 on or after the date of the enactment of this Act.

(c) EXTENSION AND AUTHORIZATION.—Chapters 2 and 3 of title II of the Trade Act of 1974 (19 U.S.C. 2271, et seq.) shall be applied as if the amendments made by sections 13007 and 13008 had taken effect on December 18, 1985.

(d) APPLICATION OF GRAMM-RUDMAN.—Trade readjustment allowances payable under part I of chapter 2 of title II of the Trade Act of 1974 for the period from March 1, 1986, and until October 1, 1986, shall be reduced by a percentage equal to the non-defense sequester percentage applied in the Sequestration Report (submitted under the Balanced Budget and Emergency Deficit Control Act of 1985 and dated January 21, 1986) of the Comptroller General of the United States for fiscal year 1986.

Strike out subtitle B of title XIII and redesignate the following subtitles accordingly.

Strike out subsection (d) of section 13202 and insert in lieu thereof the following:

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to smokeless tobacco removed after June 30, 1986.

(2) TRANSITIONAL RULE.—Any person who—

(A) on the date of the enactment of this Act, is engaged in business as a manufacturer of smokeless tobacco, and

(B) before July 1, 1986, submits an application under subchapter B of chapter 52 of the Internal Revenue Code of 1954 to engage in such business,

may, notwithstanding such subchapter B, continue to engage in such business pending final action on such application. Pending such final action, all provisions of chapter 52 of such Code shall apply to such applicant in the same manner and to the same extent as if such applicant were a holder of a permit to manufacture smokeless tobacco under such chapter 52.

Strike out subsection (c) of section 1320 and insert the following:

(c) EXISTING REDUCTION IN RATES FOR PERIOD AFTER TEMPORARY INCREASE RETAINED.—So much of subsection (e) of section 4121 (relating to temporary increase in amount of tax) as precedes paragraph (2) is amended to read as follows:

"(e) REDUCTION IN AMOUNT OF TAX.—

"(1) IN GENERAL.—Effective with respect to sales after the temporary increase termination date, subsection (b) shall be applied—

"(A) by substituting '$.50' for '$1.10',

"(B) by substituting '$.25' for '$.55', and

"(C) by substituting '2 percent' for '4.4 percent'."

In section 13203(d), strike out "December 31, 1985" and insert in lieu thereof "March 31, 1986".

In section 13205(a)(1), strike out "of the Internal Revenue Code of 1954".

In subsection (a)(2) of section 13205, strike out "of such Code" each place it appears.

In section 13205, strike out "December 31, 1985" and "January 1, 1986" and insert in lieu thereof "March 31, 1986" and "April 1, 1986", respectively, each place either appears.

At the end of paragraph (2) of section 1303(d) of the Internal Revenue Code of 1954 (as proposed to be added by section 13206(a)), insert the following:

In applying subparagraph (B), amounts which constitute earned income (within the meaning of section 911(d)(2)) and are community income under community property laws applicable to such income shall be taken into account as if such amounts did not constitute community income.

In section 13207(c), strike out "September 12, 1985" and insert in lieu thereof "September 12, 1984".

In subparagraph (A) of section 531(g)(1) of the Tax Reform Act of 1984 (as proposed to be added by section 13207(d)), strike out "performed" and insert in lieu thereof "performs".

In paragraph (2) of section 531(g) of the Tax Reform Act of 1984 (as proposed to be added by section 13207(d)), strike out subparagraph (B) and insert in lieu thereof the following:

"(B) if—

"(i) such organization is described in section 501(c)(6) of the Internal Revenue Code of 1954 and the membership of such organization is limited to entities engaged in the transportation by air of individuals or property for compensation or hire, or

"(ii) such organization is a corporation all the stock of which is owned entirely by entities referred to in clause (i), and".

In clause (vi) of section 57(a)(9)(E) of the Internal Revenue Code of 1954 (as proposed to be added by section 13208(a)), strike out "The" and insert in lieu thereof "For purposes of this subparagraph, the".

In clause (vii) of such section 57(a)(9)(E), strike out "The" and insert in lieu thereof "For purposes of this subparagraph, the".

In section 14001(a)(2), strike out "amounts".

In section 19001(a), strike out "and Compensation Rate Amendments of 1985" and insert in lieu thereof "Amendments of 1986".

In section 19011—

(1) strike out "April 1, 1986" in the last sentence of subsection (e)(2) and insert in lieu thereof "July 1, 1986"; and

(2) in subsection (f)—

(A) strike out "April 1, 1986" each place it appears and insert in lieu thereof "July 1, 1986";

(B) strike out "March 31, 1986" both places it appears in paragraph (2)(A) and insert in lieu thereof "June 30, 1986"; and

(C) strike out "April and May 1986" in paragraph (2)(B) and insert in lieu thereof "July and August 1986".

Strike out subtitle B of title XIX (and redesignate subtitle C as subtitle B).

In section 19031(b)(2), strike out "April 1, 1986" and insert in lieu thereof "July 1, 1986".

In section 19032—

(1) strike out "February 1, 1986" in subsection (a) and insert in lieu thereof "May 1, 1986"; and

(2) strike out "November 1, 1986, and November 1, 1987," in subsection (f) and insert in lieu thereof "February 1, 1987, and February 1, 1988,".

LITHUANIAN INDEPENDENCE DAY

The SPEAKER pro tempore. Under a previous order of the House, the distinguished gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

GENERAL LEAVE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ANNUNZIO. Mr. Speaker, it was a privilege to reserve this special order in commemoration of the 68th anniversary of Lithuanian Independence Day, and I want to thank my colleagues in the House of Representatives who are joining with me today to help focus attention on the plight of the Lithuanian people who continue to struggle to achieve liberty in their beloved country of Lithuania.

Sixty-eight years ago, on February 16, 1918, a courageous Lithuanian people proudly proclaimed to the world their right to live among the community of free nations. Shortly after declaring independence, they began rebuilding their country, devastated by World War I, and democratic institutions were reestablished to protect and safeguard this newly-won freedom. Sadly, however, these benefits were short-lived because Lithuania was invaded by Stalin's Red army, and the brave Lithuanian people were once again robbed of their hard-won liberty. Those who resisted were tragically executed, or were deported under inhumane conditions to slave labor camps in Siberia.

Today, Lithuanians are prisoners in their own homeland, and although the Communists have attempted to wipe out the culture, religion, and heritage of the Lithuanian people, they have been unable to crush the spirit of these brave men and women who still yearn for freedom and the liberation of their country.

Mr. Speaker, across our Nation, tens of thousands of Lithuanian Americans commemorate Lithuanian Independence Day, including members of the Lithuanian American Council, Inc., many of whom reside in the 11th Congressional District of Illinois which I am honored to represent. I am delighted that many members of this outstanding organization from throughout the country, are joining me here today in the House of Representatives' commemoration of Lithuanian Independence Day.

The Lithuanian American Council selected Father Valdemaras Cukuras to be the guest chaplain this year in the House of Representatives as a part of our commemoration. The names of the Lithuanian American Council's officers follow:

Honorary President: Kazys C. Bobelis, M.D.

National President: Teodoras Blinstrubas.

First Vice President: Jonas Valaitis, M.D.

Vice Presidents: Stanley Balzekas, Jr., Povilas Dargis, Leonas Kriauceliunas, D.V.M., Vickoras Naudzius, Vladas Simaitis, J.D., Jonas Talandis.

Secretary: Grozvydas Lazauskas.

Recording Secretary: Vytautas Dargis, M.D.

Treasurer: Mykolas Pranevicius.

Financial Secretary: Petras Buchas.

Members: Alexander Domanskis, Stasys Dubauskas, Daina Danilevicius-Dumbrys, Vanda Gasparas, Jonas Siauciunas, Ramune Tricis.

Council's Representative in Washington, D.C.: Jonas B. Genys, Ph.D.

Director of Information: Rev. Joseph Prunskis, J.C.D.

Office Manager: Irene D. Blinstrubas.

Trustees: Vytautas Abraitis, Alexander Chaplikas, Birute Skorubskas, Vytautas Yucius.

Honorary Members of the Board: Stephen Bredes, Jr., Alena Devenis-Grigaitis, Rev. Joseph Prunskis, J.C.D., Anthony J. Rudis, Rev. Adolfas Stasys.

The Lithuanian Council of Chicago commemorated this 68th anniversary with a program at the Maria High School auditorium on Sunday, February 16. The officers of this fine organization include: Matilda Marcinkus, president; Petras J. Buchas, Teodora Kuzas, Edmundas Jasiunas, and Vladas Soliunas, vice presidents; Dr. Paul V. Dargis, secretary; Stasys Mankus, recording secretary; Oskaras Kremeris, treasurer; and Jura Jasiunas, financial secretary.

Trustees include: Euphrosine Mikuzis, Julius R. Kuzas, Vincent Samaska, and Ignas Andrasiunas. The members of the Lithuanian Council of Chicago are as follows: Christina Austin, Juozas Bagdžius, Antanas Beleška, Juozas Blažs, Edvardas Boreiša, Helen Buchinskas, Elena Cižauskiené, Stephanie Jonutis, Veronika Lenkevičius, Angélé Kateliené, Sabina Klatt, Genovaité Maldéniené, Petras Noreika, Casimir G. Oksas, Mykolas Pranevičius, Valeria Stanaitis, Joseph Stanaitis, Irena Sankus, Justinas Sidlauskas, and Jonas Vasaitis.

In commemoration of Lithuanian Independence Day, I was privileged to add my name as a cosponsor to House Joint Resolution 409, a bill to direct the President to issue a proclamation designating February 16, 1986, as "Lithuanian Independence Day." This legislation was approved with my strong support by the full House of Representatives on December 12, 1985, and a copy of the proclamation follows:

H.J. RES. 409

Whereas February 16, 1986, marks the 68th anniversary of the declaration of independence of Lithuania;

Whereas on February 16, 1918, the Council of Lithuania, the sole representative of the Lithuanian people, in conformity with the recognized right to national self-determination, proclaimed the restitution of the independent and democratic state of Lithuania and declared rupture of all ties which formally subordinated Lithuania to other nations;

Whereas a free Lithuania existed until the Soviet takeover in 1940;

Whereas the United States opposes tyranny and injustice in all forms and supports the cause of a free Lithuania;

Whereas the oppressed people currently living in Lithuania should keep the flame of freedom forever burning in their hearts: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President shall issue a proclamation designating February 16, 1986, as "Lithuanian Independence Day" and calling on the people of the United States to celebrate such day with appropriate ceremonies and activities.

Mr. Speaker, as we commemorate Lithuanian Independence Day in the House of Representatives, I wish to also bring to the attention of my colleagues that today, March 4, is the 502d anniversary of the death of St. Casimir, the patron saint of Lithuania. In Soviet-occupied Lithuania, the commemoration of St. Casimir's death is not allowed. However, St. Casimir remains a strong symbol of Lithuania's struggle for freedom, for during his life, he dedicated himself to humanitarian causes both in his own country and throughout the world.

Two years ago, in Toronto, Canada, the Lithuanian Catholic World Congress issued a manifesto commemorat-

ing the 500th anniversary of the death of St. Casimir, to focus world attention on the Communists' denial of religious activities, and the desecration of sacred objects associated with St. Casimir. A copy of that manifesto follows:

MANIFESTO OF THE LITHUANIAN CATHOLIC WORLD CONGRESS

We, the Lithuanians of the free world, have gathered together from various countries on September 1 and 2, 1984 in Toronto, Canada for the Lithuanian Catholic World Congress commemorating the 500th anniversary of the death of St. Casimir, the Patron Saint of Lithuania. We have focused our attention and enduring concern upon Lithuania—the source of St. Casimir's ancestry and of ours—at this time requiring particular recognition and assistance of the entire free world.

We, therefore, appeal to the United Nations and its Secretary General and to the heads of state of nations around the world—Royalty, presidents, prime ministers and their governments, the heads of Christian denominations; we also appeal to the media and to the conscience of the free world to direct attention toward those nations which have endured spiritual and physical repression for more than 40 years.

Since at this Congress we do not represent all the repressed nations of Eastern Europe, we shall limit ourselves to the voice of the Lithuanian exiles in the free world. Without a doubt, it is also the voice of the entire Lithuanian nation.

Lithuanians, like so many other nations, yearn for peace. However, history and our personal experience teach us that without freedom there can be no peace. Constant outbreaks of social unrest, uprisings, revolutions are all manifestations of existing slavery which is an obstacle to peace because it disregards the human dignity of peoples and thus denies their freedom. This is especially true in the case of the smaller nations because their spiritual as well as physical existence depends on freedom. Thus, in order to further the cause of peace, it is not the freedoms of the smaller nations but the expansionistic goals of the giant nations that have to be curtailed.

In view of the fact that it is already the fifth decade since Lithuania is bearing the yoke of slavery imposed upon it by the outside forces of the totalitarian systems, we declare that the Lithuanian nation will not cease to strike at the conscience of the free world and will continue its struggle until the religious, political and cultural freedom of Lithuania is achieved.

St. Casimir, the Patron Saint of Lithuania, is an appropriate symbol of Lithuania's struggle for freedom. During his brief lifetime he was not only a spiritual inspiration for his people but as the crown prince he was actively involved in the day to day affairs of the state. His focus was both loyal and global, he was equally concerned for the well being, dignity and peace of the individual, the nation, and the world. It is for these reasons that St. Casimir is respected not only by the Lithuanians but by all Christians throughout the world.

Sadly, this great Saint is scorned by the government of the U.S.S.R. Since seizing power in Lithuania in 1940, the Soviet occupants have systematically desecrated all sacred objects associated with St. Casimir. The Cathedral of Vilnius, where the remains of St. Casimir had rested for centuries and which had become a national shrine for Lithuanian people, was closed down by the oppressors and in its place an art gallery was established. The tomb of the Saint along with other sacred relics was removed to a suburban Church of Sts. Peter and Paul. However, the ultimate affront to Lithuania's sensibilities was the conversion of St. Casimir's Church, also in Vilnius, into a museum of atheism compounded by the closing of numerous other houses of worship both Catholic and non Catholic.

In the name of the exiled Lithuanian community of the free world, we demand that the government of the U.S.S.R. assume its responsibility for having established repression of Lithuania and make amends as follows:

1. Return to the faithful of Lithuania the Cathedral of Vilnius and authorize the Most Reverend Julijonas Steponavicius, the Catholic bishop exiled from Vilnius by civilian authorities, to resume his pastoral duties and the management of the Cathedral according to religious principles.

2. Restore the tomb of St. Casimir to its rightful place in the Cathedral in Vilnius where he was laid to rest 500 years ago.

3. Remove the museum of atheism from the Church of St. Casimir in Vilnius and return the Church to the Catholic congregation.

4. Reinstate the Church of Our Lady of Peace in Klaipeda, built by and funded through the donations of the Catholic community with assistance from Lithuanians of the free world but seized and converted into a concert hall.

5. Return to the believers of all denominations all churches in Lithuania seized and closed and expropriated by the Soviet regime.

6. Permit freedom of activity to all the religious orders, religious organizations and to the religious press.

7. Grant administrative freedom to the Seminary of Kaunas; remove Soviet control and suppression of candidates to the Priesthood; reopen the seminaries in Vilnius, Telsiai and Vilkaviskis.

8. Allow all the Lithuanian bishops and the administrators of the dioceses freedom to perform their pastoral duties without interference from civilian authorities.

9. Liberate from prisons, labour camps, psychiatric institutions and from exile in Siberia all the innocent prisoners who struggle for human rights and religious freedom.

10. Remove the occupational forces of the U.S.S.R. from Lithuania and return to Lithuania an independent government—an independent existence experienced by St. Casimir in his lifetime and yearned for by all oppressed Lithuanians today.

We request that leaders of all nations recognize the suffering and heroic struggles of the smaller nations and provide strong moral support. The spark of freedom in Lithuania will be a major step toward the liberation of other oppressed nations and toward the establishment of world peace.

Mr. Speaker, on this solemn occasion, I am honored to join with Americans of Lithuanian descent all over this Nation, as they share with Lithuanians everywhere the prayers, the hopes, and the determination that the Lithuanian people will once again have a free nation, and be able to determine the course of their own destiny, free from Soviet domination and tyranny.

Mr. MICHEL. Mr. Speaker, I'm glad to join our colleagues in celebrating Lithuania Independence Day. On February 16, 1918, the people of Lithuania declared their determination to be free. As we know, the savage conquest of Lithuania by Adolf Hitler's treaty ally, the Soviet Union, has resulted in the loss of national independence by Lithuania.

What the western world doesn't know is that the Lithuanians put up a fierce struggle against the enormous military force of the Soviet Union. The recent book "Combat on Communist Territory," edited by Charles Moser, with a foreword by Senator MALCOLM WALLOP, devotes a full chapter to the historic struggle of Lithuanians and Ukrainians against the conquering Soviet forces.

Stalin sent elite troops of his secret police, the NKVD, to eliminate the Lithuanian resistance. But the Lithuanians, standing alone, without aid from the West and with little hope of victory against the Soviet monolith, fought bravely until they could fight no more.

Frederic N. Smith, in "Combat on Communist Territory" writes of the Lithuanian resistance:

The Soviets attached great importance to the crushing of the Lithuanian resistance, as may be seen from the fact that the head of the NKVD, Lavrenty Beria, sent his top deputy, General Sergey Kruglov, to take charge of the military party of the campaign. And to resolve the political and ideological part of the problem, Stalin dispatched his most reliable ideoloque, Mikhail Suslov, who later became the leading theoretician of the Communist Party of the Soviet Union. Both men were zealous and ruthless; each undertook to crush the resistance by all means necessary.

I find this of interest because, as we know, Mikhail Gorbachev depended on Mikhail Suslov for his rapid rise in the Communist Party. If some in the West feel Mr. Gorbachev is less rigid in his adherence to Marxist-Leninist dogma, they should consider the fact that Gorbachev was a willing and, we have every reason to believe, receptive pupil of Mr. Suslov, whose behavior in Lithuania is a matter of record.

There has been so much written and said about this tragic state of affairs that I thought it would be impossible to say anything fresh or new. But then I read a story in the New York Times,"Shcharansky's Cellmates: Vast Pageant of Dissent," Wednesday, February 19, 1986). Anatoly Shcharansky, now a free man, told of one cellmate of his who received a 6-year term for obtaining 3,000 signatures on a petition calling for Latvia, Estonia and Lithuania to be turned into a nuclear-free zone.

Six years in the Gulag. And for what? Some terrible crime? No, simply for asking 3,000 human beings to sign a petition. Are the rulers in the Politburo so afraid of the people of the Baltic States that they must resort to such inhumane measures just to suppress opinion?

The United States has never recognized the brutal takeover of the Baltic States by Hitler's treaty partner. So long as there are 3,000 or 300 or 30 or 3 Lithuanians or Latvians or Estonians brave enough to sign a petition that the state opposes, the United States should never recognize the Soviet conquest. And in effect, that means we will never recognize such an outrage because there will always be brave men and women in the Baltic States to call for freedom.

Lithuanian Independence Day should remind us what happens to the brave when they are faced with overwhelmingly superior totalitarian force. We should be inspired by the resistance shown by the Lithuanian people all these years. We haven't forgotten them.

Mr. MURPHY. Mr. Speaker, I rise at this time to join the special order to commemorate Lithuanian Independence Day.

I would like to begin by expressing my sincere thanks to my colleague from Illinois for sponsoring this observance, and I would also like to convey my appreciation to all of the Members who have helped maintain the spirit of freedom and independence for the people of Lithuania.

On February 16, 1922, after fighting nearly 100 years of Russian attempts at occupation, Lithuania was established as an independent state. As a sovereign nation, these brave people adopted a constitution not unlike our own, wisely protected the rights of the workers through social legislation, instituted land reforms, and ensured the prosperity of future generations by implementing educational improvements. Free from the burden of would-be conquerers, Lithuanian culture blossomed in the areas of literature, art, and music, and the lives of the people were unquestionably improved by the work of their own hand.

This brave endeavor of democracy undertaken by the Lithuanian people was brutally violated 19 years later by the legions of Nazis who overran Europe in the 1940's; 3 years later, the citizens of Lithuania unwillingly exchanged the Nazi yoke for a Soviet one. Although the ideal of what democracy means remains true and strong in the hearts and minds of the people, freedom in reality is little more than a dream. The Soviets exact a high toll in order to suppress the Lithuanians, and tactics such as deportation, human rights violations, religious intolerance, and even murder have all been brought to bear on the Lithuanian people.

Yet, in spite of all the misfortunes that have been heaped upon these sturdy people, they remain united against their foreign oppresser. Furthermore, they manage to retain their individual personalities and culture and succeed in frustrating the Soviet attempts to destroy and rebuild their proud nation.

Today, I choose to stand with the many Lithuanian Americans who persistently continue to push for the liberation of their homeland. Now is an appropriate time to remind the world of our dedication to the ideal that every nation possesses the inalienable right to choose its own destiny. The Lithuanians stand as a shining beacon of light in the darkness of oppression. Those that toil under the lash of dictatorships worldwide would do well to look at these people as shining examples of those that refuse to accept anything less than self-determination.

Mr. GUARINI. Mr. Speaker, I am privileged to join in this commemoration of Lithuanian Independence Day. February 16 marked the 68th anniversary of the commemoration of the Lithuanian proclamation of independence. I would also like to call attention to the 68th anniversary of the proclamation of independence by the Republic of Estonia. Once again, our attention is focused on the struggle for freedom and human rights, and the courage of those people fighting against oppression and domination.

These dates are symbols of hope for Lithuanians and Estonians everywhere, as we reflect upon a time that brought great promise for the future for the people of these two lands. Their dreams of independence have never died, and live on their hope of true freedom for these Baltic States.

As a nation committed to freedom, we cannot forget those who live in the hope of independence. We share their dream that one day freedom will be restored to Lithuania and Estonia.

The United States must continue to support the struggle for freedom and independence of the people of Lithuania and Estonia. We all look to the day when we can truly be able to celebrate their anniversaries of independence in a joyous tribute to the cherished ideals of freedom and justice everywhere.

Mr. HORTON. Mr. Speaker, I rise to join my colleagues in celebrating the 68th anniversary of Lithuanian Independence Day. Despite 40 years of Soviet domination, the people of Lithuania have not lost either their hope or their commitment to freedom.

Lithuanians have endured a history of foreign domination. They suffered over 123 years of occupation under czarist Russia. Then, after an all too brief span of independence from foreign oppression, Lithuania was annexed by the Soviet Union.

Americans of Lithuanian descent can point proudly to the fact that the United States has never recognized this act of aggression and continues to maintain diplomatic relations with the former governments of the Baltic States. The United States support for Lithuania's struggle for freedom remains steadfast and strong.

Last month, the Rochester chapter of the Lithuanian American Council, Inc., commemorated Lithuanian Independence Day, and passed a resolution protesting General Secretary Gorbachev's efforts to sovietize the Lithuanian people. This resolution succinctly and eloquently expresses the sentiments of Lithuanian people around the world and I ask unanimous consent that it be inserted in the RECORD immediately following my remarks:

We, Lithuanian Americans of the Rochester area, gathered at St. George's Hall, 555 Hudson Avenue, Rochester, New York on February 16, 1986 at a mass meeting, sponsored by the Lithuanian American Council, Incorporated, Rochester Chapter, do hereby state as follows:

RESOLUTION

That February 16, 1986 marks the 68th anniversary of the restoration of Lithuania's independence, which was regained after numerous uprisings against czarist Russia during 123 years of her occupation;

That Lithuania and her sister Republics: Estonia and Latvia were members of the League of Nations;

That Lithuania, Latvia and Estonia, having a great historical past were, by force and fraud, occupied and illegally annexed by Soviet Russia;

That the Government of the United States has condemned that aggression on July 23, 1940 and since that time maintains diplomatic relations with representatives of the former Governments of the Baltic States.

Now, therefore, be it resolved:

That we are grateful to President Reagan and the State Department for non-recognition of the forced incorporation into the USSR of the three Baltic Nations and for the annual declaration of Baltic Freedom Day.

That we urge the Government of the United States to use diplomatic and other possible pressures to force Soviet Russia to withdraw its army, secret police and administration from the Baltic States.

That we protest the drafting of men in occupied Lithuania, Latvia and Estonia by the Soviet Union for service in the imperialistic war of colonial aggression in Afghanistan. This is against international law and a violation of human rights.

That we also express our sincere gratitude to the United States Congress for the impressive annual commemoration of Lithuania's Independence.

That copies of this resolution will be forwarded to the President of the United States, to the Secretary of State, to the United States Congressmen and Senators from our State and to the news media.

Respectfully submitted,

JOSEPH YURKUS,
Chairman.

Mr. YATRON. Mr. Speaker, I am most glad to join in this effort honoring Lithuanian Independence Day. While the congressional calendar precluded commemoration on the actual date, February 16, I think it is extremely important to take advantage of this occasion to speak out. I also want to take this opportunity to commend the gentleman from Illinois, Congressman FRANK ANNUNZIO, for his initiative in arranging this special order.

On February 16th 68 years ago, the aspirations of the Lituanian people were realized in the establishment of a democratic republic. For the next 22 years, this nation enjoyed the bounties of freedom and independence, a representative form of government and some security. Finally unshackled from authoritarian foreign rulers, the Lithuanian society and culture reached new heights.

Unfortunately, in 1940 this flowering democracy came to an abrupt and brutal end. After reaching a pact with Nazi Germany, Soviet troops invaded the Lithuanina capital and established a puppet Communist government. In August of 1940, Lithuania was formally incorporated into the U.S.S.R.

However, the vitality and character of the Lithuanian people were not to be denied. The Nazi invasion of Russia provided an opportunity for the Lithuanian nation to rid itself of the Communist government and fight valiantly against the Nazi invaders. For 6 short weeks freedom and independence in Lithuanian were restored. As history records this heroic people were overcome by the mighty Nazi machine and subsequently fell victim to the overwhelming Soviet forces. To this day, the hopes and dreams of the Lithuanian people remain brutally crushed by the heavy heal of Soviet tyranny.

Since a Communist goverment was installed in Lithuania in 1944, a strict and intensive policy of sovietization has been pursued by the Kremlin rulers. The strong cultural heritage of the Lithuanian people remains suppressed. Religious and political expression is severly restricted and any unauthorized activity is

dealt with harshly. Mental hospitals, labor camps, beatings, harassment and other dastardly acts of inhumanity await those who dare to exercize their basic human rights.

Yet, courage, vision and determination have enabled the Lithuanian people to preserve their cultural identity. Their intense desire for freedom remains as strong as ever and will, undoubtedly, be realized again.

As chairman of the Subcommittee on Human Rights and International Organizations, I have a deep interest in the plight of the Lithuanian people. The subcommittee will continue to actively investigate Soviet abuses of them. I am proud that our country has never recognized Soviet incorporation of Lithuania. We must continue to promote respect for human rights throughout the world and to help those who suffer under totalitarianism.

Mr. VANDER JAGT. Mr. Speaker, I know our colleagues join me in commending the gentleman from Illinois [Mr. ANNUNZIO], for requesting this special order to commemorate the 68th anniversary of Lithuanian Independence Day.

It is important that the world does not forget, nor ignore the political injustice that the Lithuanian people face everyday. Following World War I, for just 22 years the Lithuanian people enjoyed the right of self-determination, a right for which they had fought for over 100 years. Then in 1940, Lithuania was declared a constituent republic of the U.S.S.R. by the Soviet Government and since that time has existed as a Soviet colony, its people denied the basic freedoms they enjoyed as citizens of a sovereign nation. Despite this adversity, however, the people of Lithuania remain proud and independent, preserving their nation integrity and continuing to strive for the freedom that is their inalienable right. I know the people of the United States extend their hope and compassion to the people of Lithuania in their ongoing struggle against Soviet rule and join together in our fervent hope that one day we will be able to salute a new day for Lithuanian freedom, a day when the goal of self-determination can again be realized.

We have had an opportunity to know firsthand the dedication of the Lithuanian people as our country and its culture has been significantly enriched by the contributions of Americans of Baltic descent. It is vital that we continue to protest the continued suppression of political and human rights of the people of the Baltic States—Estonia, Lativa and Lithuania.

In honoring the 68th anniversary of February 16, 1918, I am delighted to join with my colleagues today to salute the indomitable spirit of the people of the Lithuania and to celebrate with them the love for freedom that this anniversary represents. We can and indeed should be heartened by their ongoing devotion to autonomy and their determination to ensure that one day their homeland can again fly the banner of justice for all.

Mr. EDGAR. Mr. Speaker, I am honored to join my colleagues today to commemorate the anniversary of the declaration of Lithuanian independence. It was on February 16, 68 years ago, that the Lithuanian people secured their hard-fought independence from Russia. Sadly, in 1940, this short-lived freedom was lost to a Hitler-Stalin invasion.

Yet, the spirit and drive of the Lithuanian people live on, in their homeland and in the United States. The Lithuanian Helsinki Monitoring Group and the Lithuanian Catholic Church have been at the forefront in the struggle against Soviet occupation. Members of these groups have continued to stand up for the rights and freedom of all people, despite harassment, imprisonment, and exile by Soviet authorities.

The United States has never formally recognized this ruthless annexation. We must take this opportunity to reaffirm our commitment to aiding the Lithuanian people in their struggle to recapture their autonomy. It is important that we never formally recognize the Soviet annexation of Lithuania and that we continue to pressure the Soviet Government to renew the independent status of all the Baltic States.

The courage and hope of the Lithuanian people should serve as a symbol to all people who struggle for freedom and independence.

Mr. RUDD. Mr. Speaker, today we are commemorating February 16, 1986, as Lithuanian Independence Day and the 68th anniversary of the Declaration of Lithuanian Independence.

Lithuanians are a proud and industrious people, and for 22 years they were able to enjoy the satisfactions of their historic struggle for freedom and self-determination.

Regretfully, the bright future of this Baltic State was painfully cut short in 1940 when it was illegally and forcibly annexed into the Soviet Union.

Over the past 46 years the Soviet Union has engaged in a campaign to eliminate the Lithuanian language and culture, and at the same time stamp out political dissent.

In spite of the brutal Soviet domination, however, the proud and brave people of Lithuania have never given up hope that one day they will again be free.

For this reason, we mark February 16 as the date of Lithuanian independence with the hope of keeping world attention focused on the political injustice, religious persecution, and the economic and cultural deprivation imposed upon the people of Lithuania by the hands of their Soviet oppressors.

Mr. BEREUTER. Mr. Speaker, legislative business prevented me from joining the gentleman from Illinois and my other colleagues in the special order paying homage of the 68th anniversary of the restoration of Lithuania as an independent state. Lithuania and its two Baltic sister States, Estonia and Latvia, flourished only 21 years as sovereign and free nations in this century.

The annexation by the Soviet Union of these countries ended the few years of freedom enjoyed by these nations. The United States has never recognized this seizure and never will. The rich culture and intellectual legacy of Lithuania will never disappear in the hearts of Lithuanians still in the Baltic State as well as Lithuanian-Americans here.

I represent a number of Americans from various East European ancestries, especially Latvia, and I think I speak for all of Nebraska's First District when I proclaim my admiration and support for the strong and courageous people of Lithuania and the Baltic States.

Mr. BIAGGI. Mr. Speaker, I join my colleagues in commemorating the 68th anniversary of Lithuanian Independence Day. I support the spirit and the struggle for freedom of this Baltic nation's 3 million people. I am deeply concerned about the people in Lithuania and all who continue to be denied their basic human rights.

Lithuanian history is replete with examples of other countries interfering with their right to self-determination. In trying to retain their independence, Lithuanians have been a model to the rest of the world, demonstrating the dedication required of a true freedom-loving people. Among the Baltic States, Lithuania was first in freedom. She declared her independence from Russia and Germany as early as February 1918, and formed a government on November 11, 1918, the day World War I ended. When German troops evacuated the capital city of Vilnius in 1919, Russian Bolsheviks entered and installed a pro-Soviet regime. With Germany's assistance, the national government installed itself in the city of Kaunas and began the work of driving out the Bolsheviks. By 1920, the Soviets signed a peace treaty, recognizing Lithuania's independence.

However, their independence did not last long. In March of 1939, Germany seized part of Lithuania and agreed to give Soviets control of the Baltic region. The Soviets then began to build military bases in the area and, in 1940, as Soviet troops occupied Lithuania, they demanded that the nation form a government acceptable to Moscow. By August of that year, Lithuania was declared a Soviet Socialist Republic, complete with a Communist government.

But this was not the end of Lithuania's heroic struggle for freedom. In the years from 1944 to 1952, thousands of Lithuanian freedom fighters gave their lives for independence, in battle against the Soviets. For its part, the Soviet Union sent at least 350,000 Lithuanians to Siberian labor camps—the only crime these Lithuanians committed was refusing to accept Soviet dominance of Lithuania. This indefensible violation of human rights and disregard of basic liberties cannot be tolerated and will not be forgotten.

Soviet subjugation of Lithuania continues. Many Lithuanians still face life in Soviet Siberian labor camps. Even though the vast majority of Lithuanians are Catholic, the Soviet Government discourages church attendance, discriminating against those who worship openly by denying them educational and occupational opportunities. The Soviet Government forbids any religious education, publications, or charity work. Since Soviet occupation in 1940, the number of Catholic bishops and priests in Lithuania has been reduced by more than half. This blatant disregard for human rights cannot continue.

In commemorating the 68th anniversary of Lithuanian independence, we must celebrate and support those the world over who are living under and fighting oppressive enslavement and denial of basic human rights. In the words of Lithuanian-Americans, who have donated to their homeland a liberty bell with the inscription declaring their dedication to freedom:

Ring through the ages for the children of Lithuania, that worthy of freedom is he who falls to defend it.

We must look to Lithuania as a shining example of what valuing freedom truly means. As Americans, we sometimes take for granted the basic liberties many people are giving their lives for. We must express our unequivocal and undying support for the rights and independence of those brave people living in Lithuania. By commemorating Lithuanian Independence Day, we here in Congress express our unity with the people of Lithuania; we share in their dream of freedom; we mourn those who have given their life for this dream; and we hope that one day soon this dream will become a reality—Lithuania shall reign as the nation she truly should be, free from Soviet oppression.

Mr. HOYER. Mr. Speaker, 68 years ago, on February 16, 1918, the Lithuanian people proclaimed their independence from Russian domination. Their Constitution, adopted in 1922, granted to their people freedom of expression, freedom to worship according to the dictates of one's own conscience, the freedom to celebrate one's own cultural heritage, and the freedom to choose one's place of residence.

The people of Lithuania were able to practice the ideals enumerated in their Constitution for 20 years, until the brutal Soviet occupation of the Baltic States in June of 1940. Ever since that tragic event, and despite countless instances of repression, Lithuanians have continued to believe in the democratic ideals we all cherish so dearly.

The quest for these ideals is personified in Rev. Juozas Zdebskis, a Lithuanian Catholic priest and valiant human rights activist, who was killed on February 6 in a car accident in Lithuania. During his 34 years as a priest, Father Zdebskis was a frequent victim of Soviet inspired persecution, having been threatened, beaten, and even imprisoned for 1 year. Together with four other Lithuanian Catholic activists, he founded the unofficial Committee for the Defense of Believers' Rights, many of whose members have been and continue to be persecured for their activities on behalf of Lithuanian Catholics. In October 1980, while traveling with a parishoner in his auto, and under surveillance by the KGB, Reverend Zdebskis sustained chemical burns under suspicious circumstances. The KGB insisted he be listed as suffering from venereal disease, but attending physicians refused to adhere to these flagrant violations of the truth. He was eventually removed from the clinic by compatriots, who feared for his life.

As Cochairman of the Helsinki Commission, I am deeply concerned about continued violations of human rights in Lithuania. The case of Reverend Zdebskis is just one recent illustration among many of Soviet noncompliance with the human rights provisions of the Helsinki Final Act. These violations, imposed by the Soviet Government, whose illegal occupation of the Baltic States is not recognized by the United States, stand in stark contrast with the democratic ideals of the short-lived Lithuanian Republic. Indeed, they stand in stark contrast to all standards of civilized behavior. For this reason alone, we must continue to support the Lithuanian people's desire for democratic freedoms and for self-determination.

Mr. ANDERSON. Mr. Speaker, I want to congratulate the gentleman for arranging this special order today to commemorate Lithuanian Independence Day.

Mr. Speaker, on February 16, 1918, Lithuania was reestablished as a free and independent nation following the devastation of World War I. For more than 20 years the proud and industrious Lithuanian people reaped the benefits of their independence, but in 1940, the Soviet Union illegally invaded and occupied the nation. Soon thereafter, Lithuania was forcibly annexed into the Soviet Empire. Today, nearly a half century later, Lithuania remains subjugated to Soviet rule.

As we observe the 68th anniversary of the declared independence of Lithuania, I rise to honor the Lithuanian people and all peoples of Lithuanian descent for their tireless and heroic struggle to gain independence for their homeland.

The great statesman Anwar el-Sadat, President of Egypt, wrote in his autobiography:

Freedom is the most beautiful, holy and precious fruit of our culture; an individual should never be made to feel that he is at the mercy of any force of coercion to that of others.

As Americans, we will always cherish the liberties afforded us by our Constitution, but we shall never forget the plight of the Lithuanian people who are denied by Soviet rule the rights and freedoms which we so often take for granted.

Despite constant human rights violations and various oppressive tactics, the Soviet Union is unable to suppress the aspirations and efforts of the Lithuanian people struggling for self-government and independence. Despite their obstinance, Lithuanians cannot accomplish their goal alone, and in this time of need, the United States must send forth a clear message that we will not abandon these proud people. We must continue to openly protest the Soviet Union's suppression of not only Lithuanians, but people in Poland, Afghanistan, and throughout the world, until that day when their independence and freedom are restored.

As the leader of the free world, the United States has never recognized the Soviet Union's annexation of Lithuania, and I am confident and proud in saying that we never will. Despite American pleas and the pleas of many throughout the world, the Soviet Union continues to forcibly rule the Lithuanian people. It is my sincere hope, though, that someday these brave people will achieve the freedom and basic human rights which they have been denied for so long.

Mr. Speaker, as we commemorate Lithuanian Independence Day, I call upon my distinguished colleagues and all Americans to join me in reaffirming our support and commitment to the Lithuanian people and to the principles of freedom and human rights. We, as a Nation that knows the price of freedom, must continue to serve as a source of hope and inspiration for the victims of suppression around the world.

Mr. ECKART of Ohio. Mr. Speaker, today we are commemorating the 68th anniversary of the Lithuanian people's declaration of independence and freedom from foreign oppression on February 16, 1918. We should also recognize that Lithuania is observing the 735th anniversary of the formation of the Lithuanian Republic. We undertake this commemoration today with the strong hope that they will soon receive the freedom they richly deserve and have so long awaited.

The Lithuanian people had their freedom once—for a brief 22-year period before it was again taken forcefully from them by invading Soviet troops in 1940. During those brutal war years, over 30,000 Lithuanians were deported from their beloved homeland to stark labor camps in Siberia. The scars and memories of those times keep the spirit of seeking freedom alive and burning within the hearts of Lithuanians today, despite their continued dominance by the Soviet Government.

As Americans who have long had our freedom, we must never overlook the problems which occur every day in other lands. We, in this country, must remember that freedom is indeed a birthright that cannot—and should not—be taken for granted or taken away.

I would like to thank my colleague, Mr. ANNUNZIO, for sponsoring this special order today. The Lithuanian dream of freedom must be sustained. With our continued assistance and support, perhaps one day their dream can be attained.

Ms. MIKULSKI. Mr. Speaker, I rise to commemorate the 68th anniversary of the restoration of the Republic of Lithuania. Declared on February 16, 1918, and brutally violated by the Soviet Union 22 years later, the lost freedom of Lithuania is a global tragedy that we must never forget.

The proud people of Lithuania have a tradition of freedom. Lithuania has been by choice an independent state since the 13th century. For 123 years, from 1795 to 1918, the people of Lithuania suffered under czarist rule. Shortly after their independence, Lithuania was guaranteed independence by the Soviet Union forever. This agreement was soon abrogated by the Soviet Union.

Soviet rule of Lithuania has been a series of mass deportations, liquidations of political leaders, and continual persecution of their beloved church. Religious freedom has been repressed and political freedom is a distant memory.

As we commemorate the anniversary of Lithuanian independence, all free citizens of every country should pause to remember the precious rights of self-determination and political freedom that have been so inhumanely denied these proud people since the 1940 Soviet invasion.

Mr. HOWARD. Mr. Speaker, it is a fact of history that the dark legacies of World War II constitute the reality of national existence for most states in the eastern half of Europe. However, Soviet repression against Lithuania and the other Baltic nations goes well beyond the abnormalities imposed throughout this region by the dictates of Soviet imperial control.

Deprivation of Lithuanian national identity extends to every facet of life, and touches upon the fate of individual citizens day after day. The nearly 50-year-old legacy of the Molotov-Ribbentrop Pact survives not only as

a lesson of history, but also as a tragedy of the most basic human level in each of the Baltic states.

Beyond recalling the misdeeds of history's two greatest criminals against Lithuania and the other Baltic nations, it is our duty as Americans to express solidarity with those who struggle today against Soviet attempts to deny their identity as a people. We do so on behalf of the Baltic peoples, as well as a duty to ourselves. Beyond identity, the first product of freedom, comes responsibility. We will remain worthy of our freedom only as long as the aspirations of the oppressed live in our hearts. Let us remember the Lithuanian plight, lest we forget our own place in the world.

Mr. ROE. Mr. Speaker, I rise today to join my colleagues in saluting the courage of the Lithuanian people as they celebrate the 68th anniversary of their independence day.

Whenever we read in the newspaper of the rights of free people being thwarted, we are reminded of the sad history of Lithuania.

For hundreds of years the Russians have made repeated attempts to overrun the Lithuanian nation. During those periods, the Russians made repeated attempts to force the Lithuanian people to accept their language and culture. But the people of Lithuania, strong in their devotion to their religion, traditions, and language, resisted and, for the most part, were successful in retaining their cultural identity.

February 16, 1918, is a day that lives in the hearts of Lithuanians and all freedom-loving people. For it was on that historic day that Lithuania proclaimed its independence. The Russians even went so far as to sign a "peace treaty" with the proud new nation of Lithuania, formally recognizing its independence.

The driving spirit of the new country found its citizens hard at work proudly developing agricultural accomplishments, surging ahead with industrialization and expanding education and arts programs.

But unfortunately that bright, shining moment was short lived. It was Lithuania's bad luck to be located between Germany and Russia causing it to be one of the first victims of World War II.

The Russians forced Lithuania to allow its soil to be the base for Russian troops who were preparing attacks against the Germans.

But the crushing blow came in 1940 when the Soviets occupied Lithuania and set up a rigged election that resulted in the incorporation of that nation into the Soviet Union.

It was during that desperate period that literally thousands of Lithuanians died at the hands of the Russians and many, many others were illegally arrested or deported.

Since that sad day when Lithuania was incorporated into the Soviet Union, it has been very difficult to get any news as to what is happening to the Lithuanian people. That news block also extends to its neighbors, Latvia and Estonia, who suffered similar fates.

The United States has fully recognized Lithuania as a sovereign state since its independence was declared on February 16, 1918. This Nation has rightfully recognized the Soviet rape of Lithuania. With the help of God, someday the yoke of Soviet oppression on the Lithuanian people will be removed once and for all.

Mr. Speaker, as a member of the House Ad Hoc Committee on the Baltic States and Ukraine, I ask my fellow House Members to join me in reaffirming the resolution approved by the Lithuanian World Congress in 1958 that Lithuanians "have not accepted and will never accept slavery."

Mr. COYNE. Mr. Speaker, I would like to express my thanks to my colleague, Mr. ANNUNZIO, for requesting this special order today to celebrate the independence of the Republic of Lithuania.

Sixty-eight years ago, on February 16, 1918, the Lithuanian National Council, composed of 20 prominent leaders of different political views, proclaimed the restoration of the Independent Democratic Republic of Lithuania. This concept of independence was not new to the citizens of this nation, for it had existed as an independent country from 1251–1795.

During the 20th century, Lithuania has had little autonomy. Soviet domination ended at the beginning of World War I when the German nation occupied Lithuania. The Lithuanian people regained their independence in 1918, and stayed that way for only 22 years. In 1940, the Soviet Union officially incorporated the Republic of Lithuania into the U.S.S.R., making it the 14th republic.

Today, Lithuania remains under the illegitimate control of the Soviet Government. But the will of the Lithuanian people to be a free and independent nation is not suppressed. Lithuanians throughout the world celebrate February 16 as their independence day, with festivities held in many United States cities, including the city of Pittsburgh, which I represent.

I join with other Members of the House of Representatives in commemorating this day, and salute the heroic Lithuanian people for striving to attain their right of national freedom.

Mr. MANTON. Mr. Speaker, I am honored to join in today's special order which has been organized by my distinguished colleague from Illinois, Mr. ANNUNZIO. Today, we commemorate the 68th anniversary of the Declaration of Lithunanian Independence and reaffirm our dedication to the freedom of Lithuania.

On February 16, 1918, the Independent Democratic Republic of Lithuania was established by the Lithuanian National Council and the people of Lithuania. Lithuania's tradition of independence dates well back to the 11th century. However, for the past 68 years, the people of Lithuania have suffered the illegal occupation of the Soviet state. Under Soviet domination, the people of Lithuania have been subjected to a campaign of persecution and repression. Although the Soviet Union is a signatory of the Helsinki agreement which recognizes basic human rights, members of the Lithuanian Helsinki monitoring group have been repeatedly arrested, sentenced to labor camps or placed in psychiatric hospitals. Furthermore, the leaders of the Soviet Union continue to harass the Catholic Church of Lithuania. The Soviets have closed churches and seminaries and have prohibited parents from teaching their religion to their children. All of these actions are in violation of the Helsinki accords and show a blatant disregard by the Soviet authorities for human rights.

The Soviet Union's continued repression of Lithuania and the sovereignty of the Lithuanian people cannot be forgotten. There are over 1 million people of Lithuanian descent living in the United States today who are dedicated to a free Lithuania. I join my constituents from the Ninth Congressional District in honoring those who have fought and continue to, fight against Soviet oppression.

Mr. Speaker, the United States has never recognized the occupation of Lithuania and other captive nations. Today, as we honor these brave people we must remember that this is not a one day observance. Our diligence and commitment must be continued every day and we can never relax our efforts until the freedom of the Lithuanian people is restored.

Mr. PRICE. Mr. Speaker, I am honored to join with my good friend FRANK ANNUNZIO for today's special order commemorating Lithuanian Independence Day.

As we all know, the Soviet Union continued to forcibly occupy the proud nation of Lithuania. What this means is that the people of Lithuania are not allowed to practice their religion or culture as they see fit. Instead, they are denied the most basic civil and human rights that we, as Americans, cherish so deeply.

Most admirable and encouraging is the fact that despite Soviet attempts to destroy the Lithuanian people, their spirit of freedom, love of liberty, and sense of national pride remains strong. Such fervent desires and feelings express for us today the emotions and hopes shown by our Founding Fathers over 200 years ago.

Mr. Speaker, as a nation concerned with human rights, it should be our obligation to monitor the events and occurences within Lithuania so as to exert pressure on the Soviet Union while revitalizing and supporting those who have the courage to dissent. It should also be our goal to push for and promote the principles of freedom in those other countries like Lithuania where the desire for freedom is great, but government repression stands in the way.

The determination and perseverence and the suffering and sacrifice of the Lithuanian people has been great; let it not be in vain.

Mr. RUSSO. Mr. Speaker, I would like to commend my colleague from Illinois for arranging this special order, and to thank our colleagues for joining us in commemorating this very special day.

February 16, 1986, marked the 68th anniversary of the birth of the free and independent Lithuanian Republic, an event which should be one of unrestrained celebration. But instead it is one that is at best only bittersweet, because Lithuanian independence lasted for only 22 short years before it was brutally crushed by the Soviet Union in 1940. The few short years from 1918 to 1940 represents the only time in hundreds of years that the Lithuanian people have been free of the rule of foreigners, notably the Germans, the Poles, and the Russians. In those 22 years, however, the flame of human achievement burned brightly, and provided a marked con-

71-059 O-87-15 (Pt. 3)

trast to the subsequent years of Soviet domination.

During the years of Lithuanian independence, Lithuanian society was transformed into a vibrant, democratic nation-state, and it experienced a cultural renaissance in Lithuanian arts and music. The Government instituted land reform, created many public works, and developed an excellent education system. Business and industry flourished. For the first time in over 100 years, Lithuania was free of Russian rule.

But in 1940, the Soviet Union coerced the Lithuanians into allowing the stationing of Soviet troops and aircraft in their country, and soon after that staged a mock election and incorporated Lithuania, as well as its sister republics of Latvia and Estonia, into the U.S.S.R. The effects of Soviet rule were immediate: thousands of Lithuantians were deported, and exiled to Siberia; thousands more fled; the Soviets resumed a Russification program begun by the czars which attempted to brutually crush all vestiges of Lithuanian culture and national feeling. With the exception of the handful of months in which the Soviets lost possession of Lithuania to Nazi Germany, the Soviets have maintained their campaign of deportation, oppression, and colonization.

The United States has never recognized the incorporation of Lithuania by the Soviet Union, and rightly so. Every year on this date, Americans pause to remember Lithuania's 22 golden years of freedom, and to express our fervent hope that soon Lithuania will once again be a free country. The tremendous personal tragedies suffered by the Lithuanian people would of themselves justify our commemoration of this day. The countless repressive acts and the tyrannical nature of the Soviet Union, also justifies our actions this day. However, there is an even greater message we commemorate today, and that message is that every people has an inherent right to self-determination.

The Soviet Union has a long and bloody history of disregard for the basic human rights of its own citizens as well as those of the Baltic states and its Eastern European satellites. But the Soviets are not alone in denying individuals the right to govern themselves. All over the world there are brutal dictatorships which call themselves democracies, and today we should also take time to remember their unwilling citizens.

Mr. CARNEY. Mr. Speaker and fellow Members, I am honored to speak briefly today on the 68th anniversary of the Declaration of Lithuanian Independence which took place in February 1918.

Lithuania, like its two Baltic neighbors, Estonia and Latvia, became an independent and sovereign naiton in 1918. Together, the three Baltic States remained free and independent for more than 20 years between World War I and World War II, only to be annexed by the Soviet Union in 1940 under the Molotov-Ribbentrop Pact. This agreement allowed the U.S.S.R. to illegally seize and occupy Lithuania and forcefully incorporate its people against their national will—contrary to their desire for independence and sovereignty—into the Soviet Union.

The United States has never recognized the illegal occupation of Lithuania by the Soviets. The Soviet Union has maintained a policy of brutal suppression, deportation, and Russification against the will of Lithuania and its Baltic neighbors for the past 46 years. We, as an independent and sovereign nation, must continue to support the Lithuanian people in their quest for freedom and restoration of the fundamental human rights which they are presently denied by the Soviet Union.

The Soviet's intention to establish a regional interest by synthesizing the various and separate national interests of Lithuania and the Baltic States into the Communist orbit should not and will not be acknowledged nor accepted by the people of the United States. The Lithuanian people have been involuntary members of the U.S.S.R. for over four decades, but have maintained strong and steadfast opposition to their oppressors. On this day commemorating Lithuanian Independence we must remember our obligation and dedication to the struggle for freedom in the Baltic States. Our continued recognition of these brave people in Lithuania is a small price to pay for such large principles as human rights and self-determination.

Mr. Speaker, I hope that this body will continue to stand in support of Lithuania and its partners in struggle, Estonia and Latvia, on this special day and into the future until their desire for freedom from Soviet domination is fulfilled. The commemoration of Lithuanian Independence Day on this 4th day of March, 1986, is an important symbol of the solidarity of the American people with the aspirations of the enslaved Lithuanian people.

Mr. DINGELL. Mr. Speaker, most of my colleagues are aware of my Polish ancestry and heritage. We Poles are a proud people who are well aware of the meaning of struggle, the value of freedom, and the imperative of liberty. Both Poland and Lithuania share a common border behind the Iron Curtain, and these two countries have endured a similar history of fighting for freedom.

Our Lithuanian friends are well aware of the importance of February 16, 1918. It is a special day in man's struggle for freedom and self-determination. It was approximately 68 years ago that a 20-member elected council proclaimed an independent Lithuania. After the devastation of World War I, a determined Lithuanian people began to rebuild their country and to reestablish democratic institutions.

The newly formed government had to endure a Soviet invasion in 1919, But Lithuanians rose to the challenge and expelled their oppressors in 1920. They signed a peace treaty with the Soviets in 1920, legally recognizing Lithuania's sovereignty. Just like the Polish people, Lithuanians are industrious and proud. For a quarter century, they worked hard at building a strong foundation of self-determination and democracy.

Unfortunately, an historical tragedy turned the hard-won victories of the Lithuanian people into a nightmare. In 1940, after 22 years of freedom, the promise of Lithuanian autonomy was broken by the invasion of 300,000 members of Stalin's brutal and vengeful Red Army. Most Americans are aware of the senseless result: Lithuanian patriots were arrested, enslaved, and murdered by the Soviet Army; religious expression was outlawed; 30,000 Lithuanians were illegally deported to Siberia; all Lithuanian land was nationalized; and, in contravention of the 1920 peace treaty, Lithuania was incorporated within the boundaries of the Soviet Union. Worst of all, the Soviets remained and attempted to crush the culture, religion, and heritage of the Lithuanian people. This oppression caused an abrupt halt to the strides which the tiny republic had made both economically and culturally.

Despite Soviet domination, however, Lithuanians refused to relinquish their spirit and drive to seek freedom, democracy, and self-determination. Lithuanians remained strong in their resolve to resist further Communist aggression.

Without question, the Lithuanian people have persevered in the face of great adversity. They have continued to make great progress. During its December 2, 1984 convention in Chicago, the Supreme Committee for the Liberation of Lithuania adopted an appeal to express its strong commitment to the rights of Lithuanians to live in freedom, and to bear witness to the oppression against the Lithuanian people. This appeal represents the solidarity of the Lithuanian people in fighting against tyranny and the subjugation of a proud and noble people.

Some progress has been made to convince the Soviet Union that all nations, and all people, have the right to be free. Mr. Gorbachev promised President Reagan that the Soviet Union would make greater efforts to recognize human rights and the right of self-governance. But the actions of the Soviet Union must amount to more than promises. Eventually, the Soviet Union must recognize the right of Lithuania to realize its own self-determination and freedom.

Despite the Soviet Union's current unwillingness to recognize the freedom and independence of Lithuania, and despite its supression of self-determination, those of us in a free society can contribute to Lithuania's efforts to resist further Russification and pave the way for a second declaration of independence. We must continue to speak out—as we are today—for human rights of individual Lithuanians and the national rights of the whole country.

This tribute today is our affirmation that the spirit of freedom is eternal. We have not forgotten, and we will not forget the day in 1918 when the people of Lithuania spoke with one voice in declaring their independence.

Mr. DORNAN of California. Mr. Speaker, I rise today in recognition of Lithuanian Independence Day. Today, I join my colleagues in an expression of celebration and concern.

Shortly after World War I, the Lithuanian Republic was created and had every reason to be optimistic about their development and prosperity as a nation. The Lithuanian Republic was created with the intention of honoring the same pluralistic principles which guide our own society. Lithuanians organized their government and society based on a devotion to representative government under a president, a legislative body, supported by freely organized political parties.

In fact, the three Baltic States, Estonia, Latvia, and Lithuania, were admitted to the League of Nations in September 1921. All

three states were quickly recognized by various nations around the world, including the United States. Today, the United States grants full recognition to the diplomatic bodies which represent the Baltic States and has never recognized the occupation forces of the Soviet Union. These nations have consistently sought to bolster their independence through a policy of peaceful coexistence with the Soviet Union and legitimate recognition by the world community.

Immediately before the outbreak of World War II, Soviet Russia and Nazi Germany signed the Non-Aggression Pact of 1939. The treaty was designed to divide up Eastern Europe into spheres of influence including the Baltic States. However, in spite of Moscow's promises to respect the neutrality of Lithuania, Soviet Russia forced a Mutual Assistance Pact upon Lithuania through military intimidation.

The Lithuanian Government had little recourse but to yield to Soviet demands by signing the Pact of Moscow. The pact gave the Soviet Union the right to maintain military bases in Lithuania. The bases became unnecessary because the country was totally overrun shortly thereafter.

Mr. Speaker, like so many small countries of eastern and central Europe, Lithuania fell victim to the forces of totalitarianism from the Soviet Union. Lithuanian fears about the Soviet designs on their country were fully justified as Soviet artillery and air raids lost no time in conducting a brutal invasion. The Soviets today persist in their attempts to destroy their tenacious culture and heritage.

Today, I salute the people of Lithuania on this special day commemorating their short-lived independence. I truely hope that the day will come in which all Lithuanians will be able to celebrate this day not as a memory of the past, but rather as a current day reality.

Mr. PORTER. Mr. Speaker, I am pleased to join my colleague from Illinois [Mr. ANNUNZIO] in this special order commemorating the 68th anniversary of the Declaration of Lithuanian Independence. On this occasion it is especially important to join with the proud people of Lithuania and continue to fight with them until they achieve their goal of regaining freedom and independence from Soviet control.

Forty-six years ago the Republic of Lithuania was annexed by the Soviet Union. The Soviets have tried to recreate the Lithuanian people in their own cast by destroying their individuality along with most nationalities within the Soviet Union. But, the Lithuanians have vigorously resisted the stifling of their uniqueness and will not crumble to the dominance of the Russian majority.

The nationalization of Lithuanian industry, the collectivism of its agriculture and the sovietization of its economy have stripped Lithuania of its rightful heritage. Yet, the strong voice of Lithuanian-Americans reminds us and encourages us that Lithuanian culture will not be trampled under the Soviet boot and the Lithuanian people are determined as ever to reestablish an independent Lithuania.

The United States has refused to legitimize the Soviet control of the Baltic States and has continued to maintain diplomatic relations with representatives of the independent republics of Estonia, Latvia, and Lithuania. This policy gives encouragement to the Lithuanians to continue their brave struggle to restore freedom and democracy to their land.

The celebration of Lithuanian Independence Day gives us the opportunity to remind the Soviets that we have not forgotten the cause of Lithuanian independence. We will continue to fight for its restoration together with the independence of all the other subjugated nations of the U.S.S.R.

Mr. MOAKLEY. Mr. Speaker, once again it is my privilege and honor to join my colleague FRANK ANNUNZIO and the Lithuanian people all over the world, in celebrating Lithuanian Independence Day.

The country of Lithuania was once recognized as a free and independent nation by the entire free world, and was proudly a member of the League of Nations. However, by force and fraud Lithuania was illegally annexed by the Soviet Union. The Soviet invaders have taken control of this freedom-loving nation through the use of torture, jails, and concentration camps. Due to the Soviet domination, the people of Lithuania are no longer able to practice what we consider our most basic freedom, the freedom of religion.

Mr. Speaker, according to our own Declaration of Independence all people are entitled to life, liberty, and the pursuit of happiness. I take that to mean not just all people in our own country, but all the people with whom we share this planet. That includes the people of Lithuania. For this reason, it is our duty, our obligation, to work for freedom for the suppressed people of this nation.

Though thousands have died, and many have been injured and imprisoned, the freedom loving people of Lithuania have never lost hope in the future. They live each day in constant hope for freedom and liberty. On this day of Lithuanian independence, I stand here with my colleagues in praising the people of Lithuania for their steadfast courage and strength. We all look forward to the day when Lithuania will once again be a land of the free, for it is already the home of the brave.

Mr. KOSTMAYER. Mr. Speaker, I rise today to bring the plight of an often forgotten nation to the attention of this body. The Lithuanian people were robbed of their national identity through the diabolical machinations of two of the world's most brutal dictators: Joseph Stalin and Adolf Hitler.

There are nations whose struggle for freedom and independence is fraught with incredible danger. The State of Lithuania after the secret territorial agreement between the Soviet Union and Nazi Germany in 1939 is an important example. The men and women who risk their lives in the pursuit of liberty are silent heroes who deserve far more recognition than they are accorded. Mr. Speaker, in commemorating the independence of Lithuania 68 years ago, these brave individuals are to be commended for furthering the cause of freedom despite the threat of imprisonment and economic hardship.

This is not a joyous time as it should be. There were no parades in Vilna yesterday nor fireworks over Klaipeda. Yet it was not just another in the long string of cold grey winter days along the Baltic Sea. It was a solemn and reflective day for Lithuanians everywhere. On February 26, the Lithuanian people honored their courageous and determined brethren who have risked all, so that the State of Lithuania may once again be restored to the family of nations.

The Soviets are masters of semantics. When the Soviets signed the document at Helsinki to further the cause of human rights the grins on their faces were not an indication of their love for their fellow man. The smile was one of satisfaction; for the cause of centralized rule had been furthered. The tale of several brave Lithuanians attests to the hollowness of this accord.

Algirdas Statevicius will soon turn 63. He is a member of the Lithuanian Helsinki Group. This group was formed to independently monitor the human rights record of the Soviet Union in this republic. Like most of his compatriots, Mr. Statevicius paid a severe price for his humanity. For 6 years now he has languished in a psychiatric hospital in distant Tashkent.

Vytautus Skuodis was a university lecturer and a member of this watch group. Arrested in early 1980, he was sentenced to 7 years in a strict-regimen work camp despite being diagnosed as suffering from a debilitating heart ailment.

As in neighboring Polan, the Catholic Church is seen by the populace as a vestige of national identity. The potency and legitimacy that catholicism enjoys is poignantly reflected in the suffering endured by members of the clergy at the hands of the Soviets. Rev. Alfonsas Svarinskas is an example of this assault upon the church. Reverend Svarinskas was jailed first in 1947 at the age of 22. He is now serving his third prison term at the age of 61.

The ring of republics surrounding Russia reflects the expansionist designs of the Soviet Union. Lithuania is one of those states swallowed up in Communist expansionism and remains a captive nation today.

On this date, Mr. Speaker, I proudly stand with my colleagues in honoring the Lithuanian nation and the brave men and women who risk all so that the people of Lithuania may one again exclaim that they are Lithuanians, people from a free nation on the shores of the Baltic.

Mr. HENRY. Mr. Speaker, I rise today to pay tribute to the Lithuanian people on the occasion of the 68th anniversary of the independence of the Republic of Lithuania. Lithuania has a proud history which goes back many centuries; unfortunately, during much of that history, Lithuania was under the domination of foreign powers. After more than a century of Russian domination, on February 16, 1918, Lithuania declared its independence from Soviet Russia. The Red Army then invaded Lithuania, but the brave Lithuanian people were able to expel the aggressors and forced Soviet Russia to sign a peace treaty which recognized Lithuania's right to exist as a free and independent nation. Lithuania was recognized by the United States and other nations, and it became a member of the League of Nations.

This independence lasted a short 22 years. The Lithuanian people, during this time, had developed a strong economy and industry. Their culture and national unity flourished. Most importantly, Lithuanians had freedom. All

of this ended in June 1940, when Stalin demanded a Soviet-installed government in Lithuania and sent his army into Lithuania to enforce his wishes. One month later, the Soviet Union annexed this heroic nation into its empire. Thousands of Lithuanians died while fighting for their freedom from the Soviet Union and more were killed when Hitler turned on his former ally and invaded the Soviet Union through the Baltic States. Many thousands of Lithuanians were herded into cattle cars for the long journey across the Soviet Union to labor camps in Siberia. When the Red Army returned in 1944, they continued to suppress the Lithuanian freedom-fighters until the early 1950's. Today, Lithuania is still a colony of the Soviet empire.

The Soviet Union since this time, has attempted a Russification of the Lithuanian people. The Soviet government has denied the Lithuania people their basic human rights, including the right to self-determination; the Catholic Church, to which the majority of Lithuanians belong, is harassed; and the culture and language of the Lithuanians is repressed.

But Lithuanians have never wavered in their resolve to maintain these ties that bind them together and today we salute them as they continue to struggle against Soviet imperialism. The United States has never recognized the brutal takeover of the Baltic States, and the American people support the cause of freedom and sovereignty for the Lithuanian people. The Government of the Soviet Union must know that Americans are aware of the atrocities which they perpetrate against the Lithuanian people and we will continue to pressure the U.S.S.R. to implement the United Nations Declaration on Human rights and the Helsinki Accords. As Americans, we must never forget the importance of freedom and human rights for all peoples, and we join with Lithuanians all over the world to celebrate Lithuanian Independence Day as a symbol of our determination that Lithuania once again be a free, independent and sovereign nation.

Mr. GILMAN. Mr. Speaker, I'd like to take this opportunity to thank the gentleman from Illinois, [Mr. ANNUNZIO], for taking out this special order allowing us to pay tribute to the people of Lithuania, on the 68th anniversary of Lithuanian Independence Day. As a cosponsor and strong supporter of House Joint Resolution 409, which was adopted by this Congress and which designates February 16, 1986, as Lithuanian Independence Day, I believe that it is important that we recognize, for those who cannot, this special day in history. Recognition of this event symbolizes the strong desire for democracy and freedom shared by people all over the world.

For more than a century, the Lithuanian people suffered under foreign domination, trying vainly to win their independence. On February 16, 1918, Lithuania was finally able to do just that. This independence was soon followed by German occupation during World War I, but thereafter and for the next 20 years, until 1938, the Lithuanian people were free. That small nation then came under Soviet domination during the course of World War II, and in 1940, Lithuania was declared a constituent republic of the U.S.S.R.

Thereafter, during World War II, Germany occupied this land once more, for another 4 years until the end of the war. Unlike other nations after the war, Lithuania was unable to return to independence, and was by 1945, firmly incorporated into the Soviet Union where they remain. While they lost their independence, as did many other Eastern Europeans, the Lithuanian people did not lose their desire for freedom, nor their strong culture. It is for these reasons that we recognize Lithuanian Independence Day and celebrate it for those who cannot. With this recognition, we are reminding the Soviet Union that we have not forgotten their hostile aggression in Lithuania and confirm our nonrecognition of Lithuania's incorporation into the Soviet Union. Indeed, while we can rejoice over the recent release of Anatoly Shcharansky, we must continue to work and remember the millions of people who are denied their basic human rights behind the Iron Curtain just as the Lithuanians are denied their independence.

Mr. Speaker, while the people of Afghanistan continue to fight for their freedom, the people of Lithuania continue to search for their independence as well. While the plight of Lithuania and her people shows us how fortunate we, in the United States and other free nations are, it also serves to renew our obligation to all people who desire freedom and democracy. While 40 years of Soviet domination has taken its toll, the Lithuanian people have not forgotten their heritage and spirit. While their basic freedoms are denied, their spirit cannot and will not be crushed.

Mr. Speaker, I ask that the full text of House Joint Resolution 409 designating February 16, 1986, as Lithuanian Independence Day, be inserted at this point in the CONGRESSIONAL RECORD.

H.J. RES. 409

Whereas February 16, 1986, marks the 68th anniversary of the declaration of independence of Lithuania;

Whereas on February 16, 1918, the Council of Lithuania, the sole representative of the Lithuanian people, in conformity with the recognized right to national self-determination, proclaimed the restitution of the independent and democratic state of Lithuania and declared rupture of all ties which formally subordinated Lithuania to other nations;

Whereas a free Lithuania existed until the Soviet takeover in 1940;

Whereas the United States opposes tyranny and injustice in all forms and supports the cause of a free Lithuania;

Whereas the oppressed people currently living in Lithuania should keep the flame of freedom forever burning in their hearts: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President shall issue a proclamation designating February 16, 1986, as "Lithuanian Independence Day" and calling on the people of the United States to celebrate such day with appropriate ceremonies and activities.

Mr. ADDABBO. Mr. Speaker, while I am honored to join my colleague, the Honorable FRANK ANNUNZIO, in the commemoration of Lithuanian Independence Day, it deeply saddens me to know that today thousands of Lithuanians in the Soviet Union are denied the right to live a life of freedom and independence.

February 16 marked the 68th anniversary of the Declaration of Lithuanian Independence. During the brief period of political independence, the economic, agricultural, and cultural achievements of the small republic were numerous. Unfortunately, 1940 marked an end to these tremendous developments. Once the Soviets, in total disregard for the rights of a free nation, began occupation of the sovereign state, the Lithuanian people became prisoners to their Soviet oppressors. Even though Lithuanians have been stripped of the basic human rights that we Americans take for granted, the courage and faith of this brave nation has remained strong and powerful. By refusing to replace the language and culture of their proud past, the Lithuanian spirit for independence has not been lost.

We are aware that the Lithuanians in the Soviet Union will not be allowed to openly join their 742,000 Lithuanian relatives in the United States in the celebration of this anniversary. Therefore, it is important that we use this day to reaffirm our dedication to the principles of independence and the protection of human rights in Lithuania and the other oppressed nations throughout the world. We must take an active role in this struggle for freedom and continuously speak out for those who are unable. By strongly condemning the Soviets for their violations of the Helsinki accords and for their refusal to acknowledge the cries of an oppressed people, we can send a fierce message to Soviet President Mikhail Gorbachev of our commitment to Lithuania's struggle for liberty.

Mr. PORTER. Mr. Speaker, I am pleased to join my colleague from Illinois [Mr. ANNUNZIO] in this special order commemorating the 68th anniversary of the Declaration of Lithuanian Independence. On this occasion it is especially important to join with the proud people of Lithuania and continue to fight with them until they achieve their goal of regaining freedom and independence from Soviet control.

Forty-six years ago the Republic of Lithuania was annexed by the Soviet Union. The Soviets have tried to recreate the Lithuanian people in their own cast by destroying their individuality along with most nationalities within the Soviet Union. But, the Lithuanians have vigorously resisted the stifling of their uniqueness and will not crumble to the dominance of the Russian majority.

The nationalization of Lithuanian industry, the collectivism of its agriculture and the Sovietization of its economy have stripped Lithuania of its rightful heritage. Yet, the strong voice of Lithuanian Americans reminds us and encourages us that Lithuanian culture will not be trampled under the Soviet boot and the Lithuanian people are as determined as ever to reestablish an independent Lithuania.

The United States has refused to legitimize the Soviet control of the Baltic States and has continued to maintain diplomatic relations with representatives of the independent republics of Estonia, Latvia, and Lithuania. This policy gives encouragement to the Lithuanians to continue their brave struggle to restore freedom and democracy to their land.

The celebration of Lithuanian Independence Day gives us the opportunity to remind the Soviets that we have not forgotten the cause

of Lithuanian independence. We will continue to fight for its restoration together with the independence of all the other subjugated nations of the U.S.S.R.

GRAMM-RUDMAN AND DAIRY PRICE SUPPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Vermont [Mr. JEFFORDS] is recognized for 60 minutes.

Mr. JEFFORDS. Mr. Speaker, I am before you again today and my colleagues to bring you up to date on what the situation is with respect to the dairy bill, H.R. 4188, which is pending.

To refresh your memories, this past week I tried to bring up this bill. It had passed the Agriculture Committee by a voice vote. It had passed the Rules Committee, and it was authorized to be brought before you.

In addition to that, we had received the approval of the administration on the bill. Further, we had received a letter from the Congressional Budget Office explaining that the bill which we would be bringing up, as far as Gramm-Rudman and the budget would be concerned, would not affect any change in the budget and would be in full compliance with Gramm-Rudman.

There is considerable confusion all over the country as to just what the problem is and why H.R. 4188 was not brought up. For whatever reason, the leadership decided to pull the bill from the calendar last week. There are serious ramifications, however, that will result if we do not pass the bill sometime in the very near future.

Last week we told everyone that it had to be done last week, so I have been asked why we are still trying to get it passed.

Since the administration does approve this bill, and particularly since they would approve it as part of a package that would take care of some of the problems of the farm bill for our farmers in the Midwest—in particular, with respect to yields and all sorts of problems that might occur to those farmers, costing them millions of dollars—they wanted a package to be passed to assist the very serious conditions in farm areas in the Midwest, as well as the problems that would be created if H.R. 4188, my bill does not pass with respect to dairy farmers.

The administration, in cooperation, did not implement last week that phase of Gramm-Rudman which would require essentially a 55-cent price cut on the dairy farmers around the country—a cut which could lead to the loss of income of some $400 million for our farmers and only save for the Treasury $80 million, although most likely less than that.

By not implementing it, we have additional time, and that is why I am still here today pleading with the House to do something in order to ensure that we can undo this very serious problem that has been created.

In addition to that, because we have not passed the supplemental CCC appropriation, there is no money in the CCC to purchase anything, probably as of tomorrow. Thus, we will have some additional time.

The other body is attempting to try to bring about the same package as we are and they are working today on that.

So I am here again today to try to explain to the Members of the House why it is critical to pass this legislation and, most importantly, to explain that it does not in any way adversely affect the intentions of the so-called Gramm-Rudman legislation, the Deficit Reduction Act. In fact, it is totally in compliance with that act.

Furthermore, and most importantly, H.R. 4188 is merely implementing an agreement which was reached by the House and the Senate with the administration as to how in this first round of Gramm-Rudman cuts the dairy industry should be affected. How did that come about?

As you may remember, at the time that we were discussing Gramm-Rudman in the conference committee—and we had a lot of going back and forth on that and several votes—the dairy bill also was pending before this body and was up for action. Thus, both conference committees were meeting at the same time.

It was very difficult to be able to work side by side and hopefully make such changes in the farm bill which would take care of the problems of Gramm-Rudman and vice versa, and take care of problems in Gramm-Rudman which might affect the dairy industry.

□ 1305

We thought we had done that.

What happened was under the farm bill that passed the House, we had three 50-cent assessments for 3 years, 1986, 1987, and 1988 which would fund the whole-herd buyout. The Senate bill had no such provisions and had, in lieu of that, a price cut of 50 cents.

In the negotiations, the obvious occurred: The administration who backed the Senate bill came back and said they would give up half the assessment, 75 cents of those assessments, if the House would allow a price cut to be phased in starting January 1 of 1987 of 25 cents, reducing the assessment to 25 cents at that point, and then doing away with the assessment on October 1, 1987, and putting into place an additional 25-cent price cut. That meant that the net effect on farmers would be basically the same; that is, that there would be in effect a 50-cent price cut or a 50-cent cut to the farmers over that period of time of phasing out the assessment and putting in the price cut. But there would only be effectively a 50-cent drop in the price that farmers got for each 100 pounds of milk.

Beyond that, depending upon how well the whole-herd buyout works, there could be additional price cuts in order to try and reach supply and demand. It was a very carefully worked out dairy policy and would have, if not interferred with, brought about a gradual transition downward of the price of milk in hopes of meeting a supply and demand balance. At the same time, with the whole-herd buyout, we would have gotten rid of about 1 million cows.

I countered, when that proposal was made, by saying that, in order for us to be able to handle the first round of Gramm-Rudman cuts without destroying this carefully laid-out dairy policy, we would give up, in a sense, to the request of the administration and the Senate an additional 10 cents of the assessment. That would not in any way affect anything other than to have a slight adjustment upward on the price of milk, which we knew so well would be taken care of by Gramm-Rudman when we got into session this year. It was agreed upon. It was agreed upon by the House, the Senate, and the administration that we would leave 10 cents off, so the 50-cent assessment in the House bill was reduced to 40 cents, and then we phased out the other assessments.

That agreement was reached, and we had fully expectd that it would be implemented. In fact, the only authority in the dairy bill at that time as far as utilization of adjusting prices or other mechanisms, since there was none for a price cut, was to have an additional 10-cent assessment. It was not written into the law, but it was testified later this year by the U.S. Department of Agriculture that they presumed that they had that authority to make that adjustment.

What happened? Well, unbeknownst to us and probably unbeknownst to anyone at that time, a provision which was intended to take care of crops—that is, to take care of such things as wheat, and corn, and other things—was put in the Gramm-Rudman bill. The fact that it was aimed at crops is fairly clear, because it only talks in terms of 1-year contracts, and so forth. However, when the lawyers examined it, by virtue of some definitions that were in existing law but not brought to anyone's attention at that time, the lawyers ruled that because it was specific, they had to utilize that crop provision to take and produce the 4.3 across-the-board cut in dairy.

The net impact of that is not to have a price cut. The price cut stays in

effect. What happens is when you deduct that 4.3 percent from what people will be paid for selling their various goods to the CCC under their price support system, essentially that lowers the whole market because obviously, if the processor or the handler or whoever it is next door knows that all the farmer can get for their surplus out of the CCC is the price cut less 4.3 percent, then obviously that is all they are going to pay. This, therefore, is essentially a price cut, even though it is an assessment by virtue of the way Gramm-Rudman works.

The effect of that, and why we are here today, is that what it does, first of all it is very unclear how much it will raise. The most it would ever raise under anybody's imagination is the $80 million which is required under Gramm-Rudman for the dairy program. It could raise much less than that. No way that it is going to raise any more, whereas if you go the assessment route becase you are essentially putting an 11-cent, 10-cent assessment on all of the milk produced in this country, that is 100 percent of the milk within the continental United States, that you obviously have a huge base, which is 10 times bigger than the base of the surplus and you are going to get a lot more money for a small assessment. If you try and have to impose that assessment on only 10 percent of the milk which is in surplus, obviously you have to get a lot more money out of that group. But the impact of that, as I explained, is to reduce the whole market.

The net impact is as we show here, and I will refer to this chart that I have prepared so that you might better understand the situation on the impact of the two alternatives. The agreed upon method, which was the one that we agreed upon with the House and Senate and the administration in the farm bill, by leaving that extra 10 cents to be utilized for Gramm-Rudman which was not specified, would be now the 11-cent assessment on all farmers for just 6 months. Remember, this is just a 6-month program and the cost to the farmers is $80 million, and the savings to the taxpayers is $80 million, a wash. And remember, under Gramm-Rudman, we are supposed to try to treat everybody across the board fairly and equally.

Well, this does it, this is fully in compliance, it does it very nicely, very easily, no problem with the figures whatever. The Treasury is going to get exactly what they were supposed to get.

If you go to the other one which is required by unfortunately that strained interpretation of Gramm-Rudman, you end up with effectively a 55-cent price cut for 7 months. The cost to the farmers is going to be somewhere between $350 and $400 million. But the net savings to the Treasury and the savings to the taxpayer is going to be $50 to $80 million, depending on how you figure it out. And again, the result that comes about because you have the base of all of the farmers here, they are all going to pay a small amount of money to meet what everyone else, that is under Gramm-Rudman, will have to do, the $350 million, which is going to be lost forever to those farmers.

I would point out at this point that the reason this is really even in more compliance is that the impact is supposed to be, the $80 million that is, all the farmers were supposed to pay that under Gramm-Rudman to put them fair and equal and on a par with everybody else that is being required to meet Gramm-Rudman. But the way this works is that the farmers will not have to pay $80 million, but they will have to pay somewhere between $350 and $400 million. That is why it grieves us, those of us that have been in support of this, to understand why anyone can have any problem with what we are trying to do here.

What then is the dilemma? What then is the problem?

One of the columnists in this country has recognized that and explained it very well, Mr. Broder of the Washington Post this last Sunday. It has nothing to do with dairy policy. It has nothing to do with the fact that this is a fair and equitable approach. What it has to do with is that some of the Members in the majority desire to prohibit anyone from trying to do what Gramm-Rudman intended, and that was to take care of these kinds of problems, to be able to go further—this is just a technical correction, again just a technical problem that we have—is to go beyond that and to say we do not want anybody to be able to do anything in their committees to be able to take care of the problems which are set by Gramm-Rudman. We do not want them to adjust within priorities. We do not want them to cut out some money from the program which has less impact than other money. We do not want them to be able to make adjustments in those priorities. We want them to feel the pain of Gramm-Rudman so bad, so bad, and this is the basic issue we are fighting today, not dairy policy or anything else, and that is why we are not on the House floor, is because they say that the only way to really work anything out here is to get everybody so mad at Gramm-Rudman that they will vote it out of existence, and then we will have to go to the philosophy of either leaving the deficit in forever or to go to tax increases to balance the budget.

□ 1315

I think there is a genuine belief across the country that we want to get the deficit under control. So what we have going on here, why dairy is being precluded from doing something really rational, sensible, logical, which has been approved by the committees, which has been approved by the administration, is the fight over whether or not we should be allowed to come to the House floor, because if we were to do this thing logically, sensibly and in accordance with Gramm-Rudman, it would make it appear that Gramm-Rudman might work, and that is the issue that is before us right at this moment.

Now, the majority of the House is at this time trying to discuss that policy, and determine as to what their policy will be. I am hopeful, and that is why I have not raised the kind of cane I did on the House floor last week by not trying to disrupt proceedings, because I am hopeful that the majority will see that the logical, sensible thing to do is to allow the committees to have an opportunity to take and alleviate, to remove some of the serious problems which will be created by Gramm-Rudman, and that it can work as the majority of the House, almost 2 to 1 said that we ought to try, we ought to try to make that work because the most important thing we can do in this country right now, from economic policy and other policy is to try to get the deficit under control; and the best way to do that is by a logical system of the committees coming up with the weight, to reduce things without raising havoc, and not the hatchet effect that Gramm-Rudman holds over us in the event we do not attempt to do it in a rational like the dairy people are trying to do here today.

I would be most willing and happy to yield to the gentlewoman from Connecticut [Mrs. JOHNSON], who I must say has kept well abreast of the issues and has been a real defender of the Connecticut dairy farmers, and I yield to her at this time.

Mrs. JOHNSON. I thank the gentleman from Vermont for yielding to me.

Mr. Speaker, I would like to call the attention of my colleagues to a column that appeared in this morning's Hartford Current, and I suspect in other papers around the Nation, by David Broder. Mr. Broder talks about the strategy of some of the Democratic leadership as we approach the implementation of Gramm-Rudman.

What we have before us today is a challenge to that leadership as to whether Mr. Broder is right or whether he is wrong. He points out that some wish to impose maximum pain on some sectors of the American public in order to prove that you can't cut spending.

Well, here is a perfect example of how in fact to reduce the deficit which clearly threatens the vitality of our economy, the jobs of our people, our leadership in the world economy, our position in international trade. A defi-

cit that clearly threatens our well-being and that of our children can be addressed in a rational, fair and just manner, by approaching the problem in a way that everybody contributes some small amount to its solution and it is not allowed to devastate a few.

Today, right here, in this issue, we have the heart of the matter that the Congress is going to have to decide. Are we going to implement Gramm-Rudman? Are we going to reduce the deficit? Are we going to set America up for the decades ahead by taking our responsibility, or are we going to close our eyes, put our heads in the sand, and let politics devastate American farmers first, veterans next, and whomever else is in the way of certain interests achieving their own political goal.

I hate to be so harsh, but that column sums up much of what some of us have been seeing and worrying about, and this issue is going to tell whether or not we as a Congress are willing to stand up to the responsibility that we imposed upon ourselves through Gramm-Rudman, or whether we are going to duck it and use it to harm the very people whose interest we are elected to serve.

I strongly support the changes that have been recommended; the movement toward increasing the assessment, the prevention of a substantial and deep cut in support price. I would point out as well that not only is it a fairer approach, but it is also a surer approach. It will in fact generate the dollars that Gramm-Rudman needs to stay within its deficit target.

This is responsible legislating. This is dealing with a deficit in a way that all can be comfortable with.

I would like to relate two conversations that I have had in the last 2 days with people in my district. As I was getting off the plane this morning, I met my favorite FBI agent, a fine man who had occasion to investigate my office when we discovered that we had been bugged. As it turned out, it was not a big problem but as a result of that incident, I have gotten to know him quite well, and followed the activities of that office.

So I said to him, "Is Gramm-Rudman cutting to the meat? I don't want to see the Nation's FBI unable to do its duty to all." I said to him, "Where are we? What's happening with you and Gramm-Rudman?"

He said, "Well, you know, it's making us think a little more; we're setting better priorities and we're doing things that we always had the power to do, but we never did in the past." He said, "For example, we're now driving those Lincoln Continentals that we repossessed from drug dealers. Our automobile budget was cut from $20,000 to $4,000, so we found a way out."

Frankly, that is a perfectly reasonable way out in my mind at this time.

I talked with my Department of Commerce Regional Director because I am very interested in economic development issues and believe very strongly in the Government partnership that working with the private sector can direct and enhance economic growth in this Nation, and I asked him: "What's the impact on you of Gramm-Rudman?" He said, "You know, the good thing about it is that our partnership with the State has developed. They, after all, have contacts with all sectors of the Connecticut economy and much more extensive contacts with the business community than we could ever have, and we are now working in a much closer partnership for them to do some of the disseminating that we used to do.

So there is definitely an up side to Gramm-Rudman. It is not all bad news. Our job is to make it positive, constructive, to minimize those impacts that are going to be difficult for some of our constituents. Here is a chance to minimize. Here is a chance for rational, responsible governance. This is the fundamental challenge that this Congress faces, and I hope that in the next few days, we will demonstrate we are capable of meeting it.

Mr. JEFFORDS. I thank the gentlewoman so much for her comments. They were pertinent and "right on." I also appreciate the gentlewoman bringing up the contents of the Dave Broder, comments that he had in the Post this past Sunday.

I would hope that those members of the press who reported the events of last week would also read that, because the thing that discouraged me most, in spite of the fact that we laid all this out last week, was that reporting throughout the country, at least what I saw from the Washington press here, followed and swallowed hook, line, and sinker the comments on the other side that the dairy industry somehow was trying to get out from under Gramm-Rudman and that they were trying to, by their various pressures, through lobbying and other means, to not have to feel the hard problems that could be created by Gramm-Rudman; and that was absolutely incorrect.

It was stated on the other side of the aisle and perhaps done in good faith, and I would have to presume that from a misunderstanding—and these are very complicated things to understand. I would hope now, with the educational process that you are helping me with here today, that the press will understand what the real issues are here, and the dairy is not at all trying to get out from under Gramm-Rudman, but it is trying to demonstrate, as we did in the farm bill when we made this agreement, as to how Gramm-Rudman can be met; how we can get the deficit under control without causing unnecessary and terrible havoc to our dairy farmers.

I do not know about your area, and I know the gentleman from Wisconsin is about to speak, and he can tell us about his area, but I know in my area and for a moment I will just take a look at the other chart. Since the gentlewoman is from the Northeast as I am, just to take a look at what is going to happen to the net income of our farmers.

Under dairy policy, in order to bring us a supply and demand balance, we have to try and reduce income until such time as we reduce the number of farmers and the number of cows and hopefully the whole-herd buy out will make this less.

Under current law, which is the green line on this chart, that indicates that as of the beginning of this year we have pretty much a zero net income for the average farm in the Northeast. That meant half the farmers were losing money, half the farmers were making money.

We have been trying to trend this down gradually in order to, along with the whole-herd buy out, to reach that magic balance between supply and demand, believed to be somewhere around $11.10 a hundredweight; a reduction of about 50 cents.

□ 1325

The blue line on this indicates what the assessment will do. Again they are all going to hurt. There is no question about that. Look at the red line, what this price cut will do. That shows a very sharp drop such that in 1987 the average farmer in this country will be sustaining about a $30,000 loss on his or her farm.

Now that means that probably they will have, in almost every case, a negative cash-flow, which means they will have to go out of business. That is what we are talking about, how many farmers we are going to throw out of business. It is going to be tens of thousands.

Mr. Speaker, I yield to the gentleman from Wisconsin, whose State, I must say, will probably have or suffered the greatest impact from what is going on here because they have the most and the largest number of family farms in the country in the dairy business and I know how hard the gentleman has worked and I know how hard he has tried to help me on this bill and how much he tried to help his dairy farmers out there.

I just want to publicly express my appreciation to the gentleman today, and I yield to the gentleman from Wisconsin.

Mr. ROTH. I thank the gentleman from Vermont for yielding. I appreciate his nice comments. As ranking member, I know that the gentleman

has a great burden to bear and a great deal of work ahead of him on this legislation. I want to compliment him for taking this special order so that we can talk about some of the issues that I think we have to address. When you talk about our Wisconsin dairy farmers, yes, they are like dairy farmers all over the country; they are hard working and they want to see, if not much of a profit, at least they want to see a profit for the work that they are doing.

I have been most disappointed with the action of the Congress, which was taken in the last few days with regard to this issue, because our obligation is, yes, to find deficit reductions, but this is not going to harm the taxpayers, not by one red cent. So why are we going through this charade? I see our friends on the other side of the aisle going back home campaigning, in the evening news. Sunday evening I saw where some of our friends are out campaigning saying, "A farmer is as important as a missile." I would agree. The problem is they do not like the farmer nor do they like missiles; they are opposed to everything. I do not think we can operate that way. I think we have to take a look at the obligations we have. One of the obligations we have is to treat people fairly. If we are going to treat people fairly, then we have to enact this legislation because what this is going to do is it is going to help the dairy farmer and it is not going to be the detriment of the taxpayer by one red cent. So I think the only obligation and the real obligation we have is to follow the gentleman from Vermont.

I am willing to do that. The question I have is what is the reason for the delay?

The Committee on Agriculture reported out a bill as I understand it. We have a rule. It was on the calendar but it was pulled. What is the reason?

Then I would like to ask: What is the real reason?

This House I do not think has really been fair with the dairy farmer in this respect. The dairy farmer was the first to take his or her cuts. There was no screaming. We were willing to do it. We have taken a number of cuts since then. This House has not reduced the deficit and because it has not reduced the deficit we have dropped our agricultural exports from $44 billion in 1982 to only $32 billion last year.

Now how can we expect our farmers to compete? How can we expect to bring the inventory down? The problem lies not in the dairy farms, the dairy barns of the Nation, the problem lies right here.

I would like to ask my good friend from Vermont: What is the reason? Why are we not acting on this legislation today? Why did we not act on it last Thursday?

What is the reason? And then I want to know: What is the real reason? Because there has been a lot of posturing and a lot of charades and I want to know what is the reason for this inaction.

Mr. JEFFORDS. I will be happy to try to answer that question.

The real reason, the reason we are not is because, as I have stated before, there are Members on the other side of the aisle, and I am not saying all of them, who have advocated that the best thing that could happen to this country is if we show Gramm-Rudman is so horrible, so horrendous, so dumb, so stupid, so horrible like it would be if we do not pass this legislation on the dairy, and thus Gramm-Rudman will be repealed and we can have tax increases to take care of the deficit.

There is a significant number on the other side of the aisle that prefer the increased taxes and not to try to reduce spending. That is the basic issue that is at stake here. As pointed out before, it was articulated by well-known columnist David Broder this past weekend.

I yield to the gentleman from Wisconsin.

Mr. ROTH. I thank the gentleman for yielding further.

You know, this reminds me of the old "yes, sputter" approach. We hear all these people who are "Yes, I am for a balanced budget but not on this amendment. Yes, I am for a balanced budget but not on this bill. Yes, I am for a balanced budget, but not today. Yes, I am for a balanced budget, but I can't say no to 'TIP' O'NEILL." And by the time we get through with all these "Yes, sputters" we are going to have red ink as far as the eye can see. We have to have some action here. I think we have to take some responsibility. Our exports in agriculture have dropped. Everywhere you look in agriculture it is negative and a lot of the blame lies right here. Now, good heavens, if "TED KENNEDY gets up and says it is time to vote for a Gramm-Rudman proposal because for 40 years we have only been talking and not doing anything, then I think it is time we follow the Gramm-Rudman approach.

When people tell you that they are not for Gramm-Rudman, what they are really saying is, "Hey, I don't want any spending cuts." And if you do not have any spending cuts, we really have already an almost $2 trillion debt and when is it going to stop, when are we going to be fair to the future of our country and the future of our children and future generations? I think this is preeminently a time for us to take action. You know, all this talk does not mean much; you have to have action.

Up in northern Wisconsin where we have all these great fishing lakes, after people get done fishing they usually stop by a local tavern and there is a beautiful place up there in the backwoods. When you walk in, over the portals it has a beautiful little saying that says that, "Talk is cheap. It costs money to buy whiskey."

That is the way it is here. I have been listening to these people talk in this House since 1979 but no one has ever made any cuts. They do not like Gramm-Rudman, they do not like anything that is going to start this country getting back on the right track again.

Well, we cannot always think of our own self-interest, our own selfish ends, we have to start thinking about the next generation and not just the next election.

So I appreciate the gentleman from Vermont taking out this special order, but we are going to have to have some action. If we do not, then I think all of the people on the Committee on Agriculture better come over here and start making sure that we get some pressure on the leadership in the House so that we get some legislation passed. Talk does not mean much. It is action that counts.

Mr. JEFFORDS. I thank the gentleman for his comments, which were right on point.

I would also like to emphasize and to articulate a little further his comments about the Committee on Agriculture.

It is interesting and it demonstrates what could be one of the real problems with Gramm-Rudman if we do not try to implement it in a rational way.

Prior to Gramm-Rudman, admittedly, but last year the only time, the only committee, to my knowledge, that was able through its legislation to do what was required under reconciliation under the Budget Act was the Committee on Agriculture. We took the cuts. Hard and as terrible as the situation is in the Midwest, the Agriculture Committee bit the bullet and took its cuts. We tried to, as pointed out here, to anticipate the cuts this year to take them in a rational way.

So what happened? The committee that was willing and the only one that took its cuts, as hard and as difficult as they were with the terrible problems in the Midwest, is now being denied the opportunity to correct a problem which was foreseen in the bill, to alleviate those cuts considerably from the devastating effect which would be required by not doing so. It is a really ironic and it is sad I think that the committee that is trying the hardest, with all the difficult problems it has, to do its job is now being denied that opportunity to try and do a better thing with respect to the dairy farmers which they so badly need.

Mr. Speaker, I again yield to the gentlewoman from Connecticut.

Mrs. JOHNSON. I thank the gentleman from Vermont. I think it is extremely important that we recognize here that cuts have to be made. The issue is, should they be fair, rational, and equitable, as painless as possible, or should they be as painful, as devastating to some as possible? The issue is not before this Congress whether or not cuts have to be made or whether they do not have to be made.

If you look at the tax burden on the citizens of our Nation, we now spend about 19 percent of all the money earned in the Nation—the gross national product—supporting government. Never in our recent history, in this decade, have we spent less than 17 percent; never have we been able to spend more than 20 and 21 percent and not see a severe slowdown in the economy.

The economists of all persuasions agree that between 18 and 19 percent is somewhere around the proper tax burden. We are now at 19 percent. Well, I am not one who believes we can solve the deficit problem without some additional revenues. I know they cannot be 100 percent of the solution or even the majority of the solution. As to defense spending, another favorite explanation of how we ought to solve our deficit problems and why we do not have to cut anything else, we are now spending 6.5 percent of our gross national product on defense.

We have, during the Vietnam war, spent 9½ percent. Rarely have we gone below 4½ percent. So we are not at an exorbitant level of defense spending.

And while we can moderate the growth there for the purposes of alleviating the deficit situation, it is simplistic, it is misleading to say that somehow the deficit can be addressed through higher taxes and lower defense spending. Those are insufficient explanations of a very serious problem. There is no other answer than every function of Government looking at how it can rationally and fairly reduce spending. I commend the gentleman from Vermont and so many of his colleagues who have worked together to develop this alternative to what we see would have clearly been a devastating impact on farm families in America who provide not only a critical product, but also whose way of life is of enormous importance to us; who keep those open spaces that allow our aquifers to be cleaned, who are important to the quality of our environment as well as to the substance of our food chain.

I thank the gentleman for yielding.

Mr. JEFFORDS. I thank the gentlewoman for her comments.

I again point out the seriousness of the ramifications of what we are talking about here. Not only are the ramifications of Gramm-Rudman but I think at this point, it is most important as I come to my conclusion here that we think about what it is we are doing and who is it is we are really hurting. It grieves me to see some of my friends on the other side of the aisle who, I believe compassionately and sincerely, are saying that they are trying to look out for the interests of the poor people, people who are unable to help themselves and also saving them from the cuts of Gramm-Rudman.

But I do not know how many of my colleagues had an opportunity to watch this past week the NBC shows on the real serious problems that are existing in the depressed farm areas of this country. I was interestedly noting that so many of the farms that they showed and the farm families they talked with were dairy farmers. You could see the cows in the background, the beautiful barns. As you listened to those farm families talking so compassionately about what it is to have to give up the family farm, to go out and look for a job, to perhaps come to the welfare line and certainly the unemployment lines, to give up a tradition which that family has had for decades, if not centuries.

I listened to them and I said, "Why, why, why?" Why would you want to stop this bill which would prevent literally tens of thousands of other farms from joining that same situation, where they too will have to join the unemployment lines, where they too will have to give up their family tradition?

Why, why, why do you take this as an opportunity to prove the point?

Mr. Speaker, I yield further to the gentleman from Wisconsin.

Mr. ROTH. I thank the gentleman for yielding. I appreciate the gentleman allowing me to take part of his time. I just want to ask this question: We have all agreed that this is a good bill and something that should pass. What would it take—it is out of your committee and came up yesterday before Rules—what would it take to bring up the bill and pass it tomorrow?

Mr. JEFFORDS. What it takes in order to do that is a reconciliation in the majority party of the policy as to whether or not those people who advocate on their side that we ought to scuttle Gramm-Rudman, demonstrate its terror, demonstrate how many farmers it will put out of business, the terrible situation it would create and therefore destroy the bill or whether or not they should step up for the responsibilities which they voted on that side, on Gramm-Rudman, and try to deal responsibly, compassionately, and sensibly with the cuts that are going to be required in order get our budget in balance.

□ 1340

Mr. ROTH. Mr. Speaker, will the gentleman yield?

Mr. JEFFORDS. I would be happy to yield.

Mr. ROTH. In other words, to translate that, what the gentleman is saying is that if the leadership wants to bring the bill up tomorrow, we could bring the bill up tomorrow.

Mr. JEFFORDS. That is exactly right.

Mr. Speaker, let me conclude in this sense, and carrying right on with what I have been talking about.

There is a division on the other side of the aisle. I do not want in any way to say that every Member on the other side of the aisle agrees with that kind of a position, that kind of irresponsibility, in my mind. That is not true. In fact, there is a deep division within the leadership.

I would quote at this point from the final paragraph in David Broder's very excellent column this past Sunday, and it has been appearing in papers across the Nation:

> Jim Wright is not wrong when he disassociates himself, however cautiously, from what is truly irresponsible politics and questionable leadership in the only part of the national government the voters have left in Democratic hands, and that is the House.

Mr. Speaker, I think that states it all. I just hope and pray today that as the Members on the other side of the aisle sit down in deliberation on this issue, that they will come out with responsible answers and will allow this bill to go forward, so that we will not see the kind of devastation that will result in the farm families of America if we are not allowed to take and make this small technical correction to the Gramm-Rudman proposals, small in the sense of its scope in terms of legislative aspects, but so deep and so profound and so important when it comes to the lives of tens of thousands of dairy farmers in this Nation.

Mr. MARTIN of New York. Mr. Speaker, I want to thank my colleague, the gentleman from Vermont, JIM JEFFORDS, for the time he has taken today, and in the past few days, to bring to the attention of the House a most important and time-sensitive issue—the plight of our Nation's dairy farmers.

Mr. Speaker, our dairy farmers are certainly not a group looking to shirk its responsibilities with regard to reducing our Federal deficit; as a matter of fact, they have been more than willing to do their fair share for the good of the country as a whole. That is why I am so distressed that this group is being held hostage while the majority in the House plays games with regard to implementation of the Gramm-Rudman law.

The Gramm-Rudman-Hollings Balanced Budget and Emergency Deficit Control Act requires that Federal spending be reduced by specified amounts through fiscal year 1991. Because Congress did not devise an alternative budget proposal for the required reductions for fiscal year 1986, the sequestration order was implemented on March 1. For the dairy program, that amount has been deter-

mined to be $80 million in fiscal year 1986. The Department of Agriculture, pursuant to the language of Gramm-Rudman, announced that the price paid for surplus products would be reduced in the neighborhood of 50 to 55 cents, in order to reduce Federal outlays by the required amount. In order to achieve an $80 million reduction, income to dairy farmers would be reduced by over $300 million.

There is, however, a better—and more equitable—way to implement the requirements of Gramm-Rudman. That method is contained in H.R. 4188, the measure which Mr. JEFFORDS has been so diligently attempting to bring before the House of Representatives for consideration. This legislation would require an assessment of 10 to 11 cents on all farmers who produce milk and would reduce spending by the Federal Government by $80 million—the amount required under the sequestration order. Farmers' income would, therefore, be reduced by a like amount, not the $300-plus million which would result if the price paid for surplus products is reduced by over 50 cents.

Mr. Speaker, this is a question of budget policy, not dairy policy. I, for one, have never embraced the assessment method as the best approach to achieving stability in the dairy program, and I did not support passage of Gramm-Rudman. However, even I agree that, in this case, a 10-cent assessment would be far less painful than a reduction of 55 cents and that such an assessment can still achieve the requirements of reducing Federal spending for the dairy program by $80 million.

Yes, Mr. Speaker, we must reduce Federal spending. But we must do it in the most equitable manner possible or we are abdicating our responsibilities to do the job we were elected to do. Let the hostages go, Mr. Speaker; permit consideration of H.R. 4188. Our dairy farmers are willing to do their fair share; now allow them the opportunity to do so.

GENERAL LEAVE

Mr. JEFFORDS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Vermont?

There was no objection.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, yesterday the President met, as I had indicated in yesterday's special order, with three or four of the so-called Nicaraguan Contras, or those associated with the Contras, even though actually one member has disassociated himself from a goodly portion of the Contras' activities and some of its leadership.

The President also said, as I had inferred and anticipated yesterday, that there was this ominous thing called the Sandinista government, which is an inappropriate designation inasmuch as when the people of Nicaragua held an election in November of 1984, they elected directly their present-day government or governing leaders. Up to that time, it could have been said in a loose sense that it was a Sandinista group or junta or committee, it was a five-man governing body that included three priests, one of them a very scholarly man who today writes books and has through the years on translation of the Latin poets, and I mean that old Latin poets, the Romans, who is quite a scholar and still very present in the deliberations of the governing bodies of the country of Nicaragua.

It also had in that junta one or two so-called and self-styled Marxist-Leninists or socialists. You must always remember that our definition of these terms are not quite the same in the minds of people outside of the United States, including our European allies and friends.

For instance, I have pointed out for the record that Mussolini, for instance, came into power on the backs of the working class, unions or socialist party, socialist workers party of Italy of that day and time. Now, the word "socialist" in that day and time in Italy was in an entirely different context from which the word "socialist" today in modern-day Italy is defined.

In Germany, Adolf Hitler's power came through his rise within the ranks of the National Socialist Party of Germany. And in Russia, it is not the United Soviet Communist States, it is the United Soviet Socialist States.

So these terms and the jargons thereby can trap many an innocent person into talking about an entirely different animal from that which in reality exists.

In the case of President Reagan, we have a mind set that things in terms of "Latin America" of long-gone days. He revealed this clearly when he made the trip down to South America in 1982 or 1983, or thereabouts—and if I am not mistaken in my remembrance, it was in the autumn of 1982—and when he went to these countries, he made the mistake of saying, well, I am happy to be in this country when he meant another country. When he set foot on his return to California, his first remark was, "Gee, I didn't know they were so different."

Well, this has been the trouble all along. It has been our perception of ourselves to begin with with respect to the countries south of the border, and our perceptions of that country south of the border which are tantamount to misperceptions.

We have equal misperceptions on the part of many living in those countries south of the border, as well as throughout the world, about what the United States is. It would be very difficult for me to evoke all of this in one short period of address, even if I were to have available 2 or 3 hours. It is intricate. It is not simplistic. It is a little bit more complicated than that.

But when the President then alluded to this danger as one that could physically threaten the United States, because he points out to the American people these Nicaraguans—and I am sure he had reference to the Communists or the Marxist-Leninists—why, they are just 2 hours away from the Texas border.

Well, I would like to say, Mr. President, that, first, if you are talking about an overland trip, we never have completed the Pan American Highway. I might remind my colleagues that that was one of the very first things that I embarked upon when I was sworn in almost 25 years ago into the Halls of the House of Congress. I went over and I discussed the matter with President John Kennedy. At that time, the Pan American Highway in its completion had kind of been lost sight of. It had been agitated quite a bit in the 1930's, and then, of course, with the advent of the war, nobody thought of it.

Now, if we had thought of a continuous roadbed, we had gone a long way into what was called the completion of the Pan American Highway by 1962. However, there was a big gap, the Darien Gap they called it, right below Nicaragua.

So, Mr. President, first it would take more than 2 hours.

□ 1350

Second, they would have to come through 3 or 4 other countries, including Mexico. And I doubt seriously that Mexico would stand by passively and watch their sovereignty invaded, firstly. Secondly, even Mexico does not want to come and take back the Alamo. Why, they would not take it back if we paid them to do it nowadays. In fact, they would not take any part of Texas back, not unless I guess Texas first abolished its sales tax. Then maybe perhaps some voices might consider it. But the standing joke in Mexico is, "given all the problems we are confronted with, not the least of which is our losing situation with respect to our powerful northern neighbor, why, we are very angry at Gen. Santa Anna because, doggone it, he just sold part of Mexico; he should have sold all of Mexico, and then we would be part of the United States and we would be better off." This is a standard joke in Mexico, even to this day. It is an old one, but it is still current.

So the idea that President Reagan would try to incite the minds of the

American people and to try to cultivate a war psychosis to justify the course that he has embarked on now since he took office, and originally through the office of General Haig, who was then Secretary of State, and who announced the fundamental policy—the President has not deviated one iota since them. Instead, this Administration, with the majority of Congress going along, has poured several billion dollars into the smallest country in the Western World, El Salvador, just there alone, and we are no closer to resolving whatever it is General Haig had in mind when he declared that it was an East-West confrontation and that he was going to draw the line in El Salvador.

Well, now, what is going to happen to us when we have the same—basically, the same, though the outward manifestations, of course, are somewhat different because they are different countries—problem developing in Guatemala? Now, that is a far bigger country than El Salvador.

What about Mexico? How long can a country and its society endure a 50-percent inflationary rate and an unemployment rate of near the same amount, without something happening? Have we not learned from the most recent crisis in the Philippines, where you had a worse situation as comparable to Mexico? But remember there is no other country south of our border that is as relatively well off as Mexico, as compared to the other countries, economically, and that the Philippines would be comparable to some of the poorest countries in Latin America. And the Philippines certainly is far from resolving the basic problem. The fact that they got rid of or that Marcos left and that Mrs. Aquino has taken over does not remove the fundamental fact that the United States has yet to develop a basic policy in approaching the Filipino constructive, creative moderate voices in bringing the Philippine Islands out of the terrible misery in which they find themselves. They have an equally bad inflationary situation. In fact, the condition of the Filipino has deteriorated even while we have had hegemony; that is, we have controlling influential power over that area.

So that as I see it, unless and until we are willing to learn, first, from the experiences we have had—have we not learned, after the terrible loss of over 50,000 lives in South Vietnam, have we not learned in the prior experience, not the same but certainly similar, in the Korean peninsula? Have we won? We still have 45,000 soldiers in South Korea.

The President, I feel, has become obsessed with the notion that these countries south of the border are easy pushovers and that they are still in that somnolent, slumbering status that we have considered them to be for at least 150 years.

Let me advise the President and my colleagues that that is an egregious error, it is a crass error, that we will have to pay a heavy price for making and committing, the fact that the President would reach the point of trying to arouse this fear, as he has, say, in the case of Russia, where we have been, from time to time—it is almost cyclical—beset by Presidential arousal of fears of war psychosis that has been created toward Russia.

I would be delighted to yield to the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. Mr. Speaker, I have been listening to the gentleman's remarks, and I thought that they were words of great wisdom and statesmanship. I thought it was important to indicate that this is a speech that all of our colleagues ought to hear and read and that I would hope would be transmitted to the President of the United States, because he needs that kind of sound advice over a subject that is so fraught with danger for this country and the possibility of dragging us into another unwanted military conflict, that the gentleman's remarks are very, very needed, indeed, and I just wanted to indicate that for the RECORD.

Mr. GONZALEZ. I sincerely thank the gentleman and express my profound gratitude because I have the highest respect for his intellect and his leadership in eqully difficult issues in the past. I can recall when the gentleman was a solitary voice, at first, and then, eventually, I think he had many following and he was able to prevail. I can remember issues that emanated in the middle and in the late 1960's, and I can remember the gentleman speaking out forthrightly. I remember his participation in the successful consideration of the War Powers Limitation Act which we in the Congress have now so blithfully ignored and have let a President get away with violating, in my opinion.

So I am particularly grateful to the gentleman from Ohio because, coming from him, that is a real, real inspirational compliment, and I deeply appreciate the gentleman taking the time to come here during this special order.

Mr. SEIBERLING. I thank the gentleman.

Mr. GONZALEZ. Mr. Speaker, I would like to continue, just briefly, that I think it is atrocious on the part of the President because events, even in the last 2 years, should clearly indicate to him that whatever it is he calls his policy or his attitude is absolutely bankrupt. It has not gotten the United States any better off with relation to the country south of us. There is not a country in the New World, including Canada, there is not a country in Europe or Asia, for that matter—that means Japan—that goes along with our policies thus far in Central America. But I think that when the President announces after meeting with people that he considers to be still leaders in Nicaragua and takes what the newspaper reports as their assurances, that all they need is that $300 million that the President now wants to have in the shape and form of military assistance, that that is all it is going to take, I believe that it is incumbent upon us, then, to protest that misbegotten view, to protest against the President's recommendations, to cause him to come before us and render an accounting of what he has done already. I think that we also have to look at ourselves as the world looks upon us. Here is the head of our Government, the President, saying that he is dedicated, that he is consecrated, to the elimination of a government with which we still proclaim to the world friendly and amicable relationships, for we still have our Ambassador duly credentialed and accepted in Managua, I feel that we cannot ignore the decent opinion of mankind, and that to do so is to commit an error of such a crass nature that it is going to cost us a lot more in terms of money than $300 million, a lot more than the soldiers from the United States who have thus far died in Central America, some reported as involved, some not reported as involved, but every one of them very much involved in an internecine civil war, not fighting against any invader, so that when we try to arouse this fear in the American minds, we must remember that we are the laughing stock of the world, including the Nerw World.

I will guarantee you that no responsible voice in any of the countries, any of the intervening countries between us, the border and Nicaragua, has anything but absolute ridicule and contempt for these expressions.

However, the record shows that the President has already told us, though no newspaper reported it that way in our country—and this is the other sorry state of affairs—the President has already stated that he considers the Nicaraguan as well as the Salvadoran, but the Nicaraguan specifically, by the nature of actions he has already taken, by the nature of his actions invoking powers that the Congress has delegated to him and prior Presidents going to all the way back to Woodrow Wilson, and that is when he announced his embargo, economic embargo, against Nicaragua. In order to do that unilaterally, he had to first determine as President that there is a state of dire emergency in which the security of the United States is directly endangered in the shape and form of the Nicaraguan regime.

In the meanwhile, we have violated international law time and time again. We have now reached the point where

we are on the verge of a self-fulfilling expectation or prophecy. The President, you will remember, 4 years ago had a TV presentation in which he showed what was supposed to have been then a Communist-built airbase in Nicaragua, and, I might remind my colleagues, he also mentioned Grenada, later to be invaded.

Now, when we look at the pattern of actions and decisions taken since then, is it not reasonable that those who are the object of this hostility would feel that they were threatened, as they have been? I, myself, have seen fragments of death-dealing instruments that are stamped clearly "For U.S. Army use only" that were used in Nicaragua in an attempt to blow up ports and harbor facilities and assassinate some of their leaders.

The CIA has been our instrumentality in those instances. The CIA, rightly or wrongly—and, of course, as I have said, very wrongly, in my opinion—has approached the Nicaraguan situation as if it were the Guatemaltecaxi situation of 1954, in which the CIA was successful in destabilizing the regime of Colonel Arbenz, who was considered a Communist, but the truth of the matter is that the situation in Guatemala has no more permanently been resolved, even today, than it was in 1954.

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And to say that you could use the tactics in 1981, 1982, and 1983, that were used in 1954, is just hard to believe, and yet that is the truth, because in destabilizing Colonel Arbenz, which we would not have succeeded through the CIA until the CIA was able to get and pay for some American mercenaries to fly some planes and strafe the capital of Guatemala city. At that point Colonel Arbenz decided he would rather leave than create the bloodshed and the death dealing that would invariably take the lives of innocent children and women.

But the fundamental issue, the fundamental cause, was no more resolved than it was in El Salvador after the 1930 revolution in which over 30,000 Salvadorans were killed and finally the movement suppressed by the powerful 14 families that have reigned supreme ever since.

The U.S. role has been I believe not only mistaken in concept, but very, very unbecoming to a great country such as the United States.

I believe sincerely that the United States would have no problems whatsoever in exercising its leadership, ultimately gaining the rewards for which it now thinks it can win by shooting into the hearts of the people of Central America. There is no way we are ever going to shoot ourselves into friendship and cooperation by shooting into the hearts of any people, yet this is what we are doing.

I believe that every American would blush for shame were he to see as the Bishop of Chiapas related to me the sight of over 30,000 of the poorest of the poor refugees fleeing the Guatemaltecan soldiers, all of whom had American-made bayonets, rifles, guns, everything else. Everything was American made.

Nobody up to now has said that there has been any Communist infiltration of arms or anything else in Guatemala.

Does that mean that Guatemala is at peace? No, it does not. It just means that there has been a brutal repression even of those very elements that would be absolutely necessary that we encourage if we are to have a future of friendship and neighborliness for our children and grandchildren.

At this point, it looks to me as if the President, and it has looked to me for the past 5 years, has embarked on an irreversible course. I have seen where the Congress has refused to look at the issue involved, which is President Reagan's willful of the War Powers Limitation Act of 1974–75.

If the Congress is unwilling to oversee its own laws, I do not know what any one Member can do about it, but that is where the matter stands.

What I can say and the reason I rise today is that if there is no more than one voice, than let it be; but I believe that the record should show, and certainly my constituents are well aware of my position, for I talk no differently back home than what I do here, that I consider this to be the road to catastrophe for America, that it is totally unnecessary, and the record will show that we at our risk abandoned Latin America.

Since 1960 and particularly since 1979 to 1983, we had a drop in our investments and trade with Latin America from an overall somewhere around 40 percent down to a little less than 17 percent.

Some have said that in our relations with our countries to the South that the flag leads trade and that the real basic issue is economic. I do not know that I am smart enough to discern that.

I do know when something is awray. I do know that the history of all this region in its varied aspects is one that cries out for some understanding and knowledge on the part of us in the United States of America, that when our leaders will not lead or lead falsely, that then the only solution is for the people to push.

I do not see any attempt yet, because unfortunately the issues have not come home, so to speak; we do not have the casualties coming in as yet, but I feel that a word to the wise, prudent and stable citizens of this country is all that is needed.

I do not think that we have to repeat the errors that we have committed in the past few years in order to learn that we have got to devise and develop more judicious and wiser methods and means.

I want to also say by way of completion that if the facts were not there, I would not be rising to speak, and the facts are clear and evident that thus far whatever President Reagan as a matter of administration policy has acted upon has been bankrupt. He has made no attempt whatsoever at any time to do either of two fundamental things that any wise leader will tell him if he would admit advice.

Unfortunately, Garcilaso De La Vega, the first native American historian who was half Spanish and half Indian, he was the son of a Spanish conquistadore who had helped put down his mother's people, the Incas and was sent to Spain and became the first historian of the New World. He says very graphically: "How do you advise the powerful? How do you advise a wild beast? For their attitude is, who are you to tell me?"

In other words, it is the old saw that we say in English, that we so despicably use in our ethos or our society, that the badge of success is not political know-how or anything like that. It is your bank account. If you are successful in business, why, you will be successful in everything.

So the old dictum is, "Well, if you're so smart, how come you're not rich?"

"So if you're so doggone smart, how come you're not President, or how come you're not a big leader?"

But that was the first historian who was observing these powerful conquistadores and how for awhile the only thing holding back the poor Indian from absolute extinction was one or two of the missionaries who appealed to the king, then his royal Catholic majesty and defender of the faith, to proclaim the basic dictum that the Indian soul was just as valuable as a Spaniard's soul.

But we do not have that in the United States today. How can you reach a President who as Commander-in-Chief willfully, callously, and in total disregard of the advice of the chief military experts the country can give him, the Joint Chiefs of Staff, sent marines to Beirut and for 14 months ignored not only the unanimous advice of the Joint Chiefs of Staff, but some of our feeble voices here in the Halls of Congress and ended up with the murder of 241 of these proud marines.

Is that a successful policy? Is that the mind and the temper and the character of a wise Commander-in-Chief? I would hardly think so and I certainly do not trust that judgment.

So I again appeal to my colleagues that when and if the demand is made for the $100 million, but which in reality will turn out to be $300 million

that this Congress would stand up to a man and say, "Mr. President, first render us an accounting. Why have you not come to us and explained how you have funded the CIA, when we mandated you not do it? You come to us and tell us why it is you are willing to refuse to recommend $60 million for the homeless of this country, but you want $100 million for a motley group of assassins, murderers, and rapists, and have the grievous affrontery to compare them as the moral equivalent of our Founding Fathers."

I say to my colleagues, with that leadership we are in deep trouble and the only remedy I know is what our system stands for and that is the exercise of the independence, the coequality and the separation of our powers and duties as the policymakers of this country.

HUMAN RIGHTS ABUSES IN IRAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DYMALLY] is recognized for 60 minutes.

GENERAL LEAVE

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DYMALLY. Mr. Speaker, I have asked for time this afternoon because this month marks the seventh anniversary of the overthrow of the Shah of Iran and the beginnings of the even more tyrannical reign of the Ayatollah Khomeini. Since the end of the hostage crisis, we in the United States have preferred to turn our attention away from Iran. We read occasionally in the paper about the latest offensive by Iran against Iraq, but it is not a matter which draws much attention here.

While our collective wish to erase Iran from our consciousness is understandable considering the discomfort we experienced there, this willful indifference is, nevertheless, improper given what has been going on in Iran since we chose to look the other way. The Iran of today is, in its own way, as much of a hell for the citizens of the country as was the Uganda of Idi Amin, or the Haiti of the Duvaliers, or the Cambodia of Pol Pot, or the Germany of Adolf Hitler. What goes on now in Iran is more oppressive than what went on under the Shah of Iran's dreaded secret police SAVAK. I realize some might scoff and say that such comparisons are a bit melodramatic. But melodrama has an air of falsity to it. These comparisons are highly dramatic. They are also, unfortunately, accurate comparisons. They imply a population gripped by fear. They imply ironfisted government control enforced through terroristic slaughter of innocent people. They imply atrocity piled on atrocity. Iran today is a land of atrocity given an appearance of propriety by the cloak of religion.

On this anniversary of the passing of power from one dictator to another, we in this country would do well to stop a moment and reflect on the plight of our fellow human beings in Iran. So, unpleasant as it may be, I want to say a few words about what has been happening over the last 7 years in Iran.

We are most aware these days of the long war between Iran and Iraq. The number of deaths on the Iranian side alone is staggering. So far the 1986 offensive has been relatively low in casualties. Only about 30,000 have been killed so far. But then this is only February. 1984 was a more representative year. 100,000 Iranian soldiers were killed that year in what is known as the Kheibar offensive. A French paper which ran a story on the 1984 offensive titled the story "200 Square Kilometers Covered with Flesh and Bones." The Guard Corps Minister of Iran is quoted as saying that 57 percent of Iranian soldiers are school children. In Iran, people become soldiers at junior high school age—13 to 14 years old. I will remind my colleagues that in that year, 1984, children were used to clear mine fields. They were sent out to purposely step on and detonate the mines, surrendering their lives in the process. The situation has become gruesome enough that mothers attempt to hide their children when the military trucks come through their towns to collect children for the next carnage. Khomeini has issued an edict saying that parental permission is not needed to conscript a child into the armed forces.

In November of last year Iran's Education Minister, its Guards Minister, and its Guards Commander held an interesting meeting. Its stated purpose was to develop a program whereby all students in Iran could be moved to the war front. The plan defies comprehension: They want to move the entire school age population of the country to the war zone. The Iran-Iraq war has taken the lives of about 500,000 Iranians so far. 500,000: ten times the number of people the United States lost during the entire Vietnam war. Those casualties have been sustained by a population base of 42.5 million—less than one-sixth the population of the United States. And what did those 500,000 people die for? The fighting began because of disagreement over rights to a disputed waterway. But that was just a proximate cause. Khomeini is less interested in the waterway than he is in keeping the country in a constant state of crisis. The threat of danger from without helps deflect attention from the miserable state of Iran's internal situation. And for Khomeini the present war is an opportunity to satisfy expansionist desires. From his base in Iran he wishes to spread his brand of brutal oppression to the whole region.

While the war has claimed the greatest needless loss of life and the military has consumed 75 percent of the revenue the country collects from oil, its main source of income, the other deaths in Iran are perhaps more barbarous and more frightening because the terror they engender is the instrument by which the rulers of the country control the people.

Estimates of the number of executions in Iran since Khomeini came to power go as high as 50,000. Late last year a book was published which listed the names of more than 12,000 of these people. The book listed some statistics about the victims. One fourth of those listed executions were of schoolteachers. Of the 7,500 of those victims whose ages were known, 27 were infants. What kind of mentality justifies the execution of babies? In February of 1985 Khomeini explained the mentality in this way: He said, "Killing is a form of mercy because it aims to make people act decently. But some people cannot be reformed unless they are cut up or burnt."

The stories of particularly cruel executions are legion. We remember from the early days of these killings when news stories reached the United States regularly that it is routine for judgment, sentencing and execution to be carried out rapidly. The Prosecutor General for Iran rationalized this practice in a televised interview as follows: "If we arrest them, we cannot wait for them to eat and sleep for months at our expense, so we try them on the street and finish it off." In one such instance of this swift justice thirteen school girls aged 9 to 13 went through a trial that lasted 5 minutes. They were sentenced to death and all were murdered on the spot. Their pictures were published in the paper with a notice that their parents should come to Evin prison if they wished to claim the remains. I said that the list of 12,028 victims lists 27 infants. I did not mention that the 27 does not count the unborn offspring of the 45 women known to be pregnant at the time of the execution.

In the recent past the religious leaders of Iran have come to realize that executions carried out behind prison walls and learned about by the public only later may not be the best way to leverage the effect of an execution. The latest innovation on murder for the sake of terror was reflected on in December of last year by one of Kho-

meini's representatives who was leading Friday Prayer in the town of Shiraz. He said, "What is the point of secret executions? Public hanging is worth more than 1,000 someplace else." The practice in vogue now is to bring five or six prisoners to a prayer meeting and to use cranes normally used to construct buildings to hang them. It is estimated that there are now 140,000 political prisoners held in the jails of Iran. The country has nearly 600 known jails. Torturer is a profession now in Iran. There are nearly 4,000 people who have been identified as members of the profession. In part from study of the bodies of victims who have escaped Iran after being tortured, more than 50 different methods of torture have been identified. It is almost a science.

Late last year I had occasion to meet with three people who had escaped from Iran after being tortured. Two of the three were females and had been teachers. One of them was covered with round, red scars from cigarette burns. Her nose was twisted from having been broken, and her lower lip was underpinned by scar tissue because her lower lip had been ripped loose. The other woman was confined to a wheelchair. Her leg had been hacked off by her torturers. The man had no toes. But he fared better than his wife who was executed and his baby whose whereabouts is unknown.

Many Members are aware that I have called for Members to look at the various groups in and outside of Iran, some of whom are working actively for the overthrow of the present government. While the State Department has condemned one of these groups based on their prior opposition to the Shah of Iran and to our support of the Shah, I would ask Members to consider the suffering of the Iranian people under the Ayatollah and to ask themselves whether there can possibly be an alternative worse than the situation that exists presently in Iran. Some of those opposing Khomeini have actually sat down with the leadership of Iraq and agreed on a peace treaty that would become effective if that group were to one day assume power. The agreement was announced on March 13, 1983. This action strikes me as vastly more rational than allowing the deaths of five hundred thousand people, half of them children, in an unnecessary war. While we here continue our misgivings about the groups opposing the Ayatollah, people in other parts of the world are less reticent. India, for example, awarded the leader of the Iranian opposition its peace prize last year for his efforts to lay out a peace process between Iraq and Iran. The same opposition group brought the torture victims I mentioned to the United States. Members of the United Nations were moved enough on seeing their broken bodies that the United Nations passed a resolution condemning human rights abuses in Iran.

What I want to point out is that among those opposing the Ayatollah, there is the element of hope for a new Iran, free of the all encompassing terror that now enslaves its people. On this anniversary of the rise to power of one of the most barbaric leaders on the face of this planet, I would ask my colleagues not to rush into any commitment. I merely invite them to study the facts carefully, to weigh in their own minds the merits and demerits of the various elements of the opposition and the merits and demerits of the present government in Iran. Perhaps some of those willing to engage in such an exercise will reach the conclusion that in the case of Iran they cannot remain silent witnesses to genocide.

People of conscience can do something now to help ease the suffering of the Iranian people. Nothing slows the carrying out of evil acts more than the harsh glare of public scrutiny. We must engage in discussions of the sort we are carrying out today here on the floor of the U.S. Congress. Everyone needs to know what is happening in Iran. Second, we can lend our support to the stand which the United Nations took in condemning the Khomeini regime's human rights abuses. We can urge the United Nations to shed its own light on the suffering of the Iranian people. We can ask our allies to quit selling Khomeini the arms he needs to continue his carnage. And perhaps most importantly, we can look for ways to reduce the dependence of our allies in Europe and Japan on Iranian oil. I call on my colleagues who are men and women of deep compassion to do all in their power to relieve the people of Iran of the heavy burden they bear.

Mr. DELLUMS. Mr. Speaker, the people of Iran continue to suffer systematic and unabated violations of human rights. The Khomeini government has perpetuated the repression of the Shah.

As people committed to democracy and freedom, of justice and progress, we cannot remain silent in the face of these crimes. We have a responsibility to ourselves, our traditions, and our moral values to condemn these abuses of human rights in the same way that we condemned the abuses of human rights under the previous dictatorship.

In light of the severity and frequency of the Khomeini regime's excesses, we must bring international pressure to bear on the Government of Iran.

In closing, allow me to remind us all of our sacred responsibility to encourage peace and freedom, to condemn abuses of fundamental liberties and to champion democracy. An end to the Iran-Iraq war and to domestic repression in Iran will clearly benefit the cause of stability in the gulf region. Let us work together to bring this era of terror and terrorism to an end.

Mr. LIVINGSTON. Mr. Speaker, I would like to associate myself with my colleagues in their condemnation of the human rights abuses of the Khomeini regime in Iran.

When the Shah was overthrown the people of Iran found themselves in the unfortunate position of having replaced a ruler, that many considered brutal and overbearing, with a tyrant who has systematically repressed any dissent with a ferocity which makes the former government seem benign. The statistics on the abuses committed by Khomeini's henchmen are shocking and I need not repeat them here since my colleagues have already adequately described them. In fact the evidence of torture, repression and other human rights abuses have become so flagrant that on December 13, 1985, the U.N. General Assembly passed a resolution condemning the Khomeini regime. I wholeheartedly support this U.N. resolution and urge the nations of the world to lend their support to all efforts to end the terror inflicted by the Government of Iran on their own people.

This month marks the anniversary of Khomeini's rise to power and as unfortunate as this event was to the United States, it has been even worse for the people of Iran. Khomeini has brought his country endless bloody warfare with Iraq, involvement in a worldwide terrorist network and violent repression of civil and human rights in his own country.

Mr. Speaker, I commend my colleagues for participating in this special order and for giving me the opportunity to speak out against the atrocities committed by the Khomeini regime in Iran.

Mr. BURTON of Indiana. Mr. Speaker, the Khomeini regime in Iran has become one of the greatest violators of human rights in the world. I commend my colleague, Mr. DYMALLY, for calling this special order on the anniversary of Khomeini's rise to power.

Tragically, the current regime in Iran has clearly sunk below the abominable human rights record of the Shah of Iran. Tens of thousands of Iranians have been executed for their political beliefs. It has been reported that the regime has used 54 kinds of torture. Waves of children have been used to clear minefields. Truly, the crimes of the Khomeini regime defy description, defy comprehension by the civilized world.

It has even been reported, by Amnesty International, that many of the facilities used by the Shah's secret service, SAVAK, are now being used as torture chambers by the Khomeini regime.

The Western World, which so justifiably criticized the Shah, must not remain silent toward the incredible carnage occurring in Iran today. We must continue to speak for the Iranian people in the United Nations and in this Congress, and pray that one day the Iranian people will be able to live in peace and dignity.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SLAUGHTER) to revise and extend their remarks and include extraneous material:)

Mr. JEFFORDS, for 60 minutes, today.

Mr. CRAIG, for 60 minutes, March 11.

Mr. MCEWEN, for 5 minutes, today.

(The following Members (at the request of Mr. ANNUNZIO) to revise and extend their remarks and include extraneous material:)

Mr. ALEXANDER, for 5 minutes, today.

Mr. ADDABBO, for 5 minutes, today.

Mr. GRAY of Pennsylvania, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. SLAUGHTER) and to include extraneous material:)

Mr. SAXTON.

Mr. TAYLOR.

Mr. RUDD.

Mr. DORNAN of California in three instances.

(The following Members (at the request of Mr. ANNUNZIO) and to include extraneous matter:)

Mr. ATKINS.

Mrs. BURTON of California.

Mr. WYDEN.

Mr. ST GERMAIN.

Mr. FASCELL.

Mr. BOLAND in two instances.

Mr. LELAND.

Mr. GUARINI.

Mr. DINGELL.

Mr. LUNDINE.

Mr. KOSTMAYER.

JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following day present to the President, for his approval, joint resolutions of the House of the following titles:

On March 3, 1986:

H.J. Res. 499. Joint resolution designating the week beginning March 3, 1986, as "Women's History Week"; and

H.J. Res. 409. Joint resolution to direct the President to issue a proclamation designating February 16, 1986, as "Lithuanian Independence Day."

ADJOURNMENT

Mr. DYMALLY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 33 minutes p.m.), the House adjourned until tomorrow, Wednesday, March 5, 1986, at 3 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2882. A communication from the President of the United States, transmitting an amendment to the request for appropriations for fiscal year 1987, pursuant to 31 U.S.C. 1107 (H. Doc. No. 99-171); to the Committee on Appropriations and ordered to be printed.

2883. A communication from the President of the United States, transmitting a request for supplemental appropriations for fiscal year 1986 and amendments to a fiscal year 1987 request, pursuant to 31 U.S.C. 1107 (H. Doc. No. 99-172); to the Committee on Appropriations and ordered to be printed.

2884. A letter from the Comptroller General of the United States, transmitting notification of his intention to institute a civil action in the U.S. district court to require that the budget authority for the strategic petroleum reserve be made available for obligation, pursuant to 2 U.S.C. 687 (H. Doc. No. 99-173); to the Committee on Appropriations and ordered to be printed.

2885. A letter from the Assistant Secretary of the Army (Installations and Logistics), transmitting notification of the proposed decision to convert to contractor performance the directorate of engineering and housing functions at Fort Ritchie, MD, pursuant to 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

2886. A letter from the Principal Deputy Assistant Secretary of the Army (Installations and Logistics), transmitting notification of the proposed decision to convert to contractor performance the commissary shelf stocking function at Oakland Army Base, CA, pursuant to 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

2887. A letter from the Principal Deputy Assistant Secretary of the Army (Installations and Logistics), transmitting notification of the Army's plans to study conversion of various functions at different installations from in house operation to commercial contract, pursuant to 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

2888. A letter from the Chairman, President's Blue Ribbon Commission on Defense Management, transmitting the interim report of the President's Blue Ribbon Commission on Defense Management; to the Committee on Armed Services.

2889. A letter from the member, Federal Council on the Arts and the Humanities, transmitting the 10th annual report on the Arts and Artifacts Indemnity Act for fiscal year 1985, pursuant to Public Law 94-158, section 8; to the Committee on Education and Labor.

2890. A letter from the Chairman, National Labor Relations Board, transmitting the 47th annual report of the National Labor Relations Board, pursuant to 29 U.S.C. 154(c); to the Committee on Education and Labor.

2891. A letter from the Secretary of Energy, transmitting a report on the implementation of strategic petroleum reserves, pursuant to 42 U.S.C. 6245(a); to the Committee on Energy and Commerce.

2892. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, Department of State, transmitting notice of a proposed license for the export of major defense equipment sold commercially under a contract in the amount of $14 million, or more, pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

2893. A letter from the Acting Administrator, National Aeronautics and Space Administration, transmitting a report on NASA's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2894. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report on the Department's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2895. A letter from the Assistant Secretary of Defense for Public Affairs, transmitting the Department's 1985 Freedom of Information Act report, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2896. A letter from the Assistant Secretary, Department of Housing and Urban Development, transmitting a report of the Department's intention to amend a Privacy Act system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2897. A letter from the Deputy Director for Administration, Central Intelligence Agency, transmitting a report on the Agency's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2898. A letter from the Administrator, Environmental Protection Agency, transmitting a report on actions taken to increase competition for contracts, pursuant to 41 U.S.C. 419; to the Committee on Government Operations.

2899. A letter from the Executive Director, Federal Labor Relations Authority, transmitting a report on activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2900. A letter from the Secretary of the Treasury, transmitting a report on the Department's compliance with the requirements of the internal accounting and administrative control system during fiscal year 1985, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

2901. A letter from the Special Counsel, Merit Systems Protection Board, transmitting a report on the Board's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2902. A letter from the Director, National Science Foundation, transmitting a report on the implementation status of the President's private sector survey on cost control recommendations which affect the Foundation and which are within the authority and control of the Director; to the Committee on Science and Technology.

2903. A letter from the Under Secretary of State for Management, transmitting the Department's study of the desirability and feasibility of a lateral entry program into the Foreign Service for businessmen, farmers and other occupations, pursuant to Public Law 99-83, section 121(b) (99 Stat. 413); jointly, to the Committees on Foreign Affairs and Post Office and Civil Service.

2904. A letter from the Deputy Secretary of Defense, Deputy Administrator, GSA, and the Acting Administrator of NASA, transmitting a copy of proposed regulations defining the interest of the United States and of a contractor in technical or other data, pursuant to Public Law 98-577, section 301(d) (98 Stat. 3076); jointly, to the Committees on Armed Services, Science and Technology, and Small Business.

2905. A letter from the General Counsel, Department of Energy, transmitting a draft of proposed legislation to authorize appropriations to the Department of Energy for civilian energy programs for fiscal year 1987 and fiscal year 1988, and for other purposes; jointly, to the Committees on Energy and Commerce, Interior and Insular Affairs, and Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FUQUA: Committee on Science and Technology. H.R. 2436. A bill to establish a coordinated National Nutrition Monitoring and Related Research Program, and a comprehensive plan for the assessment of the nutritional and dietary status of the U.S. population and the nutritional quality of the U.S. food supply, with provision for the conduct of scientific research and development in support of such program and plan; with an amendment (Rept. 99-481, Pt. 1) ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DE LA GARZA (for himself, Mr. MADIGAN, Mr. FOLEY, Mr. HUCKABY, Mr. JEFFORDS, Mr. STALLINGS, and Mr. ROBERT F. SMITH):

H.R. 4291. A bill to revise the terms of certain agricultural programs; to the Committee on Agriculture.

By Mr. FISH:

H.R. 4292. A bill to provide a one-time amnesty from criminal and civil tax penalties and 50 percent of the interest penalty owed for certain taxpayers who pay previous underpayments of Federal tax during the amnesty period, to amend the Internal Revenue Code of 1954 to increase by 50 percent all criminal and civil tax penalties, and for other purposes, to the Committee on Ways and Means.

By Mr. HUGHES (for himself, Mr. HOWARD, Mr. SAXTON, and Mr. SMITH of New Jersey):

H.R. 4293. A bill to amend the Wild and Scenic Rivers Act to designate a certain portion of the Great Egg Harbor River in the State of New Jersey for potential addition to the wild and scenic rivers system, to the Committee on Interior and Insular Affairs.

By Mr. HUGHES (for himself and Mr. RODINO):

H.R. 4294. A bill to amend title 18, United States Code, to provide additional tools for the battle against terrorism, and for other purposes; jointly, to the Committees on the Judiciary and Foreign Affairs.

By Ms. MIKULSKI:

H.R. 4295. A bill to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to exempt from reduction under sequestration orders issued under this part the pay of Federal blue-collar employees; jointly, to the Committees on Government Operations and Post Office and Civil Service.

By Mr. STUDDS:

H.R. 4296. A bill to extend the Cape Cod National Seashore Advisory Commission; to the Committee on Interior and Insular Affairs.

By Mr. TOWNS (for himself, Mr. GARCIA, Mr. STOKES, Mr. RANGEL, Mr. MINETA, and Mrs. BURTON of California):

H.R. 4297. A bill to establish an Office of Minority Health and ensure that the health concerns of the members of minority groups are national health priorities; to the Committee on Energy and Commerce.

By Mr. VANDER JAGT:

H.R. 4298. A bill to extend temporary suspension of duties on certain clock radios until December 31, 1989; to the Committee on Ways and Means.

By Mr. WEBER:

H.R. 4299. A bill to provide that any requirement to substantiate a deduction under the Internal Revenue Code of 1954 for business use of a vehicle be based on the regulations in effect before the Tax Reform Act of 1984; to the Committee on Ways and Means.

By Mr. CLAY (for himself, Mr. MURPHY, Mrs. SCHROEDER, Ms. OAKAR, Mr. MILLER of California, Mr. HAWKINS, Mr. BERMAN, Mr. BROWN of California, Mrs. BURTON of California, Mr. CONTE, Mr. CONYERS, Mr. DUNCAN, Mr. DYMALLY, Mr. FISH, Mr. GREEN, Mrs. KENNELLY, Mr. KILDEE, Mr. LEHMAN of Florida, Mr. MCKINNEY, Mr. MRAZEK, Mr. OWENS, Mr. RANGEL, Mr. SAVAGE, Mr. SMITH of New Jersey, Mr. TOWNS, Mr. WEISS, Mr. WHEAT, Mr. YATES, Mrs. JOHNSON, and Mr. SMITH of Florida):

H.R. 4300. A bill to entitle employees to parental leave in cases involving the birth, adoption, or serious health condition of a son or daughter and temporary medical leave in cases involving inability to work because of a serious health condition, with adequate protection of employees' employment and benefit rights, and to establish a commission to study ways of providing salary replacement for employees who take any such leave; jointly, to the Committees on Education and Labor and Post Office and Civil Service.

By Mr. WYDEN:

H.R. 4301. A bill to facilitate the ability of organizations to establish risk retention groups, to facilitate the ability of such organizations to purchase liability insurance on a group basis, and for other purposes; to the Committee on Energy and Commerce.

By Mr. ROBERTS (for himself, Mr. GLICKMAN, Mr. WHITTAKER, Mr. SLATTERY, and Mrs. MEYERS of Kansas):

H.R. 4302. A bill to establish a commission for the purpose of encouraging and providing for the commemoration of the centennial of the birth of President Dwight David Eisenhower; to the Committee on Post Office and Civil Service.

By Mr. CRAIG:

H.J. Res. 546. Joint resolution to designate the month of May 1986 as National Birds of Prey Month; to the Committee on Post Office and Civil Service.

By Mr. FOLEY (for himself and Mr. ANNUNZIO):

H. Res. 387. Resolution commemorating the 125th anniversary of the Government Printing Office; considered and agreed to.

By Mr. DIXON (for himself, Mr. LELAND, Mr. FAUNTROY, Mr. TOWNS, Mr. HAWKINS, Mr. DYMALLY, Mrs. COLLINS, Mr. MITCHELL, Mr. CLAY, Mr. HAYES, Mr. CROCKETT, Mr. SAVAGE, and Mr. DELLUMS):

H. Res. 388. Resolution expressing the sense of the House of Representatives that the former President for Life of Haiti, Jean-Claude Duvalier, be urged to return any funds and property that were illegally and corruptly acquired while he served his country as President; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

298. The SPEAKER presented a memorial of the Legislature of the State of Minnesota, relative to persons missing in action in Southeast Asia; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 796: Mr. BARNES, Mr. FORD of Tennessee, and Mr. HUBBARD.

H.R. 1140: Mr. LEATH of Texas, Mr. BERMAN, Mr. FROST, Mr. ANDREWS, and Mr. STENHOLM.

H.R. 1219: Mr. MARTINEZ.

H.R. 1626: Mr. GINGRICH.

H.R. 1776: Mrs. LONG and Mr. KOSTMAYER.

H.R. 1918: Mr. DUNCAN.

H.R. 1970: Mr. FORD of Tennessee.

H.R. 2093: Mr. WALGREN, Mr. KASTENMEIER, Mr. FOGLIETTA, Mr. RALPH M. HALL, Mr. ANDREWS, Mr. BUSTAMANTE, and Mr. MATSUI.

H.R. 2280: Mr. SHAW and Mr. CHAPPELL.

H.R. 2361: Mr. LEACH of Iowa.

H.R. 2436: Mr. REID, Mr. LUJAN, Mr. HENRY, Mr. TORRICELLI, and Mr. STARK.

H.R. 2440: Mr. CHANDLER, Mr. MCCAIN, Mr. MACK, Mr. MORRISON of Washington, and Mr. SUNDQUIST.

H.R. 2524: Mr. SENSENBRENNER and Mr. KLECZKA.

H.R. 2588: Mr. ST GERMAIN.

H.R. 2691: Mr. ADDABBO.

H.R. 3099: Mr. PRICE and Mr. ECKERT of New York.

H.R. 3294: Mr. O'BRIEN.

H.R. 3357: Mr. CRANE and Mr. HILER.

H.R. 3465: Mr. MANTON, Mr. TORRES, Mr. MARKEY, Mr. DIOGUARDI, Mr. CONTE, Mr. MILLER of California, and Mr. GEKAS.

H.R. 3630: Mr. WIRTH and Mr. AKAKA.

H.R. 3712: Mr. NIELSON of Utah and Mr. BIAGGI.

H.R. 3798: Mr. WORTLEY and Mr. BORSKI.

H.R. 3814: Mr. CONTE, Mr. ATKINS, Mr. DIOGUARDI, Ms. MIKULSKI, Mr. TORRICELLI, Mr. MATSUI, Mr. MOAKLEY, Mr. CROCKETT, and Mr. MRAZEK.

H.R. 3936: Mr. GEJDENSON.

H.R. 3985: Mr. TOWNS.

H.R. 3995: Mr. DANIEL and Mr. FRENZEL.

H.R. 4025: Mr. TORRES, Mr. TALLON, Mr. HUBBARD, and Mrs. LONG.

H.R. 4045: Mr. HUTTO, Mr. WHEAT, Mr. MICA, Mr. DORGAN of North Dakota, Mr. LANTOS, and Mr. MCCAIN.

H.R. 4065: Mr. TRAXLER, Mr. BORSKI, Mr. CLINGER, and Mrs. BURTON of California.

H.R. 4152: Mr. WOLF.

H.R. 4198: Mr. SOLARZ, Mr. DYMALLY, Mr. UDALL, Mr. ROTH, and Mr. DE LUGO.

H.R. 4205: Mr. LOWRY of Washington, Mrs. KENNELLY, Mr. LEVIN of Michigan, Mr. LUNDINE, Mr. ST GERMAIN, Mr. FRANK, Mr. GONZALEZ, Mr. VENTO, Mr. GARCIA, Ms. KAPTUR, Mr. LEHMAN of California, Mr. COOPER, Mr. KLECZKA, Mr. MITCHELL, Mr. KANJORSKI, Mr. MANTON, Mr. GEJDENSON, Mr. FAUNTROY, and Mr. FUSTER.

H.J. Res. 398: Mr. ANDERSON, Mr. BRYANT, Mr. BROWN of California, Mr. CHAPPIE, Mr. DIXON, Mr. ECKERT of New York, Mr. FOLEY, Mr. HUBBARD, Mr. JONES of North Carolina, Mr. MCCLOSKEY, Mr. MRAZEK, Mr. PACKARD, Mr. PEPPER, Mr. PERKINS, Mr. QUILLEN, Mr. REGULA, Mr. ROWLAND of Georgia, Mr. SHELBY, Mr. SISISKY, Mr. STRATTON, Mr. TRAXLER, Mr. WHEAT, and Mr. WHITTAKER.

H.J. Res. 460: Mr. NIELSON of Utah and Mr. FAZIO.

H.J. Res. 475: Mr. LIPINSKI, Mr. EDGAR, Mr. WEISS, Mr. COLEMAN of Missouri, Mr. HORTON, Mr. FUQUA, Mr. SOLARZ, and Mr. GUNDERSON.

H.J. Res. 502: Mrs. BENTLEY, Mr. FAUNTROY, Mr. FUQUA, Mr. HAMMERSCHMIDT, Mr. KOLTER, Mr. LAFALCE, Mr. LEVIN of Michigan, Mr. LUNGREN, Mr. MCGRATH, Mr. MURTHA, Mr. RUSSO, Mr. SCHEUER, Mr. SMITH of New Hampshire, Mr. STALLINGS, and Mr. VANDER JAGT.

H.J. Res. 521: Mr. MCKERNAN, Mr. WISE, Mr. EDGAR, Mr. PERKINS, and Mr. MATSUI.

H.J. Res. 528: Mr. BARNES, Mr. BOEHLERT, Mr. BOUCHER, Mrs. BOXER, Mr. EDWARDS of California, Mr. EMERSON, Mr. EVANS of Illinois, Mr. LUNDINE, Mr. OWENS, Mr. PERKINS, Mr. PURSELL, Mr. RUSSO, Mr. STAGGERS, Mr. TORRES, Mr. TRAXLER, and Mr. AUCOIN.

H.J. Res. 531: Mr. BONIOR of Michigan, Mrs. BENTLEY, Mr. MCDADE, Mr. BEDELL, Mr. DIXON, Mr. MARTINEZ, Mr. KANJORSKI, Mr. SCHEUER, Mr. STARK, and Mr. LEVIN of Michigan.

H.J. Res. 532: Mr. ROWLAND of Georgia, Mr. EVANS of Iowa, Mr. SOLARZ, Mr. EMERSON, Mr. FROST, Mr. LIVINGSTON, Mr. FRENZEL, Mr. SUNDQUIST, Mr. WOLF, Mr. BORSKI, Mr. DONNELLY, Mr. DIOGUARDI, Mr. BATEMAN, Mr. MAZZOLI, Mr. BEVILL, Mr. FEIGHAN, Mr. RANGEL, Mr. LOTT, Mr. COBLE, Mr. THOMAS of Georgia, Mr. IRELAND, Mr. FASCELL, Mr. FIELDS, Mr. DASCHLE, Mr. REID, Mr. GRADISON, Mr. LIPINSKI, Mr. ERDREICH, Mr. PICKLE, Mrs. BOGGS, Mr. KOSTMAYER, Mr. GINGRICH, Mr. YOUNG of Florida, Mr. WEISS, Mr. ST GERMAIN, Mr. WIRTH, Mr. HUGHES, Mr. ROEMER, Mr. MINETA, Mr. LUJAN, Mr. RICHARDSON, Mr. BURTON of Indiana, Mr. FUQUA, Mr. CAMPBELL, Mr. SOLOMON, Mr. STUDDS, Mr. BENNETT, Mr. WHEAT, and Mr. JEFFORDS.

H. Con. Res. 175: Mr. WISE.

H. Con. Res. 261: Mr. VENTO, Mr. RICHARDSON, Mr. RANGEL, Mr. HALL of Ohio, Mr. JEFFORDS, Mr. WEISS, Mr. BORSKI, Mr. GRAY of Pennsylvania, Ms. KAPTUR, Mr. WILSON, Mr. GARCIA, Mr. OWENS, and Mr. CROCKETT.

H. Con. Res. 269: Mr. GILMAN, Mr. DASCHLE, Mr. FLORIO, Mr. FAUNTROY, and Mr. CONYERS.

H. Con. Res. 279: Mr. CHAPMAN.

H. Res. 379: Mr. UDALL, Mr. FUSTER, Mr. WORTLEY, Mr. DORNAN of California, Mr. SHAW, Mr. MATSUI, Mr. LEVIN of Michigan, and Mr. RICHARDSON.

PETITIONS, ETC.

Under clause 1 of rule XXII.

281. The SPEAKER presented a petition of the County Clerk, County of Maui, Wailuku, HI, relative to general revenue sharing, which was referred to the Committee on Government Operations.

SENATE—*Tuesday, March 4, 1986*

(Legislative day of Monday, February 24, 1986)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Our opening prayer this morning will be offered by the Reverend Chris Halverson, Jr., of the Chesterbrook Presbyterian Church.

PRAYER

The Reverend Richard C. Halverson, Jr., minister, Chesterbrook Presbyterian Church, Falls Church, VA, offered the following prayer:

Let us pray.

Father in Heaven:

What a privilege we have this morning of addressing You in this setting. As You look out over the Chamber, Lord, we ask Your blessings to be poured out upon every seat of responsibility in the Senate and on all those who occupy these desks. And we pray for each one who serves the Senate, regardless of their position, religious persuasion, political convictions, or level of spirituality.

We cannot possibly know what is in each heart here represented—of burdens or troubles, of needs or wants, of difficulties or challenges, of loneliness or despair, of failures, transgressions or guilt. But we realize You peer into our hearts and You know us with a knowledge which is too wonderful for us.

Lord God, with such knowledge cause the light of Christ—like the Sun which faithfully arose upon all mankind this dawn—to be likewise shed abroad into our hearts this day. Illuminate, heal and dispel darkness. Bring comfort, warmth, forgiveness, and mercy.

We ask this in the name of Christ Jesus, Who is that light that cometh into the world to lighten everyone who lets Him in, with an everlasting light that darkness cannot overcome. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

(Mr. COHEN assumed the chair.)

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, unless waived, followed by special orders for Senators PROXMIRE and SASSER for not to exceed 15 minutes each. There will then be a period for the transaction of routine morning business, not to extend beyond the hour of 12 noon, with Senators permitted to speak for 5 minutes each.

Mr. President, it is Tuesday. Following custom, we will stand in recess from 12 o'clock noon until 2 o'clock so that both parties may have their weekly party caucuses.

It would be my hope that, following that, we could attempt to move to proceed to the constitutional amendment for a balanced budget.

I understand that will be fought tooth and toenail from the word go, so we have to be prepared for some long hours, long days, long weeks. In my view, it is very important that we address this issue and do it early on so that the American people will understand we are concerned about fiscal responsibility; that we do consider that the No. 1 priority in this Congress.

I think I can safely say, and I will ask the distinguished chairman of the committee in just a second, that this particular version enjoys rather broad bipartisan support. It would be my hope that, if we are not permitted to proceed, we could file a cloture motion today and have the vote on Thursday. But in the interim I hope we will be able to dispose of some other matters that are pending that need to be taken care of. Those include the CCC appropriations bill, the clarifications of the farm legislation, and maybe some other legislative matters that we can take care of for the remainder of this day, tomorrow, and until the cloture vote occurs on Thursday.

Having said that, let me ask the distinguished chairman of the Judiciary Committee if he is prepared to move on the balanced budget amendment.

Mr. THURMOND. Mr. President, in response to the question of the able majority leader, first, I want to compliment him on his interest in this constitutional amendment. We have not balanced the budget but one time in 25 years. Once we get it balanced, this appears to be the only way we can keep it balanced. We do appreciate the interest of the majority leader in this important matter.

We are ready to go any minute or any day that it is called up.

Mr. DOLE. And it does enjoy broad bipartisan support.

Mr. THURMOND. It does enjoy broad support. Some of the so-called moderates and conservatives have worked together. We think we have an amendment that everybody ought to be willing to accept.

Mr. DOLE. I appreciate that. Unless something unforeseen happens, perhaps we can have some understanding that we would be able to interrupt and take up emergency measures between now and the cloture vote.

I will advise the distinguished minority leader, maybe before or during the luncheon hour, so that he can advise his colleagues. If not, there are a number of other things we want to dispose of, such as the so-called cop killer bullet bill that Senator THURMOND and Senator MOYNIHAN have sponsored.

We made an agreement and gave our word that when we took up the gun control last year we would also take up this measure. We have not done that. We intend to keep our word. I was in New York last week, and I was asked by a policeman when we were going to act on this very important piece of legislation. That is another bill that we should deal with very quickly.

I know a couple of our colleagues on our side are opposed to that bill, but I think, again, it enjoys almost universal support. It is not opposed by the National Rifle Association, but it is opposed by some who were members of the NRA.

Mr. THURMOND. Will the Senator yield?

Mr. DOLE. Yes.

Mr. THURMOND. I want to say that policemen all over this country are wondering why we are delaying acting on this legislation. Law enforcement people all over this country, chiefs of police, the sheriffs, law enforcement people generally, are asking why we keep putting it off. If we can prevent the sale of ammunition that would penetrate bulletproof vests, then it seems to me we ought to do it. If we save one life of a law enforcement officer, this legislation would be worthwhile.

I realize there are some elements here who, for some reason, seem to think it is unnecessary, that it may dilute the gun laws and bring on other changes, that it would be detrimental. Certainly, this is not the case. I hope we can get action soon.

Mr. DOLE. We will get action soon. I promise the distinguished chairman of the Judiciary Committee.

There is another bill I have had bipartisan inquiries about, the drug export bill. Again, I understand there are about 80 cosponsors. I know there is some opposition. The Senator from

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Ohio, Senator METZENBAUM, has indicated he is opposed to the bill. So maybe that is another one that will take some time. I hope not because it has almost unanimous support.

So there are those three items, and many others, that we would like to dispose of. My present inclination is to move to proceed to the constitutional amendment for a balanced budget following the noon luncheons.

Mr. THURMOND. We thank the majority leader very much.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The minority leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair. I also thank the distinguished majority leader who has indicated he will be giving me some information that will be useful to my Democratic conference when we meet for lunch at noon.

I ask unanimous consent that I may reserve the remainder of my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

Mr. PROXMIRE. I thank the Chair.

WITH FRIENDS LIKE REAGAN AND GORBACHEV ARMS CONTROL DOESN'T NEED ANY ENEMIES

Mr. PROXMIRE. Mr. President, the New York Times headlined a column about superpower arms control just before the end of the year as, "Can They Pick Up Where They Left Off?" It was a serious column, written by Bernard Gwertzman, not Art Buchwald. But there is one answer to "Can They Pick Up?", I will come to it at the end of this speech.

Reagan and Gorbachev are to arms control what William "The Refrigerator" Perry, the 300-pound Chicago Bear football oddity is to dieting. Not only have the big two done nothing to advance arms control, they have set it back at least 20 years. The pitiful remains of SALT II are a prime specimen. Gorbachev insists on gutting SALT II by concealing the results of Soviet missile tests. The cognoscenti call that encrypting the telemetry. When our arms controllers complain that encryption violates article XV, which specifically prohibits "telemetry encryption whenever such denial impedes verification of compliance with the provisions of the treaty," Gorbachev snarls that the United States should first ratify the treaty and then go to the Standing Consultative Committee to negotiate a correction. Of course, Gorbachev knows that will not happen.

And what does President Reagan do to arms control? First he pours the full power of his office behind a buildup of star wars, which constitutes a blatant frontal assault on the Anti-Ballistic Missile [ABM] Treaty that had been overwhelmingly ratified by the Senate. Then our peerless leader announces his intention to match any arms control cheating we allege against the Soviet Union with corresponding arms control cheating by the United States. So the present U.S. arms control policy is "proportional response." Our allegations of Soviet cheating may be true or false. In the past, when the United States has taken such allegations to the Standing Consultative Commission, the Russians have been able to allay our suspicions of violations in some cases and have desisted when the United States could prove its case. Under the new Reagan policy, if we think they cheat, we cheat. If the Soviets follow the same policy, arms control will swiftly die.

So what has happened to our two prime arms control treaties? It is heart-breaking. The ABM Treaty lingers on under a sentence of death, just awaiting the star wars execution. An objective arms control expert would diagnose SALT II as "terminal." It could expire in 2 months. It will take a miracle to survive the next 3 Reagan years. So what is left? The limited test ban treaty. That treaty constituted a first step toward the elimination of nuclear weapons testing. It served a useful environmental purpose by keeping the radioactive debris of superpower nuclear tests out of the atmosphere.

What did it do for arms control? Almost nothing. Why? Because the underground tests provided all that was required to establish the efficacy of newly researched nuclear weapons. The treaty's elimination of atmospheric testing took away nothing. The 150-kiloton limit on underground nuclear weapons tests had one and only one advantage for arms control. It took a small step in the direction of eliminating the testing of new nuclear weapons. But unless that step was followed by a long march to end all testing, it left ample opportunity to continue to bring new nuclear weapons to the production stage. President Reagan has made it clear that there will be no further progress on limiting nuclear testing in his administration. So what is the final result? The result is that the arms race will go on.

When the New York Times asks, "Can They"—meaning Reagan and Gorbachev—"Pick Up Where They Left Off?"—what is left? What is left is the goal expressed by both sides to cut superpowers nuclear weapons by 50 percent. Does that sound good? Well, if it does, you have not been paying attention.

What good will it do to cut nuclear weapons in the two superpower arsenals by 50 percent? That means instead of each side possessing 10,000 strategic nuclear weapons, each side will have 5,000. Big deal. That means that instead of both Russia and the United States being able to totally obliterate the other 20 times over, it can only do it 10 times over. Of course, with the constant improvement in nuclear weapons, it probably means the destructive power of each side will not decrease with the reduced number; it will actually increase. That is what happened in the past and will continue to happen. Some arms control.

If you are impressed by big numbers and big reductions, you can also apply that 50 percent reduction to all nuclear weapons on both sides, including tactical nuclear weapons. In that event, each side would reduce its present 25,000-nuclear-weapon arsenal to only 12,500, and once again the reduction in numbers would in all likelihood be accompanied by an overall increase in delivery capability, accuracy, penetration capacity, and ultimate destruction achieved.

So Mr. President, there is a simple answer to the New York Times question—"Can They Pick Up Where They Left Off?" It is—the way these two are going on arms control, I sure hope they cannot.

MYTH OF THE DAY: A BROAD-BASED TAX IS NEEDED TO FINANCE SUPERFUND

Mr. PROXMIRE. Mr. President, my myth of the day is that only a broad-based value-added tax, the VAT, can raise the enormous sums needed for financing an expanded hazardous waste Superfund Program.

Fortunately, this myth has seduced only the Senate where it was responsible for the death of all alternative financing schemes during last year's Superfund debate. Yet the other body was not taken in by the sneaky siren song of the regressive VAT.

Instead, the Downey-Frenzel amendment, adopted by the other body, finances Superfund from a variety of sources including increased oil and chemical taxes and a new waste-end tax on hazardous waste generators.

Why is the Downey-Frenzel approach better for both the taxpayers and the environment? The answer is simple. Under its terms, the polluters pay. And well they should.

Although figures vary, according to the Treasury Department about 75 percent of the hazardous waste found in landfills comes from substances created by the oil and chemical indus-

tries. Obviously, a waste cleanup tax which falls on these industries is properly targeted from an economic point of view, and from the standpoint of justice.

But even better, the Downey-Frenzel formula includes, for the first time, a tax on producers of hazardous waste, which taxes waste at the point of disposal and rebates the tax for environmentally sound treatment. This scheme induces polluters to reduce their waste volumes and provides economic disincentives for less-desirable landfilling and underground injection while raising needed revenue.

Who supports this approach? Everyone from the AFL-CIO to environmental groups to the Grocery Manufacturers Association. In fact, I have a list which I will append to the end of my statement of a very large number of organizations that have approved this way of financing Superfund. Why? Because industries which do not create waste should not pay. Not so under the Senate-passed formula where everyone pays with higher prices on almost everything they buy.

Can the Downey-Frenzel plan be improved? You bet it can, by eliminating the Federal contribution which adds to the already obscene deficit. While this change would somewhat reduce the total funds raised, fund revenues would still exceed Senate-passed levels and leave an economically and environmentally improved program for reducing the danger of hazardous waste dumps.

Mr. President, I ask unanimous consent that the list of supporters of the Downey-Frenzel amendment be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

SUPPORTERS OF THE DOWNEY-FRENZEL AMENDMENT

PUBLIC INTEREST GROUPS

Audubon Society.
Citizens Action.
Citizens for Tax Justice.
Congress Watch.
Environmental Action.
League of Women Voters.
National Taxpayers Union.
Public Interest Research Group.
Sierra Club.

LABOR

AFL-CIO.
American Federation of State, County and Municipal Employees.
Service Employees International Union.
United Auto Workers.

MANUFACTURERS AND ASSOCIATIONS

American Frozen Food Institute.
American Meat Institute.
Biscuit and Cracker Manufacturers.
Caterpillar Tractor.
Chocolate Manufacturers Association.
The Coca-Cola Company.
Colgate-Palmolive Company.
ConAgra, Inc.
Congoleum Corporation.
Corn Refiners Association.
Curtice-Burns, Inc.
Dart and Kraft, Inc.
Deere and Company.
Faultless Starch/Bon Ami Co.
Ford Motor Co.
Food Marketing Institute.
General Foods Corporation.
General Motors.
Georgia-Pacific, Inc.
Gerber Products.
The Greyhound Corporation.
Grocery Manufacturers of America, Inc.
Hallmark Cards, Inc.
Hersey Foods, Inc.
Interbake Foods Corporation.
John Deere & Company.
Johnson Wax.
Kellogg Company.
Knouse Foods Cooperative, Inc.
Lance, Inc.
Manufactured Housing Institute.
Motor Vehicle Manufacturers Association.
National Broiler Council.
National Federation of Independent Business.
National Food Processors Association.
National Pasta Association.
National Soft Drink Association.
Nestle Enterprise, Inc.
The Old Fashioned Kitchen, Inc.
PepsiCo, Inc.
Pet Incorporated.
Procter and Gamble.
The Quaker Oats Company.
R. J. Reynolds Industries, Inc.
Ralston-Purina Company.
Sara Lee Corporation.
The J. M. Smucker Company.
Sun-Diamond Growers of California.
Textron.
United Biscuits (Holdings) PLC.
United Technologies.
White Consolidated.
Williams Foods, Inc.

RECOGNITION OF SENATOR SASSER

The PRESIDING OFFICER. Under the previous order, the Senator from Tennessee [Mr. SASSER] is recognized for not to exceed 15 minutes.

Mr. SASSER. I thank the Chair.

UNITED STATES ASSISTANCE TO NICARAGUA

Mr. SASSER. Mr. President, this weekend, I traveled to four Central American countries to secure the views of the leaders of the four Central American democracies with regard to United States assistance to the Nicaraguan armed resistance known as the Contras and to get their views also on the future of the Contadora process.

I can report to you this morning that there is a growing concern in the region about the direction the Sandinista government in Nicaragua is headed.

It is clear that the Sandinistas have been a large disappointment to Nicaragua's neighbors, just as they have been a disappointment to many of us in the United States who looked forward to the installation of democracy in Nicaragua after the fall of the brutal and corrupt Somoza regime.

As time has passed, the Sandinistas have demonstrated they are antidemocratic and are unwilling to live in peace as a partner which respects the sovereignty of its neighbors.

In addition, the Sandinistas continue to look to the Cuban model as a political guide and to the Soviet bloc for aid and assistance, including military assistance. This causes the four democracies in the Central American isthmus to question Nicaragua's willingness to engage in a meaningful process to solve the region's problems.

There is general frustration with the failure of Contadora to, thus far, achieve progress toward peace. In fact, there is a growing concern that time is running out for the Contadora process. But I would emphasize that there is still a considerable measure of hope in the four Central American democracies that peace can be achieved.

The leaders of the region do not wish to see a growing conflict inside Nicaragua which would threaten the stability of the whole isthmus. But it is clear that they support appropriate pressures to induce the Sandinistas to come to the bargaining table on the critical issues of peace and stability in the region.

In addition, they believe that all sides to the conflict have yet to exhaust all measures to achieve peace. It is clear the democratic leaders of the four Central American democracies do not believe the Sandinistas will risk their power at the ballot box. It is also clear that they believe the armed opposition, known as Contras, is, alone, incapable of achieving any meaningful progress toward peace in the region. It is also clear that they believe the policies of the United States will be a most significant factor in determining the future of the region.

The leaders say, "We want to work out our own problems." But, in the very next breath, they add that there needs to be a new effort by the United States to bring all sides together for meaningful discussions, before the conflict in Nicaragua deteriorates into a widescale war that cripples the region economically, politically, and militarily—even more than it has already.

As many of my colleagues know, I have opposed military aid to the Contras in the past. I, frankly, have never viewed the Contras as being capable of achieving military success against the Sandinistas. Neither have I viewed the Contras collectively as a group of so-called freedom fighters who are capable of governing a nation and providing for the legitimate needs of the people of Nicaragua—although there certainly are some individual exceptions in the Contra group.

But perhaps most importantly, I have not supported the Contras because all diplomatic options have yet to be exhausted.

This morning, I would restate my position that, based on my trip this weekend, it is clear that diplomacy has still not yet been exhausted in the region. Though time and patience are both running out, negotiations do indeed still have a chance.

I would also state that I found no indication that the Contras, as currently organized and led, are a force capable of achieving general military success. I think there was a consensus in that point. Nor are they capable of governing Nicaragua in the unlikely event they should come to power.

But I have returned from my trip with an understanding that, unless there are new steps taken toward peace, the region's problems will threaten to embroil the United States in a war on the Central American isthmus.

The leaders of the region called for bold new steps from the United States which would add nonmilitary pressures on the Sandinistas to negotiate with their neighbors and with the internal opposition.

In response to that appeal, I have determined that I must reconsider some of my previous views about the appropriate kinds of pressure I would be willing to support to influence change in the region.

There was general agreement that the Sandinistas will not respond to any gesture, unless it is both a carrot and a stick. It is highly unlikely that they will negotiate in good faith, as long as the United States emphasizes military solutions and promotes the Contras as the sole point of pressure. Nor will the Sandinistas negotiate in good faith until they believe there will be an effective and appropriate response, if they fail to live up to their commitments.

The most damaging aspect of U.S. policy in Central America has been its lack of consistency. Certainly, our policy supports democracy in the region. We support the legitimate governments of Nicaragua's neighbors. But we have not demonstrated a bipartisan and consistent foreign policy which has a responsible chance of success.

Today, I am urging the Reagan administration to take bold, unilateral steps aimed at providing a new opportunity—perhaps the last opportunity—to achieve a peaceful, negotiated settlement.

As unpalatable as the Contras are, they are the only source of external pressure that is appropriate at this time in the region. And, although it has, thus far, failed to produce results, Contadora remains the best forum for achieving lasting peace.

The recommendations I am making recognize these inevitabilities.

Mr. President, I am proposing that the Congress provide $30 million in nonlethal, humanitarian aid for the Contras. The $70 million in military aid requested by the administration would be approved, but it would be held in escrow for a period of 6 months. During that time, the United States would make the following unilateral diplomatic initiatives:

First, the United States would reinstate the bilateral talks with the Nicaraguan Sandinistas which were suspended by the United States last year. The United States should be willing to enter negotiations without preconditions or any linkage to negotiations between the Sandinistas and the Contras.

Second, the United States would suspend military exercises, planned in Honduras for later this month, as a demonstration of our commitment to a negotiated solution to the Nicaraguan crisis.

Third, the United States would encourage the Contras to call a cease-fire for a period of at least 6 months to get the Sandinistas to the bargaining table. During that period, the Contras would also be encouraged to reform those of their cadre who have been accused of human rights violations.

The Sandinistas would be encouraged, in turn, to:

First, honor a cease-fire and enter into a written cease-fire agreement with the armed opposition, the Contras, for the specified 6-month period.

Second, enter into a dialog with the internal opposition of Nicaragua, including the church and the internal political parties. Such a dialog would be expected to yield positive results—such as the lifting of the state of emergency—within the specified 6-month period.

Third, suspend all shipments of arms, equipment and military and paramilitary personnel from the Soviet Bloc and Cuba during the period of negotiations with the United States and internal opposition groups. In addition, Nicaraguan military assistance to the guerrillas in El Salvador should be halted.

No military assistance to the armed resistance, the Contras, should be disbursed by the United States until the cease-fire agreement ends, or has been breached by the Sandinistas, or until the Congress approves a Presidential declaration that:

First, bilateral negotiations between the United States and the Sandinistas have yielded no results and have no prospects of yielding results, and

Second, the Sandinistas have failed to engage in an internal dialog in good faith.

If Nicaragua shows clear signs of returning to the community of democratic nations in Central America, the United States should consider reinstituting economic aid to the country.

Mr. President, I believe that any military assistance to the Nicaraguan Contras should be contingent upon the adoption of a specific framework for peace. Funds should be fenced, or put in escrow, for a specific period of time to allow all parties an opportunity to approach negotiations in good faith. And funds would be disbursed only if the negotiations failed to achieve progress by a specific date.

I am asking the administration to take bold, unilateral actions to induce the Contras and the Sandinistas to do the same in the name of peace.

In conclusion, let me say we cannot propose a carrot without a stick. The administration's proposal to fund the Contras militarily leaves only the threat, but it furnishes no incentives for the Sandinistas to respond.

My unhappy conclusion is that options have narrowed to the point that there are now conditions under which military aid to the Contras is appropriate.

But only a balanced approach with significant incentives to induce a negotiated settlement can justify funding the Contra military option as a last resort.

My proposal buys time for the region to reinvigorate its own peace process—Contadora. But it lays out a timetable which provides a certain and sure policy and a clear response, should negotiations produce no results.

Mr. President, I believe it is possible to achieve a bipartisan consensus on Central America. I hope the administration will join those of us in the Congress who believe a new initiative should be developed in the name of peace.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, to extend not beyond the hour of 12 noon, with statements therein limited to 5 minutes each.

The Senator from Florida is now recognized.

LATIN AMERICAN DEVELOPMENT EXPERTS SCORE DRUG TRAFFIC

Mrs. HAWKINS. Mr. President, there is a growing awareness in the major drug-producing countries of South America that concern for their own welfare compels them to take more effective action against production and trafficking of illicit drugs in their own countries. This is a very positive development which in the long run could result in much more effective crop eradication and interdiction efforts in South America and elsewhere.

As evidence of this development, I call your attention to the first international meeting of development organizations of the Amazon region, which concluded in Trinidad, Bolivia, on February 22. This conference, which included Bolivian, Brazilian, Colombian, Ecuadoran, and Peruvian development experts and representatives of American international organizations, concluded with a request to the narcotics-producing countries of the Amazon basin to take stronger action to control illicit drug production and trafficking. I remind you that this was a conference of Latin American development experts, not U.S. narcotics control experts.

According to the La Paz newspaper, Presencia, the conference in its final report recognized that the "huge market for narcotics promotes that large-scale clandestine farming of cocoa leaves, which in turn hampers the social and economic development of the Amazon countries and in some cases reduces the effectiveness of regional development organizations."

We should applaud this lucid analysis of the tragic long-term effect of drug trafficking on the social and economic development of underdeveloped producer nations. We should also do all we can to eliminate the huge market for these drugs here in the United States. This market creates the economic incentives for the destructive drug-trafficking activities in the less developed world.

We should look forward to the day when we no longer have to resort to carrot-and-stick diplomacy to induce reluctant producer nations to follow our advice on narcotics control issues. Should we be so fortunate, we may even have some of these countries pressuring the United States to take more effective action against drug use and trafficking in this country. Should this come to pass, we should take their advice.

REMARKS OF DR. ERICH BLOCH, DIRECTOR, NATIONAL SCIENCE FOUNDATION

Mr. LEAHY. I would like to place in the CONGRESSIONAL RECORD today a speech delivered by Mr. Erich Bloch, Director, National Science Foundation, to the American Council on Education.

The subject of this speech is "The Federal Role in Undergraduate Science and Engineering Education."

This is an excellent address. It makes clear that we face difficult decisions in the years ahead if we are to provide the support that science and engineering education deserve.

I commend it to my colleagues.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE FEDERAL ROLE IN UNDERGRADUATE SCIENCE AND ENGINEERING EDUCATION

(Remarks of Mr. Erich Bloch)

Thank you for inviting me to address the council.

I am delighted to speak about undergraduate science education. It is a subject of particular interest to me, not just as the director of a federal agency with a special role in science education but because, like most engineers, my formal education ended with the undergraduate degree.

In my remarks today, I will suggest some things that you, as leaders of undergraduate institutions, could be doing to strengthen your efforts in science and engineering research and education.

I will mention what the National Science Foundation is doing, comment on the foundation's current role in undergraduate education, and describe our efforts to examine that role.

But just talking about the subject without setting it in context would not do it justice. We need to understand the overall national environment. Therefore, I would like to begin by commenting on the economic challenge facing our Nation today, and its relationship to research and education.

The most striking and pervasive change of the 1980's—one that is fundamental and irreversible—is the shift to a global economy. The new worldwide economy features sharper international competition, especially in areas of technology where the United States has been pre-eminent since World War II. I need only mention the challenges of the last few years to the Nation's automotive industry, its consumer electronics industry—and of late its semiconductor industry. The success of the Japanese in manufacturing and marketing has had rapid and sweeping effects on our industrial base.

Japan is not the only new competitor for world leadership in certain technologies. South Korea and other Pacific rim nations are right behind Japan.

Other countries such as Brazil and India are also aspiring to a major position in specific areas of technology by the end of the century. And they have the potential to do so.

As the report of the President's Commission on industrial competitiveness pointed out earlier this year, other nations have considerable advantages in world competition that are not easy for us to overcome. Cheaper labor and lower interest rates are two of their strongest advantages. And some countries have additional ones—such as the way they protect their industries from foreign competition.

But the United States also has two clear advantages in international competition: First, the flow of fresh ideas and discoveries from researchers in universities, companies and government agencies; second, our large, diverse, flexible pool of human resources through whom entrepreneurs can capitalize on discoveries, create new technologies, and market them—and that also serves the established and growing companies, the government and academia.

The only way that we can keep ahead of other countries is by continuing to keep new ideas flowing through research and by continuing to have the best technically-trained, most inventive and adaptable work force of any nation. That is the fundamental reason why a good education in science, mathematics and technological subjects is so important—not only for undergraduates, of course, but throughout the educational system, beginning in the primary grades.

The Nation as a whole must step up its efforts to attract and educate those who will be critical to our technological future—the thousands of scientists and engineers for research in every field, and the hundreds of thousands of technicians and other support people, who are vital for our society to function.

A second reason why it is in the Nation's interest to strengthen science education is that America will always have to deal with complex environmental, economic and ethical issues that require a fair degree of understanding of the science involved. Such difficult public issues as toxic wastes, nuclear winter and acid rain will still need to be dealt with in the decades to come. And no doubt they will be joined by new issues arising from biotechnology and medicine, and from still unknown discoveries in many other fields.

So the Nation depends upon its undergraduate colleges to provide a high quality education in science, mathematics and technical subjects:

To the relatively small number who will go on to pursue the doctorate;

To the larger number who will go into teaching, engineering, or any of the technical specialties in industry;

And to the many others who will become leaders of industry, government, universities, media and public interest groups.

We need strong educational programs in science and engineering for students in all of these categories; but it is particularly necessary to increase the number of persons who will go on to an advanced degree in science or engineering.

The Nation is short of advanced degreed engineers to staff our faculties and our government and industry laboratories—yet our production of Ph.D. graduate engineers is not increasing.

And this is true not only of engineers:

The production of doctorates in the physical sciences fell off sharply in the 1970's and has not recovered;

And the number of new Ph.D's each year in mathematics fell by about 30 percent from 1974 to 1984.

Moreover, a high proportion of recent Ph.D. graduates are not from the United States. Foreign nationals now receive over half of U.S. Ph.D degrees in engineering, up from about a quarter twenty years ago. In fact, almost all recent growth in graduate science enrollments has come from foreign students.

Now, that may be a good situation, especially because sixty percent are staying here and joining our work force. They are a vital element in academia, industry and the government. But I think we must be clear about the fact that in many fields we are developing an overdependence on foreign students for teaching, research and the general work force. It is entirely possible that this source of talent could be interrupted with very little advance notice and for reasons that are entirely beyond the control of science and education policymakers—or of our Government.

We need to make sure that pursuing the Ph.D. track in the physical sciences and engineering is not becoming an un-American activity!

To complicate matters, the pool of potential students from U.S. schools will become smaller. Demographic projections of which you are all aware show the number of 18–24 year olds declining by about 20% over the next decade. Unless a much higher proportion of them become interested in pursuing

a major in science or engineering, enrollments in these fields will decrease greatly at the undergraduate level in a few years.

So one of the most important policy issues for undergraduate science and engineering education is: How can we attract a much higher proportion of freshmen from U.S. high schools to science, mathematics and engineering—and how can we provide them with the best education throughout their undergraduate years? A related policy issue is: How can we induce more persons from underutilized groups (women and minorities) to turn toward science and engineering?

Interest in scientific subjects usually begins long before students enter college. Studies have shown again and again that most students who go on to become scientists or engineers develop their interests—and an idea of their own competence—in elementary, middle and high school years. Perhaps it is more accurate to turn that around and say that most students are "turned off" to science in those early years due to a poor education or because they come to believe that it's just too difficult or remote for them.

Your institutions, then must strive to develop more and better links with high schools and junior high schools. In addition to continuing education or summer programs for teachers, perhaps you could help them in some other ways—opening up your lab facilities for a tour by tenth-graders; or asking some of your better science teachers to spend one day a semester visiting a couple of ninth-grade classes.

But once students enter college, what can be done to sustain their interest and build competence?

I have observed, and been told by educators and students, that the best way is to offer some genuinely interesting laboratory courses in freshman and sophomore years. But some schools have watered down lab courses or substituted non-lab courses because they don't have adequate facilities or instructors—or because many students consider lab courses too difficult.

I know a lot has changed in education since I went to school, but I can't see how there will ever be any substitute for "hands-on" laboratory experience in a small group taught by a competent, interested instructor.

In short, attracting more of our best people to science and engineering and providing them with a robust education is a priority for our country.

Now I would like to turn to some NSF activities and programs in undergraduate education. To attack the problem of modernizing laboratories, the foundation has a new program to provide instructional equipment to colleges. We made more than 15 million in awards this year, and that is a fair start, but the program is in high demand, and I certainly hope we will be able to raise that funding level in future years.

Once your students go on to their third or fourth years, I think the best way to better prepare them to undertake graduate work is by increasing opportunities to participate in research activities.

NSF recognizes the importance of research at undergraduate institutions, and the link to developing scientific and technical talent through our research in predominantly undergraduate institutions program [RUI]. We made that recognition more explicit two years ago by establishing a special, across-the-board effort to increase participation and support of undergraduate institutions in our research programs—without compromising the high standard of competitive review that is the foundation's hallmark.

Let me tell you a little bit about this effort: As you know, most of the foundation's research support divisions are responsible for seeing to the vitality of a particular discipline. Rather than changing this structure, we devised a way to manage, track and fund proposals from undergraduate institutions across the existing organization.

Here's how we've done so far:

In fiscal 1983, before this special effort began, we supported about $29 million of research in predominantly undergraduate institutions. In fiscal 1984, the first year of the program, the total awarded was some $41 million—an increase of 40%, and well above our target.

In fiscal 1985, just completed in September, the total was $47 million, a further increase of roughly 15% over 1984.

These percentage increases are significantly higher than the increases in NSF's overall budgets for those years; and we will soon be setting targets for this current fiscal year.

I should add that about a third of proposals from undergraduate institutions are funded. That compares favorably with the proportion for similar single-investigator projects from the major universities.

Although the major research institutions get the majority of NSF awards, the substantial funding increases I just mentioned demonstrate that much good research can be done outside the graduate research universities—and that NSF recognizes that fact.

Because good research ideas can come from everywhere, we intend to keep the system open to proposals from the whole range and breadth of academic institutions, in every part of the Nation, and to continue encouraging researchers at undergraduate institutions to come forward and apply.

We also have a very important effort of a different sort, one that I hope your faculty are taking advantage of, and that is: The opportunity to join an existing NSF-supported project in any field of research and at any institution—simply by requesting or having the principal investigator request that a faculty person from an undergraduate institution be added to the grant.

Basically, all it takes to apply for research opportunity awards [ROA's] is a brief letter to the NSF program outlining the person's interest, qualifications, and projected expenses. If it is agreeable to the P.I. and the institution, we will then supplement the grant budget, without extensive review. It is a good way for your faculty to refresh their experience with some forefront research work—and to prepare themselves to submit a proposal of their own.

By the way, we continue to encourage your faculty to serve on our review panels and advisory committees and to seek out positions on our staff as "rotator" program officers who serve one or two years and return to their colleges. Both types of service are excellent ways to learn more about how the system operates, to get a clearer picture of where the research frontiers are, and to influence the programmatic aspects of NSF. I know that the number of reviewers and panelists from undergraduate institutions is relatively small, but it has nearly doubled since I've been director, and my staff has been instructed to increase it wherever possible.

The various efforts I just described—stepping up support of research awards, adding researchers to projects, and increasing representation on our panels, committees and staff—demonstrate the foundation's concern for undergraduate institutions. These efforts further the NSF's principal objective of generating the scientific and engineering talent that the nation will need to sustain its future competitiveness.

We are convinced that the most effective way to achieve that objective is for the foundation to support research, and through research enhance and foster the education of everyone who comes in contact with it—and to make sure that the system remains an open and fair one that accepts proposals and ideas from every source.

The foundation is right now actively and carefully considering the state of undergraduate science and engineering education. A special Committee of the National Science Board (chaired by Dr. Homer Neal, provost of the State University of New York at Stony Brook) is conducting public hearings on this topic. Two hearings have been completed, and two more are planned. I should point out that it is very unusual for the board to hold extensive public hearings, which by itself demonstrates the importance that we are giving to this subject.

A variety of leaders of academic institutions, industry and government have appeared as witnesses, or are scheduled to appear. In addition, the committee has sought and received a number of letters and reports from organizations and individuals. The committee intends to present its recommendations to the full science board in January. I cannot predict precisely what those recommendations will be—much less how they will fit into the fiscal 1987 budget when it goes to the Congress in January—but I do want to assure you that we are listening and learning, and paying attention to the issues.

We appreciate the role the American Council on Education and the other associations and societies are playing in this process. I have read your letter to Dr. Neal, and while his committee will deal with your report, I want to give you some strictly personal observations:

First, your priority one, undergraduate instruction equipment and materials, is in line with our own thinking, and we also concur that increases in this area are required.

Second, your proposal to expand support across the directorates is in line with the implementation I described of the NSF's undergraduate institutions program and the linkage between research and education in all NSF's research activities.

Third, I'd like to thank the report writers for their confidence in NSF, in asking us to increase our leadership. But we are not the only Federal source for support of undergraduate education. NSE cannot be, and the Federal Government cannot be, the only players in this arena.

With regard to your assessment of the budgetary level, let me underline a point President Fred Starr made at our hearing: That increased support for undergraduate programs should not be at the expense of the other research and education activities of NSF. I agree.

The next three years will be difficult budget years. We must look at the entire $53 billion Federal R&D budget to find any money for new initiatives or for added emphasis in existing areas, if we want to better basic research and infrastructure support. Incremental dollars won't be available.

The case for reallocation is compelling. For most of the post-war period the primary

rationale for Federal support of research has been the support of specific Government missions. In the early years following the war this meant that most research support in the physical sciences came from the Department of Defense and the Atomic Energy Commission. In more recent years other agencies have been more involved.

The trouble with a system that relies primarily on the mission agencies for support is that it introduces a systematic bias against basic research. Except for the *Sputnik* era in the 1960's, the Federal Government has not done a very good job of supporting the overall science and engineering base—the researchers, equipment and facilities in universities and colleges that we depend on for education and basic research.

In the last four years, the Federal Government has started to renew its commitment to the science and engineering base. In the civilian part of the Federal R&D budget, development has dropped from the largest part of the R&D effort to the smallest, and basic research has risen to become the largest component. This is an extremely important change.

On the defense side, however, basic research is a small part of the effort. And since defense is an increasingly large part of the Federal R&D effort, the overall effect in the last year or two has actually been a reduction in the proportion of the Federal R&D dollar that goes to basic research.

We need to go much further than we have so far in reallocating R&D resources from development to support of the science and engineering base. The easiest way, of course, would be simply to add funds to the total. But that is not realistic in today's budget climate.

What is necessary is that we recognize that the Federal Government can do some things well, and that support of the science and engineering base is one of them. And it does some other things not well at all—including making decisions about technologies that should be developed for commercial reasons.

If we are sufficiently though-minded about cutting out the latter—still a significant fraction of the budget—then we should have available the resources to substantially increase the support of basic research and the science and engineering base.

I would like to see support for that base increased at an annual rate of 10 percent or so for the next 10 years. Unless we make this tradeoff our research and education efforts will not be sufficient to stay ahead of the economic competition.

Let me close now by returning to the theme of today's discussion—that is, the Federal role in undergraduate science and engineering education. There is no question of the importance to the Nation of strong educational activities in science and engineering throughout all levels of colleges and universities, including those that principally offer the baccalaureate degree. All parties—the colleges themselves, industrial firms, State governments and the Federal Government—must contribute to keeping these institutions productive.

I emphasize the notion of involving all parties in partnerships and cooperative arrangements, because the Federal Government and NSF is limited in what it can do—or should do.

State governments have a particular interest in strengthening their State and private institutions at every level. There is a considerable—and, I believe, healthy—competition among the States for high-tech industry.

Many State governments realize the importance of a well-educated technological work force for their economies. Tennessee and New Jersey, for example, have recently made significant investments in research and education. And companies have a very strong role to play here as well. More of them than ever are developing partnerships with academic institutions. They benefit very directly, not only from the ideas that flow in both directions, but from having access to well-educated students.

So I would urge private sector representatives here today to learn more about, and consider entering into, the kinds of partnership arrangements that undergraduate institutions are prepared to offer.

Thank you.

DR. HUBERT W. VOGELMANN—VERMONTER OF THE YEAR

Mr. LEAHY. Mr. President, Vermont has always been a forerunner in sound environmental practices. A great deal of the credit for that is due to an extraordinary person, Dr. Hubert W. Vogelmann.

"Hub" has been an inspiration—and an incentive—to Vermonters for years. This year the Vermont Sunday Magazine named him Vermonter of the Year.

Nothing I could say about my friend Hub Vogelmann could improve upon what the magazine says. And so I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VERMONTER OF THE YEAR

(By David Moats)

Hubert W. Vogelmann, chairman of the Botany Department at the University of Vermont, has made a career of opening people's eyes to the peculiar wonders of nature, but he was stunned that the editor thought he was fabricating his story about the bladderwort.

Vogelmann had taken a writer and a photographer from Time-Life to Lost Pond Bog in southern Vermont, and there he had introduced them to, among other things, an aquatic flower that traps insects in tiny bladders attached to its stem. When small hairs at the mouth of one of these bladders are touched by a swimming insect, the bladder suddenly expands, sucking the insect inside where it is trapped and digested.

To the skeptical editor it sounded far too fanciful, but Vogelmann eventually convinced her that he was not making up his story about the bladderwort.

Indeed, the encounter offers a revealing lesson about the importance of Hubert Vogelmann.

It shows that he is very much at home in the bogs of Vermont (as he is in the woodlands), and the commonest weed or wildflower is not beyond the scope of his interest.

One also sees through his eyes that even a common flower in a remote bog or a weed beside the road is a wondrous, complex thing.

And it is clear that Hubert Vogelmann is not averse to conveying his message through the popular media (even if one of his Time-Life companions fell into and was almost lost in Lost Pond Bog).

In his 30 years at UVM, Hubert Vogelmann has become one of the most well-known and respected figures among Vermont environmentalists. He has helped document and save many unique natural areas. He helped found the Vermont chapter of the Nature Conservancy, the state's largest conservation organization.

And most significantly, he has directed research on Camel's Hump in Duxbury that has awakened the nation to the disastrous consequences of acid rain and other air pollution.

"Hub" Vogelmann, as his friends call him, heads home from UVM in his red Toyota, and Camel's Hump looms before him.

The oddly shaped mountain, which thrusts to a height of more than 4,000 feet, is a landmark to much of the Champlain Valley. Valley residents who have still not seen their first snowfall get a glimpse of what is to come by glancing at the freshly dusted peak of Camel's Hump.

Indeed, the heavy snow, rain and mists that visit Camel's Hump have made the peak a landmark far beyond Vermont. Mollie Beattie, Vermont's commissioner of forests, parks and recreation, says that scientists from around the world who gather to discuss acid rain are seldom without a slide of Camel's Hump—even those who don't know it's in Vermont.

It turns out that all that rain, snow, and mist have over the past several decades bathed the forests on Camel's Hump in acid from the sky. If Camel's Hump foreshadows each winter's snowfall, it has also become an international symbol, foreshadowing the environmental devastation that could eventually be wrought by industrial pollution.

Vogelmann and his students began studying Camel's Hump 20 years ago when the woods still seemed healthy. "The trees were luxuriant, the forest was fragrant, and a walk among the conifers gave one a feeling of serenity—a sense of entering a primeval forest," he wrote. With his early data on the condition of the forest, he was, therefore, in a good position to describe the dramatic deterioration that was to follow.

Ten years ago, few people had heard about acid rain, and five years ago, there was little consensus about what it was doing to the environment.

But in 1982 Vogelmann wrote an article, published in Natural History magazine, that described in detail what he called the "catastrophe on Camel's Hump." In clear, measured terms, he built a convincing case for the theory that industrial emissions, blown in from the industrial Midwest and falling with the heavy precipitation that is normal on the high peaks of the Green Mountains, had destroyed half the red spruce trees in just 20 years. The luxuriant forest on Camel's Hump looked like it had been hit by a hurricane.

His article was far from the only evidence that acid rain was a serious problem. By the early '80's a convincing body of studies was building up, detailing the evidence on acid rain.

But Vogelmann's article, according to environmentalists, stated the case in clear, forceful and reasonable language. "Bit by bit the emerging picture shows acid rain to be damaging to forests of many kinds," he wrote. "In some regions, such as Camel's Hump, it could be a killer."

The publicity that grew out of that article made Vogelmann an important source for journalists from television networks and major newspapers who were examining the acid rain issue. From the scientific commu-

nity, meanwhile, he sometimes heard the charge of irresponsibility.

But if publicity and clamor run counter to the norms of scientific reserve, Vogelmann responds with the assertion of a deeply felt conviction: "It's irresponsible for scientists to look the other way . . . Most science can be stripped down to simple words and ideas. One of my biggest concerns has been the need for scientists to communicate with the public."

And communicate he does. He speaks to farm groups, conservation groups, educators, radio programs, environmental conferences, news organizations, and politicians. In the past year he has been to an environmental conference in West Germany, a maple conference in Canada, and early this month he made a plea for money from the R.K. Mellon Foundation in Pittsburgh, Pa.

Acid rain, he has found, is on many people's minds, and some would say that he, as much as anyone, has helped put it there.

Vogelmann, who is 57, was born and grew up in Buffalo, N.Y., and for as long as he can remember, he hated city living.

"When I was a kid, I raised everything that you could raise in a city," he recalls. That included pigeons and hamsters, as well as bees, which he kept on his roof until a neighbor complained about bee droppings.

Among his fondest memories are his family's vacations each summer in Canada, where he exercised his youthful fascination with the outdoors. Vacations offered him a chance to catch frogs, crayfish and butterflies, to fish, to swim, and to pick blueberries. "There wasn't a thought or a worry in the world," he remembers.

In 1950 he graduated with a degree in botany from Heidelberg College in Tiffin, Ohio. From there he went to the University of Michigan where he began as a graduate student in wildlife management, which he found to be dull. He switched to botany and received his doctorate in 1955. Then he came to Vermont.

Where he and his wife, Marie, live now, bee droppings can fall, and there is no one to complain. They bought their Jericho home and abut 140 acres in 1958, and have painstakingly converted the rundown farmhouse into a warm and lovely home.

At home, as usual, Vogelmann's mind is attuned to the lessons that can be learned from the world around him.

He concluded the house had been built around 1810 because he found a newspaper of that date stuffed in a wall (it includes an account of the British blockade of American ports).

He discovered something more when, in order to install windows, he removed some of the thick planks that were used in the walls. He has converted one of those planks, a three-inch-thick piece of old pumpkin pine, into a coffee table, and he discovered it contains 200 annual rings. Thus, if it was cut in 1810, that means it was probably growing in Jericho in the early 1600s.

The idea delights him.

The Vogelmanns' three sons grew up at the Jericho home, where the family raised most of its own vegetables and where Vogelmann devoted much of his spare time to his herd of Angus cattle, his pigs, his bees, and his garden. With a touch of self-mockery, he describes his love for his animals: "You rush home in the afternoon and you jump on the tractor and you rake and mow and you feed the cattle all winter long, then you lose money besides."

He recently sold off the last of his cattle, but he admits to a strange empty feeling when he comes home to the empty barn on the other side of the dirt road.

Vogelmann offers no grand theories about why he turned out the way he did. His father was an Evangelical Reform minister in Buffalo, but when asked if his father's religion informed his own deeply felt reverance for the natural world, Vogelmann shrugs and says, "It's hard to say."

His son Tom, a botanist at the University of Wyoming, is more certain. "There's got to be a connection," he says.

Tom remembers his father mentioning one of his own father's sermons: "You never see in plants and nature something that is discordant," Tom recalls his father saying. "No matter how outrageous the individual parts may be, it all blends," Tom says. The outrageous colors of a Vermont autumn, for example, form a larger harmony, Tom says.

Nor does Vogelmann offer any grant theories about the shape his career has taken. "This has been as unstructured a life as you could have," he says. "There's been no big design and there's no big design ahead. You do the things you enjoy most of all, and it takes you to many places."

What he has enjoyed most has been the laboratory that nature itself has provided him. Thus, he has traveled from Labrador to Mexico, and his family has accompanied him on many of his trips.

Marie remembers visiting a remote region of sub-arctic Labrador where they found footprints in the lichen that were probably 20 or 30 years old.

She and the boys have also slogged through their share of bogs and marshes. "You come back with hundreds of mosquito and black fly bites," remembers Tom, 33.

Jim Vogelmann, 29, is also a botanist who works for the Jet Propulsion Laboratory in Pasadena, Calif. He recalls another of his father's avocations—fishing.

"He was always waiting for spring. It could be January 1 or January 3, and he would find signs of spring coming," Jim said.

Vogelmann acknowledges that the season before the ice takes hold is a "terrible time of the year."

Jim Vogelmann remembers his father out on the ice. "It could be really cold and the wind could be really howling and he could be standing there just enjoying it. I don't think he has any nerve endings in his hands."

A third son, Andy, 23, is also a scientist; he is studying atmospheric physics at the University of Maryland.

Marie, a pianist and organist, remains an island of the arts within this small sea of scientists. She is the organist at the Unitarian Church in Burlington. And though her husband says she loves to spend the day grubbing in the garden, where they grow 17 varieties of potatos and where in early December the brussels sprouts still maintained a lonely vigil, she leaves the plants' Latin names to her husband.

He speaks in exclamation points.

A recent project surveying forest damage from the air is "exciting beyond words!" he says.

A minute later he bounds from his chair to fetch a brochure describing a new UVM field naturalist program for graduate students. It is the only one of its kind! What a rare opportunity for students!

He says of his chosen field of botany, "You can take any specimen that you pick up off the ground and study it for a lifetime! . . . Look at your feet! Look at the ground beneath you and know what's there!"

Those who know him say it is this enthusiasm that has made him an inspiring teacher. Charles Johnson, Vermont's state naturalist, says that Vogelmann brings "a combination of charisma and an utter love of the environment" to his teaching. He is able to bridge the gap between the academic world and the general public, Johnson says. "I think he is largely responsible, in Vermont anyway, for heightening people's appreciation of the natural environment," Johnson says.

Barry Rock, also a botanist at the Jet Propulsion Laboratory, was one of Vogelmann's students who helped conduct the original research on Camel's Hump in the '60s. He had been a premed major until, when he was a junior, he took a botany course from Vogelmann. Then he switched to botany.

"He just has a very gentle approach to learning that is very effective," Rock says. He also transmitted an "enjoyment" of knowledge that Rock wanted to share.

Robert Klein, field director of the Nature Conservancy in Vermont, remembers when the Nature Conservancy still had no Vermont office and Vogelmann "ran it out of his hip pocket in the botany office."

He cites Vogelmann's efforts on behalf of Victory Bog 15 years ago, "an immense, beautiful wetland ecosystem" that would have been destroyed by the construction of a proposed dam. Vogelmann also worked to set aside Shelburne Pond, Colchester Bog and the Burt Forest in central Vermont, Klein says.

"He can look at a piece of land and see the land's history and see how the natural world functions," Klein says. "Hub has always taught about the thing that's larger than the sum of its parts."

Several years ago, Vogelmann helped document a number of distinctive natural areas in Vermont that, it was hoped, would be saved from destruction. One of them was a rare stand of oak and hickory trees near Dead Creek in Addison that still exists as a remnant of a time when Vermont enjoyed a warmer climate. Vogelmann visited the site and saw that the owner, a farmer, had marked the trees for cutting. But it turned out that the owner had learned that the trees were rare in Vermont, and he had not cut them after all.

"He was delighted," Vogelmann recalls. "He always thought those trees were special." Vogelmann provided him with the scientific explanation of why his feeling was true, and the trees were spared.

This translates into a general rule: "When people realized they had something special, they didn't destroy it. And that's been the story over and over again," Vogelmann says.

Brendan Whittaker, Vermont's secretary of environmental conservation from 1978 to 1984, says of Vogelmann's role: "He's a true scientist all the way." In science, Whittaker says, "it's the data that counts. And Hub keep coming up with the data."

It is only in the last few years that Vogelmann has become identified with acid rain, and he seems genuinely embarrassed when the spotlight shifts from the forests to Hubert Vogelmann, public figure.

He is quick to point out that, even if he is the one that publicizes the acid rain problem, the basic research is being carried out by students and colleagues. As department chairman and public speaker, he spends a great deal of time on the phone and in meetings (too many to suit him), while professors and students conduct research in the woods and the laboratories.

He cites the work of Richard Klein, a fellow botanist at UVM. "If anybody should get praise, it's him," Vogelmann says. "He hasn't had acid rain out of his mind for 24 hours since we started this project. He's looking at the causality."

If Vogelmann is not primarily a researcher, he is not primarily a scholar either. He acknowledges that he does not read as much as he should. ("You don't read books about gardening, you just garden," his wife suggests.)

Hub Vogelmann, botanist, is primarily a field naturalist and teacher. He does what he enjoys, which is to exercise his sense of wonder and transmit that wonder to others.

He recalls visiting a rare stand of black gum trees in Maine. These trees, like the oaks and hickories in Addison, were a remnant of a warmer era. They were owned by a retired man who made furniture, and Vogelmann asked him why he hadn't cut the trees down.

"I've just always liked the way they looked," the man said.

It turned out the man had cut down one tree, and he gave Vogelmann a block of its wood. It was so dense that, in an inch and a half, he counted 177 annual rings.

"Those trees were barely growing!" Vogelmann exclaims. "Those trees were four to five hundred years old! They're among the oldest trees in the Northeast!"

These are the discoveries that Vogelmann has delighted in all his life, and according to those who know him, it is this delight that has been his most important gift to the state of Vermont.

These are the exclamation points that punctuate Hub Vogelmann's world. Gum trees, spruce trees, oak trees, and even the lowly bladderwort—according to Hubert Vogelmann, "Everything is tied together in a great big web!"

PRISON CONDITIONS IN POLAND

Mr. DURENBERGER. Mr. President, I rise to bring two reports on prison conditions in Poland to the attention of the Senate. These reports are notable in that they not only provide new details on the extremely poor conditions that prevail in Poland. What is especially significant, however, is that one of these reports was presented by the Social Sciences Academy of the Polish United Workers' Party—the ruling Communist Party—in 1985. It was an unpublished document, but it was subsequently obtained by a major underground weekly, Tygodnik Mazowsze, and published during Political Prisoners Week in November.

It is striking that this Communist Party report on penal conditions varies little from another recent report which was published in December in Zeszyty Niezaleznej Mysli Lekarskiej—Notebooks of Independent Medical Thought. This magazine is published by the Polish Underground's Social Health Council and is distributed clandestinely within Poland. It is my hope that the Treasury Department would take these documents into consideration as it moves toward a final decision in determining Poland's status as a member of the International Monetary Fund.

Mr. President, I ask unanimous consent that articles from two Polish publications, Tygodnik Mazowsze and Zeszyty Niezaleznej Mysli Lekarskiej be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REPORT ON PRISON CONDITIONS IN POLAND

The following report on prison conditions in Poland was made by the Social Sciences Academy of the Central Committee of the Polish United Workers' Party (the ruling Communist Party) in 1985. It was an unpublished document, but was obtained by a major underground weekly, Tygodnik Mazowsze, number 143/144, and published during Political Prisoners Week in November.

"Seven penal centers need to be closed down because of their total technical waste. In 15 centers there was no sewage system, and 13 had no central heating. In the meantime, a great part of the penal systems' budget was being used for luxurious improvements in the offices of higher rank officers and for protection purposes: installing blinds in windows, building higher walls, or building walls in places that previously had wire-net fences, installing new gates, and (in some places) installing electronic and computer systems.

Without giving up their own comfort, prison management saved money mostly at the expense of inmates. In many prisons a real plague were rats and insects, cells were dirty (there was lack of hygiene products) and dark (daylight was prevented from entering by thick panes of matte glass, while at night only one bulb was used, making reading impossible.)

In most cells, it was very cold during winter. Inmates were dirty, the rule of prisoners; right to a warm shower once a week was not observed. In many cells of prisons and jails there were as many as 50 people per cell, sleeping on three-story bunk beds. In those cells . . . there was 1.5 square meter of surface per person, and between 3 and 4 meters per person (while the standards of the World Health Organization set the absolute minimum of space for prisoners as 10 by 3 meters in order to maintain the psychological and physical health of prisoners. Savings were being made on prisoners' clothing, clothes more and more often were mended, dirty, and inadequate to protect from the cold.

During most days even working inmates were getting only a one-dish meal. Inmates called this dish "putty". During winter and spring many prisons did not provide their inmates with sufficient amount of vegetables. In several prisons inmates had to put out their hand with a pewter bowl in it through a hatch in the cell's door in order to get food. This resembled feeding chickens rather than people. Tuberculosis was widespread in prisons, inmates were passing it to one another and to the prison personnel . . .

It is difficult to say many positive things about the medical personnel (despite some very positive exceptions). In many prisons only a hospital attendant was on the staff . . . Some prison doctors identify more with their role as part of prison personnel than medical personnel . . .".

(This article was published in Zeszyty Niezaleznej Mysli Lekarskiej (Notebooks of Independent Medical Thought, Issue No. 6, December 1985. The magazine is put out by Social Health Council (Underground).)

SANITARY AND HYGIENIC CONDITIONS IN PRISONS OF POLISH PEOPLE'S REPUBLIC

SUMMARY

There is a consensus among all people who have ever been in jail in Poland that the sanitary conditions there are disastrous.

Undoubtedly, the worst conditions are in the jails in police precincts. There are two stages of a precinct jail: a temporary cell and the actual jail. The temporary cell is usually a small room with the only piece of "furniture" being a cement bench and a sewage opening in the middle of a cement floor. It is terribly stuffy there, and at the same time very cold, especially at night. A light-bulb is on 24 hours a day.

The actual jail is usually located in the precinct's basement. There are several cells there, their number depending on the size of the precinct. The only source of ventilation and light is one or two small windows with bars, often covered with matte glass. Cells are dark even on sunny days.

Mattresses and thin blankets given to prisoners at night, but are taken away from them during the day. The matresses and the blankets stink, are dirty, and often have stains of excrement and blood. Both temporary and the actual jails have no running water, nor toilets. Sometimes, but not always, there are containers for the prisoners to do their necessities, in the presence of other inmates. Inmates are allowed to use toilets outside the cells at the guard's discretion. Other sanitary installations outside the cells include sinks, usually with running cold water, and sometimes a shower. Everything is terribly dirty. Walls have layers of filth mixed with excrement and blood. Mice, rats, and insects are common features.

People detained in temporary cells do not get any food, sometimes even for a day or more. In the actual jail there are three meals a day: breakfast and supper consists of a pint of surrogate black coffee and bread with lard, lunch consists of soup and bread.

Sanitary conditions in police stations are not identical all over Poland. The absolutely worst places are the investigative jail in downtown Warsaw on Wilcza Street, and the Province Police Station in Radom. But the conditions described above seem to be typical for most places.

Sanitary conditions in prisons (convicted inmates) and in investigative jails of "higher" rank (for inmates under long investigation) are slightly better, but differ from place to place.

The most difficult conditions are in old prisons where cells have no sewage system.

Especially harsh conditions have Barczewo and Leczyca prisons. Cells are cold in the winter and hot and stuffy in the summer. Several political prisoners are sent to these two prisons.

Cells in most prisons in Poland are crowded. The volume standard set by the World Health Organization at 10 m3 is usually not observed. Sometimes several inmates have to share one cot, and are unable to turn from one side to another during the night. In some cases, inmates even have to take turns sleeping. In some other cases, inmates have to sleep on the floor.

Cells usually have running cold water and toilets, but the sanitary installations are in no way separated from the rest of the cell. There are no soap or disinfecting products. Prisoners are not allowed to receive any of these products during visits from relatives.

In a womens' jail near Warsaw in a cell designed for 12-14 people there were 20 inmates. The only sanitary installations there were a wash-bowl and two buckets of cold water for everybody in the cell for a day. Some of the inmates had VD and other communicable diseases.

In a women's jail in Grudziadz there is no running water in the cells and no toilets, only buckets.

The official prison rules in Poland give an inmate the right to the use of hot water once a week. This rule is seldom observed.

The rules also include the right to a walk one hour a day. In practice, prisons that observe that rule are exceptions. In many places the walking time is usually cut to 30 or 15 minutes, in some places inmates go out only a few times a week. Only in some places do the prison directors extend the walking time or even permit exercise.

All inmates suffer from the lack of exercise and fresh air. Cells are fusty and crowded, the only thing prisoners can do is to sit on stools without backs. During the day inmates in all Polish prisons are not allowed to lie down. Permission to lie down (for a specific number of hours a day) can only be issued by a physician.

Prisoners usually receive sufficient amounts of food, but the meals are poor in vitamins and proteins. The taste is terrible. Menus differ from place to place, but the basics are usually potatoes and noodles. Prisons, as opposed to investigative jails, have usually slightly better meals.

In the Warsaw Rakowiecka prison in mid-1985 the daily meals were as follows: breakfast—surrogate coffee with milk but no sugar and a pound of bread (bread to last for the rest of the day), 1 tbs. of margerine, a little jam or cheese spread; lunch—soup and potatoes or gruel with some sort of meat sauce, very seldom a kind of hamburger with a small amount of meat in it; supper—black surrogate coffee with sugar, and what's left from the breakfast bread, plus a little margerine. Once a week, an addition: a slice of cheap cold cuts.

Inmates under investigation are allowed to receive a monthly food parcel weighing up to 7 pounds. After the conviction inmates have no statutory right to receive parcels from relatives, but the prison director can permit their receipt (up to 6 a year) in some cases.

Prisons hospitals are usually dirty and crowded. The most horrendous example is that of the womens' hospital in the Grudziadz prison. Only a part of the hospital has running water. The delivery ward has no sewage system, women in the last weeks of pregnancy are forced to carry huge buckets with excrement to a drain several hundred feet away.

SUMMARY OF SOVIET SALT VIOLATIONS

Mr. SYMMS. Mr. President, I ask unanimous consent to have printed in the RECORD an important paper recently received in testimony by the House Intelligence Committee. This paper is entitled "Soviet Maskirovka and Arms Control Verification," and it is written by Mr. William R. Harris. Bill Harris is the principal drafter of the famous "GAC Report" on Soviet SALT Violations, of which I obtained White House release on October 10, 1984. The GAC Report was the report of President Reagan's General Advisory Committee on Arms Control and Disarmament, and it was commissioned by President Reagan in October 1982. The "GAC Report on Soviet SALT Violations" was received by the President in November 1983.

Mr. Harris' main point is that Soviet Maskirovka—deliberate camouflage, concealment and deception—has impeded United States national technical means of verification significantly during the 1969-85 SALT period, despite the fact that both SALT I and SALT II banned deliberate Soviet concealment which impeded United States verification by national technical means. Bill Harris argues that Soviet Maskirovka has even made use of American verification techniques and the United States-Soviet SALT Standing Consultative Commission as feedback mechanisms for improving their concealment and deception. The purpose of Soviet Maskirovka, itself a SALT violation, is to cover and conceal further Soviet SALT violations. Thus Soviet Maskirovka SALT Violations have been used for improving Soviet ability to use United States verification mechanisms in order to cover other Soviet SALT violations. As the GAC Report stated:

The expanding Soviet national concealment and deception program may have been a preparation or a cover for more extensive violations taking place now.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

SOVIET MASKIROVKA AND ARMS CONTROL VERIFICATION

(By William R. Harris)

An edited version of this paper is to be published in: Brian Dailey and Patrick Parker (eds.), Soviet Strategic Deception, Lexington, MA: Lexington Books, 1986. This is a revised version of a paper presented at the Naval Post-graduate School, Monterey, California, on September 26, 1985.

Views expressed are those of the author and may not reflect positions of The Rand Corporation or its research sponsors, the General Advisory Committee on Arms Control and Disarmament, or the U.S. Arms Control and Disarmament Agency.

Why has the arms control process caused so many to wish there were a safe shelter from arms control, and why has arms control occasioned such friction among nations? Part of the dissatisfaction results from the ability of the U.S. to verify, with all too high confidence, patterns of Soviet material breaches of contracted commitments. Insufficient mutuality of interest may lead to treaty breaches; when these continue after detection and requests for cessation, failure to cure reversible violations indicates a failure of deterrence, need for more effective responsive measures, and imprudence of arms control commitments that depend upon mutuality of compliance to achieve their objectives.

The relationshp between arms control verification and maskirovka (masking by means of denial and deception activities) that is most disturbing is not that maskirovka impedes verification but that verification induces maskirovka. Elements of deliberate Soviet arms control violations, and their perpetuation after complaint, are best explained through an appreciation of the contribution of feedback from the arms control process in perfecting Soviet maskirovka programs for Soviet defense activities that depend for their effectiveness upon unexpectedness of locations, numbers, or missions. The solution is not disarmament without verification, nor is a solution to be found in advising the Soviets with precision about which of their countermeasures have been most effective in eroding the reliability of U.S. verification.

The pervasiveness of Soviet maskirovka activities must be taken into account in judging whether intelligence suffices to take responsive actions. Apologists among the intelligentsia, the apologentsia, may ask us to verify in perpetuity, long after we have verified cheating. The will to respond is essential, but so is better intelligence on likely consequences of policy responses intended to strengthen incentives for arms control compliance. Irrespective of the illegality of elements of Soviet maskirovka programs, the Gorbachev leadership must come to grips with the irresponsibility of the present level of Soviet counter-reconnaissance activities. Without self-restraint on the Soviet side there is unnecessary risk of crisis escalation, and compelling reason to rely upon greater-than-expected Soviet threats for NATO force planning and decision-making.

Even on-site inspection with unlimited quotas (available under the Versailles control system of the 1920s) may be inadequate to verify compliance, if the host state is no more supportive of the control regime than was Germany in the interwar period. Treaty-specified data exchanges—as with the Anglo-German naval agreements of the 1930s and SALT II—have led to exaggeration of the restraining effects of treaty limits upon strategic force levels and to the falsification of exchanged data in 1935-39 and during MBFR talks and SALT II data exchanges more recently. A regime for verification aided by limited on-site inspection has worked for the International Atomic Energy Agency (except with regard to undeclared facilities), but has not been allowed by the Soviet Union in bilateral arms control commitments.

The present system of verification by nationally-controlled technical intelligence (national technical means, or NTMs) owes much to the Woods Hole Summer Study of 1962. Relying upon national technical means of verification, instead of on-site inspection, has made it easier to reach arms control agreements. The Woods Hole Summer Study Report of 1962 indicated that verification, to be adequate, must facilitate decisions in response to verification of noncompliance. Reporting on the state of compliance is not by itself an adequate verification capability. Intelligence must facilitate decisions to implement responsive measures if verification indicates violations that defeat the object and purpose of arms control treaties. Intelligence that may be publicly released is essential to inform the American public and allied governments. If intelligence is so fragile that it cannot be shared in substantial measure with the public, responsive policies may not be politically sustainable and meaningful arms control may be jeopardized as a result.

Verification by national technical means supplemented by data exchanges and verification presumptions, whatever their theoretical prospect, has been substantialy eroded by systematic Soviet countermeas-

ures that impede verification. This systematic attack upon the means of remote verification was simply not contemplated by the Woods Hole Study participants of 1962. Maskirovka tends to precede arms control negotiations, so as to protect vital interests and to gain advantage if agreements result. The "hidden hand" of the market tends to facilitate agreements built around misperception. SALT I perpetuated a Soviet capacity for preemptive attack on U.S. land-based strategic forces while strengthening U.S. confidence that the targeted forces were less vulnerable to attack as a result of the agreement. The Biological Weapons Convention appeared advantageous to U.S. politicians who anticipated Soviet treaty compliance and also political opposition to program modernization if there had been no BW Convention. Soviet politicians appear, with hindsight, to have projected a containment of U.S. biological weapon advances and expansion of facilities for a covert Soviet biological and toxin weapons programs.

Verification has aided Soviet maskirovka, by assuring predictability of intelligence collection by adversaries and by providing incentives for feedback that aids deception planners. Maintenance of excess SS-7 launchers in 1976-77, not by itself of high military significance, was probably intentional and part of a deliberate Soviet effort to diagnose and challenge U.S. verification capabilities. Older Soviet ICBMs, concurrently removed from declared silo launchers, simply disappeared, and were not acknowledged in the Soviet-provided SALT II database. The Soviets have effectively blunted the U.S. response to any strategic reserve missile force the Soviets have retained. Similarly, the verification debate on the Treshold Test Ban Treaty and SALT II must have clarified Soviet understanding of the effectiveness of their reconnaissance countermeasures.

The verification process has aided Soviet maskirovka perhaps more effectively than maskirovka had aided Soviet efforts to counter verification. Despite Soviet maskirovka, the U.S. has verified a substantial number and broad scope of Soviet arms control violations. Tables 1 through 3 compare findings of five Presidentially-sponsored reports, each reported to the Congress, on Soviet arms control noncompliance. Table 4 lists arms control commitments involving apparent Soviet compliance. Agreements to minimize risks of accidental conflict, to contain the spread of dangerous technologies, and to contain competition in remote environments have been mostly free from detected violations. Table 5 summarizes findings in Presidentially-sponsored reports on selective restoration of Soviet compliance with contracted commitments. Since the Soviets deny the facts of noncomplying conduct and do not take public credit for restored compliance, this sector also presents a challenge to U.S. verification.

Contrary to advocacy by various former U.S. Ambassadors to the Standing Consultative Commission (SCC), the most notable restorations of apparent compliance have been achieved after persistent public complaint outside the SCC. SCC rules requiring privacy of SCC working sessions, without rules for public plenary sessions, result in a compliance process that actually reduces Soviet costs of noncompliance in sectors where the SCC has jurisdiction.

The apparent cessation of Soviet use or transfer for use by Soviet allies of lethal chemicals and toxin weapons, since 1983, followed extensive publicity and U.N. investigation. There was no SCC to bury complaints or excuse delayed Soviet remediation. Restored compliance with the duty to provide advance notice of military exercises in Europe followed issuance of semi-annual public reports of the Department of State on Helsinki Final Act compliance, and involvement of many nations. The issue of Backfire bomber production levels was not a formal SCC issue, but was aired in press commentaries on Soviet noncompliance before reported reductions in the Backfire production rates for 1984 and 1985.

Several exemplars of SCC "success" in resolving compliance questions are more appropriately exemplars of the SCC's role in perfecting Soviet maskirovka activities or other treaty-evasion strategies. U.S. complaints in 1975, presented in the SCC, regarding Soviet deliberate concealment measures, led to a partial pause (publicly noted by Secretary Vance in 1978) preceding an unprecedented expansion of Soviet maskirovka activities. U.S. complaint in the SCC about concurrent testing of Soviet air defense and ABM equipment failed to stop such tests, and preceded deployment of strategic surface-to-air missiles systems that Soviet officials have admitted to be capable of intercepting U.S. ICBMs. The illegally-situated radar near Krasnoyarsk that is nearing operational status has been the subject of repeated SCC discussions that have not resulted in cessation of construction activities. This illegal radar is located in the center of an ellipse of deployed strategic SAM interceptors, some of which must (by Soviet admissions) be presumed to have a capacity to intercept U.S. ICBMs. U.S. expressions of concern, in the SCC and elsewhere, about Soviet mobile ICBM development, and about possible SS-16 deployments at Plesetsk brought no relief over nearly a decade. The Soviets reportedly withdrew SS-16 ICBM systems from Plesetsk in 1985, after deriving whatever operational experience the Soviets considered relevant to maskirovka programs and other deployment considerations for the now operational SS-25 mobile ICBM and SS-20/SS-28 mobile IRBM systems.

Verification improvements depend largely upon U.S., not Soviet, actions to obtain more unexpected and adaptive collection, and to exploit available information to support responsive initiatives. Verification has been successful insofar as it has gone, but it has not gone half the way to providing assessments that national and allied leaders require to formulate and implement strategies that cope with selective and continuing Soviet breaches of arms control commitments. Verification must help us understand why our hopes are unfulfilled, how our national security is jeopardized, and what alternative course of action will serve the cause of international security.

TABLE 1.—PRESIDENTIAL REPORTS TO THE CONGRESS ON SOVIET NONCOMPLIANCE WITH ARMS CONTROL OBLIGATIONS STRATEGIC NUCLEAR ARMS AGREEMENTS

Obligation and issue/report	GAC report 12/2/83 [1]	President			
		1/23/84(2)	2/1/85 [3]	6/10/85 [4]	12/23/85 [5]
1972 ABM Treaty:					
Deployment of large Krasnoyarsk radar, neither on periphery nor oriented outward, 1981 to present.	Violation	Almost certainly a violation	Violation	Violation	Violation; no corrective action has been taken.
Testing and deployment of mobile FLAT TWIN ABM radar in 1975, and continuing development 1975 to present.	Violation		Potential violation		Apparent testing and development of ABM components and highly probable concurrent testing; SA-X-12 may have some ABM capabilities.
Concurrent testing of ABM and SAM components			Highly probable violations		Do.
Deliberate concealment measures	Violations		Potential violation	Serious cause for concern	May be preparing ABM defense.
ABM and ABM-related actions in preparation for defense of the national territory.					
Rapid reload of ABM launchers			Classified rpt		Serious cause for concern.
1972 SALT I Interim Agreement:					
Deployment of large throwweight SS-19 and SS-17 ICBMs despite limit on heavy ICBM launchers, 1972 to present.	Circumvention defeating object and purpose.				
Deliberate concealment measures	Violations				
PROTOCOL limiting launchers of modern ballistic missiles:					
Deployment of Delta modern ISLBM launchers exceeding SALT I Protocol limit, 1976-1977; dismantling of older launchers.	Violations (probably deliberate)		Currently in compliance (political)	Compliance with the letter of the agreement.	
Dismantling procedures effective July 3, 1974:					
Yankee SLBM submarine conversion into elongated cruise missile carrier.			Not a violation but threat to U.S. and Allies' security.	Not a violation but threat to U.S. and Allies' security.	
Mobile missile base (SS-25) at dismantled SS-7 ICBM sites.			Future violation		Violation; use of SS-7 facilities for SS-25 ICBMs.
1979 SALT II TREATY (unratified) (duty not to defeat object and purpose):					
Flight testing or deployment of second new type ICBM (SS-X-25).	Probable violation	Probable violation (political)	Violation (political)	Irreversible violation	Clear and irreversible violation.
Anti-MIRV limit on RV-to-throwweight ration (SS-X-25).	Violation	Violation (political)	Violation (political)	Serious concerns unresolved	Violation (political).

TABLE 1.—PRESIDENTIAL REPORTS TO THE CONGRESS ON SOVIET NONCOMPLIANCE WITH ARMS CONTROL OBLIGATIONS STRATEGIC NUCLEAR ARMS AGREEMENTS—Continued

Obligation and issue/report	GAC report 12/2/83 [1]	President			
		1/23/84 (2)	2/1/85 [3]	6/10/85 [4]	12/23/85 [5]
Encryption impeding verification	Violation	Violation (legal, 79–81) (political, 82–).	Violation (legal 79–81) (political, 82–).	Violation	Violation (legal, 79–81) (political, 82–).
Deliberate concealment:					
Plesetsk test center	Violation				
Association of missiles and launchers during testing.					Violation (political).
Deployment of the SS–16 mobile ICBM at Plesetsk	Probable violation	Probable violation (legal, 79–81) (political, 82–).	Probable violation (legal, 79–81) (political, 82–).	probable violation	Probable deployment, probable removal in 1985.
Falsification of SALT II database, 1979	Probable violation				
Backfire bomber production above 30 per year					>30/yr before 1984.<30/yr since 1984.
Exceeding strategic nuclear delivery vehicle ceiling					Violation (polit) deploying more than 2504 SNDVs.

[1] Unclassified summary report of the President's General Advisory Committee on Arms Control and Disarmament, 10/10/84.
[2] Report of the President on Soviet Noncompliance, per FY84 Arms Control Act, 1/23/84.
[3] Report of the President on Soviet Noncompliance, per FY85 Defense Authorization Act, 2/01/85.
[4] Report of the President, Building an Interim Framework for Mutual Restraint, 6/10/85.
[5] Report of the President on Soviet Noncompliance, per PL99–145, 12/23/85.

TABLE 2.—PRESIDENTIAL REPORTS TO THE CONGRESS ON SOVIET NONCOMPLIANCE WITH ARMS CONTROL OBLIGATIONS RESTRAINTS ON NUCLEAR WEAPONS TESTING

Obligation and issue/report	GAC report 12/2/83 [1]	President			
		1/23/84 [2]	2/1/85 [3]	6/10/85 [4]	12/23/85 [5]
Nuclear Test Moratorium, 1958–61 (Unilateral Soviet commitments):					
Resumption of atmospheric testing, 1961–62, during negotiation of treaty banning atmospheric tests.	Breach of unilateral commitment				
1963 Limited Test Ban Treaty:					
Venting radioactive debris outside the Soviet Union, when available and reasonable precautions could have contained debris, 1965 to present.	Numerous violations		Numerous violations	Violations	
1974 Threshold Test Ban Treaty and 1976 Protocol (unratified) (effective March 31, 1976):					
Underground nuclear testing with yields in excess of 150 kt. limit.	Suspicion of repeated violations	Likely violation	Likely violation	Likely violation	Likely violations.

[1] Unclassified summary report of the President's General Advisory Committee on Arms Control and Disarmament, 10/10/84.
[2] Report of the President on Soviet Noncompliance, per FY84 Arms Control Act, 1/23/84.
[3] Report of the President on Soviet Noncompliance, per FY85 Defense Authorization Act, 2/01/85.
[4] Report of the President, Building an Interim Framework for Mutual Restraint, 6/10/85.
[5] Report of the President on Soviet Noncompliance, per PL99–145, 12/23/85.

TABLE 3.—PRESIDENTIAL REPORTS TO THE CONGRESS ON SOVIET NONCOMPLIANCE WITH ARMS CONTROL OBLIGATIONS OTHER SOVIET ARMS CONTROL COMMITMENTS

Obligation and issue/report	GAC report 12/2/83 [1]	President			
		1/23/84 [2]	2/1/85 [3]	6/10/85 [4]	12/23/85 [5]
Offensive Weapons in Cuba, 1962 (Unilateral):					
Deployment of offensive weapons (MRBM and IRBM missiles; medium bombers) in Cuba, Sept.–Oct. '62.	Breach of unilateral commitment				
Offensive Weapons in Cuba (Reciprocal unilateral commitment)—1970:					
Deploying and tending Soviet nuclear missile-carrying submarines in Cuban territorial waters, 1970–1974.	Breach of unilateral commitments				
Biological Weapons Convention, 1972:					
Retention of facilities, continued biological munitions production, storage transfer and use; maintaining an offensive biological warfare program and capability; 1972 to present.	Violations	Violations	Violations	Significant violations	Violations; expanded BW and toxin facilities since 1972.
Geneva Protocol of 1925 (chemical and toxin weapons):					
Transfer of chemical and toxin weapons to Vietnam, with subsequent use, 1975–83, and Soviet use in Afghanistan, 1980–82, against nationals of Protocol nonparties.	Circumventions defeating object and purpose.	Violations (codification of customary international law).	Violations (codification of customary international law)—not continued '84.	Significant violations	Violations; no evidence of lethal attacks in 1985.
Montreux Convention of 1936 and Law of the Sea Convention of 1982:					
Transit of aircraft carriers through the Turkish Straits; Black Sea construction necessitates future violations.	Violations				
Helsinki Final Act of 1975:					
Failure to provide 21-day notice and specified data before exercises involving more than 25,000 troops, 1981 and 1983.	Violations 1981 and 1983	Violation (political) 1981	Violation (political) improved notice—1983.	Violation of terms	Violation '81; minimal notice provided in 1984–1985.
Conventional Weapons Convention, 1981:					
Use of booby-trap mines and incendiary weapons against civilians in Afghanistan, 1981–1982, before entry-into-force of Protocols in December 1983.	Violations (codification of customary international law).				
SS–20 Mobile IRBM Deployment Moratorium, March 1982–Nov. 1983 (Unilateral):					
Completion of construction of mobile IRBM launcher bases, despite pledges of March and May 1982.	Breach of unilateral commitment				

[1] Unclassified summary report of the President's General Advisory Committee on Arms Control and Disarmament, 10/10/84.
[2] Report of the President on Soviet Noncompliance, per FY84 Arms Control Act, 1/23/84.
[3] Report of the President on Soviet Noncompliance, per FY85 Defense Authorization Act, 2/1/85.
[4] Report of the President, Building an Interim Framework for Mutual Restraint, 6/10/85.
[5] Report of the President on Soviet Noncompliance, per PL99–145, 12/23/85.

TABLE 4.—ARMS CONTROL COMMITMENTS REGARDING WHICH THE SOVIET UNION IS IN APPARENT COMPLIANCE

	Compliance
Accident avoidance measures	US–USSR Direct Communications Link Agreement of 1963, amended in 1971 and 1984. US–USSR Accidents Agreement of 1971 [one violation, judged to be inadvertent]. France-USSR Accidents Agreement of 1976. United Kingdom-USSR Accidents Agreement of 1976.
Nonproliferation of nuclear weapons	Nonproliferation Treaty of 1968. IAEA Guidelines for Nuclear Transfers, INFCIRC/209 of 1974. IAEA Guidelines for Nuclear Transfers, INFCIRC/254 of 1978. Treaty of Tlatelolco (Latin American Nuclear Free Zone), Protocol II, USSR ratification 1979. Convention on the Physical Protection of Nuclear Material, USSR ratification 1983.
Other agreements	Antarctic Treaty of 1959. Outer Space Treaty of 1967. Seabed Treaty of 1971. Convention on Environmental Modification of 1977.

Sources: Report of the General Advisory Committee on Arms Control and Disarmament, Oct. 10, 1984; Reports of the President to the Congress on Soviet Noncompliance, Jan. 23, 1984; Feb. 1, 1985; and Dec. 23, 1985.

TABLE 5.—PRESIDENTIAL REPORTS TO THE CONGRESS REGARDING SELECTIVE RESTORATION OF SOVIET COMPLIANCE

Obligation and issue/report	GAC report 12/2/83	Interagency		President 6/10/85	Interagency 12/23/85
		1/23/84	2/1/85		
SALT I Protocol:					
Excess modern SLBM launchers	1976–1977 probably deliberate violations.		Currently in compliance	In compliance	
SALT II Treaty:					
SS–16 mobile ICBMs at Plesetsk	Probable violation	Probable violation	Probable violation	Probable violation	Probable removal of SS–16 equipment.
Backfire Bomber production			Not publicly reported		Evidence of decrease to under 30/yr in 1984–85.
Geneva Protocol of 1925:					
Transfer and use of lethal chemicals	Circumventions defeating object and purpose.	Violations	Violations not continued in 1984	Significant violations	No unambiguous evidence of lethal attacks in 1985.
Helsinki Final Act:					
21-day advance notice of military exercises	Violations in 1981 and 1983	Violation in 1981	Violation in 1981; improved notice in 1983.	Violation	Improved notice in 1983; minimal compliance in 1984–85.

Sources: GAC Report, 10/10/1984; President's reports to the Congress on Soviet noncompliance, 1/23/1984, 2/1/1985, 6/10/1985, and 12/23/1985.

THE FRAGILE FLOWER OF LATIN DEMOCRACY

Mr. KENNEDY. Mr. President, as the Senate approaches yet another round in the continuing debate about U.S. policy in Central America, we should pause for a moment and listen to the words of Carlos Fuentes. Mr. Fuentes is a distinguished Latin American scholar and world-renowned expert on the history of our hemisphere. He also is a friend of the United States. His career is as rich and as varied as are his many talents: he is a former diplomat, a learned professor, a great teacher, and a brilliant novelist.

Carlos Fuentes shares the same concerns and ideals that have moved and inspired the American people throughout our history. His great value to us in the North is his perspective as a friend from the South. With his words and his thoughts, Carlos Fuentes has sought to bridge 500 years of different cultural and political history. In his work, he has become a human bridge between North and South, patiently and painstakingly explaining and teaching and advising. He has become an interpreter of the American experiences to the American peoples—not only to promote understanding, although understanding is surely needed, but also to advance those very same values which all Americans share—freedom, democracy, human rights, social justice, economic opportunity.

Last July, Carlos Fuentes gave the keynote address to the annual awards dinner of the Campaign for Economic Democracy. In his speech, he touches on our past, on our present, and on our future.

Of the past, he said:

Whenever we look at the relationship between the two Americas—developing and developed—we must bear this difference in mind. We cannot possibly be judged by your standards, nor you by ours: we must arrive at a new pact of cultural understanding, preceeding political or economic understanding.

The historical and cultural roots of Anglo America and Latin America are far too dissimilar. Our tradition is that of theocratic Indian empires, Iberian royal absolutism, the Inquisition and the Counter Reformation: the world of Montezuma and Cortes, Philip II and Torquemada—but also of Cervantes and Saint Theresa and Father Bartolome de las Casas who dared proclaim that the conquered Indian had a soul.

We have lived under a mixture of Scholasticism and Utopia, where abbeyance to hierarchy and the expectation of grace through the intercession of the Roman Catholic Church is tempered by loyalty to collective ends and national values which outweigh the ends and values of the individual.

One thing, though, remains more or less constant: the means to these ends are granted from above, through authoritarian concession, and when this does not happen, they are wrested from below, through violent revolution.

Democracy, in these conditions, is a fragile flower in Latin America, and all the more admirable when it blooms in spite of the tradition. But it cannot be planted from the outside: it will then wither and grow thorns.

Of the present, Mr. Fuentes writes:

The world has changed since Jacobo Arbenz was overthrown by the generals and the CIA in Guatemala back in 1954, or since Salvador Allende was destabilized by the Nixon Administration and then murdered by the generals back in 1973.

Latin America is not going to accept one more military intervention dictated by Washington, be it direct or by proxy.

Resistance to yet another United States intervention in Latin America is the issue that links the will of the governments and the people throughout Latin America.

In the present policies of the Reagan Administration against Nicaragua, every independent government in Latin America sees a menace against its own sovereignty. If we do not bow to Washington's wishes, will we too be punished with commercial embargoes, assailed by mercenaries hailed as "freedom fighters," and denounced as un-democratic states where only the United States can supervise free elections and tell us again, as Woodrow Wilson did in 1914, I will teach Latin Americans to elect good men to office.

The people of Latin America will not stand for this once again.

If it is security—its own or that of the region—that Washington is worried about, feeding the contra war is no solution. Only through diplomatic means, such as those proposed by the Contadora nations for the last three years, can a formal quid pro quo be obtained . . . From this basic agreement all the rest will follow: symmetrical actions in reducing the level of armed forces in all the countries of the isthmus, withdrawing foreign military advisers, disbanding guerrillas, halting passage of arms across national borders and forbidding foreign bases on the territory of Central American states. Washington, though, demands that two other elements be privileged above all the rest. One is what it calls dialogue and reconciliation between the Sandinista government and the contra bands. This is manifestly impossible:

the newly independent United States would not have reconciled themselves with the "contras" of the day, the Tories acting from Canada . . .

The second element is that democracy be "restored" in Nicaragua . . . You cannot "restore" what has never existed. . . . Nicaraguans fought for their independence and against U.S. military occupations and American-backed dictatorships for more than 70 years. What did the United States do to favor democracy in Nicaragua during its period of suzerainty between 1912 and 1979? What does Reagan have to offer today in the event of a contra victory? Washington is behaving like an international Uriah Heep. Be frank: it wants power over Nicaragua, not democracy in Nicaragua.

Mr. President, I urge my fellow Senators to read the words of Carlos Fuentes before we begin our debate about whether the United States should continue military and economic assistance to the Contras. This is the advice of a democrat and a friend. We should take heed.

I ask unanimous consent that the speech of Carlos Fuentes on July 12, 1985 and his Newsweek article of March 3, 1986 be included at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Economic Democrat, September 1985]

THE FRAGILE FLOWER OF LATIN DEMOCRACY—DIPLOMACY, NOT WAR, WILL HELP NURTURE IT ALONG

(By Carlos Fuentes)

(Carlos Fuentes, an internationally renowned writer, was formerly Mexico's ambassador to France. He frequently comments on U.S.-Latin America relations. He was the keynote speaker at the annual CED awards dinner, which concluded the July 12-13 conference.)

We meet as Latin America lives through one of the greatest crisis—some say the greatest—of its contemporary history.

We share a continent of enormous contrasts and vast inequalities. Every single Latin American nation is a developing nation. But we live alongside the most developed nation in the world, the strongest in military and economic terms—not always, unfortunately, the wisest in political terms.

Whenever we look at the relationship between the two Americas—developing and developed—we must bear this difference in mind. We cannot possibly be judged by your standards, nor you by ours: we must arrive at a new pact of cultural understanding, preceeding political or economic understanding.

The historical and cultural roots of Anglo America and Latin America are far too dissimilar. Our tradition is that of theocratic Indian empires, Iberian royal absolutism, the Inquisition and the Counter Reformation: the world of Montezuma and Cortes, Philip II and Torquemada—but also of Cervantes and Saint Theresa and Father Bartolome de las Casas, who dared proclaim that the conquered Indians had a soul.

We have lived under a mixture of Scholatiscism and Utopia, where abbeyance to hierarchy and the expectation of grace through the intercession of the Roman Catholic Church is tempered by loyalty to collective ends and national values which outweigh the ends and values of the individual.

One thing, though, remains more or less constant: the means to these ends are granted from above, through authoritarian concession, and when this does not happen, they are wrested from below, through violent revolution.

Democracy, in these conditions, is a fragile flower in Latin America, and all the more admirable when it blooms in spite of the tradition. But it cannot be planted from the outside: it will then wither and grow thorns.

Your tradition is that of self-government, the rights of assembly and free speech, civil disobedience, the rule of law and the espousal of the values of the modern world as seen through the eyes of Protestantism and capitalism: the world of Magna Carta, the English parliamentary system, Benjamin Franklin and Thomas Jefferson—but also of the consecration of private property and individual interests above communal values; the world of John Locke and Adam Smith, of the slave plantation, the urban ghetto and the industrial sweat shop: the world where the best "injun" was the dead "injun."

The United States has also known revolution and civil war when its values have been denied or menaced. But most of the time, it has shown itself capable of negotiating and winning for the civil society the capacity to negotiate from below. We wish that this capacity for internal negotiation were present in the relations of the United States with Latin America. It is rarely so.

Yes, we are different: North Americans and Latin Americans. We cannot impose our vision of the world on you, nor can you on us.

Imagine for one moment that Latin America had possessed the power to influence the outcome of your Civil War and had intervened decisively in favor of the South. Indeed, the conservatives in Latin America were rooting for the Confederacy and opposed to the Union. If they had succeeded, they would have frustrated the national design of the history of the United States.

This frustration is exactly what we feel when the United States abuses its tremendous power and thwarts the national will of Guatemala or Chile, of Cuba or Nicaragua, and either overthrows their legitimate governments by force, or exercises the *gringo* genius for self-fulfilling prophecy, driving the revolutionary countries into allegiance with an dependency on the Soviet Union.

These mistakes only strengthen the Soviets and weaken both Latin America and the United States.

They are to be avoided, but they *cannot* be avoided unless the United States recognizes the right of every Latin American country, large or small, to determine both its internal and its foreign policies, even—especially—when they do not coincide with those of the major continental power,

For the world has changed since Jacobo Arbenz was overthrown by the generals and the CIA in Guatemala back in 1954, or since Salvador Allende was destabilized by the Nixon Administration and then murdered by the generals back in 1973.

Latin America is not going to accept one more military intervention dictated by Washington, be it direct or by proxy.

Resistance to yet another United States intervention in Latin America is the issue that links the will of the governments and the people throughout Latin America.

In the present policies of the Reagan Administration against Nicaragua, every independent government in Latin America sees a menace against its owns sovereignty. If we do not bow to Washington's wishes, will we too be punished with commercial embargoes, assailed by mercenaries hailed as "freedom fighters," and denounced as undemocratic states where only the United States can supervise free elections and tell us again, as Woodrow Wilson did in 1914: "I will teach Latin Americans to elect good men to office."

The people of Latin America will not stand for this once again.

And the civilian governments that do not follow the people in this issue will be left behind, promptly substituted by military regimes or challenged by revolutionary convolusions.

The destiny of the new democratic regimes in Latin America—the Alfonsin government in Argentina, the Sanguinetti government in Uruguay, the new Allan Garcia presidency in Peru, the transition towards direct elections and civilian government in Brazil—would be broken by this double jeopardy: An intolerable invasion of a Latin American country and the constant postponement of the really big continental issues by the obsessive Central American follies.

There is nothing in the Central American conflict that cannot be quickly, even quietly, dealt with and solved through diplomatic means and what is called, in other parts, "constructive engagement." This is a policy the United States reserves for its friends in South Africa but cannot extend to its friends in Latin America.

Yet the incapacity or unwillingness of the present administration in Washington to seriously negotiate, either directly or through its friends in the Contadora group—Colombia, Mexico, Panama and Venezuela—comes at a most critical moment, when everything that Latin America has been able to achieve during the past four decades, seems to teeter on the verge of an irreparable catastrophe.

The sense of the crisis we are living through today is that it endangers even these modest gains and puts the whole question of our modern viability into doubt.

Increasing material wealth without equivalent social distribution is now giving way to a decrease in wealth and a decrease in justice. The middle classes are increasingly restless as they undergo a revolution of lost expectations. The rural areas are increasingly poor as prices for agricultural products steadily decline.

The possibility of counting on diversified sources of economic and technological support decreases. Production per inhabitant fell by 9 percent last year in Latin America, bringing us back to the level of 1977: eight years wiped out in one.

Prices rose from 66 percent in 1983 to 163 percent in 1984. Only in Bolivia, between December 1983 and December 1984, inflation hit the all-time record of 2,200 percent. Unemployment is also at record levels. And the cycle of debt-fueled development has now come full circle to a situation of debt-fueled stagnation.

The foreign debt of Latin America stands at $360 billion. Our export earnings have come down to $95 billion a year. Interest payments on the debt are now equivalent to 48 percent of export earnings. Latin America is now paying $45 billion interest yearly.

This means that Latin America has now become a net exporter of capitals to the industrialized nations exactly at the moment when it needs capitals most.

It also means that very little is left for economic development: in Mexico, economic output fell by 4 percent in 1983 and in Brazil, the same year, by 3.3 percent.

It means that even less is left for basic social programs in health, housing and education. It means that trade relations, already burdened by protectionism, the high price of the dollar and the declining prices of commodities, continue a downhill ride:

Exports from the Third World to the industrialized world declined by $42 billion last year.

But imports to the Third World from the industrialized nation fell accordingly: in the case of Mexico alone, we imported $7 billion less from the United States last year.

United States exports to Latin America as a whole fell from $38 billion in 1981 to $20 billion in 1983. This cost the economy of the United States the loss of 300,000 jobs. In effect, export-related job losses accounted for 40 percent of U.S. unemployment between 1980 and 1982.

All of this directly affects the economy of the United States—indeed, of the whole West.

It affects the stability of banks whose Latin American debt sometimes comes perilously close to being equal to half, three quarters, or even more, of its total capital resources. Not only the United States, but the whole world, and certainly Latin America, face what Eliot Janeway calls "a financial Pearl Harbor."

How can any government maintain stability when it suffices for the U.S. rate of interest to jump up one point, and presto, you have added $2.5 billion to our foreign debt?

How can any government demand indefinite sacrifices from its people, endless austerity that is perceived as mainly satisfying foreign creditors?

The millions of urban marginals in our great cities, depoliticized, with nothing to lose, festering in the favelas and ranchos, in the ciudades perdidas, the lost cities, prepare their assault on the citadels of wealth and privilege: I fear that we might plunge into a milenarist explosion of almost medieval resonances in Latin America.

The solution for Central America is there, it is called diplomacy and political imagination, it is being offered to the United States by friends of the United States—the Contadora Group—and it is a Latin American solution to a Latin American problem. If the United States does not support this solution, instead of merely paying lip service to it from time to time, it will soon find itself without a say in Latin American political dynamics.

Castro has demonstrated that he can reenter Latin America on his own terms, disregarding the terms imposed by the United States since the Eisenhower Administration.

Latin America has taken note and now compares its own peace initiatives in Central America with the Reagan Administration's almost constant contradiction between what it says in support of diplomacy and what it does in support of military activities.

Acting as Latin Americans, the four Contadora nations and the five Central American countries reached an agreement in September of 1984 which effectively protects the interests of all the concerned parties, including the United States.

The Contadora Act for Peace and Cooperation in Central America recognizes the security of all the states in the region.

It eliminated all foreign military presence and deals with subjects such as military maneuvers, bases and advisers with the objective of eliminating them, according to each country's treaty obligations.

It forbids the passage of arms from one country to another, the support of terrorism, subversion and sabotage.

It established working foundations for the control and reduction of the arms race in Central America and created commissions on verification and control of obligations that must be formed by personalities guaranteeing impartiality and deserving of the support and confidence of all the states in the region.

This agreement was freely arrived at by the five Central American nations acting autonomously and assisted by the four Contadora countries interested in reducing the causes of friction in the region, since a Central American war would spell disaster for all of us.

Everything seemed perfect until Nicaragua signed the agreement.

Obviously, the United States did not expect Managua to accept the treaty obligations and promptly denounced the Sandinistas for using public relations ploys. Possibly, the United States did this because it had no intention of being itself hamstrung by these very obligations.

Certainly, the problem with negotiations is that they bind all parties: the essence of negotiations is that everybody gives something up so that everyone may gain something more important than what he or she gives up. In this case, the universal gain was a chance for peace in Central America.

Everyone would have been obliged by the treaty provisions against covert wars, acts of terrorism and sabotage, passage of arms, military maneuvers, military bases and military advisers, not only Nicaragua, Cuba or the Soviet Union, but also the United States: the people who brought you the mining of Nicaraguan harbors and the arming of Nicaraguan contras.

A pretext was found: the United States refused to go along with the peace plan unless stronger guarantees for compliance and verification were given.

This quickly became an excuse for constant postponement, weakening and even sabotage of the Contadora process.

While the American Ulysses roamed unfettered, the faithful Penelope of Contadora was meant to undo each night what she had done each day.

Indeed, a National Security Council directive of October 1984 congratulated itself for effectively blocking Contadora.

From that moment, the space for negotiations in Central America has constantly shrunk. The bilateral talks between Nicaragua and the United States in the Mexican port of Manzanillo were suspended. The United States refused jurisdiction of the World Court and Nicaragua's claim against damages to its ports and refineries by direct American actions.

Honduras, El Salvador and Costa Rica were pressured and reminded of their status as client states of the U.S. Honduras was transformed into a military base: the capital, Tegucigalpa, is now called "Saigoncito: Little Saigon," complete with brothels and cantinas.

The presence of the Contra armies gave rise to intolerable fears in Honduras: would these paid mercenaries, once abandoned by their unlucky sponsors, roam and plunder Honduras—the Mad Max of Central America?

Equally tense for Honduras was the presence of training camps for the Salvadoran military in its territory, since El Salvador, not Nicaragua, has been the traditional enemy of Honduras.

Instead of strengthening the rule of law, disregard for the international order, the cover-up of illegal actions and, most especially, the arming of the contras and the approval of millions of dollars for them, as well as the Nicaraguan reaction in seeking new arms to counter the contras, have systematically undermined the floors for negotiation.

A trade embargo which no one respects, from which no one profits and which hurts the people and the civil society of Nicaragua more than it hurts its government, seemed to symbolize the futility of Washington's hostility against Managua.

Rationalizations for this hostility have shifted: the impossibility of publicly demonstrating a Nicaraguan presence in the Salvadoran civil war transformed the issue from passage of arms to "democracy in Nicaragua."

This is an issue, as we all know, that preoccupied American conservatives profoundly during the cozy 48 years of the Somoza relationship, when today's right-wing paladins of democracy did not demand of the Somoza clan what they now demand of the Sandinistas, as they did not demand it of the Argentinian military or of the Pinochet dictatorship in Chile: hypocrisy is not democracy.

The Administration in Washington gave itself the godly privilege, parallel to the Soviet Union's in its own sphere of influence, to intervene in its neighbor's lives, bully them and decide who should rule them.

You are not the Soviet Union, you cannot invoke expediency and act like the Soviet Union because then you cease to be the United States and everybody ceases to distinguish between you and the Soviet Union, thus weakening you and strengthening them.

Perhaps it is the mission of Latin America to constantly remind North Americans of this fact.

This leads me to consider two issues that I fear are making some headway in this country and which affect us deeply in Latin America.

The first is democracy, as defined by the United States, and not independence, as defined by Latin America, is the issue in Nicaragua.

The second—the corollary of the first—is that support for democracy abroad authorizes the United States to intervene, if not directly, then through counter-revolutionary activities financed by the United states, in order to "restore" democracy in a foreign country.

But democracy, like revolution, is not bananas: it cannot be exported. You cannot restore democracy where it has never existed before: What democracy can be "restored" in Nicaragua? Democracy should be restored in Chile, where it had a profound development before the Pinochet coup, with Washington's blessing, happened in 1973. I see no CIA financed freedom fighters against him on the slopes of the Andes.

The forces of democracy and equilibrium are hardly helped by the doctrine of the right to intervention, which presupposes that Marxist governments are *bad* and the guerrillas that oppose them are *good*, whereas client governments of the United States are *good* and the guerrillas that oppose them are *bad*.

We live in a world divided into two power blocs. Latin America, Africa, Asia, even Europe as it gathers its own momentum to enter the 21st Century, wish to go beyond this division towards a more creative and diversified world of plural power centers.

In the meantime, each superpower arrogates unto itself a sphere of influence and the right to do and undo governments in that sphere.

The histories of Eastern Europe and the borders to the south and east of the Soviet Union, but also the histories of the Latin American republics, are wounded by the intervention of the major regional power: Russia or the United States. The criterion by which we can judge the governments and the guerrillas in these spheres of influence is then the degree of their subservience to the paramount power, or their independence from it.

The Afghan guerrillas *are* freedom fighters: they oppose the Soviet puppet government in Kabul. But the contras are the creatures of the administration in Washington and they try to unseat the Sandinistas, who are the first Nicaraguan government that refuses to take orders from Washington.

If Lech Walesa were ever to come to power in Poland, his first priority could not be a perfect democracy, but independence from Moscow. The same goes for Nicaragua: the issue is not democracy if it is not first independence.

You cannot have a democracy if you do not have a nation and you cannot have a nation unless you have independence. Independence from Washington. But also from Moscow.

The issue is independence, and this is the obstacle to peace in Central America: lack of independence, assertion of independence, refusal of independence.

The quid pro quo of peace in Central America is: we cease to be American protectorates, but we do not become Soviet protectorates.

What we do become is active partners in trade, economic cooperation, cultural exchange with all the continents, with all the blocs. And if we are not menaced by military aggression, there will be no need to import arms from either bloc.

You promise non-intervention. We promise non-alignment. We both promise cooperation. Why is this so hard to accept? And who can truly believe that peace will be achieved, not by diplomatic concessions, but by escalating acts of war?

This is dangerous nonsense, for it can lead, willfully or through a snowball effect, to an invasion which, nominally, nobody wants.

This should be clearly understood by the American public, as clearly as generals such as Vessey and Nutting understand it: an invasion of Nicaragua will not be Grenada II. An American invasion means that Managua would be taken, the contras given power, the democrats among them purged and the essential, subservient Somoza dictatorship restored. Who will be there to prevent it on the contra side? Nobody. A blood bath will ensue and a ferocious and protracted war.

Nicaragua has a culture and a people. It cannot, finally, be taken. Sandino defeated the Marines in 1928 with nothing but machetes and rusty rifles. Imagine what would happen today.

The Sandinistas are perfectly prepared to resume a guerrilla war at which they are past masters. Nicaragua has an armed people, ready to fight for every square inch. Will only the arrival of the first body bags with young American soldiers in them truly open the eyes of your people?

This is the alternative: Peace through diplomacy in Central America, or war, creeping war by the contras, war by accident on the frontiers, or lightning war by the Marines, but invariably ending in the quagmire of Sandinista guerrilla resistance, in escalation of the Salvadoran civil war (this is already happening as a result of heightened American backing for the contras) and loss of any restraint on the part of the Sandinistas to take the war beyond their borders.

And something even worse for all of us: an invasion of Nicaragua would not only open a breach that it would take decades to close between Latin America and the United States; it would not only be an intolerable insult to Latin America's capacity for negotiation and independence and the culmination of Washington's manifest scorn for the diplomacy of its friends in this hemisphere; it would also tear apart the already flimsy fabric of many Latin American societies.

The forces I have spoken of here—a disenchanted middle class; a rootless, violent urban mass; an abiding military waiting for its turn to take power again of the civilians are overwhelmed—would promptly see in the American invasion of a Latin American territory an occasion to make their divergent claims on the crisis-ridden societies.

A voice as moderate as that of Carlos Andres Perez, the former president of Venezuela, warned you a few weeks ago: all of Latin America would rise against the United States if your government invades Nicaragua.

Volunteer brigades of Latin American youths would rush to Nicaragua's aid, from Mexico to Argentina; from the Benito Juarez brigade, the San Martin battalion.

Could the contras or the Marines appear on TV sets in Mexico City or Buenos Aires killing young Mexicans or Argentinians without any consequence? Latin America is just waiting for a reason to explode.

And at yet another level, a war in Central America would ignite the whole continent beyond the issue of Central America, transforming it into the supreme issue of Latin America nationalism, where left and right can coincide, as the Malvinas War proved.

Relations in the Americas have been characterized by extreme lack of symmetry: too much power on one side—yours—very little power on the other side—ours. This asymmetry has led us to a constant search for diplomatic arrangements to contain the excessive power of the United States within legal boundaries acceptable to both sides.

These were the policies implemented, notably, by the Roosevelt and Truman Administrations, with excellent results, and by the Carter Administration as regards the Panama Canal treaties, in whose absence we would probably be witnessing an American war in the streets of Panama City today. These are the policies that we should all fight to revive and implement today.

The spaces for diplomacy must be widened, and those for war restricted. Talks between the United States and Nicaragua must resume at Manzanillo, so that the bilateral conflicts between them can be aired. The mediation of Argentina's president Raul Alfonsin is to be welcomed.

The Act of Contadora must be approved, signed and implemented by all parties. It contains the best formulas for peace, both immediate and long-range. It is a Latin American creation and deserves respect from the United States. It is not a trap set by your enemies, but a contribution offered by your friends.

The European Economic Community, now 320 million people strong with the entry of the Iberian democracies—more than the population of the USA or the USSR—must offer the Central American nations a wider economic and moral choice than that offered by the two superpowers.

The American imposed embargo should quickly end. No one supports it, and it has become an embarrasment. What should be supported are a series of regional or bilateral agreements on demilitarization of frontiers. This should be a first step towards a great goal: the demilitarization of Central America.

Support to the contras should end: it is immoral, illegal, self-defeating and it alone fits President Reagan's description of guerrillas armed, financed and politically directed by a foreign power against an independent nation from bases in other nations.

The Central American republics should be left to deal with their own family quarrels, without intervention or support for any faction from abroad.

As the president of Mexico, Miguel de la Madrid, signaled recently, internal processes of national reconciliation and national dialog in the interior of each country escape the limits of the Contadora group, based on the principle of non intervention.

EL Salvador must deal with its homegrown guerrillas. And Nicaragua must deal with the American Government's contras, and this requires not only a bilateral agreement with the puppet master—the United States—but also actions inside Nicaragua to defuse tensions between the government and the press, the church, the private sector and regional and ethnic groups such as the Miskitos.

This is something that the Sandinista government will deal with soon and seriously, not to amuse Washington or to please the contras, but because it serves Nicaragua best and it serves Nicaragua's friends, and its future in Latin America and the world, best.

But, finally, the United States also has an obligation towards its own future in this hemisphere. Things are rapidly evolving in such a manner that the United States will appear excluded from, or crippled in, the dynamics of this hemisphere.

This would be a pity. The United States has great contributions to make: its advantages are called democracy, humane political traditions, worldwide economic links and, when it conducts itself properly, strong and respectful relationships with its allies, its trading partners and its neighbors. Are these not bases of strength from which to negotiate the present contentious issues in Central America?

Let us solve political and diplomatic problems through political and diplomatic means, not by an unending war, and set our sights on the future.

[From Newsweek, Mar. 3, 1986]

REAGAN'S RAMBO REVOLUTIONARIES

(By Carlos Fuentes)

The U.S. Congress will soon be asked by the Reagan administration to cough up a further $100 million for the Nicaraguan contras. This request comes on top of an estimated $70 million previously allocated, a sum for which Reagan, the Congress or the U.S. taxpayers have little to show. Reagan's policy is bankrupt. The contras have not been able, after five years of U.S. training, direction and financing, to take a single

town or hold a single square inch of territory in Nicaragua, thus dashing the illusion that some kind of U.S.-recognized, puppet "provisional government" could be set up inside Nicaragua. The contras have failed to shed their identification with the Somoza regime or his infamous Guardia Nacional. It is naive to think such respectable but weak civilian figureheads as Arturo Cruz could, in the unlikely event of a contra victory, prevail over the power-hungry and vengeful likes of Col. Enrique Bermúdez, the former Somoza henchman who is the real leader of the counterrevolution. Rambo will not be governed by Caspar Milquetoast.

The actual makeup of the contras—and their rampage against Nicaraguan civilians and against themselves—are now explicitly documented in Christopher Dickey's first-hand account of life "With the Contras." Dickey is not kind toward the Sandanistas. But one comes away from reading his book with a clear conviction: the Sandinistas commit mistakes; the contras commit crime. Now these wild and corrupt hands are on the run. Last year they crippled Nicaragua's coffee crop; this year the crop has come through unscathed. In their host nation, Honduras, these disappointed and chaotic mercenaries are creating unbearable tension.

The debasement of language by President Reagan when he calls these marauders "freedom fighters" is as insulting to the history of the United States as it is to the history of Latin America. We can still, thank you, make the distinction between freedom fighters in Afghanistan—who combat a puppet regime set up by the paramount regional power, the Soviet Union—and a counterrevolutionary band artificially kept alive in Central America by the paramount regional power, the United States, against a sovereign nation, Nicaragua.

If it is security—its own or that of the region—that Washington is worried about, feeding the contra war is no solution. Only through diplomatic means, such as those proposed by the Contadora nations for the last three years, can a formal quid pro quo be obtained, basically trading the American obligation to renounce intervention against Nicaragua for the Nicaraguan obligation to renounce intervention against its neighbors. From this basic agreement all the rest will follow: symmetrical actions in reducing the level of armed forces in all the countries of the isthmus, withdrawing foreign military advisers, disbanding guerrillas, halting passage of arms across national borders and forbidding foreign bases on the territory of Central American states. Washington, though, demands that two other elements be privileged above all the rest. One is what is calls dialogue and reconciliation between the Sandinista goverment and the contra bands. This is manifestly impossible: the newly independent United States would not have reconciled themselves with the "contras" of the day, the Tories acting from Canada. What Managua can do—and has indicated that it *will* do, once the war emergency is over—is to recognize the existence of a valid noncontra internal opposition and give it practical assurance of participation in national life.

GRINGO AMNESIA

The second element is that democracy be "restored" in Nicaragua. There is a weirdly hypocritical ring to this. You cannot "restore" what has never existed. And you cannot say, as the State Department's head of inter-American affairs has recently, that the United States must not ignore its "moral responsibility to the people of Nicaragua, who fought so hard to win its freedom." This strains the credulity of even the most gullible gringo amnesiac. Nicaraguans fought for their independence and against U.S. military occupations and American-backed dictatorships for more than 70 years. What did the United States do to favor democracy in Nicaragua during its period of suzerainty, between 1912 and 1979? What does Reagan have to offer today in the event of a contra victory? Washington is behaving like an international Uriah Heep. Be frank: it wants power over Nicaragua, not democracy in Nicaragua.

Faced with the breakdown of its contra policy and the looming possibility of an American invasion as the only (yet highly uncertain and enormously costly) way of defeating the Nicaraguan government, the United States is being offered a constructive way out by the majority of Latin American nations. It was offered on Feb. 10 to Secretary of State George Shultz by the foreign ministers of eight countries (Mexico, Panama, Colombia, Venezuela, Brazil, Peru, Uruguay and Argentina). These nations represent 90 percent of the territory, the population and the resources of Latin America. None of them is Marxist, pro-Soviet or otherwise aligned against the United States. In fact, all are friends of the United States. Yet they all oppose Washington's current menu for Nicaragua. An invasion of Nicaragua would tear away at the flimsy political fabric of most Latin American nations. Think of what this would mean for U.S. security. If Reagan has any concern at all about the future of inter-American relations, he should seize upon the Feb. 10 offer. Any other attitude is simply an updated version of Après moi, le déluge. Congress should be more farsighted than this: we of Latin America shall all be here when the present administration leaves Washington in 1989.

FOURTH PRESIDENTIAL REPORT ON SOVIET SALT VIOLATIONS BRINGS TOTAL TO 50

Mr. HELMS. Mr. President, President Reagan's Fourth Report to Congress on Soviet Strategic Arms Limitation Treaty Violations on December 23, 1985, disclose that there is an expanding pattern of Soviet violation of arms control treaties.

The original January 23, 1984, report to Congress contained confirmation of seven Soviet violations. Two other reports followed over the months; and with the December report, 50 violations have been confirmed by the President and his administration.

This pattern confirms that the Soviets are indeed "breaking out" of both SALT I and SALT II. I report: the Soviets are in breakout.

Mr. President, does it make sense to worry about SALT III if the Soviets are not abiding by SALT I and SALT II? If the Soviets have abandoned the arms control process, why should the United States adopt artificial restraints that are dangerous to our national security? The Soviets have thrown off all restraints.

In fact, Soviet leader Gorbachev admitted as much just after the November Geneva Summit when he stated that "all restraints will be blown to the winds." More specifically a Soviet official at the summit also boasted to the United States delegation that "nations don't necessarily follow treaties when it's not in their national interest to do so."

Given the confirmed expanding pattern of Soviet violations, these top level Soviet admissions of their violations are extremely significant.

Now, Mr. President, the State Department seems to feel that the Soviet violations are not significant. Indeed, Mrs. Ridgway, Assistant Secretary of State, insisted that the Soviets continued to comply with "most" of the restrictions. Well, "most" is not enough. It is not a matter of quantity, but quality. Conceivably, some parts of a treaty might be less important than others; but what happens when it is the key provisions that the Soviets are violating?

Let's take a look at what are now 50 violations of arms control treaties by the Soviet Union officially confirmed by the Reagan administration. The following list is categorized in seven sections:

I. Presidentially confirmed Soviet violations of the 1979 SALT II Treaty.

II. Presidentially confirmed Soviet violations of the 1972 SALT I Anti-Ballistic Missile Treaty.

III. Presidentially confirmed Soviet violations of the 1972 SALT I Interim Agreement on Offensive Weapons.

IV. Presidentially confirmed Soviet violations of the Nuclear Test Ban.

V. Presidentially confirmed Soviet violations of the Kennedy-Khrushchev Agreement on Cuba of 1962.

VI. Presidentially confirmed Soviet violations of other agreements pertaining to arms control and disarmament.

VII. Presidentially confirmed Soviet violations of agreements against miltiary aggression.

I. PRESIDENTIALLY CONFIRMED SOVIET VIOLATIONS OF THE 1979 SALT II TREATY

The following 19 Presidentially confirmed Soviet SALT II violations have enormous strategic significance, both military and political. Taken together, they virtually achieve Soviet strategic offensive superiority. First, they result in the Soviets deploying over 632 more Soviet Strategic Nuclear Delivery Vehicles (SNDVs) than are allowed by SALT II. Second, they augment the already overwhelming Soviet first strike capability actually codified with U.S. agreement in the terms of the SALT II Treaty itself.

But there is something even more important here. The mere fact of U.S. unilateral compliance with the unratified SALT II Treaty, at a time when Soviet non-compliance has been confirmed actually demonstrates Soviet strategic offensive superiority to the world.

If the numbers themselves did not demonstrate Soviet superiority, then overt U.S. agreement to unequal levels of forces and U.S. compliance—contrary to its own laws and Constitution—with an unratified SALT

II Treaty clearly demonstrates U.S. acquiescence to Soviet superiority.

And the Soviets are estimated to be preparing to deploy over 700 more mobile ICBM launchers by 1987 in addition to their already overwhelming 6 to 1 superiority in ICBM warhead capabilities. The Soviets are already thus 10 to 15 years ahead of the U.S. in strategic offensive capabilities.

The 19 Presidentially confirmed Soviet violations of the 1979 SALT II Treaty are as follows:

1. Soviet development of the SS-25 mobile ICBM is an "irreversible violation" of the SALT II prohibition on developing a second "new type" ICBM.

2. Soviet testing of the SS-25 mobile ICBM is a "violation" of the SALT II prohibition on testing a second "new type" ICBM.

3. Soviet operational deployment at over 20 bases of an initial increment of over 200 mobile launchers for the SS-25 ICBM is a "violation" of the SALT II prohibition on deploying a second "new type" ICBM.

4. Soviet buildup of over 378 Strategic Nuclear Delivery Vehicles (SNDVs) above the 2,504 level of Soviet SNDVs as of June 18, 1979, when SALT II was signed, is a "violation" of the SALT II Treaty.

5. Soviet failure to deactivate over 632 SNDVs down to the 2,260 SALT II SNDV level is a violation of SALT II.

6. The Re-entry Vehicle of the SS-25 is less than one half the total missile Throw-Weight, constituting covert MIRVing with a 3 MIRV capability in clear "violation" of SALT II.

7. Soviet development of the heavy SS-N-23 SLBM constitutes a "violation" of the SALT II prohibition on developing SLBMs with heavy throw-weight.

8. Soviet testing of the heavy SS-N-23 SLBM constitutes a "violation" of the SALT II prohibition on testing SLBMs with heavy Throw-Weight.

9. Soviet deployment of the heavy SS-N-23 SLBM on the new Delta IV Class submarine constitutes a "violation" of the SALT II prohibition on deploying SLBMs with heavy Throw-Weight.

10. Soviet production of more than 30 Backfire bombers per year (deploying over 14 extra, illegal Backfire bombers) for the six years between 1979 and 1984 constitutes a Soviet "violation" of Brezhnev's Backfire bomber production pledge, which former President Carter told the Senate was an integral part of the SALT II Treaty.

11. Arctic basing of Backfire bombers, increasing their range, another "violation" of Brezhnev's Backfire bomber pledge.

12. Probably equipping Backfire bombers with a refueling probe, also contrary to Brezhnev's Backfire pledge, increasing Backfire's range illegally.

13. Soviet deliberate interference with U.S. National Technical Means of verification in "violation" of SALT II, by a continuously expanding pattern of strategic Camouflage, Concealment, and Deception (Maskirovka). As the GAC Report to the President and Congress stated: "The expanding Soviet national concealment and deception program may have been a preparation or a cover for more extensive violations taking place now."

14. Almost total encryption of all new Soviet missile testing telemetry, deliberately impeding verification in "violation" of SALT II.

15. Concealment of the association between a missile and its launcher regarding both SS-24 and SS-25 mobile ICBM development and testing, which is prohibited by SALT II.

16. Probable and now confirmed Soviet deployment of over 200 banned SS-16 mobile ICBMs at the Plesetsk Test Range.

17. Falsification of the SALT II Data Base by failing to acknowledge deployed SS-16s.

18. Deploying operationally a new mobile ICBM at the Plesetsk Test Range, in violation of SALT II.

19. Probably deploying 12 to 14 warheads on each Soviet SS-18 ICBM, when SALT II allows only ten, increasing the Soviet ICBM warhead total by over 1,200. The latest National Intelligence Estimate reportedly reaches this conclusion about this Soviet SALT II violation.

II. PRESIDENTIALLY CONFIRMED SOVIET VIOLATIONS OF THE 1972 SALT I ANTI-BALLISTIC MISSILE TREATY

The nine Soviet violations of the SALT I ABM Treaty have enormous significance, both military and political. The Soviets are planning to deploy over 3,000 mobile. ABM intercepters by 1987, for a nationwide a ABM defense. They can already defend almost 20% of their strategic forces, and soon they will be able to defend 50 to 66%. The Soviets are over 10 years ahead of the U.S. in strategic defenses.

As the President has stated: "Soviet deployment of an ABM territorial defense contrary to the ABM Treaty would have profound implications for Western security."

The nine violations of the SALT I ABM treaty are as follows:

20. The siting, orientation, and capabilities of the Soviet Krasnoyarsk ABM Battle Management radar "directly violate" 3 provisions of the SALT I ABM Treaty.

21. Over a hundred ABM-mode tests of Soviet Surface-to-Air-Missiles and radars are "highly probable" violations of the SALT I ABM Treaty; two high Soviet officials have even admitted that their SAMs have been tested and deployed with a prohibited ABM mode.

22. The Soviets "may be developing" and deploying a territorial, nationwide ABM defense, which would violate the SALT I ABM Treaty ban on developing even a base for a nationwide ABM defense; this is a "serious cause for concern." Secretary of Defense Weinberger testified to the Senate Foreign Relations Committee on October 31, 1985, that the "Soviets have some nationwide ABM capability."

23. The mobility of the ABM-3 system is a "violation" of the SALT I ABM Treaty, which bans mobile ABMs.

24. Soviet rapid relocation without prior notification of a "Flat Twin" ABM-3 mobile radar, creating the Kamchatka ABM test range, was a "violation" of the SALT I ABM Treaty.

25. Confirmed Soviet falsification of their dismantling of excess ABM test range launchers in 1974, which violated the 1974 SALT I ABM Treaty dismantling procedures.

26. Soviet deliberate concealment activities impede verification in violation of the SALT I ABM Treaty.

27. Continuing development of mobile Flat Twin ABM radars, 1975 to the present, is a violation of the prohibition on developing and testing mobile ABMs. The Soviets are now mass producing the Flat Twin ABM Radar, which could be widely deployed very rapidly.

28. Soviet ABM rapid reload capability for ABM launchers is a "serious cause for concern." The State and Defense Departments in their October 1985 White Paper on Soviet Strategic Defenses stated that the Soviets "may" have a reloadable ABM system.

III. PRESIDENTIALLY CONFIRMED SOVIET VIOLATIONS OF THE 1972 SALT I INTERIM AGREEMENT ON OFFENSIVE WEAPONS

The Soviet violations of the SALT I Interim Agreement are puzzling, because the Agreement itself gave the Soviets a 3 to 2 advantage in strategic missiles, and a monopoly in heavy ICBMs. But the Soviets even went on to violate all the quantitative ceiling on ICBMs and SLBMs, and also the most important qualitative constraint, that limiting conversion of light ICBMs to heavy ICBMs.

29. Soviet deployment of the heavy SS-19 ICBM and the medium SS-17 ICBM was a circumvention defeating the object and purpose of the SALT I Interim Agreement; this violation alone increased the Soviet counterforce threat by a factor of 6 and was as significant a setback for U.S. national security as the loss of the Vietnam War itself through Communist violation of the 1973 Paris Peace Agreement.

30. Soviet deployment of modern SLBM submarines exceeding the limit of 740 SLBM launchers without dismantling other ICBM or SLBM launchers, which the Soviets actually admitted, violated the SALT I Interim Agreement; it actually took the Soviets until 1981, five years after the SALT I Interim Agreement expired, to deactivate all 209 SS-7/8s required.

31. Soviet deliberate Camouflage, Concealment, the Deception activities impeded verification, in violation of the 1972 SALT I Interim Agreement.

32. Circumvention of the 1974 SALT I submarine dismantling procedures, through deployment of long range SS-N-21 and long range supersonic SS-NX-24 supersonic SLCMs on Stretch Y Class submarines, which "is a threat to U.S. and Allied security similar to that of the original SSBM."

33. "The U.S. judges that Soviet use of former SS-7 ICBM facilities in support of the deployment and operation of the SS-25 mobile ICBM is a violation of the SALT I Interim Agreement."

IV. PRESIDENTIALLY CONFIRMED SOVIET VIOLATIONS OF THE NUCLEAR TEST BAN

The many Soviet nuclear test ban violations have allowed the Soviets to develop and test much more explosive and lethal warheads for their new ICBMs, SLBMs, bombers, and cruise missiles. Thus, these Soviet violations have enormous strategic significance.

34. The 1958-1961 Nuclear Test Moratorium: The Soviets breached a unilateral commitment by engaging in atmospheric nuclear weapons tests in August, 1961.

35. The Limited Test Ban Treaty of 1963: There have been "numerous violations" by the Soviets of the Limited Test Ban Treaty by extra-territorial venting of radioactive nuclear debris from underground nuclear weapons tests; (There have been over 30 conclusively confirmed Soviet extraterritorial ventings, and hundreds of other probable and likely violations.)

36. The 1974 Threshold Test Ban Treaty: The U.S. Government has determined that the Soviet Union is likely to have violated the underground nuclear testing yield limit (150 kilotons) of the Threshold Test Ban Treaty. (There have now been well over 16 Soviet high yield tests violating the TTBT.)

V. PRESIDENTIALLY CONFIRMED SOVIET VIOLATIONS OF THE KENNEDY-KHRUSHCHEV AGREEMENT OF CUBA OF 1962

On September 14, 1983, President Reagan for a second time confirmed that the Soviet Union had violated the Kennedy-Khrushchev Agreement which ended the Cuban Missile Crisis: "That agreement has been abrogated many times by the Soviet Union and Cuba in the bringing of what can only be described as offensive weapons, not defensive, there. This Presidential statement has been backed up by the CIA Director, the chairman of the Joint Chiefs of Staff, and the Under Secretary of Defense for Policy. Even the State Department concedes that the Soviets have violated the "spirit" of the Agreement.

37. The Soviets breached a unilateral commitment by sending offensive weapons—intercontinental nuclear-delivery capable bombers, nuclear-delivery capable fighter-bombers, and various kinds of nuclear missile submarines—back to Cuba, beginning in 1969.

38. In September and October of 1962, the Soviets breached their unilateral commitment to the late President Kennedy not to introduce offensive weapons into Cuba.

VI. OTHER PRESIDENTIALLY CONFIRMED SOVIET VIOLATIONS OF TREATIES PERTAINING TO ARMS CONTROL AND DISARMAMENT

39. The 1925 Geneva Protocol on Chemical Weapons: The United States Government has determined that the Soviet Union is "significantly violating" the Geneva Protocol on Chemical Weapons by the prohibited first use in war of chemical weapons in Laos, Cambodia, and Afghanistan.

40. The 1972 Biological Weapons Convention: The United States Government has determined that the Soviet Union is "significantly violating" the Biological Weapons Convention by maintaining an offensive biological warfare program and capabilities. As the President stated: "The Soviet Union has a prohibited offensive biological warfare capability which we do not have and against which we have no defense. This capability may include advanced biological agents about which we have little knowledge."

41. The Conventional Weapons Convention of 1982: The Soviets violated the Conventional Weapons Convention by using booby-trap mines and incendiary devices against civilians in Afghanistan.

42. The 1975 Helsinki Final Act: The United States Government has determined that the Soviet Union is violating the terms of the Helsinki Final Act by its inadequate notifications of its Warsaw Pact military exercises.

43. The Montreux Convention of 1936: The Soviets violated the Montreux convention by transiting the Turkish Straits repeatedly with aircraft carriers. (The Greek Government, a signatory of the Montreux Convention, repeatedly protested these violations in 1976 to the Soviets, to no avail.)

44. The 1982 Brezhnev SS-20 Moratorium: The Soviets breached their unilateral commitment to end SS-20 deployment by completing SS-20 launcher positions and continuing to deploy new SS-20s.

VII. PRESIDENTIALLY CONFIRMED SOVIET VIOLATIONS OF OTHER TREATIES AGAINST MILITARY AGGRESSION

45. Soviet violation of the 1945 Yalta Agreement, by denying free elections in Poland.

46. Soviet violation of the 1945 Potsdam Agreement, by occupying Eastern Europe.

47. Soviet violation of the United Nations Charter, through threatened aggression against Poland in 1980–1981.

48. Soviet violation of the 1973 Paris Peace Accords on ending the Indochina War, by continuing to buildup the North Vietnamese military.

49. Soviet violation of various international agreements governing civil aviation, by the brutal KAL–007 shoot-down murder incident of 1983.

50. Soviet violation of the 1972 Incidents at Sea Agreement during the U.S. and Japanese allied attempts to recover the KAL–007 "Black Box." In fact, there is strong evidence that the Soviets shot down KAL–007 in the first place in order to cover-up some of their SALT II violations (such as a test of their illegal SS–25 second new type ICBM with full encryption of electronic telemetry signals) planned for the very night of 31 August-1 September 1983.

CONCLUSION: IS THIS APPEASEMENT AND UNILATERAL DISARMAMENT?

The Defense Department has stated that: "The U.S. should vigorously pursue compliance issues with the Soviet Union and demand that the Soviets take corrective action when we detect violations. If this fails, the U.S. should be prepared to take those measures necessary to maintain our national security in the face of Soviet violations."

But the Soviets are directly challenging the essence of the U.S. democratic political system by these 50 arms control violations confirmed by the U.S. President. The Soviets are boldly gambling that American democratic leaders cannot muster the leadership or achieve the bipartisan political consensus necessary to demonstrate the political will to compensate for the Soviet SALT violations. The Soviets believe, based upon their interpretation of their recent direct experience, that American political leaders are paralyzed and demoralized and unable to galvanize public support to challenge them and counteract these threats to our collective allied security. They no doubt took careful note of the U.S. destruction of a Poseidon submarine last November, an action taken in order to comply with the unratified SALT II Treaty, and probably concluded that it was an act of unilateral disarmament and appeasement.

We can put whatever gloss we wish on that action—an action that was at the very least foolhardy and wasteful, but the Soviets are already quite self-confident. They have reason to be. The Soviets know full well that they have an overwhelming 4 to 1 numerical advantage in ICBM warheads (counting DIA's best estimate of 8,500 ICBM warheads to only 2,100 for the U.S.).

The Soviets know that their accuracy and megatonnage advantages give them over a 6 to 1 advantage in first strike, counterforce capabilities. The Soviets also know that they have, in addition, more than a 14 to 1 advantage in Intermediate Range Nuclear Force warheads against NATO. Finally, the Soviets are also deploying a nationwide ABM defense, capable soon of defending not only Moscow, but also their ICBM fields and the whole Soviet territory.

Thus the Soviets are able to threaten the U.S. with a strategic offensive first strike; and soon they will even be largely immune from a limited U.S. retaliation.

Mr. President, the Soviet record of arms control treaty violations may be summarized in the following table:

Table summarizing the number of Soviet arms control and international security treaty violations

SALT II Treaty	19
SALT I ABM Treaty	9
SALT I interim agreement	5
Nuclear testing agreements (multiple events)	3
Other arms control commitments	8
Other international security agreements	6
Total	50
Other international security agreements 1917 to 1964	150
Grand total	200

Mr. President, as further background on this issue, it should be noted that this Senator and other Senators have been pressing the administration to take a more realistic view of the arms control process and the impact of Soviet violations of the arms control agreements.

Mr. President, I ask unanimous consent that several letters written to the President and the Attorney General on these topics, as well as a White House fact sheet on observance of the SALT II restraints be printed in the RECORD, as follows:

First. Letter to the Attorney General on the constitutional status of the unratified expired SALT II Treaty from Senator HELMS, dated December 17, 1985;

Second. Letter to the President on the constitutional status of the unratified, expired SALT II Treaty from Senators WALLOP, MCCLURE, SYMMS, and QUAYLE, dated December 10, 1985;

Third. Letter to the President on Soviet military supremacy from Senators SYMMS and WALLOP, dated December 4, 1985;

Fourth. Letter to the President on the failure to challenge Gorbachev at the summit on specific Soviet SALT violations from Senators HELMS, QUAYLE, and MCCLURE, dated December 11, 1985; and

Fifth. White House fact sheet on "Building An Interim Framework for Mutual Restraint," June 10, 1985.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, December 17, 1985.

Hon. EDWIN MEESE III,
Attorney General of the United States, Department of Justice, Washington, DC

DEAR MR. ATTORNEY GENERAL: I am concerned that certain actions taken by the Administration in furtherance of the policy of "interim restraint" with regard to arms control may have been taken illegally. The President has continued the Carter Administration policy of observing the restraint levels of strategic nuclear weapons negotiated under SALT II, even though that treaty was never approved by the U.S. Senate nor ratified by any President.

In accordance with this policy—a policy which I believe is contrary to law and the U.S. Constitution—the Administration announced that the destruction of the U.S. Po-

seidon submarine, USS Sam Rayburn, was originally scheduled to begin on November 28, 1985 so that the number of launchers proposed in SALT II would not be exceeded when we deployed new Trident submarines. In my view, the destruction of this submarine in order to meet supposed obligations generated by a draft treaty that was never ratified is a circumvention of the Senate's Constitutional power of advice and consent.

However, it has come to my attention that the date of this destruction was accelerated, possibly in order to influence the Soviets at the Summit. Indeed, the destruction began on November 18, 1985, the day before the Summit talks began in Geneva.

Moreover, the expiration date of the draft SALT II treaty is December 31, 1985. If the policy of interim restraint under the treaty is extended past that date, then the United States will be in the curious position of "extending" an unratified treaty.

As you know, the obligation of any Administration to submit any plan for the reduction of armaments to the treaty-making power of the U.S. Senate is quite specific. Section 33 of the Arms Control and Disarmament Act of 1961 as amended (Public Law 87-297, HR 9118 75 Stat 631) reads as follows:

"Section 33—No Action shall be taken under this or any other law that will obligate the United States to disarm or to reduce or to limit the armed forces or armaments of the United States except pursuant to the treaty-making power of the President under the Constitution or unless authorized by further affirmative legislation by the Congress of the United States."

The Chairman of the Senate Committee on Foreign Relations has authorized me to conduct hearings on behalf of the Committee in connection with arms control within the jurisdiction of the Committee.

In accordance with that authorization, I am conducting an immediate study of the legality, or lack thereof, of the Executive Branch in destroying operational Poseidon ballistic missile submarines in order to comply with the provisions of the proposed, but unratified SALT II Treaty. The compliance levels set in SALT II have not been set by a treaty ratified with the advice and consent of two thirds of the Senate, nor has Congress ever passed affirmative legislation, to permit Poseidon destruction. In my judgment, the actions of the Executive Branch in that regard may be a direct violation of the clear intent and the specific language of Section 33, as well as a fundamental violation of the United States Constitution as a subversion of the treaty power of the Senate.

Accordingly, I request that the Department of Justice determine whether this apparent violation of the laws of the United States and usurpation of Constitutional powers requires prosecution.

I additionally request that a report thereon be provided to me as soon as possible before the December 31, 1985 expiration date of the unratified draft SALT II treaty.

Obviously, I would wish that in a matter of this grave importance affecting directly the fundamental security interests of the United States and its Constitution and laws with respect thereto, that you would consider personally appearing before the Committee for the purpose of testifying on this subject.

With warm personal regards,

I am respectfully,

JESSE HELMS.

EXHIBIT 2

U.S. SENATE,

Washington, DC, December 10, 1985.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: The fundamental issue affecting American national security is whether the United States should continue to comply with the unequal, unratified SALT II Treaty, or finally allow this still proposed Treaty to expire on December 31, 1985, under its own terms. Your decisive personal leadership is required on this issue.

Your own position opposing the "fatally flawed" SALT II Treaty was made quite clear during the 1980 Presidential campaign. As the attached annex indicates, we have just learned that you sought the withdrawal of the proposed SALT II Treaty at a National Security Council meeting on May 21, 1981, but that the State Department worked to maintain the existing Carter Administration "interim restraint, no-undercut" policy of complying with SALT II. In June, 1982, the State Department's defiance of your request went even further, and the State Department reportedly converted SALT II into an even more unequal arrangement tantamount to a secret Executive Agreement. This action also defied the Jackson Amendment requirement for equality, as well as the Constitution and the Arms Control and Disarmament Act. Now we have learned from news reports of a briefing by Secretary of State George Shultz that the State Department has gone still further, and has agreed with the Soviets to extend indefinitely this unratified Treaty even after it expires.

We agree with your long-standing statements and with the report of the Senate Armed Services Committee that U.S. SALT II compliance has not been in the national security interest of the United States. Continued U.S. SALT II compliance will require the U.S. to destroy 2,500 more warheads on highly survivable Poseidon submarines. Such massive U.S. unilateral disarmament under SALT II will seriously undercut all remaining military, economic, and political arguments for your own SDI and Strategic Modernization Program. We therefore request that you advise us as to whether you will allow SALT II to expire on December 31, 1985.

Very respectfully,

JAMES A. MCCLURE.
MALCOLM WALLOP.
STEVE SYMMS.
DAN QUAYLE.

ANNEX: ANALYSIS OF THE CONSTITUTION STATUS AND MILITARY EFFECTS OF THE SALT II TREATY

The fundamental issue affecting American national security is whether the U.S. should continue to comply with the unequal, unratified SALT II Treaty, or finally allow this still proposed Treaty to expire on December 31, 1985 under its own terms. Your decisive personal leadership is required on this issue.

YOUR SALT II POSITION

Your own position on the proposed SALT II Treaty was made quite clear during the 1980 Presidential campaign. You repeatedly stated that SALT II "fatally flawed." You also stated on October 30, 1980 that "SALT II is illegal . . . because we're not equal in this Treaty." You even stated in May 1980 that:

"I believe the SALT II Treaty should be withdrawn, and I especially believe the U.S. should not abide by its terms prior to ratification. To abide by the terms of the proposed agreement would violate article 33 of the Arms Control and Disarmament Act of 1961."

The Senate Armed Services Committee agreed with you when it determined in December, 1979 that the proposed SALT II Treaty is unequal, unbalanced, destabilizing, and "not in the national security interest of the United States."

Former President Jimmy Carter even characterized the 1980 Presidential Election as a "national referendum" on his proposed SALT II Treaty, but he lost.

BURT'S INSUBORDINATION

Accordingly, we obviously expected that one of your first acts as President would have been to withdraw the proposed SALT II Treaty from the Senate. We are pleased to learn now that early in your Administration you indeed ordered this done, but you were thwarted by State Department appeasement. The Washington Times (November 15, 1985) reports excerpts from a July 16, 1981 secret memorandum from Richard Burt, then Director of Politico-Military affairs at the State Department, to then Secretary of State Haig. Burt wrote:

"As you told me following the May 21, 1981 National Security Council Meeting, the president stated a preference for withdrawing the SALT II Treaty, and when and how to do so was briefly discussed there and, subsequently, in the interagency meeting."

Burt then insubordinately added:

"My own preference would be to avoid withdrawing the SALT II Treaty from the Senate."

Richard Burt went on to outline to Secretary Haig a detailed plot to countermand what he again acknowledged to be your own "Presidential preference." Burt's plot succeeded, and your own clearly expressed "Presidential preference" for withdrawing the proposed SALT II Treaty from Senate was thwarted. In place of your own clearly expressed order, the State Department substituted the existing Carter "no-undercut, interim restraint" policy of U.S. compliance with the unratified II Treaty. But you stated in May, 1980 that the existing Carter interim restraint policy defied the Treaty-making powers of the Senate and Section 33 of the ACDA Act.

THE SALT II SECRET AGREEMENT

More significantly, in June, 1982, the State Department went further, and even secretly "agreed" with the Soviets that their forces could be "capped" at their falsely claimed higher, June 1979 level of 2,504 Strategic Nuclear Delivery Vehicles, without, however, the U.S. having the right to the same number. This State Department concessionary, secret agreement converted the SALT II Treaty into an even more unequal agreement than before. This explicit U.S. agreement to unequal levels also was inconsistent with the 1972 Jackson Amendment to SALT I, requiring equal levels of forces in SALT II, and because it secretly constrained U.S. forces by Executive Agreement alone, it also was inconsistent with the Treaty-making power of the Constitution and contrary to Section 33 of the Arms Control and Disarmament Act. Finally, because the secret agreement was not conveyed to Congress, the action was a blatant violation of the reporting requirements of the Case Act.

As we have already informed you repeatedly, we will resolutely pursue Constitutional, legal, and legislative remedies against the

State Department if U.S. compliance with the unequal, unratified SALT II Treaty extends past its expiration on 31 December, 1985.

SALT II EXTENSION

Mr. President, we therefore read with alarm the following from the lead story of the New York Times on November 23, 1985:

"A senior State Department official said today that the United States had told the Soviet Union before the Geneva Summit meeting that it would indefinitely continue its policy of not undermining the 1979 [SALT II] arms treaty . . ."

The Washington Post of November 27, 1985 quotes you as saying that you did discuss SALT II personally with Gorbachev, but that you "made it plain" to the Soviets "that we certainly were not going to bind ourselves to something that was not equally binding on them." The point is, however, that the State Department has illegally bound the U.S. for six years already.

Now the State Department's early November, 1985 Moscow commitment to indefinitely extend the unratified SALT II Treaty defies your own preferences, the 32 plus confirmed Soviet SALT violations, the treaty-making powers of the Senate, and the national security interests of the country. It is dangerous enough that the U.S. has illegally complied with an unratified, unequal, proposed treaty for six years almost to its expiration, and even after the State Department secretly converted it into an even more unequal and illegal Executive Agreement. But to indefinitely extend this unratified, proposed treaty is both irresponsible and a usurpation of power by the State Department. It is also extremely dangerous to American national security, and as such constitutes U.S. appeasement and unilateral disarmament.

Mr. President, you have already confirmed 11 Soviet violations of SALT II to the Congress, and several more have recently been reported. You have already confirmed a total of 32 Soviet SALT Break Out violations to Congress. We respectfully remind you that during your May 1985 trip to Europe you correctly stated:

"There is considerable evidence now that compliance with SALT II has been rather one-sided, and if it has been, there is no need for us to continue."

Moreover, on March 27, 1984, you also correctly stated:

"We had two treaties—the SALT treaties—the SALT Treaty I and SALT Treaty II. And SALT Treaty II was not ratified by the Senate, I'm pleased to say. No one has paid any attention to the fact that under those two treaties—the Soviet Union under SALT I, from that time on added 7,950 nuclear warheads to its arsenal, and 3,850 of those were added since after everyone signed SALT II."

Defense Secretary Weinberger agreed, when he stated on December 20, 1984:

"The Soviet Union has built more of the big nuclear warheads capable of destroying U.S. missiles in their concrete silos than we initially predicted they would build, even without any SALT agreement. We now confront precisely the situation that the SALT process was intended to prevent."

DANGER OF SALT II

The Soviet Union has built up its strategic forces during the period of the 1979 SALT II Treaty through the end of 1985 to a level much higher that the Joint Chiefs of Staff predicted in 1978 that the Soviet Union would have by the end of 1985, even if no SALT II Treaty had been signed. This is because Soviet Strategic Nuclear Delivery Vehicles have increased by about one fourth, and Soviet strategic nuclear warheads have more than tripled by the end of 1985. In contrast, the U.S. has strategic forces by the end of 1985 even lower than the JCS predicted in 1978 that the U.S. would have by the end of 1985, even within SALT II constraints.

LET SALT II EXPIRE

Your 1984 and 1985 SALT II statements suggest that you still believe in your clearly expressed May 21, 1981 "Presidential preference" to withdraw the SALT II Treaty from the Senate, as you repeatedly promised during the 1980 campaign. We urge you now to finally over-rule consistent insubordinate appeasement efforts by the State Department to thwart the Constitution, and allow the proposed SALT II Treaty to expire under its own terms on December 31, 1985. You already have strong Senate support for this action, because on June 20, 1984, 99 Senators voted on a roll call vote to approve a Symms amendment reaffirming the fundamental principle of international law that if the Soviets are violating SALT II, the U.S. should not be bound by it.

Moreover, on November 1, 1983, more than one third of the Senate present voted to oppose SALT II, on a roll call vote on another Symms amendment.

In sum, the Defense Department has reported that if the U.S. continues to comply with SALT II, this will require the U.S. to destroy 2,500 more warheads on highly survivable Poseidon submarines. Such massive U.S. unilateral disarmament under SALT II will completely undercut all remaining military, economic, and political arguments for your own SDI and Strategic Modernization Program.

We request that you advise us as to whether you will allow SALT II to expire on December 31, 1985.

U.S. SENATE,
Washington, DC, December 4, 1985.

THE PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: We have reviewed the U.S.-Soviet "Joint Statement" from the 19-21 November 1985 Summit meeting in Geneva. We note with concern the following agreed statement: "The sides . . . will not seek to achieve military superiority."

Four comments need to be made about this U.S.-Soviet agreement not to seek military superiority, which, obviously, also says that neither side now has achieved military superiority.

First, the fundamental objective in Soviet military doctrine is the achievement of military superiority. This fact directly contradicts the agreed statement.

Second, a major Soviet propoganda disinformation theme repeated endlessly since 1975 has been a resolute denial that the Soviets were seeking or had achieved military superiority. The Soviet objective in this Active Measure disinformation campaign was to prevent the U.S. from rearming. It now appears the Administration is now actively supporting this Soviet objective!

Third, this U.S.-Soviet agreement totally contradicts repeated U.S. assessments that the Soviets have already achieved military superiority. At least 8 times since 1982 it has been publicly conceded that the Soviets have achieved military superiority. For example, as recently as the following dates you have stated:

September 18, 1985: "The United States is still well behind the Soviet Union in literally every kind of offensive weapon, both conventional and in the strategic weapons."

April 2, 1985: "The Soviet Union virtually outnumbers us in any type of weapon you want to name. They are about 3 to 1 in nuclear megatonnage over us. They outnumber us in conventional weapons in almost every category. Their navy has several hundred more ships than we have."

March 18, 1985: "They [the Soviets] already outnumber us greatly in offensive weapons . . ."

March 23, 1983: ". . . The Soviets have a present margin of superiority."

March 31, 1982: "The Soviet Union does have a definite margin of superiority—enough so that there is risk."

The facts, numbers and trends in comparative military capabilities confirm U.S. assessments of Soviet military superiority. Senator Tower was correct when he stated in April 1984 that due to Congressional cut backs, the gaps between the U.S. and Soviets had continued to widen since 1980. Our best intelligence estimates show that in the key indices of military power the Soviet advantages will also continue to widen over the next five years. But, these estimates of growing Soviet superiority assume full funding by Congress of Administration defense budget requests. So it is clear that we are getting further and further behind the Soviets, even if full Congressional funding of your defense requests is assumed. Why has the Administration agreed to contradict your own accurate and confirmed assessments?

Fourth, U.S. agreement that the Soviets do not have military superiority could gravely undercut our efforts to restore American military power. In your speech to the Joint Session of Congress on November 21, 1985, you returned to a 1984 campaign theme when you stated: "America is once again strong . . . we must not now abandon policies that work. I need your continued support to keep America strong."

But, as you yourself have publicly conceded, the Reagan Administration is now over $35 billion behind the Carter Administration in defense spending through FY 1985, due to Congressionl cut backs.

Why should the Congress not continue to slash proposed defense budgets if the Administration agrees that the Soviets neither seek nor have military superiority?

In sum, The U.S.-Soviet Joint Statement is not consistent with the facts, directly undermines our defense programs in Congress and worse still, for the world to see, demonstrates the ability of the Soviets to coerce a U.S. statement which directly serves Soviet interests.

Very respectfully,

STEVE SYMMS.
MALCOLM WALLOP.

U.S. SENATE,
Washington, DC, December 11, 1985.

THE PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: History shows that Summit meetings with the Soviet Union have dangers as well as potential benefits. One danger is that America may fail to confront the Soviets on certain issues, revealing a lack of American political will and resolve. By our own reticence we may convince Soviet leaders and the world that we are afraid to challenge their dangerous actions. This in turn is dangerous for deterrence and

world peace, because American political will is the essence of deterrence.

As you know, nine Senators wrote to you before the Geneva Summit asking that you discuss the 32 Presidentially confirmed Soviet SALT Violations with Gorbachev. At the U.N. in late October, you promised to do so. Accordingly, we were extremely surprised to read reports about the Summit stating that the State Department prevented all Summit discussions of the Soviet SALT Violations.

By not even raising the specific violations in Geneva, we have encouraged the Soviets not to make any attempt to reverse them. Our failure to confront the Soviets on the violations will be interpreted by Gorbachev as U.S. appeasement. If we are so frightened of these Soviet violations that we do not even mention them at the highest level, then in effect we condone them by our silence, which betokens cowardice. Dictators readily understand appeasement and cowardice, and history shows that when appeased they continue their provocative behavior.

Our best chance to challenge the Soviets to reverse their violations has thus gone completely unused, and worse, our failure now signals U.S. weakness and tolerance of the dangerous, ever broadening pattern of Soviet SALT Break Out violations. U.S. unilateral compliance with SALT I and SALT II in the face of manifold confirmed Soviet SALT Break Out violations from both has gone beyond appeasement and has become abject U.S. unilateral disarmament.

Mr. President, Gorbachev threatened at the Summit that "all restraints will be blown to the winds," and, as confirmed by the Soviet SALT Break Out Violations themselves, this Gorbachev threat constitutes a Soviet admission of their violations.

We therefore request that your November 15, 1985 Response to Soviet Violations Paper be made public as soon as possible, and that you report urgently on the 8 new Soviet SALT violations which appeared on the eve of the Summit. We hope that you will now finally propose proportionate responses to the Soviet SALT Break Out violations, whose threatening danger to world peace was accentuated by our failure to confront the Soviets over them at the Summit. We will strongly support you.

Very Respectfully,

JESSE HELMS.
DAN QUAYLE.
JAMES A. MCCLURE.

ANNEX: FAILURE TO RAISE SOVIET SALT VIOLATIONS AT SUMMIT

History shows that Summit meetings with the Soviet Union have dangers as well as potential benefits. One danger is that America may fail to confront the Soviets on certain issues, revealing a lack of American political will and resolve. By our own reticence we may convince Soviet leaders and the world that we are afraid to challenge their dangerous actions. This in turn is dangerous for deterrence and world peace, because American political will is the essence of deterrence.

PLEDGE ON SUMMIT DISCUSSION OF SOVIET SALT VIOLATIONS

As you know, Mr. President, clearly the most serious issue in U.S.-Soviet relations is the continuously expanding pattern of Soviet SALT violations. The Soviets have long ago Broken Out of the SALT I and SALT II Treaties, thereby dangerously jeopardizing world peace. There are now 32 Presidentially confirmed Soviet violations of arms control accords, with many more—over 22—awaiting Presidential confirmation.

On September 9, 1985, 9 Republican Senators wrote to you urging you to discuss in detail each of the 32 Presidentially confirmed Soviet SALT violations with Gorbachev in Geneva. In response, we were reassured by your pledge at the United Nations on October 24, 1985: "We feel it will be necessary at Geneva to discuss with the Soviet Union what we believe are their violations of a number of the provisions in all these agreements."

We interpreted this pledge to mean that the Soviets would be confronted in detail with each of the 32 Presidentially confirmed Soviet SALT violations at the Summit. On October 29, 1985, three of us therefore thanked you for promising in your U.N. speech to confront Gorbachev. Indeed, we also stated that there were five dangerous new Soviet SALT violations detected on the very eve of the Summit, which made the necessity of confronting Soviet SALT violations all the more serious and urgent. Even after our letter, three more serious Soviet SALT violations were reported. Defense Secretary Weinberger even promised on October 31, 1985, in an open Senate Foreign Relations Committee hearing, to confirm these new violations publicly before the Summit. The State Department reportedly prevented him from doing so, however, thereby creating a State Department cover-up of new Soviet SALT violations detected on the very eve of the Summit.

STATE DEPARTMENT APPEASEMENT

We are therefore utterly dismayed to read about the State Department cover-up at the Summit in the New York Times: "The State Department official also said that although the Administration had repeatedly complained to Moscow about what it sees as Soviet violations of arms-control accords, this subject was *not* discussed in detail at the Summit meeting. He said that such compliance issues had been discussed when Secretary of State Shultz was in Moscow earlier in the month. *Mr. Shultz* told some columnists today that *both sides* in Geneva strongly reaffirmed the need for compliance, but that *no specific violations were raised.*" (November 23, 1985, emphasis added.)

Should we accept false, bland Soviet assurances about the "need" for compliance? No one seriously claims that the Soviets are trying to reverse their SALT Break Out violations and there is no evidence that they will. After all, the Soviet SALT Break Out violations contribute strongly to Soviet military superiority, and this superiority is the only basis for Soviet super-power status.

ACDA Director Adelman confirmed on December 9, 1985, that the United States did not raise the violations at the Summit. If we did not even raise the specific violations in Geneva, then, of course, we will encourage the Soviets not to make any attempt to even pretend to reverse them. Mr. President, failure to confront the Soviets in detail with each of the 32 Presidentially confirmed Soviet SALT violations at the highest level, will certainly be interpreted by Gorbachev as U.S. appeasement. If we are so frightened of these Soviet violations that we do not even mention them at the highest level, then in effect we condone them by our silence, which betokens cowardice. Dictators readily understand appeasement and cowardice, and history shows that when appeased they continue their provocative behavior.

Our best chance to challenge the Soviets to reverse their violations has thus gone completely unused, and worse, our failure now signals U.S. weakness and tolerance of the dangerous, ever broadening pattern of Soviet SALT Break Out violations. U.S. unilateral compliance with SALT I and SALT II in the face of manifold confirmed Soviet SALT Break Out violations from both has gone beyond appeasement and has become abject U.S. unilateral disarmament.

Moreover, the State Department's continued Summit cover-up of Soviet SALT violations not only contradicts your U.N. pledge to us, but it also contradicts the State Department's own rhetoric. In a November 19, 1985 reply to a serious letter by Senator Symms of October 17, 1985 concerning the new Soviet SS-25 mobile ICBM deployment SALT II violation, the State Department piously stated: "Any Soviet violation of an arms control agreement is a *serious matter.* As the President has said, *strict compliance* with all provisions of arms control agreements is *fundamental,* and this *Administration will not accept anything less." (Emphasis added.)*

But if Soviet SALT violations are so serious and fundamental, why did the State Department refuse to mention them at the Summit? Perhaps because the State Department has *already* accepted for almost a decade and a half much less than strict Soviet SALT compliance. In fact, the State Department has lead the cover-up of Soviet SALT violations.

GORBACHEV ADMISSION OF SOVIET SALT BREAK OUT

It appears, Mr. President, that your Strategic Defense Initiative is more important to the Soviets than Soviet SALT Break Out violations are to you. Soviet leader Gorbachev stated that discussions on the issues of your SDI and arms control were "very, very sharp," and Gorbachev publicly threatened, "All restraints will be blown to the winds" unless you do not agree to abandon SDI. But, you have already stated that the Soviet SDI is 10 years ahead of the U.S. program.

In September, Gorbachev rattled Soviet sabres when he said that the international situation was "explosive," and in October he threatened "rough times" ahead for the U.S.

Gorbachev even boasted that the Soviet SDI "will be effective, though less expensive, and quicker to produce" than the U.S. SDI. These Gorbachev boasts confirm first that the Soviets believe they are indeed ahead of the U.S. in SDI.

But, even more ominously, Gorbachev's threats indicate that he believes all arms control restraints are in fact already "blown to the winds" and unleashed, as evidenced by the Soviet SALT Break Out violations themselves. This Gorbachev threat is thus a bold admission that the Soviets have Broken Out of SALT I and II, as their expanding SALT violations already have long confirmed. The Washington Times of December 9, 1985, quotes ACDA Director Adelman as saying that at the Summit, a Soviet official, in a rare moment of insight, said that "nations don't necessarily follow treaties when it's not in their national interest to do so." This is another Soviet admission.

DANGER OF NUCLEAR BLACKMAIL

In the face of admitted and confirmed Soviet SALT Break Out violations and in the face of their boasted lead in SDI, we strongly urge you to propose U.S. proportionate responses. As you stated ominously on March 18, 1985: "They [the Soviets] al-

ready outnumber us greatly in offensive weapons, and if they alone developed a defensive weapon before us, then they wouldn't have to worry about our deterrent—a retaliatory strike. Then they could issue an ultimatum to the world."

In sum, Mr. President, we are very much closer to Soviet nuclear blackmail than the appeasement oriented State Department will ever realize. The time for decisive American leadership to restore deterrence is overdue. We will support you all the way in responding to the Soviet Break Out threat.

We request that you Response to Soviet Violations Paper be made public as soon as possible, and that you report urgently on the 8 new Soviet SALT violations detected on the eve of the Summit.

PROPORTIONATE RESPONSES

Mr. President, last January a White House official described the Soviet Krasnoyarsk Radar ABM Treaty violation as "a dagger pointed at the heart of arms control." We hope that you will now finally propose proportionate responses to the Soviet SALT Break Out violations, whose threatening danger to world peace was accentuated by our failure to confront the Soviets over them at the Summit.

FACT SHEET ON BUILDING AN INTERIM FRAMEWORK FOR "TRUE" MUTUAL RESTRAINT

INTRODUCTION

In response to legislation in the fiscal year 1985 Department of Defense Authorization Act, the President today submitted a classified report to the Congress on building an interim framework of mutual restraint with regard to strategic arms. The following is an unclassified fact sheet based on the President's report.

BACKGROUND OF OUR CURRENT POLICY

In 1982, on the eve of the Strategic Arms Reductions Talks (START), the President decided that the United States would not undercut the expired SALT I agreement or the unratified SALT II agreement as long as the Soviet Union exercised equal restraint. Despite serious reservations about the inequities of the SALT I agreement and the serious flaws of the SALT II agreement, the United States took this action in order to foster an atmosphere of mutual restraint on strategic forces conducive to serious negotiation as we entered START. Our assumptions in taking this action were threefold.

First, we believed then, and continue to believe now, that mutual, verifiable constraints on nuclear arsenals are important, especially as we try to move toward the goal of greatly reducing and eventually eliminating the nuclear threat, which the SALT agreements did not do. We saw the START negotiations as the path to the equitable and verifiable deep reductions in the size of nuclear arsenals, that we seek. The United States was prepared to, and has offered the Soviet Union the elements for such agreements in Geneva. However, we recognized that negotiating sound agreements takes time. Therefore, the United States made the commitment not to undercut existing agreements as long as the Soviet Union exercised equal restraint as an interim policy to provide what we hoped would be a framework of mutual restraint as we pursued agreements that would put the arms control process on a better, more sound, long-term foundation and bring real reductions.

Second, at the time, we hoped that the leaders of the Soviet Union would indeed show equal restraint.

Third, we judged that this policy of interim restraint would not adversely affect our national security interests, provided that, with the Administration and the Congress working together, the United States undertook those steps necessary to counter the strategic advantages the Soviet Union had been building over the previous decade.

Unfortunately, in certain key respects, these assumptions have not stood the test of time.

U.S. COMPLIANCE

In accordance with U.S. interim restraint policy, the United States has not taken any actions which would undercut existing agreements. In fact, we have scrupulously lived within the SALT I and II agreements governing strategic offensive arms. For example, we have fully dismantled eight POLARIS missile-carrying submarines as new TRIDENT missile-carrying submarines have been deployed. In short, the United States has fully kept its part of the bargain.

SOVIET NONCOMPLIANCE

As detailed in two comprehensive Presidential reports to the Congress, in January 1984 and February 1985, the Soviet Union has repeatedly violated its arms control obligations. While the Soviets have observed some provisions of existing arms control agreements, they have violated important elements of those agreements and associated political commitments.

SALT II

With respect to the unratified SALT II agreement, these violations include the testing and deployment of a second new ICBM, the SS-X-25, and the encryption of telemetry during missle testing which impedes verification of agreements by national technical means. The Soviet Union has also probably violated this agreement regarding the prohibition on deploying SS-16 ICBMs. Serious concerns also remain unresolved with respect to other issues (e.g., the RV-to-throwweight ratio of the SS-X-25 demonstrated during testing).

OTHER ACCORDS

Additionally, the pattern of Soviet noncompliance with existing agreements extends well beyond SALT II. The Soviet Union is engaged in the construction of a large phased array radar in central Siberia in violation of the Anti-Ballistic Missile (ABM) Treaty. When added to other Soviet ABM-related activities, including concurrent testing of air defense and ABM components and the development of mobile ABM components, there is serious cause for concern about Soviet preparations for a prohibited territorial ABM defense. Such a development would have profound implications for the vital East-West balance. The Soviet Union has also engaged in significant violations of both the Geneva Protocol on Chemical Weapons and the Biological and Toxin Weapons Convention. We also judge that it has violated both the Limited Test Ban Treaty and the terms of the Helsinki Final Act. It is also likely that the Soviets have violated the nuclear testing yield limit of the Threshold Test Ban Treaty.

SALT I.

Even with respect to SALT I, where we have found the Soviets have complied with the letter of the agreement, we have concerns about their compliance with the spirit of the agreement. For example, after dismantling YANKEE class nuclear ballistic missile carrying submarines to comply with SALT I constraints, they have already converted one such submarine into a submarine longer than the original, and carrying modern, long-range sea-launched cruise missiles. While not a violation of the letter of SALT I, the resulting submarine constitutes a threat to U.S. and Allied security similar to the original YANKEE-class submarine.

IMPLICATIONS OF SOVIET NONCOMPLIANCE

These are very crucial issues, as effective arms control requires seriousness about compliance. The pattern of Soviet violations increasingly affects our national security and raises uncertainty about the forces the United States will require in the future. Just as significant as the military consequences of the violations themselves, this pattern of Soviet noncompliance raises fundamental concerns about the integrity of the arms control process, concerns that—if not corrected—undercut the integrity and viability of arms control as an instrument to assist in ensuring a secure and stable future world.

THE U.S. RESPONSE TO DATE

The United States has consistently employed all appropriate diplomatic channels, including the U.S./Soviet Standing Consultative Commission (SCC), strongly to press the Soviet Union to explain and/or cease those activities which are of concern to us. In doing so, we have made it absolutely clear that we expect the Soviet Union to take positive steps to correct their noncompliance and to resolve our compliance concerns in order to maintain the integrity of existing agreements and to establish the positive environment necessary for the successful negotiation of new agreements.

Unfortunately, despite long and repeated U.S. efforts to resolve these issues, the Soviet Union has neither provided satisfactory explanations nor undertaken corrective action. Instead, Soviet violations have continued and expanded as the Soviets have continued to build their strategic forces. Consequently, the Soviet Union has not been, and is not now, exercising the equal restraint upon which our interim restraint policy has been conditioned. Such Soviet behavior is fundamentally inimical to the future of arms control and to the security of this country and that of our allies.

U.S. PROPORTIONATE RESPONSE IN THE FUTURE

The United States will continue to pursue vigorously with the Soviet Union the resolution of our concerns over Soviet noncompliance. In this effort, we cannot impose upon ourselves a double standard that amounts to unilateral treaty compliance and, in effect, unilateral disarmament. As a minimum, in the case of irreversible Soviet violations, we must make appropriate and proportionate response that deny the military benefits of these violations to the Soviet Union. In the case of Soviet violations that the Soviets can correct, we should develop and keep available comparable proportionate responses that provide incentives to the Soviets to take positive steps to correct the situation, and which provide a needed hedge against the military consequences of Soviet violations should the Soviet Union fail to take the necessary corrective actions.

In this context, the United States will develop and, as needed, implement appropriate and proportionate responses to Soviet noncompliance as necessary to ensure the security of the United States and its allies and to provide real incentives to the Soviet Union to take the positive, concrete steps required to resolve our concerns.

NEED FOR THE U.S. STRATEGIC FORCE MODERNIZATION PROGRAM

To ensure our fundamental national security and as a baseline for further U.S. action, the integrity and continuity of the U.S. strategic modernization program must be maintained. If the modernization of the ICBM leg of our strategic TRIAD is not fully implemented, as called for in our comprehensive strategic modernization program and recommended by the Scowcroft Commission, we will have to reassess all aspects of our plans to meet our basic national security needs.

FUNDAMENTAL U.S. GOALS

While recognizing the seriousness of the problems cited above, we must not lose sight of basic U.S. goals which remain unchanged. During the next ten years, the U.S. objective is a radical reduction in the levels and the power of existing and planned offensive nuclear arms, as well as the stabilization of the relationship between nuclear offensive and defensive arms, whether on earth or in space. We are even now looking forward to a period of transition to a more stable world, with greatly reduced levels of nuclear arms and an enhanced ability to deter war based upon the increasing contribution of non-nuclear defenses against offensive nuclear arms. A world free of the threat of military aggression and free of nuclear arms is an ultimate objective on which we, the Soviet Union, and all other nations can agree.

THE IMPORTANCE OF ONGOING NEGOTIATIONS

The best path to achieving these goals would be an agreement based on the far reaching nuclear arms reduction proposal we have tabled at the Strategic Arms Reduction Talks in Geneva. The best approach to moving rapidly to a safer, more stable and more secure world would surely be for both sides to make sharp reductions in their strategic offensive arsenals and, in particular, to eliminate large numbers of the most destabilizing weapons—strategic ballistic missiles—by agreeing to a verifiable aggregate ceiling of 5,000 warheads of the land-based and sea-based ballistic missiles of both sides.

Unfortunately, the Soviet Union through the years has shown little real interest in restraining the growth of its nuclear arms—let alone in achieving meaningful reductions or in making progress toward a verifiable, equitable accord which requires such real reductions. To the contrary, in spite of the seriousness and flexibility demonstrated by our negotiators in Geneva in the new negotiations begun this year, the Soviet Union has actually regressed from negotiating positions it had previously taken and has adopted a largely intransigent posture which severely impedes progress. We, nevertheless, remain determined to pursue a productive dialogue with the Soviet Union aimed at reducing the risk of war through the adoption of meaningful measures which improve security, stability and predictability.

ESTABLISHING AN INTERIM FRAMEWORK FOR MUTUAL RESTRAINT

It remains in the interest of the United States to establish an interim framework of truly mutual restraint on strategic offensive arms as we pursue with renewed vigor our goal of real reductions in the size of existing nuclear arsenals through the ongoing negotiations in Geneva. The United States cannot establish such a framework alone. It will require the Soviet Union to take the positive, concrete steps called for above to correct their noncompliance, resolve our other compliance concerns, and reverse or substantially reduce their unparalleled and unwarranted military build-up. So far, the Soviet Union has not chosen to move in this direction. However, in the interest of ensuring that every opportunity to establish the secure, stable future we seek is fully explored, the President is prepared to go the extra mile in the direction of trying to establish an interim framework of true, mutual restraint.

CONTINUED RESTRAINT

Therefore, to provide the Soviet Union the opportunity to join us in establishing an interim framework of truly mutual restraint which would support ongoing negotiations, the President has decided that the United States will continue to refrain from undercutting existing strategic arms agreements to the extent that the Soviet Union exercises comparable restraint and provided that the Soviet Union actively pursues arms reductions agreements in the Nuclear and Space Talks in Geneva. The United States will constantly review the implications of this interim policy on the long term security interests of the United States and its allies. In doing so, we will consider Soviet actions to resolve our concerns with the pattern of Soviet noncompliance, continued growth in the strategic force structure of the Soviet Union, and Soviet seriousness in the ongoing negotiations.

PROPORTIONATE RESPONSE

As an integral part of the implementation of this policy, we must also take those steps required to assure the national security of the United States and our allies made necessary by Soviet noncompliance. Appropriate and proportionate responses to Soviet noncompliance are called for to make it clear to Moscow that violations of arms control treaties entail real costs. Therefore, the United States will develop appropriate and proportionate responses and it will take those actions necessary in response to, and as a hedge against the military consequences of, uncorrected Soviet violations of existing arms control agreements.

RESPONDING TO IRREVERSIBLE SOVIET VIOLATIONS

Certain Soviet violations are, by their very nature, irreversible. Such is the case with respect to the Soviet Union's flight-testing and steps toward deployment of the SS-X-25 missile, a second new type of ICMB prohibited by the unratified SALT II agreement. Since the noncompliance associated with the development of this missile cannot, at this point, be corrected by the Soviet Union, the United States, therefore, reserves the right to respond appropriately, and the United States will do so in a proportionate manner at the appropriate time. The Midgetman small ICBM program is particularly relevant in this regard.

RESPONDING TO REVERSIBLE SOVIET ACTIVITIES

Other Soviet activities involving noncompliance may be reversible and can be corrected by Soviet action. In these instances, we will go the extra mile and provide the Soviet Union additional time to take such required corrective action. As we monitor Soviet behavior for evidence of the positive, concrete steps needed on their part to correct these activities, the Department of Defense will conduct a comprehensive assessment aimed at identifying specific actions which the United States could take to accelerate or augment as necessary the U.S. strategic modernization program in proportionate response to, and as a hedge against the military consequences of, those Soviet violations of existing arms agreements which the Soviets fail to correct.

In addition to the development of appropriate and proportionate U.S. military responses in the face of uncorrected Soviet noncompliance, this review will also consider the consequences of continued Soviet force growth as indicated in the most recent National Intelligence Estimate on this subject, the alterations to the ICBM portion of the U.S. strategic modernization program which have resulted from recent Congressional action, and the issue of how the second 50 PEACEKEEPER missiles should appropriately be based. Soviet behavior during rounds II and III of the Nuclear and Space Talks will also be taken fully into account.

CRITERIA FOR RESPONSE OPTIONS

In this context, as potential U.S. future actions are assessed, certain criteria will be used. The options will be designed as proportionate responses to specific instances of uncorrected Soviet noncompliance, hedging against the military consequences of such Soviet noncompliance. They need not necessarily be equivalent types of actions. Rather, these options will attempt to deny the Soviets the potential benefits of their noncompliance, and, to the extent possible, provide incentives to the Soviets to correct their noncompliance activity. In all cases, the primary focus will remain upon options that underwrite deterrence, enhance stability, and can be directly tied to the specific requirements of our national security. In this regard, the U.S. goal is not, per se, to build additional forces, but to use these options to ensure our security in the face of uncorrected Soviet noncompliance and to provide incentives to the Soviets to correct their noncompliance and join us in establishing a meaningful interim framework of mutual restraint.

TIMING OF THE DEPARTMENT OF DEFENSE REVIEW

The results of this review will be provided for the President's consideration by November 15, 1985. This will provide sufficient time for the President to consider U.S. options with respect to our policy as we approach the date at which the unratified SALT II Treaty would have expired on December 31, 1985, and subsequent milestones that would occur under a "no undercut" policy. It also provides sufficient time to consider U.S. programmatic options in direct response to instances of uncorrected Soviet noncompliance, as needed, in submitting the fiscal year 87 Defense Program to the Congress in early 1986.

7TH TRIDENT SSBN

To provide adequate time for the Soviets to demonstrate by their actions a commitment to join us in an interim framework of true mutual restraint, the President has also directed that the Department of Defense should plan to deactivate and disassemble according to agreed procedures an existing POSEIDON SSBN as the seventh U.S. Ohio-class submarine, the USS Alaska, puts to sea later this year. However, as a part of its report, the Department of Defense will review and evaluate the range of options available to the United States for handling similar milestones (including the sea trials of additional Ohio-class submarines and the deployment of the 121st U.S. ALCM carrying heavy bomber) in the future. The United States will keep open all future programmatic options for handling such milestones as they occur. As these

later milestones are reached, the President will assess the overall situation and make a final determination of the U.S. course of action on a case-by-case basis in light of the overall situation and Soviet actions in meeting the conditions cited above.

SUMMARY OF WHY THIS COURSE WAS CHOSEN

The President firmly believes that if we are to put the arms reduction process on a firm, lasting foundation, our focus must remain on making best use of the promise provided by the ongoing negotiations in Geneva. The policy outlined above, involving the establishment of an interim framework for truly mutual restraint and proportionate U.S. response to uncorrected Soviet noncompliance, is specifically designed to go the extra mile in giving the Soviet Union the opportunity to join us in this endeavor. Our hope is that if the Soviets will do so, we will jointly be able to make progress in framing equitable and verifiable agreements involving real reductions in the size of existing nuclear arsenals in the ongoing Geneva negotiations. Such an achievement would not only provide the best and most permanent constraint on the growth of nuclear arsenals, but it would take a major step in the process of reducing the size of these arsenals and in moving us toward a more secure and stable world.

INTERGOVERNMENTAL REGULATORY RELIEF ACT

Mr. ABDNOR. Mr. President, I would like to dispel a popular belief—the belief that there aren't any good ideas here in Washington. The truth is, Mr. President, that there are lots of good ideas but unfortunately it seems like we have our own version of the Bermuda Triangle around here.

Time after time a good idea is brought to the attention of Congress. Often that idea results in well-intended legislation establishing a new Federal program. But what starts out as a good idea sailing on smooth seas under blue skies seems to often go horribly wrong. More often than not, the end result is an empty sea of Federal paperwork.

While we can only guess at what happens in the Bermuda Triangle, there are some plausible explanations for how the Federal Triangle operates. Often Congress will attach Federal guidelines to a program. While those guidelines are intended to serve a purpose, too often they impose unreasonable paperwork burdens on the State and local governments which must administer many Federal programs.

But, the professional bureaucrats here in Washington can make Congress look like a bunch of amateurs when it comes to redtape. Volumes of rules and regulations are added to Federal programs by agencies and the result is a massive burden in terms of time, paperwork, and money—and State and local government officials are the ones who must deal with the mess.

When my colleague from Minnesota introduced S. 483, the Intergovernmental Regulatory Relief Act, he cited a study which indicates that the costs associated with just six Federal programs amounted to between $6 and $50 per person. This means that the State of South Dakota and its local governments are spending at least $4 million, and perhaps as much as $35 million, every year to comply with Federal requirements for just six programs.

I have long fought to eliminate unnecessary Federal rules and regulations, and for this reason I am cosponsoring S. 483. There are three basic provisions to this bill:

First, the Federal Government must bear the full cost of any new major regulatory requirements it imposes upon State and local governments;

Second, for Federal regulations currently in effect, the Federal Government will gradually pick up more and more of the tab now being paid by State and local governments; and

Third, the President must annually report to Congress the total cost to State and local governments of complying with Federal redtape.

By enacting these provisions into law, we would undoubtedly be taking a major step toward getting runaway Federal regulation under control. If Congress realizes that it is going to have to pay for any guidelines it imposes, it will think a little harder and longer about whether guidelines are really necessary.

In addition, once Federal agencies know they have to account to Congress for the costs they impose on State and local governments, they will find it easier to exert some self-control when it comes to publishing rules and regulations. In fact, if those costs had to be paid by the agency itself, with less money left to pay salaries and expenses, we would see a sudden and dramatic decline in agency imposed regulations.

In light of the Gramm-Rudman-Hollings budget cuts looming on the horizon, it is especially important that Congress does what it can now to reduce the cost of Federal regulations for State and local governments.

Passage of the Intergovernmental Regulatory Relief Act is one vital step we can take to see that the Federal dollars upon which State and local governments have come to rely upon so heavily, stretch a little further. Unless we take this step, an ever greater portion of the dwindling Federal dollar is going to be burned up in administration rather than used for providing essential services.

Mr. President, I ask unanimous consent that my name be added as a cosponsor to S. 483, which pertains to the statement I just made.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE HOLLOW CORPORATION

Mr. KENNEDY. Mr. President, the March 3 issue of Business Week contains a special report on the perilous state of American manufacturing. Focusing on what they describe as "the hollow corporation," Business Week raises fundamental concerns about our economic future. Among the concerns that they detail are: The percipitious increase in the export of American jobs and technology, the impatience and hypermobility of capital, the impact of a growing imbalance between our manufacturing and service sectors on wages and standards of living, and the instability of our overextended and incautious financial system.

These problems may not cause a crisis next week or even next year; but, in the long run, the damage will be substantial and puts our children's future at risk.

It is not easy or popular to express concern when the day-to-day news seems so good. Two years ago, at the request of the Democratic leader, I chaired a task force on our economic future. We explored many of these issues and detailed a plan of action to address them. Those recommendations were unanimously endorsed by the Democratic conference. Similar concerns were expressed last year by the President's own Commission on Competitiveness. The administration ignored our work, perhaps not surprisingly; and they also ignored their own commission. But Business Week makes clear our problems will not simply go away, and each day that we ignore them they grow worse.

This special issue makes a vital contribution to a too quiet debate. I congratulate editor Steve Sheppard and all of his associates and commend their work to my colleagues.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE HOLLOW CORPORATION

("American companies have either shifted output to low-wage countries or come to buy parts and assembled products from countries like Japan that can make quality products at low prices. The result is a hollowing of American industry. The U.S. is abandoning its status as an industrial power."—Akio Morita, Sony Corp. chairman and co-founder)

While economists engage in an eerily detached debate about whether the U.S. is losing its industrial base—and even whether it matters—Sony's 64-year-old chief affirms what American business leaders have been seeing for more than a decade: In industry after industry, manufacturers are closing up shop or curtailing their operations and becoming marketing organizations for other producers, mostly foreign.

Autos, steel, machine tools, videorecorders, industrial robots, fiber optics, semiconductor chips—these are some of the markets in which the U.S. is losing dominance or has been driven out. More markets are

destined to feel the bite of foreign competition.

The result is the evolution of a new kind of company: manufacturers that do little or no manufacturing and are increasingly becoming service-oriented. They may perform a host of profit-making functions—from design to distribution—but lack their own production base. In contrast to traditional manufacturers, they are hollow corporations.

Unchecked, this trend will ultimately hurt the U.S. economy. The traditional industrial sector has long been the leader in U.S. growth in productivity, the wellspring of innovation, and the generator of a rising standard of living. The spectacular rise in employment in the fast-growing service sector will continue to offset the loss of jobs in manufacturing. But services, on average, do not measure up well against manufacturing in productivity growth or in personal income. In short, the idea that a postindustrial America can become increasingly prosperous as a service-based economy appears to be a dangerous myth.

No one who finds this threat a bit remote right now will be accused of economic myopia. The U.S. economy appears to be enjoying a period of unusually well-balanced growth. The collapse of oil prices has revived a three-year-old expansion that seemed to be winding down only a few months ago. Economists are scurrying to raise their forecasts for growth, employment, and personal income. The oil plunge, along with a general weakness in commodity prices, has blown away the specter of inflation for the foreseeable future. The dollar continues to soften against most foreign currencies. Interest rates, reflecting the improved inflation outlook, are declining. And the stock market is just wild about all of the above.

Unfortunately, however, this is only part of the story—the short-term chapter. Beneath this shiny surface, U.S. industry is undergoing fundamental changes whose full impact on the economy may not be seen for a decade. If the hollowing process continues in industrial America, the economy of the mid-1990s will look vastly different from the one that is generating the current prosperity. And there are serious reasons to doubt that the long-term picture will be as bright as today's.

It may be some consolation that Sony, Honda Motor Co., and other foreign producers make many of their products in the U.S. That keeps some jobs in this country and may help to defuse protectionist pressures in Congress. Indeed, foreign companies are now pouring money into their U.S. operations faster than American companies are investing abroad. Ironically, however, as foreign producers move into the U.S., American manufacturers continue to take their operations overseas. Low wage bills in South Korea, Taiwan, and other Asian countries clearly are part of the attraction, but all too often it appears that American companies are simply giving up on the U.S. as a suitable place to make their goods. Says Sony's Morita: "We are not taking away your manufacturers' business. They are giving it up. If they move out factories and depend on the Far East, that means the hollowing of American industry."

Indeed, U.S. manufacturers are pursuing a strategy of out-sourcing—buying parts or whole products from other producers, both at home and abroad—with a vengeance. Outsourcing breaks down manufacturers' traditional vertical structure, in which they make virtually all critical parts, and replaces it with networks of small suppliers. Even such proud giants as International Business Machines Corp. and General Electric Co. are doing it to varying degrees. In the short run, the new system may be amazingly flexible and efficient. In the long run, however, some experts fear that such fragmented manufacturing operations will merely hasten the hollowing process.

NEW FOUNDATION?

What is happening to the U.S. economy, some futurists and economists say, is simply progress. It reflects the adaptation of a mature industrial economy to the realities of international competition. According to this view, the U.S is undergoing a transition to a new foundation of services and information-based high technology—a changeover potentially as sweeping and beneficial as the industrial revolution or the mechanization of agriculture. What survives of manufacturing will be done in the totally computerized and robotized factory of the future, where employment will be so low that wage costs become irrelevant.

But to others, all of this is wishful thinking. They consider it a given that the U.S. cannot prosper without a strong manufacturing base. "The growth of manufacturing has historically paralleled that of the overall economy," says Roger E. Brinner, chief U.S. economist for Data Resources Inc. "It's useless to ask which is the chicken and which is the egg. They go together, and if manufacturing keeps slipping, it may drag down the rest of the economy." Adds DRI'S Sara Johnson: "Past gains in manufacturing are what enabled our economic system to afford to increase its demand for services."

Another Japanese industrialist, Tsutomu Ohshima, senior managing director of Toyota Motor Corp., puts it even more strongly: "You can't survive with just a service industry." Ohshima finds it hard to understand that U.S. policymakers are not talking about what he and many other foreigners see as a clear need for America to reindustrialize.

Is concern over deindustrialization, or a hollowing of industry, justified? By most measures, manufacturing is a disaster area. In current dollars, the sector has plunged from a peak of 30 percent of U.S. gross national product in 1953 to about 21 percent in 1985, with much of the decline coming in the last decade (chart). Durable goods production alone has tobogganed from 17.8 percent of GNP in 1953 to about 12 percent last year. That's a drop of 30 percent or more in both cases. In 1953, one of every three nonfarm workers was in manufacturing; today the ratio is roughly one out of five.

Some economists complain that it is torturing the data to look at manufacturing's slide only in current dollars. Says Robert Z. Lawrence of the Brookings Institution: "If you look at manufacturing's share in real dollars, using 1972 as a price base, the numbers are virtually trendless until the last couple of years, and that decline is just a function of the strong dollar." As for the drop in current dollars, Lawrence says that it largely represents productivity gains and technological improvements, particularly in computers and other office equipment, and therefore is nothing to worry about.

But this view is not shared by the nonpartisan Congressional Budget Office. The CBO examined the measurement problem as it prepared a study on industrial policy two years ago and decided that the current-dollar numbers are the ones that count. Explains one CBO economist: "Those are the dollars we care about. They tell you what business has to invest today, what income and value-added you are creating, and whether business can increase employment now. They give you the social value of your output."

U.S. manufacturers doubt the dollar's realignment and the plunge in world oil prices will bail out American industry. They note that their major foreign competitors are even more dependent on imported oil than are American manufacturers—and therefore benefit even more from the price slide. The drop in the dollar gives the foreigners a further bonus since everyone pays for oil in dollars. The perception remains that the tide of foreign competition is inexorable, and U.S. manufacturers must continue to position themselves to live with the new realities. For many producers, the answer will continue to be to manufacture less.

One way or another, U.S. industry has been engaged for the past decade in a massive drive to lower the costs of doing business, whether through outsourcing, squeezing concessions out of unions, closing inefficient plants, or opening plants abroad. Companies long identified with making goods of all sorts now often only produce the package and the label.

Says economist Nestor Terleckyj of the National Planning Assn.: "For corporate managers the central question is not necessarily what product their companies make but whether their companies make profits. If Ford Motor, for example, can make money by making loans, it will become a bank and let the Japanese make more and more of its cars."

Robert E. Lipsey of the City University of New York cites U.S. multinationals as an example of successful adaptation to international competition, with business moving abroad to take advantage of lower wages and capital costs. "These firms prove that American business can compete on a firm-by-firm basis," says Lipsey, though he concedes the resultant job losses in the U.S. and other macroeconomic effects "may not be beneficial for the economy in the aggregate."

Lipsey's concern about the aggregate is a masterpiece of understanding. Yes, individual companies can adjust to Asian competition by making their products in Taiwan or South Korea. They may revitalize domestic operations through infusions of Japanese management and production technology. They can also hammer down wage costs by farming out production jobs and buying services from outside vendors. And others find it pays better to ride the merger wave and shuffle existing assets than to raise capital to invest in new plants and equipment.

But does all this add up to healthier U.S. economy? Probably not. It is true that the growth of the service sector has been phenomenal in recent years. The retail and wholesale trades, transportation, communications, finance, and personal services have added almost 10 million jobs to the U.S. economy since 1979, in contrast to 1.5 million lost in manufacturing. Just since 1960, services have grown from 60.4 percent of GNP to more than 68 percent in 1985.

COUNTER JOBS

What's more, the service tide shows no sign of ebbing. In the next 10 years, services will provide roughly 90 percent of all new jobs, according to Labor Dept. projections. But economists, political scientists, and other experts raise serious questions about how much punch that growth will carry

when it comes to keeping the U.S. competitive in world markets and raising Americans' standard of living.

For one thing, the new service jobs will, on average, pay less than the median wage for U.S. workers. Highly valued jobs in leading-edge technologies, finance, and the professsions will be a large part of that market, but so will jobs for janitors and clerks. As one economist puts it: "The McDonald's counter jobs will offset the McKinsey consultant jobs."

Nor can the U.S. count on services for the growth in productivity that is essential for a rising standard of living. Services have historically trailed manufacturing in gains in output per hour by a wide margin. They are likely to continue lagging behind for at least a decade until automation becomes more widespread in offices and shops. And judging by experience to date, such productivity gains are not immediately reflected in the income of service workers.

But the greatest shortfall in services is a basic inability to fill the void in trade that is being left by manufacturing. Right now the U.S. holds a powerful edge in high technology. But Lester C. Thurow of Massachusetts Institute of Technology asks: "If U.S. industries lose their production base, how can their engineers and scientists keep coming up with the software to sell overseas?" Most advances in technology are generated along the learning curve of an ongoing production process, not in the vacuum of a university laboratory.

Private U.S. research and development expenditures in nondefense industries already have slipped behind those of the country's keenest competitors as a share of GNP. Business and, more important, government, may be reluctant to keep funding R&D even at present rates if the resultant products wind up being produced in Taiwan or Brazil.

Finally, there is no reason to think the U.S. has an invulnerable advantage in services any more than it had one in making steel or autos. Foreigners are playing all sorts of trade-barrier games to limit inroads by U.S. service companies while they nurture their own. Indeed, the rapid growth of telecommunications is making it as easy to farm out such service jobs as keypunching as it is to outsource hardgoods production.

'A NICHE ECONOMY'

In short, the U.S. still needs a strong and growing industrial base. And the need may be greater than ever because that base is so vitally linked to the most promising service and high-tech businesses. Says economist Stephen Cohen of the Berkeley Roundtable on the International Economy at the University of California: "If you lose your industrial base, you can't be a prosperous service economy. The U.S. is too big to be a niche economy."

Cohen cites a vast variety of services—from trucking to banking to computer programming—that have a "direct linkage" to the goods-producing industries. And he notes that "to sustain U.S. incomes and productivity, it really matters who does the manufacturing. In a global input-output model, it may not matter where the goods come from, but a huge core of this economy depends on what's made on these shores."

The manufacturing-vs.-services debate comes down to competitiveness. And if lowering wages is the only way for the U.S. to regain its edge, then the solution may be worse than the problem. This clearly is the answer for many less developed countries, which can easily sell their wares on the world market by keeping wages at subsistence levels. But American business has long known—at least since Henry Ford made it an economic axiom—that its welfare ultimately depends on having workers who make enough to buy its products.

Says political scientist Bruce R. Scott of the Harvard business school: "U.S. competitiveness means the ability to employ U.S. resources, both human and capital, so that Americans earn increasing returns while in open competition with other countries." The U.S. can temporarily meet the competition by lowering the wage base, by outsourcing, by literally turning its industries inside out—in short, by hollowing. But enduring prosperity will require investment in human and physical resources, in innovation, and in raising productivity in both manufacturing and services. The first step is to take a careful look at the phenomenon of the hollow corporation.

[From Business Week, Mar. 3, 1986]

(By John W. Wilson and Judith H. Dobrzynski)

EVEN AMERICAN KNOWHOW IS HEADED ABROAD

Not so long ago, Caterpillar Tractor Co. was perhaps the single biggest customer of the U.S. forging industry. No more. Last year, the heavy equipment manufacturer shopped overseas for 16% of the components it buys for its vehicles—four times the level in 1981. Within a few more years, Chairman George A. Schaefer expects foreign-made components to account for a quarter of all purchased parts. "What's the alternative?" asks Robert E. Ranney, Caterpillar's product-availability manager. "If our major concern is whether we're gonna be around next year, we'd better make a dollar."

Caterpillar is indeed making a buck again, thanks largely to the cheaper goods it has found offshore. Last year, Cat netted $198 million, on sales of $6.7 billion. That's quite a turnaround for a company that had been wallowing in red ink since 1982, as Japan's Komatsu Ltd. and other foreign competitors applied severe pricing pressures. Now some of those same rivals are aiding the Peoria (Ill.) manufacturer's comeback: South Korea's Daewoo Heavy Industries Ltd. builds lift trucks that Cat covers with its familiar yellow paint, while Germany's Franz Eder and Norway's Kaldnes Verksted supply hydraulic excavators.

While such moves may make perfect sense for an individual company, they could spell ultimate disaster for the U.S. economy as a whole. By shifting production overseas or shopping abroad for parts and components, U.S. companies are whittling away at the critical mass essential to a strong industrial base. And Cat is far from the only industrial company to conclude that the best way to shore up the bottom line against low-price foreign rivals is, quite literally, to join them. Other examples:

General Electric Co. spent $1.4 billion last year to import products sold in the U.S. under the GE label. Virtually all of its consumer electronics goods are already made in Asia. By the end of summer, the company plans to shut down its last domestic color-TV plant. In appliances, GE now buys its microwave ovens from Japan and will begin going offshore for room air conditioners in 1987.

Eastman Kodak Co. is counting on foreign-made products to fuel much of its growth. To diversify from the stagnant film business, Kodak is buying video camera-recorders and videotape from Japan, along with its midsize copying machines. It also imports floppy disks from a Kodak factory in Britain.

Honeywell Inc. gets the central processing "brain" for its biggest mainframe computer from a Japanese manufacturer, and two other mainframes that Honeywell sells in the U.S. are imported as finished products from Europe. The Minneapolis company also goes abroad for a host of components used in its factory-automation equipment and commercial air-conditioning systems.

If this trend continues, warns Jack D. Kuehler, senior vice-president of International Business Machines Corp., companies will gradually become less adept at understanding how new technology can be exploited and eventually "lose the ability to design." Adds Robert A. Lutz, chairman of Ford of Europe Inc.: "You're seeing a substantial deindustrialization of the U.S., and I can't imagine any country maintaining its position in the world without an industrial base."

The deindustrialization that Lutz speaks of has a new, sinister meaning. In the 1960s and early 1970s, many companies exported blue-collar jobs to low-wage countries. That trend continues. Only now U.S. companies are also shifting far more valuable things overseas: fundamental technology, management functions, and even the design and engineering skills that are crucial to innovation.

In a takeoff on Detroit's once-touted "world car" concept, U.S. manufacturers are pushing ahead with what is euphemistically dubbed "globalization." This involves searching the world for the best factory site—lax government regulations and favorable tax policies are the chief criteria—and building a factory, often highly automated, that supplies worldwide markets. Or worse, they are throwing in the towel, closing domestic factories, and simply shopping the globe for the best bargains made by foreign companies.

LONG-RANGE DAMAGE

Yet the world-car strategy, now abandoned, didn't bail out the auto makers. Despite spending $9 billion a year to cut costs with new manufacturing technology and slashing their domestic work force by one-third since 1979, the Big Three still cannot build a car as inexpensively as the Japanese. So now the auto makers are gearing up to buy massive numbers of foreign-made cars. By 1988, the Commerce Dept. estimates, 17% of the cars sold by Detroit will be produced by the likes of Toyota, Nissan, and Honda. That will lift the total market share of foreign-made autos to 40%—and cost 90,000 more jobs, even though the Japanese are cranking up the capacity to make a million or more cars on U.S. soil by 1990.

Even the cars Detroit assembles here will carry a huge proportion of imported parts. According to a recent survey by Arthur Andersen & Co., 29% of the parts in domestically produced autos may be imported by 1995, up from 18% last year. Carmakers are also beefing up their overseas capabilities in research and development, engineering, and design. Senior Detroit executives are aware of the long-range damage this can cause to the U.S. economy. "We're all doing it with a great deal of sadness," says Lutz of Ford. "But we have come to regard our primordial duty as the preservation of the company and the shareholders."

DRUBBINGS

Unable to cut domestic costs enough to offset Japan's structural advantages, the

move offshore is a last recourse: At least it preserves U.S. ownership of some manufacturing technology. That way, Detroit hopes to forestall complete capitulation. The Japanese already own an alarming number of U.S. markets where domestic producers can no longer compete in price, quality, technology, or all three. Calculators, cameras, hi/fi equipment, motorcycles, watches, and videorecorders come quickly to mind.

But those well-known drubbings mask the fact that the same thing is happening in industrial and commercial markets, too—in machine tools and robots, typewriters and copying machines, semi-conductors and fiber-optic communications. Ten years ago, says John J. Murphy, chairman of Dresser Industries Inc., 90% of power shovels for the mining industry were made in the U.S. "Today," he says, "it is actually reversed."

Manufacturing expertise is slipping away in other areas as well. Take bearings. U.S industry is relying more and more on foreign sources for all types of bearings, from the huge swivels for mounting construction cranes to the miniature roller bearings in computer disk drives. In fact, three-quarters of all the miniature bearings used in the U.S. are now imported.

Tote up all the imports, and the dependency of the U.S. economy is staggering. Finished goods sold to U.S. companies now account for $5 billion of the swelling U.S. trade deficit with Japan, notes Yohei Mimura, president of Mitsubishi Corp. Japanese-made parts used by U.S. factories add $8 billion more. Finally, Japan ships $4 billion of products that simply are not made here, such as 35mm cameras and videocassette recorders. All told, reports Data Resources Inc., imports last year took 21% of total sales of manufactured products—more than twice the 1970 figure.

The spillover of this influx cascades down through the economy, all the way to basic industries. An imported car, for example, not only robs American steel-makers of the metal content in that one car but also of the steel in the machine tools that won't be needed to stamp the body panels or grind the engine parts in some U.S. factory. Then there are the trucks and railcars that won't be needed to haul those machines to a user or to bring iron ore from a mine to a steel mill (table). The steel industry's lobbying in Washington, focused on quotas for the basic material, "is aimed at the wrong end," says Stanley J. Feldman, DRI's vice-president for interindustry services.

Similarly, Caterpillar's decision to buy its forgings offshore is driving another nail into the coffin of the forgings industry, which has lost some 40% of its market to foreign companies over the past decade. To keep its customers, a U.S. forger may be forced to switch to low-cost imported steel. Or it may supply U.S. customers in part from a foreign plant, as Cleveland's Sifco Industries Inc. does.

INSTANT REWARDS

But locating a plant overseas often has unforeseen complications. Foreign plants spawn their own competition by creating a local pool of managers and skilled technicans. General Instrument Corp's Taiwan subsidiary now competes with 11 local companies founded by former employees. Also in Taiwan, Hewlett-Packard Co. is training local engineers to use computer-assisted systems to design printed-circuit boards that are produced in a factory that HP helped lay out. And Apple Computer Inc. recently transferred production of its familiar Apple II personal computers to a Singapore plant. "We're building somebody else's skill base, not our own," says Stephen R. Rosenthal, professor of operations management at Boston University. "If you add it all up, it's quite severe."

Moreover, such plants inevitably draw the service jobs that surround manufacturing. "As time goes on, local banks handle the payroll, the insurance is carried locally, legal services are done there," notes Robert W. Galvin, chief executive officer of Motorola Inc. And once skills have been transferred out of the U.S., that knowhow can wither within the parent company. Intel Corp. had to call in Malaysian experts from its Penang factory to help set up the chip assembly line at an automated chipmaking factor it started building in Arizona three years ago. None of its U.S. employees had that expertise any longer.

The hollowest option of all, though, is to ax manufacturing altogether and instead serve as the marketing arm for a foreign-owned factory. Yet more and more industrial giants, from Kodak to RCA Corp. are choosing this course for its almost instant rewards. Firestone Tire & Rubber Co. turned red ink into black for its radial truck-tire business by selling the plant to Bridgestone Corp., its Japanese archrival, and buying tires made in the same factory.

OUT OF TOUCH

In the short term, exploiting another company's manufacturing investments can be a winning strategy. IBM, for example, used it with devastating effect to launch its personal computer quickly by building it from many purchased components. Thus, it was able to saturate the market far more rapidly than if it had first taken time to install the necessary production capacity. But then the company plowed hundreds of millions of dollars into automated factories to make the key components in the U.S. "Unless you own the technology," explains Patrick A. Toole, IBM's vice-president for manufacturing, "you can't be in the game for long."

For proof of that, look no further than the hi-fi business. The U.S. is so out of touch with audio technology that no American company is producing a popularly priced compact-disk player, which is breathing new life into the market. Sales of CD players topped 750,000 units last year, and 1986 sales are projected to hit 2.5 million units. And the manufacturing efficiencies that Japan's electronics giants are gaining in mass-market CD players may well presage a takeover in optical-disk computer memories, too, because the technologies are similar.

BACKING AWAY

The same thing is already happening in the videorecorder market. When Sony Corp. unveiled the first VCRs in 1975, they carried price tages of more than $1,000, so most U.S. companies dismissed them as too expensive and complex ever to command a major market. Besides, they were already backing away from tape recorders, the source of the technology that went into the VCR. Now, with product simplification and automated production, VCRs are selling—like hotcakes—at less than $300.

Here, too, not one is made in the U.S., although Sony plans to start building a U.S. VCR factory this year. And now it has spun off its VCR technology into the so-called camcorder, a combination video camera-recorder that promises to be the last straw for movie cameras and film. Alarmed, Kodak has jumped into the video market—with a camcorder made by Matsushita Electric Industrial Co.

However, as RCA has learned, selling goods made by a foreign competitor can be a rocky partnership. RCA has leveraged its name and distribution resources to grab the biggest share of domestic VCR sales, an estimated 20%. Its machines now get stamped with the RCA logo in a Hitachi Ltd. factory. Matsushita used to do that for RCA. But in 1984, with Matsushita gaining market share by undercutting RCA's prices with Panasonic VCRs that were clones of RCA's units, RCA turned to Hitachi. RCA suspects the deal with Hitachi will also prove temporary. "You can only source for a limited time," admits Jack K. Sauter, an RCA group vice-president. But RCA, GE, and Zenith are compelled to endure the situation. Not only do the profits from VCRs help subsidize their manufacturing losses on color TV sets, but also they lack the expertise to produce competitively.

Parallels of RCA's ordeal turn up time and again. 3M Co. markets plain-paper copy machines from Toshiba Corp. Now Toshiba is pushing its own brand name and charging 20% less than 3M. In 1981, with Chrysler Corp. financially on its knees, Mitsubishi Motors Corp. prevailed on the U.S. company to scrub the exclusivity clause in their contract so that Mitsubishi could set up its own network of U.S. dealers. "The Japanese pattern is very clear: Get an American involved to build the business, then get rid of the American," says Donald N. Frey, chief executive of Bell & Howell Co. In the 1950s and 1960s, when Japan's camera makers sought the help of American partners, Bell & Howell took on Canon Inc.'s line. Then came a 1971 meeting that Frey recalls vividly. Canon's CEO canceled the arrangement, explaining that Bell & Howell had "raised his children, but now he wanted his family back."

To many American managers, this smacks of underhandedness. But in fairness, even before trade tensions became sticky, many senior Japanese executives were politely cautioning their American counterparts about abandoning too much manufacturing too fast. More recently, Sony Chairman Akio Morita has warned that unless U.S. industry shores up its manufacturing base, "it could lose everything."

WAITING IN THE WINGS

For U.S. companies, the problem is that competitive pressures are certain to intensify. Emboldened by Japan's successes, other nations are using the same ploys. Samsung, Korea's largest electronics company, currently sells most of its TV and VCR exports through U.S., companies. However, now that its exports have reached sufficient volume to warrant investing in its own distribution network, Samsung is promoting its own brand name. And waiting in the wings is China. Joseph D. Romano, vice-president of A. T. Kearney Inc., recently toured China's factories, where machinists earn roughly $1 a day, and came away astonished at the variety, quality, and creativity of Chinese manufacturing. "They're going to make the Japanese invasion look like a tea party," he predicts.

Not all companies are oblivious to the implications of deindustrialization. A small but growing band is feverishly working to develop the technologies that will usher in the totally automated factory (page 72). Even Caterpillar has launched a major effort to automate production, both in the U.S. and abroad. And Cat is encouraging managers to think long term, planning 10 years ahead.

"That's a dramatic difference" in philosophy, says Caterpillar's Ranney.

But far too many chief executives are reluctant to make such a commitment. Only a third of the nation's 278 industrial largest companies even bother to invite the senior manufacturing executive to top management meetings, according to a study by the Conference Board.

Motorola CEO Galvin worries more than most about these issues. Motorola has been running full-page ads in major business publications to discuss America's competitiveness. But with survival of the company his father founded increasingly at risk, even Galvin is laying plans to move fully half of Motorola's jobs, including some product development positions, overseas within 5 to 10 years, up from a third now. Unless the trend is reversed, warns Harley Shaiken, a specialist in industrial restructuring at Massachusetts Institute of Technology, the U.S. economy could end up as solid as "a skyscraper built on mud."

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AND NOW, THE POST-INDUSTRIAL CORPORATION

(By John W. Wilson and Judith H. Dobrzynski)

Lewis Galoob Toys Inc. is obviously a successful company. It sold $58 million worth of its sword-wielding Golden Girls "action figures" and other trendy toys last year—10 times the 1981 total. Its stock, issued in 1984 at 10, has soared as high as 15 and now sells for 13½. yet by traditional standards of structure, strategy, and management practice, Galoob is hardly a company at all.

A mere 115 employees run the entire operation. Independent inventors and entertainment companies dream up most of Galoob's products, while outside specialists do most of the design and engineering. Galoob farms out manufacturing and packaging to a dozen or so contractors in Hong Kong, and they, in turn, pass on the most labor-intensive work to factories in China. When the toys land in the U.S., they're distributed by commissioned manufacturers' representatives. Galoob doesn't even collect its accounts. It sells its receivables to Commercial Credit Corp., a factoring company that also sets Galoob's credit policy. In short, says Executive Vice-President Robert Galoob, "our business is one of relationships." Galoob and his brother, David, the company's president, spend their time making all the pieces of the toy company fit together, with their phones, facsimile machines, and telexes working overtime.

"DYNAMIC NETWORKS"

Galoob is just one of a crowd of companies emerging in toys, garments, electronics, sporting goods, and other industries that are as different from today's industrial giants as early mammals were from dinosaurs. In management jargon, these new corporations are "vertically disaggregated," relying on other companies for manufacturing and many crucial business functions. They are industrial companies without industrial production. And they just may be the organizational model for businesses in the post-industrial era. As the U.S. increasingly exports the production of commodity goods, these companies will become more and more common, says Raymond E. Miles, dean of the School of Business Administration at the University of California at Berkeley. "What you'll have is a switchboard instead of a corporation," Miles predicts.

That may be overstating things. But there are strong forces pushing U.S. companies in this direction. These new corporations—Miles calls them "dynamic networks"—can take advantage of lowcost foreign labor and foreign technology. They can pounce more quickly on new markets or new technologies. With less bureaucracy, they are well-suited to an era in which managers and workers are demanding a bigger say in their jobs. At a time when U.S. companies find it harder and harder to earn a living manufacturing domestically, these corporations offer a way to exploit some of the same advantages foreign companies have.

In a 1984 book, *The Second Industrial Divide*, economist Michael J. Piore and political scientist Charles F. Sabel come to similar conclusions. The Massachusetts Institute of Technology professors forecast a new international economy in which mass production shifts to the Third World, while developed countries run increasingly to "flexible specialization." Piore and Sabel believe "solar-system organizations," with external suppliers orbiting small central headquarters, will be prominent players in this scheme of things.

STAGE THREE

In such a universe, vertically integrated companies won't disappear altogether. Few large corporations, so far, have turned completely into network organizations. But even many big companies that continue, for now, to do most of their own manufacturing are edging toward disaggregation. Forced by the high cost of developing products and penetrating world markets, many are turning to foreign sources for finished products. Others are forming joint ventures and temporary alliances overseas. General Motors Corp., a prototypical vertically integrated company, does all of the above. Industrial giants such as Firestone, 3M, and General Electric all sell finished products bought from foreign companies. Says Henry Wendt, president of SmithKline Beckman Corp.: "We'll see more collaborative arrangements rather than less."

The network model, if it is broadly adopted, would be only the third real organizational innovation since the corporation evolved in the mid-19th century. Around 1850, as industrial processes grew more complex and as national markets developed, businesses grew larger. They took on more managers—each assigned to oversee a phase in the commercial chain from raw material to finished product—and the vertically integrated industrial company was born.

The first important change came in the 1920s: GM pioneered the divisional structures still typical of U.S. industry, where vertical chains of command for each operating division exist in parallel. Then, after World War II, aerospace companies started the trend toward the "matrix" system. Matrices, with workers reporting to various supervisors depending on the task they performed, make it easier to assemble temporary teams for big projects.

Now network companies may have their day. They are not entirely new—publishers, garment makers, and construction companies have contracted out work for years. But the network structure is spreading, pushed in part by communication breakthroughs that make it easy to coordinate suppliers and customers around the world.

Academics and consultants are divided about the future of disaggregated companies. They are only now beginning to study the impact on corporate structure of recent changes in technology, work force, and competition. MIT's Sloan School of Management, for example, has launched a multidisciplinary research program on management in the 1990s. Michael Scott-Morton, the professor who heads the program, says it's too early to draw conclusions—but he adds that the trend toward increased flexibility and away from vertical hierarchies is clear. Others doubt that networks will be the wave of the future. "It may be a transitory stage," says Robert J. Cardinal, director of SRI International's Manufacturing Consulting Practice.

Indeed, no one knows whether disaggregation is a brave new world or a blind alley, leading U.S. companies further astray from improving their competitiveness. Because network companies typically ride waves of fashion or technology, their earnings can be extremely volatile—and their existence precarious. Nike Inc., the sports-shoe giant that has used offshore contract manufacturers since it started in 1964, lost money for two quarters last year when its designers guessed wrong, and 22 million pairs of shoes went unsold. Galoob, too, dipped into the red in the fourth quarter of 1985 when it failed to meet sales projections.

TURNCOATS

Network companies may be more vulnerable to attach from integrated companies, from new network companies that need to put up very little capital to join the competitive fray, and—cruelest of all—from their manufacturing suppliers. Several U.S. sporting-goods companies, for example, turned to Taiwan's Kunnan Enterprises to make rackets. Now, Kunnan is invading the U.S. market with its own rackets. Japan's Seiko Instruments & Electronics Ltd., which makes a 20-in. color-graphics display terminal for Tektronix Inc., now offers its own comparable model priced 20% below the Tektronic unit. At one recent trade show, Seiko salespeople were sniping at the Tektronix model, trying to woo buyers to Seiko.

Diversified and integrated companies, meanwhile, tend to have more staying power in the marketplace: With a broader base, they can better afford to subsidize unprofitable parts of their operations. "I question whether in the long run [network companies] will be competitive against integrated Japanese and European operations," says SRI's Cardinal. Japanese companies would seem to agree. In fact, some of Japan's big, traditional trading companies—in some ways similar to the new network companies—are moving into manufacturing.

Longer-term, there's an even bigger worry. Without the ability to manufacture, companies can lose the capacity to design innovative products, some experts say. Others, however, downplay this as a drawback. They counter that technological advances usually come from outside established companies, which have a vested interest in extending the life of their products. What's more, they note that network companies are flourishing in areas such as toys and garments, where fashion is more important than innovation.

FIXED-ASSET FREEDOM

In any case, many U.S. companies are convinced that a network structure works best for them. Nike thinks of itself not as a manufacturer but as a research, development, and marketing corporation that, like other companies in labor-intensive industries, probably could not compete any other way. A pair of shoes that it buys in Korea and sells in the U.S. for $45 would have to be

priced at $65 or more if manufactured at home.

Pitney Bowes Inc. had other reasons for going overseas when its Dictaphone Corp. subsidiary discovered demand for a super-small dictating unit. Dictaphone could design it, but it had little experience making very small components in high volume. Recalls President James L. Bast: "That said we've got to find a competent vendor who had worked with small components. It was a technology decision." Dictaphone chose Victor Co. of Japan as its supplier.

Emerson Radio Corp. designs and engineers its TVs, stereos, and other consumer electronics items, but it contracts out production to Asian suppliers, largely for cost reasons. Now, Emerson cites other advantages to the Arrangement: Besides having greater flexibility, the company can spend more money on research and advertising than it otherwise might, since there is less need to invest in fixed assets. In fact, President Stephen L. Lane cannot think of a single disadvantage Emerson has compared with an integrated company. "Realiability of supply is a fear, but it has never worked out as a problem," he says.

Even International Business Machines Corp., which used to pride itself on making virtually everything it sold, adopted a disaggregated format when it decided in 1981 to enter the personal computer market. In Boca Raton, Fla.—far from its Armonk (N.Y.) headquarters—IBM set up its Entry Systems Div., which relied heavily on off-the-self components and contract manufacturers to get its popular PC to market quickly and keep costs down. ESD provided another plus, too: It fostered the entrepreneurial spirit so prized but so hard to cultivate at large corporations.

General Electric has followed suit. To stay in the cutthroat consumer-electronics market, it is buying TVs and videocassette recorders, based on its own designs, from the Far East. By mid-1986, only 10% of the employees in GE's consumer-electronics unit will be engaged in manufacturing vs. 60% in mid-1984. "The value added [in consumer electronics] is in marketing, sales, and distribution—not manufacturing," argues Vice-President Jacques A. Robinson. He concedes that return on sales will decline, but he says investment declines faster. "You're working your capital much harder," so return on investment goes up "most noticeably."

All in all, the network structure allows companies to zero in on what they do best and leave the rest to other experts. U.S. companies most often focus on design or marketing—but not always. A cadre of American specialists has sprung up to do manufacturing for electronics companies. California's Flextronics Inc., for example, counts only 50 or so of its 1,400 employees in sales, marketing, administration, or finance jobs. "Everybody else is in manufacturing, purchasing, a customer service," says President Robert G. Todd Jr. "We are dedicated to doing one thing and doing it well."

LOSS OF CONTROL

Schwinn Bicycle Co. is more typical. It decided that it was really a design distribution, and merchandising company, not a manufacturer. "The leverage of the business was no longer in manufacturing," explains President Edward R. Schwinn Jr. Now Schwinn imports most of its bikes from Asia. "When you are a manufacturing company your mind-set tends to be to sell what you can make," says Jay Townley, a Schwinn vice-president. "We're market-driven now."

Ocean Pacific Sunwear Ltd., meanwhile, is thriving by licensing the Op name to other companies, who also do much of the design work. Chairman Larry Ornitz sees his mission as cultivating the Op mystique. He does that by fielding a common sales force, advertising, and sponsoring special events such as surfing contests and Beach Boys concerts. Sales of Op clothing have bloomed from $7 million to $270 million in 10 years. Yet Ocean Pacific has only its name at risk: If a line of shorts or shirts bombs, the licensees swallow the losses.

If there is one managerial drawback to the network organization, it's the lack of close control over operations. George Morrow's San Leandro (Calif.) company, Morrow Designs Inc., relies heavily on outsiders to develop and manufacture its microcomputers and he recalls the frustration of watching 5,000 unneeded machines pour in from contractors in the Far East. "We tried to turn the spigot off," he says, "but it kept running."

SUPPLIER SYMBIOSIS

Even slight misunderstandings can be expensive, as Caterpillar Tractor Co. learned when it transferred manufacturing of some undercarriage parts to a supplier in Scotland. "We assumed when they machined the product, they'd use essentially the same [machining] location points as we used," recalls Robert E. Ranney, Cat's product-availability manager. "It didn't turn out that way. We ended up with more than $100,000 worth of a product that wouldn't work." And IBM restructured ESD along traditional lines when the unit rushed ill-conceived, low-cost, and portable versions of the PC to market.

Information technology solves only part of the control problem. Nike product managers still fly the Pacific on occasion with a pair of hot prototype shoes to rush a product change or to press for a tricky manufacturing detail. Designers to San Francisco's Esprit de Corp, a fast-growing apparel company with ties to more than 150 outside factories around the world, spend six months a year on the road. "No matter how great your specification is, it will be changed by the manufacturer if you aren't standing there," says Roger Kase, president of the Esprit Div.

Often, relationships with suppliers grow to be almost as close as internal corporate ties. TIE Communications Inc. relies on Japan's Nitsuko Ltd. for most of the telephone equipment it sells, and the two companies' engineers work side-by-side to develop products. Isamu Watanabe, president of Nitsuko America Corp., whose factory is just down the street from TIE's Shelton (Conn.) headquarters, some times wanders the halls at TIE. Emerson Radion once had to help pay a supplier's payroll. When price competition heats up, Emerson's management quickly teams up with its Asian suppliers. "We help them find ways to reduce the cost of products," says Lane. Such symbiotic relationships do much to reduce the risk of having a supplier turn into a rival.

These situations demand management skills far different from those commonly valued today. At network companies, strong financial, operations, or legal skills may well take a back seat to the ability to spot trends quickly to set an entrepreneurial example, and to develop strong outside relationships. Says GE's Robinson: "It's partnership management, not the classic pyramid where you issue orders every day."

As a result, different kinds of executives are likely to rise to the top. Doug Tompkins, a prep-school drop-out and avid outdoorsman who co-founded Espirit, considers himself a corporate "image director." The Galoob brothers, who hold degrees in cinematography and psychology, pride themselves on the strength of their relationships with outside manufacturers. Scott NcNealy, president of Sun Microsystems Inc., has presided over a meteoric rise in computer workstations though he barely comprehends the work of his systems and software designers. He feels that a central part of his role is setting a tone and sense of urgency for Sun. "Companies take on the character of their top managers," he says. These ebullient managers probably wouldn't function well in traditional corporations.

Some large companies are, however, finding that they may have to function as networks. Disaggregation helped save a big chunk of business for Sulzer Brothers Ltd., a Swiss company that once was a world leader in manufacturing big, low-speed marine diesel engines. Years ago, Sulzer turned to licensing its designs and servicing engines made by licensees. Otherwise, says President Pierre Borgeaud, Sulzer would have been squeezed out of the market entirely by low-cost Asian rivals and by developing countries intent on building their own manufacturing base. These days, Sulzer still claims 45% of its market.

ONSHORE REMEDY

In other mature businesses, too, the network structure might help keep some of the action—and the jobs—onshore. Some experts argue that America's big steel companies, which control steelmaking from the coal and iron mines to finished slab steel, could have stemmed their decline by disaggregating. Rival "minimills," which make their raw steel from cheap steel scrap, have grabbed nearly 20% of the U.S. steel market, and they're still gaining. But for big producers to disaggregate now, by using more scrap, would mean huge writeoffs of investments in integrated mills. And, having lobbied for stiff import quotas, they have reduced their chances to buy a lot of cheaper foreign slab, at least until 1989, when current restraints end.

Some companies that still have the network option are turning to outsiders to fill out their product lines, to stanch losses in tough markets without giving up a brand franchise, or to focus on more profitable products. New companies may want to organize as networks to gain agility and cost advantages. What's good for them, however, may not be good for the economy as a whole. If it goes too far, the U.S. could be left without a vibrant manufacturing base. That would leave the nation more dependent than ever on the fewer and lower-paying jobs in the service economy.

HOW AUTOMATION COULD SAVE THE DAY

(By Richard Brandt in San Francisco and Otis Port in New York, with bureau reports)

(Alarmed by the snakes that were devouring many of his contemporaries, a young frog consulted the wise old owl. "What can I do to avoid being eaten by a snake?" asked the frog. The wise owl pondered and then advised: "Fly away." The frog was delighted with this simple solution—until he tried to flee from an opporaching snake. "Sorry," said the owl as the frog diappeared down the snake's gullet. "I only deal with concepts, not reality.")

That fable drew appreciative chortles from an audience of engineers and managers when Joseph D. Romano, vice-president

of A.T. Kearney Inc., suggested that it describes the state of computerized manufacturing. He spoke at last November's Autofact '85 in Detroit, a showcase for the latest developments in factory automation. The meeting certainly highlighted the stark contrast between concept and reality. The exhibit halls brimmed with robots and flashy computerized equipment designed to save America's croaking manufacturers from being swallowed whole by foreign competitors. But a walk through most U.S. plants would quickly show that the much-hearided "factory of the future" remains just that.

And that's unfortunate. Rapid exploitation of existing automation technology could halt—and even reverse—the hollowing of domestic manufacturing by preparing the way for fully automated factories. But the sad fact is that most American companies are dragging their feet. At the same time, some experts are concerned that foreign corporations are more aware of the strategic implications of advanced manufacturing and are moving rapidly to implement it.

TRYING TO LEAPFROG

They can do so because the fully automated factory is finally emerging from the mists of theory and conjecture. One of the toughest problems—getting disparate computers and machines to communicate with each other—is well on the way to being solved. That will make way for the ultimate factory technology: computer-integrated manufacturing. With CIM, the U.S. can "compete favorably with any offshore manufacturer," declares Patrick J. Zilvitis, president of Martin Marietta Data Systems. "We're not trying just to catch up with the Japanese," adds Joel A. Schnur, manager of computer-aided manufacturing at Hughes Aircraft Co.'s Electro-optical & Data Systems Group. "We're trying to leapfrog them."

The basic premise behind CIM is that by totally automating and linking all of the functions of the factory and the corporate headquarters, a manufacturer would be able to turn out essentially perfect, one-of-a-kind products—at the lowest possible cost and almost overnight (drawing). With a computerized factory, greased liberally with expert systems and other forms of artificial intelligence, a company could:

Conceive new products on a computer-aided design (CAD) system that would allow designers to optimize their ideas.

Pass the CAD data electronically to a computer-aided engineering (CAE) system to verify that the design will do the job intended and can be made economically.

Extract from the CAE data the information needed to make the product. The information would be sent to a computer-aided manufacturing (CAM) system. The CAM system would send electronic instructions for making the product to computer-controlled machine tools, robotic assembly stations, and other automated equipment on the shop floor.

Coordinate with computerized management systems, such as manufacturing-resource planning, which keeps a running tab on the consumption of parts and materials, and manufacturing-process planning, which helps schedule production for optimum efficiency. In addition, the mainframe computer in the factory would continuously update the corporate data banks used by marketing, finance, purchasing, and other headquarters functions.

This facile factory will have a profound impact on how manufacturers do business. "No part of the entire company will be untouched by the change," says Thomas G. Gunn, director of the manufacturing consulting group at Arthur Young and former vice-president for CIM at Arthur D. Little, Inc.

For starters, a CIM factory will be so flexible that it will be able to make the first copy of a product for little more than the cost of the thousandth. As a result, says Erich Bloch, who left International Business Machines Corp. in 1984 to become director of the National Science Foundation, "organizations optimized for economies of scale may become obsolete."

SLASHING LABOR COSTS

With a CIM factory that can be reprogrammed to switch from making one product to another at the drop of a hat, companies would have the ability to respond instantly to changing market conditions, tailor products for each buyer, cultivate a wider mix of customers, and introduce new products at will. CIM will thus haul down the capital and market-share barriers now guarding many markets, notes Booz, Allen & Hamilton, Inc. As a result, marketing and customer service will assume much greater importance. Indeed, companies expect to run their future factories as Johnny-on-the-spot servants of sales: Nothing will be produced without an order in hand.

Moreover, the new technology would bring a crashing halt to the madcap chase after cheap foreign labor. Because labor costs would be virtually zero and other offshore savings—cheaper materials and lower overhead—would be overwhelmed by the benefits of quick turnarounds and low inventories, the computerized factory could produce things in Indiana for less than they cost to import from India. "So the ideal location for the factory of the future," says Patrick A. Toole, vice-president for manufacturing at IBM, "is in the market where its products are consumed."

The strategic implications of all this will reverberate throughout industry, uprooting cherished precepts in marketing, finance, business planning, and other headquarters functions. The benefits of CIM will be so overpowering, says L. Sherwood Lannarston, director of new business development at Westinghouse Electric Corp., that any shrinking violets "will just disappear."

What worries many industrialists is that, although the U.S. currently enjoys a technological edge in CIM, overseas rivals are closing the gap. Among American companies, the hang-up is partly cost, because CIM doesn't come cheap. Partly it's technological, since the pieces are not yet all in place. Partly it's a shortage of good people, because the brightest engineers have shunned manufacturing for the glamor of design. But mostly its' management inertia. Implementing CIM demands a long-range commitment and entails wrenching changes in organization and culture. That intimidates many managers.

Only about two dozen U.S. companies have factories that even come close to the goal of total automation. Add up all the companies making more than token investments in computer integration and the number falls short of 250, estimates International Data Corp., a market researcher. Nor is this state of affairs apt to change soon, despite a coming surge in capital spending. Yankee Group, another market research firm, projects that sales of factory computers will soar 2½ times, to nearly $13 billion, in 1990. Add in robots and other equipment, and Westinghouse pegs the total CIM market in 1990 at more than $38 billion—nearly triple last year's figure. However, Yankee Group notes that the bulk of these investments will come from only 2% of the manufacturers. The big spenders will continue to be giants such as General Electric Co., which plans to invest roughly $1 billion over five years to automate six appliance plants.

That leaves the vast majority of U.S. manufacturers sitting on the sidelines. Too many chief executives have a "Band-Aid mentality," charges Dennis S. Bray, director of integrated manufacturing systems at Ingersoll Milling Machine Co. They think they can wait for CIM to happen and then jump in. But that could backfire, Bray warns. Installing CIM will take three to five years, so companies that put off a decision risk being left in the dust of more farsighted competitors.

America's cash-strapped small companies are in particular peril. These operations are the lifeblood of American industry. Some 100,000 so-called job shops, each with fewer than 50 employees, account for fully three-quarters of all U.S.-manufactured items. Small companies employ the majority of blue-collar workers, create the lion's share of new jobs, and generate most innovations. Yet these companies have little choice but to wait until turnkey CIM systems are available. Most can't afford the custom-engineered systems that dot the aerospace and defense industries.

Even a flexible manufacturing system (FMS), which is a sort of CIM factory in miniature, can run $5 million or more. An FMS consists of machine tools, robots, and other programmable devices under the integrated control of a computer. So far there are 30 to 35 such systems in the U.S., says Kearney & Trecker Corp., with only 30 each in Japan and Europe. But the U.S. Commerce Dept. paints a grimmer competitive picture: 47 FMS's in America, compared with 50 in Japan and 84 in Europe.

The main development tugging CIM into the light of reality is the Manufacturing Automation Protocol (MAP) that General Motors Corp. began developing in 1982 and will eventually require for the factory equipment it buys. The immediate goal is to allow a factory's various "islands of automation" to talk with each other. But a decade hence, General Motors even wants different computers to be able to process each other's data.

As it stands now, the designs from a CAD system normally can't be fed directly to, say, a numerically controlled milling machine. First the data must be translated into the special commands that the particular machine understands—and each machine is different. It's as if the poor user must try to play a piano with instructions that give the fingering for a flute. Researchers are working to develop computer software that would give factory equipment the equivalent of a standard musical scale. For example, the Automated Manufacturing Research Facility, a lab run by the National Bureau of Standards, has developed a "smart" milling machine. When given the CAD data for a part, the machine's controller translates that data into the control codes needed to make the desired part.

However, even if all the technological holes were plugged, it probably would still be tough to persuade top management to make major investments in CIM technology. First, management has to rethink the way it justifies capital investments. In the past, manufacturing costs could be divided roughly in thirds: labor, materials, and overhead.

Labor was the chief elastic factor, so investments tended to be justified on the basis of labor savings. But labor costs have now been trimmed to the point where they represent as little as 5% and usually no more than 15% of total costs. So management must look elsewhere for savings.

INTO THE BACKSEAT

Moreover, nearly all financial yardsticks ignore the benefits of such intangibles as flexibility, better quality, and shorter lead times in getting new products to market. Yet these intangibles provide the most concrete reasons for automating. The cost of bad quality, for instance, is a major drain. In some plants, close to a third of all workers are engaged in finding and fixing errors.

The handful of companies that have made a boardroom commitment to automation are showing some spectacular success. LTV Aerospace & Defense Co.'s Vought Aero Products Div. has one of the more advanced FMS installations. Its $10.1 million, 8-machine system interchangeably makes 564 parts for the B-1B bomber—and could produce almost anything that can be carved out of a block of metal up to 32 in. on a side. The system has run 24 hours a day, six days a week since July 2, 1984, without mishap—"an unqualified success," says A.J. Roch, Vought's director of industrial modernization.

So proponents are confident that the factory of the future is on the way. Leonard H. Magnuson, a marketing manager at Intel Corp., believes we are at "the turning point in the next era of the Industrial Revolution." But that shining new era may not help the U.S. unless more manufacturers are willing to commit themselves to the new technology. Otherwise, CIM could end up as a painful example of yet another technology that was developed in the U.S., only to be put to work by America's competitors.

THE FALSE PARADISE OF A SERVICE ECONOMY

(By Joan Berger in New York)

Manufacturers may be fighting for their lives, but service industries have never been riding higher. Hopes are high that prospering service businesses will keep the U.S. economy chugging along. "We will look back on the late 1980s as the 'booming '80s,'" futurist John Naisbitt confidently predicts, with a record number of new companies and jobs emerging from what he calls the "information services" sector.

But some economists caution that these gains will not do much to boost the nation's standard of living or restore its economic supremacy. A service-driven economy, they argue, must count on sales to basic industry to survive. Vast support networks—including utilities, distributors, and financial, accounting, and consulting firms—will inevitably be hurt if manufacturing continues to atrophy. Experts point to weak productivity in services and lower wage levels than in manufacturing. And, just as worrisome, services are expected to face aggressive competition from abroad, not only in export markets but also at home.

Despite the incredible of growth in service employment—25 million new service jobs since 1970—economists voice concern that the pace cannot be kept up if manufacturing is allowed to wither. "Both sectors suffer together," observes Roger E. Brinner, chief U.S. economist for Data Resources Inc. "People like to think that business services such as consulting are not cyclical because, when times are tough, the need for business information expands. That may be true, but the ability to pay for it falls off even more rapidly." Even health care, which has doubled as a share of gross national product since 1960, is starting to come under pressure as hard-pressed manufacturing companies struggle to contain medical benefit costs. Courtenay M. Slater, former chief economist at the Commerce Dept., advises: "We should not look to services to take up all the slack of a weak manufacturing sector."

HISTORY REPEATS

The manufacturing-service linkage is pervasive. In fact, many of the highest-flying service industries depend on manufacturing for a major share of their business. Follow the wires of any major manufacturing company, and you will find them hooked up to a network of service companies ranging from financial factors to ad agencies. General Motors Corp's largest single supplier is not a steelmaker or tire manufacturer but Blue Cross/Blue Shield.

True, expanding financial services helped bring New York City back from the brink of fiscal disaster in the last decade. But worldwide telecommunications links make it possible to perform such services almost anywhere on the globe, and foreign governments want the business for their own institutions. According to the Bank for International Settlements, Japan's banks recently jumped ahead of American banks in holdings of international lending assets.

Robert Reich, a professor at Harvard's Kennedy School of Government and an ardent proponent of government-sponsored industrial policy, worries that the U.S. economy will go the way of Britain's. Once the center of international banking and finance, Britain held on to its leadership position for a half century after its manufacturing sector started to decline. Then New York took center stage. "Now," says Reich, "we're seeing it happen all over again, as financial services grow and move to Japan. If your goods-producing sector declines, it is virtually inevitable."

No doubt, the service economy has supplied tremendous thrust to the present expansion. Of the 11 million jobs created since the 1981-82 recession, nearly 80% were in services. Today, service enterprises deliver paychecks to 70% of private-sector workers. And no letup is in sight. The Labor Dept. forecasts that 9 of 10 new jobs between now and 1995 will be in services.

Moreover, many service jobs are not even counted in the official tallies, because they are buried in the figures for manufacturing employment. While word processing, computer programming, and secretarial jobs, for example, are clearly service occupations, the Labor Dept. includes a portion of them with manufacturing employment, since these positions contribute to the production of physical, not intangible, output. And more and more, old-line companies are moving into service operations. General Electric Co. and Borg-Warner Corp. now derive a third of their revenues from service businesses, and the figure for Westinghouse Electric Corp. is nearly 50%.

MARKET OF MIDGETS

However, the shift to services and the resulting employment surge have yet to usher in a higher standard of living or recoup lost purchasing power. Even after three years of economic recovery, the average hourly wage, adjusted for inflation, is lower today than 10 years ago. One big reason: The continuing shift of jobs to the service sector drags down the average. The pay gap between industrial and service sector workers remains wide: Average hourly pay is 11% lower in services in the private sector than in manufacturing. This earnings disparity is made even worse by short workweeks, because many service employees in retailing, finance, and health care work only part-time.

Future wage gains will be restrained, say economists, because the fast-growth industries are more competitive than the traditional manufacturing industries and can't afford premium wages. No company in the new go-go industries will come anywhere near the monopoly status that the giants in steel, rubber, and autos attained—nor will any earn similar monopoly profits. The fast-growing software area, for example, "is a market of midgets," notes Gerald R. Faulhaber, director of the Wharton School's Center for the Study of the Service Sector. "There are thousands of firms, highly specialized, scattered across the country."

In such a fragmented environment, the unions that once drove manufacturing wages up are easily held at bay. Except for the regulated utilities and transportation sector, organized labor has barely gained a toehold in the private workplace, where fewer than 10% of employees carry union cards, compared to 25% in manufacturing. "It's difficult to find a strong union that's not in a cartelized or monopolized industry," says Michael Drury, economist at the consulting firm of A. Gary Shilling & Co.

Furthermore, monopolies in old-line service industries, such as transportaiton and communications, are being frayed by deregulation and spirited price competition. In the long run, these companies will become more efficient, and the improvements in productivity will translate into higher wages. Meantime, unions that once were firmly entrenched are now being thrown off balance by deregulation. The disappearance of pass-along pricing is putting a cap on wages and forcing workers to submit to two-tier salary agreements. Says Drury: "You won't see premium wages except where there are premium profits. Anyone newly hired by American Airlines will get People Express wages."

LOWER STANDARDS?

Service-sector enthusiasts counter that high-paying jobs in engineering and data processing will be among the fastest-growing in the next decade. But many of these fields are expanding from a narrow base, so they are not the ones that will generate the most new jobs. According to the Labor Dept.' latest employment outlook, the 10 occupations that will supply the largest number of jobs through 1995, amounting to roughly a quarter of the openings, are all in services—but none is high tech. The top gainer is cashiers, whose wages are less than 60% of the average.

Of course, plenty of well-paying jobs will open up for lawyers, accountants, and other professionals. But that won't change the underlying trend. "More and more workers are being channeled into low-wage occupations," observes forecaster Lawrence Chimerine, chairman of Chase Econometrics. "A larger portion of workers in services work at lowerpaying jobs than in manufacturing or the commodities sector. As the shift is made to services, we can expect it to put pressure on living standards."

Thus, a flourishing service sector will not snap the economy out of its "slow-growth mode," says Chimerine. Chase predicts that the GNP will grow by an average of less

than 3% a year through 1995, with per capita income gaining only 1½% a year. The big drag on growth, according to Chimerine, will be the limited income-generating power of services.

Only sizable gains in productivity could move incomes much higher, and services so far have been unable to deliver on this front. The American Productivity Center (APC) in Houston estimates that total productivity in the service-producing sector improved at a rate of only 0.1% a year from 1979 through 1983, while goods-sector productivity rose five times as fast—despite two recessions in the period. A few service industries, such as communications and business services, have outperformed manufacturing, but they are offset by declining productivity in utilities, transportation, and finance. Adds APC Senior Vice-President Carl Thor: "Service industries are in a state of unusual disruption because of changing regulation and new competition from strange places, like Sears in banking."

These businesses are hoping that the information revolution will help them regain lost ground and do for the service economy what mass production did for manufacturing: drive down costs and expand output. The McGraw-Hill winter capital spending survey estimates that service businesses spent close to $40 billion on new computer and office equipment technology in 1985. But the productivity payoff has yet to be realized.

The push to automate services will stimulate the need for labor that is "compatible" with the new technology and will dry up demand for workers who are undertrained. "Employers will place a greater premium on literacy, 'numeracy,' and deftness with computers," predicts New York University economist Thomas M. Stanback Jr.

The economy's tilt toward services may worsen the already dire employment outlook for black adult males, whose 13% joblerss rate is more than twice as high as for white adults. Notes Stanback: "Black males did well if they could find a job in a factory. The part of the economy they succeeded in, in the greatest numbers, is the part being phased out. They are the ones having the hardest time in the transition."

Women, who landed the bulk of the new service jobs, should have benefited most from the boom in these industries, yet they have made little progress. Their growing participation in the labor force has fueled the growth in jobs, but they have not broken through the barriers that limit their wages. Five of the 10 largest growth areas identified by the Labor Dept. are sex-segregated jobs, with three-fourths or more of these jobs held by women. The National Academy of Sciences concludes that sex discrimination in such occupations is a major cause of the 40% pay gap between men and women.

PLAYING ROUGH

A further threat to the long-run growth of service jobs comes from abroad, where government-backed companies are capturing a larger share of the services that U.S. companies were providing. Artfully concocted barriers stymie U.S. service companies' efforts to export. The U.S. share of global trade in special business services, such as engineering, consulting, brokerage, and deals for licensing rights, has fallen from 15% in 1973 to 8% in 1983, putting it behind France, West Germany, and Britain. As far off as Korea and as close to home as Canada, discriminatory rules abound. Brazil bars foreign-owned investment banks from dealing in currency exchange. Branches of U.S. accounting firms in France are not permitted to use their internationally recognized company names. In Japan, they must submit all audit reports to a Japanese company for approval. In Korea, foreign-owned banks cannot acquire title to real estate and other property.

Businesses wanting to move information also come up against legal hurdles: Customer account data that originate in West Germany are supposed to be processed first in that country. Bank account data from Canada must be stored in duplicate within Canadian borders, raising costs for non-Canadian vendors.

Washington has made little headway in lowering foreign barriers to U.S. service companies. The U.S. is working to persuade its trading partners to put the issue on the table for the 1987 round of trade talks sponsored by the General Agreement on Tariffs & Trade.

So far, other countries are determined not to be shut out by the U.S. technological lead in services. "We are in the position we once had in manufacturing, when we had a technology that wasn't shared," says Brinner. "We're smarter in creating insurance packages, we have a more flexible, well-developed capital market, and we're smarter at building computer data bases." But all that may not be enough.

The rest of the world has learned a lesson and is resisting U.S. service companies' efforts to expand overseas—whether it's by blocking the transmission of time-share data or restricting membership on the Tokyo Stock Exchange. They have adopted the "infant industry" argument that is often pleaded by startup companies before regulators, adds Brinner.

KEYPUNCH EXPORTS

What's more, service jobs already in the U.S. are not necessarily here to stay. Dogged by the same competitive pressures that face manufacturers, managers are scanning the globe for cheaper labor. Denver-based National Demographics & Lifestyles, which conducts market research for Zenith, GE, and Minolta, among others, opened up shop in Barbados in 1978. Its 104 workers keypunch the results of consumer questionnaires and process 10 million documents a year.

Executive Vice-President Rob Johnson figures that his Barbados workers, whose wages are "30% of what we pay here," save his firm up to $1 million a year, about 10% of its revenues. Johnson is searching the horizon for his company's next keypunch center, possibly in Britain or Western Europe, to service future research operations there.

So far, it's only the low value-added jobs that are being shipped out. Data entry and clerical work are the natural candidates. Fears that these jobs will be eliminated by outsourcing leads Executive Director Karen Nussbaum of 9 to 5, a national association of working women, to predict that clerical employees will make up "the next generation of dislocated workers."

To keep jobs and bolster incomes, the U.S. will have to make better use of its competitive advantage in creating technology. To nurture services, Brinner advises, "we should export jobs that require simple training, since they will find their cheapest home anyway, and build on jobs that require education. The creation of technology requires education. That's where we can build a base."

The U.S. can urge its service sector on with more forward-looking education policies, but this still leaves open the question: How prosperous can it be if it relinquishes manufacturing? A services boom will not lessen the pressures from low-wage foreign rivals and sluggish U.S. productivity growth. Economic resurgence will depend on more than this sector's expansion. For what ails this economy, don't look to services for the cure-all.

IS THE FINANCIAL SYSTEM SHORTSIGHTED?

(Any elementary economics textbook will tell you that finance exists to serve industry; now we're busy making industry into a plaything for finance.—Lester C. Thurow, professor of economics, Massachusetts Institute of Technology)

To many, Thurow's assessment would seem unfair. For one thing, the U.S. has what is undoubtedly the most efficient financial system in the world. With the stroke of a key, millions of dollars can be lent across borders. With a phone call or two, an investor can line up partners and a commitment for billions of dollars to buy a company. Furthermore, this ready credit has helped fuel the strongest economic recovery of the postwar period. Investors have poured about $10 billion into high-tech and other startup ventures since 1982. And last year, mergers and acquisitions valued at a record $138.8 billion were completed.

Still, there is a nagging problem. It may be that our highly efficient financial system is not serving the best economic interests of the nation. The deals that make financial sense to individual investors and companies may, in fact, be detrimental to the country's long-term economic health and competitiveness, especially with such nations as Japan.

We've comforted ourselves for years that we have the broadest and deepest capital markets in the world, and that no one can touch us," says Roger C. Altman, an Assistant Treasury Secretary in the Carter Administration and managing director at Shearson Lehman brothers. "But that's no longer the case—in terms of the competitive benefits to industry—when you compare us with Japan."

Critics of the financial system point to a number of problems. The system is too tightly focused on the short term, they say. In the U.S., hot money chases short-term yields, often playing havoc with long-term planning and growth. In Japan, by contrast, capital is "patient." It is invested for the long haul and nurtures industry through extended periods of low returns or even losses.

In the U.S., some critics charge, the financial system encourages executives to reshuffle assets through takeovers rather than build new ones. The tax code encourages excessive borrowing for such deals, others say. And a few iconoclasts argue that U.S. businesses aren't borrowing nearly enough and should be more highly leveraged. The cost of capital, almost everyone agrees, is too high. The system needs more deregulation, some argue, while others warn that the deregulation has gone too far.

THE SHORT-TERM BIAS

Any blue-blooded Wall Streeter will argue that there's nothing wrong with aiming for the highest return and the quickest profit. After all, the primary mandate for any corporation is that it increase shareholder wealth. But shareholder wealth has acquired the very narrow meaning of high

short-term yields, where once it encompassed long-term gains, as well.

A comparison of Japanese and U.S. stock performance over 16 years yields a startling result: U.S. shareholders have been short-changed. The value of U.S. stocks, in local currency, doubled during the period. By contrast, Japanese stocks grew sixfold in value (chart). This means that even while U.S. management has paid homage to the notion of benefiting shareholders, the stocks of U.S. companies have far underperformed Japanese rivals, who put little emphasis on rewarding shareholders.

U.S. investors won't sit still for such long-term commitments—at least that's what corporate management usually says. Investments are made for the fast payback. Even more troublesome, some ventures fail early, and others never see the light of day because they are unlikely to reward investors soon enough. "There are new busineses where Americans know they simply can't match Japanese competitors in terms of the cost of capital and the patience of capital." says economist Stephen Cohen, co-director of the Berkely Rountable on the International Economy at the University of California at Berkeley.

The billions of dollars that flowed into Silicon Valley, Route 128, and other hothouses of innovation and entrepreneurial dynamism would appear to dispute Cohen's assessment. But even venture capital may not be so patient anymore. Altman, who lectures at Yale School of Organization & Management, says that most U.S. venture capitalists have a relatively short time horizon. Some of them now want to liquefy an investment—by taking the company public or merging it—within three to five years, hardly enough time for many important new industries to show a positive cash flow.

Indeed, new businesses in the U.S. may face some of their biggest hurdles as they approach maturity, after they have exhausted venture capital support and have already gone public. Altman cites Unimation Inc., which only four years ago was the leading robotics manufacturer in the U.S. and one of the largest in the then-fledgling industry worldwide. In 1982, with meager earnings and rising debt, Unimation needed a capital infusion of $30 million to $40 million to expand, retool, and improve its technology over the next three years.

No commitments from bankers or equity investors were forthcoming, however, and Unimation was bought by Westinghouse Electric Corp. It floundered under its new owner, and the Japanese now dominate the industry. Special financing deals, a government commitment to the industry, and other incentives spurred robotics in Japan. Similar commitments are behind the development of other leading-edge industries in Japan. Short-term profit is not a priority.

The U.S. financial system not only puts short-term results ahead of long-term development but also seems to favor the reshuffling of existing assets over the creation of new ones. Most takeovers, of course, are touted for the financial and economic sense they make. Marking up asset values and redepreciating them cuts an acquirer's tax bill. So does financing the deal with debt, whose interest cost is tax-deductible. Some mergers even pay off in greater operating efficiency. But for all that, the long-term value for the economy at large of the biggest recent business combinations is uncertain.

"Most of Corporate America is worrying about buying existing assets rather than investing in the future," says Lawrence Chimerine, chairman of Chase Econometrics. "We may be making some companies more efficient, but we're not getting a stronger industrial base."

LEVERAGE

That base may be weakening, many economists argue, because rising debt burdens are financing this asset reshuffling. "Today interest costs account for about 26% of corporate cash flow, up from 19% in the 1976-78 period," says Henry Kaufman, executive director of Salomon Brothers. MIT's Thurow believes that heavy debt loads will make many companies much more vulnerable during the next recession, as they strain to meet interest payments.

Not everyone agrees. Some Wall Streeters are beginning to argue in favor of more leverage, and they don't see it as dangerous for Corporate America to take on more debt. "German and Japanese companies are much more highly leveraged," says Frederick H. Joseph, chief executive officer of Drexel Burnham Lambert Inc., "U.S. companies are underleveraged, and I think our financial system can stand more intelligently applied debt." Joseph's firm has been the dominant force in the high-yield, or junk-bond, financing of takeovers—a business now threatened by the Federal Reserve Board's recent restrictions.

Joseph is not alone in this argument. "Managers are afraid that if they take on too much debt, even if it's the strategically correct thing to do, it will appear that they aren't good financial stewards," says Richard R. Ellsworth, associate professor of strategic management at the Claremont Graduate School. "I'm not sure that any particular amount of leverage is a given."

COST OF CAPITAL

The argument in favor of higher leverage is an outgrowth of the debate about the relative cost of capital here and in Japan. U.S. companies pay about twice as much for capital as their Japanese competitors do, according to some studies. The key factor seems to be the high cost of equity financing relative to debt financing. In selling new stock, most manufacturing companies incur a far larger claim on future earnings than they would if they simply borrowed the money, especially since interest is tax-deductible. Since U.S. companies use more equity relative to debt than Japanese companies do, the cost of capital is higher in the U.S.

Does this mean that American companies should take on more debt? Not necessarily. There are big structural and institutional differences between the U.S. and Japan. In Japan, the large banking chains operate in a cartel-like environment; banks are owners as well as lenders to Japanese industry. Large private-sector loans are implicitly guaranteed by the government. In the U.S., financial control is not concentrated among a very few banks, lenders are not owners of industry, and the U.S. government comes through with guarantees rarely and only on an ad hoc basis. Says Albert M. Wojnilower, managing director at First Boston Corp.: "The argument for more leverage in the U.S. is a treacherous one. To match what is happening overseas without matching the sociopolitical backdrop is dangerous."

DEREGULATION

It is precisely this kind of institutional difference that prompts some economists to argue that the U.S. financial system should be reformed. Salomon's Kaufman argues that the nation should "resurrect the primacy of equity capital" by eliminating the capital gains tax and double taxation of dividends. At the same time, he urges more conservative standards for financial institutions and a far more judicious use of leverage.

Thurow favors a revival of merchant banking, which was prohibited by the Glass-Steagall Act of 1933. This would allow banks to become owners of industry as well as lenders. By strengthening the links between finance and industry, the U.S. would give financiers an incentive for providing emerging industries with "patient capital" and foster stronger economic growth.

The critical point in the arguments of Thurow and Kaufman is that somehow incentives for investment must be targeted toward new capital rather than the shuffling of old assets. No one is urging that the U.S. wholeheartedly embrace Japan's financial system. But the U.S. economy's performance—and the opportunities lost to American industry—are forcing a reappraisal of a financial system once believed to be unassailably the best in the world.—By Karen Pennar in New York

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A STRATEGY FOR REVITALIZING INDUSTRY

A Japanese banker and a member of Japan's Ministry of International Trade & Industry had a quiet talk recently. The man from MITI was trying to persuade the banker to grant a loan for a long-range industrial development. The bank was balking. The MITI man asked the banker: "Do you expect your bank to be around longer than Japan?" End of argument.

This illustrates a familiar point: The Japanese are fiercely competitive, but cooperation takes precedence when the issue is national economic survival. Americans are no strangers to the idea of national purpose, especially in wartime. Where they differ from the Japanese is that national unity and long-range thinking do not extend to the economic front.

Can the U.S. afford to be so cavalier about its future when its trade rivals are playing a different game? Trade was only 8% of gross national product in the early 1970s. Today, exports and imports total almost 15% of GNP. The trade gap is almost $150 billion a year, and, according to a study by the Institute for International Economics, a continuation of current trends would put the U.S. $1 trillion in debt to the rest of the world by the end of 1990.

The cost of servicing that debt would exceed $90 billion a year. At some point, foreigners are likely to tire of sinking their dividends and interest payments back into the U.S. and will want to be paid in goods and, to a lesser extent, services. The U.S. had better have something to sell.

This means that the U.S. must regain its competitive edge in manufacturing, and to do so it must revitalize its industrial base. The plunge in oil prices and the decline in the value of the dollar may help somewhat. A serious effort by Washington to cut the budget deficit would also help. And a handful of companies have proved that computer-integrated manufacturing could someday make U.S. factories competitive again. But these actions do not add up to a solution.

INSTANT GRATIFICATION

The U.S. will continue to lose markets and see its industrial base shrink if business persists in the process of hollowing its own manufacturing capability and focusing only on short-run returns. This is an economics of instant gratification, an abdication of re-

sponsibility to future investors, workers, and consumers.

If globalization of industry means that U.S. manufacturers will wind up simply licking the labels and sticking them on products that are made abroad, the nation can look forward to a declining standard of living. Nor can services save the day. Our ability to market cookies and hamburgers in inventive ways and our propensity to sue each other will in no way help us pay our debt.

What is the answer? Let's look at one that's been rejected: industrial policy. The idea of a national policy to spur new industries, revive the old, and use government to coordinate the private sector's response to the foreign challenge became a hot option for the Democrats just before the 1980 and 1984 Presidential campaigns. Each time, they quietly sidled away from the issue because no one could conceive of a way to to it without slipping into a type of central planning and capital allocation that would be anathema to this society.

Nonetheless, the U.S. already has dozens of industrial policies, ranging from tax laws that favor one industry over another to spending programs that redistribute income among individuals, sectors, and regions in a helter-skelter fashion. There must be an alternative to this ad hoc approach and the state-directed strategies used abroad. To paraphrase Leo Durcocher, we can't beat something with nothing.

Perhaps what is needed is simply to get U.S. policymakers, business leaders, and labor to start thinking strategically about U.S. competitiveness. The late Otto Eckstein, founder of Data Resources Inc., called for a "stronger representation of an industrial viewpoint in general economic policy." Even conservative guru Kevin P. Phillips advocates trade and industrial strategies to meet the foreign competition. BUSINESS WEEK has culled a list of such suggestions and offers its own menu of ideas for revitalizing U.S. industry:

ECONOMIC POLICY

Until Washington stops sopping up the bulk of private savings to finance the federal debt, the U.S. will continue to trail its foreign rivals in investment growth. The Gramm-Rudman Act, if it is ever implemented, would move in the right direction but would cut the deficit so fast that it is likely to cause a recession by 1988. That would guarantee further erosion of U.S. industry. Congress should modify Gramm-Rudman to require a deficit below 2% of GNP by fiscal 1990 rather than a balanced budget.

With the cooperation of the Federal Reserve Board, a realistic budget program would free capital for private investment and trim real interest rates. This would lower the dollar and improve U.S. manufacturers' chances for regaining markets at home and aboard.

TAX REFORM

The House-passed tax revision plan, like President Reagan's before it, is a halfhearted shot at reform. The sharp reduction in benefits for capital investment would increase incentives to stop manufacturing in the U.S. and buy or make products overseas. The proposed reduction in corporate income taxes is welcome but falls far short of offsetting the potential damage to investment. Congress and the White House should eliminate the corporate tax entirely. This would end the double taxation of dividends and cancel the advantage of debt over equity investment. It would allow investment decisions to be made on the basis of business rather than tax considerations.

If this idea is too earthshaking, Congress should find some way of revamping the depreciation system other than going back to pre-1981 write-off schedules that short-changed industry on recovering its capital costs. An alternative: first-year expensing. This approach has been tried in Britain and has not done its industry much good. But the U.S. isn't Britain—yet.

Under a perfect income tax, capital gains would be taxed as ordinary income. Under a perfect consumption tax, they wouldn't be taxed at all. But since we are unlikely to get such radical reform, why not lower the capital-gain tax rate but lengthen the holding period for long-term gains? This would help steer venture capital into promising small enterprises and keep it there until they can go public.

PATIENT CAPITAL

It's also time to repeal or at least rewrite the Glass-Steagall Act to permit merchant banking in the U.S. If banks or other institutions could take large equity positions in the companies they lend to, it would be in their interest to stick with projects that might take four or five years to reach a payoff. Many such ventures now run to Japanese and other foreign companies for funding—turning over vital technology in return. The U.S. can't afford to lose leading-edge industries this way. The law could still prohibit 1920s-style abuses, but is should foster productive links between finance and industry.

HUMAN CAPITAL

The U.S. can no longer afford a large pool of undereducated and even illiterate workers. "Smart" machines in the workplace will call for workers who are better educated and more highly trained than today's work force. The U.S. simply is not spending enough for education and job training. We are at serious risk of running short of highly skilled workers while creating a large underclass of unemployable dependents. Human capital requires at least as much nurturing as currently favored financial investments.

LABOR'S ROLE

Management and unions can no longer afford old-style adversarial relations. They do seem to agree on one thing: They want to combat low-wage foreign competition with protectionism. That's the wrong way to go. What they should be agreeing on is a new system of labor-management relations and compensation that links new technology with a fundamental restructuring of work practices.

This approach would replace the traditional division of work into narrow tasks requiring little training or commitment with a system of production teams with broader jobs, rotating assignments, and considerable self-management. Union work rules would be wiped out, but managerial supervision would be held to a minimum, and employees would have a strong voice in decision-making. Team members would be constantly retrained for new technology, and basic wages would be supplemented by productivity bonuses. This system is being tried at the plants of Procter & Gamble, General Motors, General Electric, Cummins Engine, Goodyear, Weyerhaeuser, and a handful of other companies. Early evidence points to productivity gains of 25% to 45% over traditional plants.

INNOVATION

The U.S. has increased spending on nondefense research and development in the last decade, but such outlays trail those of its top trade rivals as a share of national output. This is a mistake. R&D is the clearest case of subsidization making sense, since the innovations produced by private research generally yield large benefits to the public and not just to the companies footing the bill.

At the same time, congressional tax reformers want to target the R&D tax credit more sharply to research and experimentation and exclude the development stage. This is a pennypinching blunder. Basic research is not innovation. Real innovation occurs when research is turned into marketable products. This is why the Japanese are now buying technology from U.S. biotechnology concerns while expanding their lead in fermentation processes that will use these innovations.

To keep harping on what Japan is doing right and what the U.S. is doing wrong is of limited utility. Cultural and institutional differences account for much of the disparity, and Americans aren't about to become Japanese in their work and saving habits. Warns Charles E. Sporck, chief executive officer of National Semiconductor Corp.: "Long-term, we have to do something about Japan's structural advantage, or we'll all end up as sharecroppers on Japanese-owned farms."

The U.S. cannot do much about Japan's structural advantage, but it can do a great deal to eliminate its own self-imposed disadvantages in world competition. It must start by clearing away governmental impediments to capital formation and maintaining a nurturing climate for innovative small businesses. It must focus its best thinking on where U.S. industry wants to be 5, 10, or even 20 years from now, not just on the next annual report. And it must get back to its own basic strengths. As Sony Corp.'s Akio Morita says: "Just do what you used to do so well"—invest in American enterprise.—By Norman Jonas in New York.

TECHNICAL AMENDMENTS TO THE FOOD SECURITY ACT OF 1986

Mr. WALLOP. Mr. President, an obvious problem has surfaced with the 1985 farm bill. It offers insult to injury. Congress has let a provision slip by that encourages subsidized farmers with set-aside acreage to compete with growers who plant nonprogram crops such as potatoes, alfalfa, beans, and melons.

Simply put, this provision, referred to as "underplanting," pays farmers not to plant subsidized crops such as wheat, rice, cotton, corn, rye, oats, and barley, but at the same time permits those growers to plant nonprogram crops on a percentage of their land which previously remained idle.

This language hurts small family farmers—especially those that are surviving without Government payments. This unnoticed error in the 1985 farm bill is as unproductive and harmful as if Congress had signed into law a bill that would pay a bookstore owner not to sell books yet permit the owner to

sell records—even though records were never sold there before—and ignore the economic impact on the record store down the street that has been making a profit.

In my home State of Wyoming, our bean producers are already feeling the stress from the underplanting language passed by Congress in December. Farmers have begun buying seed for planting the newly eligible crops on program acres. The market is getting a signal that there will be a surplus stock of dry beans. And under present agricultural economic conditions it is obvious that a weak commodity price will certainly insure disaster to the nonsupport crop producers.

I admit I fear for the future of Wyoming's bean producers if this provision is not corrected immediately. Wyoming is the eighth largest producer of dry beans. I realize this translates into only 1 percent of the total production of dry beans produced in the Nation, but these producers, while small in number, are still important. They are proud to be one of the last true agricultural markets in our country that relies solely on supply and demand and is not characterized by any futures trading or Government price supports.

Therefore, I urge my colleagues to act quickly on the technical amendment banning the planting of dry beans and other nonsupport crops on the additional permitted acreage authorized by Congress.

I urge my colleagues to address only the technical amendments that clearly were not meant to be included in the farm bill and avoid passing amendments that will compound current problems with the existing underplanting provision.

I was informed that the initial leadership proposal by wheat producing States would have banned the previously identified nonsupport crops, only if it permitted haying and grazing on additional acreage left idle. I object to an approach such as this because it would have injured the livestock industry which, like the bean industry, receives no deficiency payments from the Government and also is suffering under today's economic conditions.

Westerners would have been placed in a difficult position had we been forced to choose between saving the dry-bean producer or the livestock industry. At this time, I have been assured that an agreement has been reached between representatives of the stockgrowers and wheat growers to allow haying and grazing on underseeded acreage only if the Secretary of Agriculture determines that it will not result in a serious adverse economic impact. Wheat and feed grain producers will be permitted to hay and graze set-aside acreage during at least 5 of the principal growing months for 1986, but in following years the Secretary of Agriculture will be given the discretionary authority to permit haying and grazing on calculated acres based on potential adverse economic impact.

Since a suitable compromise seems to have been reached on the "underplanting" provision, I lend my support to this and other amendments presently included in the Food Security Act of 1986.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER (Mr. COHEN). The Chair, acting in his capacity as a Senator from Maine, asked unanimous consent to dispense with the further proceedings of the quorum call.

Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now closed.

RECESS UNTIL 2 P.M.

The PRESIDING OFFICER. Under the previous order, the hour of 12 noon having arrived, the Senate is now in recess until 2 p.m.

Thereupon, at 11:59 a.m., the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. PRESSLER].

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from South Dakota, suggests the absence of a quorum.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIXON. Mr. President, I ask unanimous consent to speak out of order.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

TAX AMNESTY: AN IDEA WHOSE TIME HAS COME

Mr. DIXON. Mr. President, I have been very pleased by the many recent indications of growing support for a national tax amnesty. When I first introduced tax amnesty legislation, S. 203, over a year ago, the ranks of those in Congress willing to take a serious look at the idea were very thin. The successful tax amnesties conducted by my own State of Illinois, however, and the States of Massachusetts, California, and New York have had a real impact. Their experience demonstrated the potential of this idea at the national level. Their success provided the impetus for a serious review of tax amnesty by Congress and by the administration.

I am convinced that tax amnesty can work at the Federal level. It is true that Federal tax collection efforts are more sophisticated than those of the States. However, compliance with the Federal tax laws is declining, and almost one-fifth of the taxes legally owed and due the United States are currently not being collected. This tax gap currently amounts to almost $100 billion a year, and it grows every year as the percentage of taxpayers who comply with our Nation's tax laws continues to fall.

We have made substantial efforts to improve compliance levels in recent years, but they have not been effective in reducing the tax gap. One of the reasons for that lack of success is that Congress and the administration have reduced the personnel levels at the Internal Revenue Service to levels that makes it impossible for them to effectively administer tax compliance, in spite of the fact that each additional revenue agent returns 10 to 12 times his or her salary to the Government in the form of additional tax revenues. The percentage of returns being audited has fallen in the last 15 years from almost 5 percent to slightly over 1 percent.

These figures indicate that even with the Federal Government's significant enforcement efforts, there is a large and growing amount of revenue not being collected, and a lot of room for significantly tougher enforcement actions. Given the enormous size of the Federal tax gap, the Federal Government would not need to be anywhere near as proportionately successful as Illinois or Massachusetts, for example, to collect many billions of dollars in additional revenue.

A well-balanced tax-amnesty/tougher compliance package is particularly appropriate now because it fits so well into the tax reform proposal. Tax reform is intended to improve the basic fairness of our tax laws, and it is a fundamental restructuring of those laws. If it works as intended, it will help improve tax compliance in the future. Tougher enforcement measures will help reinforce that improvement, and a tax amnesty will provide people with a one-time opportunity, as we move into the new tax system, to eliminate any past noncompliance.

Revenues from a tax amnesty/enforcement package can be used to help reduce our budget deficits, and to help preserve high-priority Federal programs that are currently facing drastic cuts or even elimination. A tax amnesty/tougher enforcement program, be-

cause it is not a new tax or a tax increase for honest taxpayers of any kind, can help break the budget deadlock by making it possible to comply with the Gramm-Rudman-Hollings deficit reduction targets while preserving our ability to meet both essential defense and domestic needs.

There is considerable debate on how much revenue a Federal tax amnesty might produce. I see the Senate Budget Committee is using an estimate of $8.6 billion. My own estimate is that it could produce $20 billion or more.

In Illinois, when they considered tax amnesty, the Illinois Department of Revenue said it would only bring in $25 million.

In New York State, Governor Cuomo's Department of Revenue advised him it was a bad idea, it would not yield any revenue to speak of. They passed it. It has yielded over $350 million.

Mr. President, there were two articles in today's Washington Post on tax amnesty. One of them, entitled "States Test Idea of Tax Amnesty" points out that amnesties are not automatically successful. The successful States were careful in designing their amnesty programs, in publicizing them, and in strengthening enforcement efforts.

The Federal Government can have similar success if we act on an appropriate tax amnesty/tougher enforcement package. A successful tax amnesty would not necessarily have to follow the details of my proposal. I make no claim that my bill represents perfection. I do believe, however, that it contains the essential concepts that would make a program successful, and I look forward to working with all my colleagues, and particularly those on the Finance and Budget Committees, in crafting a reasonable bill. I know there are at least three amnesty bills before the Senate. I know the authors of the other bills would agree with me when I say that it is not important what bill number an amnesty/enforcement package is enacted under. What is important that Congress take advantage of the opportunity this idea represents, and enact a tax amnesty/tougher enforcement plan this year.

Mr. President, let me say in conclusion that I went to see the President of the United States at the White House last year on this tax amnesty idea—over 1 year ago. I told him of my idea and I think he liked it. The Secretary of the Treasury, James Baker, said, "Mr. President, don't commit yourself; IRS is against it."

I said to him, "Mr. President, if you will commit yourself to this, I do not care who offers it. I have no pride of authorship; I want to help."

He said, "Alan, anybody who has an idea and doesn't care about getting the credit for it has an awful good chance around here."

I say again, Mr. President, this is a good idea. It is an idea whose time has come. It is an idea that meets the demand of the President who says, "Don't make my day, don't send me a tax increase; make my day and I will veto it."

Here is an idea that is not a tax increase, that brings in revenue and answers the deficit reduction problems of Gramm-Rudman without any new tax or tax increase for the honest taxpayers of the country.

It is an idea whose time has come. I join with the President in saying it is wise now to consider it. I think it should go forward.

I ask unanimous consent that the two articles from today's Washington Post be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 4, 1986]

FEDERAL TAX AMNESTY CONSIDERED

(By Helen Dewar)

Leaders of the Senate and House Budget committees, groping for ways to raise revenue without increasing taxes, are seriously exploring national amnesty for payment of back taxes in order to reduce budget deficits.

In the Senate, Budget Committee Chairman Pete V. Domenici (R-N.M.) has listed tax amnesty as a leading option for inclusion in a package of $12 billion to $20 billion in revenue increases that would help meet the Gramm-Rudman-Hollings deficit target of $144 billion for next year.

In the House, five members of the Budget Committee are cosponsors of tax-amnesty legislation that was introduced late last week.

"People want to raise revenues but don't want to raise taxes," Domenici said. "Tax amnesty fits that very nicely."

Representative Charles E. Schumer (D-N.Y.), an amnesty sponsor in the House, made the same point and added, "I think it's going to be taken seriously."

The push for tax amnesty, under which delinquent taxpayers would pay back taxes and interest in exchange for immunity from fines and penalties, was inspired in large part by the success of amnesty programs in 18 states.

But experts question whether a federal amnesty would succeed as well as some of these state efforts, and even proponents concede that the one-year infusion of back taxes is more of a one-shot contribution to an immediate deficit reduction than a long-term answer to the country's fiscal needs.

Tax amnesty is one of nine options, worth a total of about $70 billion in new revenues, that the Senate Budget Committee will consider as it opens drafting sessions for a fiscal 1987 budget resolution on Wednesday. It expects to select options that produce new revenue of $12 billion to $20 billion.

The amnesty proposal is calculated by the budget panel staff to raise $8.6 billion next year. Estimates on how much revenue amnesty would raise range from $7 billion to $12 billion, with some of the resulting from strengthened compliance that would accompany amnesty. Budget experts acknowledge that the estimates are very rough.

Other proposals on the Senate list are relatively modest revenue measures from President Reagan in his fiscal 1987 budget, a gasoline tax increase, an oil import fee, an increase in wine and beer taxes, new cigarette tax increases, a ceiling on tax-free treatment of health benefits, reduction in tax preferences and partial taxation of Social Security benefits.

However, Domenici, who is faced with opposition from Reagan and House Democrats to tampering with Social Security benefits, plans to strike the Social Security tax proposal from the committee's options list.

Domenici has not specifically endorsed the amnesty proposal but indicated he is favorably inclined toward the concept. "Frankly, there appears to be growing support for amnesty, and I see no problem putting it on the list," he said.

A spokesman for Senate Majority Leader Robert J. Dole (R-Kan.) said Dole is also looking seriously at the idea, at least as a general concept.

At least two amnesty bills have been introduced in the Senate, one sponsored by Senator Frank R. Lautenberg (D.-N.J.), a member of the budget panel.

Democratic sponsorship of amnesty proposals in both houses raised the prospect of bipartisan cooperation on the budget, which Domenici has said is essential to achieving a congressional budget resolution under the difficulties imposed by Gramm-Rudman-Hollings legislation.

Under current economic projections, the budget control measure would require spending cuts or tax increases of about $38 billion to achieve the mandated $144 billion deficit for next year. The legislation requires automatic, across-the-board cuts in many programs if the target is not reached, although that automatic figure faces a constitutional court challenge.

Domenici has said repeatedly that it will be difficult if not impossible to reach the deficit target without tax increases, but Democrats and some Republicans are reluctant even to consider tax increases unless Reagan proposes them. Reagan proposed about $6 billion in revenue increases in his budget but has vowed to veto any major tax increase.

Schumer, who joined House budget panel members George Miller (D-Calif.), Vic Fazio (D-Calif.), Chester G. Atkins (D-Mass.), Marty Russo (D-Ill.) in sponsoring the House version of the amnesty proposal, said it should satisfy Reagan's demands by raising revenue without a general tax increase

"But it doesn't solve the longterm problem" because it involves only a one-shot savings, he said.

Schumer also expressed some skepticism about the durability of the idea. "They [House members] are talking tax amnesty this week with the same fervor that they talked about oil import [fees] two weeks ago," he said. Support for an oil import levy has cooled for a variety of reasons, including opposition from states heavily dependent on imported oil and concern over the impact of higher oil costs on economic growth.

The import fee on the Senate's options list would be $8 per barrel, and it would raise $16.8 billion a year. Among the other proposals, a three-cent increase in the nine-cents-a-gallon federal tax on motor fuel would raise $10.4 billion a year. Doubling the current 16 cents-a-pack cigarette tax would raise $3.5 billion, and raising the beer and wine tax to the level of taxes on hard liquor would raise $5.7 billion a year. An

across-the-board cut in itemized deductions and other tax preferences would raise $9 billion. A ceiling on taxfree health benefits to conform to tax treatment for life insurance benefits would raise $3.5 billion.

STATES TEST IDEA OF TAX AMNESTY

(By Anne Swardson)

In 1982, the state of Illinois took its first stab at what is now the latest panacea for increasing tax revenue: granting amnesty to taxpayers who owe back taxes.

The state revenue department, operating within its regular budget, did little to publicize the program and made no real threat to catch those who didn't pay up.

Only $80,000 trickled in.

Two years later, the legislature authorized another try. This time, the state spent $400,000 on a nationwide publicity campaign. Taxevasion penalties were increased by 50 percent, criminal sanctions were enhanced and the department's collection staff was increased, effective after the amnesty period expired.

The result was a $160 million windfall from taxpayers in 49 states and five foreign countries.

Tax experts believe the experience of Illinois and 17 other states that have initiated similar amnesty programs in recent years should serve as an example for those now enthusiastically embracing the idea at the federal level: It only works if it's done right.

And some experts warn the amnesty program may be more effective at the state than the federal level for a number of reasons. The state experiences, although generally successful, have not brought in as much money as gross figures might make it appear. And amnesty's effect on the morale of honest taxpayers remains unknown.

"You are dispensing the law and giving people an advantage and a break," said New York Gov. Mario Cuomo (D), whose state just completed a successful tax amnesty. "To do it on a recurrent basis is devastating. Our basic [national] problem is a deficit that's recurrent. This is by no means an institutional remedy."

Amnesty gives those who cheat on their taxes "an advantage over those who did it right the first time," said former IRS commissioner Jerome Kurtz.

The idea of amnesty is straightforward: In return for paying their back taxes, usually with interest, people are excused from the fines and penalties they normally would have had to pay as well.

The state amnesties usually have lasted a period of months. Some included all taxpayers who owe back taxes, even if they already were the subject of government collection efforts. Others covered only taxpayers who owe money but have not yet been found by tax collectors. The levies waived by amnesties range from criminal penalties only to all penalties and even some interest on the back taxes.

According to state officials, the elements common to the most successful programs were extensive publicity combined with stiffer enforcement and penalties for those who didn't take advantage of the amnesty.

In Massachusetts, for example, Revenue Commissioner Ira A. Jackson warned repeatedly that, after the amnesty, "it's no more Mr. Nice Guy." Even beforehand, state tax officials were confiscating luxury yachts and padlocking delinquent businesses, in part to get the public's attention. In New York, taxation department Commissioner Roderick C. Chu told taxpayers on television that they should "get to us before we get to you."

In California, state tax officials gave more than 1,000 interviews to journalists and produced seven television commercials on amnesty during the months that preceded their program. Illinois tax administrators advertised their amnesty in TV Guide, on the sides of Chicago transit buses and in The Wall Street Journal. Together, those four states collected more than $700 million in revenue during their amnesty periods.

"I can't emphasize too much that if you're going to get from 81 percent to 94 percent compliance, you've got to do all of these other things," said Massachusetts Gov. Michael Dukakis (D), who pushed the Massachusetts program during the winter meeting of the nation's governors here last week.

Most of the multitude of newly unveiled federal-amnesty bills include enhanced enforcement of the tax laws. The legislation proposed by Senator Max Baucus (D-Mont.), for example, would add 10,000 examiners to the Internal Revenue Service and would double penalties for nonfiling, underpayment, nonpayment and fraud.

Senator Frank Lautenberg (D-N.J.) has proposed a similar bill that would, among other things, increase penalties and deny federal contracts and licenses to companies that owe federal taxes. Senator Alan Dixon (D-Ill.), the first sponsor of amnesty legislation, also would increase penalties and add IRS agents.

Estimates of the revenue that would be brought in by the amnesty bills, all of them fairly rough, range from $7 billion to $12 billion a year. Much of that would be a result of the compliance measures, not the amnesty, tax experts say. The Joint Committee on Taxation, the official revenue estimator for Congress, says it is impossible to calculate precisely what a federal amnesty program would bring in.

Nonetheless, the idea is catching on. Senate Majority Leader Robert J. Dole (R-Kan.) says it "deserves a look," and Senate Budget Committee Chairman Pete V. Domenici (R-N.M.) has included revenue from an amnesty program in a list of deficit-cutting options.

Treasury Secretary James A. Baker III, softening the department's longstanding opposition to a federal amnesty, says the idea is worth studying. An IRS study on the issue is in the works, but revisions are being made at Treasury's request because the idea has become more popular.

In a meeting with Dixon last year, President Reagan reportedly said amnesty sounded like a good idea. Representative Richard A. Gephardt (D-Mo.), co-sponsor of a tax amnesty bill in the House, said it could be coupled with congressional passage of tax-revision legislation to give taxpayers a chance to wipe the slate clean before the system is changed. Baucus wants to attach his bill to the tax-revision measure soon to be considered by the Senate Finance Committee.

State officials caution about extrapolating their experiences to the federal level, however. Many of the state tax compliance systems jazzed up by the amnesty programs were unsophisticated and ineffective to begin with, leaving lots of room for improvement, they warn.

The magnitude of the states' expansion in enforcement—some doubled the size of their tax-collection staffs—probably is greater than what Washington could afford in a budget-cutting era. Already, the IRS has undergone staff reductions in the last few years, and the recent computer snafus have led more resources to be shifted to return-processing and away from audits and collections.

"I think people have to be able to get an answer to the question, 'If they didn't catch me before, why will they catch me in the future?' " said John Vranna, manager of the compliance development program for the California Franchise Tax Board. "Fear works better than guilt. Guilt works better than the notion of forgiveness."

Vranna, like other state officials, admitted that much of the revenue attributed to amnesty might have been collected without it.

IRS officials studying state data have found that as much as half of the tax money that has come in as a result of some amnesty programs would have been paid without them. The unpublished IRS report found that relatively few of the delinquents who paid under state amnesty were not already federal taxpayers, raising questions about whether they would pay more under federal amnesty.

IRS Commissioner Roscoe L. Egger Jr. also worries that national amnesty could erode honest taxpayers' compliance with the tax laws.

Because federal taxes are so much higher than state levies, experts also question whether it would be worthwhile for nonpayers to use the program, especially if interest is charged.

"It's harder to urge people to come forward at the federal level because the tax liability is so much larger," said former IRS commissioner Kurtz. Another ex-IRS chief, Sheldon S. Cohen, predicted endless litigation from taxpayers trying to avoid routine enforcement procedures by applying for amnesty.

Kurtz, Cohen and state tax officials agreed that any amnesty has to be a one-time affair. If taxpayers expect the government will impose another one, they will fudge on their tax bills and plan to be excused, the thinking goes. "It's a narcotic," Cohen said. "Having taken it once, how do you avoid taking it the second time?"

ORDER OF BUSINESS

Mr. DOLE. Mr. President, in about 5 minutes, it would be my intent to move to proceed to Senate Joint Resolution 225, the balanced budget constitutional amendment.

It is my hope that we can get some agreement that would permit us to proceed to the balanced budget amendment. If that agreement is forthcoming, I would agree to provide a reasonable time for debate. It is a constitutional amendment, it is very important, and it deserves serious consideration. There are amendments to be offered.

If we could proceed to Senate Joint Resolution 225, then I could meet with the principals on each side. As long as there was activity in the Senate and not wasted time with quorum calls, then I would let the debate continue and at some point file a cloture motion on the amendment. Then we would see whether or not there are 67 votes to shut off debate. If not, we would try probably a second or third time to get cloture. This is an important matter,

and I hope we can reach some agreement.

I know that the Senator from Connecticut [Mr. WEICKER] is concerned about the amendment and is opposed to it. The Senator from Washington [Mr. EVANS] has spoken to me, and he is opposed to it, but he believes that it would be a more orderly process if we proceeded to it and had debate on the amendment itself, rather than a motion to proceed.

It would also be training for television, which is coming up. We could prove to ourselves that we could conduct business before we try to prove it to the few viewers we will have when we go on television.

Also, I hope that sometime this afternoon, even if we should move to the balanced budget amendment, we could set it aside temporarily and try to bring up the little farm package. In fact, there are a couple of little areas in agriculture that must be addressed. One is the CCC appropriation, because without that bill passing we cannot begin sign-up for some of the programs in the wheat, feedgrain, cotton, and rice areas.

There is a second package with about seven provisions that I believe should be addressed and which are very important to Members on both sides of the aisle.

There have been some rumors afloat that we would not be permitted to dispose of that without 2 or 3 days of debate and lots of amendments. I hope that is not the case, because I do not believe we have that much time.

Then there are committee funding resolutions that must be dealt with, as I understand, no later than today or tomorrow.

So, in about 5 minutes from now, which should give all interested parties time to come to the floor, I will move to proceed or ask unanimous consent that we may proceed to Senate Joint Resolution 225.

RECESS UNTIL 3:10 P.M.

Mr. DOLE. Mr. President, there is going to be a meeting of the principals to be involved in the constitutional amendment for a balanced budget. That will take about 30 minutes. So I ask unanimous consent that the Senate stand in recess until 3:10 p.m.

There being no objection, at 2:38 p.m., the Senate recessed until 3:10 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. ARMSTRONG].

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MATHIAS. Mr. President, I ask unanimous consent that proceedings under the call of the quorum be suspended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, I ask that I may proceed as if in morning business.

The PRESIDING OFFICER. Without objection, the Senator is recognized.

THE DEATH OF ZAFER AL MASRI

Mr. MATHIAS. Mr. President, exactly 2 weeks ago I had a long talk with the mayor of Nablus, Zafer Al Masri, in a quiet room in East Jérusalem. Today, this intelligent, capable, energetic man is dead, shot in the back by an unidentified assailant. At least two radical Palestinian groups have claimed the credit for this atrocity.

Zafer Al Masri was in the best sense of the word a Palestinian patriot who wanted his people to have the right to determine their own future and to have a decent life today. But he was also a realist in the way that those who ordered his death were not. Zafer Al Masri understood that competing rights and needs of Israelis, of Iranians, and of Palestinians had to be recognized and addressed. He knew that only direct dialog between the parties to the conflict would permit any reconciliation between these competing demands to be achieved. He appreciated that the reconciliation might have to come in several stages.

The death of Zafer Al Masri comes as a tragedy for his family and for his friends. It comes as a shock and a sorrow to all who knew him. But it is a loss to the cause of progress in settling the Arab-Israeli conflict. A voice of moderation has been stilled. It is left to us to see that it is not forgotten.

125TH ANNIVERSARY OF THE U.S. GOVERNMENT PRINTING OFFICE

Mr. MATHIAS. Mr. President, I send a resolution to the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maryland?

Mr. METZENBAUM. Reserving the right to object——

Mr. MATHIAS. Mr. President, the resolution is congratulating the Government Printing Office and its employees on the 125th anniversary of the founding of the Government Printing Office.

Mr. METZENBAUM. I only heard it was a unanimous-consent request. I did not know what it was. I have no objection.

The PRESIDING OFFICER. Without objection, the clerk will report the resolution.

The legislative clerk read as follows:

A resolution (S. Res. 361) relating to the 125th anniversary of the United States Government Printing Office.

There being no objection, the Senate proceeded to consider the resolution.

Mr. MATHIAS. Mr. President, on March 4, 1861, during the first day in office of our 16th President, Abraham Lincoln, the U.S. Government Printing Office opened its doors for the first time. Just a few blocks from the still unfinished Capitol Building, a partnership began between some 350 workers headed by a Superintendent of Public Printing, and the Congress of the United States. The purpose of this partnership was to fulfill the information needs of the American people and their Representatives in Congress, the Federal Judiciary, and the White House. That partnership continues, and is being celebrated on this very day by the Nation's 21st Public Printer, Ralph E. Kennickell, Jr., and some 5,400 employees of the Government Printing Office. In their 1985 annual report, there is a short informative piece entitled "GPO Today." I ask unanimous consent that excerpts from that article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GPO TODAY

Today, as one of the largest job printing shops in the world, GPO employs approximately 5,400 employees nationwide. Most are based at the central office facility, making GPO the largest industrial employer in the District of Columbia. Also located in the Washington metropolitan area are two warehouse units and a Rapid Response Center designed to handle fast turnaround printing needs. Across the country, 5 field printing offices, 13 regional procurement offices, a major distribution facility, and 24 bookstores complete the overall GPO structure.

Unlike the vast majority of Federal agencies, GPO is a part of the legislative rather than the executive branch of the Federal Government. Congressional oversight authority comes from the Joint Committee on Printing, which was established in 1846. GPO is headed by the Public Printer, who is nominated by the President and confirmed by the Senate.

Created primarily to meet the printing needs of Congress, GPO today serves the printing and binding needs of the entire Federal community. Approximately 135 customer agencies and departments, in addition to the Congress, rely on GPO's production and procurement services, generating annual printing and binding revenues of more than $800 million. About 76 percent of these revenues cover printing and binding services which GPO procures from commercial firms throughout the country, while 24 percent represents the dollar volume of work actually produced in GPO's central office printing plant and field printing facilities. An average of 1,500 orders are processed daily either for internal production or commercial procurement.

GPO's best-known product is the Congressional Record, the printed compilation of each daily session of Congress. Copy is re-

ceived at GPO's central office each day until midnight with delivery of the printed Record back to the Congress by 8 a.m. the following morning. More than 27,000 copies are produced each day. Another important daily publication of the central office is the Federal Register, a compilation of Presidential proclamations, Executive Orders, and Federal agency regulations. About 33,000 copies are printed daily. At GPO's Chicago plant, more than 55,000 copies of the Commerce Business Daily are produced each day.

With an emphasis on state-of-the-art technology, GPO's Electronic Photocomposition Division has more than 160 video display terminals and 14 text editing systems. Forty-one offset presses and 30 letterpresses are in operation within GPO, supported by nearly 157 bindery machines including cutters, feeders, sewing machines, gatherers, and stitchers. More than 100 million pounds of paper are utilized by GPO each year—enough to circle the earth 12 times if each sheet (44 inches wide) were to be laid end to end.

GPO is a highly versatile printing facility, producing cut forms, perfect-bound books and beautiful leather-bound volumes. Many people think money, bonds, and postage stamps are also produced at GPO. However, that work is done at the Bureau of Engraving and Printing, which is a part of the Department of the Treasury. GOP does, however, produce more than 6 million passports and over 400 million postal cards each year.

While the original job of GPO was to handle printing, responsibility for the sale and distribution of Government documents was added in 1895 when Congress passed a comprehensive printing act which became Title 44 of the U.S. Code. Today, GPO's Superintendent of Documents area serves the largest single disseminator of U.S. Government information to the public.

The Superintendent of Documents offers approximately 17,200 titles for sale to the public at any given time. These are sold principally by mail order and through a series of bookstores across the country. Yearly sales exceeding $59 million cover more than 26 million publications. On the average, more than 6,500 mail orders are handled each day.

Most of the publications produced by GPO are also freely available to the American public for reference through 1,390 depository libraries located in the United States and its possessions. These libraries are designated by Members of Congress or by law as official depositories.

"U.S. Government Books" and "New Books" are catalogs that list recent and popular publications for sale. These catalogs are free and provide complete ordering information, prices, stock numbers, and annotations. To find out about these and other services of GPO's documents operation, write the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

Mr. MATHIAS. Mr. President, the doors of the Government Printing Office are still open and its presses still roll. I am sure that my colleagues on the Joint Committee on Printing as well as the entire Congress will join me today as I submit this resolution congratulating the GPO on the occasion of its 125th anniversary.

Mr. President, this is the Office which every day lays upon our desks the CONGRESSIONAL RECORD, a monumental task, a job that has been done faithfully and without interruption since 1873, a remarkable job—not only the CONGRESSIONAL RECORD, but the printing of bills, the printing of the calendar which is before us, the printing of a vast number of publications, for the Congress and for all other agencies of Government.

It is an institution of worldwide importance. It goes to the very heart of our democracy because it provides information for the American people about the nature and operation of their Government, and it therefore is an integral part of Government itself. It is because of this importance that I bring this 125th anniversary to the attention of the Senate.

Mr. METZENBAUM. Having first objected, let me join in congratulating the Government Printing Office and the Senator from Maryland for his acknowledgement of the job that they do for all of us in Government as well as all people of the country.

Mr. MATHIAS. I thank the Senator from Ohio. I had no idea that he would in substance object when he was acquainted with the subject matter. I am sure that he appreciates as much as I do the work done by the men and women of the Government Printing Office.

The PRESIDING OFFICER. Are you ready for the question? The question is on agreeing to the resolution.

The resolution (S. Res. 361) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 361

Whereas on June 23, 1860, President James Buchanan signed into law Joint Resolution No. 25, providing for the establishment of the United States Government Printing Office;

Whereas the United States Government purchased a printing plant located at the corner of North Capitol & H Streets, NW., Washington, DC, on March 2, 1861, for $135,000, and the Government Printing Office commenced operations on March 4, 1861;

Whereas the Government Printing Office began printing the Congressional Record on March 5, 1873, and has continued to efficiently and expeditiously print and distribute the debates of Congress since that time;

Whereas since 1895, the Superintendent of Documents, through the Depository Library Program, the International Exchange Program, and the Publications Sales Program, has distributed hundreds of millions of copies of Federal publications and today serves as the largest single disseminator of U.S. Government information to the public; and

Whereas the United States Government Printing Office has provided one hundred and twenty-five years of exemplary service in addressing the printing and distribution needs of all three branches of the Federal Government, never failing to meet the necessary demands for public printing both in peace time and war time; Now, therefore, be it

Resolved, That the Senate of the United States recognizes the enormous achievements by the United States Government Printing Office and on the occasion of its 125th anniversary, extends its appreciation and best wishes to the employees of that Agency, both past and present, for their many contributions to the Government and citizens of America.

Mr. MATHIAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGENDA

Mr. DOLE. Mr. President, a number of us have had a discussion with reference to the balanced budget amendment (S.J. Res. 225). It is my understanding that it is now being cleared on both sides of the aisle, that if we would take up the amendment—or a substitute, I guess—on Thursday, we could proceed to that on Thursday by unanimous consent, and there would be no delay or no filibuster or a motion to proceed. I am agreeable to that. It is now being cleared on each side.

The Senator from Ohio is one of those involved in the discussion. Have I stated it correctly?

Mr. METZENBAUM. The Senator from Kansas did state it correctly.

There is a little delay in hotlining it because the minority leader was tied up in a briefing on Nicaragua. But I am quite certain that it will be hotlined shortly, and I feel certain that there will be agreement.

Mr. DOLE. In the interim, we will move to the agriculture bill very soon. So I alert everybody, if they will let us proceed with that, that I am advised by the chairman of the Agriculture Committee that he will be prepared by 4 o'clock.

If we can complete action on that measure, tomorrow we might be able to dispose of the so-called cop-killer bullet legislation in which Senators THURMOND and MOYNIHAN and about 80 others are interested.

So, by Thursday, we will be prepared to debate the amendment or the substitute to be offered. We would do that on Thursday and Friday. In other words, there would be a session on Friday, there would be amendments on Friday, and there could be votes on Friday.

Mr. METZENBAUM. Will the Senator from Kansas yield for a question?

Mr. DOLE. I yield.

Mr. METZENBAUM. In connection with the cop-killer bullets, in the past there have been certain Members of

that side of the aisle who have seen fit to look foward to extended debate or filibuster. Does the Senator have some understanding with respect to that?

Mr. DOLE. There is no understanding, but it is one of those areas where we indicated at the time we worked out an agreement on bringing up the Gun Control Act that as part of that package, we would bring up that legislation, and we intend to keep our word. If there is going to be one of those things, we may have to delay it for 1 week.

Mr. METZENBAUM. I want to put the leader on notice that I very much support that bill. I think it is a travesty that we have not passed if before.

I am also aware of the fact that some of the people particularly interested on the farm bill have indicated their opposition to the cop-killer bullets bill.

Under the circumstances, the Senator from Ohio, unless we can get some understanding about debate in connection with the cop-killer bill, would very likely find a convenient vehicle to add onto the farm bill the cop-killer bill as an amendment, and I thought I would place the leadership on notice to that effect.

I think the leader should understand that those who have been the loudest in opposing the cop-killer bill are most anxious to get the farm bill through. I think that this would accommodate all parties unless we can have some other understanding.

Mr. DOLE. Then we could shoot it over to the House; right?

Mr. METZENBAUM. That is right.

Mr. DOLE. That might be a way to move the farm bill. I am not certain what else we can add to the farm bill to get it out of here.

But the only ones who are going to suffer in the long run would be the American farmers. But I understand the point, because I know where the objection is coming from to that bill, and there are only two or three Senators, I believe, who have any objection at all.

We tried to take it up the end of the last session. We did not have time. It is my intention to dispose of it as quickly as we can.

Mr. METZENBAUM. The leader understands me very well, and he read the picture correctly, as always. Unless we get some unanimous-consent agreement I will indeed offer such amendment.

Mr. DOLE. Yes.

We will start shopping for a unanimous-consent agreement.

I suggest the Senator from Ohio might contact the junior Senator from Idaho.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the Senate now turn to morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

IN MEMORY OF OLOF PALME

Mr. METZENBAUM. Mr. President, I rise today to speak briefly in memory of a magnificent public servant, one who not only served his nation but served the world. I speak of Olof Palme, the Prime Minister of Sweden, who was assassinated last Friday.

Olof Palme was the kind of leader all of us aspire to be. He tugged at our conscience. In speaking out against the war in Vietnam, he told us it was an action unworthy of our traditions. He spoke for the aspirations of all humanity. In speaking out against the arms race, he reminded us of the longing for peace that all of us share, and he presented us a vision of the behavior of a leader in a democratic society. It is in some sense symbolic that he was gunned down while walking to a subway station to travel home from a movie theater with his wife, side by side with other citizens whose elected leader he was.

Olof Palme meant something special to me as an Ohioian, because he was a graduate of our own Kenyon College. And he also meant something special to me because my son-in-law, Prof. Steven Kelman of Harvard has studied Sweden and taught me about the remarkable contribution to humanity made by the people of that small nation, a contribution out of all proportion to its size.

Olof Palme will be missed not only by the people of Sweden but by all peace-loving peoples throughout the world.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. EVANS). Without objection, it is so ordered.

THE BALANCED BUDGET AMENDMENT

Mr. ARMSTRONG. Mr. President, I listened with great interest to the discussion a few minutes ago by the majority leader and others about the plan for the consideration of the balanced budget amendment. It had a certain ring of tranquility about it which I thought was extremely admirable. I am glad to learn everybody has compromised out their differences of opinion and we will be ready to take it up on Thursday.

As Senators know, it is of great interest to me, so they may be surprised by the issue which I want to raise in connection with it at this time. It is sort of a sleepy, though untelevised afternoon in the U.S. Senate and I do not want to shatter the peace and calm, but I do want to ask Senators to think about one issue that might become important if we are really serious about this balanced budget amendment.

It is simply this: How in the world are we going to enforce it?

This is not the first time I have raised this issue, but I must confess having tried to raise it on a number of occasions previously I remain unsatisfied. I am willing to be convinced. I am willing to have explained to me how the proposed compromise amendment will in fact work were it to be enacted. But I am not willing, Mr. President, to take part in some kind of a sham process where just to get agreement of enough Senators to pass something through this Chamber that we all vote for something without any clear-cut idea of how it is going to work.

If that is the notion, that this is just a cheap vote and the House is not going to act on it anyway, which is probably true, then I think it would be better for us not to proceed to the consideration of it.

If we are not dead serious about it, if we are not prepared to put out a work product which we actually think will result in an enforceable balanced budget amendment were it to be approved by the House and ratified by the States, then I think we might as well move on to the farm bill or to some other worthy legislation. There is no sense hanging ourselves up for several days over something if it is not going to work.

My concern, Mr. President, is very simple: The amendment in the compromise form expresses the constitutional policy that outlays shall not exceed receipts. That is a policy with which I earnestly agree. What is not clear on the face of it is how that policy will be enforced.

If one delves into the report of the Committee on the Judiciary for a discussion of exactly how that is going to be enforced, one is not necessarily very reassured. In fact, a quick scan of it

this afternoon reveals to me that the Judiciary Committee believes that any question which was submitted to the court on this matter would be treated by the court as a political question. In other words, the court would not touch it with a 10-foot pole.

So where does that leave us, Mr. President? It leaves us right back where we are now. That is with the legislative issue of whether or not we are going to vote to balance the budget.

I do not want to be unduly suspicious, but the mere fact that there is some policy written into the Constitution is not very reassuring to me. I recall when the Senator from Virginia [Mr. BYRD] persuaded the Congress to enact the so-called Byrd amendment which stated, and which I believe still states, that on and after a certain date the budget would be balanced. That is a statute. So far as I know, it is a valid statutory policy. It has never been observed. In fact, it tends to make us look the laughingstock when we realize that the same body which voted to put that into the statute books has declined to do anything to implement this legislative policy.

So I just wanted to mention this to the advocates and sponsors of this proposal. I would like to vote for a balanced budget amendment, but I am skeptical that I am going to vote for this one, at least without some greater degree of explanation of exactly how it is they intend to enforce its provisions. The only reason I mention it this afternoon, Mr. President, is that if there is really a serious desire to do something about this, I guess we have a couple of days before it is going to come up and somebody can send me a telegram or come and call on me or engage me on the floor or in some other way explain this issue. But I want to make it clear that I am deadly serious about it. If my vote is needed to pass something, I would like to have an explanation of how it is going to work.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

UNANIMOUS-CONSENT AGREEMENT

Mr. DOLE. Mr. President, I ask unanimous consent that at 12 noon on Thursday, March 6, 1986, the Senate turn to the consideration of calendar No. 358, Senate Joint Resolution 225, a joint resolution for a proposed amendment to the Constitution relating to a balanced budget.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, there is no objection on this side.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

ARMOR-PIERCING BULLET LEGISLATION

Mr. DOLE. Mr. President, let me also indicate I think we are about to submit a proposed agreement on the armor-piercing bullet that we hope might be of some help in resolving the concerns the Senator from Ohio [Mr. METZENBAUM] might have with reference to the farm bill and that would be ready for submission to the Democratic leadership. As I look at the agreement, we could dispose of the so-called armor-piercing legislation in a matter of a couple of hours.

Mr. BYRD. Mr. President, will the distinguished leader yield?

Mr. DOLE. I would be happy to yield.

Mr. BYRD. It is my understanding that a copy of the Symms amendment has not been given to our side yet.

Mr. DOLE. We will provide copies of the two amendments by the distinguished Senator from Idaho to the minority leader.

Mr. BYRD. I thank the majority leader.

Mr. DOLE. We will not make the request until the minority leader has had an opportunity to review the amendments and also review the unanimous consent.

Mr. BYRD. Very well. I thank the distinguished majority leader.

FOOD SECURITY IMPROVEMENTS ACT OF 1986

Mr. DOLE. Now, as I understand it, the distinguished chairman of the Agriculture Committee is here. At about 20 minutes to 4, we indicated to all Members that we would try to consider the farm package. In addition I understand the Appropriations Committee is trying to meet on the CCC appropriation bill. I am advised that unless that bill passes, tomorrow night will be the last night the CCC will be able to keep its loan window open.

Let me indicate to all my colleagues that we are also advised by House Members, the distinguished Congressman from Washington, Congressman FOLEY and others, that if we are going to resolve this package, a bill needs to come from the Senate to the House. They need a bill from the Senate to help resolve the dilemmas they are facing on the House side. So I would indicate to my colleagues that the chairman is prepared to try to resolve any questions that Members may have. He has been, I think, very forthcoming, and I am prepared to yield the floor to the chairman of the committee.

Mr. MELCHER and Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I will be glad to yield to the distinguished Senator from Montana provided I do not lose my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Montana.

Mr. MELCHER. Mr. President, while the majority leader is here, I would like to address these questions to both the majority leader and the chairman of the Senate Agriculture Committee. The latest version of the proposal for amendments to the Farm Act has just been handed to me a few moments ago and I take it, first of all, that still no bill has been introduced. Is that correct?

Mr. DOLE. That is correct.

Mr. MELCHER. That is correct. Well, then, this is just what we were dealing with Friday except it seems to be changed. What has been changed, might I ask either the majority leader or the chairman?

Mr. HELMS. Mr. President, I can answer that question for the Senator from Montana.

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. HELMS. There are three changes and only three changes in this bill from the version I had printed in the CONGRESSIONAL RECORD on Friday afternoon. The export enhancement provision, section 6 of the bill, is changed to strike out the provision requiring the Secretary to use at least $50 million in each of the fiscal years 1986 through 1988 to provide export assistance on a priority basis in the case of commodities for which a favorable 301 decision is outstanding. This change was made, I might tell my friend from Montana, at the request of Senator ZORINSKY, who is the distinguished ranking Democrat on the Agriculture Committee.

The targeted export assistance provision, section 5 of the bill, is changed to require the Secretary to use this provision to provide export assistance of $50 million for each of the fiscal years 1986 through 1988. Under the current law priority for this assistance would be provided in the case of commodities for which a favorable 301 decision is outstanding.

Now, the Friday version of the bill did not contain any specific amount for targeted export assistance in fiscal years 1986 through 1988.

Third, the marketwide services provision, which is section 9 of the bill, is changed to require the Secretary to

hold a marketing order hearing on a marketwide service payment proposal within 90 days instead of 60 days after receipt. This provision is also changed to clarify that any marketwide service payment program is to be implemented in accordance with the marketing agreement law and meet the requirements of that law.

Mr. MELCHER. I thank the Chair. It seems as if four more lines are added. Might I ask if the changes just described take care of all those additional five lines in the package?

Mr. HELMS. I am sure that is correct. Let me check with counsel to be sure.

I am advised that is correct.

Mr. MELCHER. Just to make it clear, might I say that in dealing with the Special Assistant for Agricultural Trade and Food Assistance, we discussed this privately Thursday and Friday, and the changes in general are satisfactory to me, that is, changing the term "food aid" to "food assistance," changing the level 1 requirement to level 2, and adding to the bill, the farm bill that was enacted, a requirement that the President shall appoint the Special Assistant not later than May 1, 1986.

I find no quarrel with all those points. There remain two points.

First of all, the question of whether or not the Special Assistant should be subject to approval by the Senate: I think most of us feel privately that advice and consent on that point by the Senate would be appropriate. But I do understand that the White House does have a problem with that, and I might find myself agreeing with the White House if they have such a problem with it and might forgo that requirement.

However, there is another point with regard to this, and that is that there has been discussion that the Special Assistant might end up being incorporated with the Trade Ambassador's office. Knowing that the Trade Ambassador has to deal with all the matters that deal with trade, the question occurs to some of us that this might bury the Special Assistant on Agricultrual Trade and Food Assistance too far down the ladder. We can discuss that point later.

The fact remains, however—and this is a real concern to some of us—that the amount of money that would be used to expand exports is seriously reduced in this package, both in the export program and in the targeted export enhancement section of the bill. That does give us some concern.

I say to the chairman that we have been attempting in every way to be cooperative on this bill. I do not think that the question of when signup can occur is all that earth shaking, because farmers could sign up for the program any time. There are some changes here that I think would be tidier if the changes were made so that the Department would know at the time of signup what would be the final outcome by Congress. But I advise the chairman, as I advise all our constituency, that the reluctance to hold signup until this is resolved is not all that earth shaking. Signup can occur at any time and could occur before now. There may be changes and there may not be any of significance. For most farmers, these changes are not going to change their operation. If they are going to sign up, they are going to sign up. Whatever is required on these crops is going to be part of the package.

Nevertheless, since concern has been expressed by many Senators that they would like to have it resolved quickly, this week, I might say to the chairman that we are attempting to meet that deadline.

Mr. HELMS. I thank the Senator.

Mr. MELCHER. In fact, we will have a meeting within the next 10 minutes to try to resolve some of these problems that have been presented.

Mr. HELMS. I have listened as attentively as possible to the distinguished Senator, and I think I am greatly encouraged by what he said. But let me say to him what he already knows—that we would like to pass this bill tonight. Can the Senator give me encouragement on that point?

Mr. MELCHER. I cannot give the Senator from North Carolina any kind of answer now. We would like to accommodate the chairman's interests, but I just do not know at this time whether that would be agreeable.

Mr. HELMS. I understand.

Mr. MELCHER. We are dealing with a bill that has never been introduced or has had hearings, and of course there is no House bill, either. There is no report on it. We are attempting to keep up with the language changes as best we can, and it requires a little time.

Mr. HELMS. There is no point in reiterating what I said Friday on this floor. I am trying to accommodate Senators on both sides of the aisle who have told me, almost with tears in their eyes, that it is absolutely essential to pass this bill and to eliminate the concern that the absence of this legislation is causing the farmers of America.

I say again to the Senator that so far as the farmers of North Carolina are concerned, they are not jumping up and down with joy about the prospect of this bill being passed. Our dairy people in North Carolina, for example, do not like the milk tax one bit, and they have given me a certain amount of heat on that. But I am trying to accommodate everybody who has said, "I want this changed or that changed," and I would rather there be no more changes.

In any case, I say to the Senator from Montana that I think it is absolutely essential that we go ahead and enact this legislation.

Mr. President, I send the bill to the desk and ask for its immediate consideration. These are technical amendments to the farm bill.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. Mr. President, reserving the right to object, could the Chair please inform this Senator what the bill number is?

The PRESIDING OFFICER. The bill has not yet received a number.

Mr. HARKIN. Further reserving the right to object, a parliamentary inquiry: Is there a unanimous-consent request now pending to bring up some matter before this body?

The PRESIDING OFFICER. The Senator from North Carolina has just made a unanimous-consent request.

Mr. HARKIN. Mr. President, I am not certain exactly what the unanimous-consent request is, because I have seen no bill. I know of no bill that has ever been introduced. There is no number on any bill. Nothing has ever been referred to a committee.

So, Mr. President, I am constrained to object if, in fact, there is no bill before us. I do not know what is in it.

Last week, there was something that had 7 parts to it, and a couple of hours later it had 9 parts, and now I understand there are 10 parts. Maybe there are more.

I am sorry, but without further knowledge and information about this, and the fact that there is not even a bill before this body—a bill not even introduced—I have to object.

The PRESIDING OFFICER. Objection is heard.

Mr. HELMS. Mr. President, here we go again.

I have been recognized, and I have the floor?

The PRESIDING OFFICER. Yes, the Senator is recognized and has the floor.

Mr. HELMS. Mr. President, let me reiterate for the umpteenth time that I am trying to accommodate Senators who say politically that they want to help the farmers of this country. I think I know what is afoot.

I say again to my friend from Iowa, as I said to the Senator from Montana, that my farmers do not have any heartburn about this bill in terms of its being passed.

I am trying to accommodate you fellows who have talked to me about "we must do this and we must do that."

So far as the Senator not knowing what is in the bill is concerned, it was at his suggestion, as I recall, that I inserted this into the RECORD Friday afternoon, for the purposes of Senator METZENBAUM and others, so that they would know what was in the bill at

that time, and the RECORD will clearly show that.

I have just finished saying that there are only three changes from that version as was printed in the RECORD of Friday. One of them was requested by the distinguished Senator from Nebraska [Mr. ZORINSKY] who is a very valuable member of the committee. He is a ranking Democrat on the committee and a fine Senator with whom to work.

Let me say, so that there will be no misunderstanding of this legislation, that the bill, as printed in the RECORD on Friday afternoon, is intact in three instances. There are three changes in this version.

Let me ask counsel if that is correct. I am advised that that is correct. There are three changes in the bill from the version that was printed in the RECORD Friday afternoon.

Let me go down them one by one again. I just did it for the Senator from Montana and I am delighted to do it for the Senator from Iowa.

First, the export—let me say that this is the one requested by Senator ZORINSKY of Nebraska—the export enhancement provision, which is section 6 of the bill, is changed to strike out the provision requiring the Secretary to use at least $50 million in each of fiscal years 1986 through 1988 to provide export assistance on a priority basis in the case of commodities for which a favorable 301 decision is outstanding.

I reiterate for the point of emphasis that Senator ZORINSKY requested this change, and we agreed to it.

Second, the targeted export assistance provision, which is section 5 of the bill, is changed to require the Secretary to use this provision to provide export assistance of $50 million for each of the fiscal years 1986 through 1988. Under the current law, priority for this assistance would be provided in the case of commodities for which a favorable 301 decision is outstanding.

The version on Friday, as printed in the RECORD that day, did not contain any specific amount for targeted export assistance in fiscal years 1986 through 1988.

Third, the marketwide service provision, section 9 of the bill, is changed to require the Secretary to hold a marketing order hearing on a marketwide service payment proposal within 90 days instead of 60 days, after receipt. This provision is also changed to clarify that any marketwide service payment program is to be implemented in accordance with the marketing agreement law and meet the requirements of that law.

Mr. President, the distinguished majority leader stated just a few minutes ago that the House of Representatives is waiting for the Senate to send the House this bill. If we do not act upon it there will not be a bill.

Therefore, Mr. President, on the assumption that Senators want to consider being of assistance to farmers at this crucial time, I am going to renew my unanimous-consent request for immediate consideration of this bill.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, again I was talking over here and I am sorry I did not hear the request.

Is the unanimous consent request to proceed again with what bill? We do not have a bill, Mr. President, that I know of. I do not know why a bill——

Mr. HELMS. I am glad to inform the Senator.

Mr. HARKIN. Therefore, Mr. President, I am restrained to object again.

The PRESIDING OFFICER. Objection is heard.

The Senator from Idaho.

Mr. SYMMS. Mr. President, I absolutely cannot believe my ears here and I am certain my good friend from Iowa has every prerogative as a Member of this body to object to whatever he chooses. He knows good and well this legislation has been worked out by the distinguished chairman and members of the farm groups and Senators who have a sincere interest in this in the Senate.

The signup date started yesterday. It is obviously a case of partisan objection going on here in this body.

The farmers out there with the corn crops, the set-aside, do not care whether people are Republicans or Democrats. They would just like to be able to know what the rules are going to be.

We are trying to work out some honest problems that came about in this farm bill, and this is just a pure case of obstructionism in the worst order taking place in the Senate at the expense of the American farmer.

I appreciate very much the willingness of the Senator from North Carolina to try to work with different Senators.

I would say to my friend from Iowa there are other Senators from his side of the aisle who have exactly the same problem that has happened to some of the States, from California, for example, where we have a split delegation; from Maine, where we have a split delegation. It so happens that my State does have a Republican delegation.

But I think it is really high time this Senate set aside the partisan bickering here, and it is obvious the objections are coming from the other side of the aisle, and allow the good chairman to move this bill forward so we can resolve this issue and go ahead and get this farm bill that has already been passed to let the farmers know what the rules are going to be so they can work by the rules.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, if I could just inquire of the Senator from Iowa, is it my understanding that the Senator from Iowa would not object if the amendment that related to the subject matter included in any legislation would be in order to be debated and considered by the Senate as a whole, and it was the intention of the Senator from Iowa to offer those amendments and then prepare to abide by the will of the Senate? Am I correct in my understanding and listening to all of this rhetoric here on the floor?

If I have the floor, I welcome a response.

Mr. HARKIN. Will the Senator from Massachusetts yield?

Mr. KENNEDY. Yes.

Mr. HARKIN. I respond to that. Let me say that I have two problems with the bill and maybe more than that. No. 1, is that again changes are made all the time. Now since it was printed in the RECORD on Friday, I have just been handed another sheet of paper that has other changes in it. I know the distinguished chairman did go over those.

Quite frankly, we did not have the time to look at those. We had changes on Friday and now there have been changes over the weekend. We have not had time to really absorb these and take a look at them. That is my first problem.

It seems to be rapidly changing all the time.

The second problem I have with it is that the bill itself, as the distinguished majority leader knows, cuts about $415 million from the ag function over the next 3 years. Quite frankly, I think agriculture has taken it in the neck enough without having $415 million cut further.

The third problem I have with it is that we have had absolutely no hearings on it. We have not talked about it in the Agriculture Committee. They brought this up like this.

If the distinguished Senator from Massachusetts will yield a little bit further, I agree with the distinguished chairman of the committee. This is not a big thing in my State. I can tell you that the net effect probably to the farmers in Iowa of these technical changes is maybe a wash, maybe a little bit on the down side, because we do not have an underplanting provision.

The biggest need we have out in the countryside right now is for some credit for some low-interest loan to these farmers so they can get their crops in. Right now these farmers are

paying 12, 13, 14 percent for short-term credit.

It is within the power of this administration to advance some of the CCC loans to farmers right now at 7¾ percent. Yet they said that they cannot do it.

So here we are faced with a situation of cutting $415 million out of the ag function. Clearly the administration could help remedy this credit problem out in the countryside right now. But I have had no indication that anyone here on the other side of the aisle is willing to move on this.

Furthermore, if I could just make one last point, the farmers can sign up right now. This does not hold up the farmers. The farmers could have signed up on January 3 if the administration had allowed them. They could be signing up today if the administration would allow the signup to go ahead. It is not this Senator who is stopping the farmers from signing up the program. It is the administration that does not want the signup to occur unless these changes are made.

So, in response to the distinguished Senator from Massachusetts, I would say that I have not seen any indication by Members on the other side to reach some accommodation on those concerns that I have on this bill.

Mr. KENNEDY. I thank the Senator from Iowa.

I must say that as one who has heard the Senator speak in our caucus about the substance of these issues, I have been enormously impressed both with the knowledge and the leadership that he has provided. I certainly welcome his statements and explanation of his position and I think they should be considered by this body.

Mr. HELMS. Mr. President, we may be able to resolve the concerns, or at least one of them, of the Senator from Iowa—I am not sure what it is, but we will try.

Let me say, with respect to one statement that he has made, he stated a concern that reductions in the export subsidy program more than offset what the cost increases attributable to the yield and underplanting provisions of this bill, if and when we ever get it up. The assertion has been made by the Senator from Iowa and one or two others that the bill would remove $340 million—there have been various figures, but that is the one that sticks in my mind—$340 million from the agriculture economy over the fiscal year 1986–88 period.

Just to set the record straight, it is true that the Congressional Budget Office has attributed a $340-million savings to this measure during fiscal year 1986–88 period. Over the life of the farm bill, total outlays would be reduced by $90 million. Frankly, I view this as a positive feature of the bill and major reason to support it.

But, the point I would make, Mr. President, is that it simply is not accurate to say that this represents a $340 million decrease in farmer income to the American agricultural economy. Indeed, the yield provision will contribute to farm income in the short run by making $625 million worth of Government-owned commodities available to producers through compensation for program payment yield reductions exceeding 3 percent in 1986 and reductions exceeding 5 percent in 1987.

The underplanting provision of the bill, an item with which many Senators are concerned, is also expected to shore up depressed prices for many nonprogram crops, such as dry edible beans, popcorn, and potatoes. The estimated cost of this provision is $190 million during the fiscal years 1986–88 period.

The Congressional Budget Office, serving as our official scorekeeper, attributes savings of $920 million over the next 3 fiscal years to reduced program levels of the Targeted Export Assistance Program and the Export Enhancement Program. Let me make two general points about these savings.

First, while the CBO attributes substantial cost savings to these provisions, the administration is much less willing to score these provisions as such. Indeed, during conference consideration of the 1985 farm bill, no costs whatsoever were attributed by the administration to these export programs. It logically follows that it cannot attribute any savings to something that never had a cost.

In fact, the administration has gone on record to state that its willingness to support the underplanting and yield provisions of this bill is predicated on the inclusion of Export Enhancement Program language that will mitigate the necessity of offering across the board, indiscriminate export subsidies to such nations as the Soviet Union and Iran. We have also been informed that more costly yield provisions, including a freeze of program payment yields at 1985 levels, will receive a veto recommendation from the President's senior advisors.

Second, these savings do not reflect reduced income support activity in the domestic agricultural economy. They actually reflect an anticipation of larger commercial, unsubsidized sales of agricultural exports as a result of fewer government commodities being placed on the international market.

In short, Mr. President, the underplanting and yield provisions of this bill can be expected to enhance the income of many of our producers, and the reductions in the export programs will mainly serve to ensure that no taxpayer subsidies will be used to underpin the economies of unfriendly foreign governments.

Moreover, Mr. President, I respectfully suggest that substantial revisions of the majority leader's package will not be acceptable to the administration, because it never attributed costs to the export programs. Therefore, modification of the leader's package could result in this entire effort on behalf of the Nation's farmers being lost. I hope that Senators will withhold amendments for these reasons.

Mr. President, just so it will be available for all Senators and others who may be interested, I ask unanimous consent that the proposed bill, which I sent to the desk and for which I asked immediate consideration, which request met an objection from the distinguished Senator from Iowa, Mr. HARKIN, be printed in the RECORD, and also a section-by-section analysis.

Mr. HARKIN. Mr. President, reserving the right to object. I want to make sure. I did not quite understand the unanimous-consent request of the distinguished Senator from North Carolina. I had a hard time hearing him over here. I wonder if I could hear that again.

Mr. HELMS. Maybe it is my Yankee accent that confused the Senator. I simply wanted to print the proposed bill in the RECORD so it will be available tomorrow morning for the Senator from Iowa and anybody else who is interested in the legislation as proposed.

Mr. HARKIN. I withdraw my reservation.

There being no objection, the proposed bill was ordered to be printed in the RECORD, as follows:

S.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Food Security Improvements Act of 1986".

SEC. 2. NONPROGRAM CROPS.

(a) WHEAT.—Section 107D(c)(1) of the Agricultural Act of 1949 (as added by section 308 of the Food Security Act of 1985) is amended—

(1) in subparagraph (C), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (K))";

(2) in subparagraph (C)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (K).''; and

(3) by striking out subparagraph (K) and inserting in lieu thereof the following subparagraph:

"(K)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be developed to conservation uses as a condition of qualifying for payments under subparagraph (C) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower,

castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (C) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(b) FEED GRAINS.—Section 105C(c)(1) of the Agricultural Act of 1949 (as added by section 401 of the Food Security Act of 1985) is amended—

(1) in subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) an inserting in lieu thereof "(except as provided in subparagraph (I))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (I))."; and

(3) by striking out subparagraph (I) and inserting in lieu thereof the following new subparagraph:

"(I)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(c) COTTON.—Section 103A(c)(1) of the Agricultural Act of 1949 (as added by section 501 of the Food Security Act of 1985) is amended—

(1) in subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (G))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (G))."; and

(3) by striking out subparagraph (G) and inserting in liue thereof the following new subparagraph:

"(G)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(d) RICE.—Section 101A(c)(1) of the Agricultural Act of 1949 (as added by section 601 of the Food Security Act of 1985) is amended—

(1) in subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (G))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (G))."; and

(3) by striking out subparagraph (G) and inserting in liue thereof the following new subparagraph;

"(G)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and

grazing would have an adverse economic effect.".

(e) APPLICATION.—In the case of the 1986 crops of wheat, feed grains, upland cotton, and rice, the amendments made by this section shall not apply to any producer who demonstrates to the satisfaction of the Secretary of Agriculture that the producer, before February 26, 1986, planted or contracted to plant for the 1986 crop year a portion of the permitted acreage of the producer to any agricultural commodity other than wheat, feed grains, upland cotton, extra long staple cotton, rice, or soybeans.

SEC. 3. FARM PROGRAM PAYMENT YIELDS.

(a) ESTABLISHED PRICE PAYMENTS FOR 1986 AND 1987 CROP YEARS.—Section 506(b) of the Agricultural Act of 1949 (as added by section 1031 of the Food Security Act of 1985) is amended—

(1) in paragraph (1), by striking out "paragraph (2)" and inserting in lieu thereof "paragraphs (2) and (3)";

(2) by redesignating paragraphs (2) through (4) as paragraphs (3) through (5), respectively; and

(3) by inserting after paragraph (1) the following new paragraph:

"(2)(A) In the case of the 1986 crop year for a commodity, if the farm program payment yield for a farm is reduced more than 3 percent below the farm program payment yield for the 1985 crop year, the Secretary shall make available to producers established price payments for the commodity (in the form of commodities owned by the Commodity Credit Corporation) in such amount as the Secretary determines is necessary to provide the same total return to producers as if the farm program payment yield had not been reduced more than 3 percent below the farm program payment yield for the 1985 crop year.

"(B) In the case of the 1987 crop year for a commodity, if the farm program payment yield for a farm is reduced more than 5 percent below the farm program payment yield for the 1985 crop year, the Secretary shall make available to producers established price payments for the commodity (in the form of commodities owned by the Commodity Credit Corporation) in such amount as the Secretary determines is necessary to provide the same total return to producers as if the farm program payment yield had not been reduced more than 5 percent below the farm program payment yield for the 1985 crop year.".

(b) FARM PROGRAM PAYMENT YIELDS FOR 1988 AND SUBSEQUENT CROP YEARS.—Section 506(c)(1) of the Agricultural Act of 1949 is amended by adding at the end thereof the following new sentence: "Notwithstanding any other provision of this paragraph, for purposes of establishing a farm program payment yield for any program crop for any farm for the 1988 and subsequent crop years, the farm program payment yield for the 1986 crop year may not be reduced more than 10 percent below the farm program payment yield for the farm for the 1985 crop year.".

SEC. 4. SPECIAL ASSISTANT FOR AGRICULTURAL TRADE AND FOOD ASSISTANCE.

(a) CHANGE OF TITLE.—(1) Section 1113 of the Food Security Act of 1985 is amended—

(A) in the caption, by striking out "FOOD AID" and inserting in lieu thereof "FOOD ASSISTANCE"; and

(B) in subsection (a), by striking out "Food Aid" and inserting in lieu thereof "Food Assistance".

(2) The table of contents in section 2 of such Act is amended by striking out "Food Aid" in the item relating to section 1113 and inserting in lieu thereof "Food Assistance".

(b) APPOINTMENT OF INITIAL SPECIAL ASSISTANT.—Section 1113(a) of such Act is amended by adding at the end thereof the following new sentence: "The President shall appoint the initial Special Assistant not later than May 1, 1986.".

(c) REMOVAL OF LEVEL I CLASSIFICATION.—Section 5312 of title 5, United States Code, as amended by section 1113(d) of the Food Security Act of 1985, is amended by striking out the item relating to:

"Special Assistant for Agricultural Trade and Food Aid.".

(d) COMPENSATION FOR THE SPECIAL ASSISTANT.—Section 1113(d) of the Food Security Act of 1985 is amended to read as follows:

"(d) Compensation for the Special Assistant shall be fixed by the President at an annual rate of basic pay of not less than the rate applicable to positions in level III of the Executive Schedule.".

SEC. 5. TARGETED EXPORT ASSISTANCE.

Section 1124 of the Food Security Act of 1985 is amended by striking out subsection (a) and inserting in lieu thereof the following new subsection:

"(a) For export activities authorized to be carried out by the Secretary of Agriculture or the Commodity Credit Corporation, in addition to any funds or commodities otherwise required under this Act to be used for such activities—

"(1) for each of the fiscal years ending September 30, 1986, through September 30, 1988, the Secretary shall use under this section not less than $50,000,000 of funds of, or commodities owned by, the Corporation; and

"(2) for each of the fiscal years ending September 30, 1989, and September 30, 1990, the Secretary shall use under this section not less than $325,000,000 of funds of, or commodities owned by, the Corporation.".

SEC. 6. DEVELOPMENT AND EXPANSION OF MARKETS FOR UNITED STATES AGRICULTURAL COMMODITIES.

Subsection (i) of section 1127 of the Food Security Act of 1985 is amended to read as follows:

"(i) During the period beginning October 1, 1985, and ending September 30, 1988, the Secretary shall use agricultural commodities and the products thereof referred to in subsection (a) to carry out this section, except that the value of the commodities and products may not be less than $1,000,000,000, nor more than $1,500,000,000. To the maximum extent practicable, such commodities shall be used in equal amounts during each of the years in such period.".

SEC. 7. HAY AND GRAZING ON DIVERTED WHEAT AND FEED GRAIN ACREAGE.

(a) WHEAT.—Subparagraph (C) of section 107D(f)(4) of the Agricultural Act of 1949 (as added by section 308 of the Food Security Act of 1985) is amended to read as follows:

"(C)(i) Except as provided in clause (ii), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage diverted from production by participating producers in such State to be devoted to—

"(I) hay and grazing during not less than 5 of the principal growing months (as established for a State by the State committee), in the case of the 1986 crop of wheat; and

"(II) grazing, in the case of each of the 1987 through 1990 crops of wheat.

"(ii) In the case of each of the 1987 through 1990 crops of wheat, grazing shall not be permitted for any crop of wheat under clause (i)(II) during any 5-consecutive-month period that is established for such crop for a State by the State committee established under section 8(b) of such Act.".

(b) FEED GRAINS.—Subparagraph (C) of section 105C(f)(4) of the Agricultural Act of 1949 (as added by section 401 of the Food Security Act of 1985) is amended to read as follows:

"(C)(i) Except as provided in clause (ii), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage diverted from production by participating producers in such State to be devoted to—

"(I) hay and grazing during not less than 5 of the principal growing months (as established for a State by the State committee), in the case of the 1986 crop of feed grains; and

"(II) grazing, in the case of each of the 1987 through 1990 crops of feed grains.

"(ii) In the case of each of the 1987 through 1990 crops of feed grains, grazing shall not be permitted for any crop of feed grains under clause (i)(II) during any 5-consecutive-month period that is established for such crop for a State by the State committee established under section 8(b) of such Act.".

SEC. 8. PROTECTION OF BASE ON NONPROGRAM CROP ACREAGE.

Section 504(b)(2) of the agricultural Act of 1949 (as added by section 1031 of the Food Security Act of 1985) is amended—

(1) by redesignating clause (D) as clause (E); and

(2) by striking out clause (C) and inserting in lieu thereof the following new clauses:

"(C) acreage in an amount equal to the difference between the permitted acreage for a program crop and the acreage planted to the crop, if the acreage considered to be planted is devoted to conservation uses or the production of commodities permitted under section 107D(c)(1)(K), 105C(c)(1)(I), 103A(c)(1)(G), or 101A(c)(1)(G), as the case may be;

"(D) in the case of each of the 1986 through 1989 crop years, acreage in an amount equal to not to exceed 50 percent of the permitted acreage for a program crop for each of the 1986 and 1987 crop years, 35 percent of the permitted acreage for the 1988 crop year, and 20 percent of the permitted acreage for the 1989 crop year, if—

"(i) the acreage considered to be planted is planted to a crop, other than a program crop, peanuts, soybeans, extra long staple cotton, or commodities specified in clause (C);

"(ii) the producers on the farm plant for harvest to the program crop at least 50 percent of the permitted acreage for such crop; and

"(iii) payments are not received by producers under 107D(c)(1)(C), 105C(c)(1)(B), 103A(c)(1)(B), or 101A(c)(1)(B), as the case may be; and".

SEC 9. MARKETWIDE SERVICE PAYMENTS.

(a) HEARING.—Not later than 90 days after receipt of a proposal to amend a milk marketing order in accordance with section

8c(5)(J) of the Agricultural Adjustment Act, reenacted with amendments by the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 608c(5)(J)) (as added by section 133 of the Food Security Act of 1985), the Secretary of Agriculture shall conduct a hearing on the proposal.

(b) IMPLEMENTATION.—Not later than 120 days after a hearing is conducted under subsection (a), the Secretary shall implement, in accordance with the Agricultural Adjustment Act, a marketwide service payment program under section 8c(5)(J) of such Act that meets the requirements of such Act.

SECTION 10. INCREASED MILK ASSESSMENTS TO MEET DEFICIT REDUCTION REQUIREMENTS.

Effective March 1, 1986, section 201(d)(2) of the Agricultural Act of 1949 (as amended by section 101(a) of the Food Security Act of 1985 (Public Law 99-198) is amended—

(1) in subparagraph (B), by striking out "The" and inserting in lieu thereof "Except as provided in subparagraph (E), the"; and

(2) by adding at the end thereof the following new subparagraph:

"(E)(i) In lieu of any reductions in payments made by the Secretary for the purchase of milk and the products of milk under this subsection during the period beginning March 1, 1986, and ending September 30, 1986, required under the order issued by the President on February 1, 1986, under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), the Secretary shall increase the amount of the reduction required under subparagraph (A) during the period beginning April 1, 1986, and ending September 30, 1986, as the sole means of meeting any reductions required under the order in payments made by the Secretary for the purchase of milk and the products of milk under this subsection.

"(ii) The aggregate amount of any increased reduction under clause (i) shall be equal, to the extent practicable, to the aggregate amount of the reduction that would otherwise be required under the order referred to in clause (i) in payments made by the Secretary for the purchase of milk and the products of milk under this subsection during the period beginning March 1, 1986, and ending September 30, 1986, except that the amount of any increased reduction under clause (i) may not exceed 12 cents per hundredweight of milk marketed.".

FOOD SECURITY IMPROVEMENTS ACT OF 1986—SECTION-BY-SECTION SUMMARY

Sec. 1. Short Title.

Sec. 2. Revises the underplanting provision by limiting production to conserving crops unless the Secretary determines that production of specified non-program crops is not likely to increase the cost of price support programs and will not adversely affect farm income. Allows haying and grazing on underseeded acreage at state option unless the Secretary determines that it will result in a serious adverse economic impact.

Sec. 3. For 1986 crops, provides for compensating producers in CCC commodities for any reduction in their total return resulting from a reduction of more than 3 percent in their program payment yield from the 1985 level. For 1987 crops, provides compensation for any reduction in return resulting from a reduction of more than 5 percent from the 1985 level. Limits to 10 percent the amount by which the program payment yield for 1986 crops can be reduced for the purpose of determining yields for 1988 and beyond.

Sec. 4. Sets the salary level for the Special Assistant for Agricultural Trade and Food Assistance at not less than Level III and requires appointment not later than May 1, 1986.

Sec. 5. Reduces mandatory funding for the Targeted Export Assistance Program to $50 million per year for FY-86/88. Retains the required annual funding level of $325 million for FY-89/90.

Sec. 6. Reduces the amount of CCC commodities required to be used under the Export Enhancement Program (EEP) from $2 billion to $1 billion. Provides that up to $1.5 billion in commodities may be used under the EEP program in FY-86/88.

Sec. 7. Allows wheat and feed grain producers to hay and graze set-aside acreage during at least five of the principal growing months for 1986 crops.

Sec. 8. Allows production of non-program crops, without loss of base, on up to one-half of permitted acreage in 1986 and 1987. Reduces base protection, as a percentage of permitted acreage, to 35% in 1988, 20% in 1989, and 0% in 1990.

Sec. 9. Requires the Secretary to hold hearings and to implement a marketwide service payment plan to allow dairy cooperatives to receive compensation for processing non-member milk.

Sec. 10. Requires that the Gramm-Rudman-Hollings requirement for FY-86 for the dairy program be met through an increase in the producer assessment, not to exceed 12 cents per hundredweight.

Mr. HELMS. Mr. President, I thank the Chair. I yield the floor.

Mr. KASTEN. Mr. President, while the Senator from Iowa is here, I just want to see if we can at least come to an understanding of what we are really arguing about here. As I understand it, the Senator has no objection to the substance of the so-called dairy portion of the compromise package that has been printed; is that correct?

Mr. HARKIN. Mr. President, if the distinguished Senator from Wisconsin will yield for a reply, I say I have no problems with the dairy portion. My problems have to do, as I said earlier in my remarks, with the fact that the Export Enhancement Program that we put in the farm bill is being cut here by these technical amendments by $415 million over and above what it costs to change the yield payments in the technical changes.

I am objecting to the fact that we are taking $415 million—over 3 years—out of the Export Enhancement Program. So I have that objection. But I have no objection, Mr. President, to the dairy portion of the bill.

Mr. KASTEN. I am going to try to do this step by step, if I can. There is a section of the bill which relates to underplanting. It is my understanding from the conversations that the Senator from Iowa has no objections to this underplanting provision as well. Is that correct?

Mr. HARKIN. If the Senator will yield further——

Mr. KASTEN. I am pleased to yield.

Mr. HARKIN. I have an objection to changing the underplanting provisions. However, we can vote on that here on the floor, and I will cast my vote against. Quite frankly, to change that would not be in the best interests of the farmers I represent in Iowa. But I am always willing to make some tradeoffs on things like that, if that is necessary.

Mr. KASTEN. I want to make the further point on this export question. It is my understanding that there is a difference of scoring between the Senate Budget Committee and the CBO with regard to the effect or the scoring on the overall export program. Is the Senator familiar with that difference? I believe the Senator's objections could relate ultimately to the difference between the scoring of the CBO on the one hand, and the scoring of the Senate Budget Committee on the other. That is my understanding. Is that the Senator's understanding?

Mr. HARKIN. If the Senator will yield further——

Mr. KASTEN. I am pleased to yield to the Senator.

Mr. HARKIN. I understand there is some difference between the way CBO scores and the way the Budget Committee scores.

But as we learned in the debate on the farm bill when it was up in December, and other bills have been here on the floor, that we have to score by CBO. That was always the controlling entity on the farm bill. I think that ought to be the controlling entity here. CBO scores it, if I am not mistaken, over 3 years at $415 million out of the Export Enhancement Program.

Mr. KASTEN. I think what we are talking about then is an agreement, although not a complete agreement, with these three elements: The dairy element, the underplanting element, and we have an export element which involves yields and improvement in the yields. Those are the three elements that are before us.

At least one of those elements is time sensitive. I should say it is an emergency, because on the 1st of March, USDA is supposed to go forward with a method of meeting the requirements of Gramm-Rudman that includes a 4.3-percent cut in purchase payments under the price support program. It will be in direct contradiction to the effort that will be made in this legislation, and I believe it has strong bipartisan support.

So we have a problem in terms of the time sensitivity of the overall package, but most immediately of the dairy element because March 1 has passed.

So I would just say to the Senator that we ought to be addressing ourselves to working out these questions. We ought to be addressing ourselves to working out the differences between CBO and OMB scoring.

I will go back and pick up where I was a couple of minutes ago.

71-059 O-87-17 (Pt. 3)

It seems to me that we have these three elements. We have a dairy element, we have an underplanting element, and we have an export element. It would seem to me that it would make sense for us because there is a genuine agreement on the dairy element, there is a minor question on the underplanting, and there is the question as to scoring on the export bill. These are the kinds of things that ought to be discussed and debated.

I believe what we ought to be doing is going foward with this bill. We find ourselves in the parliamentary position in which in order to go forward we have to have unanimous consent. This means that this body cannot operate by a majority vote because a majority vote clearly would not only go forward with this, but we would pass it.

(Mr. DURENBERGER assumed the chair.)

Mr. BRADLEY. will the Senator yield?

Mr. KASTEN. I will yield in just a moment.

This body at this particular moment is at the mercy of any one Member who for any reason may just stand up and say no. I do not know whether it is partisan. I do not think it should be or would be partisan. I know that on the dairy section a member of the opposite party who is as interested in this as I am—a member of the committee, the Senator from Vermont—and I have worked on this compromise now for, I do not know, 4 or 5 weeks. It is not a partisan question as far as I am concerned. I would not associate myself with some of the remarks that have come from other places. But we have to move forward. There are differences.

Mr. BYRD. Will the Senator yield?

Mr. KASTEN. I am pleased to yield to the minority leader.

Mr. BYRD. I have been hearing about this mythical bill. Where is the bill? Has the committee met and reported out a bill?

Mr. KASTEN. My understanding is that there is a compromise package. It is not in the form of a bill. It is a package that was printed in the RECORD on Friday last. It is a package that a number of us have been working on for a number of weeks. It is a package which has included participation, I understand, by the chairman of the Agriculture Committee and the ranking member, the Senator from Nebraska; the chairman of the Dairy Subcommittee and the ranking member, the Senator from Vermont; as well as a number of other leaders in the overall issue. It was printed in the RECORD.

Mr. BYRD. It has no stature. It has no stature if it is just printed in the RECORD. Has the bill been introduced?

Mr. KASTEN. I am not aware of a bill particularly being introduced, and also because of time consequences has not been referred to the committee.

Mr. BYRD. Has not the problem been known for some time? Why could not the committee have met and reported out a bill? Will the distinguished Senator let me ask him if this is the situation? I am not a farm State Senator.

As I understand it, the Agriculture Committee has not reported out a bill, no comparable bill has come over from the House and been placed on the calendar, nor has any Senator introduced a bill. All that we know is that a bill—a mythical bill—has been printed in the CONGRESSIONAL RECORD. It has no stature there, not a bit more than that RECORD has as a bill. Why does not somebody introduce a bill so the farm State Senators can read it?

Mr. BRADLEY. Will the leader yield?

Mr. BYRD. The Senator has the floor.

Mr. KASTEN. I will be pleased to yield to the Senator after I briefly respond to the minority leader.

I am not on the committee. If there had been a bill here that had gone through all the hoops, I would be supporting it. We are proceeding in this way because of the emergency nature of this whole problem. We were not sure on the dairy section, which was the one that concerned me up until the last minute, whether they were going to go to the assessment route which was the route that was agreed to in the farm bill conference or whether they were going to go the purchase price route. Nobody knew.

At the last minute it turned out this was the way they were going to go, and so we tried to combine this as a package with the other technical changes in the farm bill.

The Senator will remember that by unanimous consent there was also a question like this that arose before the recess. There was a cross-compliance agreement reached by the majority leader, by the chairman of the Agriculture Committee, and others, and a cross-compliance technical amendment passed this body on a voice vote about 2 weeks ago. And it was agreed to. That is where we went because of the emergency nature of that problem. That is why we are trying to go that way again.

I am happy to do it in any way that we can except the days are going by, and we have to do something.

Mr. BRADLEY. Will the Senator yield for a question?

Mr. KASTEN. I am pleased to yield to the Senator from New Jersey.

Mr. BRADLEY. The Senator made a statement that everyone was agreed on the dairy portion of the bill. I would have to say right out I am not so sure I am agreed on the dairy portion of the bill. And, frankly, not being an agricultural State Senator, nor being a member of the Agriculture Committee, I could have benefited from the discussion of this in the committee. That is what the committee process is for.

Could the Senator tell me why no bill has been introduced? Here we are on the floor, and there is a lot of talk about who is holding up what.

The question is, Is there no bill before us? Why is there not a bill on the calendar?

Mr. KASTEN. The answer to the question is that this was viewed by a number of people, both in the majority and in the minority, as an emergency situation that could best be taken care of, because of its timeliness and because of its emergency nature, as an amendment or as a bill that would be referred to the calendar, that it would not go to the committee but simply to take it from the desk and pass it.

Initially it was viewed that this would be agreed to by a number of Senators and would be passed by voice vote.

Mr. BRADLEY. I am really asking these questions in terms of information as much as in terms of whether I will object.

Could the Senator tell me what is the emergency nature?

Mr. KASTEN. I will respond to the Senator's question. On the 1st of March the USDA was instructed to put into effect a certain change in the price support purchase program to comply with the 4.3 percent reduction in Gramm-Rudman.

Mr. BRADLEY. Does the Senator mean that Gramm-Rudman will cut dairy price supports?

Mr. KASTEN. Gramm-Rudman will reduce prices to farmers one way or another. Dairy farmers will be taking their fair share of the cuts.

In the 1985 farm bill and in the 1985 farm bill conference section on dairy, it was anticipated that the Gramm-Rudman would take effect. In that conference they came to an agreement that if there were adjustments to be made in dairy to meet the Gramm-Rudman targets, those adjustments would be made by increasing from 40 cents to 50 cents the assessment to all dairy farmers as opposed to reducing the price supports by 50 cents to a smaller group of farmers. That agreement was known and understood by the Department of Agriculture, by the House and the Senate, Republicans and Democrats, anyone who had anything to do with it. That agreement was referred to in the context of the 1985 farm bill conference.

What happened then is that another conference, the conference on Gramm-Rudman, with another group of Senators, was silent on this question of how dairy programs would be affected by Gramm-Rudman. As a result, we have an agreement that was reached by all

the people who dealt with the question and the problems and the Gramm-Rudman conference was silent on it. Therefore, the Department of Agriculture did not have sufficient instructions as to how it would go forward and implement the dairy program so that it complies with Gramm-Rudman.

Mr. BRADLEY. So that if I understand what the Senator is saying, the question is really how the dairy program will meet the requirements of Gramm-Rudman. The Senator is saying that in the farm bill, the way it was arranged was by increasing the cost on farmers, and the way it came out of the conference on Gramm-Rudman was to reduce the price support level. Is that correct?

Mr. KASTEN. The conference on Gramm-Rudman was silent on the question.

And the way it came out of USDA was by effectively reducing the price support by over 50 cents.

If I can conclude this point, on the question of the emergency nature of this, the problem is that that change, by law, has to take place on March 1. Now, because the House Agriculture Committee has passed this, and we are waiting to pass it, USDA is waiting for us to pass it now after tacking more things on it, and has just stopped purchases of dairy products to see what to do. That is why it is important that we address this problem as quickly as possible.

Mr. BRADLEY. I see the Senator from Minnesota on the floor. He is a leader on this issue. Let me share with both Senators my general thought and reaction.

To me, the question is not how dairy farmers will meet their requirements under Gramm-Rudman, but there is also, I think, a consumer question. I come from a State where there are a lot of consumers, consumers of milk. If what you are saying is that your preferred route is to increase the assessments on dairy farmers so that the price can remain higher for all consumers of dairy products, I find it very difficult to accept. I think the relevant question is, what was the decision taken in the farm bill and, therefore, why in Gramm-Rudman was it not consistent?

What the Senator is asking me to do, if I understand the explanation correctly, is to say this is only a question of how Gramm-Rudman is met and what do I care in terms of whether farmers pay more in terms of taxes or whether I pay less in price support.

Well, I care if the result is increasing milk prices.

As I understand what you have said, by keeping the milk price support higher than it otherwise would be, you basically put a floor under milk prices for every consumer in this country.

Maybe the Senator can enlighten me.

Mr. KASTEN. I would like to be in the position, let me say, where we are debating it and not just at the point where we are just talking about it, as we have done for several days now, where when someone objects, it sends us back to ground zero.

Let me speak very briefly before yielding to the Senator from Minnesota.

No. 1, this would not increase milk prices. We are not increasing the price support. What we are doing is preventing a further reduction in the price support. Milk prices will not be reduced.

The other answer to the Senator's question is whatever the situation is now, the basic issue occurred in the context of an amendment in the Senate called the Hawkins-Moynihan amendment, with the Senator from New Jersey, I believe, voting in the affirmative on that amendment, with the argument taking place right now being basically the argument that we heard under Hawkins-Moynihan. That amendment lost. There was not a 50-cent cut.

At that point, the bill went on and it got to conference. An agreement was reached in the conference as to how Gramm-Rudman would be implemented with respect to the dairy program.

That agreement was made by a number of people and was part of agreements and compromises taking place within that conference.

Therefore, even though certain Members of the Senate supported the Hawkins-Moynihan amendment, a number of those Senators in part of these discussions said:

> You are right, we would have preferred to have this cut but it is not fair for us to come back and take another kick at it now that we have made an agreement and the agreement has been reached in the conference by Republicans and Democrats, House Members and Senators.

So there are questions about the merit of the issue itself; that is one set of questions.

The other question is an agreement was reached in the conference. All we are trying to do now is to implement the agreement that was reached in the conference by Senators, and Congressmen who had disagreements whether to cut support prices. I would guess a year from now when we are voting on another farm bill or another dairy section, this whole set of arguments will be renewed.

We are not seeking to increase the price of milk. We are not seeking to increase the support price.

We are simply seeking to maintain the support price at the level it is at right now.

Mr. BRADLEY. So the Senator is saying essentially that the program he cares so much about got caught in the jaws of Gramm-Rudman that, in haste, we enacted without seeing its full repercussion in a program such as the Dairy Program. Is that not correct?

Mr. KASTEN. Mr. President, I do not want to prolong this discussion. I support Gramm-Rudman, and I support the dairy industry and the farm and agriculture community taking their share of spending reductions. My understanding of how it should be implemented is different from the way it would be implemented if we do not pass this legislation. I think my understanding is the understanding of the Republicans and Democrats, House Members and Senate Members interested in this issue. I think everything is going be be caught somewhat in the jaws of Gramm-Rudman. It is just that we ought to be consistent and everything ought to take its fair share and that fair share should not be cut disproportionately in terms of geography or in terms of different groups.

I shall yield to the Senator from Minnesota in a moment.

Mr. BRADLEY. Would the Senator from Minnesota, if he could, address the question that the Senator from Wisconsin did not address? That is, that in the dairy industry now, in the absence of this alternative of meeting Gramm-Rudman, price supports would drop. The Senator from Wisconsin said that he did not believe that that would result in lower milk prices. Is that the view of the Senator from Minnesota?

Why, if the price support level dropped, would not the result be lower milk prices?

Mr. KASTEN. Mr. President, I believe I still have the floor. Is that correct? I was about to yield to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator is correct.

Mr. KASTEN. I made the point, I believe, that by increasing the assessment, we were not going to increase the price of milk. That is the point I wanted to make. Whether or not the price of milk would be lowered if the support price were lowered is another question. That argument one could make; the price of milk could be lowered but that the problem we have is that the impact would be felt by a very small proportion of farmers.

The point I want to emphasize is that this debate ought to take place within the context of a bill we can go forward on. I think it is wrong for people to obstruct the regular legislative process from going forward.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. BOSCHWITZ. Mr. President, let me try to address my friend from New Jersey and first say that several years ago, the price of milk was at $13.10

and despite inflation, the nominal price is now $11.60. It has gone down quite a good deal.

Let me also say that the reason that this was not a bill that was heard in committee in the normal way, as the Senator from Wisconsin and I and the Senator from New Jersey would prefer, is that there was an agreement struck at the time of the conference back in December, the conference regarding the farm bill, that in the event there would be further budgetary requirements due to Gramm-Rudman, which was going through conference at about the same time—if I may repeat, at the time we held the conference back then, we had the understanding among Senators, among the principal negotiators—Senator LEAHY, TONY COELHO, myself, Senator DOLE was there, the Secretary of Agriculture, and one or two others were there as well.

We agreed that in the event the Gramm-Rudman conference report was passed and the bill was passed, all these things were happening simultaneously, and more demands were made to meet Gramm-Rudman requirements—more demands were made by Gramm-Rudman itself—that they would be met by a further assessment; that an assessment of 40 cents was levied upon the dairy farms and that the assessment would be raised in the event it was necessary to meet Gramm-Rudman requirements. We thought we had that understanding. Because that turned out not to be the understanding from the standpoint of the Department of Agriculture, we had to move very quickly. The Senator from Wisconsin thereupon introduced a bill here and held it at the desk. I hope that the Senator from New Jersey became aware of it in that way or through his staff. I am not quite sure what the Senator from Wisconsin did with respect to informing all the other Senators. But it came up in this manner because an agreement that we had made really was not performed upon, that there would be an additional assessment.

There would be, I say to the Senator from New Jersey, a decrease in the price of milk in the event the assessment were not increased. It would be a difficult blow, frankly, for dairy farmers in all States, because there has already been a 40-cent assessment and then we would add to it 50 cents or 55 cents in price; so it would be upward of a buck.

This industry has gone, as I indicated, from initially $13.10 in 1981, I think, down to $11.60 presently in nominal terms—unadjusted for inflation. So with that in mind and with, really, all the political variants in mind, some people who did indeed—certainly, Representative COELHO had the consumer in mind. We like to think we all have the consumer in mind, but some of us have in reality more than others. But I think all the political elements were considered at some length, including by the Department of Agriculture. That was thought to be the agreement. When that agreement did not play out the way we thought it would, then we had to move quickly to have a bona fide technical corrections bill, because this is what we thought we had agreed upon had it become part of the law.

I thank the Senator.

Mr. BRADLEY. Mr. President, I thank the Senator very much for his explanation. I now have clarification that I needed, because the issue as it emerged in discussion earlier was that everybody was signed off on this agreement and somehow or other, between the cup and the lip, it did not happen when Gramm-Rudman was passed.

I was troubled by that because of a letter from the Department of Agriculture saying that there was no agreement. I think that the Senator's comments clarify that point, which was indeed as he said: The Department of Agriculture has said there is no agreement and there was no agreement and therefore, this legislation is necessary over the objection of the Department of Agriculture.

Mr. BOSCHWITZ. If the Senator will yield, we thought there was an agreement. Senators from both sides of the aisle, Representatives from both sides of the aisle, including the majority leader and myself, including Senator LEAHY—as a matter of fact, the whole thing took place in Senator LEAHY's office—we thought there was indeed an agreement. The Secretary of Agriculture thought otherwise.

Mr. BRADLEY. He says in his letter of February 28: "While we agreed that there were discussions at the time"—this is with reference to the assessment—"with respect to the assessment we do not agree that such an understanding was agreed to by Secretary Block."

That is essentially the letter. The Senator's explanation clarifies that. Everybody in the room thought there was an agreement except the Department of Agriculture, which is not unusual with many departments in the Federal Government.

So I thank the Senator very much for his explanation. I am just curious if he could take the time to answer another question about the Boschwitz approach to the farm program generally. What would happen to the dairy program under the Boschwitz approach, which as I see it is a very innovative approach.

Mr. BOSCHWITZ. I thank the Senator. As he will recall, it was my plan to wean the whole agricultural industry from the Government and to make the planting decisions and the milking decisions and everything else more market oriented and responding to supply and demand rather than responding to Government programs. I must tell the Senator that the most difficult area in which to achieve that is dairy, because unlike wheat or corn or other items dairy has no shelf life, unless you want to put it in caves and make it into nonfat dried milk, which we do not particularly want to do. And so weaning them away is perhaps more difficult in dairy.

This particular amendment by the Senator from Wisconsin really does not have an impact one way or another in that process. It does not help it, to be honest with the Senator. It does not hurt it, to be honest with the Senator.

Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. I thank the Senator from Minnesota for his response to my question, and I also thank the Senator from Wisconsin for his response to my questions because I think there is the impression created—and feel free at any time to correct my impression—that this really emerged after the effects of Gramm-Rudman on the Farm Program and particularly in dairy were known and at the last minute before the 4.3-percent cut is to go into effect. This is a last-ditch attempt to avert it from taking effect. I think there was concern on the part of many Senators who have cared a lot about other Federal spending programs that this was in the real sense an attempt to exempt a segment of the agricultural sector from its fair share of the Gramm-Rudman cuts.

It is with that in mind that I have come to the floor to express real concern about moving to this on the eve of the first experience with what these cuts might mean to our States. I think the explanation the two Senators have given it is very clear and thorough one.

While I was waiting for other Senators to return to the floor, I wonder if either the Senator from Wisconsin or the Senator from Minnesota might inform me, because I was not in the farm conference, needless to say, how the conference arrived at the conclusion of increasing assessments instead of reducing the price supports. Why is that a better path not only toward meeting Gramm-Rudman but in terms of farm policy?

Mr. BOSCHWITZ. Mr. President, we tried to anticipate what would happen in Gramm-Rudman. I forget which was occurring first, the farm bill conference or the Gramm-Rudman conference. They were more or less contemporaneous. It was not clear to us what would happen, and yet it was clear to us that we had to reduce the cost of the dairy program. And so after much negotiation we took the

route of an assessment on each dairy producer. Because we did that and because if you now combined that with also a price reduction, you would really come into a very, very large number that would be very damaging to the industry, we want to continue on the route that we began, and that is the assessment route. That is why we also sought that agreement, and thought we had that agreement, with the Secretary of Agriculture—you know, what if. I suppose all kinds of conferences which were going on that moment tried to anticipate what if Gramm-Rudman passes, and what the effect would be, and so we sought to anticipate that.

We thought also that we had an agreement that the second stage, so to speak, would be further assessment.

Mr. BRADLEY. I thank the Senator for his explanation. I feel that it was helpful. I assume there will be other Senators who, as the Senator from Wisconsin stated, will want to address this issue in some greater depth when and if we actually get to the bill.

I note that many Senators on both sides have expressed to me their concern with the fact that we do not have a bill before us. They are concerned that it should not be a practice to simply put a bill in the RECORD one day and then the next day move to act on it except something that is truly a technical correction. I do not happen to believe this is a technical correction. I think this might have been a substantive misunderstanding that will be corrected if this bill were passed. But I have serious doubts about saying it is a technical correction.

In the Finance Committee, when we have done major tax bills, I always thought we were best at describing as a technical correction something with substantive implications, but I think this bill, and this provision in particular, has serious substantive implications. That is not to say it is not fully consistent with the agreement of the participants in the farm conference. It is simply to say that it is not technical. I think that that is one of the reasons a number of Senators have sought to discuss the motion to proceed as opposed to getting on the bill itself where we would essentially be returning to a farm vote which we all took last year, and those who held one position lost and by moving to proceed—and actually proceeding to the bill—those who believe that these kinds of dairy price supports really have the effect of making consumers pay more for milk would have the opportunity once again to walk to the guillotine while those who support the dairy price support would have the opportunity of winning.

Again, I think that is the rationale for our concern.

Mr. ANDREWS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. ANDREWS. Mr. President, I have listened with a great deal of attention, and a great deal of interest, to the colloquy between the Senator from New Jersey and the Senator from Minnesota and the Senator from Wisconsin on the dairy issue. Let me sum up one thing for the benefit of the Senator from New Jersey. The toughest price that he and his constituents might have to pay is if those dairy farmers are not out there. This is not a matter of arguing over whether the price of a quart of milk is a penny or two higher or lower. What we are talking about is whether those dairy farmers will be in place in order to provide the milk and dairy products this Nation needs.

But let me get to another part of this correction that the Senator was addressing, saying that this is far more than a technical correction.

One of the key parts of this fix, if we are going to call it a fix, and I guess we might just as well do that—it is probably better than "a technical correction bill." I suppose if we were in the Senate Finance Committee, we would talk about a technical correction bill. There are enough Philadelphia lawyers around to figure out the various tax codes. In fact, every time we revised tax legislation in the last 4 years, all we did was make work for the tax lawyers and the tax lobbyists. On the farm, however, it is the farmer who has to make those interpretations.

In the case of proven yields, what we did in this bill, as one of those 1,220 changes that were made in the bill, was that we called for anchoring the yields on which Farm Program payments are made to a 5-year period—1981 to 1985.

I point out to the Senator from New Jersey that what we said in that bill was that the yields will be figured from 1981 to 1985 in the Farm Program payment yields for those 5 years.

It was the understanding of this Senator and the understanding of Senators on both sides of the aisle, the understanding of those Senators who were on the Conference Committee—the Senator from Minnesota, the Senator from Mississippi, the Senator from Kansas—that what we were doing was putting in place in this bill a definitive 5-year period, so that when OMB came in to try to figure the cost of this bill in those out-years, they could not cleverly tamper with it on the basis of what they thought might possibly be what the Lord gave us in yields in those out-years. They always emphasize the high side. They always come down with the worst budget impact possible.

So we said: "Fine. Let's anchor it to a finite 5-year period, so that we know exactly what type of situation we are going to have." That is the reason for that.

Then, I say to the Senator from New Jersey, they took the words "Farm Program payment yields" not as the yield on which Farm Program payments were figured for that year, but, rather, the composite yield from years far behind, and that is where the problem comes.

Some farmers are having their payments reduced 15 or 20 percent. I do not recall how the Senator voted on the farm bill. That is not important. But certainly all of us in this Chamber remember the debate and the arguments that went on between both sides of the aisle.

I happened to be participating with some of my colleagues on this side of the aisle as much as with those on the other side of the aisle, because I was one who wanted a Farm Program payment freeze. I felt that, given the economic disaster in rural America, we had to have a payment freeze so that farm bankers, farm credit administrators, and the rest, could understand that there was a definitive payout in those out years for which they had the operating loans figured. That is the debate. That is how we decided it.

Suddenly, at the last moment, a different interpretation came in, and that is what we are trying to get fixed.

Let me conclude by assuring my colleague from New Jersey and other Senators who may be wondering about whether we are trying to beat a Gramm-Rudman deadline that I am not here to debate Gramm-Rudman. I did not support Gramm-Rudman. I happened to be one of the few who did not. I do not want to get into the debate as to how that flawed piece of legislation happened to go through. I think it puts a hit on 21.7 percent of the budget; and if you are going to reduce deficits, which I support, you have to go across the board, but that is another argument.

Right now, however, we have a situation of timeliness. Timeliness is the important thing. Farmers have to work according to the Lord's calendar, not according to some politician's calendar. When it is time to plant, you have to get the crop in the ground or you will lose the crop for the whole year, and it is becoming planting season across America. It is starting in the South, and farmers in the Northern States will be in those fields within a month. They have to know what this program is going to be like.

We have had one postponement from the Department of Agriculture until midweek, this week, so that Congress could figure it out. Thursday, nothing happened. Friday, nothing happened. Monday, nothing happened. Again today, nothing happened.

Mr. President, I hope that my colleagues would allow us to bring this bill to the floor, to quit arguing over the motion to proceed, bring the amendments that are desired, however many they might be. If it is a Harkin amendment or a Bradley amendment or a Boschwitz amendment or even an Andrews amendment, let us have votes up and down, if votes are demanded. But let us get on about the process of doing what needs to be done, so that we can do it in a timely fashion and not inflict an even greater burden on the farm families in this country. If you have not been out there, you have seen it on the television sets that have been brought into the meetings, the homes, and the churches. You know the problem there.

The one thing those farmers do not need inflicted on them as an additional burden is the Senate and the House taking its sweet, old time delaying and delaying and delaying. That is not justice, Mr. President. That is being totally irresponsible.

I hope we can bring this bill to the floor tonight and vote on those amendments that are needed or suggested or are in order. Let us vote them up or down, and let us see what we can get done to further clarify the misunderstandings that came about—I suspect honestly, but nonetheless that are there. They are not part of what was debated on this floor and need to be fixed.

I would appreciate the cooperation of whoever might need to cooperate in that most important project.

Mr. BOSCHWITZ. Mr. President, let me sum up what my friend from North Dakota has said, and I address my remarks to the Senator from New Jersey.

We thought we were freezing yields, and I ran around the floor here seeking amendments to the farm bill to freeze the yields. Farm payments are made not on how much of the crop you grow this year but what your yield is, on an average, over the 3, 4, or 5 preceding years. We thought we were freezing it.

The farm bill came out and we had rolled them about and we had not intended that.

I think that summarizes what the Senator from North Dakota has said.

Mr. ANDREWS. In fact, the big debate came between whether we were freezing farm program payments for 4 years, 3 years, 2 years. Some of us got rolled over, and we ended up with a 2-year freeze.

Let me say that as sure as the Lord is in Heaven, and I am sure she is there—He is there—there has to be an understanding that the debate that took place on this floor, and the congressional intent, was to freeze farm program payments for 2 years. That is what we are trying to get in this fix we are putting together as of this moment.

Mr. BOSCHWITZ. I thank the Senator.

That did not take place. As soon as we get done with the farm debate, we are going to get on to the other debate with respect to whether or not the Lord is up there. It will probably be shorter than this farm debate.

Nevertheless, we thought we were freezing things in place. The fact that we were freezing things in place would save money, because yields were going up, cows were getting better, farmers are getting better at what they are doing. One of their defenses against low prices was to produce more per acre, per cow.

The other thing I want to say to the Senator from New Jersey about dairy is time limits. We put something together called the low herd buy out, which is predicated on bids that would be made to the Secretary, and those bids have to be submitted by March 7, which I believe is Friday.

The farmers really have to have a sense of what the price structure is going to be, whether it is an assessment, whether it is a price reduction. We need to get this passed because they are wondering whether or not they should make a bid.

One other thing that I did not think about when the Senator talked to me about reforming dairy is that much can be done with respect to making even prices. The prices start on the Minnesota-Wisconsin border, and they get higher the further they go, particularly coming east and southeast, not so much as going west, somehow leveling out those price differentials which were put into place 40, 50 years ago because there was not enough milk production in other parts of the country. There were shortages. There were not good highways. There were not good refrigeration trucks, and so forth, to take it around. Somehow they were trying to smooth that out or, for instance, allowing producers to condense milk, send it to Florida, send it to New Jersey, from Wisconsin, Minnesota, or wherever. Then you rewater it, add water again. Take the milk powder and add a little soy oil and add some water as well. Then we can indeed lower the price of dairy products and make them more market oriented.

I will be very, very pleased to work with the Senator from New Jersey on that and I have appreciated his interest in my approach to farm problems. I thank him very much.

I yield the floor.

Mr. ABDNOR. Mr. President, just about everything that can be said about this package has been covered this evening. Many different factors seem to have entered into the discussion, some of which I have heard for the first time late this evening.

I have been around here a number of years, serving in both the House of Representatives and the Senate, and I have seen much more complicated, detailed amendments offered from the floor and adopted in a very short period of time, with far less consideration than this package we are offering in the form of the Food Security Improvement Act.

I find it extremely difficult to believe that anyone who has been following this issue at all, and I would have to assume that anyone interested in the problem is certainly following it, does not have a full understanding of what is contained in the package. The Food Security Improvement Act is not something that has just been offered in the last day or two.

The discussion of these proposals has been going on for a matter of weeks. They are not that complicated, nor that difficult.

I cannot believe, that with the gravity of the agriculture crisis and the serious economic plight of farmers, that anyone would think that, a particular amendment might raise the price of milk or whatever it is, a few cents.

I have never heard anyone say that the farmers are getting overpaid for their product. Perhaps we have had it too well in this country all these years.

I understand that during World War II, Europeans found out what it was like to have a shortage of food. Because they remember hunger they have the European Economic Community, and pay far more than the market price, for their agricultural products. Most of the cost is borne by the consumers who buy the food, not through the government itself.

Maybe we have to have a food shortage here to appreciate the abundant, cheap food that we have in this Nation.

I do not think anyone can quarrel with the statement that far less of the average American wage earner's take-home pay goes into food costs than anywhere else in the world.

To claim that we might drive up the price of food is really discouraging to me. I hate to think that is going to be the attitude of Congress to condemn every proposal that would cause food prices to go up just because the farmer happens to be getting more for his product.

It is true that we have seen the price of food rise. But I doubt that anyone who is knowledgeable about agriculture would ever try to claim that the farmer is reaping the benefits of it. He gets a very, very small percentage of the food dollar. It is no secret that when you buy a package of Post Toasties you are probably paying 2 or 3 cents for the food product that is in it. It is no secret that the wrapper on the loaf of bread costs more than the wheat that goes into the bread.

And then to think that tonight, and the past 2 weeks we have been quibbling over the chance that we may improve the farmers' lot, it is unbelievable to me that we have this kind of thinking in this Congress.

This past summer the Nation as a whole found the farm crisis a big enough problem to raise funds for the farmers of this country. Some of our leading country music stars and other celebrities participated in a concert attempting to raise some money to assist troubled farmers.

I have recently seen a poll where the people in this country said we should do more to help farmers. I hope those same people are still of this opinion if they were forced to pay a little more for food, so the farmer might get a halfway decent return for his product.

Mr. MELCHER. Mr. President, will the Senator from South Dakota yield for a question?

Mr. ABDNOR. I am happy to yield.

Mr. MELCHER. I thank my friend from South Dakota for yielding.

Is it not true that the most crucial problem that agriculture producers are facing right now is high interest rates and credit at high interest rates or even the lack of credit because the interest rates are so high? Once you figure what it costs just to service a debt the cash flow is not there, and some of these producers are at the borderline so they may not be able to get credit this spring. Does my friend not find that to be the No. 1 crush right now?

Mr. ABDNOR. At the very moment I am sure that is right. Once we solve the credit crisis, we will still need a decent market so that farmers can take care of the interest on the loans or whatever it is they are using for credit to get into the field. This is just part of the overall package, but it is a very important part that could be very quickly corrected tonight without any great problems to anyone concerned.

For the most part, this is pretty much corrective legislation, I am certainly not telling anyone that we are going to solve the agriculture plight because of this legislation. However, it certainly will help.

The Senator from Montana is absolutely right. We still have excessive interest rates and still have problems obtaining credit.

Mr. MELCHER. I wonder if my friend from South Dakota is aware that the concern that many of us have on this side of the aisle is that there is no bill pending. There is not even a bill pending on this. It is just a series of proposals that have been presented to the desk, but there is no bill pending that is going to get any consideration in the Agriculture Committee very suddenly or I suspect in any other committee on what to do about farm credit this spring. Some of us feel very strongly that we should be addressing something on that in this particular package. Does my friend from South Dakota share that concern with me?

Mr. ABDNOR. This proposal deals directly with the 1985 Food Security Act that we passed at the close of session last year, we were not trying to broaden it into anything else. There is other legislation floating around that would address the credit problem. As a matter of fact, I and Senator BOSCHWITZ have offered a bill called the Farm Credit Partnership Act. I have also joined Senator NICKLES of Oklahoma in addressing the problems farmers are experiencing with the Farm Credit System.

I certainly do not quarrel with credit legislation. I think the overall repercussions are probably greater than this corrective measure. However, I would suggest that farm credit amendments are far-reaching amendments that we have not gone into and are going to involve all kinds of dollars. Just things as the Senator from North Dakota pointed out, the normal yield factor was misinterpreted as far as we are concerned, we are merely trying to set the record straight.

I guess this is not the first time this has happened.

Let me say I went down to the IRS yesterday, and I am introducing a bill today because of an interpretation they are putting on motor vehicle logs, a problem that I thought this Congress solved by a 92-to-1 vote earlier.

Finally, because of a little extra language in the House version that went to the conference committee, the IRS has now come out with a whole new proposal that actually involves keeping log books without actually requireing them. The IRS claims that the log books will really count when the chips are down and they are checking your records.

I am not suggesting we are going to pass a whole new program. We are just trying to tell the IRS what we intended. Far be it for me to say that we do not need a credit package, but I would not suggest that I could devise one and put it out overnight.

Mr. MELCHER. I might say to my friend, I have just recently introduced a bill with a couple of cosponsors that would direct the Federal Reserve to permit agricultural lenders, whether they are commercial banks or PCA's or the Farmers Home Administration, to get money from the Federal Reserve at whatever the rediscount rate is—that would be about 7.5 percent right now—which would probably mean that the rates through a commercial bank or PCA would probably be 9 percent for agricultural borrowers.

Now there have been no hearings on that bill. Although I would like to see it passed, I think probably the proper procedure is there would be hearings on that bill and it would be in the Banking Committee, not even in the Agriculture Committee.

But in the farm bill that was passed last fall, the export enhancement features were very much in the bill. Now what this package does is to reduce two areas: the export PIK is reduced and the targeted export enhancement section is reduced. So if we pass it as it is now we are taking a big step backward on export enhancement. But there is something else that was in the farm bill that does deal directly with credit and that is the discretion to advance a loan on commodities, whether it is wheat or corn or what have you, to people who sign up at the time of signup at 7.75 percent interest. Now that could be implemented and it has not been implemented and some of us feel that perhaps we should be right onto that in making sure that it is implemented because that is getting credit out in a timely way at reduced interest rates.

I want to express those two concerns: the step backwards on exports that would be enacted into law, stepping back from where we were in December of last year when we passed the law; and second, we have not addressed credit and it can be addressed to some extent by the Secretary just advancing one-half of the loan at the time of signup so the producers would have an advantage of lower interest rates.

So I do want to express to my friend from South Dakota, with whom I think I invariably agree on matters pertaining to agriculture, that we do have some very serious concerns and we have not been able to get any assurances from the Department of Agriculture, from the administration, or for that matter from the majority leader and the chairman of the Senate Agriculture Committee, Senator HELMS, on how we are going to take care of those two items.

Senator HARKIN has been very interested and has been correct, I believe, in firmly taking a stand that at the time of signup that one-half of the loan should be made available to those producers at that rate of interest in order to satisfy some of the credit crunch that producers are facing right now. I just wanted to make that clear.

Mr. ABDNOR. I appreciate what my friend, the Senator from Montana, is saying. But you know we are not voting on this package, we are merely asking for the opportunity to take the proposal up. I have no idea what the judgment of this body might be when it comes time to vote on the whole package or a part of it. All we are asking for is the opportunity to bring it up for consideration and let whatever happens happen.

I cannot believe that this is going to fall strictly along political lines. I be-

lieve there are portions of this bill that Democrats would like to have corrected just as much as Republicans. There may be several additions, which is always a concern on any bill. However, I do not think this would preclude anyone from offering an amendment.

We are trying to correct something. We are telling the Department of Agriculture, "You are not doing this right. This is the way we meant it and this is the way we want proven yields what we want when we come to be established. Let us bring it up and give us a chance to vote. I think that is all any of us who have been talking about this proposal want to do. We have no assurance of the final outcome if we put it to a vote, but at least a majority should decide it.

Mr. MELCHER. I want to thank my friend for yielding, but I just want to make one more observation. When we do not have hearings and when we do not even have a bill before us but a packet that is sent down to the desk every day, somewhat different, we know that without some understanding with the chairman and the majority leader, we know exactly how the votes are going to come out. We will not have a shot. I think these matters are very vital because we are backing up on export enhancement a tremendous amount, and why we are doing it is not clear. But it is true that there is, over and above what the cost of making these other adjustments are, there is a further reduction in export enhancement of over $400 million.

Now why we are doing that, I am not sure. But I think if we are going to do that—and obviously the votes are there to do that—then certainly prudence should tell us that we should try to find some other areas where we can make that up because if we are ever going to get a price for these farmers, exports are going to be part of it and we are going to have to increase it.

But the other part about credit which is upon us now, it is my judgment that unless we get some understanding prior to taking up this bill, we are not going to take up any farm credit package for the next 2 or 3 months. And so it does tell me and I think several others over here to let us get an understanding of just how serious the situation is and a feeling from the majority leader and the chairman of the Senate Agriculture Committee that they do want to address these problems and do it at sometime within the next 30 or 60 days.

But I am very thankful to my friend for yielding for these questions and these comments.

Mr. ABDNOR. I thank the Senator for his comments. I yield the floor.

The PRESIDING OFFICER (Mr. BOSCHWITZ). Who seeks recognition?

Mr. DOLE. Mr. President, we have been trying to determine the best way, if there is a way, to move ahead on this farm package. I understand now that the Appropriations Committee has reported out a CCC supplemental appropriation of some $7 billion. I have discussed this with the distinguished Senator from Iowa [Mr. HARKIN], the Senator from Wisconsin [Mr. KASTEN], and other Senators on both sides. In addition, I have had a meeting in my office, just 30 or 40 minutes ago, with the Acting Secretary of Agriculture, Frank Naylor, and with Under Secretary Dan Amstutz, to see if we could work the problems out.

First, a question has been raised as to whether we are gutting farm income somewhere between $350 and $425 million. I shall ask unanimous consent to have printed at this point a letter from the Acting Secretary, which indicates that this suggestion is not accurate, but that the cost differences result from whether we use CBO figures on USDA numbers. The most recent USDA cost estimate for the farm bill is $54 billion. The CBO figure is about $10 billion above that. Therefore, when you try to change some of these programs, you get different figures.

We are also advised that USDA did not cost out the export provisions while CBO did. Thus, while CBO will give us savings in this farm package, USDA will not. It is confusing, but I shall put the letter in the RECORD and we shall try to make additional clarifications tomorrow.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, DC, March 4, 1986.

Hon. ROBERT DOLE,
Senate Majority Leader, U.S. Senate, Washington, DC.

DEAR SENATOR DOLE: It has been brought to our attention that there is confusion about the projected savings of $400 million in the cost-out of the proposed Food Security Improvement Act of 1986 done by the Congressional Budget Office (CBO). In order to understand this issue, it is important to know how this $400 million in "savings" was determined. In fact, although there are "savings" by CBO's priceout, there are no "savings" from the Administration's priceout of the Farm Bill or the 1987 budget baseline.

Under the CBO cost-out there is the perception that, if the bill saves over $400 million, farmers' benefits will be reduced by that amount. This is incorrect since the "savings" indicated by CBO are all generated by reducing the required level of the Export Enhancement Program (EEP) from $2 billion to $1 billion and making the Targeted Export Assistance (TEA) Program discretionary. Under the USDA cost-out used for the Food Security Act of 1985 and the President's FY87 budget, no cost was projected for the EEP and TEA programs since commodities would be used in lieu of cash, and markets would be sought in a manner which would not displace U.S. exports through regular channels. Thus, under the USDA cost-out, there cannot be savings as there were no costs projected for EEP and TEA.

It must also be understood that the FY 86-88 CBO budget base for the Commodity Credit Corporation, to which the "savings" are applied, is nearly $10 billion above the USDA base. Therefore, the projected CBO savings of $400 million are savings relative to the $64 billion CBO base, not the $54 billion base used for the President's fiscal year 1987 budget and for the 1986 sequestration determination under Gramm-Rudman-Hollings.

Sincerely,

FRANK.

Mr. DOLE. That is one point about which the Senator from Iowa is obviously concerned. I think anyone would be concerned about that. If anyone is making the charge that we are reducing farm income, we ought to resolve it. We ought to come up with some language that makes it budget neutral, so it is clear we are not trying to take more commodities than needed to pay for some other part of the program.

The second matter is one that many Senators have some interest in on both sides of the aisle. That is the use of advance loans—up to 50 percent if you have crop insurance and meet a no-credit-elsewhere test, with a $50,000 payment limit. It is much like an amendment that was adopted to the farm credit bill early last year, which resulted in the President vetoing that particular bill. If that is offered as an amendment to this bill, it will be subject to a point of order, I understand, under Gramm-Rudman-Hollings.

I have discussed this with Secretary-designate Lyng this afternoon at the request of the Senator from Iowa [Mr. HARKIN] to see if there is some way we can do something that might be of assistance. I am advised that Mr. Lyng then discussed this issue with Mr. Naylor and Mr. Amstutz. They in turn discussed it with OMB officials and the White House. And the answer was no, that it was not good policy, that there was no precedent for it, that some of the crops have not been planted, and that there is no collateral for these unsecured loans. A number of other reasons were given, notwithstanding the fact farmers would be required to have crop insurance and meet credit elsewhere tests.

So that is essentially where we are. I am not certain we can resolve either or both of these matters in the morning. I know the Senator from Wisconsin is eager to pursue another possibility. But I would suggest that tomorrow morning at 11:30, we could take one more shot at trying to bring up the proposal. The distinguished chairman could do that by unanimous consent. If we could just get something before the Senate, it could be amended, provisions could be stricken out, we could have our debate and hopefully conclude action on this package, and then move to the Commodity Credit Corpo-

ration supplemental appropriation. So I am not going to pursue it further this evening unless somebody insists on it, but I wanted my colleagues on both sides of the aisle to know that we had made the effort, and that this is important to Members on both sides of the aisle.

Mr. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. DOLE. I am happy to yield.

Mr. BYRD. The printed matter that has been put in the RECORD is not a bill.

Mr. DOLE. That is true.

Mr. BYRD. It does not have a bill number.

Mr. DOLE. That is true.

Mr. BYRD. It has not been reported from a committee. If the distinguished Senator wishes to do it, if he will introduce a bill, he can use rule XIV and it will be on the calendar. Ordinarily, upon the introduction of it as a bill, it would go to the appropriate committee. But if that is not the wish, then a bill could be introduced, rule XIV could be used, the motion to adjourn could be used to accelerate the operation of rule XIV, and such bill could be on the calendar tomorrow. I think it should be clear that there is no bill that has been introduced as yet. All there is, is something that was printed in the RECORD that was said to be a bill which was going to be introduced.

Mr. DOLE. And that has been modified.

Mr. BYRD. It has not been introduced. And that was modified.

Mr. DOLE. Yes.

Mr. BYRD. So Senators will not get an opportunity to see what the modification is until the RECORD is printed in the morning. There is no bill, no bill number at this time. There has been no bill reported from the committee. No bill has been introduced. We are just talking about a phantom bill that will be printed in the RECORD.

Mr. DOLE. We have considered those possibilities, and I hope I did not leave the impression that there was a bill. It is something we hope the Senate would consider. And it has been modified, I would say in fairness to the minority leader, at the request of the Senator from Nebraska [Mr. ZORINSKY], and I think a Senator on this side had a change he wanted made and they were able to accommodate those changes. But the important thing is that farmers are not really concerned with all the parliamentary procedures. They would like to get some relief, so I hope we could do that.

Mr. KASTEN. Will the majority leader yield for a question?

Mr. DOLE. I am happy to yield.

Mr. KASTEN. I guess, first of all, I want to say over the past couple days it has looked a little bit like tag team wrestling here; there are different people coming in all the time. At one moment we have an objection coming from the Senator from New York, at another moment the Senator from New Jersey for part of today and then later the Senator from Montana. It is not as if we have a Hulk Hogan over there, but somehow we have all these different people tagging in and tagging out, coming forth and objecting.

The point the majority leader made is that the farmers are concerned about a resolution of these questions. I had a discussion with the Senator from Iowa, who has been one of the main people objecting, and I tried to piece through the individual parts. I do not think there is that much on which we are in disagreement. So I am hopeful we can move forward with this tomorrow. If we do not move forward with some kind of an expedited procedure by unanimous consent where only one person can object, I think we are going to find ourselves then as soon as an amendable vehicle comes up—and it might be the CCC vehicle, it might be something else—then we are going to find that it is going to be amended.

One way or the other, we should concentrate on the substance of what we are trying to do here. It seems to me that we are very close to agreeing, as opposed to the technicalities of what we are doing. Particularly, we have to get ourselves out from under the position where one person can object to a unanimous consent request, in the sense that the Senate is unable to work its will.

So I want to ask the majority leader if he agrees with me that we have come to the end of the line in terms of the ability to operate the Senate by unanimous consent, that we should move expeditiously to the point where at least we can start to operate this important piece of legislation with a vote of 51 Members, rather than one or two people standing up, taking turns objecting to unanimous consent requests.

Mr. DOLE. I think the Senator is correct. Obviously, the best procedure would have been to have gone to committee, held committee hearings, and followed regular procedures.

Again, there is something of an emergency. If the farmers are going to be able to sign up for the 1986 programs, they have to know precisely what they are signing up for. I hope we can still resolve this tomorrow.

I concur with the Senator from Wisconsin. If we cannot get this package, or some package, on the floor by early afternoon tomorrow, then I guess we will have to try to find some other procedure.

Again, I make the point that I believe I am correct—and I will be happy to have somebody doublecheck—that members of the House Committee on Agriculture are hoping that the Senate will take some action which will make their job a bit easier, because they have all kinds of problems with the same issues. I will not say that it is trouble-free on either side of the Capitol. There are questions being raised on the House side, maybe different from the questions being raised on this side.

I am an optimist. In my view, we can still do it and do the CCC supplemental tomorrow. I indicated earlier that the Commodity Credit window would shut down tonight. I understand now that it will be tomorrow night, so the window is still open. I am not certain anybody is in there, but the window is open.

I thank all my colleagues for their patience. Maybe tomorrow morning we can see what we can do.

Mr. BYRD. Mr. President, farm legislation does not impact on my State in a great way. Mine is not a big farm State. But I think it should be made clear for the RECORD that all of this argument is about a make-believe bill that does not exist.

There is no bill. No bill has been introduced. If a bill had been introduced, it would have been given a number. It would have gone to the appropriate committee—unless unanimous consent had been requested that it remain at the desk temporarily, or unless rule XIV were triggered, which would keep such a bill from going to a committee, and upon the second legislative day it would have been placed on the calendar.

It would be there for all to see.

If Senators on this side of the aisle are going to be charged with having objected to something, then a bill should be sent to the desk, introduced, and given a number. Everyone would know that is being talked about. There would be a bill. It would have a number. Senators could read it for its contents.

I have already mentioned rule XIV as a way of getting a bill on the calendar. A House message could be called up, which is a privileged matter, and the language in such a mythical bill could be sent up as an amendment to the House message.

This mythical bill that continues to draw objections is a strange one indeed.

I hope we do not start operating in this way as a regular way of doing business here. There is no bill to call up. We just try to get unanimous consent to bring up something. It is not a bill. It has no number. It has not been reported out of a committee. There is no committee report. It did not have any committee markup, no hearings, no witnesses, no testimony.

Hopefully there may be something tomorrow in the form of a bill, and Senators on both sides of the aisle could get together, pass it, and the Senate could go on to something else.

I yield the floor.

ORDER OF BUSINESS

Mr. BYRD. Mr. President, I am sure that the distinguished assistant Republican leader has some measures he wishes to transact tonight, and we are happy and ready to do so.

Mr. SIMPSON. Mr. President, I thank the distinguished majority leader, and I certainly share the hope that he has expressed just moments ago. Indeed, I do. That can be resolved.

CALENDAR

Mr. SIMPSON. Mr. President, after conferring with the minority leader, I wish to inquire of the minority leader if he is in position to pass or indefinitely postpone the following calendar items:

Calendar No. 519 (S.J. Res. 261), Calendar No. 520 (S.J. Res. 262), Calendar No. 521 (S.J. Res. 265)—all with a pass indication—Calendar No. 522 (S.J. Res. 278) to indefinitely postpone, and Calendar No. 523 (S.J. Res. 257), Calendar No. 530 (H.J. Res. 371), and Calendar No. 531 (S.J. Res. 246) with pass recommendations.

Mr. BYRD. Mr. President, the items that have been enumerated have been cleared on this side of the aisle.

Mr. SIMPSON. Then I ask unanimous consent that the calendar items just identified be considered en bloc and passed or indefinitely postponed en bloc and that all committee-reported amendments, preambles, and title amendments be considered agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL MATHEMATICS AWARENESS WEEK

The Senate proceeded to consider the joint resolution (S.J. Res. 261) to designate the week of April 14, 1986, through April 20, 1986, as "National Mathematics Awareness Week".

Mr. DOMENICI. Mr. President, I would like to take this opportunity to thank my colleague Mr. THURMOND and the staff of the Judiciary Committee for their expeditious handling of this resolution. I would also like to thank my colleagues who cosponsored this bill with me. They recognized as I did the need to draw attention to the accomplishments of the U.S. mathematics community.

Those of us who frequently feel we need a mathematician to balance our checkbooks should take the opportunity during "National Mathematics Awareness Week" to discover the fascinating diversity of work that mathematicians engage in. From computer science to movie making, mathematicians are busy discovering patterns in numbers, sets, and geometric spaces that provide us with a better understanding of the world we live in.

During this week, mathematicians will provide Members of Congress and their staff a number of opportunities with receptions and presentations to add to their knowledge about mathematics, subtract from their proportion of math anxiety, multiply their excitement about technical innovation, and divide their attention among several interesting presentations. There will be no tests afterward and they will not even check to see that we have balanced our budgets before we attend.

The joint resolution was ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 261

Whereas mathematics is vital to the economic security and defense of the United States;

Whereas enrollment in mathematics programs at all levels is declining;

Whereas in 1984, only 55 percent of doctoral graduates in mathematics from institutions in the United States were United States citizens;

Whereas medical science, space science, computer science, business, defense, and government have increasing need of the technological innovations brought about in recent years by the application of mathematics to such areas; and

Whereas the National Research Council in a report on the current state of mathematics expresses the need for citizens to be aware of the vital role that mathematics plays in daily lives; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of April 14, 1986 through April 20, 1986 is designated as "National Mathematics Awareness Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States and all Federal, State, and local government agencies to observe such week with appropriate programs and activities.

NATIONAL FISHING WEEK

The joint resolution (S.J. Res. 262) to authorize and request the President to issue a proclamation designating June 2 through June 8, 1986, as "National Fishing Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 262

Whereas the United States Bureau of the Census reported that fifty-four million residents of our country participated in sport fishing in 1980;

Whereas sport fishing is a family oriented, outdoor recreational activity that provides therapeutic rewards and enjoyment;

Whereas sport and commercial fishing provide an excellent source of healthful protein-rich food;

Whereas the demands for goods and services by sport fishing participants is estimated to generate $25,000,000,000 in economic activity and employment for an estimated six hundred thousand individuals in 1985;

Whereas the commercial fishing industry annually employs an estimated three hundred thousand individuals and lands over six billion pounds of seafood worth over $2,400,000,000 in direct sales;

Whereas fishing promotes respect for our Nation's marine, estuarine, and fresh waters, and their associated plant and animal communities; and

Whereas our country's league of fishing enthusiasts represent a constituency that seeks to prevent the degradation of our Nation's diverse aquatic habitats: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is requested and authorized to issue a proclamation designating June 2 through June 8, 1986, as "National Fishing Week" and calling upon Federal, State, and local government agencies, and the people of the United States to observe the week with appropriate programs and activities.

NATIONAL EMPLOY THE OLDER WORKER WEEK

The joint resolution (S.J. Res. 265) authorizing and requesting the President to designate the week of March 9 through 15, 1986, as "National Employ the Older Worker Week"; was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 265

Whereas individuals aged fifty-five and over are a major national resource, constitute 21 per centum of the population of the United States at the present time, and will constitute a larger percentage of the population in future decades;

Whereas a growing number of such individuals, being willing and able to work, are looking for employment opportunities, want to remain in the workforce, and would like to serve their communities and their Nation in productive roles;

Whereas such individuals, who have made continuing contributions to the national welfare, should be encouraged to remain in, or resume, career and voluntary roles that utilize their strengths, wisdom, and skills;

Whereas employers who retain older workers or rehire older former employees report that such workers and employees exhibit greater company loyalty, high levels of job performance, and low rates of absenteeism; and

Whereas The American Legion has sponsored a "National Employ the Older Worker Week" during the second full week of March in every year since 1959, focusing public attention on the advantage of employing older individuals: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to designate the week of March 9 through 15, 1986, as "Na-

tional Employ the Older Worker Week", and to issue a proclamation calling upon—

(1) the employers and labor unions of the United States to give special consideration to older workers, with a view toward expanding career and employment opportunities for older workers who are willing and able to work and who desire to remain employed or to reenter the work force;

(2) voluntary organizations to reexamine the many fine service programs which they sponsor with a view toward expanding both the number of older volunteers and the types of service roles open to older workers;

(3) the United States Department of Labor to give special assistance to older workers by means of job training programs under the Jobs Training and Partnership Act, job counseling through the United States Employment Service, and additional support through its older worker program, as authorized by title V of the Older Americans Act; and

(4) the citizens of the United States to observe this day with appropriate programs ceremonies, and activities.

NATIONAL TEACHER APPRECIATION DAY

The Senate proceeded to consider the joint resolution (S.J. Res. 257) to designate the first Friday of May of each year as "National Teacher Appreciation Day," which had been reported from the Committee on the Judiciary, with an amendment to strike:

On page 2, line 3, strike "the first Friday of May of each year commencing with"

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The title was amended so as to read "Joint resolution to designate May 2, 1986, as 'National Teacher Appreciation Day'."

The joint resolution, and the accompanying preamble, are as follows:

S.J. RES. 257

Whereas the education of our Nation's youth is the foundation of America's strength in the future;

Whereas teachers are entrusted not only with imparting knowledge, but also instilling our youth with basic human values during the most formative and impressionable year of their lives;

Whereas teachers play an integral role in the development of civil responsiblity among our Nation's youth;

Whereas teachers deserve the respect of their students and the entire community for selfless dedication, wisdom, sacrifice, community service, and the many other intangible contributions to society;

Whereas teachers deserve credit for the continuing education and training of many citizens through a variety of traditional and nontraditional educational programs;

Whereas the dedication of teachers should be celebrated often to heighten public awareness and to help maintain respect and discipline in our classrooms; and

Whereas the month of May is traditionally the end of the school year, and the first Friday of May is an appropriate day on which to celebrate the ways in which teachers enrich and mold the character of the youth of the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That May 2, 1986, is designated as "National Teacher Appreciation Day", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

Amend the title so as to read: "To designate May 2, 1986, as 'National Teacher Appreciation Day'."

FREEDOM OF INFORMATION DAY

The joint resolution (H.J. Res. 371) to designate March 16, 1986, as "Freedom of Information Day," was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

MEASURE INDEFINITELY POSTPONED

Mr. SIMPSON. Mr. President, I ask unanimous consent that Calendar No. 522, Senate Joint Resolution 278, Freedom of Information Day, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

HANDS ACROSS AMERICA DAY

The joint resolution (S.J. Res. 246) to designate May 25, 1986 as "Hands Across America Day," for the purpose of helping people to help themselves, the commending United Support of Artists for Africa and all participants for their efforts toward combating domestic hunger with a 4,000-mile human chain from coast to coast, was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 246

Whereas thousands of recruits were rejected during World War II because of physical and mental problems associated with malnutrition;

Whereas our Government committed itself to ending this national problem by successfully devising programs to eliminate malnutrition in America;

Whereas our people became the best-fed, healthiest people in the world;

Whereas a Physicians Task Force on Hunger recently estimated that at least twenty million American citizens now suffer from hunger, and that hunger is increasing rather than declining;

Whereas physicians around the Nation are reporting an increase in nutrition-related health problems among the elderly and children, including diseases which are usually limited to third world countries;

Whereas homelessness is an ever-increasing national problem and more than half the homeless population in the United States is comprised of children and women;

Whereas it has been estimated that there are only enough shelters to house one hundred and eleven thousand men, women, and children on a given night, and there are as many as three million people in need of shelter;

Whereas the General Accounting Office reports that the principal causes of homelessness in America are: unemployment, a lack of resources for deinstitutionalizd mental patients, increases in personal crisis, cuts in public assistance programs, reduced availability of low-income housing, and alcohol and drug abuse;

Whereas participation by all citizens who are interested in helping to address this enormous problem should be encouraged;

Whereas a private fund-raising effort by United Support of Artists for Africa entitled "Hands Across America" is planned for May 25, 1986;

Whereas millions of participants in this effort who will join hands across this country on that day should be commended for asking all Americans to rededicate themselves to fulfilling the most basic needs of our people in this land of compassion and abundance, by expending every effort to eradicate hunger and homelessness in our Nation; Now, therefore, be it,

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That May 25, 1986, is designated as "Hands Across America Day," and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the measures were passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ALASKA NATIONAL INTEREST LANDS CONSERVATION ACT AMENDMENTS

Mr. SIMPSON. Mr. President, again, after conferring with the minority leader, I ask unanimous consent that the Senate now turn to Calendar Item No. 509, H.R. 3851, dealing with the Alaska National Interest Lands Conservation Act amendments.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3851) to amend section 901 of the Alaska National Interest Lands Conservation Act.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming?

There being no objection, the Senate proceeded to consider the bill.

Mr. MURKOWSKI. Mr. President, I rise in support of H.R. 3581, a bill to amend section 901(a) of the Alaska National Interest Lands Conservation Act. The legislation provides for a 1-year extension of the submerged lands statute of limitations set forth in section 901(a). Hearings on this bill were

held before the Energy and Natural Resources Committee, Subcommittee on Public Lands on January 30. The bill was subsequently reported out favorably by the full committee.

The need for this legislation arises out of the interaction between the Alaska Statehood Act and the Alaska Native Claims Settlement Act. Since its admission to the Union, Alaska has, with certain exceptions, owned all the land under navigable bodies of water in the State. Whether a particular body of water is navigable is a legal question that must be answered on a case-by-case basis.

Under the Settlement Act, BLM has responsibility for conveying large tracts of Federal land to Native corporations. Whenever a tract contains a body of water, BLM determines, based on established criteria, whether it is navigable or nonnavigable. If the water body is found to be navigable, the land under it is not transferred to the Native corporation because it is State land. If the BLM decides that the water is nonnavigable, the submerged land is transferred to the Native corporation.

Section 901(a) establishes a 5-year statute of limitation which requires any lawsuit challenging such a navigability decision to be filed within 5 years of the date the land was conveyed. It applies to any land conveyed after December 2, 1980. As a result, the deadline for initial suits by the State to challenge submerged lands conveyances is fast approaching. To avoid numerous and needless lawsuits between the State and the Natives at a time when a comprehensive solution is being discussed, I am supporting H.R. 3851 which would change that limitation to 6 years. In effect, the legislation grants a 1-year extension of the time period for filing such suits.

Representatives of Alaska Native groups, the State of Alaska, and interested conservation organizations have been negotiating toward an overall settlement of the submerged lands issue. Such an agreement would eliminate the necessity for any lawsuits challenging the BLM navigability determinations. I understand that the parties are very close to reaching such an agreement. The deadline for filing the initial suits will, unfortunately, expire before that settlement is finally agreed to.

The State could file the initial suits simply to protect its interests while the settlement is being worked out. To avoid the time and expense of that exercise, however, the parties all agreed to extend the statute of limitations 1 year and the House passed H.R. 3851 last December to reflect that agreement. I commend the work of all the parties to reach this agreement, and urge expeditious passage of the legislation.

The PRESIDING OFFICER. If there be no amendments to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 3851) was ordered to a third reading, was read the third time, and passed.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CONVEYANCE OF CERTAIN LANDS TO THE NEBRASKA GAME AND PARKS COMMISSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate turn to Calendar Order No. 510, S. 360, dealing with the Nebraska Game and Park Commission.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 360) to direct the Secretary of Agriculture to convey, without consideration, to the Nebraska Game and Parks Commission, approximately 160 acres of land within the Nebraska National Forest to be used for the purposes of expanding the Chadron State Park, Nebraska.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike out all after the enacting clause, and insert the following:

That, subject to the provisions of section 2 of this Act, the Secretary of Agriculture shall convey to the Nebraska Game and Parks Commission, all right, title, and interest of the United States in approximately 173 acres of National Forest System land in Dawes County, Nebraska, as depicted on a Department of Agriculture, Forest Service map entitled "Land Conveyance, Nebraska National Forest", dated October 1985. The map and legal description of the land conveyed by this Act shall be on file and available for public inspection in the office of the Chief, Forest Service, Department of Agriculture.

SEC. 2. The conveyance made pursuant to section 1 shall reserve to the United States all gas, oil, coal, and other mineral deposits as may be found in the lands conveyed by this Act. The Secretary shall provide that title in the lands conveyed shall revest in the United States upon failure of the Nebraska Game and Parks Commission to use the land as part of the Chadron State Park, Nebraska.

SEC. 3. The lands shall be conveyed without consideration except that the Nebraska Game and Parks Commission shall bear all reasonable costs of administration, survey and appraisal incident to such conveyance as determined by the Secretary of Agriculture.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to direct the Secretary of Agriculture to convey, without consideration, to the Nebraska Game and Parks Commission, approximately 173 acres of land within the Nebraska National Forest to be used for the purposes of expanding the Chadron State Park, Nebraska.".

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

OLDER AMERICANS ACT AMENDMENTS

Mr. SIMPSON. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 2453.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House disagree to the amendment of the Senate to the bill (H.R. 2453) entitled "An Act to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, and for other purposes", and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. SIMPSON. Mr. President, I move that the Senate insist on its amendments and agree to the conference requested by the House and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and, the Presiding Officer [Mr. BOSCHWITZ], appointed Mr. HATCH, Mr. GRASSLEY, Mrs. HAWKINS, Mr. KENNEDY, and Mr. MATSUNAGA conferees on the part of the Senate.

ORDER TO HOLD H.R. 3614 AT THE DESK

Mr. SIMPSON. Mr. President, I ask unanimous consent that once the Senate receives from the House H.R. 3614, to restrict the use of Federal Government vehicles for transportation of officers and employees, it be held at the desk pending further disposition.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to

the Senate by Mr. Saunders, one of his secretaries.

NORTHERN IRELAND AND IRELAND ASSISTANCE ACT—MESSAGE FROM THE PRESIDENT—PM 118

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

I transmit herewith for the consideration of the Congress proposed legislation, entitled the "Northern Ireland and Ireland Assistance Act of 1986," to provide support of the United States to the Anglo-Irish Agreement on Northern Ireland.

This legislative proposal calls for a five-year program of $250,000,000 that would be taken from a number of existing economic programs including Housing Guarantees and the Private Sector Revolving Fund, which are administered by the Agency for International Development, the investment insurance program of the Overseas Private Investment Corporation, and the Trade and Development Program.

In addition, the authorization of $20 million for the Economic Support Fund for 1987 is proposed, which will be within the total amount for that fund currently requested in the 1987 Budget. This would provide a cash contribution to an international economic development fund for Northern Ireland and the Republic of Ireland under the auspices of the Anglo-Irish Intergovernmental Council. A supplemental appropriation request for 1986 for an initial contribution to this Anglo-Irish fund is concurrently being transmitted to the Congress.

I urge the Congress to act without delay on this important legislation. I am confident our efforts, together with those of the Governments of the United Kingdom and Ireland, will help to promote economic and social development in Ireland, thereby constructing a durable framework that would provide a promise of peace for the people of Northern Ireland.

RONALD REAGAN.

THE WHITE HOUSE, *March 4, 1986.*

EXECUTIVE AND OTHER COMMUNICATIONS

The following comunications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2593. A communication from the Assistant Secretary of the Army (Installations and Logistics), transmitting, pursuant to law, a report on the conversion of the reception station food service activity at Fort Jackson, SC to performance by contract; to the Committee on Armed Services.

EC-2594. A communication from the Secretary of Energy, transmitting, pursuant to law, the annual report on the high-level liquid nuclear waste management demonstration project to the Western New York Service Center near West Valley, NY; to the Committee on Energy and Natural Resources.

EC-2595. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Financial Audit-Saint Lawrence Seaway Financial Statements for 1984 and 1983"; to the Committee on Environment and Public Works.

EC-2596. A communication from the President of the United States, transmitting, pursuant to law, a report with respect to Nicaragua; to the Committee on Foreign Relations.

EC-2597. A communication from the President of the United States, transmitting, pursuant to law, a report with respect to new nuclear export criteria; to the Committee on Foreign Relations.

EC-2598. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Financial Audit-Overseas Private Investment Corporation's 1985 and 1984 Financial Statements"; to the Committee on Foreign Relations.

EC-2599. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Financial Integrity Act—The Government Faces Serious Internal Control and Accounting System Problems"; to the Committee on Governmental Affairs.

EC-2600. A communication from the Secretary of the Treasury, transmitting, pursuant to law, a report on the system of internal accounting and administrative controls in effect during fiscal year 1985; to the Committee on Governmental Affairs.

EC-2601. A communication from the Marshal of the United States Supreme Court, transmitting, pursuant to law, the annual report on the cost of the protective function provided by the Supreme Court Police to Justices, Official guests, and officials of the Supreme Court; to the Committee on the Judiciary.

EC-2602. A communication from the Administrator of the Federal Labor Relations Authority, the General Counsel of the Federal Labor Relations Authority, and the Executive Director of the Federal Service Impasses Panel, transmitting, pursuant to law, annual reports of these organizations under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2603. A communication from the Chairman of the National Labor Relations Board, transmitting, pursuant to law, the annual report of the National Labor Relations Board for fiscal year 1982; to the Committee on Labor and Human Resources.

EC-2604. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "VA Hospitals—Surgical Residents Need Closer Supervision"; to the Committee on Veterans' Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-575. A resolution adopted by the Hawaii State Association of Counties favoring the continuation of the general revenue sharing program; to the Committee on Finance.

POM-576. A resolution adopted by the County Council of Maui, HI, favoring continuation of the general revenue sharing program; to the Committee on Finance.

POM-577. A resolution adopted by the American Sociological Association relative to U.S. relations with South Africa and Nicaragua; to the Committee on Foreign Relations.

POM-578. A resolution adopted by the Senate of the Commonwealth of Massachusetts; to the Committee on Foreign Relations.

"RESOLUTIONS ON THE OCCASION OF THE THIRTEENTH ANNIVERSARY OF THE SIGNING OF THE VIETNAM PEACE TREATY

"Whereas, there are over twenty-four hundred Americans still missing or otherwise unaccounted for in Indochina and their families still suffer untold grief due to uncertainty about their fate; and

"Whereas, the President of the United States has declared resolution of the POW/MIA issue a matter of highest national priority and has initated high level dialogue with the Governments of Vietnam and Laos on this issue; and

"Whereas, the Massachusetts Senate fully understands and agrees that the fullest possible accounting can only be achieved through government to government cooperation; and

"Whereas, the Government of Vietnam has agreed in principle to the U.S. proposal for joint excavation of U.S. aircraft crash sites in line with their pledge to accelerate cooperation with the United States to resolve the issue within a two-year timeframe; and

"Whereas, the Lao Government has agreed to continue and increase cooperation with the United States, including a second joint excavation to be conducted in early nineteen hundred and eighty-six; and

"Whereas, the Massachusetts Senate supports the President's pledge of highest national priority to resolve the status of Americans still missing and unaccounted for in Indochina; and

"Whereas, that the Massachusetts Senate urges the U.S. Government to accelerate efforts in every possible way to obtain the immediate release of any Americans who may still be held captive in Indochina and the return of American servicemen and civilians who died in southeast Asia whose remains have not been repatriated; now therefore be it

"Resolved, that the Massachusetts Senate strongly urges the Government of the Socialist Republic of Vietnam and the Lao People's Democratic Republic to fully cooperate with the U.S. Government in the humanitarian effort to resolve the fate of over twenty-four hundred American servicemen and civilians still missing in southeast Asia; and be it further

"Resolved, that a copy of these resolutions be transmitted forthwith by the Clerk of the Senate to the President of the United States, the Senators and Representatives in Congress representing the Commonwealth, and the Government of Vietnam and Laos."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATFIELD, from the Committee on Appropriations, with an amendment:

H.J. Res. 534: A joint resolution making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PACKWOOD, from the Committee on Finance:

David B. Rohr, of Maryland, to be a member of the U.S. International Trade Commission for the term expiring December 16, 1994.

(The above nomination was reported from the Committee on Finance with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. KASTEN:

S. 2133. A bill to amend the Social Security Act to safeguard the integrity of the Social Security trust funds by ensuring prudent investment practices; to the Committee on Finance.

By Mr. HEFLIN (for himself and Mr. D'AMATO):

S. 2134. A bill to amend title 39, United States Code, to extend to certain officers and employees of the Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are to Federal employees under title 5, United States Code; to the Committee on Governmental Affairs.

By Mr. DOLE (for himself and Mrs. KASSEBAUM):

S. 2135. A bill to establish a commission for the purpose of encouraging and providing for the commemoration of the centennial of the birth of President Dwight David Eisenhower; to the Committee on the Judiciary.

By Mr. ABDNOR (for himself, Mr. MATTINGLY, Mr. NICKLES, Mr. SYMMS, Mr. COCHRAN, Mr. ZORINSKY, Mr. HATCH, Mr. THURMOND, Mr. ANDREWS, Mrs. KASSEBAUM, Mr. MELCHER, Mr. EAST, and Mr. MURKOWSKI):

S. 2136. A bill to provide that any requirement to substantiate a deduction under the Internal Revenue Code of 1954 for business use of a vehicle be based on the regulations in effect before the Tax Reform Act of 1984; to the Committee on Finance.

By Mr. MOYNIHAN (for himself and Mr. LAUTENBERG):

S. 2137. A bill to provide for a pilot program of sales of loans under title V of the Housing Act of 1949; to the Committee on Agriculture, Nutrition, and Forestry.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ZORINSKY:

S. Res. 360. A resolution to express the sense of the Senate that the current funding levels for Federal law enforcement and related agencies that provide domestic internal security protection from terrorists should be maintained through the fiscal year ending September 30, 1991; to the Committee on Appropriations.

By Mr. MATHIAS:

S. Res. 361. A resolution commemorating the 125th anniversary of the United States Government Printing Office; considered and agreed to.

By Mr. KENNEDY:

S. Res. 362. A resolution expressing the sense of the Senate that the United States should support the Caraballeda message of the Contadora Group; to the Committee on Foreign Relations.

STATEMENTS OF INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KASTEN:

S. 2133. A bill to amend the Social Security Act to safeguard the integrity of the social security trust funds by ensuring prudent investment practices; to the Committee on Finance.

SOCIAL SECURITY TRUST FUNDS SAFEGUARDS ACT

● Mr. KASTEN. Mr. President, we all remember too well the dilemma that occurred when the Federal Government bumped up against the Federal debt limit last year. In the heat of the battle over the Gramm-Rudman-Hollings legislation, Congress failed to extend the debt ceiling in time to prevent a Government cash shortfall. In turn, the Treasury Department resorted to the unprecedented sale of over $24 billion in Social Security trust fund reserve investments to keep the Government afloat. Interestingly, this action was taken without prior congresional notification—much less approval.

Treasury's action caused undue anxiety for current and future Social Security beneficiaries. Untold numbers of senior citizens were threatened with late benefit checks. All potential beneficiaries were shocked to learn that the 1985 disinvestments, along with some 1984 bond sales recently made public by Treasury, could mean the loss of as much as $1.3 billion in interest earnings for the Social Security trust funds over the next 15 years.

Fortunately, Congress acted swiftly to require the repayment of the borrowed reserves, plus interest, to the trust funds. We also required Treasury to provide 15-days prior notice to Congress and all members of the Social Security board of trustees of any intention to disinvest trust fund assets. But nothing in current law prevents treasury from disinvesting the trust funds again. This is unfair to all Americans—from the millions of people who depend on Social Security now to the millions of younger workers who expect benefits in the future.

Mr. President, we have raised the debt ceiling 70 times since 1941. Given the massive Federal debt, it is clear that we will have to raise the debt ceiling many more times in the foreseeable future. Even when we balance the budget, we will have debt investments to be rolled over that will require an increase in the debt ceiling.

If we are in a default situation again, the temptation of the administration to use Social Security reserves as a crutch would be tempting. Consider that old age and disability funds had approximately $42 billion in reserves at the end of 1985. By 1990, that surplus is projected to exceed $278 billion. In 10 years, it may well exceed $500 billion, even under intermediate economic assumptions.

There's little we can do to prevent a legislative logjam on future debt ceiling extensions. But I believe we have an obligation to prevent any future raids on the Social Security trust funds when those showdowns occur. So today I am introducing S. 2133, the Social Security Trust Funds Safeguard Act. This bill will ensure the independence of the Social Security trust funds even in the event of a fiscal emergency such as the one that occurred last year.

First, the bill directs the Treasury to make payroll taxes and other appropriations immediately available to the trust funds—Social Security and Medicare—exclusively to pay benefits and administrative costs.

Second, the bill requires the President to appoint a full-time managing trustee of the trust funds for a 4-year term. The managing trustee, who could not be of the same political party as the President, would have to be confirmed by the Senate. Under current law, the Secretary of the Treasury serves as the managing trustee of the trust funds, and this presents a potential conflict of interest.

Third, the bill requires the managing trustee to submit to Congress and the President an annual trust fund investment plan for the fiscal year, allowing 60 days for any necessary revisions.

Finally, the bill would allow the managing trustee to invest in federally guaranteed private bonds—such as FmHA, GSL's, and GNMA—to provide some diversified investment. This would ensure the continuation of benefits if the Government were to be in a default situation. To prevent overprivatization, the bill would limit such investments to a floor of 1 month to a ceiling of 3 months worth of benefit payments.

Mr. President, we can no longer allow Social Security and Medicare to be the Government's hostage in a debt

crisis. These funds are independent and financially secure, and the American people are counting on us to keep them that way. I urge my colleagues to help accomplish that goal by lending their support to S. 2133.●

By Mr. HEFLIN (for himself and Mr. D'AMATO):

S. 2134. A bill to amend title 39, United States Code, to extend to certain officers and employees of the Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are afforded to Federal employees under title 5, United States Code; to the Committee on Governmental Affairs.

APPEAL RIGHTS FOR CERTAIN POSTAL EMPLOYEES

Mr. HEFLIN. Mr. President, the bill which I just introduced for myself and for my good friend and colleague, Senator D'AMATO, would modify significantly the current procedures and appeal rights of postal supervisors and Postmasters, generally. Presently, they must follow an internal review proccess, with no right of appeal outside of the Postal Service (for example, to the Merit Systems Protection Board).

My bill would bring these nonbargaining, nonveteran postal employees under the same protective, statutory coverage as veterans, that is, preference eligibles, and Federal employees under civil service.

Mr. President, in my professional judgment, it is inherently unfair for an employee to defend against a serious disciplinary action through a strictly internal review process. The very nature of such a bureaucracy simply does not lend itself to impartiality when an agency acts as the prosecutor, jury, judge, and the appeals entity. By allowing nonbargaining, nonveteran postal supervisory and managerial personnel the same statutory, procedural and appeal rights as many Federal-postal employees, we will be rectifying any perceived and/or existing flawed internal review process.

My bill would do just that. It would do so by amending title 39, United States Code. Said expanded appeal rights would occur in the event of certain adverse actions commenced under title 5, United States Code, chapter 75. The actions set forth in this chapter deal only with conduct—not job performance. Covered actions include: (a) removals; (b) suspensions of more than 14 days; (c) reduction in grade or pay, and (d) furloughs of less than 30 days.

Mr. President, this legislation would provide for the following procedural and appeals rights prior to implementation of any of the aforementioned adverse actions: (a) 30 days advance written notice of a disciplinary action; (b) a minimum of 7 days to respond with supporting evidence; (c) the right to counsel; (d) the right to receive a written decision with specific reasons for the adverse action; and (e) the right to appeal the adverse action to the Merit Systems Protection Board.

This bill would not create a new administration appellate procedure, but would merely extend the existing one to a broader class of persons. In this way, we will be ensuring equal protection and due process to all, heretofore, described uncovered employees before certain adverse actions are initiated against them.

Mr. President, the legislation which I introduced for myself and for the distinguished junior Senator from New York, Mr. D'AMATO, is virtually identical to H.R. 2854, which passed the House by voice vote on December 9, 1985. It also received unanimous, bipartisan support in the House Committee on Post Office and Civil Service.

Mr. President, I urge swift hearings and final passage of this very important legislation. I also invite any other colleagues desiring to sign up as cosponsors to do so. Thank you.

Mr. President, I ask unanimous consent that I be permitted to insert into the RECORD at this time a statement on this bill by my good friend, colleague, and original cosponsor of this legislation, Senator D'AMATO.

Mr. D'AMATO. Mr. President, I rise today in support of legislation which would give postal supervisors and Postmasters access to an impartial review of adverse personnel actions. I commend my colleague, Senator HEFLIN, for his leadership on this issue. The House of Representatives has already passed a similar bill, H.R. 2854.

I believe this legislation is long overdue. Since 1971, when the Postal Service was made an independent agency, we have had a situation where only postal employees who are veterans or who are covered by collective bargaining agreements providing for binding arbitration may appeal adverse personnel actions to an agency outside the Postal Service.

Unfortunately, the practical effect of this has been especially damaging to female postal supervisors and Postmasters, who are less likely to be covered by the exception for veterans. Under current law, postal employees who are not covered under collective bargaining agreements may appeal removals, suspensions, or demotions only to higher officials within the Postal Service, unless they are veterans. Veterans, like their civil service counterparts, may appeal an adverse action to the Merit Systems Protection Board.

The bill I am cosponsoring today will extend the same appeal rights to all supervisors and managerial employees. I believe it is important to provide this right across the board, and I urge my colleagues to join me in supporting swift passage of this legislation.

Thank you, Mr. President.

By Mr. DOLE (for himself and Mrs. KASSEBAUM):

S. 2135. A bill to establish a commission for the purpose of encouraging and providing for the commemoration of the centennial of the birth of President Dwight Eisenhower; to the Committee on the Judiciary.

DWIGHT DAVID EISENHOWER CENTENNIAL COMMISSION ACT

Mr. DOLE. Mr. President, today, along with my other Kansas colleague, Senator KASSEBAUM, I am introducing a resolution to establish a commission on the centennial of President Dwight David Eisenhower's birthday on October 14, 1990. Congressman PAT ROBERTS will introduce a similar resolution in the House. The main function of this commission will be to commemorate our 34th President's leadership and contribution to this Nation's military and political history.

Mr. President, Kansans are very proud to claim Eisenhower as their own. Although Dwight David Eisenhower was born in Denison, TX, he grew up in Abilene, KS, where he enjoyed an active and happy childhood. He was raised on good, strong Midwestern morals. From Kansas, young Eisenhower went on to study at the U.S. Military Academy at West Point, graduating on June 12, 1915. He was then commissioned as a second lieutenant, and eventually became a five-star general during the course of his distinguished military career.

WAR EXPERIENCES

During the First World War, Eisenhower commanded a tank training school at Camp Colt, near Gettysburg, PA. After the war, Eisenhower was promoted to the rank of major and served in the Panama Canal Zone. In 1926, Eisenhower returned to Kansas and graduated first in his class from command and general staff school at Fort Leavenworth.

Following this experience, Eisenhower joined the staff of Gen. Douglas MacArthur in 1932, and, 3 years later, accompanied MacArthur to the Philippines as his senior military assistant. At the beginning of World War II, Eisenhower was chief of staff to Gen. Walter Krueger at Fort Sam Houston. There, he conducted large-scale training maneuvers and was promoted to brigadier general in September 1941.

When the Second World War ignited the globe, Eisenhower was ready to assume a critical leadership role. Shortly after the attack on Pearl Harbor, Eisenhower became a vital assistant on the staff of Gen. George C. Marshall. In June 1942, Eisenhower was named commander of U.S. Forces in Europe and the next month was promoted to lieutenant general. From here, he led invasions of North Africa, Sicily, and Italy. In 1943, President

Franklin Roosevelt honored him with the title of supreme allied commander, giving him orders to mount an invasion of Europe aimed at Germany. In December 1944, Eisenhower was promoted to five-star general. General Eisenhower is most famous for his role in the successful Normandy invasion, which represents the turning point in the war against Nazi Germany.

Following the resolution of the Second World War, General Eisenhower emerged as one of the war's most popular heroes. He easily made the transition from wartime to peace, taking a brief recess from the Army to serve as president of Columbia University for 2 years. On April 2, 1951, Eisenhower returned to military life and assumed the duties of supreme commander of NATO military forces. He was later to utilize his abilities as a statesman by moving on to a political career, becoming the 34th President of the United States. He is one of the few men in America who attained this office without any previous political experience.

BACK TO KANSAS AND ON TO THE PRESIDENCY

Mr. President, Dwight David Eisenhower's first major political speech was made in the great State of Kansas on June 4, 1952. That same year, he was elected the 34th President of the United States, beginning the first of two terms on January 20, 1953.

During his administration, Eisenhower presided over the signing of the armistice to end the Korean war and enunciated the Eisenhower Doctrine, which allowed the United States to assert the right to aid any country threatened by Communist aggression or subversion. He is also well known for his education initiatives—developing the student loan program under the National Defense Education Act, and creating a Department of Health, Education and Welfare.

As general, Eisenhower demonstrated how to wage war and win. As President, he showed how to make peace and maintain it. He understood, as only a man of his background could, the necessary relationship of civil and military authority.

COMMISSION RESPONSIBILITIES

Mr. President, both Senators from Kansas are proposing that a commission should be established to plan and coordinate activities to celebrate the centennial of the birth of Dwight David Eisenhower. It has long been a tradition to establish commissions commemorating important Americans, their achievements and contributions to our country's history.

The Eisenhower Commission will include the President pro tempore of the Senate, the Speaker of the House of Representatives, six Members of the Senate, six members appointed by the President of the United States, and the archivist of the United States or his representative. The members of the commission will serve without pay. The main emphasis of the commission will be the coordination of activities surrounding the centennial on October 14, 1990. A commemorative stamp and exhibits at the Smithsonian Institution and the National Archives building will be arranged by the commission.

CONCLUSION

Mr. President, Kansas has been fortunate to have had a solid tradition of producing many great national leaders, including Governor Alf Landon and former majority leader Charles Curtis. Certainly, President Dwight Eisenhower has been a personal inspiration to this Senator. Since I became majority leader, his portrait has had a special place in my office in the Capitol.

As one of our great war heroes and most popular Presidents, Dwight David Eisenhower has left his indelible mark on the history of this country. This outstanding leader in war and peacetime has contributed the best of himself to our Nation's destiny, paving the way for future generations, and setting a shining example of a life filled with accomplishments. It is fitting that we should establish a centennial commission in his honor, and I ask my colleagues to join me in this initiative.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2135

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Dwight David Eisenhower Centennial Commission Act".

FINDINGS

SEC. 2. The Congress finds that—

(1) the year 1990 marks the centennial of the birth of Dwight David Eisenhower on October 14, 1890;

(2) Dwight David Eisenhower was born in Denison, Texas, and spent his boyhood in Abilene, Kansas;

(3) Dwight David Eisenhower demonstrated at an early age the vigor, faith, and steadfastness that were to mark his military and political careers;

(4) Dwight David Eisenhower began his military career upon entering the United States Military Academy at West Point, graduating on June 12, 1915;

(5) shortly after the attack on Pearl Harbor in 1941, Dwight David Eisenhower was called to Washington to serve on the staff of General George C. Marshall, and rose to the rank of five-star general;

(6) Dwight David Eisenhower led the invasions of North Africa, Sicily, the Italian mainland, and "Operation Overlord" in Normandy;

(7) Dwight David Eisenhower made his first major political speech in Abilene, Kansas, on June 4, 1952, and was elected President of the United States that year, beginning the first of two terms on January 20, 1953; and

(8) Dwight David Eisenhower, as General and as President, knew how to wage war and how to make peace, and understood as only a man of his background could the necessary relationship of civil and military authority.

ESTABLISHMENT OF COMMISSION

SEC. 3. There is established a commission to be known as the Dwight David Eisenhower Centennial Commission (hereafter in this Act referred to as the "Commission") to encourage, plan, coordinate, and celebrate the centennial of the birth of Dwight David Eisenhower, the thirty-fourth President of the United States of America.

DUTIES OF THE COMMISSION

SEC. 4. The Commission shall—

(1) encourage, plan, develop, coordinate, and celebrate observances and activities commemorating the one hundredth anniversary of the birth of Dwight David Eisenhower,

(2) make recommendations to the Speaker of the House of Representatives and the President pro tempore of the Senate for scheduling a joint meeting of the two Houses of Congress to commemorate the centennial of the birth of Dwight David Eisenhower to be held in accordance with section 8,

(3) make recommendations to the Speaker of the House of Representatives and the President pro tempore of the Senate for issuing appropriate invitations for such joint meeting,

(4) make recommendations to the Speaker of the House of Representatives and the President pro tempore of the Senate regarding an appropriate program for such joint meeting,

(5) coordinate the Commission's arrangements with the activities of the Eisenhower Institute, Washington, District of Columbia, and the Eisenhower Foundation, Abilene, Kansas,

(6) make recommendations and take action to encourage the issuance of a commemorative stamp honoring the one hundredth birthday of Dwight David Eisenhower,

(7) consult with and encourage the Smithsonian Institution and the National Archives to commemorate the centennial of the birth of Dwight David Eisenhower with special exhibitions,

(8) encourage and cooperate with State and local observances commemorating the one hundredth anniversary of the birth of Dwight David Eisenhower, and

(9) prepare and maintain a calendar or register of observances and activities commemorating the Dwight David Eisenhower centennial.

MEMBERSHIP

SEC. 5. (a) NUMBER AND APPOINTMENT.—The Commission shall be composed of 21 members as follows:

(1) The President pro tempore of the Senate and the Speaker of the House of Representatives.

(2) Six members of the Senate to be appointed by the President pro tempore of the Senate, three upon recommendation of the majority leader of the Senate and three upon recommendation of the minority leader of the Senate.

(3) Six members of the House of Representatives to be appointed by the Speaker of the House of Representatives, three upon recommendation of the majority leader of the House of Representatives and three

upon recommendation of the minority leader of the House of Representatives.

(4) Six members appointed by the President of the United States.

(5) The Archivist of the United States, or his representative.

A vacancy on the Commission shall be filled in the manner in which the original appointment was made. Appointments may be made under this subsection without regard to section 5311(b) of title 5, United States Code.

(b) CONTINUATION OF MEMBERSHIP.—If any member of the Commission who was appointed to the Commission as a Member of Congress leaves that office, he may continue as a member of the Commission for not longer than the 30-day period beginning on the date he leaves that office.

(c) TERMS.—Except to the extent otherwise provided in subsection (b), members shall be appointed for the life of the Commission.

(d) BASIC PAY.—

(1) Members of the Commission shall serve without pay.

(2) Subject to the availability of appropriations, while away from their homes or regular places of business in the performance of services for the Commission, members shall be allowed travel expenses, including a per diem allowance in lieu of subsistence, in the same manner as persons serving intermittently in the Government service are allowed travel expenses under section 5703 of title 5 of the United States Code.

(e) MEETINGS; QUORUM AND VOTING.—

(1) The first meeting of the Commission shall be called by the Speaker of the House of Representatives and the President pro tempore of the Senate within sixty days following the date of enactment of this Act. The Commission shall meet thereafter at such times and places as it deems appropriate at the call of the chairman or of a majority of the members.

(2) A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(3) Decisions of the Commission shall be according to the vote of a simple majority of those present and voting at a properly called meeting.

(f) CHAIRMAN AND VICE CHAIRMAN.—Members of the Commission shall select a chairman and a vice chairman from among its members.

POWERS OF COMMISSION

SEC. 6. (a) SECTION OF EXECUTIVE DIRECTOR AND STAFF.—The Commission may—

(1) appoint an executive director, who shall serve without compensation, and

(2) accept such other volunteer services of individuals as it deems appropriate.

(b) ADOPTION OF RULES.—The Commission may, for the purpose of carrying out this Act, adopt such rules for its organization and procedures as it deems appropriate.

(c) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Commission may, if so authorized by the Commission, take any action which the Commission is authorized to take by this Act.

(d) GIFTS.—

(1) The Commission may accept, use, and dispose of gifts or donations of money, property, or personal services.

(2) Except as provided in paragraph (3), all books, manuscripts, miscellaneous printed matter, memorabilia, relics, and other materials donated to the Commission shall be deposited for permanent preservation in the Dwight D. Eisenhower Library in Abilene, Kansas.

(3) Upon recommendation of the Eisenhower Library, any books, manuscripts, miscellaneous printed matter, memorabilia, relics, and other materials donated to the Commission shall be disposed of by the Commission in a manner determined in consultation with the Librarian of Congress and the Secretary of the Smithsonian Institution.

(e) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

REPORTS

SEC. 7. (a) ANNUAL REPORT.—The Commission shall transmit to each House of Congress and the President an annual report no later than December 31 of each year, commencing with December 31, 1986. Such report shall include a description of the activities and plans that the Commission intends to undertake to provide for the commemoration of the centennial of the birth of President Dwight David Eisenhower, advise what further legislation, if any, may be needed to carry out such commemoration, and provide an accounting of any funds received and expended by the Commission in the calendar year for which the report is submitted.

(b) FINAL REPORT.—A final report shall be submitted to both Houses of Congress and the President not later than December 31, 1990. Such report shall include an accounting of the funds received and expended and the disposition of any other properties received by the Commission not previously reported.

COMMEMORATIVE ACTIVITIES

SEC. 8. (a) JOINT MEETING.—There shall be held a joint meeting of the two Houses of Congress to commemorate the centennial of the birth of Dwight David Eisenhower on October 14, 1990, or such other appropriate day as may be designated by the Speaker of the House of Representatives and the President pro tempore of the Senate.

(b) COMMEMORATIVE STAMP.—

(1) The United States Postal Service shall issue during the calendar year 1990 a commemorative stamp honoring the one hundredth birthday of Dwight David Eisenhower.

(2) The stamp shall be issued in the denomination applicable to first-class mail up to one ounce in weight and shall bear the design that the United States Postal Service, after consultation with the Eisenhower Institute, Washington, District of Columbia, and the Eisenhower Foundation, Abilene, Kansas, considers appropriate.

(3) The stamp shall be issued and placed on sale on October 14, 1990, the one hundredth anniversary of the birth of Dwight David Eisenhower.

TERMINATION

SEC. 9. (a) TERMINATION.—The Commission shall terminate on such date as it may prescribe, but not later than December 31, 1990.

(b) DISPOSITION OF FUNDS.—Any funds held by the Commission on the termination of the Commission shall be deposited in the general fund of the Treasury of the United States and credited as miscellaneous receipts.

(c) DISPOSITION OF PROPERTY.—Any property, other than funds, held by the Commission on the date the Commission terminates shall be deposited in accordance with section 6(d).

AUTHORIZATION OF APPROPRIATIONS

SEC. 10. There is authorized to be appropriated for availability beginning on the first day of fiscal year 1987 not to exceed $50,000 to carry out this Act.

Mrs. KASSEBAUM. Mr. President, it is an honor for me to introduce legislation today along with Senator DOLE, to create a commission to commemorate the 100th anniversary of the birth of Dwight David Eisenhower.

The life of President Eisenhower is a splendid example of American achievement. From his early years as a farm boy in Abilene, KS, to his rise from an obscure lieutenant to Supreme Commander of the Allied Forces in Europe during World War II, from his stint as president of Columbia University to his accomplishments as the President of the United States and his public services after leaving the White House, the life of Ike Eisenhower was marked by achievements that few ever attain, but that all can admire and emulate.

Though he was not born in Kansas, the people of my State have always claimed him as a native son and his boyhood home is now the site of the Eisenhower Museum and Library. Each year more than 150,000 people visit Abilene to learn more, and to teach their children, about this quintessential American.

Solomon said, "The place showeth the man." As a soldier, as President, and as citizen, he constantly occupied a great place.

As a soldier, he believed in and worked for peace. He was keenly aware of the need for a strong national defense, but he knew that real security was more than the sum of military equipment and personnel. As President, he gave confidence, stability and a calmness to the people. And as a citizen, he served as an example of what is great in our people and good in our time.

He once defined the philosophy that guided his peacekeeping efforts in this way: "I believe that we should be strong, but we should be tolerant. We should be ready to defend our rights but we should be considerate and recognize the rights of the other man."

His tolerance, his fair mindedness, his ability to put himself in the other man's shoes and see the problem from another viewpoint won the confidence of his fellow Americans, ignited the hope of his contemporaries and earned the respect of his adversaries.

Through all of this he kept the humility and the common touch and the sense of humor of a smalltown boy from Kansas.

And so I think it a great opportunity to educate and share with our younger generations the life of Dwight D. Eisenhower by celebrating October 14,

1990, the 100th anniversary of the birth of this outstanding man.

By Mr. ABDNOR (for himself, Mr. MATTINGLY, Mr. NICKLES, Mr. SYMMS, Mr. COCHRAN, Mr. ZORINSKY, Mr. HATCH, Mr. THURMOND, Mr. ANDREWS, Mrs. KASSEBAUM, Mr. MELCHER, Mr. EAST, and Mr. MURKOWSKI):

S. 2136. A bill to provide that any requirement to substantiate a deduction under the Internal Revenue Code of 1954 for business use of a vehicle be based on the regulations in effect before the Tax Reform Act of 1984; to the Committee on Finance.

DEDUCTION FOR BUSINESS USE OF A VEHICLE

Mr. ABDNOR. Mr. President, I am deeply disturbed by the impact of temporary regulations pertaining to recordkeeping requirements for business vehicles which were published by the Internal Revenue Service [IRS] on November 6, 1985, and which took effect January 1, 1986. Today I am introducing legislation to nullify these regulations and reinstate those in existence prior to enactment of the Deficit Reduction Act of 1984.

It's encouraging to be joined in this effort by a substantial number of other Senators who are also concerned about the unnecessary paperwork burden these temporary regulations place upon ordinary Americans.

In January 1985, I introduced legislation to abolish the so-called vehicle log regulations which had been published in October 1984. The Senate passed my bill by vote of 92 to 1 and the House passed a somewhat different version also with only one dissenting vote. When the President signed this legislation into law, a paperwork nightmare ended for millions of America's farmers, ranchers, and businessmen—or at least taxpayers thought it had ended.

Unfortunately, however, more and more South Dakotans are calling my office to say that they have just been told by their tax advisors to start keeping vehicle logs all over again.

The problem is that rather than agreeing to the simple recordkeeping repeal bill which I introduced and which had been passed by the Senate, the House of Representatives insisted upon including a lot of unnecessary language in the conference report about "written evidence" which only muddied the waters. Still, in light of the clear congressional intent to eliminate the logbook requirements, there was every reason to believe that the IRS had learned that Congress simply was not going to tolerate such a mess of bureaucratic red-tape.

But, rather than learning this lesson, the IRS has taken the loophole provided to it by the House of Representatives and blown it wide open. The November 6 regulations simply leave everyone in a quandary as to what is required. At some points in those regulations, it seems to be clear that a logbook is not required. But then at other points, taxpayers are led to believe that nothing less than a logbook will be satisfactory. Rather than giving taxpayers concrete guidance about what sort of records they must maintain, the new regulations simply restate broad legal standards which are of little use to anyone.

As a result, tax counselors have no idea how much documentation is required. Under such circumstances, more and more of them are deciding that the only safe thing for them to tell their clients is that they must keep detailed records. This is the precise result Congress intended to avoid when it passed the vehicle log repeal bill.

Requiring logbooks, even by implication, poses a tremendous burden on millions of honest taxpayers and is a classic example of bureaucratic overkill. This is intolerable and it's time that Congress clears up this once and for all by enacting this legislation and returning to the regulations in effect prior to July 1984.

By doing so, we will make it clear that taxpayers must still substantiate their deductions—after all, that has always been the law and that's only fair. But we will also make it clear that rather than compiling a morass of needless paperwork to back up the tax deductions that they claim, they can do whatever is most sensible for them given their particular circumstances.

By Mr. MOYNIHAN (for himself and Mr. LAUTENBERG):

S. 2137. A bill to provide for a pilot program of sales of loans under title V of the Housing Act of 1949; to the Committee on Agriculture, Nutrition, and Forestry.

PILOT PROGRAM OF LOAN ASSET SALES

● Mr. MOYNIHAN. Mr. President, I rise today with my distinguished colleague from New Jersey, Mr. LAUTENBERG, to introduce legislation providing for a pilot program of loan asset sales.

Our legislation would require the Secretary of Agriculture to establish a program for selling to the public $8 billion of rural housing loans in each of the next 3 fiscal years. The loans would be sold on an overcollateralized basis; that is, the loans bought by the public would be collateralized by a pool of Government-owned loans which would be eligible for acquisition in the event that any loans purchased are delinquent for 30 days or more. The practical effect of this arrangement is that risk to potential buyers will be sharply reduced—in case of default, a loan of equal worth from the Government's portfolio would be substituted, and all cash proceeds from the delinquent loan would revert to the Federal Government. No Federal guarantee would accompany the loans.

Last year, Mr. LAUTENBERG and I offered such a proposal three times—once during the Senate Budget Committee's deliberations on the fiscal year 1986 budget resolution, and twice as amendments on the floor of the Senate.

The Federal Government currently holds about $257 billion in loan assets—obligations for Federal loans to private businesses and individuals. Our loan asset portfolio is greater than the combined loan assets of Chase Manhattan and Bank of America. In March, and May, and July, Senator LAUTENBERG and I urged that the Government sell a portion of its loan portfolio, as a way to reduce the deficit. The Federal Government holds loans backed by the assets of electric utilities, by newly constructed homes, by aircraft, by ships, even by the assets of some of the best known Fortune 500 firms. We suggested that the Government begin by selling loans in the rural housing program of the Farmers Home Administration. The General Accounting Office has already analyzed these loans and found them to be of sufficiently high quality for efficient and prompt sale.

While the Senate rejected our proposal three times, the House of Representatives thought better of it. Language in H.R. 3128 specifies that all new rural housing loans made available for sale by the Farmers Home Administration shall be sold to the public, rather than the Federal Financing Bank. The Congressional Budget Office estimates that $2.5 billion of loans would be sold in fiscal year 1986-88 under this provision, and that these sales would raise some $1.8 billion to reduce deficits over the 3 fiscal years.

When a corporation is in financial straits, its sells off unneeded assets, and calls in its receivables. While Senator LAUTENBERG and I recognize that the Government is not a corporation, we are attempting to draw on the experience of American businesses to reduce the deficit. By selling loan assets we seek not to deny an inheritance to our grandchildren—we are not proposing that we sell Federal lands—but rather, we recognize that the Government is not organized to efficiently manage such a huge loan portfolio. The private sector can do that job better.

I have also joined Senator LAUTENBERG in his attempt to establish a Federal Tax Amnesty Program. Tax amnesty has been very successful in New York, Massachusetts, and Illinois, and could be so at the Federal level. Through such a program, we seek merely to collect what the Federal Government is owed.

Both the sale of loan assets and collection of delinquent taxes are reasonable steps Congress ought to take. We would urge Congress to do both even if we were not faced with the deficit ceilings created by the Gramm-Rudman-Hollings law.●

● Mr. LAUTENBERG. Mr. President, I rise today to join my colleague from New York [Mr. MOYNIHAN] to introduce legislation to provide for a pilot sale of Federal loan assets.

The Federal Government maintains a portfolio of outstanding loans, issued under a variety of Federal credit programs, amounting to over a one-quarter of a trillion dollars. Some of these loans are deeply subsidized, carrying interest rates of just a few points. Others are close to market rates. Some of the loans are held by students, and small businesses; others by farmers and big business.

Our proposal would provide for the pilot sale of a part of this portfolio, consisting of rural housing loans, sufficient to collect $8 billion a year for 3 years. The loans would be sold on an overcollateralized basis, to reduce the magnitude of the discount at which the loans would be sold.

Mr. President, the pilot sale of loans should lead to improved management and efficiency in Federal credit programs. There have been a number of studies that have documented the Federal Government's failure to manage its portfolio well. Collection efforts are often inadequate. Borrowers receive hidden subsidies and the Government bears significant costs.

The private sector should have a chance at performing the job more efficiently. To the extent that the private sector can extract greater value than the Government from the same asset, that added value will be reflected in the sale price of the asset.

At the same time, the sale of loan assets will also shed light on the real costs associated with Federal credit programs. That, in turn, may lead to more informed allocation of Government resources in the future.

The pilot sale of loan assets we propose would secure a $24 billion reduction in the deficit. When a business is in dire straits, it must consider a number of options, including the conversion of receivables into cash. By analogy, the pilot sale of loan assets would secure an infusion of cash, to the Federal Government that would make a substantial dent in the budget deficit.

Mr. President, our proposal is similar to proposals we offered last year. I note that this year, the sale of loan assets has been endorsed by the administration. I urge my colleagues to support this legislation.●

ADDITIONAL COSPONSORS

S. 483

At the request of Mr. ABDNOR, his name was added as cosponsor of S. 483, a bill entitled the "Intergovernmental Regulatory Relief Act of 1985."

S. 519

At the request of Mr. EVANS, the name of the Senator from Oregon [Mr. PACKWOOD] was added as cosponsor of S. 519, a bill to require a study of the compensation and related systems in executive agencies, and for other purposes.

S. 827

At the request of Mrs. HAWKINS, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 827, a bill to amend the Public Health Service Act to provide for the compensation of children and others who have sustained vaccine-related injuries, and for other purposes.

S. 1265

At the request of Mr. ARMSTRONG, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 1265, a bill to provide prompt, exclusive, and equitable compensation, as a substitute for inadequate tort remedies, for disabilities or death resulting from occupational exposure to asbestos; and for other purposes.

S. 1562

At the request of Mr. GRASSLEY, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 1562, a bill to amend the False Claims Act, and title 18 of the United States Code regarding penalties for false claims, and for other purposes.

S. 1800

At the request of Mr. MATHIAS, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1800, a bill to amend title 5, United States Code, to provide civil service retirement credit for certain employees and former employees of nonappropriated fund instrumentalities under the jurisdiction of the Armed Forces, and for other purposes.

S. 1848

At the request of Mr. HATCH, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 1848, a bill to amend the Federal Food, Drug, and Cosmetic Act to establish conditions for the export of drugs.

S. 1858

At the request of Mr. GRASSLEY, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 1858, a bill to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, and for other purposes.

S. 1888

At the request of Mr. BUMPERS, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from North Dakota [Mr. ANDREWS], the Senator from Kentucky [Mr. FORD], the Senator from Minnesota [Mr. DURENBERGER], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Nevada [Mr. HECHT], the Senator from Arizona [Mr. DECONCINI], the Senator from Missouri [Mr. DANFORTH], the Senator from Hawaii [Mr. INOUYE], the Senator from Iowa [Mr. GRASSLEY], the Senator from Massachusetts [Mr. KERRY], the Senator from Missouri [Mr. EAGLETON], the Senator from New Mexico [Mr. BINGAMAN], the Senator from Arkansas [Mr. PRYOR], and the Senator from Illinois [Mr. DIXON] were added as cosponsors of S. 1888, a bill to provide for a program of cleanup and maintenance on Federal public lands, national parks, recreation areas, and for other purposes.

S. 1900

At the request of Mr. ROTH, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 1900, a bill to amend the Foreign Agents Registration Act of 1938 by providing for the 5-year suspension of exemptions provided to an agent of a foreign principal convicted of espionage offenses.

S. 1901

At the request of Mr. ROTH, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 1901, a bill to amend the Foreign Missions Act regarding the treatment of certain Communist countries, and for other purposes.

S. 1914

At the request of Mr. GORTON, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of S. 1914, a bill to amend the Stevenson-Wydler Technology Innovation Act of 1980 to permit cooperative agreements between industry and laboratories owned and operated by the Federal Government, and for other purposes.

S. 1917

At the request of Mr. BRADLEY, the names of the Senator from Nebraska [Mr. EXON], and the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of S. 1917, a bill to amend the Foreign Assistance Act of 1961 to provide assistance to promote immunization and oral rehydration, and for other purposes.

S. 1979

At the request of Mrs. KASSEBAUM, the names of the Senator from Alabama [Mr. HEFLIN], and the Senator from South Dakota [Mr. ABDNOR] were added as cosponsors of S. 1979, a bill to fulfill the purposes of the Airport and Airway Improvement Act of

1982, promote air passenger safety, and provide equity to airway users.

S. 2050

At the request of Mr. METZENBAUM, the names of the Senator from Massachusetts [Mr. KERRY], and the Senator from Maine [Mr. MITCHELL] were added as cosponsors of S. 2050, a bill to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers, and for other purposes.

S. 2079

At the request of Mr. NICKLES, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 2079, a bill to amend the Legislative Reorganization Act of 1946 to reduce the compensation of Members of Congress for any fiscal year in which outlays for nondefense programs are required to be reduced under an order issued by the President for such fiscal year pursuant to section 252 of the Balanced Budget and Emergency Deficit Act of 1985 by the uniform percentage by which outlays for such programs are required to be reduced under such order.

S. 2090

At the request of Mr. PRYOR, the names of the Senator from Nebraska [Mr. ZORINSKY], the Senator from Virginia [Mr. TRIBLE], the Senator from Montana [Mr. MELCHER], the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Georgia [Mr. NUNN] were added as cosponsors of S. 2090, a bill to provide that the Internal Revenue Service may not before July 1, 1987, enforce its regulations relating to the tax treatment of the personal use of vehicles, and for other purposes.

S. 2108

At the request of Mr. KASTEN, the names of the Senator from South Dakota [Mr. ABDNOR], the Senator from North Dakota [Mr. ANDREWS], the Senator from Arizona [Mr. DECONCINI], the Senator from Alabama [Mr. DENTON], the Senator from North Carolina [Mr. EAST], the Senator from Utah [Mr. HATCH], the Senator from Nevada [Mr. HECHT], the Senator from North Carolina [Mr. HELMS], the Senator from Oklahoma [Mr. NICKLES], and the Senator from Nebraska [Mr. ZORINSKY] were added as cosponsors of S. 2108, a bill to provide that Federal tax reform legislation shall not take effect before January 1, 1987.

S. 2113

At the request of Mr. DIXON, the names of the Senator from Oklahoma [Mr. BOREN], the Senator from North Dakota [Mr. BURDICK], and the Senator from Missouri [Mr. EAGLETON] were added as cosponsors of S. 2113, a bill to advance a portion of Commodity Credit Corporation loans to eligible producers, to support the 1986 planting season operation, and for other purposes.

S. 2129

At the request of Mr. KASTEN, the names of the Senator from Tennessee [Mr. GORE], and the Senator from Tennessee [Mr. SASSER] were added as cosponsors of S. 2129, a bill to facilitate the ability of such organizations to establish risk retention groups, to facilitate the ability of such organizations to purchase liability insurance on a group basis, and for other purposes.

SENATE JOINT RESOLUTION 143

At the request of Mr. GORE, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of Senate Joint Resolution 143, joint resolution to authorize the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia at an appropriate site in Constitution Gardens.

SENATE JOINT RESOLUTION 170

At the request of Mr. SIMON, the names of the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Connecticut [Mr. DODD], the Senator from Hawaii [Mr. INOUYE], the Senator from Pennsylvania [Mr. HEINZ], and the Senator from Virginia [Mr. TRIBLE] were added as cosponsors of Senate Joint Resolution 170, joint resolution to designate the month of March 1986 as "Music In Our Schools Month."

SENATE JOINT RESOLUTION 199

At the request of Mr. MURKOWSKI, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of Senate Joint Resolution 199, joint resolution to designate the month of November 1985 as "National Elks Veterans Rememberance Month."

SENATE JOINT RESOLUTION 256

At the request of Mr. TRIBLE, the names of the Senator from Pennsylvania [Mr. SPECTER], and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of Senate Joint Resolution 256, joint resolution designating August 12, 1986, as "National Neighborhood Crime Watch Day."

SENATE JOINT RESOLUTION 261

At the request of Mr. DOMENICI, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Illinois [Mr. SIMON], the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of Senate Joint Resolution 261, joint resolution to designate the week of April 14, 1986 through April 20, 1986 as "National Mathematics Awareness Week."

SENATE JOINT RESOLUTION 262

At the request of Mr. WALLOP, the names of the Senator from South Dakota [Mr. ABDNOR], and the Senator from Connecticut [Mr. WEICKER] were added as cosponsors of Senate Joint Resolution 262, joint resolution to authorize and request the President to issue a proclamation designating June 2 through June 8, 1986, as "National Fishing Week."

SENATE JOINT RESOLUTION 263

At the request of Mr. BOSCHWITZ, the names of the Senator from Nebraska [Mr. EXON], the Senator from Alabama [Mr. HEFLIN], and the Senator from Virginia [Mr. TRIBLE] were added as cosponsors of Senate Joint Resolution 263, joint resolution to designate the week of September 7-13, 1986, as "National Independent Retail Grocer Week."

SENATE JOINT RESOLUTION 264

At the request of Mr. PRYOR, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from Nebraska [Mr. ZORINSKY], the Senator from Alabama [Mr. HEFLIN], the Senator from Montana [Mr. MELCHER], the Senator from Florida [Mrs. HAWKINS], and the Senator from California [Mr. CRANSTON] were added as cosponsors of Senate Joint Resolution 264, joint resolution designating April 28, 1986 as "National Nursing Home Residents Day."

SENATE JOINT RESOLUTION 265

At the request of Mr. HEINZ, the name of the Senator from South Dakota [Mr. ABDNOR] was added as a cosponsor of Senate Joint Resolution 265, joint resolution authorizing and requesting the President to designate the week of March 9 through 15, 1986, as "National Employ the Older Worker Week."

SENATE JOINT RESOLUTION 273

At the request of Mr. HATCH, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of Senate Joint Resolution 273, joint resolution to designate the week of March 9, 1986, as "National Developmental Disabilities Awareness Week."

SENATE JOINT RESOLUTION 275

At the request of Mr. D'AMATO, the names of the Senator from New York [Mr. MOYNIHAN], the Senator from Ohio [Mr. GLENN], and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of Senate Joint Resolution 275, joint resolution designating May 11 through May 17, 1986, as "Jewish Heritage Week."

SENATE JOINT RESOLUTION 276

At the request of Mr. DOMENICI, the names of the Senator from Nebraska [Mr. ZORINSKY], the Senator from Utah [Mr. GARN], and the Senator from California [Mr. CRANSTON] were added as cosponsors of Senate Joint Resolution 276, joint resolution to designate February 19, 1987, as "National Day for Federal Retirees."

SENATE JOINT RESOLUTION 278

At the request of Mr. PACKWOOD, the names of the Senator from South

Carolina [Mr. HOLLINGS] and the Senator from Connecticut [Mr. WEICKER] were added as cosponsors of Senate Joint Resolution 278, joint resolution to designate March 16, 1986, as "Freedom of Information Day."

SENATE JOINT RESOLUTION 285

At the request of Mr. GRASSLEY the name of the Senator from New Hampshire [Mr. HUMPHREY] was added as a cosponsor of Senate Joint Resolution 285, joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Osteoporosis Awareness Week."

SENATE CONCURRENT RESOLUTION 106

At the request of Mr. SPECTER, the names of the Senator from Ohio [Mr. GLENN], the Senator from Montana [Mr. BAUCUS], the Senator from Arkansas [Mr. BUMPERS], the Senator from Mississippi [Mr. COCHRAN], the Senator from New Mexico [Mr. BINGAMAN], the Senator from Maine [Mr. MITCHELL], the Senator from Rhode Island [Mr. PELL], the Senator from Kentucky [Mr. FORD], the Senator from Arizona [Mr. DECONCINI], the Senator from Illinois [Mr. DIXON], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of Senate Concurrent Resolution 106, concurrent resolution expressing the sense of the Congress with respect to certain amounts proposed by the President to be rescinded.

SENATE CONCURRENT RESOLUTION 109

At the request of Mr. BUMPERS, the names of the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of Senate Concurrent Resolution 109, resolution expressing the sense of the Congress that February 28, 1986, should be designated "National Trio Day."

SENATE RESOLUTION 275

At the request of Mr. HUMPHREY, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of Senate Resolution 275, resolution to express the opposition of the United States to the "one-child" family planning policies of the Government of the People's Republic of China and to encourage the People's Republic of China to abandon such policies.

SENATE RESOLUTION 339

At the request of Mr. BYRD, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of Senate Resolution 339, resolution to express the sense of the Senate with respect to proposals currently before the Congress to tax certain employer-paid benefits and other life-support benefits.

SENATE RESOLUTION 360—RELATING TO FUNDING LEVELS FOR TERRORIST CONTROL ACTIVITIES

Mr. ZORINSKY submitted the following resolution; which was referred to the Committee on Appropriations:

S. RES. 360

Whereas, the internal security of our Nation is a basic and fundamental responsibility of the United States Government;

Whereas, the increased severity and frequency of world-wide terrorist attacks in recent years have brought about an awareness that terrorism threatens the internal security of the United States;

Whereas, proper funding for those law enforcement and related agencies involved in anti-terrorism programs is a way of ensuring the safety and well-being of United States citizens at home;

Whereas, the Immigration and Naturalization Service, the United States Customs Service, and the Security Division of the Federal Aviation Administration have responsibilities for securing the borders of the United States, through patrol of our borders, and inspection of the people and items entering our country;

Whereas, the Federal Bureau of Investigation is the lead law enforcement agency held accountable for thwarting terrorist acts within our borders;

Whereas, the United States Secret Service is charged with the responsibility of protecting Heads of State, both foreign and domestic, that are potential targets for terrorist attacks; and

Whereas, the Bureau of Alcohol, Tobacco, and Firearms is charged with preventing and investigating incidents of explosion and arson, two well-known tactics of trained terrorists, as well as the monitoring of illegal firearms trafficking (sales, possession, and modification), which are also considered common among terrorist elements: Now, therefore, be it:

Resolved, That it is the sense of the Senate that current funding levels for Federal law enforcement and related agencies that provide domestic internal security protection from terrorists should be maintained through the fiscal year ending September 30, 1991.

SENATE RESOLUTION 361—RELATING TO THE 125th ANNIVERSARY OF THE U.S. GOVERNMENT PRINTING OFFICE

Mr. MATHIAS submitted the following resolution; which was considered and agreed to:

S. RES. 361

Whereas on June 23, 1860, President James Buchanan signed into law Joint Resolution No. 25, providing for the establishment of the United States Government Printing Office;

Whereas the United States Government purchased a printing plant located at the corner of North Capitol & H Streets, NW., Washington, DC, on March 2, 1861, for $135,000, and the Government Printing Office commenced operations on March 4, 1861;

Whereas the Government Printing Office began printing the Congressional Record on March 5, 1873, and has continued to efficiently and expeditiously print and distribute the debates of Congress since that time;

Whereas since 1895, the Superintendent of Documents, through the Depository Library Program, the International Exchange Program, and the Publications Sales Program, has distributed hundreds of millions of copies of Federal publications and today serves as the largest single disseminator of U.S. Government information to the public; and

Whereas the U.S. Government Printing Office has provided one hundred and twenty-five years of exemplary service in addressing the printing and distribution needs of all three branches of the Federal Government, never failing to meet the necessary demands for public printing both in peace time and war time,

Be it resolved, That the Senate of the United States recognizes the enormous achievements by the United States Government Printing Office and on the occasion of its 125th anniversary, extends its appreciation and best wishes to the employees of that Agency, both past and present, for their many contributions to the Government and citizens of America.

SENATE RESOLUTION 362—EXPRESSING SUPPORT FOR THE CARABALLEDA MESSAGE OF THE CONTADORA GROUP

Mr. KENNEDY submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 362

Whereas, the United States, as a founding member of the Organization of American States and a signatory of the Rio Treaty, is committed to the support of multilateral organizations and their effort to achieve peaceful negotiated resolutions of conflicts;

Whereas, the interests of the United States can best be served by pursuing serious multilateral initiatives aimed at achieving a negotiated settlement of the crisis in Central America;

Whereas, on July 26, 1985, Secretary of State Shultz reiterated the support of the United States for the efforts of the Contadora Group (Panama, Venezuela, Mexico and Colombia) to achieve a negotiated settlement to the Central American crisis;

Whereas, on August 26, 1985, the United States welcomed the formation of the Contadora Support Group (Argentina, Brazil, Peru, and Uruguay);

Whereas, on January 11 and 12, 1986, the Contadora Group and the Contadora Support Group met in Caraballeda, Venezuela and developed a new regional peace initiative to resolve the Central American crisis;

Whereas, this proposal calls for a renewal of negotiated efforts, a cessation of support for irregular forces in the region, the removal of all foreign military advisors and installations from the region, a freeze on the procurement of armaments, and respect for self-determination, territorial integrity, political pluralism and human rights;

Whereas, this plan has been endorsed by thirteen Latin American nations (Panama, Venezuela, Mexico, Colombia, Argentina, Brazil, Peru, Uruguay, Costa Rica, Honduras, El Salvador, Guatemala and Nicaragua), the European Economic Community and Japan;

Whereas the Ministers of Foreign Affairs of the Contadora Group and the Contadora Support Group met in Punta del Este, Uruguay on February 27 and 28, 1986 and reaf-

firmed its support of the Caraballeda Message and emphasized the need for the total observance of the "permanent basis for peace" contained in the message.

Whereas the Punta del Este message also reiterated that "the cessation of external support to irregular forces and insurrection movements operating in the countries of the region is an imperative need for this re-establishment of international legal order, and a contribution which will favor the endeavors towards peace."

Whereas, this Caraballeda proposal has revived the Contadora process and presents and opportunity for progress in the effort to achieve a negotiated settlement of the crisis in Central America:

Now, therefore be it

Resolved, That it is the sense of the Senate that—

(1) The United States Government should declare its support for, and adherence to, the Caraballeda proposal;

(2) The Contadora process represents the most hopeful, reasonable and constructive avenue to achieve peace in Central America and should be supported by the United States;

(3) The United States should pursue and exhaust serious multilateral initiatives aimed at achieving a negotiated settlement of the crisis in Central America before resorting to direct or indirect military pressure against Nicaragua, and

(4) The President should resume bilateral negotiations with the Government of Nicaragua.

Mr. KENNEDY. Mr. President, today I am submitting a resolution that expresses the support of the Senate for the Contadora process, specifically endorses the new initiative of the Contadora Support Group, and calls upon the President to resume direct bilateral negotiations with the Government of Nicaragua.

I have long been an opponent of military and economic assistance to the Contras. With Senator BINGAMAN, I introduced the first amendment to cut military assistance to the Contras exactly 2 years ago, in March 1984, when the administration sent up a supplemental appropriation request for $19 million of additional military assistance to the Contras. I have long been a critic of this administration's "fight first, talk later" policy. That kind of policy has led us into the mining of the Nicaraguan harbors—which was halted as a result of the resolution that I introduced in April 1984 and which received approval of this body by a vote of 82 to 12.

President Reagan is pursuing a policy that will lead to a wider war and that will inevitably draw in American military forces. Using American boys is the only way that this policy can succeed, and I do not think that this country wants to send our youth to war in Nicaragua. We should go on record urging this administration—finally and at long last—seriously to pursue negotiations. The moment is right; there is a serious and promising initiative on the table.

Last August 26, 1985, four democracies in Latin America—Argentina, Brazil, Peru and Uruguay—formed the Contadora Support Group. These nations came together because of their growing concern that the peaceful effort to resolve the conflict in Central America was losing ground and that the Contadora nations were losing heart. The purpose of the support group was to reinvigorate the effort to achieve a comprehensive negotiated solution to the Central American crisis.

The support group met in Carabelleda, Venezuela and launched a new peace initiative, consisting of 12 points, to resolve the crisis. Those points were endorsed by all Central American governments at the inauguration of President Cereza in Guatemala on January 14, 1986. The initiative also has the explicit support of all the members of the European Economic Community and of Japan.

On February 10, 1986, the Foreign Ministers of the Contadora Group—Colombia, Mexico, Panama, and Venezuela—and the Foreign Ministers of the support group—Argentina, Brazil, Peru and Uruguay—met with Secretary of State Shultz and urged the United States to support this new initiative.

The essential measures contained in this new peace effort are the following:

Renewal of negotiations leading to the endorsement of Contadora's Act for Peace and Cooperation in Central America;

Cessation of support for irregular forces operating within the region;

Cessation of support for insurrections in all countries of the region;

A freeze on the procurement of new arms, and the progressive reduction of existing arms in the region;

An end to all international military maneuvers;

Reduction and ultimate removal of all foreign military advisers and the dismantling of foreign military installations;

A nonaggression commitment made by each of the five Central American nations through unilateral statements;

Adoption of steps leading to national reconciliation and the full observance of human rights and civil liberties; and

New efforts to promote regional and international cooperation and economic development aimed at reducing the massive economic and social problems that now afflict all the nations of Central America.

This initiative deserves the support of the United States. It is a realistic effort by the democracies of Latin America to achieve a Latin American solution to a serious Latin American problem.

The key question is whether the Government of the United States intends to support—or to undermine—the other democracies of our Hemisphere as they seek a peaceful resolution of the crisis.

The elements of the proposed solution are totally consistent with U.S. values and U.S. interests—noninterference in the internal affairs of other nations; maintenance of territorial integrity; establishment of pluralistic democracies with respect for human rights; dismantling of foreign bases; and withdrawal of all foreign troops and advisers. These are objectives that Americans share and that America ought to support.

At their meeting with Secretary Shultz, the Latin American Foreign Ministers stressed the importance of the U.S. role in their effort. They stated that it was imperative for the United States to end its support for the Contras; indeed, they clearly stated that such a step was indispensable to achieving peace.

These Foreign Ministers come from nations with 90 percent of the territory, population, and resources of Latin America. None of their governments is Marxist, none is pro-Soviet, and none is aligned against the United States. All of them have economic, political, and security interests in Central America that are no less important to them than to the United States. All are our friends.

For that reason, it is particularly disappointing that President Reagan refused to meet with the Foreign Ministers of these nations—but chose instead to rush forward with his efforts to provide $100 million in additional assistance to the Contras.

The President's snub of democratic leaders in Latin America and his willingness to meet yesterday with the Contra leadership are disgraceful. What possible justification is there for the administration to ignore our friends in this hemisphere, and to plunge ahead—alone and in total isolation—toward wider war in Nicaragua?

The administration's failed policy on Nicaragua is clear. Within months after President Reagan took office, the administration began to provide covert assistance to a band of Nicaraguan exiles closely identified with the former dictator, Anastasio Somoza.

As part of that effort, the United States mined the harbors of Nicaragua and generated universal, international criticism—led by the British and the French—of that action.

Faced with the possibility of an adverse ruling from the World Court, the United States took the unprecedented step of withdrawing from that Court's jurisdiction, undermining the role of international law in world affairs.

In September 1984, when the Government of Nicaragua announced its willingness and readiness to sign the Contadora Act for Peace and Cooperation, the United States pulled the rug

out from under the peace process and pressured the other Central American countries to withhold their support for the agreement.

In October 1984, 1 month before the U.S. Presidential elections, the United States entered into bilateral discussions with the Government of Nicaragua at Manzanillo Mexico; 1 month after President Reagan had been reelected, he suddenly withdrew from those negotiations.

In short, over the past 5 years, the Administration has systematically undermined the negotiators and prevented them from making progress.

Instead of offering military aid, now is the time for the Senate to reinforce the effort to achieve a lasting, negotiated solution to the violence in Central America. Senators who believe that the only way to achieve peace in Central America is to overthrow the Sandinistas will not support this resolution. Those who believe that the United States should lend its support to the process of negotiations, as our strongest friends in this hemisphere advise us to do, will cast support for this resolution.

AMENDMENTS SUBMITTED

IMPROVEMENT TO RIVERS AND HARBORS OF THE UNITED STATES

COHEN AMENDMENT NO. 1642

(Ordered to lie on the table.)

Mr. COHEN submitted an amendment intended to be proposed by him to the bill (S. 1567) to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes; as follows:

On page 65, between lines 5 and 6, insert the following new section:

SEC. 337. The Dickey-Lincoln School project, Saint John River, Maine, as authorized by section 204 of the Flood Control Act of 1965, is hereby deauthorized.

NOTICES OF HEARINGS

SUBCOMMITTEE ON PUBLIC LANDS, RESERVED WATER AND RESOURCE CONSERVATION

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled before the Subcommittee on Public Lands, Reserved Water and Resource Conservation of the Committee on Energy and Natural Resources on Tuesday, March 18, 1986, at 10 a.m., in room SD-366 of the Dirksen Senate Office Building, Washington, DC.

Testimony will be received from the administration and other invited witnesses on memorials and monuments on Federal and District lands in the District of Columbia, including criteria for approval, jurisdiction, placement, design, funding, and maintenance.

Limited space may be available for other interested parties who wish to testify. Written statements may also be submitted to the subcommittee to be included in the hearing record. Those wishing to testify or submit a statement should contact the Subcommittee on Public Lands, Reserved Water and Resource Conservation of the Committee on Energy and Natural Resources, room SD-308, Dirksen Senate Office Building, Washington, DC 20510. Oral testimony may be limited to 3 minutes per witness. Written statement may be longer. Witnesses may be placed in panels, and are requested to submit 75 copies of their testimony 24 hours in advance of the hearing, and 25 copies on the day of the hearing. For further information, please contact Patty Kennedy of the subcommittee staff at (202) 224-0613.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, March 4, in executive session, to mark up DOD organization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

COURT INTERPRETERS IMPROVEMENT ACT

● Mr. SIMON. Mr. President, our colleague, Senator ORRIN HATCH, has introduced S. 1853, the Court Interpreters Improvement Act of 1985.

It basically says that for a number of widely spoken foreign languages in the United States, there should be interpreters who are qualified. It also calls for the same for deaf people who use sign language.

I can not think of a more sensible, small step forward that can improve justice in our courts.

Among the witnesses at the hearing the other day was Dena J. Kohn, chief interpreter for the U.S. district court for the southern district of New York.

In her testimony, she cites some instances that clearly indicate we have serious problems.

I ask that a small section of her testimony be inserted into the RECORD.

The reality is we live in a culture that has paid too little attention to foreign language instruction.

We are the only nation on the face of the Earth where you can go through grade school, high school, college, and get a Ph.D. without a year of a foreign language.

The problems we cause ourselves in the field of trade, in the security field, as well as in the cultural field, are enormous. And, obviously, one of the little known areas where we cause ourselves difficulty is in the field of justice.

I commend my colleague from Utah for his leadership, and I appreciate the unusually fine testimony of Dena J. Kohn.

The material follows:

TESTIMONY OF DENA J. KOHN

In one of the Federal courts in the east coast a self-styled Sicilian-Italian interpreter is exclusively used to interpret court proceedings and witness testimony. I happen to speak Italian and in a five minute telephone conversation with this individual, he made so many mistakes that I could barely understand a word he said. Yet this man continues to be permitted to interpret important organized crime cases. In a well-known case involving Greek defendants in the Southern District of New York, the United States Attorney's Office hired a "Greek" interpreter to translate for a crucial witness against the defendants. This interpreter was so incompetent that she confused the words "man" for "boy", "him" for "her" "house" for "apartment" and was completely stymied at the witness stand over such words as "mortgage", "deed" and "lease." We were lucky enough to have another Greek interpreter present who heard these mistakes and the U.S. Attorney was persuaded to replace her. I must stress that I am relating problems in a court which has professional interpreting supervision and control. One can only begin to imagine how many errors of this nature, how many miscarriages of justice have been and will continue to be made in courts with no interpreting departments, where interpreters are hired on the basis of their own assurances of competence, on a glance at a resume, or a recommendation from an agency that does not test for courtroom skills.

Miscarriages of justice in the Spanish language on the state court level have been observed and are indicative of the general state of interpreting services in the United States. In one of these cases, a woman who had been raped on an elevator testified after having previously given testimony before a Grand Jury. At trial the attorney asked the following question: "What did he do next?" Her reply in Spanish was "he told me to lie down on the floor." The official interpreter translated her answer as "He told me to get off at that floor." This caused the court to hear inaccurate testimony which was not her own and to throw off the entire line of questioning. I was told that the accused rapist in that case was acquitted. We can only speculate whether or not the misinterpretations were a factor in this acquittal. In yet another case, a defendant was accused of attempted assault with a dangerous weapon. The lawyer asked the victim of this attempt "did he swing the knife at you?" The translation given to the victim-witness was "did he strike you with the knife?" which was inaccurate and implied an actual, rather than attempted assault. Since the witness only heard "Did he strike you with the knife" his answer to a question about a threat was "no." These are but a few examples of the type of errors that are occurring

daily in American courts. In the hearings held on the original Interpreters Act, the problem of assessing accuracy was repeatedly addressed. While many witnesses urged the taping of all foreign language testimony, the designers of this legislation agreed that the best method of guaranteeing minimum levels of competency was through a certification procedure.●

ADVANCE NOTIFICATION PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Committee on Foreign Relations.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that such a notification has been received.

Interested Senators may inquire as to the details of this advance notification at the office of the Committee on Foreign Relations, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC.

Dr. M. GRAEME BANNERMAN,
Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR DR. BANNERMAN: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b)(1) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to an East Asian country tentatively estimated to cost $50 million or more.

Sincerely,

PHILIP GAST,
Director.●

PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is immediately available to the full Senate, I ask to have printed in the RECORD the notification which has been received. The classified annex referred to in the covering letter is available to Senators in the office of the Foreign Relations Committee, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding under separate cover Transmittal No. 86-25, concerning the Department of the Navy's proposed Letter(s) of Offer to Canada for defense articles and services estimated to cost $14 million or more. As most of the essential elements of this proposed sale are to remain classified, we will not notify the news media.

Sincerely,

PHILIP C. GAST,
Director.

POLICY JUSTIFICATION

[Deleted.]

(U) This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of Canada; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

[Deleted.]

(U) The sale of this equipment and support will not affect the basic military balance in the region.

[Deleted.]

(U) Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to Canada.

(U) There will be no adverse impact on U.S. defense readiness as a result of this sale.

[Transmittal No. 86-25]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b)(1) OF THE ARMS EXPORT CONTROL ACT

(i) (U) Prospective Purchaser: Canada.

(ii) Total Estimated Value: Major Defense Equipment[1] [Deleted]. Other, [Deleted]. Total, [Deleted].

(iii) Description of Articles or Services Offered: [Deleted].

(iv) (U) Military Department: Navy (AKG).

(v) (U) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) (U) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) (U) Section 28 Report: Included in report for quarter ending 30 September 1985.

[1] As defined in Section 47(6) of the Arms Export Control Act.

(viii) (U) Date Report Delivered to Congress: 28 February 1986.●

THE WISDOM OF HYMAN P. MINSKY

● Mr. SIMON. Mr. President, the St. Louis Journalism Review is published by Charles Klotzer, a friend whom I have known for more than three decades. In its most recent issue is an article by Prof. Hyman P. Minsky of Washington University. It is addressed specifically to a policy commission set up by the Democratic Party but really is addressed to the needs of the Nation. I hope my colleagues of both political parties and their staffs will take a look at Professor Minsky's comments.

In his article, he makes two points, among others:

First, we need a "revival of a modern version of another Roosevelt-era instrument, Works Progress Administration." He says that the WPA "is especially necessary if the dead weight burden of transfer payments is to be erased."

Second, he suggests that a revival of the Civilian Conservation Corps idea, enrolling 500,000 young people, "will do wonders for youth unemployment, the preparation of the young for the world of work, tranquility in our secondary schools, safety on our streets and our national parks."

What he has to say makes sense, and I hope eventually we follow his wisdom.

I ask that the Minsky article be inserted in the RECORD and I urge my colleagues to read it.

THE ECONOMY FROM THE NOT-SO IVORY TOWER

(By Hyman P. Minsky)

(The Democratic Party has set up a Policy Commission "to explore new ideas and alternative policies." In a form letter I was invited to submit my "thoughts and ideas" on how to link "traditional Democratic principles to contemporary issues." They asked for a 15- to 30-page paper; this column is my short reply; it is addressed to Scott M. Matheson, chairman of the Democratic Policy Commission.)

The country and the Democratic Party do not need "new ideas," what is needed are constructive programs for the realization of tried and true old ideas. Each of us could write a long list of old ideas which have not been realized. Such a list would include "equality of opportunity," "the elimination of poverty in the midst of potential plenty," and "a laborer is worthy of his hire." New programs which draw upon the lessons of history are needed in order to realize these, and other, old ideas.

Full employment in a free society is perhaps the most important old, or at least middle-aged, economic idea which requires government intervention if it is to be realized. The idea that full employment can be attained and sustained is a large part of the patrimony of the Democratic Party.

The evidence is clear that a close approximation to full employment cannot be achieved and sustained by unaided markets.

Reagan Republicanism rests on the assumption that the "market can do it all," full employment which can be achieved only by government support is an idea conservatives cannot tolerate.

Without full employment a free society is an elusive goal. Repressive measures to control its underclass are "necessary" in societies with chronic, large-scale unemployment. Full employment is a prerequisite for opportunity let alone equality of opportunity, in a market economy laborers will be worthy of their hire only if there are jobs for all. With full employment the deadweight burden of transfer payments can be contained, so that society can afford to treat those not able to work in a humane manner.

The Great Depression of 1929-33 demonstrated that the idea that markets know best is false. In 1969, 1974, and 1982 government deficits and Federal Reserve interventions contained and reversed market processes that threatened to develop into a serious depression. Even as the Reagan administration pays lip service to a balanced budget, it raises spending, cuts taxes, and doubles the national debt so that the depressive forces are contained and an expansion is induced.

The first two decades (1947-1966) after World War II were the best years the American economy ever enjoyed. That period of sustained high employment with little in the way of inflation. Tranquil expansions, interrupted only by short and mild recessions, eased what Orwell called the "haunting fear of unemployment."

Since 1967, the economy has not been a great success. Three serious recessions, a spate of financial crises and inflation have occurred. The current business cycle expansion—now entering its fourth year—is the least successful post World War II expansion. Unemployment rates are at levels that earlier characterized recessions. Success in containing inflation is due to the high unemployment rates and the weakening of unions.

During the Reagan years, Orwell's "haunting fear of unemployment" has been born again and has been joined by an ennervating dread of impoverishment. Until Reagan's time, post World War II unemployment largely took the form of recession-caused lay-offs. Laid off workers knew they had jobs to return to once the economy recovered. Today, unemployment is likely to be due to the closing of a plant, the bankruptcy of a firm, or the Wall Street game of mergers and acquisitions. Unemployed workers fear they have been permanently impoverished.

A commitment to the dignity of labor, the elimination of poverty, and a worker is worthy of his hire implies that the Democratic Party is committed to free and independent trade unions. But if full employment is to be sustained then the market power that full employment gives to unions must not be used to accelerate inflation. A revised and revitalized National Labor Relations Board which is mandated to encourage trade unions and contain those urges of market power by unions that lead to inflation is part of the commitment to full employment.

If a non-inflationary close approximation to full employment is to be sustained, then firms must not be able to translate the market power they gain from full employment into inflationary price increases. This likely will require a restructuring of industry so that competitive enterprises are favored over corporate giants. The quiet acceptance of ever-increasing corporate size and power has to stop; a vigorous anti-trust policy is part of the commitment to full employment.

A positive program for full employment will need instrumentalities which do not now exist. Youth unemployment and the evidence that postsecondary schooling is not appropriate for all, means that a modern version of the 1930s Civilian Conservation Corps is needed. A modest CCC which enrolls 500,000 will do wonders for youth unemployment, the preparation of the young for the world of work, tranquility in our secondary schools, safety on our streets and our national parks.

The revival of a modern version of another Roosevelt-era instrument, Works Progress Administration, is a necessary part of any program that aims to achieve non-inflationary full employment. W.P.A. is especially necessary if the dead weight burden of transfer payments is to be erased.

The idea that it takes positive government programs to achieve and sustain full employment is a good part of the political capital of the Democratic Party. The only Republican reply to this old idea is the pious hope that markets will someday, by some unexplained means, achieve what they have never been able to achieve to date, a sustained close approximation to full employment. A Democratic Party that has practical programs that ease the fears of unemployment and impoverization has a powerful antidote to the Republican pie in the sky promises that the market will do the job.

The quest for new ideas will bring both a full measure of gadgets and gimmicks. All policy must recognize the primacy of the "Law of unintended consequences." Policies inspired by novel gadgets and gimmicks are likely to do little good and to have unintended adverse consequences.

From the experience of 1946-1966, we know the good that sustained non-inflationary full employment does. We also know that some adverse unintended consequences followed. What we need are policies that incorporate the lessons from history so that the unintended adverse consequences are contained. For the rest of the twentieth century the main new idea of the Democratic Party should be the old idea that full employment can be realized by appropriate policies.●

LAND BETWEEN THE LAKES

● Mr. McCONNELL. Mr. President, a popular topic of debate in this time of severe budget constraints has been the issue of "privatization" of Government assets. Privatizers suggest we can accrue quick cash awards by selling-off Government property while, at the same time, avoid long-term operation and maintenance costs. I fear that too often these salesmen look to the short-term cash benefits at the expense of the long-term consequences. A good case in point, Mr. President, is the administration's proposal to unload Land Between the Lakes, the 170,000-acre outdoor recreation and national laboratory for nature study and natural resource management.

While the administration has consistently proposed a zero funding level for Land Between the Lakes, it has never proposed a workable alternative for the facility. It maintains that either Kentucky and Tennessee should run it, or that the land be sold to a private investor.

I question whether Kentucky and Tennessee could afford the $7 million-plus annual operating expense for LBL. Regardless, LBL is a national resource, not regional. In 1985, more than 2.1 million visitors came to LBL. That is more than visited the Grand Teton in Wyoming, Sequoia in California, or the Everglades in Florida, and about the same number that visited the Yellowstone and Rocky Mountains National Parks. No one has suggested that the States where these national parks are located should assume the operation and maintenance of these national treasures. Yet there is only one basic difference between these national parks and Land Between the Lakes; the Tennessee Valley Authority [TVA], not the National Park Service [NPS], runs Land Between the Lakes. A difference in acronyms is no reason to sell the second largest contiguous Federal ownership east of the Mississippi.

Were the land sold, as some have suggested, it would be at depressed prices and would impact upon the land value of the surrounding community. Furthermore, I think it ludicrous for the Government to fire-sale an $85-million capital investment at the same time the Government is buying-up land for other purposes.

Whether in terms of policy or economics, sale of Land Between the Lakes does not make sense. This point was stated well in an editorial which appeared in the March 3 edition of the Louisville Times. I commend the following article, "The Folly of 'Privatization'", to my colleagues' attention, and I hope they will agree that the projected savings are illusive, at best.

I ask that the article be printed in the RECORD.

The article follows:

[From The Louisville Times, Mar. 3, 1986]

THE FOLLY OF "PRIVATIZATION"

Western Kentucky's Land Between the Lakes is obviously a tempting target for Reagan administration budget cutters. For the second year in a row, the President's spending plan proposes that this unique area, which the Tennessee Valley Authority manages as a center for outdoor recreation and a laboratory for nature study and natural resource management, be cut off without a penny.

TVA and its associated activities must take their lumps along with everybody else in a time of severe budgetary stress. Indeed, Land Between the Lakes has substantially reduced spending and employment already and faces more cutbacks as the Gramm-Rudman-Hollings regime takes effect.

Congress, in defiance of the administration, provided $6.9 million for the current year, but that is $300,000 below the previous year's appropriation. User fees for visitors have been increased somewhat, and should be raised some more, to help cover expenses.

But the move to end all federal spending on Land Between the Lakes is simply irrational. While the 170,000-acre tract between Kentucky Lake and Lake Barkley might conceivably be taken over by Kentucky and Tennessee, it would probably be broken up into smaller parcels and returned to private ownership.

"Privatization" of government properties has admittedly been an administration goal. But the radical right-wingers who argue that even national parks and forests belong in the private domain have not been heard from much lately, and most officials seem to accept the traditional view that government should provide and protect lands for public recreation.

Its size, which is second only to Great Smoky Mountains National Park among federal properties east of the Mississippi, its strategic location in an area accessible to residents of large urban areas, and the opportunities it offers for many diverse forms of recreation should make it one of Washington's prize possessions. And since the area is the center of a $150 million a year tourist industry, its importance to parts of Kentucky and Tennessee cannot be overstated.

Moreover, Land Between the Lakes is valued as a national demonstration area for environmental education and study. And the area is unusual in that hunting and timber cutting coexist with more passive activities.

Land Between the Lakes can't be exempt from the drive to tame the deficit. But congressmen from the two states should make it clear to the administration that giving up land in which so much has been invested and which has been put to such excellent use would be economic and environmental folly.●

REPORT ON TRIP TO MIDDLE EAST BY SENATOR MATHIAS

Mr. MATHIAS. Mr. President, I submit for the RECORD a report of my trip to the Middle East from February 5 to February 26, 1986.

The report follows:

REPORT OF SENATOR CHARLES McC. MATHIAS, JR., TO THE SENATE COMMITTEE ON FOREIGN RELATIONS ON HIS TRIP TO THE MIDDLE EAST

INTRODUCTION

Significant competing demands, domestic and foreign, vie for the attention of every U.S. President. His success in establishing priorities and in focusing on essential goals can ultimately determine whether the record of his presidential term will be a positive one.

My trip to the Middle East was undertaken with an appreciation for the competing pressures faced by our nation at present but also out of a conviction that great opportunities and significant risks were testing the United States in a region vital to our interests.

I spent three weeks from February 5-26 visiting Saudi Arabia, Syria, Jordan, Israel, and Egypt. I met with many of the national leaders of each of these countries. A list of my major appointments is appended to this report.

The focus of my inquiry was on U.S. interests in the Middle East. Specifically, I examined: U.S. bilateral relations with Saudi Arabia, Syria, Jordan, Israel, and Egypt; U.S. aid relationships in the region; the implications for the United States of success or failure of the Arab-Israeli peace process; the consequences for regional stability arising from the decline in oil production and prices; the Soviet role in the region; the risks to the United States from an escalation in regional conflict; the dangers posed by the rise in terrorism emanating from the Middle East; and, finally, the status of the American hostages being held in Lebanon. It remains my judgment that this part of the world is of vital strategic concern to the United States. Our interests there are being tested by Soviet probing, and perhaps of greater significance, by anti-Western sociopolitical forces of considerable weight and vigor. We are failing, as a nation, to develop policies which comprehensively address these threats.

Many have suggested that our interests in the region have so diminished that we can afford to devote significantly less attention to it. This is not my view. I believe that the seeds for future problems for the United States are being sown at present in the Middle East. We ignore them or belittle them at our peril. We must not walk away from our difficulties in the Middle East simply because they do not appear amenable to simple solutions. I fear that this is our tendency at present.

Based on my recent discussions and observations, I would make the following general points:

MAJOR FINDINGS

The U.S. has suffered a net loss of influence in the Middle East in recent years. This loss may become worse as the U.S. is unable to demonstrate either a capacity to meet the security needs of its friends in the region or to assist in the movement toward a comprehensive Arab-Israeli peace.

Moderate Arab governments continue to see reasons for maintaining a strong connection with the United States, but most are experiencing rising pressure from their publics to reduce their links with us.

Sharp disagreements between states in the region (i.e., Syria/Iraq, Egypt/Syria) make policy making and coalition building particularly difficult for the United States.

U.S. losses have not yet translated into significant Soviet gains in the region. However, marginal gains in moderate Arab states and expanded security relationship with certain radical states may result in greater Soviet influence in the Middle East in the future.

The U.S. assisted peace process has stalled. It is unlikely that it can be revived quickly absent a fundamental change in policy by the PLO. Significant alternative Palestinian leadership does not exist, and King Hussein will not negotiate without Palestinian participation or a major Arab partner.

Peace between Egypt and Israel was made without the participation of Syria and the Soviet Union. It may well be that peace between Israel and her other neighbors, including the Palestinians, can be made only with the acquiescence or cooperation of Syria and the USSR.

Terrorism threatens to so distract official Washington that our capacity to pursue significant policy goals in the Middle East may be sharply circumscribed. Moreover, our failure to pursue what is viewed as a positive agenda on peace and security in the region is reducing our effectiveness in combating terrorism.

At this time there is no effective means of communication with the American hostages being held in Lebanon. No prospect of early release exists.

The decline in oil based income in the Middle East is having potentially serious adverse effects on the economies of non-oil producing Middle East states as workers return home from the Gulf and remittances decline. There may be adverse political ramifications arising from these economic facts.

The risks to U.S. interests of expanded warfare between Iran and Iraq, of ignition of conflict between Israel and Syria, or arising out of a terrorist incident, remain high.

We must not conclude from our problems in the Middle East that disengaging would constitute a wise policy course. Others will capitalize on a failure of U.S. will or attention in the region.

The United States should, for example, devote high level attention to mediating differences between Israel and Syria in southern Lebanon and Israel and Egypt. Above all, it must not let the Arab-Israeli peace process fail through a lack of effort on our part.

Part I—U.S. interests

When the nature of U.S. interests in the Middle East is defined, the elements most often cited are Israel and oil. Clearly, these two provide only the headings for a more diverse complex of interests, sometimes competing, which we pursue. I shall discuss each in turn, recognizing that it is frequently our ability to pursue them concurrently which determines our overall success in the region.

(1) Bilateral Relations

Israelis

Our national support for Israel is a function of a very broad and deep commitment by the American people to the people and state of Israel. It is a commitment nurtured by a mutual perception of common values and common goals and by a sense that each re-enforces the strategic interests of the other. Israelis recognize the vital nature of their ties to the United States. We value enormously having a close friend at the Eastern end of the Mediterranean at a time of growing Soviet strength on that body of water.

On occasion, specific U.S. interests are not perceived to coincide exactly with those of Israel and vice versa. Our two nations have, however, successfully managed our differences in the years since Israel's independence. I have no doubt we will continue to do so in the future.

Our relations today are as strong as at any time since 1948. The range of cooperative efforts between our two countries is remarkable. There are, however, potentially divisive issues which could confront Israel and the United States. Our policies with respect to the peace process are, at present, largely compatible with those of Prime Minister Peres. He, however, is scheduled to relinquish the office of Prime Minister to Mr. Shamir, in October. Likud Party policy, shared by Mr. Shamir, is not to consider relinquishing to Arab control any additional land in exchange for peace with one or more of Israel's neighbors. This issue could bring our respective governments into disagreement.

Furthermore, Israel has a paramount interest in limiting the military capabilities of her neighbors. We must, however, balance this interest against others, including our desire to be responsive to the security needs of moderate Arab states.

There are Israelis who worry that, if anything, relations with the United States are so close as to be dependent and unhealthy.

One senior Israeli made the observation that "Reagan's approach to Israel is avuncular rather than paternal. He loads us down with sweets but never takes time to talk to us about problems." This, however, is not the final word about this relationship.

Arabs

The United States continues to enjoy positive relations with a number of moderate Arab states in the region. These relations are built on mutually perceived common interests. We contribute to the security of pro-Western states through arms sales and aid, but ultimately through the perception that we would be willing to go to war to deny the region to the Soviet Union. Our influence is enhanced in the Middle East by the perception that we can contribute to peace between Arabs and Israelis by building on a record of accomplishment in the 1970s.

We, in turn, derive benefit from commercial and economic ties to the region which are important to us and vital to our Western allies who rely heavily on Middle Eastern oil. Our interests in the region were jeopardized when a virulently anti-American regime came to power in Iran. They would be further undermined if a similar evolution of authority took place in moderate Arab states currently identified as pro-Western.

A number of Arab leaders are facing increased pressure from their people arising out of reduced oil income in the region. This is contributing to rising unemployment in a number of countries which either don't have oil or have citizens working in oil producing states.

The problem of Palestinian Arabs is a continuing one in the Middle East. It has created a special dilemma for the United States. They are a people whose claim to nationhood refuses to disappear. Their cause, for a variety of complex reasons, puts us, to one degree or another, at odds with all states in the region.

The Egyptian relationship has special meaning for the United States. Egypt is not only a strategic friend in the Middle East but has been a partner with the United States and Israel in the search for peace. However, the Israel/Egypt relationship is not set in stone. It is dependent, to a degree we cannot precisely define, on the general direction of Israel's relations with her other neighbors. If these worsen, Egypt, beset by escalating domestic economic problems, will find it difficult to insulate its relations with Israel from pressures from her Arab brethren. A worsening Israeli/Egyptian relationship can have serious negative consequences for the United States. It could raise regional tensions and weaken Congressional support for Egypt. We have a vital interest in actively promoting the improvement in Israeli/Egyptian ties.

Our ties to this region are weakening. For example, the United States exported 9 percent of its total exports (roughly $18 billion) to the Middle East/North Africa in 1983. There has been a steady decline in these exports, in both percentage and dollar terms, since then. In 1983, for example, our exports to Saudi Arabia alone totaled about $8 billion. Last year that figure was roughly $4 billion.

Moreover, there are complex forces at work in the region. There is growing evidence of Arab acceptance of Israel's existence in the Middle East which might be translated into concrete agreements. There is, however, also growing anti-Western sentiment which is manifested in rising Islamic fundamentalism and which, in its more virulent form, has translated into vicious terrorism.

There is a rising danger that the United States will be perceived as incapable of addressing Arab concerns either with respect to the peace process or with respect to their security needs. Our credibility as the ultimate guarantor of the security of moderate Arab states has been deeply eroded. The current stagnation of the peace process and our rejection of arms sales to Jordan and Saudi Arabia are often cited as examples of our inability to meet Arab needs.

Arms sales have become so identified with the peace process in the United States that we seem incapable of recognizing and addressing interests that we have with moderate Arabs which are apart from our interest in an Arab-Israeli peace. Our interests would not be served, nor would Israel's, by changes of regimes in states currently identified as moderate. Our refusal to provide for the legitimate security needs of our friends could contribute to pressures on them.

(2) Aid relationships

Israel has made inpressive progress in revitalizing her economy, with a fresh injection of American aid and American advice. At the same time, Israelis insist that from the beginning it was understood that American assistance was and is unconditional. The independence and autonomy of Israel is highly prized and fiercely defended, even against the influence of her friends.

There is nonetheless heavy reliance on continuing United States assistance and a full expectation that aid will be available in adequate amounts for the foreseeable future. The prospect of significant reductions in either economic or defense aid is not taken as a serious possibility and not to be considered. This reliance is coupled, of course, with a genuine desire to attain a state of self-sufficiency at the earliest possible time, but that is not a predictable event.

Israel views any provisions of defense assistance to any Arab nation at war with her as a hostile act. Even if the state of war is only a formality, Israelis picture the potential of Israeli casualties caused by American weapons. Provision of such equipment by other nations is equally resented although the feeling is tempered to the degree that Israelis view American arms as the most effective and, therefore, the most lethal. There is no confidence expressed in the restraints or conditions that can be placed on the deployment and use of American arms.

The question of American aid to Israel is no longer greeted by vocal protest in Arab nations, but rather by a silence that goes beyond anger. It is anticipated that the United States will continue to provide military and economic aid in large sums and political aid in places such as the United Nations. Arab nations seem to think that argument and discussion of this subject is not worthwhile and are close to a state of apathy with respect to it. But the appearance of apathy should not be taken as evidence of lack of strong feeling.

Conversely, American reluctance or refusal to provide assistance to Arab nations, particularly failure to honor Presidential commitments to do so, is viewed with more open feeling. There were many expressions of opinion that failure to complete the Jordanian arms transaction was a serious mistake, particularly as it came after personal presidential pledges, six years of negotiations, and a quarter century of mutual effort to forge a cooperative relationship. The prospect that final approval of the AWACS sale to Saudi Arabia or the provisions of spare parts and accessories for equipment sold in the past would become a subject of controversy and uncertain fate was viewed even more seriously. One typical opinion was that such a development would signal a major decline of American interest in the Middle East and encourage Arab nations generally to look for alternative sources of support and supply. It would be a predictable tactic to threaten to turn to the Soviet Union, but in such matters the Soviet Union may be the only other possibility so that it is more than an idle threat.

The leaders of moderate Arab states were clear in their personal views about the Soviet Union. Social and religious policies in the Soviet Union are deeply disturbing to them. But even the most conservative admitted that they could contemplate doing business with the Russians if their national interests dictated that course of action.

We retain influence and some degree of leverage in the Middle East. We need to use it wisely and with discrimination. Positive incentives may encourage favorable policy outcomes. Disincentives in the form of threats to withhold assistance rarely produce positive results, particularly when transmitted in a public manner. Proud national leaders cannot be seen to be succumbing to superpower dictation.

Moreover, in exerting pressure on our friends we must be mindful that our actions can undermine their political strength. However unhappy we may be with a particular regime's specific policy, the alternative to that regime may be far worse in terms of our interests.

(3) Peace process

The United States has a significant interest in expanding and strengthening the Arab-Israeli peace process. That process has, in recent years, been a very troubled one. The effort to enlarge on the agreement achieved by Egypt and Israel to include other Arab participants has, to date, been unsuccessful.

The coming to power in September 1984 of a National Unity government in Israel, headed by Prime Minister Shimon Peres, King Hussein's revived interest in the peace process, and the changed circumstances of the PLO, opened the way for positive movement.

King Hussein saw an opportunity, limited in time, that was created by Mr. Peres' assumption of power in Israel. Though some had hoped he could act unilaterally, the King has believed consistently that he needed Palestinian and other Arab participation in any negotiation with Israel. His reasoning is complex but important.

The 1974 Arab Summit in Rabat termed the PLO the "sole legitimate representative of the Palestinian people." Most Palestinians, whether on the West Bank or elsewhere, look to the PLO to represent their political aspirations. Hussein has felt that he could not operate without the PLO acquiescense. His position and his prospects are far different from those of Anwar Sadat in 1977.

He recognizes that Israel will not return to Arab control, under any circumstances, all of the territory captured in June 1967. Hussein believes, therefore, that for negotiations to be successful he needs other Arabs, and specifically the PLO, to be participants in the decision to make an agreement that embodies the return by Israel of less than all of the Occupied Territories in exchange for peace. Beyond that, King is

acutely conscious of his relative weakness in any negotiation which would put him one-on-one with Israel. Not only would Israel be perceived as holding the major cards, but his Arab brothers, notably Syria, would do their best to insure his failure. Jordan's largest sources of income are over half a billion dollars annually in Arab aid and over a billion dollars in remittances from Jordanians working in the Gulf. If these were interrupted, the Jordanian economy would collapse.

For these reasons, King Hussein devoted considerable effort at the end of 1984, in 1985, and at the beginning of 1986 to drawing PLO Chief Yasir Arafat into the process and by making clear in his call for an international conference that all interested parties were welcomet to participate in that process. The February 1, 1985, agreement between Jordan and the PLO was an important step in the King's efforts. It was, in effect, to be formula for joint action in the event of negotiations with Israel.

In Israel there was considerable interest in the King's efforts coupled with universal rejection of any negotiation with the PLO. The Israeli government of National Unity was in general agreement on the issues of Lebanon and the economy, but that consensus did not extend to the issue of peace negotiations with Arabs.

For most Israelis, peace with Egypt has not been what they expected or hoped for. Its "cold" nature has made many Israelis less enthusiastic about proceeding further with other Arabs. In addition, eighteen years of Israeli control over the West Bank and Gaza have made Israelis resistant to contemplating even partial withdrawal from the remainder of the territories occupied in June 1967. The lack of Arab interlocutor has retarded the opening of debate in Israeli society between those who favor giving up "land for peace" and those who support only "peace for peace." The Labor Party remembers its late leaders, Golda Meir, who thought retention of the West Bank would be "insane", and Yigal Allon, who thought it would be "unjust." Likud remembers Menachin Begin's devotion to Judea and Samaria. Prime Minister Peres counts himself in the category of those who would relinquish "land for peace", and has sought to encourage King Hussein in his efforts to come to the table by being flexible on the issues of Palestinian participation (but not PLO) in negotiations and on the question of an international forum (but not as a substitute for direct negotiations). He has stated that the Soviet Union may be a party to the international gathering if Moscow reestablishes diplomatic relations with Israel and permits emigration of Soviet Jews.

The Palestinian factor remains a highly significant one in any effort to move the peace process. Palestinians have maintained that recognition of Israel is their best card. Moreover, they harbor a deep sense of grievance that they should be asked to "recognize" Israel which, in their judgment, is occupying their land without corresponding Israeli recognition of the Palestinian rights. An essential dilemma remains that most Palestinians look to the PLO to represent their interests, and the PLO has proved incapable of developing a peace program with respect to Israel. Yasir Arafat in 1985 and early 1986 came as close as any, and to date he has not come close enough.

The United States has had a positive record of accomplishment with respect to promoting peace between Arabs and Israelis. In 1985 Assistant Secretary Murphy worked with great vigor and dedication to bring about face-to-face negotiations between an Israeli and a joint Jordanian/Palestinian delegation. We expended considerable effort to trying to find Palestinians acceptable both to Hussein (and, by extension, the PLO) and to Israel. Mr. Murphy also sought to move King Hussein away from his demand for an international conference, fearful that it would give the Soviets a role in the region they had not had in over a decade.

Unfortunately, at the end of 1985 the process began to unravel, victim of a number of factors.

Clearly, King Hussein saw his options narrowing. Yasir Arafat refused to pay the price of admission to negotiations by publicly endorsing UN Resolutions 242 and 338. The King was left without viable Palestinian cover. Moreover, vicious terrorist incidents tarred the Palestinian movement at the very moment that elements in it were moving toward peace.

Israeli steps in King Hussein's direction were halting, reflecting the deep divisions in the government of National Unity. The King also became increasingly concerned that Prime Minister Peres might not be able to deliver on an agreement to negotiate.

The biggest disappointment King Hussein faced, however, was the United States. He perceived us as being incapable of moving even modestly toward a dialogue with the Palestinians, and he was humiliated by the refusal of Congress to approve the Jordan arms package. He felt that the Administration did not exert itself sufficiently to get it passed, bringing into question the role the Administration would play in any peace negotiations or regional crisis.

King Hussein made, therefore, a move which seemed both logical and necessary to him. He opened a dialogue with President Assad of Syria.

Syrians have believed that the peace process can only proceed successfully when Arabs have achieved what they call "strategic parity" with Israel. They are adamant in stating that they will not tolerate a peace process which excludes them.

The public Syrian vision of that process is an international conference which brings all of the parties to the conflict together under international auspices. Such a conference, in their view, would discuss arrangements: for total Israeli withdrawal from territories occupied in June 1967, for guarantees of any agreements, and for how Palestinians could exercise their rights of self-determination.

When pressed, Syrian officials argue bluntly that "the only peace possible is one made by Syria and Israel."

The United States continued to press the negotiating process through the efforts of Richard Murphy at the end of 1985 and beginning of 1986. Our goal has remained face-to-face negotiations between Israeli and joint Palestinian/Jordanian delegations. Our discussions have concentrated on process—who would participate in the negotiations and under what auspices would they meet—not substance. Initially, we resisted an international forum. More recently we have sought to minimize its role.

King Hussein embarked on a two-week negotiating session with Yasir Arafat beginning January 25 and ending February 7. During this time the United States was in touch with the King and our position evolved in an attempt to induce Arafat to take the dramatic step. We were adamant that the PLO recognize UN Resolutions 242 and 338, agree to negotiate peace with Israel, and renounce terrorism. We conceded that, if the PLO did take these actions, the Secretary General would invite the PLO to be present at an international conference. We adjusted or clarified our positions in other ways as well.

The PLO demanded that the United States recognize the legitimate rights of the Palestinian people, including their right to self-determination within the context of a confederation between Jordan and the Palestinians. The President was not prepared to go this far.

In the end the negotiations broke down. The reasons for Arafat's refusal to make the final decision remain unclear. In a blunt speech given on February 19, King Hussein announced that "The Hashemite Kingdom of Jordan hereby announces that we are unable to continue to coordinate politically with the PLO leadership until such time as their word becomes their bond." The King has suggested that he may be searching for alternative Palestinian representation in the peace process. If this suggestion is not solely a form of pressure on Arafat, it probably represents a long-term hope rather than a short-term realizable objective.

In Israel Prime Minister Peres has seen an opportunity slipping away. He recognizes that a Hussein/Arafat agreement could bring him political difficulties. He has consistently maintained, however, that he wants to enter negotiations with a Camp David agenda (i.e., autonomy first, negotiations on final status second), and preferably with the National Unity government intact. He recognizes that disagreement within Israel over the substance of negotiations and the identity of the participants in those negotiations could require that there be elections very quickly.

This year has seen greater recognition on the part of Peres and Hussein of the political constraints faced by the other and greater effort to accommodate these constraints.

For much of 1985 and early 1986, a number of major players in the region—Peres, Hussein, and Mubarak, in particular—saw it in their interest to pursue peace. Each had to make a political calculation whether actual peace negotiations offered enough prospect of success to justify entering them. In some ways, making this determination has been most difficult for King Hussein. In the past he has sought assurances with respect to substance (i.e., that Israel would return all or most of the territory captured in 1967). During the latest round he has concentrated on process: who would participate in the negotiations and under what auspices?

The process now moves to a more uncertain and potentially dangerous stage. A successful conclusion of the Hussein/Arafat discussions would have left Israel with very difficult questions and potential diagreements with the United States. The failure of the discussions seems to leave the peace process in limbo with no logical next step. King Hussein needs Palestinian and other Arab support to negotiate. Neither appears to be present.

All of this is apart from the issues of substance which have not as yet been discussed. These remain as tough, some would say much tougher, than any time since 1967.

(4) Petroleum

The oil glut and decline in oil prices has suggested to some that the Persian Gulf region has lost some of its strategic significance to the West. Only about 15 percent of the non-communist world's oil flows

through the Strait of Hormuz, compared with 40 percent a decade ago. However, this reduction is only partially a function of reduced world demand. Although only about 6.5 million barrels of oil a day go through the Straits, another four million barrels leaves the region through one of several pipelines which exit through Turkey from Iraq and to the Red Sea from Saudi Arabia and Iraq.

The Persian Gulf remains an area of vital interest to the U.S. and the West with 55 percent of the world's proven oil reserves and up to ⅓ of the world's current oil production. Our allies continue to have a vital need for oil from the Gulf—Japan for 60 percent of its needs and Western Europe for about 25 percent. These, of course, are current requirements. No one can be certain what the 1990s will bring, but many speculate that there will once more be a rising dependency on Persian Gulf sources of energy.

What is highly significant, at present, is the profound effect on the region of significantly lower oil income and consequent lower economic activity. Non-oil producing states from Pakistan to Morocco have depended on aid and worker remittances coming from Gulf states. Both have dropped sharply. Workers are being sent home, causing twin problems in the form of lower foreign exchange receipts and higher unemployment. On my tour through the region I found Jordan and Egypt were particularly affected by these problems, but other U.S. friends, such as Pakistan, are facing similar difficulties.

U.S. policy makers can take some solace from the fact that we now import so little of our oil from the Middle East. They should temper their satisfaction, however, with a heightened concern for the rising economic and political pressures which many of our friends now face. Relative wealth in the region contributed to regional political stability; its absence could promote unrest among those who will blame the Western connection for the lack of prosperity.

(5) Soviet Union

The United States has followed a conscious policy of seeking to limit Soviet influence in the Middle East. We have, in the last decade, achieved a large measure of success in this effort. By a combination of peace initiatives and economic/military sales and assistance, we have appeared more relevant to regional needs than the Soviets.

The Soviet Union was thrown out of Egypt, rebuffed in other moderate Arab states, and limited to security relations in radical states. Two of their clients (Syria/Iraq) are bitter antagonists. Their continued support for the Yasir Arafat has put them at odds with President Assad.

Nonetheless, the Soviets have persisted, and now their persistence is showing signs of paying off. Israel's invasion of Lebanon has intensified the Soviet/Syrian relationship. Moderate Arab states have begun establishing diplomatic relations with Moscow (Oman and the United Arab Emirates most recently).

Arabs, moderate and radical, have not seen the Soviets as constituting the same clear threat to the region that Americans perceive. However, events in South Yemen are causing some unease in moderate Arab capitals with respect to Moscow. The Soviet willingness to abandon its South Yemeni client and adopt a new one may cause some concern among radicals as well.

The risks of superpower confrontation are expanding with the increase in the level of military hardware entering the region—Soviets have put very sophisticated surface-to-air missiles in Syria and Libya, for example.

Judgments vary with respect to what role the Soviets wish to play in the region. Conventional wisdom holds that their interests thrive during periods of unrest. But they have seen their clients vanquished and equipment destroyed so often that this judgment may not be definitive. The Soviets, however, have given little or no evidence that they are willing to depart from strict adherence to a radical Arab line on peace. In fact, there is considerable evidence that the Soviets worked actively to undermine the Hussein/Arafat discussions in Amman.

We have no easy policy choices with respect to the Soviet Union in the Middle East. We must not give them a free ride through our neglect of the region. At the same time, there may be a legitimate role for them in an expanded Arab-Israeli peace process. But they must be willing to pay the price of admission in terms of very changed policies with respect to Israel and with respect to rejecting the demands of the most radical Arab leaders.

(6) Regional conflicts

Conventional wisdom has held that U.S. Middle East interests are best served by stability and peace in the region. Clearly, the risk of escalation and superpower confrontation has been a dangerous aspect of many regional conflicts in the past.

However, the 1973 Arab-Israeli war and its aftermath did open the way to a significant expansion of U.S. influence in the region. Two current areas of tension have mixed benefits and costs for the United States.

Iran-Iraq War

The Carter Doctrine was aimed at a possible Soviet threat to the region, while for the foreseeable future the greatest potential threats come from an expansion of the war between Iraq and Iran or from political instability in one or more of the other states on the Gulf periphery.

Whatever the responsibility for initiating the conflict, clearly Iran is responsible for perpetuating it. The latest Iranian attack commenced while I was in Saudi Arabia, and has raised serious concern throughout the region. Up until this point, Saddam Hussein of Iraq had been reticent to disrupt Iran by sustained air attacks on its economic infrastructure for fear of driving it into -permanent hostility. This inhibition may no longer exist.

The latest fighting is a graphic illustration that Gulf states cannot insulate themselves from the conflict. The Saudi air force, assisted thus far by U.S. AWACS, has been able to deter, and in one case shoot down, Iranian intruders. But a war that threatened Kuwait would create very serious policy problems for the kingdom.

The U.S. has derived some benefits from the war in the form of better relations with Iraq and Saudi Arabia than might otherwise be the case. Moreover, messianic Iran's focus on the conflict reduces, but does not eliminate, its ability to export its revolution. Our major interest remains in preventing Iranian hegemony in the Gulf while not at the same time seeing Tehran driven to Moscow. We risk indefinite enmity with Iran in the support we give Iraq, but recognize that the fall of Iraq could be a catastrophe for our Gulf friends. Khomeni has changed almost everything in Iran, but he cannot change geography. Iran remains a strategically-placed nation with an industrious population with whom we must ultimately find a *modus vivendi*.

Israel/Syria

The only credible military threat to Israel's security at present comes from Syria. Few believe Syria could win a confrontation; many fear that Israel would suffer significant casualties in a major engagement.

Syrian and Israeli interests conflict on a number of points. President Assad is determined to remove the last vestiges of Israel's presence in Lebanon both on the ground in the south and in the air over Lebanese territory. He has actively supported attacks on Israeli units and Israeli supporters in South Lebanon, and he has played a dangerous game of brinksmanship with his surface-to-air missiles on the Syrian border with Lebanon.

It appears unlikely that Syria would initiate a major war against Israel in the near term. The deficiencies in its air defenses and air force relative to Israel are too well-known. However, it is impossible to preclude an escalation arising out of an incident such as the November 19, 1985, shootdown of two Syrian MIGs.

Israelis speak respectfully about President Assad and the growth of Syrian military capability. One Israeli official said simply, "We are not at war now because Syria does not want it." Many Israelis are convinced that a clash with Syria is only a matter of time and that the only question is whether it will be a limited or full-scaled confrontation.

An Israeli-Syrian war could create a very serious situation for us. Syria is the Soviet Union's major ally in the Middle East. A significant confrontation would pose very difficult problems of face and credibility for Moscow if, as is possible. Israel proceeded to destroy large portions of the Syrian armed forces. How the new Soviet leadership might react to this contingency cannot be forecast with any certainty.

The United States should do all it can to mediate Syrian/Israeli differences, and for that purpose should improve and extend its communication with the Syrian government.

(7) Terrorism

This is not the first time that terrorism has affected U.S. interests in the Middle East. It is, however, emanating from the region in a more virulent form than in the past.

Observers debate causes. The ingredients include a Palestinian cause so buffeted by Israelis and Arabs that terror is perceived as the only course for an embittered leadership and for a generation of youth brought up on death and destruction. They employ the euphemism "armed struggle" to define it. Additional factors have included a wave of anti-Western Islamic fundamentalism sweeping the region and regional states willing to utilize terror as tools of national policy.

Typical of the new threat are those elements of the Shia population in Lebanon which have been radicalized by the Israeli invasion of 1982 and have joined the Hezballah group financed by Iran. They form a dangerous new force on the Lebanese political scene.

This terrorism has sought to harm not just the West and Israel, but also those who argue for compromise with Israel. Arabs are also targets of Arab terrorism. Moderates are at risk throughout the region. Our friends, like Egypt, have been hurt by it. Arafat and Hussein have been warned by it. The terrorists have, in fact, achieved a considerable measure of success because they

have managed to distract us and others in the region from the vigorous pursuit of peace.

The dilemmas for U.S. policy, created by this phenomenon, are multiple. It distracts us from pursuing other regional policy options. It has focused our attention on Qadafi who is, in terms of our larger interests, a marginal actor. Indeed, virtually everywhere I traveled in the Arab world, U.S. policy was criticized for building up what most view as a ridiculous figure who was in trouble in his own country until the U.S. chose to turn him into a Libyan David fighting a superpower Goliath. Their comments recalled the conventional American political wisdom that it doesn't matter what is said about you as long as your name is spelled correctly.

The general perception in the region is that we talk too much with respect to terrorism and do too little. It is a perception not without foundation.

(8) Hostages

The Syrian government advised that it had no current report on the health or welfare of the American hostages. The government made no information available as to any recent contact with the hostages, and no one would admit to having seen them. The Syrians mentioned the Archbishop of Canterbury's effort as the only current activity on their behalf.

Inquiry about release of the Soviet hostages indicated that Soviet success was not easily attained. When maximum Syrian leverage did not obtain the release of Russian hostages, the Soviet Union is believed to have secretly resorted to acts of great brutality. The accuracy of these rumors could not be confirmed, but they were widely spread.

Part II—country studies

1. Saudi Arabia

This is a difficult time for the Kingdom of Saudi Arabia. Lower oil revenues have forced sharp cutbacks in government expenditures and drawdowns of Saudi financial reserves. The bloody change of regime in Aden and the renewed heavy fighting between Iraq and Iran have reminded the Saudis that they live in a dangerous neighborhood. A series of policy disagreements and rebuffs from the United States has moderated a relationship which Saudi Arabia has long valued and relied upon.

Saudi oil production, which averaged 9.8 million barrels a day in 1981, averaged under four million barrels last year. Income from petroleum exports and from financial reserves which brought about $110 billion in 1981, only brought about $30 billion last year. Each year, for successive years, the Saudi Government has had to draw on its reserves to cover budget deficits. Total reserves have fallen from about $140 billion to under $100 billion.

Recently Saudi Arabia decided it would no longer be the OPEC swing producer and raised its oil production. Budget necessity pushed the Saudis to drastic action. Since last August, Saudi Arabia has more than doubled its oil production, flooding the international oil market and driving down prices.

Petroleum Minister Yamani and others recognize that this policy is not without risks. There is broad recognition of the increased difficulties that lower prices create for major debtor oil producers like Mexico. Moreover, Saudi leaders know that political pressures could build rapidly from other states in the region, such as Iran, which need the income from higher petroleum exports.

The Saudi goal seems to be a stable oil market which will permit them to produce about four million barrels a day at $20-$25 a barrel for an annual income of about $35 billion. It is unclear that political will and market dynamics will permit the Saudis to accomplish their goal.

Saudi Arabia is still a very rich country which must now adjust to a lower national income. Economic retrenchment has had to come more quickly than most Saudis ever expected.

The government has met the budget crunch by delaying project payments, cutting back expenditures, including domestic subsidies, and slowing or stopping major projects. These cutbacks are proving painful for the business community, both foreign and domestic. Younger Saudis, who had reason in the past to aspire to quick riches, must frequently adjust their thinking and accept less.

The Saudi royal family remains secure. There are complaints about princely life styles at a time of relative austerity, but the decay that contributed to the fall of the Shah in Iran does not appear to be present. This is a ruling class which gives every evidence of being close to the people and to its religious roots. It is a regime which has ruled without interruption for over fifty years.

Saudi leaders go to significant lengths to achieve broad consensus behind national policies. Policy options that can commend only 51% support are, by definition, bad.

There appears, at present, to be little threat to the regime coming from the military. The religious community in the Kingdom is respected and carefully listened to. Other significant groups in society, technocrats and businessmen, express degrees of unhappiness, but have limits on their ability or desire to dissent. Perhaps the biggest challenge which the leadership must address in the future will come from the youth of the nation—up to 50% of the native population is under 16 years of age.

Potential external threats remain troubling. Saudis continue to be determined to avoid, where possible, a high profile. They want to stay in tune with the Arab consensus, shape that consensus in discreet, behind-the-scenes ways, but not get out in front of it. This means keeping lines open to Arabs of all persuasions. Saudi money flows to Baghdad, Damascus, Amman, Khartoum, Sanaa, etc.

At present, Saudi attention is focused on the Iraq-Iran War and on South Yemen. Saudis see no gain to their interests from a continuation of the conflict between Tehran and Baghdad, and they believe that they have a great deal to lose. The latest fighting underlines Saudi Arabia's worst fears. An Iranian threat to Kuwait could involve the Kingdom directly.

Saudi leaders see risks and opportunities for them in Aden. Instability there could spill over into Saudi Arabia. However, Saudis are intrigued by the implications which might be drawn by Ethiopian leaders by the speed with which the Soviets abandoned their client leaders in Aden and replaced them without sentimentality.

Saudi interests are perceived in Riyadh to be served when Arabs are not arguing among themselves. Recently, Saudi Arabia encouraged the Hussein/Assad rapprochement. This effort may also have reflected a desire in Riyadh to detach Syria from Iran.

Saudis want an Arab-Israeli settlement. Influential Saudis argue that they support what they term "the rights, dignity of all peoples in the region, including Israel." They argue that it is Israel's refusal to agree to the "rights" of the Palestinians and our support for this position which blocks progress. The Saudis refuse to get out front on the peace process at least in part because they do not believe that the United States is willing to be active in bringing it to a successful conclusion.

Interestingly, however, the Saudis kept a high level of assistance, in the form of money and oil, flowing to Jordan in 1985 when King Hussein was seeking to engineer a peace negotiation with Israel. Their refusal to do so would probably have brought a sharp halt to the King's efforts.

Security, commerce, and peace have been the issues binding the United States and Saudi Arabia. The Saudis have looked to us for military equipment and training and for their ultimate security. We have looked to the Saudis as a forward partner in the event of a military threat to the Gulf. Saudi Arabia and the United States have derived mutual benefit from trade. The Saudis have looked to us for influence with Israel with respect to the peace process. We have looked to their supportive action with respect to the process and to their money in support of our mutual friends.

The U.S./Saudi relationship goes back decades to a shipboard meeting between King Abdul Aziz and President Franklin D. Roosevelt. It is symbolized by the Saudi/Arabian American Oil Company (ARAMCO) partnership in developing Saudi Arabia's natural resources. It has been sustained by the literally thousands of Americans who have worked in Arabia and Saudis who have studied in the United States. Today, virtually the entire upper echelons of the Saudi cadre of technocrats is American-educated. Over 10,000 Saudi students are at present in the United States, though there is concern that this number may decline as more Saudis receive undergraduate education in new local universities and colleges.

The United States and Saudi Arabia have consistently expected too much of each other. Saudi oil production, the Soviet invasion of Afghanistan, the fall of the Shah, and the Iraq/Iran war drove our two countries together. The decline in oil prices and our decreased dependence on Saudi oil, the Saudi perception of a somewhat lessened threat from Iran, and the failure of the Arab-Israeli peace process have all undermined the relationship. We continue to be frustrated by what we view as a failure of Saudi Arabia to play a more active role in the peace process. The Saudis argue we should put more pressure on Israel to obtain a settlement.

More recently, Saudis have reacted with serious concern to the drying up of the U.S./Saudi arms relationship and the perception, after the Israeli Tunis raid, that the United States is unwilling to stand up for moderate Arabs. Even our commercial ties are less strong than before. Though we exported over $4 billion to the Kingdom last year, we must now face Saudi petrochemical industry competition.

This is, in short, a very troubling time in the relations between our two countries. No one is forecasting a sharp break. Many see the Saudis distancing themselves from us in small but cumulatively significant ways. They are determined to continue to modernize their armed forces with or without the United States. One senior Saudi official put it to me, "We pay cash. If we cannot get

arms from you, we shall not be angry, but we will get them from other sources." This process has been accelerated by the Saudi decision to purchase British Toranados, a versatile military aircraft. As their reliance on non-U.S. equipment increases, their commitment to the U.S. military connection, with all that this has entailed, will inevitably wane.

Nothing irreversible has happened between our two countries. The trend, however, is disturbing. Saudis feel vulnerable and increasingly feel we lack the will or means to address their vulnerabilities.

2. Syria

Syrians project an air of confidence, even arrogance, about the essential role of Syria in regional affairs. They recognize their policy failures in Lebanon, with respect to the PLO, and in managing their economy, but believe in the ultimate strength of their position and influence.

President Assad continues to be in tight control of Syria, assisted by a group of supporters who benefit from his continuing leadership. There is no clear successor to Assad should ill health finally remove him. His brother Rif'at stirs controversy and continues to spend much time in exile.

Assad is prepared to use forceful means to respond to internal dissent—witness the government response to the Muslim Brotherhood in Hama in 1982. The government has been said to use selective terrorism as an instrument of national policy outside Syria.

Assad has been less successful in dealing with Syria's economy. It is in shambles with successive years of decline in real GNP. The Syrian economy has been hurt by inefficient and ineffective government policies, by heavy defense expenditures, a decline in Arab support payments, and Assad's decision to close the Iraq/Syria oil pipeline. The economy is kept alive by Iranian and Saudi funding. Oil discoveries in Syria may provide marginal relief.

Lebanon has preoccupied Syria since its creation, and most particularly since 1976. It now dominates Syrian attention. Assad's efforts to impose the Tripartite Accord on Lebanese factions have run into greater than expected Christian opposition and less than hoped for support from other Lebanese. Syria believes that it cannot afford to let Lebanon go its own way, but, to date, has not found the formula for enforcing its will in that unhappy country.

Assad's problems with the Lebanese have reduced, but not eliminated, the degree of pressure he can put on pro-Arafat PLO factions in Beirut and Sidon and on Israelis and their supporters in southern Lebanon. He is concerned by the growth in the radical Islamic fundamentalist faction, Hazballah, but constrained by his ties with Iran from taking decisive action in response to this concern.

Beyond Lebanon, Assad's preoccupation remains regional. He seeks to expand Syria's influence and to forestall encirclement of Syria by hostile states. To this end, he has supported Iran in its war with his much-hated neighbor, Saddam Hussein of Iraq. He has viewed with concern the rapprochement between Arabs he dislikes, namely Iraq, Jordan, Egypt, and the PLO. He has argued that Israel will not withdraw from territories occupied in June 1967 until Arab states, led by Syria, achieve "strategic parity" with that country.

Syrians see a U.S. hand behind many of their problems. Most recently, they deeply resented the Israeli interception of a Libyan Airlines plane and our veto of the Security Council resolution with respect to that incident. They noted with considerable glee our failure to approve arms for Jordan.

Assad has been willing to work on a limited agenda with the United States. He, for example, contributed to resolution of the TWA and Achille Lauro incidents, and is reported to feel that the U.S. did not express much gratitude for his assistance. He has been considerably less helpful with respect to the American hostages still being held in Lebanon. On most issues Damascus and Washington appear to be in conflict, though we recognize that Assad is a potent force to be reckoned with. He, in turn, does not believe we have the stomach to push, with vigor, our interests in the region, including our vision of where the peace process should go.

Assad is not a puppet of the Soviet Union. He has disagreed with and disregarded Soviet views on issues ranging from Lebanon to the PLO. But the relationship that does exist between Syria and the Soviet Union may be the latter's ticket to a peace conference.

Much of Syria's influence in the Arab world comes from its claim to being the one remaining confrontation state against Israel. Syrians retain an ability to disrupt an Arab consensus on major policy issues. The strength of the Syrian position depends, in part, on the failure of others to press and coordinate their actions. It is unclear that Assad sees any interest in becoming part of a peace dialogue with Israel. Whether he will exercise a veto with respect to its continuation is uncertain.

The former Prime Minister of France, Pierre Mendes-France, observed that Syria was the "key" to the Middle East, and current events do not discredit that view.

As long as Assad is in power, Syrian influence in the region will be important. His removal could bring fresh instability in Damascus. A bitter succession struggle may focus Syrian attention inward. It may, however, also result in dangerous Syrian posturing.

3. Jordan

The Kingdom of Jordan is a small country facing difficult problems, both domestic and as a result of living next to stronger, potentially hostile neighbors.

Until recently Jordan's economy was doing reasonably well. However, growth is slowing in line with the general economic slowdown in the region. There have been about 500,000 Jordanians working in the Persian Gulf region. In the last two years, Jordan has received about $1.1 billion in remittances annually. The Gulf slowdown is forcing numbers of Jordanian workers home and is adversely affecting Jordanian exports to Arab countries. Unemployment in Jordan is a growing problem, particularly among university graduates. Moreover, only Saudi Arabia has continued to provide regular financial assistance to Jordan, promised under the 1978 Arab League Baghdad Agreement. In 1985, Jordan received over half a billion dollars from Saudi Arabia in the form of direct aid.

King Hussein retains tight control; the monarchy is stable. But he has had to move adroitly. With an East Bank Palestinian population of 60%, his margin for error is not great.

There have been concerns expressed by his non-Palestinian constituents with respect to the re-entry of the PLO into Jordan. It was forcibly ejected in 1970. Some, if not all, fear the exposed position the King has taken with respect to the peace process.

King Hussein, however, has been determined to press that process. He feels deeply about the loss of the West Bank and Jerusalem to Israel in 1967. He saw, with Shimon Peres at the helm in Israel and with the split in the PLO, an opportunity to move the peace process forward. Nonetheless, he felt that he was operating within narow limits. Above all, he does not think that he can get out far ahead of the Palestinians themselves. To this end, aside from his negotiations with Yasir Arafat, King Hussein has sought to revitalize Jordanian ties with West Bank Arabs.

Above all, Hussein seeks a safe regional environment. His ties with Iraq are good. He has re-established diplomatic relations with Egypt.

King Hussein continues to feel very disappointed by what he views as the failure of the United States to be more supportive. We have told him that we continue to stand by the September 1, 1982, Reagan Middle East Peace Plan. However, this commitment has been clouded in the view of most Jordanians by our refusal to open a dialogue with the PLO and by our rejection of the arms package for Jordan.

Jordanians believe that they face potentially serious threats from one or more of their neighbors whatever the current status of their ties with these countries. Jordanian leaders believe that they received personal and explicit commitments for arms from Administration officials. They are deeply wounded that, in their view, the Administration put on such a lackluster effort to obtain Congressional approval of the Jordan arms package. Jordanians reject the notion that arms sales should be tied to peace negotiations, arguing that a secure and stable Jordan remains in the U.S. interest whether or not peace with Israel is achieved.

The U.S. rejection of the Jordan arms package is widely seen as a public humiliation of King Hussein, weakening his hand in his negotiations with the Syrians and PLO.

Jordanian military officers point out that negotiations with the United States over arms have been dragging on since the late 1970s. They argue that antiquated Jordanian equipment makes them dangerously vulnerable to outside threats, and that they cannot permit this situation to continue indefinitely. "We are," said one senior Jordanian, "risking the security and stability of our country." They feel they must now turn elsewhere for air defense equipment and advanced fighter aircraft. If they can get Saudi financing, then European sources might be a possibility. Otherwise, some Jordanians believe that Soviet equipment must be considered despite the expanded Russian presence this would bring.

Coincident with his troubles in obtaining arms from the U.S., Hussein determined that he had to mend fences with Syria. After a series of Jordanian/Syrian meetings at the minister level, Hussein met with President Assad on December 30, 1985.

Optimistically one could argue that Hussein was merely guarding his flank, attempting to entice Assad into the peace process, and at the same time showing Arafat he had options. More realistically, it appeared that Assad, with a different agenda than Hussein, had entered the process with a veto. Whether he is determined to exercise that veto remains to be seen.

The stalling of the peace process, growing economic problems, and general regional

tensions have combined to put great pressures on King Hussein. In conversation he gives little evidence that these pressures cannot be managed. But clearly it is a difficult time for a man who has long been a friend of the United States and who has not always seen his friendship fully reciprocated.

4. Israel

The Israeli report card is currently a mixed one. The economy has undergone a dramatic turn-around. This must now be translated into sustained growth without inflation. Israel's strategic position is relatively better than in the past because most potential enemies are otherwise engaged, and the treaty with Egypt continues to hold. In addition, the country is governed by a government of National Unity whose members, while differing sharply on certain issues, have managed to cooperate successfully on others.

The National Unity government came to power in Israel with a popular mandate to act on the problems of Lebanon and the economy. In both areas the government has accomplished a great deal.

Israel has largely extracted itself from the Lebanon quagmire, though the Israeli withdrawal has left in place a continuing security presence in the south and support for the Lebanese Army of South Lebanon. Israel still faces a security threat to its northern border, coming from terrorist groups. Israelis express no enthusiasm over the continued presence of UNIFIL, however. Neither Israeli incursions into Lebanon nor the Israeli-backed South Lebanon Army have brought peace to Israel's northern border. Shi'ite militias have not intervened heavily against Israel, but the risk of increased Shi'ite activity grows with every retaliatory Israeli raid. Syria has been distracted by its troubles elsewhere in Lebanon, but its attention, too, could be turned in a more substantial way to the South. In the meantime, Syrian brinksmanship with respect to its SAM sites is of considerable concern.

The National Unity government has also achieved considerable success with respect to the Israeli economy. The government's efforts have been assisted by a fortuitous drop in oil prices. Inflation has been cut dramatically. Reserves have climbed, and government deficits have been cut.

All of this has been the result of a very tough austerity program designed to reduce domestic demand. Certain budget programs have been sharply reduced, and wages have been cut. The military has not escaped the knife, with potentially serious consequences if current austerity measures are perpetuated.

Political pressures are growing to move from economic austerity to growth. No one is quite sure what such a transition entails; many are concerned that the patient is being asked to walk before he is completely recovered.

The National Unity government has managed to construct policies on issues over which members of the coalition differ. These include: (1) relations with Egypt, (2) policies in the Occupied Territories, and (3) the peace process.

(1) Most Israelis recognize that peace with Egypt, despite the costs, has brought enormous benefits. As one senior Israeli put it, "the peace treaty is the cornerstone; take it away and you have chaos."

At the same time, most Israelis are disappointed with the cold nature of the peace with Egypt. They had hoped that normalization of relations would mean much more than it has. The absence of an Egyptian ambassador in Israel and of significant Egyptian trade and tourism has grated on Israeli sensibilities. Prime Minister Peres has, however, been more eager than his Likud colleagues to work to revive the relationship. In particular, he has been the driving force in the negotiations on the territorial issue of Taba, successfully overcoming Likud resistance to submitting this issue to arbitration. There is considerable anger in Israel now because, despite Peres' agreement to arbitration, Mubarak is perceived to be dragging his feet with respect to a return of the Egyptian ambassador. The Egyptian handling of the Ras Burka incident—the murder of seven Israelis by a crazed Egyptian soldier—has also contributed to Israeli unhappiness.

(2) By and large, the Labor Party has looked to the West Bank/Gaza as a temporary Israeli administration. There is high concern among many Israelis about the implications for Israel of indefinite control over 1.3 million Arab inhabitants of the West Bank and Gaza.

The Likud and many in the religious parties in Israel, for religious and national security reasons, refuse to contemplate any Israeli withdrawal from the West Bank—which they refer to by the ancient names of Judea and Samaria.

One prominent Israeli noted to me that Israel is the "only country in the world where you get two different answers to the question of what constitutes the borders of the nation."

Prime Minister Peres has sought to transfer greater authority to the Palestinian inhabitants of the West Bank, calling his policy most recently, "devolution of authority." His efforts to date have not resulted in substantial changes on the ground, stymied in part by an entrenched bureaucracy wedded to slowing rather than accelerating transfer of authority to Palestinians. (See below.)

(3) Peres has said that he wants direct negotiations with King Hussein, or a joint Jordanian/Palestinian delegation, if necessary, without preconditions. He is prepared to consider international auspices for these negotiations as long as the negotiations themselves are direct. He has stated that the Soviet Union may be party to the international gathering if Moscow re-establishes diplomatic relations with Israel and permits emigration of Soviet Jews. (Some have speculated that the latter is more important to him than the former.) Peres would prefer to enter into negotiations with a Government of National Unity intact, but recognizes that elections might be necessary to conclude successful negotiations.

Likud, because it is ultimately willing to give up less to the Arabs in peace negotiations, is less interested in getting into them. It also recognizes that this is an issue over which Peres could call for elections. Likud would welcome elections if the issue involved negotiations with a delegation containing PLO members. Likud would also go to the electorate over the issue of territorial compromise.

On a variety of peace issues there is a strong consensus in Israel that there be no return to highly vulnerable pro-June 1967 borders, that Jerusalem never be relinquished, that there be no negotiations with the PLO.

It is an open question, therefore, what would have occurred had Yasir Arafat actually accepted King Hussein's conditions in Amman. All Israelis would have been confronted with very difficult choices.

Through personal qualities and demonstrated competence, Prime Minister Peres' popularity in Israel has soared. It is unclear, however, that his popularity has been translated into significantly greater support for the Labor Party. Peres has been careful to say that he agreed to turn over the Prime Minister's office to Yitzhak Shamir in October 1986. His supporters have been looking for an issue over which to break up the coalition government. None has materialized as yet and time is running out for Labor. Shamir, meanwhile, has been careful not to provide an excuse for a breakup.

If, as seems increasingly likely, rotation takes place, Shamir will become Prime Minister of Israel in October, and Peres is expected to move to the Ministry of Foreign Affairs. Rabin will stay as Minister of Defense. It is unlikely that there will be wide swings of policy as there have not been for the first two years of the National Unity government. Issues will still have to be thrashed out in a divided cabinet. It is also possible that the government could fall over a less significant issue.

There is wide agreement in Israel on one issue: relations with the United States are excellent. The range of cooperative efforts continues to expand. The level of U.S. support for Israel, financial and otherwise, remains very high. Israel and the United States perceive themselves to be engaged in common efforts in a number of areas.

Occupied territories

Israel has been, since June 1967, in continuous control of the West Bank, East Jerusalem, Golan Heights, and Gaza. The West Bank and Gaza have been under Israeli military government jurisdiction. East Jerusalem and the Golan have been subject to Israeli civilian law, jurisdiction, and administration.

About 1.3 million Arabs live in the Occupied Territories—800,000 on the West Bank and 500,000 in Gaza. There are Israeli settlements in all the territories—up to 150 non-military settlements exist on the West Bank (not including expanded Jerusalem) with a settle population of from 40,000 to 50,000.

Different views have led to different Israeli policies in the Occupied Territories. Some argue—Meron Benvenisti, for example—that arguments about withdrawal have become academic. Israeli settlement activity on the West Bank, according to this argument, has so much impetus behind it that no Israeli government could consider giving up any of this land to non-Israeli sovereignty. Critics of Benvenisti argue that a good Arab offer could turn around Israeli opinion.

Israel permitted municipal elections in the Occupied Territories in 1972 and 1976. Since 1980 Israel has not permitted elections. Indeed, of the 23 Arab mayors and municipal councils elected in 1976, fourteen of the mayors and at least four of the municipal councils have been dismissed.

I visited several West Bank towns including Hebron, where I met the deposed mayor, Mustafa An Naatche, who was dismissed with his town council after a terrorist incident in 1983. Hebron is a particularly explosive situation because Israeli settlers have taken up residence in the center of this major West Bank Arab town, necessitating an extensive Israeli military presence in very narrow streets and congested neighborhoods.

Over 50 percent of the West Bank and 15 percent of the Gaza Strip has been declared

state land and closed to further Palestinian use.

Economic life has clearly improved in the Occupied Territories since 1967. This improvement has been stimulated by worker remittances from the Gulf and by the cash infusions from the thousands of Palestinians who work in Israel. (The decline in remittances from the Gulf could have adverse consequences for the economy of the Territories.) Palestinians continue to be restricted with respect to crops they can grow and water they can use. Israeli authorities have only permitted about three wells to be drilled by Palestinians on the West Bank since 1967.

The National Unity government, under the urging of Prime Minister Peres, has been more amendable than its predecessor government to encouraging greater Palestinian economic self-sufficiency on the West Bank. Prior restrictions on the flow of outside money to the region have eased substantially.

Palestinian projects have received approval where before they had been blocked. As one Israeli put it, "Before our policy was no, with exceptions; now it is yes, with exceptions." Peres has also sought to encourage some indigenous Palestinian political leadership. The appointment of Zafer Al-Masri as Mayor of Nablus is the first evidence of this effort. Peres has indicated a desire, as part of his policy of "devolution of authority," to expand this policy to other Arab towns.

Palestinians, while applauding the rhetoric, remain skeptical about the practice. They see Peres' words being swallowed up by a hard line Israeli occupation bureaucracy. As one Palestinian leader put it to us, "If he is really serious, he will stop building settlements." On the tough issues of land and water, there is little movement.

Moreover, in response to rising indigenous violence in the Occupied Territories, there has been a reinstatement of deportation, detention, and housing demolition policies which the Likud government has avoided. The limitations on due process with respect to Palestinian detainees is disturbing in a democracy, even granting the extraordinary security concerns Israel faces.

Israelis find it difficult to formulate policies with respect to Palestinians. Many Israelis don't like to be put in a position of what one called "the exercise of coercive jurisdiction." However, to the degree that Palestinian identity and rights are acknowledged, their competition with those of Israelis over the Occupied Territories are conceded. Peres is clearly amenable to moving in the direction of giving Palestinians on the West Bank greater control over their future. Israelis have particular trouble, however, formulating policies encompassing diaspora Palestinians—those living outside territories occupied by Israel.

So Israelis are now looking for West Bank Palestinians to speak and represent Palestinian interests in any negotiations with King Hussein. Unfortunately, Israeli policies over the last eighteen years of occupation have not nurtured such indigenous leadership. Israeli restrictions imposed on political activity in the Occupied Territories have been too successful.

A split has developed in the Palestinian community between those who have come to know Israelis and those who have never had the opportunity. The former can more easily contemplate a future in association with Israel as long as their rights are independent of Israeli control. They are more realistic about the compromises that are necessary if their aspirations are to be fulfilled. But, and this is an important qualifier, it remains true that most Palestinians in the Occupied Territories, for a variety of complex reasons, look to the PLO and to Yasir Arafat for leadership. They may seek to influence that leadership; they will not as yet confront it.

Palestinians in the Occupied Territories claim that they do not have the authority to speak either for the Palestinians under occupation or for those of the diaspora. They welcome King Hussein's efforts and have sought to encourage them where possible, though they also say that they have yet to see much concrete evidence of renewed Jordanian interest in the West Bank. Most of all, they yearn for an end to Israeli occupation. If that is not immediately possible, they express hope that, by small signs or large, Israel will show that there is a shift in what is perceived as the general march toward absorption of the Occupied Territories into Israel. They are suspicious of grand speeches about "autonomy" and "devolution", and look instead for specific steps, such as a halt to land confiscations and new settlements, greter leniency on family reunification, etc.

The United States can continue to play a useful role in the Territories through its Quality of Life program. The relatively modest U.S. infusions of capital are helping the Palestinians of the Occupied Territories in small but important ways. We need to devote greater resources to these highly productive efforts.

5. Egypt

President Mubarak is going through a very difficult period. His government has been buffeted by the Achille Lauro incident and the Egypt Air hijacking to Malta, by a very troubled economy, and by an increasingly vocal domestic opposition. A perception has taken hold of late, that events are crowding the government. The latest bout of rioting, which began hours after I left Cairo, may be symptomatic of Egypt's larger problems.

This is probably not, however, a regime which is immediately threatened. The military appears loyal. President Mubarak has encouraged significant public expression. The National Assembly has become an active institution, and its debates are broadcast on television. But in the universities and elsewhere in the society there is unrest. The combination of Islamic Fundamentalism and disgruntled students and low-rank Egyptian soldiers has raised concern in many quarters.

The Egyptian economy has always appeared to be troubled. It is facing serious current and projected foreign exchange problems. These problems are largely not of Egypt's making. Egypt is the victim of events beyond its control. Regional terrorism has discouraged tourist visits. Oil revenues have plummeted with the collapse of international oil prices. Remittances from workers living abroad have begun falling with the economic downturn in the Persian Gulf.

Egypt faces other problems which are domestic in origin. Population pressures are intense. It is estimated that Egypt adds a million people to its population every eight to ten months. The economy remains hopelessly inefficient. The government does not feel sufficiently confident politically to take hard decisions on issues of subsidies and exchange rates. Egypt is forced to import about 50 percent of its food needs, where once it was self-sufficient. The government has refused thus far to go to the IMF, and has rejected rescheduling its debt, which is a crushing burden.

President Mubarak has had some success in easing Egypt back into the Arab fold. Egypt is once more a member of the Islamic Conference. It has diplomatic relations with Jordan and good ties with Iraq. Syria and Saudi Arabia, however, have incentives for keeping Egypt out of the Arab fold, given its historic leadership position in the region. Egypt has taken an active interest in African issues as well, given its dependence on the Nile waters which reach Egypt from the heart of the continent.

Relations with Israel are still formal and tentative. Egyptians believe Israelis fail to appreciate the burden that their policies place on Egypt. They argue that Israel would not have felt free to attack Iraq, incorporate the Golan, and invade Lebanon, if its Egyptian flank weren't neutralized. They say that all of these policies expose Egypt in the Arab world as the country that sold out. The Israeli relationship, while not popular in Egypt, is not yet fundamentally at risk. Egyptians argue, however, that significant improvements in relations must be a function of Israeli movement on the Palestinian question.

In the short run, Egyptian and Israeli negotiators are trying to reach agreement on the terms of reference for an arbitration of the Taba territorial issue. This has enormous political significance in Egypt. Egyptian leaders maintain that they are seeking this agreement and intend to return the Egyptian ambassador to Israel and arrange a Mubarak/Peres meeting when agreement is reached.

Egyptians also argue that they have a great interest in an expanded Arab-Israeli peace process. Only if the process includes Jordanians, Syrians, and Palestinians will Egypt be proved to be the pace setter and not the traitor in the region.

Egyptian leaders feel that they have not been properly included in the latest round of the peace process. They believe that Arafat and Hussein can yet be brought together on a common program which involves the former explicitly commiting himself to U.N. Resolutions 242/338. They believe that an international conference is necessary, but that efforts should be made to limit the Soviet role in such a conference. The real negotiations, in the view of Egyptian officials, must take place in smaller committees.

Finally, relations with the United States have been rocky of late. Egyptians constantly contrast U.S./Egyptian with U.S./Israeli relations, and feel short-changed. They feel that we have moved steadily closer to the Israeli position at the serious expense of our relations with the Arab world. They argue that Egypt plays a significant role in U.S. interests which we fail to properly appreciate.

One potential source of future strain is the issue of aid. We have made enormous contributions to Egypt in our military and economic aid programs. We are now, however, engaged in an active dialogue with Egypt with respect to its macro economic policy. In the long term, it is probably unwise for one sovereign nation to be in the position of preaching to another sovereign nation with respect to its domestic economic policy. Our mutual interests would be better served by Egypt obtaining and following advice from international bodies such as the IMF.

Egypt is a valuable friend of the United States. We have policy differences, but

these can be managed if they are kept out of the glare of publicity and are managed adroitly, both in Washington and Cairo.

APPENDIX

MIDDLE EAST TRIP SCHEDULE AND MAJOR APPOINTMENTS

(Senator Charles McC. Mathias, Jr., February 5-26, 1986)

February 7—Dhahran, Saudi Arabia

ARAMCO facilities overflight.

Appointments with ARAMCO officials and Eastern Province businessmen.

February 8-12—Riyadh, Saudi Arabia

Prince Sultan—Second Deputy Prime Minister and Minister of Defense and Aviation.

Prince Sattam—Vice Governor of Riyadh Province.

H.E. Sheikh Ahmad Zaki Yamani—Minister of Petroleum and Mineral Resources.

H.E. Hisham Nazir—Minister of Planning.

H.E. Dr. Soliman Solaim—Minister of Commerce.

February 12-15—Damascus, Syria

Vice President Abd al-Halim Khaddam.

Minister of Foreign Affairs Farouk al-Shara.

February 15-17—Amman, Jordan

His Majesty King Hussein.

Crown Prince Hassan.

Prime Minister Zayd al-Rifa'i.

Minister of Foreign Affairs Tahir al-Masri.

Commander-in-Chief Bin Shaker.

February 17-20—Israel

Prime Minister Shimon Peres.

Vice Prime Minister Yitzhak Shamir.

Minister of Defense Yitzhak Rabin.

Minister of Finance Yitzhak Moday.

Minister Without Portfolio Moshe Arens.

Members of the Knesset: Abba Eban, Dan Meridor, Simcha Dinitz.

Others:

Professor Shlomo Avineri.

Colonel Ephraim Sneh—Hd West Bank Civil Administration.

Hanan Bar-on—Deputy Director General Foreign Ministry.

Major General (Res.) Aharon Yariv.

Colonel Hanan Alon—IDF Planning Staff.

Occupied Territories:

Zafer Al-Masri—Mayor of Nablus.

Elias Freij—Mayor of Bethlehem.

Mustafa An Naatche—Former Acting Mayor of Hebron.

Hanna Siniora—Editor Al Fajr.

Fayaz Abu Rahme—Gaza.

February 20-25—Egypt

President Hosni Mubarak.

Deputy Prime Minister and Minister of Defense Abu Ghazala.

Deputy Prime Minister and Minister of Foreign Affairs Esmat Abdel Meguid.

Presidential Advisor Osama Al-Baz.

Minister of State for Foreign Affairs Boutros Ghali.

PREVENTING NUCLEAR TERRORISM

● Mr. NUNN. Mr. President, I wish to call to the attention of my colleagues the formation of the International Task Force on Prevention of Nuclear Terrorism. This is a panel of some 26 experts from nine countries that has been formed to assess the risk of nuclear terrorism and to explore policy options for preventing its occurrence.

Of particular concern is the possibility of a sophisticated terrorist organization, perhaps with assistance from a State sponsor, setting off nuclear explosions in the United States and the Soviet Union in an effort to trigger a nuclear exchange between the superpowers. This is a contingency that I and my distinguished colleague from Virginia [Mr. WARNER] have pondered at great length, and it is one of the considerations behind the Nunn-Warner Nuclear Risk Reduction Center proposal. The proposal was discussed at the recent Reagan-Gorbachev Summit, and I am pleased to note that both leaders agreed to actively pursue it in the shared interest of reducing the risk of nuclear war. Senator WARNER and I are coauthoring a paper for the task force exploring this proposal and other options for cooperation between the United States and the Soviet Union to counter the threat of nuclear terrorism.

The task force, a project of the Nuclear Control Institute, is cosponsored by the State University of New York Institute for Studies in International Terrorism. It is supported by grants from the Carnegie Corp. of New York and the Rockefeller Brothers Fund. Cochairing the task force are Bernard O'Keefe, chairman of the Executive Committee of E.G. & G. Inc., and Rear Adm. Thomas Davies USN, retired, former assistant director for nonproliferation of the Arms Control and Disarmament Agency. Its membership is a distinguished group of experts in terrorism, international law, national security and intelligence, nuclear weapons design and deployment, civilian nuclear commerce and proliferation, physical protection and safeguards, emergency management and disaster relief.

I ask that an article from the New York Times describing formation of the task force, as well as a list of members and a background paper, be inserted in the RECORD.

The material follows:

[From the New York Times, Jan. 29, 1986]

PANEL OF EXPERTS TO STUDY DANGERS OF TERRORISTS USING NUCLEAR ARMS

WASHINGTON, Jan. 28.—A panel of experts on nuclear weapons design, terrorism and intelligence matters will study the danger of terrorists' stealing a nuclear bomb or the material to make one.

At a news conference today, leaders of the group asserted that the risk of nuclear terrorism is increased by poor security at storage depots and weapons plants, and by the growing amount of weapons-grade plutonium that has been entering the commercial market after being separated from power plants' nuclear waste.

According to Paul Leventhal, a former Congressional staff member who is the group's executive vice chairman, if current processing rates continue, there will be 400 tons of separated plutonium in private hands by the year 2000, twice the amount now contained in Soviet and American nuclear weapons.

The panel, the International Task Force on Prevention of Nuclear Terrorism, is financed by the Carnegie Corporation. It is headed by Rear Adm. Thomas Davies, retired, and Bernard O'Keefe, chairman of EG&G Inc., a corporation that has done development and testing of nuclear weapons. Admiral Davies is a former Assistant Director of the Arms Control and Disarmament Agency and a former head of the Nuclear Nonproliferation Bureau.

Mr. O'Keefe, one of those who developed the firing circuits for the first atomic bombs, expressed concern that while American military defense resources focused on a possible Soviet nuclear attack on the United States or a Soviet invasion of Western Europe, a third and more likely possibility—nuclear terrorism that could provoke one of the others—received little attention or financing.

Admiral Davies criticized plans to reduce financing of security improvement projects at nuclear installations in the United States while exempting from budget cuts the production of nuclear warheads.

Theodore Taylor, another member of the panel, who has designed nuclear research reactors, said that he would meet at the nuclear research center at Los Alamos, N.M., with three other specialists to examine the question of whether a terrorist group could manufacture a nuclear weapon.

The 26 panel members, who are from nine countries, also include Harold Agnew, former director of the Los Alamos National Laboratory; Brian Jenkins, an expert on terrorism for the Rand Corporation; Yonah Alexander, director of the Institute for Studies in International Terrorism of the State University of New York; Inga Thorsson, former Swedish Under Secretary of State for Disarmament; Stansfield Turner, former Director of the Central Intelligence, and Yuval Neeman, an Israeli physicist and politician who has been instrumental in developing Israel's nuclear weapons capability.

INTERNATIONAL TASK FORCE ON PREVENTION OF NUCLEAR TERRORISM [1]

Co-Chairmen:

Rear Admiral Thomas Davies, USN (Ret.), Former Assistant Director for Non-Proliferation, U.S. Arms Control and Disarmament Agency, Former Chief of Naval Development;

Bernard O'Keefe, Chairman, Executive Committee, EG&G, Inc.

Executive Vice-Chairman: Paul Leventhal, President, Nuclear Control Institute.

Members:

Harold Agnew, Former President, General Atomic Corporation, Former Director, Los Alamos National Laboratory;

Yonah Alexander, Director, Institute for Studies in International Terrorism, State University of New York;

George Bunn, Stockton Professor of International Law, U.S. Naval War College, Former General Counsel, U.S. Arms Control and Disarmament Agency;

Donald De Vito, Director, New York State Emergency Management Office, President Elect, National Emergency Management Association;

Bernard Feld, Professor of Physics, Massachusetts Institute of Technology;

[1] Participation in the Task Force is for the purpose of representing personal views and not those of any government or organization with which members are affiliated.

David Fischer, Former Assistant Director General for External Relations, International Atomic Energy Agency;

Victor Gilinsky, Former Commissioner, U.S. Nuclear Regulatory Commission;

Reinosuke Hara; Executive Vice President, Seiko Instrument & Electronics, Ltd., Japan;

Enrico Jacchia, Director, Center for Defense Studies, Rome, Former Director of EURATOM Safeguards, European Economic Community;

Brian Jenkins, Program Director, Security and Subnational Conflict, Rand Corporation;

Harald Mueller, Executive Director, New Approaches to Non-Proliferation: A European Approach, Centre for European Policy Studies, Brussels, Research Fellow, Peace Research Institute, Frankfurt;

Yuval Ne'eman, Director, Sackler Institute, Tel Aviv University, Israel, Former Israeli Minister of Science and Technology;

John Redick, Program Officer, W. Alton Jones Foundation;

Mohamed Shaker, Deputy Permanent Representative of Egypt to the United Nations, President, 1985 Review Conference of the Nuclear Non-Proliferation Treaty;

Claire Sterling, Journalist;

Shuzaburo Takeda, Professor of Engineering, Tokai University, Japan;

Kenneth Taylor, Vice President, Government Affairs, Nabisco Brands, Inc., Former Canadian Ambassador to Iran;

Theodore Taylor, President, Nova Corporation, Former Deputy Director (Scientific), U.S. Defense Atomic Support Agency;

Inga Thorsson, Former Swedish Undersecretary of State for Disarmament, President, 1975 Review Conference of the Nuclear Non-Proliferation Treaty;

Stansfied Turner, Former Director of Central Intelligence;

Merrill Walters, Director, Nuclear Planning Group, NATO, Brussels;

Mason Willrich, Senior Vice President, Pacific Gas & Electric Company; and

Bertram Wolfe, Vice President and General Manager, Nuclear Fuel and Special Projects Division, General Electric Company, President-elect, American Nuclear Society.

[A project of the Nuclear Control Institute]

INTERNATIONAL TASK FORCE ON PREVENTION OF NUCLEAR TERRORISM

BACKGROUND PAPER

WASHINGTON.—The International Task Force on Prevention of Nuclear Terrorism, a panel of 26 internationally recognized experts from nine countries, has been organized to assess the risk of terrorists engaging in nuclear violence and to recommend preventive measures.

The Task Force, established under grants from the Carnegie Corporation of New York and the Rockefeller Brothers Fund to the Nuclear Control Institute, is the second phase of the Institute's Nuclear Terrorism Prevention Project. The project was established in 1984 by a grant from the W. Alton Jones Foundation. The first phase was a two-day conference, "International Terrorism: The Nuclear Dimension," which was held at the Sheraton-Carlton Hotel in Washington in June 1985. The conference was attended by 150 specialists from 13 nations.

Co-sponsoring the Task Force and the conference is the State University of New York's Institute for Studies in International Terrorism.

The Task Force is co-chaired by Bernard O'Keefe, Chairman of the Executive Committee of EG&G, Inc., a Fortune 500 high-technology company involved in development, testing and protection of nuclear weapons, and by Rear Admiral Thomas Davies, USN (Ret.), former Assistant Director for Nuclear Non-Proliferation of the Arms Control and Disarmament Agency and former Chief of Naval Development.

Paul Leventhal, President of the Nuclear Control Institute, is executive vice-chairman of the Task Force. Yonah Alexander, Director of the SUNY Institute, is the principal consultant on terrorism issues.

Task Force members are drawn from Belgium, Egypt, Israel, Italy, Japan, Sweden, the United Kingdom, the United States and West Germany. They include experts in terrorism, international law, national security and intelligence, nuclear weapons design and deployment, civilian nuclear commerce and proliferation, physical protection and safeguards, emergency management and disaster relief.

The Task Force will commission a series of about 20 studies, prepare a report, and present findings and recommendations on measures needed to deter and prevent nuclear terrorism. The Task Force report and studies will be published together as a book prior to a global outreach effort.

In preparing its report, the Task Force will address four basic questions raised originally at the conference:

Is nuclear terrorism plausible?

What might the means and targets be?

How can government and industry effectively respond?

How can nuclear terrorism be prevented?

A key issue before the Task Force is whether the risk of nuclear terrorism is increasing as a consequence of two concurrent developments—the growing sophistication and boldness of terrorist organizations, attributable in some measure to state support of their activities, and the spread of nuclear knowhow and materials and of deployed nuclear weapons.

The Task Force will address the adequacy of intelligence resources, protective and safeguards measures, public awareness, and international cooperative efforts (particularly between the United States and the Soviet Union) to reduce the risk of international terrorism acquiring a nuclear dimension. The exposure of civilian and military nuclear assets to attack, sabotage or theft by terrorists will be explored, especially in the context of the possible use by state-sponsored terrorists of nuclear weapons in an attempt to trigger a U.S.-Soviet nuclear exchange.

The Task Force also will look into inherent links between civilian nuclear programs and the capabilities and materials needed to build nuclear weapons. It was noted, for example, that by 1990, there will be more explosive nuclear materials in world civilian commerce than in the arsenals of the superpowers—nuclear fuels dedicated for peaceful purposes but which, if obtained by terrorists, could be turned into nuclear weapons. Concerns were raised about the adequacy of efforts to minimize production and use of these materials.

As with the conference, the Task Force will carefully craft materials to raise awareness of the public and of policymakers to the risk of nuclear terrorism, and to necessary corrective measures, without providing sensitive details that could prove useful to would-be perpetrators.

The principal officers of the Task Force, in cooperation with members from particular countries, will engage in a global outreach effort to present the findings and recommendations and to seek support for specific proposals. This effort will include presentations to government, legislative and industry officials in representatives of interntional nuclear and humanitarian organizations.

In the United States, there is bipartisan support in Congress for the work of the Task Force. Senator Jeremiah Denton (R-Alabama), chairman of the Senate Subcommittee on Security and Terrorism, and Representative Richard Gephardt (D-Missouri), chairman of the House Democratic Caucus, each addressed the conference on nuclear terrorism and committed to giving full consideration to the Task Force's findings and recommendations.

The Task Force is scheduled to hold its first meeting April 6, 7 and 8 at the Wye Plantation Conference Center near Washington. It will review the support studies and plan its report at this meeting. The final report will be released in late June at a press conference in Washington. The outreach effort will take place over the balance of the year.

Victor Gilinsky, former Commissioner of the Nuclear Regulatory Commission, is the principal consultant on nuclear issues. Robert Beckman, visiting assistant professor of political science at the U.S. Naval Academy, is the project director. Milton Hoenig, a physicist formerly with the Arms Control and Disarmament Agency, is the project's technical adviser.

Announcement of the Task Force was made at a press breakfast that included a Nuclear Control Institute briefing on the extent of civilian and military nuclear development and of terrorist activities throughout the world. (Briefing materials, including color slides and black and white reproductions, are available.)

Nuclear Control Institute is a not-for-profit national educational organization formed in 1981 to deal with problems of nuclear proliferation. The SUNY Institute for studies in International Terrorism was organized in 1976 to provide opportunities for studies and research in the understanding of international terrorism.●

TRIBUTE TO HONOR BRIAN E. HERRERA

Mr. DOMENICI. Mr. President, I rise today to share with my colleagues the accomplishments of one of my young constituents, Mr. Brian E. Herrera, of Sandia Park, NM.

Brian was recently announced as the winner of the 39th Annual National Voice of Democracy Scholarship Program, sponsored jointly by the Veterans of Foreign Wars and its Ladies Auxiliary. Brian's essay was chosen from over 250,000 entries, submitted by high school sophomores, juniors, and seniors from across the United States and overseas.

Students who participate in the scholarship program are asked to write a 5-minute script on a designated patriotic theme, and this year's theme is "New Horizons for America's Youth." While many of our Nation's young Americans can reflect on their experiences in their country, Brian

has a distinct advantage that many Americans, young and old, do not have. As a child, Brian's family lived in Saudi Arabia, while Brian's father was involved in a vocational education program. From the time Brian was 9 years old until he was 15, he had the opportunity to witness a different culture and a different form of government. His essay is a priceless testimony of the freedoms and advantages Americans enjoy every day of their lives.

I am certain that Brian, who is sponsored by VFW Post 401 in Albuquerque, will put his $14,000 scholarship to good use. His goal is to attend either Yale University or Columbia University in the fall, to study drama. I think my colleagues will agree that either university would be fortunate to have this young man.

I am pleased for Brian, as well as for the winners from each State and two winners from overseas. At this time, I would like to submit Brian's essay for the RECORD:

NEW HORIZONS FOR AMERICA'S YOUTH

I stood—hands in pockets—watching the winter sky. Next to a mountain, under a tree, I watched as the moon and clouds vied for positions. I watched my breath mist before me and I felt my body react to the bite of the cold.

I was reminded of another winter night, almost three years before. When I watched the winter sky.

The same moon, the same clouds. But I was standing next to a sand dune then, under the oppressive heat of the desert. Instead of watching my breath mist before me, I felt beads of sweat trickle down my face. Instead of shivering in response to the cold, I felt my body expand in reaction to the heat.

It was the same moon. They were the same clouds. But I wasn't the same.

For five of the most formative years of my life, I lived in a middle eastern nation. There, I grew accustomed to a unique simplicity. It was partly a simplicity of terrain, partly a simplicity of life. But mostly, it was a simplicity of people. While there was a vast array of races, ideas, and religions, it seemed as if everything was predetermined. It seemed as if everything was to be one way or not at all. My unfamiliarity with life led me to accept this, because I had neither seen nor fully understood anything else.

Upon my return to the United States however, I was overwhelmed. The simplicity I had grown so used to did not exist. There was the same vast array of races, ideas, and religions, but nothing seemed to be predetermined. The person—not his race or religion—determined his individual ideas and thoughts. I saw that, through this, the United States allowed its youth a unique opportunity for the expression of individuality.

I was fascinated by this. Not only could I explore the ideas, thoughts, values, religions, cultures around me. But I could choose the elements of them that were right for me. I saw that the United States offered me a special freedom. A freedom to choose the person I wanted to be.

Exploring this new freedom, I became confused. Looking around, I saw other teenagers involved in the same struggle as I, but having drastically different results. I saw some of my peers achieve enormous success, and saw others fail to equal extremes.

I then realized that the cause of this was morality. Morality and the freedom of individual expression coming together. Sometimes they merge to create a tremendously successful individual, but other times they clash, destroying the very individuality that they were trying to create.

I was struck by the sad irony of this. Like the moon and the clouds I saw those winter nights, morality and individuality were vying for dominant positions within the individual.

I saw then that the successes and failures of today's youth—of today's society—lay in this conflict. Morality and individuality were trying to dominate rather than coexist. Morality and individuality are not mutually exclusive. And the awareness of this fact—or lack of awareness—was the determining factor in the future of these youths—of this society.

In recent years, American society has had a great heightening of individual freedoms as well as a strong reawakening of morality. The horizons open to today's youth lay within their responsibility of merging these equally beautiful and strong entities. Then, the opportunities that the United States has created in allowing the freedom of individual expression can be fully utilized. And with this merge, too, the opportunities—the horizons—open to today's youth will be greater—broader—stronger.

And, so, I look forward to a future winter night when the moon and the clouds are not vying for positions but coexisting peacefully, beautifully. And once again, I won't be the same. But I will be glad.●

COMMENDATION OF JOSEPH P. TOLAN

● Mr. McCONNELL. Mr. President, I want to commend my good friend, Joseph P. Tolan, of Louisville, Jefferson County, KY, for his outstanding service in the field of social services. His management abilities, his sensitivity to issues, and his creativity in dealing with financial crises were unparalleled.

Joe was an exemplary employee when he worked for my administration in my former capacity as Jefferson County Judge/Executive and I know he will serve the community in the same manner in his new position at Metro United Way. I ask that a recent article from the Courier-Journal, which chronicles his career and his philosophy, be included in the RECORD.

The article follows:

[From the Louisville (KY) Courier-Journal, Mar. 3, 1986]

TOLAN LEAVING GOVERNMENT, BUT NOT COMMUNITY SERVICE

(By Marilyn McCraven)

Looking at the history of Jefferson County's social service programs through Joseph P. Tolan's eyes is a little like taking a tour on the hard side of life.

When problems at the old juvenile detention center boiled over in 1977, Tolan helped straighten things out. Eventually, the county got a new juvenile center, more qualified stuff, more activities and better supervision.

In 1983, social service workers said the community desperately needed a private program to assist the needy in paying utility bills. Tolan helped plan the program and sent some of his staff members to help run it.

Many social problems have changed since Tolan came to town nearly 11 years ago, but one element remains: When problems surface, Tolan frequently participates in finding solutions.

Tolan came to Louisville from New York to become administrator of the office of prevention, treatment and court services for the then-Metropolitan Social Services Department. Since that time he has traded titles and job descriptions several times, but has remained a top official in county human services.

In 1984, he was named secretary, or chief administrator, of the Department of Human Services, which now has a $12 million budget and a staff of 450, making it one of the county's largest departments. His title recently was changed to director of the department.

The Human Services Department is a central part of the community's social-service network that helps troubled and needy families.

Last year, it served 435,000 hot meals to senior citizens; provided emergency financial assistance for nearly 4,000 families; handled 3,000 suspected cases of child abuse; and placed 902 children in emergency foster care.

Tolan recently announced that he will leave his $49,000-a-year post in mid-April to become a Metro United Way vice president.

Tolan's exit comes at a time when his department is likely to undergo some major cutbacks because the county faces an expected loss of $8 million in federal revenue-sharing funds next fiscal year.

"I think there will be substantial change, there has to be," Tolan said.

He insists that his exit is not because of the expected changes, but rather because he wanted to face some different challenges.

At 40, Tolan said he decided that he didn't want to spend the rest of his career in government.

A tall and lanky chain-smoker, who sometimes lets his Queens, N.Y., accent slip through, Tolan is known for his ability to get people to work together.

He prefers to work behind the scenes, and skillfully mixes an administrator's need to keep programs efficient and cost-effective with a sense of compassion for the less fortunate and troubled, those who have worked with him say.

"He got people out of the mind frame that government is responsible for everything," said Sharon Ware, a former deputy director under Tolan who resigned in January to take a job with SS. Mary & Elizabeth Hospital.

Tolan used his behind-the-scenes skills last fall to try to help reduce the truancy rate in Jefferson County public schools. He helped bring together court, school and government officials to work out a plan that would make parents more responsible for getting their children to school.

Tolan is a hard worker, Stuart Sampson, director of pupil personnel for the Jefferson County Public Schools, said.

"He has always reminded me of the ducks on a pond," said Sampson. "If you see them on the surface of the water they look very graceful gliding along, but if you looked under the water you'd see their feet going a thousand miles an hour."

Tolan says there are some problems that will take more than hard work to solve. The lack of affordable, decent housing for many of the county's poor and the growing number of one-parent families are problems that trouble him.

A college activist at Loyola University in Chicago during the 1960s, Tolan said he decided upon a career in social work after spending a summer in South Carolina working with migrant farm workers.

"I didn't know people lived like that," he said.

When he begins his new job May 1, he will work with many of the same people he does now. He also plans to continue much of his community work, including board memberships with Project Find and the Kentucky Juvenile Justice Commission.

"I'm going to stay involved with this community," Tolan said. "I love it. This is home."●

DRUG TESTS FOR FEDERAL EMPLOYEES

● Mr. CHAFEE. Mr. President, I was appalled to read in this morning's newspaper that the President's Commission on Organized Crime, in its newly issued report, recommends mandatory drug tests for all employees of the Federal Government and of Federal contractors. I would like to state my firm opposition to this disturbing proposal.

To state it plainly, this is nonsense. I am incredulous that a commission of U.S. citizens would make such a recommendation. The last time I checked, the U.S.A. was not a police state. There is not the slightest evidence that these workers are major abusers of illegal drugs. Why should Federal employees and those who work for contractors be singled out for this kind of humiliation and harassment?

The administration would be well advised to reject this proposal and let it drop from sight.●

THE TRAGIC FATE OF DR. IOSIF BEGUN

● Mr. DECONCINI. Mr. President, I am pleased to participate in the 1986 congressional Call to Conscience to draw attention to the plight of Jews and others who are suffering in the Soviet Union. This has been an issue of particular concern to me since my first trip to the Soviet Union in 1978. Since that time, I have visited the Soviet Union on two other occasions, most recently in the fall of last year, and on every trip I have had the opportunity to meet with several refuseniks whose basic human rights have been blatantly violated. Not only have their personal stories touched me, but their courageous efforts are to be admired by all of us. It is difficult for free people to comprehend the extreme anguish that many Soviet citizens endure when they are deprived of their individual, cultural and religious identity, as well as their freedom to emigrate.

Today, I would like to focus attention on the tragic fate of Dr. Iosif Begun, a Jewish Prisoner of Conscience, who has dedicated his life to the problem of Soviet Jews, to teaching Hebrew, and to fighting for the right to unrestricted departure from the U.S.S.R.

Dr. Begun's nightmare began in April 1971, when his request for an exit visa to Israel was refused. He was subsequently dismissed from his job as a senior research assistant at the Moscow Central Research Institute and was later dismissed from jobs as a telephone operator and as a night watchman. In 1977, Dr. Begun was arrested, charged with "parasitism" for not having a job, and served 2 years in internal exile. In 1978, he was sentenced to 3 more years in internal exile for "violating internal passport laws" because he was living in Moscow without a residency permit. Dr. Begun's last arrest was in November 1982. He was charged under article 70 of the Soviet Criminal Code with "anti-Soviet agitation and propaganda" and is serving a 12-year sentence.

Recently, I received a touching note from Inna Begun regarding the harsh conditions in her husband's labor camp and her hopes for the future. I request that her letter, in part, be printed at this point in the RECORD.

The material follows:

LETTER OF INNA BEGUN

Dear Dennis: I was touched very much to get and to read your warm letter. Unfortunately I cannot tell you any good news.

Josif was again given a new term of the strict regime, it meant more severe, worse conditions than ordinary prison however bad it was itself. It had happened just after summit between Mr. Gorbachev and Mr. Reagan. Naturally we were not waiting for the improvement in the immediate future, but I was greatly disappointed with the serious aggravation of my husband's situation at the moment just after the summit.

We might have hope for quiet diplomacy if at least a status quo preserved. I am afraid that human rights issue was not very much forwarded during or after the summit. I am very sorry to say this, but we cannot afford to despair especially while we have such good friends as you are.

The monstrous injustices Dr. Begun has endured at the hands of Soviet authorities are an outrage to civilized society. His only crime has been his deep-rooted desire to live in his cultural homeland, Israel. And yet, he has already served 5 years of his life in internal exile and over 2 years in a labor camp.

Dr. Begun is in his early fifties. How much more can he endure?

We cannot overlook the fact that there are many others like Begun in the Soviet Union. We cannot overlook the fact that Soviet leaders have consistently failed to comply fully with what they have agreed to on paper. They have violated the principles of their own constitution; they have violated the principles of the Helsinki Final Act; and they have violated the principles of the United Nations Charter.

Although the recent release of Anatoly Shcharansky appears to be a positive sign for improvement of relations between the United States and the Soviet Union, it is essential that we keep causes like Begun's alive. It is essential that we continue to be relentless in pursuing our ultimate goal of enabling others to cross the bridge to freedom. Most importantly, it is essential that we continue to let those who are oppressed know that we care and that they are not alone in their struggle for their basic human rights.

As John F. Kennedy so eloquently stated, "What is peace, after all, but a matter of human rights."●

SIGMA ALPHA EPSILON FRATERNITY, BALL STATE UNIVERSITY

● Mr. QUAYLE. Mr. President, I am heartened by a display of humanitarian concern from the Sigma Alpha Epsilon fraternity at Ball State University in Muncie, IN. In a man's time of great need, these young men joined together and showed the true spirit of fraternity.

In January, David Willmann, an Indiana farmer, was involved in a tragic farm accident that resulted in the amputation of both legs and one of his arms. During his surgery at Ball Memorial Hospital, he went through 32 pints of blood. This severely depleted the hospital's blood supply, and they immediately sent out a plea for donors. Upon hearing of this man's condition, the Sigma Alpha Epsilon fraternity went to the blood bank and offered their services. This group of young men donated over 40 pints of blood so that Mr. Willmann could be assured of an ample blood supply for his needs.

The young men of Sigma Alpha Epsilon should be commended for their concern and immediate action in this time of crisis for David Willmann. Their actions should set an example for people everywhere, showing us the value of helping our fellow man in this time of need.

I ask that a letter from Charles A. Rickett about the Sigma Alpha Epsilon fraternity be printed in the RECORD.

The letter follows:

HARTFORD CITY NEWS-TIMES,
Hartford City, IN, February 14, 1986.

Senator DAN QUAYLE,
524 Hart Building,
Washington, DC

DEAR DAN: I would like to share with you a heartwarming story about a group of college boys who really showed their true colors with a humanitarian act during a time of crisis.

In early January David Willmann, Blackford County farmer and businessman, was tragically and severely injured in a farming accident that has subsequently resulted in the amputation of both legs and one arm and he remains, one month later, in the intensive care unit of Ball Memorial Hospital in Muncie.

Following his initial 8 hours surgery and having gone through 32 pints of blood an immediate appeal went out for blood donors.

Upon learning of Dave's condition and need for blood, I attempted to contact my son Kevin, a sophmore at Ball State University and friend of Dave and his family. I was sure that Kevin would want to donate blood. Unable to reach him at his dormitory, I called the fraternity house that he is pledging and explained the situation and need to one of Kevin's fraternity brothers and asked that he give the message to Kevin.

I was elated when the young man informed me not to worry about Mr. Willmann's blood needs that he thought the fraternity could cover his needs.

Within two hours my son called and informed me that he and 6 of his fraternity brothers were at the blood bank and others would follow as they were contacted.

I have not received word of the final tally but I last heard that over 40 pints of blood had been donated by that group of young men.

Our future belong to this age group of young people and I for one am confident we will fare well.

An acknowledgement from you to these young men would certainly be appreciated. The contact is:

Brian Burhenn, President, Sigma Alpha Epsilon Fraternity, Ball State University, 909 Riverside Drive, Muncie, Indiana 47306.

Sincerely,

CHUCK, CHARLES A. RICKETT,
General Manager.●

TRIBUTE TO WILLIAM L. BALL III, NEW ASSISTANT TO THE PRESIDENT FOR LEGISLATIVE AFFAIRS

● Mr. LUGAR. Mr. President, yesterday marked the first day of work for an important member of President Reagan's team. William L. Ball III joined the White House staff as Assistant to the President for Legislative Affairs. Few positions in the White House will be more demanding this year than overall management of relations between the executive and legislative branches. Few indviduals are more suited for the task than Will Ball. At this time of relative calm between the two ends of Pennsylvania Avenue, we wish him the best of luck.

Will Ball is no stranger to the Senate. As former administrative assistant to Senator Tower, Will served one of this Chamber's most respected Members, and Will played an important role in debates and negotiations over issues of military and foreign policy. Recognizing his skills, the administration tapped him to be head of legislative liaison for the State Department, where he served with distinction until joining the White House.

I have come to know Will Ball best during his tenure with the State Department. On issue after controversial issue, Will has presented the administration's case with forthrightness and honesty. He knows when policies can be altered in the mix of legislative compromise, and he knows when the President's principles must remain inviolate. His appointment to the White House team comes as little surprise.

I am especially pleased that someone with Will Ball's broad knowledge of foreign policy issues is taking this post. As much strife as we expect over the domestic budget this year, an equal share from foreign policy issue will almost certainly arise. Will Ball is well equipped to handle both.

I know my colleagues share in my congratulations to Will on the start of his new assignment, and we look forward to working closely with him. I can think of no other year when President Reagan needs more help on dealing with Congress. He has made an excellent choice in Will Ball.●

ORDERS FOR WEDNESDAY

RECESS UNTIL 9:30 A.M.

Mr. SIMPSON. Mr. President, after conferring with the minority leader, I ask unanimous consent that once the Senate completes its business today it stand in recess until the hour of 9:30 a.m. on Wednesday, March 5, 1986.

RECOGNITION OF CERTAIN SENATORS

Following the recognition of the two leaders under the standing order, I ask unanimous consent that there be special orders in favor of the following Senators for not to exceed 15 minutes each: Senators HAWKINS, HEFLIN, BYRD, CRANSTON, MATSUNAGA, PROXMIRE, and PRYOR.

ROUTINE MORNING BUSINESS

Further, I ask unanimous consent that following the special orders just identified, there be a period for the transaction of routine morning business not to extend beyond the hour of 11:30 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. Mr. President, at the conclusion of routine morning business, the Senate tomorrow could be asked to turn to any of the following items: the agriculture corrections bill—as the minority leader and the majority leader; have discussed hopefully we can reach some accord there—and other items, S. 104, armor-piercing bullets, with a possible time agreement there; House Joint Resolution 534, the CCC supplemental appropriation; Senate Resolution 353, the committee funding resolution; S. 1017, the airport transfer bill; and S. 1567, the water resources bill. All of those items we could be asked to turn to and rollcall votes can be expected during the session on Wednesday.

I believe I can inform our colleagues that there will possibly be a late session tomorrow night in order to process some of these items.

I ask the minority leader if he has anything further.

Mr. BYRD. Mr. President, I thank the distinguished Senator. I have nothing further. I do appreciate his kindness and courtesies which are very characteristic of him.

Mr. SIMPSON. Mr. President, it is a pleasure to work with the minority leader. He has been very helpful in "training me up," I believe is the phrase. The minority leader and the majority leader both are very accommodating and very helpful to me in my time in this position. I appreciate that.

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that I be allowed to proceed for 3 minutes as in morning business.

The PRESIDING OFFICER (Mr. SIMPSON). Without objection, it is so ordered.

The Senator from Minnesota is recognized.

TAX REFORM

Mr. BOSCHWITZ. Mr. President, this morning I sent to the President of the United States a letter signed by 50 Senators expressing my feeling and their feeling that before we proceed with tax reform we move to bring the budget into balance and conform with the Gramm-Rudman requirements of this particular step.

Many questions were asked whether or not I opposed tax reform, and, Mr. President, I do not.

When the President initiated the drive to "reform" the tax laws, he did so with the goal of making the system simpler, fairer and more conducive to economic growth. The cornerstone of the President's initiative was lower marginal tax rates—33 percent as a top rate for corporations, 35 percent as a top rate for individuals.

Since that time, much of the "reform" seems to have gone out of the President's initiative. The process has turned into an effort to find a way to "pay for" lower marginal tax rates. That being the case, I suggest that we do not need 1,400 pages of new law to accomplish the task.

Like the President and most of my colleagues, I am a strong believer that we should lower marginal tax rates. Lower rates will encourage decisionmaking based on economic as opposed to tax considerations. Lower marginal rates will increase the incentive to work and to save. Lower rates will help

eliminate the incentive for entering into abusive tax transactions and will go a long way toward making sure that all taxpayers pay their fair share.

The problem has not been getting a bipartisan consensus on whether we should lower rates—we already have that. The problem has been how to "pay" for these lower rates so that we have a revenue neutral bill.

The House of Representatives tried to pay for lower rates by "reforming" the Tax Code. Reform indeed. The House bill—deceptively labeled the "Tax Reform Act of 1985"—is almost 1,400 pages long. The description of the bill is over 1,000 pages long. Reform? You gotta be kidding. The House bill will do nothing but add further complexity and inefficiency—and thats the better news. More ominously, many are now saying that the bill would have a profoundly negative effect on economic growth and international competitiveness.

What the House confronted, and what the Senate will now confront, is a hoard of taxpayers and special interest groups who regard each deduction, credit and exclusion which benefits them as a property right which should not be taken away without some type of compensation. More importantly, the House tax writers realized that each deduction credit and exclusion was put into the Tax Code for a reason, and that removing a provision could have negative consequences.

Congress and the President should act this year to lower marginal tax rates. However, let us not try to fool the public into thinking that we will be "reforming" our Tax Code. Perhaps that was possible when the President initiated the process, but that will no longer be the case. We have had a tax bill every year since I have been in Washington—since 1979. Taxpayers are reeling. We do not need more tinkering.

Instead, we should lower rates without adding further complexity to the Tax Code and risking economic disruption. Here's a reasonable way to do that—note: All revenue figures are a per the Joint Committee on Taxation.

During the 5-year period from fiscal 1986 through fiscal 1990, total income tax collections from individuals are expected to be $2.175 trillion. If we lower individual tax rates to 15, 25, and 35 percent, thus meeting the President's mandate for a top rate of 35 percent, and increase the standard deduction very generously to help remove those at or near the poverty level from the tax rolls, as proposed in the House tax bill, we would only lose about $134 billion in individual income tax revenues over 5 years. Put another way, we would only reduce all individual income tax collections by less than 6.2 percent.

Now on to the corporate side. By reducing the top corporate rate from 46 to 36 percent graduating the corporate rate for the benefit of small businesses, the reduction in revenue collected over the 5-year period would be $87 billion. That's 19.5 percent of expected corporate income tax collections over the 5-year period.

In short, reducing individual and corporate tax rates as above results in total lost revenues of $221 billion over 5 years. Thats 8.4 percent of all income taxes expected to be collected during the period.

How will we pay for the lost revenue? Let me suggest a way which is far less complex and disruptive than 1,400 pages of new law—just think of how many pages of new regulations it will take to interpret all that new law—we will be providing work for accountants and lawyers yet unborn! In fact, we could accomplish the task in a bill which would be less than 1 percent as long as the House bill. Here is how:

Increase the personal exemption to $2,000, as proposed in the House bill, but do so by adopting a nonrefundable $300 credit. This will "even up" the benefit of the personal exemption for those in the lowest 15 percent tax bracket with the benefit for those in higher brackets, and raise $75 billion over 5 years in comparison with the House bill.

As was done in the House bill, repeal the two-earner deduction. This deduction is currently needed to compensate for the higher taxes some couples now pay simply because they are married and file a joint return. There would be no need for the deduction as the "marriage penalty" would be removed by changes to the brackets for married couples filing jointly and through the standard deduction. Price tag—$27 billion in additional revenues would be gained over 5 years.

Eliminate the investment tax credit. Frankly, I am reluctant to eliminate the credit because it has helped to stimulate economic growth. But it has been targeted for elimination in every tax proposal put forward so far, so realistically, it does not look like we are going to save it. The revenues we would raise by eliminating the credit are simply too great—$120 billion over 5 years. That is $98 billion on the corporate side and $22 billion on the individual side.

A strong minimum tax could generate as much as $19 billion over 5 years on the individual side and $6 billion on the corporate side. A strong minimum tax would not only help to make sure that all taxpayers paid their fair share, but would also help strengthen public confidence in the tax system. However, any minimum tax must be applied with care so as not to create unfair, unintended or disruptive effects.

If we suspend indexing for 5 years, we would raise $65 billion. I am not too sure too many taxpayers would notice it, either.

The House bill eliminated income averaging, which raises about $9 billion over 5 years. I would do the same, except for taxpayers whose earning cycle did not conform to a 12-month period, that is, farmers.

If State and local taxes were only deductible to the extent greater than 1 or even 3 percent of adjusted gross income we would raise $40 billion in revenues over 5 years—this assumes 3 percent is the figure used.

If the present accelerated cost recovery system [ACRS] were retained, but all depreciation periods moved back 25 percent, that is, an asset depreciated over 5 years would be depreciated over 6 years, we would create much less disruption and complexity for taxpayers than the new depreciation system contained in the House bill and raise $15 to $18 billion over 5 years.

The compliance provision contained in the House bill raises $8 billion over 5 years. Something similar could be adopted.

That should be encugh to pay for lower rates. If we wanted to make sure that we did not fall short, or if we wanted to change any of the foregoing items, there are several other items we could choose from which would raise revenue without causing undue disruption.

And making change without causing disruption was not adequately considered in the House tax bill. Consider this, for the 5-year period from fiscal 1986 through fiscal 1990, the proposal the President sent to the House would have resulted in $486 billion in individual income tax reduction, $310 billion in individual tax increases, $195 billion in corporate tax reductions and $299 billion in corporate tax increases. That totals $1.3 trillion in cash flow that's being reshuffled—roughly 50 percent of all estimated income tax projections for the 5-year period. I would guess that the percentage is even higher under the House bill.

And I would suggest that we do not know the impact of our deeds by changing the rules which affect the enormous amount of money. We simply do not know what the impact on the economy will be. What will happen to real estate, manufacturing, business investment, agriculture, trade, savings, and personal finance?

If we instead use the simple approach I have suggested to cut rates, we will achieve a revenue neutral tax bill which does not create economic havoc. We would not have to consider using our energies and shifting tax revenues to achieve revenue neutral tax reform. Instead, we can concentrate on the deficit—our No. 1 priority.

Also, if we lower rates now, it will be much easier to take away credits, deductions, and exclusions in the future,

when they are less valuable. Then we will really have a chance to achieve simplification and reform.

And what will we do when we have accomplished reform? I would hope that we would immediately add a provision which prohibits amending the Tax Code, except to change a number or eliminate an abuse, more than once every 3 or 5 years. Taxpayers deserve certainty, and Congress must start to give it to them.

Mr. President, I might say that I have talked with a number of Senators about the approach I am taking to tax reform. I know that my staff man, David Gotlieb, has had long and extended discussions with the staff of my friend, Senator DANFORTH, who has shown an interest in this when I first presented it to him. He has made some most interesting suggestions, particularly with respect to the indexing of the exemptions, and also the standard deduction, all of which are presently indexed, which may indeed result in double or even triple indexing. And perhaps some of that double and triple indexing can be laid aside so that additional revenues to bring about tax reform can be found in that way.

Mr. President, I yield the floor.

RECESS UNTIL TOMORROW AT 9:30 A.M.

Mr. BOSCHWITZ. Mr. President, I move, in accordance with the previous order, that the Senate now stand in recess until 9:30 a.m. tomorrow.

The motion was agreed to; and the Senate, at 6:59 p.m., recessed until Wednesday, March 5, 1986, at 9:30 a.m.

EXTENSIONS OF REMARKS

GROWING PUBLIC SUPPORT FOR SEATBELT USE

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. DINGELL. Mr. Speaker, a recent public opinion poll conducted by Nordhaus Research, Inc., of Southfield, MI, revealed some rather encouraging news about public support for seatbelt use. According to the poll, safety belt and State belt use laws are emerging as big favorites with the American people.

The survey demonstrated that, nationally, people agree by 6 to 1 that a significant number of lives have already been saved because of belt laws. Of 2,000 individuals interviewed by Nordhaus Research, the following results were obtained:

Seventy-one percent would like to see their State adopt a belt use law;

Eighty-seven percent believe using belts would save a significant number of lives;

Eighty-five percent would buckle up always or most of the time if their State adopts a seatbelt use law;

Eighty-six percent want such laws to be strictly enforced.

These findings are significant in light of the fact that a year ago only 68 percent of the Nation supported such laws. More significantly, 1 year ago, only 35 percent of the public indicated that they wore seatbelts. That number has moved up to 52 percent.

In the span of only a few years, 17 States, including Michigan and the District of Columbia, have enacted seatbelt use laws. Lives are being saved and thousands of injuries are being presented as a result. Such progress is significant in light of the less desirable and more costly prospect of requiring mandatory airbags in our automobiles.

In light of these developments, I insert the results of the Nordhaus survey for the benefit of my colleagues.

SUMMARY OF STUDY RESULTS

The proportion of United States adults who favor safety belt laws for the driver and front seat passengers increased significantly between research waves and now stands at a level of 71%. Support remained strongest in the East (73%), South (73%) and West (72%) regions and weakest in the Central (65%).

Currently, approximately four-out-of-every ten adults (41%) believe their state has passed a law requiring the use of safety belts in automobiles. Ninety-eight percent of the people residing in states which have a belt law in effect were aware of it while only 42% of those living in a state which has a law passed but is not in effect were aware their state had a law. Additionally, 7% of the inhabitants of states without a law believed their state had one.

Over three-fourths (76%) of those people who said their state currently has a safety belt law favor its continuation. Support was strongest in the West (82%) and weakest in the Central region (70%).

The proportion of adults in the United States who always wear their safety belt when driving or riding in a car has increased significantly between the two waves (Wave I-19%, Wave II-30%). While this increase is expressed throughout the entire country, it is much more dramatic in states which currently have a safety belt law (44%) as opposed to those states without such a law (21%).

Almost six-out-of-ten (58%) surveyed in Wave II feel that the decision to wear a safety belt is their own and does not affect others. However, the vast majority (82%) agree with the statement that injuries and fatalities affect the cost of insurance and even taxes, thus affecting every one.

While awareness of air bags for automobiles remained at a very high level (94%), only one-tenth of those surveyed stated they are very familiar with them. This represents an increase of one percent between research waves.

The margin of support for mandatory safety belt laws as opposed to air bags required in all new cars increased from eleven percent in the first research wave (49% vs. 38%) to seventeen percent (53% vs. 36%). This margin of support was similar in the Central, South and West regions, but lower in the East.

When people were informed that lap belts would have to be worn even in an air bag equipped care in order to be fully protected in all types of accidents, support for mandatory safety belt laws increased significantly (61% vs. 30% favored belt laws). This proportion preferring belt laws rose slightly between research waves.

When people were informed that air bags would add to the cost of the new car, support for a mandatory safety belt law increased with the amount of additional cost. The margin of support for safety belts increased significantly between research waves at each projected dollar value. At a cost of $300, safety belts were now favored 60% to 27%. At a cost of $500, safety belts were favored 66% to 21%. And a cost of $800 the margin was 72% to 14%.

In Wave II of the research program, over one-half of the adults in the United States reported wearing their safety belt the entire time during their last automobile trip. This represents a significant increase from the first research wave in the proportion of people who wore their belt the entire trip (52% vs. 35%, respectively). A significantly greater proportion of people living in states with safety belt laws wore their safety belt for the entire trip than did those living in a state without such a law (71% vs. 42%).

The proportion of adults believing that a significant number of lives would be saved if everyone in the United States wore safety belts while driving, remained at a very high level (87%). Response levels were consistently high across all four regions ranging from 87% in the East to 89% in the West.

Seven-out-of-every-ten people (70%) believe a significant number of lives have been saved as a result of having mandatory safety belt laws, while 12% were not in agreement. The remainder expressed no opinion. This belief was equally strong in all four regions.

There has been a dramatic decrease in the proportion of individuals who believe in several misconceptions and myths concerning safety belt use. Significantly fewer people believe the driver does not really need a safety belt that much (16% down to 13%) and that the odds of having a serious accident are so small that it is not really necessary to wear a safety belt all of the time, especially on short trips (22% down to 18%). Furthermore, fewer people believe it is possible to brace yourself for protection in an accident under 40 miles per hour (37% down to 26%) or that you might be trapped in the car after an accident because of the safety belt (46% down to 41%). Additionally, significantly fewer adults feel that wearing a safety belt is a nuisance (47% down to 43%). A substantial number of people (50%) still perceive safety belt use as uncomfortable.

Given the knowledge that air bags would prevent 20% of the deaths due to auto accidents, safety belts would prevent 45% of traffic fatalities and if both were utlizied 50% of the deaths could be prevented, a majority of U.S. adults would prefer a mandatory belt law (63%) over air bags (28%).

If safety belt laws are passed, public compliance would be at the same high level as in the first research wave. Eighty-three percent of the residents of states currently without a belt law in effect stated they would wear safety belts always or most of the time if their state had a law. Projected compliance would be highest in the West (86%), South (85%) and Central (83%) regions and lowest in the East (74%).

Among residents of states which currently have a belt law, public compliance is also high with 77% responding that they wear a safety belt always or most of the time. Reported compliance ranged from a low of 73% in the Central region to a high of 82% in the East.

If their state passed a safety belt law, most people (85%) believed it should be strictly enforced. This represents a slight increase between research waves. Strict enforcement was strongly desired in the South (88%), Central (88%) and West (87%) regions and least desirable in the East (72%).

Among residents of the states which currently have a belt law, nearly eight-out-of-every-ten (78%) want it strictly enforced. Strict enforcement was favored most highly in the East region (83%) and least preferred in the Central region (74%).

Two-thirds of the individuals residing in the states which currently have a belt law believe they can be stopped by law enforcement officers if observed not wearing a safety belt.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

DIFFICULT LIFE OF NADEZHDA FRADKOVA

HON. SALA BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mrs. BURTON of California. Mr. Speaker, I have come before the House of Representatives many times to remind my colleagues and the world of the plight of Jewish people in the Soviet Union. Today, I will speak about the extraordinarily difficult life of Nadezhda Fradkova.

Nadezhda Fradkova is the only Soviet Jewish female prisoner of conscience. She is 39 years old, a mathematician and linguist and, since 1978, a refusenik. She was sentenced to a labor camp in December 1984 after being sent to a psychiatric hospital on several occasions. She has lost 70 pounds and is in poor health as a result of hunger strikes to protest her treatment.

Mr. Speaker, we are sometimes numbed by the unrelenting stories of brutality of the Soviet Government toward its Jewish citizens. We must not let ourselves believe that the freedom of one famous Soviet Jew—however much we rejoice over Anatoly Shcharansky's release—has ended the suffering of those still in labor camps and psychiatric hospitals or simply subject to constant harassment in their homes. We must not allow ourselves to forget.

In San Francisco, the Bay Area Council for Soviet Jews has not forgotten. March 8 is International Women's Day, a day celebrated in the Soviet Union by sending or bringing flowers to women. No one will bring flowers to Nadezhda Fradkova at the labor camp that has been her home for the past 2 years. But today, in San Francisco, the council will show their support for her by placing bouquets of flowers at the gate of the Soviet consulate.

VIVA SAVIMBI

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. FIELDS. Mr. Speaker, last summer Congress repealed the Clark amendment, which prohibited any United States involvement in Angola. This action, along with the introduction of legislation to provide assistance to the National Union for the Total Independence of Angola [UNITA] reopened the debate as to the proper role of the United States in Angola.

It is not only proper, it is essential that we aid those in Angola who are fighting for a truly independent Angola and against the Communist MPLA regime, which is allied with the Soviet Union and propped up by Cuban troops.

It is essential to reverse communism in Africa and to stop it in Angola. If we do not, Zaire, Zambia, and Botswana will fall into the Soviet orbit, going down the road that Zimbabwe, Ethiopia, and Mozambique already have.

For those who continue to find fault with Savimbi and his cause, I recommend the following editorial from the Dallas Morning News, February 1, 1986. Aid to Jonas Savimbi is indespensible, because this Angolan patriot and leader of UNITA is in a position to win an essential victory, if we only help him.

[From the Dallas Morning News, Feb. 1, 1986]

ANGOLA: VIVA SAVIMBI

Reports are that Jonas Savimbi, leader of the anti-Marxist Angolan rebel group called UNITA, will get about $15 million in covert aid if President Reagan has his way. Congressional support for more than that in overt aid is thought to be insufficient.

Before 1975 Angola, a nation in southern Africa twice the size of Texas, was a Portuguese colony. Savimbi helped to drive out the Portuguese. Since 1975 Angola has been a Soviet colony; the ruling Marxists are kept in power by 40,000 Cuban troops and massive Soviet military aid.

Still, Savimbi's forces keep getting stronger and more sophisticated. Savimbi controls a nation within a nation, and the evidence is that his forces are dedicated, sophisticated and pro-democratic.

At the least, you'd think that even the U.S. Congress would know that no government propped up by Soviets and Cubans could be interested in democracy or in anything that accords with the interests of the free world. So what is the basis of the opposition to aiding Savimbi?

First, it is said that Savimbi is simply a power-hungry terrorist and tyrant himself, merely posing as a democrat to dupe the United States into bankrolling him. Even if this were true—and the evidence is overwhelming that it is false—Savimbi would still be useful as an obstacle to further Soviet expansion in that mineral-rich and strategically important area.

Then it is said that, since Savimbi gets aid from South Africa, U.S. aid would link the United States to Pretoria. But Savimbi says he gets aid from other black African nations as well as from South Africa.

Few black Africans, if allowed to choose, would choose Marxist oppression. Why else would Savimbi's forces be so strong? Why else would so many blacks flee Marxist governments for the *relative* freedom and prosperity of South Africa?

The idea that Savimbi, a black nationalist, is a pawn of Pretoria would be too preposterous for comment did not so many congressmen embrace it. With no aid from the United States, Savimbi would be suicidal *not* to accept South African aid.

Finally, it is said that U.S. arms aid would disrupt The Negotiating Process. Since the United States ended aid in 1975, TNP has brought Angola to its present state of violence, poverty, oppression and Soviet colonization.

Failure to aid Savimbi would not be evidence of congressional statesmanship; it would be evidence of congressional pusillanimity.

IN HER OWN WAY, SHE MADE A DIFFERENCE

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. DORGAN of North Dakota. Mr. Speaker, in two centuries of democratic Government in our country, Presidents, Senators, Congressmen and others have come and gone, first assuming their responsibility to help govern this democracy, and then passing that responsibility on to others. When our politicians have died they have been eulogized in the press and on the floor of the U.S. House and the U.S. Senate, thanking them for their service to their country. And that's the way it should be.

But there are millions of other Americans who've never held public office who also have assumed their citizenship responsibilities to get involved, to care, to make a difference in our democracy. They just never get much recognition.

My mother was one of those Americans. She never held public office, but she made a difference. She was involved in the political process, but in a quiet sort of way. It didn't matter to her whether she was stuffing envelopes, putting up yard signs, or making telephone calls. She wanted to do be involved in Government and the political process because she cared.

The last time I saw her some weeks ago, she was coaxing me to eat more of her chocolate chip cookies—the best I've tasted—while she was quizzing me about what was happening in Congress. Just before I left her house, she shook her finger about an editorial she had just read in the local newspaper and said, "I'm gonna march down and talk to that editor someday!" That was every inch my mother—feisty, perky, involved.

She had her own world, of course. She spent a lot of time visiting in hospitals. She was a homemaker, and she cared for my father who suffers some health problems. All the while, she maintained a healthy interest in Government and politics. She, like millions of Americans, was part of the American political process that molds and shapes the future of our country.

My mother was killed last month in a car accident. A drunk driver running from his responsibility snuffed out the life of a very special woman who always met her responsibilities.

Mr. Speaker, the death of my mother was a terrible blow to all of us in my family. But she has left us with a treasury of memories and a living example of a citizen's commitment to make a difference.

She and millions like her bless this country with their quiet dedication to make a difference to their family and their country. In her memory and through her example, I want to pay tribute to those in America who meet their responsibilities by, as George Bernard Shaw once said, "Holding for a moment that splendid torch," and making life better for all of us because of it.

OUR LITTLE TOWN

HON. HARRY REID

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. REID. Mr. Speaker, located in the southeast corner of Nevada, just 22 miles northwest of Boulder Dam, is the city of Las Vegas. After the United States acquired the Southwest in 1848 after the war with Mexico,

southern Nevada became a corridor for emigrants and gold seekers on their way to California. In the mid-1950's, the Las Vegas Valley was occupied by Mormon farmers from Utah. Most Americans today think of Las Vegas as a major tourist resort. But to Mr. Thomas J. "Speed" Funari, Las Vegas is "Our Little Town." In his spare time, Mr. Funari writes poetry and I would like to share his poem with my colleagues.

OUR LITTLE TOWN

(By Thomas J. 'Speed" Funari)

I live in a little town with a lot of data,
The little town is in the beautiful state of Nevada.
That used to mine silver ore,
And now, there isn't anymore.

The city dads all began to cry,
Our little town is going to die.
One said, "Don't live in the past".
We are going to build at last.

We are going to make this a gambling town,
They are going to come from all around.
They will come from near and far,
Some by plane, and some by car.

Just to play and have a lot of fun,
And take home the money they have won.
I have watched our little town grow,
And now, we have the Broadway show.

The stars come from all around,
To play in our little town.
That once was said we are going to fold,
And now our sidewalks are painted with gold.

CONGRESSIONAL SALUTE TO THE HIROSHIMA NIKKEI JIN KAI

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. MATSUI. Mr. Speaker, I am pleased to call to the attention of the U.S. Congress a monumental event in the history of the Hiroshima Nikkei Jin Kai. This exceptional organization will be marking its 80th year with an anniversary celebration and new year's party to be held in Sacramento on the afternoon of January 11.

The motivation behind the formation of this remarkable group was deep concern for immigrants coming to the United States from the Hiroshima Prefecture. One of the problems exacerbated by the language barrier was the difficulty of borrowing money from American banks. Based on trust and selfless desire to help, this group came together to assist those facing this serious problem. Over the years the responsibilities of this outstanding club have grown to incorporate those of the community while still generously attending to the special needs of its members.

Mr. Speaker, on behalf of the people of Sacramento, I want to commend this worthy group and offer my best wishes for continued success in all of its endeavors in the coming years.

V.F.W. POST 6063

HON. H. JAMES SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. SAXTON. Mr. Speaker, we live in a troubled world. A world in which democracy and human rights are, in many places, threatened by oppression and tyranny.

In the United States, we enjoy our freedom only because we have been willing to fight for it.

And it didn't come cheap. Our freedom and peace were paid for by the sacrifice of those men and women who served bravely in our armed services.

Mr. Speaker, March 8 is a special day for some of these brave people. March 8 is the day that the A. Jay Weeks V.F.W. Post 6063 celebrates its 40th anniversary.

Post 6063 was organized in 1946 by World War II Navy Commander A. Jay Weeks. Today, the post can boast of a membership which includes veterans of all ages—from World War I vets to veterans of Vietnam.

Mr. Speaker, I applaud the work of the Veterans of Foreign Wars. But, I would particularly like to congratulate Post 6063 of Toms River, NJ for 40 years of dedicated service to the community and to our Nation's veterans. I am pleased that Post 6063 is located in my congressional district, and I wish the members all the best on their special day.

SHCHARANSKY'S RELEASE

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. FASCELL. Mr. Speaker, I know I speak for all our colleagues when I say how pleased I am that Soviet Jewish human rights activist Anatoly Shcharansky has, at long last, been released from Soviet prison and is now reunited with his wife, Avital, in Israel. I commend Avital for her determined and successful efforts to free her husband and to draw worldwide public opinion to the plight of Soviet Jews. I know that both Avital and Anatoly will now direct their efforts toward securing the release of other Soviet Jewish prisoners and refuseniks. We in the Congress should do the same.

In this regard, Mr. Speaker, I would like to call the attention of our colleagues to a recent article by David Harris, the deputy director of the international affairs department of the American Jewish Committee and the former Washington representative of the National Conference on Soviet Jewry. Entitled "After Shcharansky? What's Next for Soviet Jewry?" Mr. Harris' piece appeared in the February 13, 1986, edition of the Washington Jewish Week.

The article follows:

AFTER SHCHARANSKY? WHAT'S NEXT FOR SOVIET JEWRY?

(By David A. Harris)

Together with millions of other people around the world, I spent several days holding my breath, praying silently and passing each hour with a radio glued to one ear. Could this latest report, unlike so many previous others, of the imminent release of Anatoly Shcharansky be accurate? Would he, a moral giant of the Jewish people and a name synonymous with the struggle for repatriation to Israel, finally be released almost nine years after his arrest?

Would the unimaginable suffering and agony he endured in Soviet prisons and labor camps be over? Would he finally be permitted to join his wife Avital, whose unstinting devotion to her husband's cause has inspired people everywhere, after 11½ years of separation? Would his elderly mother's courage and perseverance in support of her beleaguered son no longer be necessary? Would the unstinting efforts of President Ronald Reagan and Secretary of State George Shultz, members of Congress, foreign leaders and private citizens everywhere at last yield results?

Would Shcharansky's profound faith, stated so eloquently during his trial in Moscow in July 1978, finally be redeemed? At that time, he said: "For more than 2,000 years the Jewish people, my people, have been dispersed. But wherever they are, wherever Jews are found, every year they have repeated, 'Next year in Jerusalem.' Now, when I am further than ever from my people, from Avital, facing many years of imprisonment, I say, turning to my people, my Avital: Next year in Jerusalem." Would it be this year in Jerusalem?

We rejoice in the news of his release and reunification with Avital. We are humbled by his courage, and inspired by his faith. Yet, at the same time, it is difficult to overlook the fact that his release, as welcome and important as it truly is, is not necessarily the result of an altruistic, humanitarian gesture on the Soviets' part. Rather, it serves four very concrete purposes for the Kremlin: (1) It is part of an exchange involving spies, hence permitting Moscow to maintain its original contention that Shcharansky was in the employ of the CIA—even though Shcharansky always denied the espionage charge and had he yielded to extreme Soviet pressure to admit to the accusation, he might well have been released years ago. (2) It generates favorable media attention for the Soviets at a time when the battle for Western public opinion being waged fiercely by the Kremlin. (3) It serves to rid Moscow of one of the two preeminent human rights symbols, together with Andrei Sakharov, within its borders. (4) It returns several key east bloc agents.

Is Shcharansky's release, nevertheless, a genuine signal by the Kremlin?

As much as one would like to believe so, the prevailing condition of Soviet Jewry gives serious pause. Consider:

The emigration rate which was inching upwards from a mere 29 in August 1985 to 128 in November, the month of the summit, has now reversed direction. 92 people left in December and only 79 in January.

On Jan. 8, Vladimir Lifshits, a Leningrad refusenik, was arrested on a charge of anti-Soviet propaganda and now faces trial.

On Jan. 17, seven young Jews in the Leningrad area participated in an Oneg Shabbat celebration. The party was disrupted by the local police who accompanied the group to the local police station, beating a few along the way and threatening them with expulsion from university and military conscription. They were interrogated about their Jewish activities and study of Torah, and accused of holding a private religious ceremony.

Inna Meiman, the wife of mathematician Naum Meiman, has been suffering from a growing tumor on the back of her neck, near her spinal column, for more than two years. The only apparent remaining hope for treatment, after four painful and ultimately unsuccessful operations in Moscow, is at one of a few oncological centers in the West which have the sophisticated equipment to treat the cancerous growth. Despite countless appeals, the Kremlin has adamantly refused the Meimans permission to travel to the West for medical care, citing Professor Meiman's classified work—work performed more than 30 years ago!

And despite all the focus on Elena Bonner's visit to the West for medical treatment and a visit with her family in Boston, she will soon rejoin her husband, Andrei Sakharov, in an exile that, in everything but name, is the equivalent of imprisonment in remote Gorky. Sakharov, a non-Jew, is an extraordinarily courageous man dedicated to peace and to human rights, and a righteous Gentile if ever one lives today.

How, then, does one interpret current Kremlin policy?

It is to remain tough at home as a signal that no loosening of the reins is in the offing. On the other hand, for Western consumption, it pursues a two-pronged strategy. First, the staggered release of a few prominent figures, such as long-term refuseniks Mark Nashpitz, Yakov Mesh, Eliyahu Essas and Yakov Gorodetsky, succeeds in generating positive publicity for the Soviets at relatively little cost and serves equally to deflect attention from the stark reality facing the Soviet Jewish community. Second, the traditional Soviet campaign of disinformation abroad continues apace. In this regard, events of the last year are revealing:

(1) In January 1985, Soviet State Bank Chairman Alkhimov told U.S. Undersecretary of Commerce Olmer that if good relations with the U.S. were restored, 50,000 Jewish emigrants annually would be "no problem." After a flurry of Western press attention and U.S. interest in studying the apparent opening, the Soviets subsequently denied the story.

(2) Three months later, optimism was again generated when *The New York Times* carried a front-page story from Moscow that as many as 1,000 Jews, including long-term refuseniks, were reportedly being summoned to OVIR (visas, office) and being issued exit visas, but nothing resulted.

(3) In July, at a meeting with the Israeli envoy in Paris, Soviet Ambassador Vorontsov indicated his country's preparedness to move forward on diplomatic relations in exchange for Soviet participation in the Middle East peace process and Israeli flexibility on the Golan Heights issue. Much media attention was given the story, but no real progress has occurred.

(4) Reports, originating in Moscow, of an imminent release of 15-20,000 Soviet Jews and their transfer to Israel via Warsaw, have appeared in many Anglo-Jewish papers this fall. To date, though, nothing has happened.

(5) During his visit to France in October, Soviet leader Gorbachev addressed the emigration question by noting that the Soviet Union "solves" the problem of family reunification, refusing permission "only where state secrets are involved." In such cases, added Gorbachev, applicants can leave after waiting between five and ten years. Despite these well-publicized assertions, the several thousand long-term refuseniks with close relatives in Israel and elsewhere, whose first applications were submitted as long ago as 1970, offer ample proof of the inaccuracy of the claim. And, a shrewd and sophisticated communicator, Gorbachev also used the occasion to speak of Soviet Jews as a "privileged nationality," yet another element of the Soviet disinformation campaign.

(6) Finally, there was *The New York Times* front-page story on Dec. 26, headlined "Russian said to Predict Israeli ties and Increased Jewish Emigration," referring to a Soviet embassy official in Washington. TASS, the Soviet news agency, later denied the story.

If Moscow genuinely seeks to send an unambiguously positive message, it should follow the advice of Anthony Lewis (*The New York Times*, March 14, 1985): "What is needed as a signal is evident: not words but convincing action by the Soviet Union."

What would be convincing action? In my view, it would mean significant progress toward the goals of the institution of an orderly process of repatriation to Israel and reunification of families with a definite time limit on those cases involving previous security clearance, a resolution of the prisoner of conscience and long-term refusenik cases, and end to harassment of Jewish activists and arrests on trumped-up charges, and a guarantee of the religious and cultural rights for Jews (including the right to study Hebrew) given to other Soviet citizens.

If movement can be truly made in these areas, it will doubtless be welcomed in this country and contribute to further progress in other dimensions of the bilateral relationship, not to speak of a more general improvement in the "atmospherics" that can play such an important role in shaping the direction of superpower relations.

In the meantime, welcome Anatoly. We pledge that our efforts will not cease until all in whose name you struggle so valiantly will be able to join you and Avital in Israel.

BOB HIGGINS RETIRES AS JOPLIN POSTMASTER

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. TAYLOR. Mr. Speaker, it is a sincere pleasure for me to pay tribute to Robert A. Higgins, who, on March 1, 1986, retired after more than 40 years with the U.S. Postal Service, the last 13 years of which has been as the Joplin, MO postmaster.

Shortly after completing his tour of duty with the U.S. Air Force where he was a pilot instructor, Bob sought employment with the Post Office Department. He was, subsequently, hired as a substitute clerk in 1945.

He rose rapidly through the ranks, holding such posts as regular carrier and superintendent of mails, finally becoming the postmaster in 1973. He has performed each of his assigned tasks with skill and determination, upholding the finest traditions of the U.S. Postal Service.

Bob has always found time to enthusiastically serve his community and today is a director of the Freeman Hospital Board, the Kiwanis Foundation Board, the Financial Federal Savings and Loan Board, and the board of regents, Missouri Southern State College. He has also been the recipient of MSSC's Distinguished Alumnus Award.

Robert has been involved in one way or another with just about every civic project undertaken in the Joplin area, including the United Way [chairman], Missouri Council on Higher Education, MSSC Lionbacker Booster Club [president], and a number of other fundraising projects for the college.

For the past 41 years, Robert Higgins has been a credit to the U.S. Postal Service, as well as to his community. Without doubt, he is an outstanding example of what a public servant should be.

WAGE GRADE EMPLOYEE PROTECTION ACT OF 1986

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Ms. MIKULSKI. Mr. Speaker, it is no secret that Federal pay has been capped nine times in the last 10 years causing Federal wages to fall significantly behind those paid by private industry. The wage lag was exacerbated last year when civilian employees received no pay raise. At the very best, these employees will have to wait 2 years between pay raises.

The pay gap was clearly apparent to the Gramm-Rudman conferees who insisted on protecting Federal pay from sequestration cuts made pursuant to that act. Included in the conference agreement was a provision prohibiting any reduction in the rates of pay for civilian employees. The conference agreement further provided that if a wage increase were given to a Federal employee at anytime, a sequestration order could not suspend or reduce that rate of pay.

Mr. Speaker, while I did not support the final Gramm-Rudman conference agreement, I do wholeheartedly support the intent of the conferees to extend to this Nation's dedicated employees full protection against pay cuts. It is about time we prevented the persistent attacks on their pay and benefits to pay for the country's debts.

It has been brought to my attention by the National Federation of Federal Employees that the protection the conferees so clearly intended for Federal workers is incomplete. The conference agreement fails to cover the wage grade—or blue-collar—employees who constitute almost 20 percent of the Federal work force.

Section 256(g) of the Balanced Budget and Emergency Deficit Control Act of 1985 placed a limitation on the reduction of civilian and military pay rates. That section, however, is unintentionally restrictive because it merely refers to the pay system that covers general schedule [GS] employees. Although these white-collar workers make up about 70 percent of the Federal work force, they are by no means the only civilian employees of the Federal Government.

Inadvertently excluded from protection were nearly 500,000 blue-collar workers, many of whom are assigned to military installations. These civil servants are mainly responsible for such functions as maintaining and testing the

military equipment necessary for national defense.

I realize that the failure to cover these employees under this section was an oversight. But unless we correct this inequity, we will have established two separate and highly unequal standards for dealing with Federal pay. We would be telling Federal blue-collar workers that they are less deserving of a pay protection than their white-collar brothers and sisters. That is something I am not willing to do.

I am introducing legislation today, at the request of the National Federation of Federal Employees, which represents both blue-collar and white-collar civilians, to correct this inequity. My bill would extend to Federal blue-collar employees the same pay protection we enacted for their general schedule associates. When you consider that Federal pay has risen only 221 percent over the last 15 years while inflation has jumped 306 percent and private sector salaries have increased by 290 percent, the need to prevent any further erosion in Federal wages becomes apparent. I therefore encourage my colleagues to join me in supporting this bill. It is the least we can do to recognize the contributions these employees have made.

DR. WILLIAM GRAHAM

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. DORNAN of California. Mr. Speaker, I would like to share this very timely and informative article about our acting NASA Administrator Dr. William Graham. During a time of national crisis, following the space shuttle tragedy, Dr. Graham met the challenge with tremendous courage, determination and professionalism. His decisiveness, especially during the first few harried days following the shuttle disaster, should be commended. I encourage my colleagues to read the article and continue their strong support for our Space Program.

DR. WILLIAM GRAHAM

The ability to persevere in the face of adversity has long been one of the great strengths of the American people. Time and time again when faced with the worst that man or nature could throw at us, we have responded with out best. In the days and weeks following the tragic loss of the Challenger space shuttle, this trait has been much in evidence.

Still, it will take more than a "can do" attitude to save the space program from devastation. The problems it faces are legion, ranging from the loss of a quarter of the shuttle fleet, along with the indeterminate grounding of the Challenger's sister spacecraft, to the inevitable fiscal pressures of a deficit-ridden budget. Before any of these pressing concerns can be addressed, however, there is one overwhelming problem that must be solved: straightening out NASA at the top.

While the loss of the shuttle and its seven-member crew would have been a tragedy under any circumstances, the problems it caused are further amplified by the fact that the accident occurred at the worst possible time. NASA Administrator James Beggs had just been placed on unpaid leave following his indictment on charges stemming from allegations that he participated in contracting irregularities while an official at General Dynamics.

Irrespective of his guilt or innocence, (a matter for the courts to decide), the fact that he would naturally be preoccupied with preparing his defense would have made it difficult for him to be effective in the space agency's day-to-day management. However, his continuing presence at NASA tended to confuse lines of authority, and undercut the ability of Acting Administrator William Graham to exercise full control over the agency's operations. It is amazing, therefore, that Mr. Graham could perform as admirably as he has under impossible conditions.

Mr. Graham's outstanding showing would seem, at this writing, to make him the obvious choice to succeed Mr. Beggs, despite the well-known opposition of the former administrator to such a move. Mr. Graham's combination of qualifications makes for one of those rare occasions when a candidate for a federal post is a perfect fit. He is a scientist of national reputation and thoroughly familiar with the high-tech research that is NASA's specialty. But he is not one of NASA's "old boy" network, and therefore has no stake in whitewashing previous policies.

As a result, Mr. Graham has developed a considerable following among working-level NASA employees during his brief tenure, while at the same time earning the animosity of the most senior bureaucrats—those who have a vested interest in maintaining the status quo. That, however, may be all to the good.

As the hearings before the Senate and the presidential commission unfold, the public is beginning to perceive what the people close to the space program had long known: that it was to some extent moving in the wrong direction. Rather than focusing on its primary missions, research, development, and space exploration, NASA was trying to be the sole arbiter of commercial space.

In this role, it promoted the space shuttle as a "commercial" vehicle, ignoring the fact that this characterization was simply untrue. For example, one NASA press release recently spoke of earning a "$14 million" profit from the launch of a commercial satellite, while failing to mention that a shuttle flight costs $350 million, according to the agency's own figures. A more accurate description of the flight would have been that NASA only lost $336 million on the launch.

At the same time, NASA was also carrying on a vigorous campaign against its principal competition in the launch market—expendable launch vehicles, or ELVs, as they are called—and against any technology that wasn't shuttle (and therefore NASA) dependent. Any private firm that wanted to enter the infant space industry suddenly discovered an unexpected competitor: the federal government. To say that this had a chilling effect on entrepreneurs would be an understatement.

Had it not been for the Air Force's insistence, over strenuous objections from NASA, that the Department of Defense be allowed to contract for a number of ELVs so an alternative launch system would be available, the nation would have found itself devoid of *any* launch capability while the problems that caused the Challenger tragedy were identified and corrected. This, according to NASA insiders, will take anywhere from a year to 18 months—during which commercial satellites in particular will have to look elsewhere for launch vehicles.

While the European Space Agency's Ariane system may be capable of performing some of the launches, it is hardly capable of filling the entire gap. Moreover, even when Challenger's three sister ships do start flying again, there will remain the fact that a quarter of the shuttle fleet has been lost, and with it a quarter of the nation's launch capability.

However, it is possible to turn what seems like a problem into an opportunity—provided NASA is willing to let go of its drive to hold a monopoly over commercial space development. Private-sector firms are both willing and able to help provide the space transportation that satellite companies and other commercial users want and need. One firm at least, is even interested in building a replacement for the lost shuttle. All that is required is the right policy signals from NASA.

But getting those right signals means that NASA's leadership will have to change its attitude toward commercial space, and that's why the appointment of Mr. Graham could be so important. He is clearly equipped to make the needed change in attitude happen. If that change does not take place, there is a real danger that America could come in second in the race to develop the commercial potential of the final frontier.

Recently, Arianespace launched the SPOT satellite system—the first purely commercial remote-sensing satellite put in orbit. SPOT creates an important precedent in that it opens up a whole new area of strictly commercial activity. Other such launches involving other new commercial areas will inevitably follow. The only question is whether it will be U.S. firms taking the lead in commercial space, or firms from France, Japan, and Germany. The answer will lie in the attitudes and policies NASA promulgates toward space entrepreneurs. It will take a man like Bill Graham to make sure the attitudes and the policies are the right ones.

JOSEPH NEWMAN PRIVATE PATENT BILLS

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. KASTENMEIER. Mr. Speaker, a number of Members have written or asked me about the status of private patent bills on behalf of Joseph Newman. Mr. Newman is seeking a statutory monopoly directly from Congress for what he has called an energy machine. These remarks are an attempt to respond to those inquiries.

As of today there have been five private bills introduced [1] to grant a patent to Joseph Newman.[2] The first of these bills was intro-

[1] H.R. 3590 (Mr. Burton of Indiana), H.R. 3977 (Mr. Lott), H.R. 4081 (Mr. Kindness), H.R. 4200 (Mr. Livingston), H.R. 4220 (Mr. Torricelli). No Senate bills have been introduced on this issue.

[2] Mr. Newman has previously received patents for other inventions.

duced by our colleague Mr. DAN BURTON on October 17, 1985. That bill, H.R. 3590, was referred to the Subcommittee on Courts, Civil Liberties and the Administration of Justice—which I chair—on October 29, 1985. The first step we took was to request the views of the Administration on October 31, 1985. We received a letter from the National Bureau of Standards [NBS] on December 2, 1985 which said:

. . . we have no test data and cannot comment on the actual performance of the Newman machine . . . [w]e should point out that there is no documented example of a machine which delivers more energy output than the energy input, and that such a machine would violate the fundamental and well established laws of thermodynamics.

NBS goes on to say that they are willing to test the machine. On February 10, 1986, we received a letter from the general counsel of the Department of Commerce on behalf of the administration which said "we do not believe this legislation is justified."

To date no hearings have been scheduled on these private bills.

Perhaps some background information would help set this controversy in context. Mr. Newman filed a patent application in 1980[3] entitled "Energy Generation System Having Higher Energy Output Than Input." This application was rejected by a patent examiner. The Board of Patent Appeals affirmed this rejection October 5, 1982. The Board said, in pertinent part:

Such a motor could not be made to operate at an efficiency level of greater than 100 percent . . . such a machine is impossible . . . such machines . . . are known as perpetual motion machines they violate either the first or the second law of thermodynamics . . . the proper way for an inventor whose apparatus or method depends upon a new scientific theory to establish that theory, where the theory contradicts established scientific principles, is to submit papers to scientific journals so that the scientific community at large can evaluate that theory.[4]

On January 3, 1983, Mr. Newman filed a civil action suit in Federal District Court for the District of Columbia under 35 U.S.C. 145, challenging the rejection of the patent. That litigation is still pending. During the pendency of the litigation a special master was appointed. The special master—a former Patent Commissioner—filed a report with the court, and that report was rejected by the court and the case remanded to the Patent and Trademark Office. Thereafter, a second patent examiner rejected the claims, and after the case returned to the district court a motion was made for summary judgment by Mr. Newman and that motion was denied.

In October 1985, the district court ordered Mr. Newman to deliver his energy machine to the National Bureau of Standards [NBS]. Mr. Newman then successfully objected to the terms set by the district court for the testing and the court of appeals for the Federal circuit [CAFC] set forth modified conditions for the test on January 13, 1986. The CAFC affirmed this decision February 12, 1986. Thus, the most recent court order on this subject provides that Mr. Newman is to deliver his machine to the National Bureau of Standards. The NBS then has a limited period of time to complete tests on the machine and issue a report to the court.[5] The machine was delivered January 24, 1986 to NBS by Mr. Newman.

To the best of my knowledge in recent times Congress has never granted a private patent when there has been an issue about whether the invention meets the statutory requirements of patentability—such as usefulness, nonobviousness and absence of prior art. The bills relating to Mr. Newman, therefore, would represent a substantial departure from past practice.

Congress has generally been reluctant to enact private bills unless the parties seeking relief have exhausted available and viable administrative and judicial remedies. In this case the situation is even more unique. In order to properly evaluate these private bills we would have to do the following:

First, reject the expert advice of the executive branch agency created by Congress to evaluate these claims;

Second, intervene before a final judicial resolution of factual issues; and

Third, sift competing and conflicting scientific views about the first and second laws of thermodynamics.

We not only would have to resolve these issues but we would under the rules of the House for the Private Calendar, have to resolve these issues by unanimous consent.

Notwithstanding the lobbying and press coverage of this issue, proceeding on these bills at this time would be premature. In light of the pending court case and a possible veto, it is my view that we should await further developments in the pending litigation.

[3] According to the Patent and Trademark Office, the first application was made April 2, 1979 which was "continued in part" and eventually abandoned.

[4] The Board cited several scientific publications, including a "Scientific American" article. (218 Sci. Am. 114 (1968). This article describes the inconsistency between the first and second laws of thermodynamics and perpetual motion machines.

[5] Under the terms of the order; the machine must be delivered within 14 days, the tests completed within 30 days from delivery and a report filed shortly thereafter. Whether the 30 days for testing has expired is a question still in litigation.

THE RISK RETENTION ACT AMENDMENTS OF 1986

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. WYDEN. Mr. Speaker, I rise today to introduce the Risk Retention Act Amendments of 1986. This measure, the companion to S. 2129, introduced by Senator KASTEN, will amend the Product Liability Risk Retention Act of 1981 to make it easier for businesses, professionals, associations, State and local governments, and other organizations to form collective purchasing and self-insurance groups for general liability coverage.

The increasing cost and scarcity of liability insurance has become a matter of national concern. Manufacturers, child care providers, municipal governments, hazardous waste disposers, nurse-midwives, schools, corporate directors and offices, truckers, physicians, architects, and other professionals find themselves facing a treacherous insurance market where coverage is either unavailable or unaffordable. Some have had their coverage canceled midpolicy, paid quadruple-digit increases in premiums, or have had to buy policies with reduced coverage and increased deductibles. For others, coverage is unavailable at any price.

Many of us view the current insurance crisis with various ideas on its causes, but I think it's safe to say that we are in general agreement that those groups unable to purchase affordable liability coverage should be given a chance to help themselves.

My proposal today is a first step to allow these distressed groups to join together to obtain insurance for their activities. There is no cost to the Federal Government in this measure, but it will save people money in the marketplace, either through actual savings on general liability insurance costs, or through the reduced costs that are handed down to consumers.

The Product Liability Risk Retention Act of 1981 authorized the creation of two different mechanisms to facilitate the ability of manufacturers, product sellers, and distributors to insure product liability risks. Risk retention groups are authorized to self-insure product liability risks. Collective purchasing groups are authorized to purchase comprehensive liability insurance on a group basis, if the policy includes coverage for product liability risks. The law facilitates the establishment of such groups by preempting, to the extent necessary, certain state laws which restrict the organization of group captive insurance companies and the sale of insurance on a group basis.

However, as it is written, the Risk Retention Act only addresses the problem of obtaining affordable product liability insurance. It helps only a few of the groups in need of commercial liability insurance at an affordable price. Furthermore, the act limits coverage to products and only allows for comprehensive general liability if the policy includes product liability risks. This excludes many other groups in our country that are in need of insurance.

The measure I am introducing today amends the Risk Retention Act to make it easier for others to form collective insurance groups for general liability insurance, by freeing them from conflicting requirements in each State in which they operate.

These amendments expand the definition of the groups to permit them to include those other groups seeking affordable general liability insurance. Businesses, professional groups, hospitals, schools, churches, or other institutions, and State and local governments could form risk retention and purchasing groups under this measure.

These groups would then be able to form purchasing or risk retention groups to obtain all types of general liability insurance, except for personal risk insurance, workers' compensation, and employers' liability insurance.

This proposal is not intended to solve all the problems associated with the current liability insurance crisis. It would only increase the ability of those needing general liability coverage to obtain favorable rates or to self

insure as a part of a risk retention group. As such, this expansion of the Risk Retention Act should provide some immediate relief for those affected by the current liability insurance crisis, and it is my hope that my colleagues in the House will move quickly with our colleagues in the Senate to enact this legislation.

TWINNING

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. ATKINS. Mr. Speaker, as cochairperson of the Congressional Caucus on Soviet Jewry for the Ninety-Ninth Congress, I would like to commend Mark White, a Framingham constituent on his efforts to link his bar mitzvah celebration with a soviet youngster, Mikhail Yusim.

One of the most important times in the life of a Jewish youngster is the celebration of the joyous ceremony of bar or bat mitzvah. These youngsters in the United States are able to treasure this day in their memories as a day of family celebration and an advancement to adulthood.

Our brothers and sisters in the Soviet Union are not able to enjoy such festive and memorable occasions. Their religious celebrations must be hidden behind a cloak of secrecy; they must deny their beliefs or live in fear that they will be punished for their religious choice.

For those adolescents in the Soviet Union, who are not able to celebrate the traditions of their religious heritage, a wonderful tradition has been started, "twinning". Twinning is the pairing of a free youngster who is able to celebrate his or her bar or bat mitzvah and other religious holidays with a Soviet Jewish youngster who is unable to do so.

Oftentimes we take for granted the freedom of religion. Our friends in the Soviet Union do not have this same luxury. The Constitution which our forefathers wrote 200 years ago endures today. This Constitution serves as an omnipresent symbol for those people who dream of the establishment of a country where they would not be persecuted for their religious beliefs, a society where people could truly worship as they chose without fear for their lives.

I offer my congratulations to these two fine young men on the occasion of their bar mitzvah. It is my hope that someday, Soviet youngsters will be able to celebrate their own bar/bat mitzvah. With the same freedom and happiness that their American brothers and sisters enjoy.

CONGRESSIONAL SALUTE TO GENE ROBINSON

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. MATSUI. Mr. Speaker, and my fellow Representatives, I would like you to join me in paying tribute to Mr. Gene Robinson, who is retiring from his position as parks superintendent for the city of Sacramento, a position he has served with extreme competence and devotion. A community dinner honoring this outstanding citizen is to be held in Sacramento on February 21, 1986.

Mr. Robinson graduated from the University of California at Berkeley with a bachelor of arts in forestry and postgraduate work in park and recreation. He rapidly advanced to the position of parks superintendent, where he has been responsible for maintaining and developing 95 parks sites, a job he accomplished with effectiveness and efficiency. In addition, he far surpassed his duties by acting as president of the California Park and Recreation Society, a post he served with distinction and merit.

Gene Robinson has worked aggressively and successfully to keep the parks system a source of pride for Sacramento and should be commended for his innovated thinking in carrying out the responsibilities and policies required by his position. He certainly is an example of a dedicated and diverse individual who has served his community in the best possible manner: with selfless devotion and accomplishment.

Mr. Speaker, it is with great pleasure and respect I commend Gene Robinson for his sincere generosity and years of excellent service to the city of Sacramento.

A TRIBUTE TO MARIAN WRIGHT EDELMAN

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. LEVIN of Michigan. Mr. Speaker, for 3 days last week over 1,200 people—teen health service providers, educators, social welfare workers, community service providers, counselors, elected officials and others—gathered in Washington for a conference entitled, "Adolescent Pregnancy Prevention: Speakout '86." There was little need for the conference participants to rehash the alarming statistics regarding teen pregnancy—they already were too well aware of the numbers and of the names of pregnant teens. Instead, as the title suggests, the conference focused the participants' attention on various prevention efforts and on techniques to expand those efforts—to speak out on behalf of adolescent pregnancy prevention.

The conference was sponsored by the Children's Defense Fund. CDF is not a new advocate of the Nation's children. For 13 years the Children's Defense Fund has been speaking out on the needs and the rights of youth, particularly disadvantaged youth. It was Marian Wright Edleman who founded the Children's Defense Fund and it is Marian who has served as president and leading spokesperson of CDF since its founding.

An article appeared in last Thursday's New York Times entitled, "She Whose Constituents Are 61 Million Children." Mr. Speaker, in recognition of Marian Wright Edelman's work on behalf of this Nation's youth, I bring the article to the attention of my colleagues:

[From the New York Times, Feb. 27, 1986]

SHE WHOSE CONSTITUENTS ARE 61 MILLION CHILDREN

(By Lena Williams)

WASHINGTON, Feb. 26.—Ask Marian Wright Edelman about her children, the more than 61 million of them under 18 years of age, and she will tell you they are America's poorest citizens, its least powerful and one of its fastest growing minorities.

Mrs. Edelman believes her children lie just beyond America's vision, just outside the realm where their voices can be heard; they are, she says, the nation's true silent majority.

For 13 years, Mrs. Edelman has been a determined and persistent advocate, perhaps the most determined and the most persistent for the needs of the nation's children when it comes to welfare, health, juvenile justice and the family. Her base is a Washington organization called the Children's Defense Fund, which she founded and heads.

She lobbies Congress for laws and programs to help children. She presses Federal agencies for regulations. She produces studies. And when all else fails, she goes to court.

"PREVENTIVE INVESTMENT"

"The fund exists to provide a strong and effective voice for the children of America, who cannot vote, lobby or speak for themselves," she said. "We pay particular attention to poor, minority and handicapped children. Our goal is to educate the nation about the needs of children and encourage preventive investment in children before they get sick, drop out of school or get into trouble."

Today, as part of a long-term effort to prevent children from having children, the fund opened its fifth annual conference here by starting a national campaign to increase public awareness of the causes and effects of teen-age pregnancies. The conference, which runs through Friday, is expected to attract more than 1,200 participants.

A soft-spoken, fast-talking woman with an engaging smile, Mrs. Edelman is a product of the civil rights movement of the 1960's. The militancy is still there, surfacing at times when she speaks of the "injustices" against her constituents or when she flashes impatience with those who say her goals, while laudable, are not always practicable in a time of tight Federal budgets.

But at 46 years of age, this mother of three sons has transferred her marching and protesting energy to the halls of Congress, the offices of Federal agencies and the courtroom.

"Head Start reauthorization is expiring this year," Mrs. Edelman said the other day of the Federal pre-school program for poor children, a major current concern of the Children's Defense Fund. "We have to keep the Reagan Administration from cutting back the program."

Mrs. Edelman and her staff of 70 deal with such issues by attacking them from all fronts. To pry open doors, she uses old contacts on Capitol Hill and elsewhere around the city that were established in the days she served as Congressional liaison for the Southern Christian Leadership Conference, a civil rights group. Once in, she pleads her cause with a battery of facts and studies on the status of children in America.

Beyond Capitol Hill and the Federal agencies, she has established the fund as a leader in defending and expanding the

rights of children through the courts, blocking the placement of Louisiana children in out-of-state Texas institutions, for example, and guaranteeing special education rights to thousands of children in Mississippi.

Representative George Miller, the California Democrat who heads the House Select Committee on Children, credits Mrs. Edelman with helping to save a number of key children's programs. "You may not like to hear the news she is delivering, but no one can challenge the facts," he said.

Last fall Mrs. Edelman got a few friends to throw small dinner parties to help raise money for the fund, which this year is operating from a $4.6 million budget and has always been financed through corporate, foundation and individual donations. The effort raised $60,000, a tribute to the fund and to Mrs. Edelman, who is held in high regard in political and social circles here.

But Mrs. Edelman is content to let others talk of her achievements.

"Awards make you feel good," she said. "But the real satisfaction comes from seeing a sense of real commitment among your colleagues. The real joy comes from achieving results, when you really see you've got a law that will protect children from being abused, that will provide them with proper health care and dental care. My greatest award, or reward, will be in seeing the 13 million poor children who are now in poverty lifted out of poverty."

A GRADUATE OF YALE LAW SCHOOL

Reared in Bennettsville, S.C., Marian Wright was educated at Spelman College in Atlanta, went to Europe on a Merrill Scholarship, graduated from Yale Law School in 1963 and went back to the South to fight segregation. She started and for some years directed the N.A.A.C.P. Legal Defense and Education Fund office in Jackson, Miss., and was the first black woman admitted to the Mississippi bar.

She married Peter Edelman, also a lawyer, in 1968, the same year she moved to Washington. In the capital she worked for the poor people's campaign, which was sponsored by the Southern Christian Leadership Conference, then formed the Washington Research Project, which focused on the needs and concerns of poor people. In 1973 she transformed the project into the Children's Defense Fund, shifting her focus entirely to youth.

While she admits to bouts of frustration in her work, Mrs. Edelman remains confident that the fund's agenda can be achieved and points to herself as proof.

"I am a living example of what can happen," she said. "I sat in segregated schools. I am a perfect example of what America can do. I never thought I could come from a little, segregated town to Yale Law."

DR. DANIEL BOORSTIN: AN INTELLECTUAL PAUL REVERE

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. FAZIO. Mr. Speaker, on March 1, 1986, the first sequestration order under the Gramm-Rudman Emergency Balanced Budget and Deficit Reduction Act of 1985 took effect. Every agency in the Federal Government felt the sting of the automatic, across-the-board cuts; each agency has had to make painstaking decisions on how to meet the reduction targets mandated by Gramm-Rudman.

As chairman of the Legislative Branch Subcommittee of the House Appropriations Committee, I have heard testimony from each of the agencies falling within the purview of my subcommittee. The very stringent fiscal year 1986 appropriations which trimmed the legislative budget by 11 percent, combined with the March 1 Gramm-Rudman sequestration will seriously erode the ability of these agencies to continue the essential services the Congress and the public depend upon.

Dr. Daniel Boorstin, the Librarian of Congress, clearly laid out the ramifications of the budgetary cuts. In presenting his testimony to my subcommittee, Dr. Boorstin acted as an "intellectual Paul Revere" in sounding the alarm about the future of our great National Library. I am inserting Dr.Boorstin's testimony in the CONGRESSIONAL RECORD so all may understand what these reductions truly mean.

STATEMENT BY DANIEL J. BOORSTIN, THE LIBRARIAN OF CONGRESS BEFORE THE SUBCOMMITTEE ON LEGISLATIVE APPROPRIATIONS, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, FEBRUARY 20, 1986

Mr. Chairman, and members of the Committee. I want to thank you for this opportunity to appear before this Committee to describe the needs of the Library of Congress for fiscal year 1987.

In the past, on this occasion, I have made a general statement and also filled in the outlines of our budgetary request with the figures for the several items. This morning, with the permission of the Committee, I will follow another procedure. Because of the urgencies, which will appear as I go on, I will devote my statement to the large circumstances which explain our budgetary request, the significance of what we are asking for, and the consequences of our requests being granted, or not being granted.

I must warn the Committee in advance that my statement, unlike all previous statements I have given to this friendly and generous Committee, will sound an alarm. It is not, however, because I am an alarmist—whom the dictionary describes as "a person who habitually spreads alarming rumors, exaggerated reports of danger, etc." Quite the contrary. The Library of Congress has, I hope, acquired a reputation for honesty and conservatism in its requests to this Committee, and in its projections for the future. This Committee has always been sympathetic, and even generous, to the Library, and I like to think this is in part at least because we have done our bit, never asked for what we did not need, and always shared with your helpful staff suggestions as to how our requests might be prudently pared.

But this is not just another budget year. The situation of your, of our, Library is serious, it is even dangerous, and could become tragic for our nation, the Congress, and the whole world of learning. I would be failing in my oath of office if I did not take this opportunity to sound the alarm, and inform the Committee as clearly and as honestly as I can of what is happening to your great Library, and what will happen if this Committee—the only agency of our government with the power to act—does not act promptly.

Only 15 months from now, during fiscal year 1987, the nation will begin to celebrate the Bicentenary of our Constitution. Exactly 199 years ago, the Americans of the former colonies were selecting their delegates to the Constitutional Convention which opened with a quorum in Philadelphia on May 25, 1787. The most recent Library of Congress Building was built by the Congress as a monument to James Madison, the leading chronicler of that meeting, and a principal architect of the Constitution. So that building, all the Library of Congress, our collections, our staff—are dedicated to the proposition that free government is based on free, copious, and current access to knowledge. It would be a historic irony—the only analogy I can think of is the burning of the ancient Library of Alexandria in Egypt—if the Congress should choose this anniversary to direct and promote the disintegration of this great institution.

The greatest of republics has been served by the greatest of the world's libraries. But this will not continue to be possible, unless the Congress takes measures to repair the damage done and to be done by the vast and unprecedented cuts in the Library's budget. As the Librarian who has had a most cordial and respectful relation to this Committee, I cannot help communicating to the Committee some bafflement, sadness, and dismay from my colleagues at the Library, that the Library should have been singled out for a double dose of cuts this year, while some other libraries within the government have had their appropriations modestly increased. As this Committee is aware, our regular budget for the current year had been cut by $8.4 million below that for the previous year even before current Gramm-Rudman-Hollings brought this cut to a total of more than $18 million.

Let me summarize the general consequences of these cuts, which foreshadow a tragic future ahead of us. Never before in peacetime have the following consequences ensued:

1. The nation's library will cease collecting needed current material.

2. Doors to the nation's library will be closed for lack of funds to provide normal security.

3. Hours of service will be curtailed, closing on Sundays and holidays, and all evenings except Wednesdays, making the Library's services and resources inaccessible to any person who must hold down a regular job.

4. Materials acquired will remain uncataloged and hence inaccessible.

5. Materials deteriorating for lack of treatment will not be preserved. These are only a few of the disastrous consequences for the Congress, the Nation, and the world of learning. This damage is accelerating, and to a considerable extent will be irreparable. These steps are abhorrent to use as citizens of a democratic Nation. But I can assure you that we have spent more hours than I can count in meetings of our Library's staff devoted, not as I would have hoped, to discovering ways to be more serviceable to the Congress and to the Nation, and to find rational and deliberate ways to secure economies—but rather to figure out how to meet the sudden demand for a Procrustes cut in each of our appropriations by an arbitrary percentage. How to find the least damaging ways to obey the law? The morale of our staff inevitably suffers. Not only from the need to dismiss some of our ablest people, but from the feeling that the excellence of this institution and its services goes unrecognized and unrewarded. We have become the bewildered victims of a mysterious numbers-game.

This is then a time of crisis in your library, in Congress' library, in the Nation's library. Yet for our nation and the world, these are the times that try men's minds, that tax our consciousness, our resources of wisdom, knowledge, and information. Threats from without and problems within demand every shred of the most ancient wisdom and the most recent information—to cope with the challenges of a nuclear war, to seize the opportunities of unprecedented technological progress, to enrich the resources of freedom. We, the greatest library on Earth serving the greatest republic, are needed as never before by an imprisoned humanity. For many—perhaps most—peoples of the Earth, those behind the Iron Curtain and in other enslaved nations, this Library remains the only place where they can freely learn about themselves.

This crisis has not been created by the Library of Congress. Our Nation's library remains respected and envied worldwide. The crisis has not been created by inexpertise, neglect, waste, indolence, or dishonesty in the Library of Congress. It has been created by the Congress, the same institution and the same people who have built this great Library, and to whom it belongs before all others.

If the announced budgetary policy is pursued for the Library of Congress, the Nation's library—your main resource of knowledge and information—will quickly deteriorate. It has taken two centuries to build this institution. It can be disintegrated in a decade and destroyed in two decades. And so it will be unless the fiscal policy toward the Library is repaired and reversed.

This greatest library on Earth—a monument to our Founders' faith in knowledge, a byproduct of our Nation's faith in freedom of inquiry, will become a byword and a symbol of Nation's lack of faith in itself, a symptom of a Nation in terror and decline. Historians will not fail to note that a people who could spend $300 billion on their defense would not spend $18 million on their knowledge—and could not even keep their libraries open in the evening. Historians will look with amazement and incredulity at a Nation that could once afford to build grand structures bearing the names of Thomas Jefferson, John Adams, and James Madison—all lovers and champions of knowledge—yet decided it could no longer afford to acquire as effectively and abundantly as possible, the current sources of knowledge. They will recall the last epoch of the Roman Empire when Romans were so fearful of the barbarians that they imitated the barbarians. These are not the priorities of civilization and freedom.

The two large retreats mandated on us by the Congress are both antidemocratic and antiknowledge. How can we justify or explain this to our people or to the world? Dare we say, simply, that our Nation, perhaps the first Nation on Earth explicitly founded on knowledge, is now ready to disintegrate and destroy its own foundations. Knowledge is not a rock that we inherit from the geologic past, it is a living growing organism constantly in need of nourishment and renewal—the special task of your Library of Congress.

The disaster which I describe, the shame which will come on this Nation, if the Congress pursues a policy of disintegrating its Library, can be averted only if this Committee restores in our 1987 budget the cuts made in 1986, and keeps your Library thriving and growing, to keep pace with the progress of knowledge and the need for information. Of course, it is within the power of Congress to proceed as it wishes. But it is my sworn duty under the Constitution to alert the Congress to what it is doing, and use all my efforts to save the Congress and all of us from a historic disaster.

The Congress has become understandably suspicious of all claims for priority on our Nation's public resources. We have been told that the "Government" should only take on what the "Government" can afford. But I would respectfully suggest that the "Government" can afford nothing, not one bomber or aircraft carrier. It is the American people who can or cannot afford. And the Congress determines the priorities in expending what they provide. The fact that some claims of priority are ill-founded or bizarre does not mean that there are no priorities. The fact that "special interests" seek improper special consideration does not mean that there are no rational or patriotic priorities. Among these, alongside our Nation's defense, we must put our Nation's knowledge. An ignorant Nation, an incompletely informed Congress, will not have the power to defend itself. Nor can a Nation that undervalues knowledge hope to remain free.

I beg this Committee to recognize that knowledge is not simply another commodity. On the contrary, knowledge is never used up; it increases by diffusion, and grows by dispersion. Knowledge and information cannot be quantitatively assessed, as a percentage of the GNP. Any willful cut in our resources of knowledge is an act of self-destruction.

I said at the outset that I am not an alarmist, but an honest person sounding the alarm. We have seen many groups march on Washington—farmers, advocates of school prayer, and many others—all witness to the constitutional freedom of all of us to petition our representatives in Congress. The strength—and the weakness—of the cause which I espouse on behalf of the Congress' Library and the World of Learning is precisely that we do not speak for any special interest or any one party or opinion. The cause of knowledge is the most general of all interests for a free people. The beneficiaries of knowledge, of the information supplied to Congress and the free explorers of knowledge, are everywhere. Their largest numbers are still unborn. We will fail in our duty to our posterity if we do not hand on to them the fully-stocked, properly organized treasure of wisdom of the past which it has taken us two centuries to accumulate.

As a servant of the Congress, I beg this Committee to do what it can to repair the damage being done by budgetary cuts. To restore your great resource of knowledge, your Library, to its stature, its progress, and its promise. My eloquent predecessor, during the last World War, described the Library of Congress as a Fortress of Freedom. There can be no more accurate description of our proper role, and the priority that your Committee should help restore.

EEOC DECISIONS FAVORABLE TO FEDERAL WORKERS ARE BINDING UPON FEDERAL AGENCIES

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. FRANK. Mr. Speaker, I submit this on behalf of myself and Mr. NIELSON.

On October 8, 1985 the Employment and Housing Subcommittee held a hearing on the EEOC complaint processing system for Federal workers. Many subcommittee members were dismayed to learn that in the recent case of Moore versus Devine, the 11th circuit court of appeals suggested that an EEOC decision favorable to a Federal Government employee is not binding, and that a Federal court has the power to determine the merits of the claim independently if the agency refuses to comply with the EEOC decision.

The ranking minority member of the subcommittee, Mr. NIELSON, and I felt that this decision made a mockery of the time-consuming and expensive complaint system. Therefore, together with 50 of our colleagues, we wrote to the President to recommend, as one possible alternative, the issuance of an Executive order directing all agencies to comply with final decisions of the EEOC in Federal employee discrimination complaint cases. Simultaneously, the Equal Employment Opportunity Commission [EEOC] urged the Justice Department to file a motion with the circuit court asking for clarification of this potentially damaging decision.

We commend the EEOC for this effort and are pleased to report that on January 30, 1986 the 11th circuit court of appeals clarified its opinion in Moore versus Devine to state that EEOC decisions favorable to Federal employees claiming discrimination are binding upon Federal agencies and upon district courts.

A copy of that decision follows:

[U.S. Court of Appeals, 11th Circuit, Jan. 30, 1986]

LAWRENCE ELLIS MOORE, PLAINTIFF-APPELLANT, *v.* DONALD DEVINE, DIRECTOR OF THE OFFICE OF PERSONNEL MANAGEMENT ET AL., DEFENDANTS-APPELLEES

(No. 84-8416)

Appeal from the United States District Court for the Northern District of Georgia.

On petition for rehearing (Opinion August 12, 1985, 11 Cir., 767 F.2d 1541).

Before Kravitch and Clark, Circuit Judges, and Peck,* Senior Circuit Judge.

Clark, Circuit Judge:

The appellees and the Lawyers' Committee for Civil Rights Under Law ("Lawyers' Committee"), as amicus curiae, have asked us to clarify Section III of our opinion in *Moore v. Devine*, 767 F.2d 1541 (11th Cir. 1985). We held that a district court faced with a Title VII claim filed by a federal employee is not bound by a previously entered final Equal Employment Opportunity Commission ("EEOC") decision with respect to such a claim, whether favorable or unfavor-

*Honorable John W. Peck, Senior U.S. Circuit Judge for the Sixth Circuit, sitting by designation.

able to the employee. We stated that the district court may independently determine in a trial *de novo* the merits of the employee's claim. *Id.* at 1549-1551 (captioned *"Enforcement of the Final EEOC Order"*). Upon now being better informed about the applicable federal regulations and case law, we find that they require that the district courts enforce final EEOC decisions favorable to federal employees when requested to do so. We therefore grant the government's Motion to Clarify and the Lawyers' Committee's Petition for Rehearing, and issue this opinion to clarify our previous discussion. Nonetheless, because the EEOC order in this case is in large part unenforceable and because the employee, Lawrence Moore, requested that the district court hear the merits of his claims, we hold that the employee is not entitled to enforcement of the EEOC order in this case.

I. *Background* [1]

On August 10, 1981, the EEOC issued a decision in which it found against Moore with respect to his claim of race discrimination in promotion but that Moore had been discriminatorily excluded from the Officer of the Day Program. The EEOC in the same decision concluded that it did not have sufficient information to determine whether Moore's job should be reclassified from grade level GS-13 to GS-14. The EEOC order the Office of Personnel Management ("OPM") to provide Moore with equal opportunities "to participate in all aspects of the job shared by other Executive level staff including but not limited to the Officer of the Day Project," Record at 51, and to conduct an audit comparing the functions of Moore's position with those of a GS-14 labor relations position. *Id.* at 50. The EEOC further order the OPM to "submit a plan outlining realistic steps that it [would] take to enhance [Moore's] upward mobility within the Atlanta area above the GS-13 level." *Id.* at 51.

On September 14, 1981, OPM notified the EEOC that it could not comply with the order because Moore had not been in its employ since his position was transferred to the EEOC in 1979 [2] and because the Officer of the Day Program no longer existed. Due to the "impossibility or mootness of the . . . ordered action," OPM considered the case to require no further action. *Id.* at 53-54.

Moore then files suit against OPM and the EEOC in the United States District Court for the Northern District of Georgia. In his amended complaint, Moore raised the same claims that he had presented to the EEOC, as well as others not relevant to the present discussion, and requested that the court "conduct a hearing on the merits of this action." Record at 83. Nowhere is his complaint did Moore mention the EEOC's order or request its enforcement. However, Moore did request enforcement of the EEOC order in Proposed Findings of Fact submitted to the court before trial. Record at 181 (apparently supplementing his Pretrial Memorandum; *see* Record at 158). He also submitted proposed findings on the merits of his claims.

Following trial, the district court ordered judgment in favor of the defendants and issued a memorandum in support of the order in which it addressed the enforcement issue as raised in Moore's Proposed Findings of Fact. Noting that the EEOC order "misses the point that Mr. Moore was not an OPM employee," the court found that the comparative audit would be very difficult to do. Record at 202. Because of this difficulty and because it had found against Moore on the merits of the reclassification issue, the court refused to enforce the order. *Id.* at 208. In reaching its decision, the court assumed that it was not bound by the EEOC decision. *Id.* It did not address the enforcement of the other actions ordered by the EEOC, but did find that Moore had not been discriminatorily excluded from the Officer of the Day Program as participation was voluntary and he had not volunteered.

On appeal, the parties agreed that the issue whether the district court was bound by an EEOC decision favorable to a federal employee was a quesiton of first impression. We affirmed the district court's refusal to enforce the EEOC decision.

II. *Discussion*

Our holding relied on *Chandler v. Roudebush*, 425 U.S. 840, 96 S.Ct. 1949, 48 L.Ed.2d 416 (1976). The Supreme Court held in *Chandler* that a federal employee who is dissatisfied with a final EEOC decision is entitled to trial *de novo* of his or her Title VII claim in federal court. Reviewing the language and legislative history of Title VII, the Court concluded that Congress intended to afford the same broad protection to federal, state and private-sector employees through access to *de novo* consideration of allegations of discrimination in federal court. *Id.* at 849-862, 96 S.Ct. at 1954-1960. Relying on the general principle that Congress intended to treat federal, state and private-sector employees alike, and reasoning from several cases in which EEOC findings of probable state or private-sector discrimination were held to be non-binding, we concluded that EEOC orders favorable to federal employees are similarly non-binding. We failed to take into account significant differences between the EEOC's role in adjudicating federal employees' Title VII claims and its role in handling such claims by state and private-sector employees.

The EEOC has no power to order corrective action when it finds reasonable cause to believe state or private-sector discrimination has occurred. Rather, it must attempt to eliminate the discriminatory practice through informal methods of conciliation. 29 C.F.R. § 1601.24(a). If conciliation fails, the EEOC issues to the employee a notice of right to sue pursuant to § 1601.28(b), allowing the employee to institute an independent action in federal district court. As the EEOC may not order remedial action, the issue of the binding nature of an EEOC decision favorable to a state or private-sector employee never arises.

The administrative scheme and the role of the EEOC are quite different when federal employee charges are filed. Assuming informal resolution has not occurred, the federal employee has a right to an administrative hearing within the employing agency before a neutral complaints examiner. 29 C.F.R. §§ 1613.217(b), 1613.218(a). The complaints examiner, upon conclusion of the hearing, issues "findings and analysis" and a "recommended decision" on the merits of the complaint, including recommended "remedial action." § 1613.218(g). That recommended decision becomes "a final decision binding on the agency" employer if the agency does not act to reject or modify the decision within 30 days after its submission to the agency. § 1613.220(d).

The employee may appeal an adverse agency decision to the Commission. § 1613.231(a). The EEOC issues a "written decision setting forth its reasons." It is also authorized to "remand a complaint to the agency for additional investigation or a rehearing." § 1613.234. When the EEOC orders corrective action, "the agency shall report promptly to the [EEOC] that the corrective action has been taken. The decision of the [EEOC] is final, but shall contain a notice of right to file a civil action . . .." *Id.* Although the agency may request reconsideration by the Commissioners of an adverse decision, when there has been no timely request for reopening, or reopening has been denied, the agency must implement the corrective action ordered by the EEOC. § 1613.235(a).

(1) Thus, in contrast to the more limited administrative scheme applicable to EEOC review of claims of state or private-sector employee discrimination, the administrative scheme envisioned by Congress for resolution of such federal disputes grants to the complaints examiners and the EEOC the power to issue final, binding decisions ordering corrective action by the agency employer. A state or private-sector employee must seek adjudicative relief from the district court. However, a federal employee may obtain such relief through his employing agency and the Commission with an enforcement order from the district court if the agency fails to comply. Alternatively, the employee may elect to seek relief from the district court in the same manner as a state or private-sector employee, as described in *Chandler*.[3] Our prior decision, held that a final agency or EEOC order that is favorable to a federal employee was not a final adjudication and should be re-litigated *de novo* in the district court. That would require an employee who has successfully invoked an administrative scheme designed to bind agencies to remedy discrimination to prove his or her entire case again in federal court when the agency refuses to take the ordered corrective action. This result would undercut the utility of administrative dispute resolution provided in the statute and regulations, which gives the employee the

[1] We include only those facts necessary to an understanding of the law clarified herein. *See Moore*, 767 F.2d at 1542-1544 for a more complete description of the facts of this case.

[2] Moore was never actually employed by OPM. He had been employed by the Civil Service Commission ("CSC") at the time the alleged discrimination arose. His position was transferred to the EEOC in 1979 when the functions of the CSC were taken over by the EEOC and OPM. Apparently some of the alleged discriminatory acts related to a position held by Moore prior to his placement in the position eventually transferred to the EEOC. This first position was likely transferred to OPM, explaining why the order was directed to OPM and why OPM's letter refusing compliance indicated Moore had once worked at OPM although Moore had never actually been employed there. See text accompanying n. 1 of our first opinion, 767 F.2d 1543, for a summary of the changes resulting from the Reorganization Plan No. 1 of 1978.

[3] Section 29 C.F.R. § 1613.281 (1985) states in pertinent part:

An employee or applicant is authorized by section 717(c) of the Civil Rights Act, as amended, 84 Stat. 112, to file a civil action in an appropriate United States district court:

(a) Within thirty (30) calendar days of receipt of notice of final action taken by the agency on a complaint,

(b) After one hundred and eighty (180) calendar days from the date of filing a complaint with the agency if there has been no decision,

(c) Within thirty (30) calendar days after receipt of final action taken by the Commission and the complaint, or

(d) After one hundred and eighty (180) calendar days from the date of filing an appeal with the Commission, if there has been no Commission decision.

option of adjudicating the issue of discrimination in the administrative forum or in the district court.

Our discussion in *Moore v. Devine*, 767 F.2d 1541, is inconsistent with the Ninth Circuit's holding in *Houseton v. Nimmo*, 670 F.2d 1375 (9th Cir. 1982). The employee in that case sued to enforce a Civil Service Commission ("CSC")[4] decision finding discrimination in training and ordering the agency to commence a training program for the employee. The court of appeals held that once the CSC decision became final, it was properly subject to an enforcement order in federal court, citing 29 C.F.R. § 1613.235(b). *Houseton*, 670 F.2d at 1378. Federal district courts have uniformly granted requests for enforcement of favorable final agency and EEOC decisions without requiring *de novo* review of the merits of the discrimination claims, unless the court has found the relief ordered to be outside the EEOC's authority. *See, e.g., Pearch v. Pierce*, 31 Fair Empl. Prac.Cas. (BNA) 1403. 1405-1406 (D.D.C.1982); *Margules v. Block*, 38 Fair Empl. Prac.Cas. (BNA) 1244 (D.Or.1981) *White v. HHS*, 30 Fair Empl.Prac.Cas. 880, 882 (D.D.C.1981).

[2] Were we presented with a straightforward case in which the employee had filed suit in federal court seeking only to enforce a favorable EEOC order, we would be compelled to reverse the district court and order enforcement. However, this case is complicated by several factors that lead us to affirm the district court's judgment with respect to this issue.

The EEOC's order, while favorable to Moore in several respects, is unenforceable because it is directed to an agency in which Moore is not employed and because it requires that Moore be allowed to participate in a program that no longer exists. Moore was working for the EEOC at the time the EEOC ordered OPM to take corrective action. To the extent the order requires continuing effort to ensure that Moore be given equal opportunities to participate in various staff programs and to move upward within the agency and government, it is impossible for OPM to carry out. OPM can hardly be expected specifically to redress discrimination suffered by someone with whom it is not associated and over whom it exercises no authority. Nor can the agency be expected to place the employee in a program that has not existed for years.

It is not clear whether OPM is in a position to implement that part of the decision ordering a comparative audit. While OPM does not employ Moore and cannot reclassify his position, it does employ the position with which Moore seeks comparison and is the successor to the agency that originally classified Moore's position. Arguably, it may have been appropriate for the EEOC to order OPM to conduct the comparative audit. Even so, because Moore pled and tried the merits of this claim in the district court, he is foreclosed from complaining about the district court's decision independently to review the reclassification issue and to disregard the EEOC's decision.

[3,4] We do not hereby suggest tht an employee who seeks redress of an agency's refusal to comply with an order requiring further fact-finding invariably thereby opens the merits of his or her claim to *de novo* review by the district court. The employee may request enforcement by the district court without requesting and trying the merits of the claim. However, where, as here, the employee files a complaint asking the district court to consider the case on the merits and proceeds to trial *de novo* of the very claims resolved by the EEOC, he or she cannot complain when the district court independently resolves the claims on the merits.[5]

We point out that this is not a case in which the employee has prevailed before the EEOC and then been required to submit his or her proof anew at the whim of the court or the government. Moore has been deprived of nothing that he would have received had the order been enforced. OPM was not in a position to comply with most of the order, and the remaining corrective actions were performed by the court. As the EEOC had not rendered a decision on the merits of the reclassification claim, Moore could hope to gain no more from the comparative audit ordered by the EEOC than a fair assessment of the classification assigned to his position. The court performed such an assessment.

Our opinion as previously filed is modified in accordance with the foregoing, and our previous decision affirming the judgment of the district court is unchanged.

Affirmed.

[4] Predecessor to the EEOC.

[5] Our holding has nothing to do with the fact that Moore raised his enforcement claim for the first time in his Pre-trial Memorandum. The government has not objected to the claim on this ground, and the parties and district court treated the claim at trial as if properly raised in the pleadings. This issue was hence "tried by the . . . implied consent of the parties," and we must treat it as properly pled. Fed.R.Civ.P. 15(b).

JUDITH FLYNN MAPS OUT HER PATH TO SUCCESS

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. YOUNG of Florida. Mr. Speaker, Judith Flynn is a mother of three children, a student, a former school teacher, and a St. Petersburg community leader. She is also one of our Nation's business success stories.

Judy is the founder and majority stockholder of Martel Laboratories, Inc., our country's largest privately owned mapmaking company. Martel moved to St. Petersburg in 1980, and has become an important Pinellas County employer. In that short time, Martel has quadrupled its work force.

More than 90 percent of Martel's business results from government contracts. The company's services make important contributions to our country's national defense, space, and environmental programs.

Florida Trend magazine reported in its February 1986 issue that Martel's performance record with the government is matched by only a handful of American businesses. More than 90 percent of Martel's government work is accepted upon its first submission to the contracting agency.

Following my remarks, I would like to include Florida Trend's article, "Judith Flynn: Charting Success in the Mapmaking Business," which I believe my colleagues will find of interest. This is the account of a successful American businesswoman who has built a company that is preeminent in its field.

Judy and Harold Flynn are good friends of mine and our community. They are a symbol of our Nation's entrepreneurial spirit and with their work and dedication contribute to our country through a number of vital programs and services.

The article follows:

[From Florida Trend, February 1986]

JUDITH FLYNN: CHARTING SUCCESS IN THE MAPMAKING BUSINESS

(By Annetta Miller)

It is 7 a.m. and Judith Flynn has her morning planned with caliper-like precision. After arranging transportation for her three children to three different schools, she will be installed as an officer of a local employment council at 7:30, race back to the office for three successive meetings between 9:30 and 11:30, and phone ahead to the restaurant where she will eat lunch, "just to let them know I'm coming."

Her work day will carry into the evening, when, after shepherding children off to sailing school, choir practice and ballet lessons, she will make phone calls to company officials in Baltimore and Chicago ("the best time to catch them"). Then, she will settle down for the night—to study for her classes in the Executive MBA program at the University of South Florida.

She has even extended her bent for planning to the head cold with which she awoke. "I usually shake off colds in two days," she says, sniffling. "I plan to be over it after tomorrow."

If Flynn seems to have her life well mapped, it may have something to do with the business she runs. At 41, she is founder and majority stockholder of St. Petersburg-based Martel Laboratories Inc., the largest privately owned mapmaking company in the country. To Flynn, precision planning is a 24-hour-a-day job. "Organization is my strength," she says.

In a business that demands accuracy to within thousandths of an inch, Flynn's organizational strength has helped give Martel the edge over its competitors. Since the company's inception, Martel's revenues (about $7 million in fiscal 1985) have grown at the rate of 66% compounded annually. Now, she faces the enviable problem of managing for still more growth. This December, the National Aeronautics and Space Administration awarded Martel a contract to purchase and market high resolution photos of the earth taken during a recent space shuttle mission. The award marks the first time NASA has allowed a private company to market experimental data from space. Says Flynn: "We hope this will put us in a good position for more space shuttle business."

Martel's timely positioning is widely recognized by other government contractors. But within its own community, the company is a virtual unknown. Located obscurely in a St. Petersburg industrial park, Martel is a curious mixture of the artistic and the scientific. Cartographers bent over drawing boards still reproduce some of the company's maps the way 12th century monks reproduced books. Alongside them, computers speed up part of the work by allowing map segments to be traced with sensors and stored in a memory bank.

Because Martel's staff has quadrupled during the past few years, every available office and conference room in the company has been converted to photo processing labs or other work areas. Multicolored banners hung from the ceiling serve as movable par-

titions between employees. "Offices are a low priority item here," says Flynn. "If your office is needed for production, you go," she says.

Much of Martel's work is top secret. The company provides maps not only of land owned by the military, but of the interiors of the nation's military installations. And it does not limit itself to just making the maps. It also interprets them. Flynn's team of biologists, ecologists, and geologists chart topographical trends and go out into the field to check the accuracy of Martel's product. Flynn, meanwhile, spends most of her time in St. Petersburg, charting the company's financial course. About 90% of Martel's business is with the government. And she has reduced to a science the often complex task of dealing with bureaucracy. "Martel has a better cash flow than any government contractor I've come across, simply because Judith Flynn knows the ins and outs of seemingly simple things like how to bill the government the way they want to be billed," says Phil Enstice, Martel's corporate banker.

Flynn's track record with contracts has also been impressive. Between 90% and 100% of Martel's work is approved for acceptance the first time it is submitted for government inspection, a success rate the company shares with only a handful of other contractors.

While Flynn surrounds herself with scientists and technicians, her own background includes nothing more technical than a research paper or two on the techniques of poet T.S. Eliot. A graduate of Grove City College in Chicago, and Brown University in Providence, Rhode Island, she holds bachelor's and master's degrees in English. Before beginning her business career, she spent two years teaching in high school. "I love teaching very much," she says. "But I found myself wanting to be principal of the school, and then wanting to open my own school. I realized I wasn't going to be satisfied unless I could run my own business."

She got her wish six years later. After leaving the teaching field, she worked in advertising and as an assistant to a controller of an Aluminum Co. of America (ALCOA) subsidiary. In 1976, when Ralph Nader and the environmental movement were still high in the public's consciousness, Flynn and her husband, Harold, raised about $50,000 to launch Geonex, a holding company that would act as the umbrella firm for a number of environmental service companies. The first of those was Martel Laboratory Services, a chemical analysis laboratory that conducts tests on everything from air pollution to hot dogs. Martel Laboratories, the mapmaking arm, came next, followed by Chicago Aerial Survey, an aerial survey firm.

Of the three, the mapmaking business seemed to hold the most promise. A 1970s law had made private developers and major corporations responsible for locating wetland areas and determining which were off limits to development. To do so, they needed reliable, up-to-date relief maps.

Other industries were clamoring for maps, too. Utilities needed them for pinpointing underground cables; mineral surveyors needed them to position offshore drilling rigs.

Martel Laboratories soon became the tail that wagged the dog within Geonex. Impressed with Florida's warm weather and inexpensive labor, the Flynns moved both the holding company and its mapmaking subsidiary to St. Petersburg in 1980. Today, more than half of Geonex's 525 employees work in St. Petersburg and the mapmaking arm is responsible for nearly half of Geonex's total revenues. Flynn and her husband still work side by side. While Harold oversees Geonex's Baltimore and Chicago divisions, Judith runs the company's operations in St. Petersburg.

"Even when I played dolls, I had a store and the dolls were employees," she says. Later, as an adult, Flynn saw parallels between her ability to teach and to operate a company. "All my life I liked to run things," she says. "It was just a natural thing for me to go into business."

In the office, Flynn and her husband are careful to keep their roles separate "We're not husband and wife," she says. "We're Harold and Judith." Though their jobs seldom overlap, the Flynns don't leave their work at the office. "We live it, sleep it, eat it," Harold Flynn says of the business. Of Judith, he adds: "She's a very organized, detail-oriented person with an ability to see both the forest and the trees."

Ever the teacher, she believes in training employees to function independently. "If you had to pass information up and down the line every day," says Dr. Randy Vaughan, project manager for Martel's wetlands survey, "by the time you got finished, the project would be over. Judith's role is to listen, ask questions and kind of play Solomon."

Most of her time outside work is devoted to raising 13-year-old Caj, 9-year-old Craig, and 4-year-old Alison, whose birth dates she strategically timed. "I had a theory that I could work with only one baby home at a time," she says.

She has resolved most of the guilt feelings that typically plague working mothers. While a plaque on the wall honors her with the title of "World's Greatest Mom" for her work on her son's Little League team, Flynn makes no claim of being all things to all people. "I got a bee in my bonnet last year that I was going to be a supermom," she says. "I soon got cured of that. I like my kids and I have a good relationship with them. It took me a long time to come to terms with the fact that I was happier working than being a full-time mother."

One of the few women in the state to run a company of Martel's size, Flynn is a founding member of the Committee of 200, a national organization of business women whose membership roster includes Playboy Enterprises President Christie Hefner and author and management expert Dr. Rosabeth Moss Kanter.

Her MBA work won't be finished for another three semesters. But Flynn already is planning to begin work on her fourth academic degree—this one in contract law. An admitted Type-A personality, she has resolved to keep a rein on her tendency to think too far ahead. That may be a hopeless task. She sighs: "I've put it in my two-year plan."

A CONGRESSIONAL SALUTE TO EARLY BIRDS OF AVIATION, INC.

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. ANDERSON. Mr. Speaker, later this year, the 58th annual reunion of Early Birds of Aviation, Inc., will be held in Seattle, WA. It is my distinct honor today to rise and pay tribute to those who have been affiliated with this fine organization over the years.

As some may know, to qualify as an "Early Bird," an individual needed to have gone aloft alone by airplane, balloon, glider, or airship before December 17, 1916. This date commemorates the 13th anniversary of the Wright brothers' first powered flight and is equally significant because it predates the U.S. entry into World War I by 4 months. According to Early Bird organizers, the mass training and production of airmen by the military signaled the end of an era where daredevils and barnstormers controlled the skies.

Of 596 men and women who qualified as Early Birds, only 19 survive today. Although names of many, such as Glenn Curtis, Glenn Martin, and Allan Lockheed, became well known throughout the aviation community, most were unsung heros who risked their lives to pursue a dream. It goes without saying, however, that the tremendous strides we have made in aeronautics over the years can be traced back to those Early Birds whose dedication, patriotism, and sense of adventure made them truly special individuals.

Following is an excellent article on Early Birds of Aviation which includes a detailed history of this unique organization. It's a very fascinating story and I highly recommend that everyone read it. And, in conclusion, Mr. Speaker, I know that you join me in congratulating and commending all those who have dedicated themselves to preserving the legacy of Early Birds of America. You can be sure that their efforts have not gone unnoticed and I am confident that for years to come, we will continue to hear of the exploits of those 596 men and women who were instrumental in getting the aviation industry off the ground.

[From the Los Angeles Times, Feb. 27, 1986]

THE LAST OF THE EARLY BIRDS STILL SOAR LIKE EAGLES

PIONEERS ARE SATISFIED THAT THEY HELPED CONTRIBUTE TO TODAY'S AVIATION SUCCESSES

(By Paul Dean)

Year by year, the old soldiers of aviation are fading away.

Of 596 men and women who seven decades ago qualified for an air corps that would call itself the Early Birds of Aviation Inc., only 19 survive.

Henri Fabre, pilot of the world's first seaplane in 1910, died in France last year at the age of 101. That leaves Sir Thomas Sopwith, 98—near-immortal for having out-lived his fighter planes and all the World War I aces they created—as the oldest member of the association and the breed.

Forrest Wysong of Laguna Hills is 92 and knows he will be the Early Birds' last president before the office must be assumed by an associate member, a son or daughter, widow or grandchild of a pioneer. At a Baltimore gathering in 1980, only eight original members attended. In Los Angeles last year, the number was less.

MEETING IN SEATTLE

Who knows how many there will be for September's 58th annual reunion in Seattle? One thing, however is known. The day will come when an associate will rise and move: "That whereas all qualified members of an aeronauatical organization formed by those who flew solo before Dec. 17, 1916, have now taken their final flights, it is proposed. . . ."

"And that's when you become a historical group," secretary Jo Lees Cooper said. "That's when we become the Early Birds Historical Society."

Cooper, of Pasadena, is a perfect affiliate, one of 147 associates keeping the group alive. Her late father was Early Bird Walter Lees. Not a household name, perhaps. But he did teach Billy Mitchell how to fly. Now his daughter is making sure that men such as Walter Lees don't become forgotten forerunners, that their histories are written and taped before it's too late, that their reunions are publicized—and that as many of those 19 old-timers as possible attend the final gatherings.

Ironically, Cooper noted that a number don't attend reunions because of the expense of commercial flights. She gets crusty at the implication. "Yet these (Early Birds) are the people who put 'em (airlines) in business. Without these guys, we'd all be traveling by train."

True. The earliest Early Birds were a worldwide brotherhood of men whose names became companies and endowed airplanes. Glenn Curtiss. Glenn Martin. Allan Lockheed.

A LIST OF FEATS

Some are better known for their feats: Cal Rodgers in 1910 was the first man to fly across the United States, even if his Wright biplane did take 49 days. Louis Bleriot made the first aerial crossing of the English Channel in 1909. Igor Sikorsky in 1939 designed and later built and flew the world's first helicopter.

But maybe there's a greater tribute to the antiquity of the Early Birds in recalling the fliers who were never considered for membership: Charles Lindbergh (first flight: 1922), Wiley Post (1925), Amelia Earhart (1921), Chuck Yeager (1942), Jimmy Doolittle (1917) and Eddie Rickenbacker (1917).

Early Birds must have gone aloft alone by airplane, balloon, glider, or airship before Dec. 17, 1916.

That deadline commemorates the 13th anniversary of the Wright brothers' first powered flight. More important, it predates the United States' entry into World War I by four months.

And that, sniffed Early Bird organizers, marks the moment when the gentlemanly standing and dare-devilment of aviation became somewhat tainted by the wholesale training of airmen by the military.

So, in 1928, over a happy dinner that involved pilots and aviation writers attending a flight exposition in Chicago, the Early Birds were formed. Membership sprawled worldwide among men and women who had shared a single feeling: "With tears streaming through our leaky goggles, trousers slapping against our spindly legs, we experienced the thrill that only we Early Birds were to experience," said one founding father, Russell Holderman. He died in the '60s.

They also held a common purpose: "To get together and shoot the breeze about how great we were," Dr. Paul Garber said. Garber, 86, also is a Ramsey Fellow and historian emeritus at the Smithsonian Institution's National Air and Space Museum. "I'm the oldest thing around here . . . except the mummy on the third floor."

Garber, like so many Early Birds, soloed beneath a wobbly homemade glider. The ribs were barrel staves. Plans were a mental approximation of an existing design. Mother donated the wing fabric, a dressmaker's bolt of red chintz.

On Aug. 15 1915, he was towed behind a car into the wind and became airborne not too far from what was then an outskirt of Washington. "I must have got about 50 feet high and I easily cleard some 5-feet-tall trees," Garber said.

"I recently pointed out those trees to somebody and told how I glided over them. They are 75 feet tall now . . . at the corner of California Street and Massachusetts Avenue."

Early Birds were inspired by watching public flights of the Wright brothers. Many members were balloonists. Those who chose to obtain pilot licenses applied not to the federal government but to the Aero Club of America. Flights were a matter of intrepid trial and bruising error because so many Early Birds taught themselves how to fly. As did Sir Thomas Sopwith.

He crashed on his first flight at Brooklands Aerodrome near London in 1910. Less than a month later, just before lunch, he taxied a biplane for the first time, took off in the afternoon and had his pilot's certificate (No. 31) from the Royal Aero Club of Great Britain by teatime.

Only five years later, with their designer at the ripe old age of 27, Sopwith Pups and Camels and Snipes and Triplanes were becoming mechanical heroes of World War I.

A LOT OF CRASHING

In those early years, he said, "You could do quite a lot of crashing without hurting anyone. . . not like now when you hit the ground very hard indeed."

Today, Sir Thomas lives on his 2,000-acre estate near the village of Kings Somborne in the South of England. He is deaf and blind. But the mind is clear and with the assistance of an aide, retired Army Lt. Col. Derry Radcliffe, Sopwith even handles a brief, three-way transatlantic telephone interview.

"I've always felt most honored to be numbered among the Early Birds . . . of whom very few are now left," he said. "I also think back to 1910 when I obtained my pilot's certificate and contemplate the vast strides in aeronautical development that have been made in the 75 years since.

"We have progressed from no instruments at all to the highly sophisticated aircraft and spacecraft of the present day. Indeed, when I first saw the (British-built) Harrier Jump Jet (a vertical take-off fighter) in the air a few years ago and watched it hover and fly backwards, I thought I had really seen everything."

But then a relative from the United States brought Sopwith news of a different sort. He was flattered and intrigued, said Radcliffe, to know that a Sopwith Camel piloted by Snoopy still was cursing and fighting the Red Baron through the Peanuts comic strip.

Glenn Messer, treasurer of the Early Birds, is 91 and living in Birmingham, Ala. He is blind. But his mind still holds the sights of the '20s and '30s when he barnstormed as the wing-walking founder of Messer's Flying Circus.

Walt Addems of Atherton is 87. His aviation career began in July 1916, with a ride over an Illinois pasture beneath a homebuilt glider towed by an Oakland Tourer. "On that first flight I hit a fence and landed on my hands and knees," he said.

The involvement with flying barely was easing off when he retired as chief pilot for United Airlines in 1959. The career came to a definite end in 1982 when, at the age of 83, he flew a restored World War I fighter, a Nieuport 11, to the San Diego Aerospace Museum.

"When I gave the Nieuport to the museum I figured that we were both giving up flying," he said. "I'm interested as always and, sure, I miss it . . . so I go out to the field at Livermore every two or three weeks. Just to watch the airplanes."

Percival Spencer, on the other hand, doesn't intend to give up the airplanes, designing airplanes or building airplanes.

He's 88 and that's much older than the National Air and Space Museum in Washington that displays an amphibian he designed, the Republic Seabee. Spencer soloed as a 13-year-old glider pilot (aboard a tailless thing of spruce, bamboo and bleached muslin) in 1911. And as holder of pilot's certificate No. 486, he is believed to be the nation's older active pilot.

FIRST FLIGHT

"I can even recall reading in the Hartford (Conn.) Courant about the Wright brothers' first flight," he said. "It struck me as: 'Well, that's progress. Now we have a heavier-than-air machine flying around. Let's go.'" In 1914, golfing cap on backward, Spencer went. He soloed his first power plane, a biplane flying boat he built around a design by Glenn Curtiss.

In 1930, he was flying Ford Tri-Motors for Pan-American World Airways.

In 1944, he was a production test pilot flying P-47 Thunderbolts for Republic Aircraft.

In 1970, he began working on the S-12 Spencer Air Car, a four-seat amphibian sold to home builders in kit form. That business still is going, with Spencer and partner Dale Anderson, 75, working seven days a week from their hanger-office-workshop at Whiteman Airport in Pacoima.

There is only one aviation ambition left to Spencer.

"I'd like to live as long as I can and fly as long as I can."

Forrest Wysong has never met Sir Thomas Sopwith.

And that's too bad, because Wysong is one of the few men alive who, as a young U.S. Navy aviator on temporary detachment to a Royal Air Force squadron, flew a Sopwith Camel in anger over France during World War I. In the same humpbacked biplane, he took off from a wooden ramp atop the guns of the battleship Texas as an early experiment in aircraft carrier operations.

Those were informal, rudimentary days. . . .

Wysong became a pilot by building and flying a pusher biplane while still an engineering senior at North Carolina State in 1915. He was commissioned as an ensign in the New York Naval Militia because he knew how to fly at a time when the Navy was ready to train pilots but didn't have any instructors.

After the war, Wysong worked as a designer on the Lockheed Electra—the airplane that Earhart flew to her 1937 disappearance over the Pacific. Then it was Douglas Aircraft and flying and assisting the design work of everything from the DC-3s of the '30s to the DC-8 jets of the '50s.

But his era clearly was those early days.

"That's when you were either crazy or had a death wish for airplanes, a circus thing, something that wasn't here to stay. Flying was a carnival stunt with no real purpose. Then the very serious purpose came along, the military purpose, and we became spurred for anything to do with aviation.

"We were young, energetic and very patriotic. But we also were totally unconcerned

and unaware that we were history. It was just a wonderful adventure."

So say all of them.

No matter what has happened since, say Wysong, Addems, Spencer, Messer and Garber, they relish the time when they, aviation and the century were young.

CONGRESSIONAL SALUTE TO JAPAN WEEK 1986

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. MATSUI. Mr. Speaker, March 10-16 is going to be a historic week as Sacramento hosts Japan Week 1986.

The general committee of the Sacramento Japan Week 1986 was formed with the cosponsorship of Governor Deukmejian of California, Mayor Anne Rudin of the Sacramento, California State University, Sacramento, and several major business and civic organizations such as the Comstock Club, Rotary Club, the Council of World Affairs, Sacramento Area Commerce and Trade Organization, Port of Sacramento, the Japanese Speaking Society of America, and the Japanese American Citizens League in the greater Sacramento area.

Japan Week 1986 will educate people of the rich culture and fascinating antiquity of our Far Eastern friends. At the hub or this colorful yearly festival will be seminars, speeches, films, and many more exciting events.

Mr. Speaker, I would like to extend my full support of Japan Week 1986 and thank its organizers for the time, patience, and materials that I know will make this the most spectacular and educational Japan Week ever.

THE ASBESTOS WORKER'S RECOVERY ACT

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. PORTER. Mr. Speaker, I recently joined with my colleague from Pennsylvania [Mr. MURPHY] and some 70 other Members in sponsoring H.R. 1626, the Asbestos Worker's Recovery Act. I did so because we must find new and more effective ways to address the serious problem of asbestos-related occupational disease. At present, asbestos cases are overloading our courts. There's little rationale for many of the awards or refusals to award; companies are declaring bankruptcy and; worst of all, victims and their families are being ignored. It's time we replace this nonsystem with a rational program which helps people who really need help and have it paid for by all those responsible for the unsafe exposure levels of yesteryear. One such system is contained in H.R. 1626 and I hope that Congress will soon give it serious consideration.

The News-Sun of Lake County, IL, which serves my district, published on February 4, 1986 a letter from Melvin F. Pauley, himself a victim of asbestos. Mr. Pauley's letter eloquently expresses in very human terms why we must address this issue and address it soon. I ask unanimous consent that Mr. Pauley's letter be inserted in the RECORD, at this point, for my colleague's attention:

CALLS FOR LEGISLATION ON ASBESTOS

I have asbestosis. Right now, Congress is considering a new law that concerns many of us who have been asbestos workers—and also our families. We think it's high time the government did something about fair compensation for asbestosis sufferers.

I am one of the fortunate ones. Having been diagnosed as having asbestosis, my employer has taken care of my medical bills, and my retirement pension is sufficient. But what about those who have no recourse? How about the more than four million shipyard workers who did their part in the war and now receiving nothing during their illness. Their families, too, are left, with nothing at their death to compensate for all their losses.

I was there, in the military. I saw how ships were being fitted with asbestos to reduce fire hazards. Most days, asbestos dust was so thick you could not see your hand in front of your face. We didn't know it was a hazard and the government wasn't taking any precautions to protect us. But the government doesn't seem to remember that now, and hasn't done enough to take care of shipyard workers who now have asbestos diseases. Private companies have spent a lot of money in expensive legal battles and some have even gone bankrupt.

Congress should set up a fair system. What is fair, now, about the courts awarding a million dollars to someone who is barely ill, and nothing to a widow of a deceased victim? We need legislation that would set up a system to judge each case fairly, and force everyone responsible to pay their fair share.

Why should someone who risked his life in wartime be denied the dignity and the compensation that should be his? Why should he be reduced to having to ask for welfare to take care of his family? Why should he have to wait years for a legal system to come to terms with his claims, only to see huge chunks of the money awarded go to lawyers and legal fees—if he ever does get an award? Something is wrong with the present system that's for sure.

Asbestos legislation is absolutely necessary. Victims and their families have been waiting years for relief. Some have even died while waiting. Our congressmen need to know we've waited long enough.

LEGISLATION TO STUDY THE GREAT EGG HARBOR RIVER FOR INCLUSION IN THE NATIONAL WILD AND SCENIC RIVER SYSTEM

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. HUGHES. Mr. Speaker, today, I am introducting legislation to provide for the Department of the Interior to study the Great Egg Harbor River in southern New Jersey for potential addition to the National Wild and Scenic River System.

As you know, the Wild and Scenic River Act of 1968 established a national policy to preserve in free-flowing condition selected rivers and their immediate environments which possess outstanding scenic, recreational, historic, cultural, and related values.

The Great Egg Harbor River, which rises in Berlin Township in Camden County and flows southerly into Great Egg Harbor, is one of New Jersey's greatest natural resources. The river is one of the few nationwide that has met all the criteria for inclusion in the National Wild and Scenic Rivers Inventory. Its location in the New Jersey Pinelands National Reserve gives the river additional status, both nationally and internationally.

The river offers much to the people of south Jersey. It is well known for fishing and boating activities. Each year, particularly in the summer, people come to enjoy the beauty and the recreational opportunities that the river offers.

The landscapes surrounding the Great Egg Harbor River typify south Jersey with its marshes and forests. The area provides a unique habitat to a large number of animals and birds. The undisturbed environment offers the opportunity to spend a peaceful afternoon along the river and to enjoy the bounty of nature.

During the past year, I have heard from a number of municipalities in the area urging that the river be protected and maintained for all to enjoy as nature meant it to be. All of us who live and work in south Jersey are concerned about the future of the river and would like to assure that its water quality and recreational opportunities are maintained.

The Great Egg Harbor River is a tremendous natural, cultural, and recreational resource which should be preserved through sound planning and management. The Wild and Scenic Rivers Act provides this protection through the development of a river management plan which gives the citizens of the area the opportunity to determine the future of the river. The management planning process is designed to foster intergovernmental communication and cooperation, and to provide considerable public input and participation in the planning process.

The Great Egg Harbor River is deeply intertwined with the lives of those who live along its shores. It offers a rich cultural history that dates back to the early days of our country. As our natural environment continues to shrink due to increased development, the people of southern New Jersey are becoming increasingly concerned over the future of this unique resource.

Mr. Speaker, the Wild and Scenic Rivers Act has been a tremendous success in preserving our Nation's free-flowing rivers. I look forward to working with the Department of the Interior and the people of southern New Jersey to make certain that this beautiful river receives the protections it deserves. I am certain that future generations of Americans will look back and thank us for our foresight in taking the necessary steps to preserve this important resource.

Thank you.

BEST WISHES TO FED GOVERNOR CHARLES PARTEE

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. ST GERMAIN. Mr. Speaker, I would like to take this opportunity to share with my colleagues some parting words regarding J. Charles Partee. Mr. Partee has decided to leave his post as Federal Reserve Board Governor after 10 years of service as Governor and 24 years of service with the Federal Reserve.

Mr. Partee's integrity and straightforwardness stand as an inspiration to all who work in the public sector. I am sure that his dedication and resourcefulness will be missed by the many who knew him.

The following Washington Times article serves as a good illustration of this man who was dedicated to public service. I am pleased to share it with my fellow Members.

BOWING OUT, PARTEE REFLECTS ON GENERATION SPENT AT FED

(By Mary Beth Franklin)

After 24 years on the job, J. Charles Partee, the Federal Reserve Board governor noted for his hand-knotted bow ties and his unwavering support of board chairman, is leaving.

Mr. Partee, 58, plans to resign in January at the end of his 10-year term as governor. He first joined the board as a staff member in 1962.

"I've been here long enough," he said in an interview. "Besides, I wasn't asked" to remain, he added, slightly chagrined. Mr. Partee said he has no specific plans and may even retire for a year or two before deciding what to do next.

In the corner of his expansive office—complete with fireplace—Mr. Partee sat with his feet propped up on his desk, reminiscing about the role he has played in one of the most powerful institutions in the country, and speculating about future trends in banking and the economy.

One of his top priorities is winning congressional action to halt the entry of brokerage houses and retail firms into banking—which Mr. Partee calls "inappropriate."

He also noted that with the conflicting goals of the consumer-oriented House Banking Committee and the pro-industry Senate Banking Committee, any type of banking legislation in the near future will be a "slow process."

For the future of the banking industry, Mr. Partee believes the buzzword is "competition."

"I know it's very popular in the depository field to talk about the unfair competition of Merrill Lynch and Shearson and Sears—and it is unfair," he said. "But it's nothing compared to what it's going to be like as banks go into interstate competition."

He added, "I think [interstate banking] is going to happen."

Although some groups of institutions, such as smaller banks and some thrifts, have not fared well in the deregulated environment, Mr. Partee believes the changes in the industry rules were "appropriate and proper." He explained that without the new interest rate flexibility, many institutions would have lost "large sums to the market." Consequently, they needed increased asset powers to finance those competitive rates.

But, Mr. Partee cautioned: "Deregulation doesn't mean de-supervision. Reduced regulatory constraint really means you've got to have tighter and more prompt supervision of institutions.

Mr. Partee said he does not know who will replace him on the Federal Financial Institutions Examination Council—the statutory body devoted to improving supervision among the five federal agencies that regulate depository institutions. He advocates such candidates as Fed Governor Martha Seger, Fed Vice Chairman Preston Martin, or perhaps nominee Wayne Angell. The decision is up to Federal Reserve Chairman Paul Volcker.

Asked to comment on the future Fed board, which will have a majority of members appointed by President Reagan, Mr. Partee was quick to respond.

"It's a mistake to bunch all these people together. They're all individuals. They will see what the problems are, and they will approach from their own backgrounds these problems. Bloc voting is not the tradition of the Federal Reserve."

A big fan of Mr. Volcker, Mr. Partee predicted that "with the kind of record and the sincerity he brings with it," Mr. Volcker will influence the new members of the board just the way he did the old. "I think the chairman has done a magnificent job."

There were also some kind words for the other two board chairman under whom he served—G. William Miller and Arthur Burns.

He credited Mr. Miller with the spadework that led to the Monetary Control Act of 1980—the law that opened the discount window to all banks and established universal reserve requirements.

And he called Mr. Burns, the chairman whom he first served as staff director and later joined as a board governor, "the most masterful person in the field of business economics."

On his transition from staff to board member, Mr. Partee said the hardest part was adjusting to the new title. "I was shy about being called governor at first," he said.

Probably the most notable event during his tenure was the Federal Reserve's 1979 announcement that it would try to control the money supply directly through changes in bank reserves rather than through adjustments in the federal funds rate. The immediate result was higher interest rates with the intent of wringing inflation out of the economy.

In light of the double-digit inflation and the plummeting dollar, Mr. Partee said something had to be done.

"Perhaps it was too strong, but we were suffering a loss of confidence in our currency," he said.

Despite the drop in interest rates, inflation and unemployment, and the relatively good economic growth since then, Mr. Partee points to the huge budget deficit, the record trade deficit, the farm credit problems, and the Third World debt troubles and wonders "if something systemic hasn't happened."

Overall, he said, "This has been a pretty good period, but I feel like we are building up chits to be paid back."

GOALS AREN'T QUOTAS

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. HAYES. Mr. Speaker, I want to draw the attention of my colleagues to a recent article which appeared in the Washington Post on February 25, 1986, by Derek Bok, president of Harvard University. The article, "Goals aren't quotas, but they do help achieve more balanced employment," eloquently expresses that: "With a goal * * *, if minority or female applicants exist with qualifications reasonably comparable to the best alternative candidates, conscientious employers are likely to choose them in an effort to meet their targets."

President Bok answers Attorney General Edwin Meese's assertion that goals discriminate unfairly against whites, when he states that the practice is not unfair. "Moreover, any unfairness against white males as a group is likely to be more than offset by the unfair advantages they [whites] receive through habits of discrimination and oversight that persist to the detriment of women and minorities in many firms and sectors of the economy."

The article explains further that: "Faced with existing unemployment rates and the persistence of discrimination in parts of the economy, one cannot brush aside the Labor Department's findings that firms subject to affirmative action have increased their minority employees more rapidly than firms outside the Government's program."

It is clear that the meaningful participation of minorities and women in the workplace has worked for 20 years, and is continuing to work very well.

Mr. Speaker, I believe you and the rest of my colleagues will find this article informative and very helpful in understanding why affirmative action programs are so important and how they can be used as a major instrument for positive social change.

The text is as follows:

[From the Washington Post, Feb. 25, 1986]

GOALS AREN'T QUOTAS BUT THEY DO HELP ACHIEVE MORE BALANCED EMPLOYMENT

(By Derek Bok, President of Harvard University)

In recent weeks, we have heard much talk of the debate within the Reagan administration over the efforts of Attorney General Edwin Meese to jettison the use of goals and timetables under affirmative action programs. Meese asserts that goals often turn into quotas and hence discriminate unfairly against better qualified whites. His opponents counter the goals are not quotas, only voluntary targets that help employers focus their efforts on improving their record in hiring women and minorities.

Thus far, Meese's opponents have the better of the argument. While the Justice Department has offered little evidence that goals are actually quotas in disguise, civil rights advocates have pointed to studies showing that employers who fail to meet their goals have not been penalized by the government. At the same time, supporters cite Labor Department reports heralding the success of affirmative action by showing that companies subject to its mandates have

increased their employment of minorities and women more rapidly than firms not covered by the program.

Although the debate has produced some useful statistics, there is more to the problem than the arguments offered by either side.

As president of a large affirmative action employer, I feel sure that without goals and timetables we would never have been as aware of our deficiencies or had as much motivation to overcome them. As a veteran of repeated reviews under four administrations, I have never seen federal officials treat our goals as quotas even when my university failed to meet its targets. The most substantial pressure to hire more minorities and women has come not from the government but from private sources both inside and outside the university. If federal officials have erred, it has been through bureaucratic overkill that has forced my colleagues to spend too much time preparing reports and statistics and too little time trying to identify promising candidates whom we might hire.

But goals have a subtle effect on employment decisions that civil rights advocate do not acknowledge. Many judgments about whom to hire or promote are hard to make objectively. We are simply not that skilled in evaluating people and predicting their performance. Of course, some candidates are obviously better than others, but it is often unclear which of several candidates is the very best. Under a quota, an employer may be forced to hire even from among the applicants who are plainly less qualified. With a goal, one need not go that far. Yet, if minority or female applicants exist with qualifications reasonably comparable to the best alternative candidates, conscientious employers are likely to choose them in an effort to meet their targets.

Is this practice unfair? On balance, no. Minorities and women as a group benefit at the expense of white males as a group if they consistently get the nod in close cases. Nevertheless, this is not the reverse discrimination that the attorney general deplores. Any unfairness that exists is much less clear-cut and more diffuse than it is when a firm hires minorities or women whom it knows to be less qualified than white male candidates it passes over. Moreover, any unfairness against white males as a group is likely to be more than offset by the unfair advantages they receive through habits of discrimination and oversight that persist to the detriment of women and minorities in many firms and sectors of the economy.

Even if we can justify the mild advantages conferred by goals, some critics still argue that affirmative action stigmatizes those it purports to aid and undermines their self-respect by suggesting that they cannot succeed without government help. This is a view advanced with particular force by my colleague Glenn Loury, who speaks with daunting credibility as a black who grew up on the South Side of Chicago.

One cannot deny the risk of stigma any more than one can ignore the subtle preferences implicit in the use of goals. Yet despite Loury's concern, a recent Harris poll reports that 86 percent of blacks oppose administration efforts to weaken affirmative action. And well they might. Black unemployment is still more than twice that of whites. Jobless rates exceed 40 percent for black teen-agers. Over one quarter of all black men between the ages of 20 and 24 have dropped out of the economy entirely. This situation is above all a tragedy for blacks and other minorities who must endure the deprivations of living without work. But it is also a problem for all of us that takes its daily toll through added crime, welfare payments, unemployment compensation and urban decay.

Faced with existing unemployment rates and the persistence of discrimination in parts of the economy, one cannot brush aside the Labor Department's findings that firms subject to affirmative action have increased their minority employees more rapidly than firms outside the government's program. Granted, it would be better to find a way of attacking the problem of economic inequality that did not involve even the faintest sort of preference or the slightest threat of stigma.

In time, we may reach that happy state through better programs of housing, early education and training as well as greater self-help efforts within minority communities. Yet, we do not see enough progress of this kind today. Community-based programs are often underfunded, and federal programs have been cut and seem destined to be cut again.

Meanwhile, poverty rates for minorities have risen in the 1980s, and full-time female employees still earn only 63 percent as much as males. In these circumstances, until alternative programs are funded and working well, I, for one, will continue to set goals gladly, buoyed by the realization that they may at least make some contribution to diminishing an enormous problem for us all.

A TRIBUTE TO ARNOLD LIPP

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. LELAND. Mr. Speaker, the Houston Digest recently published an article about a successful Houston businessman and a good friend of mine, Mr. Arnold Lipp. Mr. Lipp is a certified public accountant and a partner in the Houston accounting firm of Mann, Frankfort, Stein and Lipp.

His success is built upon the traditional elements of hard work, integrity and planning. As the article shows, Arnold Lipp daily demonstrates the qualities of responsibility, accountability and service to his clients. Mr. Lipp first learned these time-honored values while working in his family's dry cleaning shop as a young man in high school. In the article Mr. Lipp says, "I really get joy from benefiting clients, and they really place a lot of reliance on us."

Arnold Lipp represents the best qualities of Houston's business community. His contributions to his business, community and family are truly noteworthy.

I submit this article into the CONGRESSIONAL RECORD as an example to us all.

The article follows:

[From the Houston Digest, Jan. 20, 1986]

NEAR THE SUMMIT, ARNOLD LIPP CONTINUES CLIMB IN ACCOUNTING BUSINESS

"Not too much starch," they often used to say at Lipp Cleaners, where Arnold Lipp cut his eye-teeth in business working in his father's shop while attending Bellaire High. He's still cleaning up, and he's still not too starchy, even though, after his professional degree and handling some major clients, he has become a partner in the local accounting firm, Mann Frankfort Stein & Lipp. He describes his company as "the Businessman's Choice."

In the light, airy and upbeat atmosphere of his executive quarters in Greenway Plaza, Lipp said his boyhood in business aided his clients in many ways: "I'm not only a CPA, an auditor—I am in business, too, I know what the problems are; I was exposed to them myself." The firm, growing every year and staffing 40 (a number considerably higher than Lipp's years), reflects his impact and approach. Lipp, for his part, says he's learned many valuable lessons during his rise with and through the Houston firm. "The opportunity here was fantastic, and I took the ball and ran with it," he says. "I believe today that every one of our employees is given just as good an opportunity to excel."

He shares his enthusiasm and work with everyone in the office—"We're not so large but that we all pitch in." Lipp handles human resources at MFSL, visiting his alma mater UT, UH, and many other campuses seeking out the best and brightest to join him or even, on request, one of his client firms. What a client needs, computer programmer, specialist, or accounting, financial consulting, investment evaluation, Lipp usually looks for the financial specialist who is "a hard worker and dedicated to his profession. He must turn out topnotch work on time, I'm organized, and I like people to get excited about their work—we didn't get to be the size we are by waiting for business to walk through the door."

He's relaxed, yes: he doesn't speak to clients from behind his desk. The tasteful, collectible-quality furnishings help: on one antique sits a picture of his three children, Adam, 6; David, 4; Rebecca, five months; and wife Candy. In its top drawer is the kindergarten classic: crayon on paper plate drawing. Additionally, Lipp keeps a Time-Scan book in view, planning out assignments a week in advance, marking completions with yellow. And then there is the computer: the firm runs a weekly inventory of work on schedule, a weekly list of hours required and spent by each staffer: "I know what each employee has on their desk and what each has done," says Lipp, running his finger down the printout. His time schedule is there, too: "We know how to run a CPA firm," he smiles, explaining that his firm was used as a model for a computer company program. "We designed the software."

The clear organization, the sharing and strong local base—all the partners are Houstonians—allows MFSL to provide many "Type II" financial services. Besides its full range of auditing and tax advice, MFSL is involved in management assistance, litigation support (two partners are attorneys and CPAs), loan evaluation and computer work (one staffer is a computer specialist), investment evaluation and a large amount of individual income tax planning. "We handle a lot of start-up businesses," Lipp said, "one of our largest clients now was a start-up client." He loves their success: "I really get joy from benefiting clients, and they really place a lot of reliance on us. But you can't just compute their tax; you have to get in there and sit down with them, help them set goals and prepare their budgets."

He's done it for his own firm, as well. Before Christmas nine years ago, Lipp was the fifth hired by the firm. MFSL occupied some 350 square feet in Kenneth Schnitzer's first building on Times in The Village. Lipp

became a partner five years ago and the firm moved to a 6,500-foot space in Greenway Plaze. Today it's 10,000 square feet and growing each year, even through the business downturn, says Lipp, rapping with his knuckles on his desk not far from more plans for '86. The plans are not all business either: Lipp budgets time for racquetball, jogging, coaching his son's soccer team, biking and the Greenway Plaza Rotary Club, which he helped establish.

He ran the Tenneco Marathon last year in typical fashion: "I trained 12 weeks, running four miles three or four times each week." He planned to be out there about four hours; he finished in four, he was where many others were, but Arnold Lipp is comming on strong.

WESLEY SMITH ON NICARAGUAN HUMAN RIGHTS: PART II

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. COURTER. Mr. Speaker, the following concludes the independent analysis of Nicaraguan human rights issues conducted by Mr. Wesley Smith. The first part of this report appeared in yesterday's RECORD.

Nicaraguan Human Rights Abuses: An Update Part II

(By Wesley Smith)

RELOCATION

In March of 1984 the Sandinista National Directorate decreed certain areas along the southern and northern borders as military zones. This decree resulted in the forced relocation of large numbers of peasant farmers from their homes in the rural countryside to central, more populated regions.

Although the government officially decreed such a program in March of 1984, testimonies gathered indicate that such a policy was instituted as early as January of 1983 in Neuva Segovia. The relocation of these population groups does not include the relocation of Miskito Indians from the Atlantic Coast Regions. That issues will be discussed in another section.

We estimate there are 90,000 Nicaraguans living in these relocation camps against their will. From reports of people who escaped such camps, as well as those who lived near them, the Sandinista government is violating the rights of these people in the following ways:

1. Moving them from local communities to an alien environment
2. Prohibiting their freedom of movement
3. Restricting their availability of food
4. Forcing them to carry weapons while working for the government
5. Forcing them to work on the government run cooperatives

The Sandinista government enacted such a relocation policy on the grounds that the campesinos live in danger of attack by the Contras. However, from hundreds of accounts we received a different version of this story. The campesino's experiences indicate that the Sandinistas are relocating them for three different purposes: (1) create a free-fire zone along the borders (2) break the independence of the campesino (3) remove any possible food sources for rebel groups. The refugees mentioned they did not feel endangered by Contra movements in their areas except for the risk of being caught in a crossfire or ambush.

About 10 percent of the refugees felt they were caught in the middle of two opposing forces, but felt no direct danger from the Contra forces. Over 50 percent said relocation efforts were begun and continued in their areas even though little or no rebel activity was present.

CREATE FREE FIRE ZONE

In nearly all instances of relocations, campesinos are repeatedly ordered to specific meetings prior to their relocation. These meetings generally occur once a week and are conducted by military officials of the Sandinista government. When the campesinos are gathered together the officials assign a date and place where the farmers and their families are to relocate. In other cases no mention is given to a precise date for relocation, but campesinos are threatened that their farms and houses would be bombed whether they had left them or not.

BREAK INDEPENDENCE OF CAMPESINO

Through the relocation program, instituted by the Ministry of Agrarian Reform, the campesino was to be compensated for his land, property, livestock, etc. He was to be either paid for his property or be relocated to comparable land closer to the interior of the country. However, systematic abuses have occurred under this program of relocation.

Personal witnesses of such abuses indicate that the relocation effort is not that which it claims to be, but rather is being used to break the independence of the campesino population, and consequently gain more direct control over them.

REMOVE FOOD SOURCE OF REBEL GROUPS

The southern and northern borders of Nicaragua, as well as the Atlantic Coast region, is populated principally by peasant farmers and Miskito Indians. These areas are also used by the rebel groups fighting the Sandinistas. By removing the campesino from an area of combat and destroying all livestock and plant life, the Sandinista Government has been able to take away the food supply of Contra groups working deep inside the country.

When the Sandinista army moves through an area to gather up all the people, houses are usually burned or ransacked. Any fruit bearing trees are cut down and destroyed, livestock are carried off or killed and crops are burned. [see Confiscation of Property]

In addition to the accusations which we gathered, the Nicaraguan Permanent Commission on Human Rights, CPDH, has registered numerous accusations which support these claims. Most campesinos who experienced certain aspects of the relocation effort had received explanations and warnings concerning any attempt on their part in helping to supply the Contras with food.

ACCOUNTS OF RELOCATION CAMPS

Desiderio Centeno, Murra, Nueva Segovia, left Nicaragua April 28, 1984. As a farmer he was not willing to go to the relocation camp assigned to his area. Most of the farmers from Murra fled the country when the relocation effort in that Comaraca began.

Being a delegate of the word I was not willing to take up arms. They started rounding up the people to relocate them into the government camps so we were forced to leave. They had told us in previous meetings, and we already knew from what they did on the cooperatives, that we would be forced to carry weapons while we farmed their land. The camp they took the people to is about 4 kilometers from Bana to the north. It has about 400 people in it.

Segundo Martinez Chavarria, El Mapa, 20 kilometers from Murra.

The people from our region were sent to a camp near Jicaro. They first gathered all the people from Murra, but we fled before they arrived at our farm. They must have gathered over 2,000 people because they took them out of their farms from all over the municipality. They took them from El Guanito, El Rosario, Zacateras, Quebrada Negra, Paraisito, San Pablo Arriba, El Mapa, La Viata, La Victoria, Palo Alto, El Trabon, Los Encinos, Las Dantas, La Paz, Petaton. They arrived in IFA [troop transport] trucks and when they couldn't go into the valleys any longer on IFA the patrols went on foot routing the people out of the houses. We had to leave with just the clothes on our back. All the things of the farm; cows, pigs, crops, fell into the hands of the Sandinistas.

Maria del Carmen Mejilla, 64, from San Carlos, Department Rio San Juan, Left Nicaragua April 4, 1985.

The camp near San Carlos has about 800 tents, but I don't know the number of people. It is a big camp. There are three in our area of which I knew. They are nicknamed "La Esperanza", "La Asucena", and "La Gloria". "La Gloria" is a camp near the small town of Sabalo. It is about three hours walking distance from Sabalo as you walk up the river.

Ovett Mejia Reyes belongs to the evangelical church in San Carlos, Rio San Juan. With his father he traveled extensively through that region in 1982-83 meeting with other church leaders inside the camps.

In these camps the people are not given any freedom at all. Once you are in the camps it is very difficult to get out unless you get permission from the administrator. It isn't that they have the camps guarded all the time, but nearly all the camps around San Carlos are near Sandinista military bases. It is very dangerous to attempt to escape, because if you do they'll kill you.

Ovett, and five other witnesses located several camps near San Carlos. According to their reports, the people are in desperate conditions within the camps. Food is minimal and freedom of movement is prohibited. In addition they are constantly moved because of the activities of the Contras in that region. Juan Reyes Espinoza was a pastor of the church of Christ. In 1983 and beginning of 1984 he came in contact with several camps between Acoyapa and San Miguel, Department Rio San Juan. The following is a description of his observations.

If you attempt to escape from these camps they will kill you. Senor Duartes decided to attempt to leave the area instead of relocating to the camps and he was caught and killed while heading toward Las Colinas. There are people relocated in the camps of Las Colinas, Buena Vista, El Roble, Las Palomas, Monte Verde—near Morrio. Las Colinas is on the north side of the Sabalo River and El Roble and Cruz Verde are near Morrio. Las Palomas is closer to San Miguel.

Valentina Martinez is from Murra, Department of Nueva Segovia. She was living in Jalapa in 1985 and came in contact with people who worked out in the relocation camps.

There are two camps. One in Jalapa and the other in Murra. On the road from Jalapa to Ocotal there are several state run cooperatives. One of them has been made into a camp about 15 kilometers from

Jalapa known as "La Mia". It is a refugee camp as big as Guasimo [refugee camp in Honduras] and must have 2,500 people in it. They're also constructing a camp right outside Jalapa that has 3 to 4 galleries about 80 meters long and 15 wide. The camp in Murra is called "La Casa Campesina" and is located on the road that leads to Jicaro. They had taken all the people of my area of Murra and had relocated them in Jalapa which is close to 80 kilometers away. Those not willing to relocate who didn't escape were put into the prison "La Chacara" in Esteli.

The following is a list of only a few of the camps and estimated numbers of Nicaraguans within those camps. More will be listed in the revised edition, along with their goegraphical location.

Name	Number of People
La Gloria	2,000
La Esperanza	100
El Pijivay	300
La Azucena	400
Las Colinas	400
Cruz Verde	300
Buena Vista	400
Las Palomas	500
El Roble	600

KILLINGS AND TORTURE

The most prevalent abuses documented on torture and killing of civilians occurred during military operations by the Sandinista government. However, specific information taken from testimony indicates most victims were not involved nor located in areas of direct military conflict. This leads us to conclude that such abuses were not incidental accidents of war.

MASSACRE

On June 20, 1985, 1,200 Sandinista regulars conducted a sweep through the southern region of the Department of Zelaya, in a place near Pueblo Nuevo. According to reports, the operation lasted 3 days and resulted in 21 civilian deaths.

The Sandinista army moved into Boca Tapada on June 21st and rounded up 13 individuals. Later that day they gathered another ten from Pueblo Nuevo and placed them all in a house in Boca Tapada. However, that night Mercedes Reyes Perez and Daniel Gonzalez escaped and made it to Pueblo Nuevo where they related their story to us [Lusian Morales Hernandez and Augustin Dias Ocampo. They said they had been taken prisoner but none had been harmed. By now the poeple in the valleys nearby had been warned and everyone was in hiding. When the Sandinistas pulled out we arrived in Boca Tapada on the 27th and found that all of the prisoners had been shot. Their bodies were placed in a pile and had begun to decompose.

Those who died from Pueblo Nuevo were:

1. Saturdino Dias
2. Francisco Gomez
3. Salvador Granados
4. Ignacio Jiron Lopez
5. Avelino Alvarado
6. Rufino Laguna
7. Manuel Garcia
8. Tomas Castillo
9. Pablo Almanze

The Sandinista army moved into what is called the port of Atlanta on June 24 and killed:

1. Santiago Guzman-Catholic delegate
2. Elvin Guzman
3. Andres Guzman
4. Rafael Savallo

Herlinda Dias Quintero and Carlos Lanza Bravo [husband and wife] crossed the Nicaraguan border into Costa Rica on February 4, 1986 after spending two months hiding in the mountains of Nicaragua.

In June of 1985 the militia came by our farm. I saw them coming and was able to get away with the three children. However, they caught my husband because he was returning from the field and did not see them. He was later released. He had been hit in the chest and ribs, but was fortunately still alive.

Leonora Calero witnessed the arrest of her father on June 30, 1985. The Sandinista military were conducting maneuvers in the area and took her father and two other men from her house. The following is a personal account of the rest of her story.

After the Sandinistas mortared our house and my husband and six children escaped, the Sandinistas approached the house. They surrounded it and then started threatening us with their guns. They took my father, a man who was visiting us and another man, a Catholic delegate who lived about 50 yards from our house. He had also been wounded in his right arm. I thought they were going to take them to the prison in Nueva Guinea. I didn't know that my father and the others had been killed until four days later when my husband returned from the mountains. Some of our neighbors had smelled something terrible and we then found out it was my father and the other two men. They had been stabbed several times.

Rebel soldiers or people suspected of aiding rebel groups have been victims of torture and execution. The abuses reported do not include any deaths occurring during military activities or when the victims were armed or presented any threat to Sandinista forces.

Juan Sandoval Fernandez escaped Nicaragua in January 1986. He was living in Punta Gorda when the above incident took place. Since the incident had occurred in the morning, they had received verification that Orlando Peregome had been taken prisoner.

However, one of the other prisoners had escaped and later that day reported the execution of Orlando. Although they had both previously been members of the ARDE rebel forces, during this time neither of them was carrying weapons as they returned from Orlando's farm.

INDISCRIMINATE SHELLING

Indiscriminate government shelling of villages has continued inside Nicaragua throughout 1984 and 1985. Some of the following stories have already been included in previous reports, but were published here because of additional information gathered from other independent witnesses.

We have received testimony of specific bombings in the areas near Mosonte, Department of Nueva Segovia; Las Piedras, Department of Jinotega; Juanblan, near Piedras; and 19th of July, Nueva Guinea, Zelaya. Other areas were mentioned but these were the ones where we were able to speak to actual witnesses of the bombings in these areas.

BOMBING IN OCOTAL

Near Ocotal there has been intensive activity by both the Sandinistas and the Contras. Witnesses say that the presence of the Contras in that area has prompted an increase in Sandinista military operations. However, the Sandinistas have been involved in extensive indiscriminate bombing of the area around Ocotal.

Close to 30 individual accounts were received from people living in the towns of Juanblan, Mosonte, Los Arados, Dipilto, Pedregalosa and San Miguel. The rocket and aerial bombardments began in June of 1983 and have continued up until the present. The most intense bombardments occurred in December of 1984 near an area called Los Arados. Since the last report, a large segment of the population had fled from this area because of continual bombardment.

BOMBING IN JUANBLAN

Juan Alberto Gonzalez left Juanblan April 27, 1984 when their area was bombed by the Sandinistas.

The Sandinistas had had several encounters with the Contras in our area so they started to heavily bombard Juanblan. There were plenty of civilians still living in that area, but it didn't matter to the Sandinistas because they bombed anyway. They set up their mortars from Juanblan and were shooting them into the hills around the town.

Apolonio Flores lived near the town of Mosonte. He left in January 1984 a week after the Sandinistas mortared near his home. The mortars were launched from a mountain called Pedregalosa and the mortar bombardments were carried out on three separate occasions.

Leonora Castillo Calero is from the town 19th of July, Nueva Guinea, Department of Zelaya. She left Nicaragua in September 1984. On June 30, 1984 a mortar dropped on her house, all eight people inside received shrapnel wounds. We examined her child and identified at least four shrapnel wounds on her legs as well as several pieces of shrapnel in her buttocks.

We could see them [Sandinista militia] coming up to our farm. They started shooting their AK's [machine guns] into the house and then a mortar fell on the house. It completely destroyed everything and my children and I were wounded with shrapnel. My husband ran away as did six of my children but the two youngest stayed with me. As the Sandinistas approached the house they yelled out asking where the contras were hiding. There were no Contras around our farm and so they left.

INDISCRIMINATE MINING OF BORDERS

The Sandinista government has placed unmarked land mines in areas along both the southern and northern borders leading out of the country. These landmines have been buried along mountain passes and trails. They have posed a great danger to Nicaraguans leaving the country through these mountain passes and trails. On the northern border of Nicaragua they have specifically mined the area of Tapachi, La Balzado, Boca de Poteque, Las Piedras, Guanblan, Mollejones, Bolenqui, Banco Grande and Boca de Plis.

We have received numerous stories of refugees finding landmines along their journey to Honduras. They say certains paths are strewn with carcasses of animals which accidently stepped on them.

CONFISCATION AND DESTRUCTION OF PROPERTY

An integral part of the relocation program has been to make the farming land useless, not only to the rebel groups operating in those areas but to the farmer who has been either relocated or has fled into the mountains.

The most severe instances of property destruction and confiscation have come during Sandinista military operations which in-

cludes people being herded together and lands burned.

Most abuses of this type occur in the rural areas along the northern and southern borders. The magnitude of confiscation and destruction of property has increased with the institution of the relocation policy by the Sandinista government in the Spring of 1985.

Adolfo Juapan lived along the southern border of Nicaragua near a place called Los Almendros. He arrived in Costa Rica in the first week of January 1986.

In the zone where we lived the Sandinista military was involved in several operations. In the area known as Los Almendros I have seen many houses that were burned out by the Sandinistas. The destruction has been great, especially in a place known as El Fajardo, Rio San Juan, where the people were forced out of their homes for no crime of theirs. These were people who worked in the mountains and they were taken away. The Sandinistas said they were Contras and took away their chickens, pigs, cows and every other kind of animal you can think of. Their crops were thrown out and all the food in their houses was destroyed. My family was also taken out during this time.

Refugees reported how the peasants farmland in most areas along the northern border has been devastated by the burning conducted by the Sandinista army as they moved through valleys. Fruit trees were destroyed, houses burned, and land mines placed indiscriminately around the properties.

Julia Silva was a victim of property destruction by the Sandinistas in August of 1985. She lived in Nueva Guinea, Department of Zelaya, in a small village called Cano Chiquito.

We left because they [Sandinistas] made us hide in the mountains. While in the mountains they burned a little house we had and took all of our cows with them. In total there were 25 houses that were burned there in Cano Chiquito.

Since the destruction of rural communities and the confiscation of their property is such an integral part of the relocation efforts of the Sandinista government, more information on that is included in the section intitled RELOCATION.

THE MISKITO ISSUE

Since the spring of 1985 there has been a great deal of publicity and media attention focused on the release of large numbers of Miskito Indians from their relocation camps by the Sandinista government. However, there has been very little media attention to the circumstances of those Miskitos who were permitted to return to their homes.

We were not able to get out to La Mosquitia in Honduras to speak with any of the new refugees. Therefore, we have no first hand accounts of what happened to these Miskitos in the towns of Kum and Bilwascarma. These towns are located near the Coco and Juanis rivers and are only a few of the many towns affected by this policy.

Hundreds of Miskito Indians have been crossing the Coco River into Honduras within the last 6 months. They report that upon returning to their farms they were not able to grow anything. The Sandinistas had placed land mines in locations throughout the area where the Miskitos lived and they were prohibited from planting any new crops. They found themselves in such desperate circumstances that they decided to leave the area and seek refuge in Honduras.

Carmen Winkler is the Director of Friends of the Americas, a relief organization which distributes food and clothing to thousands of Miskitos who live in the vast southeastern coast region of Honduras known as the Mosquitia. She has had extensive contact with the Miskito people, including many of the refugees who have arrived in Honduras recently. Her report follows:

Within the last 9 months we have registered hundreds of new arrivals into the Mosquitia. In the last few months of the summer of 1985 we registered only 6 new Miskitos who had recently crossed the border. However, every month after that the numbers began to grow. Within the last three months we have registered over 650 Miskito Indians. The majority of these are those who were released from the relocation camps at the beginning of last summer. They have given me numerous accounts of continued harrassment when they returned to their homes. They said that mines had been placed in many locations and that several had accidently exploded. The Sandinista military cordoned off the area to keep them from leaving, but many have still been able to escape. The reports now coming out of the border are that a large group numbering in the thousands is heading for the border and wants to seek refuge here in Honduras. There are no exact estimations on the number but the reports indicate they number in the thousands.

Modesto Watson is the former Director of the Miskito refugee camp in Limon, Costa Rica. He is closely involved with the plight of the Miskito inside Nicaragua and deals directly with the Miskito religious leaders still in the country. He has been receiving reports which corroborate those given by Carmen Winkler and others. The following is a section of the interview we conducted with him.

Last spring the Miskito people were released from what the government calls "relocation" camps so they could return to their homes. When they returned they were allowed to plant their crops but they have since been intimidated into not harvesting them. The military has cordoned off many areas where the Miskitos are living to prevent them from leaving the country. They are currently living just as they did when in the relocation camps except now they even have less food than they did then.

Those few Miskitos we interviewed in Costa Rica who had recently crossed the border were not those recently released from relocation camps. They reported large numbers of Miskitos living in the mountains. They were not crossing the border because of the great distance to the San Juan river from their locations in the interior.

We were not able to visit La Mosquitia during our recent visit to Honduras. Therefore we did not gather any primary source material on this topic of the Miskito's release from the relocation camps.

This report was produced under an unrestricted grant from the National Endowment for the Preservation of Liberty.

DR. ERNEST LEFEVER IN NORTHERN IRELAND

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 4, 1986

Mr. MICHEL. Mr. Speaker, Dr. Ernest Lefever, president of the Washington-based Ethics and Public Policy Center, recently visited Ulster. His observations were published in the Washington Times and I want to take this opportunity to allow our colleagues to see what he has to say.

As in so many controversial areas of public decision, perhaps more so in this case, unanimity of opinion—or even agreement on basic facts—isn't always possible when speaking of Northern Ireland. I am certain others could visit that part of the United Kingdom and come away with other views. But Dr. Lefever offers us the personal view of a respected and humane scholar and public policy analyst. Whatever your views on Northern Ireland, Dr. Lefever's observations are worth reading.

At this time I insert in the RECORD, "Grounds for Hope in Ulster," by Dr. Ernest Lefever, from the Washington Times, January 20, 1986.

[From the Washington Times, Jan. 20, 1986]

GROUNDS FOR HOPE IN ULSTER

(Ernest Lefever)

Ever since the 12th century, discontent and open enmity have marked the relations between the Irish and their English overlords. The conflict has been goaded by cultural, political, and religious differences within the Emerald Isle. Renewed violence in Northern Ireland (the six Ulster counties still under the British crown) has claimed 2,466 lives since 1969. But now there are new grounds for hope, hope for diminished sectarian-political violence and for increased economic development in Ulster.

This appraisal rests only in part on the Nov. 15 agreement between Prime Ministers Margaret Thatcher of Great Britain and Garret FitzGerald of Ireland that gives the independent Republic of Ireland an immediate consultative voice on a broad range of policy matters in Northern Ireland, but does not call for the end of British rule without the consent of the population.

The British and Irish Parliaments have ratified the new pact on Ulster by large majorities. An added incentive for moderates to support the agreement was a promise of U.S. aid to Ulster's economy. Predictably, both Catholic and Protestant extremists have opposed it. In Belfast, Mrs. Thatcher has been burned in effigy, militant Protestants have marched; and several Protestant members of the British Parliament from Ulster have resigned. Most of the 950,000 Protestants in Northern Ireland want their country to remain part of Britain, while a majority of its 611,000 Catholics want reunification with the Catholic-dominated Irish Republic.

While the new agreement has been praised by moderates in London, Belfast, and Dublin, no one expects it to end the enmity that has plagued Ireland for 800 years. But in a recent visit to Northern Ireland I saw solid signs of hope. Recognizing they could not "solve" the basic problem, the leaders I talked with—Catholic and Protestant bishops, political and business leaders, civil servants, and public safety officers—were determined to work around it. They told me repeatedly that more than 90 percent of the population opposes violence and is highly critical of extremists on both sides.

I visited factories, housing developments, government agencies, a prison for first offenders, and a vocational training school. Driving more than 500 miles in a private car

to areas in Belfast and Londonderry that had experienced the worst violence. I never saw a roadblock and recall seeing only one British soldier and one policeman—though some 15,000 British troops are there—hardly the picture one gets from the American news media.

Security was tight, but not obvious, except for the eerie absence of unattended parked vehicles along business streets in Belfast, to prevent car bombings. Government buildings and business offices are guarded much as they are in Washington and New York City.

The pattern of IRA violence apparently has shifted from bombings of Protestant pubs to attacks on specific human targets, especially prominent British security or political figures, preferably in England.

Terrorism (or counterterrorism) is always unnerving, but greater target discrimination makes it more predictable and hence less unnerving.

Both Catholic and Protestant leaders said that Americans are virtually immune from IRA attacks because the IRA still depends on Irish-Americans for money to buy weapons. Apparently most U.S. supporters are unaware that IRA terrorist leaders have been trained in Libya and Syria and that they not only want to take over Ulster but seek to impose a pro-Marxist regime on the entire island.

The long history of both deliberate and unthinking discrimination against Catholics in political, economic, and educational life is giving way to fairer treatment. In fact, all forms of discrimination have been outlawed. Through fair-housing and fair-employment programs, including adjudication machinery, the British government is working to eliminate bias. Since 1972, efforts to provide quality public housing to low-income Catholics have made significant strides.

Recruitment of Catholics into the civil service and legal system by the British authorities, assisted by citizen commissions, is moving slowly, but the police, courts, and judicial system generally are more impartial than in the recent past.

The economy of Northern Ireland is seriously depressed, with unemployment at 21 percent and with a low level of foreign investment. To get things moving, London provides a net annual subsidy equal to about $2.2 billion, used largely for public housing, roads and for setting up small businesses.

Through a Local Enterprise Development Unit and 11 modern vocational training centers, British authorities have in the past few years established a varity of small businesses with a potential for 4,200 new jobs.

Belfast in the mid-19th century was a thriving industrial city that produced more ships than the United States and Germany combined. Few remember that the ill-fated Titanic was built in Belfast's shipyards. Two world wars and the rise of new industrial centers in Europe and Asia have hurt Belfast's prowess and pride. Yet even today, Ulster's largest port, with its up-to-date loading facilities, handles 5.5 million tons of cargo a year.

The country's tradition of quality work and innovation stretches back to the earliest days of the Industrial Revolution. The pneumatic tire, the ejector seat, the multiengine vertical takeoff jet, four-wheel drive, and the word processor were all pioneered in Northern Ireland.

The country's labor force of 650,000 has the requisite proportion of skilled and supervisory personnel, fully equal to that of England. The Ulster Irish, with their Calvinist heritage, are more motivated by an old-fashioned work ethic and are less strike-prone than the English. I saw abundant evidence of this in a labor-intensive Londonderry factory making Lee jeans for the European market. These substantial and underutilized economic assets should impress the most wary foreign investor; still, most American investors overlook Ulster when considering establishing operations in Britain and go to England instead.

The American-owned AVX firm, Europe's largest producer of multilayer ceramic capacitors, has made profitable use of such assets since it came to Northern Ireland in 1979. Through automation, AVX's product cost is the lowest in the world. As a result, says manager Ernie Chilton, the Irish plant's new technology and management systems are now being adopted in the United States.

Other firms that have recently expanded their operations include Michelin, General Motors, and DuPont, which recently spent $27 million—its sixth major reinvestment since it began operations in 1956. In the past year or so, first-time U.S. investment has centered on electronic plants that need skilled workers but require a relatively small capital investment.

Yet the Industrial Development Board, designed to attract foreign investment, has found it difficult to interest American corporations. The chief obstacle is their persistent and inordinate preoccupation with the security issue. But a visitor to Ulster soon realizes that sectarian violence does not interfere seriously with normal economic activity or daily life. The streets of Belfast and Londonderry, as well as the countryside, appear normal, even serene. As an executive of the Hughes Tool Co. of Houston commented: "There must be two places called Northern Ireland," the one the visitor sees for himself and the one he reads about in newspapers at home.

This is a brief, partial, and impressionistic report of a complicated situation by one primarily concerned with forging strong security and economic ties between the United States and Western Europe. I trust that my observations will help dispel some persistent myths, the most disturbing being that Northern Ireland is so racked by violence that the future is too uncertain for prudent investors. In my view, investment there, while not without risk, promises a reasonable return. Further, it is politically and morally desirable because it will reduce unemployment and ease tensions between Catholic and Protestant and between London and Belfast.

These benefits would be enhanced by more effective U.S. efforts to staunch the flow of dollars to IRA terrorists and by a congressional decision to permit the extradition to Britain of Irish terrorists enjoying sanctuary in our country.

HOUSE OF REPRESENTATIVES—*Wednesday, March 5, 1986*

The House met at 3 p.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Protect us, O God, by Your goodness and Your grace. Hear us when we call to You, that of Your mercy, Your bountiful goodness will give confidence in our uncertainty and give strength in our weakness. Make us whole people, full of faith, hope, and love, that we will go about our work conscious of our obligation to heal and to help, to forgive and to understand. Bless us each one, this day and everyday we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a bill and joint resolution of the House of the following titles:

H.R. 3851. An act to amend section 901 of the Alaska National Interest Lands Conservation Act, and

H.J. Res. 371. Joint resolution to designate March 16, 1986, as "Freedom of Information Day."

The message also announced that the Senate insists upon its amendment to the bill (H.R. 2453) "An act to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, and for other purposes," disagreed to by the House, agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HATCH, Mr. GRASSLEY, Mrs. HAWKINS, Mr. KENNEDY, and Mr. MATSUNAGA to be the conferees on the part of the Senate.

The message also announced that pursuant to Public Law 99-158, the majority leader appoints Mr. WEICKER, Mr. DURENBERGER, and Mr. HUMPHREY, and the minority leader appoints Mr. KENNEDY, Mr. BUMPERS, and Mr. GORE, as Members on the part of the Senate to the Biomedical Ethics Board.

The message also announced that pursuant to section 2211, title 19 of the United States Code, the President pro tempore upon the recommendation of the chairman of the Committee on Finance, appoints Mr. PACKWOOD, Mr. DOLE, Mr. ROTH, Mr. LONG, and Mr. BENTSEN as official advisers to the U.S. delegation to international conferences, meetings, and negotiations on sessions relating to trade agreements during the 2d session of the 99th Congress.

ORTEGA GOES TO CUBA

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, there he goes again.

Everytime we get ready to debate aid to the freedom fighters in Nicaragua, Commandante Ortega packs his suitcase and heads for Communist territory to get instructions from the commissars.

Last time, you remember, the little dictator went to the Kremlin. This week, he is off to Havana for talks with his Cuban connection.

It may not mean a thing. He might just be low on cigars.

But since international affairs are complex and often difficult to fathom, I thought this bit of information might be useful to our understanding of whose side the Communists in Managua are really on.

ADMINISTRATION'S CUTS IN THE TRIO PROGRAM DASH HOPES OF BREAKING THE CYCLE OF POVERTY

(Mr. PERKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PERKINS. Mr. Speaker, there aren't many programs that explain what a college education will mean to young people. If you grow up in a poor family, a lot of times you don't know what an education means or how to go about getting it. We have a real good program already working for many families; it is called TRIO.

These TRIO programs provide low-income, first generation and physically handicapped students the supportive services they need in discovering more about education—information on counseling, tutoring, information about college admissions and financial aid.

But now the administration wants to slash the funding for the TRIO programs by over 53 percent. We have a choice, we can allow the cycle of poverty to continue or we can use TRIO and other educational programs to break the cycle of poverty for these families forever. As far as I am concerned there is not much choice involved. We must try to eliminate the long-term effects of poverty in America today. There is no other choice.

HON. CHARLES HALLECK

(Mr. HILLIS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. HILLIS. Mr. Speaker, it is with sadness and regret that I rise to inform the House of the passing of a former Member and colleague, Charles Abraham Halleck.

Charlie Halleck, from Rensselaer, IN, was a Member of the House of Representatives from 1935 to 1968, serving in the capacity of both majority and minority floor leader during his tenure in this body.

He passed away early Monday morning, and services in his memory will be held at St. Joe College in Rensselaer tomorrow at 10:30 a.m. There will be transportation available, leaving the steps of the Capitol at 7:45 in the morning with return at about 3:45 in the afternoon. Any Members that might be interested, I ask contact the Sergeant at Arms.

I have also reserved a special order for next Tuesday afternoon, so that the many friends who served with Charlie and remember him here can properly reflect upon their association.

I am happy to yield to the gentleman from Indiana [Mr. MYERS].

Mr. MYERS of Indiana. I thank my colleague for yielding and for remembering Charlie Halleck, as all of us who affectionately knew him and his service here. We all mourn his passing, those of us who served with him, who had the privilege of serving here under his leadership; those who knew of Charlie and those who knew his name respect his service to his country and to the House.

We all mourn his passing. I can say that the gentleman and I, both, in recent years, hardly a month would go by that we did not call Charlie on the phone and get some advice or just touch base with him. He loved this House, he loved his country and was a great leader.

Even though he was a Republican, I am sure Democrats and all appreciated

his help during the years he was here and mourn his passing.

Mr. HILLIS. I thank the gentleman for his remarks.

THE BENCHMARK BUDGET

(Mr. FRENZEL asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, yesterday the gentleman from Colorado [Mr. BROWN], the gentleman from Illinois [Mr. PORTER] and I introduced what we are calling our "Benchmark Budget." That budget is based on a freeze insofar as we can spread it across the various functions where that makes sense. We freeze both military outlays and Government retirement programs of all kinds. Obviously, that will cause a certain amount of distress here and there around the House, but we do believe it is the most evenhanded way we can choose to meet the Gramm-Rudman targets and to do the deficit reduction which everybody in the House and in the United States knows must be done.

We have called it the benchmark because we hope it is a position or a standard that can be referred to by other budgeters.

Mr. Speaker, I note that we do not have a budget mark from the chairman of the Committee on the Budget; and in fact, we hear in the papers that he may not even be using the CBO baseline. I think it is time for us to hear from the Budget Committee and its chairman about what his mark is.

We have got at least one out front and there will be many more to follow. It is time for the Committee on the Budget to release its budget.

REQUEST TO DISPENSE WITH CALENDAR WEDNESDAY BUSINESS

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to dispense with the business in order today under the Calendar Wednesday rule.

Mr. WALKER. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

LET'S HAVE A DETAILED REPORT ON NICARAGUA, MR. PRESIDENT

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, in May 1985 the President took action against Nicaragua under the National Emergencies Act and the International Emergency Economic Powers Act.

While the President has submitted the required reports as stated by law, they were short, broad statements that make it impossible for Congress to make an informed decision.

I have introduced H.R. 4052, requesting the President to submit a detailed report. Specifically:

Has Nicaragua exported arms or violence to its neighbors?

Has the Soviet Union or Cuba provided offensive weapons to Nicaragua?

What has been the effect of your economic embargo?

What have you done, Mr. President, to seek peace through negotiations?

Give us the photographs, give us the dates, give us the evidence; we will give you the money. It is time, Mr. President, you either start to use one of those $600 toilet seats, or get off the pot and give Congress the facts so we can make a decision on your $100 million request while senior citizens suffer in America and unemployment runs rampant.

□ 1510

A JUST EPHAH AND A JUST HIN

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, the word of God is recorded in the Old Testament thus:

> Thou shalt not pervert justice in measurement, weight, or quantity. Thou shalt have true scales, true weights; a just ephah and a just hin shalt thou have. I am the Lord, thy God. (Leviticus XIX, 36)
>
> Listen to this ye who grind the destitute and plunder the humble, ye who, when the Sabbath is over . . . give a short ephah and take a heavy shekel, and tilt the scales fraudulently . . . (Amos VIII, 4-6)

Mr. Speaker, our budgetary and trade deficits are clearly God's admonition. We should be reminded of our past and present sins in manipulating the shekel, thereby perverting justice, and tilting the scales fraudulently.

Money is the lifeblood of commerce. A corrupt monetary system corrupts the economy. Evidence of the corruption may be found in the inordinate depreciation of the dollar since 1968; the widespread speculative mood, the legalization, and promotion of publicly operated lotteries. We cannot escape our responsibilities in the field of money by taking refuge in mechanical metaphors such as the quantity theory of money. We have to open our eyes to the fact that human society is based not on monetarist models, but on the trust in promises to pay.

The responsibility of the Congress for providing a just ephah, a just hin, as well as a just shekel, is carved into stone. It is written into our Constitution.

HENRY GONZALEZ ON CENTRAL AMERICA

(Mr. SEIBERLING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SEIBERLING. Mr. Speaker, the House will soon be asked to vote on the President's request for $100 million in humanitarian and military aid for the Contras in Nicaragua.

It is bad enough that the President proposes to triple U.S. aid to the Contras at a time when his budget would eliminate or cut back dozens of Federal domestic programs. But the President's policies toward Central America in general, and Nicaragua in particular, betray a fundamental misunderstanding of the challenge facing the United States in the region—problems with their roots in poverty, illiteracy, social and political oppression, and despair. These are the problems we should be addressing and seeking aid for.

Over the past few days, our colleague HENRY GONZALEZ has given a series of extraordinary special orders on our relations with our neighbors to the south, and on the particular shortcomings of the administration's policies toward the region. Representative GONZALEZ' remarks put current U.S. policy into the perspective of the history of U.S. involvement in the region. These are remarkably thoughtful and perceptive speeches, and every Member of this House would learn a great deal from what our colleague has so eloquently said.

I want to commend my friend from Texas [Mr. GONZALEZ] for his remarkable effort to help educate us to the dangers of the administration's policies, and I urge my colleagues to carefully review his comments before deciding how to vote on the vital issue of aid to the Contras.

WE SHOULD DISCONTINUE SECRET SERVICE PROTECTION FOR PRESIDENT MARCOS AND HIS FAMILY

(Mr. COBLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBLE. Mr. Speaker, I am pleased that a peaceful transition to a new government has taken place in the Philippines. I commend former President Ferdinand Marcos for his many years of friendship to our country and for his departure from office to prevent further bloodshed in the Philippines. However, I arise today to express my opposition to continung U.S. Secret Service protection for Mr. Marcos, which he has enjoyed since arriving in Hawaii on February 25.

The U.S. Secret Service is authorized, at the direction of the President,

to grant temporary protection for "distinguished foreign visitors" to the United States. President Reagan has ordered such protection for Mr. Marcos and his family for an "indefinite period of time." It is my belief that our Government has done what is right by providing safe harbor for this former ally. But I also believe that the American taxpayers have provided enough aid and comfort to Mr. Marcos.

The protection of foreign heads of state or government continues to be an increasingly demanding responsibility of the Secret Service and a significant amount of resources are devoted to this program annually. The problems of worldwide terrorism have contributed to the increases in the activities of the Secret Service and the cost of providing these protective services. I support providing protection for visiting foreign dignitaries, but I do not believe we have an obligation to grant Secret Service protection to deposed leaders.

Congress is now investigating the reported wealth of Mr. Marcos and his family. By all accounts, it appears that he can easily afford to pay for protection for his family and fellow travelers. Unlike the U.S. Government, I do not believe that Mr. Marcos has a debt problem.

ECONOMIC AID TO ULSTER

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, earlier today, the Reagan administration unveiled its proposal to provide $250 million in economic aid to Northern Ireland and the Republic of Ireland over the next 5 years. Its contents were made public at a hearing of the Subcommittee on Europe and the Middle East where I had the privilege to testify.

I am proud to have authored the first bills introduced in the House to provide economic aid to Ulster. I believe economic aid is needed and is an important element in any lasting political solution.

However, I have deep concerns about the administration proposal. It is unconditioned aid to be channeled through an entity which is heavily controlled by the British. This is the same British Government whose policies are responsible for much of the economic misery in the north today.

It is vital that this legislation contain protections and guarantees so that the aid tangibly benefits both communities in northern Ireland. We must insist that any entity receiving U.S. aid implement and adhere to principles of nondiscrimination and fair employment. The aid must promote protection of human rights and must not be used for security purposes.

This economic aid proposal is on a legislative fast track. It could reach the House floor next week. My appeal is that we do not invoke a double standard with this proposal. Let our aid be a genuine catalyst to advance a political solution in northern Ireland. We must not allow it to fuel the problems which divide northern Ireland and its people.

LET'S GET TOGETHER, CHAIRMAN GRAY

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, time marches on. January is gone, February is gone, and certainly we are not exactly burning up the woods with our schedule here in the House of Representatives. But I am particularly concerned about what is not happening with the budget. There has been a clamor and an uproar about how the President's budget was not all that we would perhaps like for it to be.

But what I want to know is, where is the alternative? There were supported to be meetings going on this week between the House and Senate, Republican and Democratic members of the Budget Committee, to agree on some basic things, such as the baselines, so we would not be talking apples and oranges, so we would all understand where we were beginning. But all of a sudden, those meetings are put off. And I worry about time moving on and no decisions being made on the budget, Mr. Speaker.

So I would urge the chairman of the Budget Committee, if you have got an alternative, get to work on it, let us see it, because we have to reach some agreement very soon on budget matters.

Mr. Speaker, I yield back the balance of my time.

TRADE ADJUSTMENT ASSISTANCE SHOULD BE RENEWED

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, in the last 5 years of the Reagan administration, we have witnessed the largest trade deficits in the history of this Nation. The casualties of our $148 billion trade deficit can be written in stark numbers and percentages. But the most painful evidence of our trade deficit can be found in the hundreds of thousands of workers who have lost their jobs to the flood of imports which have swamped our country.

The 24-year-old Trade Adjustment Assistance Program is one of the few Federal efforts designed to help workers dislocated by foreign imports, to pursue retraining and new employment. In my hometown of Springfield, trade adjustment assistance means groceries, rent checks, health care, and retraining for hundreds of Fiat-Allis workers who saw their plant close last year. Unfortunately, the Reagan administration has worked tirelessly to kill the TAA Program. With our vote on reconciliation, we cannot only revive this essential program, we can restore hope to the hundreds of workers in Illinois and across the Nation who are desperately searching for work.

VOTE AGAINST THE RULE ON RECONCILIATION

(Mr. JEFFORDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JEFFORDS. Mr. Speaker, it may surprise Members today that I am not out to talk about dairy at this time. I have reserved a special order again. However, I am again objecting to the legislative process. This time it is another bill. This one is the reconciliation bill. I come before the House to make my colleagues and the young people of this country aware of the attempt that is being made here to discriminate against a small segment of our population. Hidden away in the reconciliation bill is section 4104 which will make permanent the penalties imposed on those States which have not raised their drinking age to 21. I come before the House as I did last December to protest the manner in which this provision has been added to the reconciliation bill and to urge my colleagues to vote against this rule and send the bill back to the Rules Committee for a rule which would allow us to debate the merits of the national minimum drinking age. The reason I bring the issue before the House is that we treated our young people in a similarly shabby fashion back in the summer of 1984 when by unanimous consent at 1 a.m. in the morning we passed the national minimum drinking age law, just like we are about to do now. No hearings, no committee process, no meaningful debate, no vote. And I am not willing to sit back and let this provision be snuck by the House in similar fashion, especially in the light of recent studies which suggest that raising the drinking age may even actually increase alcoholic-related traffic fatalities among the affected age groups.

ON THE ASSASSINATION OF OLOF PALME

(Mrs. SCHROEDER asked and was given permission to address the House

for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I rise because I was very, very saddened, as I know many people were, by the assassination of Olof Palme. I thought it was very important this week, which is National Women's History Week, to point out one of the things that Prime Minister Palme did. Last year, he was the only world leader in the entire world who looked at the whole arms control scene and said he would be the only one to send a woman to Geneva to even be on their team. No other country had them. He decided at that time to put up the funds for Women Parliamentarians for Peace. He convened the meeting at Easter last year with women parliamentarians from every country and every continent on the planet that he could find.

□ 1525

He funded it. He spoke to the group. He stayed around, and he pleaded with women to get involved in the entire process, that really the world would only be safe if we got engaged in every single aspect of the debate that was going on.

He mentioned the fact that we would be going to Nairobi, where we talked about development issues. And without talking about the war and peace issues, he said, how can you possibly talk about development issues, because it is the war machines of the different countries that are taking away literally the bread from people's mouths?

So here was this man who worked so hard for peace and felt so strongly about everybody participating in it, women as well as men, here was a man who never bought the Rambo image, and here was a man who was gunned down in his own peaceful country.

DANIEL ORTEGA IN HAVANA

(Mr. COURTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COURTER. Mr. Speaker, as the House prepares to consider aid to the democratic resistance in Nicaragua, we can be sure that Daniel Ortega will not be traveling to Moscow, as he did last year. He knows full well that such a visit would spoil his chances for winning this upcoming vote in Congress.

Ortega's highest hope is that Congress will adopt a policy of abandonment—a policy that abandons the one force that stands a chance of preventing his government from having a free hand in repression of its people and subversion of its neighbors.

But just because he isn't going to Moscow, we shouldn't assume that his views have somehow changed. Early last month, he was in Havana, in loyal attendance at the Third Congress of the Cuban Communist Party.

And while he was there, President Ortega told us of his solidarity with the Cubans, a love affair that began during the anti-Somoza struggle and continues today, as Cubans fight in Nicaragua. I quote Ortega:

> Ever since the struggle against the Somozist dictatorship, the blood of Cuban revolutionaries has mixed in Nicaraguan soil with the blood of Nicaraguan revolutionaries. * * * Our relations with Cuba are friendly, fraternal and respectful. They are relations that are unalterable and nonnegotiable. * * * They are relations sealed with the blood of Cuban internationalists who have fallen on Nicaraguan soil * * *

I hope, Mr. Speaker, that we keep these warm sentiments in mind as we debate our policy toward Nicaragua. With Cubans fighting democratic forces in Central America, and with sustained Soviet armament of the Sandinistas, we are witnessing nothing less than a Soviet strategic offensive on our own continent.

In the face of this, abandonment is no solution.

STATES SHOULD DETERMINE APPROPRIATE DRIVING CONDITIONS

(Mr. SHUMWAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

Mr. SHUMWAY. Mr. Speaker, I would like to share with my colleagues an action taken by the Los Angeles County Board of Supervisors recently, whereby the board endorsed the California Highway Patrol's and Caltrans' recommendations to establish a new speed limit of 65 miles per hour for automobiles along 1,840 miles of California highway outside the metropolitan areas. The board also requested Congress to allow the individual States to establish their own speed limits.

As a sponsor of legislation to allow the individual States to make just such determinations in noncongested areas, I strongly support the board of supervisors action, and am equally supportive of the recommendations of Caltrans and the highway patrol. Individual States are in a far better position to determine appropriate driving conditions, speed limits, and safety procedures than is a distant Congress, unable to respond to differing area needs.

ADMINISTRATION IS SIDESTEPPING DEFICIT CONCERNS

(Mr. AuCOIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

Mr. AuCOIN. Mr. Speaker, at a time when the White House is proposing cuts in education, nutrition and economic development, Americans are in no mood to ante up $10,000 per Contra for a war in Nicaragua. But, when the public finds out how the White House plans to keep its war going, I think they're going to like it even less.

To sidestep deficit concerns, the administration wants to try funding the Contras through Pentagon budget transfers. Now, if DOD were simply trimming star wars or a spare coffee pot or two, taking from the Pentagon might not be such a bad idea. But that's not what the White House has in mind.

It was amazed to learn yesterday that the White House plans instead to raid U.S. ammunition accounts to come up with the money. What's wrong with that? Well, we don't have enough ammo right now to meet basic readiness requirements. In some cases, ammo is in such short supply that our troops can't get the full training they need. I'm especially concerned that one of the cuts will be in antiarmor ammunition that is highly effective against the Soviet tank threat in Europe.

Continuing this covert war is a bad idea in the first place. But, when the choice is taking ammo from America's fighting forces, the real "freedom fighters," there's only one decision to make. Congress must stop the administration from spending more money on the Contras.

SUPPORT THE BENCHMARK BUDGET

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, BILL FRENZEL, HANK BROWN, and I have introduced a budget resolution which meets the Gramm-Rudman deficit reduction goals for fiscal year 1987 without raising taxes.

The benchmark budget, as we call it, looks at Federal spending across the board and asks everyone to do his or her part. It is a realistic plan for implementing a 1-year freeze on total Federal spending. We should have frozen spending last year, Mr. Speaker, but we did not. The result was a $220 billion deficit and a new law promising to balance the budget in the future.

Mr. Speaker, the future and huge deficits are upon us. The time for political courage is now.

The benchmark budget freezes defense spending, puts retirement COLA's on hold and kills a handful of uneconomic programs. These actions, combined with the automatic spending cut that went into effect this week, can put the deficit on a sharp downward path.

Mr. Speaker, without exception, my constituents tell me they are each will-

ing to do their part to eliminate the deficit, but they will not have their program frozen while someone else's is receiving an increase. The benchmark budget is based on both of these principles.

REPUBLICANS WANT TO SPOOK US

(Mr. COELHO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COELHO. Mr. Speaker, the Wall Street Journal reports today that President Reagan's own pollster advised against making a big public relations push on the Contra issue. He told the President, "The numbers aren't with us on this, and they aren't changing."

Last month, the Vice President's pollster told House Republicans the same thing at their Baltimore retreat.

Nevertheless, the rightwingers won the internal debate at the White House, and today we see Pat Buchanan in the Washington Post making vicious, anti-American attacks on Democrats.

It's clear what their strategy is: The Republicans want to spook us into believing that a vote against military aid is political suicide.

It's not. American public opinion, international opinion, and the churches are all behind the Democratic position on aiding the Contras.

Even the Republican political experts agree that this won't be a big voting issue in November.

So Mr. Speaker, I suggest that we ignore Pat Buchanan's name calling. He wants us to respond in order to help him raise the visibility of this issue.

Instead we should frame the debate our way by warning that military aid could lead to U.S. Troops in Central America.

Mr. Speaker, the White House has raised the stakes in this debate, against the best political advice money can buy.

We can deal a real blow to the rightwingers by ignoring their threats and winning this when it comes to a vote.

□ 1535

AMERICA'S FARMERS ARE SUFFERING DUE TO INACTION OF CONGRESS

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Speaker and Members, you may recall that last week we had a very acrimonious debate on the floor of the House about whether or not we were going to bring up legislation that would have allowed us to deal with Gramm-Rudman, meet the savings in Gramm-Rudman in the dairy area in a way that would save the Government the most money and cause the least pain to America's dairy farmers. Unfortunately, that legislation was pulled from consideration by the Democratic leadership.

The Department of Agriculture on Friday graciously gave us until today to try to resolve that particular issue. Apparently, that has not been done. And so, apparently, now the Commodity Credit Corporation has no choice but to begin making purchases of dairy products at significantly lower prices.

I think it is a tragedy that the partisan politics of this U.S. Congress will result in unfair pain to America's dairy farmers.

We have the rule on H.R. 4148 out of the Rule Committee. Let us bring that issue up, let us debate it on the floor, let us do our job in this House of Representatives.

We have a Commodity Credit Corporation funding bill that has run out. How do we explain that to the farmers? How do we explain the politics of that issue?

We have the nonprogrammed crop bill that is not up today.

I will tell you, America's farmers are suffering. They are not only suffering from lower prices, they are suffering from the inaction of the U.S. Congress, and I think that is a disgrace and tragedy.

THE DEATH PENALTY

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker and Members of the House, we are now deep into the 99th Congress, and yet no action has been taken by this Chamber on the passage of legislation that would bring capital punishment, the death penalty, to Federal criminal jurisprudence. And why? Because there is an element in the House itself that, philosophically or for other reasons, oppose it. This, in the face of an attempted assassination of the President of the United States, acts of terrorism and hijacking and skyjacking and mass murders, espionage and treason, and all of the other despicable acts against the Nation which cry out for an appropriate remedy.

A substantial majority of the American people favor the imposition of the death penalty in appropriate cases, especially in the subject matter which I have just reiterated.

I have served notice that on every bill that comes before the Judiciary Committee on which there is any possibility of germane application of a death penalty amendment, I will do so. In the meantime, I ask you to consider asking the Criminal Justice Subcommittee, of which I am a member, to put it on the table. The American people deserve a full debate on reinstitution of the death penalty in appropriate cases.

ABOLISHMENT OF LSC

(Mr. BOULTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOULTER. Mr. Speaker, I rise to speak on behalf of a bill I have just introduced to abolish the Legal Services Corporation.

I realize this body has considered the LSC's status in recent years and determined that, despite the numerous flagrant abuses of its prerogatives, it should continue receiving funding. But I would suggest that now is an excellent time for reconsideration.

In the Gramm-Rudman climate we are simply going to have to make the decision to end programs such as the LSC that aren't getting the job done. We've got to cut somewhere if sequestration is to be avoided.

I'll be holding a special order next Wednesday. Those of you not familiar with the litany of LSC abuses are especially invited to attend. The political orientation of LSC grantees has been more subtle during the Reagan years, but these offices remain focused on the goal of sweeping social reform. Whether or not any real, live poor people receive legal services is merely an incidental byproduct.

Rest assured that the poor will not be shortchanged if the LSC, as presently constituted, is abolished. The poor should indeed have access to legal services, but there are any number of preferable alternatives to the LSC that are less costly, more effective and without the potential for abuse. Several of these will be examined at the special order.

The time for making cuts is here, ladies and gentlemen. Let's begin with one of the most obvious candidates.

TIME TO GET TO WORK

(Mr. DENNY SMITH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DENNY SMITH. Mr. Speaker, in dealing with the deficit, the American people want us first to cut as much nonessential Government spending as we can find. Only then, if we still fall short of our deficit reduction target, should we consider any tax increases.

If news reports are to be believed, the Democrat majority seems to be making a lot of noise about possible "revenue increases," some of which sound suspiciously like tax increases. At the same time, we haven't heard

word one about spending reductions they would propose.

I would remind my friends in the majority that Gramm-Rudman says a budget resolution should have cleared both houses by April 15. Time is running out on doing our biggest job of the year.

It is time for the Democrat majority to heed the will of the people and get down to the serious business of fashioning a fiscal year 1987 budget which concentrates first on eliminating or reducing unnecessary spending. We Republicans on the Budget Committee have been following this approach for weeks. We would be happy to work with the Democrat majority in such an endeavor.

REPORT OF PRESIDENT'S COMMISSION ON ORGANIZED CRIME

(Mr. GILMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, this week the President's Commission on Organized Crime issued its report on Federal efforts to combat narcotics trafficking and drug abuse.

The Commission's findings and recommendations are impressive, some of which are similar to the work of our Narcotics Select Committee. Specifically, I am pleased that the Commission has, in effect, endorsed the Rangel-Gilman-Hawkins amendment which became public law in the last Congress authorizing the President to suspend economic and military assistance to any nation that fails to take adequate steps to curtail the illicit production and trafficking of narcotics.

The Commission's report stresses the urgent need for the Federal Government to allow even greater military participation in combating narcotics trafficking than legislation that was enacted by the Congress last year.

The Crime Commission also underscores the urgency for the Federal Government to intensify its efforts to establish drug education programs warning our citizens of the dangers of drug abuse. In this regard, our Narcotics Committee recently completed hearings along the Mexican border in which law enforcement officials urged that Federal, State, and local governments must intensify efforts to develop drug education programs.

Mr. Speaker, I further commend the Commission for recommending that State legislatures should require drug abuse prevention programs in grades K-12, an initiative that our Select Committee found to be lacking in many States where we had conducted our hearings. The report also proposes that Federal agencies should establish suitable drug testing programs for its employees and urges the private sector to adopt a similar policy.

Mr. Speaker, I applaud the Crime Commission for its recommendations. Clearly, if our Nation truly means what it says about declaring "war" on drug trafficking and drug abuse, then it is imperative that we provide our front line drug agencies with the necessary resources, personnel, equipment, and funds to more effectively combat the narcotics traffickers who are creating so much misery for citizens throughout the world and who are undermining the institutions of societies everywhere.

Accordingly, I urge my colleagues to review the Commission's report and to consider how best to implement its recommendations; the report is too important to ignore or to allow it to gather dust in our offices and on library shelves.

TRANSPORT REGULATORY REFORM ACT OF 1986

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, today I am introducing a bill, referred to as the Transport Regulatory Reform Act of 1986, designed to assist the President in filling vacancies in three of our Federal transportation regulatory agencies.

The bill will establish a bipartisan commission to submit names of individuals qualified to fill vacancies in the Interstate Commerce Commission, Federal Maritime Commission, and the National Transportation Safety Board to the President.

On numerous occasions, there have been excessive delays in the appointment process and persons without any meaningful experience in, or knowledge of transportation, have been appointed. A lack of understanding of agency members has hindered agency ability to regulate pursuant to statutory authority given by the Congress.

As former chairwoman of the Federal Maritime Commission, I can testify to the necessity of having qualified individuals be eligible for appointment to positions in our transport regulatory agencies.

It is my hope that my colleagues will join me in cosponsoring this legislation in an effort to ensure that our transport regulatory agencies have the best qualified individuals available to direct our Federal transport agencies.

WITHDRAWAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1809

Mrs. BENTLEY. Mr. Speaker, I ask unanimous consent that my name be withdrawn from the list of cosponsors of H.R. 1809.

The SPEAKER pro tempore (Mr. DYSON). Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

WHOLE HERD BUYOUT

(Mr. BOEHLERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOEHLERT. Mr. Speaker, this is a cow. They're good to us. But because they are so good and so productive, we have a surplus of their product.

The Government has decided that a way to deal with the surplus is to get rid of some of our cows—in Washington talk, it's called a whole herd buyout.

Some farmers will get paid for sending their cows to slaugther so, as the theory goes, the surplus can be reduced.

If the program is going to work we have to make certain cows are in fact eliminated so a way had to be devised to identify these cows.

Some expert—and it bothers me to use that word expert—has come up with a branding system to label the cows.

Right here on a cow's face—an iron as hot as fire or as cold as ice—is to be used to brand a cow as a buyout participant.

You know what? I don't think that's a very good idea. It certainly isn't very humane for the benevolent cow and it could be downright dangerous for the branding farmer.

There has to be a better way than a brand on the face for identification.

If you agree with me, let the people at the Department of Agriculture know how you feel.

GRAMM-RUDMAN

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, it has already started. Did anyone doubt that it would? Gramm-Rudman is quickly becoming responsible for everything that is wrong with our Government. It seems that in the past few weeks, any problem relating to employment, layoffs, or inefficiencies is being blamed on the deficit reduction measure. Gramm-Rudman has become the scapegoat for all of our Nation's problems. In almost every instance, these problems have absolutely nothing to do with this important measure. Agencies which are required to absorb spending cuts are laying off many lesser-paid employees at the service level rather than making an attempt to trim some of the fat from the ad-

ministrative level. Frankly, they are doing every thing they can to make people hurt. They are trying to shift public perception of this budget balancing measure from one of hope to one of gloom. Very simply, the negative onslaught is a combination of bureaucratic entrenchment and the media's focus on those who complain. The problem does not end here. Some of my colleagues from the other side of the aisle have also elected to take a pessimistic attitude toward reducing the deficit. Frankly, they just want to raise taxes. We have finally enacted a system that has a great chance of reducing Federal spending and attempts to dismantle it would be a severe set back. Mr. Speaker, Americans know that there is plenty of waste that can be trimmed. And if the choice is between cuts in the budget of the United States or in the budgets of my constituents, the decision is easy.

CALENDAR WEDNESDAY

The SPEAKER pro tempore. This is Calendar Wednesday. The clerk will call the committees.

The Clerk proceeded to call the committees.

PARLIAMENTARY INQUIRY

Mr. WALKER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his inquiry.

Mr. WALKER. Mr. Speaker, is this not the point in Calendar Wednesday when the Agriculture Committee, with the chairman bringing it to the floor, could bring forth legislation which has been passed out of committee designed to deal with the Gramm-Rudman provisions?

The SPEAKER pro tempore. If it is not otherwise privileged and the chairman is authorized to do it.

Mr. WALKER. And this would be the point in the week when the chairman could do that without getting the approval of any other leadership; is that correct?

The SPEAKER pro tempore. The gentleman is correct.

Mr. WALKER. I thank the Chair.

The SPEAKER pro tempore. The Clerk will continue the call of the committees.

The Clerk concluded the call of the committees.

□ 1550

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
March 4, 1986.

Hon. THOMAS P. O'NEILL, Jr.
The Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House at 4:40 p.m. on Tuesday, March 4, 1986 whereby the President transmits draft legislation on proposed aid for Northern Ireland and the Republic of Ireland.

With kind regards, I am

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, U.S. House of Representatives.

NORTHERN IRELAND AND IRELAND ASSISTANCE ACT OF 1986—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-175)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

I transmit herewith for the consideration of the Congress proposed legislation, entitled the "Northern Ireland and Ireland Assistance Act of 1986," to provide support of the United States to the Anglo-Irish Agreement on Northern Ireland.

This legislative proposal calls for a five-year program of $250,000,000 that would be taken from a number of existing economic programs including Housing Guarantees and the Private Sector Revolving Fund, which are administered by the Agency for International Development, the investment insurance program of the Overseas Private Investment Corporation, and the Trade and Development Program.

In addition, the authorization of $20 million for the Economic Support Fund for 1987 is proposed, which will be within the total amount for that fund currently requested in the 1987 Budget. This would provide a cash contribution to an international economic development fund for Northern Ireland and the Republic of Ireland under the auspices of the Anglo-Irish Intergovernmental Council. A supplemental appropriation request for 1986 for an initial contribution to this Anglo-Irish fund is concurrently being transmitted to the Congress.

I urge the Congress to act without delay on this important legislation. I am confident our efforts, together with those of the Governments of the United Kingdom and Ireland, will help to promote economic and social development in Ireland, thereby constructing a durable framework that would provide a promise of peace for the people of Northern Ireland.

RONALD REAGAN.

THE WHITE HOUSE, *March 4, 1986.*

REPORT ON RESOLUTION PROVIDING FOR AMENDING SENATE AMENDMENT TO HOUSE AMENDMENT TO SENATE AMENDMENT TO H.R. 3128, DEFICIT REDUCTION AMENDMENTS OF 1985

Mr. WHEAT, from the Committee on Rules, submitted a privileged report (Rept. No. 99-482) providing for amending the Senate amendment to the House amendment to the Senate amendment to the bill (H.R. 3128) to provide for reconciliation pursuant to section 2 of the first concurrent resolution on the budget for fiscal year 1986 (S. Con. Res. 32, 99th Congress), which was referred to the House Calendar and ordered to be printed.

HEALTH SERVICES AMENDMENTS OF 1985

Mr. WHEAT. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 289 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 289

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of Rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2418) to amend the Public Health Service Act to revise and extend the programs of assistance for primary health care, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce, the bill shall be considered for amendment under the five-minute rule, and each section shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 2418, it shall be in order, section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) to the contrary notwithstanding, to take from the Speaker's table the bill S. 1282 and to consider said bill in the House, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and to insert in lieu thereof the provisions contained in H.R. 2418 as passed by the House.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. WHEAT] is recognized for 1 hour.

Mr. WHEAT. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN] for purposes of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, I ask unanimous consent to strike out all after the period on page 2, line 1 through the period on page 2, line 4, and to strike the comma on page 2, line 17, and thereafter through the comma on page 2, line 18.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. WHEAT. Mr. Speaker, House Resolution 289 is an open rule providing for the consideration of H.R. 2418, the Health Services Amendments Act of 1985. The rule provides for 1 hour of general debate to be divided equally between the chairman and ranking minority member of the Committee on Energy and Commerce. The bill shall be considered for amendment under the 5-minute rule and each section of the bill shall be considered as having been read.

The rule originally waived points of order against the bill for failure to comply with section 402(a) of the Budget Act. However, Mr. Speaker, since the Rules Committee considered this measure, a waiver of section 402(a) of the Budget Act was necessary. Section 402(a) of the Congressional Budget Act prohibited the consideration of any bill authorizing the enactment of new budget authority for a fiscal year unless that bill was reported on or before May 15 preceding the beginning of such fiscal year.

H.R. 2418 authorizes the enactment of new budget authority for fiscal year 1986. Since the bill was not reported by May 15, 1985, it violated section 402(a) of the Congressional Budget Act and a waiver was necessary.

However, on February 1, the provisions of Gramm-Rudman which replaced section 402(a) of the Budget Act went into effect. Section 212 of Gramm-Rudman replaced section 402(a) of the Budget Act with language prohibiting the consideration of measures providing new credit authority which is not subject to the enactment of appropriations. Therefore, the waiver of the reporting date requirement included in the rule is no longer necessary.

Upon conclusion of consideration of the bill, the rule provides for one motion to recommit.

After passage of H.R. 2418, the rule provides that it shall then be in order to take S. 1282 from the Speaker's table and to consider the bill in the House.

Finally, Mr. Speaker, the rule provides that it shall be in order to move to strike out all after the enacting clause of the Senate bill and to insert in lieu thereof the provisions contained in H.R. 2418 as passed by the House.

H.R. 2418 authorizes funds for community and migrant health programs for fiscal years 1986, 1987, and 1988. The bill also authorizes grants to the States for the control of plague for these same fiscal years.

Mr. Speaker, the community health centers and the migrant health programs funded under this bill are the primary Federal programs which serve those areas and populations which are currently medically underserved. Most of the patients served are poor and without insurance. I urge that we adopt the rule so that we may proceed to consideration of this critical legislation.

Mr. Speaker, for the purposes of debate only, I yield to the gentleman from Tennessee [Mr. QUILLEN].

□ 1600

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, we have had this measure on the floor of the House under suspension. The vote was 254 to 151, short of the required two-thirds majority. We have discussed it and discussed it and discussed it, not only on the floor, but in the Rules Committee as well.

It is a good bill, but there is no question that it is controversial. There will be some amendments offered when the bill is up for debate and the membership will have an opportunity to vote up or down on those amendments. In addition there are provisions that are absolutely mandatory for the poor and necessary to achieve the health goals that we seek in this Congress.

Mr. Speaker, I have no requests for time, but I do urge adoption of the rule so that we can get down to the business of debating the measure itself.

Mr. Speaker, I yield back the balance of my time.

Mr. WHEAT. Mr. Speaker, I have no requests for time and move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. QUILLEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently, a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 412, nays 0, not voting 22, as follows:

[Roll No. 36]

YEAS—412

Addabbo	Derrick	Huckaby
Akaka	DeWine	Hughes
Alexander	Dickinson	Hunter
Anderson	Dicks	Hutto
Andrews	Dingell	Hyde
Annunzio	DioGuardi	Ireland
Anthony	Dixon	Jacobs
Applegate	Donnelly	Jeffords
Archer	Dorgan (ND)	Jenkins
Armey	Dornan (CA)	Johnson
Aspin	Dowdy	Jones (NC)
Atkins	Downey	Jones (TN)
AuCoin	Dreier	Kanjorski
Badham	Duncan	Kaptur
Barnard	Durbin	Kasich
Barnes	Dwyer	Kastenmeier
Bartlett	Dymally	Kemp
Barton	Dyson	Kennelly
Bateman	Early	Kildee
Bates	Eckert (NY)	Kindness
Bedell	Edgar	Kleczka
Beilenson	Edwards (CA)	Kolbe
Bennett	Edwards (OK)	Kolter
Bentley	Emerson	Kostmayer
Bereuter	English	Kramer
Berman	Erdreich	LaFalce
Bevill	Evans (IL)	Lagomarsino
Biaggi	Fascell	Lantos
Bilirakis	Fawell	Leach (IA)
Bliley	Fazio	Leath (TX)
Boehlert	Feighan	Lehman (CA)
Boggs	Fiedler	Lehman (FL)
Boland	Fields	Leland
Boner (TN)	Fish	Lent
Bonior (MI)	Flippo	Levin (MI)
Bonker	Florio	Levine (CA)
Borski	Foley	Lewis (CA)
Bosco	Ford (MI)	Lewis (FL)
Boucher	Ford (TN)	Lightfoot
Boulter	Fowler	Lipinski
Boxer	Frank	Livingston
Breaux	Franklin	Lloyd
Broomfield	Frost	Long
Brown (CA)	Fuqua	Lott
Brown (CO)	Gallo	Lowery (CA)
Broyhill	Garcia	Lowry (WA)
Bruce	Gaydos	Lujan
Bryant	Gejdenson	Luken
Burton (CA)	Gekas	Lundine
Burton (IN)	Gephardt	Lungren
Bustamante	Gibbons	Mack
Byron	Gilman	MacKay
Callahan	Gingrich	Madigan
Campbell	Glickman	Manton
Carney	Gonzalez	Marlenee
Carper	Goodling	Martin (IL)
Carr	Gordon	Martin (NY)
Chandler	Gradison	Matsui
Chapman	Gray (IL)	Mavroules
Chappell	Gray (PA)	Mazzoli
Chappie	Green	McCain
Cheney	Gregg	McCandless
Clay	Guarini	McCloskey
Clinger	Gunderson	McCollum
Coats	Hall (OH)	McCurdy
Cobey	Hall, Ralph	McDade
Coble	Hamilton	McEwen
Coelho	Hammerschmidt	McGrath
Coleman (MO)	Hansen	McHugh
Coleman (TX)	Hartnett	McKernan
Combest	Hatcher	McKinney
Conte	Hawkins	McMillan
Coughlin	Hayes	Meyers
Courter	Hefner	Mica
Coyne	Heftel	Michel
Craig	Hendon	Mikulski
Crane	Henry	Miller (CA)
Crockett	Hertel	Miller (OH)
Daniel	Hiler	Miller (WA)
Dannemeyer	Hillis	Mineta
Darden	Holt	Mitchell
Daschle	Hopkins	Moakley
Daub	Horton	Molinari
Davis	Howard	Mollohan
de la Garza	Hoyer	Montgomery
DeLay	Hubbard	Moody

Moore	Rowland (CT)	Stump
Moorhead	Rowland (GA)	Sundquist
Morrison (CT)	Roybal	Sweeney
Morrison (WA)	Russo	Swift
Mrazek	Sabo	Swindall
Murphy	Savage	Synar
Murtha	Saxton	Tallon
Myers	Schaefer	Tauke
Natcher	Scheuer	Tauzin
Neal	Schneider	Taylor
Nelson	Schroeder	Thomas (CA)
Nichols	Schuette	Thomas (GA)
Nielson	Schulze	Torres
Nowak	Schumer	Torricelli
Oakar	Seiberling	Towns
Oberstar	Sensenbrenner	Traficant
Obey	Sharp	Traxler
Olin	Shaw	Udall
Ortiz	Shelby	Valentine
Owens	Shumway	Vander Jagt
Oxley	Shuster	Vento
Packard	Sikorski	Visclosky
Panetta	Siljander	Volkmer
Parris	Sisisky	Vucanovich
Pashayan	Skeen	Walgren
Pease	Skelton	Walker
Penny	Slattery	Watkins
Pepper	Slaughter	Waxman
Perkins	Smith (FL)	Weaver
Petri	Smith (IA)	Weber
Pickle	Smith (NE)	Weiss
Porter	Smith (NJ)	Wheat
Price	Smith, Denny (OR)	Whitehurst
Pursell	Smith, Robert (NH)	Whitley
Quillen	Smith, Robert (OR)	Whittaker
Rahall	Snowe	Whitten
Rangel	Snyder	Williams
Ray	Solomon	Wilson
Regula	Spence	Wirth
Reid	Spratt	Wise
Richardson	St Germain	Wolf
Ridge	Staggers	Wolpe
Rinaldo	Stallings	Wortley
Ritter	Stangeland	Wright
Roberts	Stark	Wyden
Robinson	Stenholm	Wylie
Rodino	Stokes	Yates
Roe	Strang	Yatron
Roemer	Stratton	Young (AK)
Rogers	Studds	Young (FL)
Rose		Young (MO)
Roth		
Roukema		

NOT VOTING—22

Ackerman	Foglietta	Monson
Brooks	Frenzel	O'Brien
Collins	Grotberg	Rostenkowski
Conyers	Jones (OK)	Rudd
Cooper	Latta	Solarz
Dellums	Loeffler	Zschau
Eckart (OH)	Markey	
Evans (IA)	Martinez	

□ 1625

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 289 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2418.

□ 1626

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2418 to amend the Public Health Service Act to revise and extend the programs of assistance for primary health care, with Mr. SMITH of Iowa in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

The gentleman from California [Mr. WAXMAN] will be recognized for 30 minutes, and the gentleman from California [Mr. DANNEMEYER] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 2418, the Health Services Amendments Act of 1986, is vital to those people who live in communities where medical care is not available and to those low-income people who are not able to get health care under Medicaid.

This legislation will revise and extend the Community and Migrant Health Centers Programs. The community and migrant health centers are the primary Federal programs to assure that people in medically underserved areas and in medically underserved population groups will receive health care. Community health centers serve an estimated 5.2 million people, 80 percent of whom are minorities and 40 percent of whom are children under 18. Migrant centers serve over 500,000 migrant and seasonal farmworkers.

In addition to providing care for migrant workers and minorities, both programs are required to serve all residents of their communities. The Federal grants are used to cover the cost of patients who are poor or without insurance. Sixty percent of those using CHC's are poor and 80 percent of those using migrant centers are poor.

H.R. 2418 extends the authorizations of appropriations for the community health centers and the migrant health programs through fiscal year 1988. I intend to support an amendment to freeze authorizations at the level of current appropriations. For community health centers, the bill as amended will authorize $400 million in fiscal year 1987 and the same amount in fiscal year 1988. For migrant health, it will authorize $45.4 million in fiscal year 1987 and again in fiscal year 1988.

With the authorizations in H.R. 2418 frozen at the current level, the programs will continue but there will not be sufficient funds to meet the health care needs of these groups. The Congressional Budget Office estimates that the increased cost in fiscal year 1986 of serving the same patient load is 5.9 percent. In addition, in the areas now served by these two programs, the number of new people seeking care for the first time is increasing at approximately 4 to 5 percent a year. And, this will certainly continue since the needs are much greater than these programs can meet—the latest figures from the Census Bureau indicate that over 35 million Americans are without health insurance or Medicare or Medicaid coverage. (In 1977, there were 25 million according to the Census Bureau.)

Mr. Chairman, these are critical health care programs that serve people who are among the most in need. These programs should not be controversial. This bill deserves the support of every Member. I urge an "aye" vote.

Mr. Chairman, I yield such time as he may consume to the gentleman from Tennessee [Mr. FORD].

Mr. FORD of Tennessee. Mr. Chairman, I rise today to speak in support of the Health Services Amendments of 1985.

One test of a just and humane society is the way it treats the sick, the old, and the poor—including the efforts made to see that those who need medical attention receive it. Modern health care is in fact so central to human survival and to life with dignity, that access to health care must be considered a matter of fairness.

Commitment to assuring that all who need health care receive it has never been complete in the United States. Even with the advances of the past 20 years in Federal health programs for the poor, large numbers of poor persons still are not covered by Medicaid because of its restrictions on eligibility. Some employers, especially smaller companies and nonunionized companies do not provide health insurance to workers. Some communities have public hospitals while others do not.

This mixed and inconsistent public-private approach to providing access to care leads to great unfairness. Whether someone has health insurance coverage or not in the United States is in part simply a matter of luck. It depends upon where one lives, what type of job one has, and on the state of one's health at the time insurance coverage is sought.

Those low-income persons unfortunate enough to have serious health problems, who cannot work, and who live in States with extremely limited Medicaid coverage and few public hospitals are simply out of luck when it comes to seeking medical care.

It is an important time of reassessment for national health policy. Many local public hospitals are refusing to care for those residing outside their tax districts. Hospitals that do not turn away those unable to pay are exceeding their budgets. Employers are seeking to cut the cost of their employee health insurance, and increasingly are unwilling to subsidize care for the uninsured.

High unemployment, cuts in Federal health entitlement programs, and tight fiscal pressures on State and local governments has contributed to an increase in the number of poor and uninsured over the past few years. Either a basic societal commitment will be made to assure access for those unable to pay, or pressures to exclude them from needed health services are likely to intensify.

The record of the Community Health Center Program has been particularly impressive in reducing sickness and mortality in poor neigh-

borhoods and regions the centers serve. In my home State of Tennessee we have 450,000 poor and uninsured medically underserved. Community health centers are vital to the survival and dignity of millions of Americans.

Mr. WAXMAN. Mr. Chairman, I reserve the balance of my time.

Mr. DANNEMEYER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the issues which the House will be considering in the Committee of the Whole relating to this bill, H.R. 2418, are well known to the Members of this body.

In 1981, under an initiative of the Reagan administration, the block grant concept came into law in many areas, including health care. This bill before us seeks to reverse that concept. It eliminates the block grant concept whereby States, at their option, depending on the needs of their State, can determine which of these health care programs are to be utilized.

This Member from California will offer an amendment to keep the block grant concept in this program and to make it more attractive to more States to adopt it. It will eliminate the requirement now in the law that States must match what the Federal Government puts up. In other words, it will eliminate the matching requirement.

This should serve as an additional incentive to States around the Union to apply for the block grant concept with respect to this bill.

Another issue that will be debated on this bill relates to a fundamental issue that is kicked around between the President and the Congress time and time again. Namely, who sets level of spending for the country?

Some Members of the House are prone at times to suggest that, "Well, the President is responsible for the deficits because, well, he's the President and he's got all the power." Nothing could be further from the truth, and this bill before this House this afternoon illustrates this conflict as to who sets spending in our Federal process very clearly.

For example, the administration requested that the spending level for Community Health Centers be, in fiscal year 1986, 1987, and 1988, fixed at $360 million. The bill before us rejects that, and fixes the levels at $405 million in 1986, $437 in 1987, and $472 in 1988.

In other words, the spending level adopted by the Policy Committee—and is the spending level now before this committee, if we do not amend this bill, is at least $40 to $60 million a year higher than what the administration asked for this program.

This Member from California will offer an amendment to move toward the levels asked by the administration. The amendment that I will offer on spending level is $375 million in each of the 3 years we are talking about: 1986, 1987, and 1988.

That is a little more than the administration asked for, but it is moving in the direction of their request.

This spending level, accompanied by the block grant concept that I previously discussed, will be in an amendment that this Member will offer.

Another amendment that I intend to offer deals with the matter of vital concern in America, namely, the transmissibility of AIDS, a fatal disease. As we speak today, there are bathhouses operating around this country where we know, epidemiologically speaking, that AIDS, a fatal disease, is being transmitted as a result of sexual contact.

An amendment that I will offer will say that any State in the Union, 6 months from this date, that continues to permit bathhouses to operate in its boundaries will lose any funding entitlement under this legislation. That gives them 6 months to shut down these bathhouses. Most of the bathhouses are located in several States in the Union; namely, New York and California, but I am advised by some that there are bathhouses frequented by male homosexuals in most of the States of the Union.

□ 1635

I think Members should be given the opportunity of moving modestly to reduce the incidence and transmissibility of a disease for which there is no cure.

Mr. Chairman, I reserve the balance of my time.

Mr. WAXMAN. Mr. Chairman, I yield 5 minutes to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in support of the bill.

Mr. Chairman, the National Association of Community Health Centers [NACHC] represents over 600 community and migrant health centers across the United States. These primary care facilities provide outpatient services to over 6 million low-income and disadvantaged patients each year. Nearly 20 million other Americans in need of basic health care are not served by these programs due to funding constraints.

Few programs have made as significant a contribution to low-income families as cost effectively, or in as high quality a manner, as have community health centers. The need to strengthen the capacity of health centers has grown more urgent in recent years, as the number of families living in poverty and without health insurance has grown and the number of elderly Americans unable to afford the high cost of medical care has increased. For millions of our most vulnerable citizens, health centers are increasingly becoming their only source of health care.

The case for community health centers has never been greater than it is today. The patients who currently use their services tell much of the story:

Nearly 70 percent are members of a minority group—minorities suffer serious health disadvantages, both in their health status and in their access to care.

Over 60 percent of the health center users have family incomes below the Federal poverty level—the poor are significantly less likely to receive necessary care because of financial barriers.

Over one-third of our patients are children under 14 years, and more than one-fourth are women of childbearing age. Poor children are at special risk as they are likely to be uninsured and without a regular source of health care, and poor pregnant women are much less likely to receive prenatal care.

Forty-eight percent of health centers users are uninsured; only 25 percent are eligible for Medicaid. Uninsured people are much less likley to have a regular source of health care, or to obtain medical care when they need it.

Health centers are clearly serving the poor and uninsured, whose numbers have increased dramatically in recent years. These trends have been accompanied by deep reductions in our major public health programs. In 1969, Medicaid reached 65 percent of the poor and near-poor; by 1985, that number had dropped to 46 percent.

Health centers are effective in several key ways.

They are responsive to their communities—centers receive a high degree of acceptance and utilization in communities they serve.

They have been effective in persuading poor families to end their reliance on expensive and less appropriate hospital emergency rooms, and make use of preventive health services and habits.

They have significantly improved the health of the communities they serve: Major reductions in infant mortality—as much as 40 percent—have been achieved in areas served by health centers, due to the access they provide to high quality maternity and infant care services.

Health centers provide high quality care, including clinical management of patients, completeness of care, and followup. They are efficient as well: Between 1974 and 1983 health centers increased the population they served by more than 300 percent, even though their grant funding levels grew by only 65 percent. Health centers have become more efficient at generating other revenues, and make more judicious use of ancillary services—labora-

tory, x ray, pharmacy—than do other providers.

By encouraging the appropriate use of health care, health centers have increased access to care without encouraging overuse. Health centers dramatically reduce hospital use and costs for patients.

Centers have reduced admission rates by between 20 and 70 percent, reduced annual admissions, and shortened the length of stay.

Most dramatically, centers have reduced Medicaid payments per person by up to 50 percent per year.

Health centers' impact on hospitalization costs means that they have more than paid for themselves.

These characteristics make community and migrant health centers extraordinarily effective providers for low-income families otherwise barred from receiving adequate medical care because of geographic, financial or cultural barriers. In an era of widespread need and serious financial constraint, these health centers make tremendous sense. Health centers save both lives and dollars in an effective, efficient and high quality fashion. We simply cannot afford not to invest in health centers.

Mr. Chairman, this is an important bill. It is within budget constraints. It has been marked down substantially. It is an effort which I believe deserves the full support of the House.

Mr. Chairman, I yield back the balance of my time.

Mr. DANNEMEYER. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. TAUKE].

Mr. TAUKE. I thank the gentleman for yielding.

Mr. Chairman, during the debate on this legislation I will be offering an amendment to provisions that will be offered by Mr. WAXMAN which would freeze the spending for this program for a 3-year period. Essentially what we would do is to take the fiscal year 1986 appropriated levels, the current appropriated levels, and use those as the authorization levels for fiscal year 1987 and 1988.

I think it is clear as we attempt to grapple with the budget this year that we are going to have to find increased efficiency and more savings in all of the programs that we deal with at the Federal level. This program has proven to be a good one which has provided a lot of excellent service for many people in the Nation who would otherwise not be served. But at the same time it is a program that must be curtailed in its growth if we are going to be able to reach our overall fiscal goals.

Consequently the communities across the Nation which have been interested in the community and migrant health centers have agreed to this kind of freeze in spending over a 3-year period.

I believe it is the kind of freeze in spending that can generate bipartisan support in the House of Representatives. It can make it through the other body and arrive at the President's desk.

There has been considerable controversy about the provision of the bill which strikes the primary care block grant. I do want to say while I personally favor the block grant concept, I would like to see that remain in the legislation. I would note that in the 5 years of its existence only one State has taken advantage of the block grant opportunity.

Consequently it can hardly be considered to be a huge success.

Moreover, it does not appear as if that concept has much appeal for the other body and if we are interested as a result in moving legislation, it seems to me that the bill that we will have before us after my amendment is offered, and hopefully approved, would be one that has the best chance of making it through the process keeping this worthwhile program alive.

So I would urge my colleagues to carefully consider the amendment which I will offer which will freeze spending. I think it is one that reflects the interests of the majority of the Members of this House.

Mr. WAXMAN. Mr. Chairman, I am pleased to yield 5 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, I would like to commend the chairman of the subcommittee and Mr. WAXMAN for the legislation that addresses itself to people's needs, certain medical needs. As we get ready for the debate on the issue of money for Nicaragua we will be discussing $100 million relative to that situation in Central America. But right now before us comes a bill that calls for approximately $455 million and many Members of Congress are saying, "My God, we have to cut back and watch our deficits." Many times the same Members that say that, when we talk about health care issues that affect children, pregnant women, senior citizens, seem to forget that the same budget issues and deficit issues abound when we talk about foreign aid and aid to Contras and other types of programs.

Specially what I would like to talk about and deviate a little bit from is that just last week in my district we had a hearing on unemployment and the problems that go along with it. I represent the 17th District of Ohio in northeast Ohio. As you know, a study just came out nationally which showed that Ohio is the No. 1 State for unemployment of the large populous States. In that large populous State of Ohio I have the No. 1 district and region of unemployment. Before that committee on unemployment came the following types of information: Most benefits have run out, people are beginning to rely upon our community health centers which have done quite a good job.

Specifically the East Side Community Health Center has had over 16,000 visits in 1985 alone. With those two physicians, if it were not for their services many people in my area in fact would go without health services or have them severely reduced. In Mahoning and Trumbull Counties, the two counties in my area, there has been a 12-percent increase in the Medicaid population last year. There are 12 centers in the State of Ohio at 40 sites serving people in 30 counties with over 675,000 patient visits in 1985.

Under the WIC Program, for example, 56 percent of the eligible population was served in Ohio compared with 36 percent of the national average. Over 60 percent of all these health center users have family income below the national poverty level. I think if we start looking at the national poverty level, some could be over it but you cannot explain to them that they are not necessarily in a poverty situation.

Statistics show that the poor are significantly less likely to receive health care when patterns of health care use among the poor and nonpoor are adjusted for health status. Nearly one in two health center users, almost 50 percent, is completely uninsured. We are now beginning to look at the insurance crisis in our country. So I think this bill calls for aid within the documented levels of budgetary authority, and comes within that constraint. It deals with people who need the help the most, and I think Congress now has to start making some decisions on priorities. It has been rather easy to send money overseas. If I am not mistaken, with the foreign aid bill of $14 billion, no one even stood up and asked for a vote. With H.R. 2418 we did not get two-thirds necessary under suspension but there should be no reason why we should deny this type of opportunity in health care for those people who need it the most today. Vote yes on H.R. 2418.

So I commend Mr. WAXMAN for this legislation and for pushing to try to develop this for the country.

I support passage of H.R. 2418. Health care centers not only save lives—they save dollars.

I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. RAHALL). The gentleman yields back 1 minute of his time.

Mr. DANNEMEYER. Mr. Chairman, I yield 3 minutes to my colleague, the gentleman from Michigan [Mr. DAVIS].

Mr. DAVIS. Mr. Chairman, I want to principally talk about an amendment that my good friend and colleague from California will be offering. But first of all let me say that this particular program has been an excellent pro-

gram around the country, and I have had a lot of experience with this program in my district.

I happen to represent a very rural district, about half of the State of Michigan. I have seven community health centers in my district. I have visited every one of them and in many instances I have visited them more than once. We probably serve at least 50,000 people in my congressional district and the program has been very invaluable.

We have talked about, and I think it is worth stating again, that when you talk about saving taxpayers' dollars there is a $1 to $1.62 ratio and it does save Medicaid funds and every study that has been conducted has indicated that we have in fact saved taxpayer dollars.

So it is a program that needs to be continued and obviously, pursuant to the vote we had last week or the week before that, we will probably pass this bill by a fairly substantial margin.

Let me talk a little bit about the block grant approach and why I oppose it.

Many of the groups that are involved with this particular program do not favor the primary care block grant approach to this legislation. As a matter of fact the National Governors Association opposes it; the primary care advocates rural health groups all oppose it. I think as one of my colleagues, Mr. TAUKE, indicated just a short time ago the provision in the law that allows States to opt for the block grant program, only one State has opted to do this. The bill that is in the other body, which has passed, eliminates that section as this bill does. I do not think the States have the experience nor want to become involved in direct health services.

I do not always favor having programs emanated from the Federal Government. In some instances I can see where it could be advantageous for block grants to go to the States. In this particular program it has been an excellent program. The Feds have done an excellent job of administering it.

As I said, every single study that has been conducted indicates that that is true. The health care program and the health centers have worked very closely with all the States. I think they have an excellent relationship. They are well-coordinated programs with both State and local governments and I certainly do not want to get into the fights that we have in many States of urban versus rural constituencies because I do not think that is in the best interests of anyone.

I want to close by saying that I hope we would reject those particular amendments and pass the bill.

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Mr. WAXMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Chairman, I rise in strong support of H.R. 2418.

This reauthorization of our community health care centers is absolutely necessary. There are 33 centers in my home State of Illinois, including one in Decatur, IL, the Community Health Improvement Center. That center in Decatur serves over 10,000 people in and around the Macon County area. Half of the patients are children.

Decatur, unfortunately, is an area of high unemployment. The Community Health Improvement Center in Decatur provides critically needed medical care to the families of the unemployed.

But Decatur is not alone. Unfortunately, since 1977, the number of those without any health insurance in America has increased by 40 percent, to 35,000 million people. Our investment in the health care of our citizens is a good investment for our Nation. Preventive health care is essential to avoid long term and costly medical problems.

With the amendment that will be adopted today on this legislation, we will freeze spending for this program at its fiscal year 1986 level. This would include a $5-million cut in community health centers. So this program would not escape the difficult task we have of bringing the budget deficit under control.

But, fortunately, we are still reauthorizing this program in providing for communities like Decatur, IL, the necessary resources to continue this important program. Our community health centers guarantee the unemployed and their families a basic American right, the right to quality health care.

Mr. DANNEMEYER. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. WAXMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN of Texas. Mr. Chairman, I thank the chairman of the committee for yielding me this time.

Mr. Chairman, as the chairman of the Congressional Border Caucus, I understand that the reauthorization bill has a tremendous impact on communities along the United States-Mexico border in that it provides funding for community and migrant health centers. While the overall national problem of poverty and health care for the indigent is pervasive, the multiplicity of factors afflicting the border region intensifies the problems of providing health care access and health care delivery. The situation in border communities is further exacerbated by the unresolved Federal problem of immigration. The health center programs represent what little Federal contribution there is toward addressing the health care crisis along the United States-Mexico border.

I would like to ask the gentleman from California if any consideration was given to the potentially negative impact on border communities and other areas of extreme poverty around the country if this legislation was not reauthorized?

Mr. WAXMAN. If the gentleman will yield, the committee knows that the community and migrant health centers programs provide essential health care services in border communities. Without these centers, we understand that thousands of people along the border would be without health care.

Mr. COLEMAN of Texas. I realize that there is a limited and insufficient amount of funding for the great need that exists in providing health care services for the uninsured poor. Would the gentleman from California be willing to have his subcommittee examine the additional problems and unique health care needs of the uninsured in the border region?

Mr. WAXMAN. I would be pleased to join with the gentleman in examing these problems.

Mr. COLEMAN of Texas. Mr. Chairman, I would like to thank you and the committee for your diligence in making sure that the health care needs of border communities are met through this legislation and the funding formulas contained therein for migrant and community health centers. I would like to share with the gentleman the results of the landmark border health study, which is due to be completed by the Department of Health and Human Services later this year, so that at that time we can perhaps examine ways by which the Federal Government can better meet its responsibilities for the health care needs of border communities.

Mr. WAXMAN. I would be pleased to review that study as soon as it's available.

Mr. FAUNTROY. Mr. Chairman, I rise in support of H.R. 2418, Health Services Amendments Acts of 1985. This legislation would authorize $455 million in fiscal year 1986, $493 million in fiscal year 1987 and $533 million in fiscal year 1988 for the Community Health Centers and Migrant Health Programs, including $405 million in fiscal year 1986, $437 million in fiscal year 1987, and $472 million in fiscal year 1988 for the Community Health Centers Program and $50 million in fiscal year 1988 for the Migrant Health Program. A total of $1 million in each fiscal year 1986 through 1988 would be authorized for a new 3-year program of grants to States for the control of plague.

The Community Health Centers Program provides Federal grants to public or private nonprofit entities for delivery of primary health

care services to "medically underserved" communities. The Migrant Health Centers Program provides similar Federal grants for delivery of primary care services to migrant and seasonal farmworkers. The Community and Migrant Health Centers are the primary Federal programs to assure that people in medically underserved population groups will receive health care.

An estimated 5.2 million people, 80 percent of whom are minorities and 40 percent of whom are children under 18, are served by the Community Health Centers Program. Over 500,000 mirgant and seasonal farmworkers are served by the Migrant Health Centers. Sixty percent of those using community health centers are poor and 80 percent of those using migrant centers are poor.

In the District of Columbia these programs are meeting a significant and compelling need. If we care about those who are medically underserved, if we are true to the ideals we espouse, if we are rational in our understanding of the medical and health benefits that will accrue from this very modest legislation, we should support the Health Services Amendments Act of 1985.

Mr. TRAFICANT. Mr. Chairman, I rise today in strong support of H.R. 2418, the health services amendments. This important bill extends authorizations for the Community and migrant health Centers Programs through fiscal year 1988, and repeals the authorization for the primary care block grant.

The Community Health Centers Program provides vital health services to low income, needy individuals throughout the country. There is an urgent need for Congress to pass this legislation and repeal the primary care block grant, and replace it with the Community Health Centers Program. This is because the primary care block grant has been implemented in only one State for only 1 year (fiscal year 1983). At present, the Community Health Centers Program is operating in all States, and there are no States currently receiving primary care block grants.

An examination of the Community Health Centers and Migrant Health Centers Programs reveals that they have had a significant impact in providing much needed health care to a large segment of our population that would otherwise go without basic health services. I think it is obvious that the program has worked well and the primary care block grant is not a feasible alternative—as indicated by the fact the primary care block grant has only been implemented by one State and in only 1 year. It is clear that the States do not have the resources or the ability to effectively implement the primary care block grant, and it is also clear the Community Health Centers Program has worked and has been an effective program throughout the United States.

The Community Health Centers Program is vitally important to my home State of Ohio. Currently, there are 12 Community Health Centers with 40 sites throughout Ohio, serving people in over 30 counties. These centers provided 673,640 patient visits in 1985 and employ over 1,000 health workers. They also administer the Women, Infants, and Children [WIC] Program, serving 56 percent of the eligible population of Ohio—versus 36-percent national average. The program is important to my home district, which continues to suffer from one of the Nation's worst unemployment problems. In my area there are a disproportionate number of impoverished, poor individuals who rely heavily on the health services provided by Community Health Centers.

One of the most valuable assets of this program is its emphasis on preventive health care—which is proving to be a cost-effective and extremely important component of overall health care. Community Health Centers provide vital health information on prenatal care, proper nutrition, and a wide range of other information on preventive medicine. It has been proven that preventive health programs save both the Federal Government and individuals millions of dollars a year in health care costs by effectively preventing a wide range of medical afflictions. Nowhere is this more important than in impoverished communities.

In my hometown of Youngstown, OH, the Eastside Medical Center had 16,308 patient visits in 1985, 2.7 times the number seen in the previous startup year. In addition, my district saw a 12-percent increase in the Medicaid population. There are many other areas throughout the country where Community Health Centers play a vitally important role in providing very basic health services to the needy. And the need for these programs is growing and expanding every month.

I feel very strongly that Congress must set its priorities straight in making public policy. I recognize and support the ongoing efforts to address the deficit problem and make spending cuts. The cuts must be made. But we must and cannot abandon our responsibility to continue programs that provide basic services for individuals who have nowhere else to go. It is a very dangerous practice to play politics with health care. The Community Health Centers Program is vital to the health and well being of millions of Americans across the country. Because it also provides services in preventive health care it saves this country millions of dollars every year in hospital costs, not to mention Medicare and Medicaid outlays. We are talking about the program that provides desperately needed health sevices to urban and rural poor, unemployed, elderly, young mothers, and impoverished seniors. It serves Americans in need and it should be a top priority of this Congress. I urge all my colleagues to lend their support to H.R. 2418 and vote for this important legislative initiative.

Mr. BONER of Tennessee. Mr. Chairman, I would like to express my support for H.R. 2418, health services amendments, which would extend the authorization for the Community and Migrant Health Centers Programs through fiscal year 1988, and repeal the authorization for the Primary Care Block Grant.

In 1985 Tennessee's community health centers served over 150,000 people in 49 counties across the State. These centers have established track records for effectiveness and efficiency, but there are other sound reasons for supporting health centers:

By reducing hospitalization rates by as much as 50 percent for comparable populations, health centers help to contain the rise in Medicaid costs at a time of reduced Federal participation. A recent independent study showed that, nationally, health centers save the Medicaid Program $580 million in 1 year alone.

Health centers help to offset the impact of Medicaid cuts. Most States have absorbed some of the Federal Medicaid losses by cutting services and eligibility. Health centers assist in picking up the slack by providing services to people who have lost Medicaid benefits and to Medicaid recipients at a far lower cost than other health providers, such as hospital outpatient departments and emergency rooms.

Through the increased use of preventive services, health centers keep people healthy and productive. Fewer work days are lost due to disability or illness, and fewer people are forced to seek public assistance, including unemployment and disability benefits.

These health centers do not duplicate the efforts of other private practice providers. Instead, they both are located in areas where there is a shortage of health services. Therefore, their role is both appropriate and vitally necessary. The Federal support received by the health centers is used solely to subsidize the cost of care for the indigent, uninsured persons; to cover the cost of nonreimburseable services such as preventive services and health education; and to establish the institutional support necessary for delivering health services in such areas.

In effect, the health centers serve to ensure their local communities against the cost of care for the uninsured.

I urge passage of H.R. 2418.

Mr. LELAND. Mr. Chairman, Today, we again have the opportunity to extend the authorizations for the Community and Migrant Health Center Programs through fiscal year 1988.

The Community and Migrant Health Centers extend needed and invaluable health care services to poor and underserved communities. In the past 20 years these programs have grown and matured into a network of nearly 800 primary health care centers in all 50 States, Puerto Rico, and the District of Columbia. But, in spite of this progress, the health centers still reach less than one-quarter of America's 25 million medically underserved residents. Sixty percent of the population using community health centers subsist below the Federal poverty level. Nearly 30 percent of health center users have no health insurance, public or private, and rely on community health care centers for all of their health care needs.

As always, we must consider the special case of children. Nearly 40 percent of all health center patients are children under the age of 14. Poor children suffer from acute and chronic illnesses more frequently and with more serious cases of the diseases than do nonpoor children. Moreover, poor children under age 2, are twice as likely not to receive health care attention, than nonpoor children.

A case that also warrants our close attention is that of the migrant and seasonal agricultural worker. These families are concentrated in the gulf area and south-central Texas but travel and work in all 50 States. They are likely to be uninsured and at risk for disease because of unsanitary living and working conditions. And, because rural hospitals are in

danger of closing for financial reasons, migrant health centers are the only alternative source of health care for most of these workers.

Twenty eight percent of all women who use community and migrant health centers are of childbearing age. These centers provide, in most cases, the only prenatal care services available to these women. High infant mortality rates attest to the clear need for these services.

The poor and the uninsured of the country are increasing dramatically. For many, community and migrant health centers are the only source of health care services. For a clear majority of health center users, the centers are a primary source of health care. Community and migrant health centers are important. They are conveniently located within communities and they are low cost. Treatment is focused to a great extent on disease prevention and health maintenance which decreases case loads for service providers and reduces the cost to State and Federal governments by decreasing the frequency of serious illness.

As a student, in 1967, I helped to organize and establish a community health center in my home city of Houston, TX. With the help of medical residents and nurses from the area, one of the first community health centers in the city of Houston came to exist. Today that center is a constant reminder of the good we can achieve through these community based centers.

In reauthorizing this important program we have the opportunity to reinvest in a program that works. Community and Migrant Health Centers Program is the first step in developing a visionary health policy for the United States; it deserves the continued support of the Congress.

Mr. BROWN of California. Mr. Chairman, I rise in support of H.R. 2418, the health services amendments. This measure is necessary to maintain access of the indigent population to adequate health care. We are only too aware of the economic disparity that exists among the multitude of communities across America. Some poorer communities suffer from a severe lack of health care facilities. For this reason, I believe that the Community and Migrant Health Centers Program has served the Nation well and must be allowed to continue the vital work begun by caring health facilities that provide needed service.

The Federal grants provided through the Community Health Centers Program allow concerned public and private nonprofit entities to deliver primary health care services to "medically underserved" communities. Under the Health Services Amendments, migrant and seasonal farm workers receive similar health care, relieving the burden from local communities.

There are 600 community and migrant health centers across the United States whose existence depends on Federal grant money. These primary care facilities provide outpatient services to over 6 million low-income and disadvantaged patients each year. Few programs have made as significant a contribution to low-income families as cost effectively, or in as high quality a manner, as have community health centers.

Authorization for the community and migrant health centers expired at the end of fiscal year 1984, although appropriations have been provided for the past 2 years. It is vital that we pass H.R. 2418 to extend the authorizations for the Community and Migrant Health Centers Programs through fiscal year 1988.

Mr. Chairman, in my own district, the Inland Empire Community Health Center [IECHC] provides crucial health services to our low-income population. About 80 percent of the health center's expenses are provided by the community health center grants. The IECHC, however, has specific plans to reverse this dependence on Federal funding, and is hoping that 80 percent of their funding will eventually be provided through private contributions. I commend the IECHC for their ambitious goals, and I anticipate that they will succeed. But I am also sensitive to the fact that this transition from 80 percent to 20 percent Federal funding will not be an easy task. It will require continued congressional and executive commitment to provide appropriate health care to all Americans regardless of their economic status.

I urge my colleagues to vote yea on H.R. 2418, and to oppose any amendments which would dull the edge of this important measure. Even in a Gramm-Rudman-Hollings deficit reduction environment, the Community and Migrant Health Centers Program is a wise investment.

Mr. BIAGGI. Mr. Chairman, I rise in full support of this bill (H.R. 2418) to authorize much needed Federal funding for the community and migrant health centers in our Nation.

Specifically, this bill extends the authorizations for the Community and Migrant Health Centers Programs through fiscal year 1988. In addition, the bill authorizes $1 million per year for fiscal year 1986 through 1988 for a new 3-year program of grants to States for the control of plague.

Finally, the bill would repeal the authorization for the primary care block grant. I find this provision especially appealing, since the primary care block grant was an ill-conceived program from the start. This program was created in 1981 to replace the categorical grants to community health centers in States that wanted a replacement. The problems with the Primary Care Block Grant Program are best reflected by the fact that only one State in 1 year chose to accept the primary care block grant. The problem is simple. The present categorical grants can easily be targeted to health care providers offering high-priority services in areas in greatest need of those services. Such targeting cannot be as easily accomplished under the primary care block grant.

The Community and Migrant Health Centers Program has grown over the past 20 years into a network of nearly 800 primary health care centers providing comprehensive primary care to nearly 6 million poor and underserved Americans in 50 States, Puerto Rico, and the District of Columbia.

Few programs have a more dramatic and positive impact on the low-income and disadvantaged population of our Nation. Consider these facts:

Nearly 70 percent to health center patients are members of minority groups;

Over 60 percent of the health center users have family incomes below the Federal poverty level;

Over one-third of health center patients are children under 14 years, and more than one-fourth are women of childbearing age;

Forty-eight percent of health center users are uninsured; and

Only 25 percent of health center patients are eligible for Medicaid.

As an original member of the House Select Committee on Aging, I am particularly aware of the vital health care services these centers provide for the elderly. The elderly (aged 65 and over) now comprise 11.4 percent of all health center users, a threefold increase since 1979. Because the elderly are in the highest risk category for chronic conditions and functional limitations due to poor health, and because health care costs for the elderly are more than twice as expensive as for the general population, nobody benefits more from community health centers than the elderly.

Mr. Chairman, the Community Health Centers Program ensures that primary health care services can be delivered to medically underserved communities. Nowhere is this program any more effective or important than in my home area of the Bronx, where there are 10 community health centers serving some 200,000 patients. In fact, last year, these 10 health centers logged more than 700,000 patient visits between them.

I am proud of my long working relationship with these centers and the talented professionals associated with them, like Katie Loback of the Comprehensive Family Care Center; Marcella Brown of Dr. Martin Luther King, Jr., Health Center; and Ed Gibbs of the Soundview Health Center—a center I helped establish in 1981, along with Ed Gibbs, Pete Espada, and Jim Knox, among others.

The other community health centers in the Bronx, include the Ambulatory Care Network of Bronx-Lebanon Hospital Center; Montefiore Comprehensive Health Care Center; Montefiore Family Health Center; Morris Heights Health Center; Morrisania Neighborhood Family Care Center; Ronald Fraser Health Center; and Sequndo Ruiz-Belvis Neighborhood Family Care Center. Each of these health centers is committed to ensuring continuity, comprehensiveness, and ongoing primary care services for entire families, not just individuals. Between 1981 and 1983, patient visits at the Bronx community health centers increased by more than 30 percent.

Typical of the vital services provided by the Bronx health centers is the full range of treatment they have given some 4,000 Cambodian refugees. These courageous individuals have endured tremendous physical and mental suffering and, as a result, their health care needs are considerable. I want my colleagues to know that those needs are being met by the Bronx community health centers. It is a tribute to the compassionate and talented professionals serving those health centers, and to the vital Federal assistance we are seeking to reauthorize today.

Mr. Chairman, we must not forget, however, that despite this impressive record of achievement, health centers still reach less than one-fourth of our Nation's 25 million medically un-

derserved residents. We cannot ignore the fact that health centers are becoming the only affordable provider of health care services for a growing number of Americans. Yet, just as so many Americans rely on health centers for their continued good health, the community and migrant health centers of our Nation rely on the Federal Government for their continued good health. We need a strong and effective health center network throughout our Nation and H.R. 2418 is necessary to achieve that worthy objective. I strongly urge my colleagues to join me in supporting this vital measure.

Mrs. LLOYD. Mr. Chairman, I rise in support of H.R. 2418—to extend the authorizations for the community and migrant health centers programs through fiscal year 1988. This legislation recently failed to receive the two-thirds vote necessary for passage largely because it was brought up on the Suspension Calendar which denied us the opportunity to fully debate and amend its provisions. While I objected to that procedure I strongly support the content of this bill.

There are more than 700 community and migrant health centers throughout the country that serve nearly 6 million people and these health centers have tremendous value for the Nation. In 1985 Tennessee's community health centers served over 150,000 people in 49 counties across the State. More than 60 percent of the patients serviced by health centers are poor, nearly half are uninsured, and more than two-thirds are women and children. Yet by carefully controlling their costs and hospital use by their patients, they have saved millions of dollars for Medicare, Medicaid and local communities.

In 1984 alone 433,788 Tennesseans did not qualify for Medicaid and had no health insurance. During that year community health centers in the State of Tennessee provided services to a total of 126,203 people, 60 percent of whom had no medical insurance. During that same year, migrant health centers also served 1,121 individuals.

These health centers are a very important part of our Nation's health care delivery system. They complement, rather than compete with, other providers in areas where there is a critical shortage of health services for the medically indigent. As such, I believe they are deserving of our support.

Mr. CONTE. Mr. Chairman, I rise in strong support of H.R. 2418, the Health Services Amendments of 1985, and I support the Waxman-Tauke freeze amendment.

Mr. Chairman, H.R. 2418 reauthorizes important health programs which provide care to medically underserved areas and populations. I want to stress my strong support for the job that these health centers are doing.

Community health centers [CHC's] have a 20-year history of providing access to basic primary medical care to individuals and families who otherwise would not have had this access. At the very heart of basic primary care is prenatal care, and CHC's have succeeded in significantly reducing the incidence of infant mortality.

A study conducted by the New England community health centers showed that there is increasing demand for prenatal services, a growing lack of access to medical care for poor and uninsured patients and a growing cost of providing care. To help solve these problems, the bill will provide barely sufficient funding for CHC's at a freeze at the fiscal year 1986 appropriated level.

As the senior Republican on the House Appropriations Committee, which funds these important programs, I hear testimony year after year which shows that health centers are effective and efficient providers of high quality health care. The centers can reduce the costs of inpatient care by as much as 50 percent.

One study showed that health centers saved $580 million for Medicaid in 1 year alone—a Medicaid savings of $1.62 for each $1 spent on CHC's. The funding in this bill will not add to the deficit, but will help to reduce it by reducing Medicaid and Medicare costs.

Mr. Chairman, H.R. 2418 is reasonable, balanced legislation, and it deserves our support. The funding levels are not excessive, and are fully consistent with appropriated levels. Don't turn your back on the important job CHC's are doing in your communities. Support this modest bill.

Mr. WAXMAN. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN pro tempore. Pursuant to the rule, each section of the bill is considered as having been read for amendment under the 5-minute rule.

The Clerk will designate section 1.

Mr. WAXMAN. Mr. Chairman, I ask unanimous consent that the bill be printed in the RECORD and open to amendment at any point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the bill is as follows:

H.R. 2418

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE: REFERENCE TO ACT.

(a) SHORT TITLE.—This Act may be cited as the "Health Services Amendments Act of 1985".

(b) REFERENCE TO ACT.—Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

SEC. 2. MEDICALLY UNDERSERVED POPULATIONS.

Section 330(b)(42) U.S.C. 254c(b)) is amended—

(1) by striking out the second, third, fourth, and fifth sentences of paragraph (3); and

(2) by adding at the end thereof the following:

"(4) in carrying out paragraph (3), the Secretary shall by regulation prescribe criteria for determining the specific shortages of personal health services of an area or population group. Such criteria shall—

"(A) take into account comments received by the secretary from the chief executive officer of a State and local officials in a state; and

"(B) include infant mortality in an area or population group, other factors indicative of the health status of a population group or residents of an area, the ability of the residents of an area or of a population group to pay for health services and their accessibility to them, and the availability of health professionals to residents of an area or to a population group.

"(5) The Secretary may not designate a medically underserved population in a State or terminate the designation of such a population unless, prior to such designation or termination, the Secretary provides reasonable notice and opportunity for comment and consults with—

"(A) the chief executive officer of such State;

"(B) local officials in such State; and

"(C) the State organization, if any, which represents a majority of community health centers in such State.

"(6) The Secretary may designate a medically underserved population that does not meet the criteria established under paragraph (4) if the chief executive officer of the State in which such population is located and local officials of such State recommend the designation of such population based on unusual local conditions which are a barrier to access to or the availability of personal health services.".

SEC. 3. MEMORANDUM OF AGREEMENT.

Section 330 (42 U.S.C. 254c) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) In carrying out this section, the Secretary may enter in a memorandum of agreement with a State. Such memorandum may include, where appropriate, provisions permitting such State to—

"(1) analyze the need for primary health services for medically underserved populations within such State;

"(2) assist in the planning and development of new community health centers;

"(3) review and comment upon annual program plans and budgets of community health centers, including comments upon allocation of health care resources in the State;

"(4) assist community health centers in the development of clinical practices and fiscal and administrative systems through a technical assistance plan which is responsive to the requests of community health centers; and

"(5) share information and data relevant to the operation of new and existing community health centers.".

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

Paragraphs (1) and (2) of section 330(i) (as redesignated by section 202 of this Act) are amended to read as follows:

"(1) There are authorized to be appropriated for payments pursuant to grants under this section $405,000,000 for fiscal year 1986, $437,000,000 for fiscal year 1987, and $472,000,000 for fiscal year 1988.

"(2) The Secretary may not in any fiscal year—

"(A) expend for grants to serve medically underserved populations designated under subsection (b)(6) an amount which exceeds 5 percent of the funds appropriated under this section for that fiscal year; and

"(B) expend for grants under subsection (d)(1)(C) an amount which exceeds 5 percent of the funds appropriated under this section for that fiscal year.".

SEC. 5. PRIMARY CARE BLOCK GRANTS

Part C of title XIX(42 U.S.C. 300y—300y-11) is repealed.

SEC. 6. MIGRANT HEALTH CENTERS.

The first sentence of section 329(h)(1) (42 U.S.C. 254b(h)(1)) is amended by striking out "and" after "1983," and by inserting before the period a comma and "$50,000,000 for the fiscal year ending September 20, 1986, $56,000,000 for the fiscal year ending September 30, 1987, and $61,000,000 for the fiscal year ending September 30, 1988".

SEC. 7. TECHNICAL AMENDMENT.

Section 329(d)(2) (42 U.S.C. 254b(d)(2)) is amended by inserting before the semicolon "and the costs of repaying loans made by Farmers Home Administration for buildings".

SEC. 8. EFFECTIVE DATE.

The amendments made by this Act shall take effect October 1, 1985.

COMMITTEE AMENDMENTS

The CHAIRMAN pro tempore. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 4, beginning in line 19, strike out "330(i) (as redesignated by section 202 of this Act)" and insert in lieu thereof "330(g)".

The committee amendment was agreed to.

The CHAIRMAN pro tempore. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 6, insert after line 5 the following new section:

SEC. 8. PLAGUE.

Section 317 (42 U.S.C. 247b) is amended by adding at the end the following:

"(k) The Secretary, acting through the Director of the Centers for Disease Control, may make grants to and enter into contracts and cooperative agreements with States for the control of plague. For grants, cooperative agreements, and contracts under this subsection there are authorized to be appropriated $1,000,000 for each of the fiscal years 1986, 1987, and 1988.".

Redesignate section 8 as section 9.

POINT OF ORDER

Mr. LELAND. Mr. Chairman, I make a point of order.

The CHAIRMAN pro tempore (Mr. RAHALL). The gentleman will state his point of order.

Mr. LELAND. Mr. Chairman, I make a point of order that the amendment is not germane to the subject matter or purpose of this bill and is in violation of clause 7 of rule XVI.

The CHAIRMAN pro tempore. Does any Member wish to be heard on the point of order?

If no one wishes to be heard on the point of order, the Chair is ready to rule.

The amendment does not pertain to the subject matter of the introduced bill and addresses a subject that is not covered by the bill and the point of order is sustained.

AMENDMENT OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WAXMAN: Page 4, strike out line 19 and all that follows through line 2 on page 5 and insert in lieu thereof the following:

Paragraphs (1) and (2) of section 330(g) are amended to read as follows:

"(1) There are authorized to be appropriated for payments pursuant to grants under this section $437,000,000 for fiscal year 1987 and $472,000,000 for fiscal year 1988.

Page 5, strike out lines 17 through 23 and insert in lieu thereof the following:

The first sentence of section 329(h)(1) (42 U.S.C. 254(h)(1)) is amended by striking out "and" after "1983," and by inserting before the period a comma and "$56,000,000 for fiscal year 1987, and $61,000,000 for fiscal year 1988".

Mr. WAXMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Chairman, the effect of this amendment is to strike the funding authorization for 1986. There already has been an appropriation for that year. Rather than repeat the funding section for 1986, we go right on to 1987 and 1988.

Mr. Chairman, I ask the adoption of this amendment.

AMENDMENT OFFERED BY MR. TAUKE TO THE AMENDMENT OFFERED BY MR. WAXMAN

Mr. TAUKE. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. TAUKE to the amendment offered by Mr. WAXMAN: In lieu of the authorizations for fiscal years 1987 and 1988 contained in the amendment to section 4 of the bill insert "$400,000,000 for fiscal year 1987 and $400,000,000 for fiscal year 1988".

In lieu of the authorizations for fiscal years 1987 and 1988 contained in the amendment to section 6 of the bill insert "$45,400,000 for fiscal year 1987 and $45,400,000 for fiscal year 1988".

Mr. TAUKE. Mr. Chairman, this amendment I am offering is the one that I spoke of earlier. It attempts essentially to freeze funding for the community health centers and the migrant health centers at current levels, and to authorize those levels of funding for fiscal years 1987 and 1988.

Mr. WAXMAN and his amendment calls for an increase of funding for the community health centers from $400 million at the current year to $437 million in fiscal year 1987, and $472 million in fiscal year 1988.

I believe that for that program we should keep the current $400 million level.

For the migrant health centers, Mr. WAXMAN proposes that we go from the current $45 million level to $56 million for 1987 and $61 million for fiscal year 1988.

I believe that it would be more appropriate for us to stick with the current level of funding for each of the subsequent years and retain funding at $45.4 million each year for the next 3 years.

So, consequently, in short what I am doing is freezing the authorization at the current appropriated levels, and freezing that authorization for fiscal years 1987 and 1988.

□ 1700

This amendment does have the support of the migrant and community health centers community across the Nation, and I believe it has the reluctant backing of the chairman of the subcommittee, the gentleman from California [Mr. WAXMAN], who recognizes that this kind of a compromise is necessary if we are to move this program through the process.

So I urge the support of the Members for this amendment to the Waxman amendment.

Mr. WAXMAN. Mr. Chairman, I rise in support of the Tauke amendment.

Mr. Chairman, I do rise in support of this amendment. It is a freeze amendment at appropriations levels for 1986, 1987, and 1988. I think that we recognize the fiscal pressures that are upon us. Members have consistently insisted that they have the opportunity to freeze program spending. My own preference would be to increase funding for a program that serves people who have no access to other health care services, but I recognize the need and the reality for restraining the spending in this and in other areas.

I would, therefore, join in supporting the Tauke freeze amendment for 1987 and 1988, and I urge my colleagues to adopt this amendment.

Mr. DANNEMEYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, on my time I would like to ask my colleague, the gentleman from California [Mr. WAXMAN] a question.

The bill, in the form before us, provides for authorization level for fiscal year 1986 of $405 million, in 1987 $437 million, and in fiscal year 1988 $472 million.

I think I understand the amendment offered by the gentleman from Iowa [Mr. TAUKE] would change those levels to $400 million for community health centers in each of the 3 years we are talking about.

My question to the gentleman is: What level for these 3 years does the gentleman's amendment provide?

Mr. WAXMAN. My amendment simply struck out 1986 as a year to be authorized. The Tauke amendment seeks to amend my amendment to freeze the level of funding for 1987 and 1988 at the appropriations level for 1986, which has already been appropriated. And I support the Tauke amendment which would freeze the spending at the appropriations level.

Mr. DANNEMEYER. Well, I will phrase the question this way: In the gentleman's amendment, did he have any funding levels in it?

Mr. WAXMAN. I did not change the funding levels in the bill. What the bill proposes is $437 million for 1987 and $472 million for 1988. So that is the proposal in the bill that is before us.

Mr. DANNEMEYER. Right.

Mr. WAXMAN. And should the Tauke amendment not pass to lower those amounts, those would be the amounts in the bill.

Mr. DANNEMEYER. Right.

Mr. WAXMAN. The Tauke amendment would reduce those to a freeze level so that the authorization would be the same as a freeze at the current appropriations level.

Mr. DANNEMEYER. I understand the amendment of the gentleman from Iowa [Mr. TAUKE], but it is still not clear to me what the amendment of the gentleman from California does in the areas of levels of authorization for fiscal years 1986, 1987, and 1988.

Mr. WAXMAN. It only eliminates the reference to 1986. It does not do anything about the levels one way or the other.

AMENDMENT OFFERED BY MR. DANNEMEYER AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. WAXMAN

Mr. DANNEMEYER. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. DANNEMEYER as a substitute for the amendment offered by Mr. WAXMAN: Page 4, strike out line 18 and all that follows through line 23 on page 5 and insert in lieu thereof the following:

SEC. 4. PRIMARY BLOCK GRANTS.

(a) SECTION 1922.—Section 1922 (42 U.S.C. 300y—1) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1922. For allotments under section 1924 and for grants under sections 329 and 330 there are authorized to be appropriated $419,300,000 for fiscal year 1986, $419,300,000 for fiscal year 1987, and $419,300,000 for fiscal year 1988.".

(b) CONFORMING AMENDMENTS.—

(1) The second sentence of section 330(g)(2) is amended by striking out "and 1984" and inserting in lieu thereof "1984, 1986, 1987, and 1988".

(2) Section 329(h)(1) is amended by inserting after the first sentence the following: "For appropriation authorizations for fiscal years 1987 and 1988, see section 1922.".

(c) MATCHING.—Section 1926(a)(4) is amended by striking out subparagraph (A), by striking out "and shall be deemed to have been paid by the State under subparagraph (A)" in subparagraph (B), and by redesignating subparagraph (B) as paragraph (4).

(d) USE OF ALLOTMENTS.—

(1) Section 1923 (42 U.S.C. 300y-2) is amended—

(A) in the first sentence, by striking out "section 330 to community health centers" and inserting instead "sections 329 and 330 to entities",

(B) in the second sentence, by striking out "section 330 for community health centers" and inserting instead "section 329 or 330 to entities",

(C) in the third sentence, by striking out "section 330 for community health centers" and inserting instead "sections 329 and 330", and

(D) in the section heading by striking out "SECTION 330" and inserting in lieu thereof "SECTIONS 329 and 330".

Section 1924(a) (42 U.S.C. 300y-3(a)) is amended by striking out "the amount granted for fiscal year 1982" and all that follows up to the period and inserting in lieu thereof "the amounts provided by the Secretary from appropriations for fiscal year 1985 to the State and to entities in the State under sections 329, 330, and 1925 bore to the amounts provided by the Secretary from appropriations for fiscal year 1985 to all States and to entities in all States under those provisions".

(3)(A) The heading to section 1926 (42 U.S.C. 300y-5) is amended to read "USE OF ALLOTMENTS".

(B) Section 1926(a) (42 U.S.C. 300y-5(a)) is amended to read as follows:

"SEC. 1926. (a) Except as limited by subsection (b), a State may use amounts paid to it under section 1925 (and amounts transferred under other provisions of law for use under this part) for —

"(1) assistance to community health centers that serve medically underserved populations, and

"(2) health services for migratory and seasonal agricultural workers and their families.

Amounts provided for the activities referred to in the preceding sentence may also be used for related planning, administration, and educational activities.".

(C) Section 1926(b) (42 U.S.C. 300y-5(b)) is amended—

(i) in paragraph (1), by striking out "except in fiscal year 1983 in the case of a community health center which used funds provided under section 330 for fiscal year 1983 to provide such services" and inserting in lieu thereof "other than inpatient services prescribed by the Secretary",

(ii) by adding "or" at the end of paragraph (3),

(iii) by striking out ", or" at the end of paragraph (4) and inserting in lieu thereof a period,

(iv) by striking out paragraph (5), and

(v) by striking out the last sentence.

(D) Section 1926 (42 U.S.C. 300y-5) is amended by adding at the end the following:

"(c)(1) A State shall expend in fiscal year 1987 for health services for migratory and seasonal agricultural workers and their families and community health centers, from the amounts paid to it for fiscal year 1987 under section 1925 (and from amounts transferred under other provisions of law for use under this part), a percentage proportion equal to at least 80 percent of the percentage proportion of the amounts provided to the State or to entities in the State under sections 329, 330, and 1925, from sums appropriated for fiscal year 1986, that were provided under section 329.

"(2) A State shall expend in fiscal year 1988 for health services for migratory and seasonal agricultural workers and their families and community health centers, from the amounts paid to it for fiscal year 1987 under section 1925 (and from amounts transferred under other provisions of law for use under this part), a percentage proportion equal to at least 50 percent of the percentage proportion of the amounts provided to the State or to entities in the State under sections 329, 330, and 1925, from sums appropriated for fiscal year 1987, that were provided under section 329.".

Redesignate the succeeding sections accordingly.

Mr. DANNEMEYER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. WAXMAN. Mr. Chairman, I will object until we have an opportunity to see an amendment. This has not been shared with us and, therefore, I do object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk continued the reading of the amendment.

Mr. WAXMAN (during the reading). Mr. Chairman, first of all, I reserve a point of order on the amendment, and I further ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Chairman, I do reserve a point of order.

Mr. DANNEMEYER. Mr. Chairman, this amendment will place before the committee an option that I think needs to be heard and considered; namely, whether we want to have a continuation of a block grant program for the States to utilize.

Under existing law, that block grant proposal or provision of our law requires that States match whatever money the Federal Government puts up. This has served as a deterrent, frankly, to States of the Union to accept the concept of the block grant proposal.

This amendment would eliminate the requirement of the States with matching money and would still preserve to States the ability to accept and apply for a block grant approach and to utilize those programs in their State that really meet the needs of the people in their particular geographical area.

This administration is seeking to move away from the concept of categorical programs for a very simple reason. Washington does not know the needs of every State of the Union or every geographical area of the Union or every city of the Union. State government should be able to determine best what needs in their areas really are, and that is the whole thrust behind the block grant aspect of this provision.

I am happy to say that there is a letter just handed to me from Secre-

tary Bowen of HHS, dated March 5, and I will read from part of it:

We recently determined through an informal survey that States are interested in having the option to administer their own primary care programs if they could do so without the burdensome requirements of existing law, such as matching funds. We believe they should have this opportunity and urge you to not deprive them of it but to cooperate with the administration by reauthorizing and improving it.

The Secretary goes on to say that he supports this amendment—

and I would urge it to the Members of the committee for its adoption.

It has one other feature to it, as well. It fixes the level for community health centers at $375 million for each of the next 3 years, this current year, 1986, 1987, and 1988, and for migrant health centers at $44.3 million in 1986, 1987, and 1988.

I will bring to the Members' attention that originally the administration asked that this funding level be fixed for community health centers at $360 million. This amendment is an increase of $15 million over that level. In this form I think it is closer to what the administration asked for, and we in Congress, at least in this House, have the opportunity of suggesting whether or not we are willing to go along with the administration in this request and evidence whether or not we can control the tendency to raise the amounts that the administration asked for in the programs that are presented for our consideration as part of the budget process.

For those reasons, I ask for the adoption of this amendment.

The CHAIRMAN. Does the gentleman from California [Mr. WAXMAN] desire to be heard on his point of order?

Mr. WAXMAN. Mr. Chairman, I withdraw my point of order, and I seek recognition in opposition to the Dannemeyer amendment.

The CHAIRMAN. The gentleman is recognized for 5 minutes to speak in opposition to the amendment.

Mr. WAXMAN. Mr. Chairman and my colleagues, I rise in opposition to the Dannemeyer amendment. It would provide, first of all, not a freeze but a very deep cut in the budget for the Community Health Centers and the Migrant Health Centers Program from $445.4 million to $419 million. That is a very, very deep cut. At the same time as this amendment would slash the funds for these health care programs it would turn it over to the States in a block grant.

Let me say that no State wants or has requested this kind of a block grant. Even the National Governors Association has refused to come forward and ask for any kind of a block grant, even a continuation of a block grant that is in existence at the present time.

The amendment would ask the States to take less money than otherwise would go to the health care clinics and set up a bureaucracy to start delivering health care.

Well, the States do not want this block grant because they are not in the business of providing health care services. They are not interested in providing that nor should they be, when they already have clinics that are in existence that have been funded to provide these services.

Let us not take less money and add an extra layer of bureaucracy on a program that we have intended for the use of primary care for people who live in underserved rural areas where they cannot find doctors willing to locate or any other health care practitioners willing to locate, and if they did not have these clinics they would not have access to health care services, or in the central city areas, where they are also having a similar problem in attracting health care providers.

There are clinics there in place providing services. I wish we could fund them even more. But the Tauke amendment would put a freeze on that. I recognize the realities of why we need to have a freeze on the appropriation level. Let us support the freeze amendment and defeat the Dannemeyer amendment which would make a very, very deep cut and reorganize the whole program.

I urge opposition to the amendment.

Mr. DANNEMEYER. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from California.

Mr. DANNEMEYER. The gentleman used one figure that I would like to question the gentleman about. The gentleman used the figure of 445. The amendment that I am offering would be 419. So it is 419 to 445. That is a reduction of 6 percent, roughly. Does the gentleman feel that that is a correct assessment of the comparison of our two proposals?

Mr. WAXMAN. If I could reclaim my time, the current funding level is $400 million for community health centers and $45,400,000 for migrant health centers. That is where I came to that combined figure, and the gentleman would combine them and reduce it to $419,300,000.

Mr. DANNEMEYER. That is a reduction of about 6 percent.

Mr. WAXMAN. It is a reduction after you would put this in a block grant where the States would have to use that money to set up a whole new bureaucracy, and so I am strongly opposed to the amendment.

Mr. RAHALL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Dannemeyer amendment as an amendment to the Tauke amendment.

Mr. Chairman, I believe the question before us this afternoon is: Why should the primary care block grant be repealed?

The answers are: It is confusing and unfair to leave our health centers in limbo. Every organization representing public health and primary care programs supports the approach of the bill brought to us by the gentleman from California, H.R. 2418, and not one State currently operates under this block grant approach.

I would like to speak, for a moment, Mr. Chairman, as a Representative from the only State that did apply for and operate under the primary care block grant system. I would like to explain why we turned it back after only 8 months and why it is dangerous to leave this block on the books today.

The reason is simple. West Virginia lost money because of a fixed formula that failed to meet changing trends; namely, our high unemployment rates and flood disasters that occurred in our State. Obviously, these are uncontrollable items that affect the formula.

□ 1715

The problem was not the other requirements of the bill. We met those match requirements very easily, and the reporting requirements were not cumbersome to our people in West Virginia. The problem was simply that a fixed formula penalized our high-need State, especially the rural areas.

According to figures that have been made public by our Governor's office in West Virginia, we lost over $300,000 in the first year. Conversely, once the program was returned to the Federal Government and funds were allocated on a need basis, our State's proportion increased by about $2 million.

As our Governor has so very well put it, "It is in the best interests of our State citizens that I am returning this block grant. As I am sure the administration will continue to push this dead dog on any innocent bystander, it is important that we take a stand based upon what is good policy."

So in conclusion, Mr. Chairman, I urge that my colleagues vote against this Dannemeyer substitute amendment to the Tauke amendment. A block grant is bad policy for this program.

Mr. RICHARDSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I hope that this body rejects this amendment; it is a killer amendment. It is a killer amendment not only in the funding, which literally decimates the program, but second, in the block grant approach.

My colleague from West Virginia very eloquently spoke as to how this program, the block grant approach, affected his State, the only State to be involved in it.

My State of New Mexico would literally be decimated in this specific program because it would require a 30 percent match by the State. The State simply cannot afford it. If you come from a rural area with a State of a low per capita income dependent on minerals for much of the tax base and much of the funding base, this is a devastating amendment that would hurt a lot of innocent people.

The Reagan administration has made similar proposals every year since 1981, and these proposals have consistently been rejected by Congress—with good reason. The present system of categorical grants targets funding to providers of specific high-priority services, such as migrant and community health centers serving low-income people with few, if any, alternative sources of primary care. Consolidation of these programs into a block grant would eliminate this targeting, essentially allowing States to use the funds for virtually anything that might be considered primary health care. Further, it is only the administration—not the grantees—which is presently complaining about "burdensome reporting requirements." The only way to reduce these requirements would be to reduce control over how the funds are spent, something that is not in the interest of either the taxpayers or those in need of services.

While States have experience in administering some block grant programs, they do not have experience in administering primary health care. The block grants which States have administered successfully are in areas where the States have a history of involvement, such as education. Maintaining direct Federal to provider grant structure ensures those groups most in need of primary care will receive it. There would be no similar insurance with a block grant approach.

Last year the other body unanimously approved legislation which would continue health centers as direct Federal programs and repeal the existing optional primary care block grant approach. The bill would have, however, allowed for greater State participation in primary care. Virtually everyone involved agrees that this approach is much better than a block grant, given States' limited experience in this area.

The Community Health Center and Migrant Health programs are the primary Federal programs to assure that medically underserved population groups and people in medically underserved areas receive health care. I hope this House rejects the Dannemeyer amendment and supports the Tauke amendment.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I must admit that I have become confused by some of the gentlemen from the other side who have spoken about this amendment because what they are saying does not strike me as what I understand the amendment to be. I would like to ask some questions of the author of the amendment if I could try to clear up what, evidently, are some horrible misconceptions about what the gentleman is doing on the other side.

First of all, let us talk about what it is that the gentleman is trying to retain. If I understand correctly, one of the major reforms enacted in 1981 in the health care area was in fact the creation of the Primary Health Care Block Grant Program. Is it not the gentleman's view that if we go ahead with the bill on the floor without the gentleman's amendment, that we will literally kill off that reform.

I yield to the gentleman for his response.

Mr. DANNEMEYER. That is precisely correct.

Mr. WALKER. So that when we hear language used like "Killer amendments" and so on, what is really being killed here in the bill we have before us, save the gentleman's amendment, is the reform enacted in 1981 to try to get some containment into the health care industry. Is that not correct?

Mr. DANNEMEYER. If the gentleman will yield, that is very correct.

Mr. WALKER. All right.

Now, I also heard mentioned on the other side the fact that this would be terrible for the States under the gentleman's approach because the States would have to provide matching money.

Am I correct that under the gentleman's amendment that there is no matching money required of the State; that the present program would be changed somewhat by the gentleman's amendment so that the Primary Health Care Block Grant would no longer require matching money by the States?

Mr. DANNEMEYER. That is right. The theory behind it is that hopefully, by eliminating the State-matching requirement, more States will accept the option which is in this legislation of utilizing the block grant approach.

Mr. WALKER. But at the very least, the contention of the gentleman from New Mexico 1 minute ago that his State would have to put up 30 percent of the money in order to get the money under this block grant cannot be true under the gentleman's amendment because the match is eliminated? Is that correct?

Mr. DANNEMEYER. If the gentleman will yield further, I hope we have disabused our friend from New Mexico of that erroneous assumption which somehow got into the CONGRESSIONAL RECORD.

Mr. WALKER. I thank the gentleman.

Mr. COLEMAN of Texas. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. COLEMAN of Texas. I thank the gentleman for yielding.

Mr. Chairman, I do not want to misinterpret or say or do anything that would not be correct in terms of what the amendment of the gentleman from California does in trying to understand this particular amendment.

It is my understanding that what the gentleman is actually doing, however, is indefinitely freezing the funding allocations. As I understand the program as the way it works today, is that the Federal Government, the administration, year after year continually looks at changing patterns of migration, poverty, those kinds of issues in a State-by-State basis so that they can make the proper allocations. That is my understanding. Is that your understanding also?

Mr. WALKER. I yield to the gentleman from California [Mr. DANNEMEYER] for his response.

Mr. DANNEMEYER. I would assume that what the gentleman from Texas has described is going on continually not only primarily in the State administrations because they have more knowledge of those activities than I suspect than HHS in Washington, DC, does.

Mr. COLEMAN of Texas. If the gentleman will continue to yield, as I was saying, it appears to me that that is the kind of responsiveness that all of us would want from any administration to be able to reallocate resources on a year-by-year basis based on need, based on changing conditions.

I submit that what your amendment does, however, is ignore changing migration patterns and poverty and that kind of thing if in fact you freeze the funding allocation formula.

Mr. WALKER. If I may say to the gentleman though, that gets to the next point that I was going to raise here that was brought up in the course of the argument from some of the gentleman from your side of the aisle on the question of targeting.

It seems to me the advantage of the methodology that is proposed by the gentleman from California that we keep is that under a block grant program, as changing conditions are seen at the local level, you can in fact change your program to meet those changing conditions.

If you stick with the categorical targeting of programs, you are stuck then with the allocation in that particular year in that particular area. Under the block grant approach, you can use your migrant health money, your family planning money, your community health money and so on in a variety of ways to assure that the delivery of services to the local level is in fact a

delivery that meets the local needs as they are changing. That is what you lose if you move away from block grant and stick with categorical moneys.

Mr. COLEMAN of Texas. If the gentleman will yield one more time, I think that is exactly the point, however, is that there is no more funds from which to draw from any other source rather but only within your State. I think the gentleman essentially said that, and I think that is the problem.

Mr. WALKER. But the point being that you have some discretion as to how use the money. I will say to the gentleman that under the conditions that we now find ourselves in at the Federal level, we are going to have fairly limited amounts of resources going into the States anyhow. I do not care whether it is this program or any program around here, resources are going to be limited in the future.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 3 additional minutes.)

Mr. WALKER. It seems to me that if we want to respond in a condition of limited resources to the needs of local governments and local communities, we ought to give them as much discretion in using those limited resources as possible.

□ 1725

What this bill proposes to do is move us away from the idea of discretionary local determinations and move us toward acceptance of categorical funding in particular areas.

I say to the gentleman that that is probably a misuse of scarce resources, rather than a good use of scarce resources, and the gentleman from California is trying to protect a means by which we can use scarce resources a little bit better.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from California.

Mr. WAXMAN. Well, I think the gentleman misunderstands the Dannemeyer amendment. The Dannemeyer amendment provides for the State of Texas to get the same percentage they get now, and never any more.

Now, that would mean that even if the State of Texas suffered unemployment, even if the State of Texas had a large increase in illegal aliens coming in and using their health care services, they would not get additional Federal funds to meet those needs.

Now, a State can always add its own money, but we ought to be flexible enough with the Federal dollars to meet the needs. If there is unemployment in the State of Pennsylvania and there were a deep depression there, as there are in a number of other States, we ought to be able to allocate the formula so that you get more money and not less.

Mr. WALKER. I would say to the gentleman, that is all well and good if we could ever come up with the money to do this; but the fact is that we are bound by the condition that we are going to have limited resources available to do these programs and it seems to me what the gentleman is suggesting in his bill, given those limited resources, we are going to tie the hands of the States even further in terms of their applicability and we are going to make certain that the States do not have the ability to transfer moneys.

It may well be that if you have unemployment in Pennsylvania and do not have a massive problem with migrant health that we would like to be able to use the money that would be allocated normally under migrant health programs in order to meet community health program arising from unemployment. That might be something we would like to do in the State of Pennsylvania.

Under the block grant approach, we are permitted to do that. Under this approach we are tied to the categorical funding areas that are determined by Federal bureaucrats as to what we ought to get in particular areas.

I think that inflexibility wastes taxpayers' money far more than a flexible approach that is offered under the block grant program that the gentleman from California is bringing to us.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield further?

Mr. WALKER. I am happy to yield to the gentleman.

Mr. WAXMAN. What we are doing is allocating scarce resources, but the Federal Government ought to allocate those resources based on where there is a need for them. If there is unemployment, if there is a large population that is using health care services that has no other access to insurance coverage, either by Medicaid or by the others, then the State can add more money.

What the gentleman is supporting would mean that the Federal Government would not have the flexibility in allocating scarce resources to those places that need it the most.

Mr. WALKER. I am saying to the gentleman that health needs are health needs and the local areas ought to have the discretion to meet the health needs that they face, rather then having the Federal Government saying what it is that is rising at the local level and also assigning categorical amounts into those local communities. We are far better off having local communities make local determination. That is what the gentleman from California [Mr. DANNEMEYER] has an amendment to have us do.

Mr. ROWLAND of Georgia. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to support the Tauke amendment. At a time when we are facing potentially drastic cuts in virtually all of our domestic programs, I believe that we should look closely at authorizing a higher level of funding on even the most worthy of programs. Today and until the day comes that we have the deficit under control and the national debt substantially reduced, we ought to consider operating Federal programs at a subsistence level. The American people are not prepared to accept higher taxes, nor are they willing to abolish programs that serve the needs of many Americans. Under such constraints, the Congress should fulfill its responsibility to assist in the governance of our Nation by enacting legislation which will reduce Federal funding to a level consistent with the Gramm-Rudman-Hollings law without the invocation of its automatic cuts. This amendment is a step in that direction and one which must be replicated at every opportunity, if we are to succeed in our deficit control effort. However, I am opposed to any deeper reductions in the authorization level.

Mr. Chairman, as we see more and more stress among rural Americans, resulting from the application of ill-conceived Federal farm policies, the availability of rural health centers is critical to the health of farm families. The demand for health services among this population, which very often does not have health insurance coverage and in these economic times cannot afford to pay for medical care, can be met in part through these centers. The Federal contribution to many of these centers is vital to their continued existence.

At the same time, we should examine the roles of State and local governments in the delivery of health services to rural citizens. Access problems are not likely to be solved for this population regardless of economic conditions or the total supply of physicians and hospital beds. Rural Americans should have access to first class health care just as urban Americans do. Government at all levels, working together, should assure this. The action we take today on this bill will provide that continued support for rural health centers, not at an optimal level, but at least an adequate one.

Mr. Chairman, in concluding my remarks, I would hope that the Secretary of Health and Human Services would take cognizance of the concerns expressed here and conduct a study of the relationship of various levels of government in the delivery of health services through the community and rural health centers. Responsibility for these services, as in the case of

many others, must be shared with local and State governments.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. TAUKE] to the amendment offered by the gentleman from California [Mr. WAXMAN].

PARLIAMENTARY INQUIRY

Mr. DANNEMEYER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DANNEMEYER. Mr. Chairman, what is the vote to be taken on first?

The CHAIRMAN. The first amendment is the amendment of the gentleman from Iowa to perfect the amendment of the gentleman from California [Mr. WAXMAN].

Mr. DANNEMEYER. And then what will be the next vote, Mr. Chairman?

The CHAIRMAN. If there is no other amendment intervening, the next one would be a vote upon the substitute of the gentleman from California.

Mr. DANNEMEYER. I thank the Chair.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. TAUKE] to the amendment offered by the gentleman from California [Mr. WAXMAN].

The question was taken; and the chairman announced that the ayes appeared to have it.

Mr. WAXMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment to the amendment was agreed to.

Mr. WAXMAN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 37]

Akaka	Bonior (MI)	Clinger
Alexander	Bonker	Coats
Anderson	Borski	Cobey
Andrews	Bosco	Coble
Annunzio	Boucher	Coelho
Armey	Boulter	Coleman (MO)
Atkins	Boxer	Coleman (TX)
AuCoin	Breaux	Combest
Badham	Brooks	Conte
Barnard	Broomfield	Cooper
Bartlett	Brown (CA)	Coughlin
Barton	Brown (CO)	Courter
Bates	Broyhill	Coyne
Bedell	Bruce	Craig
Bellenson	Bryant	Crane
Bennett	Burton (CA)	Crockett
Bentley	Burton (IN)	Daniel
Bereuter	Bustamante	Dannemeyer
Berman	Byron	Darden
Bevill	Callahan	Daschle
Biaggi	Carney	Daub
Bilirakis	Carper	Davis
Bliley	Chandler	de la Garza
Boehlert	Chapman	DeLay
Boggs	Chappell	Dellums
Boland	Chappie	Derrick
Boner (TN)	Clay	DeWine
Dickinson	Kaptur	Pease
Dicks	Kasich	Penny
Dingell	Kastenmeier	Pepper
DioGuardi	Kemp	Perkins
Dixon	Kennelly	Petri
Donnelly	Kildee	Pickle
Dorgan (ND)	Kindness	Porter
Dowdy	Kleczka	Price
Downey	Kolbe	Pursell
Dreier	Kolter	Quillen
Duncan	Kostmayer	Rahall
Durbin	Kramer	Rangel
Dwyer	LaFalce	Ray
Dymally	Lagomarsino	Regula
Dyson	Lantos	Reid
Early	Leach (IA)	Richardson
Eckart (OH)	Leath (TX)	Ridge
Eckert (NY)	Lehman (CA)	Rinaldo
Edwards (CA)	Lehman (FL)	Ritter
Edwards (OK)	Leland	Roberts
Emerson	Lent	Robinson
English	Levin (MI)	Rodino
Erdreich	Levine (CA)	Roe
Evans (IA)	Lewis (CA)	Roemer
Evans (IL)	Lewis (FL)	Rogers
Fascell	Lightfoot	Rose
Fawell	Lipinski	Roukema
Feighan	Livingston	Rowland (CT)
Fiedler	Lloyd	Rowland (GA)
Fields	Long	Roybal
Fish	Lowery (CA)	Russo
Flippo	Lowry (WA)	Sabo
Florio	Lujan	Savage
Foley	Luken	Saxton
Ford (MI)	Lundine	Schaefer
Ford (TN)	Lungren	Schneider
Fowler	Mack	Schroeder
Frank	MacKay	Schuette
Franklin	Madigan	Schulze
Frenzel	Manton	Schumer
Fuqua	Markey	Seiberling
Gallo	Marlenee	Sensenbrenner
Garcia	Martin (IL)	Sharp
Gaydos	Martin (NY)	Shaw
Gejdenson	Matsui	Shelby
Gekas	Mavroules	Shumway
Gephardt	Mazzoli	Sikorski
Gibbons	McCain	Siljander
Gilman	McCandless	Sisisky
Gingrich	McCloskey	Skeen
Glickman	McCollum	Skelton
Gonzalez	McCurdy	Slattery
Goodling	McDade	Slaughter
Gordon	McEwen	Smith (FL)
Gradison	McGrath	Smith (IA)
Gray (IL)	McHugh	Smith (NE)
Gray (PA)	McKernan	Smith (NJ)
Green	McKinney	Smith, Denny (OR)
Gregg	McMillan	Smith, Robert (NH)
Guarini	Meyers	Smith, Robert (OR)
Gunderson	Mica	Snowe
Hall (OH)	Mikulski	Snyder
Hall, Ralph	Miller (OH)	Solomon
Hamilton	Miller (WA)	Spence
Hammerschmidt	Mineta	Spratt
Hansen	Mitchell	St Germain
Hartnett	Moakley	Staggers
Hatcher	Molinari	Stallings
Hawkins	Mollohan	Stangeland
Hayes	Montgomery	Stenholm
Hefner	Moody	Stokes
Heftel	Moore	Strang
Hendon	Moorhead	Stratton
Henry	Morrison (CT)	Studds
Hertel	Morrison (WA)	Stump
Hiler	Mrazek	Sundquist
Hillis	Murphy	Sweeney
Holt	Murtha	Swift
Hopkins	Myers	Swindall
Horton	Natcher	Synar
Howard	Neal	Tallon
Hoyer	Nichols	Tauke
Hubbard	Nielson	Tauzin
Huckaby	Nowak	Taylor
Hughes	O'Brien	Thomas (CA)
Hunter	Oakar	Thomas (GA)
Hutto	Oberstar	Torres
Hyde	Obey	Torricelli
Ireland	Olin	Towns
Jacobs	Ortiz	Traficant
Jeffords	Owens	Traxler
Jenkins	Oxley	Udall
Johnson	Packard	Valentine
Jones (NC)	Panetta	Vento
Jones (TN)	Parris	Visclosky
Kanjorski	Pashayan	Volkmer
		Vucanovich
		Walgren
		Walker
		Watkins
		Waxman
		Weiss
		Wheat
		Whitehurst
		Whitley
		Whittaker
		Whitten
		Wilson
		Wirth
		Wise
		Wolf
		Wolpe
		Wortley
		Wright
		Wyden
		Wylie
		Yates
		Yatron
		Young (FL)
		Young (MO)

□ 1750

The CHAIRMAN. Three hundred ninety-three Members have responded, a quorum is present, and the Committee will resume its business.

PARLIAMENTARY INQUIRY

Mr. TAUKE. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. TAUKE. Mr. Chairman, could the Chair tell me if the amendment which I offered has been agreed to by the Committee?

The CHAIRMAN. The Chair will inform the gentleman that it was agreed to.

Mr. TAUKE. I thank the Chair.

Mr. WAXMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman and my colleagues, to clarify where we are in the procedure, we have pending before us a Dannemeyer substitute. The Dannemeyer substitute would cut deeply into the funds for the Community Health Centers/Migrant Health Centers Program, and it would also block grant those funds, and set out in the distribution to the States a formula that freezes in place the distribution, no matter what circumstances may arise in those States such as, increased unemployment and therefore loss of health insurance; large number of illegal aliens coming into the community and going to the health care services of that community.

It would remove the discretion at the Federal level by freezing in place a block grant and those funds for that block grant distributed as they are at the present time, even though circumstances may change.

I would urge my colleagues to vote no on the Dannemeyer amendment. Then the issue before us will be the Waxman-Tauke amendment which freezes in place at the appropriations level for 1986 the Community Health Centers Program and the Migrant Health Centers Program at that level of appropriation for 1987 and 1988.

So the first vote will be on the Dannemeyer amendment, and I would urge the defeat of the Dannemeyer amendment; and then an aye vote for the Waxman-Tauke freeze amendment.

Mr. DANNEMEYER. Mr. Chairman, I ask unanimous consent that my substitute amendment be modified to reflect the same spending levels as were contained and adopted by the Committee of the Whole in the Tauke amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. WAXMAN. Mr. Chairman, I reserve the right to object. I do so to ask the gentleman from California [Mr. DANNEMEYER]—in other words, what the gentleman seeks to do is to increase the amount of money he would spend to the same level as the Tauke freeze level?

Mr. DANNEMEYER. That is correct.

Mr. WAXMAN. So in other words, a vote for the Dannemeyer substitute will not even save any money. If people wanted to save money to vote for the gentleman's amendment, they would not save any money; they would simply take this whole program and force it into a block grant. Is that correct?

Mr. DANNEMEYER. In response to the gentleman's statement, I will make this observation: My amendment would permit the Committee of the Whole to vote on the concept of the block grant, which the administration is supporting, which I have a letter here showing that it is supported by Secretary Bowen, Secretary of HHS; and would make a modification in the existing law for block grants in this field by eliminating the requirement of State matching money.

Mr. WAXMAN. Further reserving the right to object, Mr. Chairman, I do not object to the gentleman changing his amendment. I object to his amendment; I will not object to that unanimous consent request, but I still would strongly urge a no vote on the Dannemeyer amendment.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the amendment as modified offered by Mr. DANNEMEYER as a substitute for the amendment offered by Mr. WAXMAN is as follows:

Page 4, strike out line 18 and all that follows through line 23 on page 5 and insert in lieu thereof the following:

SEC. 4. PRIMARY BLOCK GRANTS.

(a) SEC. 1922. Section 1922 (42 U.S.C. 300y-1) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1922. For allotments under section 1924 and for grants under sections 329 and 330 there are authorized to be appropriated $419,300,000 for fiscal year 1986, $400,000,000 for fiscal year 1987, and $400,000,000 for the fiscal year 1988.".

(b) CONFORMING AMENDMENTS.—

(1) The second sentence of section 330(g)(2) is amended by striking out "and 1984" and inserting in lieu thereof "1984, 1986, 1987, and 1988".

(2) Section 329(h)(1) is amended by inserting after the first sentence the following: "For appropriation authorizations for fiscal years 1987 and 1988, see section 1922.".

(c) MATCHING.—Section 1926(a)(4) is amended by striking out subparagraph (A), by striking out "and shall be deemed to have been paid by the State under subparagraph (A)" in subparagraph (B), and by redesignating subparagraph (B) as paragraph (4).

(d) USE OF ALLOTMENTS.—

(1) Section 1923 (42 U.S.C. 300y-2) is amended—

(A) in the first sentence, by striking out "section 330 to community health centers" and inserting instead "sections 329 and 330 to entities",

(B) in the second sentence, by striking out "section 330 for community health centers" and inserting instead "section 329 or 330 to entities",

(C) in the third sentence, by striking out "section 330 for community health centers" and inserting instead "sections 329 and 330", and

(D) in the section heading by striking out "SECTION 330" and inserting in lieu thereof "SECTIONS 329 AND 330".

(2) Section 1924(a) (42 U.S.C. 300y-3(a)) is amended by striking out "the most granted for fiscal year 1982" and all that follows up to the period and inserting in lieu thereof "the amounts provided by the Secretary from appropriations for fiscal year 1985 to the State and to entities in the State under sections 329, 330, and 1925 bore to the amounts provided by the Secretary from appropriations for fiscal year 1985 to all States and to entities in all States under those provisions".

(3)(A) The heading to section 1926 (42 U.S.C. 300y-5) is amended to read "USE OF ALLOTMENTS".

(B) Section 1926(a) (42 U.S.C. 300y-5(a)) is amended to read as follows:

"SEC. 1926. (a) Except as limited by subsection (b), a State may use amounts paid to it under section 1925 (and amounts transferred under other provisions of law for use under this part) for—

"(1) assistance to community health centers that serve medically underserved populations, and

"(2) health services for migratory and seasonal agricultural workers and their families.

Amounts provided for the activities referred to in the preceding sentence may also be used for related planning, administration, and educational activities.".

(C) Section 1926(b) (42 U.S.C. 300y-5(b)) is amended—

(i) in paragraph (1), by striking out "except in fiscal year 1983 in the case of a community health center which used funds provided under section 330 for fiscal year 1983 to provide such services" and inserting in lieu thereof "other than inpatient services prescribed by the Secretary",

(ii) by adding "or" at the end of paragraph (3),

(iii) by striking out ", or" at the end of paragraph (4) and inserting in lieu thereof a period,

(iv) by striking out paragraph (5), and

(v) by striking out the last sentence.

(D) Section 1926 (42 U.S.C. 300y-5) is amended by adding at the end the following:

"(c)(1) A State shall expend in fiscal year 1987 for health services for migratory and seasonal agricultural workers and their families and community health centers, from the amounts paid to it for fiscal year 1987 under section 1925 (and from amounts transferred under other provisions of law for use under this part), a percentage proportion equal to at least 80 percent of the percentage proportion of the amounts provided to the State or to entities in the State under sections 329, 330, and 1925, from sums appropriated for fiscal year 1986, that were provided under section 329.

"(2) A State shall expend in fiscal year 1988 for health services for migratory and seasonal agricultural workers and their families and community health centers, from the amounts paid to it for fiscal year 1987 under section 1925 (and from amounts transferred under other provisions of law for use under this part), a percentage proportion equal to at least 50 percent of the percentage proportion of the amounts provided to the State or to entities in the State under sections 329, 330, and 1925, from sums appropriated for fiscal year 1987, that were provided under section 329.".

Redesignate the succeeding sections accordingly.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. DANNEMEYER], as modified, as a substitute for the amendment offered by the gentleman from California [Mr. WAXMAN].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DANNEMEYER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 94, noes 319, not voting 21, as follows:

[Roll No. 38]

AYES—94

Archer	Gregg	Packard
Armey	Hammerschmidt	Parris
Badham	Hansen	Petri
Bartlett	Hartnett	Ritter
Barton	Hiler	Schaefer
Bereuter	Hopkins	Schulze
Bilirakis	Hunter	Sensenbrenner
Bliley	Hyde	Shaw
Broomfield	Ireland	Shumway
Brown (CO)	Kemp	Slaughter
Burton (IN)	Kindness	Smith (NE)
Callahan	Kolbe	Smith, Denny (OR)
Chappie	Kramer	Smith, Robert (NH)
Cobey	Lagomarsino	Smith, Robert (OR)
Coble	Lewis (CA)	Snyder
Combest	Lewis (FL)	Solomon
Craig	Livingston	Spence
Crane	Lowery (CA)	Stangeland
Dannemeyer	Lujan	Strang
Daub	Lungren	Stump
DeLay	Mack	Sundquist
Derrick	Madigan	Sweeney
DeWine	Marlenee	Swindall
Dickinson	Martin (IL)	Taylor
Dreier	McCain	Thomas (CA)
Eckert (NY)	McCandless	Vucanovich
Edwards (OK)	McCollum	Walker
Fawell	McEwen	Weber
Fiedler	Miller (OH)	
Fields	Moorhead	
Frenzel	Nielson	
Gingrich	O'Brien	
Gradison	Oxley	

NOES—319

Addabbo	Bateman	Bonior (MI)
Akaka	Bates	Bonker
Alexander	Bedell	Borski
Anderson	Beilenson	Bosco
Andrews	Bennett	Boucher
Annunzio	Bentley	Boulter
Anthony	Berman	Boxer
Applegate	Bevill	Breaux
Aspin	Biaggi	Brooks
Atkins	Boehlert	Brown (CA)
AuCoin	Boggs	Broyhill
Barnard	Boland	Bruce
Barnes	Boner (TN)	Bryant

Burton (CA)
Bustamante
Byron
Campbell
Carney
Carper
Carr
Chandler
Chapman
Chappell
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Conte
Cooper
Coughlin
Courter
Coyne
Crockett
Daniel
Darden
Daschle
Davis
de la Garza
Dellums
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Edwards (CA)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fazio
Feighan
Fish
Flippo
Florio
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hendon
Henry
Hertel
Hillis
Holt
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lightfoot
Lipinski
Lloyd
Long
Lowry (WA)
Luken
Lundine
MacKay
Manton
Markey
Martin (NY)
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Mikulski
Miller (CA)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Panetta
Pashayan
Pease
Penny
Pepper
Perkins
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schumer
Seiberling
Sharp
Shelby
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauke
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)

NOT VOTING—21

Ackerman
Cheney
Collins
Conyers
Dornan (CA)
Edgar
Foglietta
Grotberg
Jones (OK)
Latta
Loeffler
Lott
Martinez
Michel
Monson
Rostenkowski
Roth
Rudd
Solarz
Vander Jagt
Zschau

□ 1800

Mr. SHAW changed his vote from "no" to "aye."

So the amendment, as modified, offered as a substitute for the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. WAXMAN] as amended.

The question was taken, and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. WAXMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 400, noes 9, not voting 25, as follows:

[Roll No. 39]

AYES—400

Addabbo
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Barnard
Bartlett
Barton
Bateman
Bates
Bedell
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Breaux
Brooks
Broomfield
Brown (CA)
Brown (CO)
Broyhill
Bruce
Bryant
Burton (CA)
Burton (IN)
Bustamante
Byron
Callahan
Campbell
Carney
Carper
Carr
Chandler
Chapman
Chappell
Chappie
Clinger
Coats
Cobey
Coble
Coelho
Coleman (MO)
Coleman (TX)
Combest
Conte
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
DioGuardi
Dixon
Dorgan (ND)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Eckert (NY)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fawell
Fazio
Feighan
Fiedler
Fields
Fish
Flippo
Florio
Foley
Ford (MI)
Ford (TN)
Fowler
Franklin
Frenzel
Frost
Fuqua
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hansen
Hartnett
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hendon
Henry
Hertel
Hiler
Hillis
Holt
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKernan
McKinney
McMillan
Meyers
Mica
Mikulski
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Obey
Olin
Ortiz
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Snyder
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Strang
Stratton
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)

NOES—9

Clay
Donnelly
Frank
Gonzalez
Oberstar
Perkins
Studds
Weiss
Williams

NOT VOTING—25

Ackerman
Barnes
Cheney
Collins
Conyers
Dingell
Dornan (CA)
Edgar
Foglietta
Grotberg
Jones (OK)
Latta
Loeffler
Lott
Martinez
Michel
Monson
Rostenkowski
Roth
Rudd
Shumway
Smith (IA)
Solarz
Vander Jagt
Zschau

□ 1825

So the amendment, as amended, was agreed to.

The result of the vote was amended as above recorded.

AMENDMENT OFFERED BY MR. DANNEMEYER

Mr. DANNEMEYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DANNEMEYER: Page 5, after line 23 insert the following:

SEC. 7. GRANT CONDITION.

Effective 6 months after the date of the enactment of this Act, no grant may be made under section 329 of the Public Health Service Act for a migrant health center or under section 330 of such Act for a community health center if such center is located in a State which permits the operation of any public bath which is determined by the State or a local health authority to be hazardous to the public health or used for sexual relations between males.

Redesignate the succeeding sections accordingly.

Mr. WAXMAN (during the reading). Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from California [Mr. WAXMAN] reserves a point of order.

The Clerk will continue to read.

The Clerk continued the reading of the amendment.

Mr. DANNEMEYER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. WAXMAN. Mr. Chairman, I would like to reserve the right to object to that unanimous-consent request. In doing so, I would like to see the amendment.

Mr. Chairman, I withdraw my objection. I understand we do have the amendment.

Mr. Chairman, I withdraw my objection to the unanimous-consent request to have the amendment considered as read.

The CHAIRMAN. Is there objection to the request of the gentleman from California [Mr. DANNEMEYER]?

There was no objection.

The CHAIRMAN. The gentleman from California [Mr. WAXMAN] reserves a point of order.

Mr. DANNEMEYER. Mr. Chairman, I would like to make an observation about offering this amendment to this bill. I would have preferred to have offered the bill itself that deals with this subject matter.

Last September this Member from California introduced five bills dealing with reducing the incidence of an epidemic in America called AIDS. Those five bills have been assigned to three committees of the House. On numerous occasions I have asked for a hearing, and in writing. Last December I asked for hearings on these bills. I am still waiting for a response from the members of the committees to which those bills have been assigned. Regretfully, I must take up the time of the House through this fashion. We all know the process. When you cannot get a hearing before a committee of the House, you seek to attach the subject matter of your amendment to a train going through the legislative process. This is why this amendment is being offered.

In considering the rules of germaneness in the House, this amendment has been narrowly drafted so that it only pertains to and places a limitation on the ability of a State of the Union to receive funds for community health centers and migrant health centers, and the condition is that within 6 months of the adoption of this amendment, States would be required to close bathhouses in their jurisdictions.

If States do not do this, they would lose their ability for funding under these two programs.

Now, why should we resort to this effort? For a very simple reason. AIDS is an epidemic that is striking across America. We believe there are at least 18,000 Americans so far who have acquired the disease, half of whom have died. We know that AIDS is transmitted sexually. About 73 percent of the cases nationally come in one group, male homosexuals. And one of the ironies of contemporary life in America is that most States of the Union, for reasons of public health and public morality, have shutdown houses of prostitution, which, in effect, from a policy standpoint is saying that we do not choose to have commercial sex between a man and a woman in a place licensed by the State. And yet at the same time this culture of which we are a part has said to one particular special interest group, male homosexuals, that they can have commercial places for sex licensed by the State; namely, bathhouses.

POINT OF ORDER

Mr. WAXMAN. Mr. Chairman, I have a point of order. This amendment is not in order, and I would like to assert my point of order at this time.

The CHAIRMAN. The time of the gentleman from California [Mr. DANNEMEYER] has not yet expired.

The gentleman may proceed.

Mr. DANNEMEYER. I thank the Chair.

Mr. Chairman, experts tell us that between half a million and a million Americans today have antibodies of the virus in their blood. This means that between 5 percent and some estimates go as high as 50 percent of those people with antibodies in their blood are going to have AIDS within the next 5 years. There is no cure for this disease as of this time. Hopefully, we can find a vaccine for it, we can ameliorate human suffering by providing care, but the existence of this disease is straining the health care system of this country in certain metropolitan regions, such as San Francisco, Los Angeles, and New York City.

From a policy standpoint, we should take reasonable actions to reduce the incidence of this disease. And shutting down bathhouses is one of the options that I think we should be contemplating at this time.

I bring to the Members' attention an excellent article on the subject of AIDS contained in the "American Spectator," in the March edition, and I would like to read a very sobering paragraph of this article for their consideration:

From what we know now, the only alternative available until cures or vaccines, or both, is to prevent the spread of the disease by making it physically impossible. This implies strict quarantine, as has always been used in the past when serious, not necessarily lethal, infections have been spreading.

The CHAIRMAN. The time of the gentleman from California [Mr. DANNEMEYER] has expired.

Mr. DANNEMEYER. Mr. Chairman, I ask unanimous consent that I may proceed for an additional 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. WAXMAN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from California [Mr. WAXMAN] insist on his point of order?

Mr. WAXMAN. Mr. Chairman, I assert my point of order.

Mr. Chairman, the amendment offered by our colleague, the gentleman from California, is not germane to this bill. This bill provides for the operation of community health centers and migrant health centers. To our knowledge, no community or migrant health centers are operated by State governments. This amendment would delay the operation of the legislation until a contingency not related to the purposes of this bill is carried out by States. This amendment is not germane. I have other objections to it, as well, but it is not germane to this bill and, therefore, I assert my point of order and ask that it be sustained.

□ 1840

The CHAIRMAN. Does the gentleman from California wish to be heard on the point or order?

Mr. DANNEMEYER. I do, Mr. Chairman.

Mr. Chairman, the point of order that is being asserted by my friend from Los Angeles may have some merit if the proscription of the amend-

ment had general applicability to all health care funds. It does not.

It is limited exclusively to any funding that may be available under the two programs, Community Health Centers and Migrant Health Centers. With that limitation, I think it is most appropriate to say in this authorization bill that none of the funds can be used unless, within 6 months, States of the Union who seek to apply for these funds have shut down bathhouses in their jurisdictions. In that narrow area, I believe it should pass muster as having germaneness and applicability.

Mr. WAXMAN. Mr. Chairman, if I might be heard further on this amendment. An amendment delaying the operation of proposed legislation pending an unrelated contingency is not germane. The funds granted under this program are to private entities, not to State governments.

To permit that those funds be cut off to private entities because of the inaction by State government is not germane because it is a contingency that cannot be met by the organization to which the funds would be granted. Chapter 28, section 24, provides that an amendment making the implementation of Federal legislation contingent upon the enactment of unrelated State legislation is not germane.

Mr. FRANK. Mr. Chairman, I rise to be heard in support of the point of order of the gentleman from California.

Mr. Chairman, in the manual, it also says that on this whole question of the germaneness of the contingency that there is a problem if it requires, if the amendment would delay the operation of legislation because of the ascertainment of a fact not relevant to the bill.

There is reference in this amendment that would close down these programs if something was "used for sexual relations between males." There is nothing in this bill dealing with that. It introduces an entire new subject and would require the ascertainment of a fact that has nothing to do with the subject matter of this bill and would delay the enactment of the program on that basis.

Mr. KINDNESS. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Ohio.

Mr. KINDNESS. Is the gentleman's point directed toward amendments to appropriation bills or to authorization bills?

Mr. FRANK. All amendments, as I read the manual.

Let me say to the gentleman from Ohio that I had the same misconception that he might have had earlier. I thought the contingency thing was just appropriations. There are particular rules about appropriations, but the contingency rules and the precedents do apply both to authorizations and to appropriations. There are special rules about appropriations. But it does apply with the ascertainment of a fact not in the bill, and that is clearly here when you talk about what happens inside the bathhouses.

Mr. KINDNESS. If the gentleman will yield further, is the point then that there would be the necessity for the ascertainment of a fact other than those facts which are dealt with in the authorization itself?

Mr. FRANK. As I read the manual, that is one of the grounds, and there is a specific reference here to a fact situation, sexual relations between males, which is nowhere covered in this bill.

I would say the amendment is in the disjunctive. You would stop the operation of the program either if it was hazardous to the public health or if there was sexual relations between males, and that is clearly a subject not encompassed by the legislation.

Mr. KINDNESS. I thank the gentleman.

Mr. DANNEMEYER. Mr. Chairman, I would just say that section 330 of the Public Health Act makes very clear that the Secretary may make grants for the cost of operation of public and nonprofit public community health centers which serve medically underserved populations. The relevance of the point I think is readily apparent: That the proscription in this amendment is limited to actions of the Secretary, namely, the flow of Federal money. To that extent, I think it would be appropriate.

The CHAIRMAN (Mr. SMITH of Iowa). The Chair is prepared to rule.

This bill, H.R. 2418, is a categorical grant program. The money that is authorized under the bill, if appropriated, goes to community and migrant health centers and not to the States. The bill was narrowed earlier in these proceedings to remove from the bill the only paragraph that referred to the States.

This amendment by the gentleman from California, Mr. DANNEMEYER, seeks to impose a condition upon a State which must be met by the State government before community health centers that may be in that State or partly in that State can receive the funds. States are not recipients of the funds provided in the bill or otherwise within the purview of the bill.

An earlier ruling of September 25, 1975, which appears in Deschler's Procedures of the House at page 596, states, "That an amendment is not germane if it makes the effectiveness of a bill contingent upon an unrelated event or determination."

Therefore, the amendment is not germane and the point of order is sustained.

Mr. RICHARDSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am withdrawing an amendment that I prepared that involves facilities and cost sharing among community health centers, the Veterans' Administration, the Indian Health Service, and rural hospitals.

The chairman of the Subcommittee on Health, Mr. WAXMAN, has agreed to have his subcommittee initiate a GAO study with me which will examine the possibilities and the workability of this amendment.

Under the Gramm-Rudman provisions, we have to insure that health care is provided efficiently to our citizens, especially in light of budget cuts and declining health resources.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman.

Mr. WAXMAN. I thank the gentleman for yielding.

We will be looking at those issued with you and request the GAO study. Thank you.

Mr. Chairman, I ask unanimous consent that we strike the effective date of the bill, which is now October 1, 1985, and change it to the date of enactment.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. DANNEMEYER. Mr. Chairman, reserving the right to object, under my reservation I would like to ask a question of my colleague from California.

When does the chairman of the Health and Environmental Subcommittee intend to set a hearing on the two bills that have been assigned on the subject of AIDS to the Health and Environment Subcommittee that this Member from California introduced last September?

I yield to the gentleman for his response.

Mr. WAXMAN. We had an interesting hearing on the subject today. We plan to have continued hearings on the whole subject.

Mr. DANNEMEYER. I will reclaim my time.

The question, Mr. Chairman, is on the bills that this Member from California introduced. In December of last year I asked for a hearing in writing. When do you plan to set those bills for hearing; my bills?

Mr. WAXMAN. Sir, I cannot give you any commitment about that. We are looking at the issue and we will act expeditiously on the whole problem of AIDS and will ask for your support for research money and efforts to solve this problem.

Mr. DANNEMEYER. Mr. Chairman, further reserving the right to object, since the gentleman declined——

Mr. WAXMAN. Mr. Chairman, I withdraw my unanimous-consent request.

AMENDMENT OFFERED BY MR. WAXMAN

Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WAXMAN: Page 6, strike out lines 16 through 18.

Mr. WAXMAN. Mr. Chairman, this is a technical amendment. It strikes October 1, 1985, as the effective date and inserts the date of enactment. It is a technical amendment that ought to be agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. WAXMAN].

The amendment was agreed to.

The CHAIRMAN. Are there any other amendments to the bill?

If not, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. FOLEY] having assumed the chair, Mr. SMITH of Iowa, chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2418) to amend the Public Health Service Act to revise and extend the programs of assistance for primary health care, pursuant to House Resolution 289, he reported the bill back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DANNEMEYER. Mr. Speaker, on that I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 403, noes 6, not voting 25, as follows:

[Roll No. 40]

AYES—403

Addabbo	Barton	Boland
Akaka	Bateman	Bonior (MI)
Alexander	Bates	Bonker
Anderson	Bedell	Borski
Andrews	Beilenson	Bosco
Annunzio	Bennett	Boucher
Anthony	Bentley	Boulter
Applegate	Bereuter	Boxer
Archer	Berman	Breaux
Armey	Bevill	Brooks
Aspin	Biaggi	Broomfield
Atkins	Bilirakis	Brown (CA)
AuCoin	Bliley	Brown (CO)
Barnard	Boehlert	Broyhill
Bartlett	Boggs	Bruce
Bryant	Gray (PA)	McMillan
Burton (CA)	Green	Meyers
Burton (IN)	Gregg	Mica
Bustamante	Guarini	Michel
Byron	Gunderson	Mikulski
Callahan	Hall (OH)	Miller (CA)
Campbell	Hall, Ralph	Miller (OH)
Carney	Hamilton	Miller (WA)
Carr	Hammerschmidt	Mineta
Chandler	Hansen	Mitchell
Chapman	Hartnett	Moakley
Chappell	Hatcher	Molinari
Chappie	Hawkins	Mollohan
Clay	Hayes	Montgomery
Clinger	Hefner	Moody
Coats	Heftel	Moore
Cobey	Hendon	Moorhead
Coble	Henry	Morrison (CT)
Coelho	Hertel	Morrison (WA)
Coleman (TX)	Hiler	Mrazek
Combest	Hillis	Murphy
Conte	Holt	Murtha
Cooper	Hopkins	Myers
Coughlin	Horton	Natcher
Courter	Howard	Neal
Coyne	Hoyer	Nelson
Craig	Hubbard	Nichols
Crockett	Huckaby	Nielson
Daniel	Hughes	Nowak
Darden	Hunter	O'Brien
Daschle	Hutto	Oakar
Daub	Hyde	Oberstar
Davis	Ireland	Obey
de la Garza	Jacobs	Olin
DeLay	Jeffords	Ortiz
Dellums	Jenkins	Owens
Derrick	Jones (NC)	Oxley
DeWine	Jones (TN)	Packard
Dickinson	Kanjorski	Panetta
Dicks	Kaptur	Parris
Dingell	Kasich	Pashayan
DioGuardi	Kastenmeier	Pease
Dixon	Kemp	Penny
Donnelly	Kennelly	Pepper
Dorgan (ND)	Kildee	Perkins
Dornan (CA)	Kleczka	Petri
Dowdy	Kolbe	Pickle
Downey	Kolter	Porter
Duncan	Kostmayer	Price
Durbin	Kramer	Pursell
Dwyer	LaFalce	Quillen
Dymally	Lagomarsino	Rahall
Dyson	Lantos	Rangel
Early	Leach (IA)	Ray
Eckart (OH)	Leath (TX)	Regula
Eckert (NY)	Lehman (CA)	Reid
Edwards (CA)	Lehman (FL)	Richardson
Edwards (OK)	Leland	Ridge
Emerson	Lent	Rinaldo
English	Levin (MI)	Ritter
Erdreich	Levine (CA)	Roberts
Evans (IA)	Lewis (CA)	Robinson
Evans (IL)	Lewis (FL)	Rodino
Fascell	Lightfoot	Roe
Fawell	Lipinski	Roemer
Fazio	Livingston	Rogers
Feighan	Lloyd	Rose
Fiedler	Long	Roukema
Fields	Lott	Rowland (CT)
Fish	Lowery (CA)	Rowland (GA)
Flippo	Lowry (WA)	Roybal
Florio	Lujan	Russo
Foley	Luken	Sabo
Ford (MI)	Lundine	Savage
Ford (TN)	Lungren	Saxton
Fowler	Mack	Schaefer
Frank	MacKay	Scheuer
Franklin	Manton	Schneider
Frenzel	Markey	Schroeder
Frost	Marlenee	Schuette
Fuqua	Martin (IL)	Schulze
Gallo	Martin (NY)	Schumer
Garcia	Matsui	Seiberling
Gaydos	Mavroules	Sensenbrenner
Gejdenson	Mazzoli	Sharp
Gekas	McCain	Shaw
Gephardt	McCandless	Shelby
Gibbons	McCloskey	Shuster
Gilman	McCollum	Sikorski
Gingrich	McCurdy	Siljander
Glickman	McDade	Sisisky
Gonzalez	McEwen	Skeen
Goodling	McGrath	Skelton
Gordon	McHugh	Slattery
Gradison	McKernan	Slaughter
Gray (IL)	McKinney	Smith (FL)
Smith (IA)	Sundquist	Weaver
Smith (NE)	Sweeney	Weber
Smith (NJ)	Swift	Weiss
Smith, Denny (OR)	Swindall	Wheat
Smith, Robert (NH)	Synar	Whitehurst
Smith, Robert (OR)	Tallon	Whitley
Snowe	Tauke	Whittaker
Snyder	Tauzin	Whitten
Solomon	Thomas (CA)	Williams
Spence	Thomas (GA)	Wilson
Spratt	Torres	Wirth
St Germain	Torricelli	Wise
Staggers	Towns	Wolf
Stallings	Traficant	Wolpe
Stangeland	Traxler	Wortley
Stark	Udall	Wright
Stenholm	Valentine	Wyden
Stokes	Vento	Wylie
Strang	Visclosky	Yates
Stratton	Volkmer	Yatron
Studds	Vucanovich	Young (AK)
Stump	Walgren	Young (FL)
	Walker	Young (MO)
	Watkins	
	Waxman	

NOES—6

Badham	Dannemeyer	Kindness
Crane	Dreier	Shumway

NOT VOTING—25

Ackerman	Foglietta	Rostenkowski
Barnes	Grotberg	Roth
Boner (TN)	Johnson	Rudd
Carper	Jones (OK)	Solarz
Cheney	Latta	Taylor
Coleman (MO)	Loeffler	Vander Jagt
Collins	Madigan	Zschau
Conyers	Martinez	
Edgar	Monson	

□ 1905

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. WAXMAN. Mr. Speaker, pursuant to the provisions of House Resolution 289, I call up from the Speaker's table the Senate bill (S. 1282), to revise and extend provisions of the Public Health Service Act relating to primary care, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WAXMAN moves to strike all after the enacting clause of the Senate bill, S. 1282, and insert in lieu thereof the provisions contained in H.R. 2418 as passed by the House, as follows:

H.R. 2418

SECTION 1. SHORT TITLE; REFERENCE TO ACT.

(a) SHORT TITLE.—This Act may be cited as the "Health Services Amendments Act of 1986".

(b) REFERENCE TO ACT.—Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

SEC. 2. MEDICALLY UNDERSERVED POPULATIONS.

Section 330(b) (42 U.S.C. 254c(b)) is amended—

(1) by striking out the second, third, fourth, and fifth sentences of paragraph (3); and

(2) by adding at the end thereof the following:

"(4) In carrying out paragraph (3), the Secretary shall by regulation prescribe criteria for determining the specific shortages of personal health services of an area or population group. Such criteria shall—

"(A) take into account comments received by the Secretary from the chief executive officer of a State and local officials in a State; and

"(B) include infant mortality in an area or population group, other factors indicative of the health status of a population group or residents of an area, the ability of the residents of an area or of a population group to pay for health services and their accessibility to them, and the availability of health professionals to residents of an area or to a population group.

"(5) The Secretary may not designate a medically underserved population in a State or terminate the designation of such a population unless, prior to such designation or termination, the Secretary provides reasonable notice and opportunity for comment and consults with—

"(A) the chief executive officer of such State;

"(B) local officials in such State; and

"(C) the State organization, if any, which represents a majority of community health centers in such State.

"(6) The Secretary may designate a medically underserved population that does not meet the criteria established under paragraph (4) if the chief executive officer of the State in which such population is located and local officials of such State recommend the designation of such population based on unusual local conditions which are a barrier to access to or the availability of personal health services.".

SEC. 3. MEMORANDUM OF AGREEMENT.

Section 330 (42 U.S.C. 254c) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) In carrying out this section, the Secretary may enter into a memorandum of agreement with a State. Such memorandum may include, where appropriate, provisions permitting such State to—

"(1) analyze the need for primary health services for medically underserved populations within such State;

"(2) assist in the planning and development of new community health centers;

"(3) review and comment upon annual program plans and budgets of community health centers, including comments upon allocations of health care resources in the State;

"(4) assist community health centers in the development of clinical practices and fiscal and administrative systems through a technical assistance plan which is responsive to the requests of community health centers; and

"(5) share information and data relevant to the operation of new and existing community health centers.".

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

Paragraphs (1) and (2) of section 330(g) are amended to read as follows:

"(1) There are authorized to be appropriated for payments pursuant to grants under this section $400,000,000 for fiscal year 1987 and $400,000,000 for fiscal year 1988.

"(2) The Secretary may not in any fiscal year—

"(A) expend for grants to serve medically underserved populations designated under subsection (b)(6) an amount which exceeds 5 percent of the funds appropriated under this section for that fiscal year; and

"(B) expend for grants under subsection (d)(1)(C) an amount which exceeds 5 percent of the funds appropriated under this section for that fiscal year.".

SEC. 5. PRIMARY CARE BLOCK GRANTS.

Part C of title XIX (42 U.S.C. 300y—300y-11) is repealed.

SEC. 6. MIGRANT HEALTH CENTERS.

The first sentence of section 329(h)(1) (42 U.S.C. 254b(h)(1)) is amended by striking out "and" after "1983," and by inserting before the period a comma and "$45,400,000 for fiscal year 1987, and $45,400,000 for fiscal year 1988".

SEC. 7. TECHNICAL AMENDMENT.

Section 329(d)(2) (42 U.S.C. 254b(d)(2)) is amended by inserting before the semicolon "and the costs of repaying loans made by the Farmers Home Administration for buildings".

Amend the title so as to read: "An Act to amend the Public Health Service Act to revise and extend the programs of assistance for primary health care.".

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 2418) was laid on the table.

INSTRUCTING ENROLLING CLERK TO CORRECT SHORT TITLE OF S. 1282, HEALTH SERVICES AMENDMENTS ACT OF 1985

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent to instruct the enrolling clerk to correct the short title of the Senate bill, S. 1282, to read: "1986" instead of "1985."

The SPEAKER pro tempore (Mr. VOLKMER). Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

AN OPPORTUNITY FOR PEACE IN IRELAND

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. LANTOS. Mr. Speaker, if we act boldly and imaginatively, there may be a fleeting moment of historic opportunity to put an end to the anguish and bloodshed which have characterized the Irish tragedy over the last two decades. The fragile bud of the Anglo-Irish agreement will either be nurtured into full blossom by those of us who are friends of the Irish people or it will be allowed to whither away into nothingness—as have so many earlier attempts to bring peace, prosperity, and a normal and tranquil life to that long-suffering island.

In the next few days we shall be considering legislation supported by our distinguished Speaker, the President of the United States, and a broad spectrum of the Irish-American community of our Nation. I urge my colleagues to come on board with us in supporting this legislation and to study carefully the powerful and moving statement of Speaker O'NEILL who was the leadoff witness before our committee calling for a new renaissance in Ireland.

The statement follows:

REMARKS OF SPEAKER THOMAS P. O'NEILL, JR., BEFORE THE HOUSE SUBCOMMITTEE ON EUROPE AND THE MIDDLE EAST, MARCH 5, 1986

Mr. Chairman, I welcome this opportunity to testify today before this distinguished subcommittee on behalf of providing U.S. assistance to the process of bringing peace to Northern Ireland.

Last fall, the governments of Ireland and the United Kingdom took a dramatic step forward towards building a framework for peace and reconciliation in Northern Ireland. The Angol-Irish accord is a recognition by the governments of Great Britain and Ireland that the violence of the last seventeen years could only be stopped by bringing an end to the political stalemate in Northern Ireland and providing instead a new political process. This process provides the basis for developing ties of cooperation and understanding between the two traditions in Northern Ireland.

Beginning in 1977, Senators Kennedy and Moynihan, Governor Carey and I issued a series of St. Patrick's Day statements condemning the violence in Northern Ireland and urging Irish-Americans to withhold their support from the I.R.A. terrorists who were bringing death and destruction to the land of their forebears.

I believe that terrorism in Northern Ireland constitutes a direct threat to democratic institutions in the United Kingdom and Ireland. The assassinations and attempted murders of elected officials strikes at the heart of the democratic process. Furthermore, the senseless murders of more than twenty-five hundred Irishmen and Englishmen, Catholics and Protestants, over the last two decades has brought terrible grief and suffering to one of Europe's oldest and most respected cultures. The time has certainly come to replace terror and religious hatred in Northern Ireland with a commitment to political dialogue and constitutional change.

The Anglo-Irish accord is the law of the land in the United Kingdom and Ireland. It is a historic commitment by two western democracies to promote an end to civil strife in a fair, just and creative way.

Beginning in 1977 President Carter and later President Reagan pledged the assistance of the United States in the event that the United Kingdom and Ireland reached an

agreement that provided a framework for peace and reconciliation in Northern Ireland.

On November 15, 1985 the day the Anglo-Irish accord was signed in Hillsborough, President Reagan and I joined together in the Oval Office to endorse the agreement. On that occasion the President stated that "The United States strongly supports this initiative" and that he ". . . will be working closely with Congress in a bipartisan effort to find tangible ways for the United States to lend practical support to this important agreement."

As you know, the President and I have had our differences on many issues over the past five years. We have no differences on the need to end the violence in Northern Ireland and bring about political progress there in a peaceful and constitutional fashion. We are unified in our commitment to help our friends in the Parliaments of London and Dublin to move forward in bringing justice and reconciliation to Northern Ireland.

The events of this week in Northern Ireland demonstrate the great obstacles that the process of constructive change faces in Northern Ireland. Centuries of civil conflict and strife are not easily overcome. But I believe that the commitment of the governments of Ireland and the United Kingdom to implement the Anglo-Irish accord is unshakable.

The prospects for the success of that accord depend, in no small way, on having the resources to promote economic growth and social stability in Northern Ireland. The United States has an opportunity to contribute to the process of political progress in Northern Ireland by contributing to the special international fund for rehabilitation and reconstruction provided for by section ten of the accord.

Based on my recent discussions with President Reagan and Secretary Shultz, I understand that the Department of State will recommend that Congress appropriate fifty million dollars a year for five years to this fund. I believe that considering current budget restraints that this is a reasonable sum. I do, however, believe that the assistance should be substantially in the nature of economic support funds and not loan guarantees. I also believe that Congress should make the aid subject to standard conditions for assistance and not make it contingent on a long list of political conditions. We need to express our unqualified support for the accord not our doubts about it.

I want to thank this committee for bringing this important issue before the Congress and the American people.

Problems in Ireland have always had an American dimension. Over forty million Americans are of Irish ancestory. Men and women from the two traditions in Ireland, Protestant and Catholic, were early settlers of America and in later years made enormous contributions to the building of this Nation into the strongest Nation on Earth.

Over the centuries, Ireland's greatest contribution to the world has been its people. Today, a corner of that Island has serious problems. Its people need help in overcoming the divisions of its history. I have visited Northern Ireland, I have met with its people and its leaders, unionist and nationalist. I have seen the distruction and the suffering. I have no illusions about the challenge that the cause of peace and justice faces there.

But I believe that this accord provides the best chance in the nearly two decades of "troubles" in Northern Ireland to build a bridge of hope and reconciliation in Northern Ireland. We know from our experience in the United States that diversity can be a source of strength and not a source of weakness. And we know in the United States that justice and opportunity are the fruits of democracy and not the rewards of violence and terrorism.

And that is why I have come before you today because I believe we have an obligation to help promote peace and reconciliation in Northern Ireland in a practical and measurable way. The governments of Ireland and the United Kingdom have done their part. The time has come for the Government of the United States to do its part.

THE PRESIDENT IS POLITICIZING AID TO THE CONTRAS

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks)

Mr. ALEXANDER. Mr. Speaker, the Wall Street Journal makes it clear today the President has actually given up on aiding the Contras, and instead is trying to turn the issue into a political one to use against Congress in the fall. The fact that the President is now using his public relations team to make foreign policy is a clear confirmation of this strategy.

Mr. Speaker, contrary to the White House view, the United States does have options in Central America other than war or total surrender. The nations of Latin America are aggressively pursuing a diplomatic initiative for the resolution of conflict in that region. Mr. Reagan actively opposes that effort and instead remains committed to military intervention—intervention which has cost this Nation over $1 billion with nothing to show for it.

Mr. Speaker, we in Congress are not simply opposed to more money for the Reaganista army. We are encouraging Mr. Reagan to join with the nations of Latin America to, at least, try finding a diplomatic solution. Quiet diplomacy worked in Haiti and the Philippines. There's no reason it can't work in Central America.

THE AGRICULTURAL LOAN ASSISTANCE ACT OF 1986

(Mr. BRUCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BRUCE. Mr. Speaker, I am addressing the House regarding legislation which I have introduced: H.R. 4241, the Agricultural Loan Assistance Act of 1986. My colleagues Mr. DASCHLE and Mr. LEVIN are introducing this legislation with me, along with Mr. ANNUNZIO, Mr. HUBBARD, Mr. MADIGAN, Mr. GLICKMAN, Mr. PENNY, Mr. STALLINGS, Mr. DORGAN, Mr. LEHMAN, and Mr. DURBIN.

The farm economy is in a critical state. Last year over 40,000 farmers went out of business. A record number of banks are on the Federal regulators' problem list, 120 banks, more than half of them agricultural banks, failed in 1985. This rate is higher than at any time since the Great Depression.

The plight of agriculture has been recognized by the American public, with a recent national poll showing that for the first time, over half of those interviewed support an increase in U.S. aid to farmers. The respondents were concerned that widespread failures among small farms would affect the entire economy, possibly leading to food shortages or rising costs.

Many rural areas have already felt the ripple effect of agriculture's hard times. Fifteen of the counties in my district face double-digit unemployment. It is imperative that we act now, before the situation worsens. Agricultural bank failures took a sudden upturn last year, accounting for almost all the increase in the bank failures during 1985. A bank failure in one of the small towns in my district would greatly increase the risk of foreclosure for those area farmers and small businesses already having a hard time paying off their loans.

The legislation we are introducing is designed to provide farmers and their bankers with some needed flexibility in farm lending. Farmers do not leave farming, nor do banks foreclose, unless they have exhausted all other options. Historically, agricultural banks have maintained a strong capital base and followed prudent banking practices which have allowed them to stay with their customers. But farm banks are not immune from the hard times that have come to agriculture.

The problems faced by farm lenders are due to a unique combination of financial pressures. A precipitous drop in farm land value has reduced the collateral value of many loans, while rising interest rates and low crop prices have eroded farmers' ability to keep up with their payments. Nonperforming loans reported at agricultural banks are still trending upward, and all signs indicate that rural lenders and their customers will face continued pressure this year.

Farm banks are particularly vulnerable to the fluctuations of the agricultural economy because, in many cases, they are small in size and have made the bulk of their loans to farmers for operating credit. Over 1,700 banks have more than 50 percent of their portfolios in agricultural loans, and that figure does not even cover loans to agribusiness and other rural businesses dependent on a strong and profitable agricultural sector.

For the farm economy to improve, American farmers must be able to

make a profit, they must be able to sell their exports, and they need lower interest rates. But these things take time—time that many farmers and bankers do not have to spare. Farmers need capital to get their crops in the ground over the next few months. Credit decisions must be made now.

Our bill has two main components to ease the credit squeeze in rural areas. First, it allows agricultural banks to write down agricultural loans from their book value to their fair market value. Banks can do this now, but under current law, they must deduct the amount written off from their capital all at once.

Even though agricultural banks are well-capitalized, they cannot withstand losses of this magnitude, so banks are forced to foreclose rather than write down loans. This benefits neither banks nor farmers. A farmer ends up losing his or her farm, and banks ends up with farm land they do not want but often cannot sell. The bill would permit banks to amortize losses over a period of 10 years, thus creating an incentive for banks to deal with their problems in a way that can help to minimize those losses.

A second part of the bill permits eligible banks to amortize their losses on the reduced value of farmland they acquired in the process of handling an agricultural loan. This provision will help reduce the continued downward pressure on agricultural land prices, and assist banks in managing the swollen land portfolios many of them now hold.

Our bill is by no means a complete farm solution, but it will provide needed transitional assistance to keep rural credit available. I believe that we must take full advantage of the credit provisions of the 1985 farm bill, including the new interest rate reduction program. But we cannot assume that even these provisions will end the farm credit crisis. Given the tight Federal budget situation this year, the ability to amortize agricultural loan losses will be particularly important to banks making lending decisions this spring.

This legislation provides temporary relief for farm banks. Its regulatory adjustments offer agricultural banks a chance for self-help. It costs nothing. All in all, the bill provides a safety net for hard-pressed agricultural lenders and their farmer-customers by permitting banks to negotiate with farmers on appropriate debt restructuring measures.

The bill is supported by the American Farm Bureau, and the Independent Bankers Association of America. I would like to insert for the RECORD a statement of the joint IBAA-American Bankers Association task force on agricultural credit:

The most immediate problem confronting agricultural banks is the impact on bank capital of sudden and massive agricultural loan losses. Agricultural production loan losses charged off by the first two quarters of 1985 were $520 million, almost double the $280 million charged off in the first two quarters of 1984. These extraordinary charge-offs are eroding the capital structure of many agricultural banks as the loan losses are deducted from the banks' available capital.

Agricultural banks traditionally have been well capitalized, but the persistent downturn in the farm economy since 1981 is severely pressuring the capital structure of hundreds of agricultural banks. The farm economy will recover in time, providing a basis for greater earnings and replenishment of the capital structure of agricultural banks. In the meantime, we need special measures to prevent banks' capital from being precipitously eroded.

Our first priority as a means of preserving banks' capital is to change regulatory accounting procedures and enable prudently managed banks to amortize their loan losses over a multi-year period. Such a procedure is relatively simple to administer, would assist a broad segment of banks and their borrowers, and would entail no direct government cost.

In addition to this support, the Federal Deposit Insurance Corporation, responsible for bank regulation, last week produced an analysis of the farm credit situation. I would like to quote from their report on possible solutions:

Some of the proposals in this report involve changes in reporting and accounting procedures. These include changes in the disclosure of renegotiated debt as nonperforming assets and in state and federal laws regarding the disposal and valuation of real estate acquired by commercial banks. While some liberalization of the rules in these areas may have only limited impact on the overall picture, they can be effected with only minor costs and probably are worth implementing.

Should Congress decide to proceed with a relief program, it is the FDIC's view that the best option is a loss deferral program.

I believe that this legislation represents an important component of efforts to maintain the stability of agricultural lending. I urge my colleagues to join me in giving this issue high priority so that farmers and bankers can continue to operate this spring.

An explanation of the bill and a copy of the legislation follow:

AGRICULTURAL LOAN ASSISTANCE ACT OF 1986

EXPLANATION OF PROVISIONS

The bill would permit a commercial bank which is significantly involved in agricultural lending to amortize, over a period of up to 10 years, two kinds of losses resulting from its lending activity to agriculture (provided that such losses did not result from fraud or criminal abuse on the part of the bank). The two kinds of losses eligible for multi-year amortization are:

(1) Losses on agricultural loans, whereby in the absence of the bill the bank would have to charge off the entire loss in the immediate year that it is recognized.

Example: An agricultural bank makes an operating loan to a farmer who owes $100,000 on the loan. A bank regulatory agency classifies the loan, so that $30,000 of loss must be recognized by the bank in 1986. Without the bill, the bank must charge off $30,000 in 1986; with the bill, the bank may charge off $3,000 per year during 1986-1995.

(2) Losses on reduced value of property (mostly farmland) which a bank acquired in the process of handling an agricultural loan, whereby the bank still holds the property but must devalue it as an asset.

Example: An agricultural bank acquires 200 acres of farmland in 1984 in a farm debt workout situation. At the time acquired, the land was valued at $2,000 per acre ($400,000), but in 1986 is appraised and revalued at $1,500 per acre ($300,000). Without the bill, the bank asset value of the land would be reduced by $100,000 in 1986; with the bill, the bank may reduce the asset value of the land by $10,000 per year in 1986-1995.

The bill provides for a 5-year period (1985-1990), during which losses that are recognized of the two kinds described above could be stretched out over a period of 10 years. The bill should result in no cost to the U.S. Treasury, since the banks themselves would absorb the losses over the period of time that is provided.

The amortized farm loan loss accounting will help agricultural banks to remain competitive suppliers of credit to farmers, by permitting the banks to absorb part of their farm lending losses over a period of time sufficient for the agricultural economy and the banks' earnings to have an opportunity to recover. Once the banks' net earnings recovered, the retained earnings and capital position of the agricultural bansk could be fully replenished.

H.R. 4241

A bill to amend the Federal Deposit Insurance Act to establish an emergency temporary procedure to facilitate the restructuring or canceling of certain agricultural loans by agricultural banks.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Loan Assistance Act of 1986".

SEC. 2. Section 13 of the Federal Deposit Insurance Act (12 U.S.C. 1823) is amended by adding at the end thereof the following:

"(j)(1) The appropriate Federal banking agency shall permit an agricultural bank to take the actions referred to in paragraph (2) if it finds that there is no evidence that fraud or criminal abuse on the part of the bank led to the losses referred to in paragraph (2).

"(2)(A) any loss on any qualified agricultural loan that an agricultural bank would otherwise be required to show on its annual financial statement for any year between December 31, 1984, and January 1, 1990, may be amortized on its financial statements over a period of not to exceed 10 years, as specified in regulations issued by the appropriate Federal banking agency.

"(B) An agricultural bank may reappraise the value of any real estate or other property, real or personal, that it acquired coincident to the making of a qualified agricultural loan and that it owned on January 1, 1985, and any such additional property that it acquires prior to January 1, 1990. Any loss that such bank would otherwise be required to show on its annual financial statements as the result of such reappraisal may be amortized on its financial statements over a period of not to exceed 10 years, as specified in regulations issued by the appropriate Federal banking agency.

"(3) The appropriate Federal banking agency may issue regulations implementing this subsection with respect to banks that it supervises.

"(4) As used in this subsection—

"(A) the term 'agricultural bank' means a bank which is significantly involved in agricultural lending, as determined by the appropriate Federal banking agency, and the deposits of which are insured by the Federal Deposit Insurance Corporation; and

"(B) the term 'qualified agricultural loan' means a loan made to finance the production of agricultural products or livestock in the United States, a loan secured by farmland or farm machinery, or such other category of loans as the appropriate Federal banking agency may deem eligible.".

WHO BENEFITS MOST FROM ENDING NUCLEAR TESTS

(Mr. BADHAM asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BADHAM. Mr. Speaker, I was one of apparently not enough Members of this body last week to vote against ending nuclear tests which many of us felt necessary. I wondered at the time who we would make happy by this sort of move. I got my answer in the Los Angeles Times of Sunday, March 2. Gus Hall, who is visiting in Moscow at the 27th Communist Party Congress said during a brief meeting with the General Secretary of the Soviet Union that he urged Mr. Gorbachev to travel to the United States even without misgiving or reservation. "Yes, even without reservation," Mr. Hall responded, the Secretary General of the Communist Party of the United States. He said Reagan's response to Gorbachev's sweeping disarmament plan and his plea for a continued United States military buildup were two negative factors for the Soviets in setting a summit date. "But a House vote to endorse a halt in nuclear tests, as urged by Gorbachev and rejected by Reagan, was a big positive factor to the Soviets, Hall said."

GUS HALL STARTLED BY GORBACHEV CONGRESS

(By William J. Eaton)

Moscow.—Even for Gus Hall, who says he was born a Communist 75 years ago, the 27th Communist Party Congress here has been an eye-opener.

"I have never been in a meeting where there has been such a total, critical examination of everything," Hall told a small group of reporters Saturday as the meeting was ending.

The longtime general secretary of the U.S. Communist Party, who is accustomed to a more conformist and complimentary attitude on the part of party members, said that it is a good sign for the Soviet Union.

"It is shaking up the whole country," said the white-haired, heavyset Hall, natty in a blue blazer and gray flannel trousers.

"I want to predict that the Soviet Union is in the midst of the greatest leap forward ever—a great leap ahead in production, science, quality of life, culture, education." Hall used the phrase associated with a Chinese radical period of the late 1950s, an attempt at rapid industrial and economic growth that the current group of pragmatic leaders in Peking regard as a disaster.

However, Hall used the phrase as a compliment to the Soviet drive for economic advances under Mikhail S. Gorbachev.

During a brief meeting with the Soviet party general secretary, Hall said, he urged him to travel to the United States this year and go through with the planned second summit meeting with President Reagan, a session on which Gorbachev has recently expressed misgivings.

"Even without reservations?" he quoted Gorbachev as replying, perhaps in jest.

"Yes, even without reservations," Hall responded.

Hall said Reagan's response to Gorbachev's sweeping disarmament plan and his plea for a continued U.S. military buildup were two negative factors for the Soviets in setting a summit date.

But a House vote to endorse a halt in nuclear tests, as urged by Gorbachev and rejected by Reagan, was a big positive factor to the Soviets, Hall said.

Soviet-American relations, he said in a speech to the congress, will move "one step forward, half a step backward" in coming months. "But then, I tend to be optimistic about things," said Hall, in counterpoint to the anti-Reagan and anti-American rhetoric heard almost hourly at the gathering of 5,000 Soviet Communists.

In ending their session Saturday, the delegates endorsed the sentiments of Defense Minister Sergei L. Sokolov, who had pledged that the Soviet Union would take whatever steps were necessary to neutralize an American "Star Wars" missile defense system.

They approved changes in a 1961 party program of then-Soviet Premier Nikita S. Khrushchev, under which the nation 10 years later, by 1971, would surpass U.S. industrial production.

Hall, who has served 26 years at the helm of the American Communist Party, said he was struck by delegates' criticism aimed at the Soviet Union's past performance in a variety of areas.

"Trade unions were criticized for not being militant enough on issues, and the head of the trade unions accepted the criticism," he recalled in something like awe.

An 81-year-old coal miner, he said, attacked the Soviet Academy of Sciences for not devising better coal-digging machinery.

"Where the hell are they with jackhammers that don't vibrate and make so much noise?" he quoted the miner as asking.

Hall avoided a direct answer when asked if he, at 75, might be affected by Gorbachev's youth movement in the Politburo and other high places. Today is Gorbachev's 55th birthday.

"Years don't really count, it's how you feel," he replied with a twinkle in his pale blue eyes.

MILITARY CHARTERS

(Mr. BENNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BENNETT. Mr. Speaker, let us not forget those 248 brave soldiers who died in the Arrow Air crash. What happened to them should never be allowed to be repeated. I congratulate the gentleman from Alabama [Mr. NICHOLS] for holding hearings about the safety of military charters, a much needed investigation.

On January 21, I introduced a bill that would provide the needed safety in the aircraft used to transport our military personnel. It would prohibit any aircraft from transporting military personnel unless that plane has been inspected and approved by an examiner from the Military Airlift Command [MAC] or Military Traffic Management Command [MTMC] no more than 48 hours before departure. These inspections cover aircraft and airmen.

Currently, the Military Airlift Command [MAC] performs inspections of aircraft to be used for military charter on a 10-percent basis. They are planning to raise that to 50 percent. My bill would increase the inspection rate to 100 percent and would require a more indepth inspection.

The FAA cannot enforce the minimum safety standards required by law because they do not have the personnel. An MAC official estimated that approximately 50 additional inspectors in the MAC maintenance survey teams would be necessary to perform the 100-percent inspections. This is at a relatively limited cost to the DOD, but FAA would never get such funding for itself.

My bill would allow the Secretary of Defense to debar a firm if the aircraft is determined unsafe, and provides for a waiver in the event of an emergency. It would also require the Secretary of Transportation to automatically provide a report on all inspections by the FAA to the Secretary of Defense. Such date would be helpful to the DOD and is not now provided.

Testimony during Mr. NICHOL'S hearings disclosed that there is a real need for the DOD to take a stronger role in ensuring the safety of the aircraft that it charters. My bill would do just this.

Mr. Speaker, I sincerely hope that this legislation, which I offer for the RECORD, and this activity can go forward to protect people against the losses, such as the loss of 248 of our brave soldiers who died in the Arrow Air crash.

I would like to submit a copy of my bill for the record.

The text of H.R. 4014 follows:

H.R. 4014

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SAFETY REQUIREMENTS RELATING TO TRANSPORTATION OF MEMBERS OF THE ARMED FORCES ON CHARTERED AIRCRAFT.

(a) IN GENERAL.—Chapter 157 of title 10, United States Code, is amended by adding at the end thereof the following new section:

§ 2640. Safety requirements relating to transportation of members on chartered aircraft

"(a) Except as provided in regulations prescribed under subsection (c), an aircraft may not be used under a charter entered into by the Department of Defense for transportation of members of the armed forces unless, within the 48-hour period before its departure on that chartered flight, representatives of the Military Airlift Command of the Military Traffic Management Command—

"(1) inspect the aircraft and determine that it satisfies the minimum safety standards of the Federal Aviation Administration applicable to that aircraft; and

"(2) determine that each person who, as part of the crew for that flight, will engage in the navigation of the aircraft while it is underway—

"(A) has an airman certificate issued under section 602 of the Federal Aviation Act of 1958 (49 U.S.C. App. 1422) that authorizes that person to serve in that capacity; and

"(B) is not in violation of any term, condition, or limitation of that certificate or of any order, rule, or regulation prescribed under title VI of that Act (49 U.S.C. App. 1421 et seq.).

"(b)(1) The Secretary of Defense shall request the Secretary of Transportation to provide to the Secretary of Defense a report on each inspection performed by Federal Aviation Administration personnel on aircraft used by a firm that contracts with the Department of Defense to provide transportation for members by charter.

"(2) If the Secretary of Defense determines that a firm described in paragraph (1) uses unsafe aircraft, the Secretary shall debar that firm from providing transportation of members by charter for a specified period of time commensurate with the seriousness of the failure of offense or the inadequancy of performance. Such determination shall be made by the Secretary on the basis of—

"(A) report provided under paragraph (1) that indicate that the firm has used aircraft that failed to satisfy the minimum safety standards of the Federal Aviation Administration;

"(B) reports on the inspections under subsection (a) of aircraft operated by that firm; and

"(C) any other factors that the Secretary considers to be appropriate.

"(3) In this subsection, 'debar' means to exclude from contracting with the Department of Defense.

"(c) The Secretary of Defense shall prescribe regulations to carry out this section. The regulations shall include provisions for waiver, in the event of emergency, of inspections required by subsection (a).".

(a) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2640. Safety requirements relating to transportation of members on chartered aircraft.".

PROTECT RIGHTS OF SATELLITE DISH OWNERS

(Mr. BEVILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEVILL. Mr. Speaker, I rise today to speak on behalf of more than 1 million owners of satellite dishes in this Nation. Hundreds of these people live in my district, the Fourth Congressional District of Alabama, which is largely rural.

They are people like Alan Sherer, who lives near Arab in Marshall County. His television reception was so poor that Mr. Sherer spent about $3,000 to purchase a satellite receiver. It was the only way he could get a picture that was watchable.

Now, Mr. Sherer feels that he is being victimized by cable broadcasters who scramble their signals or plan to scramble them in the future. He is willing to pay a reasonable fee for the cable service. But Mr. Sherer thinks it is unfair that a satellite receiver owner must pay as much as $395 for a descrambler for each satellite transmitting network. I agree with him. That is unfair and unreasonable.

I am cosponsoring two bills designed to protect the rights of satellite dish owners. I hope that my colleagues in the House will agree with me that this legislation is needed and it is needed now before people like Alan Sherer incur any more unnecessary expense. Satellite dish owners aren't asking for a free ride. They want a fair shake.

H.R. 1769 would impose a 2-year moratorium on the scrambling of satellite signals. H.R. 1840 would require Government regulation of the rates charged to satellite receiver owners.

By putting a 2-year moratorium on scrambling signals, Congress will have time to develop laws to ensure that consumers will have access to satellite television programming.

If signals are to be scrambled, we want to know that there will be access to these signals on a fair and reasonable basis. I understand that the industry is leaning toward one standard descrambler. This would certainly be a fairer approach than requiring the purchase of a separate descrambler for each satellite channel. But, we have no assurances that there will be a standard descrambler.

If Mr. Sherer goes out tomorrow to buy a descrambler to receive one cable service, how does he know he can use that descrambler to subscribe to another service? He doesn't. Is it fair for people who live in rural areas to be forced to pay thousands of dollars to watch the same television programs available to urban viewers for a fraction of cost? I think not.

But, the way things stand now, the satellite dish owner is left holding the price tag. Payment for the service is not the issue. Satellite dish owners are willing to pay fair and reasonable rates, but those rates have yet to be negotiated.

Satellite programmers have not committed themselves to accepting payment from the home satellite antenna industry. They have announced an intention not to deal or to deal only through cable television franchises.

At a time when rural America is finally emerging from the dark ages of television service, the scrambling of satellite signals threatens to cut rural families off from a wide variety of television programs. This would not serve the public interest and will not meet the needs of rural Americans. I will do all I can to see that doesn't happen. I want to make sure that this technology will continue to serve rural and other Americans who desire good television reception.

TRIBUTE TO M.B. OGLESBY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. BROYHILL] is recognized for 5 minutes.

Mr. BROYHILL. Mr. Speaker, last Friday was B. Oglesby's final day as Assistant to the President for Legislative Affairs.

I want to take this opportunity to commend B. on a job well done. In his loyal service to President Ronald Reagan, B. has truly distinguished himself as a public servant. But, my friendship with B. goes back even further, to his years of service on the Energy and Commerce Committee staff from 1979 to 1981.

B. took a wealth of experience to the White House in 1981. He had previously served as an assistant to Illinois Gov. Richard Oglivie, and as executive assistant to the Speaker of the Illinois House of Representatives. He had served as head of the State of Illinois Washington office, and as executive assistant to Congressman ED MADIGAN. In addition, B. had spent 3½ years in various management positions with Illinois Bell Telephone Co.

As a member of the Energy and Commerce staff, B. played a major role in crafting some of the most important legislation to come out of Congress in the late 1970's. I worked closely with B. on legislation ranging from the Staggers Rail Act to the establishment of the Superfund Program.

B. was a tireless worker with an eye for detail, and I truly valued his advice and counsel. I hated to lose him in 1981, but I knew President Reagan would be well-served by having B. on his team.

The same traits that distinguished B. as a member of the committee staff have served him well as assistant to the President. I know that position was not an easy one, given the fact that 535 Members of Congress were competing simultaneously for B.'s personal attention. But, B. always kept his wits about him, and he never lost sight of his most important mission—promoting Ronald Reagan's agenda.

I want to congratulate B. for his important contribution to the President's legislative victories, and wish him all the best in his new job. I know the President will miss his devoted service, and we in the Congress will, as well.

TRADE DEFICIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. ECKART] is recognized for 5 minutes.

Mr. ECKART of Ohio. Mr. Speaker, recently there has been much focus on the dramatic drop in the price of oil. These decreases are certainly welcome news on the economic front for some, and very difficult for others.

Lower oil prices mean less inflationary pressures, more disposable income for consumers and increased economic growth in certain regions of the country.

As you can see from the accompanying chart, which illustrates the price of oil since 1976, the price of oil has indeed declined dramatically in the past several years. Oil prices have actually been on the decline since 1981, and most recently dropping to an astonishing $13 a barrel, nearly a two-thirds drop from $34-a-barrel oil in 1981.

There has been much discussion, of course, over the last 6 years about another phenomenon known as the international trade deficit. Much of that trade deficit through the United States, not only in the last 6 years, which has been highly exaggerated, in the 4 years that preceded was blamed on the high cost of importing oil to the United States. But despite these sharp decreases in the prices of imported oil over the past several years, the Nation's trade deficits have skyrocketed to new records.

□ 1915

As you can see from the second chart, our trade deficits have been in an unabated upward spiral. Ten years ago, our Nation's trade imbalance was less than $20 billion annually, and as recently as 1980, our trade deficit was only $30 billion. Last year, our trade deficit skyrocketed to a whopping $148 billion, four times the level of just 5 years ago.

As I said on the House floor yesterday, these continued record deficits translate into lost jobs for my constituents in northeastern Ohio, and for American citizens all across the Nation.

In addition, I should also point out that in conjunction with declining oil prices, the actual amount of oil which has been imported into the United States has also been steadily declining.

As this next chart shows, increased conservation, increased domestic oil exploration and production, and the economic recession of the early 1980's have all contributed to reducing our dependency on foreign petroleum.

As this third chart shows so clearly, our imports of foreign oil have been decreasing from a peak in 1980 of nearly $80 billion annually to a current level of just under $50 billion annually.

Mr. Speaker, with these reductions in oil prices and oil imports over recent years, I am hard pressed to explain the dramatic increases in trade deficits exclusively limited to energy costs. The excuse, the reason, the blame for the trade deficits on the late 1970's and 1980's is past us, and it becomes more obvious that the problem lies with the lack of a clear, coherent, global trade strategy by this administration. A trade strategy which has brought us record trade deficits and an economic policy that brings us record Federal budget deficits as well.

It is imperative in light of these trade developments that we halt this dangerous flow of red ink, which costs us jobs, denies us economic opportunity, and further imperils America's standing in the world today.

CHURCHILL'S WORDS SPOKEN AT WESTMINSTER COLLEGE IN 1946 REMAIN QUITE RELEVANT IN 1986

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. EMERSON] is recognized for 5 minutes.

Mr. EMERSON. Mr. Speaker, 40 years ago today a once and future Prime Minister of Great Britain—then out of power—spoke at Westminster College in Missouri on the subject he titled "The Sinews of Peace." Sir Winston Churchill spoke in the heartland to convey his concerns about emerging East-West conflicts that contradicted the prevailing euphoric, immediate post-World War II understanding of where the peace had left us.

On March 5, 1946, Churchill said:

> It is my duty . . . to state the facts as I see them to you, to place before you certain facts about the present position in Europe. . . .
>
> From Stettin in the Baltic to Trieste in the Adriatic, an iron curtain has decended across the continent. Behind that line lie all the capitals of the ancient states of Central and Eastern Europe, Warsaw, Berlin, Prague, Vienna, Budapest, Belgrade, Bucharest and Sofia; all these famous cities and the populations around them lie in what I must call the Soviet sphere, and all are subject in one form or another, not only to Soviet influence but to a very high and, in many cases, increasing measure of control from Moscow. . . . Whatever conclusions may be drawn from these facts—and facts they are—this is certainly not the Liberated Europe we fought to build up. Nor is it one which contains the essentials of permanent peace.

How unfortunately prophetic Churchill was. Warsaw, Berlin and on down the list—these capitals and countries and people to which Churchill referred stand in the main in 1986, as he feared in 1946, as the victims of Communist despotism, tyranny and oppression. Unfortunately, other capitals, countries, and people have been added to the list—Cuba, Afghanistan, Vietnam, to name several. Many others are threatened.

For those who continue to believe that Soviet Imperialism is a figment of the Western mind, for those who continue to believe they have no design or purpose to dominate and subjugate, we might turn again to Winston Churchill: "Before we cast away the solid assurances of national armaments for self preservation, we must be certain that our temple is built, not upon shifting sands or quagmires, but upon rock."

An observance took place today at Westminster College of the 40th anniversary of what has come to be known as "The Iron Curtain Speech." It is an important anniversary to be sure, and it is well that we take time to observe, but more important that we be soberly reminded of the whys and wherefores of Churchill saying what he felt constrained to say to us in 1946. There continues to be great relevance in his words—to us, to peace, to the future of civilization, in 1986.

AID TO THE CONTRAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BROWN] is recognized for 5 minutes.

Mr. BROWN of California. Mr. Speaker, Pat Buchanan, in his op ed piece of March 5, 1986, in the Washington Post—"The Contras Need Our Help"—has done the Nation a favor. He has presented in its most artful form the arguments of the Reagan administration and the movement conservatives for a continued U.S. war against Nicaragua waged by the surrogate force of the Contras. I expect to hear his colorful words repeated endlessly on the floor of the House and Senate and in the columns of less talented scribes who share his views.

As a Democrat, a member of the party which he says "* * * voted to abandon Southeast Asia to Hanoi and Moscow * * *," I am almost persuaded by the brilliance of his rhetoric to vote to give the President what he asks for the Contras to enable them to "* * * go back to fight and die for freedom * * *." It was this kind of rhetoric coming from a Democratic President and his assorted communications directors, which led a generation of Democrats to support a holy war, initially waged by loyal surrogates, for freedom and democracy in Vietnam. I was not persuaded by a Democratic President, however, nor will I be by Pat Buchanan.

That war cost the American people much more than $100 billion, and over 100,000 U.S. casualties—we do not need to mention the millions of Vietnamese killed, wounded or permanently displaced from their homeland—and almost irreparably destroyed the faith of a generation of Americans in their Government and its military and intelligence arms. It is almost trivial to mention that it also cost the Democrats the Presidential election in 1968, and might have kept a Democrat from

the Presidency in 1976 if Richard Nixon had played his role differently.

The fundamental flaw in the Buchanan rhetoric is the association of his own brand of dedicated anticommunism with the attainment of freedom and democracy. His brand of anticommunism calls for the support of a Chiang Kai Chek in China, (or Taiwan), a Diem in Vietnam, a Bautista in Cuba, a Somoza in Nicaragua, a Marcos in the Philippines, a Shah in Iran, a Botha in South Africa, a Savimbi in Angola, et cetera, et cetera, et cetera, because they all spout his brand of anti-Communist rhetoric. Buchanan does not seem to be able to conceive that Communist doctrine is so flawed, and Soviet ability to project its ideology so weak, that they can only make an impact where the United States renounces its own heritage and supports the suppression of freedom and democracy by homegrown autocrats spouting a pseudo-anticommunism.

Buchanan does not seem to be able to conceive that freedom and democracy are so powerful that they will prevail even when the U.S. supports the autocrats, as we typically do. And Buchanan has lost the fervor of the Revolutionary Founding Fathers, has become a supporter of tyranny around the world—as long as it mouths the proper anti-Communist rhetoric—probably has never accepted the reality that authenic revolutions, where a people rise up as they did in the Philippines to demand their freedom and democracy, we must be on the side of the revolutonaries, not the dictators. Communism would wither on the vine if the world could again look to America for leadership and support of authentic revolutions.

But we supported too long tyranny in Cuba, and we got Castro. We supported too long tyranny in Nicaragua, and we got Ortega. And, in prior years, we supported too long the colonial tyranny of Portugal in Africa, and we got the Marxist governments of Angola and Mozambique.

In Buchanan's view of the world, we should still be providing support to the government on Taiwan so that it could continue its efforts to reestablish itself as the government of all of China. He would describe that as a noble crusade to bring freedom and democracy to a billion mainland Chinese, despite the fact that there is precious little of that commodity on Taiwan.

As the driving emotional force behind this rhetoric, Buchanan appeals to fear. In the case of Nicaragua, he projects the frightening situation of "* * * a second Cuba, and privileged sanctuary for the export of revolution on the mainland of North America * * * host to Bear bombers patrolling off San Diego and Seattle." It is appropriate that he use this tactic, since fear, if successfully inspired, can, on occasion, overcome rationality, and he bases his hope for the success of his argument on overcoming the rationality of Members of Congress, and the American public.

Nicaragua is an utterly impoverished country of less than 3 million people, surrounded by four other Central American countries with a combined population of 15 million, all—except for Costa Rica—with substantial armies and a history of frequent wars among themselves and with Nicaragua. Their commitment to democracy and freedom is fragile, but improving. They are invulnerable to direct attack by Nicaragua, since this would trigger an armed response by the United States and other hemisphere allies under the Rio Treaty. But they are not invulnerable to internal revolution, supported by the Sandinistas, if they fail to sustain economic, social, and political progress for their people. It is a fact that the Sandinista revolution would not have succeeded as quickly in Nicaragua without the help of both revolutionaries and governments in the other Central American countries.

Our best defense against Sandinista influence in support of revolution in its neighbors is to fulfill the recommendations of the Kissinger Commission report, which correctly identified the causes of violent revolution in the region and suggested a course to quell that potential violence by assisting in meeting the aspirations of the people for nonviolent progress.

Pat Buchanan's administration has failed to carry out those recommendations. It is, therefore, guilty of contributing to potential violent, and Communist-led, revolutions in Central America.

If Pat is concerned about a second Cuba in the Western Hemisphere, perhaps we should look at the security threat posed by the first Cuba. Castro is a true revolutionary, as he will tell any visiting U.S. Congressman. He believes, and Cuba's constitution mandates, that authentic revolution should be supported around the world. He is far more aggressive in support of revolution than is the Soviet Union, and has on more than one occasion been restrained by his Soviet sponsors. He has provided resources, weapons, training, and combat assistance to the Sandinistas, the FMLN in El Salvador, M-19 in Columbia, and other revolutionary groups. Yet his successes in changing government by revolution in Latin America are zero, except for Nicaragua, and he succeeded there only because the Nicaraguan people, the business community, the neighboring countries, the European countries, and ultimately the United States, all joined Cuba in supporting the overthrow of Somoza.

As for Cuba's direct military threat to the United States, it is also zero, despite the fact that it is several hundred miles closer to our shores than Nicaragua, has four times the population, a hundred times the military strength and an economy, which although is impoverished, is immeasurably stronger than that of Nicaragua. Castro is an ardent revolutionary, but he is not about to preside over the suicide of the Cuban people, and he knows that the Soviets would provide no support to him in the event he provoked a military attack by U.S. forces.

But Cuba is a threat to Buchanan's peace of mind, just as Nicaragua is a threat to his peace of mind. So, in order to exorcise those old Communist devils he has invented, or at least polished to a new level of brilliance, all those incantations which he hopes will have mystic powers over the American voter.

That ragtag collection of peasants, former Somoza National Guard officers, and right wing businessmen and intellectuals longing for the good old days of Somoza, hired by the CIA to harass the Sandinistas are, in his mind, the freedom, fighters equated with America's Revolutionary Founding Fathers. They are the democratic resistance, striving to bring justice, freedom, and democracy to the misguided 95 percent of the Nicaraguan people who wish they would go away. The fact is that, absent strong U.S. financial support and a massive recruiting effort, the Contra forces would disappear.

They are not freedom fighters. They are not to be compared with the relatively nonviolent forces lead by Corazon Aquino who toppled Marcos. They are not even to be compared with our South Vietnamese under Diem, who basically represented the remnants of French colonialism. The Contras are just what the name implies. They are a counter-revolutionary mercenary army hired by the United States to reverse the victory of the Sandinistas over Somoza because we don't like the way it turned out.

The Democratic Party, and the people of the United States, are not engaged, as Buchanan claims, in "* * * withdrawal from the great Western coalition to contain Communist expansion, which it once led." No greater misrepresentation of the facts about Nicaragua could be made. The facts are that the European members of the great Western coalition are opposed to U.S. policy in Nicaragua and are providing assistance to the Sandinista government of Nicaragua. Testimony from Reagan administration spokesmen this week in Congress indicates that no Central American country publicly supports our policy. And no other Latin American country supports our effort to overthrow by mili-

tary force a sovereign nation with which we are ostensibly at peace. We are not withdrawing from the great Western coalition. They are withdrawing their support of the United States out of fear of the consequences of the policies which Buchanan enunciates so well for his administration.

The fact is that Pat Buchanan and his colleagues live in a fantasy world which most Americans emerged from a generation ago. Soviet inspired Communist expansionism is on the wane around the world. Its infrequent successes are generated by our massive policy failures persisted in over many years. The evidence that Buchanan uses for his litany of Soviet Communist success are truly the basket cases of the Third World: Angola, Mozambique, Ethiopia, South Yemen, Cambodia. And even among these basket cases there is every evidence that their leaders are seeking to emerge from Soviet Communist orthodoxy and domination into a new atmosphere of pragmatic adaptation to the real world. That world requires, for real progress, a greater degree of freedom, opportunity, pluralism, economic initiative, and motivation than is compatible with Communist orthodoxy.

The fact is that we could wean both Nicaragua and Cuba from Soviet influence very quickly by a simple offer to normalize relations with them. The people of both countries admire and respect the people of the United States, as any traveler to these countries will report. But they are proud of their own country, their culture, and above all, of their right to be free of domination by the United States. We have been stupid, selfish, and insensitive for too long to the needs and aspirations of our Latin American and Caribbean neighbors. We should begin to rectify this.

Let me conclude by saying that there are some Democrats so impressed by Pat Buchanan's rhetoric about the threat that Nicaragua poses to U.S. security interests that they want him to have his way. These Democrats would like to provide unlimited support to the Contras, and when that fails to overthrow the Sandanistas, as our current intelligence estimates conclude, they would like to provide sufficient U.S. troops to do the job.

In a perverse way, I sometimes am inclined to see that happen. We could return to the good old days of a U.S.-supported dictator in Managua. Every country in Latin America would become our enemy. Castro's stature as a revolutionary anti-imperialist leader would be greatly enhanced, and his advice to fragile democracies on the verge of bankruptcy that they should repudiate their U.S. loans would carry new weight. We would see a new wave of dictatorships, probably of both the right and left, and the conceivable collapse of many major U.S. banks and the world banking system. All to satisfy the fantasies of Pat Buchanan and his true believers.

Some of us are intrigued by the thought of what this would do to Republican political prospects for the next generation, not to mention what it would do to Republican bankers. But then we return to the real world, and the unglamorous task of trying to help our neighbors achieve success in their fundamental struggle for progress.

□ 1925

REPORT OF CENTRAL AMERICA TASK FORCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. EDWARDS] is recognized for 5 minutes.

Mr. EDWARDS of California. Mr. Speaker, today the Central America Task Force, under the leadership of my colleague MEL LEVINE, released a report which shows how the United States can more effectively promote peace and democracy in Central America. I commend Mr. LEVINE, and the members of this task force for their fine work.

The report examines the failure of the administration's policies of the last 5 years toward Nicaragua. Mr. Speaker, as we all know, under the terms of last year's compromise that provided $27 million to the Nicaraguan Contras, Congress mandated that the use of the funds be fully disclosed and strictly documented.

And yet, what has this money bought? What has it accomplished? No one seems to know.

Still, we are asked to consider a request for even more money. I am convinced by 5 years of an ineffective policy of militarism that it is time to make a change. It is time to make a new commitment to social justice, cooperation, and diplomacy.

I support the task force in its conclusion that we should not provide military assistance to the insurgents fighting against the Nicaraguan Government. We should support diplomatic solutions not military ones. The President should demonstrate his support for the eight nations of the Contadora Group and the Contadora Support Group. Through diplomacy and through our cooperation with our Latin American allies, a peaceful resolution to the conflicts in this region can be achieved.

IMPROVED SERVICES FOR THE CHRONICALLY MENTALLY ILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I am pleased to rise today to introduce legislation designed to reinforce America's commitment to improving the quality of life for the chronically mentally ill. The package of three bills which I am offering are designed to facilitate the integration of mentally ill individuals into the community.

Mr. Speaker, it comes as no surprise to any of us that the growing numbers of neglected, disturbed persons filtering helplessly through our society has reached an unacceptable proportion. We need only walk down any urban street on a cold winter night to witness a graphic demonstration of their desperate and tragic plight. The increasingly familiar sight of huddled masses of humanity absorbing what little warmth can be obtained from steel grated air vents has awakened the passion and compassion of millions of Americans. Yet the homelessness of the deinstitutionalized chronically mentally ill is just part of a larger problem.

In the early 1960's President Kennedy pioneered a movement to unlock the institutional gates that were segregating the chronically mentally ill from society as a whole. Widespread reports of abuse and neglect in public mental institutions provoked a sense of outrage and horror among the American public, and the rush to deinstitutionalize the chronically mentally ill swung into full force. As a result, the number of patients today in large public institutions has drastically decreased. Whereas some 560,000 severely disabled patients were served in public residential facilities in 1955, that number declined 80 percent to 110,000 in 1984.

However, the shift toward community living has not been accompanied by universal guarantees of comprehensive, high quality care. Hair-raising stories to match any told of the horrows of institutionalization are now coming to light: The released schizophrenic unable to cope with the pressures of daily living commits suicide; the family is condemned to the street by a discontinuation of income support; the mother, delirious from medication, becomes a violent threat to her children; and on and on and on.

As a society, we have a responsibility to help these individuals. We cannot appease our consciences merely by emptying out the beds in public institutions. We must recognize that extra assistance will be required to accompany a successful transition to community living, and we must develop a national consensus to facilitate the trend.

What is required is a comprehensive package of services tailored to the varied needs of the chronically mentally ill: Case management, supervised living arrangements, outpatient care, rehabilitation, vocational training, and income support, to name but a few. Taken together, a configuration of community based services can be more cost effective than 24-hour institutional care.

Yet more importantly, an effective network of supportive services for the chronically mentally ill will enable them to attain a degree of independence and dignity heretofore beyond their reach. The barriers to independent living are numerous but not insurmountable. We can help tear down these barriers, and lay the foundation for a fulfilling future life. But to do so will require a concerted and coordinated effort. The Federal Government must take the lead in working with States, local governments, and the private sector to promote this movement.

The legislation I am proposing today will pave the way for such an effort. These bills have been introduced in the other body by Senator KENNEDY, whose leadership in this area is to be commended. The package addresses three aspects of community living in which the chronically mentally ill will require increased Federal assistance. Let me take a moment to outline the proposal in more detail.

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH BLOCK GRANT CHANGES

The chronically mentally ill population will require a broad range of supportive services from a variety of sources if they are to function in the community on a day-to-day basis. As a Nation, we must ensure that the mentally ill have adequate access to these services based on their own individual needs. We must provide a continuum of care levels which will allow them to live their lives to their fullest potential in the least restrictive environment practicable.

To help ensure that all bases are covered in this regard, the first of the bills I am introducing would make continuation of the alcohol, drug abuse, and mental health [ADAMHA] block grants contingent upon the approval of State plans to provide comprehensive mental health services. States would be required to include all mental health funding sources in their plans: Medicaid and other related Federal programs, State and local funds, and private third party insurers. The plans would have to include strategies to guarantee that the chronically mentally ill individual has access to a network of supportive services which will enable he or she to reside in the community. The cornerstone of these services must be case management. Assistance in identifying, gaining access to, and coordinating the variety of available services throughout the community can be the critical factor in the success of deinstitutionalization. Without such help, a mentally ill person can feel abandoned, demoralized, and unprepared to cope with the transition to community living.

Other key services to be included in State plans are rehabilitation, employment and housing assistance, adequate medical and psychiatric care, and outreach to the homeless mentally ill. Broad based advisory councils would be established in each State to assist in the development and implementation of the plans—$10 million would be provided to assist in formulating the plans; $50 million in subsequent years to help implement it. In addition, a small program of demonstration grants to provide services for the homeless chronically mentally ill would be established.

MEDICAID AND SSI CHANGES

Despite the 20-year trend toward deinstitutionalization, there still exists an institutional bias in the Medicaid Program. In 1981 a waiver program was inaugurated which allows States to apply for coverage for community based services for the mentally ill, but the use of this provision is by no means universal. By contrast, full coverage is provided in public mental institutions for those patients under 18 and over 65 through Medicaid. Any individual, regardless of age, may receive care in a skilled nursing facility [SNF] or intermediate care facility [ICF] so long as that institution is not primarily a mental hospital. Moreover, no requirement for the provision of mental health services is required in these settings. Care in a psychiatric ward of a general hospital is fully covered.

Clearly, we should use the Medicaid Program as a tool to encourage the use of alternative care settings. Although a one-shot payment to an institution presents the least administrative hassles, the wellbeing of the patient must be taken into consideration.

The second in the package of bills seeks to enact modifications in the Medicaid Program to facilitate community-based care. The legislation would make it a requirement, instead of an option, for States to provide a range of services to their Medicaid population. Once again, case management plays a key role. A written plan would be developed for each patient which would detail the coordination of social, medical and outpatient services, income support, outreach, crisis intervention, family counseling, respite, habilitation and rehabilitation, and vocational training. The bill also requires the establishment of specific standards to be applied to SNF's or ICF's which provide care to the chronically mentally ill Medicaid patient. Finally, demonstration projects would be funded in five States to explore the feasibility of providing mental health services on a contractual or capitated basis with a single point of entry.

Hospitals receiving Medicaid reimbursements would be required to establish a plan for the provision of community-based supportive services before discharging all chronically mentally ill patients.

With regard to SSI, some allowances must be made for the chronically mentally ill recipient in recognition of the extenuating circumstances that apply to this disease. For example, because the illness is often episodic, current regulations regarding periods of hospitalization must be adjusted. Under current law, a person who is institutionalized for more than 30 days loses SSI benefits. For chronically mentally ill patients who are often temporarily hospitalized for periods of more than 30 days, this income loss means they are unable to retain their residences. As a result, they find themselves on the street upon discharge. The bill would continue monthly benefit payments at a level sufficient to maintain housing for the chronically mentally ill if their discharge is expected within 6 months.

Delays involved in determining disability for the purposes of SSI payments can often make or break the success of independent living for the mentally ill individual. There is, however, a provision in the SSI regulations which allow for presumptive disability payments prior to final determination of eligibility if the applicant meets all other income level requirements and there is a high probability that he or she will be deemed to be disabled. This bill will make chronic mental illness sufficient cause for presumptive payments if the applicant agrees to participate in a plan of care and is first, about to be discharged from an institution; second, at risk of institutionalization; or third, homeless.

In addition, as it now stands, chronically mentally ill persons who are able to obtain employment despite their disability automatically lose their SSI and Medicaid benefits. While the new earnings can obviate the need for the monthly SSI payment, the loss of Medicaid eligibility terminates access to the very medical services which enabled he or she to work in the first place. Clearly, this regulation can be counterproductive. Therefore, this bill provides Medicaid coverage for former SSI recipients who are at-risk mentally ill persons for up to 3 years of employment. The work disincentive is further reduced by making permanent the liberalization of the earnings test originally instituted in 1980.

Finally, the bill would make an exception to the regulations which bar payments to residents of public institutions for those residing in transitional or halfway houses, or emergency shelters for the homeless.

HOUSING LAW CHANGES

The third bill I am introducing today address the severe housing problem facing chronically mentally ill Americans, as manifested in the swelling ranks of disturbed homeless. State mental health authorities would be allowed to take over unused properties owned by the Department of Housing and Urban Development [HUD] for conversion into supervised living facilities for the chronically mentally ill—$5 million im the first yar and $14 million in each of the next 2 years would be authorized for these purposes.

A set-aside would be established in section 202 housing assistance for the elderly and handicapped of at least 14 percent or $100 million for loans for the development of housing geared specifically to the needs of nonelderly handicapped families. Builders would have to include an assured range of services to meet their special needs.

Finally, a voucher program would be established for supervised housing for the chronically mentally ill—$5 million would be authorized for the first year of this program. Costs would be shared on a 50–50 basis between the Federal and State governments, and would be administered through State mental health agencies.

The bulk of the provisions in these three bills do not require new authorizations but merely redirect existing funds. The additional spending that is called for is relatively modest, and could be expected to result in reduced expenditures in other areas of the budget. But the legislation goes deeper than the issue of funding. It recognizes that old patterns cannot continue, that the problems of the mentally ill affect us all, and that we must change the status quo. To ignore the undeniable need for a reorientation in governmental programs affecting this portion of the population would be shortsighted and heartless. I like to think that we in Congress have the ability to reach out beyond the Halls of the Capitol, and to effect real and positive changes in the lives of every American. Indeed, it is our duty.

Mr. Speaker, this initiative will promote that cause; it will reaffirm America's commitment to assisting the less fortunate in our society. The inherent difficulties in independent living for the chronically mentally ill person are enormous; the Government should not add to the problem.

Over 200 years ago, Thomas Jefferson spoke of the inalienable right of the individual to pursue happiness. Today, for some of us the road to happiness is cluttered with manmade obstacles. We can tear down these bar-

riers, and clear the path to full self-realization for each and every American. In the end, society will reap the rewards. Please join me in supporting this important legislative initiative to improve the lives of the chronically mentally ill.

A PRESCRIPTION FOR THE BEST DEFENSE OF FREEDOM AND FREEDOM'S VALUES AROUND THE WORLD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. OBEY] is recognized for 5 minutes.

Mr. OBEY. Mr. Speaker, I listened with a great attentiveness to the remarks of the gentleman from California, Mr. BROWN, about Mr. Buchanan and the so-called freedom fighters, the Contras in Nicaragua.

I have also had the opportunity to read in full the remarks by the gentleman from California.

I would simply like to congratulate him because I believe that his remarks have quite clearly put in historical perspective how it is that we best defend freedom and freedom's values around the world.

The Philippines should have taught us something. The Philippines taught us—President Reagan said correctly so in dealing with the Philippines that we could not get involved ourselves militarily, we had to let the Filipinos do it themselves. We did not see the forces of freedom win a great victory in the Philippines because we sent $100 million in aid to Mrs. Aquino. The Philippines today have a new birth of freedom because we followed the wise policy of following the lead in buttressing indigenous forces in that country. That is what we ought to be doing in Central America. I think that Mr. Buchanan knows quite well that the question is not whether we will support America's interests in Central America. I think he knows quite well that the question is whether we will do it smart or whether we will do it stupid.

I really believe for instance that if we had withdrawn our support for Mr. Somoza a year and a half earlier than we did that the result would have been a business-oriented, American-supporting coalition government in Nicaragua. But because we delayed in facing the inevitable what happened is that the middle class left, the business leaders left, they took their capital with them and the only political alternative remained as the Sandinistas. We have been experiencing that regrettable result ever since.

The problem is not the administration's goals, the problem is the question of whether the administration's goals can be reached by their tactics. I would suggest to you that $100 million is not enough to topple the Sandinistas, $100 million is not enough to reform the Sandinistas; it is enough to get us on the slippery slope to direct involvement when what we ought to be doing is getting in the driver's seat on efforts to achieve negotiations as we have been asked to do by all of the regional forces, by all of our allies within the region.

I would suggest that if America really wants to defend our interests in Central America we will ignore the bile that came out in Mr. Buchanan's poor imitation of McCarthyism in the Washington Post this morning.

I am from Wisconsin; I recognize a classy brand of McCarthyism when I see it. And I also recognize a second-rate brand. And we were treated to that this morning in the Post.

If this country really wants to defend our interests we will heed the words not of Mr. Buchanan who really I think knows better, he has got a good education, and he knows better, and we will instead heed the words of the gentleman from California because he has laid out with, I think, exquisite clarity the direction in which our policy ought to be headed if we really do want to defend the interests of the United States, not just today but tomorrow and tomorrow and for years to come.

THE SITUATION IN THE FAILING LUMBER INDUSTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Idaho [Mr. CRAIG] is recognized for 60 minutes.

Mr. CRAIG. Mr. Speaker and my colleagues in the House, I have taken this special order this evening to discuss what is a domestic crisis in our country, a domestic crisis that in large part abounds in the forest products-producing regions of this country. At a time when the U.S. lumber markets are booming we have a lumber industry that is facing near economic disaster. How could that be? With interest rates down, strong housing markets have boosted U.S. lumber consumption in 1984 to a record of 43 billion board feet. At current rates with a continuing-to-decline mortgage interest rate, 1985 consumption, when calculated, will well have reached 44.4 billion board feet.

Despite this record demand and a highly competitive U.S. industry, U.S. producers are suffering as lumber prices remain terribly depressed.

From 1977 to 1984, 629 U.S. lumber mills were forced to close their doors. In the same period of time the number of Canadian softwood lumber mills actually increased by a number of 85. From 1977 to 1984 over 30,000 U.S. workers employed directly by softwood lumber mills lost their jobs as U.S. mill employment dropped over 25 percent from 119,553 to 89,133.

Thousands of other workers in logging camps and related industries have also been forced out of work. In 1984 alone the U.S. industry faced pretax losses of $300 million. That year, the sixth largest U.S. producers wrote off over half a billion dollars in softwood lumber assets.

Despite a highly efficient U.S. industry, a natural competitive advantage, and record levels of lumber consumption, the health of the U.S. industry is suffering greatly.

The question must remain then why is this happening? There are reasons. I mentioned earlier that the Canadians, as we close our doors, open new doors. Both the Canadian and United States lumber industry I think now recognize the cause in this unique environment. It is called overproduction. Since 1975 Canada's production of softwood lumber has increased 103 percent from 10.9 billion board feet to 22.1 billion board feet. At the same time U.S. production increased by only 20 percent, from 25 billion board feet to 30.9 billion board feet.

Canadian production is running 75 percent, I repeat, 75 percent above its historic level.

U.S. production is running only at 8 percent above its historic level. In 1985 Canada was shipping 66.8 percent of its softwood lumber production to the United States as compared with 52.0 percent in 1975. In the first 9 months of 1985 Canadian softwood lumber shipments in the United States were running at 12 percent above the record levels of 1984. In 1975 Canada controlled only 18 percent of the United States market. In the first 9 months of 1985 Canada controlled 33.5 percent of the United States market.

That is why our lumber market is booming but our industry is dying. In 1983 Canada controlled 63.3 percent of the Northeast lumber market, 51.5 percent of the Midwest market. and 25.9 percent of the Southern market, 11.1 percent of the Western market.

□ 1940

That is a crisis problem. That is why I have taken this special order out this evening, and I ask my colleagues here in the House to join with me in discussing this issue. It is a timely issue that must be addressed by this Government. It must be addressed by this House and by the body across the Rotunda.

No time is left if we are to save our forest products industry and the thousands of jobs that depend on that industry, not just in the Pacific Northwest and in the State of Idaho that I represent, but in the Northeast and in the Southeast and across the country.

Once a thriving industry with an abundant resource from which to live from, with thousands of people at work today, now with 7.1 million hous-

ing starts growing toward 2 million, a booming housing industry, and yet our forest products industry dies.

So I have enlisted the support of my colleagues tonight. Mr. Speaker, I would first like to recognize my colleague from Montana, PAT WILLIAMS, who represents a large forest products producing area, who has agreed to join with me in this special order.

Mr. WILLIAMS. Mr. Speaker, I thank my colleague and neighbor from Idaho, and I want to commend the gentleman for what is genuine leadership on a difficult issue in our region.

Mr. Speaker, it is getting so out our way we are almost afraid to pick up the morning paper. Let me share with my colleagues the last two stories in the morning papers.

This one says, "Mill's Shutdown Stuns Superior." Superior is a little community out in Montana with about 2,000 people. In today's paper, that mill has gone down, another little mill in another little town. That is going to put about 70 or 80 people out of work.

The unemployment rate in that little town is already 13 percent, and the job service officer says that with this layoff and the resulting effects of unemployment, it is probably going to go through the roof.

I guess it was just the day before, I picked up the paper and, in a wonderful county out there called Lake County, a county of about 20,000 people, there is a town named Polson. Polson's mill has temporarily shut down, and at least 40 workers are directly out of work. Now, 40 fewer families in a small community hurts out our way, and this has been happening week after week for year after year.

Part of the problem is Canadian imports. In 1954, those imports amounted to 9 percent of America's domestic softwood market. Just 10 years later, the number jumped from 9 percent to 15 percent. Ten years after that, that 15 percent had gone to 20 percent, and now it has gone to 31 percent.

We all understand that overproduction is part of the problem. Both the Canadian and the United States industries understand that. But at current rates, Canadian production will grow to 21¼ million board feet, and that is an increase of 96 percent in just 10 years. U.S. production will have grown by 19 percent over that same period.

So, yes, we have some trade bills before the Congress, and we expect that the Trade Emergency and Export Promotion Act is going to come before the Congress, because, as the gentleman from Idaho knows, it is almost a last resort. We are going to be supporting it as a reasonable way, many Members are, to try to get some control of a lot of these imports, including the Canadian imports. I am going to support it.

Mr. Speaker, I want to do something else again. I want to try with my friend from Idaho at least one more time with a letter and maybe another personal visit, as we did before, and some telephone calls to the Canadians asking them to join us in a consortium, a trade consortium.

Here is what we recommended to them earlier. We recommended this to the Minister of Forests in the Province of British Columbia, our neighbors to the north, good neighbors and good friends. We recommended to them that the States of the Pacific Northwest and some of the softwood lumber States of the South come together with the Provinces of British Columbia, Quebec and Ontario, the big timber provinces up there, to form a trade consortium to expand our markets on the Pacific Rim.

Well, we sent that letter about a year ago and they have not answered it. They have not even answered it. It was signed by the Members of Congress from our region.

So I am going to try again. I hope my colleagues from Idaho and Washington and Oregon and other places will join me again. This time, maybe instead of writing to the Minister of Forests in the Province of British Columbia, we will write to Premier Donald Getty of Alberta, Premier William Bennett of British Columbia, and Premier Grant Devine of Saskachewan and see if they will not join us in trying to expand our market which will help oversupply, and we will keep our two great countries, with the longest unprotected border in the world, as good neighbors. We should come together in this consortium.

So I say to my friend from Idaho, along with the trade bill which we are going to be considering, let us try again to come together as good neighbors with our friends to the north and form this trade consortium and expand markets overseas. With the dropping dollar, it really might be a good time to form this consortium.

Mr. Speaker, again I thank my colleague from Idaho for his leadership and his generosity with the time that the gentleman has given me here in this late afternoon.

Mr. CRAIG. Mr. Speaker, I thank my colleague from Montana. My colleague's district in Montana is much like my district in north and north central Idaho, made up of large expanses of public land, U.S. Forest Service land, an area that has built its economy off a timber base and built the whole general economy of the region from the productivity of its work forces and its mills and its forest products base. Of course, now that base remains, but the ability to market it and to move it to market profitably is clearly at stake.

Mr. Speaker, I would now like to recognize my colleague from the State of Washington, ROD CHANDLER, who has been active in this issue with many of us in the House. He, too, represents a State that is one of the larger of the softwood timber producing States of our Nation. Like I and the gentleman from Montana, the gentleman has experienced, with many of the people he represents, the similar kind of difficulties that we experience.

Mr. CHANDLER. Mr. Speaker, I want to thank the gentleman from Idaho for arranging time for this special order, and congratulate the gentleman for his excellent remarks, and the gentleman from Montana as well.

Mr. Speaker, on March 10, negotiators from the United States and Canada will sit down here in Washington to discuss, once again, the controversy that surrounds Canadian softwood lumber imports. I have one simple message for our Canadian friends, Mr. Speaker: "Please be fair with us."

Since 1975, Canadian lumber imports have risen from 19 percent of United States consumption to about 34 percent. Since 1977, 629 sawmills have closed and 30,000 U.S. lumber industry workers have lost their jobs.

After reviewing all the arguments and all the facts as I could, I am forced to keep coming back to Canadian stumpage prices and Canada's method of pricing.

In the United States, we employ a competitive bidding process. Canada does not. Their stumpage prices, as stated in an ITC report last October, are one-tenth that of U.S. prices.

Now maybe Canada is not guilty of "dumping" as our trade statutes would define the term. But the relationship between our countries just isn't fair. How can it be that Canada's timber lands and mills are farther from the marketplace than ours, and their production costs and productivity levels are comparable to ours, and yet, Canadian producers can charge from $23 to $76 less than United States producers can for similar lumber?

Mr. Speaker, our neighbors to the north must understand our message. It is a call for fairness, and the time is now. Thank you.

Mr. CRAIG. Mr. Speaker, let me thank again my colleague from Washington for joining with us in this special order and for bringing out some very, very essential points in the marketing methods and the utilization of the Canadian resources.

Mr. Speaker, I would now like to recognize another colleague of mine from the State of Washington, AL SWIFT, who has shown real leadership in this area and expressed great concern as it relates to this vital industry to his State and to the Pacific Northwest. I thank my colleague for joining with us in this special order this evening.

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Mr. SWIFT. I thank the gentleman for yielding.

Mr. Speaker, first of all, let me say that the gentleman from Idaho has been one of the outstanding leaders of this issue in Congress. We in the Northwest tend to think it is a Northwest problem. I suppose the timber people in the Southeast think it is a Southeast problem, and those who live in the Northeast believe it is that. The fact is that the gentleman from Idaho has been a leader for all three of those regions of the country on this issue, and I want to thank him for taking this special order so that we might address this problem tonight.

My colleague, the gentleman from Washington, made the basic essential point: We are not here asking for protectionism. We are asking for fairness in trade.

Our lumber people today and our timber people are paying, in round figures, $180 a thousand for the trees on the stump. Their competitors in Canada are paying $6 a thousand on the stump, approximately. When your raw material costs are that different in price, it is going to be very, very hard to compete with an ultimate manufactured product in the marketplace.

Our people are paying what the market will bear, a bidding process in this country. The Canadian Government is not trying to do that. It is selling it at an arbitrary fixed figure. And if there is any definition of "subsidy," that has to be it. And we are not here asking for some kind of protectionism. We are here asking for fair trade within our free trade policy.

Nor are we talking about huge corporations. We are talking about sawmills. A big one hires 100 employees. A huge one will hire 300 to 400. The average in my district may employ 30 to 60 employees, some of that seasonally. And it is true they are hurt by other things. They are hurt by transportation costs, the patterns of which have changed in recent years, and they were seriously hurt by the last recession. High interest rates always cause terrible problems in this particular industry.

This is something that is coming on top of that and making their survival increasingly a questionable thing.

Now, I think it is important to point out that the Canadian timber industry is having problems too. Some of the very problems that are affecting the United States timber industry are affecting the Canadian timber industry, as well.

But their government is helping them. The Canadian Government is helping their industry and in a way that we disagree with, and I think it is appropriate that we disagree with their method of help, direct subsidy of the raw product. But our country needs to help our people, as well, as I say, not in a protectionist way, but in a way that would argue that we should have a fair shot and those subsidies should cease.

I would like to make one other point that is tangential to this. People may think that this is a regional problem. I mentioned three regions of the country that are affected by it, and in that sense, it is regional, but we also heard this evening from the gentleman from Texas [Mr. PICKLE], and we will hear again this evening from the other gentleman from Texas concerning the problem that is beginning to develop in the oil-producing States, particularly among the small producers.

It may well be that they could sit here and say, "What concern is it of ours that the small mills in the Pacific Northwest, in the Southeast and in the Northeast are having trouble?" And we could stand here and say, "What business is it of ours that the small oil producer is having trouble in Texas and Oklahoma and Louisiana?" And I suppose the people in New Jersey could say, "Why should it be any business of ours that rural America has a difficult problem with its telephone rates that urban areas do not have?" and those rural areas could respond, "Why should we care at all about the toxic waste problems that are perhaps the worst in the country in the State of New Jersey?" And perhaps people in rural America could say, "Why should we be subsidizing UMTA in the urban areas?" And the urban areas could say, "Why should we care about the milk support programs and other agricultural support programs across America?"

Well, the reason we should all care is that this is a nation, and our federal system says we have to care about the problems that other people have. And as we from the Northwest stand here tonight and make an appeal for some understanding from our colleagues who do not have these particular sets of problems, I think it is worthwhile our acknowledging that other regions have other problems, and we care about those, too. We will try to be there to assist them as they deal with providing the kinds of economies in all of the regions of this country that mean the United States is prosperous and the problems of its people can be met, whether that be education or food or health, because it is a Federal program and we are going to help each other.

I do not stand here feeling anything but pride in making an appeal on behalf of one of the major economic problems on the part of the Northwest, but I want my colleagues to know from other parts of the country I am listening to what your problems are, as well. You will get a fair hearing with me, and I hope you will be listening with some care to the problems that we are talking to you about that are affecting our country, as well.

Again, my congratulations and thanks to the gentleman from Idaho for bringing this special order to the floor. I think we are discussing some things that are terribly important, not only to our own people but the United States.

Mr. CRAIG. I thank my colleague, the gentleman from Washington. I think the gentleman makes a critical point when he says this is not a regional problem. In fact, it is not just a national problem. It is nearly a hemispherical problem because the forest product-producing regions of this hemisphere primarily reside—in the Northern Hemisphere, at least—in the United States and the western portions of Canada, with some areas in the central eastern portions of Canada.

As the need for wood products grows, as our population grows, there is no doubt that an orderly marketing system, in large part controlled by the market process without the subsidy of a government, is going to be critical in the pricing of those products and the availability of stick-built homes in the future of our country and for our children and our children's children. That is part of the issue that is bound within the type of concern that we express here tonight.

The rate of cut that goes on in Canada, the inability of our industry to stay alive, the difficulty of maintaining a balanced industry within the hemisphere becomes all part of the current forest products crisis that we speak of tonight.

This is not something that just occurred yesterday or the day before. It is an issue that has been building for several years as the value of the dollar increased and as that changed the economic environment, the difficulties of the industries and their relationships to the Governments, both of Canada and the United States, began to expose or at least produce those difficulties.

In December of 1984, my colleague from Oregon, JIM WEAVER, who is with us tonight, held a hearing in Portland, OR, the first hearing, to my knowledge, of that kind about the impending crisis in the forest products industry. I joined my colleague in Portland for that hearing, and it was from that that we introduced the first legislation to be introduced here in the House and in the Congress dealing with the forest products problem and the crisis with the industry.

Since that time, I guess one could say an awful lot of logs have been cut. But in the process of those logs being cut and the billions of board feet of softwood timber pouring into this country from Canada, the problem has not improved. In fact, it has increas-

ingly worsened, to a point where now I think it can only be termed a crisis situation in which it is now debatable whether the forest products industry of this country, with the kinds of losses it has experienced not only in dollar assets but in the human losses with the work force, can sustain itself much longer without some direct response from our Government in cooperation with the Canadian Government.

So it is my privilege to have with me tonight in this special order my colleague from Oregon, JIM WEAVER, who has led oftentimes with his chin on this issue, but I think he has in large part been proven correct in saying in 1984 and in 1985 and now in 1986 that the problem is a long way from being solved and it is time we come together as two nations to deal with it forthrightly and to recognize that one nation cannot feed upon another or feed upon another's marketplace long term without the kinds of benefit gained from that growing sour in the mouth, as it is now with the producers and the work force in the forest products industry of our country.

I thank my colleague for being with us.

Mr. WEAVER. I thank the gentleman from Idaho, my friend, who has worked so long and hard on this issue and who has given great leadership on it.

Mr. Speaker, I want to say, in addressing the gentleman as the coauthor of our bill on Canadian lumber imports, that what our bill does is simply guarantee the market share for both U.S. producers and Canadian producers that they have always had. This is not a restrictive bill. It just simply says, "Here is the market share for the U.S. producer, the Canadian producer, let us keep it at that level." If we do not, the overproduction that the gentleman from Idaho cited in his original remarks is going to drown us both, both the Canadian and the American producers. It already is drowning us.

In my own congressional district, the central fact of being swamped by increased Canadian lumber imports into the United States has had devastating results, unemployment, mill closures, reduced wages, in such communities—and these are communities of people with homes and schools and hospitals, of grandparents, who are now, in many instances, without basic industries, such as Oakridge, OR, lost its last mill, Mapleton, where Champion closed its mill, Lebanon, Sweet Home, Philomath, Coos Bay, a great port city in North Bend, its sister city on that great bay, devastated by mill closure after mill closure, Reedsport, Gardiner, Sutherlin, Cottage Grove, Springfield, communities that I could name on that have been so hurt by this oversupply at a time, as my colleague from Idaho has said, the demand for wood products in the United States is at one of its all-time highs, at 44 billion board feet. Our mills should be humming 24 hours a day, 365 days a year, instead of being depressed.

And I want to emphasize something that I do not think is clearly understood, that not only are markets being taken away from American mills but the price has been pressed down by oversupply, and this has not only caused mill closures and unemployment but it is now generating drastic wage cuts.

George Weyerhaeuser, the president of Weyerhaeuser, the largest lumber company in this country, came down to Springfield, OR, in the heart of my congressional district, a week or so ago, and addressed 700 lumber workers who work for Weyerhaeuser and told them that because of competitive forces, Canadian lumber selling cheaper in this country, that Weyerhaeuser must drastically reduce the wages of the workers in their mills. We are talking now about thousands and thousands and thousands of workers, not only in my congressional district but in mills all over the Northwest, as much as a 35-percent wage cut. Now, these people cannot live, their standards of living will be devastated if this happens.

Now, I would like briefly, in conclusion, to report on the meeting of the United States and Canadian Congressional Interparliamentary Group in Tucson this weekend. One of the major issues of that group, the Canadian Members of Parliament and the American Members of Congress, for the past 5 years, has been Canadian lumber imports, and they have discussed stumpage prices, railroad prices, transportation, and so forth, but this time the American delegation said, looking their friends from Canada in the eye;

We both have a problem, it is not only our mills that are going to close and our prices reduced and our wages cut, but that will soon happen and is happening already in Canada. What are we going to do about it?

I made a statement to our friends, the Canadians, saying, "This problem affects us both. Let us together search for a solution." I did not want to be antagonistic. This way my first time as a member of that delegation. I wanted to bring the Canadians in and work with them.

This whole theme was endorsed by other Members, the Senator from Idaho, JIM MCCLURE, the Senator from Alaska, FRANK MURKOWSKI, the Senator from Georgia, MACK MATTINGLY, all felt this approach was the one that would produce the greatest results, and the Canadians responded in kind. They said, "Yes, we recognize that, let us not argue, let us see what we can do about it."

We agreed to agree and work on solutions jointly. It is a start. That is all it was. I told them overproduction being the problem, the only way we could presently cure overproduction in the United States was at our borders, but we do not want to be protectionist if we can at all help it. We may be forced to.

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But we would prefer a better solution than that.

I recommended in my concluding remarks at that meeting of the Interparliamentary Group in Tucson this weekend that we begin with one step, and that is to ban the export of logs, round logs, unfinished by our mills by our capital, by our labor. With our trade imbalances, both nations, Canada and the United States, have trade imbalances with Japan of horrendous amounts as far as we are concerned, of $50 billion, that it would be better for us to be a manufacturing nation and manufacture our trees into finished wood products and then sell them to Japan.

The American delegation of the Senators that I have mentioned previously said that was an excellent idea. The Canadians felt it was a good idea and that we should work on it. I commend this as a beginning to the solution of this problem that we manufacture our own timber in this country and sell the finished product. This would mean thousands of new manufacturing jobs, and would certainly alleviate a part of the problem our mills and workers face today.

I again thank my friend from Idaho for his leadership here and for this special order.

Mr. CRAIG. I want to thank my colleague from Oregon for the time he has spent with this issue, the thought that he has put into it, and certainly the hard work that has involved him with an issue that is not only critical to Oregon as he mentioned, but to the Pacific Northwest, the Northeast, and the Southeast of this country.

There were several other of our colleagues who had wished to join us tonight, but with the lateness of the House, Mr. Speaker, they could not. I would ask that they be included in the special order under General Leave.

Mr. Speaker, in closing, I think it is important to understand the economic impact that goes on when we fail to allow the wise and effective marketing of our natural resources on our public lands, not only for the jobs they create, for the capital they ultimately generate, but for the return to the U.S. Treasury.

In the State of Idaho, the State I represent, we are considered the fifth largest softwood producer in the Nation. The forest products industry

makes up about one-fourth of Idaho's nonfarm economic base.

We are not a large State in population of just nearly 1 million people; we are large in land and large in resource, and one of those great resources are the trees that grow on both our private, State, and public lands.

Idaho has about 14,000 people employed in the lumber and wood products industry. They include some 3,000 in contractors and logging camp areas; 6,900 in sawmill and planing mill workers; 1,200 in the building industry that utilizes the product; and about another 2,900 in the overall lumber industry. That is critical to Idaho. Those are very, very large numbers to a State like mine. Jobs that are currently today hanging on the thin edge of the industries they work for, being able to continue to produce in this current market situation.

Idaho's timber industry is important not just to Idaho but to the Nation because most of our product is shipped nationwide. Twenty truckloads of logs produce a $20,000-per-year job in the forest products industry. Plus $1,600 to Idaho schools and roads, plus $4,800 to the U.S. Treasury. That is a critical figure. A Government and a Congress and this House that now struggles with a $200-billion deficit, a strong effort to control that deficit and to improve Federal revenues, we have trade policy that has not been willing to stem the tide of the flow of Canadian timber coming into this country, that has greatly eroded the ability of our forest products industry to harvest on public lands. That has clearly diminished the amount of dollars returning to the U.S. Treasury as a result of the utilization of that public resource, the wood product.

Of course, helping drive down the revenues, and because those people are unemployed, out of work, they find themselves having to seek support and assistance at the State level and with the Federal resource.

All of these things combined speak very clearly to a fact that this Nation needs a policy that is in part embodied in legislation that this Congress has produced, and I recognize and wish to compliment my colleague who is chairman of the Subcommittee on Foreign Trade in the House Ways and Means Committee, Congressman SAM GIBBONS of Florida, who could not be with us tonight because of another engagement, but who has introduced legislation, passed it through that subcommittee and it now resides in House Ways and Means and we hope will move soon. It recognizes that countries that openly subsidize, through whatever method, their natural resource for the purpose of moving it into world markets in a noncompetitive, depressed-price method, as our Canadian friends are currently doing with their forest products, can be subject to a countervailing duty to the amount of that subsidy that that nation chooses to allow that particular industry and that particular resource.

This Congress is making an effort to move. This administration is finally beginning to recognize that this is a critical issue not only to Idaho and to Oregon and to Washington, but to States around this country. To the overall economy of our country. We must move this year, in 1986, if we are going to salvage the forest products industry of our country and save those jobs that are currently working and that should be working if we are at 2 million housing starts and recognizing a time when we should be at full production in our forest products industry.

I want to once again thank my colleagues who have joined me tonight in this special order and for participating directly with us in this most critical issue. I would enlist the support of my colleagues here in the House and in the Senate as we move forward with trade legislation in the coming days, to deal directly with our friends from Canada in recognizing our long and valued friendship, but asking that they support and work with us in a cooperative venture to bring balance to this industry, balance to the harvest of the natural resource of our forest products in this hemisphere, and recognize that it should be our goal and our responsibility to make sure that the growing timber of our public lands throughout the Northern Hemisphere are a hemispherical asset that demand not only wise management, but prudent and just marketing.

Ms. SNOWE. Mr. Speaker, I am pleased to have the opportunity to join the gentleman from Idaho [Mr. CRAIG] and other distinguished Members of this body to address the issue of subsidized imported Canadian lumber. There are in fact many of us who have commented on many occasions during the 99th Congress on a situation which has become a paramount concern from the west coast straight across this country to the east coast and the State of Maine.

As we enter the third round of lumber negotiations, the administration must recognize that 33,000 jobs have been lost in recent years because of Canadian imports. Our lumber balance of trade has rapidly plummeted from a surplus of $400 million in 1980 to a $2 billion deficit by the end of 1985. There is a strong and broadly held belief that, if progress is not achieved in the current negotiating session with the Canadians on March 12, that legislation will be our only recourse to show we are serious.

In Maine, similar to other parts of the country, we have lost dozens of midsized lumber firms in recent years, in all about one-fourth of our companies. It is astounding we have allowed Canadian wood, imported mostly from Quebec and New Brunswick, to comprise over 80 percent of our market. When we consider the fact that the United States and Canada have a similar cost of production for their wood, and that we have a natural advantage, particularly in Maine, in being closer to the wood product markets, it becomes evident that there is a serious underlying problem that needs immediate correction.

The problem stems from the fact that the Canadian Government owns almost 95 percent of its timber, and sells the rights to harvest this timber at about 10 percent of the harvest cost in the United States. Canadian production has doubled in the past 10 years, with two-thirds of this production now exported to the United States. Clearly Canada's market success in the United States at the expense of our firms and our workers.

In the last 6 years alone, over 250 lumber mills have closed their doors, and 30,000 workers have lost their jobs. Imports have increased from 19 percent of the U.S. market share in 1975 to 33 percent in 1985. Coming on top of Canada's advantages attributed to the high value of the United States dollar, the overall effect has been crippling to the ability of the U.S. lumber manufacturers to compete.

I am reminded that last summer, Commerce Secretary Baldrige met with over 60 Members of the House and Senate to discuss this issue, and to learn about the thousands of jobs we had lost in our districts, and the millions of dollars lost in economic benefits. What the administration also started to hear was than unless substantive progress can be achieved through negotiations, Congress will move forward quickly with legislation to achieve fair trade for our lumber industry. There simply must be a response from this Government to correct this obvious and serious trade inequity which is letting Canada walk away with our own lumber market.

Lumber is but one of several issues the State of Maine is concerned about with respect to trade with Canada. As a border State, the policies of our neighbors to the north severely affect our State's economy and its principal industries—the potato, lumber, and fishing industries. I have deep concerns about the current free trade arrangement negotiations with Canada, and I fully expect to see tangible progress made in the ongoing bilateral negotiations on lumber as a firm indication of what broader negotiations hope to accomplish. If Canada wants free trade, and we have every reason to believe they do, the Canadian subsidies cannot continue unchanged.

Responding to the situation we face with Canadian imports is imperative, and if negotiating fails, a legislative remedy will be sought. Continued adherence to outdated international macroeconomic theories won't give the thousands of lumber suppliers and millworkers in this country their jobs back. Only direct action to restore a level of fairness to our current trade situation will get the lumber industry where it deserves to be: on equal footing with its Canadian competition.

Mr. DENNY SMITH. Mr. Speaker, trade issues have dominated a large portion of the 99th Congress' attention. We have debated quotas and tariffs on textile and apparel products, autos, steel, shoes and a variety of agricultural products. Our 1985 trade deficit now totals $150 billion, and has cost us many jobs in many different sectors of our economy. This is a problem that has been growing over the

past several years, and it will require our immediate attention if we are to prevent it from getting worse.

The only solution that this Congress has been able to come up with is protectionism. But protectionist legislation is not an answer for the problems we face in the Pacific Northwest. One in five jobs in Oregon is either directly or indirectly related to trade. In an effort to protect products indigenous to other parts of the country, the Pacific Northwest and the timber industry upon which we rely are to be held out as a sacrifice. As a representative of that region, I feel that it is time for the Congress and the administration to look out for American interests and protect American livelihoods.

In the course of the trade debates here in the Congress, much of the attention has been focused on our trading partners in the Far East and the lesser developed countries. If one were to listen closely to the debates, the impression might be that the only problems we are facing come from those regions. Our enemies are clear, the solutions are easy.

But what of our own backyard? The largest trading partner of the United States is Canada, with total business across our borders totaling over $120 billion. The Canadians have a trade surplus over us. Although it is decreasing in our favor, it is a surplus nonetheless.

For too long we have raked our enemies over the coals, yet we allow this current unfair situation in the timber industry to persist without any relief in sight.

The administration has just started the second round of new trade talks with the Canadian Government at the request of Prime Minister Mulroney. The Prime Minister was eager to start these talks because of the falling trade surplus with the United States and his desire to have a completely open trade relationship between our two countries. The Reagan administration is taking these talks very seriously, as demonstrated by recalling Ambassador Peter Murphy from Geneva to head our delegation.

Regardless of what actions are taken during the course of these negotiations, they will not be successful unless, and until, the Canadian timber practices are seriously discussed and negotiated openly and fairly. According to the International Trade Commission [ITC], the Canadian Government subsidizes their timber operations. As a result, timber industries located in Canada are selling their products on the U.S. markets at prices that undercut our own producers. They pay stumpage rates that are often no more than 10 cents on the dollar compared to U.S. stumpage costs. Their reforestation practices and regulations are less restrictive than those that producers in the United States face. Their timber products are transported on the Canadian national railroad at a substantial cost advantage. As a result, Canadian producers have built-in advantages in their price structures that are very difficult for the American timber industry to overcome.

The ITC later revised its 1985 investigation into this matter. In this revision, the Commission states that Western United States and British Columbia sawmills are about equal in their efficiency, this in spite of the many thousands of jobs that have been lost in our timber industries over the past few years. This finding supports the view that Canadian lumber exporters benefit from Government subsidies which allow them to charge less money for their products than their counterparts in the United States.

Oregon's economy, like those of the other States in the region, has been devastated by the recessions of the late seventies and early eighties. Our economy is heavily reliant upon interest rate sensitive industries such as timber and housing. Record budget deficits drove up real interest rates and inflated the value of the dollar. This forced our businesses to close or move operations overseas.

In the past few years, more than 50 mills have closed throughout Oregon, resulting in the loss of thousands of jobs. The ripple effects of these losses on retail business, school districts, and communities throughout the State have been severe, and are continuing.

I am here to discuss the effects on Oregon, but this is not a problem that has hurt just my state or district. The effects are being felt by timber mills all over the country. It has hurt operators from Pennsylvania to Georgia, from New York to Alaska. It is a problem that has wide ranging ramifications on a variety of industries throughout the country.

I have supported all efforts toward a negotiated solution to this problem. Along with many of my colleagues, I have sent letters to the President, Secretary of State Shultz, Secretary of Commerce Baldrige, Trade Representative Yeutter, and Prime Minister Mulroney urging them to address our concerns during the course of their negotiations. It is important for the negotiators to realize that there can be no new trade agreement between our two countries until this problem is resolved.

Protectionist activities are not the answer to the problem. The trade relationship between our two countries is too significant to have any beneficial effects through threats. But we are at a point where some action must be taken to protect the interests of our businesses and citizens.

The Office of the U.S. Trade Representative [USTR] has pursued section 301 investigations, and has found proof of the allegations against the Canadian Government. It is now important for the President to act upon the findings of the USTR and the ITC and take strong, corrective measures to protect American interests. Section 301 of the Trade Act of 1974 is in accordance with the provisions of the General Agreement on Tariffs and Trade [GATT], and does not represent the unilateral action that is strictly prohibited by this international treaty. Ambassador Murphy and his delegation must impress upon their counterparts our right to act to protect our own interests unless changes are made.

The Senate should reject any proposed bilateral trade agreement between our two countries unless this issue is adequately resolved. These talks were started at the behest of the Prime Minister Mulroney in an effort to promote a free-trade zone. It is important for the Canadian Government to realize that there can be no free trade unless there is fair trade.

There is very little that we in the House can do directly to force the Canadian Government to change its position on this subject. We can present the facts and hope that reasonable minds will take over and do the right thing. But we do have alternatives available to us—alternatives that should be considered and used when necessary.

But the most important step that this Congress can take is to do something about our Federal deficit and the national debt. Regardless of any other actions we take, if we continue to allow runaway deficits we will never be able to adequately resolve this situation.

I have just received a copy of a study undertaken by Governor Atiyeh's office regarding the effects of continued high Federal deficits on Oregon's economy. I feel that it is important for the Congress to understand exactly how $200 billion deficits will impact my State. According to the econometric model created by DRI:

Initially, a high federal deficit—meaning no federal cutbacks—benefits Oregon. Employment and personal income rises above the Control (low deficits) forecast during 1986 and 1987. During this period, the economy moves ahead strongly, not burdened by the drag of federal cutbacks.

Eventually, rising interest rates choke off business investment and home construction. Indeed, the first area to feel the effects of the rising interest rates is the lumber and wood industry, which begins to lose workers in mid-1987. By the end of 1989, lumber and wood employment is down nearly 1,600 workers relative to the Control forecast.

Overall, the report concludes that continuation on a high deficit path by the Federal Government will result in a recession which will cost Oregon 18,000 jobs by the end of 1989, personal income $550 million below the control levels, and a $80 to $90 million loss in State personal income tax revenues for the 1989–91 biennium. It is obvious that resolution of the Canadian situation in and of itself will not resolve the problems that Oregon now faces. We have to get our own economic house in order here in the Congress.

We must also consider the administration's proposals to reform the antitrust laws. We have to change attitudes that consolidation of individual companies in a failing or hurting industry is not desirable. This fear that mergers will create monopolies has prevented many companies, both large and small, from taking prudent and necessary steps in an effort to save their business, their share of the market, and, more importantly, the jobs of their employees.

We have to make corrections to the House-passed tax bill which will cause serious and permanent harm to the timber industry. Changes in the treatment of capital gains and the credit for reforestation will damage many of our timberland operators more than the Canadians ever could hope to.

Mr. Speaker, for years we've been hearing of the troubles of the Rust Belt in the Northeast, the Farm Belt in the Midwest, the Cotton Belt of the Southeast. States like Oregon, Washington, and Idaho have long suffered the same economic difficulties as these other regions, yet we have lagged significantly in terms of the economic recovery that many of these areas are now experiencing.

It is time for this Congress to take the necessary steps, short of protectionist legislation,

to guarantee that the timber industry of the United States will be able to compete fairly and openly not only in the world markets, but in our own as well.

Mr. MCKERNAN. Mr. Speaker, I wish to join my colleagues in addressing the problems caused here in the United States by Canadian softwood timber imports. The scope of this trade problem is demonstrated by the great number of areas across the country that have been affected, and the number of people who have been dislocated, and clearly indicates that a solution is needed now.

As has so often been emphasized, our softwood timber trade problems with Canada are made all the more difficult to resolve because of the close relations that have been fostered over the years. In an issue where jobs on both sides of the border are at stake, resolving outstanding trade problems will not be easy. From the American perspective, we must somehow eliminate the Government subsidies that allow Canadian producers to undersell their American counterparts, and, in the long run, strive to equalize a currency exchange rate that is out of balance. Negotiations on this issue are essential, particularly since increased trade between the United States and Canada is in the best interest of both nations; yet the subsidy question must be resolved, and resolved quickly, if we want to avoid the certainty of further job losses in this industry.

It does not make sense that a State, like Maine, with a reputation for an excellent work ethic, and with geographic characteristics similar to those of Canada, now is in the position of "carrying coal to Newcastle," that is, importing 80 percent of its softwood timber from Canada. If the overall problem centered on productivity, we would not be in a position to demand action. The question at hand is not how much more productive the Canadians are, for the ITC has shown that Canadian timber producers are no more efficient than Americans. It is a case of unfair Government subsidies, in the form of stumpage costs, which, along with an adversarial exchange rate, is crippling our domestic timber producers. Canadian Government policies have been a primary factor in increasing the market share of Canadian timber to almost 34 percent of the total United States consumption.

As has happened with so many other industries in Maine, such as the shoe industry, this Government's laissez faire trade policy is actually promoting unfair trade, rather than fair competition. The resolution of the Canadian timber trade issue is of utmost importance, and the United States must enter negotiations with Canada determined to eliminate Canadian subsidies in this industry.

Mr. WHITLEY. Mr. Speaker, I want to thank my distinguished colleague from Idaho for bringing the issue of Canadian lumber imports to the floor of the House today. I join Mr. CRAIG and the other Members who have spoken in expressing strong concern for the effects of lumber imports on the health and future well-being of the American wood products industry.

Lumber manufactured in Canada has flooded United States markets in recent years. During the last decade, the Canadian share of domestic softwood lumber markets has grown from less than 20 percent to more than 31 percent nationwide. The situation is even more severe in North Carolina. By recent estimates, nearly half of North Carolina's lumber market is in Canadian control.

The effects of softwood lumber imports have been felt throughout the forest products industry. Although lumber consumption is currently at record levels in the United States, domestic prices are down and U.S. mills are operating at only 80 percent of the capacity. U.S. producers have estimated that more than 250 sawmills have closed since 1978, resulting in the loss of 38,000 jobs.

It is clear to all those who share an interest in the viability of the forest products industry that action must be taken to stem the flow of Canadian imports into the United States. Next week, United States and Canadian trade officials will be meeting in Washington, DC, for a third round of discussions regarding the lumber imports problem. I am optimistic that these negotiations will lead to a constructive resolution of the issue and ensure continued free and fair trade in lumber products between our nations.

Last week, in bipartisan action, the Senate made clear its desire to resolve the lumber import issue now. It should be clear from our actions today that we share this concern. We urge negotiators to reach agreement on measures to curb Canadian lumber imports before it becomes necessary for the Congress to take measures to alleviate the problem.

Mr. DICKINSON. Mr. Speaker, over the past 6 years, our lumber industry has closed over 250 lumber mills, causing an estimated loss of 38,000 jobs. Between 1978 and 1982, the consumption and production of softwood lumber by American firms fell by nearly one-third. During the same period, imports of Canadian softwood lumber in the United States rose from 28 to 32 percent of our domestic market. In 1975, Canadian imports accounted for only 19 percent of U.S softwood lumber consumption.

The State of Alabama, which has a large timber industry, has also been hard hit by this influx of Canadian softwood lumber products. Between 1978 and 1984, 29 operating lumbermills have been lost. In 1978, 107 lumber mills existed, while only 78 of these mills existed in 1984. Canadian imports are the cause of at least half of these closings, nationwide.

In an effort to help illustrate the gravity of the situation, I, along with 59 of my colleagues, have sent a bipartisan letter to Secretary of State Shultz urging him to stress the issue of unfair Canadian timber subsidies and the injury that these imports have caused the United States softwood lumber industry, during the trade negotiations between the United States and Canada later this month.

To further stress my strong feelings on the seriousness of this problem I have cosponsored legislation introduced by Congressman SAM GIBBONS, which will allow the United States to place tariffs on Canadian softwood lumber imports. Obviously, this course of action is a method of last resort, but something must be done to resolve the inequities that exist between the United States and Canadian softwood lumber industries as they compete in the American market.

Mr. STALLINGS. Mr. Speaker, I am pleased to have this opportunity to discuss what has become a very severe problem in my district. That problem is the relative flood of Canadian softwood into the United States.

In 1975, Canada accounted for less than one-fifth of the United States softwood market. By 1985, it had increased its market share to more than one-third of our market. Canadians have been able to increase their penetration of our markets because during this 10-year period, Canadian production of softwood products doubled. I believe this doubling of production was not due to normal market practices, but rather to what amounts to unfair trading practices by the Canadians.

Before detailing the evidence indicating unfair competition, I want to document the damage done to our domestic logging and forest products industries.

First, we must realize that the demand for wood products has increased in recent years. This has been fueled by a boom in the housing market. In 1984, a record 43 billion board feet of softwood products were consumed. When all the figures are in for 1985, it will likely be closer to 44 billion board feet, another record year for wood consumption. With this terrific demand for wood products, it seems logical that the U.S. timber industry would be prospering.

The boom in demand for softwood products, however, does not reflect the health of our domestic industry. Between 1977 and 1984, 629 American mills were closed. Employment dropped by one-fourth, from 119,500 in 1975 to 89,000 in 1984. This trend is very evident in my home State of Idaho. Idaho has lost 5,500 of its 19,000 of timber-related jobs since 1979. The real impact, however, is not in raw statistics but in communities and individual lives.

The communities in my district, which have logging operations, are often small and very vulnerable to changes in employment. I can't help but wonder what happens to the St. Anthonys, the Salmons, and other small American towns when the lumber mills go out of business because they can't compete with subsidized Canadian lumber.

We don't have to wonder too much. Life in these small communities is generally so dependent on one or two major employers that their very existence is threatened when one of them is forced to close its doors. We recently dealt with a very good example of how this works in my district. Salmon, ID, lost its lumbermill for a time. This plant was closed because the operator of the mill could not compete economically. It was only after much effort on the part of private industry, workers in the area, and some coordination from my office that this plant was reopened. While the plant was closed, Salmon's local economy was extremely depressed. Life is much brighter now that the jobs are coming back. But a question plagues many residents of Salmon. How long can the plant remain open when the cause of its original closure has not been addressed? It simply cannot compete with the flood of subsidized Canadian lumber products.

It's a well-documented fact that Canadian stumpage prices are held at artificially low rates that do not even cover the basic costs

of reforestation. Canada has systematically changed its domestic policies to create very effective subsidies for all aspects of the lumber industry. It is with these special subsidies that our lumber industry cannot compete—not the Canadian producer. Our softwood industry is not asking to have special advantages over any competition, just a "level playing field" on which to compete.

I am a strong believer in open trade—in reducing barriers to trade rather than creating new ones. The open, multilateral trading system has brought great prosperity to the American people. Yet there is no question that governments have become increasingly involved, both directly and indirectly, in providing special competitive benefits on selected industries.

I would prefer for our trade differences with Canada to be solved bilaterally through negotiations. However, this country cannot stand idly by and watch its industries destroyed by unfair foreign competition. We must take steps to correct the discriminatory practices used by other governments, if those practices cannot be corrected through negotiations.

Mr. DICKS. Mr. Speaker, I am very pleased to join my colleagues here this evening to discuss the critically important condition of trade in softwood timber between the United States and Canada. In anticipation of the upcoming round of talks on free trade with Canada, I believe it is essential for Members of Congress, particularly those who represent areas dependent on timber production, to express their views on this situation.

As you know, the Pacific Northwest has traditionally been a part of this country that has supported free trade, particularly with Canada, our largest trading partner. However, it is quite clear that, in order to have a truly free trade situation, you cannot leave unsettled an issue of such magnitude. Allowing the timber industry in the United States to continue losing market strength to Canadian timber, without any effort to remedy those causes of the imbalance that can be remedied, destroys any illusion of two equal trading partners engaging in commerce on a mutually beneficial basis.

There is no question that the timber industry in the United States is suffering. The year 1984 was a moderately strong one for lumber demand in this country, with 1.75 million housing starts in the United States, and one would have expected that America's wood products business would have been carried along the path of recovery from the recession we recently experienced. Instead, however, United States lumber mills operated at only 80 percent of capacity, with over 13 billion board feet of Canadian softwood lumber imports accounting for nearly one-third of United States consumption.

The United States industry sustained pretax losses exceeding $300 million, largely because of depressed prices and curtailed operations caused by high levels of Canadian lumber imports. Because of this factor, and other losses suffered since 1980, major U.S. wood products manufacturers announced shutdowns and took writeoffs totaling more than $600 million. According to the forest products industry, over the last 5 years domestic firms lost more than 30,000 jobs, of which 22,000 can be attributed to increased Canadian lumber imports. In Washington State alone, since 1980, hundreds of mills have closed, hundreds of others are operating below capacity, and 17,500 jobs have disappeared.

I know that those representing Canadian interests have consistently argued that this situation is entirely the result of the strength of the dollar, and I don't believe anyone would argue that this is not a part of the problem. But I believe if you look at the International Trade Commission's report of last October on the issue, you will clearly see that the entire problem cannot be blamed on the strength of the dollar. Some blame must be assigned to the system by which Canada subsidizes its stumpage prices.

For those who are not familiar with the system, in the United States, about half the softwood lumber comes from public land. The price for cutting rights, which is called stumpage, is set by either an open auction or competitive bidding, and naturally rises to fair market level. In Canada, about 95 percent of the softwood lumber comes from public land, but the pricing system is very different from ours. A handful of large companies have monopoly leases over vast tracts of timberland. From time to time, the Government sets a stumpage price. According to the ITC report, this system has resulted in stumpage prices in the United States which are 10 times Canadian prices.

The value of the United States dollar has risen only 8.5 percent against the Canadian dollar from 1978 to 1984, and has remained relatively constant since the end of 1978. At the same time, the Canadian share of the United States market has increased from 18 to 33 percent during the same time period.

While Canadian producers have asserted that a comparison of delivered log costs would show that Canadian prices were no lower than United States prices, the ITC report shows that Canadian delivered log costs average $28 less than the United States costs, and are $59 less in the comparable northwest and coastal British Columbia marketplace.

Finally, in a revised productivity report the ITC showed that there is very little productivity differential between American and Canadian workers, particularly in the four Northwest States where product mixes and production levels are similar to British Columbia's.

For most people in timber country, these statistics all add up to Canadian subsidies which are driving our own industry out of business. Regardless of whether one agrees with this conclusion, it is quite obvious that the air must be cleared before meaningful negotiations on a free trade package can begin. If the cloud of timber trade imbalances is not lifted, I do not believe we can credit the Canadian negotiators with a good-faith effort to reach a package which is truly fair to both sides. And I firmly believe that this would, in the long run, be to the disadvantage of both countries, because I think open trade will benefit consumers and producers in both countries.

I hope that the Canadian Government will take these concerns to heart, and come to the bargaining table prepared to reach a fair solution to the timber problem. If this can be accomplished quickly, I am confident the most difficult impediment to the free trade negotiations will be removed, and we can then proceed to create a mutually beneficial atmosphere for open trade between our two countries.

GENERAL LEAVE

Mr. CRAIG. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Idaho?

There was no objection.

DECLINE IN OIL PRICES PORTENDS A NATIONAL CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. LELAND] is recognized for 60 minutes.

GENERAL LEAVE

Mr. LELAND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order tonight.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LELAND. Mr. Speaker, in recent weeks it has been very common for public officials, economists, news commentators, and even White House spokesmen to repeat the common wisdom that falling oil prices are good for America. There is another side to this issue, Mr. Speaker. The unfortunate reality is that the decline in oil prices is not a boon to all Americans. In reality it portends a national crisis.

Millions of Americans who are or were employed in the energy industries are facing financial devastation. Many States, cities, and communities will suffer severe economic dislocation because of the decline in revenue from energy and energy related industries.

One myth must be destroyed. This is not a problem that affects only wealthy oil men, the stereotypical "oil barons" or J.R. Ewings of the world. This is a problem that touches people at all economic strata and broad cross-sections of our society. Grocers in Houma, LA, welders in Drumright, OK, roughnecks in Odessa, TX, machinists in Williston, ND, and realtors in Houston, TX, are among the millions of Americans facing potential economic disaster as a result of the problems confronting the oil industry.

If I may, Mr. Speaker, I would like to discuss the specific problems confronting my home State of Texas. After nearly a decade of unprecedented economic expansion, the situation in Texas began to deteriorate during the recession of 1981. Unlike other

States, Texas never has rebounded fully from that recession. The decline in oil prices from their 1981 peak has been accompanied by a 50-percent reduction in the number of Texas active drilling rigs. Consequently, demand for drilling-related manufactured goods has ebbed, causing a contraction in the State's manufacturing sector. Since 1981, Texas has suffered a net loss of 118,000 manufacturing jobs in addition to 33,000 jobs lost in the drilling industry. Texas banks, financial services, and commercial real estate industries also have been severely hurt, causing further unemployment.

In less than 4 short months the benchmark price for oil has fallen from more than $32 a barrel in November to approximately $12 today. A team of economists from Southern Methodist University assessed the impact of this rapid decline. They stated that each dollar decrease in the yearly average oil price costs our State, Texas, 25,000 jobs. That is 25,000 jobs, Mr. Speaker; $100 million in State and local tax revenues; and $3 billion in gross economic activity in the State. That is what it has cost us.

The report continued to state that if oil declined to $15 per barrel, almost $3 above its present price, the State of Texas would lose approximately 250,000 jobs over the next 3 to 5 years and also would lose $30 billion in purchasing power from the State economy. Moreover, the Texas comptroller currently projects a revenue shortfall for the State of at least $2 to $3 billion over the next 2 fiscal years. This revenue shortfall will severely hamper the State's ability to respond to the increased human suffering that will result from the dramatic changes in the Texas economy. The State government recently called for an across-the-board 13-percent cut in spending for social services. This may only be a hint of what is to come in the future.

Mr. Speaker, the oil crisis is not a Texas problem or a problem for oil producing States solely. It is a problem, however, with national ramifications. Increased joblessness and hunger in any community in this great Nation should trouble us all. None of us should view with glee the potential destruction of a great American industry. While I can understand the pleasure consumers in the North feel about reduced prices for heating oil and at the gas pump, I think we also have to look at the broad national interest of an oil industry on the brink of grave disaster.

Mr. Speaker, I am a consumer advocate and have been during my entire career as a public servant. I have advanced the cause of consumers during my career as a State legislator in Texas and during my tenure as a Member of Congress, and for that I have been labeled a liberal, yet I speak today as a consumer advocate, too. I do not believe that it is in the interest of the American consumer for our Nation to become increasingly dependent on foreign energy products. Nor do I believe it is in the interest of the American consumer for us to be witness to the destruction of the domestic petroleum industry.

The energy industry has been unnecessarily and improperly maligned over the years. Yes, many men and women have made millions of dollars in the energy industry. But for the most part they have shed much blood and sweat in earning those millions. They have created jobs and have contributed greatly to the economic vitality of this Nation. I am sick and tired of people pointing fingers at oil producers as some sort of rapacious creatures.

But we also must be cognizant, Mr. Speaker, that the oil and gas industry is composed of millions of Americans who are not millionaries, but who are dependent upon the energy industry for a livelihood. There are more oil and gas companies headquartered in my district in Texas than in any other district in this Nation. Many of my constituents are employed in the oil and gas or related industries. I know from first hand experience that many of the people employed in the energy industry are frightened for their future. They too appreciate saving $5 or $10 a week at the gas pump, but not at the cost of their jobs and their communities and their way of life.

I hope all of Washington and all of America will sit up and take notice of this increasing national crisis. I also hope that the President, rather than applauding what has happened to the petroleum industry, will call together the best minds available from all sectors of the industry and from all affected parties to consider potential solutions to this problem. This is a national crisis.

We in Congress, however, must not sit back and wait for the President to respond to this crisis. We also must demonstrate leadership and we must begin to review and propose possible solutions overselves. Historically, the oil industry has been a convenient whipping boy and a seemingly endless source of new revenue. That trend must be reversed.

Mr. Speaker, let me say that earlier today some of my colleagues, more liberal colleagues, came to me and were teasing me a bit about what I am doing here tonight, but this is no teasing matter. That trend that we have realized in recent weeks and months, and to some greater extent the last few years, must be reversed. We in Congress must find incentives for us to change this tremendous problem. We must be inventive and creative to spur exploration, drilling, and development, and we must begin now. Our future as a Nation, Mr. Speaker, let me reiterate, our future as a Nation depends on it.

Let me refer back to the remarks of the gentleman from the State of Washington [Mr. SWIFT] when he referred to the problem as being a national problem, that of timber and the prices that we are paying with the deficits in the industry there, too, with the problem that we are realizing with the oil industry.

Let me say, too, that the problems we face with our family farmers, these are all incorporated as components that make the general union of this Nation work.

So let us not castigate the integrity of the oil and gas industry because indeed we might not understand what it is all about, but rather let us look at this as a national crisis and hopefully support the healing of at least that one component.

Now, Mr. Speaker, I yield to my colleague on the Energy and Commerce Committee, the gentleman from Dallas, TX [Mr. BRYANT].

Mr. BRYANT. Mr. Speaker, I thank the gentleman, my good friend from Texas, MICKEY LELAND, for yielding. I thank the gentleman from Houston for taking the initiative to call this special order and to organize a colloquy and a period for public statement and perhaps public exhortation about this very serious crisis facing not just our region of the country, but the entire Nation.

Mr. Speaker, we are facing a major threat to the national security of the United States. We are facing a major threat to the economic security of the United States and we are facing, moreover, a major challenge to our national will that raises questions about our willingness as the American people and as a nation to face these threats and to do something about them.

The radical drop in oil prices in the last few weeks has foolishly been greeted in many sectors as though it were an economic benefit, described by some economists as another spur to economic growth, described by some consumer advocates as a great benefit to those that must buy petroleum products.

I ask, Mr. Speaker, where are the people in this Government who are supposed to look out for the long-term interests of the United States? Where are the people in this Government who have the responsibility to be wise and to look beyond the short-term pleasure of low prices to the long-term certainty of high prices and energy dependence that will be our lot unless we act to deal with this problem and to do so immediately.

How could the picture be any more clear? Saudi Arabia again using oil as an economic and political tool has purposely, even admittedly, set out to drive our domestic oil producing indus-

try into submission and to do the same to the oil producing industries of other nations.

Why? For one reason only, in order to reassert their dominance of the entire industry and in order to reassert their ability to set the price wherever they want it.

Does anyone doubt that when they have succeeded in eliminating the competition they will again raise the price?

Does anyone doubt that we will have to pay that high price and does anyone doubt that the Saudis are in business to make a profit?

Sometimes I wonder if there are not doubts about those on the part of this administration and some Members of this Congress when I hear the response to the precipitous drop in oil prices.

Mr. Speaker, I would ask, does anyone doubt that the Saudi Arabians will then have reversed our trend in the United States toward energy self-sufficiency that has reduced oil prices since the OPEC oil embargo of the last decade, and does anyone doubt that then having beaten us into submission by virtue of the use of petroleum as an economic tool and a political tool that they will then have us facing a national security crisis of the greatest proportions?

Mr. Speaker, we must respond. I believe that it is time this Congress adopted an oil import fee that would peg the price of oil at approximately $22 a barrel.

I believe that it is ridiculous for us to leave our domestic businesses to stand alone in fighting not foreign businesses, but foreign governments, which is what some would advocate.

I believe it is imperative that this Congress abandon the absurd proposal that at this crucial time in our history we should eliminate the tax incentives that induce people to risk great sums of money in order to find oil that is critically necessary to the national security and the economic security of this country.

Tangible drilling costs should be left alone in the Tax Code.

For those who oppose the concepts that I have just stated, I would simply offer the challenge, what is their solution to this problem? Do they doubt what the intentions of Saudi Arabia are? I do not see how they possibly could.

Do they doubt what the result will be if they continue to ignore their intentions? I do not see how they possibly could.

What is their solution?

I say, Mr. Speaker, and to my good friend, the gentleman from Texas, MICKEY LELAND, I know the gentleman agrees with this, it is time we act. We cannot continue to sit by and have the affairs of the United States and the future of the United States decided by those who make public policy decisions in Saudi Arabia or in any other foreign country.

I thank the gentleman for yielding and allowing me to speak on this subject.

Mr. LELAND. Mr. Speaker, I certainly thank the gentleman from Dallas. I just would like to acknowledge the gentleman's leadership on the Energy and Commerce Committee to carry forward the kinds of policies that would indeed protect the interests of the oil and gas community. When I say community, I do not mean just the oil and gas industry, but also the community of consumers and those who would be related to the oil and gas industry, both directly and indirectly. I think the gentleman has shown great leadership in that direction. I thank the gentleman for participating with me here today.

Mr. Speaker, I yield to my colleague, the gentleman from Houston and Humble, TX, Mr. JACK FIELDS.

Mr. FIELDS. Mr. Speaker, I thank the gentleman for yielding.

I also want to commend my colleague and friend from Houston, TX, for calling this special order tonight to bring to the attention of our Nation some of the problems that are currently being experienced in the energy industry. The gentleman from Houston and myself have adjoining congressional districts and I know what I am about to say the gentleman shares in many respects.

We represent the largest petrochemical industrial complex in the world. Many of the largest energy companies and many of the large independents live in our congressional district and the people who work for those types of companies.

□ 2030

We have the largest manufacturing and fabricating industry for the energy industry in our particular congressional district. In my congressional district in particular, 50 percent of the people working work for energy concerns and are directly affected by what happens in the energy business. The other 50 percent are indirectly affected by what happens in energy.

I think this is the time for our country to develop a cohesive policy in regard to energy. In fact, I have had the opportunity to discuss personally with President Reagan some of the things I am about to mention because I think this is the time that as a nation we address and put into place those things that will lead us toward energy independence so that we do not have to be reliant on people making decisions in Saudi Arabia, or Mexico City, or Ottawa, Canada.

First of all, I think we need to eliminate the windfall profits tax. This tax, the largest ever levied on an industry, has sapped $38 billion that energy companies could have sunk into exploration. That tax is not operative at this particular point, it is not triggered. This is the perfect time to do something with that particular tax, and if we do nothing else, we should allow a dedication of those moneys that would go toward a windfall profits tax, allow those to go toward production because our reserves are dropping in a precipitous way and we need more energy exploration.

Second, we should repeal the fuel use tax. There have been arbitrary limitations on fuels available to powerplant operators. Those are outdated and they are costly.

Third, I think we should deregulate all natural gas immediately. In our State of Texas we are not able to use the gas that is the least expensive gas that is called 104 gas. And at some point in the near future, we are going to face a natural gas shortage in this country, and this is the time to completely deregulate natural gas and encourage our producers to go out and produce in the least costly field, to infield drill, drill between wells, to lower abandonment pressure, to do things that enhance recovery so we can pull more of that least expensive gas out of the ground.

Fourth, I think we should restore the 20-percent depletion rate for all domestic crude oil production with a provision that all procceds derived must be plowed back into exploration. Depletion is nothing more than a return of capital and an inducement to drill more wells.

Fifth, Mr. Speaker, I think we should leave untouched the tax provision for write-off of intangible drilling costs. I opposed the House proposal that would require companies to capitalize and amortize over 26 months the expenses on productive wells once the casing string is installed. Passage of the House proposal limiting IEC write-offs will surely mean less exploration.

Mr. Speaker, I also think we should open up more Federal lands for exploration. At this particular time, one-third of America is owned by the Federal Government and two-thirds of that one-third is closed to production.

I also think, Mr. Speaker, this is the time to oppose moratoria, do everything possible at the Federal level to stop moratoriums. Houston is America's hub for off-shore oil and gas activities. I sit as the ranking member on the Outer Continental Shelf Subcommittee that has been dealing with this particular issue, the issue of moratoria, for 6 years now.

Thirty-four of the 35 largest American oil companies are located in Houston, along with hundreds of companies that manufacture products or provide services for off-shore operation. The Dallas-Ft. Worth, Midland-Odessa

areas and many other Texas cities also derive a major share of their jobs and their real output from the off-shore sector.

You know, Mr. Speaker, many times people think that the only job that is affected in the energy industry are those people who are directly involved in working on the rigs. Well, there are direct job benefits, seismic crews, geoscientists, drilling and pipe-laying crews, engineers, accountants, lawyers, biologists and Government officials and others who are directly involved in OCS operations. But there are also some indirect jobs in the service and the manufacturing sector. These include truckdrivers, supply and workboat operators, cooks for catering companies, miners who provide metals, clays and other raw materials for platforms, cement, drilling muds; manufacturers of steel and equipment used off-shore; bankers. A substantial number of these jobs are inland and other States far from the actual oil and gas activities. And there are some induced jobs, service-oriented businesses that serve the needs of direct and indirect employees and companies: maintenance and repair experts, retailers and wholesalers, school teachers, doctors, realty and automobile dealers, insurance agents, restaurant employees, and so on and so on.

According to a study by the Texas Department of Water Resources, every 10 new jobs in the off-shore oil patch create 37 new jobs elsewhere in the economy: 2.9 in manufacturing, 8.8 in wholesale and retail trade, 8 jobs in services, 6.8 in education, and 10.5 jobs in other sectors. Each new off-shore job also generates $48,198 in wages, dividends and royalties; $30,273 in Federal, State and local taxes; and $528,059 in gross receipts throughout the economy.

About 255,000 jobs that are created in an expanded off-shore industry come from 11 States not normally associated with off-shore oil and gas: Illinois, Indiana, Massachusetts, Michigan, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Carolina and Virginia. And since 1964, under the Land and Water Conservation Fund, over $2.5 billion in Outer Continental Shelf revenues have been used to purchase or to renovate park and recreational lands across the United States. Over 5.5 million acres of local, State, and Federal parkland, endangered species habitats and recreation areas have been purchased. Among the more significant areas are the Point Reyes National Seashore, the Redwoods National Park, and Channel Islands Marine Sanctuary in California; the Appalachian Trail; Gateway National Recreation Area in New York City.

So, Mr. Speaker, there have been a number of benefits from off-shore development.

I might say in closing, of the 60 major spills that have occurred in our off-shore waters, 59 have come about because of tankers, only one because of off-shore exploration and production. In fact, since 1970 when new technology and regulations were implemented, there has been a total of fewer than 850 barrels of oil that have been lost from blowouts. In fact, I was with the Interior Department today and they said for the entire year of 1985, there were 10 barrels of oil lost off the California coast, and yet I sit on a panel at this particular time with Secretary Hodel and others who are trying to expand in a reasonable way our off-shore effort, not only in California, but in other areas, because this is the key to our country becoming energy independent so that we are not reliant on foreign sources of oil and other energy products. I think it is a key.

I want to commend the gentleman again from Houston and appreciate him taking the time and coming forward at this late hour and enunciating his position, because his position is not only a position of energy independence for our country, but also it is an issue and a concern for jobs and for the consumer in this country and I applaud him for that.

□ 2040

Mr. LELAND. I thank the gentleman from Texas and let me acknowledge that I sit also on the Committee on Energy and Commerce with the gentleman from Houston, too, and the gentleman has put his comments and his feelings forward on that committee, and has offered great leadership, and I appreciate all the wisdom that he has put forth tonight, and I hope our colleagues are listening.

I would like to now recognize the gentleman from Louisiana [Mr. TAUZIN], from one of our neighboring States, and another State that has been hard hit by the downturn in the oil business. The gentleman also sits on the Committee on Energy and Commerce; happens to be a friend, too; and I thank him for participating here tonight.

Mr. TAUZIN. I want to thank my friend and colleague from the great State of Texas for two things. First of all, for letting me join this Texas road show in describing some of the major national problems as we see them from the oil patch in Louisiana and Texas; and second and seriously, Mickey, for bringing the Nation's attention tonight to the other side of what might seem to be a good story in falling oil prices.

I think it is important when we examine that story from its two sides that we take into account first of all the very fine recommendations for a national energy policy, just articulated by our friend and colleague from the great State of Texas and the city of Houston, Mr. FIELDS.

That is a great list of things that could indeed encourage production in America, and could indeed encourage production in America, and could indeed reestablish a strong sense of energy independence for our country as well as the reality of that kind of independence.

While we examine his recommendations for what would make good energy policy for our country, let us also look at what the country is actually doing. First of all, the administration has recommended in its Treasury I tax reform proposal an almost total elimination of all the tax incentives for domestic oil and gas exploration and drilling.

By the way, we still kept in the Tax Code, in that plan, and still do in the law, all of the incentives for companies to drill somewhere else, because we have this enormous foreign earned income tax credit available to people who go develop oil and gas somewhere else; but if you do it at home all of the incentives would have been eliminated in that original tax proposal.

To the President's credit, Treasury II was revised; at least most of those I think deleterious provisions of the original plan had been removed, but guess what, MICKEY, when the House acted on the bill and sent it over to the Senate, lo and behold those same repeals of the incentives for production here at home were contained in the bill that was sent to the Senate.

So so far the American energy policy is to remove domestic incentives from the Tax Code. Let us look at what else we are doing in America with reference to falling oil prices in the current situation we are in.

The administration is recommending a moratorium on any more purchases of oil for the strategic petroleum reserve, following the 500 million barrel limit which we are going to reach sometime in May of this year.

Now what that says is the administration is saying that we need no more oil in our strategic petroleum reserve, once we fill to 500 million barrels. That is only one-half of the goal of 1 billion barrels that was originally set; but the administration is saying to us, "500 million is all we're going to need in the foreseeable future."

Second, the administration is recommending that we sell off the naval petroleum reserve; that we get rid of this national asset by which the naval needs in petroleum have always been secured, that our naval fleet will never have to worry about running short of petroleum in times of emergency, particularly in times of conflicts on the high seas. We are about to sell that off, if the administration has its way.

Again, another sign the administration feels that apparently we don't

really need to worry about energy security in America with falling oil prices.

Last, the administration almost negotiated a deal with coastal States that would have sealed in the law a moratorium on further development, for all practical purposes.

We would have seen, for example in California, no more real development of reserves that we understand are really there and available for America to have for national security.

So sum up the national energy today: National energy policy today is comfortable. Nothing to worry about; energy prices are falling, consumers are happy, the Nation is safe and secure; all is right here on Earth and God is in His Heaven.

That's our national energy policy. I ask you to think with me, just for a second, what the Saudis are all about today. The Saudis are producing this precipitous drop in oil prices; they are doing it intentionally.

Now if you own a resource, and you are selling it at a good price, why would you even think about dropping the price of that resource? Well, the facts are pretty clear; the Saudis are facing too much competition in world sales of oil. The Saudis intend to drive that competition out of business, and they are peculiarly situated to do it. You see, the Saudis are sitting on the world's greatest reserves of oil; but more importantly, on the most easily accessible reserves of oil.

The Saudis can lift oil out of the ground at an easy $1.50, $2.50 mark, and present it to the world at prices nobody else can compete with; certainly not North Sea oil.

Their intent is to drive the competition out of business. We heard some good testimony this week, Mr. LELAND; we heard testimony before one of our subcommittees on Energy and Commerce that the administration's earlier prediction that we will be close to 40-percent dependent on foreign oil by 1990 needs to be revised quickly. The predictions we now have is that the Nation will be 50-percent dependent upon foreign oil by the year 1990 at current rates of importation.

Remember that half of the trade deficit today is made up of imports of energy. We are importing like crazy. Why? Because it is cheap and the Saudis are doing just what they want to do; they are suckering us once more into another period of dependence. They are driving out the competition. The intent is to make America dependent upon OPEC again. The intent is to regain control of the marketplace; raise prices then, when America absolutely needs that energy and then do what? Perhaps dictate our foreign policy again, perhaps another oil embargo, perhaps trade with us in ways that we are not accustomed to trading today.

In essence, if America is wise today, she will change her silly policy of complacence and comfort. She will immediately begin to adopt some of the good recommendations made by my friend and colleague from Houston [Mr. LELAND] just articulated a few minutes ago. She will begin filling that SPR, that strategic petroleum reserve while the price is cheap to do so. Buy that oil and put it in the reserve and protect us from a period again when we could be held captive in another boycott.

America ought to be doing everything she can to spur domestic oil and gas exploration and development, because we will need American oil again soon. When we become 50-percent dependent in 1990, and if the administration figures are correct, as much as 65-percent dependent by 1995, we can again expect that those who control that flow of oil into our country will try to dictate their policy to us. We can expect that if we do not immediately bend to their will, we can expect another boycott; we can expect long lines; we can expect high prices; another round of inflation like this country went through, following the Arab oil embargo. That's what we can expect if we think today, and not remain complacent.

It is time for America to place her interests first, develop our resources for our people, defend against that kind of dependency that is about to grow upon us again. Maybe an oil import fee, but certainly all those things recommended by the gentleman from Houston. Certainly a program to protect ourselves in the strategic petroleum reserve.

I commend the gentleman for bringing this special order; not simply because the workers in my district are suffering in unemployment figures that are incredible to behold. Not simply because the workers in the industry in the gentleman's district are crippled now with these falling oil prices, but to remind the country that this is just a game; the falling oil prices are just a game to drive out the competition, including the Gulf of Mexico competition; trying to regain control to the point where our national interests will again be at risk.

MICKEY, thank you for bringing this to the Nation's attention tonight. I commend you for it.

Mr. LELAND. I thank the gentleman for his comments, and I thank him particularly for his bringing out and illustrating the fact that we are indeed at war with Saudi Arabia, without even firing a shot. I mean, the Saudis have really very ingeniously produced the kind of war that could possibly prevail.

That is why we are participating in this colloquy tonight; because indeed if we allow the Saudis to win, then our Nation loses and we lose, not just in oil and gas industries, if you will, but we lost one of the greatest resources that we have; and that is the resource of those people who have contributed to the underpinnings of what this great Nation is all about.

I now yield to my friend, the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. I thank my colleague from Houston, MICKEY LELAND, for having this special order this evening. I think it is important that the American people realize what the stakes are in this issue.

I am the chairman of the Republican Task Force on Energy and the Environment, and as chairman of that task force, it is my duty to try to present to the Republican side of the aisle the energy issues and the environmental issues before this Congress.

The task force does not take a stated position on issues, but merely tries to present the issues in all their aspects.

□ 2050

We are currently conducting a paper on the advisability of an oil import fee. We are going to hold a hearing next Tuesday here in Washington on the pros and cons of such an import fee. This evening I would like to just given a few personal observations on this issue that are not necessarily those of the task force. I want to take us back to the year 1948. In 1948 for the first time what we now know as the OPEC states tried to use oil as a political weapon. They declared an import moratorium on the United States of America. In 1948 that was not successful because the United States was independent. In fact, the United States at that point in time was a net exporter of oil and petroleum products. What we now know as the OPEC countries tried again in 1956. Again they were not successful because at that time we still were largely self-sufficient in our energy needs. They tried again in 1967 and again they were not successful because we still, although we were beginning to import a certain amount, it was a very small amount.

They tried again in 1973. This time they were very successful because by that time we had become very dependent on imports and that is when we began to first see the gas lines at the pumps here in the United States. But we recovered from that and then in 1979 we had the Iranian revolution and this time they were very successful.

The OPEC countries took advantage of that situation, declared another supply moratorium to the United States and to the free world, and the price was at approximately $42 a barrel for a short amount of time.

So since 1948 there have been five occasions in which the OPEC coun-

tries have used oil as a political weapon.

What is the probability that they will do so again? Today we are in a surplus situation in the world. Were they to declare an import moratorium on the United States it probably would not be successful at least in the short term. But what happens 5 years from now? If we allow the price of oil to stay at $12 to $15 a barrel, which is where it is today, and could go lower, 5 years from now we will not have a domestic exploration industry in this country. Our production industry will be somewhere in the neighborhood of probably 6 million barrels per day. Today we are producing about 9 million barrels per day; 4 or 5 years from now we will probably be consuming about 18 million barrels per day. So let us assume that we are producing domestically 6 million barrels but we are consuming 18 million barrels; that is a 12-million-barrel gap.

If there is another disruption in supply 4 or 5 years hence, and history indicates that that is at least a possibility if not a probability, you are going to see a situation where we are very, very dependent, we will not be able to respond, we will not have the exploration activity, the exploration industry, the production capacity is not going to be there, and we are going to be at their mercy. Is that good for the strategic interests of the United States of America? I do not think it is.

What can we do to prevent that? Quite simply I think this Congress could impose a sliding-scale oil import fee on both crude and products. If we could set it at somewhere in the neighborhood of $22 to $25 per barrel, it would be inversely proportional to the market price; if the market price were $15 a barrel, then let us say the import fee would be $10 a barrel, for a price of $25. If the market price were $20 a barrel, we would have an import fee of $5 per barrel. If the market price was $25, we would not have a fee. What do we get in return for that?

We get a domestic industry that can still go out and explore for oil and gas. We maintain our production capability in the 8 to 10 million barrels per day range. We keep the core group of our industry together. When I talk about the core group of industry, I am not talking about simply in Oklahoma and Texas and Louisiana and Alaska. I am talking about in 37 States in the United States of America. I am talking about in the service industries in all 50 States, including the State of Alaska.

I think that is in our national interest to do so.

When we look at what the Saudi Arabians have done in the last 2 months, they have driven the price down to $12 to $15 a barrel range.

Are they doing it because they are altruistic and they want to give the American consumer a price break? No. They are doing it because they had lost market share at $27 a barrel to $30 a barrel. They could not produce and sell enough of their oil on the international market to meet their internal cash-flow needs. They have got an advantage in cost of production.

So they have driven the price down to drive the American domestic petroleum industry out of business. And they can do it.

Here in the United States we have got about 33 billion barrels of proven reserves. The Saudis have 370 billion barrels of proven reserves.

The Saudi average cost of production is less than $5 per barrel. The American cost of production is between $12 and $20 per barrel depending on where it is in the United States. They want to drive our companies out of business and then they will have market share, they will, if not a monopoly, they will have at least an oligopoly and they will be able to control the market and set the price where they want to. I would postulate that that is not good for the American people. It is not good for the free world. And we should as a Congress do something about it, we should in my opinion impose a sliding-scale import fee that phases out somewhere between $22 and $25 per barrel. If we will do that today, the American consumer will pay somewhat more at the pump than they will, they will pay 25 cents a gallon more, but they still would be paying less than they were 2 or 3 months ago because the price will be between $22 and $25 a barrel. Not too long ago the price was $27 to $31 a barrel. So we are not going to raise the price to the American consumer. We are just going to keep it at a level that we can keep the domestic industry viable. And if there was any other industry in the United States in the last 2 months that had seen international competition drive the price down in the neighborhood of 40 to 50 percent, this Congress would act very expeditiously. If steel prices were driven down by foreign competition, this Congress would be acting. If automobile prices were driven down by the Japanese and the Europeans, this Congress would be acting. Why should not this Congress act in the oil and gas industry since that is one of the most basic industries in this country?

I think we should, I hope we will. I commend the gentleman from Houston for conducting this special order and look forward to working with him on this issue in the weeks and months ahead.

Mr. LELAND. I certainly thank the gentleman for his contribution. I particularly thank him for his raising the issue of the analogy of what would happen if the steel industry and the automobile industry were affected in the same way that the oil business is affected here today. I believe very strongly that the gentleman is absolutely correct, that the analogy is appropriate and just right on target. We have got to do something about it. All we are trying to say here is that it is most urgent that we consider that this is indeed a national crisis and that we have to do something about it right now.

Mr. Speaker, I yield now to the gentleman from Tyler, TX, the gentleman who also sits on the Committee on Energy and Commerce, who knows very much about the issue and has imparted his wisdom to me before about what it is we ought to do about what is going on. I certainly appreciate his participation here today.

Mr. Speaker, I yield to the gentleman from Texas, Mr. RALPH HALL.

Mr. RALPH M. HALL. I thank the gentleman.

Mr. Speaker, I thank the gentleman from Houston, Congressman LELAND, my associate on the Committee on Energy and Commerce, for lending his time and his abilities to bringing such an important matter to the attention of the American people. I of course rise to join my colleagues in discussing the economic impact that the very precipitous fall in the price of oil and gas is having on my State and the Fourth Congressional District of Texas. And here I speak for JIM CHAPMAN, Congressman JIM CHAPMAN, of the First District, my neighbor to the north and east.

The price slide has been a very rapid slide, as has been discussed here today, with decreases approaching 50 percent and higher from the levels of just 6 months ago.

Mr. Speaker, all sectors of the Texas economy are being affected as is evidenced by the projected $1.3 billion shortfall in general revenue for State government over the next 18 months. These revenue projections, which were made only a couple of months ago, were based on average oil prices in the $22 to $23 range, and, as we all know, prices have now declined below what was believed to be a very prudent projection.

Let me tell my colleagues what is happening in east Texas.

On February 20, Lone Star Steel Co. announced that, effective March 15, it is idling some facilities to accommodate the reduced demand for oil country tubular goods—such products as drill pipe, well casings and the like. Ten to fifteen percent of the company's total work force—approximately 600 employees, will be laid off. The impact of these layoffs in the Longview, Gladewater, Tyler, Kilgore, and Daingerfield areas will be substantial, and they come on the heels of substantial reductions in employment that have already occurred at Lone Star Steel Co.

Exploration and drilling are continuing at bare minimum levels which has resulted in unemployment or underemployment of several thousand persons in the drilling, well servicing, oil field supply, and other businesses, that provide goods and services to the oil and gas industry. The people feeling the impact of the loss of jobs are not primarily the executives and white-collar workers, although they have been affected. It is the blue-collar, hourly workers, roughnecks, and tool pushers that are bearing the brunt of slowdown in exploration, drilling, and production activity. Economists tell us that the dollar turns over about six or seven times in a community, so you can see that, in a part of the country where oil and gas is the economy, the economic impact on all businesses is truly monumental.

Let me turn briefly to address the plight of another misunderstood segment of the oil and gas industry—that is, the royalty owner. Here is a case where the stereotype of the royalty owner being a high living, high spending person of great wealth is notoriously inaccurate. A more accurate profile of the average royalty owner is that of a middle aged to elderly couple living on a fixed income, often in a rural area. They are scattered all over the country, as any oil or gas producer who mails them their checks can tell you, and their checks are relatively small—$200 average—but constitute an important, and often absolutely necessary, part of their income. These people have seen their royalty income drop by 50 percent, or more, as a result of falling oil and gas prices. As owners of a depleting asset, they can expect to see further declines, as production from the wells in which they have an interest declines.

There's about 3½ million royalty owners throughout the country and their loss of income is having an impact in some surprising area. Let me give you some examples by State:

Alabama, loss of approximately $28 million; California, $720 million; Colorado, $43 million; North Dakota, $77 million. Wyoming, $146 million; and there are others.

In summary, Mr. Speaker, the precipitious drop in oil and gas prices is creating chaos in the economies of the producing States, and particularly the First and Fourth District of Texas. These economies can cope with an orderly and gradual change in prices, both up and down, as they have done for years.

What is needed, more than anything else at this time, is stable prices, and I hope the Congress will seriously consider addressing this problem in the months ahead. The No. 1 duty of a Congressman, I believe, is to prevent a war. In World War II Hitler went into Russia at least partially for the Ploesti oil fields. Japan, after Cordell Hull and Henry Stimson brought about an oil embargo on Japan was forced south into Malaysia—for energy or oil as we called it then. Energy—or the lack of energy—has influenced every national challenge. Nations will fight for energy and we will also. It is very important to have a sensible energy thrust—and it very likely could prevent world war III.

Mr. LELAND. Mr. Speaker, I thank very much for the gentleman giving us his contribution. I feel, and I do not know of the gentleman from east Texas feels the same way, but I feel that many of our colleagues do not really understand the plight of the oil and gas industry. I think they are somewhat prejudiced by their regionalism in many instances, and to some great extent, philosophy, because the people in our communities who are in the oil and gas industry are portrayed in the J.R. Ewing light and the "Dynasty" light, and people like them who are characterized.

If in fact "Dynasty" and "Dallas" were accurate, then they would show how depleted the resources are for oil and gas because of what is happening abroad, because of what the Saudis are doing, and also because of what the Congress is doing to restrain the oil and gas business.

I am typically labeled as a liberal. If in fact I have proven historically, after my almost 14 years now in public life, if I have proven my liberal credential, then in fact I would like to impart to my liberal colleagues and those who would think more like me philosophically that this is indeed a national tragedy, that we have to get rid of our philosophies, if you will, and look at the merits—or the demerits, if you will—of this crisis.

The demerits, I would suggest, the pox is on the Saudis and some of the OPEC to this very serious problem. The merits would be bestowed on those royalty owners and also the wildcatters and the independent oil and gas owners in this industry, as well as the so-called big oil people, who represent, by the way, many, many taxpayers who own shares in the big oil companies.

We always portray oil and gas people as big oil barons. That is not the case for the most part. As a matter of fact, in the case of the independents, many of them—I would suggest that most of them are people who work as roustabouts and roughnecks and tool pushers, and some even started out just cleaning up in the oilfields and on the offshore drilling wells, people like that who save their money and invest it in wildcatting and were able to make sometimes thousands of dollars, and sometimes millions of dollars.

But the reality is that these are American people, and they have paid many thousands upon thousands, millions upon millions of dollars in taxes to make this country strong.

What would our security forces be if in fact we could not depend on our national resources for oil and gas to fuel the security of this Nation? What would our Nation be if in fact the oil and gas industry would just go away tomorrow? It seems that some of my more liberal friends are jumping up and down and applauding the fact that the oil and gas industry is in trouble right now. What would happen if they were not here tomorrow? Then in fact the jobs that we are talking about being lost here would be jobs in Saudi Arabia and other places, other oil-producing countries; Nigeria, Mexico, and places like that.

Now, I do not wish any ill will for those people, however scurrilous they are in doing what they are doing to us. But I hope that in fact the reality can be indeed realized right here in the Congress of the United States, as well as in the White House, those people who are helping to make the policy.

Mr. Speaker, I want to see our country come together in this crisis like we have looked at the automobile industry, and we said, well, we better buy American; we better buy American cars because those people in Michigan are hurting so badly. I have been a party to trying to help the automobile industry in Michigan. I hope we come together and support the oil and gas industry like we came together and supported the steel industry.

This is nothing more than simply dumping of oil in this country so that we could drive out the competition from our own American citizens who are operating these companies, who own these companies, who are working for these companies, who are supplying these companies.

So I really want to thank all of the people who participated, all of my colleagues who participated here. I want to pay special tribute to the gentleman from east Texas for always bestowing on me some plaudits for some of the things that I have done that are extraordinary to my so-called philosophical labels, for my participation in trying to support the oil and gas industry. I think that it is indeed a vital industry to this Nation.

Mr. RALPH M. HALL. If the gentleman will yield further, I certainly agree. I think that we are making some strides in that many of the Members from the North and the East are making trips to Texas and to other oil-producing States, energy-producing States, and seeing first hand that it is not as it is depicted sometimes over the television, and also seeing that we need incentives and that it is not the majors that produce the gas, it is the minors who get out and spend their money, bet their future on finding that, and then they sell. I suppose

that maybe 95 percent of the gas that is discovered and oil that is discovered is discovered by little people, the independents, the wildcatters, and then they sell it.

If you take away the incentives to search, then we are in real trouble. We will get like the family farmer. We will get in a situation like where a bad bridge or a bad road is not fixed until some teenager gets killed there. And we cannot afford to let the Nation's energy thrust sink to that level, to take the chance that we are taking right now, and seeing them forced out, and the docket sheets of all the bankruptcy courts full of oil and gas little people who go first.

I think it is communication that we need, and we are communicating that to these Members as they come to the Kilgore Oil Museum and see the history of the oil patch, the energy aides that have made several trips down there as our guests. They come back and they let the Member know what the facts are. The Member finally comes, he or she sees it for themselves, and they see that it is really a coordinated thrust. We just happen to be the States where the energy might be, but we are United States in that we all need it.

We have to keep a strong energy thrust. We have to keep a successful energy thrust, because our national existence depends on it, as did Japan's when they were forced out into Malaysia. That war was not caused by Japanese and Americans throwing one another out of the bars in Singapore, or even on a difference of philosophy. It was simply caused by oil and gas, or a lack of it. They had 13 months at the time the embargo was put on. They had to for their national existence go south into Malaysia to seek energy to run the wheels of their giant country. This country will do the same thing.

I think it is so important to all of us. Members of a family who have children, who have grandchildren, who want them, rather than saying, "What branch of service will I go into," would say, "What school will I attend? How can I be a geologist or an engineer to help protect, defend, and further search for energy in order that we might have peace, not just in this country, but in all countries throughout the world?"

Mr. Speaker, I thank the gentleman from Houston, Congressman LELAND. I thank the gentleman for his time, and I thank my colleagues who have certainly enlightened, I think, this Congress and those who would hear. I think that it is moments like this, occasions like this, that bring about understanding, that brings all of us closer together that we would understand the heating oil problems of the North and East, the droughts of the Midwest, and that they might understand that we are little people who seek and search and spend our money and bet on finding, and we need to have some continued incentive for such.

Mr. Speaker, I thank the gentleman for including me in this special order.

Mr. LELAND. Mr. Speaker, the gentleman is most eloquent.

Mr. Speaker, in conclusion, I would just like to say that I wish that all factions would come together in this country, particularly here in this forum, the Congress of the United States, to help to mete out the solutions to this very, very somber and most severe problem that we are faced with.

Mr. PICKLE. Mr. Speaker, I commend the gentleman from Texas [Mr. LELAND] for his special order. This is a very, very serious question for the people of the United States.

Mr. Speaker, if Toyota cut the price of its cars more than in half and flooded the American market, it would be considered a national crisis.

If the price of wheat dropped 63 percent in 2 months, it would be considered a disaster for American producers.

If either of these things occurred, there would be a national uprising and demands that Congress take immediate action.

But when a foreign country floods an already oversupplied oil market in order to drive American producers out of business, we see a number of economists and public officials hailing it as a great boost to our economy.

What has been occurring in the international oil market over the past 2 months is the most blatant, outrageous case of irresponsible dumping that I have ever witnessed. It is a deliberate campaign by Saudi Arabia to drive international competitors out of the business of oil exploration and production.

And, they are being extemely successful in this campaign.

Let me read the lead paragraph from the Associated Press story that came across the wire this morning:

> The major grades of oil from the United States and Britain have dropped below $12 a barrel, reaching levels that analysts say could force some producers to shut down oil wells.

Given these developments in recent weeks, we must ask ourselves if we have learned anything from our painful experiences from foreign domination of the oil market over the past 13 years.

In 1973, the OPEC nations nearly strangled our country and all the other developed nations of the world by dramatically cutting oil supplies and driving up the price of oil. It was a traumatic disruption of our economy and the world economy.

It took our Nation years to recover from the shock and build our domestic production up to a reasonable level. Other nations, Britain, Mexico, Canada, and others, increased their exploration and production. The high price of oil made it profitable to drill in many new areas. And the OPEC nations found that they finally had some real competition on the international market. Increased production by other countries had broken their stranglehold on the oil market.

So, what is the best way to destroy this healthy competition in the marketplace? Dump massive amounts of oil on the market to drive down prices to the point that competitors go bankrupt.

Once they have driven American, British and other producers out of business, OPEC will once again be able to dominate the world oil market. They will regain their control over international supply and prices. They will once again be in a position to deliver a crushing blow to our economy whenever they feel the time is right to cut back supply and again drive prices sky high.

It is extremely disturbing that many people in our country appear to be more than willing to play right into the hands of this OPEC strategy and welcome this flood of cheap oil. They are willing to take the shortsighted course of sacrificing our domestic oil industry, of sacrificing healthy international competition to return to OPEC dominance of the marketplace.

I want to point out that 73 percent of the wells in the United States are small stripper wells, producing less than 10 barrels per day. These small wells provide 15 percent of our total domestic production. These small wells can't survive with prices at $12 per barrel. They will close down. And once they are closed they may never be productive again.

When our domestic oil industry is reduced to nothing more than a pile of rusted drilling rigs, it may be 6 months from now or 2 years from now, OPEC will be in a position to again demand any price they want for crude oil.

Mr. Speaker, I haven't forgotten the lines of cars that stretched for blocks waiting to buy gasoline. I remember our country on the verge of panic when OPEC shut off the oil flow in 1973.

But it seems that many others have forgotten the price we paid for relying on foreign sources of oil.

The response from the administration seems to be to stand on the dock and cheer as ships loaded with cheap foreign oil drive domestic producers into bankruptcy. The administration's policy is so shortsighted that it is even recommending a halt to filling the strategic petroleum reserve.

It takes little foresight and no imagination to realize where we are headed. If foreign producers are successful in destroying our domestic drilling indus-

try, we are going to need that petroleum reserve very soon when our supply of oil is cut off again.

We have a decision to make right now.

Do we help OPEC tie the noose around our neck by playing along with their market dominance strategy? Or, do we take steps to protect ourselves from another economic disaster like the one we suffered 12 years ago?

Mr. Speaker, I believe we must act and act before our domestic industry completely collapses.

We can derail this market dominance strategy by imposing a fee on imported oil. An oil import fee would have a number of benefits:

First. It would save hundreds of thousands of jobs in our domestic oil industry.

Second. It would help maintain our domestic drilling capacity so that we would not become overly dependent on foreign supplies.

Third. It would provide an additional source of Federal revenue to help reduce the deficit.

An import fee of $5 per barrel on crude oil and $10 per barrel on refined products would enable our domestic energy industry to continue functioning during this crisis. In the State of Texas alone, it could save approximately 125,000 jobs. It would also generate approximately $8 billion a year in Federal revenue.

I urge my colleagues to support an oil import fee as a measure that is urgently needed to protect our Nation from once again falling into disastrous overdependence on foreign sources of oil.

In addition, this current crisis underscores the fact that we must maintain the current tax code provisions which encourage oil and gas exploration. Any reduction in those tax incentives would deal a death blow to an industry that is already on its knees.

If we choose to simply stand by and watch this vital domestic industry destroyed, it will not be long before we find ourselves facing another oil shock similar to the early 1970's.

Mr. WATKINS. Mr. Speaker, I would first like to compliment my friend and colleague, the gentleman from Texas [Mr. LELAND] for organizing this special order to bring attention to some developing States that deserve the attention of this Nation and this administration.

The price of crude oil began its steep decline about 2 months ago. Economists across the country are predicting that oil-producing States such as Oklahoma are facing perhaps the worst economic times since the Great Depression. They also project that, because of dependency on the petroleum industry as a source of revenue, Oklahoma percentagewise is the hardest hit of those States. The oil-patch States are in an economic crisis. They are overhauling their budgets which they began to do so as early as 1982 when the world first felt the remifications of the crude glut. The picture is not pretty.

Gov. George Nigh met with the Oklahoma congressional delegation last week and said that the State is facing a projected revenue shortfall of $467 million during the next fiscal year based on $18 crude. The cash price of crude closed Friday in New York at $13.25 for West Texas intermediate crude, the benchmark of our crude. In the second week of January, Nigh had predicted a shortfall of $212 million based on $23 crude. This prediction follows the State's largest tax increase in its 78-year history. The State loses nearly $15 million in revenue everytime the price of a barrel of oil drops $1.

Mr. Speaker, not only is the State facing a shortage of oil and gas tax revenue, but the domino theory has taken effect on the income and State sales tax revenues.

Unfortunately, the news only gets worse. Governor Nigh has ordered a halt to State hiring and State agencies face budget cuts of 16 to 19 percent. This, in turn, means another drop in State employment which has already cut 2,000 jobs.

The State's total employment picture is no better. The effects of this crisis have spread from energy-related businesses who have had to lay off thousands of employees to nonenergy businesses who are supported by energy income. In the boom days of the early 1980's, as explorers were seeking, and finding, new petroleum reserves and deep natural gas production, Oklahoma, in the main, was a bellweather with low unemployment, boom time development in construction, new homes and business buildings going up, new motels. Then came the crash of 1982. Everything didn't taper off, it stopped abruptly as if hit by a 10-ton truck.

Cushing, OK, in my district, was once a growing community and served as a center for the region's oil pipelines. The town of 7,500 has seen oil-related jobs vanish overnight.

Mr. Speaker, not only will the drop in prices effect oil-producing States, but it could also place the U.S. national security in a perilous position by allowing us to once again become totally dependent on foreign oil supply.

I'm sure we all remember the problems we faced during the oil embargoes of the 1970's. We learned then that allowing ourselves to become too dependent on unstable oil-producing countries could jeopardize the security of the Nation.

Then, too, the Nation had been warned. The late Oklahoma Congressman Tom Steed said in this well in 1964, "We no longer have to be concerned about an embargo of Mideast petroleum, only when that embargo will happen."

The embargoes led U.S. companies to expand oil exploration and explore the possibilities of alternative energy sources. As a Nation, we all began to institute more energy-conserving practices. The domestic oil and gas industry, spurred by the independent sector, rigged up and went out to punch holes. They found new reserves and new fields of domestic production. They created new jobs and generated new capital, new revenue for State, local, and Federal Government. They made this Nation more secure.

Mr. Speaker, because of the low prices, these same U.S. companies have cut back exploration. Again, as in the 1950's and 1960's, rigs are stacked and are being exported. This decline can only lead us toward greater dependency of foreign oil.

I believe the solution to these problems is to impose a tariff on imported oil. An oil import fee would allow U.S. companies to continue their oil expoloration, thereby lessening our dependence on foreign oil and protecting the national security. It would help reduce the country's tremendous trade deficit.

Perhaps the most important feature to this import fee is that would aid domestic energy industries and banks with energy loans, which one were sound but now are shaky due to conditions far beyond their control. This improvement would also have a domino effect and would aid in improving the overall economy of the oil-producing States.

The President, or his spokesmen, have little regard, apparently, for the domestic industry or for the States which for almost a century have produced the fuel to stoke the engines of industrial development and transportation. When asked in mid-January about the plunging prices of crude oil, Mr. Larry Speakes said that falling prices would be and I quote "obviously a problem for all oil-exporting countries and can aggravate the problem of debtor countries." Such is the administration's concern, we must assume. They fear problems for oil-exporting and debtor countries.

Mr. Speaker, at a time when the oil fields of Oklahoma, Texas, California, Kansas, and other producing States face bankruptcies and more bank foreclosures and failures, our colleague from California [Mr. Duncan] points out that the Export Import Bank is loaning $129 million to Chevron-Gulf to develop oil fields in Angola, which in turn uses the profit to buy Soviet Arms and support Cuban troops inside its borders. Mr. Speaker, as we say in Oklahoma, "Something's out of whack."

In the past decade, because of economic and governmental policies, 119 domestic refiners have shut their doors. That's not too bad, Mr. Speaker, because a lot of them were out of date and it was cheaper to import than it was to retrofit. Now, Mr. Speaker, the Independent Refiners Coalition reports that the United States has a short-fall of refining capacity of nearly 20 percent. I find that astounding, Mr. Speaker. Now we are forced to rely on imported refined products because our manufacturing base has been eroded and exported.

The President sees what he wants to see, in my judgment, Mr. Speaker, because on at least two different occasions he has recognized that at least 50 percent of our horrifying trade deficit is due to our reliance on imported crude and oil products. Yet, he refuses to do anything about it.

He wants to tax further the oil industry.

He wants to tax further the royalty owners.

He wants to change tax structure to discourage investment for capital improvements.

He wants to export jobs, jobs which we in Oklahoma don't have. Much of my part of Oklahoma, Mr. Speaker, does not have great income from petroleum production. But we have great fallout from lack of production, because many of my people formerly worked in the oil fields which are now empty. Even in the boom days of the early 1980's, Mr. Speak-

er, unemployment rates were higher in my district than the rest of the State and Nation. The per capita income in most of the third district counties is less than that in Hong Kong. And, if we don't find a solution, that income is going down even further. We are not experiencing that great recovery that President Reagan keeps talking about.

Mr. Speaker, let's look at the cash price Friday for crude: $13.25 a barrel means that a gallon of crude costs 31.5 cents. That's 31½ cents, Mr. Speaker. Friday, the price of spring water was selling at the Columbia Pike A&P Store in Arlington for $1.09. Like I said, Mr. Speaker, something's out of whack. It's broke, and it's breaking Oklahoma and other oil producing States, so let's fix it.

Mr. Speaker, I again commend the gentleman from Texas [Mr. LELAND]. This is one time that I'm thankful that Oklahoma isn't as large as Texas, because I have been told that each $1 drop in the price of crude costs the Texas' economy $55 million, while in Oklahoma it costs $15 million. We are in a depression in Oklahoma.

Thank you, Mr. Speaker.

Mr. SYNAR. Mr. Speaker, 1 month ago, the President stood in this Chamber and spoke of an America experiencing unprecedented economic growth. He spoke of growing job opportunities and renewed business vigor.

Well, it's obvious that Mr. Reagan hasn't been to Oklahoma recently. It's obvious that the President hasn't been out to visit the family farm or stopped to pay a visit to the oil patch recently. If Mr. Reagan had done either—and I would invite him to do so—I wonder whether his outlook would be as optomistic as it is from behind the walls of the Oval Office.

We've had a good deal of debate here in Congress about this Nation's continuing farm crisis. But it's time we open our eyes, and the eyes of this administration, to another crisis underway in the heartland of America: the crisis in the oil fields and in the communities and States whose economies depend heavily on a strong and healthy domestic energy industry. And if we do not allow ourselves to forget the lessons of the last decade, we can all agree and recognize that indeed the economy of our Nation depends on a strong and healthy domestic energy industry.

While lower energy prices may look good for the country as a whole, the steep, unprecedented free fall in world oil prices now underway is devastating the economies of Oklahoma and its neighbors. The market is too volatile; the price slide is too fast and too sharp. For, just as the rapid price hikes of the 1970's caused economic chaos, the current price cuts threaten chaos as well.

Already, independent producers in Oklahoma are shutting in production wells. If they stay shut in for any length of time, these wells will be lost forever. For many of the smaller independents, if the bankers don't get to them first, their larger competitors will. Fewer companies, less competition. Less drilling, fewer reserves and less production in the future. The trend is clear. It's estimated that 15 percent of our domestic oil production comes from stripper wells—wells that produce less than 10 barrels of oil a day. Yet strippers are being shut in at today's prices. And if prices stay where they currently are, or go lower as is expected, we may lose 1½ million barrels of domestic production over the next several months alone; 1½ million barrels of a total 9 million barrels a day in domestic production. It's time to wake up, Mr. President, and realize that a large and crucial sector of this Nation's domestic energy industry, the small independent producer, and an entire regional economy are on the ropes.

Let me try to explain, for a moment, how serious the problem is in my home State of Oklahoma. For every dollar that the price of oil drops, the State loses between $15 and $20 million in tax revenues. Last December, the State of Oklahoma anticipated a deficit of $258 million for the coming fiscal year. That estimate was based on oil prices of $23 a barrel. Since that estimate was made, contract prices have tumbled as low as $14 a barrel and spot prices have dropped as low as $12. The State recently revised its deficit estimate and now predicts a revenue shortfall of $467 million. In a short 2 months the State's projected deficit increased by over $200 million. And the most recent projection is based on $18-per-barrel oil. What does this mean to Oklahoma? Perhaps State Senator Roger Randle best put it into perspective. He calculated that a cut of such magnitude would be the equivalent of eliminating all funding for State colleges and universities or shutting down the entire State Department of Human Services. Or, put another way, such a cut would be the equivalent of closing the State prison system, eliminating the highway patrol and highway construction funds, and shutting down the State health department all at the same time. I seriously question whether any Member of this body can honestly say that his or her State is prepared to accept cuts of this size. We in Oklahoma will do what we have to, and we'll survive. But at what cost? And what will the cost be to the future of this Nation if we allow well after well to shut in and producer after producer to close down? What will the cost be to once again allow the Saudi's and OPEC to sit in the driver's seat and set the price we pay for our energy needs and our economic growth?

Much has been said about an oil import fee. Yes, I have concerns about creating another tax in the energy industry. Yes, I have some concerns about the kind of tax that this Congress might finally adopt. But we need to discuss the import fee as a matter of energy policy, not tax policy or deficit reduction. We need to decide how far we can afford to let this Nation's production capacity fall.

Yet, the only action this administration has taken is to push a tax bill that removes incentives for domestic exploration and production. A bill that increases the industry tax burden by $3.5 billion. A bill, that in conjunction with the slide in oil prices, is certain to strangle the industry and create supply shortages that we will one day regret.

It's time to stop looking at this administration's individual energy policy failures on a piece-meal basis. Put them all together and we in Oklahoma and we as a nation are courting disaster. It's time for this Congress to sit down and establish a sound, practical national energy policy that will promote prosperity for our economy and security for our Nation. Let's get on with the job before it's too late.

Mr. McCURDY. Mr. Speaker, to members who have diagnosed the oil producing States as being stunned by the sudden and dramatic drop in world oil prices, please look again. We've been all but knocked senseless.

Prices being paid for Oklahoma crude oil are at their lowest point since 1979. As a result, my State is bracing for a $467 million shortfall in State revenues. This 17-percent drop is based on a very optimistic projection of $18 a barrel. My Texas colleagues can tell you that they lose $100 million in State income when oil prices drop a dollar. Oklahoma loses $11 million, and I am sure that Louisiana, New Mexico, and others are suffering as well.

The cost of pumping oil in the Middle East is probably the lowest in the world. The Saudis can do this for as low as 20 cents in old fields to $3 in new ones. U.S. costs range from $5 to $12.

Add the effects of falling prices to a 28-percent decline in production in the lower 48 States since 1970, and you will reach the same conclusion many of us have. The oil producing States are going out of business.

We are trying hard to keep a sense of humor in these lean days. A man was told by his doctor that he had only 1 year to live. "Doc, what can I do?" he asked. "Buy a drilling rig," the doctor answered. "Will that give me more than a year to live?" he asked. "No," replied the doctor, "but it will make the year feel longer."

The facts do not come across as funny. Before last month, Oklahoma's active drilling rig count had not been below 200 since 1976. Nationwide, the rig count has fallen to 1,367. That is a 600-rig drop since Christmas, and the lowest U.S. total since 1974.

Independent producers—the little guys of the industry—have been hurt the most by dropping prices. Many cut capital and exploratory spending to the bone last year. Next year we will see the effects of their lower spending. U.S. production could be reduced by 100,000 barrels a day.

It would be wrong to paint this solely as a jobs or a State revenue issue, although the independent producers and the service industry workers are the first ones to be driven out of business. The key issue that makes the whole situation worthy of our attention is national security. We can't put our domestic industry in mothballs until prices rise again. It has got to be in a position to meet our country's military and industrial production needs in times of world crises. We can't let oil imports damage our defense readiness.

We are the world's largest oil consumer. The Department of Defense is the world's single largest buyer of oil, purchasing about 488,000 barrels daily. Yet, we may soon increase our dependence on oil from some of the most volatile areas of the world. To me, nothing is more dramatic to illustrate the consequences of foreign oil than picturing a plume of black smoke rising from an oil tanker or refinery set ablaze in the Persian Gulf region. Mr. Speaker, when we lose our crude oil production and refining capabilities, we allow OPEC producers and refiners to dictate

our military preparedness. Can we afford to reveal that kind of Achilles heel to the rest of the world?

The current administration has abandoned the goal of energy self-sufficiency and has said that we should look to the Middle East for our oil. The Arabs welcome the business, and see oil as a major political weapom by 1987. We must make safeguarding U.S. oil more of a priority, regardless of world prices. Should we get cut off from our foreign sources of energy, it could take months and millions of dollars to uncap and redrill wells and bring idle refining operations back on line. For example, the Tosco refinery in Duncan, OK—shut down in 1983 after 35 years of operation—could once process 47,000 barrels per day. It wouldn't be available to replace foreign refining in a short-term crisis.

Besides national security concerns, there are serious trade implications. We import 5 million barrels a day. That has added $62.6 billion to our trade deficit. Oil is the biggest item on the list of losers, followed by auto imports at $22 billion. We see the President negotiating with the Japanese on autos, but where is he on oil imports?

Our energy and trade policies are bankrupt and should reflect more of an emphasis on domestic resources. In Oklahoma, we call an unsuccessful oil well a dry hole. These policies are clearly unseccessful, and I suggest we do as an Oklahoma wildcatter would do. When he knows he's got a dry hole—he puts out the drills somewhere else.

□ 2115

THE FARM BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Vermont [Mr. JEFFORDS] is recognized for 60 minutes.

Mr. JEFFORDS. Mr. Speaker, I assure you I will not take the 60 minutes. I do appreciate this opportunity, and I do so because I want to alert the body as what the status is on an issue which I have been raising and talking about for the past week, one which is of tremendous importance to the dairy farmers of this country.

As I speak here today, at this moment, the other body is about to take action on the package which we have been trying to work on here, and especially the dairy provisions which I have introduced and which are waiting at the Speaker's desk.

I want to point out, first of all, what the status is at this time.

About a week ago, we raised considerable concern that we had to act right at that moment or very dire circumstances would result. I want to explain why I am still here and pleading for action, so that there is an understanding as to what happened which allowed us to delay the impact of the present provisions which are under Gramm-Rudman which will impact dairy.

As a result of our agreement which was reached way back in the farm bill, with the backing of the administration, the CCC, the people who support the Dairy Program, held off of purchases this week, and also as a result of the fact that the CCC supplemental appropriations bill is not passed, they have run out of money and cannot and do not need to purchase dairy products tomorrow. Thus, we have not had to be as concerned as we would have been last week had those events not occurred.

Let me very briefly state what the issue is. We had an agreement on the farm bill as to what would be done when Gramm-Rudman took effect. Basically, the agreement was—and it was agreed to by the administration, the House and the Senate—that the only responsible, logical way to handle the first round of the Gramm-Rudman cuts, when we were trying to implement an orderly transition of the Dairy Program into a supply and demand balance, in lieu of any price cut which might be required, would be to level an assessment of somewhere around 10 cents in order to raise the $80 million which would be required under Gramm-Rudman.

Unfortunately, provisions in Gramm-Rudman which were directed at other agricultural programs, basically, wheat and corn, were determined by the professionals, the lawyers that had to implement this bill, to inadvertently apply to the Dairy Program. And since they were specific and the language relative to the implementation of the agreement of the assessment was only general, relying upon the fact that the 1986 provisions of the dairy bill only allowed assessments, that the specific would take precedence over the general and, therefore, they had to utilize what indirectly resulted in a price cut to bring about savings required by Gramm-Rudman.

The problems which are created by that approach are, simply, first of all, that it does not carry out the purposes of Gramm-Rudman anywhere near as well, in the sense of exactly gaining the proper amount of savings that Gramm-Rudman requires but, most importantly, the indirect effects of it are for dairy farmers around this country, over the 6-month period, to lose $300 million of income, which would not be required by an orderly implementation of Gramm-Rudman.

We passed the bill to bring forth this agreement and to allow it to take precedence over the language which was inadvertently declared to apply to dairy, took it to the Agriculture Committee where it passed by a voice vote, both the subcommitte and the full Committee on Agriculture. We got the sanction of the Congressional Budget Office that it would in fact not have any adverse effect upon the implementation of Gramm-Rudman. We received the blessing of the industry, indicating that it would be much, much better for dairy farmers. We received the approval of the administration. We went and received a rule to come to the House floor with an open rule. However, at the last minute it was withdrawn from consideration by the House leadership. The problems did not involve the merits of the bill but, rather, as to how Gramm-Rudman should be implemented, and a division of opinion in the majority as to whether or not such bills ought to be allowed to the House floor.

I deferred any futher action or harassment, as you might call it, this week, allowing the majority time, as they requested, to attempt to work out the policy problems that they had, and I am pleased that they have, apparently, made substantial progress in working out those policy problems. But I am even more pleased to find that probably this evening the other body, after lond and hard deliberations, will be passing out a bill which will have as a product of it the dairy provisions and, thus, I am more hopeful this evening than I have been before that we will have an opportunity in the next few days to be able to take up this provision, and it is for that reason that I am here this evening sharing these things with you, to allow also other Members to come forth and support me in this area.

It is extremely important for the dairy farmers. Tens of thousands of dairy farmers will be forced out of business if this body does not follow what I believe the other body is doing this evening.

At this time I would be most happy to yield to the gentleman from northern New York [Mr. MARTIN] who has been an outspoken leader in these areas and has on occasion saved dairy farmers from great and serious harm, and I look forward to discussing this issue with him this evening.

Mr. MARTIN of New York. I thank the gentleman very much, and I want to applaud my neighbor from Vermont, across Lake Champlain, for his efforts as the ranking member of the Dairy Subcommittee in Agriculture here in the House, and I particularly appreciate the efforts the gentleman has made in trying to bring this issue to the floor of the House.

By nature, I respect the institutions of this House and respect it as an institution, and it pains me somewhat to have to come here again and to compliment yourself but also to speak a little bit about the problem we find ourselves in. We are both in the minority here, we are both Republicans. The Democrats happen to have elected substantially more people to this House than we have. Perhaps in some respects that is our fault, and in most respects, perhaps, it is due to reapportionment, who runs the State houses. But once the Democratic Party takes

control of this House and control of everything that we do and the decisions as to what bills are going to come up and when they are going to come up, with that right comes a certain responsibility of fairness. As the gentleman has spoken over the course of the past week on the floor of the House, I think it has become more and more apparent to a lot of Americans who did not pay much attention to it before that there is an opportunity here for abuse.

They spend a lot of time and effort to blame the plight of the farmers across America. They are all in bad shape. Some are in worse shape than others. But they have taken a lot of pains in trying to blame the plight of the farmer on the Republican Party. And I suppose when the President of your party is in the White House, no matter what happens there is going to be some responsibility, whether or not it had anything to do with the policies of that President. And I think they have been successful, to some extent, in laying the blame, and I do not think rightfully so, on the Republican Party.

But it is ironic that at this point of this issue, where everybody is watching, that they have the opportunity to steal the blame. All we are asking for is that they bring the issue to the floor. It does not make one nickel's worth of difference to the American taxpayer as to which way this $80 million, this $80 million, $82 million, something in that order, is made up, but we want to do it in a way that does not punish, that is not the most onerous way, as far as the American dairy farmer is concerned, and that is all we ask. We do not even ask them to support us. We just ask them to allow us to bring it to the floor of the House for a fair hearing. And yet somehow they feel—as a matter of fact, in talking to some of my colleagues on the other side of the House, they feel we are going to prevail, because, in fairness, that is the way to go, and yet they will not even allow this to come to the floor of the House to be debated and to be decided upon in a fair and reasonable manner.

Knowing what you are up against, I want to salute the gentleman. And if they are so excited about trying some other issues to it and not giving us a fair opportunity to debate this on the floor of the House, I think they deserve what they are going to steal right in front of the American public, and what they are going to steal is the blame they rightfully deserve for the pain they are going to inflict on innocent people out there trying to make a living on farms that they have lived on and worked on for so many years.

It is so blatant, and I hope they take the opportunity over tonight to go to the Rules Committee to say, "Wait a minute, we know this is wrong," as they know it is wrong, as far as our dairy farmers are concerned, and say, "Wait a minute, let us be reasonable, let us exercise our power here judiciously and fairly and reasonably and just give the House the opportunity to work its will."

So I think it is ironic that the gentleman has been here for 2 weeks now talking to us about what was going to happen if they did not act. And yet they seemed to do everything to bare to the American public their insensitivity to the problem that we face. Keep in mind one more time, whichever way this happens, it does not make any difference to the American taxpayer, but it makes an awful lot of difference to that person out there on the dairy farm.

I want to thank my colleague, the gentleman from Vermont, for bringing this up because it has been, I think, an opportunity for the American public to see a side of this House and the way it is run that does not flatter those of us who, like yourself, respect the institution. It is terrible but they are going to bring a lot of blame down on themselves that they richly deserve if they do not give us an opportunity to debate the bill.

Mr. JEFFORDS. I appreciate the gentleman's words, and there is much in what he said that is very accurate. One of the prides of the Agriculture Committee and community has been the nonpartisan way that they have been able to in this body over the years work out the problems of agriculture. And we are at a very critical juncture in that aspect right now. I am hopeful and believe sincerely, and I hope I am not proven wrong, that when people settle down and the emotions clam down, either tomorrow or next week, that they will recognize that, as you point out, they have an opportunity here to steal the blame, to destroy that bipartisanship which has existed and allowed our farmers, as difficult times as they have had, to be able to survive at least a little bit better because we have been able to work together. Right now we are apart, we are torn apart. And the result of that will be the loss of tens of thousands of family farms in this country.

Mr. MARTIN of New York. If the gentleman will yield further, I appreciate what the gentleman brings up because, to a large extent, a lot of the things that have been done, as far as making policy—and it is not agreeable to every single Member of this House, and certainly, myself, what is done in a bill so large as the farm bill, and it has to have bipartisan support, bipartisan input. The gentleman has been a very big part in that. But what I think people have to understand, so far as the procedures of this House, is, notwithstanding all the work and input on a bipartisan basis that you might have, the decisions can be made in this House as to what we are even given a right to consider in the best interest of the American people is made on a partisan basis, that a small group of people elected to this House, just like you and I were elected to this House, because of their position and because they happen to be in the majority party at the time, can abuse the authority that they have to deny us the right to even debate the issue on the floor of the House of Representatives. And notwithstanding what the other body has done, notwithstanding that we have no opposition, to my understanding, from the administration, it is right here, and they are talking about whether they can tie this to another issue or because they cannot bring another issue up, or, as a matter of fact, as I was told this evening, if you can believe this, that it is not so much that they would not have the opportunity to bring up something that they wanted to bring up, they knew that the House of Representatives would vote it down. And I was told by a Member of this House that this House was unfair because they did not agree with this Member's position.

Well, I have had those situations. I have won and I have lost, and I felt the House was wrong and I felt the Assembly of the State of New York was wrong from time to time, but at least we had the opportunity to work our will.

But I would suggest that this is something that, notwithstanding our complicated rules that the American public can understand, and if we are not given the opportunity to even discuss the issue, irrespective of the fact that it does not make a nickel's worth of difference to the taxpayer but it does make a difference in the pain that is going to be involved on the farms of America, that I would suggest to the people responsible, and make no mistake about it, it is the people who run this House, the people who were elected to the majority and the people who were elected to those sensitive positions in leadership, if they deny us the opportunity to bring this up, they can well believe the American public this time is going to understand who inflicted this needless pain on the dairy farmers of America.

□ 2130

Again, I want to thank my colleague and neighbor from Vermont for all his work on the Agriculture Committee. An awful lot of the work that you go through, I know, sometimes seems unrewarding and frustrating. I appreciate what you do, and I know the people that you represent appreciate what you do. I certainly appreciate what you do and my colleagues.

Again, we are going to be watching very closely over the course of the next week.

Mr. JEFFORDS. I thank the gentleman. I think that message is so clear and so pertinent that I am going to leave my special order right there with those eloquent statements. Hopefully, the message has gotten through.

PREVENTING FRAUD IN FHA MORTGAGE INSURANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. KLECZKA] is recognized for 10 minutes.

Mr. KLECZKA. Mr. Speaker, I am today introducing the Single Family Mortgage Insurance and Fraud Detection and Prevention Act of 1986.

This legislation is designed to counter a recurring pattern of fraud and abuse of Federal Housing Administration [FHA] mortgage insurance.

As most Members of this House are aware, FHA is an essential Federal program which enables millions of Americans, especially those of modest means, to achieve the dream of homeownership. As the Nation's largest insurer of single-family home loans, the program had over 5 million loans and an outstanding balance of $124 billion as of September 30, 1983. Single family mortgage insurance applications are expected to increase from 866,294 units in 1985 to 900,000 units in 1986.

Such a program simply cannot be allowed to be subject to fraud and abuse. There are, however, serious and persistent indications that this has been the case in FHA.

PERSISTENT SIGNS OF FHA FRAUD

An October 1984 Milwaukee field hearing by the House Banking Committee's Housing and Community Development Subcommittee found that certain sophisticated real estate investors use FHA mortgage insurance as a tool of personal enrichment. They do this by taking a ride on the Department of Housing and Urban Development [HUD] FHA insurance/foreclosure merry-go-round.

At the subcommittee field hearing, the Milwaukee Department of City Development described how the merry-go-round works.

Between June 1982 and June 1984, the HUD Milwaukee field office sold 569 properties acquired through foreclosure. Of this amount, approximately 60 percent of the properties were sold to investors. Of the investor-acquired properties, six investors, who were also real estate brokers, bought 148 properties. That accounted for one-quarter of the total properties sold and 43 percent of properties sold to an investor.

Here is where the merry-go-round ride starts to become interesting. Within an average of 5 months, 68 percent of the houses acquired by these six investors were sold to owner-occupants. Three-quarters of the purchasers received a new round of FHA insurance. Many of the owner-occupants were clearly not qualified to meet monthly mortgage payments.

From the point of view of the investor, however, this made little difference. What counted for them was the sales price of the houses compared to what they paid for them. The six investors examined paid an average of $14,200 for the 101 houses they bought and resold. Their average sale price when they disposed of the houses 5 months later was $33,700. Most of these houses received FHA insurance at a much higher value than the price the investor had paid for the property just a few months before. This left an average investor profit, minus any amount put in for repairs, of $19,500 per unit. At this point, I would like to include in the RECORD a chart which describes the investor process of flipping properties for quick profits.

ANALYSIS OF SALES TO SIX MAJOR INVESTORS OF PROPERTIES BOUGHT FROM HUD BETWEEN JUNE 1982 AND JUNE 1984

Investor	Average time between HUD sale and resale (in months)	Average HUD sale price	Average resale price	Average difference	Total properties resold	Percent resold with HUD-insured mortgage
A	5.3	$10,900	$33,100	$22,200	21	95
B	4.8	14,700	32,700	18,000	16	56
C	5.1	9,900	30,300	20,400	12	83
D	5.1	17,800	34,500	16,700	17	76
E	3.4	17,100	31,600	14,500	7	86
F	5.5	15,300	36,300	21,000	28	61
Total	5.1	14,200	33,700	19,500	101	74

A comprehensive investigation of the Milwaukee FHA mortgage foreclosure situation conducted by the HUD Office of Inspector General, undertaken at my request, provided case studies of how unscrupulous operators can milk the FHA insurance fund by using phony data on borrower income and inflated property assessments, among other devices.

The inspector General found that poor underwriting practices by the HUD Milwaukee Field Office resulted in the approval of mortgage insurance for applicants likely to default on their mortgages. This practice may have led to poor origination practices by mortgage.

In the 31 cases mortgage insurance packages reviewed by the inspector general, 14 applicants had poor credit histories.

In Case No. 581-108904, for example, the loan applicant had $1,412 in outstanding collections and an open lawsuit for unpaid bills at the time of application. While the mortgage credit examiner noted that the collections had to be cleared prior to the loan closing, he did not comment on the poor credit characteristics indicated by the collections and the lawsuit, both of which were filed within 1 year of the application date. After five payments, this loan was foreclosed.

In case No. 581-108884, the applicant has $772 in outstanding judgements and collections at time of application. The mortgage credit examiner made no mention of these in his analysis. The loan was foreclosed after only two payments.

The inspector general's report was also sharply critical of field office property appraisal. It found that controls did not exist to ensure that appraisals carried out by fee and mortgage company staff appraisers were carried out in a competent and qualitative manner. The report cites sharp differences between appraised values for properties and eventual sales prices.

GENERAL ACCOUNTING OFFICE INVESTIGATION

A General Accounting Office [GAO] investigation of an FHA mortgage insurance swindle in Camden, NJ, found that real estate speculators were able to defraud the Federal Government by falsifying information submitted by private lenders in obtaining HUD loans. This May 1985 study, "Stronger Internal Controls Over HUD Single-Family Mortgage Insurance Programs Would Discourage Fraud," examined a situation in which borrowers' incomes were overstated by falsifying employment documents; borrowers' credit reports regularly had substantial omissions; and bad debts of borrowers were hidden by providing credit bureau agencies with misleading data.

The GAO concluded that since HUD assumes virtually all the financial risks associated with its single-family mortgage insurance programs it should, as result, have a more reliable system to monitor FHA fraud.

After nearly 2 years of personal investigation into FHA mortgage foreclosure abuses, I have come to similar conclusion.

While Congress may not be able to control the avarice of well-organized real estate speculators, it can act to make it more difficult for them to become wealthy through the manipulation of a Federal program.

DESCRIPTION OF THE LEGISLATION

"The Single-Family Mortgage Insurance Fraud Detection and Prevention Act of 1986," which is based, in large part, on recommendations made by the GAO, would strengthen FHA mortgage insurance operations in several ways.

First, it would require independent verification by HUD of a potential homebuyer's ability to pay in 10 percent of all loan originations. In those areas in which the default rate is 120 percent or more than the national average, 20

percent of all loan originations would have to be verified.

Second, verification would be required on all lender data in which no prior credit rating is established.

Third, HUD would have to examine all lender data which involves a default by an investor within 12 months of loan origination. Examination of default data over a 12-month period would help determine patterns of fraud.

Fourth, all appraisals involving investor-owned property acquired by an investor less than 12 months prior to the date of a mortgage application would have to be verified independently by HUD.

Finally, the legislation requires HUD to make a concerted effort to use HUD employees in appraising FHA-insured single-family dwellings. The current reliance on outside, fee-paid appraisers is, in my view, a critical component in current FHA mortgage foreclosure scams.

FHA PROBLEMS NOT LIMITED TO MILWAUKEE AND CAMDEN

I wish that I could report to this House that FHA mortgage insurance scandals are limited to Milwaukee and Camden. Unfortunately, this is not the case. In recent testimony before the Housing and Community Development Subcommittee, HUD Inspector General Paul Adams indicated that investigations in this area are now underway in a number of cities. Press reports include descriptions of program abuse in such cities as Houston, Los Angeles, Washington, DC., and Seattle.

If we are to preserve the integrity of FHA, strengthened review standards on the order of those proposed by GAO are necessary. I hope that my colleagues who share my concern about the stability of the FHA will join me in cosponsoring this legislation.

At this point, I would like to include in the RECORD two Milwaukee newspaper articles which describe how the FHA foreclosure scam can work. I would also like to include a recent article from the New York Times which raises the disturbing prospect that FHA fraud may be on the rise. Finally, I would like to include for the RECORD the text of "The Single-Family Mortgage Insurance Fraud Detection and Prevention Act of 1986."

The material follows:

[From the Milwaukee Sentinel, Aug. 21, 1984]

HUD HOMES CHANGE HANDS OFTEN

(By Thomas Collins)

In the last six years, federally backed loans on one central city house have been terminated three times, and there have been two foreclosures each on nine others, a check of sales showed.

The average time between foreclosures was 3.25 years which reinforced concerns among city and community action officials about the US Department of Housing and Urban Development's administration of its federal loan program.

Some city officials have said that irresponsible loans underwritten by HUD's Milwaukee office has accelerated the decay of many central city neighborhoods.

HUD's inspector general is investigating those concerns and the FBI "has established a liaison with the office" in case violations are uncovered, federal officials have said.

Meanwhile, city and community officials say the ownership merry-go-round of the 10 properties, located on the North Side, is indicative of a loan foreclosure problem in Milwaukee that has unsettled neighborhoods and contributed to lower property values.

One solution, city and community officials say, is for HUD to tighten its underwriting procedures.

A Milwaukee HUD official declined to comment Monday on the procedures for approving the Federal Housing Administration loans because of the ongoing federal investigation.

Helen Meyer, chairman of the housing committee of the Cooperation West Side Association, said multiple loan foreclosures tended to destabilize a neighborhood.

"Changing owners doesn't do anything for a neighborhood if we keep getting people who can't afford to make the loan payments," she said. "Multiple foreclosures mean boarded-up and vacant houses."

William R. Drew, commissioner of the Department of City Development, said a house likely would deteriorate if it changed owners frequently through loan foreclosures.

"The people losing the house probably won't have money to maintain," Drew said. "We don't think the developers are doing substantial rehabilitation. So the houses will be in worse shape the second and third time" the mortgages are foreclosed.

It doesn't make good financial sense to give loans to people who cannot afford to repay them, said William D. Brouse, president and chief executive officer of the Wisconsin League of Financial Institutions Ltd.

Among the 10 cases studied by The Sentinel was a house on N. 22nd St., which, between 1977 and 1983, was the subject of two foreclosures of FHA loans and a third federally insured loan was terminated with a quitclaim deed.

According to city records: The $17,450 FHA mortgage on the house was foreclosed on Sept. 14, 1977. HUD then sold the house to an individual with a $22,200 FHA mortgage on April 27, 1978.

That person lost the mortgage to foreclosure on Oct. 7, 1981, and HUD sold the house to a local investor on May 18, 1982. The investor took out a $24,200 mortgage to pay for the property and any repair.

The investor resold the property on July 30, 1982, to an individual with a $35,800 FHA mortgage. That owner gave HUD a quitclaim deed in lieu of foreclosure on July 1, 1983.

HUD sold the property for $24,667 on Oct. 17, 1983, to the same real estate investor who had purchased it a year earlier. The investor resold the property for $33,900 on Feb. 29 to the current owners.

Among other properties that have been foreclosed more than once since 1977 are:

N. 16th St. A mortgage was foreclosed on May 2, 1977, and the house purchased by an investor with a $16,500 mortgage on Feb. 1, 1980. The investor sold the property on April 18, 1980 to a buyer with a $24,150 FHA loan.

That mortgage was foreclosed on Nov. 17, 1982, and HUD sold it to another investor for $11,887 on March 4, 1983. Five months later, the investor resold the property to an individual with a $32,200 mortgage financed under a city program.

N. 2nd St. An FHA mortgage was foreclosed on Jan. 20, 1982, after probate. HUD sold the house to an investor for $12,250 on June 16, 1982, and the investor sold the house to an individual with a $26,050 FHA mortgage on Sept. 9, 1982. That mortgage was foreclosed on April 11.

N. 26th St. An FHA mortgage was foreclosed on Feb. 24, 1981. The property was bought on March 19, 1982, by an individual with a $27,550 FHA mortgage. That mortgage was foreclosed on Nov. 23, 1983, and HUD sold the house Dec. 8, 1983, to an investor for $9,734.

N. 39th. An FHA mortgage was foreclosed on April 19, 1978, and the house was purchased May 3, 1978, by an investor with a $24,000 mortgage. The investor sold the house for $32,500 to an individual under a land contract on June 24, 1980. The house was resold for $39,500 on Jan. 30, 1981, to another individual with a $38,550 FHA mortgage and a $2,600 second mortgage. The FHA mortgage was foreclosed on Nov. 29, 1982. The house was purchased Nov. 25, 1983, by another investor for $18,579.

N. 30th St. A Veterans' Administration loan was foreclosed on March 19, 1979. The VA sold the house for $34,500 on Jan. 25, 1980, to an individual with a $33,700 FHA loan.

The mortgage was foreclosed on Sept. 13, 1982, and HUD sold the house to an investor for $23,189 on Sept. 27, 1983. The investor sold the house on June 27 to an individual with a $46,139 FHA loan.

[From the Milwaukee Journal, Oct. 7, 1984]

HUD WOES HERE WON'T GO AWAY

(By Paul Bargren)

Some of the warmth in the stuffy storefront offices of the West Side Home Buyers Clinic at 921 N. 27th St. actually may be Wyman Winston's temper heating up.

From where Winston sits, problems with defaults and foreclosures on Federal home-loan programs here are as bad as ever, despite assurances from the federal Department of Housing and Urban Development after an investigation here two years ago of problems with its FHA and other guaranteed-loan programs.

Meanwhile, The Journal has learned that executives of some Milwaukee mortgage companies have suggested that federal investigators look closely at a group of loan officers who have gone from company to company, handling HUD loans each time.

Winston said, "If the whole HUD problem is not solved, it really threatens our ability to produce housing in Milwaukee for families with low incomes. If this thing isn't stopped, I'm afraid we're going to be looking at a bunch of mini South Bronxes here."

Winston will be saying the same thing Monday when he and others testify before a congressional subcommittee hearing in Milwaukee convened at the request of US Rep. Gerald Kleczka (D-Wis).

A 1982 federal government audit report obtained last month by The Journal describes problems in the way the Milwaukee-area HUD office was administering the home-loan programs here, especially in granting mortgages to buyers who were not qualified.

Critics in the community and in the city government say that lenders and those in the rehabilitation business benefit by selling the houses, while HUD—and the taxpayers—stand the loss after foreclosure and the city suffers yet another boarded up house in an already struggling neighborhood.

A followup report to the 1982 audit by Patricia Jameson, then acting director of the Milwaukee HUD office, said steps were being taken to work on the problems, and in early 1984, HUD reviewer Daniel T. Berry

reported that "improvement is evident and staff is commended for the joint efforts."

But as Winston sat in his office last week and leafed through a copy of the HUD audit report, he pointed to page after page of the 1982 findings and said, "These are the same complaints we're getting today. And it's not getting any better."

DEFAULT COUNSELING

Winston is executive director of the West Side Conservation Corp., whose projects include the Home Buyers Clinic.

Winston described the clinic as "the primary agency in the city that provides default counseling," and the clinic is certified by HUD to do that.

Based on the number of client visits, Winston expects this year's 300 neighborhood foreclosures to be matched in 1985 and again in 1986.

The problem arises when this set of events occurs:

At the request of local lenders or real estate investors, HUD guarantees a mortgage for a home buyer. The buyer appears to be qualified on paper, but in fact may not be. When the buyer defaults, the lenders collect their investment by invoking the HUD guarantee and they turn over the loan to HUD. HUD ends up auctioning off the house to collect what it can. A broker buys it, puts in enough repairs to get a new mortgage guarantee from HUD, and sells it again to a buyer who is qualified, at least on paper.

And the cycle then repeats itself.

A look at some specifics from the 1982 audit provides an example of the kind of thing Winston and others are complaining about.

31 FORECLOSURES

In the 1982 audit, Charles E. Cornea, head of HUD's single-family mortgage operations in Minnesota, looked at 31 loans issued by HUD at the recommendation of local lenders. In each case, the home buyer had defaulted within six months or the loan had been foreclosed upon within a year.

Cornea found that 18 of the 31 loans would have been rejected had HUD and the lenders used "sound underwriting practice."

Cornea reviewed seven loans made through Amortized Mortgage, now Fleet Mortgage. All seven "reflected poor underwriting practices and questionable judgement," he said. (In her own report of Dec. 14, 1982, Jameson said a study "did not reveal numerous instances of defaults immediately after endorsement with the exception of cases from Amortized Mortgage.")

Here's a quick look at the home buyers whom Amortized and HUD found qualified for mortgages:

A separated mother of four receiving Aid to Families with Dependent Children with a total income of $700 a month who would need to depend on $363 in rental income from a second unit in the home to carry the mortgage. In addition she had what Cornea described as a "job stability problem, marital status problem."

A "separated, AFDC mother of four" with "minimal job income with terrible credit.'

A single mother of four with no job whose only income came from Social Security and Veterans' benefits and who would need to rely on renting out half the duplex to make half the mortgage payments.

A "divorced father of three with many credit problems."

A buyer with "minimal credit" facing two lawsuits, with "questionable secondary financing" and "employment problems."

A family of eight with "bad credit."

A home buyer with "credit problems" whose application included unemployment compensation as if it were long-term, reliable income.

In his review, Cornea found that good underwriting practices also would have eliminated three of the four loans submitted by Suburban Coastal, two of the six submitted by Knutson, two of the three submitted by Lomas & Nettleton, two of the four submitted by IDL, one of the four submitted by Banco, and one of the two submitted by Grootemaat. The single loan by Universal in the group showed adequate underwriting, Cornea found.

Cornea's findings underscore an important point about the HUD loans: Even with good procedures, many will be foreclosed, because the loans are designed for people with low incomes or other special circumstances who would not be able to afford coventional loans.

Loans submitted by Universal did not fare so well in another study, however. During the 1982 audit, reviewer Paul Darcey, since retired from HUD's Washington office, found that Universal had requested—and HUD had approved—11 bad loans involving landlords. Darcey recommended that "a complete review be made on all Universal Mortgage cases, and appropriate action be taken against the mortgagee."

LOAN COMPANY'S RESPONSE

In response, Universal's public relations consultant, Michael Mervis, said last week that Universal had submitted the loans only because HUD had accepted them after misinterpreting departmental rules. Darcey ordered a batch of 10 more pending loans sent back, and those were issued by Universal without HUD backing, Mervis said.

In late 1983, Cornea returned to Milwaukee to examine progress. In a review of 62 cases, he found that 34 were error free, but there were at least some problems with 28 of the cases. Yet Cornea concluded that there was "marked improvement" over the situation a year earlier.

According to a source in Milwaukee's financial community, investigators would do well to investigate the dealings of some loan officers.

Rehabilitation firms interested in bending HUD rules can follow their favorite loan officers from one firm to another, the source said. And because of the complexity of the paper work involved, top executives in the mortgage firms or banks may not realize what some of the loan officers are doing.

"You've got a pool of maybe 100 loan officers in town who have had two or three jobs in the past few years," the source said. A new [mortgage] company comes in and gets hot and says, 'Come with me.' They want somebody who knows the rules and knows what can get through and what can't."

APPRAISERS IMPORTANT

Another area of inquiry centers on appraisers.

As part of the 1982 review, Thomas G. Briatico of the Chicago HUD office was assigned by his boss, acting Regional Administrator Thomas T. Feeney, to look at Milwaukee's operation.

The appraisers are virtually the sole authority n determining how big a mortgage HUD will guarantee on a given property, because the loan is a percentage—usually 95%—of the appraised value.

It is the appraiser who is charged with ordering repairs to bring the property up to standards, as well.

Yet Briatico found that for more than a year the Milwaukee HUD office had had no permanent chief appraiser to review the work of the independent appraisers. Briatico said that led to several deficiencies in the operation.

Groups like Winston's have wondered whether certain lenders and appraisers team up to come up with favorable values on properties. Briatico said he found evidence of that.

"Lenders are not rotating appraisers from the entire fee roster. Some [lenders] are using a small number [of appraisers]," he wrote.

And the audit team found out that even though the Milwaukee HUD office had suspended three appraisers from its list, the three were still being used.

Handling that problem was simple enough: The three were simply reinstated, Jameson reported.

The audit team found that at least two mortgage companies were being allowed to use their own appraisers to establish loan values. Appraisers are supposed to be independent of the loan company.

In sum, Briatico reported, HUD's problems led to "numerous 'overcommitted' mortgages in direct violation of statute and regulation requirements." In other words, HUD was approving loans that broke its own rules.

The congressional hearing Monday begins at 9:30 a.m. at Kosciuszko Community Center, 2201 S. 7th St. It will be convened by U.S. Rep. Henry B. Gonzalez (D-Texas), chairman of the housing and community development subcommittee of the House Banking, Finance and Urban Affairs Committee. Kleczka is a member of the subcommittee.

Also at the hearing will be US. Rep. Jim Moody (D-Wis.). Rather than concentrate on problems within HUD, Moody plans to ask city officials they did not spot HUD's problems sooner.

Also scheduled to attend are subcommittee members Rep. Richard H. Lehman (D-Calif.) and Rep. Bruce F. Vento (D-Minn.).

The hearing is open to the public.

[From the New York Times, Jan. 20, 1985]

U.S. INQUIRY FINDS PATTERN OF FRAUD IN HOUSING LOANS

SEVERAL CITIES INVOLVED: SWINDLES REPORTED IN CAPITAL, NEW JERSEY, MILWAUKEE, SEATTLE AND HOUSTON

(By Philip Shenon)

WASHINGTON, Jan. 20, 1985.—Federal investigators say that they have uncovered a pattern of frauds against the Department of Housing and Urban Development involving falsified documents used to obtain tens of millions of dollars in Government-backed mortgages.

More than a dozen real estate agents and mortgage industry officials have already been indicted or convicted because of their involvement in such schemes in southern New Jersey. In the last year, similar swindles have been reported in Houston, Seattle and Milwaukee.

The housing agency said it appeared that the frauds were somehow related. "We're very alarmed because there seems to be some sort of whispering campaign among these people," said Robert E. Nipp, an agency spokesman. "These schemes go from city to city, and it looks like they use the same routine."

FOCUS IS ON WASHINGTON

Investigators say the largest of the frauds apparently took place in Washington, and that they are studying nearly 500 mortgages guaranteed by the Federal Housing Authority, a branch of H.U.D., in low-income areas of the capital.

A Federal official knowledgeable about the investigation said that the Government faced a possible loss of more than $25 million in Washington alone, which makes it potentially the costliest mortgage swindle in H.U.D.'s history.

The official said indictments were expected shortly, and that nearly 20 people, including major real estate investors, were targets of the inquiry by, the housing agency and the United States Attorney's Office for the District of Columbia.

Most of the people publicly identified as subjects of the investigation were either unavailable by telephone or unwilling to talk to reporters. The few who agreed to discuss the investigation denied wrongdoing.

USE OF FRAUDULENT APPLICATIONS

In Washington and elsewhere, officials say, investors used faudulent applications to secure mortgages backed by H.U.D., often claiming that buyers had made substantial down payments when they had paid no money. Court documents filed by the Government suggest that the loans were based on inflated appraisals.

Many of the mortgages then went into default, leaving the Government liable for the loans, they said. Prosecutors say that the swindle, in effect, allowed investors to be reimbursed by H.U.D. at fraudulently inflated prices.

Concerned by reports of the frauds, the Secretary of Housing and Urban Development, Samuel R. Pierce, Jr., appointed a task force last year to find ways of stopping the schemes.

Paul A. Adams, the agency's inspector general, whose office is in charge of the investigations, said that H.U.D. "was putting considerable effort" into uncovering the frauds. "We're trying to be enough of a presence to be a deterrent," he said.

Through the loan program, H.U.D. provides insurance protection to private lenders that finance mortgages to home buyers. Federal law requires that a nonoccupant buyer seeking one of the loans must make a down payment of 15 to 20 percent. Buyers who decide to live in their homes must makes a down payment of 3 to 5 percent.

Congress required the down payments in the hope that a buyer with a financial stake in purchased property will be less likely to default on a mortgage.

In Washington, the rules were flaunted, according to an affidavit filed last year in Federal District Court here by agents of the housing department and the Federal Bureau of Investigation. The affidavit was filed as part of a request for a search warrant.

AT LEAST 11 ARE ACCUSED

The 34-page affidavit accused at least 11 people of conspiring to defraud the Government by buying and selling homes in low-income areas of Washington using falsified loan applications and settlement statements.

According to the F.B.I., the suspects face charges of conspiracy, racketeering and fraud involving nearly 100 mortgages that are now in default. Since the affidavit was issued, one offical said, the list of questionable mortgages has grown to nearly 500.

The United States Attorney here, Joseph E. diGenova, refused to discuss details of the investigation; noting that no indictments had yet been issued in the case.

Among those named in the affidavit was Jack Spicer, president of Jack Spicer Real Estate Company in Washington. H.U.D. said that a review of its records showed that Mr. Spicer had sold a large number of homes in which buyers later defaulted on a mortgage backed by the agency.

APPLICATIONS HELD FALSIFIED

According to Government witnesses, the affidavit said, Mr. Spicer obtained F.H.A. mortgages for buyers and did not require them to make the down payments required by law. According to the affidavit, Mr. Spicer and others submitted falsified loan applications to H.U.D., claiming that the down payments had been made.

In determining his sales price, the affidavit said, Mr. Spicer inflated the value of his property to include an amount of money necessary to cover the down payments.

The affidavit said that many of Mr. Spicer's sales involved the same brokerage firm, settlement agent and mortgage companies. The chief loan officer of one of the mortgage concerns is the wife of Mr. Spicer's sales manager, the affidavit said.

A large number of the transactions involved appraisals done by the Veterans Administration, and many of those appraisals were conducted by a V.A. employee who is the father of one of Mr. Spicer's business partners, according to the court papers.

Through a lawyer, Mr. Spicer refused comment on the investigation. The loan officer and the Veterans Administration appraiser also declined to talk with a reporter about the charges, although they denied wrongdoing.

Earlier this month, in Camden, N.J., five men were sentenced to jail sentences and ordered to pay restitution in a similar scheme involving hundreds of thousands of dollars in Government-backed mortgages.

According to prosecutors, real-estate investors in the Camden area obtained H.U.D. mortgages by filing falsified documents with the Government, indicating home buyers had jobs and credit histories. As in Washington, officials said, buyers frequently did not make the down payment required by law.

Many of the buyers were unemployed and dependent on welfare, and when they were unable to meet mortgage payments, the Government became liable for the loans. In some cases, the buyers listed on Government forms were children.

"It becomes apparent with each passing indictment the fraud is more extensive than this court ever thought," Federal District Judge Stanley Brotman said as he sentenced the men on Jan. 10. "The court cannot close its eyes to the fact that every taxpayer is hurt. Money is being stolen."

THE SINGLE FAMILY MORTGAGE INSURANCE FRAUD DETECTION AND PREVENTION ACT OF 1986

SECTION 1. SHORT TITLE.

This Act may be cited as the "Single Family Mortgage Insurance Fraud Detection and Prevention Act of 1986".

SEC. 2. ACTIONS TO REDUCE LOSSES UNDER SINGLE FAMILY MORTGAGE INSURANCE PROGRAM.

Section 203 of the National Housing Act is amended by adding at the end thereof the following new subsections:

"(q) The Secretary shall take appropriate actions to reduce losses under the mortgage insurance program carried out under this section. Such actions shall include—

"(1) independent verification by the Secretary after loan approval of the ability of borrowers to pay, to be carried out by the least expensive method of verification—

"(A) with respect to not less than 10 percent of the mortgage applications submitted by each lender in both the direct endorsement and prior approval programs; and

"(B) with respect to not less than 20 percent of the mortgage applications involving properties located in units of general local government (as defined in section 102 of the Housing and Community Development Act of 1974) where the default rate on mortgages insured under this section exceeds 120 percent of the national default rate on such mortgages during the most recent 12-month period for which data are available;

"(2) requiring immediate submission of all data from lenders relating to all loans on which there are defaults during the first 12 months after loan origination;

"(3) independent verification by the Secretary of all credit reports indicating no prior credit history; and

"(4) independent verification by the Secretary of all appraisals involving investor-owned property that is acquired by the investor less than 12 months prior to the date of the mortgage application.

"(r) The Secretary shall only use the services of employees of the Department of Housing and Urban Development or of the Veterans' Administration for the purpose of appraising single-family dwellings that are subject to mortgages insured under this section, and that are located in any metropolitan city or urban county (as defined in section 102 of the Housing and Community Development Act of 1974), unless the Secretary determines and certifies to the Congress that—

"(1) there is an insufficient number of such employees to carry out appraisals; and

"(2) the use of private appraisers is not more costly than the use of appraisers who are employees of the Department of Housing and Urban Development or the Veterans' Administration.".

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CONYERS (at the request of Mr. WRIGHT) for today on account of attending a funeral.

Mr. GROTBERG (at the request of Mr. MICHEL) for today and the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. OBEY, for 5 minutes, today

(The following Members (at the request of Mr. SCHUETTE) to revise and extend their remarks and include extraneous material:)

Mrs. MEYERS of Kansas, for 5 minutes, March 6.

Mr. BOULTER, for 60 minutes, March 12.

Mr. LUNGREN, for 60 minutes, March 10.

Mrs. MEYERS of Kansas, for 5 minutes, today.
Mr. JEFFORDS, for 60 minutes, today.
Mr. BROYHILL, for 5 minutes, today.
Mrs. BENTLEY, for 5 minutes, March 6.
Mr. EMERSON, for 5 minutes, today.
(The following Members (at the request of Mr. ECKART of Ohio) to revise and extend their remarks and include extraneous material:)
Mr. PEASE, for 5 minutes.
Mr. ECKART of Ohio, for 5 minutes.
Mr. PICKLE, for 5 minutes.
Mr. BROWN of California, for 5 minutes.
Mr. ANNUNZIO, for 5 minutes.
Mr. EDWARDS of California, for 5 minutes.
Mr. PANETTA, for 5 minutes.
Mr. KLECZKA, for 10 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:
Mr. PICKLE, during the special order of Mr. LELAND, today.
(The following Members (at the request of Mr. SCHUETTE) and to include extraneous matter:)
Mr. BILIRAKIS.
Mr. FRENZEL.
Mr. CRANE.
Mr. BEREUTER in two instances.
Mr. KEMP in five instances.
Mr. GEKAS.
Mr. SAXTON.
Mr. HENRY.
Mr. BROOMFIELD.
Ms. SNOWE.
Mr. SUNDQUIST.
Mrs. SCHNEIDER.
Mr. DELAY.
Mr. MILLER of Ohio in three instances.
Mr. LAGOMARSINO.
Mr. DEWINE.
Mr. GRADISON.
Mr. GILMAN.
(The following Members (at the request of Mr. ECKART of Ohio) and to include extraneous matter:)
Mr. VOLKMER.
Mr. COELHO.
Mr. OWENS in two instances.
Mr. NOWAK.
Mr. FORD of Michigan.
Mr. TALLON.
Mr. LUNDINE.
Mr. DINGELL.
Mr. KOSTMAYER in two instances.
Mr. BARNES.
Mr. GARCIA.
Mr. HAMILTON.
Mrs. BOXER.
Mr. FLORIO.
Mr. DELLUMS.
Mr. LELAND.
Mr. ATKINS.
Mr. FOWLER.
Mr. EDWARDS of California.
Mr. UDALL.
Mr. RANGEL.
Mr. LEVINE of California.
Mr. DOWNEY of New York.
Mr. WYDEN.
Mr. STARK.
Mr. STALLINGS.
Mr. WAXMAN.
Mr. LAFALCE.
Mr. HUBBARD.
Mr. LIPINSKI.
Mr. BOLAND in two instances.
Mr. WILLIAMS.
Mr. BORSKI.
Mr. FLORIO in two instances.
Mrs. COLLINS.
Mr. ATKINS.

ADJOURNMENT

Mr. JEFFORDS. Mr. Speaker, I move that the House do now adjourn.
The motion was agreed to; accordingly (at 9 o'clock and 32 minutes p.m.) the House adjourned until tomorrow, Thursday, March 6, 1986, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2906. A communication from the President of the United States, transmitting a request for supplemental appropriations for fiscal year 1986, pursuant to 31 U.S.C. 1107, (H. Doc. No. 99-174); to the Committee on Appropriations and ordered to be printed.

2907. A letter from the Administrator, Fire Administration, Federal Emergency Management Agency, transmitting a report on the assessment of special needs of DOD concerning firefighting, pursuant to Public Law 99-145, section 1232(b) (99 Stat. 733); to the Committee on Armed Services.

2908. A letter from the Chairman, Council of the District of Columbia, transmitting D.C. Act 6-104, "The Compulsory/No-Fault Motor Vehicle Insurance Act of 1982 Amendments Act of 1985," pursuant to Public Law 93-198, section 602(c); to the Committee on the District of Columbia.

2909. A letter from the Executive Director, District of Columbia Retirement Board, transmitting a report on the number and ratio of actual disability retirements, pursuant to Public Law 96-122; to the Committee on the District of Columbia.

2910. A letter from the Administrator, Office of Juvenile Justice and Delinquency Prevention, Department of Justice, transmitting the Ninth Analysis and Evaluation: Federal Juvenile Delinquency Programs, pursuant to 42 U.S.C. 5614; to the Committee on Education and Labor.

2911. A letter from the Director, ACTION, transmitting a draft of proposed legislation to reauthorize programs under the Domestic Volunteer Service Act of 1973, and for other purposes; to the Committee on Education and Labor.

2912. A letter from the Acting Secretary of Agriculture, transmitting notification of his determination that it is in the public interest to use other than competitive procedures to award contracts, pursuant to 41 U.S.C. 253(c)(7); to the Committee on Government Operations.

2913. A letter from the Acting Chairman, Consumer Product Safety Commission, transmitting a report on activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2914. A letter from the Freedom of Information Officer, Environmental Protection Agency, transmitting a report on activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2915. A letter from the Acting President, Inter-American Foundation, transmitting a report on activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2916. A letter from the Vice President, Government Affairs, National Railroad Passenger Corporation, transmitting a report on activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2917. A letter from the Secretary to the Board, Railroad Retirement Board, transmitting a report on activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2918. A letter from the Secretary to the Board, Railroad Retirement Board, transmitting a report of compliance with the laws relating to open meetings of agencies of the Government (Government in the Sunshine Act), pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

2919. A letter from the Commandant U.S. Coast Guard, transmitting a list of functions or activities for which the Secretary expects to submit notifications of converting functions from performance by Coast Guard members or civilian employees to private contractors, pursuant to Public Law 98-557, section 14(c) (98 Stat. 2864); to the Committee on Merchant Marine and Fisheries.

2920. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Atlantic Tunas Convention Act of 1975 to authorize appropriations for fiscal years 1987 and 1988; to the Committee on Merchant Marine and Fisheries.

2921. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1987, and for other purposes; to the Committee on Science and Technology.

2922. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Weather Modification Reporting Act of 1971, as amended, to authorize appropriations to carry out the provisions of the act for fiscal years 1987 and 1988; to the Committee on Science and Technology.

2923. A letter from the staff director, U.S. Commission on Civil Rights, transmitting a correction to the report submitted on February 21, 1986 (EC-2829) concerning the factfinding role of the Commission; jointly, to the Committees on Appropriations and the Judiciary.

2924. A letter from the Chairman, U.S. Consumer Product Safety Commission, transmitting the fiscal year 1987 budget requests, pursuant to Public Law 92-573, section 271(k)(i); jointly, to the Committees on Appropriations and Energy and Commerce.

2925. A letter from the Chairman, National Credit Union Administration, transmitting revised schedules of obligations, pursuant to Public Law 99-177, section 252(a)(5);

jointly, to the Committees on Banking, Finance, and Urban Affairs and Appropriations.

2926. A letter from the Secretary of Labor, transmitting a review and evaluation of the income survey of recipients of black lung benefits by the Franklin Center; jointly, to the Committees on Education and Labor and Ways and Means.

2927. A letter from the Director, Office of Technology Assessment, transmitting a report on Medicare expenditures for physician services, pursuant to 42 U.S.C. 1395l nt.; jointly, to the Committees on Ways and Means and Energy and Commerce.

2928. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Deep Seabed Hard Mineral Resources Act, as amended, to authorize appropriations to carry out the provisions of the act for fiscal years 1987 and 1988; jointly, to the Committees on Foreign Affairs, Interior and Insular Affairs, and Merchant Marine Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DERRICK: Committee on Rules. H. Res. 390. A resolution providing for amending the Senate amendment to the House amendment to the Senate amendment H.R. 3128 to make changes in spending and revenue provisions for purposes of deficit reduction and program improvement, consistent with the budget process. (Rept. 99-482). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. UDALL (for himself, Mr. YOUNG of Alaska (by request), and Mr. REGULA):

H.R. 4303. A bill to enhance effective administration of certain Federal lands and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Agriculture.

By Mr. KRAMER:

H.R. 4304. A bill to create a Federal criminal offense for terrorist acts against U.S. nationals abroad, to provide sentencing procedures for certain capital offenses, and for other purposes; to the Committee on the Judiciary.

By Mr. HUGHES:

H.R. 4305. A bill to amend chapter 44 (relating to firearms) of title 18, United States Code, and for other purposes; to the Committee on the Judiciary.

By Mr. DE LA GARZA (for himself, Mr. MADIGAN, Mr. FOLEY, Mr. HUCKABY, Mr. JEFFORDS, Mr. STALLINGS, and Mr. ROBERT F. SMITH):

H.R. 4306. A bill to revise the terms of certain agricultural programs; to the Committee on Agriculture.

By Mr. BARNES (for himself and Mr. WOLPE):

H.R. 4307. A bill to provide for and strengthen United States and international protections against international nuclear terrorism; to the Committee on Foreign Affairs.

By Mrs. BENTLEY (for herself, Mr. JONES of North Carolina, Mr. CLINGER, Mr. SHELBY, Mr. GRAY of Illinois, and Mr. DYSON):

H.R. 4308. A bill to reform the process for filling vacancies which occur on the Interstate Commerce Commission, the Federal Maritime Commerce Commission, and the National Transportation Safety Board; jointly, to the Committees on Merchant Marine and Fisheries, Public Works and Transportation, and Energy and Commerce.

By Mr. BOULTER (for himself, Mr. ARCHER, Mr. ARMEY, Mr. BADHAM, Mr. BARTON of Texas, Mr. BLILEY, Mr. COMBEST, Mr. DELAY, Mr. DORNAN of California, Mr. DREIER of California, Mr. HANSEN, Mr. LATTA, Mr. MONSON, Mr. NIELSON of Utah, Mr. RUDD, Mr. SHUMWAY and, Mr. SMITH of New Hampshire):

H.R. 4309. A bill to terminate the Legal Services Corporation; to the Committee on the Judiciary.

By Mr. FEIGHAN:

H.R. 4310. A bill to amend title 18, United States Code, with respect to firearms, and for other purposes; to the Committee on the Judiciary.

By Mr. FLORIO (for himself, Mr. RICHARDSON, Ms. MIKULSKI, Mr. SIKORSKI, Mr. TAUZIN, Mr. MOLINARI, and Mr. ECKART of Ohio):

H.R. 4311. A bill to amend the Toxic Substances Control Act to require the Environmental Protection Agency to set standards for identification and abatement of hazardous asbestos in the Nation's schools, to mandate abatement of hazardous asbestos in the Nation's schools in accordance with those Standards, to require local educational agencies to prepare asbestos management plans, and for other purposes; to the Committee on Energy and Commerce.

By Mr. FRENZEL (for himself and Mr. LUNDINE):

H.R. 4312. A bill to amend the Tariff Act of 1930 to enhance the protection of intellectual property rights; to the Committee on Ways and Means.

By Mr. KASICH:

H.R. 4313. A bill to amend title 10, United Stats Code, to improve program stability of major defense acquisition programs by establishing new congressional authorization procedures and improving cost schedule and performance control to the Committee on Armed Services.

By Mr. KASTENMEIER:

H.R. 4314. A bill to eliminate diversity of citizenship as a basis of jurisdiction of Federal district courts, and for other purposes; to the Committee on the Judiciary.

H.R. 4315. A bill to increase the amount in controversy necessary as a basis of jurisdiction of Federal district courts, and to grant Federal district courts jurisdiction in certain multiperson injury actions; to the Committee on the Judiciary.

By Mr. KASTENMEIER (for himself, Mr. FUQUA, Mr. NELSON of Florida, Mr. WALKER, Mr. BOUCHER, Mr. MAZZOLI, Mr. MORRISON of Connecticut, Mr. MOORHEAD, Mr. HYDE, Mr. DEWINE, Mr. SWINDALL, Mr. COBLE, and Mr. ANDREWS):

H.R. 4316. A bill to amend title 35, United States Code, and the National Areonautics and Space Act of 1958, with respect to the use of inventions in outer space; jointly, to the Committees on the judiciary and Science and Technology.

By Mr. KEMP:

H.R. 4317 A bill to create a fiscal safety net program for needy communities; to the Committee on Government Operations.

By Mr. KLECZKA (for himself and Mr. ANNUNZIO):

H.R. 4318. A bill to amend section 203 of the National Housing Act to reduce losses under the Single Family Mortgage Insurance Program; to the Committee on Banking, Finance and Urban Affairs.

By Mr. OWENS:

H.R. 4319. A bill to amend title 44, United States Code, to permit broader representation in the membership of the Joint Committee on Printing; to the Committee on House Administration.

H.R. 4320. A bill pertaining to the requirements for appointing the Librarian of Congress; to the Committee on House Administration.

By Mr. SENSENBRENNER:

H.R. 4321. A bill to amend the Internal Revenue Code of 1954 to provide that individuals who provide adult family foster care may elect to exclude amounts received for such care from gross income; to the Committee on Ways and Means.

By Mr. WALKER:

H.R. 4322. A bill to provide for the waiver, under certain circumstances, of Federal regulations in order to stimulate employment in trade-impacted industries, and for other purposes; jointly, to the Committees on Ways and Means, the Judiciary, Energy and Commerce, Merchant Marine and Fisheries, and Foreign Affairs.

By Mr. WILLIAMS (for himself, Mr. HAWKINS, Mr. CLAY, Mr. KILDEE, and Mr. MARTINEZ):

H.R. 4323. A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage; to the Committee on Education and Labor.

By Mr. GRADISON (for himself and Mr. BROWN of Colorado):

H.R. 4324. A bill to assure the proper budgetary treatment of credit transactions of Federal agencies and to reduce the Federal budget deficit; to the Committee on Government Operations.

By Mr. PANETTA:

H.R. 4325. A bill to amend section 810 of the Housing and Community Development Act of 1974, section 202 of the Housing Act of 1959, and section 8 of the United States Housing Act of 1937, to establish a special program for housing for the chronically mentally ill; to the Committee on Banking, Finance and Urban Affairs.

H.R. 4326. A bill to require States to develop, establish, and implement State comprehensive mental health plans; to the Committee on Energy and Commerce.

H.R. 4327. A bill to amend titles XVI, XVIII, and XIX of the Social Security Act with respect to services and benefits for chronically mentally ill individuals; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. BORSKI (for himself, Mr. LIPINSKI, Mr. ANNUNZIO, Mr. APPLEGATE, Mrs. BENTLEY, Mr. BERMAN, Mr. BOLAND, Mr. BONER of Tennessee, Mrs. BOXER, Mr. CARNEY, Mr. CARPER, Mr. COELHO, Mr. DARDEN, Mr. DASCHLE, Mr. DAUB, Mr. DE LUGO, Mr. DIOGUARDI, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. ECKERT of New York, Mr. EDWARDS of Oklahoma, Mr. FAZIO, Mr. FISH, Mr. GREEN, Mr. GUARINI, Mr. GUNDERSON, Mr. HAYES, Mr. HENRY, Mr. HERTEL of Michigan, Mr. HOWARD, Mr. HUGHES,

Mrs. JOHNSON, Mr. KANJORSKI, Mr. KINDNESS, Mr. KLECZKA, Mr. KOSTMAYER, Mr. LEVIN of Michigan, Mr. LUKEN, Mr. MCHUGH, Mr. MANTON, Mr. MARTINEZ, Mr. MATSUI, Mr. MRAZEK, Mr. MURPHY, Mr. NOWAK, Mr. O'BRIEN, Mr. PORTER, Mr. RAHALL, Mr. REGULA, Mr. REID, Mr. RICHARDSON, Mr. ROE, Mr. ROSTENKOWSKI, Mr. RUDD, Mr. SCHEUER, Mr. SIKORSKI, Mr. THOMAS of Georgia, Mr. TRAXLER, and Mr. VANDER JAGT)

H.J. Res. 547. Joint resolution to designate August 1986 as "Polish American Heritage Month;" to the Committee on Post Office and Civil Service.

By Mrs. BYRON:

H.J. Res. 548. Joint resolution to authorize and request the President to designate May 1986 as "National Physical Fitness and Sports Month;" to the Committee on Post Office and Civil Service.

By Mr. DIOGUARDI (for himself, Mr. ACKERMAN, Mr. BIAGGI, Mr. FISH, Mr. GILMAN, Mr. LANTOS, Mr. TAUKE, and Mr. WEISS):

H.J. Res. 549. Joint resolution to designate June 1986 as "Youth Suicide Prevention Month"; to the Committee on Post Office and Civil Service.

By Mr. KOSTMAYER:

H.J. Res. 550. Joint resolution to designate the week beginning December 7, 1986, as "National Alopecia Areata Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. STOKES (for himself, Mrs. BOGGS, Mr. SABO, Mr. TRAXLER, Mr. BONER of Tennessee, Ms. OAKAR, Mr. COUGHLIN, and Mr. WHEAT):

H.J. Res. 551. Joint resolution disapproving the proposed deferral of budget authority for the community development block grant program; to the Committee on Appropriations.

By Mr. WYDEN (for himself, Mr. GREEN, Mr. SIKORSKI, Mr. BERMAN, Mr. CARR, Mr. MARKEY, Mr. LEVINE of California, Mr. LANTOS, Mr. LAGOMARSINO, Mr. MADIGAN, and Ms. OAKAR):

H.J. Res. 552. Joint resolution to designate the week of October 5, 1986, through October 11, 1986, as "Mental Illness Awareness Week"; to the Committee on Post Office and Civil Service.

By Mrs. BURTON of California:

H. Con. Res. 294. Concurrent resolution expressing the sense of the Congress that the Internal Revenue Service should be provided with adequate resources to enforce the internal revenue laws of the United States; to the Committee on Ways and Means.

By Mr. FRENZEL (for himself, Mr. PORTER, and Mr. BROWN of Colorado):

H. Con. Res. 295. Concurrent resolution setting forth the congressional budget for the United States Government for the fiscal years 1987, 1988, and 1989; to the Committee on the Budget.

By Mr. FASCELL (for himself, Mr. BROOMFIELD, Mr. BARNES, Mr. LAGOMARSINO, and Mr. GARCIA):

H. Res. 389. Resolution congratulating the Inter-American Foundation on its fifteenth anniversary and commending it for its outstanding contributions to United States development assistance efforts in Latin America and the Caribbean; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

299. By the SPEAKER: Memorial of the Eighteenth Legislature of Guam, relative to Chamorro Week; to the Committee on Interior and Insular Affairs.

300. Also, memorial of the Senate of the State of New Mexico, relative to the case *Coleman* v. *Miller*, 307 U.S. 433 (1939); to the Committee on the Judiciary.

301. Also, memorial of the General Assembly of the Commonwealth of Virginia, relative to American former prisoners of war; to the Committee on Veterans' Affairs.

302. Also, memorial of the General Assembly of the Commonwealth of Virginia, relative to support orders; jointly, to the Committees on the Judiciary and Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII.

Mr. YOUNG of Florida introduced a bill (H.R. 4328) for the relief of Sylvia K. DeAngelis, to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 85: Mr. ST GERMAIN.
H.R. 426: Mr. ST GERMAIN.
H.R. 513: Mr. ST GERMAIN.
H.R. 604: Mr. CLINGER.
H.R. 880: Mr. SABO.
H.R. 997: Mrs. SCHROEDER.
H.R. 1294: Mr. NOWAK.
H.R. 1309: Mr. WISE, Mr. FRANK, Mr. MURTHA, Mr. DYSON, and Mr. WORTLEY.
H.R. 1507: Mr. GRAY of Illinois.
H.R. 1607: Mr. LAFALCE, Mr. DYSON, Mr. MITCHELL, Mr. DE LUGO, and Mr. OWENS.
H.R. 2031: Mr. WORTLEY, Mr. WILSON, Mr. WOLPE, Mr. WEISS, Mr. BORSKI, and Mr. TALLON.
H.R. 2530: Mr. MCKINNEY.
H.R. 2578: Mr. ACKERMAN, Mr. DARDEN, Mr. DE LUGO, Mr. EDGAR, Mr. FISH, Mr. GORDON, Mr. MCCURDY, Mr. MONSON, and Mr. SABO.
H.R. 2591: Mr. TALLON, Mr. KANJORSKI, Mr. HAWKINS, and Mr. PORTER.
H.R. 2684: Mr. SCHULZE and Mr. LUJAN.
H.R. 2739: Mr. STALLINGS.
H.R. 2782: Mr. GEJDENSON.
H.R. 2793: Mr. MILLER of California.
H.R. 3000: Mr. ROBINSON.
H.R. 3024: Mr. LELAND, Mr. FROST, Mr. LOEFFLER, and Mr. QUILLEN.
H.R. 3260: Mr. ACKERMAN and Mr. SOLARZ.
H.R. 3263: Mr. GEJDENSON, Mr. FRANK, Mr. GARCIA, Mr. FUSTER, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. HUGHES, Mr. MINETA, and Mrs. BENTLEY.
H.R. 3426: Mr. DAUB, Mr. LAFALCE, Mr. WHITEHURST, Mr. WORTLEY, Mr. BARNES, Mr. VENTO, Mr. MOORHEAD, Mr. MONSON, and Mr. FISH.
H.R. 3553: Mr. SAXTON.
H.R. 3654: Mr. FORD of Tennessee.
H.R. 3833: Mr. WIRTH.
H.R. 3866: Mr. WEISS and Mr. FAZIO.
H.R. 3916: Mr. BURTON of Indiana, Mr. DANNEMEYER, and Mr. GRAY of Illinois.
H.R. 3950: Mr. WEAVER, Mrs. BURTON of California, Mr. BERMAN, Mr. BEREUTER, and Mr. HUTTO.
H.R. 3989: Mr. BEVILL, Mr. BOULTER, Mrs. BYRON, Mr. COMBEST, Mr. EMERSON, Mr. FRANKLIN, Mr. GREGG, Mr. HENDON, Mr. HENRY, Mr. HUBBARD, Mr. MCEWEN, Mr. PERKINS, Mr. RICHARDSON, Mr. ROGERS, Mr. ROTH, Mr. STALLINGS, Mr. STANGELAND, Mr. TALLON, Mr. TAYLOR, Mr. VOLKMER, Mr. WEAVER, and Mr. WISE.
H.R. 4003: Mr. ORTIZ, Mr. EDWARDS of California, Mr. MRAZEK, Mr. COURTER, Mr. MCGRATH, Mr. ROWLAND of Connecticut, Mr. PERKINS, Mrs. BENTLEY, Mr. FORD of Tennessee, Mr. HENRY, Mr. TORRICELLI, Mr. ANNUNZIO, Mrs. BOGGS, Mr. DWYER of New Jersey, Mr. MOODY, Mr. AUCOIN, Mr. BIAGGI, Mr. DYMALLY, Mr. FEIGHAN, Mr. JEFFORDS, Mrs. KENNELLY, Mr. MANTON, Mr. ROE, Mr. WEISS, Mr. WILLIAMS, Mr. SMITH of New Jersey, Mr. YOUNG of Missouri, Mr. MARKEY, Mr. LENT, Mr. MCKINNEY, Mr. HOWARD, Mr. TRAXLER, and Mr. HAYES.
H.R. 4012: Mr. OWENS.
H.R. 4029: Mr. BUSTAMANTE, Mr. RANGEL, Mr. BENNETT, and Mr. FAZIO.
H.R. 4037: Mr. LEHMAN of California, Mr. DE LUGO, Mr. TRAFICANT, and Mr. FUSTER.
H.R. 4041: Mr. BADHAM, Mr. PORTER, Mr. CRANE, Mr. COATS, and Mr. MONSON.
H.R. 4067: Mr. SHAW, Mr. WOLPE, Mr. KANJORSKI, and Mr. WHITEHURST.
H.R. 4107: Mr. HUGHES, and Mr. SHAW.
H.R. 4140: Mrs. VUCANOVICH.
H.R. 4169: Mr. SAVAGE, Mr. MARTINEZ, and Mr. RANGEL.
H.R. 4186: Mr. MANTON, Mr. WORTLEY, Mr. ROBINSON, Mr. LANTOS, Mr. FAUNTROY, Mr. BORSKI, Mr. MRAZEK, Mr. WOLF, Mr. DOWNEY of New York, Mr. LOWRY of Washington, Mrs. BYRON, Mr. LOWERY of California, Mr. HEFTEL of Hawaii, Mr. TOWNS, Mr. BUSTAMANTE, Mr. MINETA, Mr. BONIOR of Michigan, Mr. CARNEY, Mr. FAZIO, Mr. ROEMER, Mrs. COLLINS, Mr. RODINO, Mr. MORRISON of Connecticut, Mr. KASICH, Mr. UDALL, and Mr. SCHEUER.
H.R. 4194: Mr. MATSUI, Mr. SCHEUER, Mr. BERMAN, Mr. FAZIO, Mr. LOWRY of Washington, Mr. LELAND, Mr. FOGLIETTA, Mr. GUARINI, Mrs. COLLINS, and Mr. GARCIA.
H.R. 4197: Mr. SAVAGE, Mr. LIPINSKI, Mr. MRAZEK, Mr. GARCIA, Mr. MATSUI, Mr. ST GERMAIN, Mr. BEREUTER, Mrs. BENTLEY, and Mr. MORRISON of Connecticut.
H.R. 4243: Mr. DE LUGO, Mr. TOWNS, Mr. FRANK, Mr. GEJDENSON, Mr. FUSTER, Mrs. COLLINS, Mr. RAHALL, and Mr. RICHARDSON.
H.R. 4247: Mr. SUNDQUIST.
H.R. 4248: Mr. SUNDQUIST.
H.R. 4249: Mr. SUNDQUIST.
H.R. 4250: Mr. SUNDQUIST.
H.R. 4251: Mr. SUNDQUIST.
H.R. 4299: Mr. MACK, Mr. ROBERTS, Mr. ROEMER, Mr. DYSON, Mr. DREIER of California, Mr. BOULTER, and Mr. SMITH of Florida.
H.J. Res. 139: Mr. GIBBONS.
H.J. Res. 297: Mrs. BOGGS and Mr. BORSKI.
H.J. Res. 381: Mr. COELHO, Mr. BLILEY, Mr. CALLAHAN, Mr. CARNEY, Mr. CARPER, Mr. LUKEN, Mr. ANDREWS, Mr. SMITH of New Hampshire, Mr. BARNES, and Mrs. COLLINS.
H.J. Res. 410: Mr. FRENZEL, Mr. YATRON, Mr. BLILEY, Mr. WEBER, Mr. BATEMAN, Mr. FRANK, Mr. MOAKLEY, Mr. MCDADE, Mr. MOLLOHAN, Mr. EDGAR, Mr. EARLY, and Mr. ST GERMAIN.
H.J. Res. 427: Mr. GREEN, Mr. FIELDS, Mr. MORRISON of Washington, Mr. HAMMERSCHMIDT, Mr. KASTENMEIER, Mrs. COLLINS, Mrs. BURTON of California, Mr. VANDER JAGT, Mr. HEFNER, Mr. NATCHER, Mr. WALGREN, Mr. APPLEGATE, Mr. NEAL, Mr. FUSTER, Mr. DANNEMEYER, Mr. MARTIN of New York, Mr. YOUNG of Missouri, Mr. RUSSO, Mr. BADHAM, Mr. GRADISON, Mr. FEIGHAN, Mr. MARTINEZ,

Mr. SMITH of Iowa, Mr. STUMP, Mr. IRELAND, Mr. LAGOMARSINO, Mr. WEBER, Mr. DE LA GARZA, Mr. LIVINGSTON, Mr. MCDADE, Mr. MCCOLLUM, Mr. AKAKA, Mr. MORRISON of Connecticut, Mr. MATSUI, Mr. NIELSON of Utah, Mr. MCCAIN, Mr. LUNGREN, Mr. MILLER of Washington, and Mr. MOAKLEY.

H.J. Res. 429: Mr. MARTINEZ.

H.J. Res. 435: Mr. FAZIO, Mr. MATSUI, and Mr. PEPPER.

H.J. Res. 470: Mr. CALLAHAN, Mr. GREEN, Mr. LUNDINE, Mr. APPLEGATE, Mrs. COLLINS, Mr. BUSTAMANTE, Mr. ANTHONY, Mr. WHITLEY, Mr. DERRICK, Mr. ASPIN, Mr. YATES, Mr. CHAPPIE, Mr. RICHARDSON, Mr. BONER of Tennessee, Mrs. LONG, Mr. LOWRY of Washington, Mrs. BYRON, Mr. GUARINI, Mr. CARPER, Mr. TALLON, Mr. TAUKE, Mr. MINETA, Mr. BOUCHER, Mr. TORRICELLI, Mr. SCHAEFER, Mr. THOMAS of Georgia, Mr. COLEMAN of Missouri, Mr. CONTE, Mr. WIRTH, Mr. LEVIN of Michigan, Mr. LATTA, Mr. FAZIO, and Mr. GINGRICH.

H.J. Res. 480: Mr. SKEEN, Mr. WYDEN, Mr. HARTNETT, Mr. SYNAR, and Mr. REID.

H.J. Res. 510: Mr. QUILLEN, Mr. DORNAN of California, Mr. HENRY, Mr. HORTON, Mr. VANDER JAGT, Mr. HEFNER, Mr. BARNES, Mr. RAHALL, Mr. BRYANT, Mr. ANDERSON, Ms. KAPTUR, Mr. WEISS, Mr. REID, Mr. MCEWEN, and Mr. FUQUA.

H.J. Res. 516: Mr. YOUNG of Missouri, Mr. ROE, Mr. ANTHONY, Mr. HORTON, Mr. WORTLEY, Mr. ROBINSON, Mr. BEREUTER, Mr. LUNGREN, Mr. SCHULZE, Mr. WILSON, Mr. DAUB, and Mr. GRAY of Pennsylvania.

H.J. Res. 521: Mr. OBERSTAR, Mr. BOEHLERT, Mr. KASTENMEIER, Mr. NOWAK, and Mr. LEVIN of Michigan.

H.J. Res. 529: Mr. WOLF, Mr. MOLINARI, and Mr. JEFFORDS.

H.J. Res. 531: Mr. WEISS, Mr. SOLOMON, Mr. EMERSON and Mr. WYDEN.

H.J. Res. 539: Mr. SUNIA, Mr. MURPHY, Mr. TORRICELLI, Mr. BLAZ, Mr. MANTON, Mr. SAVAGE, Mr. CROCKETT, Mr. TOWNS, Mr. BARNES, Mr. MRAZEK, Mr. HOYER, Mr. DOWDY of Mississippi, Mr. DAUB, Mr. HEFTEL of Hawaii, Mr. O'BRIEN, Mr. RAHALL, Mr. FAZIO, Mr. SMITH of Florida, Mr. BEVILL, Mr. LEVIN of Michigan, Mr. WYDEN, Mr. WEISS, Mr. ROE, Mr. BRYANT, Mr. HUGHES, and Mrs. BENTLEY.

H. Con. Res. 204: Mr. WORTLEY, Mrs. BYRON, and Mr. DORNAN of California.

H. Con. Res. 205: Mr. WORTLEY, Mrs. BYRON, and, Mr. DORNAN of California.

H. Con. Res. 206: Mr. WORTLEY, Mrs. BYRON, and, Mr. DORNAN of California.

H. Con. Res. 279: Mr. LELAND, and Mr. DELAY.

H. Con. Res. 285: Mr. RICHARDSON, Mr. GEJDENSON, Mr. CHANDLER, Mr. EDGAR, Mr. FRENZEL, Mr. WORTLEY, Mr. VENTO, Mr. MCHUGH, Mr. MINETA, Mr. ROBINSON, Mr. LIVINGSTON, Mr. HILER, Mr. BORSKI, Mr. TOWNS, Mr. LEVIN of Michigan, Mr. TORRICELLI, Mr. LIGHTFOOT, Mr. STANGELAND, Mr. BATEMAN, Mr. WILSON, Mr. DEWINE, Mr. BURTON of Indiana, Mr. MILLER of Washington, Mr. SCHUETTE, Mr. DREIER of California, Mr. DIXON, Mr. MCCANDLESS, Mr. WEISS, and Mr. WIRTH, and Mr. MADIGAN.

H. Res. 12: Mr. ROWLAND of Connecticut and Mr. IRELAND.

H. Res. 194: Mr. HORTON.

H. Res. 370: Mr. SLATTERY and Mr. MAZZOLI.

H. Res. 376: Mr. DE LUGO.

H. Res. 379: Mr. WEISS.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1809: Mrs. BENTLEY.

SENATE—*Wednesday, March 5, 1986*

(Legislative day of Monday, February 24, 1986)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Our prayer this morning will be offered by the Reverend Ernest R. Gibson, executive director of the Council of Churches of Greater Washington, and pastor of the First Rising Mt. Zion Baptist Church, Washington, DC.

PRAYER

The Reverend Ernest R. Gibson, executive director of the Council of Churches of Greater Washington, and pastor, First Rising Mt. Zion Baptist Church, offered the following prayer:

Let us pray.

Gracious Heavenly Father, Father of our Lord and Savior, Jesus Christ, Thou Who hast created us in Thine own image and called us according to Thine own purpose, we thank You for this country, America, "the land of the free and the home of the brave."

We thank You for our Democratic government and the continued efforts to bring equality and justice to all of Your people. We thank You, Lord, for our legislative branch of government, the Congress, and especially the Senate. We thank You for the persons who have been elected by the people to serve in this body of government.

Lord, we believe that the Senators and their staffs are not only representatives of the people of this Nation but that they also are Your servants, to reflect Your will in government.

As Your servants begin this day of work, make each of them be sensitive to Your presence. Although, Lord, they may often find themselves "between a rock and a hard place," may their decisions indicate that they have heard Your requirement "to do justly, and to love mercy, and to walk humbly with their God." Through Jesus Christ our Lord. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished able majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, followed by special orders for not to exceed 15 minutes by Senators HAWKINS, HEFLIN, BYRD, CRANSTON, MATSUNAGA, PROXMIRE, and PRYOR, then routine morning business not to extend beyond 11:30 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

Following morning business, it is my hope that we could move to the agriculture package. The debate last evening indicated there might be some hope of doing that today, at least getting it before the Senate so that amendments can be offered. This is a very critical time for farmers. We must act today. It would also be very helpful to the House if the Senate took action on these various provisions. And again I think there is wide support for the package, just difficulty in placing it before the Senate because we need unanimous consent. As long as someone objects, of course, it frustrates the will of the majority. So I would hope that those who have objections will let us proceed. They may offer amendments and otherwise deal with the concerns they have.

We also hope to have an agreement on armor-piercing bullets, and we also hope to take up today the CCC supplemental appropriations and the committee funding resolution. There are other bills which are available if we have time this week.

I think it is fair to say that we will have a session and votes on Friday. We will be on the balanced budget amendment. I have indicated as part of the agreement not to move to that until tomorrow that we would want to be in session on Friday, so I would urge my colleagues to be alert to that. There will likely be amendments and votes on Friday unless something else occurs in the meantime.

CHARLES A. HALLECK

Mr. DOLE. Mr. President, on March 3, the United States lost one of its finest public servants, former House Majority and Minority Leader Charles A. Halleck, Republican of Indiana.

Charlie Halleck and I served together only a short time before he retired. But it was clear that his wisdom and ability were stamped on the institution, and remain so today.

Interestingly, Charlie Halleck and I started our political careers in the same way—as prosecuting attorneys—Charlie for the Jasper-Newton County Circuit—and in the State legislature.

During the 17 consecutive terms he served in the House of Representatives, Charlie Halleck earned a reputation as a consummate legislator. In fact, President Dwight D. Eisenhower called him "the greatest legislator I have ever seen."

His joint press conferences with Senator Everett Dirksen, known as "the "Ev and Charlie Show" made Charlie Halleck a household name throughout America.

Despite his loyalty to the Republican Party, Charlie Halleck, whether as House majority or minority leader, always played fair with Members on both sides of the political aisle.

As Eisenhower wrote in the forward to a biography of Charlie:

> Charles A. Halleck has been an exemplary public servant. He has been foremost a patriot. He has demonstrated many times not only political courage but a high order of selflessness in service to our Nation. He has been faithful to friends, a hard hitting but fair partisan, a dynamic and effective leader, and always a respected advocate of his views.

That is a most fitting eulogy to an outstanding American, Charles A. Halleck.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. WARNER). The minority leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

ORDER OF BUSINESS

Mr. BYRD. Mr. President, Mr. PROXMIRE and Mr. PRYOR have special orders on this side, also Messrs. LEVIN, BYRD, CRANSTON, and MATSUNAGA have special orders on this side. The request which I shall make will only shift certain of our orders on this side and concentrate others in one Senator.

I ask unanimous consent that the orders for Messrs. PROXMIRE and PRYOR proceed after Senator HAWKINS has completed her order and prior to the orders by the other four Democrats.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that the orders for BYRD, CRANSTON, and MATSUNAGA be under the control of Senator HEFLIN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that I may reserve the remainder of my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I yield the floor.

RECOGNITION OF SENATOR HAWKINS

The PRESIDING OFFICER. The Chair recognizes the Senator from Florida.

DRUG USE IN AMERICA—REPORT BY PRESIDENT'S COMMISSION ON ORGANIZED CRIME

Mrs. HAWKINS. Mr. President, I rise today to commend the President's Commission on Organized Crime for the release of its 455-page report on drug use in America. This, the first in a series of reports on organized crime, underscores the severity of the problem we face as we begin to carry the drug war to the enemy. The report finds that organized crime fills its coffers each year with blood money to the tune of $110 billion and that these profits make up 40 percent of the criminal activity in this country. That is $20 billion more than the income of the world's largest company, Exxon. It is one-third the size of the annual U.S. defense budget. It is many, many times the amount of money that our Government spends to fight the war on drugs. In short, this report confirms what those of us involved in the war on drugs have known for some time—we face a cold, calculating, deadly, and well-financed enemy.

Fortunately the report does not stop at describing the problem. It also offers scores of thoughtful, well-considered ideas on how to carry the war to the enemy. The key is to limit demand. Yesterday I pointed out how development experts at a meeting in Trinidad, Bolivia, found that "the huge market for narcotics promotes large-scale clandestine farming of coca leaves, which in turn hampers the social and economic development of the Amazon countries and in some cases reduces the effectiveness of regional development organizations." In short, these development experts were pointing the finger at the United States and saying that many of their drug related problems are connected to the American demand for illegal narcotics.

An independent report by the Limited Financial Consultants organization of La Paz, Bolivia, confirmed that the vast majority of land under cultivation for coca is used to meet American demand for cocaine. Their report on Andean coca production estimated that only 20 percent of the annual coca leaf production is used for culturally related chewing. The remainder is used to satisfy the huge demand of the American market.

There is no question in my mind that we in the United States must take steps to bring the demand for illegal narcotics under control. Toward this end, one of the Commission's recommendations is to require drug tests of all Government employees, and to prohibit the awarding of Federal contracts to employers that do not begin drug testing programs. In addition, it highly recommends drug testing on the part of all private employers.

In spite of the fact that the Commission was headed by Judge Irving Kaufman of the Second U.S. Circuit Court of Appeals, a man who should have a sense of what is and what is not unconstitutional, this recommendation has been attacked by the American Civil Liberties Union and the American Federation of Government Employees as unconstitutional. They say it is a violation of the fourth amendment relating to unwarranted search and seizures. They say that a person would be considered guilty until proven innocent. I say, nonsense. Am I guilty of being a terrorist simply because I have to walk through a metal-detector before I board an airplane. Of course not. It is a reasonable precaution to take to address a serious national problem. I believe the same is true of the Commission's recommendation on drug testing.

The fact is that there is much in common with the problems of the illegal use of drugs and terrorism. They both undermine society, and are a threat to our way of life and our future. It is no wonder that in the international arena we find increasing evidence of the link between drug trafficking and terrorism. The Commission's report says the following about the increasing ties between drug traffickers and terrorists, and I quote:

> Traffickers supply terrorists with American currency and weapons in return for protection and assistance in smuggling activities. While terrorists and insurgents do not currently control significant portions of the drug trade, the profit potentially realized from even isolated drug transactions could provide sizeable revenues for a militant cause . . .
>
> . . . Terrorists and insurgents funded through drug trafficking could very conceivably become powerful enough to disrupt governments in a number of countries presently allied with the United States, and thus pose a serious threat to this country's national security . . .

Mr. President, the Commission has made numerous recommendations ranging from repeal of the Mansfield amendment to increasing emphasis on drug prevention, to lifting the $20 million cap on seized drug assets that can go to drug enforcement agencies. We may not like all of these ideas, but this report is a well-considered document that deserves our careful study.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized.

HOW MIDGETMAN ADVANCES THE CAUSE OF NUCLEAR PEACE

Mr. PROXMIRE. Mr. President, do we ever advance arms control by building additional nuclear missiles? Answer: Yes. When? How? Under what circumstances? Isn't arms control a matter of reducing nuclear arms? Doesn't any addition to our already excessive supply of nuclear arms contradict the very purpose of arms control? No. It does not. What is the purpose of arms control? Simple. The purpose of arms control is to prevent a superpower nuclear war. That's it. Nothing else. How do we prevent nuclear war? Consider that for the 40 years of the nuclear age, there have been 40 years of nuclear peace. Why? Did arms control play the major part in securing and keeping that peace? No. It played a strictly minor role. Let's not kid ourselves.

We have not kept the peace because of any of the five major arms control treaties between the Soviet Union and the United States. We have not kept the peace because either or both sides have restrained the growth and power of their nuclear arsenals. All during this era of peace the nuclear arsenals of the two superpowers have enormously increased their capacity to deliver a nuclear payload and a totally devastating payload on the adversary. Oh sure, the United States has decreased the megatonnage of its arsenal. We have retired many of our biggest and heaviest nuclear weapons. But we have steadily improved the accuracy and reliability of our nuclear military power.

How can bigger nuclear arsenals for the two superpowers move them toward peace? The answer is deterrence. Why do the President of the United States and the leader of the Soviet Union now both agree that a nuclear war can never be won and must never be fought? Is it because of any present arms control treaty? No. It is because each superpower knows the other has the capability to survive a preemptive strike at least to the point that it could retaliate with a counter punch that would completely destroy the initiator of the first strike. Deterrence not arms control has convinced both sides that they would lose a nuclear war and lose big. Does that mean there is no place for arms control and only the threat of nuclear weapons counts? No, indeed. We cannot achieve peace without arms control. Arms control is quintessential for peace. And yet, by itself, it is not enough. Without arms control, the nuclear arms race can quickly veer off into the production of more and more first strike offensive weapons and de-

fensive weapons calculated to permit the superpower striking first to prevent the adversary to retaliate.

Arms control can make its big contribution to peace not by trying to achieve the impossible dream advanced by both President Reagan and Secretary Gorbachev. The two leaders have both talked of an ultimate objective—to be achieved through arms control—of the total banishment of all nuclear arms from the face of the Earth forever. Obviously both are striving to occupy the high moral ground. In asserting such a dreamy and impossible objective for arms control, both Gorbachev and Reagan are grossly misstating what arms control can do. Arms control cannot eliminate all nuclear arms everywhere and forever. It can help channel the production of arms into more stable areas. It can see that both sides produce nuclear arms that will enhance deterrence and discourage a first strike.

Mr. President, this is exactly what the recent struggle over the Midgetman missile is all about. Members of Congress lead by Senator GORE, Congressman ASPIN, and others, tried to head off the MX missile by persuading the administration to choose a mobile single warhead missile—the so-called Midgetman instead. The Gore-Aspin purpose was to give our land-based missiles something like the invulnerability our submarine and bomber missiles enjoy. The stationary, land-based, 10 warhead MX is the prime example of a missile that has the advantages of pinpoint accuracy, and devastating power plus the economy of 10 independently targeted warheads in a single missile. So much for the MX advantages. It has the far more serious disadvantage of conspicuous vulnerability. It is stationary. Once the Soviets find it, they know its location forever. It concentrates 10 warheads in one target. Obviously it would become objective No. 1 in any Soviet attack. The Midgetman on the other hand is mobile. The Soviets would have to track it night and day. They could and would often lose it. And if they did hit it, what would they hit? A single warhead. What does this mean? It means the MX would certainly appear to the Soviets to have a single mission. That mission would be to give this country the capacity for a preemptive strike. We know the MX would be unlikely to survive a strike by the Soviets. Now this is further complicated by the SDI or star wars system.

SDI advocates claim that even if star wars cannot defend our cities it would defend our nuclear weapons and especially it could defend the MX. The administration can argue that star wars makes the MX far less vulnerable if not invulnerable. The answer is that star wars is many years away from deployment. Even the strongest advocates of the system agree that it may not work. The cost would be immense, probably upward of a trillion dollars. For far less cost, a combination of such weapons as the mobile Midgetman missile, our submarines and our bombers could provide a virtually invulnerable triad, a sure deterrent. The role of arms control would be to steer both superpowers into less vulnerable and therefore more credible deterrents. Arms control will also keep the arms race cost within reasonable limits.

All of this, Mr. President, is why the recent report from a committee appointed by the Defense Department is so significant. The Defense Department has been critical of the Midgetman concept. It has favored scrapping Midgetman, allegedly because of its cost and the desirability of building more MX missiles. Such a strategy would help make it easier to sell star wars as an essential protector of the otherwise highly vulnerable MX. Now comes this Defense Department sponsored study which comes down emphatically and clearly on the side of the Midgetman. That makes sense, Mr. President. It will save lots of dollars and cents in the long run by helping stop the star wars extravaganza. It will compliment our arms control policy of steering nuclear weapons into stable and less vulnerable modes. It will advance the cause of peace.

MARCH GOLDEN FLEECE AWARDED

Mr. PROXMIRE. Mr. President, the Office of Management and Budget—OMB—has won my Golden Fleece Award for the month of March for looking the other way while Federal agencies cranked up their public relations machines. Between 1983 and 1985, spending on PR zoomed from $376.2 million to $436.7 million, an increase of 16 percent. OMB is supposed to be tightfisted but when it comes to PR, they snap open the taxpayers' purses even as the deficits hit record highs.

At my request, the General Accounting Office [GAO] conducted a comprehensive survey of executive agency spending on public and congressional affairs. In 1985, these agencies spent $336.8 million and assigned 5,599 employees to public affairs. Another $99.9 million and 1,982 people looked after relations with Congress.

But an arresting pattern emerged from this survey. Between 1981 and 1983, spending on PR actually decreased from $383.3 million to $376.2 million. Could this administration really be serious about its efforts to cut fat from the budget?

This auspicious beginning quickly turned around as OMB put down its knife and started giving away chocolate fudge. Between 1983 and 1985, spending on PR jumped from that slimmed down $376.2 million to a bloated $436.7 million.

Why this abrupt reversal? When people are out of office, they look on governmental public relations as the quintessential definition of wasteful spending. But once the "outs" become the "ins," then public relations is magically transformed from waste into a shield to guard against a hostile press and an obtuse Congress. And spending increases in proportion to the number of unfavorable stories and congressional oversight hearings.

For this survey, GAO used a strict definition of what constitutes public relations. If the cost of closely related activities is included, the figure becomes much higher. For example, in 1985, the Defense Department spent an additional $15.4 million on its special aerial teams, $26.9 million on ceremonial bands in the Washington area, and another $116.5 million on bands elsewhere. This Senator is not the only one who thinks such spending sounds a sour note.

Not all public relations spending is fat. Informing the public can be a useful function of government. But OMB richly deserves this month's Fleece for first demonstrating that such spending can be cut without harming the Republic and then beating a hasty retreat.

THE MYTH OF THE DAY: THE FTC PROTECTS AMERICAN CONSUMERS FROM DECEPTIVE ADVERTISING

Mr. PROXMIRE. Mr. President, the myth of the day is that the Federal Trade Commission protects American consumers from deceptive advertising.

Just a few short years ago, this would not have been a myth. It was a fact that Americans count on. But today, with a radical turn in FTC policy, American consumers can no longer count on the FTC to be in the forefront of efforts to protect them from deception by advertisers. In fact, the FTC is in a race to be dead last, even behind the private sector, in efforts to protect Americans.

Keep in mind that over 30 percent of food advertising contains health and nutritional claims. The potential for skulduggery is enormous.

But the FTC has been marching backward in its efforts to crack down on deceptive advertising with its own sleight of hand.

Under traditional FTC guidance, an ad was deceptive if it had a "tendency or capacity" to mislead; today, the new policy considers an ad deceptive only if it is "likely to mislead" consumers.

Notice any difference? Probably not. When you first read the change, it sounds like a simple rewording of past policy. But it is far from a technical change. In fact, it has proven the

death knell for effective FTC enforcement against deceptive advertisers.

Today, it is virtually impossible to get the FTC to act against a deceptive advertising campaign without the proverbial smoking gun and dead body.

Am I overstating the case? Consider just 1 year; 1983. In that year the Center for Science in the Public Interest found that the FTC did not find cause to take action against one major national food advertiser. Not one.

But the National Advertising Division of the Council of Better Business Bureaus found more than a dozen national food advertising campaigns with unsubstantiated claims in that same year.

Or consider just a few egregious examples of advertising skulduggery against which the FTC has failed to act:

A Campbell ad boasting that its chicken soup was nutritious; in fact, it had more vitamin C than an apricot. What the ad failed to mention was that an apricot, unlike an orange, contained little vitamin C as did the soup.

When Nutrasweet was first being introduced in the diet soft drinks, major bottlers advertised that their drinks were made "Now with Nutrasweet," a claim that was only partially correct. There was Nutrasweet in the product but they neglected to add that, at that time, it was a blend with saccharin. An omission that was important to tens of thousands of consumers who avoided diet soda because it contained saccharin.

The National Coffee Association ad campaign for coffee similarly faced a credibility problem. It claimed that "coffee picked you up and calmed you down," a claim patently at odds with the known effects of caffeine.

Or the Del Monte claim that its canned vegetables, laden with 5 to 300 times the sodium as fresh vegetables, were nonetheless "as nutritious as the vegetables you buy fresh and cook at home."

In each of these cases, did the FTC help protect consumers? Not in the least. The FTC was nowhere to be found.

It was left to the New York State Attorney General's office, the National Advertising Division of the Council of Better Business Bureaus, and independent consumer pressure.

Far from being the "national Nanny" which critics have alleged the FTC became under Mike Pertschuk, it has quickly become the "Silent Sam" of this administration. And that is no myth.

UNITED STATES-SOVIET MILITARY COMPARISONS

PRESIDENT REAGAN MISSTATES THE FACTS

Mr. PROXMIRE. Mr. President, in his February 27 radio speech on defense, President Reagan misstated the facts about comparative United States and Soviet defense spending. He said that, since 1970, the Soviets have invested $500 billion more in its military than has the United States. That statement is a distortion and a gross exaggeration.

I can well understand the President's concern for the defense program. All Presidents worry about how Congress might change their defense proposals and, in this year of Gramm-Rudman-Hollings, there is a possibility of deep cuts. The President is well advised to argue the case for his proposed budget before the public.

COMPARISONS SHOULD BE BALANCED

But defense is too important to allow rhetoric to go beyond reason. The Soviets have not spent $500 billion on defense more than we have in the past 15 years. Obviously, the Soviets spend rubles, not dollars. The question that needs to be asked is how do we measure what the Soviets spend against what we spend, and is it appropriate to state the results in dollar terms?

THE PROBLEM OF RUBLES VERSUS DOLLARS

The fact is that the results of any international economic comparison are biased in one direction or another, depending upon whose monetary unit is used. If rubles are converted to dollars in order to compare United States and Soviet defense in dollars, the Soviet figure will be inflated. If dollars are converted to rubles in order to compare United States and Soviet defense in rubles, the United States side will be inflated. It is conceivable that such a comparison would show the Soviets spending more when dollars are used, and the United States spending more when rubles are used.

A more correct approach is to draw an average between the two measures. To do so, the results must be stated in percentage terms. To give a rough example, suppose for 1984 that Soviet defense spending was 115 percent of United States spending in dollars, but United States spending was 110 percent of Soviet spending when measured in rubles. In that case, it can be seen that spending was about even.

By the same token, the attempt to compare spending over a long period of time should also be done in a balanced way. The results should be shown in the monetary units of both countries and averaged out to reduce the bias.

THE SOVIET DEFENSE SLOWDOWN SINCE 1976

An additional fact, omitted in the President's speech, is that the rate of growth of Soviet defense spending slowed down after 1976. Since that time, Soviet defense spending has been growing by about 2 percent annually. More importantly, spending for procurement has been about level, according to the most recent published intelligence estimates.

WEINBERGER ACKNOWLEDGES UNITED STATES SPENT MORE THAN SOVIETS ON PROCUREMENT

As a result of this trend, and the United States military buildup, United States and Soviet military spending has probably been about equal in recent years. Defense Secretary Weinberger acknowledges the change in the trends in his latest annual report of Congress. There, after pointing to the Soviet slowdown since 1976, he states:

In 1984, the first time since 1969, U.S militay procurement appears to have exceeded Soviet military procurement.

This statement indicates the progress that has been made over the past several years in eliminating factual mistakes from official statements about Soviet military spending.

In an op ed article in the March 4, 1986, New York Times, Franklyn D. Holzman criticizes President Reagan's use of the alleged military spending gap and places the issue in a broad context. I ask unanimous consent that the article by Professor Holzman, entitled "What Defense-Spending Gap?" be inserted in the RECORD at the close of my remarks.

I yield the floor.

RECOGNITION OF SENATOR THURMOND

The PRESIDING OFFICER. The Chair recognizes the Senator from South Carolina.

THE FREEDOM FIGHTERS IN AFGHANISTAN

Mr. THURMOND. Mr. President, I rise today to commend the heroism of the Afghan freedom fighters in their long struggle to rid their nation of Soviet domination. The invasion of Afghanistan in 1979 has resulted in international condemnation of the Soviets. On seven occasions the overwhelming majority of the member-states of the United Nations have passed resolutions calling for the withdrawal of foreign forces from Afghanistan and demanding self-determination for the Afghan people.

Last year the U.N. General Assembly adopted a resolution which condemned the violation of human rights in Afghanistan. The Washington Post recently published a series of well-written articles on the situation in Afghanistan. It was reported that some of the worst violations of human rights are directed at innocent Afghan children. One of the tactics reportedly used by the Soviet forces is to drop bombs disguised as toys around villages. When unsuspecting children pick up these "toys," they become maimed and disfigured from the resulting explosion.

Further reports from Afghanistan indicate that the Soviets have changed the Afghan educational system by in-

stalling Soviet teachers, a Marxist-Leninist curriculum, and a reinterpretation of Afghan history. Many young Afghan children are taken from their parents and Islamic heritage to schools in the Soviet Union where they are trained to have unquestioning loyalty to the current Communist regime.

Numerous Afghan towns and villages have been bombed. Homes which have not been destroyed are often abandoned by people fleeing from the destruction and the danger to their children posed by the Soviet invaders. According to the Post, nearly one-third of Afghanistan's 16 million people have fled to Pakistan and Iran.

Last year the intensity of the fighting increased, and there have been more casualties than in the past on both sides. The Soviets have expanded the deployment of their well-equipped, elite Spetznaz antiguerrilla commandos to fight the Afghan freedom fighters. KHAD, the KGB-run Afghan secret police, has also grown in strength. It is now reported that KHAD employs over 10,000 people. KHAD agents attempt to infiltrate Afghan resistance organizations and to assassinate key resistance commanders.

Despite increased deployment of Soviet special forces, increased levels of espionage by Soviet-supported secret police, and in the face of far superior Soviet military equipment—the Afghan freedom fighters have valiantly and successfully frustrated the military goals of the Soviets. Recently, for example, freedom fighters from the National Islamic Front of Afghanistan [NIFA] attacked the airport and the Soviet Army garrison at Ghazni.

Mr. President, last fall, I met with three of the NIFA leaders to discuss the situation in Afghanistan and their need for military aid. These brave Afghan freedom fighters deserve our praise and moral support in their struggle against Soviet aggression. More importantly, they deserve the opportunity of regaining the freedom of their Nation from the Soviets. Based on what I have read, as well as my discussions with the Afghan resistance leaders, I believe the freedom fighters, in a fair fight, can win the military battle against the Soviets. I urge my colleagues to join this cause in supporting legislation which would provide sufficient military aid to the Afghan freedom fighters to repel the Soviet invaders.

RECOGNITION OF SENATOR PRYOR

The PRESIDING OFFICER (Mr. GORTON). Under the previous order, the Senator from Arkansas [Mr. PRYOR] is recognized for not to exceed 15 minutes.

Mr. PRYOR. Thank you, Mr. President.

DEFENSE SPENDING

Mr. PRYOR. Mr. President, we are approaching spring, and one of our annual rites of this beautiful season is to begin the complex and laborious task of examining defense spending: Exactly how many dollars are needed to defend this Nation; how much to equip our various branches of our services, and how many and what kind of weapons should we purchase? These are monumental decisions, Mr. President, requiring huge amounts of dollars and bipartisanship at its best.

Last week, we heard an appeal from our President for significant increases in defense dollars—big bucks—at the same time, when the Library of Congress closes it doors at 5 p.m., when braille programs for the blind are being slashed and meat inspectors furloughed.

In that appeal our President asked us for an 8-percent increase in military spending. He implied that more dollars will make us stronger. Many people seem to accept this hypothesis. Today I ask the question, why? Because we are spending much more on defense than we spent in 1981, are we now stronger because of it in 1986?

My purpose for speaking on this issue today is to ask whether our massive military spending increases in the past 5 years have made us a truly stronger or a safer Nation. First, let us get the record straight on exactly how much military spending has increased since President Reagan took office in 1981. The answer, according to the General Accounting Office: A 40-percent increase in defense spending in the past 5 years.

But, Mr. President, is growth in dollars a true measure of growth in real defense? First, American dollars do not do battle with Russian rubles. Second, it is men that fight men, and it is machines and weapons they use, not checkbooks.

Now, let us take a brief look at what a 40-percent increase in defense spending has purchased.

First, let us look at people, certainly the most important part of any nation's fighting capability. How much has the Army grown? In 1982, we had 780,000 Active Army soldiers. Today we have 781,000, an increase of 1,000 people. Is that an increase of 40 percent, as we have had in money? No; it is an increase of one-tenth of 1 percent. In the Air Force, we have had an increase of 39,000, or 7 percent. Navy manpower has increased 4 percent. Overall, all uniformed manpower has increased about 3 percent in 4 years.

If most of the money has not been going into increasing our uniformed manpower, it must have been going into more weapons. Right? Wrong! Let us take a look at a few categories of weapons purchasing.

Let us look at aircraft. From 1977-81, our Government spent $69.9 billion on tactical and strategic aircraft. In his first 4 years, President Reagan spent $122 billion on aircraft. That is an increase of 75 percent in dollars. How many aircraft did each President actually buy in his 4 years? President Carter bought 2,040; President Reagan bought 1,799. That is a decrease of 12 percent. For 75 percent more money, President Reagan bought 12 percent fewer airplanes. And, each of those dollars is adjusted for inflation.

Let us look at the Navy. From 1977-81, we spent $33.3 billion; Mr. Reagan spent $49.4 billion in his first 4 years. That is an increase of 48 percent. Did we buy 48 percent more ships? No; we only bought 23 percent more ships, hardly our money's worth.

Let us look at some major Army programs. The Army's procurement budget for all categories went up 94 percent between Mr. Carter and Mr. Reagan. Did we get 94 percent more tanks? No; we got only 30 percent more tanks. Did we get 94 percent more helicopters? No; we got only 45 percent more helicopters. Did we get 94 percent more armored personnel carriers? No; we got 60 percent more.

Did we get 94 percent more in personnel? No; we got a one-tenth of 1 percent increase in that category.

Mr. President, it is a sad and I must say, a scary story, and it could go on and on. We have failed to match the dollar-for-dollar purchasing power of previous administrations. Things have not been getting better; they have been getting worse.

This sad state of affairs brings up an interesting question. Just where has all the money for DOD been going?

Well, in many respects, it has not been going to the right place.

First, we know we have been paying for a gigantic inflation windfall for the Department of Defense. Last September, the GAO told us this windfall amounted to $36.8 billion. We did not seem to do too much about that last year, so I and a few of my colleagues sent a letter to the GAO. We asked them if there was yet another inflation dividend or windfall in the fiscal year 1986 defense budget.

Well, Mr. President, the answer will be with us in just a few days, and the news is not going to be good. I will speak to this matter at another time, but I can tell you right now that we are still overappropriating billions based on rising predictions of inflation at a time when inflation is actually falling.

Now, let us see where some of our "people money" has been going in the past 4 or 5 years. We now know it has not been going for many more soldiers, sailors, and airmen.

Mr. President, in 1981, the Department of Defense had 990,382 civilian employees. How many does it have today? The answer: 1,129,148. That is an increase of 138,766. Our entire uniformed Armed Forces increased by 70,000. Our civilian bureaucrats increased by almost double that, almost 140,000. For every soldier, sailor, or airman we have added, we have added two civilian bureaucrats in the Department of Defense.

This is the greatest jobs program going in America today—new civilian employees in the Department of Defense.

Roughly speaking, just how much do these new civilians cost us each year? In his fiscal year 1987 annual report, Secretary Weinberger tells us that the average DOD civilian makes $20,400 each year. From this, we can compute that these 138,766 new civilian bureaucrats in DOD cost the taxpayer about $2.8 billion each year, a very heavy price for something we do not need, and we certainly do not want.

Who are these new DOD bureaucrats, Mr. President? Are we talking about janitors, guards, blue-collar workers who perform a useful function? No, we are talking about paper pushers in their purest, most expensive form. Professional civilians increased 18 percent, managers and other administrative workers increased 34 percent, clerks to type out their paperwork increased 7 percent, and lower level technicians to keep their computers and typewriters working increased 3.8 percent.

Well, what do these people do, Mr. President? Do they increase our frontline defense strength? Do they help us to buy more weapons, better weapons, or weapons that have been properly tested before going into the battlefield? Do these new civilian bureaucrats help us sleep better at night knowing our country is safer?

The answer, of course, is no. In fact, they further clog our procurement system to a state that approaches gridlock and institutional paralysis. They deprive us of the money needed to pay for additional soldiers, sailors, and airmen, and they soak up the money needed to keep the servicemen and women we already have in our armed services. They do not add to our strength, Mr. President; they take away from it.

To a large extent, the Reagan buildup has been in dollars only. In real strength, it has been a virtual builddown. Instead of getting more soldiers and weapons, we have been buying fat. It has been bought in the form of throwing dollars at inflation that does not exist and bureaucrats in DOD that we do not need. We have strengthened the balance sheets of defense contractors but not the strength of America's national defense. Hopefully, this year we will take a real look, a real hard, strong look, Mr. President, at the things that we have been paying for but not receiving in our military budgets. We have been building up only the illusion of strength. The next time, Mr. President, we see our President on television asking us to continue this charade, please let us start asking him how much is actually enough.

Mr. President, I yield the balance of my remaining time to the Senator from Alabama, Senator HEFLIN. At this point, I yield the floor.

RECOGNITION OF SENATOR HEFLIN

The PRESIDING OFFICER. Under the previous order, the Senator from Alabama [Mr. HEFLIN] is recognized for not to exceed 15 minutes.

TRIBUTES TO THE LATE SENATOR JOHN J. SPARKMAN

Mr. HEFLIN. Mr. President, we gather today in tribute to one of the greatest Americans ever to hold a seat in this body, John J. Sparkman, who passed away last November 16 at the age of 85.

I am certain that we are all well aware of the life and work of Senator Sparkman. Born as one of 11 brothers and sisters in a small tenant farm home near Hartselle, he went on to graduate from the University of Alabama, where he financed his education through the sale of a cotton crop he had raised. During his years at the University, John Sparkman served as both editor of the student newspaper and president of the student body. In addition, at his graduation, he was awarded the faculty cup for this student contributons to the university.

Following law school, John Sparkman settled in Huntsville, AL. After practicing law for 11 years, he was elected to the U.S. House of Representatives in 1936. He first came to Washington to see that Alabama got better schools, better housing, better roads, a better quality of life. He did all of that and more—for Alabama and America—before he retired from the Senate 42 years later. Throughout his long career, Senator Sparkman made it a point not only to remember who elected him, but why. He understood the need to bring opportunity and comfort to all Americans, and he had the legislative ability to shape the policies of Government toward those ends.

In five terms in the House, John Sparkman distinguished himself as a member of the Military Affairs Committee, which then had jurisdiction over the Tennessee Valley Authority, and as majority whip. In 1946, the death of Senator John H. Bankhead, Jr., created a set of unique circumstances, where Sparkman not only sought the vacant Senate seat, but also remained on the ballot for his House seat. So highly was he thought of that he won both races, becoming the only person in American history to be simultaneously elected to the House and Senate.

During his 32 years here in the Senate, Senator Sparkman achieved the stature of a statesman in domestic and world affairs. He served as the first chairman of the Select Committee on Small Business when it was established in 1950. In this capacity, he sponsored the landmark legislation creating the Small Business Administration. From 1967 through 1974, Senator Sparkman served as chairman of the Banking, Housing, and Urban Affairs Committee, and, from 1975 to 1978, as chairman of the Foreign Relations Committee. The work of these committees, under his leadership, illustrated the fact that legislation, in the final analysis, is the ultimate art of the possible, that it does involve the consideration of differing views by honest men of good will.

Although his last years in the Senate brought him the chairmanship of the Foreign Relations Committee, John Sparkman's particular area of involvement will always be remembered as housing. In fact, long before he became chairman of the Banking and Housing Committee, he had earned the name "Mr. Housing." He was the primary craftsman and drafter of almost every single piece of public housing legislation, beginning with the Housing Act of 1949, which began the Nation's Urban Renewal Program. In fact, there is one quotation which, more than any other, illustrates Senator Sparkman's realization of the importance of housing. It reads, "Decent, safe and adequate shelter is just as necessary to the American family as is food, medicine or clothing."

In his capacity as chairman of the Foreign Relations Committee, John Sparkman had a hand in developing an expanded role for the Congress in the shaping of American foreign policy. It is no surprise to anyone who knew him that his view of foreign policy was a view of humanity. He dealt less with other countries than with other people.

Indeed, Mr. President, the legislative career and achievements of John Sparkman can serve as a highly accurate mirror of his life. Whether his career is measured on a scale of legislative accomplishments or one of political achievements or one of warm humanity, the same conclusion will undoubtedly be reached—he was, in the best sense of the word, a distinguished Senator for the people of Alabama and America.

During John Sparkman's 42 years of representing Alabama, the ways of the Congress, of the Nation, and of the world all changed greatly. For a public

servant to survive through these changes required ability, dedication, determination, and understanding. Not only did Senator Sparkman survive these times, he prospered during them. He helped lead through them. He was that type of man.

Senator Sparkman first came to Congress in the second term of President Franklin Roosevelt. In that age of the New Deal, he was a leader. In the time of World War II, the era of the cold war, and the crisis of Vietnam, he remained a leader. Even today, by the example he set for the countless Americans who remember his efforts, John Sparkman remains a leader.

In an age when it was easy, and even expected, to practice bitter regional politics, John Sparkman was a man of progressive and broad views. By a generation, he anticipated the vast transformation of both southern and national politics. His sense of humanitarianism, his overriding concern for the welfare of all people, his soft-spoken leadership and keen intellect, and his belief in the basic goodness of the people he represented endures as a reliable formula for us all when we feel overcome by the bewildering complexity of the problems of today's world.

One of the highlights of Senator Sparkman's public life must have been his selection to run for Vice President on the Democratic ticket with Adlai Stevenson in 1952. Although the Stevenson-Sparkman ticket gained a larger popular vote than had ever been achieved, they lost to a ticket headed by Dwight Eisenhower. I think it tells a great deal about the character of John Sparkman to realize that, although he could have retired in 1952 after what must have been a great disappointment, already having led a fulfilling public life, his service to our Nation instead continued for more than another quarter century, leaving an indelible imprint on our national history.

Of course, the national campaign of that year also offered an opportunity for wider exposure of the many accomplishments of Senator Sparkman. In his nominating speech, Stevenson said that his selection as a running mate was a " * * * devoted champion of legislation providing or promoting farm ownership, better housing, Social Security, the TVA, rural electrification, soil conservation, crop insurance and many other progressive and forward-looking legislative programs." If anything, Mr. President, this was only a partial listing of the areas where John Sparkman had made a strong impact.

Governor Stevenson went on, in an eloquent conclusion, to say, "John Sparkman has enlisted for life in the struggle to improve the economic lot and the security of all of our people."

During this "enlistment for life," he witnessed some of the most difficult years of our Nation's history, but his work has softened hard times for all Americans. He saw the effects of the Great Depression, helped us enter the nuclear age, and come through the turbulent sixties. Throughout all of this, his compassion and feeling for humanity survived.

Clearly, the story of John Sparkman is more than merely a listing of his accomplishments. It is also a story of the nature of the man. His years in this body were during the "golden years" of the Senate—a time when it truly fulfilled its definition as the world's greatest deliberative body. Among the listing of the giants who dominated that era—Lyndon Johnson, Richard Russell, Sam Ervin, Henry Jackson, Robert Taft, Lister Hill, Everett Dirksen, JOHN STENNIS, and more—is clearly written the name of John J. Sparkman.

This was the man of whom his longtime Alabama colleague, Jim Allen, spoke when he said:

I know of no member of the Senate, past or present, who has served his country with greater ability, greater dedication, and greater determination.

This was the man who was honored by an almost endless stream of tributes upon his retirement, when STROM THURMOND described him as "the epitome of integrity and determination," and FRITZ HOLLINGS referred to him as "one of my idols."

This was the man of whom Howard Baker said, "No man has been more dedicated to the people he represents."

And this was the man of whom his grandson, Tazewell Shepard III, speaking at the funeral, said, "He preferred to do good rather than to seem good."

"To do good rather than to seem good." Those few words tell a great deal about Senator Sparkman, a man whose seat I have been privileged to hold since his retirement, a man whose life and work provide a daily inspiration to me, a man who showed a statesman's capacity to grow and change as new times demanded new answers to new problems, yet a man who never abandoned his basic principles.

Late in his career, in a meeting with a group of businessmen, John Sparkman was asked whether he felt cooperatives had outlived their usefulness. He could have answered noncommitally, since he knew his audience felt coops should go. That, however, was not in keeping with the basic principles which were so important to Senator Sparkman. Instead of giving a popular answer, his voice literally shook with indignation as he told the group how he remembered a time when people living in little shacks on the mountainsides of north Alabama and the farms of south Alabama didn't even have electricity or running water—until cooperatives like the TVA and the REA came along. Of course, it was little wonder that John Sparkman would remember such houses—he grew up in one of them, and the values he learned there stayed with him always.

In his retirement statement, Senator Sparkman said that he took satisfaction in knowing that he had always done all he could for his State and country. In reality, he did much more, for John Sparkman has left an imprint on this institution and this Nation that will long be remembered. We are poorer for having lost him, but much richer for having known him.

The Congress of the United States, in honoring Senator Sparkman, created the John J. Sparkman Center for International Public Health Education. I ask unanimous consent that a recent report of the accomplishments of this center, which is located at the University of Alabama in Birmingham, be printed in the RECORD. I further ask unanimous consent that an editorial from the Huntsville Times, following the death of Senator Sparkman, appear in the RECORD, as well as a very moving account of the funeral of Senator Sparkman written by Peter Cobun of the Huntsville Times appear in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE JOHN J. SPARKMAN CENTER FOR INTERNATIONAL PUBLIC HEALTH EDUCATION

BACKGROUND

Begun at UAB in 1980, the John J. Sparkman Center for International Public Health Education (SCIPHE) has as its mission to develop, provide and promote programs and activities for training public health leaders in their own developing countries. SCIPHE collaborates with educational institutions, governmental agencies, international organizations and private foundations in the pursuit of these activities which are conducted primarily in technically deprived countries.

PROGRAM ACCOMPLISHMENTS

Major accomplishments of SCIPHE collaborative programs are as follows:

1. SCIPHE and the World Health Organization (WHO) have undertaken several projects to promote Primary Health Care (PHC):

a. The publication (in English, French and Spanish) of "Education for Health", a semi-annual newsletter for health educators/PHC workers.

b. The development of "Manual on Health Education in Primary Health Care," a training manual for PHC workers.

c. A workshop at UAB to evaluate health education-PHC training programs worldwide. This workshop is being followed by a number of regional workshops around the world to discuss the evaluation in relation to the training programs in various WHO regions. To date, workshops have been held in the Cameroons and Indonesia.

d. The teaching of a PHC course at the UAB School of Public Health by a WHO consultant.

e. The establishment of internships for UAB School of Public Health students.

f. The implementation of field demonstration projects for health education in PHC in Mexico and possibly Nepal.

2. SCIPHE and the Universidad Peruana Cayetano Heredia (UPCH) in Lima, Peru, are working together to develop an academic public health program for UPCH. Towards this goal, UAB faculty are teaching a Master of Public Health (MPH) degree program in Lima for 20 UPCH faculty who will form the nucleus of the public health program there. In the area of research, UPCH and UAB School of Public Health faculty are collaborating on an NIH-supported research project regarding nutrition and dental health.

3. SCIPHE and the Department of Social and Preventive Medicine at the University of the West Indies (UWI) in Kingston, Jamaica, have been collaborating on several activities in the area of public health manpower development and training in the Caribbean:

a. The development of an MPH program which began in the fall of 1985 at UWI.

b. Workshops and seminars in epidemiology and occupational/environmental health for District Medical Officers and other key public health personnel in Jamaica.

4. SCIPHE, the International Union of Health Education, and other international organizations sponsored an international conference on health education in Mexico City, Mexico, in 1985.

5. SCIPHE and the Department of Social Medicine at the Universidad del Valle (UV) in Cali, Colombia, are beginning to enhance and/or develop programs at UV in social sciences, biostatistics, and environmental/occupational health.

6. SCIPHE, WHO, the University of Chiang Mai (Thailand) Faculty of Dentistry, and the Intercountry Center for Oral health in Chiang Mai are planning to begin developing a training program for public health dentists. The program would include a series of short courses and an MPH degree program offered in Thailand by UAB faculty.

7. SCIPHE disseminates news of its activities through the "SCIPHE Newsletter", a quarterly publication which has a circulation of 450.

8. SCIPHE shares its experiences with colleagues at professional meetings and in health-related journals. Two papers describing the organization of SCIPHE and its programs were presented at a conference in Chapel Hill, N.C., on "Universities and International Health" in 1984. In addition, a number of articles describing SCIPHE activities have appeared in print from 1983 to the present.

CONCLUSION

With the anticipated finalization of plans to work with the institutions in Thailand, SCIPHE activities will indeed have spanned nearly all major areas of public health. Given the resources available, SCIPHE has developed a full and varied slate of projects it considers most feasible and worthwhile. The successes enjoyed to date are the result of hard work and dedication of SCIPHE-sponsored UAB faculty and their developing-country counterparts who have joined forces to train leaders who will work to improve the health of all people worldwide.

JOHN JACKSON SPARKMAN

The soft, cherubic face that lit into an endearing smile was not the mask but the real essence of John Jackson Sparkman, Hartselle native and Huntsville resident, whose bold hand helped shape mid-century America and the modern world of hopes and fears. Sen. Sparkman died yesterday at 85.

He was a sensitive and gracious man, a son of a previous, more placidera. But he brought to the arenas of national government and international diplomacy a tough persistence that laid the foundations for the prosperity and security now taken so much for granted in our time.

From humble origins, John Sparkman rose by innate determination to the stature of statesman in domestic and world affairs. He was elected to the U.S. House of Representatives in 1938 and aligned himself with President Franklin D. Roosevelt to meet the challenges of the Great Depression—then smothering the nation—and the death struggle of World War II. He was elected to the Senate in 1948 and promptly became influential in shaping the political design for the economic and social advances we enjoy today.

If it is currently fashionable to bemoan the intrusiveness of government in personal and public affairs, it is useful to recall that homeownership and adequate housing have not always been a benefit most Americans enjoy nor security in old age, nor modern health care, nor small business opportunity, nor farm-price stability, nor secure savings and sound credit. John Sparkman, in House and Senate, was an innovator or supporter of programs in all these fields.

If it is arch to ask where was he in the civil rights struggles of the 1960s, it is proper to say he was an advocate of social justice in a time and place that were out of joint.

His impact was of national, even worldwide scope. But his importance to the well-being of this city, this region, this state cannot be understated. His role is legend in fostering the space adventure, the technological revolution, the waterways, development so vital to this area and the strong defense so vital to the nation.

His congressional leadership earned him the nomination for the vice presidency on the Democratic ticket in 1952, a time when not even the exceptional talents of a Sparkman and an Adlai Stevenson could withstand the tide of political change. In subsequent years, however, his renown and acumen earned him a place in the counsels of the United Nations and in international affairs as chairman of the Senate Foreign Relations Committee.

Through all the years, through all the trials of depression, war, recovery, social turmoil, trembling peace and cold war Senator Sparkman worked to make better a harsh world.

The loss to his family and intimate friends is sad, and the condolences of the community and the nation pour out to them. But a sense of gratitude and satisfaction will be the more enduring sentiment for the benefits he brought.

JOHN SPARKMAN BURIED

(By Peter Cobun)

They buried a man who made a difference here Monday.

A man the famous came to mourn, but a man most remembered for helping the obscure.

Autumn's sun filtered through the defrocked branches of Maple Hill Cemetery, its 90 acres steeped in crisp, fallen leaves of red, orange and yellow.

It was dressed in its best fall hues to play host to those who said goodbye to John Jackson Sparkman.

Senators and Congressmen and state and local officeholders lined the pews of the pristine white First United Methodist Church to hear the retired senator eulogized by family and colleagues.

They heard a grandson recall his grandfather, the young lawyer who bolted the status quo during the Depression years to help the common man. They heard how John Sparkman took the case of a poor black being sued by a white merchant.

"He represented that man and won," said grandson Tazewell Shepard III, from the church's pulpit. "It was an early example of how he helped people."

John Sparkman, too, helped his grandson.

"I want to share with you two special gifts my grandfather left for me," Shepard told the hundreds of mourners who filled First United Methodist.

"His first gift was his time. He was never too busy to talk to me.

"The other thing he gave to me was his example. If I could pick one phrase to describe Papa," said Shepard, "it would be that he preferred to do good rather than to seem good."

Shepard's father, Admiral Tazewell Shepard Jr. of Washington, D.C., told the congregation, "Let us celebrate the life of one that meant so much for so many people."

"No man," said Sparkman's long-time administrative assistant, Lewis Odom, "has had a greater impact on the people and the communities of this state than John Sparkman.

"God bless you, Sen. Sparkman," said Odom, "Alabama is a better place because you served her, and the nation, and we are better people because of you".

The 25-minute afternoon church service concluded as the Sparkman family followed the casket, draped in white carnations and peach-colored roses, from the church.

Filing behind was a string of Alabama politicians, many who flew by special military aircraft to Huntsville for Monday's service: Sen. Howell Heflin of Tuscumbia, Sen. Jeremiah Denton of Mobile, retired Sen. Jennings Randolph of West Virginia, Rep. Ronnie Flippo of Florence, Rep. Tom Bevill of Jasper, Rep. Ben Erdreich of Birmingham, Rep. Bill Nichols of Sylacauga, Former Congressman Bob Jones of Scottsboro was there, as were Alabama Secretary of State Don Siegelman and State Democratic Committee director Al LaPierre.

But at Maple Hill, some of Alabama's other citizens came, too, to remember John Sparkman.

Young men in blue jeans, old women in tattered house dresses. They came over the stone cemetary walls to stand at the rim of dignitaries.

And they heard the Rev. Jerry Sisson as he stood at the senator's grave.

"We thank you, Lord," said Sisson, "for the man who made a difference."

Mr. HEFLIN. At this time, I see my distinguished colleague from Alabama on the floor, Senator DENTON, and I yield to him for his remarks.

The PRESIDING OFFICER. The distinguished Senator from Alabama.

Mr. DENTON. Mr. President, recently, Alabama and this Nation lost a dedicated public servant, one whose talent and ability stood for years as a "Towering Oak" for Alabama in the U.S. Senate.

Here was a man who understood the Biblical parable of the talent. He start-

ed with no advantage except his Godgiven talents of initiative and intelligence. He used these talents and received others. The fruits of his labors have been enjoyed by not only his fellow Alabamians but by all the citizens of this Nation.

He was the seventh of 11 children. John Jackson Sparkman was born near the Tennessee Valley town of Hartselle, AL, on December 20, 1899. It was here he attended the proverbial "one room" school, and it was here that he developed that "can do" attitude which characterized his life.

That attitude was evident when he enrolled at the University of Alabama with money secured by a bank loan on a cotton crop he raised in the summer of his high school senior year. It was evident again when, shortly after arriving in Tuscaloosa, he found a job for $4.20 a week and began what was to be an outstanding college career at Alabama, where he was Phi Beta Kappa, editor of the university newspaper, the "Crimson and White," the founder and first president of the Gamma Alpha Chapter of the Pi Kappa Alpha fraternity, and president of the student body.

John Sparkman's college career was one of service to his university constituency, the first step toward a life of public service to a constituency which ultimately encompassed this entire Nation.

After earning three degrees at the University of Alabama, John Sparkman practiced law and taught college for several years. He was elected to the U.S. House of Representatives in 1936 and began his House career as a member of the Military Affairs Committee which had jurisdiction over waterways. It was through this committee that he was instrumental in developing the Tennessee Valley Authority.

Upon the death of Senator John H. Bankhead, he became one of five candidates to compete for that unexpired term. On November 4, 1946, John Sparkman emerged with the distinction of being simultaneously elected to both the U.S. House and Senate. He quickly resigned the U.S. House seat and became a Member of the U.S. Senate in the 80th Congress.

He is often known as "Mr. Housing," and he became, within 3 years, chairman of the Senate Housing Subcommittee, where he developed and sponsored the first "omnibus" housing legislation to provide direct Government loans for the building and purchase of homes for lower-income families.

Such public housing as we have developed in America is largely a result of the efforts of John Sparkman. Recognizing this, the National Association of Home Builders elected him to the Housing Hall of Fame in 1977.

Senator Sparkman's public career also included such accomplishments as writing tax and credit assistance for small businesses and much of modern regulatory law.

His international expertise was recognized in his chairmanship of the Senate Foreign Relations Committee and his appointment as member of the U.S delegation to the United Nations. One of the high points in his career was surely his selection in 1952 as the Vice Presidential nominee, running on the Democratic ticket with Adlai Stevenson.

John Jackson Sparkman has been eulogized in many, many ways. Perhaps no truer words could characterize his life than the final words of the parable of the talents which I mentioned earlier: "Well done, good and faithful servant, you have been faithful with a few things; I will put you in charge of many things."

That was the story of the life of that "Towering Oak," a faithful and distinguished public servant, who was in charge of so many things that touched our lives, and touched them effectively.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I am honored to join my colleagues today in paying tribute to a distinguished, able, and dedicated former Senator, John Sparkman of Alabama, who died November 16, 1985.

Mr. President, John Sparkman was a well-respected and highly regarded Member of this body for 32 years, and the fact that the Senate has today set aside time for remarks about his life and career is a firm indication of the high esteem in which his colleagues and friends held him.

I was deeply saddened to learn of his passing on November 16, 1985. His devoted wife, Ivo, and his charming daughter Mrs. Tazewell Shepard and fine grandson, Tazewell Shepard III, and other members of the Sparkman family have been much in my thoughts and prayers during these past months. And my wife, Nancy, joins me in expressing our heartfelt sympathy to them for their loss.

A dedicated public servant, John Sparkman served his State and Nation for over three decades. He proved himself to be an accomplished legislator of unswerving conviction and integrity. His leadership abilities gained my highest respect.

Mr. President, his many contributions during his chairmanship of the Senate Select Committee on Small Business included passage of the landmark bill which created the Small Business Administration. Later he also chaired the Senate Banking, Housing, and Urban Affairs Committee; and in January 1975, he was appointed chairman of the Senate Foreign Relations Committee, the committee which was considered his most important.

Throughout his career, John Sparkman was an intelligent and capable servant of the people. He truly served this Nation well and his legacy to America will be the long and productive years of legislative service which he gave to us here in Washington. I was privileged to have had the opportunity to watch him at work, and I enjoyed the benefit of the fine manner in which he approached each and every issue.

Mr. President, I felt a deep personal loss in his passing, and though we grieve the loss of our friend and colleague, I am honored to have the occasion today to praise this great American and his career as U.S. Senator, statesman, and patriot.

Mr. HEFLIN. Mr. President, I am pleased at this time to yield to the senior Senator from Massachusetts [Mr. KENNEDY], who served with Senator Sparkman.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, it is an honor for me to join my colleagues today in this tribute to Senator John Sparkman, who died last fall and who gave 42 outstanding years of public service to the Congress, the people of Alabama and countless Americans around the country. His brilliant career in Washington spanned 10 years in the House of Representatives, where he rose to the position of majority whip, and 32 years in the Senate.

I also want to pay tribute today to Ivo Sparkman, the Senator's remarkable and wonderful wife of 62 years, and to their daughter Jan. There are many close ties of friendship and affection between the Sparkmans and the Kennedys, but one of the closest is that Senator Sparkman's daughter Jan is married to Adm. Taz Shepard, who was one of my brother Jack's good friends, and who served as naval liaison at the White House during the years my brother was President. Later Admiral Shepard wrote a remarkable book, "John F. Kennedy and the Sea," one of the most moving memoirs and tributes to my brother.

Here in the Senate, John Sparkman was truly "Mr. Chairman." In the final years of his remarkable service, he was chairman of the Senate Foreign Relations Committee. At various other times in his long career, he also served as chairman of the Senate Housing Subcommittee, chairman of the Senate Banking Committee, and chairman of the Senate Small Business Committee. Together, these are four of the most important chairmanships in the Senate, and Senator Sparkman filled each of them with great distinction.

As a Representative and Senator, he was especially influential in the development of his State and region. His far-reaching ideas and his extraordinary vision helped to lay the founda-

tion in the postwar years for the great industrial revolution in Alabama and throughout the Sun Belt.

Senator Sparkman's dedication to his State and country was evident in the high quality of the broad range of legislation which he authored to promote prosperity. To help small businesses compete fairly with big business, he authored the Small Business Act of 1953 and the Small Business Investment Act of 1958; under the latter legislation, tens of thousands of enterprises became the beneficiaries of the capital and credit generated by this historic legislation.

Other measures which he sponsored were designed to improve the economy of Alabama. As a result of his efforts, a number of industries such as paper, chemical, and shipbuilding located and prospered in Alabama. In addition, his emphasis on the construction of Alabama highways facilitated local and interstate transportation of his State's agricultural and industrial products. In turn, these new industries and facilities brought new capital, new job markets, new skills, and new prosperity to the residents of Alabama. And much of that success was traced directly to the leadership of Senator John Sparkman.

He was also a strong supporter of the Commodity Credit Corporation, which provided urgently needed crop insurance and other safeguards against financial loss, from crop damage and crop failure. With that sort of protection from the fears of financial ruin, a generation of American farmers were encouraged to remain in agriculture. How we miss John Sparkman today, as we seek to rescue family farmers and the CCC from the hard times on which rural America has now fallen.

Most of all, perhaps, Senator Sparkman was respected by all of us as "Mr. Housing" in the Senate. For a quarter of a century, he was a pioneer in the development and implementation of an effective housing policy for the Nation, providing opportunities for decent homes and a better life for millions of Americans.

Finally, Senator Sparkman also earned the admiration and respect of the Nation for his role in the 1952 Presidential campaign as the Vice-Presidential nominee of the Democratic Party. He was not successful in that campaign, but few, if any Vice-Presidential candidates have been more respected or more affectionately remembered by voters of both parties.

And few if any of our colleagues left this Chamber with a more distinguished reputation or a more outstanding record of dedicated service to the Nation. John Sparkman will rank as one of the greatest Senators of our time, and I am proud to have served here with him.

Mr. HEFLIN. Mr. President, the distinguished senior Senator from Oregon [Mr. HATFIELD] is present, and I yield to him at this time.

Mr. HATFIELD. Mr. President, I thank the Senator from Alabama for yielding to me at this time in order that I may make a few remarks concerning our friend, the late Senator John Sparkman.

Today we are sensing in a deeper way the loss of our friend and colleague, John Sparkman. We missed him when he retired from this institution but we mourn our loss at his passing away from us. Those of us who were privileged to serve with Senator Sparkman share the special grief of his family and of all who knew him well.

For we knew John Sparkman as a man whose work in public office was founded on a profound personal faith in the God he so deeply loved, in the Constitution he had pledged to uphold, and in the people of Alabama he faithfully served. We knew him as a man not inclined to test the political winds before casting a vote. His guidance came from an unwavering commitment to the best interests of his State and the Nation. In this he has been an example to many of us for whom the pressures of public life and public opinion often conflict with our best judgment of what is right.

John Sparkman was a man who did not compromise on what was right. He was a man of honor, who considered the boundaries of political disputes to be the walls of this Chamber. Outside of them a political foe was often his personal friend. This was not a quality used simply for political advantage, but a true measure of the man's character—one that was displayed in all his relationships. A remarkable testimony to this fact came during a recent conversation that I had with my friend, Taz Shepard, Senator Sparkman's son-in-law. He noted that in 45 years he had never heard his father-in-law speak ill of anyone. The ability to overlook a dozen faults in a person and take note of one virtue is a sign of greatness.

We can never predict from whence such greatness of character will spring. In the case of Senator Sparkman it was from the soil of the experience of a southern tenant farm family with 11 children. In it were planted the strong roots of a life of service to others:

> Like a tree planted by streams of water, that yields its fruit in its season, and its leaf does not wither. In all that he does, he prospers. (Psalm 1)

I am grateful for having been nourished personally and politically by the fruit borne in the life of Senator John Sparkman. His influence will not wither, but rather continue to bear fruit in many lives, and the work that he performed will continue to prosper. By virtue of his example, so, too, may our Nation and this institution which he loved.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. HEFLIN. Mr. President, I see the distinguished senior Senator from Alaska [Mr. STEVENS] in the Chamber and it is time to call on him if he wishes.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. I thank my good friend.

Mr. President, all of us in this body were saddened when we learned in November that our former colleague and friend, John J. Sparkman passed away.

I was on the floor as acting minority leader the last day Senator Sparkman presided in the Chair in October 1978. He listened patiently as several of us thanked him for his counsel and friendship during his 42 years in the U.S. Congress. Finally, as if to say, "OK, fellas, that's enough," he interrupted and spoke very briefly.

The gentleman from Alabama, and Senator Sparkman was indeed one of the Senate's finest gentleman lawmakers, recalled that the most pleasing piece of legislation he authored was the Soldiers and Sailors Civil Relief Act of 1942. He helped write this law as a Member of the House of Representatives, where he served for 10 years before coming to the Senate.

The 1942 law prohibited banks from foreclosing on homes or farms owned by men in military service. The former Senator from Alabama knew that the last thing our boys overseas needed to worry about was whether they were going to have a home to come back to once the war ended. Senator Sparkman deserves credit for protecting the American dream for those who risked their lives to protect this great country.

Senator Sparkman will always be remembered as a public servant who never forgot his fellow man. He was never too far away when the debate came to improving life in this country, particularly the rural areas of the United States. He was always extremely proud of the work he did to bring about the Rural Electrification Act.

Those of us from the very remote portions of our country are still grateful to him for that great foresight.

Throughout his career, our former colleague was known for his knowledge and expertise in housing, banking, and small business. Senator Sparkman chaired the Senate Select Committee on Small Business when it was created in 1950. He sponsored the landmark legislation that created the Small Business Administration.

Several years later, Senator Sparkman became chairman of the Senate

Banking, Housing, and Urban Affairs Committee. But his keen intellect was not limited to the development of this Nation's housing and business programs. Our friend from Alabama saw the importance of encouraging space travel and exploration and was at the forefront of Federal Government involvement with this new frontier. Much of the credit for the initial NASA research goes to Senator Sparkman.

Dr. Ernest Stuhlinger, a member of the Wernher von Braun rocket team that built our Nation's first space rockets, said of our former colleague:

He was intrigued by the things we (scientists) wanted to do. He was one of the first ones who saw the handwriting on the wall for the new space age.

Dr. Stuhlinger and the Von Braun team worked at the Marshall Space Flight Center in Huntsville, AL. Locating the flight center in Huntsville was just one of the many things John Sparkman did to help boost economic development in his native State. He aggressively supported the Tennessee Valley Authority and worked tirelessly for the Tennessee-Tombigbee Waterway project.

Mr. President, he worked equally well to help me as one of the new Senators in a new State admitted to the Union under very adverse circumstances, and we will never forget his assistance to us.

Mr. President, it is an understatement to say that John Jackson Sparkman served his State and his country well. He was truly a servant of all the people, a man of great dignity and solid character with whom it was a privilege to have served in the Senate. We all now mourn the loss of a man I am certain will always be a legacy in his home State of Alabama.

I thank my friend, the Senator from Alabama, for informing me of the time for this statement.

Mr. HEFLIN. I thank Senator STEVENS.

Mr. HATCH. Mr. President, I take the opportunity today to commemorate one of our past colleagues who has truly been an inspiration to many of us. Senator John Sparkman of Alabama died on November 16, 1985. His death is a sore loss and deeply felt.

John Sparkman's achievements touched every issue. His fundamental beliefs were based on the ideals, interests, and inspirations central to our Nation. He advocated peace, democracy, liberty, and international cooperation both within this country and throughout the world. His devotion to the office, through 42 years of service, brought continuity to the U.S. Senate. Much of what we now take for granted in the international and domestic spheres came into existence with the help of his efforts. Some of Senator Sparkman's greatest accomplishments were in the realm of foreign policy, where his bipartisan politics helped to bridge the gap between the parties and brought about the accord necessary to pass difficult and sensitive legislation.

The passing of John Sparkman has brought sorrow to those who knew him, but his life will bring wisdom to those who follow him.

Mr. WEICKER. Mr. President, on November 16, 1985, this country lost one of its most notable public servants with the death of former Senator John Sparkman of Alabama. Senator Sparkman served in both the House and the Senate with equal distinction. He spent some 40 years representing his home State of Alabama, dedicating his entire adult life to public service.

After Senator Sparkman's death, it was said that Alabama has lost a great treasure. In many ways, so has the Nation. I hope that other Americans will look at Senator Sparkman's distinguished career as a public servant and realize, as he did, that there is no greater honor than to serve one's country. John Sparkman served his country well.

Mr. FORD. Mr. President, I rise to join in a tribute to a great American whose 42 years in Congress serve as a model of dedication, skill, and compassion.

Senator Sparkman, who died November 16, was already a legend when I came to the Senate in 1974. His work in foreign affairs was known worldwide as he pressed for a military balance of power as a means of peace. However, to Kentuckians and others in our region, it was his commitment to rural development which made an extraordinary difference in our lives.

John Sparkman, the son of a tenant farmer, raised on an Alabama cotton farm, understood the needs, and the potential, of rural America. He was an original sponsor of the act which created the Tennessee Valley Authority, an agency which escorted a seven State region into the 20th century. The Rural Electrification Administration also had his steady and heartfelt support.

Of course, the work of which John Sparkman was probably most proud was that which earned him the revered title, Mr. Housing. He understood the great feeling pride and independence that homeownership provided. That understanding led the Senator, through legislation, to help millions achieve their own American dream through purchase of a home.

Upon his retirement in 1979, Senator Sparkman was quoted as saying, "I take satisfaction in knowing that I have always done all that I could for Alabama and for my country." Those are words to which ever Member of this body can relate, as we strive to be able to make them our own upon retirement.

Our Nation owes a tribute to Alabama for giving us the likes of both John Sparkman and Senator Lister Hill, a statesman who hailed from the same rural area in that State. I am certain that John Sparkman took great comfort, upon his retirement, in the fact that his office was being assumed by HOWELL HEFLIN, a Senator much in the honorable mold of his predecessors.

Senator Sparkman set an example in his service for all of us to follow. I am honored to have known him.

Mr. MATSUNAGA. Mr. President, I rise to join my colleagues in paying tribute to our late colleague, the former Senator from Alabama, John Jackson Sparkman. Senator Sparkman was a model lawmaker in many ways: A gentleman in the finest sense of the word, and one who avoided personal confrontation and offensive language even in times of great stress and heated argument.

His forbearance and negotiating skill identified him as one of the outstanding legislators of his era, as it was particularly evident in the field of housing. The post-World War II surge in house building and home ownership was accomplished within the innovative legal framework he had constructed. He also championed the cause of small business and the preservation of the family farm, while with great foresight he legislated to make us a space-faring Nation.

Mr. President, Senator Sparkman was a man with whom I could personally identify, for he was born to a poor farming family with many mouths to feed, and he had to struggle to gain an education. He brought to Washington a background in schoolteaching and the practice of law, and served for years in the House of Representatives before being elected to the Senate.

Having emerged from similar humble background, I saw in John Sparkman a model for emulation, especially with regard to the respect he accorded to all of his congressional colleagues and everyone else he met. He came from a tradition of southern progressivism which has given our country some of its finest institutions and accomplishments, and he represented the "best and the brightest" of that tradition. Our great Nation is greater today because John Sparkman served to make it so. As a beneficiary of his services, I extend my heartfelt condolences and deepest sympathy to his surviving family members.

Mr. PROXMIRE. Mr. President, John Sparkman deserves the praise he is receiving in today's memorial to him.

The Senator from Alabama was that rare combination of a gentle man and a good politician. His southern courtliness ingratiated him to all. His keen

political sense seldom erred in counting the votes that were needed to win.

I knew him best as chairman of the Senate Committee on Banking, Housing, and Urban Affairs, a post he held for 7 years. He was a diligent chairman. Under his leadership, the Banking and Housing Committee regularly held hearings, developed its legislative record, completed markups of the bills before it, and got them approved by the Senate and the House. He was a chairman who had the confidence of his colleagues.

He was, in the best sense, a "laid back" chairman. He believed in letting everyone have his say—and then, he would somehow manage to get his way. He had a knack for making even the most divisive issues appear to be nonpartisan. After hearing everyone out, John would lean forward and say, "Now, why don't we try this * * * ?" And, most of the time, everyone would.

Senator Sparkman was not given to making long speeches on the floor of the Senate. Nor was he a practitioner of the quotable quote to gain media coverage. He was not a man who enjoyed either direct confrontation or extended debate. His mode was to listen, and to meld different points of view into an acceptable compromise. He was a chairman who took pride in achieving a consensus within his committee, and gaining broad support for his committee's recommendations in the full Senate.

There is no better testimony to John Sparkman's success as chairman, Senator, and gentleman than the typical response his Senate colleagues made when a banking-housing bill was brought up for vote: "If it's all right, with John, I'm for it * * *"

Mr. STAFFORD. Mr. President, I am privileged to join in this tribute to the late Senator John J. Sparkman of Alabama.

Like his colleague of so many years from my own State of Vermont—the late Senator George D. Aiken—John Sparkman served his State and Nation long, but with quiet dignity. I, indeed, consider it a great honor to have served with both of them if even for a brief part of their distinguished careers.

Senator Sparkman, who died last November 16 at the age of 85, spent nearly half of that lifetime in the U.S. Congress, 12 years in the House of Representatives and 30 years here in the Senate. Since I am myself now in only my 26th year of congressional service, I can say that to have served 42 years required a considerable amount of patience, understanding, and humor. John Sparkman had those qualities and was indeed a real gentleman.

My closest personal relationship with Senator Sparkman came about through serving several times with him on the U.S. delegation to the Inter-Parliamentary Union. As head of our delegation, he gained wide respect from legislators throughout the world.

Of course, here in this country he became known throughout the land in his capacity as chairman of the Senate Foreign Relations Committee, as a U.S. delegate to the United Nations and, most notably, as his party's nominee for the Vice Presidency in 1952.

I find it most fitting, however, that—despite these worldwide and national recognitions of achievement—the accomplishments John Sparkman was most proud of as he pondered his long years of public service came in the field of housing. For in his 12 years as chairman of the Senate Banking, Housing, and Urban Affairs Committee, landmark legislation was approved which assisted thousands of Americans to secure the first home of their dreams. He took particular pride in helping people in rural America to share in this American dream.

Yes, John Sparkman's advice and friendship were actively sought by several Presidents. He had been courted by kings and queens, and looked up to by parliamentary leaders throughout the world. And his party had nominated him for the second highest position in our land.

But John Sparkman was most proud of the fact that he had helped make life a whole lot better for just a lot of average, poorer, Americans. For all these reasons, I am honored to pay tribute to him here today.

Mr. ANDREWS. Mr. President, when I think of John Sparkman, I am reminded of the old Chinese proverb, "a journey of 1,000 miles begins with the first step." For John's journey from Morgan County, AL, to the Vice Presidential nomination of the Democratic Party in 1952 underscored his step-by-step advancement up the ladder of public service and exemplified his philosophy that if you work hard, use sound judgment, never forget where you came from, and use your God-given abilities, one's success can be unlimited.

This philosophy served him, his State, and his Nation well throughout his 42 years of service in Congress. It helped him become one of the forefathers of postwar American foreign policy and to serve as legislative craftsman of a bipartisan Federal housing policy for a nation at last at peace. There are not many people who can lay claim to such laurels—but John could.

Whether the Senator was in his church, with his family, chairing a hearing, or spending a Saturday with constituents, he was always taking one more step on that 1,000-mile journey—one step at a time—and I believe he is still on that path.

Mr. LEAHY. Mr. President, it is the hope of every Senator who enters this Chamber that he or she will have a positive and enduring effect on the lives of the people of this Nation. Few have succeeded as did the late Senator John Jackson Sparkman in his 42 years of service in the Congress of the United States.

John Sparkman served five terms in the House of Representatives, and held the leadership position of majority whip in the last, before his election to the Senate. His fine record in the House prepared the way for a distinguished career in the Senate. I was fortunate to begin my career in this Chamber before the close of John Sparkman's in 1976.

Not just Alabamans, but all Americans owe a great deal of thanks to Senator Sparkman. He pioneered legislation in the areas of housing, small business and banking. Many families across the Nation own homes today because of Senator Sparkman's initiative. As chairman of the Select Committee on Small Business, he fought for the survival of the family-owned farm. With his help, Federal aid to education and veterans benefits brought hope and opportunity to many. In his role as chairman of the Foreign Relations Committee, John Sparkman recognized the absurdity of a costly and unnecessary arms buildup, calling it a ruinous rivalry.

I feel a deep sense of appreciation to Senator Sparkman for the legacy he left this Chamber. As much as John Sparkman accomplished, it is how he achieved his goals that is significant. Senator Sparkman knew the value of cooperation and the importance of compromise in the Senate. In his concern for fair and responsible legislation, he worked to understand and appreciate all points of view. In his own words, "You have to sit down with one another, talk things over, reason together."

Above all, Senator Sparkman's decisions were guided not by special interests, but by his conscience.

The greatest tribute we can pay Senator Sparkman in the Senate is to remember his political philosophy as we confront the difficult and critical agenda of the 2d session of the 99th Congress.

Mr. HEFLIN. Mr. President, I ask unanimous consent that the remarks in this tribute ceremony this morning be published in the manner that is usually done as to these types of tributes and that sufficient copies of that publication be made available to members of the family and to the Members of the Senate in such adequate numbers as to be able to meet the needs of those who desire them.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEFLIN. Mr. President, with the right for any Senator to deliver any remarks that he would wish to

make concerning Senator Sparkman during the day and with the right for any Senator to submit any statement he wishes, all of which we ask to be included in the publication of tributes to Senator Sparkman, I ask unanimous consent that any such remarks either delivered orally or in writing delivered during the day be included in that publication.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, on November 16, 1985, Senator John J. Sparkman of Alabama died of a heart attack.

I extend my condolences to his family; his wife, Ivo Hall, and his daughter, Julia Ann.

While we are saddened by his passing, we will long remember his life and career and accomplishments. And we will long remember how he showed us that in 20th century America, the American dream is indeed alive and well. This son of an Alabama tenant farmer, who entered the University of Alabama on money he obtained from a cotton crop he had raised, eventually became his political party's nominee for the Vice Presidency of the United States, and served a total of 41 years and 10 months first in the U.S. House of Representatives and then in the U.S. Senate.

Born near Hartselle, AL, in 1899, Mr. Sparkman was elected to the House of Representatives in 1936. During the decade that he served in the House, 1939-46, Mr. Sparkman fought for Social Security, the Tennessee Valley Authority, and farm loans, and served on the House Military Affairs Committee during World War II. In November 1945, he became the Democratic whip of the House of Representatives.

The next year, 1946, Mr. Sparkman became the only person in the history of the United States to be elected to both Houses of Congress at the same time. Subsequently, he resigned his seat in the House, and as a Senator, served the people of his State and the United States for nearly a third of a century.

Senator Sparkman supported the Marshall plan and Federal aid to education. Committed to the improvement of housing for all Americans, Senator Sparkman led the fight for housing legislation, including the landmark Housing Act of 1949. Millions of our fellow citizens now have decent housing because of his legislative efforts.

As chairman of the Senate Select Committee on Small Business, Senator Sparkman became a champion of small business. He authored the Small Business Act of 1953, the Small Business Investment Act, the Small Business Tax Act of 1958, and the Small Business Amendments of 1966-67, and sponsored the landmark bill that created the Small Business Administration. Said Senator Sparkman:

> When the little businessman gets hurt, this hurt is felt throughout the entire economy.

From 1967 to 1975, he served as chairman of the Senate Committee on Banking, Housing, and Urban Affairs. From 1975 to his retirement in 1979, he served as chairman of the Senate Foreign Relations Committee.

Largely because of his effectiveness on Capitol Hill and the esteem in which he was held here, in 1952 Senator Sparkman was selected to be the Democratic nominee for Vice President.

Upon the announcement of the retirement of Senator Sparkman, in January 1978, I remarked:

> His retirement will bring to a close one of the most distinguished careers in the Senate. * * * We shall miss our colleague.

And, indeed, we did miss his wisdom and leadership. Now we miss him personally.

But we will always have the memories of this good Senator from Alabama. More importantly, the people of his State, and all the people of this Nation, will continue to benefit from his very significant and substantial accomplishments.

Mr. MOYNIHAN. Mr. President, much will be said today about Senator John J. Sparkman's life and his many accomplishments. His long career in the Senate—and in the House of Representatives—was, as many of us in this Chamber can attest, marked by tremendous distinction.

It is of course true that few men have served their Nation in the Congress for as long as did John Sparkman. His 42 years here—all but 10 in the Senate—made for at least one record: he was a Senator longer than any other person from his home State of Alabama. Those were years, Mr. President, that saw Senator Sparkman chair the Senate Select Committee on Small Business, the Senate Committee on Banking, Housing, and Urban Affairs, and, succeeding Senator J. William Fulbright, the Senate Committee on Foreign Relations.

Senator Sparkman was a recognized authority on public housing, and was for years the Senate's great voice on housing issues. He also was a strong believer in the value of bipartisan cooperation, especially in matters of foreing affairs. John Sparkman was possessing of an extraordinarily keen mind, and it was his intelligence and powerful bearing that made him such an effective and respected leader. But even more, it was his sense of dignity and his exceptional character that endeared him to his colleagues at the Capitol, his constituents at home, and indeed to all of the Nation.

Mr. President, John Jackson Sparkman was a Member of this body whom we shall not soon forget. I hope my few imperfect words will convey to those members of his family here today the importance of his legacy to us all.

Mr. STENNIS, Mr. President, I was privileged to serve for 32 years with our late colleague, John Sparkman.

He was an able and much admired colleague on whom we counted for guidance, particularly in the areas of banking and housing. He developed a wealth of knowledge in these areas from which all Senators drew sage advice and assistance. We knew we could trust his good judgment.

While we did not serve on the same committees, we were from neighboring States. He knew and understood the people of Alabama and, thereby, a great deal about the people of Mississippi. We worked closely and often on matters of common interest to Mississippi and Alabama.

He was a friend, a colleague, a neighbor, and most of all a Senator to whom all looked with respect. We miss his guidance but remember what he meant and still means to the Senate.

On such matters as the Tennessee Valley Authority, the Appalachian Regional Commission, and the Tennessee Tombigbee Waterway, the people of both Mississippi and Alabama profited by his hard work and interest in the people of the region.

Mr. GLENN. Mr. President, I am pleased to have this opportunity to say a few words in remembrance of my distinguished colleague, Senator John Sparkman.

John Sparkman's life was one of strong commitment to this Nation, to public service, and to the less fortunate in this world. There was a unique strength in John Sparkman, who began life as one of 11 children of a tenant farmer in rural Alabama. He attended a one-room, one-teacher school, entered college from a loan on a cotton crop he had raised, and worked his way through the University of Alabama.

After completing his law degree, John Sparkman practiced law in Huntsville until 1936 when he was elected to the U.S. House of Representatives. During his 10 years in the House, he worked to ease the plight of tenant farmers and was a strong supporter of the establishment of the Tennessee Valley Authority.

In 1946, due to an unusual set of circumstances, John Sparkman became the only person in the history of this Nation to be elected to the House and the Senate simultaneously. He resigned from the House to serve in the Senate.

John Sparkman's 32-year career in the Senate was impressive. In 1950 he became the first chairman of the Senate Select Committee on Small Business. During the 15 years that he served on that committee he was an

important supporter of independent businessmen and was instrumental in the creation of the Small Business Administration.

In 1952, he was chosen as the Democratic Vice Presidential nominee. Although defeated, John Sparkman returned to the Senate and continued his work.

After his election to a third full term in the Senate, John Sparkman became chairman of the Committee on Banking, Housing, and Urban Affairs and worked to pass housing bills so that all Americans could have the opportunity to obtain decent housing at an affordable cost.

In 1975, Senator Sparkman assumed the chairmanship of the Foreign Relations Committee. I had the privilege to serve under his leadership on that committee. He made numerous contributions to the committee until his retirement from the Senate in 1978. I am proud to have had the opportunity to work with Senator John Sparkman, and am pleased to have the opportunity to pay this tribute to him.

Mr. PELL. Mr. President, it is extremely difficult for any speaker to find words of tribute adequate to describe the late Senator John Sparkman. Those of us who have known and loved him, fear our words will pay scant justice to his memory.

John Jackson Sparkman came from the southland of this great Nation, from the low plateau region of northern Alabama that he loved so much. One of eleven children born to a poor tenant farmer, he strove to the utmost of his immense capacity to overcome his modest roots. He worked hard and steadfastly to help his family, and then drew further on his own abilities to support himself at the University of Alabama as he earned bachelor's, master's, and law degrees. After 10 years of practicing law in Huntsville, he was elected to the House of Representatives. A decade later, in 1946, he entered the Senate and in 1952 was chosen to be his party's Vice Presidential candidate—a remarkable achievement by an extraordinary man.

In his famous funeral oration for the fallen warriors of Athens, Pericles once stated:

> Fix your eyes on the greatness of Athens as you have it before you day by day, fall in love with her, and when you feel her great, remember that this greatness was won by men with courage, with knowledge of their duty, and with a sense of honor in action, who, if they failed in any ordeal, disdained to deprive the city of their services, but sacrificed their lives as the best offerings on her behalf.

That ideal describes John Sparkman, who dedicated 42 years of his life to dauntless public service to this Nation and to his countrymen. He never forgot his modest beginnings, which enabled him to bring to Washington an acute sensitivity to the needs of the ordinary man and a firm belief that government should help people do what they cannot do for themselves. As I listen to my colleagues catalog his myriad achievements in promoting small businesses, in aiding public education, in providing crop insurance for small farmers, in supporting veteran's benefits, rural electrification, and public housing projects, I cannot help but admire the compassion and understanding he had for the problems of everyday man. His public life was devoted to ensuring a better standard of living for all Americans.

It was during his tenure on the Foreign Relations Committee that I came to know and appreciate this kindly, soft-spoken man. He served on the committee for 27 years and was its chairman for the 94th and 95th Congresses. I, for one, can attest to the fact that, under his guidance, the committee and the Senate shaped foreign policy in many important ways. During his chairmanship, the committee reported to the Senate, 46 treaties, originated 58 public laws, and considered over 5,000 nominations. During this period, the work of the committee reflected his concerns about the world food shortage, the proliferation of nuclear weapons, and the need for closer cooperation in an interdependent world to solve our global problems.

I remember that Chairman Sparkman often stated that although the Senate does not make foreign policy it plays a crucial role in shaping it. He considered this role to be a critical responsibility. In a major foreign policy address delivered in 1975, he stated the following:

> . . . I have always believed—and continue to believe—that the primary foreign policy responsibility of the Senate is in its advice and consent function—the rendering of advice whether it is solicited or not, the granting or withholding of consent according to our own individual judgment. The essential requirement is independence. A Senator is constrained by no principle either of dissent or acquiescence. In rare instances of national emergency we may find it necessary to suspend judgment or delay scrutiny, but in all except these most extraordinary circumstances our duty toward the executive is one of fair but rigorous scrutiny. We have neither the authority nor the resources to participate in the day-to-day conduct of foreign policy, but we are entrusted with both authority and responsibility to define the objectives and determine the direction of foreign policy, according to our own best judgment of the national interest.

In exercising this responsibility, John Sparkman, did not take the easy road of political expediency. The Panama Canal Treaty is a clear case on point. A politically unpopular issue in the conservative South, under his leadership it passed through the committee to the floor of the Senate, where, after 38 days of intensive debate, it was approved by a substantial majority. That was an example of John Sparkman, the statesman, knowing the importance of that treaty to our long-term relationships in Latin America resisting the powerful pressures of local politics.

As a member of the Foreign Relations Committee, John Sparkman was particularly thoughtful and helpful to me. He was always scrupulously fair and encouraged all members to develop initiatives for committee action. He was assiduous in his efforts to promote the closest cooperation and understanding between the committee and the administration, whether Democratic or Republican.

These qualities are sorely missed. As Wordsworth so eloquently expressed in his "Intimations of Immortality":

> Though nothing can bring back the hour
> Of splendour in the grass, of glory in the flower;
> We will grieve not, rather find
> Strength in what remains behind;

John Sparkman has left behind a rich life and legacy for us to treasure as consolation for his passing from this life. We shall all miss his gentle and kindly manner, and his deep and abiding concern for the American people. We must never forget what he stood for and loved: honesty, compassion and freedom.

Mr. McCLURE. Mr. President, it is with both honor and sorrow that I stand here today to pay tribute to Senator John Sparkman. The honor comes in being afforded the chance to speak on the floor of the U.S. Senate about one of the most distinguished men ever to serve in this body; the sorrow comes in the fact the tribute is a eulogy.

We remember Senator Sparkman, who passed away last November, as a statesman, family man, friend, and devoted public servant.

But there was something else—an intangible, if you will—that made John more than a venerable Senator from the South. His manner, his speech, and his actions reflected his humble beginnings in Hartselle, AL. Though he rose to the heights of his country's Government, he never forgot his roots. He always looked out for the common man.

His political career spanned parts of five decades and the administrations of eight Presidents. In the U.S. House of Representatives, where he served from 1936 to 1946, he sat on the Military Affairs Committee and was majority whip in his last term.

In the Senate, where he served six terms before retiring in 1979, he was chairman of four committees and earned the moniker "Mr. Housing" because of efforts in shaping the Nation's urban renewal and housing policies.

Beginning with his work as the floor leader of the landmark Housing Act of 1949—which established the Federal Urban Renewal Program—he was re-

sponsible for virtually every piece of Senate-originated legislation on housing in the 1950's, 1960's, and 1970's.

But housing was not the only arena where Senator Sparkman left his mark. He fought for tax relief for small business and helped usher into law the Small Business Act of 1953, the Small Business Investment Act of 1958, and the Small Business Amendments of 1966-67, among others.

In 1959 he introduced a bill to streamline enforcement of Federal Trade Commission orders against unlawful trade practices.

In his last term in the Senate he became a powerful voice in foreign affairs as well, and relinquished chairmanship of the Banking Committee to become chairman of the Foreign Relations Committee.

John Sparkman manifested the American dream. He was born to an Alabama tenant farmer, worked his way through the University of Alabama, practiced law, and then forged a storied career in Washington—which saw his party nominate him as its Vice-Presidential candidate in 1952.

His accomplishments will be long remembered in this body, and most certainly, in Alabama. I commend Senator HEFLIN for organizing today's tribute, and I join with my colleagues in mourning Senator Sparkman's passing.

IN MEMORY OF JOHN J. SPARKMAN

Mr. HOLLINGS. Mr. President, it would be impossible for me to sum up the outstanding career of our friend and colleague Senator John J. Sparkman in this short statement. However, I would like to make a few comments on the considerable talents and wisdom that John Sparkman brought to this body during his 32 years in the Senate.

John Sparkman earned a reputation as one of the brightest and articulate Members this body has ever seen. He also earned a reputation for his ability to mediate, to compromise—to rise above the political fray and lead bipartisan efforts. His political philosophy, as many have often heard him say, was "You have to sit down with one another, talk things over, reason together." It was for this ability to compromise—as well as his conviviality—that he was chosen as Adlai Stevenson's running mate in the 1952 Presidential election.

John Sparkman was one of the early populist Southern liberals and, as such, left what was perhaps his greatest legislative mark as an advocate of public housing while serving as chairman of the Senate Committee on Banking, Housing and Urban Affairs from 1967 to 1974. As head of the Banking Committee, Senator Sparkman pioneered a host of legislation: The Housing Act of 1949, which established the Federal Urban Renewal Program intended to revitalize America's cities; the Fair Credit Billing Act, which provides protection for both consumers and merchants; and the Small Business Act of 1953, which created Government loans and assistance for small businessmen.

Senator Sparkman will also be remembered for his role as chairman of the Foreign Relations Committee. He led this committee honorably and as he thought it should be led, refusing to succumb to any criticism that might have come his way. He believed that the President, not Congress, should be the one to shape foreign policy, and supported a strong bipartisan foreign policy, voting for NATO and the Marshall plan aid program.

During the 10 years he served in the House of Representatives, John Sparkman fought for the Tennessee Valley Authority, farm loans, and Social Security. During World War II, he was a leader on the old House Military Affairs Committee and was also elected the House democratic whip.

Perhaps John Sparkman's arrival in his career—as a long-esteemed public servant—is less important than his starting point in life. In many ways he epitomizes the American dream. As the seventh of a tenement farmer's 11 children, he spent his early childhood in a 4-room log house in rural Alabama. He studied by kerosene light, walked 4 miles each way to high school and worked his way through the University of Alabama, where he eventually got his B.A., his master's, and a law degree. He worked his whole way through school—tending furnaces and the like—but still managed to serve as student body president, edit the school newspaper and be elected Phi Beta Kappa. And somewhere between school and entering Congress, he managed to teach at Huntsville College, served his country honorably in World War II, and practice law.

It goes without saying that I could keep going for hours about the solid character, inscrutable values, and diligent hard work of John Sparkman. But suffice it to say that I and my esteemed colleagues will miss John Sparkman, but we will never forget his fine example.

Mr. DOLE. Mr. President, I want to pay my respects, as my colleagues have, to the memory of John J. Sparkman.

John Sparkman's more than 20 years in the Senate spanned one of the greatest periods of change in this Nation's history. And John Sparkman kept pace with this changing world, whether it was in the area of public housing, small business, foreign affairs, or campaign reform.

Under his leadership in the Senate Banking and Housing Committee, Congress adopted landmark legislation establishing the Federal Urban Renewal Program. Sparkman was also instrumental in gaining passage of truth-in-lending legislation, which required lenders to provide full information about the cost of credit.

Sparkman became most prominent on the national scene in 1952 when her ran as Adlai Stevenson's Vice Presidential running mate.

During his final years in the Senate, John Sparkman was best known as chairman of the Foreign Relations Committee. Sparkman was a consistent voice against Communist aggression. He believed that the way to better relations between the Communist and free world was through trade.

Whatever the subject, John Sparkman brought his intelligence, his common sense, and his love of country to bear. John Sparkman was a true gentleman, and a fine U.S. Senator. Those of us who served in the Senate with him know what a dedicated public servant and fine American he was.

Mr. HEFLIN. Mr. President, we yield back the time allotted to us.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. KASTEN). Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond 11:30 a.m. with statements therein limited to 5 minutes each.

GRAPHICSTUDIO U.S.F. COMMENDED

Mr. KENNEDY. Mr. President, last November, the Board of Trustees of the National Gallery of Art voted to create a special archive for works of art created at Graphicstudio U.S.F., the University of South Florida's artist's workshop and production facility. I believe that the National's decision is recognition of the important contribution Graphicstudio has made to the contemporary art world. In addition, as the collection grows, our National Gallery will have a complete and documented collection of all works produced at this graphics/sculpture workshop.

Artists of international acclaim, students, and faculty of the University of South Florida, and the local community, have all benefited tremendously from the work of the studio. Now, with the establishment of this outstanding and growing teaching collection at the National Gallery, all Americans will be able to share in the appreciation of the continuing accomplishments of Graphicstudio.

Mr. President, Graphicstudio U.S.F. has produced a body of work exemplary of the imagination, innovation, and sensitivity to the human spirit that has given rise to America's leadership in the international world of art. I want to express my personal appreciation

tion to Don Saff, the 1968 founder of Graphicstudio and distinguished professor of art at U.S.F., for his artistic and organizational vision in the development of this workshop, and to the National Gallery for its recognition of the quality of work produced at Graphicstudio U.S.F. An exhibition of the works created in the workshop is tentatively scheduled for late 1989. I am sure that the exhibit will be an interesting one and join my colleagues in anticipating its opening.

ANN R. KLEIN, NEW JERSEY ADVOCATE FOR THOSE IN NEED

Mr. BRADLEY. Mr. President, I would like to take this moment to pay special tribute to Ann R. Klein, a remarkable resident of New Jersey, who recently succumbed after a long battle with cancer.

Ann Klein was a women who had no difficulty breaking new territory. She was the first Democrat to represent Morris County in the assembly in 60 years. She was the first woman in modern times to be a serious candidate for Governor of New Jersey. She was the first woman commissioner of the State department of institutions and agencies, with responsibility for the State prisons and mental institutions.

Mr. President, Ann epitomized civic involvement. Trained as a professional social worker, she came to politics from years of active involvement in the League of Women Voters. She was eventually elected president of the league, a post she held for 4 years until she was elected to the New Jersey State Assembly in 1972. To win that election she had to defeat a two-term incumbent in a county where few could remember ever voting for a Democrat.

In 1973 she ran for Governor in the Democratic primary. In a field of five candidates, she came in second, losing to Brendan Byrne who went on to become Governor. Ann said at the time, "We have carved a doorway through the wall of blind prejudice.* * * Some day another woman will walk through that door." Upon his election, Governor Byrne named Ann Klein to a major cabinet post, commissioner of institutions and agencies, later to become the commissioner of the newly created department of human services. She was known as the conscience of the cabinet. She was a passionate advocate for the rights of the poor, the mentally disturbed, and the elderly.

Some of Commissioner Klein's most notable contributions include a major effort to combat child abuse, a dramatic increase in day care services, the conversion of a State tuberculosis hospital into a geriatric nursing home for individuals who had been inappropriately cared for in State mental institutions, and a major modernization of the State prisons. Ann Klein directed the State's human services programs until 1981, when she resigned to seek the Democratic nomination for Governor for a second time. Again the nomination eluded her.

In 1982 she was appointed an administrative law judge, a post she held until ill health forced her to retire in 1984. Just 1 week ago Ann Klein lost her fight with cancer. But she will be long remembered in New Jersey for her tireless efforts to improve the lives of others. She took seriously her responsibility to leave the world—and our State—a little bit better than she found it. That was clearly a quest that did not elude her.

TOBACCO ADVERTISING

Mr. BRADLEY. Mr. President, on December 16, 1985, I introduced S. 1950, a bill to amend the Internal Revenue Code to disallow deductions for tobacco advertising expenses. On that same day, Congressman STARK introduced similar legislation in the House of Representatives.

Mr. President, recently Congressman STARK and I, joined by Senators CHAFEE and BINGAMAN, held a press conference to report that over 30 health groups have come out in strong support of our legislation. Today, I want to share with my colleagues the remarks of the health professionals who spoke at that press conference.

I ask unanimous consent that the remarks made at the press conference by the representatives from these organizations, along with a letter from the Coalition on Smoking or Health, be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COALITION ON SMOKING OR HEALTH

DEAR SENATOR BRADLEY AND REPRESENTATIVE STARK: We are pleased to endorse and support your bills to eliminate the business tax deduction for cigarette advertising and promotion. We agree that there is no logical reason why the marketing of a product that kills more than 350,000 people a year should merit a tax deduction.

Despite numerous past efforts to obtain a voluntary agreement among cigarette advertisers to limit their messages associating cigarette smoking with activities and role models likely to be admired by children and teenagers, a review of current cigarette advertising and the sports events sponsored by cigarette manufacturers reveals the failure of these efforts. It is no coincidence that 60% of current smokers started by the age of thirteen. These young smokers will grow into adults suffering from smoking-related diseases and disability which, according to the Office of Technology Assessment, cost the U.S. economy $65 billion annually. Surely the American taxpayer should not be asked to bear the burden of costs resulting from smoking, and to pay for the advertising and promotion efforts that produce more smokers.

We applaud your initiative to make cigarette manufacturers pay the full costs of marketing their deadly product. We hope your example will pave the way for other measures to reduce the two billion dollars spent annually on cigarette advertising and promotion.

Sincerely,

American Heart Association; American Lung Association; American Cancer Society; American Medical Association; American Public Health Association; American Academy of Pediatrics; American Association of Retired Persons; American Academy of Family Physicians; National Association of Elementary School Principals; American College of Preventive Medicine; American College of Chest Physicians; National Board, Young Women's Christian Association; American College of Cardiology; American Licensed Practical Nurses' Association; Americans for Non-Smokers' Rights; American Association of Dental Schools; American Medical Student Association; American Academy of Otolaryngology; American Association for Respiratory Therapy; The Joint Council of Allergy and Immunology; American Diabetes Association; National Perinatal Association; American Association of Preferred Provider Organizations; Terry Gotthelf Lupus Research Institute; Association of Schools of Public Health; American Nurses Association; Public Citizen; Association of Teachers of Preventive Medicine; American Society of Internal Medicine; Association of State and Territorial Health Officials; American Dental Association; Center for Science in the Public Interest; National Association of Children's Hospitals and Related Institutions (NACHRI); and American College of Obstetricians and Gynecologists.

STATEMENT OF JOHN J. MCGRATH, M.D.

February 19, 1986.

My name is John J. McGrath, M.D. and I am a member of the American Medical Association's Council on Legislation. I am pleased to be here today, along with others from concerned organizations. The AMA supports legislation to eliminate federal tax deductions for advertising and promotion of tobacco products. We commend Senator Bradley and Representative Stark for their latest efforts to protect the public health by eliminating inconsistencies in our nation's federal policy toward tobacco.

The use of tobacco is the single most preventable cause of death and disease in this country. And yet, the federal government allows tax deductions for the expense of advertising and promoting this harmful substance. It has been estimated that the federal government's share of the expense for treating tobacco-related illness may have reached $6.6 billion in 1985. Total expenses to our health care system for treating tobacco-related illness may have been as high as $35 billion last year.

Since we are faced with a serious federal deficit and pressures to contain the cost of health care, it only seems reasonable that federal tax policy recognizes the health consequences of cigarettes and other tobacco products. We believe that eliminating the federal tax deduction for tobacco advertising and promotion expenses and raising the cigarette excise tax are only fair. These actions will have the long-term effects of discouraging tobacco advertising and tobacco

consumption. The future incidence of tobacco-related disease would thereby be lowered.

The true cost of tobacco use includes incalculable human suffering that accompanies the cancers, cardiovascular diseases and chronic lung diseases that are caused by tobacco use. Physicians see the human cost of tobacco day in and day out. This is why the AMA has joined with government and other groups assembled here to work for a tobacco-free society by the year 2000. To achieve this ultimate goal we believe that we must go beyond supporting the beneficial legislation of Senator Bradley and Representative Stark. The AMA seeks an end to all forms of advertising and promotion of tobacco products.

Billions of dollars are being spent to portray tobacco as a healthy, refreshing, socially acceptable product. This tremendous promotional outlay obscures the true health consequences of tobacco use. It is no coincidence that those most familiar with the health consequences of tobacco use, physicians, are less likely to smoke than the general population.

Cigarette smoking alone is responsible for 346,000 deaths each year in the United States; more than one-sixth of all deaths in the U.S. Each day approximately 1,000 of our citizens die of tobacco-related causes.

The 345,000 deaths due to cigarette smoking are broken down as follows: lung cancer—80,000, cardiovascular disease—225,000, chronic obstructive lung disease—19,000, and other cancers such as oral, esophagus, larynx, urinary bladder, pancreas, Kidney—22,000.

Lung cancer is the number one cancer killer in males in the U.S., and by the end of 1985 is expected to have surpassed breast as the number one cause of cancer deaths in women.

Until our citizens stop suffering and dying from this preventable cause, the American Medical Association will continue to discourage tobacco use. Once again, we support the legislation of Senator Bradley and Representative Stark. This legislation is a big step in achieving the goal of a tobacco-free society by 2000.

AMERICAN HEART ASSOCIATION STATEMENT ENDORSING LEGISLATION INTRODUCED TO DISALLOW CIGARETTE ADVERTISING AS A BUSINESS EXPENSE

The American Heart Association, (AHA) today endorses legislation introduced by Senator Bill Bradley, (D-NJ), and Congressman Pete Stark, (D-CA), aimed at prohibiting tobacco companies from deducting the cost of cigarette advertising and promotion as a business expense for tax purposes.

Over thirty other health associations and professional medical societies have also endorsed the proposed legislation.

The American Heart Association has urged for a total ban on cigarette advertising and the Bradley-Stark legislation is a strong first step in that direction.

Allowing cigarette companies to take advertising expenses as a tax deduction is clearly a financial incentive for them to promote the sale of the "single most preventable cause of death and disability in this country." The deduction amounts to a rebate for ignoring more than 30 years of scientific evidence against cigarette smoking.

Cigarettes continue to be the most heavily advertised and promoted product in the United States. Each year cigarette companies spend over $2 billion to advertise and promote their product making cigarettes the most heavily advertised and promoted product in the United States. Yet smoking continues to cost the nation more than $13 billion in health care.

Smokers have more than twice the risk of heart attack of non-smokers. In fact, cigarette smoking is the biggest risk factor for sudden cardiac death: smokers have two to four times the risk of non-smokers. Besides, a smoker who has a heart attack is more likely to die from it and is more likely to die suddenly (within an hour) than a non-smoker.

When people stop smoking, regardless of how long or how much they've smoked, their risk of heart disease is rapidly reduced. Ten years after a person has quit smoking, the risk of death from heart disease for a person who has smoked a pack a day or less is almost the same as for an individual who has never smoked.

In its official statement, "Public Policy on Smoking and Health," the AHA notes that a cigarette is the only significant consumer product that is harmful when used as intended, and the harm associated with this product has no parallels today.

Congress has already mandated that the harm associated with the use of cigarettes be specifically identified on all forms of cigarette advertising and promotion. But the industry continues to get a tax benefit while misleading the public through its promotion of smoking as a "pleasurable and healthy" activity.

The AHA believes that the massive misleading advertising and promotional campaigns of the tobacco industry clearly warrant the concern and attention of public policy makers.

ELIMINATION OF BUSINESS TAX DEDUCTION FOR TOBACCO ADVERTISING

The human health consequences of cigarette smoking have been more thoroughly studied than those of any other environmental exposure. Specific mortality ratios are directly proportional to the years of cigarette smoking, and they are higher for those who initiated smoking at younger ages. Smoking contributes to mortality from lung cancer, cardiovascular disease, and non-neoplasitic broncho-pulmonary disease; it also increases the risk of cancer from exposure to other carcinogens, such as asbestos. Birth weight and fetal growth may be adversely affected by smoking during pregnancy. Despite the efforts of pediatricians to educate young patients about the dangers of smoking, the incidence of daily smoking among high school seniors is still 20 percent. It is alarming that sales of snuff have increased by 52 percent since 1978 and sales of chewing tobacco have increased slightly. A significant portion of smokeless tobacco sales is to children and adolescents. Recent surveys in three states indicate a reported frequency of smokeless tobacco use by high school boys to be in the range of 23-28.2 percent.

Tobacco is a proven human carcinogen. The American Academy of Pediatrics considers tobacco smoking and the use of smokeless tobacco to be a significant threat to the health of children. The Academy strongly recommends that all direct and indirect support by local, state or federal governments of the production, distribution, or consumption of tobacco and tobacco products be phased out as rapidly as possible. The Academy also recommends a total ban on all advertising of tobacco and tobacco products. As an interim step, we support S. 1950 and H.R. 3950, to amend the Internal Revenue Code of 1954 to disallow deductions for advertising expenses for tobacco products, introduced by Senator Bradley and Representative Stark on December 16, 1985.

For the protection of the present and future health of the children of this nation, the selling and advertising of all forms of tobacco, including smokeless tobacco, must be controlled without delay. We applaud the efforts of Senator Bradley and Representative Stark to enact legislation which will facilitate meeting this goal.

THE AMERICAN ACADEMY OF OTOLARYNGOLOGY—HEAD AND NECK SURGERY, INC.

I am Jerome C. Goldstein, M.D., Executive Vice President of the American Academy of Otolaryngology—Head and Neck Surgery, Inc., which wholeheartedly endorses the Bradley/Stark measures to eliminate the business tax deduction for cigarette advertising and promotion. The American Academy of Otolaryngology—Head and Neck Surgery is the largest organization of otolaryngologists—head and neck surgeons in the world with 8,000 active members, including 96% of the Board-certified otolaryngologists in the United States. We practice both medicine and surgery of the ear, nose, throat and other structures and areas within the head and neck region, and manage the care of a significant number of patients with cancer of the head and neck regions.

Each year we conduct 45 million patient office visits and perform more than 7 million operative procedures in this country.

The Academy believes S. 1950 and H.R. 3950 are steps in the right direction toward reducing the incidence of America's number one killer. These bills would return much needed tax dollars to Uncle Sam's pocket, and more importantly, they would save lives.

This year, tobacco-related illnesses will kill 350,000 people or nearly 1,000 people a day. It is only fitting that the perpetrator of this crime, the tobacco industry, and not the taxpayer should bear full financial responsibility for its role in the destruction of human health.

Because otolaryngologists plan and carry out the surgery and treatment of benign as well as cancerous tumors of the head and neck, we are impressed that the use of tobacco is a significant risk factor in head and neck cancer. Indeed the medical evidence proving the health hazards of smoking is now beyond question.

Did you know that:

Smoking is the cause of about 30% of all cancers and 75% of lung cancer?

Lung cancer is already the leading cause of death for men and has just surpassed breast cancer as the leading cause of death for women?

Smoking is the major cause of cancer of the larynx or "voice box"—the cancer that killed Humphrey Bogart, Nat "King" Cole and many others?

Pipe and cigar smokers are 5 times more likely than non-smokers to develop cancer of the mouth and throat?

These statistics and many others are enough to ruin one's appetite for smoking.

For much too long, cigarette smoking and other tobacco habits have been deceitfully promoted as fashionable. These habits, however, are not chic or glamorous; they have been proven addictive and deadly. Although it is apparent that our nation's thriving tobacco industry will not easily vanish in the near future, the Academy applauds all ef-

forts to discourage Americans, particularly young people, from adopting unhealthy habits, such as smoking, which will inevitably lead to disease and often death.

Two pamphlets developed by the Academy, "Head and Neck Cancer: Know what the danger signs are . . ." and "Smoking: the hows and whys of quitting," provide additional information on the dangers of tobacco use. A complimentary copy of these pamphlets may be obtained by contacting the Academy office at the address below.

American Academy of Otolaryngology—Head and Neck Surgery, Inc., 1101 Vermont Avenue, N.W., Suite 302, Washington, DC 20005.

COMMENTS BY GERALD ROGELL, MD, AMERICAN DIABETES ASSOCIATION

The American Diabetes Association supports wholeheartedly the efforts of Senator Bradley and Representative Stark and the Coalition for Smoking or Health to eliminate the business tax deduction for cigarette advertising and promotion.

As our March 1985 statement points out, smoking is especially harmful to people with diabetes because of their already increased risk of cardiovascular disease.

The American Diabetes Association is pleased to be a part of this important effort and pledges its visible support in a variety of ways: First, we will communicate the gravity of this issue to all 58 of our affiliate associations and urge them to publicize it in their membership newsletters. Our intent would be to obtain grassroots involvement of our 220,000 members across the country.

Second, we will include the elimination of the business tax deduction for cigarette advertising and promotion in our legislative position, which is distributed to all members of Congress. The legislative position is also the focus of the discussion between our volunteer leaders and their federal legislators when the former come to Washington, DC each March to make Congressional calls.

Following up on these two immediate actions will be a continuing level of activity to support the work of the Coalition and to help ensure passage of Senator Bradley's and Representative Stark's bill.

And, as my final note, I'd like to point out that the office of the ADA's National Service Center in Alexandria follows a No Smoking policy throughout its premises.

AMERICAN PUBLIC HEALTH ASSOCIATION

The American Public Health Association today urges Congress to adopt H.R. 3950, introduced by Congressman Pete Stark, and S. 1950, introduced by Senator Bill Bradley. These bills would remove tax deductions for tobacco advertising and promotion.

The dangers of smoking are scientifically documented. Over 300,000 people in the United States die each year due to illnesses associated with smoking. Lung cancer is the health problem most clearly associated with tobacco smoking. Smoking accounted for over 75,000 lung cancer deaths in 1984 and is implicated in 30% of all cancers. As a result of increased smoking among women, for the first time in history, lung cancer will surpass breast cancer this year as the leading cancer killer of women. Smoking is also associated with death and disability from heart disease, chronic obstructive lung disease, and burns. In addition, pregnant women who smoke are more likely to have low birthweight babies.

Cigarettes are not the only problem. Smokeless tobacco (chewing tobacco and snuff) causes serious health problems, including cancer, periodiontal bone destruction, tooth abrasion, and gingival rescission. Over 10 percent of the 10,000 oral cancer deaths in this country every year are attributable to smokeless tobacco. Its use has been linked to oral and pharyngeal cancer, with the risk of developing such cancers being four times higher among snuff users. Among long-term chronic chewing tobacco users the risk factor for these cancers approached 50. Without a doubt, tobacco products are indeed a killer.

Tobacco companies continue to perpetuate the myth that advertisements are used strictly to promote brand loyalty or convince smokers to switch brands. This is not the message that comes across the print and electronic media in tobacco ads. Cigarette and smokeless tobacco advertising have definite themes and imagery which have a capacity or tendency to deceive. The dramatic increases in children and even adolescents using tobacco products are a by-product of these themes. A tragic example includes a recent survey in the Arkansas elementary schools. The survey found that 5% of boys in kindergarten chew tobacco or use snuff.

This bill is an important first step in ridding the American taxpayers of paying for the costs of smoking and chewing.

Currently, the tax code allows tobacco companies to deduct advertising and promotion costs as a business expense. These deductions amount to over $2.7 billion a year for advertising and promotional activities such as distributing free samples and coupons, and sponsoring sweepstakes and sporting events. Not only do taxpayers subsidize the promotion of tobacco products, but an unwilling citizenry also pays the enormous health costs and the costs of lost productivity due to tobacco usage.

In light of the overwhelming evidence of the harmful effects of tobacco products, we see no justification to continue the federal tax deduction for advertising and promoting tobacco products. A federal policy which supports tobacco products while other government agencies must establish programs to deal with the adverse health effects of smoking is not only inconsistent but also difficult to justify in a time when most federal programs are being cut and many others eliminated. We wholeheartedly endorse H.R. 3950 and S. 1950 as a beginning step to make cigarette manufacturers pay the full costs of marketing their deadly product.

Mr. BRADLEY. Tobacco is the single biggest health hazard facing this country. Virtually all scientific evidence recognizes the dangers of tobacco. According to the Congressional Research Service, more than 300,000 people die from smoking every year. Smoking contributes to 30 percent of deaths due to cancer and to 25 percent of coronary heart disease in this country.

And, Mr. President, cigarettes are not the only problem. Smokeless tobacco causes serious health problems, including cancer, periodontal bone destruction, tooth abrasion and gingival recission. The American Cancer Society estimates that 10 percent of the 9,500 oral cancer deaths in this country are attributable to smokeless tobacco. The World Health Organization last year concluded that there is a direct link between the use of snuff and cancer.

The health costs of tobacco are also large. According to studies of the National Center for Health Statistics and the Office of Technology Assessment, $12 to $35 billion a year is spent on medical care for people whose illnesses result from smoking.

Mr. President, some argue that, because tobacco use is declining, we should not be so worried about the health effects of this product. This just doesn't hold up. The decline in tobacco use has not been dramatic—the deaths from smoking have been. There has been only a modest reduction in per capita cigarette consumption—a 10 percent decline since the 1950's—and there has not been a sizeable reduction in the number of people who smoke, relative to 30 years ago. In the 1950's roughly half of men and a quarter of women were smokers. Now, about a third of both men and women smoke.

While cigarette consumption has declined somewhat in recent years, the use of smokeless tobacco has increased. The American Cancer Society estimates that 22 million Americans in 1980 used smokeless tobacco. According to the Library of Congress, per capita consumption of snuff among males 18 and over has increased 60 percent since 1978. Surveys show that in Colorado, 25 percent of the male high school students use smokeless tobacco daily; in Oklahoma, 22 percent; in Texas, 20 percent. The Texas study shows that 55 percent of the chewers started before their twelfth birthday. Incredibly, in Oklahoma, even 7 percent of the third graders use smokeless tobacco. We are talking about small children using a life-threatening product. The thought is appalling.

Thirty years ago, the debate was over whether tobacco consumption represented a serious health hazard. Today, everyone agrees—everyone, that is, except the tobacco manufacturers—that tobacco is a killer. The debate has turned to defining the proper Federal role in discouraging the use of tobacco.

Currently, the Federal Government has conflicting policies:

We spend billions on health research in an effort to help the millions afflicted by tobacco-related diseases, and at the same time we provide subsidies to farmers to grow tobacco.

We place labels on tobacco products warning people of the direct link between use and illness, and at the same time we allow the excise tax on cigarettes to drop in real terms by nearly 50 percent over the decades, reducing the disincentive to smoke.

Lastly, we spend millions on public health campaigns to warn people of the dangers of tobacco, and at the same time we allow tobacco manufac-

turers to write off billions of dollars in advertising expenses that are aimed at encouraging people to smoke or use smokeless tobacco.

Mr. President, the Government should speak with one voice on this problem. I believe that voice should unequivocally say, "Smoking will harm you." We need tougher labelling requirements and more public information on the health effects of smoking or chewing tobacco. We need to increase the excise taxes on these products as a greater disincentive to smoke and chew. And the Government should eliminate the incentives that are in the current tax code that help tobacco companies promote their product.

The industry argues that tobacco ads are not intended to recruit new smokers but simply to get people who already smoke to switch brands. I think that is hogwash, Mr. President! What is the message behind a television ad on smokeless tobacco portraying an athlete enjoying a "pinch between his cheek and gum?" What is the message behind billboards and magazine ads that portray young, successful, athletic, and attractive models?

Americans—particularly young Americans—are bombarded with tobacco ads. Tobacco is this Nation's most heavily advertised consumer product, costing over $2 billion a year. Cigarette ads represent 10 to 15 percent of all newspaper and magazine ads and almost half of all outdoor advertising.

Mr. President, smoking is not glamorous. It does not make you attractive. It will not help you live a long or athletic life. Ads imply that this is the case, and it simply is not. It is doubtful that we can stop tobacco manufacturers from advertising, but we can eliminate the taxpayer subsidy to the industry, which amounts to almost $1 billion a year, for this purpose.

That is why I introduced legislation to disallow as a business expense the advertising expenses associated with tobacco products, including smokeless tobacco. The tax subsidy to tobacco manufacturers dwarfs the Federal outlays that are expended on deterring tobacco use. The Federal Government should be speaking with one voice. I see no reason why the Government should continue to subsidize this product.

WE MUST NOT FORGET SOVIET JEWS

Mr. HATCH. Mr. President, concerned people throughout the world watched their television sets with profound joy as Soviet dissident Anatoly Shcharansky walked across an East German bridge to freedom. Shcharansky—who now prefers to use his Hebrew name, Natan—had been unjustly persecuted and then imprisoned by the Soviet authorities for 13 years. His sole so-called crime was his refusal to be silent on matters of human rights, including the right of Jews to practice their religion without fear of persecution. Natan's courageous struggle inside the Soviet Union was mirrored by the efforts of his wife, Avital, who spread the message of her husband's plight throughout the world. Finally, after years of suffering, the Shcharanskys' dual ordeal has ended. They have finally been reunited and are living safely in Israel.

As encouraging as this news is, Mr. President, we in Congress and all who support human rights cannot be lulled into thinking that the fight is over. The fight for Soviet Jews and, in fact, for religious freedom for every Soviet citizen, is far from over. According to the National Conference on Soviet Jewry, today there are some 15,000 Soviet Jewish "refuseniks." A refusenik is a Soviet Jew who has applied to emigrate but has been turned down on some spurious grounds. There is firm evidence that at least 400,000 Jews have initiated the emigration process by requesting a letter of invitation from Israel. Although these individuals have not yet been officially refused permission to emigrate, for one reason or another their applications are in a state of limbo. The official Soviet statistic for the number of Jews in the U.S.S.R. is 1.8 million while United States sources estimate there are some 2 million Soviet Jews. There is no telling how many of these individuals would like to emigrate if they could.

My point, Mr. President, is that anyway you look at it, a vast number of Soviet Jews are in essence being held prisoners inside the Soviet Union. It is incumbent upon those of us who are fortunate enough to live in an open society to speak out on their behalf.

Elie Weisel, author of a firsthand report on Soviet Jewry called "The Jews of Silence," recently wrote an excellent op-ed piece entitled "What Shcharansky Means to the World." In his article Dr. Weisel reminds us that what hurts victims most is not the cruelty of the oppressor but the silence of the bystander.

Mr. President, that is a truth that we would do well to remember as we go about our hectic day-to-day schedules here in the Senate. I ask unanimous consent that Elie Weisel's op-ed piece be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 19, 1986]

WHAT SHCHARANSKY MEANS TO THE WORLD—OTHERS NEED HELP

(By Elie Wiesel)

Decent people everywhere are elated, celebrating the release of Anatoly B. Shcharansky—let us call him by his new Hebrew name, Natan—from Soviet prisons. This is understandable: It is their victory as much as his. But in our exultation we forget Vladimir Slepak—and that is both ethically regrettable and politically dangerous.

Shcharansky is a heroic Jew whose false arrest and condemnation mobilized millions of citizens and their leaders. The efforts on his behalf were unprecedented in scope and intensity. They covered scores of countries on five continents. With his wife, Avital, we knocked on every door, moved every stone, invoked every argument. Rallies were held, high officials approached, protests made, petitions signed, vigils encouraged: If ever we felt that we had done everything in our power for an imprisioned man, it was for Shcharansky.

Jews and non-Jews alike, rabbis and priests, politicians and scholars, statesmen and schoolchildren all did their duty. The reward? When President Reagan added his voice to ours at the summit meeting in Geneva, the Kremlin finally yielded to the accumulated pressure. Shcharansky is free, and the pictures of his arrival in Jerusalem bring tears of joy to our eyes.

But what about Vladimir Slepak? What about Yuri Orlov and Alexander Lerner? Ida Nudel and Iosif Begun, what about them? All those brave "refuseniks" and dissidents—people condemned to live as official pariahs in fear and trembling, condemned to undergo endless ordeals while they wait for signs that are always obscure and for visas that never come—should they not be remembered, too? Many have spent years in jail, others in labor camps, still others are subjected to daily harassment, humiliation and threats: Without our support, without our solidarity, they could not carry on.

Let us remember: What hurts the victim most is not the cruelty of the oppressor but the silence of the bystander. Russian Jews, refuseniks and dissidents, Andrei D. Sakharov as well as Leonid Volvovsky—they all count on us. Do they count for us?

I choose to evoke Vladimir Slepak's case, because, like Shcharansky, he is someone special. He was singled out already in the early 1960's because he was the first, or one of the first, to teach Hebrew and Jewish history, the first to organize courses for young jews in search of their identity and culture, the first whose erudition and determination presented a powerful challenge to Soviet dictatorship and its policy of fear and isolation.

Many refuseniks see in him an older brother, a spiritual guide. Whenever fortunate ones, exit visa in hand, left for Israel, he accompanied them to the airport to bid them farewell; he watched them leave, then returned home. That happened again and again, month after month, year after year. Slepak always remained behind. Why? Who knows. Perhaps because he was the first to proclaim himself free, the Soviet authorities wish him to be the last to go.

Hence this appeal: Now that Shcharansky is out, let it be Slepak's turn. Let us mobilize our energies, our contracts, our professional connections, our academic links, our economic resources. Let us mobilize our passion and our anger on his behalf. And on behalf of all the others who implore us to use our freedom for the sake of theirs. Let us be bold and imaginative. Why not organize a mass rally in Washington? Would it not be right to follow the civil rights march of the 1960's with a human rights march in the 1980's?

What's at stake is not only the freedom and the hope of the refuseniks and other dissidents. Our honor is also at stake.

INVESTIGATION OF SOVIET DEFECTOR

Mr. SIMPSON. Mr. President, on February 24, 1986, my good friend and colleague, Senator HUMPHREY, placed a statement in the RECORD which recounted five questions which the New York State Bar Association claimed as "remaining to be answered" in the incident involving the potential Soviet defector, Miroslav Medvid. Senator HUMPHREY emphasized that the existence of these "unanswered" questions reinforced the need for a special panel on asylum. I would wish to respond to the "unanswered" questions, and demonstrate that there are indeed specific answers for each and every one.

Most of the following answers to the questions were extracted from the two hearings that the Immigration Subcommittee has already held on the Medvid incident: one on November 5, 1985, and the other on February 5, 1986. In addition, the chief counsel of the Immigration Subcommittee recently traveled to New Orleans and interviewed nearly every person—whether private citizen or Government official—who had had some contact with Mr. Medvid, either during the initial Border Patrol interview of Medvid or the subsequent reinterview process led by the State Department.

I am pleased to share this information with any of my colleagues who may be interested, and I would anticipate their suggestions concerning any future witnesses that they might wish to question. Interested Members need only advise me, and I will respond promptly. This is my duty as chairman of the Immigration and Refugee Policy Subcommittee, and I am perfectly willing to carry it out. However, I fail to see what possible need there could be to create an additional "panel" and expend $300,000 or more from the Senate budget in these times of Gramm-Rudman-Hollings and general budget austerity. Perhaps my colleagues might share that view.

The questions of the New York State Bar Association follow, along with the answers:

First. Why was Mr. Medvid twice returned to his ship against his will and despite a request for asylum?

Answer. Medvid was returned once to his ship by the U.S. Government against his will. According to the border patrolmen involved, Medvid was returned because the border patrolmen did not understand his answers to their questions as being a request for political asylum. The INS agents were told by the interpreter that he did not want to return to his ship, but they were also told that Medvid had said "No" to their inquiry about whether or not he was requesting political asylum. The interpreter later explained that Medvid had understood "asylum" to mean "mental asylum," and stated that she reiterated to the border patrolmen that he did not want to return to his ship. While the report of deportable alien, filled out by the border patrolmen, noted that Medvid did not wish to return because of "political and moral reasons," the border patrolmen still felt this was not an explicit request for asylum and that, therefore, Medvid had no further rights to remain in the country. As the border patrolmen expressed, no "ship jumper" desires to return to his ship, and the Border Patrol return many dozens each year "against their will." They did not expect Medvid to be pleased about being sent back, although the border patrolmen had no way of knowing that he jumped into the Mississippi a second time—since on that occasion a "shipping agent" was solely responsible for the return of Medvid to the *Marshal Konev*. The border patrolmen also asked the shipping agent to notify them if there was a problem in returning Medvid to his vessel.

Second. Why did an American shipping agent assist in Medvid's return to the *Marshal Konev*? Moreover, when Medvid leaped a second time from the launch which was bringing him back to the *Marshal Konev*, why did the agent return to the *Marshal Konev* and obtain the aid and assistance of Soviet seamen, who allegedly beat Medvid, shackled him, and dragged him back on the ship kicking and screaming?

Answer. It is customary for foreign ships in American ports to employ an American shipping agent in order to assist them in all of their business matters. This is encouraged because it insures there is someone in the local area who will have some responsibility for seeing that the bills incurred by the foreign ship ashore are paid. It is standard procedure for a border patrolmen to call the shipping agent when a ship-jumping crewman needs to be returned. When Medvid jumped from the launch as he was being returned by the shipping agent, the shipping agent had in his hands an order from the Border Patrol requiring the shipping agent and the master of the ship to take control of Medvid and see to it that he was deported. Technically, it was improper for the Soviet first mate to bring additional Soviet crewmen ashore, but interviews with the shipping agent's employees present at the scene indicate that Medvid was not "beaten" by these people, and that they "shackled him" with a strip of plastic that was supplied to them.

Third. Despite knowledge of drugs used upon Medvid, why did the American physician who subsequently examined him not order blood and urine tests to see if drugs were currently in his system?

Answer. As noted in testimony before the Immigration Subcommittee on February 5, 1986, blood and urine tests merely disclose whether there is a residue of drugs in the system. Both doctors understood there were drugs in Medvid's system. However, they were interested not in the presence of drugs, but whether or not the person about to be interviewed was intoxicated by these drugs, or under the influence of them in such a manner that he would not be able to make a rational decision concerning political asylum. The doctors noted that to determine whether or not a person is under the influence of drugs, observations must be made of the heart rate, breathing, movement of the eyes, and any indications of a "blunted effect" in personality—an apparent dulling of the senses, and slow or irrational responses to questions. Both doctors testified that there were no symptoms indicating intoxication from the drugs earlier administered to Medvid by the Soviet doctor.

Fourth. Why did the American physician not conduct a physical examination of Medvid's left arm, which was bandaged from the base of the fingers up to the armpit? Why did the physician not include an analysis of the slash marks on Medvid's finger tips, and the gradations of eechymosis on Medvid's right and left arm?

Answer. Medvid's left arm was not "bandaged from the base of the fingers up to the armpit," but rather bandaged from the base of the fingers to the middle of the forearm. In addition, the Navy doctor did examine Medvid's left arm and described both the cut and the stitches in it. He specifically removed the dressing on the wound during his second examination of Mr. Medvid to make these observations. He also mentioned the superficial cuts on Medvid's fingertips and the bruises on his upper forearm, and told the subcommittee that the cut on the arm and the cuts on the fingertips were compatible with both the Soviet captain's statement that he broke a light fixture and used the glass to cut his arm, and Medvid's statement during his interview that he accidentally cut himself when he broke the light fixture. The doctor also felt that the bruises on the arm were compatible with the force that was used when he was restrained on the banks of the river and carried back by his fellow crewmen.

Fifth. How did the Air Force psychiatrist reach the conclusion that Medvid jumped for the "glitter and gusto," and that he had no real desire for political asylum in this country?

Answer. The Air Force psychiatrist reached this conclusion because the evidence showed that Medvid had

done little, if any, planning for his defection attempt, and that he apparently had given no serious thought as to the consequences—including the consequences to his family in the Soviet Union, or the very real possibility that he might never be able to see them again. One of the persons to see Medvid on the first night he was ashore was a harbor police captain named Patricia Majors, who said her background was in psychology. Without knowing what the Air Force psychiatrist would later report, she advised the chief counsel of the Immigration Subcommittee that, after spending 20 minutes with Medvid, she wondered if he was really seeking political asylum. She stated that those who do so at least contemplate in advance how to ask for it in a way that can be understood. Instead, she said that he went from acting silly to becoming angry, and she even speculated that he thought it was all a joke when he made some "juvenile sexual gestures" in the harbor police headquarters. The Air Force psychiatrist later noted a derisive mood in Mr. Medvid's actions when he made sexual gestures during the psychiatric examination that took place in the U.S. naval facility.

This question, in addition, misconstrues the role of the Air Force psychiatrist at the reinterview of Mr. Medvid. The intent of the psychiatric interview was not to establish the motivation for Mr. Medvid's earlier defection attempt, but to determine whether or not he was mentally and physically competent to make a decision at the present time on whether he desired to claim asylum.

I invite all of my colleagues who are interested in this matter to study the prepared testimony of the witnesses that have appeared at the subcommittee hearings, and I will publish the complete hearing records compiled at these hearings in as swift a manner as is possible. If further questions arise, I shall be pleased to try to answer them or have the subcommittee staff investigate further into it. However, I surely feel that this matter can be resolved within the existing Senate structures and does not require a "special panel on asylum" to expend an additional $300,000 of the Senate's scarce resources in order to reach a conclusion that we are already quite capable of making.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FUNDS FOR OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION

Mr. SPECTER. Mr. President, I take the floor to call to the attention of my colleagues a hearing which has just been concluded of the Subcommittee on Juvenile Justice of the Committee on the Judiciary. This hearing, I believe, raises fundamental questions of great importance under the Constitution of the United States because of the conclusive evidence, as disclosed at this hearing, of a pattern of illegal impoundment by the executive branch in disregarding the law on expenditures for the Office of Juvenile Justice and Delinquency Prevention.

Mr. President, we are now more than 5 months in fiscal year 1986, and vital programs for juvenile justice and delinquency prevention are not being funded as Congress has mandated and as the President has concurred in signing into law on December 13, 1985, fiscal year 1986 appropriations providing for funding of $70.282 million for the Office of Juvenile Justice and Delinquency Prevention.

What has happened, Mr. President, is that there was an informal freeze put into effect on Juvenile Justice in mid-December, and the Senate passed a resolution on December 19, 1985, by unanimous consent disapproving that informal freeze. What has followed since is a submission of a rescission request on February 5, 1986, but in the interim there has been a cut-off on funding of the Office of Juvenile Justice and Delinquency Prevention, preventing these vital programs from going forward.

Mr. President, the Impoundment Control Act is plain in that the executive branch lacks the authority to cut off funding on its own initiative where funding has been mandated by Congress. There are provisions under the Impoundment Control Act for a rescission request to be submitted to Congress and if not approved by Congress within 45 days, then that rescission request does not take effect.

But absent such a rescission request, the executive branch of the U.S. Government, stated simply, does not have the authority to stop the funding which has been mandated by law. This principle has been eloquently expressed in a short statement of legislative history and I shall quote from a very brief part of that, under the Impoundment Control Act, Congressional Budget Act, Public Law 93-344, as appears on page 3471, as follows:

> A final but most important trouble spot has been the unprecedented impoundment of funds by the President. Although he claims that such impoundments are necessary because of defects in the congressional budget process, no such power is accorded the President by Constitution or law.
>
> In earlier hearings on anti-impoundment measures, distinguished and knowledgable witnesses charged that the President has overstepped his authority. The executive branch has unilaterally set aside congressionally approved programs it deems less worthy than others and nullified national policies established by Congress. Critics assert that by these acts the executive branch has encroached upon the legitimate role of Congress in establishing spending priorities, eroded Congress' constitutional and vital power of the purse, upset the delicate constitutional balance of powers between the legislative and executive branches, aggrandized executive power, exercised an item veto never authorized by Congress, and created chaos in the operations of State and local governments.

Mr. President, that is precisely what has occurred with respect to the funding in the Office of Juvenile Justice and Delinquency Prevention.

Witnesses testified today that the cutoff or freeze of funds was put into effect in mid-December of 1985, although the request for rescission was not filed until February 5, 1986, and no action was taken by the Office of Management and Budget until January 7. The Administrator of the Office of Juvenile Justice and Delinquency Prevention, Administrator Alfred S. Regnery, conceded that there may have been a rescission or freeze for 2 or 3 days in December.

The evidence, Mr. President, as developed at the hearing today, was conclusive that the freeze was for a much longer period of time, and that in fact the freeze has been in effect for 3 months on the backbone of the programs amounting to approximately $43 million of funds for State Juvenile Justice and Delinquency Prevention programs.

This Senator questioned Administrator Regnery on the legality of a freeze for even 2 or 3 days. Mr. President, there is no legality in an illegal freeze simply because it is for 2 or 3 days or any period of time which some may consider to be relatively brief. There is no justification for a violation of law for 2 or 3 days or for 2 or 3 minutes or for 2 or 3 seconds. There are disastrous acts which can be accomplished in the course of 2 or 3 seconds let alone 2 or 3 days, and to say that an illegal freeze is not illegal because it lasts only for 2 or 3 days is to say in this context that you can be a little bit pregnant. But the admission of Administrator Regnery is plain on the record that there has been illegal action in cutting off these funds and it goes far beyond, as I say, the 2 or 3 days. It really goes to a period of 3 months.

A very distinguished list of witnesses testified at today's hearing, Mr. President. Ms. A.L. Carlisle, chairman of the National Coalition of State Juvenile Justice Advisory Groups, elaborated upon very vital juvenile justice programs which are being curtailed, such as drug therapy programs, alternatives to jail, and treatment for sexually abused children. Ms. Carlisle testified

about complaints received from many State administrators regarding these vital and important programs.

Prof. Marvin Wolfgang, from the University of Pennsylvania's Department of Criminology and Law, testified about the consequences of the freeze and rescission on his program.

Mr. Don Mathis, project coordinator of Centinela Valley Juvenile Diversion Project in Inglewood, Los Angeles County, California gave testimony to similar effect as did Mr. Dean Dixon, executive director of Mid-Atlantic Association of Youth Services in Doylestown, PA.

Mr. President, so that the full impact of these important statements may be before our colleagues, I ask unanimous consent that their statements be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

TESTIMONY OF A.L. CARLISLE, CHAIRMAN OF THE NATIONAL COALITION OF STATE JUVENILE JUSTICE ADVISORY GROUPS

Mr. Chairman and Members of the Subcommittee: Thank you for inviting me to appear before you today. I appreciate the opportunity to thank all of you, in person, for all of your efforts to ensure the continuation of the Juvenile Justice and Delinquency Prevention Act. The leadership and support of this Subcommittee has been crucial to the effectiveness of the Act. As Chairman of the National Coalition of State Juvenile Justice Advisory Groups, I am pleased to have the opportunity to share, with you, some of the accomplishments of the states under the Act and the impact on the states of the freeze on FY 1986 Juvenile Justice funds and the President's request to rescind those funds.

The JJDPA provides for a partnership between the Federal, state and local governments. The Federal Government provides leadership, direction, assistance and some resources to assist states in meeting the mandates of the Act and in improving their juvenile justice systems. States, in turn, contribute their own resources to continue effective projects begun with JJDP funds and to implement needed changes in their systems. States also provide leadership and direction, often through their State Advisory Groups, which are responsible for developing and implementing comprehensive statewide plans, coordinating state juvenile justice efforts, distributing JJDP funds and advocating for new and expanded services for juveniles and improvements in the juvenile justice system. Decisions on the use of these funds are based on priorities established by the State Advisory Groups in their plans. Over one-half of the members of the State Advisory Group, including the Chair, must be private citizens, i.e., not employees of Federal, state or local governments. SAG members must have experience in the field of juvenile justice or fields related to juvenile justice. Because of their experience and location in different areas of their states, they bring with them the concerns, problems and issues of their local areas, as well as their broader experience within their own areas of expertise—state youth-serving agencies, private non-profit agencies, schools, courts, corrections, businesses, etc. Decisions, in regard to planning and funding priorities, are based on each SAG's assessment of the needs within its own state. This flexibility enables each state to fulfill the intent of the Act in the way most suitable for it.

This partnership, which has worked effectively for 11 years, is now in jeopardy. With the Administration's request to rescind the FY 1986 funds, states find themselves in a difficult, if not impossible, position. With no warning at all, the FY 1986 funds were put "on hold" or "frozen" the day the President signed the appropriations bill. States were unofficially informed, in turn, that there was a freeze, that there was not a freeze, that partial awards would be made, that no awards would be made. This conflicting information came from both the Office of Juvenile Justice and Delinquency Prevention and from the Department of Justice. States were not officially informed, in writing, until February 12, when the Administrator of the Office sent states a letter saying that "FY 1986 Juvenile Justice Act funds are currently being withheld, at the direction of the Office of Management and Budget, pending a decision on a formal rescission request contained in President's Reagan's FY 87 Budget".

Formula Grant funds, which are those funds awarded to the states, were frozen in December, and none of those funds has been awarded. Some OJJDP funds, however, were excluded from the freeze. Excluded funds were funds for about six discretionary projects, funded with special emphasis funds; funds for the nonparticipating states; and some "emergency funds". It is not clear why funds for nonparticipating states were not frozen, while funds for participating states were. It is also not clear how much money was left unfrozen for "emergencies" nor for what purpose those funds will be used. A decision was evidently made to honor some commitments to some projects but not to honor commitments to the states. Many states had submitted their plans to the Office for approval in the Fall, before the appropriations bill had even passed. The Office could have recognized its commitment to the states by awarding at least partial allocations to those states whose plans had been submitted and approved.

The freeze is causing extreme disruption to the states. Five months of the fiscal year have already passed. By the time states find out whether or not they will receive their FY 86 funds, another month or two will have passed. When states actually receive their funds, assuming the rescission request is not approved, it will be too late for many projects, which are already cutting back or eliminating programs. The freeze has also affected the planning and funding processes by delaying planned activities and the start of planned projects. This freeze and rescission request happened so suddenly and so unexpectedly, there was no opportunity for state and local governments or private funding sources to assist in or assume funding for these projects. In light of Gramm-Rudman, states will not have the capability to assume the costs of these programs.

In Alabama, most of the projects funded by JJDP funds are laying people off, cutting back services and borrowing money to continue operation at a reduced level. If Alabama does not receive its funds, or assurance that it will receive its funds, by the middle of this month, all of its JJDP programs, which serve over 6000 youth, will end. Among those programs are 27 residential facilities, serving 368 juveniles. If these facilities close, the juveniles will either be "turned loose" or placed in detention facilities or adult jails. There are no other facilities available. To think that the state will be able to assume the additional costs of these programs is ludicrous. Alabama estimates it will lose $56 million in Federal funds with the first round of Gramm-Rudman. Without the alternatives to institutions, status offenders could, once again, be placed in jails because there is no other place for them. Removing juveniles from jails will become impossible.

Virginia will lose 15 programs June 30th if its FY 86 money is not received. All its programs will end by September if no more JJDP funds are received. Virginia has passed enabling legislation to require the removal of juveniles from jails but has not appropriated the money to implement the legislation. Instead, the state was relying on the FY 86 and FY 87 JJDP funds to demonstrate that community-based alternatives to jails will work. The state would then begin to assume the costs of these programs on a phased-in basis. If the alternatives cannot be provided, the legislation may be rescinded. In order to begin these programs as planned, Virginia needs to know now, if the money will be available. The development of community-based programs takes a great deal of time, effort, cooperation and coordination by many people and agencies. The groundwork can take years. If, when all the pieces are finally in place, the funds which were promised are no longer available, the entire process will collapse. Without the FY 86 funds, states will be unable to fulfill their commitments.

In Massachusetts, four projects ran out of funds at the end of December. Of these four projects, two are no longer operating, one has received a loan from Community Chest to carry it for a few months, and one is operating at a greatly-reduced level by borrowing funds from other programs. Four projects ended February 28, and four will end March 31st. These projects include family-network projects, school projects and substance abuse prevention projects, and they serve thousands of young people. One of these projects alone affects 4000 youth. All but one of Massachusetts' 21 projects will end by June 30. There is no state money available to continue these projects. Massachusetts also needs its administrative money no later than May 3, in order to continue the juvenile justice staff necessary to manage the JJDP funds. If the staff were to take the vacation time owed them, their funds would be depleted now.

In the State of Washington, all 12 JJDP-funded projects reached the end of their current contracts February 28. These projects, which include substance abuse prevention, prevention and treatment of sexual abuse, foster care services and training and high-risk offenders, serve about 5,900 youth and provide training to 250 professionals and volunteers. By using every available source of funds, it is possible to continue these projects until April 30th. After April 30th, there will be no money. Washington needs its money, in hand, not on paper, by April 30th, if these projects are to be continued. One of these projects, begun last year, treats sexually-abused boys. If the money is not received by April 30th, staff will be terminated and services discontinued. Parents and children will be notified that treatment will cease. It will not be possible to refer the children and families to another program. There isn't one. This project has been unable to obtain an emergency loan, and it is too new to have had any opportunity to acquire funding from other sources. New

projects, approved for funding to begin operations March 1, will obviously not begin.

Kentucky is in a similar situation. Funds were found to continue 11 projects, which would have ended March 31, for a few more months. However, on June 30, 26 projects will end; on August 31, one project will end; on September 30, 27 projects will end; on December 31, six projects will end; on January 31, 1987, one project will end. There are no funds available to continue these projects.

If Maine does not receive its FY 86 funds, all of its projects, including its pilot jail removal projects, will end. Two of the three staff positions, which support the State Advisory Group, would be eliminated. There are no other funds available to continue these projects at this time. Arkansas has ten jail removal projects ready to begin, as do a number of other states. Many states have flatly stated that the freeze on funds has made it impossible for them to meet the deadline for removal of juveniles from jails. Other states have said that, without the FY 86 funds, the jail removal initiative in their states will slow down or completely end. Most of the projects in all the states will end if the FY 86 money is not received.

In order to receive JJDP funds, states must develop a three-year comprehensive plan. These plans include goals, priorities and implementation strategies. Programs are funded on the basis of these state plans, and grants are often awarded for 18-month to three-year periods, since it usually takes at least that long for a program to prove its effectiveness and find other sources of funding. Even grants awarded for one year are often awarded with the understanding that continuation funding will be necessary and will be available. Without such assurances, programs would never be developed, because it is impossible to prove their worth and obtain continuation funding within a year. JJDP-funded programs have a high percentage of being continued by state, local and/or private sources of funds. Obtaining other sources of funding takes time. With this freeze and rescission request, there has been no time.

State Advisory Groups often make agreements with other State agencies or private providers of services to share the costs of beginning new programs, with state and local agencies gradually assuming complete costs. These agreements are not quickly negotiated nor are they quickly fulfilled. Most states are currently implementing the second year of their plans and are, therefore, in the middle of many activities. Agreements were made in good faith. If they are not fulfilled, the likelihood of future agreements is slim.

Implementation of the Act requires systems changes on many levels. Such change, if it occurs, come slowly, and it can take a number of years. For example, Pennsylvania has been trying for a number of years to establish a statewide management information system. The State Advisory Group funded a demonstration project in one county, which has proved to be very effective. Other counties, under pressure to automate, are interested in using the same system so that all computers and software are compatible. Even the city of Philadelphia, which had previously been reluctant to become involved, has evidenced an interest in being part of a statewide information system. The FY 86 funds were to be used to assist in the effort to make all information systems compatible. Without some resources and a coordinated effort, possible through the use of JJDP funds, each county may develop its own system, which might not be compatible with the systems of other counties. Pennsylvania has other regional and statewide programs ready to begin, which will not be funded without JJDP funds.

In order to ensure the most effective use of Federal funds, states have developed careful grants award and review procedures. Many states request proposals to provide specific services. Several states, among them Tennessee, Vermont, Georgia and New Jersey, have delayed requesting proposals because of the uncertainty of FY 86 funds. These delays will result in comparable delays in actually awarding funds and beginning planned programs. Deadlines, including those mandated by the Act, will be difficult, if not impossible, to meet.

Some people in the Administration have stated that the states will continue their effort in regard to the Act and the funding of programs and that no further contribution from the Federal Government is needed. This statement is not true. The examples above from a sampling of states make it clear that states simply do not have the resources to continue these programs at this time. Chances are that existing state-funded programs will be reduced or eliminated because of Gramm-Rudman. Without the resources of the Federal Government, small though they may be, the entire JJDP effort is jeopardized.

Some people in the Administration say that the goals and the mandates of the Act have been achieved, and, therefore, the Act is no longer necessary. This statement is also not true. While progress has most definitely been made, the goals and mandates of the Act have not been met.

Participation in the Act is voluntary, and the 52 states and territories, which currently participate in the Act, have made a commitment to meet the mandates of the Act. There are 43 states and territories in compliance with the deinstitutionalization mandate of the Act. More information is needed from five states to determine if they are in compliance. Two states have been found not in full compliance, and one state is not in substantial compliance. One state must demonstrate progress, which it has done. There are 33 states in compliance with the mandate to separate juveniles from adults. Ten states are making progress, and more information is required to make a determination on six other states. One state is making progress but must demonstrate compliance, and two states are making no progress. Data on the jail removal mandate are not yet available, since states will not begin to report this information until their 1986 monitoring reports.

It is important to point out that these figures are based on the monitoring reports from the states, which, under OJJDP regulations, allow for certain exceptions. The allowable exceptions—juveniles held in jails under six hours, status offenders held under 24 hours, juveniles held outside a Standard Metropolitan Statistical Area—are not counted for purposes of monitoring reports. Even if all states were found to be in compliance with all the mandates, it does not necessarily mean the intent of the Act would be fully met. The above information indicates that we still have much to accomplish. There are still status offenders being held in jails and institutions. There are still some 240,000 juveniles detained in our jails every year, and many of those are not separated from adults. We cannot stop our efforts now.

The Act is broader than its mandates. It also includes prevention, specific activities and programs, coordination of juvenile justice efforts at all levels of government, improvements in the juvenile justice system itself. These efforts are ongoing. Change does not come easily or quickly to bureaucracies or systems. It takes a long time to establish credibility with the number of entities involved in and with the juvenile justice system and to institutionalize new approaches. Until such time as juvenile delinquency is no longer a problem, the Act will be needed. Only with the concerted efforts of Federal, state and local governments and only by working with juveniles to prevent them from entering the adult criminal justice system or, even better, the juvenile justice system, will we ever make an impact on crime in this country. The Juvenile Justice and Delinquency Prevention Act remains our most effective mechanism for reducing juvenile delinquency and improving the quality of justice for juveniles.

TESTIMONY OF MARVIN E. WOLFGANG

Widespread agreement exists that the only method appropriate for the determination of delinquent and criminal career parameters such as: age at onset of criminal behavior, behavioral antecedents of criminal behavior, the seriousness of a developing criminal career, the effects of various interventions on subsequent criminal and delinquent behavior, early behavior and delinquency as they relate to adult criminality, the timing of intervention especially as related to the aging process and its effects on criminality, early childhood and youthful experiences and their relationships to delinquency and criminality, the prediction of subsequent criminal activity from prior behavior and so on, is to pursue these criminal policies and intellectually relevant concerns by means of long-term longitudinal studies.

Regardless of the method, attempts to supply this kind of knowledge from less expensive and time-consuming techniques (simple cross-sectional analyses of synthesized cohorts generated by cross-sectional designs) have been inadequate. Authentic longitudinal birth cohort studies have been shown to produce the only truly valid behavioral links over time that permit causal statements relevant to policy decision-makers to be made for the development of strategies for the prevention and control of delinquent and criminal behavior.

This work has been primarily and first undertaken in the United States at the Sellin Center. In addition, and just as important, this work has been supported exclusively by OJJDP. Owing to the foresight and sustained interest of OJJDP this valid criminal justice resource has been and continues to be developed. However, the work is far from completed, specifically with regard to the 1958 Birth Cohort Study and, in general, with regard to the causes and prevention of juvenile delinquency. Crime continues to be a major problem for our society. In fact, in a recent survey of corporate executives undertaken in Philadelphia, over 60 percent cited crime as the major factor in determining the location of their corporate headquarters and work places.

The 1958 Birth Cohort Study, with its yet to be accomplished field work interview survey, is the only study of its type and magnitude now underway in the United States. Funding loss for this project would bring to an end not only this crucial field work on crime causation, intervention effec-

tiveness, childhood experience and delinquency and self-report criminal violations; it would also bring to a halt the extensive analyses yet to be performed on the existing data base gathered on the 30,000 members of the 1958 cohort.

In short, just as we are approaching the completion of the largest and potentially most useful attempt ever undertaken to resolve many of the issues mentioned above, the last and smallest proportion of the funding now under debate would, if withheld, result in the complete shutdown of the project and the loss of its most valuable products.

The effect of this funding loss, even for a short period of time, would be devastating. Trained personnel would have to leave the project, the contract with the interviewing agency would be violated and start-up, if attempted at a later date, would be difficult because of the loss in data continuity which would occur—police files are routinely destroyed, addresses change and qualified personnel have to be located and trained. Essentially, the long-term cost would far outstrip the short-term gain realized by eliminating this project.

In conclusion, the loss of OJJDP funds would have a far-reaching effect for this project in all of the areas we have discussed above: crime causation, crime prevention and control, both in the scholarly and policy-relevant areas. This research at the Sellin Center would end, as well as one of the country's major attempts to address the major social and economic problems, those of the prevention and control of criminal violence and property loss.

TESTIMONY BEFORE THE UNITED STATES SENATE SUBMITTED BY DONALD W. MATHIS

Good morning, Mr. Chairman, and I thank you for this opportunity to testify before the Subcommittee on Juvenile Justice on the need to maintain and strengthen the federal role in services to our nation's troubled youth and families. I especially want to commend you, Senator Specter, for your exemplary leadership in chairing this Subcommittee and for your diligence in protecting America's youth, families, and communities. Indeed, all of the distinguished Members of this Subcommittee have provided many years of outstanding work with juvenile justice and delinquency prevention legislation, policy, and oversight.

I am Donald W. Mathis, acting project coordinator of the Centinela Valley Juvenile Diversion Project in Los Angeles County, California. This project is administered by the City of Inglewood Police Department. Prior to my current position, I was the associate director of the National Network of Runaway and Youth Services in Washington, D.C. From 1984 through this past January, I served as co-chair of the Ad Hoc Coalition for Juvenile Justice and Delinquency Prevention. My testimony in support of the success and continuation of the Juvenile Justice and Delinquency Prevention Act (JJDPA), Mr. Chairman, reflects my 15 years experience as a community volunteer, project administrator, and program advocate for services to children, youth, and their families.

Mr. Chairman, my testimony in support of the JJDPA focuses on the following three major facts:

JJDPA funds and legislative priorities *directly* help troubled youth and their families, law enforcement systems, and units of government in California and in states and communities across America.

The federal investment of Office of Juvenile Justice and Delinquency Prevention (OJJDP) formula grant funds to states is cost-effective in both the short and long term. The modest investment of $70.2 million for the overall JJDPA leverages many millions of other public and private funds and resources to address the problems of juvenile delinquency and youth crime.

The Reagan Administration's arguments for defunding and dismantling OJJDP are specious and dissolve under careful scrutiny. In fact, most state and local OJJDP funded projects embrace and adhere to many of the public policy themes offered by this Administration.

JJDA FUNDS WORK WELL IN HELPING YOUTH, FAMILIES, AND COMMUNITIES

Everyday, Mr. Chairman, I see the positive effects of OJJDP funds in the community where I work, the heavily-populated Centinela Valley area of Los Angeles County. Parenthetically, in previous jobs I have had, I also have seen firsthand the value of these funds with the Alabama Department of Corrections facility in Mt. Miegs (AL), the Lexington Fayette Division of Children's Services (KY), Cincinnati's New Life Youth Services program, and the Youth Resources Center in Hyattsville (MD).

The Centinela Valley Juvenile Diversion Project (CVJDP) receives $22,559 of OJJDP formula grant money which is administered by the California Office of Criminal Justice Planning. Last year these funds provided psychological counseling, parent training, truancy abatement, remedial education, and other much-needed services to more than 100 troubled youth and their families who had been referred to the project by juvenile court, probation, police departments, the schools, and other social service agencies.

CVJDP's goal is to prevent delinquency by providing youth with skills and opportunities to make positive contributions to their community, and by providing our communities with alternatives to processing early offenders through the criminal justice system. Last year, we provided services to 358 youth and were able to obtain service for another 713 youth and families at no cost to the project.

Juvenile delinquency and crime are severe problems in the Centinela Valley, which includes the cities of Inglewood, Lawndale, Hawthorne, Gardena, and Lennox. Of the 358 youth served by CVJDP last year, 224 (62 percent) had arrest records for 187 felonies and 126 misdemeanors. The police departments in the respective cities have identified at least 38 youth gangs that engage in crime.

A substantial number of these youth come from poor and/or single parent families. 30 percent have no working parent. A majority of the youth (57 percent) come from homes where there is a single parent or no parent. Only 15 (4.1 percent) of the youth we served came from families having any applicable insurance to pay for the kinds of mental health/counseling services needed either by the youth or their family. Few of these covered the full cost of service.

Mr. Chairman, this past summer I had the privilege of doing a workshop before the California Peace Officers Association. At that time, I learned that the cost of constructing and maintaining one secure detention cell for one year in California was $90,000. For $90,000, CVJDP could serve well over 300 youth.

Although OJJDP funds constitute only 16% of CVJDP's annual budget, these funds are absolutely essential to the continuation of my program, and indeed, to more than 90 municipal and community-based agencies throughout California. Historically and at present, OJJDP formula grant funds continue to leverage other public and private funds for juvenile justice and delinquency prevention services. For example, under California's "County Justice Subvention Program" (Assembly Bill 90), CVJDP receives $92,448 in state funds. This state progam was specifically established to augment funds and support the mandates of the federal Juvenile Justice and Delinquency Prevention Act.

OJJDP funds also help leverage private dollars for CVJDP, ranging from the United Way to the Hollywood Park Racing Charities to the local Kiwanis and Optomists Clubs respectively. My experience has proven to me that the private sector will contribute to juvenile justice and delinquency prevention programs if and only if the private sector knows that they are partners and not the sole support of programs.

For this reason, Mr. Chairman, I continue to be dismayed at the Administration's repeated attempts to defund, freeze funds, rescind, zero budget, and generally do everything that it can to undermine the effectiveness of the JJDPA. Your leadership, Mr. Chairman, along with the strong and consistent bipartisan support in both the Senate and House, have resulted in the preservation of the JJDPA and its funds. This Administration should immediately give up its vendetta against the juvenile justice program and support the efforts of states, cities, municipalities, and families to help their troubled youth.

OJJDP-FUNDED PROGRAMS ARE SHORT TERM AND LONG TERM COST-EFFECTIVE

While I have offered some implicit arguments earlier in my testimony to support the above statement, additional measurable evidence is available. With regard to the CVJDP, 157 (70%) of the youth served last year were not rearrested. Moreover, Mr. Chairman, I would be pleased to provide this Subcommittee with many pounds of client (youth and parent) satisfaction reports which show how our progam has reduced school violence, promoted family stability, and given these high-risk youth some personal skills that they can use to promote their own self-sufficiency and lead law-abiding lives.

Other California OJJDP grantees have achieved noteworthy and measurable successes. Specifically,

The Youthful Offender Treatment Project in Sacramento has helped alleviate the serious overcrowding in a California juvenile hall (secure detention facility) and through its residential and employment services, the program has found jobs for 65 percent of its paroled youth. Other state programs average only 20 percent employment for such youth.

The Dispositional Alternative Project in San Diego provides an alternative to costly probation and juvenile court services and also saves federal, state, and county government funds by reducing secure detention and out-of-home placement costs. The recidivism rate of youth served by this project is well below the state average.

The recently started Industry Network Project, conducted by the California Youth Authority, is working cooperatively with the Industry Education Council of California and an advisory committee of leading business representatives to capture training and

job slots for delinquent and adjudicated youth.

Mr. Chairman, the 93 California projects that receive OJJDP funds demonstrate one of the major strengths of this federal assistance. Namely, OJJDP funds support the innovative and state-of-the-art service, treatment, and research projects, which in turn, states, municipalities, and the private sector can then adapt to improve the overall juvenile justice services systems in their respective locales. For example, in his 1986-1987 budget, Governor Deukmejian announced a $750,000 gang suppression initiative to be carried out by community-based organizations. It was prior and current year OJJDP funding that lead the Governor to include this line item.

In summarizing these arguments, Mr. Chairman, let me refer to two recent national reports, "Reconnecting Youth" by the Education Commission of the States and "All One System" by the Institute for Educational Leadership. The following quotation from "Reconnecting Youth" captures the dramatic impact of a problem that is most familiar to the police, courts, and youth service providers.

In 1978, young adults constituted 23 percent of the U.S. population. By 1995, they will constitute only 16 percent, shrinking by one quarter the size of the entry-level labor pool. Within that shrinking labor pool is a growing pool of "at-risk" young men and women: people in their teens and early twenties who could become productive citizens but most likely will not unless something out of the ordinary happens. They have the intelligence to succeed, but they lack important skills, family support, discipline and the motivation to make it. An unconscionably number of them are poor, Black and Hispanic youth.

The economic impact of the above is examined in "All One System", for example, back in 1950, when Americans retired on Social Security, there were 17 people in the work force contributing to each person's pension. But in 1992, there will be only 3 working-age people to pay for each retiree's benefits, and one of those will be Black or Hispanic. And unless we do a better job preparing our children to be productive members of society, the chances are that 1 of the 3 will be receiving some form of public assistance.

Mr. Chairman, I am not naive enough to suggest that the $70.2 million of OJJDP funding is going to magically reverse these most serious trends. But as you well know from your outstanding work as District Attorney for the City of Philadelphia, these two reports are referring to many of the same (but not all) of the youth who enter the juvenile justice system. The simple fact is that economically, our nation cannot afford to waste or turn our backs on any single young person in this country, be those youth delinquent or not. Continued, "unfrozen" funding for the JJDPA is one proven way of rectifying this disaster which may well undermine our entire nation.

THE ADMINISTRATION'S ARGUMENTS FOR DEFUNDING OJJDP REFLECT POOR LEADERSHIP AND POOR PUBLIC POLICY

Mr. Chairman, I must commend the creativity of this Administration in its construction of arguments as to why OJJDP should be defunded, and thereby in fact, dissolved. Early during the JJDPA reauthorization efforts in 1984, the Administration trotted out the line that the program should be killed because it didn't work, i.e. the Act's goals of deinstitutionalization of status offenders and separating juveniles from adults in jails were "soft" notions. The concept of "delinquency prevention" was challenged by the Administration to the point of ridicule.

More recent pronouncements by the Administration show a complete 180 degree shift. Now the program should be abolished because it has succeeded and met its goals. The problems, furthermore, which the JJDPA addresses, are state and local problems and therefore the funds to resolve those problems should be state and local and any other non-federal funds.

Mr. Chairman, let me begin my closing defense of the OJJDP program by readily acknowledging that I am aware that the program is not perfect. Nor do I disagree with every program priority that the Administrator Al Regnery has begun and implemented. But it seems patently clear that this program should be maintained and, if anything, the funding level should be substantially increased, especially the formula grants provisions.

It simply is not enough for President Reagan to commend public/private partnerships and challenge the youth of America to fully participate in our society without providing the necessary funds to implement these visions. OJJDP projects help youth meet these challenges and promote exactly the kind, of public/private partnerships which the President supports. For this, OJJDP should be maintained and strengthened, not dismantled and undermined.

I thank you for this opportunity to testify and respectfully ask that you and the Members of the Subcommittee maintain your strong oversight of OJJDP. The youth served by the Centinela Valley Juvenile Diversion Project are the immediate winners, and in the end, our whole nation benefits.

TESTIMONY OF DEAN DIXON, EXECUTIVE DIRECTOR OF MID-ATLANTIC ASSOCIATION OF YOUTH SERVICES BEFORE THE U.S. SENATE JUDICIARY SUBCOMMITTEE ON JUVENILE JUSTICE

As Executive Director of the Mid-Atlantic Association of Youth Services, I believe the proposed rescission of all FY 86 Office of Juvenile Justice and Delinquency Prevention funds (OJJDP) would impose a hardship on existing and proposed juvenile justice programs across five Mid-Atlantic states and the District of Columbia. MAAYS is funded through a coordinated networking grant by the Department of Health and Human Services to aid runaway and homeless youth and their families in Pennsylvania, Virginia, West Virginia, Delaware, Maryland, and the District of Columbia. Allocations for the Region based on formula grants is as follows:

Delaware	$225,000
Maryland	704,000
Pennsylvania	1,888,000
Virginia	926,000
West Virginia	344,000
District of Columbia	225,000
Total	4,312,000

Ruth Williams, Program Manager of the Pennsylvania Commission on Crime and Delinquency states that Pennsylvania has spent OJJDP funding on post-adjudication programs mostly dealing with the serious and violent offender. "If this funding capability is eliminated," she said, "the PCCD cannot maintain credible technical assistance to juvenile court programs throughout the Commonwealth."

In Philadelphia, she noted, the Juvenile Court Judges Commission, the PCCD and groups representing the Philadelphia Juvenile Courts were asking funding for improvement in the Philadelphia Juvenile Court MIS. Because the hardware and software used by the city was not compatible with that used by the state, incomplete data was being received by both parties. Philadelphia was planning to reautomate, purchase new hardware, and hire a programmer. Ms. Williams states that this plan is now in jeopardy due to the proposed rescission of FY 86 OJJDP funding. In past years, the Commonwealth had funded a system improvement in the Dauphin County Juvenile Court MIS through OJJDP funds. FY 86 funds were to be used to replace this in 10-15 other counties in the state. Similarly, plans to replicate a comprehensive MIS effort in Northumberland County dealing with Children and Youth are in jeopardy because OJJDP funds were earmarked for this in FY 86.

The National Center for State Courts funded a two-year study of the Philadelphia Juvenile Justice System with the Commonwealth following up with a report that included 70 recommendations. FY 86 funds were to be used to implement a number of changes recommended by the center.

In the area of prevention, the Commonwealth's emphasis has been on family prevention. Once a youth is in the system, the prevention program involves family counseling and an innovative truancy reduction program. In Philadelphia, CORA Services has initiated such a program. All residential community-based programs must have an aftercare component, and family-based programs; and OJJDP FY 86 funds were to be used to continue and replicate such programs. The North Central Secure Treatment Program in Danville deals with the serious, violent, habitual offender. Youth are placed in treatment phases outside of the secure treatment unit into a neighboring building. Their families are on site and this component, as a forerunner to after care, places a heavy emphasis on family counseling and family acting-out. Continuation and replication is jeopardized by discontinued/rescinded FY 86 funds.

Philadelphia Juvenile Court Judges have sought 20 after care and probation workers for FY 86 to be funded through a continuation of FY 84 and 85 OJJDP Funds. This reflects the Commonwealth's emphasis on aftercare and intensive probation. In all likelihood, such positions would not be created were funds to be discontinued.

In Virginia, James Roberts of the Commonwealth's Bureau of Corrections Services, states that Virginia intended to fund 28 projects serving a variety of youth with FY 86 funds. Without these funds being reintroduced, projects scheduled to begin July 1st would be funded until September 30th with existing funds, then all would close down October 1st.

Ron Collier, a Criminal Justice Analyst with the Bureau, states that twice his office requested OJJDP respond on the status of FY 86 plans and "received no answer." This has "devastated our planning process," he said, "without knowing how much we have to allocate, it has completely destroyed our process." He went on to explain that their review process begins in February, with the advisory board reviewing proposals in March, and the Governing Board reaching final decision in early May. There is then only one month to administer the award process.

There are 13 continuation programs affected, he said, and the missing link is the time calendar.

Maryland is an outstanding example of how the intent of the program has NOT been met through deinstitutionalization. In Maryland, OJJDP funds are allocated to the Juvenile Justice Advisory Council, who in turn allocates them to community-based programs that exist to deinstitutionalize youth. According to Kris Mayne, Executive Director of Youth Resources Center in Hyattsville and Secretary of the Maryland Association of Facilities for Youth, the state mandated a managerial study conducted by an independent consultant. Reporting to the Department of Health and Mental Hygiene, it expressed a strong disapproval of two facilities: the Charles Hickey School, an institution for serious offenders 16 years and older; and the Montrose School for boys and girls. The study said these schools, located in Baltimore County, were seriously overcrowded, that Montrose should be closed, and Hickey reduced in size from 400 to 200. The study strongly recommended more money be placed into community programs that exist to help these offenders outside an institution. Ms. Mayne notes that if the OJJDP funding allocated to Youth Resources through JJAC is rescinded, her program would "close or be seriously affected." Obviously, not only has deinstitutionalization failed to take place, but the agencies empowered to deinstitutionalize WILL be seriously affected.

As Ms. Williams pointed out, elimination of funding capability means the states cannot maintain credibility. This is even more important at the local level. Federal funding through OJJDP shows that others care, and enables programs to solicit matching funds, and develop grants and gifts from the United Way and foundations both corporate and private. So the situation that could exist is one of double-jeopardy, where the elimination of Federal Dollars means you lose the other funding as well.

This continued freeze of FY 86 OJJDP funds will mean the closing down of some programs, and elimination of essential and expanded services in others that were planned. The Office of Management and Budget is wrong when they state that termination will have negligible impact on the criminal justice program. There HAS been program disruption and numerous programs WILL cease to exist. Extremely important studies on juvenile delinquency and pilot programs such as those in Pennsylvania, will be halted.

As Executive Director of the Mid Atlantic Association of Youth services, I join you in your deep concern that Congress' express intent be carried out and that all remaining funding appropriated for Juvenile Justice and Delinquency Prevention be made available for obligation in FY 86.

Mr. SPECTER. Mr. President, I ask unanimous consent also that the full statement of Administrator Regnery be printed in the RECORD so that his position may be before our colleagues as well.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF ALFRED S. REGNERY, ADMINISTRATOR, OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION

Thank you, Mr. Chairman, for inviting me to testify this morning on the activities of the Office of Juvenile Justice and Delinquency Prevention.

I know that uppermost in the minds of the Subcommittee Members is the situation involving the future of my Office. As you are aware, Mr. Chairman, the President, as he has done each year since taking office, has requested no funding for OJJDP for the next Fiscal Year. In addition, the President's budget request for FY 1987 also contains a request for a rescission of almost all of the FY 1986 funds appropriated for OJJDP.

While you, Mr. Chairman, and other Members of Congress have expressed your dismay to the President, to the Attorney General, and to me over this seeming lack of concern for the welfare of those served by OJJDP, I would like to take this opportunity to point out that the President must be concerned with the welfare of all Americans.

Over and over again, in opinion poll after opinion poll, the American people have cited the Federal deficit as the biggest problem faced by the Nation. They know that the Federal government cannot keep spending money it does not have. Congress, in passing the Balanced Budget and Emergency Deficit Control Act last year, recognized that severe measures must be undertaken to control runaway spending before the dramatic improvement in the Nation's economy experienced under this Administration is irreparably reversed.

The program of spending cuts and other reforms contained in the President's FY 87 budget would lead to a balanced budget at the end of five years and would thus remove a serious impediment to the continuation of the country's economic expansion.

In crafting his budget, the President had the responsibility of ensuring that those programs that can only be carried out by the Federal government—those for the Nation's defense, for the protection of the poor and the elderly, or for the enforcement of Federal laws, for example—were adequately funded. Other programs, particularly those that have accomplished their original purpose, that could be better operated by state and local governments, or that could be supported by the private sector, can no longer be supported with Federal funds.

This Administration believes that the programs of the Office of Juvenile Justice and Delinquency Prevention fall into this latter category.

In 1984, when the Federal deficit was $185 billion, the country's state and local governments enjoyed a combined surplus of approximately $50 billion. Why should the Federal government, which is operating under a huge deficit, pay for programs that benefit state governments, when those same government are oprating under budget surpluses? Why should the Federal government continue borrowing money to pay for programs the states could support with their own funds?

As you know, Mr. Chairman, through the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, Congress gave OJJDP a mandate to assist the states in three specific areas: deinstitutionalizing status offenders (those juveniles whose offenses would not be offenses were they adults), diverting them from the judicial system and out of secure detention facilities and into community-based, non-judicial settings; separating delinquent juveniles from institutions in which they have regular contact with adults; and removing juveniles from adult jails or lockups.

A survey by my office, however, found that the states use only a small portion of OJJDP funds in support of the jail removal and deinstitutionalization mandates. In FY 85, states spent only 23 percent—roughly $9.3 million—for preadjudicatory alternatives in support of jail removal and the deinstitutionalization of status offenders. The largest percentage of funds—27 percent or $10.8 million—is spent on treatment and rehabilitation programs. Another 23 percent ($9.1 million) is spent on prevention programs, 20 percent ($7.8 million) is spent on system improvement programs, training, for example; and 2.5 percent ($960,000) is spent on advocacy programs. Thus, states are using Federal funds to finance programs they would support, and do, in fact, support, regardless of Federal assistance.

Although many of these are worthwhile programs, that does not mean that the Federal government should continue to provide funds for them. As President Reagan has so aptly pointed out, we can no longer afford every good program.

Meanwhile, states continue to move toward compliance with the mandates of the Act. As of the end of 1985, 43 states and territories have met the requirements of the Act by demonstrating substantial or full compliance with the deinstitutionalization mandate. As a result, juvenile status offenders are now only rarely held in secure detention facilities. Thirty-three states have complied with the requirements for the separation of adults and juveniles in adult jails and lockups, and 20 states have enacted legislation in support of the jail removal mandate. I have attached to my testimony the latest summary of states' compliance with the mandates of the Act. The summary contains data from the states' 1984 monitoring reports.

I am convinced that the states that now participate in the OJJDP program will continue their commitment to the deinstitutionalization, separation, and removal mandates even without the relatively small amount of Federal funding provided for these purposes. In fact, since the funds OJJDP provides to states are insufficient to cover the full cost of deinstitutionalization, separation, and removal, states participating in the program already have shown their commitment to the goals of the Act and to a large extent have supported compliance with state and local funds.

And inasmuch as it is the states who are paying most of the cost of the Act's mandates, it should be the states that decide how best to comply with them. Thomas Jefferson once warned, "Were we directed from Washington when to sow and when to reap, we should soon want for bread." And President Reagan has said time and again that we must recognize the constitutional principles of Federalism so that we can limit Federal intrusion and cumbersome Federal regulation regarding states and local matters.

There is no reason to believe that, in the absence of Federal support, states will now retreat from a commitment in which they themselves already have so heavy an investment, both financially and philosphically. Rather, following 11 years of Federal assistance, states and localities would now take over full support of what clearly is solely a state and local responsibility.

In the same way, other programs proven successful that have been supported using OJJDP funds would continue with state, local, or private funds. Federal grant money never was intended to be the continued sole support of new programs. For this reason, most projects are supported only for a period of three years. After that time, projects that have proven successful or worthwhile to a community are expected to

become self-supporting or to be supported through state, local, or private funds.

OJJDP also has supported, through its National Institute for Juvenile Justice and Delinquency Prevention, a relatively small number of research projects. While this Administration supports the role of the Federal government in research, a separate unit subsidizing research on juvenile justice is not needed. Research in juvenile justice comprises only a small part of research on crime and justice. The National Institute of Justice serves as the research arm of the Department of Justice, and the Administration has pledged to continue support for this agency, which already conducts a number of research projects relating to juveniles.

MISSING CHILDREN

During the more than three years of my administration of the Office, we have supported many worthwhile programs. Perhaps the most gratifying to me is the success of our Missing Children's Program.

I would like to clarify some of the confusion about funding for this program. The Missing Children's Program was authorized by the Missing Children's Assistance Act of 1984 and has an appropriation separate from that of OJJDP. The Administration requested and Congress has appropriated $4 million for the program in FY 86. No rescission of these funds has been requested.

In addition, the President has expressed his continuing support for efforts to recover missing children and prevent the abduction and exploitation of children by requesting $4 million for the program for FY 87. I think you will agree, Mr. Chairman, that this is evidence of the Administration's continuing concern for the welfare of these endangered children in appropriating these funds in what otherwise is a very lean domestic budget.

By passing the Missing Children's Assistance Act, Congress recognized the need to coordinate resources, develop, standardize, and disseminate effective policies and procedures regarding missing children across all jurisdictions, and provide a central focus for research, data collection, policy development, and information about missing children.

As required by the Act, a Missing Children's Advisory Board was appointed in January 1985 and met four times during the year. The Advisory Board advises the Attorney General and OJJDP on coordinating missing children's programs and activities and also provides advice in establishing funding priorities under the Missing Children's Program.

The Board also has prepared a comprehensive report on missing children that it plans to submit to the President, the Attorney General, and the Congress the day after tomorrow.

The report makes recommendations on the steps that should be taken to reduce the problem of abducted, abandoned, and runaway children and discusses the unintended consequences of deinstitutionalization on the problem. In addition, it addresses the question of the number of children actually missing, and clarified some of the issues that continue to surround that question.

In accordance with the Act and with the advice of the Advisory Board, OJJDP has established seven funding priorities for the Missing and Exploited Children's Program.

First, a National Incidence Study to Determine the Actual Numbers of Missing Children will provide a comprehensive, reliable assessment of the missing children problem. To plan for this study, OJJDP solicited the expertise of researchers from various fields who had designed, funded, or conducted studies with similarly complex problems. A panel of these researchers met last August to advise OJJDP on issues that should be considered in designing the study. Based on the advice of this panel, OJJDP is undertaking a number of initial pilot tests to determine the best approaches for a later series of larger studies that will provide reliable estimates of the incidence of missing children, information on the context of the events, and data on the characteristics of the victims.

The second priority is a National Study of Law Enforcement Agencies' Policies and Practices for Handling Missing Children and Homeless Youth. Applications for this study have been reviewed, and we plan to make an award within the near future. The study is designed to describe current law enforcement policies and practices and to identify the most effective law enforcement methods for handling reports and investigating, identifying, and recovering children who may be missing or homeless and at risk of exploitation. The study also will provide better estimates of the number of cases of missing children reported to law enforcement agencies annually.

Under the third priority, funding has been provided to the Federal Law Enforcement Training Center at Glynco, Georgia, for a training program on handling missing and exploited children. The program is intended to help Federal, state, and local law enforcement personnel gain a better understanding of the problem of missing and exploited children and improve their skills in handling related cases.

The fourth priority is research on the relationship between missing and abducted children and sexual exploitation; the psychological consequences of abduction and sexual exploitation; and the child victim as witness. Research strategies for these issues are being developed by OJJDP.

The fifth funding priority is a training and public awareness program for practitioners involved with missing and exploited children.

OJJDP and the National Center for Missing and Exploited Children are developing, under the sixth program priority, an assistance program that will make up to 20 small, one-time awards to states that have legislatively established, state operated clearinghouses that serve as central repositories of information on children believed to be missing in the state. These two-year awards are intended to encourage states to develop clearinghouses and operate uniform data collection systems. States selected to receive OJJDP funding will be responsible for compiling accurate and relevant statistics and collaborating with the National Center for Missing and Exploited Children and OJJDP-sponsored research initiatives.

The final priority is assistance to private voluntary organizations. A cooperative agreement has been made to provide training and technical assistance in organization and administrative management for private voluntary organizations involved with missing and exploited children.

Through this program, there will be training sessions at 16 sites around the country during the next two years, a national conference of missing children's agencies, the identification and selection of five exemplary programs as host sites for training and technical assistance, and development of guidelines for successful missing children agency operation. Through a subcontractural agreement, the Adam Walsh Child Resource Center in Fort Lauderdale, Florida, will provide approximately 25 percent of the training.

Organizations participating in the program will be invited to submit applications for modest assistance and funds to further enhance their capabilities. These grants will focus on unique or especially effective programs run by private organizations.

The OJJDP Missing and Exploited Children's Program also supports the National Center for Missing and Exploited Children, which was established with OJJDP funds. The National Center serves as a national resource center to assist parents, citizens groups, communities, law enforcement agencies, and government institutions in a coordinated national effort to ensure the safety and protection of children. The Center operates a national toll-free telephone hotline through which individuals can report information relating to the location of missing children or to request information about procedures for reuniting children with their legal guardians. Since beginning, the hotline has received more than 100,000 calls and the Center has assisted in the recovery of some 3,600 children.

NEW PROGRAMS

While the budget situation has necessitated holding in abeyance funds for most programs planned for support in FY 86, several important new programs were begun early in the fiscal year which I would like to discuss.

In November, a cooperative agreement was made with the National District Attorneys' Association's American Prosecutors Research Institute to establish a National Center for the Prosecution of Child Abuse. The Center will provide technical assistance, training, and clearinghouse services to improve local prosecutors' handling and treatment of child victims. The Center also will develop model legislation and conduct training for others involved in the prosecution and treatment of child physical and sexual abuse cases.

Another new project, the Private Sector Probation Program, is designed to demonstrate the feasibility of private sector involvement in the delivery of probation services currently being provided by the public sector. During my tenure as OJJDP Administrator, Mr. Chairman, I have been encouraged by the considerable interest of the private sector in providing services in many areas of the justice system. Private sector spending already far outweighs government expenditures for criminal justice services, and I believe that the private sector will relieve more and more of the burden from overwhelmed government agencies.

Faced with fiscal constraints, local policy makers have begun looking for new approaches and techniques to operate probation departments more cost-effectively.

Research studies indicate that referral to probation is the most common juvenile court sanction used. More than 80 percent of adjudicated offenders are placed on some form of probation. The provision of probation services consumes the largest share of state and county correctional dollars, and generally employs the greatest number of correctional professionals.

The Private Sector Probation Initiative would target local and state jurisdictions that are interested in contracting out either selected parts of their probation functions or the entire probation function to a private

sector agency and provide assistance in developing such contracts with the private sector.

CONCLUSION

Although other programs were planned for implementation in FY 86, no further awards will be made until Congress makes a decision concerning the President's request for a rescisson of OJJDP funds. Of the $67.6 million appropriated for OJJDP in FY 1986 (not including the Missing Children's appropriation), $60,797,000 is proposed for rescission. An additional $2.9 million will be sequestered under the March deadline of the Balanced Budget Act.

While I believe the Office of Juvenile Justice and Delinquency Prevention could provide some valuable information to the criminal justice community about juvenile crime and delinquency through the programs I have outlined here today, the simple fact is that the Federal government cannot afford them.

Thank you, Mr. Chairman, I will be pleased to respond to any questions you or Members of the Subcommittee may have.

Mr. SPECTER. Mr. President, during the course of these hearings, I was joined by the distinguished Senator from Alabama, Senator DENTON, who stated his own view that the action taken by the Office of Juvenile Justice and Delinquency Prevention was wrongful, that these funds ought to be expended. Senator DENTON left Administrator Regnery with the question what was going to happen with the programs in the State of Alabama, after Senator DENTON enumerated a series of complaints and requests which he had received from people in his State on these very important programs.

Senator SIMON of Illinois raised similar questions. Senator MCCONNELL of Kentucky raised similar questions.

Mr. President, a resolution which this Senator has offered to disapprove this rescission request now has a total of 51 sponsors and cosponsors.

Mr. President, I consider it to be a matter of the utmost importance and shall confer later today with the majority leader to bring to the floor the resolution of disapproval of the action taken by the executive branch in requesting the rescission.

Mr. President, it is vital that the juvenile justice funding move forward, and that is especially true in the context of the history of the plain congressional mandate on this important subject.

In the fiscal year 1981 budget, the Office of Juvenile Justice and Delinquency Prevention was funded at $100 million. The administration proposed elimination of funding and this Senator, in his capacity as chairman of the Juvenile Justice Subcommittee, proposed restoration of $70 million for OJJDP on the proposition that there should be a moderate program carried forward to care for the juveniles and children of America. Each year the Congress has spoken in unequivocal terms directing that the program be maintained in the face of repeated efforts by the administration to eliminate the program totally.

That statement was made again as recently as December 18, 1985, when Senate Resolution 278 was introduced and passed by unanimous consent the following day. I do not have to elaborate, Mr. President, upon the difficulty of getting something through the Senate on December 19, 1985. If any Senator had objected, the matter would have been resolved at that point in the crowded calendar which confronts this body that late in the year. But the resolution disapproving the informal freeze was passed by unanimous consent, reflecting the conviction of this body that the programs for juvenile justice should be carried forward.

Mr. President, the juveniles and children of America do not have any political action committees. They do not have lobbyists to come to Washington.

They are unable to speak about their vital interests. But there is a panoply of problems among juveniles which range from missing children, to children who have run away from their homes, to children who have been victims of pornography, to children who have taken on the fad of suicide, to children who are using drugs, and to children who are in the twilight zone between lives of crime and lives as constructive citizens.

When I was district attorney of Philadelphia, Mr. President, I saw a recurrent pattern where a child would be a truant at 7 or 8, a delinquent at 9 or 10, petit larceny at 11 or 12, burglary of vacant buildings at 13 or 14, robbery at 16 or 17, and robbery-murder at 19 or 20. And that is a pattern which this very modest program for juvenile justice seeks to prevent.

In the context where the Congress of the United States has spoken so frequently and so unequivocally, it is imperative that the executive branch follow the mandate and release the funds so that these programs for juvenile justice can go forward.

When this Senator questioned Mr. Regnery as to his understanding as to congressional intent on this subject and received from Mr. Regnery the statement that he did not know what Congress' intent was, that is an assertion which this body and this Congress simply cannot accept.

Therefore, I ask my colleagues to consider this issue, and I will ask the leadership to bring this resolution of disapproval forward at the earliest possible moment.

I thank the Chair and I yield the floor.

FARM LEGISLATION

Mr. DOLE. Mr. President, it had been our hope to bring up the farm package at 11:30. The distinguished chairman of the committee, Senator HELMS, is on the House side until about 12:15 or 12:30. In the meantime, we have just concluded a meeting—myself, Senator MELCHER, Senator HARKIN, and incoming Secretary Richard Lyng—to see if we could address some concerns that Senator HARKIN had. There are other USDA people on their way up here to look at how we might be able to work out one of the problems. But as far as the proposal to advance up to 50 percent of the loan is concerned, I understand the administration is strongly opposed, and there is no way to work it out.

Until Senator HELMS arrives, we will not be able to move to the farm package. That is the one including the dairy provision sponsored by the Presiding Officer, Senator KASTEN, Senator LEAHY, and others. It also includes the yield provision, the underplanting provision, the change in the status of the White House agricultural trade representative, and the targeted export assistance program changes. I still hope we can complete action on this package and on the CCC appropriations this afternoon, and hopefully get to the armor-piercing bullet legislation later today. Then tomorrow at noon we should start on the constitutional amendment for a balanced budget.

As I indicated, tonight could be a late night if we are not able to resolve the debate on the farm bill. We are advised that, with signup starting tomorrow and with no CCC supplemental appropriation, it is going to be very difficult for the ASCS office to operate. They will not be able to write checks and farmers going in to sign up for the program will not know what the program is. Therefore, I hope those who still want more done will let us move ahead on this legislation and perhaps address their concerns later this spring when we get into farm credit legislation.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DENTON). Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, we have a negotiation going on in my office with reference to this little farm package. I think it is in the best interests of those involved and others that we stand in recess. In addition, Senator HELMS cannot be available until about

1:30 p.m. So let us stand in recess until 1:45 p.m.

RECESS UNTIL 1:45 P.M.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate stand in recess until 1:45 p.m. today.

There being no objection, the Senate, at 1 p.m., recessed until 1:45 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. HECHT].

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Ohio.

Mr. METZENBAUM. Mr. President, what is the pending order?

The PRESIDING OFFICER. The Senate is in morning business.

FARM LEGISLATION

Mr. METZENBAUM. Mr. President, I rise not because I have any particular subject on my mind but because it is my understanding that we had recessed until 1:45 and that it was intended we would take up the farm bill at that point. I have an interest in the farm bill, and I may have an amendment in connection therewith, but I am concerned that the matter be called up when some of us are not on the floor. There is an important Budget Committee meeting at 2 o'clock which I expect to attend, but I do hope that all of us who have a concern about this subject will have our rights protected. I do not think it is appropriate that we be expected to remain on the floor constantly. I certainly respect the leadership role in calling up matters when and if they deem it appropriate, but I just think we all ought to be given adequate notice in advance since we had been told it would be at 1:45.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, we are going to try again in a few minutes to bring up the food security improvements amendments. Senator HELMS, chairman of the committee, will be here momentarily. We have just had a meeting of the Agriculture Committee to approve two nominations.

I hope we will be able to get this finished. It has been literally a wasted day and a half trying to get something done. In my view, we have addressed the concerns of nearly every Senator. I hope those Senators who want this bill passed on both sides of the aisle will come to the Senate floor so that we can hear some expression, a bipartisan expression, that this is important to their farmers because we are sort of at the point where, if we do not do it, it is not going to be worth doing.

I am also advised that unless we can pass the little legislative changes we are not going to be able to pass the $5 billion appropriations matter which is certainly urgent because, as I understand it, they will be locking up some of the windows as far as borrowing and mailing out checks to farmers. So I see the chairman is now on the floor. Perhaps we should allow a few moments for Members on each side who have an interest in this matter to come to the floor.

Again, I indicate that there were a couple of meetings this morning, one that I attended with Secretary-designate Richard Lyng, Senator MELCHER, and Senator HARKIN. There was a later meeting that I did not attend involving Acting Secretary Naylor, Senator HARKIN, Senator LEAHY, Senator MELCHER, and Mr. Amstutz. I understand one of the two concerns was at least resolved to the satisfaction of some Senators.

As I understand, we are down to the question of whether we are going to include in this package advanced payments for Commodity Credit Corporation loans, crop loans. That is a matter that the administration opposes, and a matter they suggested that we might more appropriately deal with when we get into farm credit.

So in any event, it would be my hope that maybe after a brief quorum call of, say, 5 minutes all Senators who have an interest in this matter—hopefully some Senators who are for it, because I think most of us are—would be here to express their views, as well as those who may have problems with it.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. DOLE. I am happy to yield.

Mr. HELMS. Has notification been put on the hotline in the Democratic cloakroom and the Republican cloakroom?

Mr. BYRD. I suggest we have a live quorum and have them all here. How about that? That is one way to do it.

Mr. DOLE. I do not like to punish people who may not be here. I think those who have an interest will be here, I think, in 5 minutes. It is not of interest to every Member of the Senate.

Mr. BYRD. It should be. Every Member has to vote on it, I guess.

Mr. DOLE. Every Member eats. They ought to worry about farmers. Let us try it the other way: If no one shows up, we may go live.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 4:30 P.M.

Mr. DOLE. Mr. President, I understand there will be a meeting in the distinguished minority leader's office concerning this Food Security Improvement Act and amendments, and that that meeting will probably last until about 4:30. I think it probably best that we stand in recess.

Mr. President, I ask unanimous consent that the Senate stand in recess until 4:30.

There being no objection, the Senate, at 3:58 p.m., recessed until 4:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer, Mr. EVANS.

Mr. HELMS. Mr. President, consultation continues with respect to the farm legislation that we have been attempting to bring up as the distinguished occupant of the chair knows. We hope that we will be able to call it up and act upon it yet this evening.

In the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

VERMONT ROYSTER

Mr. HELMS. Mr. President, while we await the return to the floor of the players in this great game of political eyeballing on the farm legislation, as in morning hour, let me comment on a friend of mine, a native of Raleigh, NC, who in my judgment reached the pinnacle of journalistic excellence in the United States. His name is Vermont Royster. Those of us who know him well use his nickname "Bunny" Royster. By whatever name, he is a man of civility.

Fifty years ago today Vermont Royster went to work for the Wall Street Journal and, as he says in a column published in today's edition of that newspaper, he was the low man on the totem pole. In this column, headed

"End of a Chapter," he relates some of his experiences, many of his impressions of people and events of the half century during which he served in one capacity or another on one of the Nation's great newspapers.

Mr. President, Vermont Royster is now retired in Chapel Hill. During the past 2 years he suffered a stroke from which he has largely recovered but when he "retired" from the Wall Street Journal, and I put that word in quotes because he did not retire; he continued to write three times a week a splendid column entitled "Thinking Things Over."

Mr. President, Vermont Royster has been very much on my mind today because I consider his last column, published in today's edition of the Wall Street Journal, not merely the end of a chapter but the end of an era because here is a man who understands the meaning and importance of objectivity. Moreover, as much as any man I have ever known, Vermont Royster understands the miracle of America. That has been always evident throughout his remarkable career.

Since he relinquished his day-to-day duties at the Wall Street Journal, he has been living in Chapel Hill, the home of the University of North Carolina, an institution from which Mrs. Helms was graduated some years ago. I will not say how many years. It is an institution noted for excellent basketball teams and for many other things, but it is also noted for a very fine school of journalism, once headed by a delightful man named O.J. Coffin. We called him "Skipper" Coffin, because there was never any question about who was in charge. And Skipper Coffin was a man of journalistic excellence.

Mr. President, "Bunny" Royster came home frequently to visit with various clubs and organizations. He was honored by just about every group in our State and by many outside of our borders. And lest I appear to be delivering a eulogy, let it be emphasized that Vermont Royster is going to be around a while enjoying life and perhaps deciding that he will again sit down at his typewriter and knock out future columns, entitled "Thinking Things Over." I certainly hope he will, because the profession of journalism needs Vermont Royster and his wisdom, his integrity, his honesty, his ability.

Vermont, as I said earlier, recapped in his final column today many of his memories as he experienced them over a half century. And, as he put it at one point in the column:

As it is, I can leave with a treasure house rich in memories, and not alone of presidents and politics. When I began in 1936 The Wall Street Journal was a small paper with a circulation of barely 35,000. By 1971 when I retired as the paper's Editor it exceeded a million. Since I left it has doubled, to more than two million in the U.S.; It's also published in Europe and Asia.

Then, he added:

How that growth came about is also a part of my memory.

And he concluded in a very touching way, certainly to this friend of his. He wrote:

After 50 years watching that dream being fulfilled I cannot just stop without regret. So I hope this is not the end of the story. I intend now and then to submit some offerings to the editors on various subjects which, perhaps, they will think worth printing. There will be no longer, though, the regular weekly conversations with the readers. I have grown too weary of mind for that.

Not too weary to remember, of course, and memory is a pleasure that grows richer with age. These 50 years have seen much turbulence for the country. But for a journalist, let me confesss, they have all been fun. So if this is not, as I hope the end of the story, I am content that it be the end of a chapter.

Mr. President, I am very proud of Vermont Royster and I shall always be grateful that he is my friend, as I have been his. He is a fine American.

Mr. President, I ask unanimous consent that the column by Mr. Royster be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Mar. 5, 1986]

END OF A CHAPTER

(By Vermont Royster)

It was March 1936 and as a 22-year-old I had just joined The Wall Street Journal's Washington bureau. Low man on the totem pole, of course, but the late Bernard Kilgore, then the bureau chief, let me write a few brief and inconsequential items now and then which the newspaper published.

So that means I have been writing for the Journal in one capacity or another for 50 years. A half-century is a span to spur nostalgia and give one to think.

They have been a fascinating 50 years for a journalist. They began with the years of the Great Depression and the coming of World War II. After a brief hiatus while I did some world travels courtesy of the U.S. Navy, they resumed in the Truman era when I myself served as Washington bureau chief. They have continued to this day.

My journalistic years thus embrace nine presidents from Franklin Roosevelt to Ronald Reagan. In that period there have been other wars—Korea and Vietnam—and other troubled times for the country. Several periods of inflation as well as other recessions, although fortunately none like the 1930s. All manner of public disturbances from the labor riots of the thirties to the race riots of the sixties.

Political upheavals, too, as the Democratic Party dominance was interrupted by Eisenhower, returned with Kennedy and Johnson. Thereafter came Nixon, Watergate, our first-ever presidential resignation and our first ever non-elected president in Gerald Ford. Later our first truly Southern president since the Civil War in the person of Jimmy Carter. Then with Ronald Reagan, our first openly avowed conservative to occupy the White House (for two terms) since Herbert Hoover.

It all began for me, amid the excitement of youth, with the on-going efforts of FDR and his New Deal to solve the Depression. All those efforts failed but my memory is clogged with remembrance of the colorful characters of that time now vanished into the history books. Of Henry Wallace and Henry Morgenthau, of Harold Ickes and his arch rival Harry Hopkins. With a bottle at hand I once "struck a blow for freedom" with John Nance Garner, FDR's crusty vice president. I remember standing in awe of courtly Speaker William Bankhead and in fascination before Joseph P. Kennedy, founding father of that enduring political clan. I knew among others Sen. Tom Connally of Texas, he with the flowing locks, Sen. Walter George of Georgia, whom FDR tried unsuccessfully to purge from the Democratic Party.

Although I know time may romance years past, it seems to me their counterparts today are, by comparison, a dull and somber group. Able men no doubt but wanting the verve to make politics fun-filled for the spectators. Except perhaps for Tip O'Neill and Jesse Helms we watch only dancers in a stately quadrille.

Among the presidents of my time Harry Truman was the most likeable as a person despite all his troubles, Jack Kennedy the most exciting, Eisenhower the most underrated. Richard Nixon was a character right out of a Greek tragedy, a potentially great man with a fatal flaw. Lyndon Johnson the most tormented. Jimmy Carter and Gerald Ford are the nicest men you would ever want to know but neither strong enough to wear the presidential mantle without stumbling.

Ronald Reagan, whose time is not yet done, is the most self-possessed of them all, unruffled by any slings or arrows. No one has ever called him a brilliant man. He is, rather, a man of deep instincts strengthened by long life and many years in the political wilderness. Those instincts, no different now than when he was governor of California, are for a nation less burdened by government and the taxes it lays on its citizens. It is an irony that he has come to preside over the government's greatest deficits and the greatest burden of debt. How President Reagan will ultimately be measured must await history.

Having been privileged to follow so much history-in-the-making I am tempted to keep a journalistic eye on what unfolds hereafter. But 50 years is a long time and there comes a time when time should have a stop.

So with today's column I will call a stop. This will be my last appearance in The Wall Street Journal under this familiar rubric.

This column itself is a quarter-century old under this byline. I inherited it from two distinguished predecessors, the late Thomas Woodlock and William Henry Grimes, both of whom were Editors of the Journal before me. For each of us in turn it was a way to keep a journalistic role without the daily pressures in a newspaper office. I am grateful to the present managers and editors of the paper for allowing me this little space to put forward such thoughts as I might have and to leave me unrestrained as to my peculiarities of style or substance.

I admit to some sheepishness at this decision. After all, Woodlock was older than I when he wrote his last column from his hospital bed to be published posthumously. James Reston, older than I, still fills his place on The New York Times. And I am mindful of others who kept on in their journalistic endeavors long past my three score

and twelve. David Lawrence, columnist when I began, was still writing in his eighties. So was Arthur Krock. Walter Lippmann outlasted the New York Herald-Tribune where he began.

But I offer no apologies. I fear the day when readers—or those present Journal editors—come to think I've outrun my time. Besides, I already find myself repeating myself. How many times can I deplore the government's deficit or inveigh against other recurring political idiocies without using shopworn words? Better to leave all that to younger minds which come afresh to age-old problems.

As it is, I can leave with a treasure house rich in memories, and not alone of presidents and politics. When I began in 1936 The Wall Street Journal was a small paper with a circulation of barely 35,000. By 1971 when I retired as the paper's Editor it exceeded a million. Since I left it has doubled, to more than two million in the U.S.; it's also published in Europe and Asia. How that growth came about is also part of my memory.

The chief architect of the transformation was Bernard Kilgore, the one who was my bureau chief so long ago. While many others contributed to this growth—able editors, executives and pioneers in the printing trade—his was the vision of a newspaper that could span this huge country delivering the same news on the same day to readers in Portland, Maine, and Portland, Ore. Doubters said it could not be done but the newspaper you hold today, better edited and more complete, is his monument. Other publishers of national newspapers came thereafter. Kilgore had the dream first and saw it fulfilled.

After 50 years watching that dream being fulfilled I cannot just stop without regret. So I hope this is not the end of the story. I intend now and then to submit some offerings to the editors on various subjects which, perhaps, they will think worth printing. There will be no longer, though, the regular weekly conversations with the readers. I have grown too weary of mind for that.

Not too weary to remember, of course, and memory is a pleasure that grows richer with age. These 50 years have seen much turbulence for the country. But for a journalist, let me confess, they have all been fun. So if this is not, as I hope, the end of the story, I am content that it be the end of a chapter.

Mr. HELMS. I thank the Chair and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PRESSLER). Without objection, it is so ordered.

FOOD SECURITY IMPROVEMENTS ACT OF 1986

Mr. DOLE. Mr. President, I understand from my colleagues that my Democratic colleagues who have had an interest in this legislation have had a meeting and have certain suggestions that might permit us to move on this legislation—not only on the 10-point package, but also on the CCC supplemental and might even move into getting clearance on another piece of legislation not related to agriculture, the armor-piercing bullet legislation. I am not certain what transpired in the meeting, but the chairman of the Committee on Agriculture [Mr. HELMS] is here, the ranking Democratic member [Mr. ZORINSKY] is on the floor. It is my hope that we could have permission to get unanimous consent if we send a proposal to the desk and ask for its immediate consideration and that that not be objected to. Then Members who have amendments could offer their amendments.

There is one thing that I understand, that the Senator from Iowa would like to offer his amendment on advance payments provided it not be subject to a point of order. I have not checked that with the Parliamentarian, but I do not know of any other conditions or any other amendments that might be forthcoming from the other side—or this side. There may be amendments on this side that I am not aware of.

Mr. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. DOLE. I shall be happy to yield.

Mr. BYRD. Mr. President, I do not think there is any objection on this side, nor has there been, as far as I am aware, to proceeding with the supplemental appropriations bill. We can do that, I think. I know of no objection to that. I had expected to do that yesterday. If that will help the distinguished majority leader in his planning.

Mr. DOLE. I understand there is objection on this side to proceeding with the appropriations bill.

Mr. SYMMS. Yes, Mr. President, there is objection to the appropriations bill. The appropriations bill provides payments to the farmers to compete against nonprogram-crop farmers. We would be getting the cart before the horse if we pass the CCC appropriations bill now. I think the two are directly related.

Mr. BYRD. Mr. President, if the majority leader will allow me, it may be the cart before the horse; I do not know. It may be the horse before the cart. I shall not venture a guess.

Mr. DOLE. There may not be a horse or a cart if we do not do something.

Mr. BYRD. I think both the horse and the cart are there if the distinguished majority leader wants to call up the appropriations bill.

Mr. DOLE. What about the other bill?

Mr. BYRD. Mr. President, where is the other bill?

Mr. DOLE. We have already gone through that. It was printed in the RECORD the other day.

Mr. BYRD. It does not have a number.

Mr. DOLE. No, but we have done that with a couple of Philippines resolutions from the other side a couple of times.

Mr. BYRD. But it has not been introduced as a bill or resolution.

Mr. DOLE. Mr. President, it is in the proposal.

Mr. BYRD. As far as I am concerned, I am saying, tear it out of the RECORD and introduce it.

Mr. DOLE. The distinguished chairman of the Agriculture Committee has it.

Mr. HELMS addressed the Chair.

Mr. BYRD. I would say we could probably do the appropriation bill in 5 minutes.

Mr. DOLE. Pardon?

Mr. BYRD. We could probably do the appropriation bill in 5 minutes as far as I can see on this side.

Mr. HELMS. Will the Senator yield?

Mr. BYRD. Yes.

Mr. DOLE. I yield the floor,

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I send a bill that has been under such discussion the past several days to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. I did not hear what was said.

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. Reserving the right to object——

Mr. DOLE. He just sent it up and asked for its immediate consideration.

Mr. HARKIN. Mr. President, reserving the right to object, is there a unanimous-consent request before the Senate now?

The PRESIDING OFFICER. There is a unanimous-consent request for the immediate consideration of the bill from the Senator from North Carolina which has been sent to the desk.

Mr. HARKIN. Mr. President, further reserving the right to object, a parliamentary inquiry. Do we have a number on the bill?

The PRESIDING OFFICER. The bill has no number.

Mr. HARKIN. Further parliamentary inquiry, Mr. President. Is there a bill at the desk?

The PRESIDING OFFICER. There is a bill at the desk. The bill has not been introduced.

Mr. HARKIN. But the bill has not been introduced yet?

The PRESIDING OFFICER. There is a unanimous-consent request for immediate consideration.

Mr. HARKIN. Mr. President, further reserving the right to object, my inquiry again is exactly what it is we are being asked to move to right now. I assume that it is some part or all of some so-called technical corrections

that were offered last Friday. There was several points that were changed.

Mr. President, I would like to inquire, is this the exact same proposed bill that was printed in the RECORD yesterday? Is it the exact same bill or has there been a change made?

The PRESIDING OFFICER. The Chair is in no position to answer that question.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. HARKIN. Yes.

Mr. DOLE. There was one change we made at the request of the Senator from Iowa and the Senator from Montana.

Mr. HARKIN. Is that one on the Targeted Export Assistance Program?

Mr. DOLE. Target assistance.

Mr. HARKIN. Is there anything else?

Mr. DOLE. I do not know of any others.

Mr. HELMS. This is the only one. There is a change as the majority leader indicated made at line 21 on page 13 of yesterday's draft. The Senator will recall that there were three changes made from the Friday draft incorporated in the draft yesterday. Now, this change and the only change in the text printed in the RECORD yesterday provides that for fiscal years 1986 through 1988 the Secretary of Agriculture must use not less than $110 million for CCC funds or commodites for targeted export assistance. The figures for targeted export assistance listed in the previous draft were $50 million in CCC funds or commodities and that was done to break it out at the zero level.

Mr. HARKIN. Mr. President, further reserving the right to object, as the distinguished majority leader has just said, we had a meeting on this side of the aisle to discuss some possible compromises that might be made to move this legislation along, along with the dairy provision that I believe the distinguished Senator from Wisconsin and others wanted. I am not certain that all avenues have been pursued to see whether or not there might be a compromise which might remove objections that some of us might have on this side to bringing this up.

I do not wish to unduly delay the proceedings. But I think that this request by the distinguished chairman of the Agriculture Committee is a bit premature at this time in that there might be the possibility—I hope in a short period of time that we might have some compromise agreement that would move this along and that would satisfy both sides on this. I can only speak for myself. I think the distinguished Senator from Montana also has some problems, but he can speak for himself. So, Mr. President, therefore, because I do believe that it is premature at this time——

Mr. MELCHER. If the Senator from Iowa, Mr. President, is going to object, would he mind withholding that objection for a moment?

Mr. HARKIN. I am reserving the right to object.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Parliamentary inquiry. Does the package at the desk contain anything that would be subject to a point of order concerning Gramm-Rudman?

The PRESIDING OFFICER. The Chair is not in a position to know.

Mr. MELCHER. Would the chairman care to let us try to make a unanimous-consent request?

Mr. HELMS. I am sorry.

Mr. MELCHER. If the Senator will withdraw his unanimous-consent request for a moment, would the chairman agree to letting us try a unanimous-consent request from this side?

Mr. HELMS. Well, let us just go with this one——

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. And see if there is an objection.

Mr. BYRD. Mr. President, may I make a suggestion? Whatever the request is the Senator from Iowa wants to have added, if he wants to call up an amendment or whatever, why not see if this would be agreeable to the chairman and the distinguished majority leader. Perhaps it can be called up in a way that would accomplish whatever the Senator has in mind without an objection.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Further reserving the right to object, I might inquire of the distinguished Senator from North Carolina, will the Senator so modify his unanimous-consent request to include that an amendment be offered by this Senator which would mandate that the Secretary of Agriculture provide up to 50 percent of the Commodity Credit Corporation loan for which a farmer would be eligible at the time he has signed up in the program, and that such amendment would not be subject to any points of order under the Budget Act?

Again, let me repeat that, Mr. President. Would the distinguished Senator from North Carolina modify his unanimous-consent request to include in the unanimous-consent request that this Senator be allowed to offer an amendment providing that at least 50 percent of the Commodity Credit Corporation loan would be made available to the farmer at time of signup and that such amendment would not be subject to any points of order under the Budget Act?

Mr. HELMS. Will the Senator yield?

Mr. HARKIN. I would be delighted to yield to the Senator from North Carolina.

Mr. HELMS. Mr. President, there is no way on Earth I can agree to that.

Mr. SYMMS. Will the Senator yield?

Mr. HARKIN. Mr. President, I still have the floor.

Mr. HELMS. We are involving the Budget Committee and all. I am not interested in being lynched by the Budget Committee so I could not agree to that, I say to the Senator.

Mr. HARKIN. Mr. President, again it would be a unanimous-consent request. Of course, we would have to see if there were any objections that would lie against that. I do not know, there may not be any objections to it. There may not be any objections.

Mr. SYMMS. Will the Senator yield?

Mr. HARKIN. Mr. President, reserving my right to object——

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. SYMMS. Will the Senator from North Carolina yield for an observation?

Mr. HELMS. I am delighted to yield.

Mr. SYMMS. If the Senator on the other side of the aisle will allow the Senator from North Carolina to bring up the bill that he has at the desk, he is certainly in order to offer any amendment he chooses, if that is his position.

Mr. HARKIN. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The Senator from Iowa reserves the right to object.

Mr. HARKIN. Again, we are asking for unanimous consent to move ahead on something that is not a bill, that has never been introduced as a bill. It was printed in the RECORD and obviously changed.

Then, again, I still think we should have a broader unanimous-consent request that would incorporate what many of us feel is something that the farmers need and need very drastically right now, and that is the low-interest-rate loans.

I hope we could modify the unanimous-consent request. I hope that the Senator from North Carolina would modify it to include that. As I understand it, the answer is that he will not do it.

Therefore, Mr. President, I am reserving the right to object; and I am constrained, I guess, to say that I will object, and then offer a unanimous-consent request that would incorporate everything that is in the unanimous-consent request of the distinguished Senator from North Carolina, plus asking that an amendment I would offer on the CCC loans not be subject to any points of order under the Budget Act.

So I do, therefore, object.

The PRESIDING OFFICER. Objection is heard.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, let us be clear about what the distinguished Senator from Iowa has proposed. He has proposed—and I have declined—that by unanimous consent, we abrogate the Gramm-Rudman-Hollings effect on this legislation. I cannot do that. As a matter of fact, there was much scurrying around between the time the Senator mentioned it and it was heard on the squawkbox in the office, and I have heard from the Budget Committee, and they say, "No." So, obviously, there will be an objection to that by the Budget Committee and perhaps other Senators.

I hope the Senator will be willing to let us proceed with this legislation, and then he can offer whatever motion or amendment he wishes, and let the Senate dispose of it. I do not think he really wants to put another Senator, especially this Senator, in a position of saying, take it or leave it, as regards abrogating Gramm-Rudman on this legislation. I cannot do that, and the Budget Committee will not. I hope the Senator will let us proceed. The Senator's rights will be protected on everything. He can get a vote on any motion or any amendment he wishes to offer.

Mr. HARKIN. Mr. President, will the distinguished Senator yield?

Mr. HELMS. I yield, if I do not lose my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. I thank the distinguished Senator for yielding.

I remind the distinguished chairman of the Agriculture Committee that when the 1985 farm bill came on the floor, it too, was subject to a point of order under Gramm-Rudman; and this Senator, even though I was opposed to it—and the chairman knows that full well—did not raise the point of order at the time and went ahead and let it pass.

So there is precedent here, in the last couple of months, to allow a bill to come on the floor, not subject to points of order. It happened on the farm bill, so I do not see why we cannot do it now.

Mr. HELMS. I do not quarrel with the Senator's rationale. I am talking about reality. There will be objection from the Budget Committee.

Mr. MELCHER. Mr. President, will the Senator yield?

Mr. HELMS. I yield.

Mr. MELCHER. Mr. President, of course, there might be objection if everybody were here. What we would like to do is weigh out the proposition.

What is involved is getting the interest rates for this portion of the loan at 7.5 percent, which is a reduction from whatever the farmers happen to be paying—13 percent to 14 percent in general. So it is a significant reduction in interest rates on loan money that would be available.

While there may be objections by the Budget Committee or perhaps others in waiving the point of order, the merits of the argument need to be considered, because it does not cost any more—moving this portion of the loan up to this fiscal year rather than the coming fiscal year. The savings for the farmers are very substantial. They are not really into what Gramm-Rudman is or what an objection is from the Budget Committee. What they, the producers, understand is that the interest rates on this amount of money would be reduced substantially, and therefore it would give them a much better chance for economic recovery.

I hope we can pose this unanimous-consent request at a time when Budget Committee members are here, and see whether they would be agreeable to it. It is virtually impossible to get all 100 of us here at any one time. We understand that. It is quite impossible to get any 15 or 20 of us on any committee to agree. But I do not believe we are really asking too much if the merits of the argument could be heard.

Perhaps we are at a little disadvantage, in that the issue has not been discussed with a large number of Members present. If it were discussed, if they were here, perhaps we could work it out.

There might be other ways of arriving at reduced interest rates, but they do not seem to be available to us right now, except this one procedure, which obviously does not cost the Treasury any more and obviously has great benefits for the producers, in that that portion of the loan money would be 7.5 percent, and that money would be available for their spring planting, fertilizing, and other needs at a reduced rate of interest. That is all that is involved here, in the amendment of the Senator from Iowa. I think it is worthy of consideration.

Of course, it could be voted down, even if the points of order were waived. It does not mean that it would be accepted. If we go the other route and, instead of a simple majority, need 60 votes, it becomes even less likely that it could be adopted—that is, 60 votes to waive Gramm-Rudman—and we would have a unanimous-consent request.

I understand the concern of the chairman and the majority leader in getting the bill up, and I intend to work along with them, as would others on the Democratic side, to arrive at some point where we could consider a bill.

We would like consideration of this unanimous-consent request from anybody who might object to it on the Budget Committee. I see one or two members of the Budget Committee present—not very many. I wonder if we might pose that question at a later time.

Mr. KASTEN. Mr. President, will the Senator yield for a question?

Mr. HELMS. In just one moment. I have the floor.

Mr. KASTEN. I apologize to the chairman.

Mr. HELMS. Mr. President, I thank my friend from Montana.

He said farmers may not understand Gramm-Rudman and I think that is probably right. On the other hand, the farmers do understand a $2 trillion national debt and its impact upon them. They do understand a $200 billion deficit and the impact upon them.

One thing is for sure—all Senators should understand that very well.

I wish that all I had to do was the way it was done around this place 1 year before I came here and since I arrived—just decide who gets what and write the chit for it and let it go.

But the string has run out. We have a responsibility to examine these things for the impact on the deficits.

I do not see the difference—and I say this with all due respect to the Senator—between hashing this out in a unanimous-consent request and his offering it in the form of an amendment or a motion and let it go to the desk. That is the way it is going to have to happen eventually anyhow.

I yield to the Senator from Wisconsin.

Mr. KASTEN. I thank the Senator from North Carolina for yielding.

I ask a question of either the Senator from Montana or the Senator from Iowa. As I understand it now, we are making at least some progress. It is my understanding from the chairman that there is no limitation on amendments that would be offered. The Senator from Montana said there may be a question as to the budget ramifications of one particular section of the package. It seems to me we ought to simply go forward, agree to the unanimous-consent request of the Senator from North Carolina, the chairman of the committee, agree to what we can agree on, have that as a base, and make our points and debate all the issues involved. By that time we should know what the budget implications are going to be.

If the Senator from Montana wants to have members of the Budget Committee here during that time, we can get on the phones and people can come here, but we should proceed because we have been at this, some of us, for about 3 weeks. The March 1 date has gone by and every day at 5:30 or quarter of 6 we come here and say we ought to have just one more pause to resolve just one other question.

I hope Senators would agree to the unanimous-consent request, so that we could go forward with the piece of legislation that we have ready, without in any way prohibiting people from adding amendments or debating the bill. Let us get started.

I especially hope that the unanimous-consent request of the Senator from North Carolina would not be objected to by farm State legislators who are in support of what we are trying to do.

Objections ought to be put aside for the time being. We should proceed so that we can be voting on something.

The issues are before us. We now agree on underplanting, we agree on dairy, and a number of other points. The ones we do not agree on, let us consider amendments and vote them up or down, involve the Budget Committee, CBO, anyone else who is interested, and at least get started so that the farmers of this country will know the Senate is beginning to act.

To be going on 3 weeks, with no action at all is unconscionable.

Mr. HELMS. I agree with the Senator.

Mr. SYMMS. Will the Senator yield?

Mr. HELMS. I yield without losing my right to the floor.

Mr. SYMMS. I thank the distinguished chairman and concur with what the Senator from Wisconsin just said.

I would say further to my colleague from Iowa, and the chairman of the Agriculture Committee touched on it briefly, the one thing that farmers in this country do understand is the impact of where interest rates are going. Since this Congress brought Gramm-Rudman before it and passed it, as the Senator may be well aware, the bond market has moved up 25 major market points. Bonds are almost up to where they are selling at par now, long-term bonds.

What that means for the farmers in my State, in Iowa, and in North Carolina is that money is going to be available to them both in commercial lending institutions and in the Farm Credit System at a lower interest rate.

For us to tamper with Gramm-Rudman could trigger a sell-off of those very positive indications to interest rates that would be very negative to farmers in Idaho, in North Carolina, in Iowa, in Montana. It would be a real mistake for us to do it.

The point of the Senator from Wisconsin is very true. If this Senate wants to vote on waiving the rules, they certainly have the right to do it, and that is what it will come down to anyway.

There is no way to interpret an objection to the request of the chairman of the Ag Committee except as an attempt to slow down settlement of this issue, delay it, and make more problems for the farmers in Iowa, in Idaho, in North Carolina, in Montana, in Wisconsin, everyplace else.

From the Senator's viewpoint there is nothing to be gained by Senators strictly objecting to this, thinking somehow there is going to be some kind of a partisan gain by objecting to timely consideration of the Food Security Improvements Act. In my view, if anything, the results will be all negative. The partisan fallout will be against those people who are obstructionists to this process. It will not work out the way they think.

We have the same problem in Michigan, I would say to my colleague from Iowa, as we have in Idaho. He is certainly not benefiting the Senators from his side of the aisle who represent the Michigan bean growers.

I urge him to rethink his position. If we could get Senator HELMS' bill up, and discuss the bill, the Senate will work its will on it. If the good Senator from Iowa wants to offer an amendment on mandatory advance payments, he may do so. The Senate can act on it, we will go ahead and pass the bill, and then the CCC bill can come up and be passed rapidly.

It is very unfortunate that this dilatory action is taking place here. I personally regret to see it happen because it hurts the farmers of America.

Mr. ABDNOR. Mr. President, will the chairman yield?

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. HELMS. Let me be sure I understand the parliamentary situation now. My unanimous-consent request has been objected to; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. The objection was made by the Senator from Iowa [Mr. HARKIN].

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. I yield the floor.

Mr. HARKIN addressed the chair.

Mr. ABDNOR. Will the Senator yield?

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Thank you, Mr. President.

Mr. President, I want to make it clear that this Senator is not interested in dilatory tactics. What this Senator is interested in doing is addressing the real problems facing our farmers out there right now.

I have discussed this at length with the distinguished majority leader and others on that side and on this side. There is no doubt, I think, in anyone's mind, that one of the problems facing farmers right now is credit. I understand those who grow edible beans may have a problem, and I am not entirely opposed to doing something to rectify that, although I might add that by changing that you are taking away a provision in the farm bill that was advantageous to my farmers in Iowa, quite frankly. I am willing to compromise on that issue.

But the real problem that is facing us out there is the fact that farmers in the Midwest, also in the South, that are getting ready to plant crops this spring, do not have enough credit at a reasonable interest rate to buy the seed, the fertilizer, the fuel, the replacements or parts that they may need for their machinery, to get the crop in the ground.

Right now, Mr. President, the Federal Reserve Bank in Chicago, the Chicago district, reports that the average interest rate for agriculture loans is now 12.7 percent.

I can tell you, Mr. President, in Iowa it is 13 and 14 percent. I think that is about the same in Minnesota, maybe 12 or 13 percent.

So here we have a need to get this credit out to farmers. They either cannot get it locally or if they can, they can get it anywhere from 12 to 14 percent to get that crop in the ground.

There is a way already in the farm bill, section 1003 of the farm bill, that permits this to be done, for the President to allow a farmer at time of signup to get an advanced portion of the loan that he is entitled to get in the fall when he harvests the crop if he is in the program.

So by advancing this Commodity Credit Corporation loan, let us say, 50 percent of the loan at the time of the signup, that means that those farmers in the Midwest and the South, and other parts of the country, would get a loan at 7¾ percent interest and it would not cost the Government anything.

If the Budget Committee is concerned about budgetary impact, I point out that these farmers are going to take these loans out after October 1 anyway, so there is no net cost to the Government. We are just moving it up by 6 or 7 months, plus the farmers would have to pay interest. But instead of paying 12, 13, 14 percent, they will be only paying 7¾ percent interest.

So that is the real need that is out there right now.

What I am hearing from hundreds and thousands of farmers is that they need a break on their interest rates. That is what they really need. So that is why this Senator has taken the floor to try to get this accomplished, because it is a real need out there and it is something that could be done without costing the Government anything at all.

For the life of me, I do not understand why the administration—and I say the administration and I do not say anybody on that side of the aisle because I think there is support on that side of the aisle for this—but why

the administration is so adamant in not being willing to take this step. As I said, it is authorized in the farm bill. The President has the authority to do that. It would not be subject to Gramm-Rudman if he did that and it would indeed be a great help to our farmers.

Now, I had hoped that the administration might move on this. So far they have not. I do not know if that can be chalked up to the fact that we do not have a Secretary of Agriculture at this time. We have a designee, an individual for whom I have the highest respect. I wish he were in there full time right now. I am ready and willing to vote on his confirmation any time. Maybe that is the problem. Maybe we do not have someone down there that is willing to really take this to the highest levels of the administration and say that this might be a reasonable course of action.

So I am not, Mr. President, trying to in any way be dilatory, but I am trying to address a real problem out there in a way that really does not affect the budget. The distinguished chairman of the Agriculture Committee talked about the deficit. This does not affect the deficit one iota; not one iota. Yet the benefits the farmers would get would be tremendous.

Mr. President, I also want to address myself to another point that has been raised here on the Senate floor and perhaps in the news media, and that has to do with the fact that some farmers are not going to be allowed to sign up for the Farm Program and that if we do not take this course of action, there will be confusion out there or that we will have to postpone it further, and that if the farmers are not allowed to sign up that it will indeed be because those of us who are interested in getting different provisions on this are not allowing this so-called bill, without, a number, to go forward.

Mr. President, I just want to point out that the farmers could have signed up in this program on January 1, 2 or 3 or any time between then and now. It was not this body, but indeed it was the administration that put off the signup period until after March 1 for the farmers.

Now, why did they do that? Well, they did it because there is a provision in the farm bill that says that a farmer who signs up for a Commodity Credit Corporation loan and signs up in the farm program, that that contract cannot be modified by Gramm-Rudman; in other words, that contract would hold notwithstanding any of the provisions of Gramm-Rudman. That means, if the adminstration had allowed the farmers to sign up in January or February, that farmers would have had a higher target price and loan rate this year. Even through Gramm-Rudman had some cuts coming on March 1, it could not have modified those contracts. That was in the farm bill. That is why, Mr. President, the administration put off the sign-up period until after March 1; not the Senate, not the U.S. Congress, but the administration. They put it off until March 1 and now we are having fingers pointed at us saying we are holding up the signup.

We are not holding up the signup at all. They can go ahead with the signup. They could have gone with it a month ago or 2 months ago.

So I wanted to make that point clear, Mr. President, that we are not in any way holding up the signup program whatsoever. They can move ahead with it. Besides, if they are saying, well, they might have the money for the advance sufficiency payments, we have said we would allow the $5 billion appropriations for the CCC to move ahead without any amendments on the floor. We could move that out of here right now. And I do not think anyone would object to that. So, in no way are we holding up the signup period. We did not before and we are not holding it up now.

Mr. President, I said earlier that I would hope that we might have a unanimous-consent agreement that would be acceptable to all sides. I tried to talk in my remarks just now about the impact on the Budget Committee—I say the chairman of the Budget Committee here—to point out that the net effect on the budget was zero. It did not affect the budget at all. It did this year, but then the amount going out this year would be saved next year. After all, it seems as if that is what we are looking at anyway is the overall impact on the deficit.

So, Mr. President, I hope that we could have a measure sent to the desk that would incorporate these technical changes, so-called technical changes, that would incorporate the provision providing for at least 50 percent of the CCC loan to be provided to the farmer at the time of signup and that would also include the provisions so important to the distinguished Senator from Montana dealing with African relief and I think with section 416 commodities, the Food for Peace Program.

So, Mr. President, I send a bill to the desk. I ask unanimous consent for its immediate consideration and further ask unanimous consent that all points of order against this measure be waived.

Mr. DOLE. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, the distinguished Senator from Wisconsin noted a minute ago that some of us have been wrestling with this problem for about 2 or 3 weeks, and it seems we are only a little closer than we were.

I am advised by the chairman of the Budget Committee that they will strenuously object.

I remind my colleagues that the House would not even consider the dairy provision because they felt it violated Gramm-Rudman-Hollings. Even though the farmer was going to pay a higher assessment to avoid a reduction in the support price of about 50 cents per hundredweight. They had a big, big brouhaha in the House, over whether or not to violate Gramm-Rudman for dairy programs if similar questions will be raised for nutrition programs and other items.

So I believe there is not any real hope that we are going to add over $3 billion to outlays this year and say it does not mean anything. It is a violation of Gramm-Rudman-Hollings. And I think those who supported Gramm-Rudman-Hollings would be compelled to uphold any point of order. This would be the first test, as far as I know, of that legislation.

But, still, the amendment ought to be offered. We ought to be debating the amendment instead of debating how somebody can gain some leverage in this body and force something on others who are concerned about taking care of the farmers.

I am not unsympathetic with the Senator from Iowa. I said so earlier today. I made the point with Secretary-designate Lyng, that there might be a lot of things one could do—instead of mandating 50 percent, one could mandate 25 percent. One could do a lot of things that would, in effect, make it easier on some farmers right now. There could be a credit elsewhere provision which says if a farmer is able to get credit elsewhere he is not eligible. You could require the farmer to have crop insurance, which would be some protection for the Government in case something happened. So it is not all that bad. From the standpoint of policy, it is not all that bad. And there is discretionary authority for such a program in the present farm bill, as the Senator from Iowa just pointed out.

I do not know what will happen when Secretary Lyng is in place and has the staff to review many of these areas. He said today there are so many provisions in the farm bill that give him discretion to do certain things that he could not even count them all. He does not have any staff. He answers his own telephone and makes his own phone calls. Maybe after we confirm him tonight or tomorrow he will be in a better position to deal with a lot of subjects.

One thing that would not violate Gramm-Rudman-Hollings would be a sense-of-the-Senate resolution urging the Secretary to use the discretion he

has in the present bill. That would not be a mandate, but I would bet there are 80-some votes for it. We could have a sense-of-the-Senate resolution urging the Secretary to work out some formulation for the farmers who are truly in need so that they can save that 5- or 6-percent difference in the interest rate.

That, I think, would have some appeal. It would not violate Gramm-Rudman-Hollings. I do not know any other way to get out of the other quagmire other than to get consent to debate the bill, have the Senator from Iowa offer his mandatory amendment, and then let someone substitute a sense of the Senate resolution.

I have discussed this option briefly with the Senator from Vermont. I have also discussed the advanced loan with the other Senator from Iowa, Senator GRASSLEY, who is just as concerned as Senator HARKIN about the condition of farmers in Iowa.

Mr. LEAHY. Will the Senator yield for a question?

Mr. DOLE. I am happy to yield.

Mr. LEAHY. I thank the Senator from Kansas.

He speaks of passing a sense-of-the-Senate resolution urging the Secretary to use his discretion. Do I understand the Senator from Kansas correctly in that he was referring only to the section of the Senator from Iowa?

Mr. DOLE. Correct.

Mr. LEAHY. There are some other areas in which I am not too sure we are all eager for the Secretary to use discretion.

Mr. DOLE. I think the only advantage of that is that it gives the Senator from Iowa a clearcut vote. It does not give him as much as he wants, but it is somewhere in between where I think there would be a rather decisive majority voting for that provision.

Mr. LEAHY. For that area.

Mr. DOLE. Yes, for that provision—Republicans as well as Democrats—and I think it also locks anybody else in if it comes in under some other provision.

Mr. ABDNOR. Will the majority leader yield?

Mr. DOLE. I am happy to yield.

Mr. ABDNOR. I do not know the exact amount of days that we have been on this. But it seems forever to me. I know right up to today I think the majority leader had meetings with anyone that wanted to talk about this subject. As a mater of fact, I thought I heard him say he had several with staff getting together. Certainly the door was open to anyone that wanted to participate.

Forgetting anything that might be partisan about this—I will give everyone credit who questions or doubts—for a second I hope they just think about the farmers. They have all been saying they are in a dilemma, and they are undergoing hardships. This does not do the whole trick, I will grant you. But this is constructive, worthy, worthwhile, and meaningful help to the farmers of this country.

I just cannot believe it. Maybe Iowa farmers are not concerned about this. Maybe it is of no interest to them. But it is hard for me to believe that. We have heard from California, we have heard from Vermont, and we have heard from the South—just about every section of the country. If we are really concerned about the farmer, forget everything else now. They are at signup time. They would like to know what the rules of the game are going to be. They hear stories back home that we are trying to do something for them, and give them some relief. And we are.

I do not know, if the proposal of the Senator from Iowa was passed, whether we can even get a bill signed. I understand there are some real problems on that. I would hate to put someone to the acid test. Are we willing to throw out the window everything that we have in here? Not every part, or every section of this bill relates to every farmer in every State of the Union. But I bet some part of it is important to some farmer in this country.

I just cannot imagine—if we are really crying for the farmers as we say we are—that we would not take some meaningful steps here today when we have this opportunity. Forget your politics. Let us just say there is no politics involved. It would be nice to have credit. Certainly I want credit.

I had a press conference this morning with some people trying to restructure farm legislation, restructure farm credit loans, and particularly in the regions of Omaha and Kansas. Senator NICKLES has a bill that I was happy to support. We are all working for this. Maybe if we are working together, we can do something. But here is the chance, here and now, between tonight and tomorrow. I understand people in the House are as vitally interested in this as we are. We sit here and quibble, go back over the same rhetoric, the same conversations, and the same colloquies that we had yesterday, the day before, the week before, and the week before.

I just would like to say for the sake of the farmer, for Heaven's sake just think of them for a second and try to help them out with this. And we have a long way to go, and a lot more yet to do.

Thank you.

Mr. DOLE. I would indicate that the Senator from South Dakota had the first proposal to correct the yield problem. We appreciate that. I think we are very close to getting something done here.

I am an optimist. I have not checked this with the chairman or the ranking member on the committee, but it would seem to me that there is a certain amount of merit to get an expression with a rollcall vote from Senators on how they feel generally about the proposal of advance loans. We have not had advance deficiency payments until just a few years ago.

Mr. MELCHER. Will the majority leader yield?

Mr. DOLE. In fact, there will be about $5.2 billion in advance deficiency and diversion payments. The checks go out in April. This is almost double last year's $2.6 billion. That much would go into the farmers' pockets long before harvest. This should decrease the need for new credit. But I think that we could give the Secretary enough flexibility to develop a package. Maybe it does not have to be up to 50 percent, maybe it should be less, and maybe, in most cases, it should not be anything. But it seems to me that there might be some merit.

I wanted to touch on one other point. The Senator from Iowa mentioned that we should have had the program signup for 1986 crops in January. We did not have the farm bill signed until December 23. I think anyone can understand that, when you have a 13-pound farm bill passed, it takes any administration at least 2 months and probably longer to put together responsibile, reasonable, and understandable regulations that the ASCS office can understand and relay to the American farmer. But I hope we can regroup for a moment, and take a look at what we have. I know the Senator from Montana has an amendment, and I do not have any problem with that. There is not, as I understand from the chairman, a problem with Gramm-Rudman on the African famine amendment. Is there?

I am advised by the Budget Committee chairman that he does not believe so.

Mr. MELCHER. Will the majority leader yield?

Mr. DOLE. I will yield the floor, if the Senator wants.

Mr. MELCHER. Mr. President, there are a couple of points here that ought to be commented on right now during the same timeframe.

First of all, what the majority leader has suggested is a sense-of-the-Senate resolution on the advance portion of the loan which has a real attraction for many of us over here. It is not binding. It would allow the Senate to express rather emphatically that this portion of the farm bill should be used.

Second, the question of the Gramm-Rudman requirement. May I point out that section 10, which deals with the dairy part of this package, contains, in effect, a waiver of Gramm-Rudman. On line 17, page 18 of the package, it says:

In lieu of any reductions in payments made by the Secretary for the purchase of milk and the products of milk under this subsection during the period beginning March 1, 1986, and ending September 30, 1986, required under the order issued by the President on February 1, 1986, under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 . . .

So, in effect, there is a package that has been presented to the table to be immediately considered with a waiver of Gramm-Rudman requirements.

That is what we have had from this side on the waiver of the Gramm-Rudman requirements on that portion of the loan.

So it is not that the package as it was sent to the desk is pure of Gramm-Rudman. It is, in effect, a waiver.

(Mr. MATTINGLY assumed the Chair.)

Mr. DOMENICI. Will the Senator yield?

Mr. MELCHER. Yes.

Mr. DOMENICI. I did not understand. Did the Senator say that the package submitted prior to the proposal of the distinguished Senator from Iowa was a waiver of Gramm-Rudman-Hollings?

Mr. MELCHER. This is a modification of the law, I say to the distinguished chairman of the Budget Committee. It is a modification of the Gramm-Rudman law and it has been sent to the desk.

Mr. DOMENICI. A modification only in this respect, and I believe I was part of putting that together: if CBO prices that bill which is pending, they will say it has a neutral effect on the budget. It complies with the Budget Act.

For instance, if you are going to offer an amendment that would breach the section 311 ceiling under the Budget Act, you have to offset with some others. That turns out to be totally neutral, so it would not be subject to a point of order under the Gramm-Rudman-Hollings mandatory targets for this year.

Mr. MELCHER. The chairman of the Budget Committee is absolutely correct on that point. It is revenue neutral because it gets the money from the producer.

Mr. DOMENICI. That is correct.

Mr. MELCHER. What we are proposing is also revenue neutral, what the Senator from Iowa is proposing is also revenue neutral, if you consider 2 fiscal years.

Mr. DOMENICI. It may be and it may not be, but it takes from 1 year and puts it into the other. It puts it into the year that we are in now and violates the ceilings under the Gramm-Rudman law.

Mr. MELCHER. Whatever the cost is that would remain in the remainder of this fiscal year would automatically be reduced in the next fiscal year. That same amount, the cost that occurs in this fiscal year, would automatically be reduced in the fiscal year. So there is a distinction.

What we are saying is that the distinction is worth considering and rather than having to get 60 votes to pass it, we hope we can get unanimous consent for it to be subject to a simple majority.

If I may, I would like to make one further point.

While we have discussed numerous times what we would like to have in the package regarding the African famine problem, they are not in the package yet. Before we move forward, I hope to have the understanding of both the chairman of the committee, the distinguished Senator from North Carolina, as well as the majority leader—and the majority leader has stated several times that he is in favor of this proposal I will make on this African famine relief problem—I would want to make sure that they are agreeable to the distinguished chairman, the Senator from North Carolina, and the distinguished majority leader.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, the majority leader is on the floor. I undertstood earlier that it was his hope that we could get a time agreement on S. 104, which Mr. THURMOND and I introduced a while ago, and which a great many Senators are cosponsors of, and which I believe the distinguished majority leader would like to see passed.

Could he advise me on what might be our prospects of doing that?

Mr. DOLE. Mr. President, I think once we dispose of the farm legislation, and we might be able to complete action on that package in an hour or so. I must say I strongly support the bill. We gave our word, as the Senator from New York recalls, last year when we were considering the Gun Control Act. When I say "we" I mean the Members who were involved in that debate. If we can get a time agreement on that, we would follow up with the Thurmond-Moynihan armor-piercing bullet proposal. We are prepared to do that. I have discussed this with the Senator from Ohio, Senator METZENBAUM. There are three amendments, one by Senator SYMMS, one by Senator BENTSEN, and another one by Senator SYMMS. I understand the amendment of Senator SYMMS would require a tabling motion and a rollcall; the other two being acceptable. We have no other amendments. I see no problem.

Mr. MOYNIHAN. I see my friend from Ohio is in the Chamber.

The President pro tempore, of course, and the administration are behind this legislation. I hope we will not continuously put it off after getting an agreement last year.

Is it possible to get a time agreement to take this up after the farm bill?

Mr. DOLE. I think that is doable. I think we are very close to disposing of both farm bills. I sense an agreement in the air. Maybe no one else does. I believe we could move either tonight or tomorrow morning and do it before we go on the constitutional amendment.

Mr. METZENBAUM. If the Senator from New York will yield to me for a moment, I think the Senator from New York is touching on the point that the Senator from Ohio addressed himself to previously with the Senator from Kansas. That is that we would like the unanimous-consent request put and adopted prior to the farm bill, with some understanding that the chairman of the committee would be prepared to move to table the Symms amendment. Absent having that unanimous-consent agreement prior to the farm bill, the Senator from Ohio advised the majority leader yesterday that he would offer an amendment to the farm bill, an amendment which would contain the armor-piercing bill. I think that is a desirable way to proceed.

After we pass the farm bill, I would not like to find that we have an objection to the unanimous-consent request. Therefore, I would ask him to place the unanimous-consent request, assuming that Senator THURMOND is willing to make the motion, prior to our disposing of the farm bill.

Mr. DOLE. I could simultaneously almost get both consents at the same time.

Mr. METZENBAUM. I would have no objection to that.

Mr. MOYNIHAN. The majority leader has said nothing but that he wants to do this. Perhaps we can leave it to him to work it out as he feels he can manage it.

Mr. DOLE. I thank the Senator.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the clerk dispense with further calling of the roll.

The PRESIDING OFFICER. Without objection, it is so orderded.

Mr. DOMENICI. Mr. President, I want to use 4 or 5 minutes to discuss the issue of a point of order that has been discussed this afternoon with reference to the new 5-year Emergency Budget Act, and I think it might be useful to some of my colleagues. From my own standpoint, I would like to explain why amendments that increase either budget authority or outlays for the year that we are in are subject to a point of order and, why, if an amend-

ment changes the current status of things, it would require a three-fifths vote of the Senate to waive the point of order.

Perhaps the best thing to do is to go back to a congressional budget resolution that was passed by both Houses and reflect for a moment on what it said.

Basically, talking now about deficits, that particular congressional budget resolution said that the deficit for the fiscal year 1986 would not exceed $171.9 billion. Obviously, that number is not a budget authority number; that is an outlay number, because that is the difference between the expected expenditures of our Government during the year and the revenues that we receive, which you match up against it. So we established for ourselves a ceiling that the deficit would not exceed $171.9 billion.

Well, after it was passed, for a lot of reasons—the farm bill, revenue estimates, changes in economics—everybody remembers the announcement by CBO and the administration that the deficit was not going to be $171.9 billion but, for round numbers, it was going to be $220 billion.

We are still talking about apples and apples. The $220 billion is expenditures for the year in excess of the revenues to be received.

The way we drafted the Gramm-Rudman-Hollings 5-year emergency deficit plan, we compromised with the House and said there will be no more than $11.7 billion in outlays sequestered, regardless of what the deficit is. It could have been less if the deficit would have been no more than $11.7 billion added to the $171.9 billion. It turned out that since it was $220 billion, we had a sequester. So, for the purpose of this discussion, you would take the $220 billion and subtract $11.7 billion, which is the amount of the March 1 sequester, to arrive at the current deficit for fiscal year 1986.

Again, I am speaking now of outlays. We know that the budget authority that has been terminated by the March 1 order is far more than that, because a larger amount of budgeting resources must be eliminated—and I say to the distinguished occupant of the chair that this is taken 50 percent from defense, 50 percent form the domestic side—that will yield the $11.7 billion in decreased outlays.

So, that is all done, and when you do the analysis, the current deficit, even with the sequester, is far in excess of $171.9 billion, the congressional mandated ceiling for the deficit.

What we did in Gramm-Rudman-Hollings for the remainder of this year and for 5 successive years is, in essence, to say that any bill or amendment which is brought to the floor and increases the deficit is subject to a point of order. That is because, with respect to fiscal year 1986, before we start we already have broken the budget, and we have broken it to a very large extent, for billions of dollars, and it does not matter that you are transferring money for next year to this year.

Any amendment such as one which might have been discussed here today, might even have been tendered and not offered, to the extent that the Budget Committee tells the Senate, based upon CBO estimating, that you are adding to the deficit, is subject to a section 311 point of order, which is the accumulated deficit provision in the Budget Act.

The new provision makes it also subject to a super majority for a waiver. I am sure that in the ensuing 5, 6, or 7 months we are going to get a lot of these and there are going to be some nuances and some peculiarities, and people will wonder, "Why can you do this kind of bill and not that kind of bill?"

Suffice it to say that, as a general principle, what I have said before today, what I am saying in general terms, will prevail. At least from my standpoint—and from that of many other Senators—I will look to that point of order under section 311—is it being breached?—and to that provision that requires a super majority, to put pressure on everyone here, that if there are things that really have to be done that we are not doing, the one alternative they have is to try to save money someplace else, to try to cut something else, to try to reduce some other program, to try to cut some other program to take care of some emergency.

Unless and until we get a new budget resolution, sort of new marching orders, I hope the Senate understands that the Senator from New Mexico is not passing judgment on the merit of any bill. I am as concerned as anybody else here about the farmers. I am also concerned about the FAA. I am also concerned about the Internal Revenue people, who apparently need more agents in order to collect more taxes due our Nation.

Suffice it to say that we have been rather evenhanded. We have not permitted a unanimous-consent request to go through unobjected to by any of us, nor we have said, by statement in the RECORD, that an amendment does not violate the provisions of which I am speaking. But we have done that in a manner that we are confident is consistent with a fair interpretation of where we are.

We have had the two CCC bills that have gone through here, where we have reprogrammed between contract and borrowing authority within CCC; but within the total amount allowed in the budget, we have been able to see that there is no impact, in which event we have readily admitted that it does not violate the provisions I am discussing this evening.

For those who wish that this provision would go away or hope that something will happen in the next month or so to change this, let me suggest that that is almost impossible. The amount by which we exceed the maximum deficit amount of $171.9 billion because of the events of the last 5 or 6 months, is such a large amount of money that I do not think anybody will find a way to wish it away. So any addition to it will be subject immediately to the provisions I have been describing, and requiring a three-fifths majority of the Senate, in my opinion, from what I have read and from discussing it with the staff and the attorneys who drew it. I believe three-fifths will be required any time anybody breaches those ceiling with a bill or an amendment here on the floor.

As to the pending farm bill, somebody raised the issue here that it does not breach Gramm-Rudman-Hollings or the Deficit Reduction Act, and I said no, because what we have done is price it out. There are some pluses and some minuses.

What I said a few moments ago to the Senate was that if you want to do something, you had better find some way to pay for it or a setoff in some other program. The pending bill is neutral with reference to the cap I am discussing, which has already been breached; and it will not be breached, at least with the consent of the Senator from New Mexico, without making the Senate face up to whether or not it wants to, and in every instance requiring that we understand that a three-fifths vote is necessary to effect a waiver under the current provisions of the law.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I think we may be near agreement here so we can dispose of both the farm package and also the $5 billion CCC supplemental tonight, get an agreement on the armor-piercing bullet, bring that up say at noon tomorrow, slip the constitutional amendment until 2 o'clock tomorrow, and complete action on that.

As I understand it, I think there will be just the one rollcall. The Senator from Iowa, Senator HARKIN, will offer a sense of the Senate resolution on advanced loan payments.

As far as I know, there will be no amendments to the CCC package, and the only other amendments to the other package are minor amendments that have been worked out that will not require a rollcall.

So I think everyone is ready to go as soon as we clear the unanimous-consent agreement on each side. So there

will be one vote, and hopefully we can have that vote in the next 15 or 20 minutes.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PRESSLER). Without objection, it is so ordered.

Mr. BYRD. Mr. President, may we have order?

The PRESIDING OFFICER. Conversations in the rear of the Chamber will move into the Cloakrooms, please.

The majority leader.

UNANIMOUS-CONSENT AGREEMENT

Mr. DOLE. Mr. President, I am about to propound a unanimous-consent request. If it can be agreed to, I believe we can move rather quickly on the two farm bills this evening and then I will ask that we postpone action on the balanced budget amendment until 2 o'clock tomorrow and that we take up the armor-piercing bullet legislation at 12 noon. I will just take a minute to read this.

Mr. President, I ask unanimous consent that the Senate now turn to the consideration of the farm bill, as modified.

I further ask unanimous consent that, following the disposition of the farm bill and any amendments thereto, the Senate turn to the consideration of Calendar Order No. 532, House Joint Resolution 534, the CCC supplemental appropriations bill, and that no amendments be in order, with the exception of the committee-reported amendment, and that no motion to recommit with instructions be in order.

I also ask unanimous consent that the Senate enter into the following time agreement with respect to S. 104:

One hour on the bill, and the committee-reported substitute, to be equally divided between the chairman and the ranking minority member of the Judiciary Committee, or their designees;

One hour under the control of Senator SYMMS; and that the following amendments, which I send to the desk—there are three amendments—be the only amendments in order, limited to 30 minutes each, to be equally divided and in the following order, with the exception of the committee-reported amendment: first, a Symms amendments which would define "armor-piercing ammunition"; second, a Symms amendment to exempt ammunition used exclusively for industrial or sporting purposes; third, a Bentsen amendment dealing with industrial uses; that there be 2 minutes on any debatable motions, appeals, or points of order, if so submitted to the Senate; that no motions to recommit with instructions be in order; and that the agreement be in the usual form.

I further ask unanimous consent that following the disposition of the amendments, and the conclusion or yielding back of time for debate, the Senate proceed to the third reading of S. 104, without any intervening action. Following which, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 490, H.R. 3132, the House companion bill, and at that time a motion to strike and insert the text of S. 104, as amended, if amended, be the only action in order, with no further debate, to be followed by third reading, and with no intervening action or further debate, and final passage of H.R. 3132, as amended, if amended.

Finally, I ask unanimous consent that in the event the Symms amendment No. 1 is not tabled, this agreement is no longer in effect.

Mr. BYRD. Mr. President, reserving the right to object, and I do not think I will object, but I have a question or two I would like to ask the distinguished majority leader.

Who is going to move to table the Symms amendment?

Mr. DOLE. It is my understanding that the tabling motion will be made by the distinguished chairman of the Judiciary Committee, Senator THURMOND.

Mr. BYRD. I thank the Senator.

Mr. President, the distinguished majority leader has sent three amendments to the desk.

Mr. DOLE. Yes.

Mr. BYRD. I take it they were Symms No. 1, Symms No. 2, and a Bentsen amendment.

Mr. DOLE. Yes.

Mr. BYRD. And with the verbiage understood.

Mr. DOLE. That is correct. We provided copies to both sides.

Mr. BYRD. Mr. President, I have no further questions and I do not object.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOLE. Mr. President, I would then further ask unanimous consent that we take up the armor-piercing measure at 12 noon tomorrow and we postpone consideration of the balanced budget amendment until 2 p.m.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

The text of the unanimous-consent agreement follows:

Ordered, That at the hour of 12 noon, on Thursday, March 6, 1986, the Senate proceed to the consideration of S. 104 (Order No. 254), a bill to amend chapter 44, title 18, United States Code, to regulate the manufacture and importation of armor piercing bullets, the following amendments be the only amendments in order, with the exception of the committee reported amendment, and to be offered in the following order:

1. Symms amendment No. 1644 which would define "armor-piercing ammunition";

2. Symms amendment No. 1645 to exempt ammunition used exclusively for industrial or sporting purposes;

3. Bentsen amendment No. 1646 dealing with industrial uses: *Provided,* That debate on the aforementioned amendments be limited to 30 minutes each, to be equally divided and controlled by the mover of such and the manager of the bill, and that debate on any debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate shall be limited to 2 minutes: *Provided further,* That no motions to recommit with instructions be in order: *Provided further,* That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the Minority Leader or his designee.

Ordered further, That on the question of final passage of the said bill, debate on the bill and the committee reported substitute shall be limited to 1 hour, to be equally divided and controlled, respectively, by the Chairman and the Ranking Minority Member of the Judiciary Committee, or their designees, and with 1 hour to be under the control of the Senator from Idaho (Mr. Symms): *Provided,* That the said Senators, or any one of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, appeal, or point of order.

Ordered further, That following the disposition of the amendments and the conclusion or yielding back of the time for debate, the Senate proceed to third reading of S. 104 without intervening action or debate. *Provided,* That the Senate then proceed to the consideration of H.R. 3132 (Order No. 490), the House companion bill, and at that time a motion to strike and insert the text of S. 104, as amended, if amended, be the only action in order, without further debate, to be followed by third reading, with no intervening action or debate, and final passage of H.R. 3132, as amended, if amended.

Ordered further, That in the event that the Symms amendment No. 1644 is not tabled, this agreement is no longer in effect.

FOOD SECURITY IMPROVEMENTS ACT OF 1986

Mr. HELMS. Mr. President, I send to the desk a bill, the Food Security Improvements Act, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2143) to make certain improvements to amendments made by the Food Security Act of 1985, and for other purposes.

Mr. HELMS. Mr. President, I thank the distinguished majority leader for his effective efforts in bringing together the various provisions of this bill.

Without question, this has been a most difficult and frustrating task that may well have been impossible without his great patience and fine ability.

71-059 O-87-22 (Pt. 3)

This measure, on balance, should serve to improve the operation of the farm programs for farmers of wheat, feed grains, cotton, rice, and numerous nonprogram crops. There are provisions that are less than desirable from the long-term policy standpoint. But there is sufficient balance in this package which overcomes my reservations about certain policy aspects of the bill.

I have stated my concerns about modifications to the yield calculations of the 1985 farm bill, for one. However, the modifications in this bill are not as far reaching as some others that have been proposed. Any potentially negative aspects of the yield changes are outweighed by the improvements that should occur in farm income through the extensive use of CCC owned commodities as compensation for the utilization of the yield formula in the farm bill. Without question wheat and feed grain farmers will find this bill more desirable than the application of the underlying farm bill.

Second, I am concerned about the provisions of this bill which increase the assessment on milk producers. I feel that these changes made to the underlying farm bill will not be as effective as an across-the-board price support reduction would be in addressing the longer term policy problems we face in the dairy industry. However, milk producer organizations strongly prefer the increased assessment, including the principal dairy cooperative in the Southeast, Dairymen, Inc. And, we have received an assurance from the supporters of this provision that future needs to reduce the costs of the dairy program from future Gramm-Rudman-Hollings sequestrations or budget reconciliation bills will not come from additions to the milk tax.

Because the additional assessment provided here was part of an agreement reached by some of the conferees, I am willing to support this aspect of the bill with the understandings I have described.

Third, this will is compelling because of the significant and highly desirable modifications it makes in the underplantings provisions of the underlying farm bill. Without the changes in this bill, producers of nonprogram crops all over the country will be placed at the jeopardy of tremendous price volatility.

In particular, the majority leader has worked out a reasonable compromise to modify the farm bill to allow the production of those crops most suitable for underplanted acres, without creating problems for the nonprogram crops.

Fourth, this bill meets the test of fiscal responsibility, and it is consistent with Gramm-Rudman-Hollings. To pay for the redeployment of resources in farm policy embodied in this measure, two export subsidy provisions are cut back. However, because the farm bill provided for very substantial subsidies for export enhancement, there will be no problem in having sufficient remaining authority to target funds and CCC owned commodities to leverage export sales when that is needed. The administration has insisted on these changes so that across-the-board export subsidies do not become counterproductive to overall policy goals.

And, I should emphasize that the compensation to producers which will occur because of the modifications included in this bill on the yield provisions of the farm bill will be made "in kind." These in-kind payments will be made in the form of CCC certificates redeemable in specific values of commodities. There is no question that these commodities will find their way into the export markets in a way that will enhance the ability of U.S. exporters to secure sales they would otherwise lose to foreign competition.

So, all things considered, this bill does constitute the kind of change that many farmers will find attractive in all regions of the country. As I have said, if it were entirely up to me, I would have other preferences in some provisions. I am sure other Senators feel the same way, but that is the difficulty with farm bills, generally. They require compromise between all commodities and regions of the country. This bill accomplishes that, and I urge its enactment.

Mr. BENTSEN. Mr. President, I am deeply concerned by the fact that the U.S. Department of Agriculture has not yet issued any regulations for carrying out the discretionary authority in title X of the Food Security Act of 1985. This concerns crop acreage bases and program payment yields.

Signup for the farm programs starts next Monday. Texas farmers have already started planting crops. We still have no regulations for that discretionary authority. Without those regulations, the many farmers who have problems with the new formulas for acreage bases will have no timely recourse. They must have decisions on these problems before they can know how many acres they can plant.

I would like to discuss this with the distinguished majority leader, who is a member of the Senate Agriculture Committee and was a member of the conference committee that wrote this law. I have great respect for the knowledge and abilities of the majority leader, who for many years has been an acknowledged expert and leader in the Senate on agricultural issues. His home State of Kansas is an agricultural State, as is my home State of Texas. He has served the farmers of Kansas and the Nation well, and I have worked with him in the past on many issues of mutual concern and have always found him to be both knowledgeable and helpful.

I know that he has similar concerns on this issue. I am sure that his farmers in Kansas also have problems with these new rules. Would the distinguished majority leader take a moment to explain what type of discretionary authority is granted to the Secretary and whether and how the conferees intended this language in title X to be used?

Mr. DOLE. Mr. President, I share the concerns of the senior Senator from Texas. Farmers in Kansas as well as in Texas and other States need to be able to get a final decision on what their crop acreage bases are before they can plant.

Any new system will cause some problems, so title X of the 1985 farm bill gave the Secretary of Agriculture discretionary authority to make adjustments. That authority is provided to allow a smooth transition from the old system to the new system. It was our intent that, should problems arise, the country ASCS committees would be allowed by the Secretary to make adjustments to make the new program work smoothly. Of course, to assure that farmers are treated the same in every county, the Secretary must establish regulations to set an overall standard. It was our intention that the implementing regulations be issued by the Secretary of Agriculture in a timely fashion.

Mr. BENTSEN. It seems to me that specific provisions have made for the county ASCS committee to make a wide range of adjustments in bases and yields. I note that section 508 allows the county committee, acting under regulations prescribed by the Secretary, to establish bases and yields if they cannot otherwise be established, as long as it is "fair and equitable" and does not conflict with the sodbuster or swampbuster provisions. Let me ask you about a situation that was brought to my attention.

Under the current formulas for bases, a farmer who, 2 years ago, switched 100 acres from cotton to wheat would get a 40-acre wheat base and a zero-acre cotton base. He would have 60 acres on which he could not plant go into the farm program for any crop. However, a farmer who switched from milo to wheat would wind up with a 40-acre wheat base and a 60-acre feed grain base, for a 100-acre total.

This difference does not seem fair or equitable to me. Neither farmer has been increasing the cost of the programs.

Shouldn't any farmer who has planted an average of 100 acres to program crops each year for the last 5 years wind up with 100 acres to total base? Could this be corrected under the current law?

Mr. DOLE. Mr. President, the farm bill base provisions were designed to

reduce the cost of the programs while being fair to producers of those crops. We did not want new land being broken out in order to get farm price supports. We wanted to direct our scarce dollars to the man who needs it—the family farmer who's out there trying to hang on.

I agree that the situation described by the Senator from Texas is not fair. That is the type of thing that should be taken care of.

Mr. BENTSEN. I thank the majority leader for that clarification. Farmers sometimes have to switch to entirely different crops in order to control insects, weeds, or diseases. Would the language on "natural disasters or other similar circumstances beyond the control of the producer" include adjustments for such things as insects or other infestations?

Mr. DOLE. The Secretary of Agriculture would of course have to make the final decision on where to draw that line. However, it was the clear intention that adjustments be made for natural circumstances beyond the producer's control. Some weeds and insects are controllable—others are not. The intention was that the county committee should be allowed to adjust for those that are not.

We have problems in Kansas, for instance, with chinch bugs. They are beyond the control of the farmer producing milo. Many farmers were forced to grow another crop, such as soybeans. Now they are back into milo, but are losing a lot of base acres under the 5-year averaging because of those 2 or 3 years, they were forced into soybeans. Clearly, this is a case where the county committee should be able to make some adjustments.

Mr. BENTSEN. I agree with the majority leader, and I understand that quite well. Those Kansas farmers should be able to get the milo base they need to plant a crop. If they cannot, then they may have big problems.

Mr. DOLE. I have talked to USDA officials, and I think we can work these problems out.

Mr. BENTSEN. I thank the majority leader for his clarification and assistance. There are many problems with bases and yields. Cases where a farm came under new ownership, and many other unusual circumstances. We are finding out about more every day.

We have both talked to USDA officials about these problems. I think we are getting their attention. I appreciate his assistance very much.

Mr. HATFIELD. Mr. President, it is a pleasure for me to rise in support of this important measure. I would like to thank my colleagues who have worked so quickly to correct this oversight in the 1985 farm bill. The potato and dry bean and lentil farmers in my State were surprised to learn that set-aside acres could be used to compete directly with their nonsubsidized crops. The passage of this legislation today will serve to correct that.

I am also pleased that the bill includes exemptions for hay and grazing, as well as set-asides for purely conservation uses. But it is the exemption which has been added for critical and strategic materials that interests me the most. By giving the Secretary the discretion to allow the use of these lands for the development of industrial materials crops, we have opened the possiblity of moving toward an alternative to aid our financially troubled farmers.

Of particular interest to me is the development of meadowfoam (Limnanthes alba). Meadowfoam is a winter annual with a shallow fibrous root system which can be grown very well in the poorly drained soil in the Willamette Valley of Oregon. The seeds produced by the mature meadowfoam plant contain a 20-30 percent oil composition which has potential applications in cosmetics, lubricants, waxes, polymers, surfactants, water repellants, and in textile and leather manufacturing. The rapid development of this and other industrial materials crops may enable this Nation to become energy independent in the near future.

I would like to ask the distinguished chairman of the Senate Committee on Agriculture, Nutrition, and Forestry if it is his understanding that meadowfoam would qualify under the provisions of the Critical Agriculture Materials Act of 1984 as a critical material.

Mr. HELMS. Yes, it would qualify.

Mr. HATFIELD. Is it also your understanding that meadowfoam would then qualify for an exemption under the provisions of the bill we are discussing today?

Mr. HELMS. That is also correct.

Mr. HATFIELD. I would like to ask the distinguished majority leader if it is his understanding that meadowfoam qualifies under the provisions of the Critical Agriculture Materials Act of 1984 as a critical material?

Mr. DOLE. Yes, it qualifies.

Mr. HATFIELD. Is it also your understanding that meadowfoam would then qualify for an exemption under the provisions of section 3 of this bill.

Mr. DOLE. That is also correct.

Mr. HATFIELD. I thank the majority leader and yield the floor.

FOOD STAMP STUDY

Mr. HELMS. Mr. President, I have discussed the provision relating to the food stamp study with the Senator from Washington [Mr. EVANS] and I have no objection to it. I would, however, state for the record my understanding of the provision.

Mr. President, this amendment does not in any way extend the 6-month moratorium established by the farm bill. It does not obviate the responsibility of the Secretary to assess, and the States to pay, those sanctions that are imposed while the study is being conducted and in the interim period between the conclusion of the study and the initiation of new regulations to implement any changes that are proposed by the Secretary in response to the study.

That is the intention of the current law, as passed by the Congress in December. If future regulations change the calculation of sanctions owed, that change would result in a recalculation and an appropriate adjustment in the sanctions already paid by the States.

I want to be certain that this is understood to preserve the intent of the farm bill conferees. To be precise, Mr. President, notwithstanding the 6-month moratorium period, and notwithstanding the time periods established under the law—and extended in this bill—for the conduct of studies and for the promulgation of new regulations and implementation of a restructured quality control system, error rate cases pending on the date of enactment of the farm bill, or arising subsequent to the date of enactment but prior to the effective date of new quality control system regulations promulgated under section 1538 of Public Law 99-198, shall be subject to administrative and judicial review under the standards and procedures currently in effect, and enactment of this extension shall provide no basis for the stay or dismissal of any administrative or judicial proceeding brought under section 14 of the Food Stamp Act of 1977, as amended (7 U.S.C. 2023). Consistent with subsection (c) of section 1538 of Public Law 99-198 and on the basis of the criteria established pursuant to paragraph (1)(B) of that subsection, reductions in payments to State agencies imposed for quarters prior to the implementation of the restructured quality control system shall be adjusted subsequent to the implementation of such new system.

Mr. EXON. Mr. President, will the Senator from North Carolina yield for a question?

Mr. HELMS. Certainly.

Mr. EXON. The bill that has just been sent to the desk by the chairman of the Agriculture Committee, I have not had a chance to take a look at it. I just would ask this question of the Senator from North Carolina: Is this the same wording of the proposed bill that we had considerable discussion on within the last 3 hours and have there been any more changes?

Mr. HELMS. The bill is the same as the one proposed earlier, with the addition of two sections. Does the Senator wish me to read them?

Mr. EXON. Have the two sections been approved by the ranking member on this side?

Mr. ZORINSKY. Yes.

Mr. EXON. It has been approved. If my colleague has approved it, that is perfectly all right with me.

Mr. HELMS. I thank the Senator.

Mr. SYMMS. Mr. President, I wish to thank the chairman of the committee, the majority leader, the minority leader, and the ranking member of the committee for working this agreement out, and also for the cooperation of all Senators.

Farmers in the State of Idaho are anxiously awaiting passage of the portion of this package amending the underplanting provisions of the 1985 farm bill. Only 21 percent of Idaho's farm receipts come from subsidized program crops. The majority of Idaho's agriculture has no Government program. If left unamended, the underplanting language of the 1985 farm bill could devastate Idaho's agricultural base.

At their annual meeting in New Orleans, outgoing Secretary of Agriculture John Block congratulated the National Potato Council on its ability to get along without Government intervention or control. Instead of congratulations, Congress has subjected those same potato growers to subsidized competition and certain overproduction.

The potato industry is already supply-sensitive. Early frosts last year left prices at a decade low. The industry projects that even before the underplanting provisions, potato acreages still need to be reduced 20 percent before prices return to a profitable level.

Contrary to the accusations of some of my colleagues, the legislation before us today has been carefully and meticulously crafted. It is not a bill for the sole benefit of Idaho, as some would have you believe. In fact, in order to meet the approval of Senators on both sides of the isle, Idaho has had to make some major compromises.

For example, the cattlemen of Idaho will certainly not profit from the parts of the bill that allow subsidized haying and grazing.

Most cattlemen and almost all sheep producers in Idaho rely totally on their livestock for their livelihood. They do not plant crops which receive Government payments. The only thing these cattlemen will get from the underplanting provision of the farm bill is increased competition against subsidized overproduction.

To illustrate what would be necessary to make this legislation fair to stockmen in Idaho, I have considered offering an amendment allowing for acreage bases and deficiency payments to cattlemen who do not participate in Government programs. It would be interesting to hear the arguments of my colleagues from Oklahoma against such an amendment.

In truth, the cattlemen do not want Government payments. They have survived centuries of this country's history without Government price or income supports, and they are willing to do without them now. I suggest this amendment only to illustrate how much the State of Idaho has already compromised to create this package of legislation.

The compromise package which the chairman of the Agriculture Committee has presented to us, even as unfair as it is to Idaho's livestock producers, is still better than current law. Those Members on the other side of the aisle who have objected to timely consideration of this legislation should know that they are perpetuating disasterous and irresponsible farm policy.

In spite of the arguments heard from the other side of the isle, I must commend the majority leader for his efforts to put this package together and to move it in a timely fashion. Included in the package are:

First, a section correcting the disastrous underplanting provisions of the 1985 farm bill;

Second, sections allowing haying and grazing on set-aside land and preserving acreage bases, included to compensate the authors of the underplanting provision;

Third, a section protecting grain producers who recently improved their yields per acre from being penalized by having to average their last 5 years, subtracting the high and low—as required in the 1985 farm bill; and

Fourth, in conformance with Gramm-Rudman-Hollings, sections of the bill which reduce expenditures for targeted export assistance and export enhancement in order to compensate for increased expenditures in other parts of the bill.

I feel these sections will vastly improve our national agricultural policy, especially as it relates to the State of Idaho.

Mr. KASTEN. Mr. President, I, too, wish to say to the chairman of the Agriculture Committee and also to the majority leader that I appreciate their help and their support. We began this roughly two weeks ago with an amendment which I sent to the desk and asked unanimous consent to allow it to remain at the desk hoping for consideration the next day. We then extended that consideration for a couple of more days. Now, as I look at our work sheet, that amendment is item No. 10 on a long list of agreements.

I am pleased that we have been successful in this effort. I think that what we have done is the right thing. We have also expressed the views of the conferees on the farm bill.

I simply want to say to the chairman of the Agriculture Committee, to the ranking member, to the majority leader, and others, that I thank them very much for their help and their support.

It is important legislation for my State. Passage of this legislation is of critical importance to the dairy farmers of Wisconsin, as well as corn growers and producers of potatoes, vegetables, and other nonprogram crops.

The dairy section of this legislation is obviously the most significant part to a State like Wisconsin that is so heavily dependent on family dairy farmers and the dairy industry. The spirit of Gramm-Rudman, which was shared by the conferees on the farm bill, is that savings should be made across the board, with no group or part of a group escaping some of the necessary pain of reduced spending.

This spirit is not reflected in the letter of the conference report on Gramm-Rudman, which does not mention the Dairy Program at all. Because of the way the Dairy Program works, the cut in purchase prices resulting from the conference committee's failure to take account of this unique program resulted in a situation where dairy farmers in the Upper Midwest and some other areas of the country would bear most of the burden of Gramm-Rudman, while other farmers would not be impacted at all.

In addition, dairy takes a much heavier hit under Gramm-Rudman than any other commodity, again because of the way the Dairy Program works. Producers of other program commodities will take a reduction of a few cents in their deficiency payments. Dairy farmers, on the other hand, would be looking at a cut of about 55 cents in the effective price support level—a cut that comes at the worst possible time for farmers in the traditional heartland of the industry, Wisconsin and the Upper Midwest.

The legislation I introduced, S. 2085, which is incorporated in S. 2143, spares dairy farmers this cut in their incomes. I don't like assessments any more than anyone else, but the fact is that passage of this bill will save a typical Wisconsin dairy farmer over $1,000 a year.

If we are serious about saving our family farmers, keeping them on the land, and ensuring that they continue to sustain rural communities across Wisconsin and the Upper Midwest, we must act tonight to, at last, pass this legislation. We need to send a message to dairy farmers that we care: that we have seen the injustice about to be done them and, that we want to help.

Mr. President, we also need to send that message to the Speaker and the leadership of the other body. For over a week now, the House leadership has refused to allow dairy legislation similar to the bill I introduced to be considered on the House floor, though the House Agriculture Committee has approved it.

The leadership of the other body needs to hear that playing partisan po-

litical games with the welfare of our farmers is unacceptable. We need to send a message that our farmers are too important for that. We can send that message by passing S. 2143 tonight.

I want to emphasize something about this legislation's dairy section. In no way does it allow dairy farmers to get off the hook of Gramm-Rudman.

Exactly the opposite is true. Assuming milk production of 70.8 billion pounds between April and September, a 10-cent-per-hundredweight assessment would net the Government $70.8 million in savings, which should more than meet the requirements of Gramm-Rudman.

Cutting purchase prices only reduces the price the Government pays for dairy products. It does not effect the amount of dairy products the Government buys under the Price Support Program.

Financially stressed farmers in the Upper Midwest, especially, will react to falling prices by straining to increase production—thus increasing cash-flow. At a time of low corn prices this is easy to do. The more they produce, the more the Government has to buy, With a price cut, there is no way to estimate with any certainty how much—if anything—the Government would save under this option.

If the support price is lowered enough, of course, this will not be a problem because we will have forced enough dairy farmers into bankruptcy to cut production that way. But the whole point of everything we do in agriculture policy is to prevent that kind of thing from happening.

Mr. President, as I and other Senators have said many times, we are not talking about a change in policy here. Both the House and the Senate appointed conferees on the farm bill to reconcile the very different versions of the farm bill passed by each House. These conferees were, essentially, entrusted with the responsibility of setting the direction of dairy policy for at least the next couple of years.

Whether or not one agrees with what they did, the conferees did set a direction for dairy policy, one that took Gramm-Rudman into account. What the dairy section of this package is intended to correct is an error of omission—the failure to note the omission by the Gramm-Rudman conference of language authorizing USDA to do what the farm bill conference intended it to do.

In that sense, what is being proposed in this legislation is a technical change. I am always happy to debate the merits of various changes in dairy policy, but I would remind my colleagues of one of the most important goals of the farm bill—the establishment of a stable, dependable policy for our farmers to plan on.

Our farmers cannot afford a continuation of the constant changes in the dairy program that have marked the last few years. Between 1981 and the end of 1984, Congress changed the rules of the dairy program no fewer than seven times. We changed them again in the 1985 farm bill. We must not let Gramm-Rudman be used to change those rules again less than 3 months after the farm bill was passed.

While the dairy section of the Food Security Act amendments must be of primary importance to any Senator from Wisconsin, another part of this legislation is also good news to the farmers in my State.

This legislation would allow deficiency payments on 92 percent of a farmer's base acreage if he plants at least half of that acreage to a program crop and devotes the rest to a soil conserving use. It would not permit, as the 1985 farm bill unwisely did, deficiency payments to go to farmers who devoted part of their base acreage to nonprogram crops.

I sympathize with the intent of the authors of the provision of the farm bill that permitted deficiency payments for program base acreage planted to nonprogram crops. They meant to give growers of program crops some flexibility to get into the production of other crops, lessening their dependence on the Government program and, potentially, reducing the oversupply of corn, wheat, and other program crops.

The approach taken in the farm bill, however, did not fully take into account the fact that growers of nonprogram crops have to make a living too. Effectively subsidizing additional production of nonprogram crops, as the so-called underplanting provision of the farm bill did, would clearly be unfair to growers of potatoes and vegetables for processing—two areas where Wisconsin is a national leader.

These farmers ask for no help from commodity programs; they are simply asking for relief from unfair, Government-subsidized competition. I believe they should have it. We can, and we should, address their concern also by acting tonight to pass this legislation.

In conclusion, Mr. President, I congratulate the distinguished majority leader on his leadership and hard work in putting this legislative package together. Its prompt passage is important for Wisconsin dairy farmers and growers of nonprogram crops in particular, and I urge my colleagues to join me in supporting it.

Mr. ABDNOR. Mr. President, I too wish to add my appreciation to the chairman of the Agriculture Committee, Mr. HELMS, for all the time he put in on this, and also to the majority leader and minority leader who have played such an important part in making this possible.

I recall talking about my amendment the day before we went home for the Lincoln recess. I guess anything good is worth waiting for, and this is good.

This is a great step forward for the farmers of this country. Hopefully, the House will see fit to go along with this quickly. I can assure you that farmers will be the beneficiaries of it.

Mr. President, after weeks of debate and effort I am pleased as a sponsor of this legislation and prime sponsor of the section relating to normal yields to have this measure before the Senate. Last December I cast one of the most difficult votes that a farm State legislator can—I cast an affirmative vote for the farm bill. I knew that I would be criticized for that vote; however, I also knew that we could not turn back the clock, we could not write a new farm bill before planting time or before the budget cutting ax of Gramm-Rudman fell. I did, however, resolve to change various portions of the farm bill which I felt were unjust.

A short time ago, I supported legislation to resolve problems with cross-compliance and base establishment. At the same time I also introduced a bill which would have corrected the unjust way a farmer's crop yields will be established under the new farm bill. Although this bill attempts to address the yield problem, it falls far short of what I reluctantly voted for in the farm bill, and what I reintroduced in my bill—a 2-year freeze on yield levels.

During farm bill debate, my understanding, and that of my colleagues, was that yields were frozen at 1985 levels. However, somewhere between the floor of the Senate Chamber and the county ASCS office, this understanding became a misunderstanding, and farmers across South Dakota found their payment yields drastically reduced. Allow me to repeat myself: wheat, corn, barley, sorghum, and oats producers have found their payment yields reduced, not frozen.

At my request, the South Dakota ASCS office has estimated the potential loss of income to South Dakota farmers: $18.5 million for all crops and $13.6 million for wheat in 1986. Nationwide, the cost to the American farmer of this "slight-of-hand" change in yields calculation is estimated to be $1 billion.

I have labored in many meetings with my colleagues over the last few weeks and thank them for considering the highly important yield issue. The proposal before us allows for commodity compensation for any lowering of yields beyond a 3-percent reduction from 1985 levels. In 1987, a 5-percent reduction from 1985 levels will be allowable with any reduction past that level restored by commodities. While I support this legislation, I must state that it falls sadly short, not just short of what is needed but also short of what was promised. Many of my col-

leagues and myself went home at Christmas and told people that we had frozen yield levels. However, upon our return, we found that the USDA bureaucrats had reduced yield payment levels—I found that totally unacceptable.

I have difficulties with the changes in the underplanting provisions of the 1985 farm bill. Unfortunately the changes now discriminate against South Dakotans, of great concern is the restriction most underplanting acres to conserving crops, with haying and grazing allowed on those acres at State discretion. When beef prices are already depressed, the last thing we need is the surplus beef production which could result.

This same proposal also contains an important change in how Gramm-Rudman-Hollings cuts will effect the dairy program. I wholeheartedly support the concept of a 12-cent assessment rather than the proposed 50-cent reduction in milk price supports. This is simply a matter of fairness—do we equitably cut every producer with an assessment—or do we concentrate the cuts on those farmers unfortunate enough to have the end product of their efforts sold to Uncle Sam? If we are to truly make Gramm-Rudman-Hollings cuts across the board, then those cuts should take the form of an assessment.

Mr. President, I hope that my colleagues from both sides of the aisle will join me in the passage of this measure. This legislation will do much to help farmers in South Dakota and all over the Nation, in addition, it may also restore their confidence in the entire legislative process.

Mr. WILSON. Mr. President, I rise to address the pending bill.

Mr. President, during my 3-year tenure in this distinguished body, I have been frequently astounded by the discrepancy between a bill's title and its content. Today is such an occasion.

Today, we are about to vote upon—and, I presume, pass—a bill entitled the "Food Security Improvements Act of 1986." The "improvements" to which the title refers include:

Increasing farm subsidy payments by more than $600 million by postponing the application of a new formula for calculating crop yields;

Reducing by nearly $1 billion the resources dedicated to increasing U.S. farm exports; and

Allowing one segment of agriculture—the dairy producer—to escape the reality of deficit reduction, as well as further insulate itself from the realities of the marketplace.

In my view, the only noteworthy improvement worthy of the term amounts to an undoing of a particularly troublesome provision contained in the 1985 farm bill which would have expanded subsidy payments to eligible farmers who wished to grow fruits, nuts, vegetables, edible dry beans, and any other nonprogram crop. If left unchanged, this provision would result in yet another Government payment to farmers who have traditionally grown wheat, feed grains, cotton or rice, but now wish to produce melons or potatoes or lettuce, for example. As a result, farmers of these nonprogram crops, who have neither sought nor received subsidy payments, would be placed at an economic disadvantage because USDA would be subsidizing their competition.

Although the intent of this provision was to reduce surplus production of wheat, feed grains, cotton and rice, the effect would be to create surpluses of innumerable nonprogram crops. It is important to remember that Federal farm programs provide no income protection for growers of these nonprogram commodities. And when Government policies provide incentives to increase their supply, the marketplace will respond with lower prices. As a result, we would be forcing out of business thousands of farmers, who derive their livelihood from the production of these unsubsidized, nonprogram crops.

For that reason, I recently introduced a bill, along with many of my colleagues, to prohibit producers of basic commodities from planting nonprogram crops on half of their eligible acres in exchange for Federal subsidies. Under the compromise contained in the improvements bill, which is presently before us, farmers, who wish to collect Government checks for not planting program crops, would be limited to certain uses of those idled acres.

Specifically, these so-called underplanted acres could be devoted to conserving uses, experimental crops, strategic and critical materials, haying and grazing at the option of each State's committee of Agricultural Stabilization and Conservation Service, and a limited number of other crops which are explicitly listed. Moreover, the compromise provides the Secretary of Agriculture with the discretion to restrict such plantings if it is "likely to increase the cost of the Price Support Program" or "affect farm income adversely."

Mr. President, while this change will result in an improved farm bill product, it is contained in a package which, I believe, will do more harm than good.

First, the bill does harm to the Federal budget by increasing the cost of our farm programs by more than $600 million over 3 years. I fail to understand why such an increase is necessary only 2 months after enacting the most expensive farm bill in our Nation's history—a bill chock full of farm income payments whose estimated 3-year cost will exceed $50 billion.

While I fully appreciate that many of our Nation's farmers are struggling under severe economic conditions—many of them in my own State where I have visited with them throughout the past difficult year—all of America is struggling under the weight of $200 billion deficits. While I am unconvinced that increasing the $50 billion commitment of the Federal Government to American agriculture by another $600 million will alleviate the financial stress in rural America, I know it will exacerbate the already critical deficit problem.

Indeed, this body adopted the Gramm-Rudman-Hollings amendment late last year in a desperate attempt to address this critical national problem. It is this amendment which imposes a healthy—and long overdue—dose of economic realism upon our legislative deliberations, today. Under the amendment, every time we consider a proposal to increase Federal spending, we must, also, include a corresponding reduction in Federal outlays.

The improvements bill which is presently before us would comply with Gramm-Rudman-Hollings by severely reducing spending for two critical programs designed to increase U.S. farm exports. In that regard, the bill does harm to our prospects of expanding and recapturing foreign markets for American farm products. In this regard, the bill seems to lack any inherent logic; it would provide increased subsidy payments to farmers who wish to expand crop production while reducing funds intended to develop new export markets for our surplus farm commodities.

Throughout last year, many of us talked eloquently, passionately and, no doubt, sincerely about the need to reverse the decline in U.S. farm exports. In just 4 short years, we have seen them fall from a high of $44 billion to near $30 billion last year. For that reason, we included in the 1985 farm bill a strong trade title—a title whose effectiveness will be significantly diminished under the guise of farm bill improvements.

Finally, the improvements bill does harm to the inherent equity of Gramm-Rudman-Hollings by exempting one segment of agriculture—the dairy industry—from the percentage price support reductions which will be borne equally by farmers of every other program crop. If we are to single out the dairy industry, it should be for its noteworthy accomplishments, not for special consideration which we cannot and should not provide to all of our Nation's farmers receiving Federal subsidies.

Over the past 25 years, dairymen have made an impressive contribution to productivity gains realized throughout all of American agriculture. Milk production, today, is nearly double

what it was in 1960, and the industry is presently on the brink of technological and biological advances of revolutionary proportions.

While the industry has gone through significant transformations, the Federal structure under which it markets its products has not. The Federal Dairy Program continues to provide dairymen with an assured purchaser of its ever-increasing output, regardless of whether a commercial market exists. The factors of supply and demand are irrelevent to the dairy industry, because Federal law requires our Government to buy whatever amount of milk, cheese, or butter cannot be sold in the marketplace. Last year, the CCC bought 13 billion pounds worth of surplus dairy products, and it projects surplus purchases for 1986 to reach 20 billion pounds.

Last December, the dairy industry convinced the Congress that the solution to its supply/demand imbalance was not a reduction in the price support level, but rather a unique "whole herd" reduction plan, under which all dairymen would be assessed a tax in order to buy out their less efficient brethren. Interest in this buy-out proposal has been minimal pending resolution of the matter before us. If we adopt this proposal, which will assess every dairyman 10 cents per hundredweight, instead of reducing by 50 cents the Government price for surplus production, then I believe we have removed a major incentive for dairymen to participate in the industry developed whole herd reduction program.

Indeed, we will have provided every dairyman with an incentive to continue to increase his milk production, confident in the assurance that the Government will continue to pay an obviously attractive price for all the milk, cheese, and butter that cannot be sold in the marketplace. Despite the good intentions of the supporters of this proposal, I shall continue to support the basic free market principles, which I believe are in the best long-term interests of the taxpayer, the consumer and the dairy producer.

For these reasons, Mr. President, I am compelled to vote against the Food Security Improvements Act of 1986, and respectfully urge my colleagues to do so as well.

I thank the Chair.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I believe the plan now is for the distinguished Senator from Iowa to offer an amendment on which I believe he wants a rollcall vote.

I thank all Senators.

Mr. LEAHY. Mr. President, will the Senator yield about a minute or two before he does that?

Mr. HELMS. Certainly.

Mr. LEAHY. Mr. President, I also want to commend the Senators on both sides of the aisle, the distinguished majority leader, the distinguished minority leader, the distinguished chairman of the committee, Senator HELMS, ranking member of the Agriculture Committee, Senator ZORINSKY, as well as Senator KASTEN, Senator BOSCHWITZ, Senator MELCHER, Senator HARKIN, and numerous others who have worked very hard to put together a package.

There is a matter that I think brings a lot more realism into the dairy provision in this bill. It has been worked out again in the best possible way, in a bipartisan way. I certainly recommend it to my colleagues.

I want to tell my colleagues that it is something that came about as a bipartisan effort, and I appreciate the cooperation of all Senators involved.

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, I thank the other Senators who have so tirelessly worked to bring this bill to the floor. I know that there are several parts to this legislation which many Members do not support or support with hesitation. I have some reservations myself on some parts of this legislation. However, I do support the major change which this piece of legislation was designed to make, that of changing the provision in the Food Security Act of 1985 which concerns nonprogram crops.

This provision, called "underplanting" or the "9250" provision allows a producer of a farm program crop to cut planting to 50 percent of permitted acres and plant a nonprogram crop on the remaining 50 percent and continue to receive 92 percent of his total deficiency payment and not lose any base acreage. In essence paying a program farmer not to produce and then allowing him to plant another crop for cash.

This provision has already created havoc in the dry edible bean market and has the potential of disrupting the potato, fruit and vegetable, oilseeds and livestock and hay markets. These are programs which have not historically had Government support programs, these producers do not normally come to the Federal Government for help. They have lived and sometimes died by a relatively open and free market. This new provision in the farm bill directly affects those who normally do not rely on Government help.

Already crop analysts have warned of large price drops in several markets. Idaho has seen a $4 drop in price in the dry edible bean market since mid-January, followed by a reluctance by purchasers to sign any contracts for beans. This can only mean that the purchasers of beans do not want to be locked into prices that they expect to drop substantially in the future.

The bean growers in Idaho have not asked for Federal Government assistance before but they are asking now. They have no market for their product now. The Food Security Act of 1985 destroyed it for them. Now they are asking for Federal Government assistance, they are asking their representatives to consider the damage done to their markets by congressional action. They are asking for repeal of this overplanting provision. They are only asking for the Government to leave their market alone.

Section 2 of this bill speaks directly to this issue. It allows program acres to be planted to conservation uses or to be devoted to sweet sorghum, guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, or commodities which have no substantial domestic production or market and commodities grown for experimental purposes, if the Secretary determined that the production is not likely to increase the cost of the program and will not affect farm income adversely. This will return fairness to the Farm Program.

This change is needed and it is needed now. Already some bean planting has been done in the Southern States. This cannot be changed, this damage to the markets cannot be changed. However, today, Congress can send a clear message to the beleaguered bean industry and other affected markets that the Federal Government is not going to destroy their markets for the sake of those industries which have historically been supported by Government subsidy programs.

I feel that I must address the issue of haying and grazing. I know that several Midwestern Senators would like to see the haying and grazing provision of the farm bill expanded into the nonprogram crop participation acres. This is just as unfair to the cattle markets and cattle producers as allowing planting of nonprogram crops. The price of cattle will fall just as surely as the price of beans. If haying and grazing is to be allowed in conjunction with this program, it should be on the same basis as stated in the Food Security Act of 1985. Only at State option and not during the 5 principle growing months.

To better protect the cattle industry, the Secretary should have discretion as to whether to allow haying and grazing on these lands based upon whether the cattle markets would be disrupted by this action. The cattle market has been devastated by low prices for several years, an increase of cattle on pasture will not allow the market to adjust as it normally would. I urged my colleagues previously to leave haying and grazing provisions as they currently stand in the Food Security Act of 1985. However, the haying

and grazing provisions in this bill have been approved by the National Cattle Association. If they can live with these provisions, I will not attempt to delete the language. I do hope, however, that these changes will not further damage the cattle industry.

Again, I thank my colleagues for their work and efforts on behalf of these sectors of agriculture. The farmers of my State are waiting to hear that this legislation has passed, they are concerned that if it does not, their already gloomy future will be even bleaker. I urge fast passage of this legislation.

Mr. DOMENICI and Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. DOMENICI. Will the distinguished Senator yield for a moment?

Mr. HARKIN. Yes.

Mr. DOMENICI. Mr. President, the legislation before us today, the Food Security Act of 1986, contains some provisions that I am concerned about and want to discuss.

First, in the way of background, I must say that the Food Security Act of 1985 is the most expensive farm law in history. Since its enactment, CBO estimated for CCC and ACIF outlays have increased to almost $75 billion for fiscal years 1986–88. This 3-year estimate exceeds the 1986 budget resolution by more than $36 billion. However, when the 1985 farm bill was enacted in December, CBO scored the cost of the bill against the same set of assumptions that were used to develop the 1986 budget resolution. Those assumptions were based on supply, demand, production, and commodity price estimates nearly a year old by the time the final farm bill was adopted. At that time the 1985 farm bill was scored at $39.5 billion compared to the 1986 budget resolution of $38.8 billion, a difference of less than $1 billion over 3 years.

Mr. President I ask unanimous consent that a table showing the relationship between the fiscal year 1986 budget resolution assumptions and the current CBO estimates for the major farm programs be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

CBO FARM BILL ESTIMATES: CCC/ACIF OUTLAYS: FISCAL YEAR 1986–88

[In billions of dollars]

	Fiscal year—			
	1986	1987	1988	3 years
1986 resolution assumptions [1]	13.4	14.0	11.4	38.8
1985 farm bill [2]	17.9	10.2	11.5	39.5
1985 farm bill [3]	28.3	22.0	24.6	74.9

[1] Based on supply and demand assumptions of February 1985.
[2] Public Law 99–198, December 23, 1985.
[3] Based on supply and demand assumptions of February 1986.

Mr. DOMENICI. I bring these figures to the attention of the Senate today only because I want everyone to understand that the budget for this year accommodated the costs of the 1985 farm bill. But today, we can take no increases. The current level for this year has already breached the budget resolution assumptions by $3.3 billion in budget authority and $19.3 billion in outlays.

I have worked with the majority leader and all those Senators involved in this legislation to make sure this legislation is cost neutral. I am informed by CBO that it is. I think that those involved in this matter should be congratulated for working out a package that is sensitive to the budget constraints we face.

Now, I want to address some issues that are of interest and concern to me because of the impact they could have on my State. Specifically, the yield and underplanting provisions in this bill.

Mr. President, I am pleased with the changes this legislation makes in the 1986 and 1987 Farm Program payment yields. The farmers in my State have expressed much concern about reductions in their Farm Program payment yields that would have resulted without this legislation.

For the 1986 crops, this legislation compensates producers for any reduction in their total return resulting from a reduction of more than 3 percent of their 1985 Farm Program payment yield. For the 1987 crops, the percentage is 5 percent. Compensation would be made in the form of PIK certificates. I believe these changes are fair and respond to the needs of farmers in New Mexico.

Mr. President, many of the farmers in my State are also concerned with the underplanting provisions in the new 1985 farm law. It is my understanding that in addition to the traditional type of acreage reduction programs, farmers now have a choice of a target option program if they agree to idle more acreage. More specifically, the 1985 farm bill allows wheat, feed grain, cotton and rice producers, who are eligible to participate in a Farm Program, to plant one of these basic crops on only half of his acres and be eligible to receive a deficiency payment on 92 percent of his permitted acreage. On the other 50 percent of his acres, he is free to plant and market any nonprogram crop such as dry edible beans, hay, sweet corn, fruit and vegetables, to name a few.

The bill before us today revises these underplanting provisions that were established under the 1985 act. This bill limits underplanting production to only conserving crops such as sweet sorghum, guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago, ovato, flaxseed, triticale, rye, and commodities for which no substantial domestic production or markets exist. If the Secretary of Agriculture determines that production of any one of these specified nonprogram crops will increase the cost of price support programs or adversely affect farm income, then he can declare that crop not eligible for underplanting.

I commend the Senators who have worked on the underplanting provisions of this bill. I think this bill protects those producers who produce dry edible beans, potatoes, and other crops that could have been severly impacted if the 1985 farm law was left unchanged.

In addition to the previously mentioned crops, this bill allows haying and grazing on underseeded acreage at State option unless the Secretary of Agriculture determines that it will result in a serious adverse economic impact. In which case haying and grazing would not be allowed on underplanting acreage.

Mr. President, at first blush this sounds reasonable, but after careful review I am concerned about the haying and grazing provisions on underplanted acres in this bill. My concerns are twofold.

First, if the States surrounding my home State choose to hay and graze on underplanted acres and New Mexico does not, there is no doubt in my mind that New Mexican hay farmers and ranchers could be substantially impacted. In this case, the real question becomes what is the definition of real meaning of "adverse economic impact"?

I want everyone to know my understanding of what this means. It means that if haying and grazing is allowed on underplanted acres and this causes disruptions in the New Mexico hay and livestock markets, that would be, in my opinion, a adverse economic impact to producers in my State. It would not be fair and I do not think the Secretary should allow it.

On the other hand, if my State chooses to allow haying and grazing on underplanted acres, as they may because of delays in the announcement of the wheat program, they should not be stopped. The important thing is that the State has the option so that the specific needs of producers can be met.

Second, I want to make clear my understanding of how the underplanting provisions on haying and grazing in this bill will be carried out for 1986 if this legislation becomes law. For 1986 the States will have the option of allowing haying and grazing. Of course, the Secretary will not have time to determine if haying and grazing will have a serious adverse economic impact for 1986 since Farm Program signup starts tomorrow. It is therefore

my understanding that haying and grazing will be allowed for 1986.

Mr. President, thank you for giving me the time to discuss these important matters.

AMENDMENT NO. 1647

Mr. HARKIN. Mr. President, I too want to thank all Senators with whom this Senator worked in trying to reach some modifications of the bill which was first presented here last Friday.

Obviously, all of the changes that were made are not all that many of us on this side wanted. In the spirit of compromise changes were made, and in the spirit of compromise I think it is time to move forward on it.

I might add, Mr. President, that some important changes have been made in this proposed legislation since last Friday. The underplanting provision was improved to protect the base of those producers who want to experiment with alternate crops. The haying and grazing provision was put in there that would allow us to have haying and grazing on certain set-aside acres during the 5 principal months.

The recent change that was made today added $60 million more for the Targeted Export Assistance Program.

If I can just get the attention of the distinguished chairman of the Agriculture Committee, could someone just answer on that side? Did the legislation that was sent down incorporate the added $60 million in the Targeted Export Assistance Program?

Mr. DOLE. That is correct.

Mr. HARKIN. I thank the majority leader for clearing that up.

Also, provisions are going to be added I guess a little bit later, and will be accepted—the provisions by the distinguished Senator from Montana, directing AID to prepare a plan for the utilization of emergency African relief funds by April 15. Then last, I think an important addition, I hope will be voted upon favorably by this body, and that is clarifying congressional intent on the advancing of the CCC loans for farmers who have signed up under the program.

So, Mr. President, I want to thank the distinguished majority leader for using his good auspices to arrange meetings with Secretary-designate Lyng, Acting Secretary of the Department of Agriculture Naylor, and Mr. Amstutz for arranging meetings for this Senator and others today, and at other times.

I might just say, Mr. President, that I found their attitude to be—I guess the kindest word I could use would be "obstinate." Their attitude is one that is totally uncompromising in trying to help farmers out of a very tough credit situation that they have right now. Their unwillingness—I say "their", the administration's unwillingness—to move just a little bit on this subject to advancing the CCC loans I find just absolutely perplexing since it is something that really would help us out in the rural areas and which they would do under the farm bill.

Their unwillingness to advance the CCC loans reminds me of an individual who lets his house burn down because there is an existing water law that says you cannot use any water between the hours of, let us say 2 and 4 p.m., and the house caught on fire at 2:30.

So they are using a legality, not even a legality, but I should say a technicality to not advance these CCC loans.

Mr. President, I am hopeful that we can have a strong vote that would let the administration know that this is important, and that many Senators on both sides of the aisle would like to see them move ahead, and advance at least some of the CCC loans.

Mr. President, I send a sense-of-the-Congress resolution to the desk as an amendment, for myself, and Senators GRASSLEY, ZORINSKY, MELCHER, EXON, BUMPERS, HART, DANFORTH, BURDICK, and DIXON to the bill that is in front of us, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself and Senators GRASSLEY, ZORINSKY, MELCHER, EXON, BUMPERS, BURDICK, HART, DANFORTH, and DIXON proposes an amendment numbered 1647.

Mr. HARKIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

Sec. (a) It is the sense of Congress that the Secretary of Agriculture shall carry out a program authorized by section 424 of the Agricultural Act of 1949. Such program shall provide for the following:

(1) Advance recourse loans shall be made available only to those producers of a commodity who are unable to obtain sufficient credit elsewhere to finance the production of the 1986 crop of that commodity, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes (as determined by the Secretary) in the community in or near which the applicant resides. A producer who has received a commitment or been furnished sufficient credit or a loan for production of the 1986 crop of a commodity shall not be eligible for an advance recourse loan to finance the production of that commodity for such crop year.

(2) Advance recourse loans shall be made available to producers of a commodity at the applicable nonrecourse loan rate for the commodity (as determined by the Secretary). Within the limits set out in paragraphs (5) and (7), advance recourse loans shall be available—

(A) to producers of wheat, feed grains, cotton, and rice who agree to participate in the program announced for the commodity on an amount of the commodity equal to one-half of the farm program yield for the commodity multiplied by the farm program acreage intended to be planted to the commodity for harvest in 1986, as determined by the Secretary;

(B) to producers of tobacco and peanuts who are on a farm for which a marketing quota or poundage quota has been established on an amount of the commodity equal to one-half of the farm marketing quota or poundage quota for the commodity, as determined by the Secretary; and

(C) to producers of other commodities on an amount of the commodity equal to one-half of the farm yield for the commodity multiplied by the farm acreage intended to be planted to the commodity for harvest in 1986, as determined by the Secretary.

(3) An advance recourse loan under section 424 shall come due at such time immediately following harvest as the Secretary determines appropriate. Each loan contract entered into under section 424 shall specify the date on which the loan is to come due.

(4)(A) The Secretary shall establish procedures, when practicable, under which a producer, simultaneously with repayment of his recourse loan, may obtain a nonrecourse loan on his crop (as otherwise provided for in the Agricultural Act of 1949 in an amount sufficient to repay his recourse loan.

(B) In cases in which nonrecourse loans under such Act are not normally made available directly to producers, the Secretary shall establish procedures under which a producer may repay a recourse loan at the same time the producer receives advances or other payment from the producer's disposition of his crop.

(5) Advance recourse loans shall be made available as needed solely to cover costs involved in the production of the 1986 crop that are incurred or are outstanding on or after the date of enactment of this section.

(6) To obtain an advance recourse loan, the producer on a farm must—

(A) provide as security for the loan a first lien on the crop covered by the loan or provide such other security as may be available to the producer and determined by the Secretary to be adequate to protect the Government's interests; and

(B) obtain multiperil crop insurance, if available, to protect the crop that serves as security for the loan.

If a producer does not have multiperil crop insurance and is located in a county in which the signup period for multiperil crop insurance has expired, the producer shall be required to obtain other crop insurance, if available.

(7) The total amount in advance recourse loans that may be made to a producer under section 424 may not exceed $50,000.

(8) An advance recourse loan may be made available only to a producer who agrees to comply with such other terms and conditions determined appropriate by the Secretary and consistent with the provisions of section 424.

(b) The Secretary shall carry out the program provided for under section 424 through the Commodity Credit Corporation, using the services of the Agricultural Stabilization and Conservation Service and the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h (b))

to make determinations of eligibility with respect to the credit test under subsection (a)(1), and determinations as to the sufficiency of security under subsection (a)(6). The Secretary may use such committees for such other purposes as the Secretary determines appropriate in carrying out section 424.

(b) Regulations.—It is further the sense of Congress that the Secretary of Agriculture shall issue or, as appropriate, amend regulations to implement the program provided for under section 424 as soon as practicable, but not later than 15 days after the date of enactment of this Act. Loans and other assistance provided under such program shall be made available beginning on the date such regulations are issued or amended.

Mr. HARKIN. Mr. President, I do not want to take any longer. I know Senators would like to vote and get home. This is basically a sense-of-the-Congress resolution that I have worked out in conjunction with the distinguished majority leader saying it is the sense of the Congress that the Secretary should advance CCC loans at the time of signup.

There are provisions in the amendment that would require a credit elsewhere test that would mandate that the farmer would have to have Federal crop insurance or some other crop insurance on his crop, a $50,000 limit, and a provision for a credit elsewhere test.

I think it is the least we can do to let the Department and the administration know that there is a tremendous need out there for some low-interest rate loans, and that this would not cost the Government anything. It would save a lot of farmers.

Mr. HARKIN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MELCHER and Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I am a cosponsor of the resolution. I want to say that this resolution is a follow on of my cosponsorship with Senator DIXON of the bill a year ago mandating CCC advance loans.

That bill was vetoed by the President. I supported the provision that is in the agriculture bill of last year, and I wrote a letter to Secretary Naylor about 1 week ago asking that this provision be carried out, and I hope that the adoption of this resolution which I am sure will be near unanimous will move the Secretary to do what has not been done so far. It is badly in need of being done, and we should not make necessary later on in the spring the pursuit of the Dixon legislation.

Mr. President, I support the proposal of advancing CCC loans. As a matter of fact, I was a cosponsor, along with Senator DIXON, of a bill doing this same thing which was introduced and passed by the Senate last year. I cosponsored a similar bill last week and have written Acting Secretary Naylor urging him to implement section 1003 of the farm bill, which would advance CCC loans. Mr. President, times are tough in rural America. At no time is this more evident than in the spring. The Wall Street Journal reported recently that one-third of the farmers in Iowa do not have financing yet for spring planting.

We in this body must accept at least some of the responsibility for this shortage of credit. Farmers and lenders have not been able to move on this spring's financing because: First, they have not known what the program was going to be, as a matter of fact they still do not know, therefore they cannot figure out cash flows and profitability, and second, the farm bill which did pass, and the way the USDA has interpreted that farm bill, has lowered the safety net for our farmers significantly. For at least these two reasons, and I believe many more, we need to accept our responsibility and help our farmers by supporting provisions to help provide spring operating money.

I recognize the need to let farmers know what the farm program is going to be, whether we like this bill or not, we need to make a decision. (After all signup does begin tomorrow.)

I would like to see much more in this package. You will recall I did not vote for the farm bill in the first place so I have no problems with changing it for the better. As a matter of fact, I have cosponsored several pieces of legislation to do just that. And I will be supporting all amendments and bills which will improve the farm program, offer credit relief to farmers, and increase profitability in agriculture.

Mr. President, in closing, I would like to encourage my colleagues to work hard and fast to get credit relief to our farmers. We need to address credit soon in this body and we need to insist now that the Acting Secretary make available advanced CCC loans for spring planting.

I would prefer this body pass legislation mandating that the Secretary make funds available for advanced CCC loans. But if we can not get that right now, I will settle for this resolution with the understanding that I will be back, along with many other Senators, fighting for this provision to be mandatory if the Secretary does not implement it voluntarily.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, a sense-of-the-Congress resolution, of course, is not binding but this resolution has to carry with it I think the firm intention of Congress to act on more definitive farm credit legislation yet this spring.

There are a number of ways that we are approaching this. I think the important point is first of all to lay this groundwork by asserting the interest rates at 13 to 14 percent will not allow economic recovery for farm and ranch operators.

The PRESIDING OFFICER. The Senate will be in order. Will conservations please be moved to the cloakroom?

The Senator from Montana.

Mr. MELCHER. The resolution, of course, only deals with crop loans. That would be wheat, corn, sorghum, some type of crop loans. There are a great number of agricultural producers who are not covered by farm programs and they are in dire straits, too.

I should point out that in our State, and perhaps throughout the country, the hardest hit for credit availability right now are perhaps the cattle people, but they are not in on these programs. So our work that must be addressed yet this spring is how we reduce the interest rates from the range of 13 to 14 percent that these producers are paying on their operating down to the range of about 8 percent. It can be done, and I am sure we will have bills before us that will address these problems.

I hope that the experience we have had over the past week will prompt us to look at those bills in committee, have hearings on them, and to report them promptly out of the appropriate committees.

Mr. President, this is not all we would like to do, but at least it is a step in the right direction, just committing ourselves to having definitive legislation that will bring down the interest rates for farm borrowers.

Mr. DOLE. Mr. President, I will just take 1 minute. I want to thank all Senators on both sides for their cooperation. Farm bills are tough to deal with because there are different interests, different States, different ideas. But I believe this is a good resolution and I hope there will be a strong vote for the resolution.

I think one thing we need to be cautious about is that, with advance payments, the farmer gets the money up front where he probably needs it for planting and other things early on. But keep in mind, as a result, he will receive much less later on. It is an advance payment. It is not an additional payment. Some are concerned that, if we put all the payments up front, the farmer will not have any money after harvest.

In any event, I think we can express by our vote today to Secretary-designate Richard Lyng that this approach has a lot of merit. We will make advance deficiency payments of up to $5 billion in April, with $12 billion in deficiency payments for the entire year. I would hope that Secretary Lyng has

a chance to look at it. If he does not like the guidelines set forth in the resolution, he could formulate some other approach. In any event, this would be an expression that we would like the administration to take a serious look at this idea and perhaps come up with some alternative. They have the authority, and I believe they can work out some satisfactory program.

I ask unanimous consent that a section-by-section summary of all the sections of this bill be printed in the RECORD at this point.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION SUMMARY

Sec. 1. Short Title.

Sec. 2. Revises the underplanting provision by limiting that production to conserving crops unless the Secretary determines that production of specified non-program crops is not likely to increase the cost of price support programs and will not adversely affect farm income. Allows haying and grazing on underseeded acreage at state option unless the Secretary determines that it will result in a serious adverse economic impact.

Sec. 3. For 1986 crops, provides for compensating producers in CCC commodities for any reduction in their total return resulting from a reduction of more than 3 percent in their program payment yield from the 1985 level. For 1987 crops, provides compensation for any reduction in return resulting from a reduction of more than 5 percent from the 1985 level. Limits to 10 percent the amount by which the program payment yield for 1986 crops can be reduced for the purpose of determining yields for 1988 and beyond.

Sec. 4. Sets the salary level for the Special Assistant for Agricultural Trade and Food Assistance at not less than Level III and requires appointment not later than May 1, 1986.

Sec. 5. Reduces mandatory funding for the Targeted Export Assistance Program to $110 million per year for FY-86/88. Retains the required annual funding level of $325 million for FY-89/90.

Sec. 6. Reduces the amount of CCC commodities required to be used under the Export Enhancement Program (EEP) from $2 billion to $1 billion. Provides that up to $1.5 billion in commodities may be used under the EEP program in FY-86/88.

Sec. 7. Allows wheat and feed grain producers to hay and graze set-aside acreage during at least five of the principal growing months for 1986 crops.

Sec. 8. Allows production of non-program crops, without loss of base, on up to one-half of permitted acreage in 1986 and 1987. Reduces base protection, as a percentage of permitted acreage, to 35% in 1988, 20% in 1989, and 0% in 1990.

Sec. 9. Requires the Secretary to hold hearings and to implement a marketwide service payment plan to allow dairy cooperatives to receive compensation for processing non-member milk.

Sec. 10. Requires that the Gramm-Rudman-Hollings requirement for FY-86 for the dairy program be met through an increase in the producer assessment, not to exceed 12 cents per hundredweight.

Sec. 11. Authorizes the CCC to export surplus CCC agricultural commodities to enable CCC to finance research and development of external combustion engines using fuel other than that derived from petroleum and petroleum products. Limits the total value of commodities which may be exported for purposes of such research to $30,000,000 annually.

Sec. 12. Lengthens the time period for the completion of a study of quality control systems used in the administration of the food stamp program and makes two conforming changes to accommodate this lengthened time period.

ADVANCED CCC LOANS

Mr. HELMS. The proposal to provide loans to farmers from the Commodity Credit Corporation during the planting season is not a new one. As the Senate is aware, the advanced CCC loan proposal was voted on in this Chamber a year ago but subsequently rejected by the administration. The Secretary of Agriculture is given discretionary authority to provide advanced CCC loans under the Food Security Act of 1985.

Mr. President, if the objective of our agricultural policy is to indiscriminately pour taxpayers' money into the agricultural economy as quickly as possible, with absolutely no regard for the effects on the burgeoning Federal debt and the resulting devastation of high interest rates and the prospects for renewed inflation, then this proposal may have some merit.

However, the Senate has spoken, particularly in the passage of the Gramm-Rudman-Hollings legislation, that fiscal restraint is necessary. Indeed, this very amendment is subject to a point of order under section 311 of the Budget Act as a result of that legislation, because the amendment will add $3-$3.5 billion to the Federal deficit in fiscal year 1986.

A waiver of the point of order will require a supermajority of the Senate—60 votes—to accommodate the consideration of this proposal. Such a waiver would be the first since the passage of Gramm-Rudman-Hollings, and in my judgment, will set an important precedent for the fiscal resolve of the Senate to abide by the provisions of that landmark legislation that was so overwhelmingly supported by this body.

Beyond the fiscal concerns, though, Mr. President, the use of the advanced CCC loan concept represents bad policy. Perhaps the most significant reason for not adopting this measure is the extremely undesirable practice of making unsecured loans to anyone for any purpose. Such a concept is simply not good business practice and is unheard of in normal commercial transactions.

The great problem in American agriculture today is the indebtedness that farmers are unable to repay through the cash flow of their operations—technically speaking, many farmers have a "negative cash flow" because of an excessive "debt-to-asset ratio." In many instances, the very reason for such livelihood-crushing indebtedness is the vast amount of unsecured Federal loans extended to farmers under the now-defunct emergency Disaster Loan Program of the late 1970's and early 1980's. This is the case for many farm families in the Southeast, including North Carolina.

Of the 20 to 30 percent of farmers who are facing severe financial stress, the greatest portion are those who have large amounts of indebtedness for which there is no underlying asset to back the loan. What seemed a good idea in the late 1970's has become a nightmare for these farm families.

This proposal, though well-intended, would repeat and compound this practice. By pouring more unsecured indebtedness on those already burdened with debt they cannot repay is not the answer. Indeed, the effect will be to create even more insolvent farming operations.

Now, I know that is not the intention of this proposal. The amendment's proponents will argue that the farmer will receive a loan based on a crop that he will produce. If the farmer gets a good crop and is able to market it at a good price, things will work out fine. But as any farmer can tell you, that doesn't always happen. If the crop does not yield the gross returns anticipated, the farmer will simply be crushed with more indebtedness.

As such, this proposal appears to be akin to throwing gasoline on the fire of unsecured indebtedness that is crushing so many farmers.

Further, it is simply not necessary. The 1985 farm bill has created a number of new servicing tools to handle the Farmers Home Administration direct indebtedness, and the Farm Credit Act amendments, which were also signed into law in December 1985, provide new tools for that segment of agricultural borrowers.

Moreover, the Federal Government is providing unprecedented financial assistance in the form of advanced deficiency payments and diversion payments, expected to total $5.2 billion this year—double last year's total of $2.6 billion. Total deficiency payments and diversion payments for the 1986 crops are anticipated to be $12.014 billion, in comparison to $6.792 billion for the 1985 crops.

In addition to the unsecured indebtedness problem, this proposal represents an abrupt departure from his historical mission of the CCC. The CCC was created in 1933 to stabilize, support, and protect farm income and prices; to help maintain balanced and adequate supplies of agricultural commodities; and to help in the orderly distribution of these commodities. Noticeably absent is its description as a lending institution.

Mr. President, in spite of the credit-elsewhere provision that would limit the quantity of loans by other agricultural lending institutions that would be displaced as a result of this proposal. Advancing CCC loans will undoubtedly have the effect of making the CCC an unwelcome competitor with agricultural banks, the beleaguered Farm Credit System, and other institutions. Let me assure you that this proposal does not have the support of the agricultural banking community.

This proposal will also have the effect of limiting harvest-time resources to those producers who might receive planting-time CCC loans. Advancing 50 percent of commodity loans at planting leaves only 50 percent for disbursement at harvest. As Senators can well imagine, the shortage of loan funds at harvest time will bring pressure for further advances against 1987 crops—and then 1988—and so on.

In fact, this proposal could result in massive changes in the customary flows of capital now inherent in the agricultural complex. Aware of this earlier transfer of funds to the producer, lenders are likely to seek earlier settlement of the debts held against the farmer.

Moreover, this proposal would do absolutely nothing to assist those producers who do not grow crops or livestock supported by CCC loans—about 70 percent of America's farmers and ranchers.

Mr. President, it has been made eminently clear that if this provision is added to the farm bill amendment package that ultimately passes the Congress, the probability of a veto will be very high. If this occurs, important yield, underplanting, and dairy provisions will be lost.

Finally, Mr. President, who really supports this proposal? I received letters last spring from numerous farm organizations, including the National Farmers Union and the National Farmers Organization, in opposition to this concept. The bankers certainly are opposed. Frankly, I hear no support for this concept from my North Carolina farmers.

By changing the mission of the Commodity Credit Corporation into a direct lender of unsecured loans, this proposal would create a new set of victims. The amendment represents undesirable policy and is too expensive. I urge my colleagues to oppose the consideration of this amendment.

Mr. DIXON. Mr. President, I rise this evening to support the sense of the Senate resolution, sponsored by my friend, Senator HARKIN, which encourages the Secretary of Agriculture to use his discretionary authority to provide advance recourse loans to our troubled farmers.

The resolution is based on S. 2113, the Emergency Farm Credit Act of 1986, which I introduced last week along with Senator HARKIN and eight of our colleagues. What this bill does is very simple. The nonrecourse loans, which are made available to farmers at harvest time, are advanced on a recourse basis. The Emergency Farm Credit Act of 1986 would permit an advance of one-half—or up to $50,000—of this loan, based on historic yield, to the farmer before he plants, rather than when he harvests.

These loans would be extended on the same basis as the nonrecourse loans already are. If this were a normal year, the ASCS would start making them in September and October. This bill mandates the Secretary of Agriculture to advance one-half of this loan now, so the farmer can begin planting.

I believe that this sense of the Senate resolution begins to address an issue that is facing hundreds of thousands of American farmers in the next few months, and I urge the Secretary to make use of this authority. It will not cost the Federal Government a single cent in additional spending, yet will enable these farmers to begin their spring planting.

This is a short-term solution to a short-term problem. This authority simply allows the farmer some breathing room.

If we can help the farmers get their crops in the ground now, then we have some time to take another look at the long-term solutions for our problems in farm credit. The next step would be to allow commercial banks to renegotiate farm loans and write down a portion of the loss over a 10-year period, which is an idea I have offered here in the Senate.

Spring planting will be upon us quickly. We must act now. If the farmer doesn't plant, the farmer doesn't harvest. We must allow him to do both.

Mr. HARKIN. Mr. President, I ask unanimous consent to add Senator BURDICK and Senator DIXON as cosponsors of the amendment. Again I thank the distinguished majority leader for using his good auspices to bring us together on this.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, I would like to ask the majority leader what does he anticipate after this rollcall vote?

Mr. DOLE. I cannot answer for certain until we check with Senator MOYNIHAN, but if he does not demand a vote on the dairy section, the rest will be done by voice vote. As soon as Senator MOYNIHAN walks in we will have the answer.

Mr. WILSON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Nevada [Mr. LAXALT], the Senator from Maryland [Mr. MATHIAS], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Vermont [Mr. STAFFORD], and the Senator from Alaska [Mr. STEVENS] are necessarily absent.

I further announce that, if present and voting, the Senator from Kansas [Mrs. KASSEBAUM] would vote "yea."

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from North Dakota [Mr. BURDICK], the Senator from Florida [Mr. CHILES], the Senator from Missouri [Mr. EAGLETON], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Louisiana [Mr. LONG], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

I further announce that the Senator from Michigan [Mr. RIEGLE] is absent because of illness in the family.

I also announce that the Senator from Hawaii [Mr. INOUYE] is absent because of death in the family.

I further announce that, if present and voting, the Senator from North Dakota [Mr. BURDICK] and the Senator from Louisiana [Mr. LONG], would each vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 65, nays 18—as follows:

[Rollcall Vote No. 25 leg.]

YEAS—65

Abdnor	Ford	Metzenbaum
Andrews	Glenn	Mitchell
Baucus	Gore	Moynihan
Bentsen	Gorton	Murkowski
Biden	Grassley	Nickles
Bingaman	Harkin	Nunn
Boren	Hart	Packwood
Boschwitz	Hatfield	Pressler
Bumpers	Heflin	Proxmire
Byrd	Heinz	Pryor
Cochran	Hollings	Quayle
Cranston	Kasten	Rockefeller
D'Amato	Kennedy	Sarbanes
Danforth	Kerry	Sasser
DeConcini	Leahy	Simon
Denton	Levin	Simpson
Dixon	Lugar	Symms
Dodd	Matsunaga	Thurmond
Dole	Mattingly	Wallop
Domenici	McClure	Weicker
Durenberger	McConnell	Zorinsky
Exon	Melcher	

NAYS—18

Chafee	Gramm	Pell
Cohen	Hatch	Roth
East	Hawkins	Rudman
Evans	Hecht	Trible
Garn	Helms	Warner
Goldwater	Lautenberg	Wilson

NOT VOTING—17

Armstrong	Inouye	Riegle
Bradley	Johnston	Specter
Burdick	Kassebaum	Stafford
Chiles	Laxalt	Stennis
Eagleton	Long	Stevens
Humphrey	Mathias	

So the amendment (No. 1647) was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ZORINSKY. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I am not quite certain if I can announce whether there will be another vote, but I think I can do so in a few moments. In the meantime, we can take care of amendments that are going to be accepted.

AMENDMENT NO. 1648

Mr. DIXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON] proposes an amendment numbered 1648.

Mr. DIXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . Section 17 of the United States Warehouse Act (7 U.S.C. 259) is amended—

(1) by striking out "That" and inserting in lieu thereof "(a) Except as provided in subsection (b),"; and

(2) by adding at the end thereof the following new subsection:

"(b)(1) Notwithstanding any other provision of this Act, if a warehouseman because of a temporary shortage lacks sufficient space to store the agricultural products of all depositors in a licensed warehouse, the warehouseman may, in accordance with regulations issued by the Secretary of Agriculture and subject to such terms and conditions as the Secretary may prescribe, transfer stored agricultural products for which receipts have been issued out of such warehouse to another licensed warehouse for continued storage.

"(2) The warehouseman of a licensed warehouse to which agricultural products have been transferred under paragraph (1) shall deliver to the rightful owner of such products, on request, at the licensed warehouse where first deposited, such products in the amount, and of the kind, quality, and grade, called for by the receipts or other evidence of storage of such owner.".

Mr. BYRD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

SOLVING A GRAIN STORAGE PROBLEM

Mr. DIXON. Mr. President, we took a step on October 25 of last year to remedy a situation regarding federally licensed warehouses which store grain under restrictions that do not apply to State licensed warehouses. By a vote of 86 to 0, we added an amendment to the 1985 farm bill which allows federally licensed warehouses to redeposit grain at another licensed facility. An old 1929 Federal law prevents this action at the present time.

The difficulty arises from the fact that grain bins, country elevators, and grain warehouses are bulging at the seams as a result of last fall's bumper harvest produced by our farmers throughout the Midwest.

The unique problem was created by the abundance of grain brought in by our farmers for storage. We have not been confronted with this situation before, and we have learned that only a legislative remedy can cure the difficulty.

Simply stated, the problem is this: Federally licensed warehouses, as I mentioned, are prohibited by a 1929 statute from redepositing grain at another facility, such as a river terminal. Their State licensed counterparts are allowed to engage in such redeposits. This means that Federal warehouses operate at a competitive disadvantage because they cannot move old grain to another location in order to accommodate the massive amounts of new grain.

To resolve this situation, I am offering an amendment granting discretionary authority to the Secretary of Agriculture to permit federally licensed warehouses to transfer grain during extraordinary circumstances, such as last year's bumper crops coming out of the fields, with no place to go for storage. Even now, in Illinois and other States, there are piles of grain outside elevators and warehouses because of a lack of space.

My colleagues noted, when this amendment was adopted without a dissenting vote last October, that this amendment does not repeal the 1929 law which is causing the difficulty. The amendment simply grants discretionary authority to the Secretary to deal with a situation which is presently beyond everyone's control.

Mr. President, my colleagues supported this amendment overwhelmingly last October so that our federally licensed grain warehouses will be on a par with our State-licensed warehouses.

This amendment has no opposition. As I mentioned, it passed 86 to 0. Unfortunately, even though the Senate spoke its mind on the subject, the amendment was inadvertently dropped out during the conference on the 1985 farm bill.

This amendment is still a good idea. It had the support of the chairman and the ranking member of the Senate Agriculture Committee, as well as 84 of their colleagues.

I ask that this amendment be given, once again, the favorable consideration it received last year.

Mr. President, the amendment is corrective in nature. It simply permits Federal warehousemen to transfer to other warehouses excess grain that needs to be stored under authority of the Secretary of Agriculture. It is entirely discretionary with him. The amendment has been cleared on both sides, with the distinguished manager of the bill and the distinguished ranking minority member. There is no objection to it.

Mr. HELMS. Mr. President, the distinguished Senator from Illinois has stated it correctly.

Mr. ZORINSKY. Mr. President, we have examined the amendment and support its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1648) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ZORINSKY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1649

(Purpose: To require Administrator of the Agency for International Development to submit a plan for the use of reserve funds for African famine relief and rehabilitation, and for other purposes)

Mr. MELCHER. Mr. President, I have an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. MELCHER] proposes an amendment numbered 1649.

Mr. MELCHER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following new section:

SEC. . Title II of the Act of April 4, 1985, entitled "An Act making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes", Public Law 99-10, is amended by striking out "the Administrator" and all that follows through "Africa." and inserting in lieu thereof the following: "the President certifies that the use of such funds is essential to famine relief in Africa. The Administrator of the Agency for International Development shall prepare and submit to Congress before April 15, 1986, a plan specifying how such additional funds for African famine relief would be used. The plan shall ensure, among other things, that the funds from the reserve, if utilized, shall be available to cover all costs for inland transporta-

tion of food only as are necessary for its timely delivery."

Mr. MELCHER. Mr. President, this amendment directs the Administrator of AID to prepare and submit to Congress, before April 15, plans specifying how the funds that are available for a contingency for African famine relief will be utilized.

The reason we want this date established for the plan is to make the best use of the funds that are available. Last year, $225 million was appropriated for African aid. No plans have been developed yet. So far, the President does not think he will use them, but we have word from the private voluntary organizations and from the Department of Agriculture that a half-billion dollars in African aid will be necessary in six countries—Ethiopia, Sudan, Cape Verde, Angola, Botswana, and Mozambique.

We are merely trying to use good business practice and prudence in developing the utilization of food aid for these countries.

I hope the amendment can be accepted.

Mr. HELMS. Mr. President, we find the amendment acceptable.

Mr. ZORINSKY. Mr. President, this side also finds the amendment acceptable and recommends its adoption.

Mr. CHAFEE. Mr. President, I ask the managers of the bill: What are we getting into? It is just to come forward with a plan and that is it?

Mr. HELMS. That is it.

Mr. CHAFEE. There is no compulsory expenditure involved?

Mr. HELMS. The Senator is absolutely correct. Otherwise, I would not have aaccepted the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1649) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ZORINSKY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1650

(Purpose: To provide for the announcement of availability during fiscal year 1986 of commodities under section 416 of the Agricultural Act of 1949)

Mr. MELCHER. Mr. President, I have an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Montana [Mr. MELCHER] proposes an amendment numbered 1650:

At the end of the bill, add a new section as follows:

SEC. . Section 416(b)(10)(B) of the Agricultural Act of 1949 is amended—

(a) by inserting before the period at the end of the second sentence the following: "or, in the case of fiscal year 1986, prior to March 31, 1986"; and

(b) by inserting before the period at the end of the third sentence the following: "or, in the case of fiscal year 1986, March 31, 1986".

Mr. MELCHER. Mr. President, I want to explain this amendment. It is very simple. It simply directs the Department of Agriculture and AID to propose the necessary list of commodities that are available under section 416 by a date certain.

Mr. HELMS. Mr. President, I find the amendment acceptable.

Mr. President, as part of the 1985 farm bill, we greatly expanded authorties to utilize the section 416 program for overseas donations of surplus commodities.

In order to facilitate implementation of these new authorities, the bill included a provision requiring the Secretary to estimate and publish in the Federal Register, those amounts of commodities available for distribution under the program. The bill also requires that this determination and announcement be made prior to the beginning of each fiscal year.

This amendment would speed up this process by requiring a report be made prior to March 31, 1986, as to the availability of commodities for the remainder of this fiscal year.

I have long supported the use of section 416, and find it the preferable mechanism for operating the new Food for Progress Program. I agree with the Senator that this amendment will assist in the use of this program, and support its adoption.

Mr. ZORINSKY. Mr. President, I find this amendment acceptable and recommend its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana.

The amendment (No. 1650) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ZORINSKY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1651

(Purpose: To permit the Secretary of Agriculture to adjust an apportion by State or region the amount of milk assessments on the basis of the amount of milk and milk products purchased in a State or region to support the price of milk)

Mr. MOYNIHAN. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN] proposes an amendment numbered 1651.

Mr. MOYNIHAN. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In section 10 (relating to increased milk assessments to meet deficit reduction requirements), insert "(a) Increased Milk Assessments.—" before "Effective".

In clause (1) of section 10, strike out "subparagraph (E)" and insert in lieu thereof "subparagraphs (E) and (F)".

At the end of section 10, insert the following new subsection:

(b) Apportionment of Milk Assessment.—Effective March 1, 1986, section 201(d)(2) of the Agricultural Act of 1949 (as amended by subsection (a)) is further amended by adding at the end thereof a new subparagraph (F) as follows:

"(F) Notwithstanding the foregoing provisions of this paragraph, the Secretary is authorized to adjust and apportion the amount of the reduction under subparagraph (A) in the price of milk received by producers on a State or regional basis taking into consideration the level of purchases of milk and the products of milk by the Commodity Credit Corporation in such State or region during the fiscal year ending September 30, 1985, to support the price of milk under this subsection.".

Mr. MOYNIHAN. Mr. President, might we have order?

Mr. LEAHY. May we have order, Mr. President, so we can hear the description of the amendment?

The PRESIDING OFFICER. Will conversations please move into the cloakroom? The Senate will be in order.

The Senator from New York.

Mr. MOYNIHAN. Mr. President, I have an amendment at the desk which proposes that the assessments on milk production be made proportional on a State or regional basis to reflect State or regional sales to the Commodity Credit Corporation.

We know that these sales, and dairy program benefits, vary greatly. We have learned in this body, for example, that under the diversion program, some dairymen so described by the Department of Agriculture in a certain State—Arizona—received annual payments of $226,978 not to milk their cows.

I hazard to guess there is not a dairyman in the State of New York or Vermont or Wisconsin who earns a profit of $226,978 a year. There are not many who have that much income, let alone profit.

The proposal I make here is that the Secretary of Agriculture decide that State or regional dairy assessments shall be proportional to sales to the Commodity Credit Corporation. For instance, if New York accounts for 2.5 percent of all dairy sales to the Commodity Credit Corporation, then New York dairymen would bear 2.5 percent of the assessment burden.

I have been asked by friends on this floor not to pursue this amendment

but I, in turn, ask my friends, can we not pursue this subject? The disparity in the treatment of dairy farmers across the Nation is without precedent in the history of this Chamber and has commenced to cause a measure of anguish and, I would suggest, a degree of scandal.

I see that my friend from Vermont is on the floor. I wonder if he would not agree with me that there is a problem here.

Mr. LEAHY. Mr. President, I agree with the Senator from New York. There should not be disproportionate payments of the nature he talked about.

The Senator from New York may recall that at the time of the diversion program I supported an effort to cap payments. I lost. As I recall, the distinguished Senator from New York was one of those who joined me in that vote, as did a number of other people who were concerned about the cost of farm programs.

As the Senator from New York, I do not recall that I have any constituents in Vermont who would get payments anywhere near approaching that on the diversion program.

Mr. MOYNIHAN. $226,978 to the dairyman.

Mr. LEAHY. Believe me, if such payments could be made in Vermont, I think I would be far more inclined to use my farm in Vermont for dairying instead of as a tree farm. Instead of the tree farm it is today, it would be a dairy farm tomorrow.

I proposed a limit on payments and the Senator from New York, the Senator from Rhode Island, and others supported such a limitation, as I recall. But we failed.

Concerning the proposal contained in the legislation presented by the distinguished Senator from North Carolina, the chairman of the——

Mr. MOYNIHAN. Mr. President, may we have order? The Senator from Vermont is speaking.

The PRESIDING OFFICER. The Senate will be in order. Conversations in the rear, on the right, please move into the Cloakrooms.

Mr. LEAHY. I thank the Chair and I thank my friend from New York.

In the legislation made by the distinguished Senator from North Carolina, which includes the proposal made by the distinguished Senator from Wisconsin [Mr. KASTEN] and myself, the distinguished Senator from Minnesota [Mr. BOSCHWITZ], and others, there is no provision for payments to dairy producers. It treats every farmer alike. There is not going to be a wildly disparate situation similar to that the distinguished Senator from New York has described.

I would hope that this measure could pass without amendment.

It does not make payments to dairy producers. It treats them alike. Of course, the distinguished Senator from New York naturally has the right as every Senator to ask for consideration of his amendment. But I wonder if he might consider withdrawing his amendment? I am sure that there are interested Senators on both sides of the aisle, interested in examining the Dairy Program to find areas where we agree on policy. We might bring some uniformity and some sense into a program which, on the one hand, is vital to the United States and, on the other hand, has some acknowledged defects.

If I am in this body next year, I will be a senior member of my party on the Agriculture Committee. I will continue to work on this issue. But we can work on it this year. We can work on it next year.

I pledge total cooperation with the distinguished Senator from New York in doing that. But I assure him that this proposal does not make payments to dairy farmers and really treats all dairy farmers alike.

Mr. MOYNIHAN. Mr. President, could I ask of the Senator from Vermont, would he not agree that the diversion program, which allowed these wildly disparate, indiscriminate, and unseemly payments, was a mistake made by this body?

Mr. LEAHY. No, in a word.

Let me say this: I think if the diversion program had both a cap and the ability to continue for at least a year longer, it would have proved to be an excellent program.

Mr. MOYNIHAN. Had it a cap.

Mr. LEAHY. Had it a cap.

With the two things that I supported, both a cap and a longer period, I think would have worked very well.

In compromising with the administration to limit the duration of the program, we erred. I think some in the administration now quietly admit that a short period of time was a mistake. So, on the question of did it work the way a lot of us would have liked, I agree with the Senator from New York, that it did not. Had it been designed the way I would like to have seen it, I think it would have had an excellent chance to limit Government cost.

Mr. MOYNIHAN. Mr. President, does the distinguished Senator from Vermont agree that many of us in this Chamber would like to discuss this matter early in the day, as dairy farmers are want to do?

Mr. LEAHY. Probably not quite that early, I say to my good friend from New York; maybe an hour or so later.

Mr. MOYNIHAN. After milking.

Mr. LEAHY. After milking.

Mr. MOYNIHAN. Our President pro tempore has indicated his interest. Would the Senator agree that we ought to have this talked out at some length on this floor before the next farm legislation comes to this body—before it comes to the body, not after it has come from the Committee on Agriculture, Nutrition and Forestry?

Mr. LEAHY. The Senator from New York is correct. It is a matter—and I would say this also on behalf of Senators on both sides of the aisle in the Agriculture Committee—that we wrestle with all the time. I do not think there is a member of the Agriculture Committee that would not like to have a solution to the "dairy program problem," however defined. I believe that there are a number of extremely knowledgeable Senators, and certainly the Senator from New York has to be high on that list.

I would like to see us do it when not under the gun of bill. I see the distinguished majority leader, who has wrestled with this, and he is not from a dairy State.

However, I have heard he was born in a log cabin, which is now being built in Russell, KS. The distinguished Senator from North Carolina and the distinguished Senator from Nebraska, Senator ZORINSKY, also have spent much time on the issue.

Let us pool expertise. We are not going to be able to accomplish much tonight. But I pledge my time and my staff's time to work with the Senator from New York.

Mr. MOYNIHAN. Mr. President, I saw the distinguished majority leader in a posture which was reminiscent of an earlier majority leader, and that seems to me to suggest that there might be an end to discourse. [Laughter.]

Mr. President, with the fine understanding of the second ranking minority member of the Committee on Agriculture, Nutrition, and Forestry, and with the understanding that my distinguished friend from North Carolina shares these concerns, I ask to withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. THURMOND. Mr. President, I rise in support of S. 2143, the technical amendments to the 1985 farm bill. However, I do have serious reservations about the dairy portion of this bill.

Pursuant to the March 1, 1986, Gramm-Rudman-Hollings sequestration order, the net outlays on the dairy program must be reduced by 4.3 percent. In order to achieve this reduction, the Department of Agriculture plans to reduce payment to dairy farmers, effectively dropping the dairy price support by 55 cents per hundredweight.

The dairy section of the pending bill would alter the plans of the Department of Agriculture concerning the implementation of the March 1, 1986, Gramm-Rudman-Hollings sequestration order. The bill would require that the Department of Agriculture increase the assessment paid by dairy

farmers, rather than decrease payment to processors for surplus dairy products. I do not agree with this proposed change in the plans of the Department of Agriculture. Mr. President, reducing the dairy price support discourages overproduction and provides a lower price to consumers. Increasing assessments only takes money away from efficient farmers.

Mr. President, the dairy industry in this country is facing a serious problem—oversupply. The Federal Government holds an excessive supply of milk and dairy products. In fact, the Government is having trouble giving away dairy products. In order to address the problem, we should discourage overproduction.

That is what the 1985 farm bill was designed to do. The farm bill provides for a "whole-herd buy-out" program, to allow farmers who want to get out of the business to do so without incurring dramatic losses. The bill also provides for a gradual lowering of the dairy price support over the next few years. In fact, during Senate consideration of the measure, an amendment to move up the schedule for lowering the price support was almost approved.

Under the pending bill, the 40-cents-per-hundredweight assessment scheduled for April 1 would be increased by up to 12 cents, and the support price would remain at $11.60 per hundredweight. Without this bill, the assessment would remain where it is scheduled to be, and support payments to producers would be reduced by 55 cents. Some feel that it is preferable to have all farmers pay an extra 10 cents per hundredweight rather than having those farmers who over-produce receive less in the way of a support price. I disagree.

Mr. President, lowering the dairy price support discourages overproduction and encourages consumption. Increasing the assessment instead of lowering the price support simply takes money from all dairy farmers without doing anything to correct the problems of the dairy program. In my opinion, this is a serious mistake.

While I do not concur with this particular provision of the package, the bill does contain several much-needed and desirable changes to the 1985 farm bill. The bill would correct the so-called underplanting provision in the 1985 farm bill and improve the export programs provided for in the 1985 farm bill.

Again, while I cannot concur with every section of the proposed bill, I do support the package as a whole.

Mr. PRESSLER. Mr. President, I want to commend everyone involved in working out the compromises on the two important pieces of farm legislation which we are about to vote. Many hours and days of work have gone into working out agreements on these two pieces of critical farm legislation.

The supplemental appropriations bill for the Commodity Credit Corporation is a must piece of legislation. The signup for farm programs has been delayed due to lack of funds. This is a very critical time for farmers. They are lining up financing and purchasing seed, fertilizer, and other things needed to plant this year's crop. Many farmers are depending on these payments from the CCC to make those purchasers.

The second critical piece of legislation for farmers is the package of amendments to the 1985 farm bill revising the yield provision, dairy program, and several other programs. The provision for establishing average yields in the 1985 farm bill will reduce many wheat and corn farmers' yields. The reduction in yield means a corresponding reduction in price supports and farm income. With farm income already depressed, many farmers cannot afford to have their yields reduced by 10 to 20 percent. The bill before the Senate will make up the reductions in yields with PIK payments.

Another critical part of this package is the dairy provision. If we do not pass this bill, the dairy price support level, as a result of Gramm-Rudman-Hollings budget reductions, would be reduced by approximately 55 cents per hundredweight. I know dairy farmers in South Dakota cannot afford such a reduction. The proposal we are considering would increase the current dairy assessment on all dairy production by 12 cents per hundredweight. The same amount of money will be saved by increasing the assessment.

Mr. President, I support these two pieces of legislation and urge their adoption.

Mr. GORTON. Mr. President, today we are reexamining certain specific provisions of the 1985 farm bill. The Food Security Improvement Act of 1986 makes important, and, in some cases, substantial modifications to the farm bill. Regardless of a Senator's position on this act, one thing should be made clear: these changes are important for many farmers and will make this a better farm bill and a fairer farm bill. By the same measure, we should be forthright in describing these changes. There is some dispute over whether or not these changes were anticipated when the farm bill was debated and agreed to last December. I do not know if they were or not—that was a very long and arduous debate and it produced an 11th hour bill of great heft and volume. I recommend, however, that, rather than debating past history, we consider these bills in the light of present reality. I am not surprised that we are making some changes to the mammoth bill passed last December. In fact, I am astonished that we are not trying to make even more.

The underplanting provisions of the farm bill permit farmers participating in commodity programs to devote some of their acres to nonprogram crops and still receive program benefits. Under the farm bill, wheat, cotton, rice, and feed grain farmers are given the option of growing nonprogram crops on 50 percent of their eligible land, the program crop on the other 50 percent, and still receive 92 percent of their deficiency payment. This is commonly referred to as the 92-50 provision. In theory, this provision would cut down on planting of crops that are in surplus, while encouraging farmers to test alternative crops without losing any income.

Unfortunately, this provision is bad policy in many respects: First, it threatens thousands of nonprogram crop growers, such as pea, lentil, and potato growers in Washington, with unfair competition from program crop growers who would be paid to grow alternative crops. Second, it brings hundreds of other new crops under the guise of the Federal farm program system. Third, it has the potential to create crop surpluses for nonprogram crops where none existed before and could lead these crop growers to ask for Government protection. In many cases that assistance would be justified.

As I understand it, the compromise worked out to protect growers of nonprogram crops who might be hurt by this provision also seeks to retain the positive aspects of the original farm bill provision. This act gives the Secretary of Agriculture discretion to permit the planting of nonprogram crops on underseeded areas if he determines that they will not be economically harmful to traditional growers of those crops. In addition, the bill provides that underplanted acres may be planted to conserving uses. In my mind, each of these changes is an improvement over the original bill.

The second major change under consideration would ensure that farmers would not be penalized by unanticipated changes in the method of calculating their program payment yields for 1986 and 1987 crops. According to language in the farm bill, a farm's program payment yield for 1986 and 1987 will be the 5-year average for the farm with the high and low years thrown out. The yields will then be multiplied by the deficiency rate to determine a farmer's maximum allowable deficiency payment. A farmer must provide a proven yield for each of the 5 years in the equation, otherwise he must use the average crop yield for the county he lives in for that particular year.

Problems have arisen because many farmers do not have proven yields for all of the last 5 years. According to the

letter of the law and to USDA's interpretation of the legislation, they must use their county's average for the years in which they don't have a proven yield. This means that many farmers who were operating under the assumption that their deficiency payments would be frozen for 2 years at the 1985 level have been surprised to realize that they may actually go down because of the introduction of the 5-year-average rule.

The Food Security Improvement Act retains the formula in the farm bill but requires the Secretary to compensate a producer if his payment yield declines by more than 3 percent between the 1985 and 1986 crop years, and more than 5 percent between the 1985 and 1987 crop years. I believe that this is an appropriate modification. Perhaps more than anything else, this is a fairness issue. During the course of debate on the farm bill Congress sent a very strong message to the farmers of America, telling them that we were freezing income supports for 2 years. To alter this agreement now, by not modifying the yield provision, exhibits a certain degree of dishonesty on the part of the Government. I think this type of policymaking should be avoided, and this bill accomplishes that.

The final change to the farm bill found in the Food Security Improvement Act is tremendously important for the Nation's dairy farmers. This provision presents the Senate with a choice: whether to achieve the required 1986 Gramm-Rudman-Hollings savings in the dairy program through an assessment or whether to meet it through a cut in the support price.

I support the approach taken in the bill because it will spread the Gramm-Rudman-Hollings savings equally across the entire dairy industry. The assessment championed in this bill is fair and it achieves the required savings. Moreover, it has tremendous support among dairy farmers—the ones who will bear the responsibility for paying the assessment.

The alternative to this provision is an approximate 50-cent cut in the Federal support price for dairy products, which was frozen in the farm bill. Unfortunately, this approach is haphazard in its effect on the dairy industry. First, the percentage cut in the support price will hurt disproportionately those dairymen who produce milk for nonfluid uses such as cheese, butter, and powder. This unequal hit is a result of the convoluted workings of the dairy program, which supports fluid milk production at a higher price—through marketing order regulations which are not effected by Gramm-Rudman-Hollings—than it supports the price of milk used for nonfluid purposes.

Second, I think it is important to note that a cut in the support price may lead to an increase in milk production as dairymen add cows to their herds, feeding them cheap grain in an effort to keep their cash flow stable. An increase in production would mean more Government purchases, would negate some of the savings from the price support cut, and would run contrary to one of the first goals of the farm bill—lower dairy output. The assessment alternative, which would add 10 to 12 cents to each dairyman's assessment, would not have nearly the same negative impact on production.

Finally, it is important to note that the changes to the farm bill sought by the Food Security Improvements Act of 1986 are designed to be revenue neutral. I am convinced that the budget climate in which we must work here in the Senate demands that increased spending in one area be balanced by reduction in another. The export programs effected by the balancing being done in this case are important and I believe that they have been preserved in a viable form. I would have preferred not to have had any cuts in agriculture export programs to offset the additional expenses resulting from the crop yield and underplanting provisions of the bill, but these cuts were necessary and have been handled in a responsible fashion.

I urge my colleagues to support this bill.

(By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD:)

● Mr. RIEGLE. Mr. President, due to an unexpected family illness in Michigan, I will be unable to attend the session of the Senate today. I had very much hoped to be here to participate in the debate on the farm bill, which is of great importance to producers in Michigan, and regret that this was not possible. I have been involved in the discussions relating to the farm bill, and wish to thank the majority leader, minority leader and all of the others who have participated in the development of this compromise.

Mr. President, I rise in support of the legislation before us, and especially in support of the language relating to nonprogram crops and the so-called underplanting provisions. This language will resolve a major problem that has arisen as a result of the farm bill that was enacted last year. The Department of Agriculture has ignored our efforts to convince it to employ the discretion it has to, to prohibit the planting of nonprogram crops—such as dry edible beans or potatoes—on permitted acres. Following this statement, I will place in the RECORD a letter that was sent to the Department of Agriculture signed by several Senators, including the majority leader, and the reply that we received indicating no possibility of administrative flexibility in this regard.

This situation has given us no alternative other than to enact additional correcting legislation making explicit the prohibition against the use of permitted acres for dry bean or other nonprogram crop production.

Mr. President, dry bean farmers in Michigan have never needed Government assistance. They have developed their industry and their markets with their own industry, ingenuity and capital. They have contacted me with one simple inquiry: "Why does the Government now want to threaten, perhaps fatally, their industry by permitting something to occur which has never been permitted in the past?"

Already, bean farmers in Michigan have seen prices drop in anticipation of increased plantings in 1986. In addition, prices for seed have risen steadily in recent weeks, further confirming suspicions that many farmers are planning to convert corn acreage to dry edible bean production. Less than 2 million acres of beans are planted each year. Under last year's farm bill, perhaps as much as 40 million acres will be taken out of program crop production. Thus, if even a small fraction of this land is devoted to bean production, established producers would see sharp price and supply effects.

And this problem is not only confined to beans, since all nonprogram crops are presently at jeopardy under the USDA interpretation of the 1985 farm bill. Those Senators who have been involved in this effort are concerned about commodities as diverse as potatoes and wild rice. In a very real sense, without the language contained in this legislation, any crop not covered under provisions of the farm bill is at risk, as are thousands of small, independent producers of these commodities.

So, I am pleased that we have finally been able to resolve the issues surrounding this bill and move it to the House. This is a reasonable provision, it is fair to program and nonprogram producers alike and it will not add to the cost of administering our farm programs, in fact it will do much to ensure the vitality of an important segment of agriculture.

Mr. President, I ask that the letters referred to in my statement appear in the RECORD.

The letters follow:

U.S. SENATE,
Washington, DC, February 7, 1986.

Hon. JOHN R. BLOCK,
Secretary of Agriculture,
Washington, DC.

DEAR MR. SECRETARY: We urge you to use the authorities vested in you to ensure the proper and effective administration of the 50 percent permitted acreage planting rule.

The Food Security Act of 1985 requires that you afford wheat, feed grain, upland cotton, and rice producers the option of planting only 50 percent of the their permitted acreage and receiving deficiency payments on 92 percent of their permitted acre-

age if the underplanted acreage is devoted to conservation uses or nonprogram crops. The Department recently announced that any nonprogram crop other than soybeans and extra long staple cotton could be planted on this underplanted acreage—without regard to the profitability and the supply/demand situation for the nonprogram crops. This announcement—if not modified—will have a detrimental effect on net farm income for producers of many nonprogram crops.

Congress, in enacting the 1985 Act, did not intend that the underplanting provision be administered in such a way as to adversely affect producers of nonprogram commodities. Under the provision, up to 40 million acres of underplanted land could be devoted to nonprogram crops. With this vast amount of land being available for nonprogram crop production, the potential exists for devastating the industry of many commodities unless you modify the Department's previous announcement. More importantly, unless you modify the Department's previous announcement, the Federal Government will put out of business farmers who have never asked for a price support program or any other kind of Federal subsidy.

Mr. Secretary, under the Food Security Act of 1985, you are authorized to issue such regulations as you determine necessary to carry out the commodity programs, and you are required to ensure that the programs are effectively administered. In addition to this grant of authority, you are vested with broad discretionary powers under the Commodity Credit Corporation Charter Act to assist in the maintenance of balanced and adequate supplies of agricultural commodities.

We urge you to exercise the powers vested in you and issue regulations that will ensure that the underplanting provision does not adversely affect producers of nonprogram commodities.

Sincerely,

DON RIEGLE
(With 12 signatures).

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington DC, February 21, 1986.

Hon. DONALD W. RIEGLE, Jr.,
U.S. Senate, Washington, DC.

DEAR SENATOR RIEGLE: Thank you for your letter, jointly signed by you and 12 of your colleagues, expressing your concerns regarding potential increased planting of non-program crops under certain provisions of the commodity programs which are contained in the Food Security Act of 1985.

Your statement that the "92/50 rule" might encourage farmers to plant non-program crops on available crop acreage and thereby adversely affect producers of non-program crops is correct.

The 1985 Act provides, with respect to the 1986 and subsequent crops, that, whenever an acreage limitation is in effect for any program crop (i.e., wheat, feed grains, upland cotton and rice), producers may receive deficiency payments on underplanted acres (up to a maximum of 92 percent of permitted acreage) if such underplanted acres are devoted to non-program crops or conserving uses and such producers plant at least 50 percent of the producers' permitted acreage to the program crop. The 1985 Act specifically defines a non-program crop for these purposes as any agricultural commodity other than wheat, feed grains, upland cotton, extra long staple cotton, rice or soybeans. The statute, therefore, permits producers to plant any other agricultural commodity on this underplanted acreage. We are aware of no statutory authority which could be utilized to overrule the specific authorization and permit the Secretary of Agriculture to designate additional commodities to those listed above.

Your concern is appreciated.

An identical letter is being sent to your colleagues.

Sincerely,

DANIEL G. AMSTUTZ,
Under Secretary for International Affairs and Commodity Programs.

(By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD:)

● Mr. BURDICK. Mr. President, I support this legislation to change certain provisions of the farm bill.

The new method of determining payment yields guts the concept of a freeze on target prices. When we promised the farmer a freeze in target prices, it's downright conniving to turn around and reduce the yield on which that payment will be made. When we voted for the farm bill, we voted for a freeze—and that means freezing both target prices and per-acre payment yields.

So this legislation is absolutely necessary in order to prevent reductions in income for some farmers up to 20 percent. This is unfair to farmers who have been trying to live within the bounds of the farm program, and I am pleased that we are finally taking action on this measure.

Mr. President, there is another provision that was not properly thought out when it was added to the farm bill. The effect of the provision would be to take those crops which have not needed Government support in the past, and which have been able to sustain farmers on their own, and bring them down.

It is simply unfair to provide payments on these acres which are planted to nonprogram crops to those farmers who are in the program on another crop, but not to give those same payments to the farmer who has always planted the nonprogram crop. The current provision simply knocks the competition all out of whack and would have the effect of bringing more farmers, more land, and more crops under the Federal farm programs.

This is not a desirable goal and I hope this legislation will be passed forthwith.

With farm program signup beginning now, we don't have time to wait. The farmers need to know and have a right to know what we're doing on a timely basis. And the farmers of nonprogram crops have a right to have this unfair provision deleted from the farm bill.

Mr. President, I support this change, and I urge my colleagues to do the same.●

Mr. LEVIN. Mr. President, the 7,500 dry edible bean farmers in the State of Michigan brought to my attention in late January a problem created by the 1985 farm bill. That bill encourages overproduction of beans and other nonprogram crops at the expense of traditional farmers of those crops. The so-called underplanting provision in the law not only encourages overproduction of crops not covered under government agriculture programs, it also, in effect, subsidizes those nonprogram crops for wheat, feed grains, cotton, and rice producers.

This is not just a hypothetical problem invented by the farmers in my State. It is a real problem. In the last several weeks, market dry bean prices have dropped in anticipation of the oversupply this provision will cause. James Stein, president of the National Dry Bean Council, correctly assessed the situation when he stated, "With domestic consumption of dry beans trending softer and third world markets short of purchasing power, prospects for moving large additional acreage to market are not bright. The United Kingdom and Western Europe are two prime cash markets for United States dry bean products, but neither have the market capacity or infrastructure to absorb the anticipated increased production if farmers opt to plant dry beans on diverted acres of corn, cotton, soybeans or wheat this year." The facts are that dry edible bean prices are already 25 percent below the cost of production and there is already an oversupply of this commodity.

The provision we have worked out now in this bill will help the dry, edible bean farmers and farmers of other nonprogram crops by restoring some order to the farm program. It limits planting of nonprogram crops on permitted acreage to sweet sorghum or the production guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, planago ovato, flaxseed, triticale, rye, and commodities for which no substantial domestic production or market exists but for which there are industrial uses. Hay and grazing are permitted if certain conditions are met.

This bill will end the uncertainty of nonprogram crop farmers and will allow them to continue to plant and market their crops without Government intervention. Surely, it was not the intent of Congress to lower the income of producers who have not been covered by Government programs—farm prices are low enough.

Senator RIEGLE and I introduced a bill in late January to address this issue. In addition, we, along with many other Senators, have urged the Secretary of Agriculture to use the authority we feel he already has to ensure producers of nonprogram crops would

not be adversely affected by the underplanting provision. The Department, however, rejected our request that this problem be addressed administratively, so this legislation was necessary to remedy it.

I want to take this opportunity to thank the majority leader for his help in resolving this issue and many other Senators for their unflagging efforts to remove this threat to many of our vulnerable farmers.

The PRESIDING OFFICER. Are there further amendments? If not, the question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. MELCHER. Mr. President, I wish to engage in a very short colloquy with the chairman of the committee.

Mr. DOLE. Mr. President, will the Senator yield for one moment?

Mr. MELCHER. Yes, I am delighted to yield.

Mr. DOLE. Mr. President, I believe, with the disposition of the dairy amendment—and I wish to thank my distinguished colleague from New York for not pressing that amendment—that we will have a voice vote on final passage of this measure. I am advised by the chairman of the Appropriations Committee that there could be a voice vote on the CCC appropriations. So, unless someone present demands a rollcall, there will be no more rollcall votes tonight. Is anybody here demanding a rollcall? There will be no more rollcall votes tonight.

Mr. MELCHER. Mr. President, as the farm bill passed, title I requires that for fiscal year 1986 through fiscal year 1990, at least 10 percent of the aggregate value of all title I sales be used for section 108 private enterprise agreements. As far as the current fiscal year is concerned, the administration should be attempting to follow that requirement. Although there are a number of title I negotiations——

Mr. HELMS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Conversations among staff please remove to the Cloakrooms. Conversations in the rear of the room please go into the Cloakrooms.

The Senator from Montana.

Mr. MELCHER. Mr. President, as far as this current fiscal year is concerned, the administration should be looking to apply 108 provisions to ongoing title I negotiations. As of early in February, those negotiations were still under way in Ecuador, Indonesia, Kenya, and several other countries. So far, none of it has resulted in the utilization of at least 10 percent of the aggregate value of those title I sales being used for 108.

I know the chairman of the committee is not only knowledgeable on this subject, but he shares my concern that we have not seen some action in utilizing this provision in the 1985 act. I wonder if the chairman can advise me on how best we can approach this dilemma.

Mr. HELMS. Mr. President, first of all, let me thank the Senator for raising this question again. As he has indicated, I do indeed share his concern about it not being implemented quickly enough. As a matter of fact, as the Senator may recall, I raised this very issue with the incoming Secretary of Agriculture during his confirmation hearing yesterday. but I believe that, as the Senator obviously does, the change in the statute to require a report on program implementation, that it might be more effective for us to give the new Secretary a chance to look into the matter. I guarantee the Senator from Montana that he and I will walk arm in arm in pushing this matter.

Mr. MELCHER. I thank the chairman.

The PRESIDING OFFICER. If there is no further debate, the bill having been read the third time, the question is, Shall it pass?

So the bill (S. 2143), as amended, was passed, as follows:

S. 2143

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Food Security Improvements Act of 1986".

SEC. 2. NONPROGRAM CROPS.

(a) WHEAT.—Section 107D(c)(1) of the Agricultural Act of 1949 (as added by section 308 of the Food Security Act of 1985) is amended—

(1) in subparagraph (C), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (k))";

(2) in subparagraph (C)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such products must devote such acreage to conservation uses (except as provided in subparagraph (K).''; and

(3) by striking out subparagraph (K) and inserting in lieu thereof the following new subparagraph:

"(K)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (C) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (C) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(b) FEED GRAINS.—Section 105C(c)(1) of the Agricultural Act of 1949 (as added by section 401 of the Food Security Act of 1985) is amended—

(1) in subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (I))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (I)).''; and

(3) by striking out subparagraph (I) and inserting in lieu thereof the following new subparagraph:

"(I)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased indus-

trial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclasue (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(c) COTTON.—Section 103A(c)(1) of the Agricultural Act of 1949 (as added by section 501 of the Food Security Act of (1985) is amended—

(1) in subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (G))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (G)).''; and

(3) by striking out subparagraph (G) and inserting in lieu thereof the following new subparagraph:

"(G)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(d) RICE.—Section 101A(c)(1) of the Agricultural Act of 1949 (as added by section 601 of the Food Security Act of 1985) is amended—

(1) in subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (G))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (G)).''; and

(3) by striking out subparagraph (G) and inserting in lieu thereof the following new subparagraph:

"(G)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II) the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(e) APPLICATION.—In the case of the 1986 crops of wheat, feed grains, upland cotton, and rice, the amendments made by this section shall not apply to any producer who demonstrates to the satisfaction of the Secretary of Agriculture that the producer, before February 26, 1986, planted or contracted to plant for the 1986 crop year a portion of the permitted acreage of the producer to any agricultural commodity other than wheat, feed grains, upland cotton, extra long staple cotton, rice, or soybeans.

SEC. 3. FARM PROGRAM PAYMENT YIELDS.

(a) ESTABLISHED PRICE PAYMENTS FOR 1986 AND 1987 CROP YEARS.—Section 506(b) of the Agricultural Act of 1949 (as added by section 1031 of the Food Security Act of 1985) is amended—

(1) in paragraph (1), by striking out "paragraph (2)" and inserting in lieu thereof "paragraphs (2) and (3)";

(2) by redesignating paragraphs (2) through (4) as paragraphs (3) through (5), respectively; and

(3) by inserting after paragraph (1) the following new paragraph:

"(2)(A) In the case of the 1986 crop year for a commodity, if the farm program payment yield for a farm is reduced more than 3 percent below the farm program payment yield for the 1985 crop year, the Secretary shall make available to producers established price payments for the commodity (in the form of commodities owned by the Commodity Credit Corporation) in such amount as the Secretary determines is necessary to provide the same total return to producers as if the farm program payment yield had not been reduced more than 3 percent below the farm program payment yield for the 1985 crop year.

"(B) In the case of the 1987 crop year for a commodity, if the farm program payment yield for a farm is reduced more than 5 percent below the farm program payment yield for the 1985 crop year, the Secretary shall make available to producers established price payments for the commodity (in the form of commodities owned by the Commodity Credit Corporation) in such amount as the Secretary determines is necessary to provide the same total return to producers as if the farm program payment yield had not been reduced more than 5 percent below the farm program payment yield for the 1985 crop year.".

(b) FARM PROGRAM PAYMENT YIELDS FOR 1988 AND SUBSEQUENT CROP YEARS.—Section 506(c)(1) of the Agricultural Act of 1949 is amended by adding the end thereof the following new sentence: "Notwithstanding any other provision of this paragraph, for purposes of establishing a farm program payment yield for any program crop for any farm for the 1988 and subsequent crop years, the farm program payment yield for the 1986 crop year may not be reduced more than 10 percent below the farm program payment yield for the farm for the 1985 crop year.".

SEC. 4. SPECIAL ASSISTANT FOR AGRICULTURAL TRADE AND FOOD ASSISTANCE.

(a) CHANGE OF TITLE.—(1) Section 1113 of the Food Security Act of 1985 is amended—

(A) in the caption, by striking out "FOOD AID" and inserting in lieu thereof "FOOD ASSISTANCE"; and

(B) in subsection (a), by striking out "Food Aid" and inserting in lieu thereof "Food Assistance".

(2) The table of contents in section 2 of such Act is amended by striking out "Food Aid" in the item relating to section 1113 and inserting in lieu theref "Food Assistance".

(b) APPOINTMENT OF INITIAL SPECIAL ASSISTANT.—Section 1113(a) of such Act is amended by adding at the end thereof the following new sentence: "The President shall appoint the initial Special Assistant not later than May 1, 1986.".

(c) REMOVAL OF LEVEL I CLASSIFICATION.—Section 5312 of title 5, United States Code,

as amended by section 1113(d) of the Food Security Act of 1985, is amended by striking out the item relating to:

"Special Assistant for Agricultural Trade and Food Aid.".

(d) COMPENSATION FOR THE SPECIAL ASSISTANT.—Section 1113(d) of the Food Security Act of 1985 is amended to read as follows:

"(d) Compensation for the Speical Assistant shall be fixed by the President at an annual rate of basic pay of not less than the rate applicable to positions in level III of the Executive Schedule.".

SEC. 5 TARGETED EXPORT ASSISTANCE.

Section 1124 of the Food Security Act of 1985 is amended by striking out subsection (a) and inserting in lieu thereof the following new subsection:

"(a) For export activities authorized to be carried out by the Secretary of Agriculture or the Commodity Credit Corporation, in addition to any funds or commodities otherwise required under this Act to be used for such activities—

"(1) for each of the fiscal years ending September 30, 1986, through September 30, 1988, the Secretary shall use under this section not less then $110,000,000 of funds of, or commodities owned by, the Corporation; and

"(2) for each of the fiscal years ending September 30, 1989, and September 30, 1990, the Secretary shall use under this section not less than $325,000,000 of funds of, or commodities owned by, the Corporation.".

SEC. 6. DEVELOPMENT AND EXPANSION OF MARKETS FOR UNITED STATES AGRICULTURAL COMMODITIES.

Subsection (i) of section 1127 of the Food Security Act of 1985 is amended to read as follows:

"(i) During the period beginning October 1, 1985, and ending September 30, 1988, the Secretary shall use agricultural commodities and the products thereof referred to in subsection (a) to carry out this section, except that the value of the commodities and products may not be less than $1,000,000,000, nor more than $1,500,000,000. To the maximum extent practicable, such commodities shall be used in equal amounts during each of the years in such period.".

SEC. 7. HAY AND GRAZING ON DIVERTED WHEAT AND FEED GRAIN ACREAGE.

(a) WHEAT.—Subparagraph (C) of section 107D(f)(4) of the Agricultural Act of 1949 (as added by section 308 of the Food Security Act of 1985) is amended to read as follows:

"(C)(i) Except as provided in clause (ii), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage diverted from production by participating producers in such State to be devoted to—

"(I) hay and grazing during not less than 5 of the principal growing months (as established for a State by the State committee), in the case of the 1986 crop of wheat; and

"(II) grazing, in the case of each of the 1987 through 1990 crops of wheat.

"(ii) In the case of each of the 1987 through 1990 crops of wheat, grazing shall not be permitted for any crop of wheat under clause (i)(II) during any 5-consecutive-month period that is established for such crop for a State by the State committee established under section 8(b) of such Act.".

(b) FEED GRAINS.—Subparagraph (C) of section 105C(f)(4) of the Agricultural Act of 1949 (as added by section 401 of the Food Security Act of 1985) is amended to read as follows:

"(C)(i) Except as provided in clause (ii), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage diverted from production by participating producers in such State to be devoted to—

"(I) hay and grazing during not less than 5 of the principal growing months (as established for a State by the State committee), in the case of the 1986 crop of feed grains; and

"(II) grazing, in the case of each of the 1987 through 1990 crops of feed grains.

"(ii) In the case of each of the 1987 thorugh 1990 crops of feed grains, grazing shall not be permitted for any crop of feed grains under clause (i)(II) during any 5-consecutive-month period that is established for such crop for a State by the State committee established under section 8(b) of such Act.".

SEC. 8. PROTECTION OF BASE ON NONPROGRAM CROP ACREAGE.

Section 504(b)(2) of the Agricultural Act of 1949 (as added by section 1031 of the Food Security Act of 1985) is amended—

(1) by redesignating clause (D) as clause (E); and

(2) by striking out clause (C) and inserting in lieu thereof the following new clauses:

"(C) acreage in an amount equal to the difference between the permitted acreage for a program crop and the acreage planted to the crop, if the acreage considered to be planted is devoted to conservation uses or the production of commodities permitted under section 107D(c)(1)(K), 105C(c)(1)(I), 103A(c)(1)(G), or 101A(c)(1)(G), as the case may be;

"(D) in the case of each of the 1986 through 1989 crop years, acreage in an amount equal to not to exceed 50 percent of the permitted acreage for a program crop for each of the 1986 and 1987 crop years, 35 percent of the permitted acreage for the 1988 crop year, and 20 percent of the permitted acreage for the 1989 crop year, if—

"(i) the acreage considered to be planted is planted to a crop, other than a program crop, peanuts, soybeans, extra long staple cotton, or commodities specified in clause (C);

"(ii) the producers on the farm plant for harvest to the program crop at least 50 percent of the permitted acreage for such crop; and

"(iii) payments are not received by producers under 107D(c)(1)(C), 105C(c)(1)(B), 103A(c)(1)(B), or 101A(c)(1)(B), as the case may be; and".

SEC. 9. MARKETWIDE SERVICE PAYMENTS.

(a) HEARING.—Not later than 90 days after receipt of a proposal to amend a milk marketing order in accordance with section 8c(5)(J) of the Agricultural Adjustment Act, reenacted with amendments by the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 608c(5)(J)) (as added by section 133 of the Food Security Act of 1985), the Secretary of Agriculture shall conduct a hearing on the proposal.

(b) IMPLEMENTATION.—Not later than 120 days after a hearing is conducted under subsection (a), the Secretary shall implement, in accordance with the Agricultural Adjustment Act, a marketwide service payment program under section 8c(5)(J) of such Act that meets the requirements of such Act.

SECTION 10. INCREASED MILK ASSESSMENTS TO MEET DEFICIT REDUCTION REQUIREMENTS.

Effective March 1, 1986, section 201(d)(2) of the Agricultural Act of 1949 (as amended by section 101(a) of the Food Security Act of 1985 (Public Law 99-198) is amended—

(1) in subparagraph (B), by striking out "The" and inserting in lieu thereof "Except as provided in subparagraph (E), the"; and

(2) by adding at the end thereof the following new subparagraph:

"(E)(i) In lieu of any reductions in payments made by the Secretary for the purchase of milk and the products of milk under this subsection during the period beginning March 1, 1986, and ending September 30, 1986, required under the order issued by the President on February 1, 1986, under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), the Secretary shall increase the amount of the reduction required under subparagraph (A) during the period beginning April 1, 1986, and ending September 30, 1986, as the sole means of meeting any reductions required under the order in payments made by the Secretary for the purchase of milk and the products of milk under this subsection.

"(ii) The aggregate amount of any increased reduction under clause (i) shall be equal, to the extent practicable, to the aggregate amount of the reduction that would otherwise be required under the order referred to in clause (i) in payments made by the Secretary for the purchase of milk and the products of milk under this subsection during the period beginning March 1, 1986, and ending September 30, 1986, except that the amount of any increased reduction under clause (i) may not exceed 12 cents per hundredweight of milk marketed.".

SEC. 11. RESEARCH ON EXTERNAL COMBUSTION ENGINES.

Section 4(m) of the Commodity Credit Corporation Charter Act is amended by adding at the end thereof a new sentence as follows: "Notwithstanding any other provision of this Act, the Corporation may, in the exercise of its power to remove and dispose of surplus agricultural commodities, export, or cause to be exported, not to exceed such amounts of commodities owned by the Corporation as will enable the Corporation to finance research and development of external combustion engines using fuel other than that derived from petroleum and petroleum products. The total value of commodities exported annually for the purposes of the research authorized by the preceding sentence may not exceed $30,000,000.".

SEC. 12. QUALITY CONTROL STUDIES UNDER THE FOOD STAMP PROGRAM.

Section 1538 of the Food Security Act of 1985 is amended—

(1) in subsection (a)(3), by striking out "of enactment of this Act" and inserting in lieu thereof "the Secretary and the National Academy of Sciences enter into the contract required under paragraph (2)";

(2) in subsection (c)(1), by striking out "18 months after the date of enactment of this Act" and inserting in lieu thereof "6 months after the date on which the results of both studies required under subsection (a)(3) have been reported"; and

(3) in subsection (c)(2), by striking out "2 years after the date of enactment of this Act" and inserting in lieu thereof "6 months

after the date on which the results of both studies required under subsection (a)(3) have been reported,".

SEC. 13. ADVANCE RECOURSE LOANS.

(a) It is the sense of the Congress that the Secretary of Agriculture shall carry out a program authorized by section 424 of the Agricultural Act of 1949. Such program shall provide for the following:

(1) Advance recourse loans shall be made available only to those producers of a commodity who are unable to obtain sufficient credit elsewhere to finance the production of the 1986 crop of that commodity, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes (as determined by the Secretary) in the community in or near which the applicant resides. A producer who has received a commitment or been furnished sufficient credit or a loan for production of the 1986 crop of a commodity shall not be eligible for an advance recourse loan to finance the production of that commodity for such crop year.

(2) Advance recourse loans shall be made available to producers of a commodity at the applicable nonrecourse loan rate for the commodity (as determined by the Secretary). Within the limits set out in paragraphs (5) and (7), advance recourse loans shall be available—

(A) to producers of wheat, feed grains, cotton, and rice who agree to participate in the program announced for the commodity on an amount of the commodity equal to one-half of the farm program yield for the commodity multiplied by the farm program acreage intended to be planted to the commodity for harvest in 1986, as determined by the Secretary;

(B) to producers of tobacco and peanuts who are on a farm for which a marketing quota or poundage quota has been established on an amount of the commodity equal to one-half of the farm marketing quota or poundage quota for the commodity, as determined by the Secretary; and

(C) to producers of other commodities on an amount of the commodity equal to one-half of the farm yield for the commodity multiplied by the farm acreage intended to be planted to the commodity for harvest in 1986, as determined by the Secretary.

(3) An advance recourse loan under section 424 shall come due at such time immediately following harvest as the Secretary determines appropriate. Each loan contract entered into under section 424 shall specify the date on which the loan is to come due.

(4)(A) The Secretary shall establish procedures, when practicable, under which a producer, simultaneously with repayment of his recourse loan, may obtain a nonrecourse loan on his crop (as otherwise provided for in the Agricultural Act of 1949 in an amount sufficient to repay his recourse loan.

(B) In cases in which nonrecourse loans under such Act are not normally made available directly to producers, the Secretary shall establish procedures under which a producer may repay a recourse loan at the same time the producer receives advances or other payment from the producer's disposition of his crop.

(5) Advance recourse loans shall be made available as needed solely to cover costs involved in the production of the 1986 crop that are incurred or are outstanding on or after the date of enactment of this section.

(6) To obtain an advance recourse loan, the producer on a farm must—

(A) provide as security for the loan a first lien on the crop covered by the loan or provide such other security as may be available to the producer and determined by the Secretary to be adequate to protect the Government's interests; and

(B) obtain multiperil crop insurance, if available, to protect the crop that serves as security for the loan.

If a producer does not have multiperil crop insurance and is located in a county in which the signup period for multiperil crop insurance has expired, the producer shall be required to obtain other crop insurance, if available.

(7) The total amount in advance recourses loans that may be made to a producer under section 424 may not exceed $50,000.

(8) An advance recourse loan may be made available only to a producer who agrees to comply with such other terms and conditions determined appropriate by the Secretary and consistent with the provisions of section 424.

(b) The Secretary shall carry out the program provided for under section 424 through the Commodity Credit Corporation, using the services of the Agricultural Stabilization and Conservation Service and the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h (b)) to make determinations of eligibility with respect to the credit test under subsection (a)(1), and determinations as to the sufficiency of security under subsection (a)(6). The Secretary may use such committees for such other purposes as the Secretary determines appropriate in carrying out section 424.

(c) It is further the sense of Congress that the Secretary of Agriculture shall issue or, as appropriate, amend regulations to implement the program provided for under section 424 as soon as practicable, but not later than 15 days after the date of enactment of this Act. Loans and other assistance provided under such program shall be made available beginning on the date such regulations are issued or amended.

SEC. 14. TRANSFER OF AGRICULTURAL PRODUCTS STORED IN WAREHOUSES.

Section 17 of the United States Warehouse Act (7 U.S.C. 259) is amended—

(1) by striking out "That" and inserting in lieu thereof "(a) Except as provided in subsection (b),"; and

(2) by adding at the end thereof the following new subsection:

"(b)(1) Notwithstanding any other provision of this Act, if a warehouseman because of a temporary shortage lacks sufficient space to store the Agricultural products of all depositors in a licensed warehouse, the warehouseman may, in accordance with regulations issued by the Secretary of Agriculture and subject to such terms and conditions as the Secretary may prescribe, transfer stored agricultural products for which receipts have been issued out of such warehouse to another licensed warehouse for continued storage.

"(2) The warehouseman of a licensed warehouse to which agricultural products have been transferred under paragraph (1) shall deliver to the rightful owner of such products, on request, at the licensed warehouse where first deposited, such products in the amount, and of the kind, quality, and grade, called for by the receipts or other evidence of storage of such owner.".

SEC. 15. PLAN FOR THE USE OF AFRICA FAMINE RELIEF.

Title II of the Act of April 4, 1985, entitled "An Act making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes", Public Law 99-10, is amended by striking out "the Administrator" and all that follows through "Africa." and inserting in lieu thereof the following: "the President certifies that the use of such funds is essential to famine relief in Africa. The Administrator of the Agency for International Development shall prepare and submit to Congress before April 15, 1986, a plan specifying how such additional funds for African famine relief would be used. The plan shall ensure, among other things, that the funds from the reserve, if utilized, shall be available to cover all costs for inland transportation of food only as are necessary for its timely delivery.".

SEC. 16. ESTIMATION OF COMMODITY CREDIT CORPORATION UNCOMMITTED STOCK.

Section 416(b)(10)(B) of the Agricultural Act of 1949 is amended—

(1) by inserting before the period at the end of the second sentence the following: "or, in the case of fiscal year 1986, prior to March 31, 1986"; and

(2) by inserting before the period at the end of the third sentence the following: "or, in the case of fiscal year 1986, March 31, 1986".

Mr. HELMS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ZORINSKY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I wish to thank the distinguished chairman of the committee, Senator HELMS, and the distinguished ranking member, Senator ZORINSKY, for their efforts. I thank all Senators, as I said earlier, for their cooperation. This is an important piece of legislation. It is important to farmers and producers. I think it will be very helpful in giving the House some leverage to pass the bill very quickly. I would like to take this opportunity, in closing, to particularly commend the efforts of three Senators who have shown real leadership on this legislation. In managing the dairy assessment section, I want to thank the distinguished Senator from Wisconsin, Senator KASTEN, for his tireless efforts on behalf of dairy farmers in his State. Without his constant efforts to redress the Gramm-Rudman requirements which went into effect this month, farmers in Wisconsin and other States would be faced with much larger reductions in their milk checks. Senator KASTEN deserves great credit for keeping this issue squarely before the Senate during the past 2 months.

The distinguished Senator from South Dakota, Senator ABDNOR, was the first to appreciate the inequity in the formula for establishing program payment yields in the farm bill. The provision in this package to limit the

impact of this formula on farmers' income was patterned after the bill which Senator ABDNOR introduced over a month ago. While we could not find enough savings in other programs to offset the cost of freezing yields for 2 years, as Senator ABDNOR proposed, we were able to convince the administration to limit the adjustment in producer return to the equivalent of a 3-percent adjustment in 1986 and a 5-percent reduction in 1987. Senator ABDNOR's concern to protect his farmers' incomes during the current difficult period for U.S. agriculture has been a great service to all American farmers.

Finally, Mr. President, I would like to express my appreciation to the distinguished Senator from Idaho, Senator SYMMS, for leading the charge to correct the so-called underplanting provision for nonprogram crops. Senator SYMMS was instrumental in working out the compromise in this bill that prevents the use of program crop acreage to produce most nonprogram crops, including all fruits and vegetables. He made clear that, if program crop farmers want to grow nonprogram crops, they should in no way receive Federal subsidies to gain an unfair competitive advantage. Senator SYMMS' insistence on this point made clear to his colleagues that it was not so much a question of whether we would change this provision as when and how. With his leadership, we found both answers today.

Thank you, Mr. President.

Mr. HELMS. I thank the majority leader.

URGENT SUPPLEMENTAL APPROPRIATION FOR THE DEPARTMENT OF AGRICULTURE

COMMODITY CREDIT CORPORATION

Mr. COCHRAN. Mr. President, I ask the Chair to lay before the Senate House Joint Resolution 534, making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 534) making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi?

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on Appropriations, with an amendment:

On page 2, line 10, strike "Provided", through and including line 16.

So as to make the joint resolution read:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sum is appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes; namely:

DEPARTMENT OF AGRICULTURE

COMMODITY CREDIT CORPORATION

For the operations of the Commodity Credit Corporation, not to exceed $5,000,000,000 for capital restoration, to enable the Corporation to use the authority authorized by the Charter of the Corporation and other laws to carry out programs handled by the Corporation: *Provided,* That Corporation programs shall retain the goal of sufficient production to meet domestic needs, maintain the supply line, and provide for our share of exports at competitive prices.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the committee amendment to House Joint Resolution 534 be considered and agreed to.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to, and I move to lay that on the table.

The motion to lay on the table was agreed to.

THE COMMODITY CREDIT SUPPLEMENTAL EMERGENCY SUPPLEMENTAL

Mr. COCHRAN. Mr. President, the resolution before you today is a supplemental in the amount of $5 billion for the restoration of capital to the Commodity Credit Corporation [CCC]. As you will recall, on February 6, we approved an emergency supplemental in the amount of $1,492,875,000. It was pointed out at that time that that amount of money would allow the corporation to continue to carry out the farm programs through the end of February. As of this afternoon today—March 5, 1986—the CCC ran out of money and all ASCS offices have been advised to stop issuing checks for commodity loans, additional deficiency payments, and other obligations.

The CCC is a $25 billion corporation that carries out all of the farm programs as specified in various agricultural laws. The $5.0 billion provided in this resolution, plus the $1.493 billion provided early in February, will carry the corporation into the summer. However, based on the most recent estimates of the U.S. Department of Agriculture, another $2.4 billion will be needed to carry the corporation through the entire fiscal year. Were it not important to keep this resolution as clean as possible because of the time constraints, I would propose an amendment to increase the recommended $5.0 to $7.4 billion so that we would not be confronted with yet another CCC supplemental sometime before the end of this fiscal year.

Mr. President, the Appropriations Committee met yesterday, Tuesday afternoon, and made one change in the resolution as passed by the House. The House-passed resolution contained a provision which placed a limitation on the use of Commodity Credit Corporation funds. This proviso would have prevented funds from being drawn from the CCC, unless first approved in appropriations acts, to make payments for the Conservation Reserve Program and to allow the Federal Crop Insurance Corporation to borrow money to pay claims of farmers. This was to have been effective with the start of fiscal year 1987. The committee struck this proviso.

Last year, when the Congress was debating the farm bill, a great deal of consideration was given to the Conservation Reserve Program and the best way to fund it in order to achieve the greatest benefits from the program. It was felt that if the program were funded through the CCC for fiscal years 1986 and 1987, greater participation in the program would occur, and thus, more acreage would be taken out of production. But, beginning in 1988, this program would be operated as other programs and would be subject to an annual appropriation.

With regard to the Federal Crop Insurance Program, you will recall last summer when we were having difficulty getting supplementals approved, the corporation was forced to discontinue paying insurance claims because it did not have sufficient capital stock to pay claims of farmers who suffered losses due to severe weather conditions. This problem is always exacerbated by the fact that in most cases, the losses must be paid to farmers before their premium payments are due.

Because of the concern that existed in committee and here in the Senate, this proviso was removed from the resolution.

Mr. President, passage of this supplemental resolution is most crucial for putting the new farm bill into effect. On Monday, March 3, issuance of 1986 crop advance cash deficiency payments was to have begun, and sign up for wheat and feed-grain programs begins today. Without the funds provided in this supplemental, the CCC will not be able to proceed with these activities. Therefore, I urge my colleagues to support this resolution, and I ask for its immediate adoption.

COMMUNITY BLOCK GRANT AND URBAN DEVELOPMENT ACTION GRANT DEFERRALS

Mr. LAUTENBERG. Mr. President, I have an amendment which I had intended to offer to this resolution House Joint Resolution 534, to provide $5 billion in supplemental funds to the Commodity Credit Corporation. My amendment would overturn two deferrals affecting vital urban development programs. Deferral D86-48 freezes $500 million or 16 percent of fiscal

1986 community development block grant [CDBG] funds. Deferral D86-49 impounds all remaining balances—$251 million—for the Urban Development Action Grants [UDAG] Program.

The administration's budget would terminate UDAG and rescind the unobligated funds for fiscal year 1986 despite the program's proven efffectiveness as an important instrument of urban policy. The budget would also severely cripple the CDBG Program. It would cut CDBG funding by $1 billion in fiscal 1987 and would defer $500 million of the $3.1 billion provided in fiscal year 1986 to 1987. The effect would be to provide a level of $2.1 billion in both fiscal years.

Mr. President, we cut the CDBG program by 11 percent last year. Just this past Saturday, March 1, another 4.3 percent sequester was imposed reducing available funding by another $134 million. Under the plan recommended in the budget, the program would be further reduced by one-third in fiscal year 1987, but the cut would be distributed between the current year and the next.

The CDBG Program plays a critical role in financing essential services and urgent community development needs in local communities all across the country. Local officials have built CDBG funding into their financial plans. Cutting available funds by another one-third in the next 2 years will have an extremely disruptive impact. Many communities simply will not be able to adapt to such a massive change in the availability of CDBG funds.

I think it is critical, Mr. President, that the Congress act as quickly as possible to overturn these deferrals. Delay will compound the problems facing our cities and communities as they try to adjust to the new realities of increasing demands and fewer Federal resources.

Mr. President, earlier this year I introduced legislation to overturn both of these deferrals. S. 2067 addresses the CDBG deferral and S. 2075 would overturn the UDAG deferral. This urgent supplemental for the Commodity Credit Corporation is the first available vehicle for action on these bills. However, it is my understanding that the managers of the bill believe it is necessary to move it without amendment. I wonder if they could explain why?

Mr. COCHRAN. I will be happy to explain the situation. This is really an emergency supplemental. The Commodity Credit Corporation has to all intents and purposes exhausted its resources. Payments have, in fact, been suspended as of this afternoon, March 5.

The sign-up day for participation in a variety of commodity programs authorized in the new farm bill we passed during the last session is tomorrow March 6. Under these programs farmers are slated to receive 40 percent of anticipated deficency payments in advance. If the CCC lacks any funds to make these payments, many farmers will not be able to put in their spring crops and the farm program will come to a standstill. So it is absolutely essential that we move this supplemental as quickly as possible.

I can, of course, understand the Senator's desire to move as fast as possible on his amendments to overturn these deferrals. But to do so on this resolution would have disastrous consequences for our farm programs. I appreciate his willingness to cooperate, and want him to know that I will work with him to help find a suitable vehicle in the future.

Mr. LAUTENBERG. I see that the distinguished chairman of the HUD-Independent Agencies Appropriation Subcommittee is on the floor. I wonder if he could give me some idea of when the next opportunity would be for me to move my bills overturnng these deferrals. I would hope that the committee could address this issue within the very near future.

Mr. GARN. Let me say that I can fully understand the Senator's desire to get action on his deferral legislation. We have a lot of hard choices to make over the next several months and we need to come address the issues facing us as promptly as possible. It is my understanding that within the next few weeks the House Appropriations Committee is planning to mark up a rescission/deferral bill; it may contain some supplementals as well. I, of course, do not know what the exact timetable will be at this point. But let me assure my colleague that it would be my expectation that our committee would take this measure up soon after the House completes action on it. At that time, I would be happy to work with the Senator to assure him an opportunity to pursue his amendments overturning these deferrals.

DEFERRAL OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS AND THE CCC SUPPLEMENTAL APPROPRIATION RESOLUTION

Mr. GORTON. Mr. President, during the last few days more information has come to light on the effects of the administration's deferral of $500 million in 1986 community development block grant [CDBG] funds. I believe that this body must act with all haste to overturn the deferral action.

We are faced with a question of basic fairness. It is simply unjust to withdraw $500 million in spending authority from our local and State governments when it is done after the start of their program years. It is wrong to ask our cities and towns to magically produce alternative sources of funding for homeless assistance and elderly programs without giving them the time to plan for Federal cuts. Community planners have told me that it is too late in the year for them to meet the shortfall created by the deferral through donations from private foundations and private contributions.

Obtaining additional funds through increases in local taxes also would take a great deal of time. Compounding the problem is the fact that some private charities require relief agencies to produce matching funds in order to be qualified for a grant. City planners tell me that many relief agencies have relied on Federal funds as the source of the required match.

A single road is left open to our local and State governments—an immediate cut in those services that assist our most needy citizens. The problems the city of Seattle foresees resulting from the deferral are representative of what will be felt by local governments throughout our Nation.

Seattle's 1986 CDBG funds will be cut by $2 million under the administration's deferral. Seattle received notification of this cut on the third of January—after the start of its 1986 program year. In order to absorb this unanticipated loss of funds, Seattle will have to change the commitments it made with local relief agencies and service providers throughout the city.

The number of bednights available to homeless citizens in Seattle will be reduced by 13,000. City planners estimate that over 30,000 meals for low-income elderly people, children, and families will be lost. Approximatley 2,000 weeks of child care services for parents who are in training programs and low-income jobs will not be provided.

Undoubtedly some of these parents will have to return to welfare rolls in order to take care of their children. On 6,300 occasions in 1986, low-income elderly people and children will have to look someplace other than Seattle's heath care centers for their health needs.

Of course, the impact of the deferral is not limited to Seattle. States, counties, cities and towns throughout the country are finding their planning efforts to meet basic community services in disarray due to the unanticipated loss of CDBG funds.

Mr. President, CDBG activities often are planned over an extended period of time. We must not unduly throw the planning processes of our local governments into chaos and undermine the programs they have established to serve the least fortunate among us. In the interest of fairness, this body must address this deferral quickly.

Mr. HATFIELD. Mr. President, I understand the concerns expressed by my colleague from Washington State. I am afraid, however, that an amendment to resolve the CDBG issue on

this supplemental appropriation resolution could very well affect the livelihoods of another segment of our society—American farmers. Without this legislation, the Commodity Credit Corporation will be unable to meet the mandate that Congress placed on it in the recently passed farm bill. The Corporation will be unable to make crop deficiency payments, and farmers will be unable to obtain the loans they need to begin work on this year's crops.

Should an amendment on the CDBG deferral be attached to this bill, we may not be able to enact this legislation as quickly as is necessary to enable millions of farmers to plan their activities. If this resolution is loaded down with amendments, we may never get it through Congress.

I would urge the Senator from Washington to withhold his amendment for a future supplemental measure. It appears that a general supplemental appropriation bill will come over from the House of Representatives within the next 30 days. This bill could be used to handle emergency conditions such as the CDBG item.

Mr. GORTON. I thank the Senator from Oregon for his comments. Because of the potential problems that might be placed on our Nation's farmers should this body fail to pass a timely supplemental appropriation for the Commodity Credit Corporation, I will withhold my amendment at this time. I can assure my colleagues, however, that I will continue to work to overturn the 1986 CDBG deferral.

Mr. MOYNIHAN. Mr. President, I would like to thank my colleague from Washington, for his leadership in bringing this matter to the floor of the Senate. Senator GORTON raises an important point, and one that I think needs to be examined—it is a question of fairness.

While we would do well to encourage our State and local governments to work toward greater independence, it is patently unfair to expect them to solve their multiple problems entirely on their own. By slashing Federal assistance under the CDBG Program, together with the termination of UDAG funding and the proposed rescission of general revenue sharing funds, implies the Federal Government is pulling the rug out from under our mayors, county executives, and town supervisors. The CDBG Program is one of several economic tools used by local governments that have helped rebuild America's cities. I strongly oppose the weakening of a Federal commitment to these important programs, for that reason I have joined my colleague Senator GORTON in strongly disapproving the administration's deferral request.

I appreciate Senator HATFIELD's point that delaying the CCC supplemental bill, House Joint Resolution 534, would cause undue hardship for farmers participating in price and income support and supply management programs administered by the Commodity Credit Corporation. However, this does not diminish our strong opposition to any deferral of CDBG funds. I am pleased that the chairman has agreed to take up the CDBG deferral issue at the earliest possible opportunity, and I remain hopeful that the matter will be favorably resolved.

Mr. DOMENICI. Mr. President, the Senate now has before it House Joint Resolution 534 which provides $5 billion to the Commodity Credit Corporation as a reimbursement for net realized losses. This is the second CCC supplemental to come before the Senate within a month, and I urge my colleagues to adopt this resolution as reported by the Appropriations Committee.

Mr. President, I support House Joint Resolution 534. The resolution now before us does not increase the aggregate budget totals pursuant to section 311 of the Congressional Budget Act nor does it affect the Appropriations Committee's allocation under section 302. As I explained during consideration of the first CCC supplemental, the CCC has statutory authority to borrow from the Treasury up to a limit of $25 billion outstanding at any one time, and authority to enter into contracts up to any amount. These two sources of funds are permanently available to the CCC under substantive law without the need for any Appropriations Committee action, and the amounts utilized constitute budget authority for the CCC.

Because the CCC has permanent authority under law to enter into commitments, the budget authority and outlays assumed for the CCC in the budget resolution are crosswalked under section 302 to the Senate Agriculture, Nutrition, and Forestry Committee for this purpose.

When the administration requests a "reimbursement for net realized losses" for the CCC it is to free up borrowing authority to cover CCC commitments while reducing the amount of contract authority the CCC have to use. An appropriation such as the one before us simply adjusts the mix between the borrowing authority and contract authority within the existing budget authority total available to the CCC.

For that reason, Mr. President, we do not score an appropriation to reimburse the CCC for net realized losses as increasing the total budget authority level available to the CCC. Only the mix of funds within the total changes. Of course, outlays are unaffected as well, and no point of order would lie against the consideration of House Joint Resolution 534 under section 311 of the Budget Act. Since the budget authority and outlays available to the CCC do not change, and they are crosswalked to the authorizing committee, the enactment of House Joint Resolution 534 has no effect of the crosswalk to the Senate Appropriations Committee under section 302.

Mr. President, I urge the adoption of House Joint Resolution 534 without amendment.

Mr. ROTH. Mr. President, we face the threat of a very serious avian influenza crisis which could have catastrophic consequences for the Delmarva peninsula poultry industry. This issue is of the highest importance to me and the Delaware agriculture industry. The local producers have been working hard to prevent an outbreak, in fact they have instituted a voluntary quarantine and 200,000 birds have been depopulated. We must initiate a control and eradication effort immediately and Federal expertise supported by adequate funding is absolutely necessary. Although technical assistance has been provided, no Federal funds have been made available for this purpose. Until the Federal Government realizes its responsibilities in this area, the risks we face may be catastrophic. I do not think we can take this risk.

Mr. SPECTER. Mr. President, I want to address myself to the chairman of the Agriculture Subcommittee, the Senator from Mississippi. While we hope that the current outbreak of avian influenza will be controlled, there are no assurances that the disease outbreak in Pennsylvania and other northeastern States is over.

At the February 5, 1986, hearing on avian influenza before the Senate Appropriations Subcommittee on Agriculture, testimony from poultry farmers, State secretaries of agriculture and USDA all affirmed the need to act quickly in the event that this disease outbreak escalates. To date, State governments and the poultry industry have conducted and paid for the necessary bird depopulations where the disease has been found or suspected. However, if this disease continues to spread or changes from a low pathogen to high pathogen strain, it will be absolutely critical that USDA be able to quickly step in and indemnify producers for bird depopulation.

Mr. President, based on OMB's refusal to allow Commodity Credit Corporation [CCC] funds to be used to pay indemnities to the Florida citrus growers for the destruction of trees with citrus canker, it is unlikely that OMB will approve the quick release of CCC funds to carry out a bird depopulation program should the need arise. At the outset of the 1983-84 outbreak, bird depopulation costs were estimated at approximately $4 million. Delays by OMB precluded a timely depopulation response and resulted in a $50 million depopulation program in Pennsylvania alone.

To provide USDA with the ability to respond quickly to meet any avian influenza disease resurgence, it is critical that a contingency fund be included with the next supplemental budget request for the Commodity Credit Corporation. It is my understanding that the other body recognizes the need to deal with this problem and is willing to address it in the next CCC supplemental. The poultry growers of Pennsylvania cannot afford another repeat of the 1983-84 outbreak.

While I support the efforts of Senators HAWKINS and CHILES in obtaining funding for their citrus canker problem, I also feel strongly that we must establish a contingency fund to deal with other unexpected animal and plant health emergencies, which may occur between now and September 30. When this supplemental funding request is received, will the establishment of a contingency fund to deal with avian influenza and other emergency disease outbreaks be considered?

Mr. COCHRAN. Mr. President, I am aware of the seriousness of the avian influenza outbreak in the Northeast and the need to act quickly to contain this disease. I can assure you that we will be happy to work with you in an effort to resolve this problem to your satisfaction.

(By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD:)

● Mr. BURDICK. Mr. President, less than 4 weeks ago, we passed a supplemental for the CCC, and here we are again. The CCC will be out of money very soon, if it is not already, so we need to provide some more funding.

Signup for the 1986 farm program begins tomorrow. We've told farmers that they can have 40 percent of their deficiency payments in advance in order to help them put in their crops. Yet, we do not even know if the CCC has the money to give these farmers those payments. So the farmers are getting the short end of the stick. They are at the mercy of Congress. We promise them something, but we take our sweet time about whether we are going to give it to them.

When we passed the last supplemental for CCC on February 6, I said then and I will say it now: It is highly irresponsible of Congress not to provide this money in a timely manner and to inflict on the farmer this incomprehensible and frustrating experience.

Let me emphasize again that we are not busting the budget here. The farm bill that we passed last year dictates the amount of money we spend on our farm programs. This appropriation merely reimburses the CCC for its net realized losses. The money has already been spent and accounted for in the budget process. We are merely reimbursing the CCC for the money they had to borrow in order to carry out the farm program.

Mr. President, the $5 billion we are considering today will keep the CCC active at least until the end of June and possibly into August. It is difficult to predict because we do not know how good the crop will be, what emergencies may arise, or what further changes may be made in the farm bill.

Mr. President, I hope this appropriation will be passed forthwith, and that there will be no attempts to delay its adoption. I urge my colleagues to support it.●

Mr. COCHRAN. Mr. President, I urge adoption of the joint resolution.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and third reading of the joint resolution.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution (H.J. Res. 534), as amended, was read the third time, and passed.

Mr. COCHRAN. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer (Mr. PRESSLER) appointed Mr. COCHRAN, Mr. MCCLURE, Mr. ANDREWS, Mr. ABDNOR, Mr. KASTEN, Mr. MATTINGLY, Mr. SPECTER, Mr. HATFIELD, Mr. BURDICK, Mr. STENNIS, Mr. CHILES, Mr. SASSER, Mr. BUMPERS, and Mr. HARKIN conferees on the part of the Senate.

MESSAGES FROM THE HOUSE

At 2:44 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3168. An act to require the Director of the Office of Management and Budget to prepare an annual report consolidating the available data on the geographic distribution of Federal funds, and for other purposes; and

H.R. 3614. An act to restrict the use of Government vehicles for transportation of officers and employees of the Federal Government between their residences and places of employment, and for other purposes.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 3168. An act to require the Director of the Office of Management and Budget to prepare an annual report consolidating the available data on the geographic distribution of Federal funds, and for other purposes; to the Committee on Governmental Affairs.

MEASURE HELD AT THE DESK

The following bill was held at the desk pursuant to the order of March 4, 1986:

H.R. 3614. An act to restrict the use of Government vehicles for transportation of officers and employees of the Federal Government between their residences and places of employment, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2605. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Export Administration Act of 1979, as amended, to authorize appropriations for fiscal years 1987 and 1988; to the Committee on Banking, Housing, and Urban Affairs.

EC-2606. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Atlantic Tuna Convention Act of 1975 to authorize appropriations for fiscal years 1987 and 1988; to the Committee on Commerce, Science, and Transportation.

EC-2607. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Deep Seabed Hard Mineral Resources act, as amended, to authorize appropriations to carry out the provisions of the act for fiscal years 1987 and 1988; to the Committee on Commerce, Science, and Transportation.

EC-2608. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Weather Modification Reporting Act of 1971, as amended, to authorize appropriations to carry out the provisions of the act for fiscal years 1987 and 1988; to the Committee on Commerce, Science, and Transportation.

EC-2609. A communication from the general counsel of the Department of Energy, transmitting a draft of proposed legislation to authorize appropriations to the Department of Energy for civilian energy programs for fiscal year 1987 and fiscal year 1988, and for other purposes; to the Committee on Energy and Natural Resources.

EC-2610. A communication from the chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, the quarterly report on the number of full-time permanent employees hired and promoted between October 1 and December 31, 1985; to the Committee on Environment and Public Works.

EC-2611. A communication from the Secretary of State, transmitting, pursuant to law, a report on progress toward implementing an Office of Inspector General in the Department of State; to the Committee on Foreign Relations.

EC-2612. A communication from the Under Secretary of State (Management), transmitting, pursuant to law, a report on the desirability and feasibility of a lateral entry program for businessmen, farmers, and other occupations into the Foreign

Services; to the Committee on Foreign Relations.

EC-2613. A communication from the chairman of the Council of the District of Columbia, transmitting, pursuant to law, notice of referendum and resubmission of D.C. Act 6-104 for congressional review; to the Committee on Governmental Affairs.

EC-2614. A communication from the acting chairman of the Consumer Product Safety Commission, transmitting, pursuant to law, the annual report of the Commission under the Freedom of Information Act for calendar year 1985; the Committee on the Judiciary.

EC-2615. A communication from the acting president of the Inter-American Foundation, transmitting, pursuant to law, the annual report of the foundation under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2616. A communication from the Director of the Office of Legislative and Public Affairs, National Science Foundation, transmitting, pursuant to law, the annual report of the foundation under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2617. A communication from the Director of the Administrative Office of the U.S. Court, transmitting a draft of proposed legislation to provide an appropriate retirement system for fixed term judicial officers; to the Committee on the Judiciary.

EC-2618. A communication from the Secretary to the Railroad Retirement Board, transmitting, pursuant to law, the annual report of the Board under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2619. A communication from the Acting Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, the annual report of the Department under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2620. A communication from the Vice President for Government Affairs of the National Railroad Passenger Corporation, transmitting, pursuant to law, the annual report of the Corporation under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2621. A communication from the Acting Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, the annual report of NASA under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2622. A communication from the Secretary to the Railroad Retirement Board, transmitting, pursuant to law, the annual report of the Board under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2623. A communication from the Freedom of Information Officer, Environmental Protection Agency, transmitting, pursuant to law, the annual report of the Agency under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2624. A communication from a member of the Federal Council on the Arts and Humanities, transmitting, pursuant to law, the annual report on the Arts and Artifacts Indemnity Program for fiscal year 1985; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S. 98. A bill for the relief of Cirilo Raagas Costa and Wilma Raagas Costa (Rept. No. 99-243).

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment and an amendment to the title:

S. 129. A bill for the relief of Therese Nyuwir Poupele Kpoda (Rept. No. 99-244).

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S. 197. A bill for the relief of Elga Bouilliant-Linet (Rept. No. 99-245).

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S. 257. A bill for the relief of William Vojislav Rankovic, Stanislaw Rankovic, husband and wife; and William Rankovic, Junior, and Natalie Rankovic, their children (Rept. No. 99-246).

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S. 290. A bill for the relief of Catherine and Robert Fossez (Rept. No. 99-247).

S. 331. A bill for the relief of Panivong Norindr and Panisouk Norindr (Rept. No. 99-248).

S. 332. A bill for the relief of Ramzi Sallomy and Marine Sallomy (Rept. No. 99-249).

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment:

S. 343. A bill for the relief of Hyong Cha Kim Kay (Rept. No. 99-250).

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 345. A bill for the relief of Nabil Yaldo (Rept. No. 99-251).

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment:

S. 381. A bill for the relief of Mishleen Earle (Rept. No. 99-252).

S. 462. A bill for the relief of Barbara Crisp, Sean Anthony Crisp, and Andrea Leech (Rept. No. 99-253).

S. 832. A bill for the relief of Bassam S. Belmany (Rept. No. 99-254).

S. 1046. A bill for the relief of Kok Djen Su and Grace Su, husband and wife (Rept. No. 99-255).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HELMS, from the Committee on Agriculture, Nutrition, and Forestry:

Richard E. Lyng, of Virginia, to be Secretary of Agriculture.

(The above nomination was reported from the Committee on Agriculture, Nutrition, and Forestry with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committtee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. STEVENS:

S. 2138. A bill to establish a National Marketing Council to enable the United States fishing industry to establish a coordinated program of research, education, and promotion to expand markets for fisheries products, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LUGAR (by request):

S. 2139. A bill to provide economic support for the Agreement Between the Government of Ireland and the Government of the United Kingdom, and for other purposes; to the Committee on Foreign Relations.

By Mr. DODD:

S. 2140. A bill to amend the Truth in Lending Act to require certain disclosures at the time of the initial application; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CRANSTON (for himself, Mr. MATSUNAGA, Mr. DECONCINI, Mr. MITCHELL, and Mr. ROCKEFELLER):

S. 2141. A bill to prohibit the Administrator of Veterans' Affairs from carrying out certain proposed real estate transactions; to the Committee on Veterans Affairs.

By Mr. TRIBLE:

S. 2142. A bill to assure the proper budgetary treatment of credit transactions of Federal agencies and to reduce the Federal budget deficit; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 8, 1977.

By Mr. HELMS (for Mr. DOLE (for himself, Mrs. KASSEBAUM, Mr. ABDNOR, Mr. SYMMS, and Mr. KASTEN)):

S. 2143. A bill to make certain improvements to amendments made by the Food Security Act of 1985, and for other purposes; read the first time.

By Mr. NICKLES (for himself, Mr. ABDNOR, Mr. GRASSLEY, Mr. BOREN, and Mr. ANDREWS):

S. 2144. A bill to amend the Farm Credit Act of 1971 to provide credit assistance to certain borrowers of loans by institutions of the Farm Credit System, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. McCLURE:

S.J. Res. 288. Joint resolution to designate the month of May 1986, as "National Birds of Prey Month"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. STEVENS:

S. 2138. A bill to establish a National Fisheries Marketing Council to enable the United States fishing industry to establish a coordinated program of research, education, and promotion to expand markets for fisheries products, and for other purposes; to the Committee on Commerce, Science, and Transportation.

NATIONAL FISHERIES MARKETING AND PROMOTION ACT

● Mr. STEVENS. Mr. President, today I am introducing a bill to create a National Seafood Marketing Council. The Council would be established to conduct marketing research, consumer education, and promotion programs for U.S. fish products. This effort will

be funded exclusively by fees collected from foreign fishing operations in our 200-mile waters. Foreign fishing that has occurred, to a large extent, at the expense of the U.S. fishing industry. The legislation I'm introducing is similar to the seafood marketing bill I introduced in 1983, and which passed the Senate during the close of the 98th Congress.

Congressional establishment of marketing councils for food commodities is not uncommon. Agricultural products have long benefited from such marketing boards. Even foreign market development has been an important application for advertising of agricultural products. Congress has also authorized specific promotion programs to support marketing of individual food commodities. From the Egg Research and Consumer Information Act, for example, came the slogan "the incredible, edible egg" in promotion of its product. For fish, however, there exist no such marketing mechanism.

Like other food commodities, seafood needs effective marketing. With some exceptions, the fishing industry in the United States is made up of many small and independent companies who have found it nearly impossible to promote their product on a nationwide scale. There have been several State and regional efforts to market fish products, most notably the Alaska Seafood Marketing Institute in my State. These have been productive; however, small groups operating independently of each other have not been able to influence consumer purchasing patterns on a national scale. A national council to market seafood generically is necessary to assure that seafood is effectively promoted.

It is not a secret that seafood products do not make up a large part of the overall food consumption of most Americans. In the category of animal proteins, fish is a distant third behind red meats and poultry. There is obviously room, as well as obvious benefits, from increased consumption of fish products.

Many of us have known for years of the health attributes of eating fish. Increasingly, food nutrition research is documenting this fact. The New England Journal of Medicine published three articles in May 1985 reporting the special benefits to human health that is derived from the consumption of fish. The articles indicate that eating seafood significantly reduces the chances of coronary heart disease. Other researchers report that a diet rich in fish also seems to be important to good vision and brain function, particularly in the early stages of human development. Moreover, studies show intake of fish promotes changes in white blood cells that help guard against diseases. Other doctors hypothesize that even the risks of developing some cancers may be reduced by eating seafood. Education programs to inform present and potential consumers of seafood's nutritional value are valid public health roles for the Federal Government.

Mr. President, this legislation is critical for our Nation's fishing industry. Complete development of the processing sector will take aggressive marketing of nontraditional species of fish. Under the Magnuson Fishery Conservation and Management Act, the United States has jurisdiction over 15 to 20 percent of the world's fishery resources. Since passage of the Magnuson Act in 1976, domestic fishermen have greatly increased their harvest from our 200-mile waters. Despite this remarkable growth, the United States still faces a tremendous challenge to fully utilize our fishery resources. Foreign fleets, primarily Japanese and Korean, caught more than 1 million metric tons of fish in United States waters during 1985. Moreover, excluding halibut, over 90 percent of the domestic harvest of groundfish in the North Pacific was delivered to foreign floating processors.

Full domestic utilization of our fishery resources would mean an additional economic contribution of several billion dollars annually to our country and would lower the overall trade deficit. American processors are still struggling to break into these nontraditional fisheries, largely because of uncertain markets. Foreign markets, for example the large Japanese market, are often closed to United States processed products because of unconscionable trade barriers. Expanding exports, as well as increasing fish consumption at home, will be an important function of the National Seafood Marketing Council.

Recently our colleagues in the House passed legislation authorizing industry establishment of regional seafood marketing councils. The House is to be congratulated for their diligent work on this issue. My bill offers a different approach. I am looking forward to holding hearings to explore both proposals and, after reviewing all options, working on a complete package to better promote American seafood.

In conclusion, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2138

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Fisheries Marketing and Promotion Act of 1986".

FINDINGS

SEC. 2. The Congress finds that—

(1) the commercial fishing industry of the United States significantly contributes to the national economy, and could make a greater contribution if fish resources within the United States Exclusive Economic Zone were more fully utilized;

(2) the commercial fisheries of the United States provide significant employment in coastal areas and in processing and distribution centers;

(3) fish contribute an important nutritional component to the American diet;

(4) due to the small and independent nature of the fishing industry and the regional diversification of harvesting and production, no one entity in the fishing industry is capable of securing the level of effort necessary to provide an effective generic marketing program for fish;

(5) Federally supported development programs for commercial fisheries are unable to meet present and future marketing needs;

(6) many fish species are underutilized by the United States fishing industry because of underdeveloped markets; and

(7) the United States fishing industry has the potential to expand greatly its contribution to interstate and foreign commerce, favorably affecting the balance of trade.

PURPOSE

SEC. 3. The purpose of this Act is to—

(1) strengthen the competitive position of the United States commercial fishing industry in the domestic and international marketplace;

(2) encourage the development and utilization of all species of fish available for harvest by the United States fishing industry;

(3) encourage the utilization of domestically-produced fish through enhancement of markets, promotion, and public relations;

(4) help the United States fishing industry develop methods to improve quality and efficiency in the marketplace;

(5) educate and inform consumers on the use of fish;

(6) develop better coordination of fisheries marketing and promotion activities with commercial fisheries research and development programs; and

(7) educate and inform the public about the nutritional value of fish in the diet.

DEFINITIONS

SEC. 4. As used in this Act, the term—

(1) "Administrator" means the Administrator of the National Oceanic and Atmospheric Administration;

(2) "Council" means the National Fisheries Marketing Council established in section 5 of this Act;

(3) "consumer education" means actions undertaken to inform consumers on matters related to the consumption of fish;

(4) "fish" means finfish, mollusks, crustaceans, and all other forms of marine and freshwater animal life used for human consumption, and products derived therefrom;

(5) "Fund" means the Fisheries Marketing Fund established in section 9 of this Act;

(6) "harvester" means any individual who is in the business of catching fish for purposes of sale;

(7) "importer" means any person who imports fish into the United States from another country for commercial purposes;

(8) "marketer" means any individual who is in the business of selling fish in wholesale, retail, or restaurant trade, but whose primary business function is not the processing or packaging of fish in preparation for sale;

(9) "marketing and promotion" means an activity aimed at encouraging the consumption of fish or expanding or maintaining commercial markets for fish;

(10) "member" means any person serving on the Council;

(11) "person" means any individual, group of individuals, partnership, corporation, association, cooperative, or any private entity organized or existing under the laws of the United States or any State, commonwealth, territory or possession of the United States;

(12) "processor" means any individual who is in the business of receiving or otherwise acquiring fish from a harvester, and of preparing or packaging such fish (including fish of the processor's own harvesting) for sale;

(13) "receiver" means any person who acquires fish for sale directly from a harvester;

(14) "researcher" means research activities related to the marketing of fish; and

(15) "United States" means the several States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands and any other territory, possession, or commonwealth of the United States.

ESTABLISHMENT OF THE NATIONAL FISHERIES MARKETING COUNCIL

SEC. 5. (a) There is established the National Fisheries Marketing Council.

(b)(1) The Council shall be composed of the Administrator (or the Administrator's designee), who shall be a nonvoting member, and fifteen voting members appointed by the Administrator.

(2) Nominations for appointees shall be submitted in a manner prescribed by the Administrator.

(c) The Council shall be comprised of regional representation from the Northeast, Southeast, Pacific, and Alaska regions. The Northeast region shall consist of the States of Maine, New Hampshire, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Delaware, Pennsylvania, Maryland and Virginia. The Southeast region shall consist of the States of North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana and Texas, the Commonwealth of Puerto Rico, and the territory of the Virgin Islands. The Pacific region shall consist of the States of Idaho, Washington, Oregon, California, and Hawaii, the territories of Guam and American Samoa, and the Commonwealth of the Northern Mariana Islands. The Alaska region shall consist of the State of Alaska.

(d)(1) The voting members of the Council shall be—

(A) three members who reside in or do substantial fishing industry business in the Northeast region;

(B) three members who reside in or do substantial fishing industry business in the Southeast region;

(C) three members who reside in or do substantial fishing industry business in the Pacific region;

(D) three members who reside in or do substantial fishing industry business in the Alaska region;

(E) one member-at-large from an organized labor union, with demonstrated expertise in the United States fishing industry; and

(F) one member-at-large with demonstrated expertise in fresh-water and inland commercial fisheries.

(2) Of the members appointed pursuant to each of paragraphs (1) (A) through (D) of this subsection, one shall be a harvester, one shall be a processor, and one shall be a marketer.

(e) Members of the Council shall be appointed for a term of 5 years. A vacancy in the Council shall not affect its ability to function. The Administrator shall appoint a new member within sixty days to fill a vacancy in an unexpired term. Any member may remain on the Council beyond that member's term until a successor is appointed.

(f) The Council shall annually elect a Chairman by a majority of those voting, if a quorum is present. Eleven members of the Council shall constitute a quorum, but a lesser number may hold hearings.

(g) The Council shall first meet within one hundred and eighty days after the date of enactment of this Act.

(h) Members of the Council shall serve without compensation, but shall be reimbursed in accordance with section 5703 of title 5, United States Code, for reasonable travel costs and expenses incurred in performing their duties as members of the Council.

FUNCTIONS AND DUTIES OF THE COUNCIL

SEC. 6. (a) The Council shall—

(1) prepare and submit to the Administrator, for the Administrator's review and approval, an annual marketing and promotion plan which contains descriptions of consumer education, research, and other marketing and promotion activities of the Council for the following year;

(2) prepare and submit to the Administrator, for the Administrator's review and approval, an annual budget of the anticipated expenses and disbursements of the Council, including probable costs of consumer education, research, and other marketing and promotion plans or projects;

(3) maintain accounting records of the receipt and disbursement of all funds entrusted to the Council;

(4) maintain such books and records as the Administrator determines appropriate; and

(5) prepare and submit to the Administrator from time to time such reports or proposals as the Administrator or the Council determines appropriate for furthering the purposes and policies of this Act.

(b) Each annual marketing and promotion plan shall be directed to—

(1) increasing the general demand for fish;

(2) encouraging, expanding, or improving the marketing and promotion and utilization of fish; and

(3) improving the dissemination of data collected by consumer education, research, and other marketing and promotion activities.

(c) Consumer education and other marketing and promotion activities of the Council shall contain no reference to a private brand or trade name and shall avoid use of deceptive acts or practices in behalf of fish or with respect to the quality, value, or use of any competing product or group of products.

(d) The Council may employ and determine the salary of an executive director, but such salary shall not exceed Senior Executive Service Level 6. The executive director shall have demonstrated expertise in the marketing and promotion of food products and may, without regard to the provisions of title 5, United States Code, with the approval of the Council, select and employ additional staff as necessary.

(e) The Council may enter into agreements to develop and carry out activities authorized under this Act.

DUTIES OF THE ADMINISTRATOR

SEC. 7. (a) The Administrator shall—

(1) review and approve the annual marketing and promotion plan and budget within sixty days after submission by the Council;

(2) administer the Fund and withdraw from the Fund such sums as are necessary to carry out the Council's approved marketing and promotion plan and budget;

(3) promulgate regulations necessary to carry out the purposes and policies of this Act;

(4) provide such administrative assistance as the Council may require for purposes of its initial organization and operation; and

(5) make all appointments to the Council within ninety days after the date of enactment of this Act.

VOLUNTARY PAYMENTS

SEC. 8. Any person may make voluntary payments to assist the Council to carry out its annual marketing and promotion plan and annual budget. The Administrator shall deposit such payments into the Fund.

ESTABLISHMENT OF MARKETING FUND

SEC. 9. (a) There is established in the Treasury of the United States a Fisheries Marketing Fund. The Fund shall be available to the Administrator and the Council for the purpose of making payments to carry out the annual marketing and promotion plan and annual budget of the Council under this Act.

(b) There shall be deposited in the Fund—

(1) subject to appropriations, from the fisheries loan fund established in section 4(c) of the Fish and Wildlife Act of 1956 (16 U.S.C. 742c(c))—

(A) $10,000,000 for fiscal year 1986;

(B) $5,000,000 for fiscal year 1987;

(C) $5,000,000 for fiscal year 1988; and

(D) $5,000,000 for fiscal year 1989;

(2) payments made voluntarily pursuant to section 8 of this Act; and

(3) revenues received from investments made under subsection (c) of this section.

(c) Sums in the Fund that are not currently needed for the purposes of the Fund shall be kept on deposit in appropriate interest-bearing accounts that shall be established by the Secretary of the Treasury, or invested in obligations of, or guaranteed by, the United States. Any revenue accruing from such deposits and investments shall be deposited in the Fund.

(d) Sums in the Fund shall be expended without further appropriations and without fiscal year limitations.

REPORT

SEC. 10. The Administrator shall, not later than March 1, 1989, submit to the Congress a report on the effectiveness of the implementation of this Act in achieving the purposes of this Act.●

By Mr. LUGAR (by request):

S. 2139. A bill to provide economic support for the Agreement Between the Government of Ireland and the Government of the United Kingdom, and for other purposes; to the Committee on Foreign Relations.

NORTHERN IRELAND AND IRELAND ASSISTANCE ACT

● Mr. LUGAR. Mr. President, by request, I introduce for appropriate reference a bill to provide economic support for the Agreement Between the Government of Ireland and the Government of the United Kingdom, and for other purposes.

This proposed legislation has been requested by the President and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with a section-by-section analysis of the bill and the Message from the President to the Congress dated March 4, 1986.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2139

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Northern Ireland and Ireland Assistance Act of 1986".

STATEMENT OF PURPOSE

SEC. 2. The Congress finds that the Agreement Between the Government of Ireland and the Government of the United Kingdom dated November 15, 1985, is a clear demonstration of British and Irish determination to make progress concerning the complex situation in Northern Ireland. The Congress strongly supports the Agreement reached by these two governments and is particularly encouraged that these two neighbors, faithful friends of the United States of America, have joined together to rebuild a land that has too often been the scene of economic and human misery. In recognition of our ties of kinship, history, and commitment to democratic values, the Congress believes that the United States should participate in this renewed commitment to social and economic progress in Northern Ireland and affected areas of the Republic of Ireland. To that end, the Congress finds that through the end of fiscal year 1990, $250,000,000 of development and economic resources and authority available under the Foreign Assistance Act of 1961 should be used to provide support to carry out the purposes of the Agreement, which will be implemented through the Intergovernmental Conference of the Anglo-Irish Intergovernmental Council and other appropriate agencies.

PROVISION OF ASSISTANCE

SEC. 3. (a) In addition to other authorities contained in the Foreign Assistance Act of 1961 or any other Act, the following authorities may be used to provide support and assistance to carry out the purposes of section 2 of this Act:

(1) Section 108 of the Foreign Assistance Act of 1961 (regarding the Private Sector Revolving Fund);

(2) Section 221 through 223 of the Foreign Assistance Act of 1961 (regarding the Housing Guaranty Program);

(3) Title IV of Chapter 2 of Part I of the Foreign Assistance Act of 1961 (regarding the Overseas Private Investment Corporation) without regard to the limitation contained in clause (2) of section 231 of that Act; and

(4) Section 661 of the Foreign Assistance Act of 1961 (regarding the Trade and Development Program).

(b) Assistance made available to carry out the purposes of this Act may be provided, for the purpose of implementing this Act, notwithstanding any other provision of law.

SEC. 4. In addition to amounts otherwise authorized to be appropriated for the fiscal year 1987 to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, there are authorized to be appropriated $20,000,000 to carry out such provisions with respect to Northern Ireland and affected areas in the Republic of Ireland.

SECTION-BY-SECTION ANALYSES

The bill, the "Northern Ireland and Ireland Assistance Act of 1986", expresses Congressional support for the agreement reached by the Government of the United Kingdom and the Government of Ireland on November 15, 1985, which provides the promise of peace for the people of the area and commits those governments to a program to promote the economic development of Northern Ireland and affected areas of the Republic of Ireland. Section 2 of the bill sets forth a finding by the Congress that there should be a five-year program of economic assistance in support of that commitment, and that $250,000,000 of development and economic assistance resources and authority should be used for this purpose.

Section 3 authorizes use of AID's Private Sector Revolving Fund, the Housing Guaranty Program, activities of the Overseas Private Investment Corporation, and the Trade and Development Program as programs that could be used to provide economic assistance to Northern Ireland and Ireland. Economic aid appropriations and Export-Import Bank support for U.S. export sales to this area are also contemplated to meet this commitment. The actual amounts made available through each of the programs during the five year period will depend on future authorized levels of activity for each program and the number, size, and types of projects that are generated. Section 3(b) permits assistance authorized to carry out this Act to be used notwithstanding any other provision of law. This is not intended to affect the total amount of resources or credit authority available for the programs from which assistance will be provided.

In addition to these programs, Development and Economic Support Fund (ESF) assistance may also be provided. An additional $20 million of previously authorized Economic Support Fund assistance will be requested as a supplemental appropriation for FY 1986. Section 4 authorizes the appropriation of $20 million of ESF funds for FY 1987.

To the Congress of the United States:

I transmit herewith for the consideration of the Congress proposed legislation, entitled the "Northern Ireland and Ireland Assistance Act of 1986," to provide support of the United States to the Anglo-Irish Agreement on Northern Ireland.

This legislative proposal calls for a five-year program of $250,000,000 that would be taken from a number of existing economic programs including Housing Guarantees and the Private Sector Revolving Fund, which are administered by the Agency for International Development, the investment insurance program of the Overseas Private Investment Corporaton, and the Trade and Development Program.

In addition, the authorization of $20 million for the Economic Support Fund for 1987 is proposed, which will be within the total amount for that fund currently requested in the 1987 Budget. This would provide a cash contribution to an international economic development fund for Northern Ireland and the Republic of Ireland under the auspices of the Anglo-Irish Intergovernmental Council. A supplemental appropriation request for 1986 for an initial contribution to this Anglo-Irish fund is concurrently being transmitted to the Congress.

I urge the Congress to act without delay on this important legislation. I am confident our efforts, together with those of the Governments of the United Kingdom and Ireland, will help to promote economic and social development in Ireland, thereby constructing a durable framework that would provide a promise of peace for the people of Northern Ireland.

RONALD REAGAN,
THE WHITE HOUSE, *March 4, 1986.*●

By Mr. DODD:

S. 2140. A bill to amend the Truth in Lending Act to require certain disclosures at the time of initial application; to the Committee on Banking, Housing, and Urban Affairs.

CERTAIN DISCLOSURES ON SOLICITATION OF CREDIT CARDS

● Mr. DODD. Mr. President, today I am introducing legislation that would require credit card issuers to disclose the relevant terms and conditions for use of their cards in all solicitations to consumers.

Today, the only thing you need to own in order to receive a constant flood of solicitations for credit cards is a mailbox. Weekly, millions of Americans receive tempting offers of preapproved lines of credit. Unfortunately, too often the solicitations do not tell the consumer what the real costs of the card will be. Sometimes the letter will tell you what the annual fee or the annual percentage rate [APR] on unpaid balances will be. Sometimes the letter will tell you how long you have to pay off the balance in order to avoid a finance charge and sometimes they will even tell you the basis for calculating the finance charge. But almost never will they tell you all this information. And, by law, they don't have to—until they actually send you the card.

Obviously the key time for the consumer to have this information is when the card company is soliciting his or her application. The bill I am introducing today would assure that the card issuers make this information—the APR, any annual fee or transaction charge, the length of any grace period, and the method for calculating the balance on which the finance charge is computed—available to the consumer in intelligible language at the time of solicitation.

The bill reflects perhaps the one area of consensus that came out of the January 28 hearing of the Banking Committee's Financial Institutions

and Consumer Affairs Subcommittee. The hearing was held in response to an apparent lack of price competition in credit card interest rates. The subcommittee was considering two bills, S. 1603, introduced by Senator HAWKINS, and S. 1922, introduced by Senator D'AMATO, both of which would impose an indexed Federal interest rate ceiling on credit cards.

The hearing demonstrated that this is a complicated matter. On the one hand, bank profits are higher on credit cards than they are on any other form of loans. On the other hand, bank profits on credit cards over the past 10 years are lower than they are on other loans. Similarly, the five largest bank providers of credit cards have an interest rate cluster that would make the most accurate rifleman proud, but the sixth largest just reduced its rate by 2 percent, or some 10 percent. Moreover, a number of smaller banks are offering rates as low as 10.5 percent.

Unfortunately, even the apparent increase in price competition is not totally beneficial to the consumer, absent further information. For example, the bank that has a 10.5 percent APR has a $36 annual fee. Furthermore, some of the banks with low APR's have no grace periods, so the person who regularly pays off the balance within 30 days would be better off with a card that had a higher interest rate but a 30-day grace period.

In sum, the one thing that is abundantly clear in this area is that consumers lack adequate information to make informed purchases of credit cards. Absent such information, the marketplace cannot operate efficiently and competitively. I believe that the recent newspaper articles have helped spur some price competition and I believe that enactment of my bill will further enhance such competition.

Mr. President, I urge prompt action on this legislation and ask that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2140

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end thereof the following:

"(c) A card issuer shall clearly and conspicuously disclose either on initial applications for a credit card or on materials accompanying those applications—

"(1) the annual percentage rate applicable to extensions of credit by means of that credit card or, in the case of an extension of credit subject to a variable rate, the means for determining that rate;

"(2) any annual or other fee imposed for the issuance or use of that credit card;

"(3) the date by which or the period (if any) within which payment must be made to avoid additional finance charges, except that the creditor may, at his election and without disclosure, impose no such additional finance charge if payment is received after such date or the termination of such period; and

"(4) a statement of how the balance on which the finance charge is computed is determined.

The Board shall monitor disclosures under this subsection to assure that they are clear, conspicuous, and accurate.".●

By Mr. CRANSTON (for himself, Mr. MATSUNAGA, Mr. DECONCINI, Mr. MITCHELL, and Mr. ROCKEFELLER):

S. 2141. A bill to prohibit the Administrator of Veterans' Affairs from carrying out certain proposed real estate transactions; to the Committee on Veterans' Affairs.

PROHIBITING PROPOSED EXCESSING OF VA PROPERTY IN SOUTHERN CALIFORNIA

Mr. CRANSTON. Mr. President, as the ranking minority member of the Committee on Veterans' Affairs, I am today introducing, for myself and the Senators from Hawaii [Mr. MATSUNAGA], Arizona [Mr. DECONCINI], Maine [Mr. MITCHELL], and West Virginia [Mr. ROCKEFELLER], all of whom also serve on the Veterans' Affairs Committee, S. 2141, a measure to prohibit the Veterans' Administration from declaring as excess several parcels of land at VA medical centers in southern California and thereby permitting the property to be disposed of by the General Services Administration [GSA] under Government-wide disposal guidelines.

On February 5, the VA's acting Administrator, Everett Alvarez, in accordance with the provisions of section 5022(a)(2) of title 38, United States Code, advised the Committees on Veterans' Affairs of the Senate and of the House, of the VA's intention "to declare as excess to the needs of the Veterans' Administration certain land and improvements at the VA Medical Center, West Los Angeles, approximately 109 acres, and the VA Medical Center, Sepulveda, approximately 46 acres." The VA noted that GSA estimates that $360 million in revenues will be generated by the disposal of this acreage and this amount is reflected as savings in the President's fiscal year 1987 budget.

Under the provisions of section 5022(a)(2) of title 38, VA land cannot be transferred during the 180-day period following notice to the Veterans' Affairs Committees of the plan to dispose of it. Since notice was given regarding these properties on February 5, the land may be declared excess on August 4 unless Congress has by then enacted legislation prohibiting the excessing.

That is the purpose of the legislation I am introducing today.

Mr. President, the proposal for the excessing and disposal of this VA property is a bad idea for several reasons.

First, it is a phoney budget reduction as to fiscal year 1987. Even if the Government's title to the property were free and clear—which, as I will explain, it is not—and the GSA were free to bring disposal processes now, experience demonstrates that it would take at least 2 to 3 years for the Government to consumate a sale of the property.

Second, however, as I noted, the land cannot be declared excess to the VA's needs before August 4 and the Government's title to the portions of the land in question at the VAMC in West Los Angeles is not free and clear. According to the VA's General Counsel, the Government's title to the West Los Angeles land has a cloud on it that will depress the market price greatly unless and until it is removed. Litigation to clear up the Government's title could take years since the heirs—apparently more than 150 of them—of the donors of the land have publicly stated their opposition to a sale.

Much of the land at the West Los Angeles VAMC was deeded in 1888 to the National Home for Disabled Volunteer Soldiers—a predecessor of the VA—on the express written condition that it be used for a branch of the home. The VA General Counsel rendered an opinion on December 30, 1985, concluding that, despite the deed condition, the land may be legally disposed of. However, he noted that sufficient uncertainty exists regarding the effect of the deed condition as to make it extremely difficult to market the land, especially since the heirs of the grantors have made it known that they are prepared to sue to try to get the land back if the VA sells it. Thus, he recommended that the Attorney General be requested to file suit to obtain a judicial declaration removing any cloud from the VA's title to the land. In either case, the ensuing litigation could drag on in the courts for years.

Third, Mr. President, it is my understanding that the VA believes it needs the land and OMB is forcing the VA to give it up to be sold off. The GSA survey on which the proposed excessing is based was completed more than 3 years ago, yet was made available to the VA only in January of this year when the proposed excessing was forced on the VA by OMB in connection with negotiations surrounding the agency's fiscal year 1987 budget. Indeed, at the February 6 House Veterans' Affairs Committee's hearing on the VA's fiscal year 1987 budget, Acting VA Administrator Alvarez indicated that he agreed with that committee's chairman's statements in opposition to the excessing of these lands.

The land gives the VA latitude for possible expansion in the future. In the case of the West Los Angeles VAMC, the land could be used for the expansion of the adjacent national cemetery, which is closed to new burials, and the relocation onto VA land of the VA's regional office thereby avoiding the rent—about $4 million per year—the VA Los Angeles regional office, located in the nearby Federal Building pays to GSA. In the cases of both VAMC's, the land also provides a necessary buffer zone between the medical facilities and surrounding communities. In addition, it may be possible to devise a plan under which the land could be temporarily used for other purposes, with the VA developing leasing or sharing plans for such temporary use, retaining title, and collecting revenues.

Fourth, Mr. President, is the opposition in the community to the excessing and sale of the property. The neighbors, quite properly, strongly oppose the congestion and disruption from the resulting construction and development. All the major veterans organizations have expressed opposition to the proposal.

Fifth, there are a number of factors—in addition to the problems with the deed—that, at the present time, could prevent the property from being sold at a fair market price and thereby prevent the Government from realizing maximum proceeds from any disposition of the property. These include a current moratorium on new access cuts into Wilshire Boulevard in West Los Angeles which would necessarily restrict the use of the land by a developer. In addition, on one of the parcels of land in West Los Angeles, several structures—including one built in 1906—could conceivably be designated as historic buildings, thus impeding new development and effective use of the property. In the case of the land at Supulveda, there are existing leases with city and civic organizations that encumber the land.

Sixth, Mr. President, I believe strongly that not all land, especially not all land in already high density areas in and around residential neighborhoods, should be developed. The lands in question constitute important open spaces and buffer areas for the communities involved.

Finally, Mr. President, I note my very strong contention that, if any sales were to occur, the proceeds should be used for the benefit of veterans, not the U.S. Treasury, especially in the case of the West Los Angeles land which was deeded to the VA's predecessor agency expressly for the use of veterans.

Mr. President, I realize that this issue may appear to be solely a California issue and that some Senators may be tempted to dismiss it as a local matter. However, it is far from that. OMB is not following the law here. In 1983, Congress expressly changed the law as to VA land so that the Administrator, not GSA or OMB, would have the final word in determining whether land is no longer needed by the Veterans' Administration in carrying out its functions. In this case, OMB has substituted its judgment for the head of the VA's.

Major national veterans' organization—the American Legion, the Disabled American Veterans, and the Paralyzed Veterans of America—have spoken out in opposition to the Administration's proposal. On the House side, the chairman of the House Committee on Veterans' Affairs—Mr. MONTGOMERY—together with the chairman of that Committee's Subcommittee on Health and Hospitals—Mr. EDGAR—have introduced legislation, H.R. 4204, to accomplish the same objective as my bill. Neither of these gentleman represent California.

The OMB-forced proposal to excess this property—at the expense of our Nation's veterans—solely to achieve an artificial budget reduction is shortsighted and ill-advised. For the VA or any Federal agency to be required—against its better judgment—to dispose of valuable resources is simply wrong.

Mr. President, at this time, I ask unanimous consent that the text of my measure be printed in the RECORD at this point, together with the VA General Counsel's December 30, 1985, opinion.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2141

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of Veterans' Affairs may not declare as excess to the needs of the Veterans' Administration, or otherwise take any action to dispose of, the land and improvements at the Veterans' Administration Medical Center, West Los Angeles, California (consisting of approximately 109 acres), and at the Veterans' Administration Medical Center, Sepulveda, California (consisting of approximately 46 acres), described in letters dated February 5, 1986 (and enclosed maps), from the Administrator to the Committees on Veterans' Affairs of the Senate and of the House of Representatives pursuant to section 5022(a)(2) of title 38, United States Code.

TITLE TO LAND OCCUPIED BY WADSWORTH VAMC

1. We have been asked for an opinion on the ability of the United States to dispose of all or part of the land now occupied by the Wadsworth VA Medical Center, Los Angeles, California.

2. The land in question, which consists of approximately 300 acres, was conveyed to the National Home for Disabled Volunteer Soldiers (NHDVS) on March 3, 1888, by John P. Jones and Arcadia B. deBaker. The deed recites that Jones and deBaker granted the land "in consideration that . . . (NHDVS) should locate, establish, construct and permanently maintain a branch of said National Home for Disabled Volunteer Soldiers . . . ." The habendum clause further states that NHDVS shall have and hold such land forever "for the purpose of such branch Home . . . to be thereon so located . . . and permanently maintained." The VA is the successor to NHDVS. (*See*: 38 U.S.C. § 5013).

3. The law of real property generally recognizes that land may be conveyed on the condition that a certain use either will or will not be made of such land. Depending upon how the conveyance was expressed, the grantor (and his heirs) may retain a future reversionary interest in the land in the event the condition is broken. California law generally recognizes such reversionary interests. *See:* 30 Cal. Jur., Estates, §§ 37-41.

4. The proper construction of the Jones-deBaker deed has been the subject of much discussion during the past approximately 20 years. In 1967 this office concluded that, in view of the language contained in the Jones-deBaker deed, the United States could not transfer the land in question "without danger to the Government's interests." On February 5, 1968, in response to an inquiry from VA, the Assistant Attorney General advised VA that "title to the subject land was vested in the United States in fee simple . . . . Therefore, it would appear that no title obstacle would preclude the Veterans Administration from disposing of the reservation, in whole or in part . . . ." More recently, in 1982, an attorney in VA's Los Angeles office prepared a draft opinion concluding that the questioned language in the Jones-deBaker deed was merely a personal covenant which did not create any future interest in the grantors or their heirs.

5. We have recently reviewed the Jones-deBaker deed and attempted to survey the law of California as may be relevant to this matter. We believe the answer is far from clear. First, we note that the 1968 opinion by the Department of Justice does not discuss the specific language in the deed or applicable California law. Rather, it simply concludes that the United States has fee simple title. This conclusion is of little help, since under California law a grantee of an estate on condition subsequent takes the entire estate of the grantor. Unless the grantee breaches the condition, he is in the same position as an owner in fee simple absolute. *Shultz v. Baers,* 245 P.2d 334 (Cal. Dist. Ct. App. 1952).

6. Under California law, no particular form of expression is required to create an estate on condition subsequent. Rather, "apt and appropriate language" clearly showing the intent of the parties is all that is required. *Shultz,* 30 Cal. Jur., Estates, § 39. Courts construing such deeds, however, should, whenever reasonably possible, interpret restrictive language in a deed as a covenant rather than a condition subsequent, as forfeitures are not favored in law. *Savanna School District of Orange Co. v. McLeod,* 290 P.2d 593 (Cal. Dist. Ct. App. 1955).

7. Thus, while we believe a case can be made for the position that the Government is free to dispose of the Wadsworth property, the interpretation that the courts will place on the Jones-deBaker deed is far from certain. We understand that the heirs of Jones and deBaker have retained legal counsel, and are prepared to litigate any disposition of the property which appears contrary to the intent of the original grant.

8. At this point, practical considerations are more relevant than legal technicalities. The language in the Jones-deBaker deed

could no doubt raise questions in the mind of an attorney examining title on behalf of a prospective purchaser of the Wadsworth site. A seller of real property has a duty to disclose adverse claims known to him. Thus the Government would have to disclose the claim by the Jones-deBaker heirs to any prospective purchaser. Accordingly, anyone interested in this land would quickly realize he was, in effect, purchasing a lawsuit. This would make the sale of this land almost impossible until the claims of the heirs were resolved. Such resolution would likely take several years. Although it may be possible for the Government to quitclaim the property to a speculator who was willing to assume the risk of any claim by the heirs, such sale would be at a fraction of the fair market value of the land.

9. The Attorney General of the United States is empowered to institute action in Federal District Court, if requested to do so by the President, to attempt to extinguish any adverse claims to land previously deeded to NHDVS. 38 U.S.C. § 5013. If it is determined to be in the best interests of the United States to dispose of part of the Wadsworth site, action should be initiated to have the White House request the Department of Justice to file suit to quiet the claims of the Jones-deBaker heirs. Depending upon the court calendar, and how far the heirs or the Government wish to appeal any adverse rulings, final resolution will no doubt take several years, unless the heirs are willing to accept a settlement.

10. We would further note that prior to any report of excess to GSA, the Administrator must report to the Congressional Committees on Veterans' Affairs any land transaction, including excessing, which involves property with an estimated value exceeding $50,000. 38 U.S.C. § 5022(a)(2)(A) & (B). Under this statute, VA may not enter into any such transaction until after the expiration of 180 days from the date the report is submitted to the Congress.

11. Accordingly, it is the opinion of this office that the questioned language in the Jones-deBaker deed is a covenant rather than a condition subsequent, and that the Government is free to dispose of the land. Notwithstanding our belief, however, enough uncertainty remains over the proper construction of the deed as to make marketing this land extremely difficult. Moreover, any attempted disposition would likely result in litigation. We therefore believe that, if a decision is made to declare this property surplus, the Attorney General should be requested to file suit under 38 U.S.C. § 5013 to quiet title to this property. Appropriate notice should also be given to the Congress under 38 U.S.C.§ 5022.

By Mr. TRIBLE:

S. 2142. A bill to assure the proper budgetary treatment of credit transactions of Federal agencies and to reduce the Federal budget deficit; pursuant to the order of August 4, 1977, referred jointly to the Committee on the Budget and the Committee on Governmental Affairs.

LOAN ACCOUNTING REFORM AND DEFICIT REDUCTION ACT

Mr. TRIBLE. Mr. President, each year the Federal Government lends huge sums of money to selected borrowers. In 1985, for example, our Government made $53 billion in new loans. Projections by the Office of Management and Budget suggest that new Federal direct loans will average $37 billion per year over the next 3 years.

Federal direct loans are usually subsidized loans, conveying payments from taxpayers to assisted borrowers. These subsidies may be given through below-market interest rates, deferred or forgiven loan repayments, or through other noncommercial terms and conditions such as waiver or reduction of loan fees.

Given the huge sums involved, Congress and the American people need to know how much money is being spent in this way.

Unfortunately, Congress presently has no idea of the subsidies conveyed, and the costs incurred, when new loans are made. Yet these subsidies are substantial: OMB estimates that $9.8 billion in subsidies were distributed by new Federal loans during 1985, and that $9.2 billion will be given away this year.

Congress' stunning ignorance about loan program subsidies and costs makes it impossible for Congress to evaluate individual loan programs, to compare the tradeoff loan programs against other Federal expenditures, or to determine overall budget and loan policy in a rational manner.

Today, along with Representative BILL GRADISON in the House, I am introducing legislation to reform budget accounting for new direct Federal loans through loan sales. Our bill will provide Congress with the information it desperately needs concerning the true cost of such activities, and will bring those costs into the Federal budget. And because the current budget net lending overstates the true cost of new loans, selling loans and substituting an accurate cost measure will also reduce the budget deficit by up to $67.4 billion over the next 5 years.

To reform budget accounting for new loans in order to identify their true subsidy cost, and to reduce the Federal budget deficit, new loans made in the future would immediately be sold, without a Federal guarantee, to the high bidder in a competitive auction. The amount raised by selling a loan would be subtracted from the amount lent, and the difference—an objective measure of the subsidy cost of the loan—would be included in the Federal, and agency budgets.

Selling loans to identify subsidies was suggested by the Congressional Budget Office in its 1984 study, "New Approaches to the Budgetary Treatment of Federal Credit Assistance."

If our bill is adopted, Congress and the public will know, for the first time, what Federal loans truly cost. As a result, Congress will be better able to evaluate individual loan programs; to compare loans with other Federal spending programs, and to set overall budget and loan policy in a more intelligent way. In addition, because loan costs will be accurately reflected in the budget when loans are made, Congress will have a powerful incentive to use the cost information provided—an incentive it now lacks. The Federal deficit will be reduced immediately by loan sales, and pressure will be created to restrain long-term loan program giveaways.

"NET LENDING": THE NEED TO REFORM BUDGET CONCEPTS

Our bill would replace the current budget concept of "net lending"—which gives an inaccurate and misleading measure of the cost of new loans—with an accurate and informative measure of the subsidy cost of new lending. Correcting the current budget distortion would also reduce the budget deficit.

Present budget accounting uses a concept called "net lending" to portray Federal loan activity. As its calculation makes clear, "net lending" does not—and cannot—accurately portray the cost of new loans.

For an individual loan program, "net lending" is calculated as follows:

Net lending equals outlays for new loans made this year plus outlays to honor past guarantees on loans defaulted this year minus repayments of past loans minus receipts from sales of old or new loans.

To illustrate the calculation of "net lending," suppose a Federal agency makes new loans of $5 billion, pays $1 billion to honor prior guarantees on loans defaulted this year, receives $1 billion in repayments of old loans, and sells $1 billion in old loan assets. Its "net lending" would be $4 billion (=5+1−1−1), and this figure is the net outlay which would be shown in the agency's budget and in the agency's accounts in the Federal budget.

Since at least two of the four components of "net lending" refer to past credit activities, it is obvious that "net lending" cannot and does not measure the cost of new loans extended in the current year.

Using "net lending" as a budget measure is extremely misleading: It can make high cost programs look cheap, and make low cost programs seem expensive.

For example, a loan program with a large volume of new, heavily subsidized loans will appear inexpensive if its "net leading" figure is reduced by large repayments of earlier loans. Similarly, a new loan program with a moderate volume of unsubsidized loans can appear more expensive than it is, simply because there is are no offsetting repayments of earlier loans to reduce its "net lending" figure.

Thus, as a matter of budget principle, the concept of "net landing" should be rejected because it does not accurately reflect the cost of new Federal loan activity.

71-059 O-87-23 (Pt. 3)

LOAN SALES AND THE TRUE COST OF FEDERAL LOANS

To understand the accounting reform we are proposing, its is necessary to understand first what the true cost of a subsidized loan is, and, second, how loan sales can reveal that cost.

The cost of a subsidized loan is the amount lent minus the present value of expected future loan repayments. This difference is the loan's subsidy or cost:

Loan cost = amount lent − present value of expected future repayments.

If $50 million is lent, and repayments worth only $40 million are expected, the Government is effectively providing a $10 million subsidy, and incurring a $10 million cost.

If a loan is sold to the highest bidder at competitive auction, its sales price will approximate the present value of expected repayments:

Sales price = present value of expected future repayments.

Thus, once a loan is sold—and the present value of expected repayments is revealed by the market—the loan subsidy or cost can be simply determined as the difference between the amount lent and the loan's sales price:

Loan cost = amount lent − sales price.

As OMB states in this year's budget documents "the discount from the face value of the loan provides an unambiguous measure of the subsidy of the loan."

PROPOSAL: SELLING NEW LOANS

Budget accounting reform to reflect new loan subsidy costs would be achieved as follows: The Government would make new loans and incur loan outlays as it now does, but would then auction the loans to determine their value. Each loan would be sold to the highest bidder. For each loan, receipts from the loan sale would be "offsetting receipts" which would be subtracted from the principal amount lent on the lending agency's books. In this way, the agency's budget would include the subsidy cost of new loans. The annual total of such subsidies would be controlled by appropriations. During the year, the agency would make and sell loans—and incur subsidy costs—up to its appropriation.

By this procedure, all subsidies would be attributed to the appropriate loan program and agency, included in the Federal budget, and controlled by appropriations as other forms of direct spending are.

NEW LOAN SALES REDUCE THE DEFICIT

Our bill relies on sales of new loan assets to reform budget accounting. But loan sales also generate receipts which reduce the Federal budget deficit. Thus, a principled and needed accounting reform can incidentally contribute to deficit reduction, and can reduce the need for painful short-term budget cuts.

Congressional Budget Office analysts have tentatively estimated the budget impact of our proposal, assuming all new loans are sold starting in fiscal 1987. They find that loan sales would reduce baseline deficits by up to $67.4 billion over the next 5 years. This is an average annual deficit reduction of about $13.5 billion for the next 5 years.

Our proposal can be viewed in another way. Reforming budget accounting to eliminate the meaningless concept of "net lending," and substituting a proper measure of loan subsidy costs, would eliminate the present budgetary overstatement of the cost of Federal loans. This overstatement artificially inflates the Federal budget deficit. If left uncorrected by loan sales, this overstatement would force larger-than-necessary "Gramm-Rudman" budget cuts to balance the budget. While we certainly want to balance the budget, we have to make sure it is the true budget we balance, rather than a budget artificially inflated by faulty accounting.

WHAT OUR BILL DOES NOT DO

Our proposal would not change any Federal loan program. Loans could continue to be made as they now are, on the same terms and conditions as at present. Borrowers helped by Federal loan programs need suffer no loss of assistance, no change in eligibility for aid, and no change in repayment responsibilities.

The proposal simply generates timely and reliable information on program costs; it does not change the underlying loan programs.

Our proposal also differs from recent proposals to sell existing Federal loan assets with a Federal guarantee. Our bill is prospective only: We do not suggest selling existing loans, only future loans. And our bill requires loans to be sold without a Federal guarantee. Sales without guarantee are essential if the prime purpose of the bill—revealing the subsidy cost of Federal loans—is to be achieved.

We are opposed to selling existing loan assets with a Federal guarantee solely for the purpose of reducing the Federal deficit on paper. Sales with a guarantee are an inefficient and costly substitute for financing deficits through Treasury securities. And, as Martin Feldstein has noted, guaranteed loan assets sales "would be no different from the sale of more Government bonds * * * and would do nothing to lessen the burden of the deficit. They would preempt private savings every bit as much as a Federal sale of new debt of the same value."

Our proposal meets Feldstein's criticism. Our purpose is to correct an improper budget concept, and to provide Congress with needed information. This information on loan costs can create real pressure to reform and restrain future subsidies. That selling new loans incidentally generates deficit reduction is not a criticism of our proposal, since the current budget concept of "net lending" effectively overstates the true deficit by improper accounting. Our bill merely eliminates this distortion.

I urge my colleagues to support the Loan Accounting Reform Act.

By Mr. NICKLES (for himself, Mr. ABDNOR, Mr. GRASSLEY, Mr. BOREN, Mr. ANDREWS, and Mr. BOSCHWITZ):

S. 2144. A bill to amend the Farm Credit Act of 1971 to provide credit assistance to certain borrowers of loans made by institutions of the Farm Credit System, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

LANDOWNER PROTECTION ACT

Mr. NICKLES. Mr. President, last year, in the process of losing an unprecedented $2.7 billion, the Nation's largest agricultural lender, the Farm Credit System, foreclosed on thousands of farmers and ranchers, forcing them and their families off land which was in turn dumped on an already depressed market. Things need not be so gloomy.

Today, I am introducing the Landowner Protection Act of 1986, a bill designed to, first, offer debt restructuring for many Farm Credit System [FCS] borrowers who would otherwise be foreced off their land due to circumstances beyond their control; second, stop the rising tide of farm foreclosures initiated by the FCS; third, ease downward pressure on already depressed land values; fourth, reassert local control of the System; and fifth, minimize System losses which will benefit all FCS borrowers, bondholders, and the Federal Government.

It is my pleasure to be joined in introducing this legislation by my colleagues, Senator ABDNOR from South Dakota, Senator GRASSLEY from Iowa, Senator BOREN from Oklahoma, Senator ANDREWS from North Dakota, and Senator BOSCHWITZ from Minnesota.

Mr. President, the farm credit legislation which became law late last year was needed to restore and strengthen investor confidence in the Farm Credit System. Without it, FCS borrowers could be paying even higher interset rates than they are today. Yet, many farm and ranch borrowers throughout the Nation feel last year's credit legislation overlooked their specific problems.

During consideration of that legislation, the Farm Credit Amendment Act of 1985, I joined Senator BOSCHWITZ and others in an unsuccessful effort to provide an opportunity for agricultural borrowers to restructure loans from commercial lenders and Farm Credit System institutions. We offered the

Farm Credit Partnership Act in amendment form but were defeated on a 54 to 38 vote. Since that time, we have continued in our effort to gain support for credit measures designed to restructure existing agriculture debt.

Some of my colleagues may ask why the legislation we are introducing today, the Landowner Protection Act of 1986, is needed. Let me explain. Currently, Farm Credit System lending institutions are foreclosing on landowners, often taking a substantial loss, and reselling the acquired property to a new buyer, often at lower interest rates than were charged the original owner.

The problem lies in the fact that, in many cases, if the original owner could obtain a debt structure closer to that offered new buyers, he could make the payments and keep his family on the farm. Through the Landowner Protection Act, we are saying that rather than put the original owner off his land, further depress land values through additional sales, and take large losses on foreclosed property, why not try to keep the owner on the farm through debt restructuring.

Reducing principal or interest obligations of the original owner to a level which would allow repayment could result in a smaller loss to the FCS than costs which would be incurred through foreclosure.

Under the Landowner Protection Act, if the costs associated with foreclosure equal or exceed the cost of restructuring a loan in an amount which will enable the borrower to repay, the FCS lending institution would be required to restructure the loan.

The minimization of System losses, and objective of this bill, will increase the likelihood of the System lowering interest rates for all borrowers and will hold off the day when the Farm Credit System comes to Congress asking for Federal dollars.

Let me briefly describe how the Landowner Protection Act is structured. To be eligible for assistance, a borrower must be a stockholder of a Farm Credit System institution, be behind in the payment of principal or interest, and demonstrate the inability to make payments on time is due to circumstances beyond his control. Additionally, the borrower must have had gross annual sales of farm products in excess of $40,000 and derived 50 percent or more of his gross annual income from agriculture during at least 2 of the last 5 years.

Before foreclosing on a loan, an institution would be required to determine what costs would be incurred as a result of such action. This cost would then be compared with the cost of restructuring a loan in an amount that would allow the borrower to repay. If restructuring is cheaper than foreclosing the institution would be required to restructure the loan. The cost of foreclosure includes the difference between the principal owed and the value of the collateral securing the loan, the cost of maintaining the loan as a nonperforming asset, administrative and legal costs associated with foreclosing and disposing of property, and an estimate of the adverse impact the sale of foreclosed property would have on property securing other loans.

The bill has an appeal procedure built in if the institution makes an adverse determination toward the borrower. The appeals would be channeled to a credit review committee composed of members of the local board of directors which are elected by the borrowers. In the case of consolidated or merged institutions where the local board of directors no longer exists the credit review committee would be composed of members of a local advisory board which would be elected by the borrowers serviced by the merged or consolidated institution.

If the institution determined the borrower did not meet the eligibility requirements, the borrower could appeal to the credit review committee. If the institution determined the cost of restructuring exceeded the cost of foreclosing, the borrower could appeal to the credit review committee and could request an independent analysis of the cost of restructuring versus the cost of foreclosing. Also, if the institution notifies the borrower it will restructure the loan but the borrower feels the amount of restructuring is inadequate to allow him to repay, he may appeal to the credit review committee.

Rather than making a permanent change in the law, the Landowner Protection Act would be in effect for 1 year during which time the Farm Credit Administration would report to Congress, providing information about the legislation's impact on the Farm Credit System and making recommendations concerning its reauthorization.

Like other farm State Senators, I hope my colleagues will support efforts to bring farm credit legislation to the floor in the near future. I might point out to my colleagues that Senator BOSCHWITZ is circulating a letter to the majority leader, requesting his help in providing prompt and equitable credit relief to the Nation's agriculture producers.

One aspect of the Landowner Protection Act I have not specifically addressed is cost. For a refreshing change, here is a bill that could be of tremendous benefit to agriculture producers while at the same time, by cutting Farm Credit System losses, reducing potential outlays which may be needed to keep the System afloat.

This is not a complicated bill. It simply instructs the Farm Credit System to do what they ought to be doing anyway, looking out for the best interests of all FCS borrowers by minimizing System losses. I urge my colleagues to join us in support of this legislation.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2144

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Landowner Protection Act of 1986".

SEC. 2. LOAN FORECLOSURES AND RESTRUCTURING.

Title IV of the Farm Credit Act of 1971 (12 U.S.C. 2151 et seq.) (as amended by section 306 of the Farm Credit Amendments Act of 1985 (Public Law 99-205)) is amended by adding at the end thereof the following new part:

"PART G—LOAN FORECLOSURES AND RESTRUCTURING

"SEC. 4.40. DEFINITIONS.—(a) As used in this part:

"(1) The term 'borrower' means a person who meets the eligibility criteria prescribed in section 4.41.

"(2) The term 'Chairman' means the Chairman of the Farm Credit Administration.

"(3) The term 'committee' means a credit review committee selected from and by—

"(A) the local board of directors of the institution from which a loan originated; or

"(B) in the case of consolidated or merged institutions, members of a local advisory board elected by the stockholders serviced by the merged or consolidated institutions from which a loan originated.

"(4) The term 'cost of foreclosure' includes—

"(A) the difference between the outstanding amount of principal due on a loan made by an institution and the value of collateral used to secure the loan, taking into consideration the lien position of the institution;

"(B) the estimated cost of maintaining a loan as a nonperforming asset;

"(C) the estimated cost of administrative and legal actions necessary to foreclose a loan and dispose of property acquired as the result of the foreclosure;

"(D) estimated adverse impact of the sale of property acquired as the result of a loan foreclosure on the value of property held by other borrowers of institutions;

"(E) the estimated cost of changes in the value of collateral used to secure a loan during the period beginning on the date of the initiation of action to foreclose or liquidate the loan and the ending on the date of the disposition of the collateral; and

"(F) all other costs incurred as the result of the foreclosure or liquidation of a loan.

"(5) The term 'institution' means an institution of the Farm Credit System established under this Act.

"SEC. 4.41. ELIGIBILITY.—To be eligible to receive assistance under this part, a person must—

"(1) be a borrower of a loan made by, and a stockholder of, an institution who is delinquent in the payment of principal or interest, or both, on the loan on the date of enactment of the Landowner Protection Act of

1986 or during the 1-year period beginning on such date;

"(2) demonstrate to the institution that, due to circumstances beyond the control of the borrower (including depressed land values, high interest rates, and low prices for agricultural commodities), the borrower is temporarily unable to continue making payments of the principal and interest when due without unduly impairing the standard of living of the borrower;

"(3) during at least 2 of the 5 preceding taxable years, have gross annual sales of agricultural commodities (including livestock, poultry, and acquaculture) of at least $40,000; and

"(4) during at least 2 of the 5 preceding taxable years, have derived at least 50 percent of the gross annual income of the person from the production of the commodities.

"SEC. 4.42. LOAN DETERMINATIONS.—Before instituting a proceeding to foreclose a loan made to a borrower, an institution must determine—

"(1) the cost of foreclosure; and

"(2) the cost of restructuring the loan in accordance with this part.

"SEC. 4.43. LOAN FORECLOSURE AND RESTRUCTURING.—If an institution determines that the cost of foreclosure of a loan made to a borrower is equal to or exceeds the cost of restructuring the loan in accordance with this part, in lieu of foreclosure, the institution shall reduce the principal or interest, or both, due on the loan in an amount that would enable the borrower to make payments of principal and interest due on the loan without unduly impairing the standard of living of the borrower.

"SEC. 4.44. COLLATERAL.—No institution may—

"(1) require any borrower to provide additional collateral to secure a loan made under this Act if the borrower is current in the payment of interest on the loan; or

"(2) bring any action to foreclose on, or otherwise liquidate, any loan as the result of the failure of a borrower to provide additional collateral to secure a loan made under this Act if the borrower was current in the payment of interest on the loan at the time the additional collateral was required.

"SEC. 4.45. APPEALS.—(a)(1) If an institution determines that a person does not meet the eligibility criteria prescribed in section 4.41, the institution shall provide the person with a written notice of—

"(A) the determination and the reasons for the determination; and

"(B) the right of the person to appeal the determination before a committee.

"(2) If a person makes a written request to a committee not later than 30 days after receipt of a notice to contest a determination referred to in paragraph (1), the person shall have the right to appear before the committee to contest the determination.

"(b)(1) If an institution determines that the cost of restructuring a loan in accordance with this part exceeds the cost of foreclosure of the loan, the institution shall provide the borrower of the loan with a written notice of—

"(A) the determination and the reasons for the determination;

"(B) the computations used by the institution to make the determination, including the estimate of the collateral value of the land used to secure the loan; and

"(C) the right of the borrower to appeal the determination before a committee.

"(2) If a borrower of a loan made by an institution makes a written request to a committee not later than 30 days after receipt of a notice to contest a determination referred to in paragraph (1), the borrower shall have the right to—

"(A) request the committee to arrange an independent appraisal of the cost of foreclosure of the loan and the cost of restructuring the loan in accordance with this part; and

"(B) appear before the committee to contest the determination.

"(3) If a borrower requests a committee to arrange an independent appraisal made under paragraph (2)(A), the committee shall—

"(A) arrange the independent appraisal, in accordance with regulations issued by the Farm Credit Administration; and

"(B) consider such appraisal when reviewing the determination of the committee.

"(4) If an independent appraisal is conducted under this subsection of the cost of foreclosure of a loan made by an institution to a borrower and the cost of restructuring the loan in accordance with this part, the cost of the appraisal shall be borne by—

"(A) the institution if the appraisal of the cost of restructuring the loan in accordance with this part is equal to or less than the appraisal of the cost of the foreclosure of the loan; or

"(B) the borrower if the appraisal of the cost of restructuring the loan in accordance with this part is greater than the appraisal of the cost of the foreclosure of the loan.

"(c)(1) If an institution determines that a borrower of a loan meets the eligibility criteria prescribed in section 4.41 and that the cost of restructuring the loan in accordance with this part is less than or equal to the cost of foreclosure of the loan, the institution shall provide the borrower with a written notice of—

"(A) the determination and the reasons for the determination;

"(B) the amount of the reduction in principal or interest, or both, the institution determines is adequate to enable the borrower to make payments in accordance with section 4.43; and

"(C) the right of the borrower to contest the amount of the reduction before the committee.

"(2) If a borrower makes a written request to a committee not later than 30 days after receipt of a notice to contest the amount of the reduction referred to in paragraph (1), the borrower shall have the right to appear before the committee to contest the amount of the reduction.

"(d) A borrower of a loan made by an institution under this Act shall have the right to appear before a committee to contest a determination or amount under this section if—

"(1) the institution and borrower enter into an agreement under which the institution agrees to restructure the loan in accordance with this part and the borrower agrees not to contest the determination or amount, as the case may be;

"(2) the institution does not restructure the loan in accordance with this part; and

"(3) the borrower makes a written request to the committee to contest the determination or amount, as the case may be, not later than 30 days after the date by which the institution agreed to restructure the loan in accordance with this part.

"(e) Promply after any review conducted by a committee, the committee shall provide the aggrieved person or borrower with written notice of the decision of the committee and the reasons for the decision.

"SEC. 4.46. REPORT.—Not later than 270 days after the date of enactment of the Landowner Protection Act of 1986, the Chairman shall submit a report to Congress on the operation of this part, including—

"(1) an analysis of the impact of actions taken under this part on losses suffered by institutions;

"(2) an analysis of the impact of the actions on property values;

"(3) an analysis of the accuracy of the cost of foreclosure determined by institutions under this part;

"(4) the number and amount of loans restructured in accordance with this part;

"(5) the number of current and estimated future delinquencies before and after the expiration of this part on loans made to borrowers; and

"(6) the recommendations of the Chairman concerning reauthorization of this part.

"SEC. 4.47. TERMINATION.—The authority granted by this part shall terminate 1 year after the date of enactment of the Landowner Protection Act of 1986 or 90 days after the date of the submission of the report required under section 4.46, whichever is later.".

Mr. ABDNOR. Mr. President, in December, Congress passed an aid package offering assistance to the struggling Farm Credit System. At that time, I had serious reservations with the bill and voted for it only after the legislation which I cosponsored was defeated in the Senate by a vote of 56 to 38. Despite the Senate-passed legislation's shortcomings, my hope was that it would at least improve the plight of system borrowers.

However, the bill Congress finally passed has yet to live up to my expectations and I'm now convinced there is a more efficient, cost-effective means of accomplishing our objectives. The legislation we passed in December was never aimed at assisting system borrowers—it was designed to rescue the system itself and to lessen Uncle Sam's exposure.

Moreover, the restructuring Congress proposed in the December bill is off to a slower-than-expected start. Failure by the administration to meet its January 23 deadline for appointment of a three-member board to oversee the Farm Credit Administration has undoubtedly delayed the process. Still, in my estimation, the viability of the December bill is in serious jeopardy simply because it focused on the symptoms of the problem rather than the root. The viability of a lending institution, public or private, is based on the ability of its borrowers to service their debts not on the institution's ability to dispose of assets after foreclosure.

In the distressed Omaha Farm Credit System District and in other system districts throughout the country, the number of foreclosure actions currently in process is unprecedented. The intention of the Farm Credit System to clean up its loan portfolio is economically sound and consistent

with prudent management practices. The tragedy is that the costs of foreclosure are often in excess of the cost of restructuring. And when that happens, it's the system, Uncle Sam, and the taxpayer who ultimately bear that excess cost.

The crisis faced by the Farm Credit System is, indeed, a grave one. Just recently, the system reported a loss of $2.7 billion in 1985, the largest annual deficit ever posted by a U.S. financial institution and over twice the loss of Continental Illinois in 1984. Further, the Farm Credit System's provision for loan losses in 1985 jumped ninefold to $3 billion. Loan write-offs nearly tripled to nearly $1.11 billion. At December 31, the system's reserve for future loan losses stood at $3.19 billion, almost three times the year-earlier level.

Further, the system's asset base has deteriorated rapidly. As of December 31, 1984, the system held $78.48 billion of the Nation's $210 billion in farm debt. On December 31, 1985, system debt comprised only $66.62 billion of the total farm debt. Since only $1.11 billion was written off over that period, it's clear that almost $11 billion worth of farm borrowers have fled the system to borrow elsewhere. The defectors are the good credit risks, those who can obtain financing elsewhere. Their defection leaves the system with a greater concentration of high-risk borrowers—invariably weakening its financial position.

Mr. President, I'm pleased to join my distinguished colleagues, Senators NICKLES and GRASSLEY, in introducing The Landowner Protection Act of 1986. I believe this bill provides a workable and fiscally sound approach to the crisis facing the Farm Credit System. More important, it's a farm/borrower-first proposal, a consideration we lost sight of in the December legislation.

The concept is simple. If the cost of foreclosure to the Farm Credit System exceeds the cost of restructuring, the system would be required to attempt to restructure the current borrower's debt. A borrower would qualify for restructuring if he can prove that his delinquency is based on circumstances beyond his control—declining land values, high interest rates, or low commodity prices. In the event the borrower is unable to prove his delinquency is a result of circumstances beyond his control and is consequently subject to an adverse decision from the system lender, a credit review committee consisting of member/borrowers would be established to rule on any appeal made by that borrower.

Clearly, when a lender's portfolio consists of nonperforming assets, he has two alternatives from which to choose, first, foreclosure, or second, debt restructuring. This bill simply says that if it is less costly to restructure than it is to foreclose and liquidate assets, the lender is required to restructure. This approach benefits not only the borrower in question but all Farm Credit System borrowers, its bondholders and the U.S. Government.

Mr. President, the Landowner Protection Act of 1986 is a practical, nuts-and-bolts, win-win solution to the plight of the troubled Farm Credit System and its member/borrowers. My staff blanketed the State during the January recess listening to the concerns of the citizens of South Dakota. One of the most pervasive themes vocalized in their meetings was that Congress must deal with the problems of the Farm Credit System in a fashion which focuses on the needs of the borrowers. Mr. President, this bill does just that. And at the same time, it minimizes taxpayers exposure. I trust that this body will join us in working toward its quick passage.

● Mr. GRASSLEY. Mr. President, today I am cosponsoring a bill, with my colleagues Senator NICKLES and Senator ABDNOR, which would protect many of our farmers from the counterproductive policies of the Farm Credit System. This bill requires the Farm Credit System to evaluate the high costs of foreclosures and liquidation and compare that with the cost of restructuring a farmer's debt. If the cost of foreclosure is higher than the cost of restructuring then the Farm Credit System is required to restructure that farmer's debt.

Surely the Farm Credit System considers this to be commonsense policy. Right? Wrong. Many of the Farm Credit System's institutions are spending a great deal of money on unnecessary attorney and legal expenses trying to foreclose on farmers who could survive with some restructuring.

Some Federal land bank and Production Credit Association borrowers have been, and are being, foreclosed on only to have their farms sold to someone else on terms which the original farmers could have afforded. Such terms may include: lower interest rates; lower prices; making the new buyer exempt from the requirement of buying Farm Credit System stock; and not requiring as high of a down payment as normal. Both the System and the farmer lose under this arrangement. The farmer loses his farm and the Farm Credit System loses money, due the high costs of foreclosure and liquidation.

When first hearing of this policy I could not believe it. I asked the president of the Farm Credit Banks of Omaha about this policy during a hearing I held on the Farm Credit System last fall. He did not deny the policy. In fact, much to my surprise and dismay he defended it by saying, "We do not want to leave the impression * * * that we are giving preferential treatment to the borrowers who are having financial difficulties." But we know that they are willing to give preferential treatment to nonstockholders of the system. The bill we are introducing today, the Landowner Protection Act of 1986, combines economic common sense with humanitarian principles. The economic sense is simple: foreclosures are expensive and should be avoided whenever possible. This bill will help avoid the unnecessary high cost of foreclosure, stop the dumping of farm assets on the market, and keep viable productive farmers on the land.

The humanitarian principles involved here are realistic and responsible. We must keep the farmer on his land if it is at all possible and give these farmers a fair chance of succeeding. We must constantly remind ourselves that many productive farmers are in trouble today because of circumstances beyond their control. Policies made here in Washington have had more to do with many of these farmer's problems than any decision they made individually. We must also remind ourselves that when a farmer loses his farm he loses his home, job, pride, way of life, future, and very often his past. With this in mind how can we condone not giving these Farm Credit System stockholders an equal opportunity of success as we would a new buyer.

Mr. President, no one would be happier than I if the Farm Credit System exercised this policy without this bill becoming law but I must say that I am not encouraged that will happen. I have had many conversations with Farm Credit Sysem officials trying to convince them that they should be more cooperative and respect the rights of their borrowers. Unfortunately, reports of abuses keep coming in from stockholders of Farm Credit System. It is for this reason it is necessary to include steps to give farmers a right to appeal to their peers and get third party evaluations of the costs involved with foreclosure and restructuring.

I strongly encourage my colleagues to support the Landowner Protection Act of 1986 and other measures which will help ease the crisis occurring in rural America.

I would also like to comment very briefly on a bill I intend to introduce which will give farmers a fair chance to stay on their land during the pendancy of bankruptcy proceedings. Soon I, along with Senator ZORINSKY, will introduce the Family Farm Reorganization Act, which allows a farm-debtor to provide adequate protection to creditors under the bankruptcy law by paying fair market value rent. This commonsense approach recognizes the economic realities of foreclosure. During the a time of depressed farm

values, the lender will usually be the high bidder at a foreclosure sale. If the lender cannot resell the property, it typically will rent the property at the market rate. It the debtor is allowed to pay market rent while he reorganizes, the lender will be getting what it would realistically get as a result of foreclosure. At the same time, we keep the farmer on the land.●

Mr. BOSCHWITZ. Mr. President, it is with great pleasure that I join with my distinguished colleagues in sponsoring the Landowner Protection Act. Senators NICKLES, ABDNOR, and GRASSLEY put many hours of work and thought in putting together this proposal. And while our plan may seem like simple common sense, sometimes those are the ideas that Washington has the most trouble with.

Mr. President, our proposal is really very simple. Basically the Landowner Protection Act is designed to repair some of the things we thought would be taken care of in the Farm Credit System package.

I supported that bill because I felt it would be used to pool the System's resources, and to then restructure as much of the troubled debt as possible.

Unfortunately, this isn't happening. Instead things have been pretty much business as usual for the local associations. And especially so in the Omaha, and Wichita districts. In those districts they are continuing to follow a policy of accelerating some loans, and foreclosing on others.

And what I find exceedingly distressing is that while they are foreclosing on some landowners, often taking a substantial loss, they are then turning around and reselling their properties at lower interest rates than the original owner had been paying.

I believe that the Farm Credit System should emphasize restructuring farm debt over foreclosures. In many cases, a foreclosure costs the lender more than restructuring a debt, so not only is restructuring more cost efficient, but it helps stabilize land values and prevents untold emotional hardships for farmers.

Mr. President, this bill has two basic purposes:

One, to encourage restructuring, and in turn prevent foreclosures by requiring the local association to show that it is less expensive to foreclose than restructure. No foreclosures could occur unless they met this test.

Two, to prevent the Farm Credit System from accelerating a loan when the borrower is current in his payments. While the values of all property in rural areas are falling, I feel that as long as a borrower is making good on his debt, the lender should not be pushing him toward foreclosure.

Mr. President I wish this legislation wasn't necessary. And it wouldn't be if the Farm Credit System was making an effort to work with their borrowers. However, because they are not, we find ourselves in the position where it has become a necessity.

Mr. President, I, along with others on this bill are also coauthors of another comprehensive farm credit proposal. We believe that passage of this bill, along with our more comprehensive credit proposal would go a long way toward easing the debt crisis in rural areas.

Our Farm Credit Partnership Act would deal with farm debt in two ways. The bill would allow lenders—Farm Credit System and commercial bankers—to reduce a borrower's principal by up to 30 percent. The lender then would have 10 years to write off the loss. The bill also would set up an interest rate buydown partnership. Under this program, a borrower's interest rate could be reduced by up to 5 percentage points. The Federal Government would buy 2 percent, the State 2 percent, and the lender 1 percent.

The program would be targeted to full-time farmers with high debt-to-assist ratios. To qualify, a farmer would be required to have $30,000 a year in gross sales from the farm, and a debt-to-asset ratio of more than 40 percent.

The difficulties of farm credit will not be solved easily. It requires a many-faceted program. The bill we are introducing today will protect many landowers, and when coupled with our earlier proposal will get us on the road to a more stable economy in rural America.

By Mr. McCLURE:

S.J. Res. 288. Joint resolution to designate the month of May 1986, as "National Birds of Prey Month"; to the Committee on the Judiciary.

NATIONAL BIRDS OF PREY MONTH

● Mr. McCLURE. Mr. President, today I introduce a Senate joint resolution designating the month of May as National Birds of Prey Month. This is in conjunction with the dedication of the Peregrine Fund's World Center for Birds of Prey in Boise, ID. The dedication will take place during the Birds of Prey Festival which will be May 12–18, 1986.

In 1981, the Snake River birds of prey natural area was set aside as a natural environment for the protection and habitat of birds of prey. This area is a unique national treasure because within its boundaries exist the greatest density and diversity of birds of prey in the world.

No other animals on Earth possess the inspirational qualities of birds of prey. Their grace, beauty, courage, and indomitable spirit have come to symbolize freedom. Millions of Americans from coast to coast enjoy observing birds of prey throughout the Nation. However, a substantial number of birds of prey that occur in the United States have been listed by State or Federal conservation agencies as endangered, threatened, or of concern. Since the Snake River birds of prey natural area was established in 1981, efforts have been made to increase the knowledge and protection of these majestic birds. The World Center for Birds of Prey and the Birds of Prey Festival are part of this effort. Dedication of the World Center during the Birds of Prey Festival represents the culmination of years of commitment to a facility for research and conservation of birds of prey.

The World Center for Birds of Prey will be available for use by biologists as well as visiting scientists and graduate and undergraduate students at Boise State University. In addition to its function as a research facility, the center will serve as an information and education center for the public. The importance of the center in the conservation of birds of prey cannot be overestimated.

Last year, in its first year of operation, the World Center for Birds of Prey released 140 peregrine falcons in Idaho, Utah, Montana, and Colorado. Eighteen additional falcons were placed in foster nests in Colorado. In October, 53 falcons were transferred to the Boise center from Ithaca, NY to be bred for release in Eastern States.

The Birds of Prey Festival in May will create an appreciation of these spectacular birds by focusing National attention on the new World Center for Birds of Prey and the Snake River Birds of Prey area. To celebrate and expand this interest and appreciation for birds of prey in Idaho, North America, and the world, I urge you to support this resolution designating the month of May as National Birds of Prey Month.●

ADDITIONAL COSPONSORS

S. 558

At the request of Mr. MOYNIHAN, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 558, a bill to amend the Internal Revenue Code of 1954 to permanently exclude educational assistance programs from gross income, and for other purposes.

S. 719

At the request of Mr. DURENBERGER, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 719, a bill to provide assistance to agricultural producers.

S. 837

At the request of Mr. HEINZ, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 837, a bill to amend the Social Security Act to protect beneficiaries under the health care programs of that act from unfit health care

practitioners, and otherwise to improve the antifraud provisions of that Act.

S. 869

At the request of Mr. MITCHELL, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 869, a bill to provide that the pensions received by retired judges who are assigned to active duty shall not be treated as wages for purposes of the Social Security Act.

S. 1562

At the request of Mr. GRASSLEY, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 1562, a bill to amend the False Claims Act, and title 18 of the United States Code regarding penalties for false claims, and for other purposes.

S. 1686

At the request of Mr. MATSUNAGA, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 1686, a bill entitled the "Renewable Energy/Fuel Cell Systems Integration Act of 1985".

S. 2046

At the request of Mr. MCCONNELL, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 2046, a bill to provide limits and procedures in certain civil cases.

S. 2059

At the request of Mr. QUAYLE, the names of the Senator from Oklahoma [Mr. BOREN], and the Senator from Georgia [Mr. MATTINGLY] were added as cosponsors of S. 2059, a bill to control franking costs.

S. 2108

At the request of Mr. KASTEN, the names of the Senator from Connecticut [Mr. DODD], the Senator from Utah [Mr. GARN], the Senator from South Dakota [Mr. PRESSLER], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 2108, a bill to provide that Federal tax reform legislation shall not take effect before January 1, 1987.

S. 2109

At the request of Mr. CHILES, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 2109, a bill to amend title II of the Social Security Act and the Internal Revenue Code of 1954 to exempt from Social Security coverage retired Federal judges on active duty.

S. 2115

At the request of Mr. THURMOND, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 2115, a bill to recognize the organization known as the 82nd Airborne Division Association, Incorporated.

S. 2129

At the request of Mr. KASTEN the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 2129, a bill to facilitate the ability of such organizations to establish risk retention groups, to facilitate the ability of such organizations to purchase liability insurance on a group basis, and for other purposes.

SENATE JOINT RESOLUTION 143

At the request of Mr. GORE, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from Ohio [Mr. GLENN], and the Senator from Alabama [Mr. DENTON] were added as cosponsors of Senate Joint Resolution 143, a joint resolution to authorize the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia at an appropriate site in Constitution Gardens.

SENATE JOINT RESOLUTION 266

At the request of Mr. DENTON, the names of the Senator from North Dakota [Mr. ANDREWS], and the Senator from Connecticut [Mr. WEICKER] were added as cosponsors of Senate Joint Resolution 266, a joint resolution to authorize and request the President to designate the month of June 1986 as "Youth Suicide Prevention Month."

SENATE JOINT RESOLUTION 267

At the request of Mr. HEINZ, the names of the Senator from Georgia [Mr. NUNN], the Senator fom Ohio [Mr. GLENN], and the Senator from Maryland [Mr. MATHIAS] were added as cosponsors of Senate Joint Resolution 267, a joint resolution designating the week of May 26, 1986, through June 1, 1986, as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week."

SENATE JOINT RESOLUTION 273

At the request of Mr. HATCH, the names of the Senator from Vermont [Mr. STAFFORD], the Senator from Florida [Mrs. HAWKINS], the Senator from Michigan [Mr. RIEGLE], the Senator from Alabama [Mr. DENTON], the Senator from Missouri [Mr. EAGLETON], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Nebraska [Mr. EXON], the Senator from Kentucky [Mr. FORD], the Senator from Ohio [Mr. METZENBAUM], the Senator from New Jersey [Mr. BRADLEY], the Senator from South Carolina [Mr. THURMOND], and the Senator from California [Mr. CRANSTON] were added as cosponsors of Senate Joint Resolution 273, a joint resolution to designate the week of March 9, 1986, as "National Developmental Disabilities Awareness Week."

SENATE JOINT RESOLUTION 275

At the request of Mr. D'AMATO, the names of the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 275, a joint resolution designating May 11 through May 17, 1986, as "Jewish Heritage Week."

SENATE JOINT RESOLUTION 280

At the request of Mr. HEINZ, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of Senate Joint Resolution 280, a joint resolution designating the month of November 1986 as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 285

At the request of Mr. GRASSLEY, the names of the Senator from New Jersey [Mr. LAUTENBERG], and the Senator from Maryland [Mr. MATHIAS] were added as cosponsors of Senate Joint Resolution 285, a joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Osteoporosis Awareness Week."

SENATE CONCURRENT RESOLUTION 111

At the request of Mr. CRANSTON, the name of the Senator from Nebraska [Mr. ZORINSKY] was added as a cosponsor of Senate Concurrent Resolution 111, a concurrent resolution to express the sense of the Congress that any tax reform provisions relating to tax-exempt municipal bonds take effect no earlier than January 1, 1987.

SENATE RESOLUTION 105

At the request of Mr. MATTINGLY, the names of the Senator from Georgia [Mr. NUNN] the Senator from Tennessee [Mr. GORE], the Senator from New Jersey [Mr. BRADLEY], the Senator from Mississippi [Mr. COCHRAN], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Michigan [Mr. RIEGLE], the Senator from Alabama [Mr. HEFLIN], the Senator from Oklahoma [Mr. NICKLES], the Senator from Indiana [Mr. LUGAR], and the Senator from Indiana [Mr. QUAYLE] were added as cosponsors of Senate Resolution 105, a resolution to designate March 21, 1986 as "Henry Ossian Flipper Day."

SENATE RESOLUTION 362

At the request of Mr. KENNEDY, the names of the Senator from Massachusetts [Mr. KERRY], the Senator from Illinois [Mr. SIMON], and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of Senate Resolution 362, a resolution expressing the sense of the Senate that the United States should support the Caraballeda message of the Contadora Group.

AMENDMENTS SUBMITTED

DAVIS DAM FLOODWAY

DECONCINI AMENDMENT NO. 1643

(Ordered referred to the Committee on Environment and Public Works.)

Mr. DECONCINI submitted an amendment intended to be proposed

by him to the bill (S. 1696) to establish a federally declared Floodway for the Colorado River below Davis Dam; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following: That this Act may be cited as the "Colorado River Floodway Task Force Act of 1986".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) there are multiple statutory uses and purposes for the dams and other control structures administered by the Secretary of the Interior on the Colorado River;

(2) the maintenance of the Colorado River Floodway is essential to efficient operation of control structures, such as Hoover Dam, on the Colorado River to the benefit of all users of the river or the water of the river;

(3) that present development in the floodway may affect the efficient operation of the river; and

(4) that property damage occurred in 1983 in the floodway and damage may occur again in the future.

(b) The purpose of this Act is to—

(1) establish a task force to study and report to Congress on possible solutions to the problems caused by the 1983 flood along the Colorado River Floodway and the problems of development along the floodway;

(2) make recommendations as to whether individuals affected by the 1983 flood should be compensated or relocated outside the floodway by the United States; and

(3) authorize the Secretary of the Interior to implement the recommendations made pursuant to clause (2).

ESTABLISHMENT OF TASK FORCE

SEC. 3. (a) There is established the Colorado River Floodway Task Force (hereafter in this Act referred to as the "Task Force").

(b) The Task Force shall be composed of 44 members as follows:

(1) the Secretary of the Interior or his designee, who shall act as Chairman;

(2) representatives from each of the five Indian reservations in which the Colorado River Floodway is located—the Yuma Indian Reservation, the Colorado River Indian Reservation, the Chemehuevi Valley Indian Reservation, the Fort Mohave Indian Reservation, and the Cocopah Indian Reservation;

(3) representatives from each of the seven counties in which the floodway is located—Yuma County, Mohave County, and La Paz County in Arizona, Clark County in Nevada, San Bernardino County, Riverside County, and Imperial County in California;

(4) representatives from each of the municipalities in which the floodway is located—Yuma, Parker, Lake Havasu City, Bullhead City, Riviera, Topock, Lake Ranch-eros, Bermuda City, Bermuda Plantations, and Golden Shores in Arizona, Laughlin in Nevada, Winterhaven, Blythe, and Needles in California;

(5) one representative from the following Federal agencies:

(A) Bureau of Reclamation;

(B) Bureau of Land Management;

(C) Fish and Wildlife Service;

(D) Army Corps of Engineers;

(E) Federal Emergency Management Agency; and

(F) Department of Agriculture;

(6) two private citizens from each State appointed by the Governors of Arizona, Nevada, and California;

(7) the Governor, or his authorized representative, from Arizona, California and Nevada;

(8) one representative from the Colorado River Wildlife Council; and

(9) one representative of all law enforcement agencies on the Colorado River.

(c)(1) A vacancy in the Task Force shall be filled in the manner in which the original appointment was made.

(2) Members of the Task Force shall be appointed to serve for the life of the Task Force.

(3)(A) Each member of the Task Force who is not an officer or employee of the United States shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including traveltime) during which such members are engaged in the actual performance of the duties of the Task Force. All members of the Task Force who are officers or employees of the United States shall serve without additional compensation.

(b) While away from their homes or regular places of business in the performance of services for the Task Force, all members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under sections 5702 and 5703 of title 5, United States Code.

(d)(1) Twenty-three members of the Task Force shall constitute a quorum, but a lesser number may hold hearings.

(2) The Task Force shall meet at the call of the Chairman or a majority of its members.

(e)(1) The Chairman of the Task Force, without regard to the civil service laws, rules, and regulations, is authorized to appoint and fix the compensation of a staff director and such other additional personnel as may be necessary to enable the Task Force to carry out its functions.

(2) Any Federal employee may be detailed to the Task Force without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(3) The Task Force may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for GS-18 of the General Schedule under section 5332 of such title.

(f)(1) The Task Force may, for the purpose of carrying out this Act, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Task Force considers appropriate.

(2) The Task Force may secure directly from any department or agency of the United States information necessary to enable the Task Force to carry out this Act. Upon request of the Chairman of the Task Force, the head of such department or agency shall furnish such information to the Task Force.

(3) The Task Force may accept, use, and dispose of gifts or donations of services or property.

(4) The Task Force may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(5) The Administrator of General Services shall provide to the Task Force on a reimbursable basis such administrative and support services as the Task Force may request.

DUTIES

SEC. 4. (a) The Task Force shall—

(1) review past operation of the dams along the Colorado River in terms of flood control, power generation, and water storage;

(2) examine damage to property in the floodway during 1983 and assess the potential for damage in the future;

(3) make recommendations to Congress on—

(A) the size of the floodway below Hoover Dam, broken up into the various reaches of the river;

(B) future construction and Federal expenditures within the floodway;

(C) development of recreation facilities and fish and wildlife enhancement within the floodway to replace existing development or in place of future development;

(D) the necessity for additional floodway management legislation at local, State, and Federal levels; and

(E) the necessity of an emergency plan coordinating the activities of all public safety agencies to expedite aid and assistance to victims of future floods; and

(4) make recommendations to the Secretary of the Interior on—

(A) any compensation that would be appropriate to be paid by the Secretary to individuals living within the floodway who suffered economic losses as a result of the flooding along the Colorado River Floodway in 1983 and a procedure for paying such compensation; and

(B) relocation of any individual living within the floodway that would be appropriate as a result of the consequences of the 1983 flood or in anticipation of possible future floods and procedures for handling such relocations including the possibility of land exchanges.

(b)(1) Based on the recommendations of the Task Force under subsection (a)(4)(A), the Secretary of the Interior is authorized to compensate individuals who suffered economic losses caused by the flooding along the Colorado River Floodway in 1983. Such compensation shall be paid within two years after the date of enactment of this Act. Any individual receiving compensation under this paragraph shall waive all right to any additional compensation from the United States.

(2) Any individual who suffered economic losses as a result of the flooding along the Colorado River Floodway in 1983 who has not waived any right to compensation pursuant to clause (1) may bring an action in the United States Court of Claims for claims against the United States based on the 1983 flood any time two years after the date of enactment of this Act and prior to three years after the date of enactment. Jurisdiction is conferred on the Court of Claims to hear, determine, and render judgment upon such claims and award damages arising out of economic losses suffered as a result of the 1983 flood.

(c) Based on the recommendations of the Task Force under subsection (a)(4)(B), the Secretary of the Interior is authorized to relocate any individual living within the floodway who was either adversely affected by the 1983 flood or who is in jeopardy of flooding in the future.

FINAL REPORT

SEC. 5. Not later than one year after the date of enactment of this Act, the Task Force shall transmit to the President and to the Congress a report containing a detailed statement of the study conducted by the

Task Force under this Act and the recommendations of the Task Force with respect to the matters specified in section 4, including any recommendations for legislation the Task Force considers appropriate.

TERMINATION

SEC. 6. The Task Force shall terminate one year after the date of enactment of this Act.

AUTHORIZATION

SEC. 7. (a) For fiscal years 1987 and 1988, there are authorized to be appropriated $2,000,000 to carry out the provisions of this Act except for subsections (b) and (c) of section 4.

(b) For fiscal years 1987, 1988, and 1989 there are authorized to be appropriated such sums as are necessary to carry out the provisions of subsections (b) and (c) of section 4.

REGULATION OF MANUFACTURE OF ARMOR-PIERCING BULLETS

SYMMS AMENDMENT NOS. 1644 AND 1645

(Ordered to lie on the table,)

Mr. SYMMS submitted two amendments intended to be proposed by him to the bill (S. 104) to amend chapter 44, title 18, United States Code, to regulate the manufacture and importation of armor piercing bullets; as follows:

On page 5, line 21 after the word "uranium" insert the words "and intended for use in a handgun".

NOTE: This language amends the definition of "armor-piercing ammunition." The sentence, as amended, would read as follows:

"(B) The term armor-piercing ammunition means solid projectiles or projectile cores constructed from tungsten alloys, steel, iron, brass, bronze, beryllium copper, or depleted uranium and intended for use in a handgun."

On page 5, line 21, after "uranium" insert "which may be used in a handgun".

On page 10, after line 7, add the following:

SEC. 10. For purposes of section 921(a)(17)(B) of title 18, United States Code, as added by the first section of this Act, "handgun" means any firearm including a pistol or revolver designed to be fired by the use of a single hand. The term also includes any combination of parts from which a handgun can be assembled.

BENTSEN (AND NICKLES) AMENDMENT NO. 1646

(Ordered to lie on the table)

Mr. BENTSEN (for himself and Mr. NICKLES) submitted an amendment intended to be proposed by him to the bill S. 104, supra; as follows:

Following the definition of "armor piercing ammunition" contained on page 5 of S. 104, add the following full sentence following the word "purposes." on line 25:

"The term shall not include any other projectiles or projectile cores which the Secretary finds are intended to be used for industrial purposes, including, but not limited to, charges used in oil and gas well perforating devices."

FOOD SECURITY IMPROVEMENTS ACT

HARKIN AMENDMENT NO. 1647

Mr. HARKIN (for himself, Mr. ZORINSKY, Mr. MELCHER, Mr. EXON, Mr. GRASSLEY, Mr. BUMPERS, Mr. HART, Mr. DANFORTH, Mr. BURDICK, Mr. DIXON, and Mr. BOREN) proposed an amendment to the bill (S. 2143) to make certain improvements to amendments made by the Food Security Act of 1985, and for other purposes; as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . (a) It is the sense of Congress that the Secretary of Agriculture shall carry out a program authorized by section 424 of the Agricultural Act of 1949. Such program shall provide for the following:

(1) Advance resource loans shall be made available only to those producers of a commodity who are unable to obtain sufficient credit elsewhere to finance the production of the 1986 crop of that commodity, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes (as determined by the Secretary) in the community in or near which the applicant resides. A producer who has received a commitment or been furnished sufficient credit or a loan for production of the 1986 crop of a commodity shall not be eligible for an advance recourse loan to finance the production of that commodity for such crop year.

(2) Advance recourse loans shall be made available to producers to a commodity at the applicable nonrecourse loan rate for the commodity (as determined by the Secretary). Within the limits set out in paragraphs (5) and (7), advance recourse loans shall be available—

(A) to producers of wheat, feed grains, cotton, and rice who agree to participate in the program announced for the commodity on an amount of the commodity equal to one-half of the farm program yield for the commodity multiplied by the farm program acreage intended to be planted to the commodity for harvest in 1986, as determined by the Secretary;

(B) to producers of tobacco and peanuts who are on a farm for which a marketing quota or poundage quota has been established on an amount of the commodity equal to one-half of the farm marketing quota or poundage quota for the commodity, as determined by the Secretary; and

(C) to producers of other commodities on an amount of the commodity equal to one-half of the farm yield for the commodity multiplied by the farm acreage intended to be planted to the commodity for harvest in 1986, as determined by the Secretary.

(3) An advance recourse loan under section 424 shall come due at such time immediately following harvest as the Secretary determines appropriate. Each loan contract entered into under section 424 shall specify the date on which the loan is to come due.

(4)(A) The Secretary shall establish procedures, when practicable, under which a producer, simultaneously with repayment of his resource loan, may obtain a nonrecourse loan on his crop (as otherwise provided for in the Agricultural Act of 1949) in an amount sufficient to repay his recourse loan.

(B) In cases in which nonrecourse loans under such Act are not normally made available directly to producers, the Secretary shall establish procedures under which a producer may repay a recourse loan at the same time the producer receives advances or other payment from the producer's disposition of his crop.

(5) Advance recourse loans shall be made available as needed solely to cover costs involved in the production of the 1986 crop that are incurred or are outstanding on or after the date of enactment of this section.

(6) To obtain an advance recourse loan, the producer on a farm must—

(A) provide as security for the loan a first lien on the crop covered by the loan or provide such other security as may be available to the producer and determined by the Secretary to be adequate to protect the Government's interests; and

(B) obtain multiperil crop insurance, if available, to protect the crop that serves as security for the loan.

If a producer does not have multiperil crop insurance and is located in a county in which the signup period for multiperil crop insurance has expired, the producer shall be required to obtain other crop insurance, if available.

(7) The total amount in advance recourse loans that may be made to a producer under section 424 may not exceed $50,000.

(8) An advance recourse loan may be made available only to a producer who agrees to comply with such other terms and conditions determined appropriate by the Secretary and consistent with the provisions of section 424.

(b) The Secretary shall carry out the program provided for under section 424 through the Commodity Credit Corporation, using the services of the Agricultural Stabilization and Conservation Services and the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h (b)) to make determinations of eligibility with respect to the credit test under subsection (a)(1), and determinations as to the sufficiency of security under subsection (a)(6). The Secretary may use such committees for such other purposes as the Secretary determines appropriate in carrying out section 424.

(b) REGULATIONS.—It is further the sense of Congress that the Secretary of Agriculture shall issue or, as appropriate, amend regulations to implement the program provided for under section 424 as soon as practicable, but not later than 15 days after the date of enactment of this Act. Loans and other assistance provided under such program shall be made available beginning on the date such regulations are issued or amended.

DIXON AMENDMENT NO. 1648

Mr. DIXON proposed an amendment to the bill S. 2143, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . Section 17 of the United States Warehouse Act (7 U.S.C. 259) is amended—

(1) by striking out "That" and inserting in lieu thereof "(a) Except as provided in subsection (b),"; and

(2) by adding at the end thereof the following new subsection:

"(b)(1) Notwithstanding any other provision of this Act, if a warehouseman because

of a temporary shortage lacks sufficient space to store the agricultural products of all depositors in a licensed warehouse, the warehouseman may, in accordance with regulations issued by the Secretary of Agriculture and subject to such terms and conditions as the Secretary may prescribe, transfer stored agricultural products for which receipts have been issued out of such warehouse to another licensed warehouse for continued storage.

"(2) The warehouseman of a licensed warehouse to which agricultural products have been transferred under paragraph (1) shall deliver to the rightful owner of such products, on request, at the licensed warehouse where first deposited, such products in the amount, and of the kind, quality, and grade, called for by the receipts or other evidence of storage of such owner.".

MELCHER AMENDMENT NOS. 1649 AND 1650

Mr. MELCHER proposed two amendments to the bill S. 2143, supra; as follows:

AMENDMENT No. 1649

At the end of the bill, add the following new section:

SEC. . Title II of the Act of April 4, 1985, entitled "An Act Making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes", Public Law 99-10, is amended by striking out "the Administrator" and all that follows through "Africa" and inserting in lieu thereof the following: "the President certifies that the use of such funds is essential to famine relief in Africa. The Administrator of the Agency for International Development shall prepare and submit to Congress before April 15, 1986, a plan specifying how such additional funds for African famine relief would be used. The plan shall ensure, among other things, that the funds from the reserve, if utilized, shall be available to cover all costs for inland transportation of food only as are necessary for its timely delivery."

AMENDMENT No. 1650

At the end of the bill, add a new section as follows:

SEC. . Section 416(b)(10)(B) of the Agricultural Act of 1949 is amended—

(a) by inserting before the period at the end of the second sentence the following: "or, in the case of fiscal year 1986, prior to March 31, 1986"; and

(b) by inserting before the period at the end of the third sentence the following: "or, in the case of fiscal year 1986, March 31, 1986".

MOYNIHAN AMENDMENT NO. 1651

Mr. MOYNIHAN proposed an amendment to the bill S. 2143, supra; as follows:

In section 10 (relating to increased milk assessments to meet deficit reduction requirements), insert "(a) Increased Milk Assessments.—" before "Effective".

In clause (1) of section 10, strike out "subparagraph (E)" and insert in lieu thereof "subparagraphs (E) and (F)".

At the end of section 10, insert the following new subsection:

(b) APPORTIONMENT OF MILK ASSESSMENTS.—Effective March 1, 1986, section 201(d)(2) of the Agricultural Act of 1949 (as amended by subsection (a)) is further amended by adding at the end thereof a new subparagraph (F) as follows:

"(F) Notwithstanding the foregoing provisions of this paragraph, the Secretary is authorized to adjust and apportion the amount of the reduction under subparagraph (A) in the price of milk received by producers on a State or regional basis taking into consideration the level of purchases of milk and the products of milk by the Commodity Credit Corporation in such State or region during the fiscal year ending September 30, 1985, to support the price of milk under this subsection.".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, March 5, 1986, in order to receive testimony concerning the following nominations:

U.S. CIRCUIT JUDGE

J. Daniel Mahoney, of New York, to be U.S. circuit judge for the second circuit.

U.S. DISTRICT JUDGE

Barbara K. Hackett, of Michigan, to be U.S. district judge for the eastern district of Michigan.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. DOLE. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, March 5, in closed session, to conduct a hearing on the fiscal year 1987 intelligence budget authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON GOVERNMENTAL EFFICIENCY AND THE DISTRICT OF COLUMBIA

Mr. DOLE. Mr. President, I ask unanimous consent that the D.C. Subcommittee of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Wednesday, March 5, to hold a hearing on the oversight of D.C. courts.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Agriculture be authorized to meet during the session of the Senate on Wednesday, March 5, 1986, to conduct a business meeting in order to report the nomination of Richard E. Lyng to be Secretary of Agriculture.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

CALL TO CONSCIENCE ON SOVIET JEWRY

● Mr. GLENN. Mr. President, with the brightening of prospects for positive developments at the Geneva arms talks, it is essential that we not lose sight of another important obstacle to better United States-Soviet relations—the plight of Soviet Jewry. The release of Anatoly Shcharansky from the Soviet Union is a positive development. However, the Soviets have a very long way to go if they wish us to believe that they are reversing their inflexible position on Jewish emigration.

Freedom of emigration is a basic human right guaranteed by a number of internationally accepted documents such as the Helsinki Final Act. Clearly, the Soviets are not living up to these agreements.

The case of Gennady and Natasha Khassin of Moscow is an example of Soviet intransigence. The Khassins first applied to emigrate from the Soviet Union in August of 1976. Their visa requests have been refused repeatedly since then. In addition, the Khassins have been relentlessly harassed by Soviet authorities for their work on behalf of Jewish prisoners of conscience.

Gennady and Natasha Khassin are like so many thousands of refuseniks trapped by a system that persecutes them and attacks their religious and cultural heritage, yet denies them the opportunity to emigrate and be reunited with their families.

As Americans, we must continue to speak out on the plight of Soviet Jewry. We must make it clearly understood by the Soviets that improvement in emigration policy for Soviet Jews is a vital precondition for the establishment of better United States-Soviet ties. The plight of Soviet Jewry simply cannot be ignored.●

EDUCATION COMMISSION OF THE STATES NATIONAL TEACHERS FORUM

● Mr. PRYOR. Mr. President, the Nation's capital plays host this week to the Education Commission of the States [ECS] National Teachers Forum. Fifty-six finalists from across the country were selected from among 400 candidates to participate in the 3-day forum. These teachers will share their views on a number of issues including: The state of education in America today, the quality of worklife in the teaching profession, the impact of State policies affecting teaching, and future steps policymakers might take to ensure teaching effectiveness.

One of the 56 education professionals participating in this historic meet-

ing is the 1986 Arkansas Teacher of the Year, Mrs. Kerry Lockwood Owen. Mrs. Owen, an English teacher at Hot Springs High School, is an active member of the Arkansas Council of Teachers of English, the Arkansas Speech Communication Association, and the Conference of Arkansas Theatre. During the past 2 years, Mrs. Owen has participated in a number of conferences sponsored by "Wingspread," a nationwide movement to promote drama as a certified teaching field. Her dedication to the profession, the enthusiam she brings to her classes, the love she demonstrates for her students—these are the qualities that make Kerry Lockwood Owen so beloved at Hot Springs High. She is truly deserving of the Arkansas Teacher of the Year honor, and I am proud that my State can claim such an outstanding educator.

I know my colleagues join me in saluting Mrs. Owen and each of the other National Teachers Forum participants as they turn their attention to the fundamental concerns of teachers throughout the Nation.

THE BELFAST CURLING CLUB

● Mr. MITCHELL. Mr. President, it is a great pleasure for me to report to you today on the cause of great excitement in Waldo County, ME. The Belfast Curling Club is only one victory away from winning a national championship.

Belfast's Club has arrived at this point after it won the Grand National Curling Association mixed-team competition which was held in Belfast last month.

The proud Belfast team, which will be competing next week in the United States Curling Association Mixed Championship at St. Paul, MN, consists of skip Jeff Dutch, who lives in Belfast, mate Peg Moser of Northport, second stone Bill Pieske of Morrill, and first stone Cheryl Pieske, also of Morrill.

The sport of curling involves sliding heavy, smooth stones along a sheet of ice with the object being to accumulate stones within a circular house, while preventing opponents from doing so. Curling originated in Scotland, and was passed to the United States by our Canadian neighbors. Where the intricacies and traditions of the game have become known, curling has flourished, especially, I might add, in those fair regions of our country where snowy winters stimulate imagination and quicken the human spirit.

The Belfast Curling Club was founded in 1957 under the leadership of the late Dr. Norman E. Cobb. Although its membership and facilities have grown steadily, the club entered the Grand National district's mixed-team competition for the first time this year, defeating teams from Schenectady, Rochester, Boston, and Philadelphia, to become champions of the northeast.

I see no reason, Mr. President, why the Belfast team should not continue to be the giant killer in the upcoming national championships in St. Paul, where it will compete with nine other district winners.

Jeff, Peg, Bill, and Cheryl, are to be commended for their recent, unexpected, success. They travel to Minnesota with the affection and support of this Senator, and of all the people of Maine.●

COPE-O'BRIEN CENTER ANNIVERSARY

● Mr. LEVIN. Mr. President, I would like to call attention to a special organization and a special anniversary. This month the COPE-O'Brien Center will be celebrating 15 years of outstanding service to Washtenaw County and all of Michigan. The center works with delinquent and disadvantaged youth by providing support services. At a time when domestic spending is being cut, the COPE-O'Brien Center stands out as a successful, cost-effective program.

This innovative center has worked to lessen barriers for young men and women to employment by offering skill training and placement into unsubsidized employment or entry into more advanced vocational or educational programs. The program provides daytime counseling, recreation and alternative educational services for troubled and needy adolescents. Emergency shelters, foster care, and life skill training are also a part of the program.

As an alternative to institutional placement, the program saves money by working with families and the juvenile courts to resolve the long-term needs of youngsters. Temporary emergency shelter is used to provide the necessary time to work out these problems. This shelter is given by adults who are qualified and willing to take "children in crisis" into their own homes for short periods.

For their fine work in youth support services, Mr. President, I would like to ask my colleagues to join with me in congratulating the COPE-O'Brien Center on its 15th anniversary of working with our most valuable resource, our youth.●

DEATH OF CHARLES A. HALLACK

● Mr. QUAYLE. Mr. President, on March 3 in Lafayette, IN, Charles Abraham Halleck died at the age of 85. As a former Congressman from Indiana who served his constituents and the Republican Party during a 33-year career, Charlie Halleck will be remembered with affection and respect.

Charles Halleck served as an effective and able politician during an exciting period of 20th century change and growth for our country. He served as majority leader of the House of Representatives in the late forties and early fifties and as minority leader through the midsixties. Charlie Halleck helped to shape the course of the Republican Party and this Nation as the country strived to overcome the ravages of the Depression, steel itself for participation in World War II, flourish in post-war prosperity, and face the tensions of the cold war and involvement in Vietnam.

Charles Halleck was born in Demotte, IN in 1900 and was destined for a political life as early as high school when he focused his ambitions to serve in public office. He served in the Army in World War I, graduated from Indiana University and its school of law, and served as a county prosecutor for 10 years. In 1935, he ran in a special election to represent the Second District of Indiana after the death of Representative Frederick Landis, the only Indiana Republican at the time. That election was followed by 16 more successful House terms.

In his 33 years in Congress, Charlie Halleck served seven different Presidents. He nominated his fellow Hoosier Wendell Willkie for President at the 1940 Republican Convention, and his close friend, Dwight Eisenhower in 1956. He was considered as a potential running mate for Thomas Dewey in 1948 and many political historians speculate that his presence on the ticket may have been the factor which would have prevented Truman from carrying the farm States and win the election for Dewey.

His legislative accomplishments are no less significant. Halleck assisted in drafting the Taft-Hartley Act. He supported the Marshall plan for economic recovery of Europe and the Truman Doctrine to aid Greece and Turkey. He supported all major civil rights measures and is credited with revising the landmark 1964 civil rights bill when its passage was stalled. In 1965, Halleck was defeated for the minority leader position by Gerald Ford. In 1968, he did what most politicians find hard to do with grace and dignity, he went home, back to Indiana.

Charles Halleck enjoyed widespread affection from his former colleagues, his neighbors, and his constituents. He had an unequalled record of faithful public service and he will remain an example for all who follow in his footsteps. I speak for many when I say that Charles Halleck will be missed by Indiana and by the Nation. We extend our condolences to his family.●

WESTINGHOUSE SCIENCE TALENT SEARCH

● Mr. MOYNIHAN. Mr. President, each year, the Westinghouse Science Talent Search recognizes the Nation's gifted young scientists. I always look forward with special anticipation to the announcement of the winners, for there are inevitably many fine young New Yorkers among them.

This year, we are especially proud that a young student from Brooklyn Technical High School, Mr. Wei-Jing Zhu, tied for first place in this prestigious competition. His project involving algebraic number theory earned him a $20,000 college scholarship.

In addition to Mr. Zhu, two other New Yorkers were among the top 10 finalists. They are Mr. George Jer-Chi Juang of Benjamin Cardozo High School in Queens (fourth place) and Ms. Jessica Louise Boklan of Roslyn High School in Roslyn Heights (sixth place). All told, 15 New York students were finalists in the annual Westinghouse contest, and 149 New Yorkers (nearly half of the National total) were named to the Talent Search Honors Group.

Mr. President, the names of the winners and finalists and descriptions of some of their projects appeared in two recent articles in the New York Times. As part of the tribute I mean to pay these exceptional young people today, I ask that the articles be printed in the RECORD.

The articles follow:

[From the New York Times, Jan. 26, 1986]

15 FROM NEW YORK ARE AMONG FINALISTS FOR SCIENCE AWARDS

(By Larry Rohter)

Fifteen high-school students from New York State, including three each from the Bronx High School of Science and Benjamin N. Cardozo High School in Queens, were among the 40 national winners named last week in the Westinghouse Science Talent Search.

Thirteen of the New York State winners came from New York City public high schools, more than from any other city or state. Fourteen other states, including Connecticut, also provided finalists in the competition, sponsored annually since 1942 by the Westinghouse Electric Corporation.

The 40 finalists, all seniors, were selected from a group of 300 semifinalists. They are competing for $140,000 in scholarships and cash awards to be announced in Washington on March 3.

Ten scholarships, ranging from $7,500 to $20,000 will be granted to students judged the most outstanding after interviews with eight scientists. The 30 other finalists will each get $1,000 in cash.

Continuing a trend that has become increasingly noticeable in recent years, one-quarter of the winners this year were born in foreign countries, including China, Japan, Vietnam and South Korea. In contrast with the usual pattern, in which private schools have been heavily represented, all but one of the finalists this year attend public high schools.

Winners were chosen largely on the basis of individual science projects, which many of them had worked on for months. The finalists carried out original research in such fields as biology, mathematics, chemistry, physics, medicine and oceanography.

These are the New York State winners and their high schools:

Jessica L. Boklan, 17, East Hills, L.I; Roslyn High School, Roslyn Heights, L.I.

George Jer-Chi Juang, 17, Bayside, Queens; Benjamin N. Cardozo High School, Bayside.

Chris John Katopis, 17, Hollis Hills, Queens; Bronx High School of Science, Bedford Park.

Mark Huan-Fu Kuo, 17, Whitestone, Queens; Bronx High School of Science.

Leonard J. Landesberg, 17, Rockville Centre, L.I.; South Side High School, Rockville Centre.

David M. Lazoff, 17, Bayside; Hillcrest High School, Jamaica, Queens.

Jung-Pu Lin, 18, Elmhurst, Queens; Forest Hills High School, Queens.

Eli Muraidekh, 17, Little Neck Queens; Benjamin N. Cardozo High School.

Andrew Henry Oliff, 17, Kingsbridge Heights, Bronx; Bronx High School of Science.

Carl Hyun-Suk Park, 17, Woodside, Queens; Stuyvesant High School, Manhattan.

Serap Ayse Savari, 17, Bayside; Benjamin N. Cardozo High School.

Manu Sanlay Saxena, 17, Rockaway Park, Queens; Beach Channel High School, Rockaway Park.

Mariann Meier Wang, 17, Jackson Heights, Queens; Stuyvesant High School.

Mark A. Winograd, 17, Flatbush, Brooklyn; Midwood High School, Flatbush.

Wei-Jing Zhu, 16, Bay Ridge, Brooklyn; Brooklyn Technical High School, Fort Greene.

The Connecticut winner is Mary Elizabeth Meyerand, 17, of Glastonbury, a student at Glastonbury High School.

[From the New York Times, Mar. 4, 1986]

CITY STUDENT IN TIE FOR SCIENCE PRIZE

(By Barbara Gamarekian)

WASHINGTON, March 3—For the first time since 1978 two high school students, a boy from New York and a girl from Florida, tied for first place in the annual Westinghouse Science Talent Search competition, each winning a $20,000 college scholarship.

New York State students were awarded 3 of the top 10 prizes in the 45th annual contest for high school seniors, one of the most prestigious in the nation for teen-age scientists.

Wei-Jing Zhu, a 16-year-old senior at Brooklyn Technical High School was born in Canton, China, shared first place with Wendy Kay Chung, 17, a senior at Miami Killian Senior High School in Miami.

Their victories underlined what contest officials said was a noticeable trend in recent years: the success of students born in Asia or of Asian parentage. The top five prizes were awarded to these students this year.

"STRONG FAMILY SUPPORT"

"In the early years of the search, the winners tended to be sons and daughters of Jewish refugees," noted C. C. Newton of the Westinghouse staff. "Now we are finding that they are the sons and daughters of immigrants from Asia."

The top 10 finalists were announced at a dinner at the Mayflower Hotel tonight.

The other top-10 finalists from the metropolitan area were: George Jer-Chi Juang, 17, of Benjamin N. Cardozo High School in Queens, who placed fourth, winning a $10,000 scholarship for his physics project examining the use of ferric oxhydroxide colloids in phase conjugation devices; Jessica Louise Boklan, 17, of Roslyn High School in Roslyn Heights, L.I., sixth, winning $10,000 for devising an algorithmic approach to the construction of reversal products, and Mary Elizabeth Meyerand, 17, a student at Glastonbury High School in Glastonbury, Conn., eighth, winning a $7,500 scholarship for creating an underwater energy conservation device.

EXHIBITING RESEARCH

Yoriko Saito, 18, of Homewood, Ala., who arrived in the United States from Japan three years ago, placed third, winning a $15,000 scholarship for a project in biochemistry.

The other top 10 winners were Anh Tuan Nguyen-Huynh, 17, of Chagrin Falls, Ohio, who came from Vietnam five years ago, who placed fifth; William Edward Bies, 17, of Pittsburgh, seventh; Andrew Lawrence Feig, 18, of Los Angeles, ninth, and Allen Wallis Inglig, 17, of Delaware, Ohio, 10th.

Not since 1978 had the Bronx High School of Science and Stuyvesant High School failed to place in the top 10, a Westinghouse official said.

Mr. Zhu, whose project concerned algebraic number theory, arrived in the United States in the summer of 1980. His parents, both optical engineers, had introduced him to mathematics at an early age.

"When I was very young, preschool," he said, "they brought me puzzles and arithmetic problems—anything that was related to thinking scientifically and mathematically."

Miss Chung was awarded her first prize for her research into the behavior of the Caribbean fruit fly.

About her interest in science, she said: "Throughout the history of man there have been questions about what makes things work, how things tick. It's just a natural curiosity."●

PRESIDENT'S COUNCIL ON HEALTH PROMOTION AND DISEASE PREVENTION

● Mr. HEINZ. Mr. President, today I wish to address the Senate concerning an issue of great importance to Americans, young and old alike. That issue is the urgent need for better information about the benefits and costs of health promotion and disease prevention. For this reason I am joining with my distinguished colleagues, Senators HATCH, LUGAR, and KENNEDY, in cosponsoring S. 2057, a bill that establishes a "President's Council on Health Promotion and Disease Prevention."

Mr. President, the time has come for us to expand our definition of health care to include health promotion, disease and disability prevention. I am confident that the President's Council, as proposed in S. 2057, will work to give new emphasis to this broader view of health in both public and private sector policy. The Council would prepare an inventory of the Federal, State, local, and private health promotion programs and use this inventory to assess the availability, appropriateness and need for health promotion

and disease prevention services. The Council would also recommend to the President ways to increase the availability of information about health promotion and disease prevention to the public.

As chairman of the Special Committee on Aging, I am deeply concerned about the rising costs of health care and the forces at work which may be diminishing health care quality for older Americans. It is vital, therefore, that we study the role of health promotion and disease prevention in providing for better health in old age at less cost.

More Americans are living longer than ever before. For many, however, health problems are merely delayed, not eliminated. As a consequence, there is an ever larger number of very old—age 85 plus—Americans who suffer from chronic, debilitating illnesses. For these chronically ill elderly, the goal often is to obtain the highest level of functional capacity and independence, not to cure the disease. We have the opportunity to alter the paths of some future older citizens away from chronic disease toward good health in old age. To grasp this opportunity, we must act now because prevention requires that action occurs before disease strikes. The President's Council will provide us the information we need to improve the health habits of today's and tomorrow's older Americans.

Mr. President, one of the most dramatic examples of a health benefit from behavior change occurs when a person stops smoking. Cigarette smoking is a major risk factor in cardiovascular diseases and selected cancers. When a person of any age stops smoking, the benefits to the heart and the circulatory system begin right away. The risk of heart attack and stroke drops and circulation to the hands and feet improves. Nonsmokers also have lower risk of contracting influenza and pneumonia, diseases that can sometimes be life-threatening for older persons.

Other health habits such as diet, exercise, and stress reduction are also worthy of attention because of their demonstrated positive effects. Appropriate and timely intervention also fosters a sense of well-being, enhances personal health, and can even promote social interaction for America's elderly.

To date, research efforts on health promotion and disease prevention have largely excluded older persons. The role of health promotion and education for good health in old age must be investigated. We must recognize the need to include older persons in activities aimed at preventing future diseases and disability, and address the serious lack of scientific data needed to direct our future activities in health promotion for the elderly.

Mr. President, I congratulate my colleagues for their leadership on this issue. As America continues to grow older, we must continue to reassess our goals and activities in health care to ensure continued improvements in the health and well-being of our Nation. The establishment of the President's Council on Health Promotion and Disease Prevention is a positive step on the road to redefining health care to meet the needs of our changing society.●

S. 2137, A BILL TO PROVIDE FOR A PILOT PROGRAM OF LOAN ASSET SALES

● Mr. MOYNIHAN. Mr. President, yesterday, I was joined by my distinguished colleague from New Jersey, Senator LAUTENBERG, in introducing S. 2137, legislation that would establish a pilot program of loan asset sales. I urge my colleagues to consider carefully this proposal, and ask that the bill be printed in the RECORD.

The text of this bill follows:

S. 2137

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of Agriculture (hereinafter referred to as the "Secretary") shall carry out a pilot program for the sale without recourse during each of fiscal years 1986, 1987, and 1988 of direct loans under title V of the Housing Act of 1949 to one or more investors on an overcollateralized basis.

(b) For the purpose of this section, the phrase "on an overcollateralized basis" means that the sale of loans by the Secretary, in consultation with whatever investment counsel he deems necessary, shall be collateralized by a pool of Government-owned loans. The amount of loans to be designated for inclusion in the pool shall be determined by the Secretary of Agriculture, in consultation with whatever investment counsel he deems necessary. Loans designated to serve as collateral will be eligible for acquisition in the event that any loans purchased are delinquent for 30 days or more. Upon any such delinquency, the delinquent loans shall be reacquired when the Secretary substitutes a new loan in place of the delinquent loan, and all cash proceeds from the delinquent loan, including interest income and principal repayment revert to the Federal Government.

(c) The loan sale under this section shall be designed and implemented to yield not less than $8,000,000,000 during each year of the pilot program.

(d) Loan sales under this section shall be made pursuant to contracts specifying the use of predesignated collateral, shall be viewed by a prospective purchaser as an adequately collateralized purchase as would occur between any two private sector entities, and may not be construed by a prospective purchaser or other interested party as a Federal guarantee of any form.

(e) To the extent specified by subsequent legislation, net proceeds of loans sold under this section during any fiscal year will be deposited in the rural housing insurance revolving fund and may be used for funding new loans under title V of the Housing Act of 1949.

(f) In all instances, the terms and conditions of the Housing Act of 1949 shall apply to the servicing of loans sold or subsequently acquired under the pilot program under this section.●

THE IMPORTANCE OF THE NEXT APPOINTMENT TO THE TENNESSEE VALLEY AUTHORITY BOARD OF DIRECTORS

● Mr. HUMPHREY. Mr. President, a few weeks ago, Mr. Richard M. Freeman resigned his post as one of the three members of the board of directors of the Tennessee Valley Authority [TVA]. Because of the structure of the Tennessee Valley Authority, a vacancy on the board of directors offers one of the few opportunities for the public and the Congress to influence policy at this agency. As chairman of the Subcommittee on Regional and Community Development, which has oversight responsibilities for TVA, I have great concern over developments at the agency. In my view, the next appointment to the TVA board will make a great difference in the future direction to the entire Senate, which must give consent to the next appointee.

I plan a series of statements for the RECORD in which I will outline the structure of TVA, the issues facing the agency today, and the agenda that the next board member should bring with him to the board of directors of the Tennessee Valley Authority.

THE STRUCTURE OF TVA AND THE BOARD APPOINTMENT PROCESS

Under the Tennessee Valley Authority Act of 1933, the President nominates and the Senate confirms the three members of the board of directors. Each member of the board serves for 9 years. Under the TVA Act, the board of directors is given extraordinary authority in conducting the affairs of what has become the Nation's largest electric utility.

In hearings before the Subcommittee, on Regional and Community Development held last summer, members heard testimony to the effect that under the TVA Act, the board of directors are not directly accountable to anyone. As one witness, William U. Chandler, author of "The Myth of TVA," told the subcommittee:

Accountability is a key feature of the American system, and it is an essential element of both our marketplace and our Government. When a company like Coca-Cola makes a mistake, it has to face the market which then forces a correction. When politicians make mistakes, they have that day of reckoning when they face the electorate. But TVA is not accountable to the marketplace—it is a monopoly. It is not accountable to the electorate—its directors do not owe their jobs to the people they serve, and neither do the politicians who appoint them. Its makers wanted it "clothed with the power of government but possessed of the flexibility and initiative of private en-

terprise." Its directors are appointed for 9-year terms by a President who may or may not understand the problems of the Valley, and reviewed by a Senate Committee that at present does not include a representative of the Valley. When directors make mistakes, their jobs remain secure. If the Committee on Environment and Public Works notices, it has little power to correct the underlying causes of the mistakes.

Thus, because the board is entrusted with such powers, because they serve for 9 years, and because they are not required to answer directly to anyone, the board appointment process takes on enormous importance.

However, in the past, even the small window of accountability of the board appointment process has proven unsatisfactory. After the last board vacancy occurred in 1983, a coalition of 43 organizations from within the seven State TVA service area was formed as the TVA Board Appointment Coalition. The coalition sought to influence the board appointment process. Their efforts ultimately failed.

In testimony before the Committee on Environment and Public Works of July 31, 1984, James M. Price, of the TVA Board Appointment Coalition, underscored the importance of the board appointment process:

The importance of this appointment to the citizens of the Tennessee Valley is magnified when we recognize that the appointment process is about the only chance citizens have to submit input in guiding TVA's overall direction. We cannot appeal to our public service commission for oversight of TVA policies. Thus, the TVA Board Appointment Coalition was formed to assist in this decision in recognition of what TVA had once been and what, for good or bad, it can become.

Mr. Price puts the matter succinctly, appointments to the TVA board take on enormous importance because they, more than anything else, will help to define where the agency should go from here. It is that subject that I will address in my next speech on this matter.●

CHOR-BISHOP FEGHALI HONORED

● Mr. LEVIN. Mr. President, April 6, 1986, will be a very special day in the lives of Chor-Bishop Joseph C. Feghali and the members of St. Maron Maronite Church in Detroit, MI.

On that day, Chor-Bishop Feghali will celebrate the 40th anniversary of his ordination into the priesthood and, coincidentally, the 35th anniversary of his arrival in the United States.

Chor-Bishop Feghali is a very special person; this was recognized early in his life, and on the day he was ordained in Lebanon, a witness to the event, quoting from the Bible, said that he was the man "taken from among men and made their representative before God."

In the 1950's, Chor-Bishop Feghali earned the reputation of a good will ambassador between Lebanon and the United States. He initiated charter flights to Lebanon and as a result he conducted many pilgrimages to Lebanon. It is because of him that hundreds of visitations have taken place. It is because of his leadership in unifying his people here and abroad that he was honored by both the Governments of the United States and Lebanon.

In 1964, he was elected Maronite Man of the Year. His devotion and dedication to his parishioners and his community did not go unnoticed.

Chor-Bishop Feghali has been a close associate of Danny Thomas and is involved with him in the projects at St. Jude Hospital in Memphis, TN. He was a founder of Alsac [Aiding Leukemia Stricken Children].

People of many faiths and ethnic origins respect the leadership and humanity exhibited by Chor-Bishop Feghali.

Chor-Bishop Feghali first came to Detroit in 1976. He left Michigan for a few years, but he came back to St. Maron's Church in 1984. His parishioners are grateful to have him back, and the entire community benefits from his presence and leadership.

I want to congratulate Chor-Bishop Feghali on reaching this milestone in his pastoral life, and I am happy to be able to send him best wishes for a long, healthy, and productive life.●

LINCOLN'S SPIRIT AND TODAY'S GOP

● Mr. LEVIN. Mr. President, our distinguished colleague, PAUL SIMON, who is also widely known as a Lincoln scholar, recently wrote an article entitled "Where is Lincoln's Spirit in Today's GOP?" It was published in the February 12, 1986 Boston Globe.

Senator SIMON's excellent piece compares Republican positions early in the party's history to today's party stands. I was intrigued by the comparison of Lincoln's stand on issues such as racial justice, women's rights, and the budget with modern day republicanism. SIMON also compares Lincoln's foreign policy of restraint to the more interventionist pattern of his party several generations later.

Abraham Lincoln was a great American statesman who is increasingly referred to by today's Republicans. One hopes they will truly seek to reflect his beliefs and his accomplishments.

I include the full text of Senator SIMON's article at this point in my remarks.

WHERE IS LINCOLN'S SPIRIT IN TODAY'S GOP?

(By Paul Simon)

WASHINGTON—It is the time of the year when Republican speech-makers around the nation invoke the name and assume the mantle of Abraham Lincoln.

But the mantle does not fit well today.

Lincoln would not feel completely at home with Democratic speech-makers, but the Republican leadership in the executive branch today stands for causes and a direction he would find strange in a party he once led.

RACIAL JUSTICE

The issue that brought Lincoln to national attention was his deep hatred of slavery. Today the head of the Civil Rights Division of the Justice Department from Lincoln's party generally opposes significant minority claims. The record of the Civil Rights Commission under President Reagan is equally dismal.

This administration's appointees in almost all departments except the Department of Labor are fairly consistent in dragging their feet on civil rights issues; Lincoln was fairly consistent in leading.

On some issues Lincoln followed public opinion, but on the issue of slavery he led public opinion. Those who try to paint a different picture of Lincoln by taking a few statements out of context miss the strong thread that ran through his life.

As a state legislator who had just reached his 28th birthday, he took the unusual step of filing a formal protest along with fellow legislator Dan Stone, to a pro-slavery resolution adopted by the Illinois General Assembly.

As he wrote in 1860 to John Scripps, he had pretty much given up politics "when the repeal of the Missouri Compromise aroused him as he had never been aroused before." That repeal permitted the introduction of slavery into the new states, and its passage stirred Lincoln's blood.

WOMEN'S RIGHTS

Thirty-six years before Susan B. Anthony was arrested for trying to vote for Ulysses S. Grant for president, Lincoln, a young state legislator in Illinois seeking his second term, stated in a letter to the Sangamo Journal that he favored suffrage for women. That was in 1836, 84 years before women's suffrage became national policy.

More than a century before most religious groups permitted women clergy. Lincoln indicated he favored appointing a woman chaplain to the First Wisconsin Heavy Artillery Unit, but Secretary of War Edwin Stanton turned the suggestion down "on account of her sex, not wishing to establish a precedent."

The appointment of Sandra Day O'Conner to the US Supreme Court fits with the Lincoln tradition, but the Reagan's administration's opposition to affirmative action and the Equal Rights Amendment, and the small number of significant female appointments, do not fit the Lincoln pattern of attempting to move forward.

GENEROSITY OF SPIRIT TO FOES

In the midst of the most bitter war in which this nation has ever engaged, a war that divided families and churches and communities, Lincoln gave his second inaugural address that showed a generosity of spirit unmatched by any other president. His speech did not compromise on the question of slavery, but in a nation filled with hatred toward the South, this leader concluded his inaugural message with these words: "With malice toward none; with charity for all; with firmness in the right, as God gives us to see the right, let us bind up our nation's wounds . . . [let us] do all which may achieve and cherish a just, and a lasting peace, among ourselves, and with all nations."

In the past year, President Reagan has hinted of a shift closer to that attitude, but his overall record of harshness toward foes has been anything but Lincolnesque. President Reagan told the National Association of Evangelicals in Orlando on March 8, 1983, that Soviet leaders reign over an "evil empire." When he did that he pleased the domestic audience, but failed the test of statesmanship that Lincoln passed so superbly.

CENTRAL AMERICA

Drawing parallels between dissimilar situations is dangerous. But Lincoln showed great restraint in foreign affairs. In his fourth Annual Message to Congress, Lincoln noted: "Mexico continues to be a theater of civil war. While our political relations with that country have undergone change, we have, at the same time, strictly maintained neutrality between the belligerants."

As a member of the US House almost two decades earlier, Lincoln had opposed the war with Mexico. It is difficult to believe he would favor aid to the contras, or military involvement in Angola. Quiet diplomacy in an effort to avoid military involvement was the Lincoln pattern; it has not been the Reagan pattern.

HELP FOR THE LESS FORTUNATE

From his days as a state legislator to the final days of his presidency, Lincoln showed a strong sympathy for the oppressed, whether slave or free.

As a state legislator Lincoln introduced a measure to make any interest charge greater than 12 percent illegal; he supported programs for the handicapped. Throughout his career he showed the same strong identification with those who struggled.

In one speech he noted, "Inasmuch [as] most good things are produced by labor, it follows that such things of right belong to those whose labor has produced them. But it has so happened in all ages of the world, that some have labored, and others have, without labor, enjoyed a large proportion of the fruits. This is wrong, and should not continue. To [secure] to each laborer the whole product of his labor, or as nearly as possible, is a most worthy object of any good government."

Lincoln's sense of kinship with the less fortunate comes through again and again, and that is not notable in the current administration. Withdrawing a helping hand from those needing help would not be Lincoln's way.

THE RELIGIOUS RIGHT-WING

President Reagan frequently finds himself the hero and spokesman for the most conservative elements in the religious community. Lincoln, who did not affiliate with any denomination but attended services with his Presbyterian wife, found himself the object of attack from the most conservative religious element.

Lincoln generally avoided entanglements on religious questions, showing great tolerance, but when Rev. Frederick A. Ross wrote "Slavery Ordained of God" and headed national clerical efforts on behalf of slavery, Lincoln responded that the Christian rule of charity is "Give to him that is needy" while the slave-owner takes "from him that is needy." As to Ross calling slavery a good thing for some people, Lincoln noted, "As a good thing, slavery is strikingly peculiar, in that it is the only good thing which no man ever seeks the good of, for himself."

Those who use the name of religion to defend causes that harm the poor would find no ally in Abraham Lincoln.

THE BUDGET

In one area Lincoln would undoubtedly be both shocked and sympathetic with the problems of President Reagan: budget matters.

He would be amazed by $200 billion deficits, but during the Civil War the federal government also ran deficits, though the figures were much smaller. In his final Annual Message to Congress in 1864, receipts totaled $865 million, but about $100 million of the receipts were loans to the government.

Lincoln would, of course, be stunned by the size of the nation and size of government, as well as the remoteness of a modern President from many of the details that Lincoln had to handle personally.

But it is also appropriate to note that the first Republican president would find himself ill at ease with the policies and the political philosophy of the latest Republican president. We can only conjecture on what he might say, but it is not conjecture to suggest that most of the Lincoln Day GOP dinners will invoke the name of Abraham Lincoln this week, but not the spirit of the great man.●

TECHNICAL CORRECTIONS TO THE FARM BILL

● Mr. DURENBERGER. Mr. President, like many in this body who represent farm States, I was disappointed with the program the Secretary announced for 1986. By bringing the loan rate down as low as the law provides, and by freezing farm program bases and yields at an artificially low level, the Secretary has reduced farm income more than Congress contemplated.

But what really bothers me about the 1986 farm program is that the Office of Management and Budget forced the Department of Agriculture to delay the sign up period from mid-January to this week, the first of March. That delay means that loan rates, target prices and other payments will be subjected to the 4.3-percent Gramm-Rudman cut, and that means a cut in Minnesota farm income of $80 million. In addition, this delay has forced farmers to put off making important planting decisions while Congress makes up its mind on how to mitigate the impact of the administration's actions.

The farm program which the Department of Agriculture has implemented is not the 1985 farm bill. The bill we are considering today regrettably does not solve all of the problems created by the administration, but it will make three significant improvements.

The first change we are making relates to farm program yields. In the past, farm yields were based on either the county average or an individual's proven or established yields. I was not the only Member of Congress who was under the impression that, in passing the farm bill, we were freezing yields at the individual producer's proven 1985 yields. But such was not the case, with the Department of Agriculture ruling that the farm bill froze yields at the average of the previous 5 years program yields, as opposed to proven, throwing out the high and low years. The net effect is to reduce the yield for program crops nationwide, and hits the very efficient farmers the hardest.

The legislation before us would compensate farmers for any loss incurred by this change by providing CCC commodities to farmers who experience a greater than 3-percent reduction in proven yields for 1986, and in excess of a 5-percent reduction in 1987. It also puts a 10-percent limit on the amount by which the program payment yield for 1986 crops can be reduced when determining yields for 1988 and beyond.

The second change we are making relates to the underplanting provisions. In an effort to reduce outlays for program crops, such as corn, wheat, rice, and cotton, the farm bill allows farmers to plant nonprogram crops, such as dry edible beans, alfalfa, sunflowers, and wild rice, on one-half their program base, and still qualify for payments on 92 percent of their permitted acreage. However, the effect is to provide subsidies for farmers participating in the program at the expense and in direct competition with nonprogram farmers.

Today we are revising this provision to limit production to conservation crops unless the Secretary determines that production of specified nonprogram crops will not increase the cost of price support programs and will not adversely affect farm income. It also given States the option to allow haying and grazing on unseeded acreage.

Finally, this legislation will correct a serious oversight in the dairy program. Last year we agreed that the dairy program should contribute its fair share of the savings under Gramm-Rudman, but that these savings should be achieved through an increase in the 40-cent per hundredweight assessment on milk production provided for in the farm bill.

However, in the rush to adjournment, the conference committee on Gramm-Rudman failed to address this matter. Because the dairy program operates differently than do all other commodity programs, dairy farmers are looking at a cut of about 55 cents in the effective price support level. This is a substantial and inordinant cut for Minnesota and other midwestern dairy farmers.

By replacing the Gramm-Rudman reduction in purchase prices with an increase in the assessment, the dairy industry will contibute its fair share to deficit reduction while spreading the

burden equally among the country's dairy farmers.

Mr. President, this legislation is not perfect by any stretch of the imagination. I am not comfortable with raiding the Targeted Export Assistance Program. This could become one of USDA's most effective programs, and enjoyed the support of this Nation's soybean growers. I would strongly encourage USDA to use the $50 million to effectively sustain vital markets.

I would have also liked to see this legislation address another issue which is of vital importance to me and the farmers of Minnesota—farm credit. But the administration has made it known that any changes of additions would invite a veto of the whole package. So I will hold off. But I want my colleagues, and my constituents, to know that I remain seriously concerned about the farm credit situation and am encouraged by the majority leader's commitment to take up farm credit legislation in the very near future.

Mark Twain said, "Never put off till tomorrow, what you can do the day after tomorrow." Unfortunately, it appears that this has become an unofficial motto around this place, especially when it comes to agricultural policy.

I urge my colleagues to put their bickering aside so we can move forward with this legislation and have final action before our farmers see the light of day tomorrow.●

TAX AMNESTY DESERVES A CHANCE

● Mr. LAUTENBERG. Mr. President, I advocate the implementation of a Federal tax amnesty, coupled with a program of increased tax enforcement and compliance activities, as a means of increasing revenues and reducing the Federal budget deficit.

I have introduced legislation, S. 2100, that would establish an amnesty plan. It would encourage States, like New Jersey, to follow suit.

A Federal tax amnesty could raise $7 billion, according to one estimate. On the State level, it is estimated that New Jersey might raise $100 million. By coordinating a State program with the Federal program, the message to tax delinquents would be loud and clear: Pay up now, or regret it later.

Efforts to reduce the Federal budget deficit will, unavoidably, impose cutbacks on the States. For New Jersey, an amnesty would help cushion the impact of any cuts.

Mr. President, the Star-Ledger of Newark, NJ, has editorialized in favor of a tax amnesty. I ask that the editorial, of March 4, 1986, be printed in the RECORD.

The editorial follows:

[From the Star-Ledger, Mar. 4, 1986]

TAX AMNESTY MERITS TRIAL

Collecting taxes is a necessity for government, but also one of the most difficult of undertakings, given the traditionally low favor in which this function is held by many citizens. Tax evasion and fraud, it follows, are problems that have become institutionalized.

Penalties are routinely invoked by government, not only for the purpose of punishing tax cheats, but also for the deterrent effect they might have on others who may be entertaining thoughts of illegally avoiding their tax obligations.

There may be another way, one that is being extensively used. Eighteen states, most recently New York, have adopted a more compassionate strategy, granting a period of amnesty for tax evaders. This year, New York recouped about $200 million with its amnesty program. All told, $500 million has been collected by states offering amnesty.

Aware of the success other states have had with amnesty programs, New Jersey is considering a similar plan. Assemblyman Karl Weidel (R-Mercer) has sponsored a bill that would grant a 90-day penalty-free period for persons and businesses to pay taxes they have avoided. After the amnesty period, fines and interest would be increased on delinquent taxes.

There are varying estimates on the amount of money New Jersey would recover under an amnesty plan, ranging from $100 million to $200 million. The low figure was cited by state Tax Director John Baldwin, calculated on an "underground economy" that might generate between $400 million and $500 million on which taxes are not being paid.

Mr. Baldwin has strong moral reservations about an amnesty. He believes it would reward the lawless. However, amnesty offers forgiveness, and that virtue makes it a morally acceptable alternative to sanctions.

On fiscal grounds alone, a tax amnesty deserves a full trial in New Jersey. Not only will it mean recouping substantial lost revenues, but it will return errant taxpayers to the tax rolls. It is a form of penance that would have a therapeutic effect on transgressors.●

ORDERS FOR THURSDAY

RECESS UNTIL 10:45 A.M.

Mr. COCHRAN. Mr. President, I ask unanimous consent that once the Senate completes its business today, it stands in recess, until 10:45 a.m. on Thursday, March 6, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. COCHRAN. Following the recognition of the two leaders under the standing order, I ask unanimous consent that there be special orders in favor of the following Senators for not to exceed 15 minutes each: Senator PROXMIRE, Senator BUMPERS, Senator CHAFEE, and Senator KASSEBAUM.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. COCHRAN. Following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 12 noon, with Senators permitted to speak therein for not more than 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. COCHRAN. At the hour of 12 noon, by a previous unanimous consent, the Senate will turn to the consideration of Calendar No. 254, S. 104, armor piercing bullets under a time agreement. Rollcall votes can be expected during the day on Thursday.

By unanimous consent, at 2 p.m., the Senate will begin consideration of Senate Joint Resolution 225, the constitutional amendment calling for a balanced budget.

RECESS UNTIL 10:45 A.M. TOMORROW

Mr. COCHRAN. Mr. President, I ask unanimous consent that, in accordance with the previous order, the Senate stand in recess until the hour of 10:45 a.m. on Thursday, March 6.

There being no objection, the Senate, at 9:41 p.m., recessed until tomorrow, Thursday, March 6, 1986, at 10:45 a.m.

EXTENSIONS OF REMARKS

GOVERNMENT R&D POLICY

HON. GEORGE E. BROWN, JR.
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. BROWN of California. Mr. Speaker, during hearings last week before the Transportation, Aviation and Materials Subcommittee of the Committee on Science and Technology, we heard from Prof. Daniel Roos, the Director of the Center for Technology, Policy and Industrial Development at the Massachusetts Institute of Technology. Although his remarks were directed at the automotive technology research and development programs at the Department of Energy, they are certainly relevant to a broader range of Government R&D programs as well as to our current concerns regarding the proper role of Government in setting industrial policy.

Professor Roos points out that most Government research and development programs are focused on the problems of the last decade, such as energy, environmental and safety concerns. While we have made significant progress in these areas, we are ignoring pressing problems of the 1980's: the erosion of the U.S. industrial base, import penetration, and the loss of export markets.

If we are to be successful in addressing these problems, Professor Roos points out that we should be looking at areas where technology could be most helpful: process and design technology. This is where the future battleground for competitiveness and productivity lies.

Professor Roos asserts that Government should work closely with academic research centers and industry to identify those technological problems which require long-term research of a more basic or generic type, problems which could be a technological roadblock to solving a future crisis. In this way Government would be acting as a catalyst for establishing the intellectual infrastructure of the Nation.

Mr. Speaker, I am placing the testimony of Prof. Daniel Roos in the CONGRESSIONAL RECORD today, and I recommend it to my colleagues.

STATEMENT OF PROF. DANIEL ROOS

Mr. Chairman, it is a pleasure to appear before your Subcommittee and comment on automotive technology research and development activities at the U.S. Department of Energy. To do this, I would like to examine the situation of the U.S. auto industry in world competition, to identify long term industry needs and to suggest a Federal role in addressing those needs. However, first, let me identify myself.

I am Director of the Center for Technology, Policy and Industrial Development at MIT. This Center is concerned with how government policy and new technology influence industrial development in an era of intense international competition. Of more direct relevance to today's topic, I am also Director of the International Motor Vehicle Program, a broad-based study of emerging technologies, organizational trends and international issues in the world motor industry. This Program, coordinated through our Center at MIT, involves the direct participation and financial support of all the major motor vehicle producing countries and companies in the world, including the United States government through the Departments of Commerce and Transportation.

A key activity of the Motor Vehicle Program is to bring together, in a neutral forum on an annual basis, senior industry executives, government officials, and labor leaders from all of the countries involved in the international motor industry. In these sessions, we have frank discussions of mutual problems—sometimes very frank indeed!—and my role is to be the neutral arbiter. However, today I'd like to take on a different role and focus on the status of the auto industry from a U.S. perspective.

Looked at in one way the news is surprisingly good. An industry mired in energy, environmental, and safety crises in the 1970s—crises which threatened its long term survival—has addressed its problems with considerable success. Between 1973 and 1985 the fatality rate per 100,000,000 miles of vehicle travel was cut by 40 percent, emissions per vehicle mile for new cars were reduced by more than 50 percent, and the fuel efficiency of new vehicles was doubled. These achievements are hardly cause for complacency, but they do show what can be accomplished when the industry applies available technology to clearly identified problems.

Looked at another way, there is cause for concern. While the American-based producers have returned to profitability in the last two years, the U.S. auto industry faces intense foreign competition. Imports once again account for over 30% of sales, in spite of price increases of Japanese cars (resulting from a dramatic change in the yen-dollar relationship) and low financing rates or rebates for domestic cars. This month Korea enters the U.S. market, anxious to repeat their Canadian success, where Hyundai is now the leading importer. Import penetration is not limited to the small car segment and the low end of the market. The expanding luxury car market has become practically a European monopoly.

There are other causes of concern. The Commerce Department estimates that by 1988, 17% of the cars with U.S. nameplates will be imported vehicles, and the remaining vehicles, although assembled in the U.S., have a significant amount of foreign components (18% last year). In addition, all major Japanese auto companies have already established or announced plans for assembly facilities in the U.S., so that by 1990 approximately 1.5 million Japanese cars will be built in the U.S. (some on a joint venture basis with U.S. companies.

Furthermore, the import situation is not likely to improve. The entry of Korea and Yugoslavia into the U.S. auto market this year is not an isolated event. Other developing countries such as Taiwan, Mexico and Brazil will soon ship considerable volumes of cars and trucks in a fully built up form, and equally large trade flows in vehicle parts may emerge as well. As the Japanese establish U.S. assembly facilities for small cars, they will reorient their import strategy to a direct assault on the mid and larger size vehicles, which are the remaining strength of the U.S. industry. The European producers who, like the Japanese, derive their major profits from the North American market, will export even more luxury and semi-luxury units.

With this multidimensional assault, how have the U.S. producers been able to maintain profitability? A combination of protectionism (the Japanese voluntary restraint agreement), cooperative joint venture agreements, productivity improvements and retention of the profitable middle portion of the market place (the traditional larger size family car) have been the primary factors.

However, an early warning sign of the fragile health of the U.S. auto industry is the decreased profits for 1985, despite healthy car sales. Furthermore, North America is headed toward a situation of overcapacity in auto production by 1990. The net effect of new Japanese and Korean facilities in the U.S. and Canada, a Ford plant in Mexico, an AMC plant in Canada and the new GM Saturn plant represent a capacity increase of about 30%. The U.S. auto market will probably increase at a rate 1-3% per year, so that an increase of 10-15% at most by 1990 is likely. It is quite possible, however, that sometime in the next several years, there will be an economic downturn with an inevitable drop in vehicle sales. If the total market shrinks, it is easy to imagine the U.S. produced faction of domestic motor vehicle sales falling below fifty percent. This will necessitate further cutbacks in investment and employment and may easily lead to a continuing downward spiral.

Is there a way out of this ratchet of decline—a path which can generate new wealth for our country rather than simply protecting activities which are not internationally competitive? I do not pretend to have a definitive answer, but I believe that if a way exists, it must be along the path of applying new technology to the product and, in particular, to the production process. Technological leadership will play a significant role in determining which countries and companies are the winners in future international competition. This has been the historical path to success for U.S. industry, and there is much evidence that the domestic industry is aware of the need to move as rapidly as possible. However, both the Europeans and the Japanese see this as the way of the future as well and are investing heavily in new product technologies and automated processing systems. Regaining world leadership in the auto industry, even by playing to our strengths, will not be easy.

There are some optimistic signs. Not too long ago, many people claimed it was impossible to transfer the Japanese production system to the U.S. because of cultural differences. We now know that system can be

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

replicated. The Honda plant in Marysville, Ohio and the GM-Toyota plant at Fremont, California, to take two examples, are producing Accords and Novas (Corollas) with American workers at quality levels comparable to Japan. Equally important, the productivity of the plants compare favorably with similar plants in Japan. Marysville and Fremont clearly demonstrate that the U.S. can be a world class manufacturer, if the processes and human resources are properly organized and utilized.

Now, Mr. Chairman, what is the relevance of the U.S. government's automotive research and development program to this situation? Without in any way criticizing the technical accomplishments of existing auto technology activities, let me suggest that the government's research activities are focused primarily on the problems of the 1970s, particularly in the area of energy efficiency. While energy crises may well recur in the future—a point I'll return to in a moment—there are currently more pressing problems where government technology programs might be helpful.

Unfortunately, the government's overall activities bearing on the auto sector suffer from a lack of focus. In an age of extremely tight resources for government, Federal motor vehicle activities are spread among a number of agencies—DOE, EPA, NHTSA in DOT, NSF, and even in DOD—without any clear focus or agreement on objectives. Our auto-related policies are short-term, domestically oriented and sometimes conflicting. We lack a long-term strategy that recognizes the realities of international competition. If we had the money and time to pursue many goals at once, this might be fine, but I believe we do not.

What then can be done in this situation, given, on the one hand, the competitive dilemmas of our largest industry, and on the other—the fiscal limits on government? Let me suggest the following:

First, we must acknowledge that our hard won successes in the areas of energy efficiency, air quality and safety were possible because a large amount of technology was readily available to the auto industry for incorporation into commercial products within a short time. If the industry had had to start from scratch to develop the electronics for electronic engine controls, for example, we would have had either to restrict auto use or accept dirty air and excessive energy consumption for a very long time. And there are countless other examples.

These problems are now under control, but we cannot be complacent about safety or sanguine that no further energy crises lie ahead. The Federal role, I believe, must be to work with the motor industry and academic research centers to identify those technical problems requiring long-term research of a more basic type which will stand in the way of our making new technical leaps when the need next arises. The research I am proposing does not require the development of expensive prototypes and other hardware. Thus, even in a time of budget crises, we should be able to afford a reasonable program of research which gives us a cushion against future energy or environmental crises.

Second, we must acknowledge that the coming battleground for competitiveness and productivity lies in the area of process and design technology. In our research at MIT we have concluded that over the next twenty years, all across the world, semi-skilled labor, whether cheap or expensive, will rapidly give way to smart machinery as the key element in competitiveness. Thus, neither cheap Korean labor nor expensive American labor is our real problem. Rather, the challenge lies in rapidly introducing and perfecting the new generations of design and process equipment and the complex social systems which must accompany them. These changes in the manufacturing process will also enable us to rethink vehicle design and develop new concepts that would not have been feasible with existing manufacturing techniques.

Clearly, major responsibility for technology development rests with the private sector, particularly with regard to commercialization of technology. But the private sector cannot be expected to assume all responsibility, particularly for generic research, that is not directly related to commercial products. There is an appropriate and important Federal role for the government to drive the frontiers of knowledge.

The major justification and benefit of a federally sponsored auto technology program should be to increase our knowledge base and intellectural capital. If we are to effectively compute in the auto sector, we must have a cadre of technology knowledgeable individuals in the public sector, private sector and academic research community. The government can serve as a facilitator and catalyst to establish the intellectual infrastructure for appropriate technology deployment in the auto sector.

Efficient, effective technology deployment involves government-university-industry collaboration in identifying key technological and organizational bottlenecks and jointly attacking them. However, at present the relations between the three parties are rather distant—in part a residue of the divisive debates of the 1960s and 1970s. We need to forge an intellectual network between American industry, American government, and the American research university system to make the best use of the limited research funds which will be available.

It follows that government should be an intellectual participant in the discussions we should conduct about gaining technological advantage for the American motor industry. Unfortunately, at present the trend is in just the opposite direction as the government systematically cuts back its assessment activities in the auto sector from the remarkable level of expertise it possessed at the time of the Chrysler loan. What I fear is that a government uninformed about the situation and needs of its largest industry can do more harm than good in trying to help. We had many painful instances of this in the 1960s and early 1970s, which we cannot afford to repeat.

Let me urge you, therefore, in your deliberations on the future of the Department of Energy technology research program to take a broader look at the whole picture of American government support for automotive technology and the currently suboptimal relationships between government, industry, and the academic research system. Our research activities at MIT, which look across the world at trends in automotive technology and the support activities of other governments, may be of some assistance in such an inquiry, and we stand ready to help in any way we can.

My message is simple. This Subcommittee is well aware of the loss of both mature and high-tech industries to international competition. Protectionism is not sufficient to reverse the trend and, in many cases, rewards inefficiency, which further weakens our long-run competitive position. If we are to compete effectively, we need public and private initiatives which provide a competitive advantage. Federal programs are particularly important for the auto sector, since it is our largest industry and, therefore, has maximum impact and visibility.

The U.S. auto sector has improved dramatically in the past decade, and industry, labor and government can share in credit for the changes. Unfortunately, those changes are not sufficient to meet the intense competition of the nineties. Existing governmental programs do not reflect the new realities of international competition and the need for consistent long-term policies. Since technology will play a key role in the future, our public sector activities should include a technology component that is oriented primarily toward insuring our knowledge base rather than specific hardware projects. That activity should be part of a cooperative initiative between the public sector, private sector and research community to develop an appropriate technology deployment system which provides a competitive advantage to the U.S. auto industry.

Mr. Chairman, thank you for inviting me here today.

AN ELOQUENT LETTER

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. WAXMAN. Mr. Speaker, every so often we in this body receive a letter from a constituent that enlivens our sense of purpose, sharpens our goals, and dramatizes the stakes involved in our service here. I would like to share with my colleagues today one such letter. Mr. Max Miller of Studio City, CA, writes eloquently, even poetically, on the subject of the threat of nuclear war. He makes a point that we all know but must never forget.

JULY 23, 1985.

Hon. HENRY A. WAXMAN,
House of Representatives,
Washington, DC.

DEAR SIR: It seems to me that the only pressing issue facing all of us, despite the myriad problems of which we are all aware, is the rather probable devastation of the planet within the probably not inforeseeable future.

With all of the time and energy spent on the endless problems facing all of us, I think our responsibility is to mankind, and nature and the survival of both of those, including all of our families and friends.

It seems to me that if a fraction of the time and energy spent on the devastation for probable warfare were spent on peace, in any type of united or even unilateral effort, there would be some kind of progress.

Doesn't it seem to be totally schizophrenic and insane to expend all of this boundless energy on uni- and multi-lateral arms escalation, when the obvious effects can only be the same escalation by opposing sides?

Can't there be some imaginative and massive effort made for peace? Right now?

Since any type of accident, such as a computer defect or malfunction, or a meterorite striking a large city, or even a terrorist blowing up some major city, could immediately effect consequences for which there would be no solutions for any of us, is there

any alternatives but to work with all of our hearts and souls and energy towards this problem immediately, and really do something about it?

Even if we abrogate all of our responsibility to humanity, and were willing forever to lose the paintings of Monet, the music of Mozart, the poems of Shelley forever, we still have a responsibility to all other forms of life and nature: to trees, to fish, to animals, to birds, to all of the beautiful things and species that fly and flutter and crawl and breathe and feel and have children and sing and run and play and love.

Sincerely,

MAX B. MILLER.

HIGH DRAMA IN THE PHILIPPINES

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. LAFALCE. Mr. Speaker, we Americans witnessed a great democratic drama in the Philippines last week. It was full of courage and heroism, and against all odds the good guys beat the bad guys in the end.

The events reminded us of the greatness of our own political traditions, which we historically encouraged in the Philippines. They also made for great theater, as the characters all spoke English and the action could all be seen on television via satellite. The lack of violence even made it the kind of revolution you can watch with your kids.

I wrote a column for my constituents last week that tried to explain why I found Cory Aquino's accession to power so satisfying to watch, and I would like to share it with my colleagues.

HIGH DRAMA IN THE PHILIPPINES

The high drama in the Philippines last week astounded the world. We might wish all foreign crises could end so happily, but the Philippine situation was unique in the clear roles of its villains and heroes. By now the cast of major characters is vividly familiar:

The Dictator—When the constitution said his presidential term was running out in 1972, Ferdinand Marcos simply suspended the constitution. Twenty years of total domination ultimately left him wealthy, but also diseased, despised, and deposed.

The First Lady—Imelda always called her husband "Marcos," as if she knew him mainly by reputation. For a long time, the former beauty queen got what she wanted by abusing his power, and that's how she helped him lose it.

The General—Fabian Ver did the Dictator's dirty work. He should have worried when he kept having to put his head on the block to appease the populus. In the end, even his own soldiers wanted to see the ax fall.

The Martyr—An honest democrat, Benigno Aquino's principled courage made him the greatest threat to the Dictator. For this he was imprisoned for seven years, exiled, and when he tried to return to his country, gunned down as he stepped off the plane. His spirit lingered in the background throughout the drama's final act.

The Widow—Housewife, mother of five children, and devout Catholic, Cory Aquino quietly understood what her husband had died for. His assassins scoffed when she took up his fight because they were blind to the moral force she wielded.

The Defectors—Defense Minister Enrile and Deputy Chief of Staff Ramos were known for their democratic sympathies, and were about to be arrested for them. Preferring to risk their lives for freedom in a winner-take-all showdown, they cut, and cut cleanly.

The Cardinal—Incongruously named Sin, he commanded the army of conscience that, also incongruously, fought a revolution by renouncing violence. When threatened with tanks and bullets, it defended itself with locked arms and rosary beads, and won.

The Cronies and the Communists—Although these separate choruses remained off-stage during the final act, their voices were heard calling from the right and from the left, respectively, for blood.

The Superpower—Unsure of its role and missing its cues, the United States had trouble keeping up with the pace of the action. Still, it handled its basic plot function of bearing the Dictator off-stage in the closing scene.

The settings of the drama's last act are also familiar:

Scene 1, Camp Crame—Thousands of civilians massed to form a human fortress around the Defectors. This was the crack in the dam through which the Dictator's military support began to drain away, in a trickle at first, then in a torrent as soldiers realized it was safe to choose their country over their commander-in-chief.

Scene 2, Channel 4 Television—Rebel strategy depended on "people power," and the people had to be reached through the media. The crucial victory of the revolution was therefore the capture of the government's t.v. station. After the video plug had been pulled on the Dictator, no one believed he was still in control. In wars of the future, it may be more important to control airwaves than armies, media than missiles.

Scene 3, Malancanang Palace—As American helicopters beat toward Clark Air Field, the Filipino people tore down the Palace's barricades. Inside, they found unmade beds in the private chambers and uneaten caviar in the dining room. The Dictator had exited.

The curtain did not fall, though, on this scene of triumph. Cory Aquino's revolution was one of the great dramas of modern history; but on the stage of history, the last act of one drama is the first act of another.

The severe stresses of poverty, violence, and political extremism that helped topple the old regime remain to be overcome by the new government. Given her near-miraculous performance so far, I have an intuitive faith in President Aquino's ability to meet the challenges that face her and establish a thriving democracy in the Philippines. By virtue of longstanding ties and shared ideals, the United States is more than just an audience to the Philippine story, and in playing our supporting role we should do all we can to help assure President Aquino's success.

SHE WHOSE CONSTITUENTS ARE 61 MILLION CHILDREN

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. RANGEL. Mr. Speaker, I rise to pay tribute to a woman who for the past 13 years dedicated herself to the American's minority minorities—the youth under 18 years of age, the poor, the handicapped, the black and the Hispanic youths who are unable to seek justice for themselves.

Marian Wright Edelman, mother, wife, lawyer, civil rights advocate, president and founder of the Children's Defense Fund has fought to educate the Nation about the needs of children, and to encourage a preventive investment in children before they are "lost causes." She continues her struggle to increase public awareness. The fund's fifth annual convention is being held in Washington, DC, and will focus on the devastating epidemic of teen pregnancy.

Marian Wright Edelman has pleaded her children's cases on Capitol Hill and in the courtrooms. Her untiring determination has certainly won her national acclaim and it is clear to me that she will continue to excel in her fight for the rights of "her children."

I would like to submit the following article for inclusion in the CONGRESSIONAL RECORD.

[From the New York Times, Feb. 27, 1986]

SHE WHOSE CONSTITUENTS ARE 61 MILLION CHILDREN

(By Lena Williams)

WASHINGTON, Feb. 26.—Ask Marian Wright Edelman about her children, the more than 61 million of them under 18 years of age, and she will tell you they are America's poorest citizens, its least powerful and one of its fastest growing minorities.

Mrs. Edelman believes her children lie just beyond America's vision, just outside the realm where their voices can be heard; they are, she says, the nation's true silent majority.

For 13 years, Mrs. Edelman has been a determined and persistent advocate, perhaps the most determined and the most persistent, for the needs of the nation's children when it comes to welfare, health, juvenile justice and the family. Her base is a Washington organization called the Children's Defense Fund, which she founded and heads.

She lobbies Congress for laws and programs to help children. She presses Federal agencies for regulations. She produces studies. And when all else fails, she goes to court.

PREVENTIVE INVESTMENT

"The fund exists to provide a strong and effective voice for the children of America, who cannot vote, lobby or speak for themselves," she said. "We pay particular attention to poor, minority and handicapped children. Our goal is to educate the nation about the needs of children and encourage preventive investment in children before they get sick, drop out of school or get into trouble."

Today, as part of a long-term effort to prevent children from having children, the fund opened its fifth annual conference here by starting a national campaign to in-

crease public awareness of the causes and effects of teen-age pregnancies. The conference, which runs through Friday, is expected to attract more than 1,200 participants.

A soft-spoken, fast-talking woman with an engaging smile, Mrs. Edelman is a product of the civil rights movement of the 1960s. The militancy is still there, surfacing at times when she speaks of the "injustices" against her constituents or when she flashes impatience with those who say her goals, while laudable, are not always practicable in a time of tight Federal budgets.

But at 46 years of age, this mother of three sons has transferred her marching and protesting energy to the halls of Congress, the offices of Federal agencies and the courtroom.

"Head Start reauthorization is expiring this year," Mrs. Edelman said the other day of the Federal pre-school program for poor children, a major current concern of the Children's Defense Fund. "We have to keep the Reagan Administration from cutting back the program."

Mrs. Edelman and her staff of 70 deal with such issues by attacking them from all fronts. To pry open doors, she uses old contacts on Capitol Hill and elsewhere around the city that were established in the days she served as Congressional liaison for the Southern Christian Leadership Conference, a civil rights group. Once in, she pleads her cause with a battery of facts and studies on the status of children in America.

Beyond Capitol Hill and the Federal agencies, she has established the fund as a leader in defending and expanding the rights of children through the courts, blocking the placement of Louisiana children in out-of-state Texas institutions for example, and guaranteeing special education rights to thousands of children in Mississippi.

Representative George Miller, the California Democrat who heads the House Select Committee on Children, credits Mrs. Edelman with helping to save a number of key children's programs. "You may not like to hear the news she is delivering, but no one can challenge the facts," he said.

Last fall Mrs. Edelman got a few friends to throw small dinner parties to help raise money for the fund, which this year is operating from a $4.6 million budget and has always been financed through corporate, foundation and individual donations. The effort raised $60,000, a tribute to the fund and to Mrs. Edelman, who is held in high regard in political and social circles here.

But Mrs. Edelman is content to let others talk of her achievements.

"Awards make you feel good," she said. "But the real satisfaction comes from seeing a sense of real commitment among your colleagues. The real joy comes from achieving results, when you really see you've got a law that will protect children from being abused, that will provide them with proper health care and dental care. My greatest award, or reward, will be in seeing the 13 million poor children who are now in poverty lifted out of poverty."

A GRADUATE OF YALE LAW SCHOOL

Reared in Bennettsville, S.C., Marian Wright was educated at Spellman College in Atlanta, went to Europe on a Merrill Scholarship, graduated from Yale Law School in 1963 and went back to the South to fight segregation. She started and for some years directed the N.A.A.C.P. Legal Defense and Education Fund office in Jackson, Miss., and was the first black woman admitted to the Mississippi bar.

She married Peter Edelman, also a lawyer, in 1968, the same year she moved to Washington. In the capital she worked for the poor people's campaign, which was sponsored by the Southern Christian Leadership Conference, then formed the Washington Research Project, which focused on the needs and concerns of poor people. In 1973 she transformed the project into the Children's Defense Fund, shifting her focus entirely to youth.

While she admits to bouts of frustration in her work, Mrs. Edelman remains confident that the fund's agenda can be achieved and points to herself as proof.

"I am a living example of what can happen," she said. "I sat in segregated schools. I am a perfect example of what America can do. I never thought I could come from a little segregated town to Yale Law."

HOUSE JOINT RESOLUTION 3

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. BERMAN. Mr. Speaker, House Joint Resolution 3, legislation urging the resumption of negotiations on a Comprehensive Test Ban Treaty, passed the House last Wednesday, February 26, by a vote of 268 to 148.

I view this as a major arms control victory for the House. The following is some background information on the resolution.

[Excerpts from the House Foreign Affairs Committee's Report on H.J. Res. 3]

PREVENTING NUCLEAR EXPLOSIVE TESTING

The Committee on Foreign Affairs, to whom was referred the joint resolution (H.J. Res. 3) to prevent nuclear explosive testing, having considered the same, report favorably thereon without amendment and recommend that the joint resolution do pass.

PURPOSE OF THE RESOLUTION

The purpose of the resolution is to bring a negotiated end to weapons testing as a means to slow the nuclear arms race. This is pursued in the context of urging the ratification of the Threshold Test Ban Treaty (signed by President Nixon in 1974) and the Peaceful Nuclear Explosions Treaty (signed by President Ford in 1976).

The Threshold Test Ban Treaty prohibits all underground nuclear weapons tests at yields greater than 150 kilotons. The Peaceful Nuclear Explosions Treaty prohibits all peaceful underground nuclear explosions at yields greater than 150 kilotons, allowing for group explosions not to exceeding 1,500 kilotons with no single explosion in that group exceeding 150 kilotons.

The resolution also provides that at the time the President requests the advice and consent of the Senate to ratification of the two testing treaties, he submit a report containing any plans he may have to negotiate supplemental verification procedures, or any understandings or reservations regarding verification that should be attached to the treaties.

The resolution further urges the President to propose to the Soviet Union the immediate resumption of negotiations toward the conclusion of a verifiable comprehensive test ban treaty [CTBT].

COMMITTEE COMMENT

The Committee on Foreign Affairs agrees with the administration that the prevention of nuclear explosive testing is an important national security objective, and manifested its support of this objective in its markup and approval of H.J. Res. 3.

Last year, the Senate acted in a similar manner. By a vote of 77-22, the Senate demonstrated its commitment to end nuclear testing by amending the fiscal year 1985 Department of Defense Authorization Bill with the same language as H.J. Res. 3.

House Joint Resolution 3 is a modest arms control measure that builds off the past arms control efforts of the Nixon and Ford administrations and reaffirms the position of every President from Eisenhower up to and including President Reagan to work toward a comprehensive test ban treaty.

Based upon an extensive examination of the nuclear testing issue, the Committee concluded that ratification of the Threshold Test Ban Treaty [TTBT] and the Peaceful Nuclear Explosions Treaty [PNET] would result in enhanced verification because of the unprecedented provision for on-site inspection in the PNET and because of the unprecedented exchange of data required by both treaties. Such provisions make an assessment of Soviet compliance with these treaties easier and more reliable. These data exchanges, along with the provision for on-site inspection, however, are not possible until the treaties are ratified.

H.J. Res. 3 urges the ratification of two treaties that prevent nuclear explosions above 150 kilotons and allows the President to submit his verification concerns and reservations to the Congress. Such reservations could lay the groundwork for subsequent negotiations with the Soviet Union on verification matters. The resolution further urges that the President propose to the Soviet Union the resumption of negotiations on a verifiable comprehensive test ban treaty. The resolution does not dictate the nature of future comprehensive test ban treaty negotiations. It simply states that these negotiations should begin now.

COMMITTEE ACTION

As part of the Foreign Affairs Committee's oversight of arms control as an important part of U.S. national security, the Subcommittee on Arms Control, International Security and Science conducted a thorough examination of the nuclear testing issue.

On February 26, the Arms Control Subcommittee, held a hearing on "Proposals to Ban Nuclear Testing." The subcommittee heard from Senator Edward Kennedy and Senator Charles McC. Mathias; Representative Berkley Bedell (chief sponsor of H.J. Res. 3); Representative Barbara Boxer (chief sponsor of H.J. Res. 119, the nuclear test ban challenge); and Ambassador Walter Stoessel, Jr. (U.S. Negotiator to the Threshold Test Ban Treaty Talks and the Peaceful Nuclear Explosions Treaty Talks under the Nixon and Ford administrations).

On May 8, the subcommittee held another hearing on nuclear testing proposals. In particular, the subcommittee heard testimony on H.J. Res. 3 from Dr. Robert Barker, Deputy Assistant Director for Verification and Intelligence at the Arms Control and Disarmament Agency; Dr. Donald Kerr, Director of Los Alamos National Laboratory; and Dr. Lynn R. Sykes, Higgins Professor of Geological Sciences at the Lamont-Doherty Geological Observatory of Colombia University and also a member of the U.S. Delegation that negotiated the Threshold Test

Ban Treaty with the Soviet Union in 1974. The subcommittee proceeded to mark up H.J. Res. 3 and approved the measure for full committee action by a voice vote.

On May 14, the full committee began consideration of H.J. Res. 3. On May 15, the full committee continued discussing H.J. Res. 3, proceeded to mark up the resolution and then ordered the resolution favorably reported by a voice vote.

In addition to the above testimony, the subcommittee received several statements from experts in the scientific and academic communities, which are included in the hearing record on nuclear testing. These experts include: Dr. Jack Evernden, a geophysicist with the U.S. Geological Survey, Menlo Park, California; Dr. Willard J. Hannon, Program Manager of the Seismic Monitoring Research Program at Lawrence Livermore National Laboratory; Dr. Charles Archambeau, Professor of Geophysics at the University of Colorado and also a visiting research scientist at the Center for Seismic Studies at the Defense Advanced Research Projects Agency. These experts generally agree that the testing treaties are verifiable agreements.

The committee also received statements for the record on the issue of weapons reliability from a number of experts including: Dr. Richard Garwin, IBM Fellow at the Thomas J. Watson Research Center; Hans Bethe, Nobel Laureate in Physics and former Director of the Theoretical Division at Los Alamos National Laboratory; Norris Bradbury, former Director of Los Alamos; Wolfgang Panofsky, former Director of the Stanford Linear Accelerator; Spurgeon Keeny, Jr., former Deputy Director of ACDA; George Rathjens, former Deputy Director of the Defense Advanced Research Projects Agency; Herbert Scoville, Jr., former Deputy Director of the CIA and former Technical Director of the Defense Department Armed Forces Special Weapons Project; and Paul Warnke, former Director of ACDA. These experts agree that the reliability of our nuclear stockpile can be maintained under a CTBT regime.

KEY ISSUES IN THE CONSIDERATION OF HOUSE JOINT RESOLUTION 3

During the hearings on nuclear testing, considerable attention was given to two important issues: (1) Verification of the TTBT and the PNET and of a future CTBT; and (2) Weapons reliability under a CTBT.

1.—Verification

On the issue of verification, a concern was raised that the TTBT is not a verifiable treaty because the Soviets cannot be trusted to provide proper data and because the Soviets have exceeded the 150 kiloton limit under the TTBT. During the course of the hearings, however, the fact that verification procedures do not even come into force until the treaties are ratified was underscored. Once ratification occur, verification is made easier and more reliable. Specifically, the TTBT calls for:

An exchange of the geographic coordinates of each test site at the time of designation of a test site and after the test is conducted;

An exchange of geologic information about the test site, i.e., density of the rock formation and water saturation; and

Test sites are to be specified at places within the jurisdiction and control of the parties. All explosions conducted at those sites are to be considered nuclear weapons tests; and

Exchanges of data take place at the time of ratification, and if a new test site is established, data is exchanged at that time as well.

On the matter of alleged Soviet violations of the 150 kiloton limit on nuclear weapons tests imposed by the TTBT, the committee received testimony indicating that the Soviets have not, in fact, violated the TTBT.

In this regard, Dr. Lynn Sykes, an eminent seismologist (currently the Higgins Professor of Geological Sciences at the Lamont-Doherty Geological Observatory of Colombia University and a member of the U.S. Delegation that negotiated the Threshold Test Ban Treaty with the Soviet Union in 1974) testified that "When the correct methodology is used, it is evident that the Soviet Union has not cheated on the Threshold Treaty." In other words, geological differences between the United States and the Soviet Union and more accurate use of seismic waves have to be taken into account when estimating Soviet yield.

The PNET calls for:

On-site inspection for explosions between 100 and 150 kilotons if the parties consider it necessary for confirmation of yield and for all explosions with a planned yield exceeding 150 kilotons—i.e. a group explosion. The Protocol to the PNET outlines the details of the inspection, the functions and rights of the observers and the equipment the observers are to use and the extent of their access;

Information to be provided prior to a peaceful nuclear explosion on the purpose, location, date, and planned yield of the explosion;

Information to be provided on the geological characteristics of the explosion site;

Information about the time of the explosion, its yield and confirmation of facts previously given is to be provided after each explosion; and

The establishment of a Joint Consultative Commission at which the parties can discuss differences, ask questions and suggest amendments to the Treaty.

2.—Weapons reliability under a CTBT

On the issue of weapons reliability, a concern was raised that confidence in our nuclear stockpile could not be maintained under a CTBT because we would not be able to test fire our nuclear warheads.

Some witnesses testified that occasional and minor testing is necessary to maintain confidence in the stockpile. Other experts disagreed with this and indicated that no nuclear testing is necessary to maintain confidence in the stockpile.

Richard Garwin, IBM Fellow at the Thomas J. Watson Research Center and Norris Bradbury, former head of Los Alamos National Laboratory and other weapons experts, in letters submitted to the committee stated that "By meticulous nuclear inspection and disassembly of the components of the nuclear weapons, including their firing and fuzing equipment, operability of the stockpile can be maintained." In addition, the committee received information supplied by a number of scientists and arms control experts who agree that "Continued nuclear testing is not necessary in order to insure the reliability of the nuclear weapons in our stockpile."

COMMITTEE CONCLUSIONS

In favorably reporting H.R. Res. 3 and based on expert testimony and statements submitted for the record, the committee concluded that:

(1) The Threshold Test Ban Treaty and the Peaceful Nuclear Explosions Treaty are verifiable treaties;

(2) Verification of these treaties is enhanced by their ratification. In fact, the benefits of verification—on-site inspection and exchanges of data—can only be obtained by ratification;

(3) The PNET contains provisions for on-site inspection—the first time this has ever been agreed to. The principle of on-site inspection was further agreed to by the Soviet Union as part of a CTBT in 1979 just before negotiations on a CTBT were suspended.

(4) H.J. Res. 3 provides the President with the flexibility to submit his verification concerns to the Congress at the time he seeks the advice and consent of the Senate to the ratification of the two testing treaties. This provision sets a precedent for subsequent negotiations with the Soviet Union on verification thereby addressing the verification concerns of the President.

(5) Politics and not technology have prevented us from concluding a comprehensive test ban treaty. In this regard, the committee fully supports the efforts underway in this administration to enhance verification in general and verification of nuclear testing limitations in particular. In this connection, the committee would support any additional request by the President to encourage improvements in U.S. technical verification capability.

(6) Adequate confidence in our nuclear stockpile can be maintained under a comprehensive test ban treaty.

(7) H.J. Res. 3 not only complements, but is an integral element of the arms control negotiations in Geneva. It is the committee's view that passage of H.J. Res. 3 would further enhance the prospects for success at the Geneva Arms Control Talks.

VOYAGER AT URANUS

HON. WYCHE FOWLER, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. FOWLER. Mr. Speaker, 14 years ago, scientists and engineers from around the country gathered at the Jet Propulsion Laboratory in California to begin to design and build two unmanned spacecraft that would rewrite science textbooks.

Today, from a perspective millions of miles beyond the planet Uranus, a relatively old but hardy spacecraft called Voyager 2 transmits photographs of the sunlit, blue-green crescent of that planet back to Earth. A machine smaller than a compact car topped with a 12-foot dish antenna, Voyager 2 has just completed, with astonishing success, the third leg of its exploration of the outer planets. Now engineers and scientists at JPL prepare the spacecraft for an even more challenging encounter: Neptune in 1989.

The Voyagers 1 and 2 were sent upon their journeys from Cape Canaveral in the summer of 1977. When launched, the spacecraft were designed and funded to explore Jupiter and Saturn—tasks that each fulfilled with great success. At Jupiter, they found nearly invisible rings around the planet, and vast, colorful storms roiling within the latitudinal bands in its atmosphere. They returned startling photographs revealing an unexpected variety in the composition and structure of Jupiter's moons. Voyager cameras captured eight active volca-

noes on one moon, Io, spewing two tons of sulfurous lava into space every second.

In 1980 and 1981, the two spacecraft flew past Saturn and transmitted back to Earth a wealth of information on the planet, its spectacular ring system, and moons, including evidence that its largest moon, Titan, might harbor the same organic chemicals from which life formed on Earth.

Voyager 1 completed its mission of planetary exploration and is on its way out of the solar system, in search of interstellar space. Voyager 2, however, was revamped in flight to allow it to take advantage of a once-in-a-lifetime opportunity: to encounter two more planets, Uranus and Neptune. Engineers reprogrammed the computers onboard the spacecraft, endowing it with new capabilities that would enable it to return clear, closeup pictures and other information from the dimly sunlit domain where Uranus resides. Giant receiving stations on Earth were linked together to capture and enhance Voyager's faint signal.

Since Uranus had never before been visited by a spacecraft, almost all of Voyager's observations would provide new information on the planet.

At least 10 new moons and one new ring were among the first of Voyager's discoveries at Uranus. Other information returned by the spacecraft showed that while Uranus shares many characteristics with other planets, it displays them in ways strangely out of kilter with the rest of the solar system. For example, it was found to possess a magnetic field about the strength of Earth's; the magnetic pole, however, was found to be displaced 55 degrees from the geographic pole. The magnetic field itself may be generated by an electrically conductive ocean of water and ammonia and not by a molten core like other planets. The sunlit side of the planet was found to radiate large amounts of ultraviolet light, a phenomenon dubbed "electroglow" by Voyager scientists. Uranus' coal black outer ring was found to consist mainly of yard-wide boulders and not the fine dust and icy rubble that comprise Saturn's bright rings.

The detailed engineering that prepared Voyager 2 for Uranus yielded other results. Extraordinary maneuvers allowed Voyager's cameras to remain pointed at their targets despite flyby velocities exceeding 40,000 miles per hour. The resulting photographs are among the best ever taken by a flyby spacecraft. They showed one moon, Miranda, to be a planetary palette displaying samples of all the strange geologic formations and surfaces known to exist in the solar system.

The encounter with Uranus bore out the prediction of one Voyager scientist who said that the spacecraft "would provide answers to questions we don't even know to ask." Now, mission accomplished, decades of questions and answers are awaiting the generations of scientists who inherit the wealth of data returned by Voyager.

That the Voyager mission to Jupiter and Saturn was undertaken is a reflection of NASA's commitment to humanity's quest for knowledge—a step logically taken toward further illuminating the dark edges of our universe. But that one small spacecraft more than 2 billion miles from Earth has been so successfully commissioned to continue its mission, beyond its design lifetime, to explore Uranus and now Neptune, is a testament to the unique talents of the men and women who conceived, constructed and daily tend to our robot emissary in deep space.

At this time, I would like to enter a recent newspaper article by Robert C. Cowan of the Christian Science Monitor into the RECORD. The text is as follows:

VOYAGER BIDS URANUS "ADIOS"; SETS ITS SIGHT ON NEPTUNE IN 1989

(By Robert C. Cowen)

BOSTON.—Voyager 2's historic encounter with the solar system's seventh planet—Uranus—finally ended Tuesday.

Project scientist Edward C. Stone says observations, which ran from Nov. 4, 1985, to Tuesday have left scientists "happily bewildered." Nevertheless, they have cleared up many key questions.

No longer is the third-largest planet so little known that scientists can't specify such basic properties as its rate of spin or the composition of its atmosphere. The puzzles that challenge experts now involve analysis and interpretation of a massive Uranian data bank. It will take years to mine that scientific treasure.

Running through the major questions that Voyager's data have already answered, Dr. Stone lists the following:

Does Uranus have a magnetic field? Lack of evidence of any such field had puzzled scientists as Voyager approached the planet. Eventually, spacecraft instruments did map a field that is slightly weaker than that of Earth. It's tilted 55 degrees away from the planet's spin axis—an offset that surprised the Voyager team. It has also trapped many charged particles to form a radiation environment around the planet that Stone says "we still don't thoroughly understand."

On the question of Uranus's rotation period, radio observations of the rotation of the magnetic field have pinned the rate down to 16.8 hours, give or take 0.3 hours. Further data analysis should narrow that uncertainty.

Scientists had wondered what kind of atmosphere Uranus has. Now they know it's largely hydrogen, with 10 to 15 percent helium. It also has important minor gases such as methane, which forms clouds, and hydrogens, which form a smog-like haze over Uranus's sunlit pole.

Stone notes that this composition indicates that Uranus grew at least partly by the accretion of comets. He said it's important to find out how much comet-like material the planet contains—a fact that should emerge from analysis of Voyager data. Scientists say that comets are largely water ice. An abundance of such material on Uranus would support theoretical models of the planet, which suggest it has a small Earth-size rocky core overlain by a water ocean some 5,000 miles thick. This water would remain liquid even under the tremendous pressure of the planet's interior because it would be as hot as several thousand degrees Celsius. Voyager scientists suggest that electric currents in such an ocean may generate the planet's magnetic field. This too is a new puzzle that the Voyager team now is studying intensively.

Scientists had also wondered what the weather system would be on a planet that is tipped so that the sun shines down on one pole for many years at a time. They were surprised to find that equatorial regions are as warm as the sunlit polar area and that even the nightside pole seems unexpectedly warm. They also are puzzled by winds that blow in a direction opposite to what meteorological theory would predict from this temperature distribution. "We just plain don't understand how that [weather] system is working," Stone says.

Scientists had wondered what causes ultraviolet (UV) emission from the planet. Now they know it comes from a process—new to them—which they call electroglow. Somehow, this allows the planet's atmosphere to absorb UV light from the sun and to re-emit it in an amplified form. How the process works is yet another of the new puzzles Voyager's data pose.

Scientists had wondered about the Uranian rings. They now know there are at least 11 distinct rings with a diffuse cloud of fine particles filling much of the space between them. Working out the dynamics of the ring structure—how it formed and how it persists—will take many months, if not years.

Finally, Stone notes, scientists had wondered how many moons they would find, beyond the five that had already been identified. They now know of 15 moons. Still more may be lurking in the Voyager data.

These bodies, which range from a few tens of kilometers to a few hundred kilometers across, are made up of about half ice and half rocky material. Some of the larger ones appear to be geologically active. In fact, the inner-most large moon—Miranda—has what Stone calls "one of the most complex and geologically interesting surfaces yet seen in the solar system. Geologists will spend years and write many scientific papers trying to understand it."

Now Voyager is heading for Neptune. Stone says the course-correction maneuver went well, the spacecraft is healthy, and he looks forward to getting acquainted with the eighth planet in August 1989.

ESTONIA MUST BE INDEPENDENT

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. DINGELL. Mr. Speaker, it is with sincere admiration for the brave people of Estonia that I urge my colleagues to join me, along with the Estonian American National Council, in observing the 68th anniversary of the Declaration of Independence of the Republic of Estonia. The occupation of the once fiercely independent State of Estonia by the Soviet regime and the brutal oppression imposed on these people are bitter examples of gross political and human rights violations. The statement of the Estonian American National Council addresses the history of suffering inflicted on the Estonians and I would like to share these comments with my colleagues. I also insert for the RECORD the Copenhagen Manifesto which declares the present situation in the Baltic countries a threatening force to peace and freedom throughout the free world.

I encourage my colleagues to commemorate this anniversary and hope that our strong public support will help the citizens of Estonia continue their struggle for the right to live in a free nation.

The Estonian American National Council and the Copenhagen Manifesto follow:

[Estonian American National Council]

STATEMENT

The people of Estonian ancestry everywhere commemorate the 68th anniversary of the founding of the Republic of Estonia on February 24, 1918. At the same time, they note with sadness the continued brutality of the Soviet occupation of Estonia which began in June, 1940, when the Red Army rolled across the border to annex its neutral and peaceful neighbor. The Soviet aggression against the Baltic states—Estonia, Latvia and Lithuania—was such a blatant violation of international law that the United States and almost all other Western countries to this day refuse to accord de jure recognition to the Soviet rule there.

As Soviet rulers even today seek to expand the tentacles of their oppressive system of governance in Afghanistan and elsewhere, we would do well to recall the fate of Estonia. During the brief period of its modern statehood the Republic of Estonia was in many respects a model country. Universal suffrage and the eight-hour work day were introduced at the outset, and the records of the International Labor Office in Geneva attest that the Republic of Estonia was in the forefront of humane social and labor legislation in general.

Estonia's land reform and its minorities' laws gained international fame and were often cited by the League of Nations as examples to emulate. Indeed, in recognition and appreciation of ethnic justice, the Jewish National Fund in Palestine in 1927 awarded its special "Golden Book Certificate" to the Republic of Estonia, the only country ever so honored by the Jewish people. The American author Marion Foster Washburne traveled around the world in search of "the happy country." And in her 1940 book, *A Search for a Happy Country* (Washington: National Home Library Foundation), she concludes that the Republic of Estonia was that happy country.

Under Soviet domination Estonia has suffered tremendously—demographically, politically, culturally. Thus, the country lost almost one-third of its prewar population between 1939 and 1949, due foremost to Soviet atrocities; especially brutal were the mass deportations of 1941 and 1949. After the war, there has been a steady influx of Russians; the share of the population which is ethnic Estonia declined in the present territory from 92% in 1939 to 68% by 1970.

While the minority laws of the Republic of Estonia were renowned internationally, Estonians today face grave pressures of russification and sovietization in their own ancestral territory. Creative freedoms in all fields of artistic endeavor have been severely curtailed. Russian language encroachment at all educational levels, in the mass media, and in public affairs threatens to undermine the Estonian national identity. A few years ago Soviet authorities prohibited the use of Estonian in the defense of doctoral dissertations. More recently, the Communist Party's press in the university town of Tartu announced that the forced teaching of Russian would be introduced already at the level of day care centers.

Today, it is virtually impossible for Estonians in their Soviet occupied homeland to travel abroad or to emigrate. Contrast this with the fact that in 1936 alone, for example, 120,889 Estonian citizens were able to travel abroad, and a few of them chose to emigrate. In the grips of the Soviet bear Estonia today has the sad distinction of having the world's youngest political prisoner, two year old Kaisa Randpere, who is forbidden by Moscow from joining her parents in the West. The Soviet aggression against Estonia and the unremitting, systematic violation of political and human rights, have been well documented by the United States Congress and the Department of State.

From the outset of the Soviet occupation Estonians have actively resisted and protested Moscow's actions. In the ancestral homeland such protests, even when they are nothing more than peaceful memoranda, result in long periods of banishment to the infamous Gulag, torturous confinement to psychiatric institutions, and at times even murder in confinement, as happened with the late Jüri Kukk. In spite of this, Estonians in their Soviet occupied homeland as well as those in the diaspora in the Free World, will mark Estonian Independence Day once more on February 24th. The dream of the restoration of sovereignty, of political and human rights, of freedom from Soviet Russian oppression lives on in the hearts of Estonians everywhere. Their aspirations, hopes and struggle for freedom are shared by freedom-loving people everywhere.

Elagu Vaba Eesti! (Long live Free Estonia!)

COPENHAGEN MANIFESTO

The Baltic Tribunal in Copenhagen declares that the occupation and annexation of the once independent States of Estonia, Latvia, and Lithuania serve as prime examples of the violations of international public law and treaties ratified by the Soviet Union.

Mass Russian immigration has seriously damaged Baltic identity and political structure; language, culture, religion, even the learning of history in schools, have suffered under Soviet rule. The militarization of the Baltic States serves as a constant reminder of the continuing threat to world peace.

The right of the Baltic peoples to self-determination, to non-discrimination and to non-interference on their ancestral soil must be reinstated. After hearing experienced witnesses on numerous aspects of life and law and practice in occupied Estonia, Latvia, and Lithuania, the Baltic Tribunal concludes that severe injustice has been and is being done to these people by the Soviet Union.

The fate of the three Baltic States is unique in human history. Nowhere else in the world are former parliamentary democracies occupied, annexed and colonized by a conquering power. A unique fate deserves unique policies from the democratic governments of the world. We call upon them to raise the issue of Soviet occupation of the Baltic countries in all world forums, demanding freedom and independence for Estonia, Latvia, and Lithuania.

By this Copenhagen Manifesto we declare that the present situation in the Baltic countries is damaging the chance of peace and freedom in Europe and the world.

THEODOR VEITER,
Chairman.
PER AHLMARK.
JEAN-MARIE DAILLET.
Rev. MICHAEL BOURDEAUX.
Sir JAMES FAWCETT.

MENTAL ILLNESS AWARENESS WEEK

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. WYDEN. Mr. Speaker, it gives me great pleasure to introduce again this year a joint resolution to authorize the President to issue a proclamation designating the week of October 5–11, 1986, as "Mental Illness Awareness Week."

This resolution will help bring about a better understanding of mental illness as well as increase national awareness of this often treatable and curable illness.

Mental illness is a problem of staggering proportions with an estimated 31 to 41 million Americans suffering from diagnosable mental disorders. These disorders result in severe disabilities that can effect personal relationships and productivity at work and school. The elderly are particularly vulnerable to mental illness. However, mental illness is not limited to adults and senior citizens. Included in this number are as many as 12 million children whose illnesses severely impair their development. With the high incidence of teenage suicides, it has become imperative that we recognize and treat the early signs of mental illness.

Mental illness is clearly a national concern, and our Nation pays a steep price for the suffering of so many people. Mental illness costs our Nation an estimated $106 billion annually in health care expenses, lost productivity, and other indirect costs.

This problem can be turned around by letting people know help is available for mental illness. Appropriate treatment can help these people resume fulfilling and productive lives. Public education of mental illness will bring to light the availability of treatment as well as the many new advances in research—research that provides more effective treatments and gives excellent prospects for improvement and recovery.

I urge my colleagues to support this resolution for "Mental Illness Awareness Week" as an important step toward increasing national awareness of this important issue. Thank you.

H.J. RES. 552

Joint resolution to designate the week of October 5, 1986, through October 11, 1986, as "Mental Illness Awareness Week"

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas a mental illness is a problem of grave concern and consequence in American society, though one widely but unnecessarily feared and misunderstood;

Whereas 31 to 41 million Americans annually suffer from clearly diagnosable mental disorders involving significant disability with respect to employment, attendance at school, or independent living;

Whereas more than 10 million Americans are disabled for long periods of time by schizophrenia, manic depressive disorder and major depression;

Whereas between 30 and 50 percent of the homeless suffer serious, chronic forms of mental illness;

Whereas alcohol, drug, and mental disorders affect almost 19 percent of American adults in any six-month period;

Whereas mental illness in at least 12 million children interferes with vital development and maturational processes;

Whereas mental disorder-related deaths are estimated to be 33,000, with suicide accounting for at least 29,000, although the real number is thought to be at least three times higher;

Whereas our growing population of the elderly is particularly vulnerable to mental illness;

Whereas mental disorders result in staggering costs to society, totalling an estimated $106,200,000,000 in direct treatment and support and indirect costs to society, including cost productivity;

Whereas mental illness is increasingly a treatable disability with excellent prospects for amelioration and recovery when properly recognized;

Whereas families of mentally ill citizens and those persons themselves have begun to join self-help groups seeking to combat the unfair stigma of the diseases, to support greater national investment in research, and to advocate for an adequate continuum of care from hospital to community;

Whereas in recent years there have been unprecedented major research developments bringing new methods and technology to the sophisticated and objective study of the functioning of the brain and its linkage to both mental and abnormal behavior;

Whereas research in recent decades had led to a wide array of new and more effective modalities of treatment (both somatic and psychosocial) for some of the most incapacitating forms of mental illness (including schizophrenia, major effective disorders, phobias, and panic disorders);

Whereas appropriate treatment of mental illness has been demonstrated to be cost-effective in terms of restored productivity, reduced utilization of other health services, and lessened social dependence; and

Whereas recent and unparalleled growth in scientific knowledge about mental illness has generated the current emergence of a new threshold of opportunity for future research advances and fruitful application to specific clinical problems: Now, therefore, be it;

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on October 5, 1986, is hereby designated as "Mental Illness Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

A FALSE PARALLEL

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. EDWARDS of California. Mr. Speaker, the administration in recent days has been claiming that there are parallels between the victory of "people power" in the Philippines and its own calls for another $100 million to support the Contras in their efforts to overthrow the Government of Nicaragua. In the March 4, edition of the New York Times, writer Tom Wicker examines the illogic of this claimed parallel.

Mr. Wicker's insightful and cogent examination of the vast differences between the situation in the Philippines and that of Nicaragua should be required reading for every Member of this body. I commend the article to the attention of my colleagues.

The article follows:

[From the New York Times, Mar. 4, 1986]

A FALSE "PARALLEL"

President Reagan, citing parallels where none exist between the Philippines and Nicaragua, insisted to members of Congress in a While House meeting that "we stood for democracy in the Philippines; we have to stand for democracy in Nicaragua and throughout Central America and in our hemisphere."

This "parallel" denigrates the remarkable achievement of the Philippine people in their spontaneous uprising against Ferdinand Marcos. It is meaningless rhetoric if anyone thinks it should apply to the dictatorial Pinochet Government, though Chile is "in our own hemisphere." And it's only one more excuse with which to pursue Mr. Reagan's pathological fixation on the overthrow of the Sandinistas—this time with $100 million of U.S. taxpayers' money—because there are no parallels between the Philippines and Nicarauga.

In the former, the real tyrant, through corruption, brutality and murder, brought the population to the boiling point; whatever charges may be made against the Sandinistas, that cannot be said of them. By massive fraud and violence, the tyrant ignored and reversed the clear will of the people expressed in a national election; whatever deficiencies may be laid to the Nicaruguan election of 1984, nothing in it remotely approached the outrage perpetrated by Mr. Marcos.

Filipinos who rose in their wrath to rid their country of the tyrant were not organized and financed by the Central Intelligence Agency or "covert" funds from Washington, as were the Nicaraguan "contras." And when Filipinos had had enough, they swept all before them, disclosing in a matter of days the rotten underpinnings of the tyrant's regime; but after five years of effort and millions of U.S. dollars, the contras have yet to take and hold a single town in Nicaragua, or to set off the smallest ripple of popular uprising anywhere in that unhappy country. Filipinos staged a Glorious Revolution; the contras wage a minor guerrilla war, paid for by U.S. taxpayers.

Now, the Administration—joined by Richard Lugar, chairman of Senate Foreign Relations Committee—advances the proposition that $100 million in additional aid, $70 million of it for military equipment, must be supplied to the contras, so that they can force the Sandinistas to participate in the so-called Contadora negotiating process.

Aside from the fact that, with or without U.S. aid, the contras have shown no ability to impose Mr. Reagan's will on Managua, this is a deceptive argument. Not only did the Sandinistas agree to accept a Contadora draft treaty in 1984, which the Reagan Administration promptly rejected; but just this year they also accepted a statement of principles, advanced by Guatemala and other nations in the region, as a basis for a peaceful settlement in Central America.

That statement called for the elimination of foreign military advisers from the region, including Cuban and Soviet-bloc personnel in Nicaragua. Is the Reagan Administration willing to negotiate on the basis of those principles? No—it insists that the Sandinistas must first negotiate with the contras, although the contras as yet have earned no right whatever to sit down as equals with the Sandinistas.

Secretary Shultz, meanwhile, continues to assert that Nicaragua subverts other Latin countries with arms and military training. If that is even partly so, it's all the more remarkable that the foreign ministers of the eight most important Latin nations—Brazil, Argentina, Mexico, Venezuela, Colombia, Peru, Uruguay and Panama—came to Washington last month to urge Mr. Shultz and the Administration (a) to stop the contra war against Nicaragua, and (b) to negotiate directly with the Sandinistas. They got nowhere.

Mr. Shultz also has raised again the tired old threat of a "Soviet and Cuban base on the mainland of Latin America." There's no evidence that Moscow wants such a provocative base; but if it does, the U.S. could hardly stop it with $70 million in guns and ammunition to a ragtag guerrilla band with no real political support and fatal ties to both the C.I.A. and the hated Somoza regime the U.S. once backed. That the Soviet-base argument may be the Administration's strongest political medicine suggests how weak its case is.

Mr. Lugar concedes that the appropriation will have a tough time even in the Republican Senate. In the Democratic House, Representative David Bonior of Michigan, chairman of the Democrats' Task Force on Nicaragua, sees a good chance to defeat it. That's why the Administration is pulling out all stops. If aid to the contras is cut off, Mr. Reagan will have to turn to diplomacy, which means accepting the Sandinistas in some degree of power, or use U.S. forces to overthrow them directly.

GRAPHICSTUDIO, USF

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. DOWNEY of New York. Mr. Speaker, one of the most fruitful postwar developments in the arts has been the close connection that has emerged between the arts and the higher education communities. The cultural environment of our universities has benefited immeasurably from the presence of working artists. The artistic community has been able to draw upon the resources of the university for studio and production facilities. Over the years this relationship has blossomed around the country, but it has been little noticed on a national scale.

Now, the National Gallery of Art has properly placed a spotlight on this activity by establishing a special archive for works of art created by the artists at Graphicstudio at the University of South Florida.

On March 10, the National Gallery of Art will publicly recognize the achievements of Graphicstudio, USF, at a dinner hosted by the Director of the Gallery, J. Carter Brown. The Gallery now has plans in the works for an exhibition of works produced at Graphicstudio, USF.

The National Gallery's decision to create this special archive is recognition of the important contribution that Graphicstudio has made to the contemporary art world. Since Graphicstudio was founded by the University of South Florida's distinguished professor of art, Donald Saff, in 1968, many of our most significant contemporary artists, such as Robert Rauschenberg, James Rosenquist, Jim Dine, Chuck Close, and Philip Pearlstein, have produced works at Graphicstudio.

In 1978, the Brooklyn Museum held an outstanding exhibition on the 10th anniversary of Graphicstudio. Now the establishment of this permanent archive makes it possible for many more people to appreciate the great accomplishments of this atelier.

This nonprofit graphic workshop has given rise to an important body of work that reflects the high quality and diversity of the graphic arts movement in the United States. The artists at Graphicstudio owe a great deal to Don Saff because it is his vision and energy that have made this project work. Nationally and internationally recognized artists produce art, drawing on the skills and techniques of master printers and artisans, in a university setting. The university faculty provides expertise and students have an opportunity to learn directly from these artists. The community benefits from the increased artistic activity and is asked to support Graphicstudio financially by subscribing to the print projects.

Graphicstudio, USF, has produced a body of work that is exemplary of the imagination and sensitivity that has brought the United States to a position of leadership in the world of art. Mr. Speaker, the National Gallery's decision to create this special archive will create benefits to all art lovers for years to come. As chairman of the congressional arts caucus, I am pleased to bring this work to the attention of my colleagues.

CONGRESSIONAL SALUTE TO AREA 1 CHEMICAL PEOPLE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. MATSUI. Mr. Speaker, 2 years ago Nancy Reagan sounded a national alarm for America to fight a war against drugs. In response, communities have banded together in a concerted effort to educate the young about the physical, mental, and emotional effects of substance abuse.

I would like to call to the attention of the House of Representatives a Sacramento organization of particular merit, the Chemical People Task Force. By sponsoring programs for local schools outlining education and curriculum to assist kids in "saying no" to drugs and alcohol, and by planning clean alternative activities such as dances and sports programs, this group has been invaluable in helping to curb chemical abuse in our community.

On March 6, 1986, the task force will intensify their pursuit to a drug free youth by sponsoring an informational fair to coincide with National Drug and Alcohol Awareness Week. By bringing educators, law enforcement officers and health officials together under one roof, the fair will educate and inspire Sacramento citizens on substance abuse and present them with possible solutions to this problem which directly or indirectly influences children across America.

Mr. Speaker, I am sure that I speak for the whole House of Representatives when I commend the Chemical People Task Force on their energetic battle against substance abuse and thank them for their devotion to the health of our youth.

THE POSSIBLE GRAMM-RUDMAN EFFECT ON SOCIAL SECURITY

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. STARK. Mr. Speaker, under the Gramm-Rudman deficit reduction plan, payments to Social Security recipients are exempt from the cuts that will be made to other programs. This protection however, is not extended to the administrative costs of the program.

Proposals to save money in administering the program that have been raised in the past have been to cut staff, reduce office hours or even close offices. Social Security recipients are entitled to good service from the Federal Government. Given my concern with the possible effects Gramm-Rudman may have on administering the Social Security Program, I have had several studies done.

Last fall I requested of the Social Security Administration the underpayment rate for title II OAS beneficiaries. According to SSA, 756,333 persons were "shortchanged" an average of $25 a month during fiscal year 1984, 9 out of 10 of these error cases were due to administrative causes. The previous year I had the same study done. For fiscal year 1983, 840,000 persons had been underpaid an average of $32.50 a month. This represents 3.2 percent of the benefit accounts compared to 2.8 percent for fiscal year 1984 accounts.

As you see, SSA has gotten the error numbers down a bit, and for that I think they should be congratulated. But there is still a distance to go. I am afraid that with 9 of the 10 errors due to administrative problems, cutting funds to this area of the program could lead to the numbers moving up again.

I recently had a staffer spend a day at Social Security offices in my district to observe the service. The offices are functioning at maximum capacity. I would guess that it is this way in most places throughout the country. Although the Social Security staffs worked very hard, people there for help had to wait at least 45 minutes before they were seen. In the three different offices visited there were between 20 to 30 people waiting for service. Needless to say offices began to get very crowded. For some, those confined to a wheelchair or with health problems, such a wait can be very uncomfortable. We conducted a phone survey as well. Again service was possible, but not readily. Many times the lines were busy and many times the caller was asked to hold for 5 or 10 minutes.

These studies confirmed my fear: Any move to cut district office staffing in an attempt to save money is the wrong move. Social Security recipients have paid faithfully into the system and should not have to fear the possibility of being underpaid, nor should trips to their local Social Security office be a cattle car experience.

We must all work to develop a budget that meets our deficit targets without destroying the already shaky quality of service to Social Security beneficiaries.

ANNIVERSARY CELEBRATION OF DR. THOMAS P. LANE

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. SUNDQUIST. Mr. Speaker, I am proud to annouce that on April 6, I will be attending the anniversary celebration of Dr. Thomas P. Lane's 38th year as music minister of Bellevue Baptist Church in Memphis, TN. Dr. Lane holds the high distinction of being the only minister of music in the Southern Baptist Convention to have served under three convention presidents. Dr. Lane received his bachelor degree in music from Oklahoma Baptist University in 1946. While at OBU he sang in the famed Bison Glee Club and was a featured member when the group won top honors in the Fred Waring College glee club competition. Proficient on the playing field as well as the podium, Dr. Lane was a member of the varsity "B" Club and the Bison Athletic Association. Dr. Lane went on to receive his masters degree from the University of Southern California's School of Music. In the fall of 1972 he received an honorary doctorate degree in music from his alma mater. This is only the third such degree ever given in music from Oklahoma Baptist University and stands as a testimony to the high achievements of Dr. Lane.

Under the directorship of Dr. Lane, Bellevue's ministry of music has grown to include two adult choirs, a ladies' chorus, a mens' chorus, vocal ensembles, quartets, trios, duets, an orchestra, and several handbell choirs. Dr. Lane now supervises a minister of youth music, an orchestra director, a graded choir coordinator, and an additional full-time staff of nine.

The Bellevue Music Ministry has not only grown in size but in distinction. Bellevues Sanctuary Choirs have sung for the Southern Baptist Convention four times and are renown throughout the Southern Baptist community. Furthermore, the "Nightingales" a student nurse choir from the Baptist Memorial Hospital in Memphis, organized by Dr. Lane shortly after his arrival at Bellevue in 1948, has made recordings, sung before the Southern Baptist Convention twice and at the New York World's Fair in 1964.

Dr. Lane has been married for 42 year to Elizibeth Robbins Lane, the daughter of a Baptist minister. Mrs. Lane is the principal of the Mount Pisgah Elementary School in the Shelby County School System. The Lanes have two married children and six grandchildren.

Dr. Lane has been a longstanding source of inspiration for the Bellevue congregation and has touched countless individuals with his professionalism, leadership, and kindness and it is with sincere admiration that I applaud him here today.

LLOYD B. CLARK

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mrs. SCHNEIDER. Mr. Speaker, I am pleased to call to the attention of my colleagues the fact that Mr. Lloyd B. Clark, president of C–Line in Warwick, RI, was elected president today of the interstate Carriers Conference for a 1-year term.

The conference, an affiliate of the American Trucking Associations, represents some 600 regulated trucking companies and 150 allied industry members throughout the country.

The new president, who lives in Chepachet with his wife, Margot, has been president since 1966 of C–Line, one of the major trucking companies in the Northeast. Prior to that, he was the general manager of the Jewelers Shipping Association of Providence for 10 years. He is also the director of the Rhode Island Truck Owners Association.

Mr. Speaker, I think the conference has chosen very well. I am pleased to see that the abilities of Lloyd Clark have been recognized by his peers in the trucking industry.

THE BITTER CRY

HON. JERRY HUCKABY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. HUCKABY. Mr. Speaker, it is not often that I insert material in the CONGRESSIONAL RECORD. It has to be something special. The following is special.

Todd Mercer, a seventh-grade student at Mangham Junior High School, which is in my congressional district, was shocked and saddened, like all of us, over the recent space shuttle disaster. It prompted him to write a poem entitled "The Bitter Cry."

I think he shows great insight and compassion, and I want to recognize his efforts. My thanks to his teacher, Jan Bruce, and his parents, for bringing this to my attention. His poem follows:

THE BITTER CRY

They blasted off full of joy,
Eager to find, to explore.
But as they reached upon the sky,
We heard the harsh shuttle cry.

The young children full of fear,
Bit their lips and held their tears.
But as the shuttle fell from the sky,
You could hear America cry.

But with no heart,
All the reporters could do,
Was show it again and spread the news.

With all in shock and tears in their eyes,
They will never forget,
When they heard the Bitter Cry.

—Todd Mercer.

READING IS FUNDAMENTAL

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. KOSTMAYER. Mr. Speaker, the 1983 report "A Nation at Risk" alerted us to the decline in the quality of American education, warning that "the educational foundations of our society are presently being eroded by a rising tide of mediocrity." In 1985 a report released by the Northeast Midwest Institute revealed one of the results of this erosion when it found that 1 in 5 adults, or some 60 million Americans, are unable to read well enough to function effectively in society.

Since 1983 numerous other reports have been published offering reform proposals for educational researchers and policy makers. A report released today by the Department of Education focuses on what parents, teachers, and school board members can do to turn the educational tide.

This report, "What Works," offers some common sense solutions to the problems outlined in previous reports. According to the study, children learn more in school when parents read to them, share their hobbies and discuss current events at home. On the average, American mothers spend less than half an hour a day talking or reading with their children, and fathers spend less than 15 minutes.

"What Works" draws on previous research, including a study released last year, "Becoming a Nation of Readers," which found that children read more when they are read to at an early age.

Mrs. Elliott Richardson, chairman of the board of Reading is Fundamental [RIF], also emphasized the importance of reading to young children at home in her testimony before the House and Senate Education Subcommittees at a hearing on adult illiteracy. Mrs. Richardson addressed the need for prevention, a crucial part of any literacy campaign at a time when the number of functionally illiterate Americans increases by 2¼ million every year.

Mr. Speaker, common sense is one of the most effective weapons we have in the fight against illiteracy and educational inferiority. I found Mrs. Richardson's suggestions particularly constructive for they showed what we can do as parents and educators to improve our children's education and to lay the groundwork for a more literate and secure America. I commend Mrs. Richardson's testimony to my colleagues.

TESTIMONY OF MRS. ELLIOT RICHARDSON

Mr. Chairmen, Members of Congress, thank you for giving me the opportunity to speak to you on a situation that threatens our economic health, our military preparedness, and even the democratic foundations of our country—the problem of illiteracy.

We are grateful that the committees are addressing the issue and hope that in their deliberations they will give serious consideration to the prevention of illiteracy. Our experience shows that this matter is of great concern to the public.

The members of this committee are well aware of the distressing facts that one in five American adults is functionally illiterate, that costs related to illiteracy exceed $225 billion annually, and so on.

Adult literacy efforts are working valiantly to help grown people open the doors now closed to them because they cannot read. Though excellent, these efforts cannot solve the problem alone.

According to current estimates, the number of functionally illiterate adults in this country is increasing by some 2¼ million each year.

In order to break into this vicious circle, we must not overlook our young. There are 67 million young people under age 18 growing up in America. Unless we take preventive measures, too many will add to the already alarming illiteracy statistics.

Experts have said that the current generation is the first in our nation's history to grow up less skilled in reading and writing than their parents;

Thirteen percent of all 17-year-olds in this country can already be considered functionally illiterate, though they are not yet counted as adults;

Eighty-five percent of the juveniles who appear before the courts are functionally illiterate;

And nearly one-third of our nation's young people drop out of high school before graduation; among inner city minority youth, drop-out rates often exceed 50 percent.

What can we do to prevent our young people from becoming the grim statistics of tomorrow? From my work in literacy programs for the last 16 years, I have learned that several factors are essential to preventing illiteracy.

The first is motivation—awakening in young people the desire to read and to learn. Although motivation is often regarded as something within, it can be sparked from without. We in Reading Is Fundamental have seen previously disinterested youngsters become avid readers through programs such as ours and the efforts of caring parents and concerned citizens.

Reading is a skill. Like other skills, it improves with practice. Extensive reading also quickens the capacity to think, to write, and to use verbal skills clearly and effectively.

According to a survey reported in "Science '82," Fortune 500 executives rate communication skills as "the top priority for business leadership"—even more essential than financial, marketing, and technical know-how.

These executives are well aware that American businesses lose billions of dollars each year because so many employees don't know how to read, write, or think clearly and effectively.

The thousands of youngsters who write to RIF each year thank us again and again for helping them discover that reading is "fun." What they call "fun" is the ingredient that propels them to read. It is fun with a serious purpose and proven results.

The second element involves parents, a child's first and most influential teachers. Even before children go off to school, parents can nurture interest in reading by reading aloud to them, by providing a wide variety of books in the home, and by reading themselves.

Since its inception in 1966, RIF has emphasized the essential role parents play in their children's development as readers. Parents' strong support of RIF programs—nearly 40% of RIF's more than 98,000 volunteers are parents—and the deluge of mail we have received in recent months indicate that parents, even those who have difficulty

reading, are eager to help their children. This year, some 40,000 parents have written to RIF for guidance and suggestions. RIF has developed publications to answer these needs.

The third essential element in preventing illiteracy is to ensure that children have an abundant supply of books. If motivated to read and free to choose what interests them, youngsters will read and continue to read, gradually building skills that are crucial to effective communication.

For almost 20 years, these three elements—motivation, parent involvement, and an abundant supply of reading materials—have helped Reading Is Fundamental reach millions of young people and turn them into readers. The recent NIE study, "Becoming a Nation of Readers," underscored the soundness of RIF's preventive approach.

Our future as a democracy is in the hands of our young people. We simply must provide the ounce of prevention that will assure that they grow up reading.

We need strong reading programs in our schools.

We need to help parents help their children.

We need to surround our young people with books, in their schools, their community libraries, and in their homes.

And we need the kind of visibility for the problem of illiteracy that this committee provides.

Thank you for inviting me to testify.

LEGISLATION TO AMEND TARIFF ACT OF 1930

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. FRENZEL. Mr. Speaker, today Congressman LUNDINE and I have introduced H.R. 4312, which will amend section 337, of the Tariff Act of 1930. Section 337, a law to provide remedy for unfair trade practices of foreign producers, is used mainly to protect U.S. intellectual property from infringing imports. The International Trade Commission has the authority to exclude from entry into the United States any import which does infringe U.S. intellectual property rights.

At present, section 337 does not protect U.S. industry from all of these unfair trade practices, since increasing weight has been given by the ITC to the economic elements of the law. Those elements require that before remedy can be given, the owner of the patent, trademark, copyright, or mask work, must prove that the relevant industry in the United States has been injured by the imports in question and that the relevant industry is efficiently and economically operated. This is a tougher burden than that required in the Federal district courts. In other words, it is tougher to stop foreign infringers than it is to stop U.S. infringers.

My bill would remove the requirements that injury must be proved and that the industry must be efficiently and economically operated. This would bring section 337 law much closer to that used in the Federal district courts. It would lighten the load of the ITC, which spends considerable time evaluating the economic side of the cases submitted, and enable it to facilitate relief from infringing imports.

The bill retains the current authority of the ITC to determine whether a U.S. industry does exist. We do not relax the definition of industry in this legislation in any way. Further, the ITC must still consider the effect of any remedy issued on the "public health and welfare, competitive conditions in the U.S. economy, the production of like or directly competitive articles in the United States and U.S. consumers."

LEGISLATION TO AMEND TARIFF ACT OF 1930

HON. STAN LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. LUNDINE. Mr. Speaker, today I join my colleague, BILL FRENZEL, to introduce legislation to amend section 337 of the Tariff Act of 1930 to provide an effective remedy for violations of U.S. intellectual property rights.

Section 337 of the Tariff Act of 1930 authorizes the U.S. International Trade Commission to exclude foreign products from the U.S. market to remedy a wide variety of unfair trade practices by foreign producers. Most often, section 337 has been used when foreign producers have infringed or violated U.S. patents or when foreign producers have committed other antitrust offenses.

Under existing law, in order to secure relief under section 337, the owner of a patent, trademark, or copyright must prove not only that their intellectual property rights have been violated by a foreign competitor, but also that a pertinent U.S. industry exists and is efficiently and economically operated. In addition, the owner of the patent, trademark or copyright must prove that the infringing imports have the effect or tendency of destroying or substantially injuring the U.S. industry, or that the imports have prevented the establishment of a U.S. industry.

The legislation we are introducing today declares patent, copyright, or trademark infringments to be injurious to domestic industries as a matter of law, thus removing the latter requirement that injury be proven by the patent or trademark owner before relief can be granted by the International Trade Commission. Our proposed legislation also eliminates the present requirement that a U.S. industry be efficiently and economically operated before action is taken by the Commission. Both of these present requirements place an unrealistic burden of proof on the victim of a foreign infringement which often results in inaction by trade authorities and costs United States important market shares in key sectors of our economy.

At the same time, our proposal maintains the requirements under current law that a U.S industry must exist or likely be established before relief is granted through the International Trade Commission. Our legislation also leaves in place the current requirement that the International Trade Commission consider the effect of any remedy issued on the public health and welfare of the U.S. economy.

In 1985, the U.S. trade deficit reached an historic high of $150 billion. There are many factors which contribute to this enormous trade deficit. One of the important factors important to our long term competitiveness is our ability to successfully commercialize basic research and new ideas.

Today, this critical commercialization process is being seriously affected by the intellectual piracy of many foreign companies. While the General Agreement on Tariffs and Trade currently permits countries to take whatever steps are necessary to protect their intellectual property, there is no specific international agreement governing the use of intellectual property. This must be a top priority of the next round of international negotiations under the General Agreements on Tariffs and Trade. In the meantime, the United States must take aggressive action to stop the unfair use of our patents, trademarks, and copyrights by our foreign competitors.

Stopping the intellectual piracy of our ideas and technology is an urgent matter. I have experienced first hand a trade case involving fiber optics which demonstrates why action now is so vitally important to the long-term health of our economy. The United States is the world pioneer in optical fiber, thanks in large part to the ingenious work of researchers at Corning Glass Works where the optical waveguide fiber was invented. Fiber optics is a tiny glass fiber which can transmit more information than a huge wire cable and is revolutionalizing the communications industry. The world market for fiber optics systems is growing expodentially currently, but is expected to level out somewhere in 1989. Corning's superiority in fiber optics has thus far enabled the United States to capture large percentages of market shares everywhere in the world—except Japan. The Japanese have totally restricted United States access to their market while they protect and develop their own fiber optic industry.

Last year, Corning Glass Works filed an unfair trade practice complaint under section 337 of the Tariff Act against Sumitomo Electric Industries, a Japanese firm, and Sumitomo Electric USA, its American affiliate. During the investigation, the International Trade Commission found that Corning's optical waveguide patents were of "pioneering status" and were being violated by Sumitomo in an effort to compete with Corning in the production of optical waveguide fibers. However, the International Trade Commission did not find that Corning was being injured from this patent violation because Corning could not meet the letter of the law and statistically prove that Sumitomo's action had to date destroyed or substantially injured their industry. Since, the rejection by the International Trade Commission, Sumitomo continues to expand its sales in the United States using Corning's technology in violation of U.S. patent law.

The Corning case demonstrates the importance of removing the injury requirement from section 337 of the Tariff Act of 1930. The present injury requirement fails to acknowledge the economics involved in a startup industry based on a new technology. As in Corning's case, it will always be difficult to prove injury in a situation like fiber optics where a

technology is revolutionizing an industry and greatly expanding market opportunities. By the time such an industry records sales declines, the war over market shares will long since have been lost to their competitor.

In the final analysis, our laws which govern the conduct of trade must insure that our industries are getting a fair shake in international competition. Ensuring that the rights of U.S. patent, copyright, and trademark owners are protected as an issue of fundamental fairness. The present injury requirement under section 337 of the Tariff Act of 1930 an obstacle to ensuring fair treatment in patent based cases. Innovators must have confidence that the U.S. Government is on their side against foreign intellectual piracy if we are to reap the economic gains from our inventions. I urge you to join us in supporting this legislation to help reduce our trade deficit and to enable us to defend our industries against international intellectual piracy.

ON THE PASSING OF DANIEL E. LAMBERT

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Ms. SNOWE. Mr. Speaker, on February 15, 1986, the State of Maine and our entire Nation lost one of its most devoted and dedicated citizens—Daniel E. Lambert, known throughout our State as "Mr. Legionnaire."

For me, the name Dan Lambert is synonymous with accomplishment. From his valiant service with Darby's Rangers in World War II to his work as State legion commander and later State adjutant, Dan's life was filled with the ceaseless quest for veterans rights and for a strong, proud America. His was not a life of empty activity; Dan never veered in his crusade for fairness toward those who had served America and support of those still serving.

You could not help but be impressed by Dan—I certainly was. He always combined insight with inspiration, addressing the concerns of veterans—but in a way that touched the minds and hearts of nonveterans as well. To me and to my congressional colleagues from Maine, his was the voice of Maine veterans; his were the eyes which saw the vision for all of Maine's veterans.

What is perhaps most telling about Dan is that his voice, his vision, have not been stilled or darkened by his passing, and will not be in the future. Through his dedication and compassion, he imbued me and my colleagues with a greater sense of the lives Maine veterans wanted to live, of the contributions the men and women who served the United States had made and still wanted to make to country and community. It is a sensibility that will not fade.

Mr Speaker, in October 1984, I had the privilege to join in a testimonial banquet for Dan, and the outpouring of respect and affection would have been surprising if it were any one but that particular guest of honor. I recall, though, some words written in salute from the Daniel E. Geagan American Legion Post of Brewer, ME. Their salute sums up my sentiment about a man I can proudly remember as my friend:

"His is the light that did not fail;

"And his courage, an example, which shall live forever."

ECONOMIC AID TO NORTHERN IRELAND PROPOSED BY ADMINISTRATION

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. BIAGGI. Mr. Speaker, earlier today the Reagan administration presented their proposal for economic aid to Northern Ireland and the Republic of Ireland. It was presented during the course of a hearing of the Subcommittee on Europe and the Middle East.

I was proud to testify before the subcommittee earlier today on this new proposal as well as my own bills dealing with economic aid. I am the proud author of H.R. 2597 and H.R. 3772, bills to provide $500 million over 5 years to Northern Ireland and the Republic of Ireland. My sponsorship of these bills is based on my firm belief that economic assistance is a vital component of any political solution which may emerge for Northern Ireland.

As chairman of the 113 member ad hoc Congressional Committee for Irish Affairs, I have some deep concerns about the administration proposal which are addressed in my testimony before the subcommittee which will follow my statement.

It is my understanding that this administration proposal will be before the full House Foreign Relations Committee in the next day or so. I fervently hope some changes can be made in the original document to ensure that our aid tangibly helps both communities in Northern Ireland and is provided in a way to promote human rights.

At this point in the RECORD I wish to insert the text of the administration proposal as well as my testimony from earlier today.

STATEMENT OF HON. MARIO BIAGGI BEFORE THE HOUSE SUBCOMMITTEE ON EUROPE AND THE MIDDLE EAST

I am deeply grateful for the opportunity to testify at this morning's historic hearing of the Subcommittee on Europe and the Middle East, as you consider legislation to provide first-time economic assistance to Northern Ireland and the Republic of Ireland.

I am the proud author of the first two bills introduced in the 99th Congress to provide economic assistance to Northern Ireland and Ireland. I have been advocating legislation of this type since 1983, when I introduced a bill to provide $50 million in aid. In the nine years I have served as Chairman of the Ad Hoc Congressional Committee for Irish Affairs, I have recognized the need for, not only a political solution in Northern Ireland, but one which includes economic reform and redevelopment. I know I speak for the 113 members of the Ad Hoc Committee in expressing support to this Subcommittee for initiating House action on an economic development bill for Northern Ireland and Ireland.

My first bill, H.R 2597, is co-sponsored by 25 of our colleagues. It would authorize $500 million over five years in economic relief, rehabilitation and redevelopment assistance for Northern Ireland and Ireland. Under this bill, the Agency for International Development would maintain control over the distribution of our aid. In addition, my bill conditions the release of this aid, to the British government taking two important steps:

(1) Actively committing itself to discussions with all parties in the Republic of Ireland and Northern Ireland aimed at achieving a political solution.

(2) Declaring its intention to withdraw governmentally, politically, and militarily in a phased out orderly fashion from Northern Ireland.

My second bill, H.R. 3772, provides the same $500 million over 5 years, but drops the conditions for release of the funds. This measure was introduced immediately after the signing of the Anglo-Irish Agreement in the hope that the accord was a fragile first step forward by the British government toward a political solution.

I have been a member of this House since 1969. I believe that I know the legislative process well enough to know that the final product may not be either of my bills. However, I am proud to have pioneered the effort that has led us to this historic point today.

I am also acutely aware of the calendar. We are less than two weeks from the annual celebration of St. Patrick's Day. I would surmise that, whatever the legislative vehicle on economic aid, it is headed for a fast track.

However, I contend, in the strongest possible terms, that the mere providing of economic aid to Northern Ireland, without some specific conditions and assurances relative to its use and beneficiaries—could be a mistake and, indeed, be irresponsible. It will certainly not result in the kind of contribution, we all want our aid to make, to a lasting political solution.

On February 7 of this year, together with 21 of our colleagues, I sent a letter to Chairman Dante Fascell, relative to the issue of economic aid to Northern Ireland. I wish to reiterate the basic points of this letter:

(1) The most important goal of United States economic aid to Northern Ireland must be that it tangibly benefits both communities. To accomplish this, the United States must have a clearly-defined role in the distribution of our aid. I recommend that this legislation include specific language which makes it United States policy that any and all recipients of our aid implement and adhere to strong principles of fair employment and nondiscrimination.

I, therefore, explicitly call for linkage between American economic aid and the MacBride Principles. Named for Nobel Peace Prize winner, Sean MacBride, his principles call for employers to promote employment opportunities for Catholics and Protestants alike in Northern Ireland and prohibition against harassment in the workplace. The MacBride Principles are modeled after the Sullivan Principles, which continue as a corporate code of conduct for American companies doing business in South Africa.

I would add, Mr. Chairman, that this linkage between aid and the MacBride Principles is supported by the full AFL-CIO. Their distinguished Secretary-Treasurer, Tom Donohue, said in a recent statement, "If we are to provide government help, and I personally support such a system, we must

ensure that the affirmative action guidelines provided by the MacBride Principles are made the operating criteria for any U.S. aid package." In addition, the linkage is strongly supported by our Nation's leading Irish American organizations including: the Ancient Order of Hibernians, the Irish National Caucus, and the Irish American Unity Conference. It seems only consistent that we make this linkage the centerpiece of our aid package. Should we fail to, we hold ourselves vulnerable to charges of employing a double standard in our economic aid policies; and we make the people of Northern Ireland and Ireland the victims of this double standard.

Another important goal of U.S. economic aid to Northern Ireland is that it contribute to the elimination of the cycle of violence, civilian and official, which scars so much of daily life in Northern Ireland. To that end, I call on U.S. economic aid to be just that—and not be used in any fashion for security purposes, including intelligence activities.

It is critical that there be a definite degree of accountability associated with American economic aid to Northern Ireland and Ireland. I would urge that no aid be approved unless it is provided in full compliance with the human rights provisions contained in the Foreign Assistance Act. I would also urge that language be included to require regular monitoring, through annual presidential certifications that economic aid is being distributed in compliance with the letter and spirit of our law.

I would also fervently hope that the provisions of U.S. economic aid might provide some leverage in our efforts to get the British government to make some long-overdue reforms in the criminal justice system in Northern Ireland. It is perhaps the most visible symbol of the oppressive nature of British direct rule over the six counties. The most urgently needed reforms are the abolition of the so-called "Diplock Courts" and an end to the so-called "Supergrass" system, which permits the uncorroborated testimony of paid informants to be used to convict individuals.

On a related note, I strongly oppose efforts being made by Members in the other Body to link passage of economic aid to Northern Ireland to ratification of the controversial Supplementary Extradition Treaty between the United States and the United Kingdom. While the economic aid proposal represents a potentially positive United States contribution to the future of Northern Ireland, the Supplementary Treaty is cut from the opposite cloth and should be rejected.

I salute, today, the distinguished Speaker of the House, for his tremendous work on behalf of this issue; he, as well as, the Majority Whip, Mr. Foley, and I agree on one basic point. The need for future U.S. economic assistance in Northern Ireland is not in issue. Northern Ireland has the highest unemployment rate in all of Western Europe at 21.3 percent. This burden has fallen the hardest on the Catholic minority in the North. In the city of Newry, unemployment among Catholics is 60 percent. In Strabane, the rate is more than 50 percent. Some families are entering a second and third generation of unemployment, poverty, and despair.

I stress the fact that I have serious problems with any economic aid proposals advanced by Congress which allows the British government, whose policies are responsible for economic misery in Northern Ireland, to have any substantial degree of control over its distribution. As I understand the Administration-backed bill, it would provide $250 million in aid over five years to provide support to carry out the purposes of the Anglo-Irish Agreement. This agreement, and the aid, would be implemented and administered largely through the Intergovernmental Conference of the Anglo-Irish Intergovernmental Council.

Herein lies my greatest concern. It is far too early in the process to invest that type of responsibility in an unproven entity. In our euphoria to embrace the Anglo-Irish Agreement, let us not be naive in our expectations. This Intergovernmental Council is in name only. Unless and until the British government declares its intention to make changes in the existing political status quo in Northern Ireland—make no mistake about it—they will control this Intergovernmental Conference or any agency established under it. They will also control U.S. economic aid. The Dublin government, at this point, "only has a say" in the Intergovernmental Conference structure; and there are no indications that role will, in any way, be enhanced through passage of an American aid package.

The United States has a moral responsibility to help determine the destiny of any first-time commitment of economic aid to Northern Ireland. This Subcommittee has an especially direct role in the outcome of aid legislation. I have spent most of my Congressional career being involved in the Irish question. I feel uniquely privileged to be here today involved in a component of the eventual solution. All I advocate for today, is that we do not engage in selective morality in our economic aid to Northern Ireland. Let us recognize the problems of discrimination that exist in Northern Ireland, as we did in South Africa, and allow economic aid to be a catalyst to its elimination.

I genuinely hope that the legislation we are discussing today, and which you report out of your Subcommittee, will be a model of the kind of U.S. assistance which will help bring about a lasting political solution in Northern Ireland—a solution which I hope will be an Ireland which, like the United States of America, will be one nation, indivisible, with liberty and justice for all.

H.R. —

A bill to provide economic support for the Agreement Between the Government of Ireland and the Government of the United Kingdom, and for other purposes

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled

SHORT TITLE

SECTION 1. This Act may be cited as the "Northern Ireland and Ireland Assistance Act of 1986".

STATEMENT OF PURPOSE

SEC. 2. The Congress finds that the Agreement Between the Government of Ireland and the Government of the United Kingdom dated November 15, 1985, is a clear demonstration of British and Irish determination to make progress concerning the complex situation in Northern Ireland. The Congress strongly supports the Agreement reached by these two governments and is particularly encouraged that these two neighbors, faithful friends of the United States of America, have joined together to rebuild a land that has too often been the scene of economic and human misery. In recognition of our ties of kinship, history, and commitment to democratic values, the Congress believes that the United States should participate in this renewed commitment to social and economic progress in Northern Ireland and affected areas of the Republic of Ireland. To that end, the Congress finds that through the end of fiscal year 1990, $250,000,000 of development and economic resources and authority available under the Foreign Assistance Act of 1961 should be used to provide support to carry out the purposes of the Agreement, which will be implemented through the Intergovernmental Conference of the Anglo-Irish Intergovernmental Council and other appropriate agencies.

PROVISION OF ASSISTANCE

SEC. 3. (a) In addition to other authorities contained in the Foreign Assistance Act of 1961 or any other Act, the following authorities may be used to provide support and assistance to carry out the purposes of section 2 of this Act:

(1) Section 108 of the Foreign Assistance Act of 1961 (regarding the Private Sector Revolving Fund);

(2) Section 221 through 223 of the Foreign Assistance Act of 1961 (regarding the Housing Guaranty Program);

(3) Title IV of Chapter 2 of Part I of the Foreign Assistance Act of 1961 (regarding the Overseas Private Investment Corporation) without regard to the limitation contained in clause (2) of section 231 of that Act; and

(4) Section 661 of the Foreign Assistance Act of 1961 (regarding the Trade and Development Program).

(b) Assistance made available to carry out the purposes of this Act may be provided, for the purpose of implementing this Act, notwithstanding any other provision of law.

SEC. 4. In addition to amounts otherwise authorized to be appropriated for the fiscal year 1987 to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, there are authorized to be appropriated $20,000,000 to carry out such provisions with respect to Northern Ireland and affected areas in the Republic of Ireland.

SECTION-BY-SECTION ANALYSIS

The bill, the "Northern Ireland and Ireland Assistance Act of 1986", expresses Congressional support for the agreement reached by the Government of the United Kingdom and the Government of Ireland on November 15, 1985, which provides the promise of peace for the people of the area and commits those governments to a program to promote the economic development of Northern Ireland and affected areas of the Republic of Ireland. Section 2 of the bill sets forth a finding by the Congress that there should be a five-year program of economic assistance in support of that commitment, and that $250,000,000 of development and economic assistance resources and authority should be used for this purpose.

Section 3 authorizes use of AID's Private Sector Revolving Fund, the Housing Guaranty Program, activities of the Overseas Private Investment Corporation, and the Trade and Development Program as programs that could be used to provide economic assistance to Northern Ireland and Ireland. Economic aid appropriations and Export-Import Bank support for U.S. export sales to this area are also contemplated to meet this commitment. The actual amounts made available through each of the programs during the

five year period will depend on future authorized levels of activity for each program and the number, size, and types of projects that are generated. Section 3(b) permits assistance authorized to carry out this Act to be used notwithstanding any other provision of law. This is not intended to affect the total amount of resources or credit authority available for the programs from which assistance will be provided.

In addition to these programs, Development and Economic Support Fund (ESF) assistance may also be provided. An additional $20 million of previously authorized Economic Support Fund assistance will be requested as a supplemental appropriation for FY 1986. Section 4 authorizes the appropriation of $20 million of ESF funds for FY 1987.

THREE EAGLE SCOUTS FOR TROOP 95

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. GEKAS. Mr. Speaker, I would like to take this time to express my congratulations to three young men from Steelton, PA, Michael Houser, Christopher Adams, and Joseph O'Leary, who will receive the Boy Scout Eagle Award this Sunday. This event is always a special time for the family and friends of a man who receives such an award because it is a recognition of his dedication to his community and country. This presentation ceremony on March 9 will have an added significance because the three young men are all members of Boy Scout Troop 95 of St. John's Church, Enhaut, PA, under the guidance of Scoutmaster Tom Gustin.

Michael Houser, son of Kathleen and Robert Houser, has been involved in scouting for over 4 years and as a Webelo Scout earned the Arrow of Light. In 1982 he joined troop 95, earned tenderfoot rank, and attended junior leadership training conference at the Mack Scout Camp in Lebanon, PA. Since then, Michael has received second class, first class, star, and life ranks, participated as a counselor in training on the aquatics staff of Hidden Valley Summer Camp and served as counselor on Daniel Boone II junior leadership training course for Keystone Area Council at Hidden Valley. As a member of troop 95, Michael has served as scribe, quartermaster, patrol leader, senior patrol leader, den chief for Webelos Den Pack 195 and is currently an ordeal member of the Order of the Arrow. He is attending Steelton-Highspire High School where he is an active member of the chess club.

Christopher J. Adams, son of Mary and Jerry Adams, joined troop 95 in 1981 and has since received tenderfoot, second class, first class, star, and life ranks. Christopher has attended the junior leadership training program at Camp Hidden Valley, was elected to the Order of the Arrow as an ordeal member and has become a brotherhood member. He has received the Ad Altare Dei Award and is presently a member of the leadership corps. As a member of troop 95, Christopher has held the leadership positions of scribe, assistant patrol leader, patrol leader, and assistant senior patrol leader. As a sophomore at Bishop McDevitt High School, he is class treasurer, active in student council, marching band, choir, madrigals, drama club, and speech club. In April, Christopher will represent McDevitt at the Hugh O'Brien Youth Foundation Leadership Seminar.

Joseph A. O'Leary is the son of Vikki and Joe O'Leary. Joseph entered scouting as a Cub Scout in 1978 where he earned the Bobcat, Wolf, and Bear badges. Advancing to Webelos, Joseph earned 13 activity badges and the Arrow of Light. Joseph joined Boy Scout Troop 95 in 1981 and has received tenderfoot, second class, first class, star, and life ranks. He attended the 1983 junior leadership training course at Camp Hidden Valley, was elected as an ordeal member into the Order of the Arrow, and became a brotherhood member of the Order of the Arrow. As a member of troop 95, Joseph has held the leadership positions of scribe, den chief, patrol leader, instructor, assistant senior patrol leader, senior patrol leader and is presently a member of the leadership corps. Joseph is a sophomore honor student at Bishop McDevitt High School where he is a member of the student council, debate team, drama club, in which he has received several awards, and has received many awards in oratorical contests as a member of the speech club.

These three young men have shown excellent service and leadership capabilities in their work with the Scouts and should be congratulated for earning this very distinguished achievement. I wish them good luck and great success in the future.

THE IMPORTANCE OF CHAPTER 1

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. TALLON. Mr. Speaker, I rise today in strong opposition to Secretary of Education William Bennett's proposal to convert the current Chapter 1 Program, which provides remedial educational services to disadvantaged students, into a tuition voucher program. I strongly oppose this proposal as an affront to the quality of our public school system and our Nation's democratic tradition.

Irrefutable evidence shows Chapter 1 to be effective in raising student's reading and math scores and their general achievement levels. Chapter 1 is serving several hundred thousand fewer students today than 5 years ago due to administration budget cuts. Already, the needs of only 30 percent of eligible children are being met by the program. Secretary Bennett's proposal to provide parents with vouchers which can be used for tuition at public or private schools would dismantle this proven program.

In addition to jeopardizing the Chapter 1 Program, the Secretary's proposal would have a damaging effect on important aspects of our democratic process, civil, and constitutional rights. Enactment of this proposal would be at the expense of the majority that our educational system was designed to serve. The end result would be the subsidization of private education at cost to our public school system and its remedial programs. Even though the voucher would double the number of private school students, 80 percent of our country's students would still be educated in public schools. This voucher plan would reduce the moneys available to the public schools, resulting in a dramatic reduction of services and a decrease in the number of children provided special remedial services.

Although the administration's alleged intent in promoting the voucher program is to give parents a choice, implementation of the voucher program would actually limit parental choice. Under the plan, the average amount of the voucher, less than $600, would not cover enough of the cost of nonpublic schools to offer low-income families any kind of meaningful choice, since the average private school tuition is about $1,500.

Second, this plan would potentially infringe on our civil rights. Currently, Federal aid is conditional upon the prohibition of discrimination based on race, age, sex, and handicap. Yet, because vouchers are not considered Federal aid, it is possible that some schools receiving vouchers would be exempt from civil rights laws.

Finally, the proposal raises serious constitutional questions. Since voucher funds go into the general operating fund of private schools, Federal money could be seen as subsidizing religious instruction and have the effect of promoting religion.

The voucher plan is a $3.2 billion experiment based on inadequate and inconclusive evidence. This plan would create inequities through the myth of parental choice. Choice for the disadvantaged would be limited through the selective admissions of nonpublic schools, varying tuition costs, geographical location, and lack of information. It seems quite clear that this is an experiment is to eliminate the Federal role in education at great cost to America's future.

BUDGET CUTS WILL BREAK THE BACKS OF AMERICAN WORKERS

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. LIPINSKI. Mr. Speaker, the bulk of administration cuts are targeted on programs essential to the Midwest region of this country which have been instrumental in stimulating economic growth, creating new jobs, and meeting the needs of the middle class, the elderly and young. In spite of these improvements, the Midwest still lags behind other regions of the country in overall economic growth and prosperity.

Although I agree in principle that keeping America stong and free is the primary responsibility of the Federal Government, we have embarked on a course which has created a dangerous gap that threatens our position as the world model of democratic ideals and the free enterprise system.

According to Defense Secretary Caspar Weinberger, during the past 5 years the

Reagan administration has spent nearly a trillion dollars in defense funding which has made significant progress in strengthening our military capabilities. However, as we approach the crossroads of budget cutting, the President has failed to strike an equitable balance between military and domestic spending that will adequately address the deficit crisis. If President Reagan wishes to sustain a realistic commitment to national defense at the level he suggests, there are only two viable options available to him: (1) pursue a policy which virtually ensures the demise of worthwhile domestic programs, or (2) propose a tax increase that will accommodate the President's military program without destroying the dreams of the American family.

There is, I believe, a more equitable and compassionate option available to the President which is simply to trim more fat from a military budget that advocates million dollar spending on some obsolete noncombat-efficient weaponry and a cross continental superspaceship and place these moneys back into effective domestic programs that give all Americans an opportunity in our society. Specifically, the President must begin to: (1) implement new procurement methods advocated by Congress, (2) eliminate the duplication of weaponry in the various branches of the armed services, and (3) persuade our developed and industrialized allies to assume a greater responsibility in realizing the cost of their own self-defense.

In his State of the Union address, President Reagan said that not long ago America was a "land of broken dreams" owing to burdensome government, but that America is back on the move, an economic miracle. He promised to "redefine government's role . . . to help in times of need; above all, to create a ladder of opportunity to full employment—so all Americans can climb toward economic power and justice on their own."

Under the guise of this rhetoric where the President so eloquently championed the cause of the free enterprise system, he also pledged to develop the Washington to Tokyo 2-hour superspaceship which he named "a new Orient Express." The next day, in sending his fiscal 1987 budget to Congress, he asked for more than $200 million for research on this spaceship next year and $300 million the year after that. If research looks promising, a prototype would cost approximately $3 billion.

Unfortunately, the airlines cannot afford the development costs of this project, but apparently President Reagan believes the taxpayers can. Eighty percent of the funding for this passenger airplane will not come from the free enterprise system but from a defense department appropriation under our so-called burdensome Government.

Just recently one of the most comprehensive studies ever made of displaced workers was published by Congress' Office of Technology Assessment [OTA]. This nonpartisan Agency has stated that between 1979 and 1984, 11.5 million American workers lost their jobs in the fast moving economic revolution that is replacing assembly line factories with computer service industries. According to OTA, about 40 percent of those workers have not found another job. Many are middle-aged males who have provided their former employers with many years of dedicated service. Of those fortunate enough to find other employment, 40 percent ended up earning less.

The OTA study has also indicated that better paying jobs in the new service industries require skills that most displaced workers lack. Millions need help, but government programs reach not more than 5 percent of them and those programs emphasize the wrong things—job placemenmt—when what the jobless workers need is job skills, the report said.

Instead of attacking this problem head on, the President proposes to do less than ever. Federal job programs were given $3.8 billion in 1985, $3.5 billion in fiscal 1986 with a request for $2.91 billion in fiscal 1987. Of that amount, he plans to utilize only $100 million for a program specifically designed to aid displaced factory workers. Ironically, this figure amounts to one-half of the appropriation he seeks in 1987 for the "Orient Express."

These two issues concerning the unemployed workers and the superspaceship are truly indicative of the great disparity which presently exists over the debate on the role the Federal Government should play in America today. President Reagan continually speaks of the taxing effects a burdensome Government has on national progress along with a need to revive the free enterprise system while failing to address the poignant question of why the middle-aged blue collar workers from Chicago and other major industrial cities across this country continue to join the unemployment rolls.

The administration budget proposed that we abandon our investment in our most valuable national resource—the American work force. Drastic funding cuts in educational spending, veterans medical care and community development grants is not the way to cure the deficit epidemic.

In addition, major urban programs would be eliminated or severely cut back under Reagan's budget. The city of Chicago alone would lose the following assistance programs: General revenue sharing; urban development action grants; community service block grants; weatherization assistance; and CTA operating assistance. Termination of these programs combined with substantial cuts in other Federal grants results in a loss from 1985 city service levels of over $400 million. This round of cuts follows the estimated $155 million loss in 1986 major grant cuts. Cumulative losses in program funding levels over the 2-year period total more than one-half billion dollars.

If these cuts are enacted, services in virtually every aspect of life would be adversely affected including: Transportation, community and economic development, job training, and health and human services. Without a reversal of the proposed cuts, the city of Chicago will be forced to eliminate its most basic services.

We must begin again to support programs that will focus attention on the plight of middle class America, that will restore dignity and pride to our elderly, that will provide our youth with the opportunity to make their dreams a reality but, most importantly, will keep the doors of hope and employment opportunities open to our displaced workers.

Unfortunately, the closest that many of our American workers will ever get to President Reagan's proposed "Orient Express" will be by watching the taxpayer funded superspaceship fly over them as they stand in the lines of unemployment.

LUPUS AWARENESS MONTH

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. LEVINE of California. Mr. Speaker, I rise in support of House Joint Resolution 531, designating the month of October 1986 as "Lupus Awareness Month."

Over 500,000 Americans have been struck with lupus erythematosus, including a dear friend of mine, who has courageously fought this disease for years. This puzzling disease may be misdiagnosed as arthritis, anemia, neurosis, epilepsy, or one of several other diseases it frequently mimics. Although lupus may go undetected in some victims and never require medical attention, in other victims it is tragically fatal.

Discoid lupus usually affects only the skin, often causing extreme sensitivity to the Sun, but systemic lupus, usually the more severe form, can affect virtually any internal organ, as well as the skin. While systemic lupus usually affects young women in the child bearing years, discoid lupus victims are mostly in middle age. But victims of both forms come from every age group, both sexes, and all walks of life. No one is immune from this disease.

Although the cause of lupus is not understood, it is known that lupus is not a contagious disease.

There is no cure for lupus, but with proper medical treatment, the disease can usually be brought under control. Twenty years ago, only 40 percent of systemic lupus victims were expected to live more than 3 years. Now, over 90 percent will survive 10 years or more. This tremendous advance can be credited to better diagnosis, evaluation, and treatments. Continued advances will not only increase life expectancy but will improve the quality of the lives of lupus victims as well.

I urge my colleagues to support House Joint Resolution 531 "Lupus Awareness Month" to promote citizen education and awareness of this disease.

THE GRAMM-RUDMAN IMPACT: NOT A PAINLESS ONE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. BROWN of California. Mr. Speaker, last December in our rush to make some concrete effort to reduce the deficit, Congress passed the now infamous Gramm-Rudman-Hollings Emergency Deficit Control Act. This was a misguided attempt to control deficits which, despite efforts by Congress to reduce spending and close tax loopholes, were projected to

continue at $200 billion each year as far as the eye can see.

More importantly, however, our action was simply an abdication of our constitutional responsibilities to appropriate funds. Instead of making the hard choices, we formulated an automatic and autocratic deficit reduction mechanism. This year, this mechanism requires an $11.7 billion cut in already appropriated funds. This $11.7 billion cut is to be divided equally between defense and nondefense expenditures. The General Accounting Office [GAO] has determined that, for nonexempted or restricted programs, this will require a 4.3-percent across-the-board cut in nondefense programs and a 4.9-percent across-the-board cut in defense programs.

These are figures which have been bandied about in Washington for the last several months. But how do they trickle down to State and local governments, to families and individuals? On March 1, these cuts went into effect. Long before, however, there were indications that this indiscriminant cutting would have adverse effects on all Americans.

Last year was the second worst year for fatalities in American aviation history. Despite the growth in air traffic, the number of air traffic controllers still remains below the pre-PATCO strike in 1981, when the vast majority of controllers were fired. The Nation's air traffic control system is seriously stressed in terms of the controller work force, and the level of safety is steadily diminishing. Last fall, Secretary of Transportation Elizabeth Dole indicated that 1,000 new controllers would be hired in 1986 and 1987. Yet Gramm-Rudman would force cuts in this vital area.

The Internal Revenue Service was justifiably criticized for the chaos it made of tax returns last year. Delays on tax returns were excessive, massive errors were made, and some forms were destroyed. But, in the last year, efforts have been made to correct these problems by improving the new computer programs, providing more data processors, better training, and improving taxpayer/IRS employee disputes. Processing tax returns this year is expected to be dramatically improved. Yet, Gramm-Rudman would force cuts in this vital area.

The Customs Service was told by Congress to increase its work force and check the flow of illegal drugs into the United States. But the cutback of 100 United States Customs agents and the end of Federal funding for the Western States Information Network may threaten a crackdown on drugs crossing the Mexican border. The number of cocaine seizures along the California border jumped by 81 percent between 1983 and 1984, and that pace is accelerating. Customs agents at San Ysidro seized more cocaine in the last 2 weeks of October than in the entire 1984–85 fiscal year. Yet, Gramm-Rudman would force cuts in this vital area.

The Gramm-Rudman measure is pennywise and pound foolish. At the end of January, I asked local officials in my district what impact the Gramm-Rudman legislation would have on them. The responses have been disconcerting, particularly regarding those programs which effect our children. For example, the Alvord Unified School District predicts that reductions of approximately $38,000 in aid to disadvantaged elementary students will result in 90 students losing services.

The Board of Education of the Jurupa Unified School District explains why the board strongly opposes these reductions.

Our Board of Education believes that a reduction in funds for federally supported education programs is a step backward. A Nation At Risk indicated a need for educational improvements and increased funding. Next to national defense, the education of our children is this country's only hope for prosperity and national security. Our country's economic well-being is dependent on a more educated work force.

The responses of the San Bernardino and Riverside Counties district attorneys also illustrates the short-sightedness of Gramm-Rudman. In order to meet the funding reduction imposed under the Federal Office of Child Support Enforcement, child support officers in San Bernardino County would have to be reduced from 48 to 38. Each officer generates approximately $450,000 per year in child support payments. The collective impact of losing 10 child support officers could be a net reduction of as much as $4,500,000 in lost child support, along with a loss of incentive revenues totaling $605,500. This kind of funding reduction could prohibit providing child support enforcement to more than 9,000 children in San Bernardino County.

In Riverside County the problem is much the same. Like countless States and local communities, its fiscal year began July 1. These entities will have difficulty picking up, and planning for, the financial burden of reduced services for this year and next as Federal contributions are cut in a haphazard manner. Under the Riverside Child Support Program, the Federal contribution will be reduced from 70 percent to 66.65 percent this year, and may drop to between 45 to 50 percent under the President's proposed fiscal year 1987 budget.

Other local officials describe reductions in community development programs, social services, aging agencies, job training, flood control assistance, highway construction, housing programs, Medicare, programs which provide daily lunches for about 10,000 senior citizens, and Head Start education for some 1,700 disadvantaged preschool children in San Bernardino County.

The list of those adversely affected in our community could continue: reductions at the ballistic missile office at Norton AFB could require personnel cuts; veterans benefits—from education and training benefits to home loan guarantees—will be reduced; fees could be increased for use of public lands, including possible charges to enter the San Bernardino National Forest; reductions in defense contracts could require personnel cuts in local defense-related industries; Federal and military retirees have already had their January cost-of-living adjustments eliminated.

Nearly every constituent, nearly every Californian, nearly every American will be adversely affected by these reductions. Even more ominous is that the next round of budget reductions, starting October 1, could be about five times greater, or approximately 20 percent for domestic programs. Gramm-Rudman is not a responsible nor a humane method of reducing the deficit.

Before we force our Federal agencies, State governments, and local communities to suffer through another round of chaos, Congress must confront the problems of its own last minute action. The Gramm-Rudman-Hollings measure received no hearings and was held hostage to a measure which Congress had to pass—the debt ceiling limit—or bring the entire Federal Government to a standstill. This experiment in deficit reduction may, in fact, bring reduced deficits. But at what cost to our Nation? At what cost to our people?

Congress must reassert its constitutional responsibility. Last fall, I joined a number of my Democratic colleagues requesting that the Budget Committee devise a Democratic alternative which would balance the budget by fiscal year 1988. We continue to believe that the way to get public support for a serious assault on the deficit is to propose a plan that actually eliminates the deficit, and does so in an equitable way. People are understandably opposed to benefit cuts or tax increases if they know they are being singled out and if they know, too, that their sacrifice won't put an end to deficits. But if we come up with a plan that spreads the burden equitably and balances the budget, the public will accept the necessary measures.

If dealing with the deficit is politically painful now, think of what it is going to be like in the coming years when we are faced with imposing really drastic spending cuts and tax hikes. This year may be our last opportunity to get the deficit under control by passage of some reasonable measures. Those measures need only be relatively modest—if we act now.

The high deficits are a threat to the well-being of our Nation, but indiscriminant cuts and arbitrary deficit targets will not mitigate these very real problems. Congress must work together with the executive branch to realistically and equitably reduce these deficits. I urge my colleagues to repeal Gramm-Rudman, and begin the process anew. As representatives of the people, we must shoulder the burden of establishing priorities which reflect the safety and well-being of our Nation's citizenry, not merely for today, but for tomorrow and for the future.

AN EXAMPLE OF VOLUNTARISM

HON. PAT SWINDALL

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. SWINDALL. Mr. Speaker, it is a particular privilege for me to rise to call attention to a lady from my district who by her works has exemplified a high standard by which we all should live.

This standard that we have been given is one we have heard many times before: "Love your neighbor as you love yourself." Mrs. Massey's life is the embodiment of this standard. Her volunteer efforts have inspired her community for years.

Vivian Price, general news editor of the DeKalb News-Sun, of Decatur, GA, calls her "the closest thing we have to a saint."

For 21 years, Mrs. Massey, whose mother suffered from cancer, has volunteered her

time with the American Cancer Society. She has sought to ease the discomfort of cancer victims and their families. She is a founding member and vice-president of the North DeKalb County chapter of the American Cancer Society.

As a volunteer leader, she oversees 34 other volunteers and is primarily responsible for raising funds to support the American Cancer Society's education programs and patient services in our area.

Recently, she initiated a local antismoking campaign for students called "Huff the Puffless Dragon." The program has been widely used throughout DeKalb County, particularly for younger children, to illustrate to them the health risks of smoking.

Another program under her guidance provides wheelchairs and other medical equipment for cancer patients. Much of Mrs. Massey's time is spent providing transportation for cancer patients to the hospital for treatment or therapy or for family members visiting recovering patients.

Under her direction, the American Cancer Society also operates a clothing and food pantry for use by needy patients and their families upon leaving the hospital.

"Her goal," says Vivian Price, "is to make the patients and their families as comfortable as possible."

Each year, Mrs. Massey and the North DeKalb chapter serve others as they would themselves. On call 24 hours a day for the benefit of her patients, she works with 180 families each year in the Dekalb area whose lives have been affected by cancer.

Her work with cancer patients has shown her other needs in the community.

As a result, almost 15 years ago, in cooperation with her church, the First United Methodist Church of Chamblee, she began her "Doorstep Mission." This volunteer effort has grown into a ministry serving more than 5,000 people a year.

Operating from her home in Chamblee, the effort attracts contributors and beneficiaries from as far away as Illinois. Last year her mission took in and distributed more than $2 million worth of food, clothing and shelter to the needy and hungry in an area many generally consider to be fairly prosperous.

Mrs. Massey also helps educate some of the people she and the Doorstep Mission assist. By giving people an opportunity that others wouldn't, many of those she has helped have gone on to establish themselves and become contributors to the Doorstep Mission.

Vivian Price recounts:

Recently, a family of five appeared at Elsie's doorstep, not an unusual occurrence since she is widely-known for her compassion and helpfulness. The family had lived in their car for six weeks and had not eaten in three.

Mrs. Massey took the family in, allowed them to shower, fed them, clothed them, and found the husband employment.

The Doorstep Mission put them up in a local hotel until they could afford an apartment of their own. Elsie and her organization also assisted the wife, who was pregnant, and their small children.

But the real success of this volunteer effort is what followed. This family, given a helping hand, now regularly supports the mission with a $50 check each month. Whenever additional furniture is available, this family is quick to see that it gets to Mrs. Massey to be put to good use.

One of the most memorable examples of Mrs. Massey's helpfulness comes from a Christmas not long ago.

Three days prior to Christmas, a man from her neighborhood called. He had been laid-off from his job with the city of Chamblee. His rent and utility bills were all past due. In desperation, facing a Christmas without being able to provide for his family, he took a gun and demanded the city reinstate him in his former position.

Mrs. Massey was alerted and began to pray for the man.

Thirty minutes later, a man from the community called her saying he felt the desire to help someone this Christmas, and did she know anyone he might be able to help

That evening, the caller paid the former city worker's rent and utility bills, bought the family a Christmas tree and helped decorate it.

It wasn't long after that that this man was offered a job—by the same man who paid his past-due bills.

It was during this time that the little girl of this desperate man looked up at Mrs. Massey, who coordinated the entire project, and said, "You must be Miss Jesus."

Mrs. Massey's hopes are, as mine, that any recognition she receives as a result of this tribute will result in a greater awareness of the needs of people in our own communities. Perhaps Mrs. Massey's dream of a permanent shelter for homeless in the community can be realized.

She carries her volunteer spirit over to her church by serving in her seventh year as president of Chamblee Methodist's UMW group and vice president of the Chamblee-Emory district of UMW's.

She even finds time to work part time at the Chamblee High School cafeteria during lunch hour. All the money she makes there goes directly to either the Americn Cancer Society or the Doorstep Mission.

The point of this tribute is to recognize the efforts of a tremendous lady. But, as much as it is to recognize her, it is to draw attention to the spirit of voluntarism—people serving others with their time and resources.

As our Nation continues to grow, we are learning that there are some things better and more properly done by individuals than government. Government institutions are simply incapable of meeting all human needs. And it is encouraging to see examples of individuals who are themselves taking the responsibility for the needs of their community.

For this, I commend Mrs. Elsie Massey.

MEDFORD LIBRARY CONTINUES TO GROW

HON. H. JAMES SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. SAXTON. Mr. Speaker, I would like to take this opportunity to commend the citizens of Medford, NJ, for the work they are doing to promote and develop their local library.

The Pinelands Library was a rather modest facility when it first opened its doors in 1972. Since then there has been a continuous effort to improve and enlarge the physical facility, as well as the collection. These efforts culminated in a ribbon-cutting this past Sunday officially opening a new addition. I was pleased and honored to join in the ceremony.

Increasing the size of the library seemed unavoidable. Located on Main Street, in the hub of the community and not far from schools, it is a constant center of activity. The library currently lists more than 9,500 cardholders. And in 1984, there were 135,000 borrowings of books and other resources.

This growth did not come about without considerable citizen interest and cooperation. The local governing body provided for the building itself. Most of the library's collection is provided by the Burlington County Library system, and Pinelands is a branch of that system. Finally, the Friends of the Pinelands Library—some 750 strong—has succeeded in raising the funds to furnish the facility.

I want to express my gratitude to Medford Mayor Paul Long; county library director George Brown; and, president Harry F. Harrison of the Friends of the Library, for allowing me to participate with them in the reopening of what most assuredly is a bigger and better library to serve the people of the Medford area.

Mr. Speaker, the citizens of Medford have every reason to talk about their library with pride. They have worked to make it vital part of their growing community, and I commend them for their efforts.

TRIBUTE TO RONNIE DeSTAFANO

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. FLORIO. Mr. Speaker, I would like to bring to the attention of my colleagues the outstanding accomplishments of Veronica "Ronnie" DeStafano, a resident of New Jersey's First Congressional District.

Ronnie has demonstrated a wonderful spirit of voluntarism for over 20 years. As a member of the Maple Shade Independent Fire Co., Ronnie has been committed to the effort of saving lives.

Ronnie is serving her 15th year as president of the ladies auxiliary of the independent fire company, she also serves as recording secretary of the ladies auxiliary of the State Fireman's Association. Ronnie further serves the citizens of Maple Shade as past president of the Parent-Teachers Association and as an active member of the Maple Shade Women's Club.

On Saturday, March 8, I will have the distinct pleasure of joining Ronnie's family and friends in honoring her for 20 years of dedication and commitment to Maple Shade.

Mr. Speaker, I am sure that our colleagues would want to join in congratulating Ronnie

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DeStafano and in thanking her for her many outstanding contributions to the community.

POLISH-AMERICAN HERITAGE MONTH, AUGUST 1986

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. BORSKI. Mr. Speaker, I am very proud today to introduce a joint resolution designating August 1986 as Polish-American Heritage Month. This resolution is an important recognition of many great contributions that Poles and Polish-Americans have made in American history, and a recognition of the many important values that Poles and Americans share. Fifty-six of our colleagues join me as original cosponsors and I urge all our colleagues to join in support of this legislation.

I insert the text of the resolution in the RECORD:

Whereas, since the first immigration of Polish settlers to Jamestown in the 17th century, Poles and Americans of Polish descent have distinguished themselves by contributing to the development of arts, sciences, government, military service, athletics, and education in the United States;

Whereas Kazimierz Pulaski, Tadeusz Kosciuszko, and other sons of Poland came to our shores to fight in the American War of Independence and to give their lives and fortunes for the creation of the United States;

Whereas the Polish Constitution of May 3, 1791, was modeled directly on the Constitution of the United States, is recognized as the 2d written constitution in history, and is revered by Poles and Americans of Polish descent;

Whereas Americans of Polish descent and Americans sympathetic to the struggle of the Polish nation to regain its freedom remain committed to a free and independent Polish nation;

Whereas Poles and Americans of Polish descent take great pride in and honor the greatest son of Poland, His Holiness Pope John Paul II;

Whereas Poles and Americans of Polish descent take great pride in and honor Nobel Peace Prize laureate Lech Walesa, the founder of the Solidarity Labor Federation;

Whereas the Solidarity Labor Federation was founded in August 1980 and is continuing its struggle against oppression by the Government of Poland; and

Whereas the Polish American Congress is observing its 42d anniversary this year and is celebrating August 1986 as Polish American Heritage Month: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That August 1986 is designated "Polish American Heritage Month," and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

THE WONDERFUL TRADITION OF TWINNING

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. ATKINS. Mr. Speaker, as cochairperson of the Congressional Caucus on Soviet Jewry for the 99th Congress, I would like to commend Andrew White, a Framingham constituent on his efforts to link his Bar Mitzvah celebration with a Soviet youngster, Mikhail Yusim.

One of the most important times in the life of a Jewish youngster is the celebration of the joyous ceremony of Bar or Bat Mitzvah. These youngsters in the United States are able to treasure this day in their memories as a day of family celebration and an advancement to adulthood.

Our brothers and sisters in the Soviet Union are not able to enjoy such festive and memorable occasions. Their religious celebrations must be hidden behind a cloak of secrecy; they must deny their beliefs or live in fear that they will be punished for their religious choice.

For those adolescents in the Soviet Union, who are not able to celebrate the traditions of their religious heritage, a wonderful tradition has been started, "twinning." "Twinning" is the pairing of a free youngster who is able to celebrate his or her Bar or Bat Mitzvah and other religious holidays with a Soviet Jewish youngster who is unable to do so.

Oftentimes we take for granted the freedom of religion. Our friends in the Soviet Union do not have this same luxury. The Constitution which our forefathers wrote 200 years ago endures today. This Constitution serves as an omnipresent symbol for those people who dream of the establishment of a country where they would not be persecuted for their religious beliefs, a society where people could truly worship as they chose without fear for their lives.

I offer my congratulations to these two fine young men on the occasion of their Bar Mitzvah. It is my hope that someday, Soviet youngsters will be able to celebrate their own Bar/Bat Mitzvah, with the same freedom and happiness that their American brothers and sisters enjoy.

RESTRICTING USE OF GOVERNMENT VEHICLES

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mrs. LLOYD. Mr. Speaker, yesterday the House passed by voice vote H.R. 3614—to restrict the use of Government vehicles for transportation of officers and employees of the Federal Government between their residences and places of employment. Had there been a recorded vote on this bill I would have voted yes.

The time for deficit reduction is now and difficult decisions must be made on the basis of our national priorities. Clearly, providing a Government vehicle solely or even principally to enhance the comfort or convenience of a Government officer or employee is unconscionable. The administration has proposed severe budgetary restraints in domestic programs such as education, housing, health care and transportation, and I think its about time for the administration to start practicing what it is preaching to others. This bill is a positive step in that direction.

The need for a change in the law is clearly evident. The general law governing such transportation has not been substantively changed since 1946 and since then abuse of this privilege has escalated. By specifically providing home-to-work transportation for a limited number of officials, this legislation will end the confusion over who is entitled to this privilege. It will also assure uniformity and consistency by limiting such transportation to official business.

I applaud my colleagues for joining me in giving resounding support to this resolution.

ANNETTE BAIRD, WINNER OF "VOICE OF DEMOCRACY" COMPETITION

HON. RICHARD STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. STALLINGS. Mr. Speaker, I would like to take this opportunity to share with you a speech written by Miss Annette Baird. Miss Baird was the Idaho State winner in a competition sponsored by the Veterans of Foreign Wars, the "Voice of Democracy." I found her speech inspirational. I am sure you will too.

I once stood on a rock overlooking the ocean. Although the day was clear and the ocean calm, I could only see so far. The line which closed off my vision was the horizon. I was quite small at the time, and I had the misconception that if I could reach the horizon I would have gone as far as I could go. But in growing older I have discovered that upon reaching a horizon, a new horizon appears.

In looking at the history of our country I see a proud and strong people striving, working for and reaching horizon after horizon, climbing mountain after mountain in conquering a land, forming a democratic government, and creating a better life for those who would follow. Now, the mountains crossed, we stand at a seashore, ready to branch out to a thousand new horizons.

America's youth has a chance to reach for the stars, literally. Our space program is growing every day. Even ten years ago a shuttle that could be sent up into space and come back intact was nothing more than a science fiction prodigy. Now, it is a reality! We have built our ship, and now, as our forefathers did, we are ready to cross a new sea, explore what we find, and bring more knowledge and understanding to our world.

In human technology our country has reached an unsurpassed mark. A book I once read, with no intended reality, explored the possibilities of recreating wounded body parts much like a starfish does its arm. "Impossible," I thought at the time, but it is a subject on the horizon. Already scientists have been able to clone single cells. They have also been able to change or correct the order of the gene-making mate-

rial in our bodies. Such advances are astounding and could be wonderful, exciting, and life saving. But there are dangers too. This is where we, as America's youth, must show the pride, strength, and integrity our country is founded on. Care must be taken to insure that this wondrous technology is never misused.

Another frontier yet to be conquered is that of coping with an ever growing world. From the sea to the laboratory, young scientists strive to discover new ways to grow and obtain food more efficiently, and, as is America's tradition, they are using what they find to help the world as a whole.

There is a distant and ancient horizon that my generation, as all generations before it, will strive to achieve; that of political world peace. It has always been an impossible task, but our country has given us, its upcoming strengths, a solid background of facing each new challenge squarely, and of being a respected world leader. America gives its youth more moral, political, and social learning opportunities than any other country. Its standards are of pride and integrity.

With such values instilled in my life, I have a duty to know the issues and be ready to face them. I will get involved in the government, of which I am meant to be a part. This is of as great an importance as any technological find. Our country's having the support and strength of its people is what makes it possible for Americans to attain so much. If I don't play an active part in our government, I am robbing myself. America's youth must be ready to continue the pattern of striving for excellence put down over two hundred years ago.

I live in the richest of all times in the greatest of all places. I am able to do almost anything with my life. But, whatever it is I do, I'll never forget that though, in some way, I might help America grow, it has given me more than I can ever repay, and like a loving parent, all it expects is for me to be at my best; to strive and to grow, to reach new horizons, and most of all, to leave tomorrow's youth with more opportunities than ever before.

SAVE AMERICA'S FARMERS AND AGRICULTURE

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. HUBBARD. Mr. Speaker, last week I visited in my office with a large number of farmers from Kentucky who had traveled to Washington. During my meetings with these farmers, I was particularly impressed by the excellent 3-page article that was given to me by Christopher E. Cook, the 17-year-old son of Virgil and Linda Cook of route 4, Marion, KY.

Chris Cook lives on a farm in Crittenden County, and his parents are active farmers. A senior at Crittenden County High School, Chris plans to enter Transylvania University in Lexington, KY., this fall.

I am very impressed by the excellent comments contained in Chris Cook's article about agriculture and America's farmers. I urge my colleagues to read the comments contained in his article entitled "Agriculture: The Heart of the American Economy." The article is as follows:

AGRICULTURE: THE HEART OF THE AMERICAN ECONOMY

(BY CHRISTOPHER E. COOK)

Agriculture, the heart of the American economy, is experiencing an economic depression comparable only to the Great Depression of the late 1920's and the 1930's. If the economic situation of agriculture continues to deteriorate at its present level, its valuable attribute of providing abundant food supplies at uncommonly low prices will be but a memory. In fact, as America prepares to enter its third century, the last hope of a solid economic recovery for agriculture will have disappeared in a period of a few years. However, solutions to this demanding issue can be achieved if the actual and not the apparent barriers to a solid agrarian economy are discovered and eliminated.

Upon a thorough analysis, several barriers to a sound agri-economy are evident, including federal agricultural product price supports and reserves, inheritance tax on farmland, and sales tax on farm equipment and supplies. Other barriers include foreign competition, the high cost of production, a lack of credit for farmers, overproduction, and poor farm management. To eliminate each of these barriers, a comprehansive program, which would take effect over a period of years, would be required.

Initation of an agricultural economic stabilization program would be characterized by the immediate elimination of federal agricultural price supports and the gradual liquidation of federal agricultural reserves. To cushion the loss of price supports, farmers would be granted a proportion of the crop or crops which they produce from the federal reserves equivalent to their annual price support over the period of liquidation. Farm production would be limited only to that acreage suitable for tillage and would be regulated from this point forward to insure that the supply of agricultural products did not exceed their demand. Allowing the agricultural market to regulate itself, independent of artificial stabilizers, is the primary goal of this portion of the program.

Secondly, inheritance tax, which generates only a small percentage of the governments's annual revenue, would be discontinued as would sales tax on farm equipment and supplies. Tax incentives to those businesses giving discounts on farm equipment and supplies would also be offered by the government. Lowering the cost of production and increasing profits for farmers, this segment of the program would generate revenue exceeding the amount that the government relinquished.

Additionally, farmers would be required to consolidate their liabilities into one loan from a private lending agency at a federally-insured interest rate. This component of the program would eliminate federally-administered agricultural lending agencies which would conserve federal revenues. From this conserved capital, private lending agencies would be reimbursed the difference between public interest rates and federally-insured interest rates obtained by farmers. With the goal that farmers will eventually reach a point wherein their financial situation will allow them to secure loans at public interest rates, this section of the program would be reviewed annually to determine if its continuation would be necessary. Allowing the private sector to perform government duties would further remove the problems of artificial stabilizers.

Finally, in order to receive their proportion from the federal agricultural reserves, farmers would be required to enroll in a series of farm management seminars offered by the agricultural extension offices. These programs would assist farmers in streamlining their management practices, which would aide in maximinzing the efficiency of the American farm.

With the implementation of this entire program, the agrarian economy would stabilize with farmers increasing their profits at lower prices, thus eliminating the final barrier of foreign competition. With lower prices, American agricultural products would be competitive with foreign products on the international market thereby ensuring the continued stability of the American agri-economy.

Into America's third century, the stability and the vitality of the agricultural economy are seen as the keys to the stability and the vitality of the entire economy. Through the implementation of such programs as previously described, the heart of the American economy will regain its stability and vitality as will the blood of the economy, the American farmer.

A TRIBUTE TO JOHN N. McMAHON

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. HAMILTON. Mr. Speaker, John N. McMahon, the Deputy Director of Central Intelligence, is retiring at the end of March. John has devoted over 34 years to the Nation's service in the Central Intelligence Agency. For the last 4 years, he has been the Deputy Director of Central Intelligence.

All of us who have had an opportunity to work with him over a period of years know that he is a highly professional public servant. He has had an enormously distinguished career at the Central Intelligence Agency.

Prior to his appointment as the Deputy Director of Central Intelligence, he served as the Deputy for Operations and as the Deputy for Intelligence, the office which produces the final analytic product of the CIA.

He has compiled a remarkable record, and all members of the House Permanent Select Committee on Intelligence, I know, join me in wishing him the very best. We have great admiration for the manner in which he has carried out his responsibilities in these past years.

It has been a pleasure for us to have the opportunity to work with him.

H.R. 3800—TELECOMMUNICATION EQUIPMENT AND INFORMATION SERVICES ACT OF 1985

HON. WAYNE DOWDY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. DOWDY of Mississippi. Mr. Speaker, I am a cosponsor of H.R. 3800, the Telecommunications Equipment and Information Services Act of 1985. This legislation would reduce the restrictions of the AT&T consent decree

on the local telephone companies. I am convinced that this legislation makes good business sense and will ultimately benefit the domestic consumer.

Although 50 percent of the telephone industry's resources comes from the local Bell operating companies, they're currently prohibited from joint commercial venture in promoting technology and telephone service improvement. This prohibition has forced the local Bell operating companies to look to their competitors for technological enhancement. I believe that by depriving this industry from half of its resources, we are advocating a slowdown in growth and technology.

An easing of the restriction will also enable the local telephone network to be used to its fullest capability. Customers will be provided additional enhanced services. Foremost, local telephone rates will drop as the new services share the cost of the network.

When we discuss the growth or lack of growth in any domestic industry, we must always consider our competitiveness in foreign markets. State of the art technology is the key to the viability of trade. By failing to allow the operating companies to offer advanced communications services, we force major institutional companies to purchase increasing amounts of customer premises equipment to provide certain services that are not available through the local telephone network. It's no wonder that our foreign competitors have taken over half of the industry. While we have hampered growth of our telephone industry, we've encouraged growth of foreign competitors.

I encourage my colleagues to fully consider the problems which the AT&T consent decree has created. It is imperative that all our resources be used efficiently. We must assure that the promise of divestiture—greater choice of equipment and services at lower prices—will be realized for all consumers. It is my belief that to accomplish this end, the Bell companies must be given greater freedom to be a full partner in the telecommunications revolution.

THE ADMINISTRATION'S "PLUG" BUDGET

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. SWIFT. Mr. Speaker, in the Subcommittee on Energy Conservation and Power last week, we heard an amazing admission about the administration's budget proposal by no less senior an adviser to the President than Secretary of Energy John S. Herrington. Secretary Herrington said that the $8.85 billion that the administration includes in the budget proposal as revenues from the privatization of the Bonneville Power Administration [BPA] "is a plug number."

Secretary Herrington's exact remarks were:

I think your $8 billion figure that is in the budget is a plug number. When I say a "plug number," it is put in there for the sake of budgetary presentation. The same with the naval petroleum reserve at $3.5 billion. I don't think enough work has been done.

If the $8.85 billion in revenues that the administration says it will get from a sale of BPA is a plug number, doesn't that more or less render the administration's budget documents meaningless? Doesn't that affect all of the other figures? Clearly it does, because, as Secretary Herrington later admitted, whether that $8.85 billion goes up or down, it is going to have an effect on other figures in the budget.

Of course, given the fact that the administration is not going to get the 8 percent increase in defense spending that it wants, which throws the entire budget document into some considerable question, perhaps a mere additional $8.85 billion isn't going to make any differnece.

Mr. Speaker, this proposal to sell BPA, especially without even knowing what the sale price will be, is a triumph of ideology over common sense. It won't help with the deficit, because it would take money out of private savings just as much as increased Federal borrowing would. It won't result in more efficient electric power services, because BPA is consider an exemplar throughout the world for the efficiency of its operations. And it won't be good for the citizens of the Pacific Northwest, who would lose their jobs and see their electric bills rise in order to pay for the refinancing of BPA by a private entity.

The Energy and Commerce Committee, in its views and estimates to the Budget Committee, recommended that the proposal to privatize BPA be rejected. That recommendation makes sense, and I urge the members of the Budget Committee to consider it favorably.

IT'S TIME TO RAISE THE MINIMUM WAGE

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. WILLIAMS. Mr. Speaker, I am introducing legislation today to increase the minimum wage. My bill is a modest approach given that the Congress has not addressed this issue in 5 years. It asks for a real increase in the minimum wage of 5 percent annually beginning January 1, 1987, until it reaches 50 percent of the average hourly earnings of production or nonsupervisory workers on private nonagricultural payrolls as determined by the Bureau of Labor Statistics of the Department of Labor. Once that rate is attained, it would be increased in succeeding years by the percent increase in the average hourly earnings.

Congress last dealt with the subject in 1977, when it legislated a series of four increases. The last of these took effect 5 years ago on Jan. 1, 1981, when the rate went to $3.35 per hour. After adjusting for inflation, the wage has declined by 26 percent since January 1981 and is now at its lowest real level since 1955. A person working full-time year-round at $3.35 per hour will make $6,968. That is one-fifth below the poverty threshold for a family of three and one-third below the standard for a family of four. The current poverty threshold for a family of three is $8,900, requiring full-time year-round work at a wage of $4.24 per hour. The gap between what the Government says people need and what it says they must be paid must be closed.

According to a study to be released by the National Council on Employment Policy:

By any measure, the minimum wage now provides less protection than it has in many years. The statutory hourly wage rate rose in real terms until 1968, then stabilized in the 1970's, and has fallen sharply since 1979. The real wage is now 20 percent less than it averaged in the 1970's and is a third less than it was at its peak in 1968. * * * Due to the failure to raise the minimum wage since 1981, its level has slipped below 40 percent (to 38.6 percent in January 1986) of the average hourly wage for the first time since 1949.

The working poor have been heavy losers in the legislation of the last 5 years. Low wage households were hurt by the budget cuts of 1981 which made it harder for poor people who work to qualify for Aid to Families with Dependent Children and through AFDC for Medicare. At the same time, these households were not helped by the big tax cuts of that year. The income and Social Security taxes for the working poor both went up.

My bill provides for very gradual increases in the minimum wage over the next 5 years. This is a reasonable approach. The minimum wage would not reach 50 percent of the average hourly wage until the early 1990's.

TRIBUTE TO FRED PALUMBO

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. FLORIO. Mr. Speaker, I would like to bring to the attention of my colleagues an outstanding resident of New Jersey's First Congressional District, Fred Palumbo.

Fred's record of service to our community, and, in particular, to Camden City, is well known. He has served as president of the Independent Citizens Athletic Club of Fairview [ICAC], president of the Organizations of Fairview and as treasurer of the Democratic Club of the 14th ward.

Fred has also served the city of Camden as a Democratic committeeman-at-large, as a member of the city planning board, and as a commissioner of the housing authority. He was also instrumental in the renovation of Malandra Hall and the surrounding athletic fields, as well as in the redevelopment of Yorkship Square.

Mr. Speaker, it is rare that we have an opportunity to honor someone who has made a lasting commitment to, and impression on, their community. Clearly, however, Fred Palumbo is worthy of just such an honor.

On Saturday, March 8, I will have the distinct pleasure of joining Camden Mayor Randy Primas, as well as Fred's family and friends, in honoring Fred for his many years of accomplishment and dedication, and to wish him the happiest of birthdays.

Mr. Speaker, I am certain that my colleagues would want to join me in congratulating Fred Palumbo, and in thanking him for his many outstanding contributions to our community.

SETTING THE RECORD STRAIGHT

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. DELLUMS. Mr. Speaker, President Reagan has recently appealed for popular support for his record setting $320 billion defense budget and $100 million Contra aid package.

Speaking to the defense budget, the President asserted that, since 1970, the Soviet Union has spent $500 billion more on defense than we have.

Regarding the Contras, President Reagan compared the Nicaraguan counterrevolutionaries to the heroic struggle of the Philippine people.

Mr. Speaker, I will not now address the problems inherent in an apples versus oranges comparison of aggregate spending levels as the basis for spending more on defense than we spent on the entire Federal budget as recently as 1974.

Nor will I now question spending $100 million in a time of fiscal restraint on an aid program that violates American and international law, simply because "we stood for democracy in the Philippines."

Instead, Mr. Speaker, I wish to introduce into the RECORD two opinion pieces from yesterday's New York Times. The first, written by economics professor Franklyn D. Holzman, sets the record straight regarding comparative military spending analyses. Following is an article by Tom Wicker detailing the discrepancies contained in any comparison of the Nicaraguan antigovernment rebels to the noble resistance in the Philippines. I commend these articles to your attention, Mr. Speaker. Their text follows:

[From the New York Times, Mar. 4, 1986]

WHAT DEFENSE SPENDING GAP?

(By Franklyn D. Holzman)

MEDFORD, MASS.—President Reagan is again asking for more military spending, and, as before, he partly bases his case on an overstatement of Soviet military outlays.

When he said Thursday in his television address that the Soviet Union had invested $500 billion more in its military than the United States had since 1970, he was playing the same tune he played in February 1981, when he said, "Since 1970, the Soviet Union has invested $300 billion more in its military forces than we have." In March 1981, the Central Intelligence Agency updated this estimate to $420 billion. But a proper accounting and interpretation of both sides' military outlays indicates that, in fact, the West outspent the Eastern bloc by $740 billion from 1971 through 1980. Actually, Mr. Reagan was off by more than $1 trillion. Let me explain.

The C.I.A. makes many economic comparisons of the two superpowers, calculating its estimates in dollar and ruble prices. its comparisons are almost always presented, properly, as an average, for dollar comparisons exaggerate Soviet outlays and ruble comparisons exaggerate ours, partly because of wide differences in prices between the countries. However, the C.I.A.'s comparison of military outlays remains a glaring exception to its standard practice. While a ruble estimate is calculated and the figure is made public, no dollar-ruble average is presented. Press releases, hearings, and media coverage ignore it and concentrate on the dollar comparison. This exaggerates Soviet military spending relative to ours—as the C.I.A. often has admitted.

An adjustment for this exaggeration reduces the $420 billion "gap" by $100 billion.

Second, the C.I.A. said in 1984 that it had overestimated Moscow's 1976-to-1982 military spending by assuming a 3 percent to 5 percent annual growth rate in that spending when in fact it had been only 2 percent.

Deduct $30 billion more from the "gap."

Third, in comparing outlays, the Pentagon has subtracted money spent on our Vietnam War effort from our total, on the sound basis that the war was not part of our confrontation with the Soviet Union. Similarly, we should not calculate the Soviet Union's outlays for its problem with China, for they are not part of the Soviet confrontation with us. Moscow might ask, How much more would Mr. Reagan be spending if a million-man Chinese Army was poised on America's border and there were a billion people just behind that army? Various C.I.A. and Pentagon estimates suggest that 15 percent to 20 percent of Soviet military spending has been directed at China.

Subtract $230 billion—15 percent of Moscow's 10-year total military spending of $1.530 trillion—from the C.I.A.'s $420 billion "gap."

These three revisions leave the United States with an adjusted 10-year difference of about $60 billion—a trivial sum over a decade.

Fourth, the purveyors of the "gap" dogma pretend the world consists of two superpowers. But America is joined by the North Atlantic Treaty Organization; the Soviet Union harnesses six countries in the Warsaw Pact. NATO's other 15 members include most of the industrial democracies, and three of them—Britain, West Germany and France—each spends more on weapons annually than all six smaller Warsaw Pact countries do together.

Over the 10-year period ending in 1980, NATO, excluding the United States, outspent the Warsaw Pact, excluding the Soviet Union, by $800 billion. Subtracting from this amount the $60 billion by which the Soviet Union outspent America results in an overall NATO-Warsaw Pact gap of $740 billion—in our favor.

To summarize, in 1981 the Reagan Administration wound up claiming the Soviet Union had outspent the United States by $420 billion from 1971 through 1980. In fact, all NATO members outspent all Warsaw Pact members by $740 billion. This difference (from a negative $420 billion "gap" to a positive $740 billion gap) adds up to $1.16 trillion—what might be called the Reagan misinformation gap.

Moreover, an adjusted American-Soviet 10-year gap of $60 billion was trivial when we consider how far behind us in military strength the Russians were in 1970. Further, President Reagan's $80 billion addition to the supposed 1971-1980 gap (when he elevated it last Thursday to $500 billion from $420 billion) is more than neutralized by Soviet outlays directed against China since 1980.

In evaluating the President's new defense budget requests, Congress should take these disparties into consideration. If, indeed, the Soviet Union and its Warsaw Pact allies are catching up, then the Pentagon and its NATO counterparts cannot be making very good use of the funds they have been allocated.

[From the New York Times, Mar. 4, 1986]

A FALSE "PARALLEL"

(By Tom Wicker)

President Reagan, citing parallels where none exist between the Philippines and Nicaragua, insisted to Members of Congress in a White House meeting that "we stood for democracy in the Philippines; we have to stand for democracy in Nicaragua and throughout Central America and in our hemisphere."

This "parallel" denigrates the remarkable achievement of the Philippine people in their spontaneous uprising against Ferdinand Marcos. It is meaningless rhetoric if anyone thinks it should apply to the dictatorial Pinochet Government, though Chile is "in our own hemisphere." And it's only one more excuse with which to pursue Mr. Reagan's pathological fixation on the overthrow of the Sandinistas—this time with $100 million of U.S. taxpayers' money—because there are no parallels between the Philippines and Nicaragua.

In the former, a real tyrant, through corruption, brutality and murder, brought the population to the boiling point; whatever charges may be made against the Sandinistas, that cannot be said of them. By massive fraud and violence, the tyrant ignored and reversed the clear will of the people expressed in a national election; whatever deficiencies may be laid to the Nicaraguan election of 1984, nothing in it remotely approached the outrage perpetrated by Mr. Marcos.

Filipinos who rose in their wrath to rid their country of the tyrant were not organized and financed by the Central Intelligence Agency or "covert" funds from Washington, as were the Nicaraguan "contras." And when Filipinos had had enough, they swept all before them, disclosing in a matter of days the rotten underpinnings of the tyrant's regime; but after five years of effort and millions of U.S. dollars, the contras have yet to take and hold a single town in Nicaragua, or to set off the smallest ripple of popular uprising anywhere in that unhappy country. Filipinos staged a Glorious Revolution; the contras wage a minor guerrilla war, paid for by U.S. taxpayers.

Now, the Administration—joined by Richard Lugar, chairman of the Senate Foreign Relations Committee—advances the proposition that $100 million in additional aid, $70 million of it for military equipment, must be supplied to the contras, so that they can force the Sandinistas to participate in the so-called Contadora negotiating process.

Aside from the fact that, with or without U.S. aid, the contras have shown no ability to impose Mr. Reagan's will on Managua, this is a deceptive argument. Not only did the Sandinistas agree to accept a Contadora draft treaty in 1984, which the Reagan Administration promptly rejected; but just this year they also accepted a statement of principles, advanced by Guatemaia and other nations in the region, as a basis for a peaceful settlement in Central America.

That statement called for the elimination of foreign military advisers from the region, including Cuban and Soviet-bloc personnel in Nicaragua. Is the Reagan Administration willing to negotiate on the basis of those principles? No—it insists that the Sandinistas must first negotiate with the contras, although the contras as yet have earned no right whatever to sit down as equals with the Sandinistas.

Secretary Shultz, meanwhile, continues to assert that Nicaragua subverts other Latin countries with arms and military training. If that is even partly so, it's all the more remarkable that the foreign ministers of the eight most important Latin nations—Brazil, Argentina, Mexico, Venezuela, Colombia, Peru, Uruguay and Panama—came to Washington last month to urge Mr. Shultz and the Administration (a) to stop the contra war against Nicaragua, and (b) to negotiate directly with the Sandinistas. They got nowhere.

Mr. Shultz also has raised again the tired old threat of a "Soviet and Cuban base on the mainland of Latin America." There's no evidence that Moscow wants such a provocative base; but if it does, the U.S. could hardly stop it with $70 million in guns and ammunition to a ragtag guerrilla band with no real political support and fatal ties to both the C.I.A. and the hated Somoza regime the U.S. once backed. That the Soviet-base argument may be the Administration's strongest political medicine suggests how weak its case is.

Mr. Lugar concedes that the appropriation will have a tough time even in the Republican Senate. In the Democratic House, Representative David Bonior of Michigan, chairman of the Democrats' Task Force on Nicaragua, sees a good chance to defeat it. That's why the Administration is pulling out all stops. If aid to the contras is cut off, Mr. Reagan will have to turn to diplomacy, which means accepting the Sandinistas in some degree of power, or use U.S. forces to overthrow them directly.

VOTING RECORD

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. UDALL. Mr. Speaker, it has become my practice from time to time to list my votes in the CONGRESSIONAL RECORD. I strongly believe that the people of the Second Congressional District of Arizona have a right to know where I stand on the issues decided by this body, and I have found that printing my record here is the best way to provide that information.

This is not an all inclusive list. I have omitted noncontroversial votes such as quorum calls, motions to resolve into the Committee of the Whole House, and motions to approve the Journal of the previous day.

The descriptions are necessarily somewhat short, and I am sure that some of my constituents will have additional questions about the issues described here. So I invite them to write me for more specifics.

The votes are described as follows:

KEY

1. Rollcall Number;
2. Number of the bill or resolution;
3. Title of the bill or resolution;
4. A description of the vote;
5. The outcome of the vote;
6. The vote total;
7. My vote, in the form Y—yes, N—no, and NV—not voting;
8. The vote totals of the Arizona delegation (yes-no-not voting); and
9. The date.

151. HR 1872. Department of Defense Authorization, Fiscal 1986. Bennett, D-Fla., amendment to the Mavroules, D-Mass., substitute for the Dickinson, R-Ala., amendment, to deny all funds for the production of MX missiles. Rejected 185-230: Y(1-4-0), June 18, 1985. A "nay" was a vote supporting the President's position.

152. HR 1872. Department of Defense Authorization, Fiscal 1986. McCurdy, D-Okla., amendment to the Dickinson, R-Ala., amendment, to express the sense of Congress that no more than 40 MX missiles should be deployed. Adopted 233-184: Y(1-4-0), June 18, 1985. A "nay" was a vote in support of the President's position.

153. HR 1872. Department of Defense Authorization, Fiscal 1986. Courter, R-N.J., amendment to the Mavroules, D-Mass., substitute for the Dickinson, R-Ala., amendment to express the sense of Congress that no more than 50 MX missiles should be deployed in existing missile silos and to authorize the production of 12 MX missiles in fiscal 1986. Rejected 182-234: N(4-1-0), June 18, 1985. A "yea" was a vote supporting the President's position. (Subsequently, the Mavroules substitute for the Dickinson amendment, to limit to 40 the number of MX missiles that could be deployed and to provide no authorization for MX production in fiscal 1986, was adopted by voice vote. The amended Dickinson amendment then was adopted by voice vote.)

154. HR 1872. Department of Defense Authorization, Fiscal 1986. Bennett, D-Fla., amendment to approve the use of $4 billion, authorized in previous budgets but no longer needed for its original purpose, to buy conventional weapons. Rejected 36-376: NV(0-4-1), June 19, 1985.

155. HR 1872. Department of Defense Authorization, Fiscal 1986. Weiss, D-N.Y., amendment to delete funds authorized for production of the Trident II missile. Rejected 79-342: NV(0-4-1), June 19, 1985. A "nay" was a vote supporting the President's position.

156. HR 1872. Department of Defense Authorization, Fiscal 1986. Skelton, D-Mo., amendment to the Porter, R-Ill., amendment, to authorize the appropriation of $124 million to produce binary chemical weapons subject to certain conditions. Adopted 229-196: NV(4-0-1), June 19, 1985. A "yea" was a vote supporting the President's position.

157. HR 1872. Department of Defense Authorization, Fiscal 1986. Skelton, D-Mo., amendment to the Fascell, D-Fla., substitute for the Porter, R-Ill., amendment to authorize the appropriation of $124 million to produce binary chemical weapons subject to certain conditions. Adopted 223-196: NV(4-0-1), June 19, 1985. A "yea" was a vote supporting the President's position.

159. HR. 1872. Department of Defense Authorization, Fiscal 1986. Dellums, D-Calif., amendment to the Price, D-Ill., amendment, to reduce from $2.5 billion to $954 million the authorization for the strategic defense initiative. Rejected 102-320: NV(0-4-1), June 20, 1985. A "nay" was a vote supporting the President's position.

160. HR 1872. Department of Defense Authorization, Fiscal 1986. Mavroules, D-Mass., amendment to reduce from $2.5 billion to $1.4 billion the authorization for the strategic defense initiative. Rejected 155-258: Y(1-4-0), June 20, 1985. A "nay" was a vote supporting the President's position.

161. HR 1872. Department of Defense Authorization, Fiscal 1986. Courter, R-N.J., amendment to the Holt, R-Md., substitute for the Price, D-Ill., amendment to increase from $2.5 billion to $3.7 billion the authorization for the strategic defense initiative. Rejected 104-315: N(3-2-0), June 20, 1985. A "yea" was a vote supporting the President's position.

162. HR 1872. Department of Defense Authorization, Fiscal 1986. Dicks, D-Wash., amendment to the Price, D-Ill., amendment to reduce from $2.5 billion to $2.1 billion the authorization for the strategic defense initiative. Rejected 195-221: Y(1-4-0), June 20, 1985. A "nay" was a vote supporting the President's position.

163. HR 1872. Department of Defense Authorization, Fiscal 1986. Holt, R-Md., substitute for the Price, D-Ill., amendment, to increase from $2.5 billion to $2.9 billion the authorization for the strategic defense initiative. Rejected 169-242: N(4-1-0), June 20, 1985.

164. H.R. 1872. Department of Defense Authorization, Fiscal 1986. Price, D-Ill., amendment to authorize $2.5 billion for the strategic defense initiative. Adopted 256-150: Y(5-0-0), June 20, 1985.

166. H.R. 1872. Department of Defense Authorization, Fiscal 1986. Nichols, D-Ala., amendment to clarify the intent of a section of the fiscal 1985 Defense Department authorization relating to certain functions, known as "core logistics" performed by defense department civilian personnel, that are too critical to national security to be contracted out. The amendment specified core-logistic functions listed by the Defense Department and expended the definitions of such functions. Adopted 353-7: Y(2-1-2), June 21, 1985.

167. H.R. 1872. Department of Defense Authorization, Fiscal 1986. Nichols, D-Ala., amendment to bar reimbursement of entertainment and other expenses submitted by defense contractors, to limit reimbursement of travel on corporate aircraft, to penalize contractors who submit unallowable costs, and to require contractors to document costs. The amendment also limits assignment of principle contracting officers, requires certification of overhead costs, and grants subpoena power to the secretary of defense for contractors' records. Adopted 411-4: Y(5-0-0), June 25, 1985.

168. H.R. 1872. Department of Defense Authorization, Fiscal 1986. Courter, R-N.J., amendment to require the Defense Department to set up a five percent minimum target for competitive defense contracts, and to increase the percentage of competitive contracts by five percent each year until a 70 percent level is reached. The amendment also requires the secretary of state to report to Congress if that goal is not met. Adopted 416-0: Y(5-0-0), June 25, 1985.

169. H.R. 1872. Department of Defense Authorization, Fiscal 1986. Byron, D-Md., amendment to the Spratt, D-S.C., amendment to change from Jan. 1 to Jan. 30, 1986, the date of enactment of the Spratt amendment to bar middle-level Pentagon officials, in specific positions to be named by the secretary of defense, for accepting employment for two years after leaving the Defense Department from defense contractors over whose contracts they had supervision. Re-

jected N(3-2-0), June 25, 1985. (The amendment, if adopted, would have precluded further amendments to the Spratt amendment—in particular, the Bennett, D-Fla., substitute, which was subsequently adopted.)

170. H.R. 1872. Department of Defense Authorization, Fiscal 1986. Bennett, D-Fla., substitute for the Spratt, D-S.C., amendment, to bar Pentagon officials who had "significant responsibility" for procurement with a specific defense contractor from accepting employment for two years after leaving the Defense Department from that contractor. Adopted 397-19: Y(2-3-0), June 25, 1985. A "nay" was a vote supporting the President's position. (The effect of the amendment was to eliminate the provision in the Spratt amendment that would permit the secretary to waive positions from the prohibition. The Spratt amendment, as modified by the Bennett substitute, was subsequently adopted by voice vote.)

171. H.R. 1872. Department of Defense Authorization, Fiscal 1986. Hertel, D-Mich., amendment to empower the inspector general of the Defense Department to suspend payments to a contractor or debar a contractor if he finds waste, fraud and abuse in connection with the contract. Rejected 176-240: Y(1-4-0), June 25, 1985.

172. HR 1872. Department of Defense Authorization, Fiscal 1986. Levine, D-Calif., amendment to require that future weapons projects be procured competitively, with provisions for exceptions. Adopted 342-52: Y(3-2-0), June 25, 1985.

174. HR 1532. Federal Election Commission Authorization, Fiscal 1986. Swift, D-Wash., motion to suspend the rules and pass the bill, to authorize appropriations of $12.7 million for the Federal Election Commission for fiscal year 1986. Motion rejected 263-160: Y(1-4-0), June 26, 1985. A two-thirds majority of those present and voting (282 in this case) is required for passage under suspension of the rules.

175. HR 1872. Department of Defense Authorization, Fiscal 1986. Courter, R-N.J., substitute for the Boxer, D-Calif., amendment to call for the General Accounting Office to report to Congress on the impact of requiring the Defense Department to maintain records on certain contracting costs. Rejected 189-232: N(4-1-0), June 26, 1985.

176. HR 1872. Department of Defense Authorization, Fiscal 1986. Brown, R-Colo., amendment to the Boxer, D-Calif., amendment, to exempt from the record-keeping requirements firms with contracts amounting to less than $100,000. Adopted 276-147: N(4-1-0), June 26, 1985. (The Boxer amendment subsequently was adopted.)

177. HR 1872. Department of Defense Authorization, Fiscal 1986. Boxer, D-Calif., amendment to require cost and pricing information pertaining to Defense Department contracts to be recorded and categorized in a computer data base, and to require contractors to record their proposed and actual standard-hour measurement of cost. Adopted 384-31: Y(4-1-0), June 26, 1985.

178. HR 1872. Department of Defense Authorization, Fiscal 1986. Brown, D-Calif., amendment to bar any test of the anti-satellite (ASAT) missile against a target in space during fiscal 1986 unless the President certifies to Congress that the Soviet Union has tested an ASAT. The amendment also increases by $20 million the fiscal 1986 authorization to carry out the satellite survivability project of the Air Force Space Survivability Program. Adopted 229-193: Y(1-4-0), June 26, 1985. A "nay" was a vote supporting the President's position.

179. HR 1872. Department of Defense Authorization, Fiscal 1986. English, D-Okla., substitute for the Bennett, D-Fla., amendment, to require the secretary of defense to conduct a study comparing the potential effectiveness of authorizing military personnel to assist in drug-enforcement activities with the potential effectiveness of increasing the number of tactical law enforcement teams on naval vessels. Rejected 81-328: N(2-3-0), June 26, 1985.

180. HR 1872. Department of Defense Authorization, Fiscal 1986. Bennett, D-Fla., amendment to authorize military personnel to assist in federal drug-enforcement activities. Adopted 364-51: Y(4-1-0), June 26, 1985.

181. HR 1872. Department of Defense Authorization, Fiscal 1986. Brooks, D-Texas, substitute for the Dickinson, R-Ala., amendment, to ban use of funds for polygraph examinations of Pentagon employees, except for the one-year continuation of a pilot program of such screening examinations. Rejected 121-281: Y(1-4-0), June 26, 1985.

182. HR 1872. Department of Defense Authorization, Fiscal 1986. Dickinson, R-Ala., amendment to direct the Pentagon to use random polygraph examinations to screen Pentagon and contractor employees with access to classified information. Adopted 333-71: Y(5-0-0), June 26, 1985.

183. HR 1872. Department of Defense Authorization, Fiscal 1986. Hunter, R-Calif., amendment to the Foley, D-Wash., amendment, to provide for the expiration of a restriction on introduction of U.S. combat troops into Nicaragua if that country obtained Soviet MiG aircraft, or similar aircraft. Adopted 377-45: Y(5-0-0), June 27, 1985. (The Foley amendment subsequently was adopted.)

184. HR 1872. Department of Defense Authorization, Fiscal 1986. Burton, R-Ind., amendment to the Foley, D-Wash., amendment, to permit the introduction of U.S. combat troops into Nicaragua if the president determined that Nicaragua was supporting, directly or indirectly, military or terrorist operations in El Salvador, Honduras, or Costa Rica. Rejected 186-235: N(4-1-0), June 27, 1985.

185. HR 1872. Department of Defense Authorization, Fiscal 1986. Foley, D-Wash., amendment, as amended by the Hunter, R-Calif., amendment, to bar the introduction of U.S. combat troops into Nicaragua without congressional authorization unless troops were needed to meet a clear danger of attack on the United States, to protect the U.S. Embassy, to evacuate U.S. citizens or to meet U.S. obligations under the Rio treaty. Adopted 312-111: Y(1-4-0), June 27, 1985. A "nay" was a vote supporting the President's position.

186. HR 1872. Department of Defense Authorization, Fiscal 1986. Blaz, R-Guam, amendment to repeal limitations on the transportation of certain motor vehicles through Guam. Rejected 139-272: N(3-1-1), June 27, 1985.

187. HR 1872. Department of Defense Authorization, Fiscal 1986. Morrison, D-Conn., amendment to require an increase in civil service pay to match any increase in military pay during fiscal 1986. Rejected 122-281: Y(1-3-1), June 27, 1985.

188. HR 1872. Department of Defense Authorization, Fiscal 1986. Daniel, D-Va., substitute for the Markey, D-Mass., amendment, to restrict the actions of U.S. troops in Honduras near that country's border with Nicaragua. Adopted 320-69: Y(4-0-1), June 27, 1985. (The Markey amendment subsequently was rejected.)

189. HR 1872. Department of Defense Authorization, Fiscal 1986. Markey, D-Mass., amendment, as amended by the Daniel, D-Va., substitute, to restrict the actions of U.S. troops in Honduras near that country's border with Nicaragua. Rejected 172-217: Y(1-3-1), June 27, 1985.

190. HR 1872. Department of Defense Authorization, Fiscal 1986. Passage of the bill to authorize $206,158,800,000 for weapons procurement, military research and operating costs of the Department of Defense in fiscal year 1986. Passed 278-106: Y(2-2-1), June 27, 1985. (The House subsequently moved to delete the language of S 1160, the Senate version of the Defense Department authorization, and insert instead the provisions of HR 1872. After the motion was agreed to, S 1160 was passed by voice vote.)

191. HR 1555. Foreign Assistance Authorization, Fiscal 1986. Fascell, D-Fla., amendments to make a 3.2 percent across-the-board cut in programs authorized in the bill, from total for each year of $13.05 billion to $12.64 billion. Adopted en bloc 386-2: Y(5-0-0), July 9, 1985.

192. HR 1555. Foreign Assistance Authorization, Fiscal 1986. Solomon, R-N.Y., amendments to increase by $60 million in fiscal 1986 and 1987 the amount of military aid for the Phillipines, and to make a comparable reduction in economic aid. Rejected en bloc 125-279: N(3-2-0), July 9, 1985. A "yea" was a vote supporting the president's position.

193. HR 1555. Foreign Assistance Authorization, Fiscal 1986. Solarz, D-N.Y., substitute for the Leach, R-Iowa amendment to authorize $5 million in military or economic aid for non-communist resistance forces in Cambodia, and to prohibit any aid for the communist Khmer Rough forces. Adopted 288-122: Y(3-2-0), July 9, 1985. (The Leach amendment, as amended by the Solarz substitute, subsequently was adopted by voice vote.)

194. H Res 217. Illegal Political Solicitation. Foley, D-Wash., motion to table (kill) the resolution to authorize the Committee on Standards of Official Conduct to investigate the alleged illegal solicitations of political contributions by three House members made in a June 24 letter distributed to Democratic House members' offices. The resolution alleged the letter, sent by the Democratic Congressional Campaign Committee, violated federal law regarding soliciting political contributions in House office buildings. Motion agreed to 233-170: Y(1-4-0), July 10, 1985.

195. HR 1555. Foreign Assistance Authorization, Fiscal 1986. Fascell, D-Fla., amendment to retain the earmarking of assistance from the U.N. Fund for Population Activities. Rejected 198-221: Y(3-2-0), July 10, 1985. (The Smith amendment was subsequently adopted.)

196. HR 1555. Foreign Assistance Authorization, Fiscal 1986. Smith, R-N.J., amendment to express the sense of Congress that China has systematically employed forced abortion and sterilization as a means of enforcing that country's one-child-per-couple policy and that China should cease such practices; to restrict funding the bill for family planning programs in China; to direct the president to report annually as to whether there are valid reports of coerced abortion, sterilization or infantcide in China, and to advise that country that such

practices have a negative impact on U.S.-Chinese relations; and to authorize the president to withhold funding from the U.N. Fund for Population Activities if he finds such reports valid, and to use any funds withheld from the U.N. fund for other U.S. family planning programs. Adopted 289-130: N(3-2-0), July 10, 1985.

197. HR 1555. Foreign Assistance Authorization, Fiscal 1986. Smith, R-N.J., amendment to the Snowe, R-Maine, substitute for the Smith, R-N.J., amendment, to permit the president to deny funds for family planning programs to a country or an international or non-governmental organization because of the type of voluntary family planning programs that it promotes or carries out. Adopted 234-189: N(3-2-0), July 10, 1985. A "yea" was a vote supporting the President's position. (The Snowe substitute, as amended by the Smith amendment, was subsequently adopted by voice vote, after which the original Smith amendment, as amended, was adopted by voice vote.)

198. HR 1555. Foreign Assistance Authorization, Fiscal 1986. Conyers, D-Mich., amendment to prohibit all military assistance to El Salvador until the president reports to Congress, and Congress passes a joint resolution, stating that El Salvador's government has made sufficient progress in prosecuting those responsible for the more than 45,000 murders that have occurred over the last five years and in carrying out all the titles of its land reform program, and that the government and military have agreed to pursue a negotiated settlement with the armed opposition based on safe and free elections. Rejected 47-375: N(0-5-0), July 10, 1985. A "nay" was a vote supporting the President's position.

199. HR 1555. Foreign Assistance Authorization, Fiscal 1986. Stratton, D-N.Y., amendment to repeal the so-called "Clark amendment" to the International Security and Development Cooperation Act of 1980, prohibiting assistance for millitary or paramilitary operations in Angola. Adopted 236-185: N(4-1-0), July 10, 1985. A "yea" was a vote supporting the President's position.

200. S 1160. Department of Defense Authorization, Fiscal 1986. McCollum, R-Fla., motion to instruct the House conferees to insist on the House position to amend the miitary legal code to make peacetime espionage punishable by death. Motion agreed to 320-101: N(4-1-0), July 11, 1985.

GOV. TOM KEAN DESERVES CREDIT FOR LEADERSHIP ON URBAN ENTERPRISE ZONES FOR NEW JERSEY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. KEMP. Mr. Speaker, the Trentonian recently reported the enormous success enjoyed by the city of Trenton, NJ, since its designation as an urban enterprise zone by Gov. Tom Kean. Governor Kean deserves the lion's share of the credit for making this innovative program a success in New Jersey, where urban enterprise zone incentives have attracted $85.8 million in new investment and created 721 new jobs in Trenton alone during the past year. Congressman BOB GARCIA and I have introduced Federal enterprise zone legislation in the House, and we are committed to enacting this proposal into law, as a complement to the fine work being done in the States under the leadership of Governor Kean and other progressive Governors.

When will Congress act on this vital jobs issue for America?

The Trentonian article follows:

STATE'S UEZ PROGRAM HITS "HOME"

(By Jim Fitzsimmons)

The frigid temperatures were no match for the warm swirl of bipartisan politics that filled the air yesterday in front of Home Furniture at 137 North Broad Street, as Gov. Thomas Kean came to help Trenton celebrate its nearly one year of Urban Enterprise Zone status.

So far, it rates as a genuine success story. Since acquiring its UEZ designation last April, for instance, Trenton has been experiencing an almost daily surge in business investments and capital improvements in the two-square-mile area. To date, the figure stands at about $85.8 million. But what's more, Trenton's UEZ status is credited with creation of some 721 jobs.

Indeed, with those kind of impressive statistics beginning to swell what up until five years ago was virtually a non-existent economic development portfolio, Trenton had good reason to celebrate yesterday.

And John Schafer, president of Home Furniture—a third generation company which his father, Julius, founded in 1913—seemed to catch the flavor of the event best saying: "I thank you all for coming. Especially you, Mr. Governor, for making this a historic day for Home Furniture. It (the UEZ) has helped considerably. I hope to see you again . . . perhaps when you're President of the United States."

Smiling broadly, but quickly raising his hands to quiet a smattering of applause from a sidewalk audience of about 100 people, Kean said, "I don't care to make any comment on that."

But the governor had other comments, and one remark was clearly aimed at Washington.

"New Jersey, I'm pleased to say, has the most successful urban enterprise zone program in the nation," Kean noted. "And here (Trenton) we have an example that we can certainly send to this Congress, showing it that programs inspired at the state level of government can indeed motivate the kind of private sector initiative that will help in the resurgence of our older cities."

And Kean, a history enthusiast, said it was fitting for Trenton's UEZ to be spearheading this kind of economic resurgence, because Trenton, after all, was where General Washington's troops defeated the Hessians and thus turned around the fortunes of the American Revolution.

"It was just 73 years ago," Kean acknowledged, "that Julius Schafer had a great idea—to begin a business for himself.

"Last year, though, his grandson, Edward Schafer (vice president-manager of Home Furniture), had a greater idea; namely, to keep the store here in Trenton and take advantage of the urban enterprise zone program," the governor added, pointing out that it is businesses like Home—one of about a dozen currently entitled to charge only a 3 percent sales tax versus the normal 6 percent—that will be at the lead of Trenton's renaissance."

In essence, Kean said the UEZ program is literally revolutionizing the way business used to be done in New Jersey.

"We believe if you can build a better mousetrap that people will indeed beat a path to your door," Kean said, explaining that the UEZ program "can help to make Trenton the gleaming jewel that it should be."

Kean concluded his remarks by commending John and Ed Schafer, as well as the rest of their UEZ business colleagues here, for being "captains of industries" inasmuch as their participation in the program is truly "pushing Trenton forward."

Mayor Arthur J. Holland, who, like Kean, is a history buff, explained that the Hessians (under command of Col. Johann Gottlieb Rall) actually surrendered from their Dec. 26, 1776, Battle of Trenton defeat on a site practically across the street from Home Furniture. He claimed the surrender took place in the vicinity of Academy Street (then Fourth Street) where the Trenton Free Library is located today.

Holland said Trenton's UEZ was merely further evidence of "the comback" which has been occurring since 1980 on the Home Furniture block (the store occupies three addresses at 133-35-37) of North Broad Street. "The city and merchants working in a partnership are rebuilding the neighborhood," the mayor remarked.

Then, pointing to what he called "five years of inaction in Washington," Holland said he agreed fully with Kean's suggestion that the state's urban enterprise zone program should be copied and even given additional federal incentives by Congress.

The UEZ program, Holland emphasized, was "one more important assist" to cities which admittedly have had trouble competing.

As for the early success of Trenton's UEZ, National State Bank executive Arthur Campbell, who chairs the Trenton Zone Development Corporation, was quick to credit it to "an important grassroots awareness."

As senior vice president of the community banking division for National State Bank, Campbell heads the agency designated by law to administer the UEZ here. "One reason I think we're the most effective urban enterprise zone in the state," he said, "is because our efforts at creating public awareness in the early stages were so effective."

Now, Campbell hopes to use the popularity of UEZ as an "added incentive" for attracting new businesses to move into the city.

"Development on Route 1 is already casting a lot of attention on Trenton," Campbell observed, "and it's leaving companies to ask themselves, how close can I get and at what cost."

TERRORISM MUST BE DEFEATED

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. BEREUTER. Mr. Speaker, Europe has suffered more than this country from the horrors of terrorism. Both national right and left wing groups as well as international organizations have used Europe as a battleground for their murders and acts of destruction. Europe's proximity to the Middle East and its intense trade relationship with the Mediterranean are factors Europeans consider before taking decisive action.

Restraint has its limits and should not overwhelm principle or necessary resolve. After the bloodlettings in Rome and Vienna Europe must take a stronger stand. Democracies cannot be dictated to by bands of self-proclaimed national liberation movements. The more irresolute Europe looks the more it will suffer. Tourism from the United States to the European continent has already dropped dramatically. A recent editorial in the Lincoln Journal summarizes the ramifications of that drop in tourism.

I join in the Journal's warning to the Europeans: Crack down on terrorism; if not out of resolve, survival interests or principle, perhaps your economic losses will be a deciding factor.

TERRORISM CRIMPS TRAVEL

There's cause for hoping that European nations will stiffen their spines in dealing with international terrorism and maybe even crack down hard on Libya's Moammar Khadafy. The reason is not their love for President Reagan or Americans in general, but their love for U.S. dollars and other foreign currencies.

Europe is feeling the pinch from declining tourism brought on by fear of terrorism. A drop in the value of the U.S. dollar doesn't help any, either.

This is the off-season for travel in Europe, of course. But even compared to the same period in years past, the tide of tourists is ebbing. The number of U.S. travelers in Italy is estimated to be down 50 percent, Holland reports a 20 percent drop. If the current trend among cruise ships holds—many are steering clear of the Mediterranean—a French travel official says Nice will see 10,000 fewer U.S. visitors this year. Greece reportedly has lost $100 million in U.S. tourism since the June hijacking of a TWA airliner and a December attack on Athens airport.

Travel is a vital industry in the European economy. Edward McMillan-Scot, a British member of the European Parliament, warns that member nations must convince foreigners that they are safe places to travel or put at risk the $54 billion the European community earned from tourism last year.

That's a compelling practical reason to crack down on terrorists.

THE "CHALLENGER" TRAGEDY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, March 5, 1986, into the CONGRESSIONAL RECORD:

THE "CHALLENGER" TRAGEDY

The explosion of the space shuttle Challenger on January 28 prompts a few observations about the space program.

After a tragedy like this, there must be a period of assessment in which safety procedures are examined, a judgment is made about what went wrong, and steps are taken to prevent future disasters. But even if the cause of the explosion is soon found and corrected, the accident is likely to set the shuttle program back. Thirteen more shuttle flights were planned this year; most, perhaps all of them, will be cancelled. With only 3 of 4 shuttles operating, NASA will have to postpone and cancel launches into the 1990's, impairing numerous defense and scientific projects. For example, both a $1.2 billion space telescope and spacecraft bound for the Sun and Jupiter scheduled to go up by shuttle this year are sure to be delayed. So might the construction of a permanent space station. The loss of the shuttle has left the Department of Defense uncertain about its ability to maintain and improve military satellites that monitor Soviet military actions and control our nuclear forces.

The scramble for alternate ways to launch equipment into space began shortly after the accident. Defense and some science cargoes will get priority when the 3-shuttle fleet starts to fly again. U.S. business could be a big loser, as reduced flights will leave them fewer chances to use future missions. Some of the shuttle's commercial business could go to Arianespace, a European consortium that launches satellites with conventional unmanned rockets. A decision will also have to be made whether to replace the Challenger, at a cost of about $2 billion.

The Challenger accident has renewed debate over the value of a manned space program. For years, some members of the scientific community have criticized the space program's overemphasis on the manned shuttle program. These critics assert that the cost of putting people in space does not justify the scientific results, that manned flights drain funds from unmanned scientific space operations, that most tasks now performed by astronauts could be done by machines at lower cost, and without risk to life, and that planets can be more effectively explored by radio-controlled robots.

NASA claims that unmanned space flights cannot do all manned flights can—such as rescuing and repairing satellites and developing efforts to commercialize space. They also emphasize the human aspects of space exploration, and point out that the costs and setbacks are made worthwhile by the wonder we all shared as our astronauts stood on the moon, looked back on Earth and realized what they had achieved. Space exploration by machine, without men and women along to appreciate the thrill of discovery, would be a much less exciting and pioneering venture. Not surprisingly, NASA intends to continue manned shuttle missions once the cause of the explosion is found and corrected. The $30 billion shuttle and $8 billion space station programs are massive commitments to manned vehicles.

I expect manned space flights to resume. The U.S. has always been committed to both manned and unmanned space programs. The real question is how to allocate resources between the two. There are clear benefits from unmanned flights, evidenced by the spectacular data from Voyager II's exploration of Uranus. But we should not reject manned flights, which have proven their value. Humans in space can do jobs and exercise judgments beyond the capacity of instruments. At the same time, we must remember that shuttle flights are serious undertakings that involve grave risks. In the future, we must set goals and then achieve them by the best means, either with humans or with robots. Using humans for tasks robots can do costs much more and risks lives unnecessarily.

NASA's reputation was hurt by the accident, and its credibility is on the line. NASA at first claimed that everyone involved felt it was safe to launch the Challenger, and that weather was not a problem. Later revelations cast doubt on both claims. Certainly, NASA's aura of miraculous technological prowess will not survive the accident. Serious questions about engineering, management and decision-making are now appearing. Indeed, as the full story of the launch unfolds, the mystery to me is why the launch was approved. Congress, which has long favored NASA among government agencies, is now asking if the tragedy could have been avoided. Among other things, Congress will want to know if NASA cut corners to satisfy commercial and military contractors anxious to speed up the launching schedule; if, in light of tight budgets, the Challenger should be replaced; and if there should be more unmanned missions. NASA, the most exotic and glamorous of federal bureaucracies, is undergoing deep, painful self-appraisal. There will probably be more changes in the leadership of the agency. The haunting question is if the astronauts' lives could have been saved had NASA officials and contractors done better jobs.

I do not think public support for the space program has flagged since the Challenger tragedy. Most Hoosiers tell me they think NASA officials deserve a fair amount of blame for the disaster, but they seem to trust NASA to run the space program as safely as possible. They do not think that we should drop the manned space program. My impression is that most Hoosiers support the space program partly because it lifts us from the routine, and still beckons us to a new frontier.

My hope is that the space program will emerge from the Challenger tragedy stronger and more efficient. Congress and the special presidential commission investigating the accident must find what caused the explosion and what corrections to make. We must be concerned about the morale and effectiveness of the dedicated people who work for the space program, and not turn NASA into a "whipping boy." The shuttles will fly again, and space will be explored, but all of us want it to be done safely. As one Hoosier told me, "I can't take many more of these tragedies."

DUVALIER WITHOUT DUVALIER

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. OWENS. Mr. Speaker, over the last 2 weeks, the news coming from Haiti has been more than overshadowed by the news from the Philippines. However, events in Haiti require our attention.

When Jean Claude Duvalier left Haiti, he left behind a list of appointees to the military junta which succeeded him. This has led to the oft expressed sentiment in Haiti that the people are now ruled by a government which is "Duvalier without Duvalier." This is not acceptable as members of the junta were closely associated with Duvalier and the rape of Haiti which Duvalier and his father perpetrated. Haitians have continued to protest the military junta which has used tear gas and clubs to break off demonstrations against the junta.

The situation in Haiti is grim. The land has been mismanaged and it will take a concerted effort to restore soil which is critical to agriculture. This basic problem has led to increased

urbanization which has taken place despite the lack of a sufficient number of jobs. In order to resolve the country's economic problems, consistent long term strategies must be followed to restore the land and to create jobs. This can best be accomplished with a stable government which has not only the consent of the governed, but the enthusiastic support of the people. The only way to create such a government is through free and open elections which will allow all of the people of Haiti to participate. The military junta does not enjoy a level of confidence which would enable it to begin the long hard work which must be done before Haiti can raise the standard of living for its people and resolve international financial issues.

The military junta in Haiti is continuing to follow Duvalier policies. Many politically active people whose lives were threatened left Haiti. During their absense, they have not been out of touch with others who were able to remain in Haiti. These people want to return but Haitians cannot return to Haiti without a reentry permit. The permits are being denied to politically active Haitians. The business community in Haiti has urged the junta to continue to follow this policy. Gregoire Eugene, who is running for president and who was the only head of a political party which legalized itself by agreeing to the Duvalier presidency for life, has urged this pollicy. Why allow the competition in when the repressive policies of the past have chased them out? Why not derive a bit more benefit from the Duvalier regime?

It is crucial to the United States that there be free and open elections in Haiti. Open means just that. Shutting people out of the country and the electoral process simply because they were vigorous and vocal critics of the Duvalier regime seems to indicate a business as usual approach and an acceptance of the "Duvalier without Duvalier" military junta which has been certified by our State Department. Have the people of Haiti managed to get rid of Duvalier only to find that they must endure his cronies? Does anyone really believe that they will quietly and patiently endure more of the same?

I have introduced House Resolution 379 which declares the support of the House for free and open elections within 6 months. I hope that my colleagues will join me and stand with the Haitian people as they elect a government which has the consent and support of the Haitian people.

FISCAL YEAR 1987 VA BUDGET

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. BILIRAKIS. Mr. Speaker, last week, the Committee on Veterans' Affairs, on which I serve, approved our report to the House Budget Committee on the fiscal year 1987 VA budget. I was not able to be present for the vote on the budget because I was participating in an extremely important hearing of the Senate Veterans' Affairs Committee, which is investigating reports of American prisoners of war still being held in Southeast Asia.

I am confident that my fellow veterans share my deep concern over the issue of live Americans being held against their will and would be supportive of my decision to remain at the Senate hearing. I was part of a joint, bipartisan congressional delegation which travelled to Vietnam and Laos in January on behalf of American POW's and MIA's and these hearings are a follow-up to that trip.

However, had I been present for the committee's vote, I would have supported its recommendations to the Budget Committee. The Veterans' Affairs Committee rightfully restored funding to maintain a current services medical care budget and an adequate medical staff, and rejected a number of legislative proposals submitted by the administration, such as increasing the origination fee on VA home loans.

I was also very pleased that funding was restored for two medical construction projects in the State of Florida, which has one of the largest, fastest growing, and rapidly aging veteran populations in the country. The new VA hospital in Palm Beach County and the nursing home facility at Tampa are desperately needed and I am grateful that my colleagues on the committee recognized that need and provided funds for these projects.

The committee's overall recommendation of $27.18 billion in budget authority for fiscal year 1987 is $567 million above the administration's request. I want to emphasize, however, that the necessity of balancing the Nation's budget is not a goal the committee takes lightly.

The VA budget has traditionally been lean and our committee has an excellent track record of controlling spending on the programs under our jurisdiction. Compared to other Federal programs, the VA budget has been a victim rather than a culprit in our present fiscal crisis.

This Nation has an absolute duty to provide care and services to our veterans and we must not renege on that commitment, not even in times of crisis. Therefore, I urge my colleagues in the House to support the frugal but absolutely essential funding level recommended by the Veterans' Affairs Committee for the programs we have put in place to fulfill our commitment to those who have served.

REVENUE SHARING SHOULD CONTINUE FOR DISTRESSED COMMUNITIES

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. KEMP. Mr. Speaker, today I am introducing legislation to target general purpose fiscal assistance to distressed communities and counties in our country. My legislation is patterned after legislation introduced by my good friend, BOB MCEWEN, who has been a pioneer in developing this innovative, targeted approach to the issue of revenue sharing.

My home communities in western New York, and the counties of Erie, Cattaraugus, Wyoming, Livingston, and Ontario, are facing a tremendous challenge. They are working to provide basic services to their citizens in accordance with their individual needs and preferences. Yet the only Federal program that provides fiscal assistance, yet lets localities maintain their own priorities, is the General Revenue Sharing Program. While I recognize that this program is scheduled to expire at the end of this fiscal year, and I see the folly of allocating limited Federal resources to communities that are running substantial surpluses and face no serious economic challenges, I believe that a strong case can be made for continuing this type of no strings attached assistance for communities and counties that are experiencing severe economic distress and dislocation. This bill creates a fiscal safety net for communities in need, and is an appropriate response in this time of budget restraint.

I have discussed this approach with my good friend and colleague from the Budget Committee, BILL GRAY, and he is interested in exploring this idea. I hope my coleagues will seriously consider this proposal to aid western New York and the many other distressed communities and counties around the country.

IRON CURTAIN SPEECH 40 YEARS OLD

HON. HAROLD L. VOLKMER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. VOLKMER. Mr. Speaker, 40 years ago today, on March 5, 1946, Winston Churchill travelled to my district in the company of then President Harry Truman to deliver what has now become known as his "Iron Curtain" address. Speaking before an audience of 40,000 people at Westminister College in Fulton, Mr. Churchill chose to call attention to the fact that the Soviet influence had quietly garnered strength across Europe, following the end of the Second World War.

Churchill said:

From Stettin in the Baltic to Trieste in the Adriatic, an iron curtain has descended across the continent. Behind that line lie all the capitals of the ancient states of Central and Eastern Europe. Warsaw, Berlin, Praque, Vienna, Budapest, Belgrade, Bucharest and Sofia, all those famous cities and the populations around them, lie in what I must call the Soviet sphere and all are subject in one form or another, not only to Soviet influence but to a very high and increasing measure of control from Moscow.

Historians and scholars have looked at this speech as epoch-marking in that it changed the public tone of the international dialog of that time. Churchill's observations, although unpopular then, set the stage for the forthcoming years of the cold war and beyond. With the luxury of hindsight, we can appreciate the insight that this speech proved to hold.

Churchill did not believe that Russia desired war, but rather, he said "What they desire is the fruits of war and the indefinite expansion of their power and doctrines." In pointing to this, he called for the Western democracies to stand together, to uphold the United Nations

charter, and to remain firm in their commitment to military strength.

Churchill said:

Our difficulties and dangers will not be removed by closing our eyes to them. Whatever conclusions may be drawn from these facts, and facts they are, this is certainly not the liberated Europe we fought to build up.

Mr. Speaker, Winston Churchill's words speak to the realities of the 1980's as much as they did to the realities of the 1940's. It is the sad fact that the Iron Curtain still drops upon those same nations. We must, as a nation, remain steadfast in our efforts to unite with those brave souls fighting against these walls, in Poland, in Afghanistan, in the Soviet Union itself, for their own personal struggles may one day become our triumph.

I join with my friends at Westminster College today in commemorating this historic occasion. In addition, I pay tribute to the John Findley Green Foundation, which was established in 1936, and under whose auspices Mr. Churchill was afforded the opportunity to speak. The foundation has provided for annual lectures which have included, aside from Mr. Churchill, speeches from Presidents Truman and Gerald Ford, former Vice President Hubert Humphrey, and this year Vice President GEORGE BUSH.

In addition, I would like to call attention to the college's Winston Churchill Memorial and Library which commemorates Churchill's visit, honors his memory, and is becoming an increasingly important center for the scholarly study of Sir Winston Churchill's life and times.

RICH PAYING MORE THAN EVER

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. LAGOMARSINO. Mr. Speaker, I'd like to bring to my colleagues' attention an article from the Washington Times by Michael Novak titled "Rich Paying More Than Ever." In his article, he disproves the notion that President Reagan's 25 percent tax cuts have resulted in lower income taxpayers footing more of the Federal budget. In reality, the distribution of Federal income tax burdens has emerged remarkably stable in recent years. According to the Treasury Department, analysis of the tax data for 1983 reveals that the top half of the high income earners in the United States actually carry more than 90 percent of the Federal income tax burden. Moreover, the top 1 percent paid 20 percent of all personal income taxes while the top 5 percent paid nearly 38 percent of the bill. Fairly sharing the burden of taxpaying has long been the cry of many in Congress. However, the public should realize that under any future tax hike, it will be the lower and middle classes that will eventually bear the burden—not the wealthy.

RICH PAYING MORE THAN EVER BEFORE

(By Michael Novak)

The Internal Revenue Service has just released its tax data for 1983.

First the bad news. Supply-side theorists had said that, given cuts in tax rates, tax revenues would go up. They didn't. Federal income taxes received in 1983 fell $3.4 billion from 1982.

I myself was very disappointed to read this report. I had hoped very much that, when the tax rates went down, tax revenues would go up. Just the same, several good things did happen. The wealthy did pay more taxes than ever. Business activities picked up. More people were employed.

Best of all, Americans made lots of money in 1983. They almost rang the bell of $2 trillion in total personal income. The actual figure was $1.94 trillion. That's an unprecedented amount of money in the pockets of our people. It represents a $90 billion gain over 1982.

The happiest news is that the top 1 percent of earners (adjusted gross income more than $100,000) paid 20 percent of all income taxes. This proportion is almost three times greater than the 7 percent of taxes paid by the entire bottom 50 percent of taxpayers (adjusted gross income under $15,000). Those who say the top 1 percent is not paying its share are wrong.

In addition, the 21 percent who earned between $30,000 and $100,000 paid another 50 percent of all income taxes. So the top 22 percent of all taxpayers paid 70 percent of all income taxes.

Income from salaries and wages in 1983 jumped $80 billion over 1982. That extra income fueled the recovery we are still experiencing. Interestingly, incomes from dividends and interest each dropped by more than $3 billion. A good gain ($9.8 billion) appeared in income from businesses and professions.

Bashing millionaires (whom we imagine to be the stars of rock, sports, and silver screen) is always good fun. Exactly 10,800 returns showed an adjusted gross income of at least $1 million in 1983. Average take-home pay in this set was a very cool $2.25 million. Altogether, this valiant 10,800 earned $24.5 billion of adjusted gross income. Of this, they paid 40 percent, $9.7 billion, in taxes. This came to an average of $896,655 in taxes paid per return. That stiff payment still should have left a little pocket change. One hopes the valiant 10,800 invested it productively.

Alas, only 1,364 of these millionaires are still single.

All but about 2,000 millionaires received salaries or wages (about $5.2 billion in total). Nearly 3,700 received business or professional income. About 1,300 reported farm income—or loss (mostly the latter). A lucky 9,496 of them reported sales of capital assets, showing long-term gains. In fact, it is plain that this is where most of the income of millionaires comes from—about $18 billion. They didn't make much in rent, royalties, or alimony. (Alimony is paid by 784 of them.)

Interest didn't pay them as much as one might think ($2.2 billion), and neither did dividends ($3.6 billion).

The returns of 5,753 of the millionaires showed political contributions, totaling $487 million. You can look at it this way. There are about 5,000 millionaires out there still not contributing.

One thing the supply-siders did predict correctly. Ever since the tax cuts in 1981, the top 1 percent of income-earners (those with $100,000 or higher adjusted gross income) have paid more and more in taxes and a higher proportion of all taxes paid.

Here are the figures for the years, taxes paid and proportion: 1981, $43 billion, 15.2%; 1982, $48 billion, 17.5%; 1983, $54 billion, 19.6%.

Those who argued that tax cuts mean the rich will pay less are wrong. The rich are paying more taxes than before.

Moreover, the poor (those reporting less than $10,000 in 1983) have been paying a lower proportion of income taxes. In 1981, they paid 2 percent; in 1982, 1.8 percent; and in 1983, 1.6 percent.

The wealth of the wealthy can be made into a magnificent tax-producing machine. The wealthy can be made to shoulder a higher proportion of income taxes. And this can be done through cutting tax rates. So much we have learned.

Moreover, the IRS figures for 1983 show an upward drift in virtually all tax brackets. During the three years 1981, 1982, 1983, the number of returns reporting $10,000 or less declined by 1.1 million. Those earning between $20,000 and $100,000 rose by 3 million. Those earning more than $100,000 rose by 165,000.

In short, the total amount of revenue fell very slightly. But more people moved into higher incomes. And the income tax burden shifted away from the poor, more squarely onto the shoulders of the more affluent.

Among taxpayers, the poor got richer, and the rich got more heavily taxes.

Not a bad show.

THE PHILIPPINE DRAMA

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. BEREUTER. Mr. Speaker, among the outpouring of favorable comment regarding the remarkable turn of events in the Philippine Islands are several editorials which appeared recently in Nebraska newspapers. I would like to share them with my colleagues. Collectively, these editorials give the Philippine people everything they are due for the magnificent and courageous manner in which they went about restoring democracy but make clear that the United States too can take a good measure of satisfaction from its role in the Philippine drama. These papers also note the difficult tasks Mrs. Aquino faces and encourage the United States to provide her with both material and moral support as she sets about building a stable, productive democracy on the ruins of the Marcos regime.

[From the Lincoln (NE) Journal, Feb. 25, 1986]

COURAGE OF PHILIPPINE PEOPLE MAKE BLOODLESS REVOLT POSSIBLE

Call it a recognition of immutable reality. He was an emperor without clothes, and he could not at last deny that nakedness. Call it a final act of patriotism, deciding not to fall in a welter of violence and bloodshed, harming others. Call it whatever you wish.

In the end, Ferdinand E. Marcos left his beloved Philippines a few hours ago in the least damaging way. There is something to be said for that.

Much, much more can be said for the bravery of ordinary Philippine citizens who, acting non-violently but acting massively, refused to accept the gun-barrel results of a democracy defrauded and debased.

As U.S. Secretary of State George Shultz rightly observes, it was the people of the Philippines who made the peaceful revolution possible—first by their ballot support

of Corazon Aquino, widow of the man who rightly should have been Marcos' successor, and then by their unwillingness to acquiesce in election theft.

The world has seen an amazing, and heartening, demonstration in the Philippines.

It also has seen a sensible, well-crafted and praiseworthy participation of American influence. By and large, President Reagan's and Congress' encouragement of the Philippine democratic process—which meant Marcos' acceptance of quitting after 20 years—provides important credits for the United States with the new government in Manila. That is a government which will need our realistic help, too, healing wounds and putting down armed insurgents.

Given history, the Philippines come naturally to a love-hate relationship with the United States. The islands were victims of U.S. imperialism, but they were also beneficiaries of U.S. salvation from Japanese captivity. And we weren't forced out as rulers by conquest. We walked away as friends.

The American doctrine of self-rule—and acceptance of democratic electoral expression—was something valuable which we did leave. The people of the Philippines have now demonstrated to themselves just how marvelous a legacy that is.

That, plus their own courage.

[From the Omaha (NE) World Herald, Feb. 26, 1986]

MRS. AQUINO'S ADVANTAGES A PLUS FOR THE PHILIPPINES

The strains to which democracy has been subjected in the Philippines didn't end with the resignation of Ferdinand Marcos. All indications are that President Corazon Aquino and her associates have a difficult task ahead.

Filipinos need to heal the wounds of the Marcos-Aquino campaign and unite against the rebels who seek to impose communism on the republic. International relations—including the Manila-Washington relationship—are a sensitive subject. The Philippines economy is in trouble. The country's political and economic machinery became so discredited in the last years of Marcos that questions could be raised about whether the system was serving the people or just Marcos and his cronies. * * *

It is the good fortune of the United States that Filipinos took it upon themselves to hasten the departure of Marcos. The U.S. government has been under pressure in recent days to do more to topple Marcos, which could have led to the appearance of an American solution rather than a Filipino solution.

As it turned out, the United States was positioned just right. It neither clung too long to an old friend nor went too far in helping persuade Marcos to resign. Either extreme could have been a mistake. The proper stance of the United States in such a situation is to maintain a working relationship with a friendly nation, not to become entangled in the nation's internal affairs or to become identified with the interests of one political party or individual.

The United States is now in a position to help. Although relations between Marcos and the U.S. government were relatively friendly during much of the Marcos presidency, Mrs. Aquino should be aware that ties between the two countries are between Filipinos and Americans, not just between two governments.

She should be assured that she can count on the United States for assistance and moral support as she sets about to build a stable, productive democracy on the ruins of the Marcos regime.

[From the Omaha (NE) World Herald, Feb. 27, 1986]

U.S. DUE PART OF CREDIT IN PHILIPPINES TRANSITION

The U.S. government handled the political crisis in the Philippines well. A foreign policy disaster could have occurred if the United States had moved faster or waited longer to cut its ties with Ferdinand Marcos. Instead, the outcome offers some basis for hoping that the Philippines can survive as a strong, democratic ally.

As recently as last fall, U.S. foreign policy specialists warned that the Philippines was moving toward a Communist takeover. Human rights violations and corruption in the Marcos government were playing into the hands of the Communists. The democratic opposition was fragmented.

Marcos demonstrated a poor grasp of the situation. After President Reagan sent Sen. Paul Laxalt, R-Nev., to urge Marcos to consider military, political and economic reforms, Marcos soon called instead for the snap election to demonstrate his support.

The seriousness of his miscalculation began to become apparent when the democratic opposition united behind Corazon Aquino. Mrs. Aquino, though inexperienced, demonstrated the ability to attract and hold the support of the voters. Her showing at the polls and Marcos' attempts to steal the election only served to make her look stronger and set the stage for the rebellion that swept Marcos out of office. . . .

U.S. officials worked behind the scenes, staying in touch with both sides as the crisis deepened. A power-sharing arrangement was explored. Marcos' support crumbled. Americans . . . helped persuade Marcos to resign and assisted him in leaving the country.

While much of the credit for the relatively non-violent, potentially democratic outcome does go to President Aquino, Defense Minister Juan Ponce Enrile, Gen. Fidel Ramos and Mrs. Aquino's supporters, the role of Reagan and the United States in getting Marcos out of the way was critical. . . .

The U.S. role in the transfer of power from Marcos to Mrs. Aquino should not be overlooked in either country.

Filipinos can look at the help they received from the United States as evidence of a U.S. commitment to Philippine democracy and human rights. For Americans, this is a strong reminder that freedom-loving people need not accept the idea that communism and radicalism are the only potential successors of an anti-Communist dictatorship.

THE 10-YEAR ANNIVERSARY OF HOSPICE OF MARIN

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mrs. BOXER. Mr. Speaker, I am honored to have this opportunity to offer commendations to one of my district's most highly regarded humanitarian programs, Hospice of Marin, on their 10 years of service to the terminally ill and their families.

One of the earliest hospices to be developed in the United States, Hospice of Marin began treating patients/families in Marin County in 1976. Since then, this nonprofit organization, which is staffed by interdisciplinary team of medical professsionals and volunteers, has cared for over 1,300 families, and now has a weekly average of 34 patients/families receiving total care services.

Hospice programs may have little meaning to those of us who have been spared the misery of a life-threatening illness either personally or within the family, but for those less fortunate, such services are a godsend. Working directly with the patient's physician, the Hospice of Marin team provides an intensive program of personalized treatment and extenuated care including: home and hospital visits by nurses and other health professionals, management of pain, medical treatments, personal care and household services, physical/occupational/speech therapy, assistance in respite or continuous care, counseling and emotional support, and visits and practical services by lay volunteers. The Hospice of Marin offers all these services to patients and/or families affected by life-threatening illness on a nondiscriminatory basis, and without regard to a patient's ability to pay.

On this their 10-year anniversary, I would like to recognize the Hospice of Marin as a forerunner of hospice care in the Untied States, whose decade of exemplary service has inspired other such programs both State and nationwide.

Moreover, I would like to express deepest appreciation to the staff of the Hospice of Marin—the many dedicated doctors, nurses, counselors, and countless volunteers—who have provided vital medical, psychological, social, and spiritual guidance to the terminally ill, and who have positively touched the lives of so many families in Marin County.

The Hospice of Marin has given us a greater understanding of the importance of being loved and respected through illness and the final stages of life. The Hospice of Marin is truly a tribute to professional/compassionate healthcare.

NATIONAL RECOGNITION FOR VOUCHER MEAL PROGRAM OF THE EVANGELICAL LUTHERAN CHURCH OF THE TRANSFIGURATION IN TAYLOR, MI

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. FORD of Michigan. Mr. Speaker, I want to take this opportunity to draw the attention of my colleagues to a successful meal voucher program in my hometown of Taylor, MI. This innovative program, started by Rev. Chesmond S. Bade of the Evangelical Lutheran Church of the Transfiguration, has proved to be an exemplary program for meeting the needs of the hungry.

With a minimum amount of Federal funding through FEMA, Reverend Bade has managed to provide the hungry with food while allowing them to maintain their dignity. It is crucial that, as the Congress is faced with increased pressures to reduce domestic spending, we keep

in mind the importance and cost-effectiveness of programs such as these.

I want to share with my colleagues a section of the Emergency Food and Shelter National Board Program publication fo exemplary programs entitled, "Caring for the Hungry and the Homeless." The section on Reverend Bade's meal card program follows:

MEAL CARD PROGRAM—USE OF VOUCHERS THAT CAN BE REDEEMED FOR MEALS AT LOCAL RESTAURANT

Often, those most in need of well-balanced meals do not have access to cooking facilities. Inexpensive and nutritious items such as oatmeal or macaroni and cheese are of little use to homeless individuals who have no easy way to prepare them. One solution is to set-up a program using vouchers that can be redeemed at a local restaurant for nutritious meals.

In Taylor, Michigan, a community with a population of 80,000, the Transfiguration Lutheran Church administers a "Meal Card" program. Through the use of National Board funds and the cooperation of Alice Hall, the owner of Aunt Alice's Restaurant, inexpensive and well-balanced meals are provided to individuals lacking cooking facilities.

The program was started by Reverend Chesmond S. Bade, who continues to serve as the only staff person for the program. It works like this: Reverend Bade gives each client, who has met a needs test, a check made out to Aunt Alice's Restaurant; the check is for $21, equal to 21 meals at a cost of $1 per meal. Clients also receive a 21-meal "meal card" on which has been printed the beginning and expiration dates and any dietary limitations such as low sodium or diabetes restrictions. This meal card is retained at the restaurant and initialed each time the client eats a meal at Aunt Alice's. The meals may be exhausted all in one week, or over an extended period of time.

The meal cards are purchased by the Church with National Board funds. With an allowance of $1 per meal, some negotiations between the Church and the restaurant were necessary to arrive at a reasonable agreement as to what will be served. For example, at lunch, meal card clients receive a bowl of soup and a sandwich, and for dinner, the special entree of the day, potato or salad, and a beverage. Aunt Alice's Restaurant is clearly providing more than $1 worth of food for each meal served to a meal card client, thereby leveraging the National Board funds quite effectively. Ms. Hall estimates that, on average, she is subsidizing each breakfast by $1, each lunch by $2, and each dinner by $3.

A few restrictions were applied by Ms. Hall in order to keep meal card clients from monopolizing table space during peak business hours. Breakfasts are available to meal card clients between 5:30 and 9:30 a.m., lunch after 1:00 p.m., and dinner between 5:00 and 6:00 p.m. Meal card clients are also requested to sit at the counter instead of a booth.

The biggest challenge in setting up a meal card program is to find a restaurant(s) willing to cooperate. Reverend Bade advises seeking out a locally-owned and managed, family restaurant that has a high volume of local customers. He warns that national and regional chains are likely to be more resistent to becoming involved in such a program because the local managers have less discretion in terms of providing food at a discount.

At least in Taylor, the meal card program appears to have been accepted by the community. In any one week, there have been no more than 12 individuals coming to Aunt Alice's to redeem their meal cards. Most of the clients are clean cut, young individuals who blend right in with the usual customers. Obviously if meal-card recipients, through appearance and behavior, do not offend the regular clientele, restaurant owners would be more likely to participate in such a program.

Organization Summary: The Evangelical Lutheran Church of the Transfiguration is a mission congregation and part of the Lutheran Church of America. It was established in Taylor in 1959. In 1982, the Mayor of Taylor appointed the church to coordinate all emergency services in the area. The church helps over 4,000 families a month with surplus commodities, runs a clothing bank, attends to all emergency food needs apart from National Board funds, and acts in the capacity of a general referral service for most social service needs. As of June 1985, the Church has received $85,000 in National Board funds over three phases.

MICHAEL NOVAK ON APPLYING THE PINCERS BY THE SOVIET UNION

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. KEMP. Mr. Speaker, the debate in America and in Congress concerning defense spending has focused more and more narrowly on a set of abstract numbers—what we have spent in the past, and how much priority defense should have in the context of the whole budget. But I believe there is only one way to know how much defense spending is enough: by measuring the threat posed to the Nation by our enemies.

Bud McFarlane, who recently completed a term as the President's National Security Adviser, has written:

In the past 5 years, notwithstanding what we have built, the Soviet Union has produced twice as many fighter aircraft as the United States and her NATO allies, 4 times as many helicopters, 5 times as many artillery pieces, 12 times as many ballistic missiles, 50 times as many bombers. In short, the threat is not diminishing. It is getting more severe.

Now Michael Novak has opened up the debate by describing in broad terms the Soviet Union's global strategy as it affects the continents of North America, Africa, and Asia. Soviet actions around the world are interrelated. What happens in one nation, for instance Angola or Nicaragua, has global ramifications and relates to our own national security.

I invite those who are sincerely interested in the complicated question of defense spending to read Novak's article to understand the nature of the threat we face today.

[From the Washington Times, Mar. 3, 1986]

APPLYING THE PINCERS

(By Michael Novak)

In strategic terms, the biggest news of the 1980s is that the U.S.S.R. is now applying a pincers movement to three continents: North America, Africa, and Asia.

Slowly but surely, the United States is being cut off from Europe. Our ally to the north, Canada, has stripped its military capacities bare and cannot adequately defend the U.S. northern flank. Soviet submarines are forging an under-the-ice route through the straits and seas of the Arctic, directly into the North Atlantic.

In the event of war, Soviet attack subs would swiftly cut off the sea-lanes of the North Atlantic.

Since World War II, U.S. shipping has shifted dramatically to southerly routes. Most shipping no longer departs from Boston, New York, Philadelphia, or Norfolk. The largest proportion of tonnage now departs from ports farther south.

That is why Soviet activity in Cuba, Grenada, and Nicaragua has been so dangerous to the future defense of Europe. Soviet attack submarines and aircraft could cause weeks of havoc on southern Atlantic sea-lanes.

Were war (or threat of war) to break out in Europe, the first Soviet pincers would close on the Atlantic sea-lanes, from north and south.

In Africa, Libyan leader Muammar Qaddafi has been assigned the task of moving Soviet power southward into Chad and the Sudan, with sights set on the Central African Republic and Zaire. Linked to Ethiopia, this movement would effectively cut across the entire middle of Africa.

Some 40,000 Cuban mercenaries—the equivalent of three large divisions—supported by Soviet, East German, and other pilots and military advisers, have the task of moving southward from Angola toward Namibia and South Africa.

Given 10 years, this second Soviet pincers movement might yield effective Soviet control—including KGB stations and military bases—on a North-South axis right through the heart of Africa from Libya to South Africa.

A third Soviet pincers movement is at work in East Asia. To the south of China and Japan, the U.S.S.R. already uses the splendid naval and air facilities the United States left in Vietnam. The North Vietnamese, having subdued South Vietnam, have continued their age-old dream of conquest over all of Indochina, via Cambodia and Laos.

To the north, Soviet naval forces in the Pacific already number nearly as many naval vessels as in the entire U.S. fleet. North Korea launches small operations against South Korea almost weekly. Soviet aircraft now are seen regularly over or near Japan. The loss of U.S. bases in the Philippines is not beyond the reasonable hope of Soviet strategists.

In Western Asia, a Soviet pincers movement is also apparent in the fierce Soviet efforts in Afghanistan and in their intense and explicit threats upon Pakistan. The Soviets are also driving northward from Yemen, and will do so southward after any breakdown in Iran-Iraq. Their ally in Syria gives them a major central link in this Western Asia vise.

In the Soviet heartland, to the sure, Soviet economic power is deteriorating. The U.S.S.R., once in possession of the world's greatest granary, which their out-of-date economic methods have nearly brought to ruin, are now dependent on grain from Canada and Argentina. New revolutions in electronics and computers are beyond Soviet reach, even when they steal from others. Falling oil prices now cut deeply into their earnings of foreign currency.

Thus, as the 1980s conclude, a great drama is unfolding. Will their accelerating economic backwardness make the U.S.S.R. more peaceable during the next 10 years? Or, on the contrary, will the new and ambitious Soviet leadership decide that the correlation of forces will never again be as favorable to them as now?

Fifteen years ago, Soviet military power was not nearly so well-placed internationally. Should the Soviet now retreat? Should they merely consolidate current gains, or even withdraw a little? Or should they step up their pressure and continue their advance?

Many commentators in the West do not fear Soviet military power and ridicule those who do. Tom Wicker, for example, ridicules "the ideological dogma that anything calling itself 'anti-Communist' must be 'freedom.'"

But this is not quite the point. Resistance to Soviet power is all too rare on this small globe. And Soviet power has broken free from its ancient "containment." Soviet naval vessels, aircraft, KGB operations, military equipment, and advisers now operate on or near every continent on Earth.

The world has changed since 15 years ago. Soviet power is "blowin' in the wind." When everything falls silent, you can hear it. Intelligence forces see it. The Western public would deeply, deeply like not to see it: hear no Soviets, see no Soviets, speak of no Soviets. Seeing reality hurts too much.

The Reagan Doctrine promises resistance. At long last. Finally. But such resistance is still pitiful.

Already in Nicaragua, Foreign Minister Miguel D'Escoto boasts of U.S. congressmen who are his "friends" and stay in his mansion in Nicaragua. Thomas Borge speaks of the "useful fools among Americans who trust and support Sandinista purposes. The Sandinistas have great hopes for the elections of 1986. They eagerly await Mr. Reagan's departure in 1988.

So do the Soviets. President Reagan has talked much and begun to prepare the U.S. military for the dramatic years ahead. But he has achieved surprisingly little in reversing the strategic tide.

If this is the best the Americans can do, under the most inspired leadership in decades, what is there to fear? The Soviet empire may ride out 1986 and 1987 intact. Then the wraps are off.

Democracies are weakest in meeting strategic threats. Democratic and capitalist people are absorbed in commerce and daily life, in raising their standards of living and pursuing personal happiness. Sparta is not their style. They prefer illusions of peace to preparation for hard times ahead. The Reagan legacy is unpersuasive to influential elites.

The United States is spending less than 7 percent of its gross national product for the defense of liberty, under a threat far more awesome than the threat posed by Adolf Hitler. That is too little. It may be too late. Worst of all, America is not resolute enough. America lacks any strategy for victory. Its defense is half-hearted. The West is complacent.

If the Soviets know what Tom Wicker and his colleagues think, and bet their future accordingly, the answer to their most urgent question, "What should the U.S.S.R. do from 1986 to 1996?" is blowin' in the wind. The answer, my friends, is blowin' in the wind.

ILLINOIS TRUCK COMPANY WINS NATIONAL SAFETY AWARD

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. CRANE. Mr. Speaker, I am pleased to call to the attention of my colleagues the fact that DFC Transportation, Inc., of Huntley, IL, has been awarded the grand prize award in the annual fleet safety contest conducted by the Interstate Carriers Conference.

The conference, an affiliate of the American Trucking Association, represents some 600 trucking companies throughout the country.

Mr. R. Larry Smith, president of DFC, and his director of safety, Mr. George Lombard, were presented the award this month at the conference's annual meeting. DFC also won first-place honors in the conference's divisional award based on annual miles driven—between 20 million and 30 million in 1985.

Being honored by its peers and experts in the important field of highway safety is a great honor for DFC. For years the company has been an active participant in Huntley and in Illinois in promoting highway safety. It is fitting that its contributions have been nationally recognized.

H.R. 3800

HON. TOM DeLAY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. DELAY. Mr. Speaker, 2 years have passed since the breakup of AT&T. Although the Justice Department's divestiture suit was designed to bring about competition in the telephone industry, the American public has not yet noticed any benefits from the divestiture. While AT&T has lowered its long distance rates, local rates have increased and it is more confusing to get service than before.

Therefore, I join colleagues on both sides of the aisle in support of H.R. 3800, the Telecommunications Equipment and Information Services Act of 1985. This bill authorizes the Regional Bell Operating Companies to manufacture telecommunications equipment in this country and to provide information services through the telephone network. The Bell companies are precluded from both of these markets by the divestiture agreement with the Justice Department. However, added competition in these markets will lower prices to all consumers. Additionally, the profits from these new lines of business can be used to offset the cost of providing local service, thereby ensuring universal service for all subscribers.

While I support H.R. 3800, more needs to be done to assure fair competition in the telephone industry. Today AT&T remains heavily regulated by the Federal Communications Commission while all of its long distance competitors are totally unregulated. Therefore, whenever AT&T attempts to lower rates to meet the competition, or to introduce new services its competitors can use the regulatory process to delay these new services. This prevents the majority of American consumers from realizing the benefits of competition.

I look forward to the House consideration of this bill. My colleagues and I will further competition in this industry while protecting the ratepayer from increasing local rates. Only when the Government removes the regulatory shackles from all competitors in the telephone industry will consumers realize the savings promised at the divestiture.

LUTHERAN CHURCH HOME OF BUFFALO

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. NOWAK. Mr. Speaker, in June of this year the Lutheran Church Home of Buffalo, NY will celebrate its 90th anniversary of providing senior citizens in my district the opportunity to live in a dignified environment. I would like to celebrate the valuable efforts of the Lutheran Church Home in offering its residents one of most precious gifts our elderly can receive—the opportunity to maintain a feeling of self-worth.

For 90 years, a dedicated staff and numerous volunteers from the Lutheran community have admirably served the Greater Buffalo community, which is proud of the home's achievements. I am pleased to submit the following statement of the philosophy and mission of the Lutheran Church Home of Buffalo and to offer my best wishes as it nears this latest milestone in its history.

MISSION STATEMENT OF LUTHERAN CHURCH HOME OF BUFFALO

The Lutheran Church Home of Buffalo was founded in 1896 by a group of dedicated Lutheran men and women who foresaw the need for a Christian Home for the ambulatory-aged. Our mission today builds on that basic purpose established by our founders. As throughout our history we provide a Christian, homelike residence for the aged that offers comfort, security, dignity and peace of mind to those who avail themselves of our service.

Our residents and staff are considered, and are referred to as, the Family. Each staff member is considered a therapist and trained to do whatever their assigned task is, in a manner that makes the resident feel at home. To an extent they become a surrogate-extended family for our residents, many of whom have no families or their families are too far away in distance to meet the needs of their senior family member.

Through the use of staff and volunteers from the Lutheran Community we attempt to treat each resident as a whole person with the same spiritual, bio-psycho, social needs that we all have.

The early population served were from the few congregations that sponsored the Home. The people had a very wide spectrum of needs to be met because there were very few such facilities in the Community. There was no welfare, very few pension systems and few who lived beyond their years of employment could meet their own needs in re-

tirement. The major alternative to the Lutheran Church Home was the POOR HOUSE. Many changes have taken place over the years. Our Country has economically developed and at the same time become more and more socially aware and attuned to the needs of its people. Because funding has become available, many supports for our elderly are now present in our society. Financial supports, nursing homes, health-related facilities, and more recently, in-home assistance. These elements have changed the focus of our service.

We have also seen an increase in feelings of ecumenism and Christian oneness, which impacts somewhat the focus of those whom we serve. Because of these changes our target population is broader in eligibility, but more narrow in the kinds of unmet, specific needs of people. We still serve people over 65 years of age who are ambulatory, but now we serve, not only all Lutherans, but if space is available, people of all religious backgrounds.

The kinds of needs that we meet are felt by those people who, even with community supports, cannot maintain themselves at home and yet are not in need of constant medical or nursing care. They may not be able to shop, clean their homes, or prepare meals for themselves on a regular basis. They may not be sure they are taking their medication properly. They may be afraid of falling or having medical problems in their home and no one would be able to know and assist them. They may be lonely and want to be with people. Whatever their need either they, their families or their Pastors become aware of a problem and seek admission to our Home. Even though our focus has become very specific, the numbers of our target population will grow as the aged population grows.

A very important need that everyone has and is felt even more by the elderly, is a feeling of self-worth. In the population that we serve this need manifests itself in a desire to retain a feeling of self-support, of holding on to all that one has worked for in their life and perhaps the ability to leave something to friends and family to be remembered by. Many of our residents have lost friends, family, their homes, many of their capabilities and substitute their material holdings as their last vestige of security and value to their lives. Helping to meet the need to live out one's life in dignity has always been a priority of the Lutheran Church Home of Buffalo. The uniqueness of our Facility is that over the years we have been able to develop the capability to subsidize our residence through income from investment of bequests. It, therefore, becomes an important part of our mission statement that we provide the highest quality of services at a cost to residents that allows them to maintain the dignity of being self-supporting. We are also able to accept anyone, even if they have had to use all of their resources and are on Supplemental Security Income.

The care of our elderly, we feel, was a sound Christian mission in 1896 and continues to be today, and the need for care will increase in the future. It is our prayer that the Lutheran Church Home of Buffalo will be able to continue and increase in this mission.

THE CURSE OF BLACKS KILLING BLACKS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. GARCIA. Mr. Speaker, as a Member who represents a large black constituency, I have become increasingly concerned and disturbed about the high incidence of black on black crime in America. Most alarming is the homicide rate among black men. According to the Bureau of Justice Statistics, a black man has a 1 in 21 chance of being murdered. This statistic is most alarming when one compares it with statistics for white men and women, which are well over 300 in both categories. It is high time that we begin to develop strategies to significantly reduce the threat of violent crime in our nation's black communities.

The following article from the March 2, 1986, Washington Post by Edward Sargent entitled: "The Curse of Blacks Killing Blacks" outlines the perils of this significant problem.

[From the Washington Post, Mar. 2, 1986]

THE CURSE OF BLACKS KILLING BLACKS

(By Edward D. Sargent)

There on his stomach, branded against his smooth black skin, was his mark of manhood. A scar from a bullet wound. The boy was 15 and the wound was two years old, placed there during a common street robbery in Northwest Washington.

The boy, whom I met on a playground of Meyer Elementary School at 11th and Clifton Streets NW, told me his name was Tommy. Pridefully, he pointed to the wound and said, "Check it out. I ain't no chump, dig? I ain't no chump."

He was robbed of about $5. He said the assailants shot him for kicks and fled. He said he didn't cry. He walked home and his mother took him to a hospital.

The next day, he was back on the street bragging about how tough he was.

Unfortunately, Tommy is not an anomaly. There are countless young black males in America walking around with bullet wounds. Others aren't as fortunate. In 1983, 6,822 black males were murdered—almost as many as were killed in the whole Vietnam war. A black man in America stands a one-in-21 chance of being murdered in an entire lifetime, according to the Bureau of Justice Statistics. One in 21! It is vastly worse odds than the one-in-104 for black women, or one-in 131 for white men, or one-in-369 for white women. And it's worse still in the cities; in 1980, the murder rate among urban black males doubled that for their rural brothers.

I do not write about black-on-black homicide from the vantage point of a detached observer. My black skin, my 1958 birth certificate and my male gender make me part of the endangered group. Personally, I'd rather have cancer. Currently, about 95 percent of murdered black males between 15 and 34 are killed by other young black males, which is as disheartening as it is hard to believe. These men who call each other "brother" are killing each other faster than any disease, including AIDS, cancer, sickle cell anemia and high blood pressure. Murder is the leading cause of death of young black males.

To find more homicidal areas than predominantly black American cities you have to look to underdeveloped areas like Guatemala, awash in political chaos and violence. So when I am in poor black neighborhoods, I think about death and dying. It seems to be all around me and anxious to meet me. My heart goes out to young, impoverished, idle, hostile and ill-educated black men, but I try to keep a careful eye on them.

I'm talking about walking down Eighth Street NE, near H, after dark, reporting on a story about the brutal killing of Catherine Fuller, and thinking about all the other shootings that occurred in similar neighborhoods but never received much coverage. I'm talking close-range confrontations; hand-to-hand combat; constantly wondering. Is someone following me? Are the guys on the corner thugs? Are they watching me? Are they scheming?

Will I have to fake them out, act like I have a gun by tapping my left side as if checking to see that my "piece" is snug and accessible? Will I have to add a little more rhythm to my walk, act like I'm tough, like I'm from the 'hood in order to save my life? The threat of violence must always be present. Gentle men don't survive here, you've got to be "Rambo," or John Wayne. I'm talking about walking down the street and hoping it's not the wrong place to be and the wrong time to be there. And if someone approaches me asking for a match to light his cigarette, I know it could be a set up, and I had better play it just right or it could cost me my life. Of course, the right answer would be, "No."

But it would be better for me to use some slang or some broken, black English and say, "Naw, man. I ain't got no match."

My white counterparts impress and initimidate each other by mentioning the names of the schools they attend or the names of powerful friends or relatives. For me, it's the way I walk. I've got to be cool.

This is not mere intuition. The odds of being murdered are greater among young black men than for any other single group in the civilized world, according to the Department of Health and Human Services' Centers for Disease Control. According to the National Center for Health Statistics, 34 percent of all murder victims are black males, though they represent just 5.6 percent of the U.S. population. This senseless terrorism is out of control.

I am talking about being near 14th and U streets NW one midnight looking for a story about the underclass. A man holds a pistol to the head of another man lying on his back on the sidewalk.

It's about a debt in a drug deal. "Where's my money, m—f—r?" The gunman asks.

"I aint got it, man."

The man with the gun cocks the pistol. The other man turns his head, tries to squirm away.

Half a dozen men about my age watch. Nobody says anything.

"I want my money now!"

Someone I'd befriended hours before the incident walks over to me and says he knows the debtor. He pleads with the gunman to give the debtor one hour to come up with the cash and he pleads with me to drive the guy to his home in a middle-class Northwest neighborhood to get the money. I am not eager to get involved, but out of a spontaneous emotion sparked by curiosity or brotherly love, I feel it is the right thing to do—these brothers are messed up in many ways, but they are still human beings. So I do it.

Later, when the gunman counts the money, I see it amounts to about $20.

This is how millions of Americans live. This is what they think is normal. A terrible thing has happened to me and my brothers. But nobody cares. Let's face it, black murder is an old story. In 1920, according to the National Center for Health Statistics, whites had a murder rate of 4.9 per 100,000. For blacks it was 29.2. In 1950, the numbers were 2.6 for whites and 28 for blacks. In 1980, it was 7.0 and 33.8. Rarely is it front page news because it happens so often, it's boring and even expected. It's just something that happens. Even black people seem to accept it as axiomatic. But the silent treatment on the issue is actually not so silent at all. It says in a very loud, obnoxious, disturbing way that generally, members of our society believe that "blacks are going to kill blacks and there's nothing we can say or do about it that will make any real difference." Just like the people pulling the triggers, our society at large is saying: black life is cheap.

"Maybe," says Donald Temple, a young black man who works as a Congressional policy analyst and founded a community organization called Concerned Black Men, "Maybe if we piled all the bodies of blacks killed by blacks in front of the White House, maybe we'd get the message across. Maybe that would be as dynamic as the televised pictures of the starving Ethiopians."

Only quietly has the message started getting out. In recent months, the National Institutes of Mental Health and the Surgeon General have all made the topic of "violence epidemiology" a high-priority issue of health as opposed to merely law enforcement. The CDC has formed a Violence Epidemiology Branch. They have a lot of work in front of them.

I was 10 when I first heard people shooting at each other. It was in a black neighborhood in Memphis, about 11 o'clock one night. I was with my father and brother, visiting my grandmother. My father rushed into the bedroom, woke my brother and me and told us to hide under the bed. I could hear gunshots in the street outside the window and male voices shouting hostile obscentities.

"Stay down and be quiet," my father said.

After we were allowed back in bed I lay awake half the night. I had played with toy guns and watched lots of war movies, but none of it gave me a rush of excitement and curiosity like hearing those guns go off.

As I matured, fascination faded and depression and fear took its place as I happened upon closer encounters with angry "brothers" and their guns. When I was 16, a young black with a turtleneck sweater pulled up over his nose pointed a gun at my head during a robbery at a fast-food restuarant where I worked as a cook.

My half-brother, Steve, who grew up in Detroit, was shot several times in the chest, and lived to brag about it. But Steve, who died at 33 of a heart attack, used to tell me, "Ed, it's rough out here in these streets. You doin' the right thing stayin' in school, Ed. Hit those books and make something out of yourself, man. I wish I had listened when people told me that. But I didn't. I was livin' that fast life."

I heard constantly about friends and relatives who had been killed by other black men, I had friends who carried guns to feel safe and be cool. My good friend Rosevelt Whitaker started carrying a gun to avenge a school chum who had been chumped or bullied by two of his classmates. Rosevelt showed the bullies the gun and promised that he would use it if they messed with his friend again. They ran away. For the first time ever, the frail teenager felt a sense of power over other males who were tougher than he.

He grew to enjoy the comfort of having a gun with him at all times. Some dudes at Phelps Vocational School in Northeast D.C. poked fun at him for not completing a project correctly and one guy punched him in the face. He shot at them.

"Once you lose your virginity" as gunman, Rosevelt told me, you can shoot again and again without second thoughts, without remorse, without shame, without hesitation. He told me this at Lorton prison, where he is serving 20-to-life for getting high on purple haze, a hallucinogenic drug similar to LSD, and blowing away a white movie-theater owner at point-blank range. But, before doing so, it's important to note, he got his practice shooting at his peers, young blacks.

Perhaps there are so many killings among young black males because the level of anger is kept so very high—often intentionally, consciously. In many black neighborhoods, exhibiting anger or toughness is a primary survival technique. You must look angry—furrowed brow, grimace instead of a smile. You must walk angry, talk angry, think angry. Otherwise, a "brother" might think you're weak and try to take advantage of you.

This is what what people call street wisdom. It's wise to look any other young black male who comes across your path in the eye, but not stare at him. For God's sake, don't bump into him without quickly saying," "scuse me." It may be wise to speak, to say hello, but then again it may be unwise, depending on the situation and the "vibe." And by all means, hello is not what I would want to say. Most likely it will be, "Wazzup?" Say it fast, deep and keep walking. If the other guy says, "Wazzup," I say. "Wazzup." We're not talking to each other—I'm listening to my own voice more than to his. I really don't care wazzup, as long as he doesn't bother me.

On the mean streets of Washington, you're either a chump or a champ. You're cool or you're not. You're macho or gay. You're either with it or you ain't. You got it or you don't. You're savvy or awkward. You're hip or square. There seems to be little tolerance for the banal, the tame. You've got to have "some ——" with you, some "game." That way, people think that you can handle things and that you're regular. If I appear to be out of place, I'm a target. I'll be ridiculed and possibly attacked. As Langston Hughes wrote: "I stay cool and dig all jive. That's the reason I stay alive."

As I say, this is how millions of Americans live. Millions of children grow up to think it's normal. So does the rest of society—that's why it doesn't care.

But whites and middle-class blacks are not immune for two reasons: 1) You never know when or where you will have to use a telephone or stop for gas and 2) The ghetto is never far away. In Washington, for example, there are dozens of neighborhoods where renovated houses in one block belong to yuppie married couples and their cute dogs while deteriorating apartment buildings around the corner are inhabited by impoverished people. The chances of running into one of those at the lower economic level who is short-tempered, possibly involved in drug activity and armed is not farfetched.

Still, it is more likely that I, not a white person, will be killed by a black. Only about 5 percent of one-on-one white murders are committed by blacks. In any case, I believe that getting in an argument with a young black man is like committing suicide. If I am driving down the street and a black guy gets angry because I cut in front of him, I'll let him curse me, give me the finger, whatever. I will not return anger, because to do so might instigate an assault, which could all too easily be fatal. I have come too close, too often.

Last summer in Chicago, for instance, I was on the South Side, near the Dan Ryan Expressway, and I pulled into a gas station to make a call. There was a black guy about my age sitting in a car parked near the two pay phones. After I picked up the receiver on one of the phones, the guy got out of his car and slammed his fist against the side of my booth.

He stared at me.

I tried to be cool, sort of smiled. He did not. In fact, my reaction made him frown even more.

I said: "You waitin' on a call, huh, bro."

The brother grunted and gestured with his hands. He was saying, "Dummy, can't you see I was waiting for a call?"

I told him matter-of-factly but gently, "I figured you were waiting to use the phone, my man. Give me one second."

The "brother" cut his eyes away for a second in disgust. I told my party that I would call right back. I moved to the other phone and started dialing while I kept my eye on the guy—he was definitely carrying a lot of anger. After a few moments, the first phone rang and he started talking. I was relieved to know that he could talk and glad as hell that he had something to keep him busy while I was still in his presence.

Much as I wanted to avoid looking like a wimp, I also wanted to avoid an argument. In 1982, more than 65 percent of young black male murder victims were killed during or after an argument. And the weapons used are the most lethal ones. According to recent statistics, in about 71 percent of the homicides that involve young "brothers," they use guns to kill each other, mostly easily concealed handguns. They use knives in about 20 percent of the killings and in about 10 percent of the murders, they use other objects or their bare hands.

There is no limit to the escalation of violence, little sense of fair fight, little agreement that an argument settled by mere fists is settled for good. A couple of years ago in Washington, one black teen-aged male was fatally stabbed by another who had just lost a fistfight to the victim, according to witnesses.

The killer pleaded guilty to manslaughter and was released after serving about two years in jail, indicating that black life sometimes carries a very cheap price.

Justice is cheap in many black neighborhoods, for sure—you do it yourself. There are no judges or juries, no civil grievances argued by lawyers. There are precious few neighborhood arbitrators or "godfathers" to settle disputes.

According to James A. Mercy and Mark L. Rosenberg at the Center for Disease Control, the basic character of a black male who is predisposed to kill is this: He is young, unemployed and poor; he subscribes to the ideology that masculinity means having a dominant male social role and he lives in a racially segregated environment and is the victim of discrimination; his self-esteem is centered around his physical prowess and abilities as opposed to mental achievements; his verbal skills are underdeveloped; he may

consume a high degree of television and media violence along with a lot of drugs and alcohol. And he has a weapon.

Rosenberg and Mercy say that to prevent such black males from committing a homicide, society must do many things, including eliminate poverty, change conceptions of masculinity, reduce use of drugs and alcohol and teach conflict resolution skills for young males.

Personally, I've seen many hostile brothers "cool out"—not from serving time in prison, but from getting a good education, attaining a level of success and achieving the ability to express themselves in intellectual and creative ways. It's those self-hating brothers with nowhere to go and nothing to do who are mainly involved in this violence. Once they get on track, get some direction in life, they grow into decent men. Until then, they are like faulty bombs, ready to go off at a touch.

And until then, I won't trust them and they won't trust me. My black "brother," potentially the most important ally in the on-going struggle to uplift our race, is my enemy.

Whites and middle-class blacks, of course, deny the possibility that they could one day be affected. But if they believe that, why do they fear charismatic black fanatics who preach against "white devils" and "Uncle Toms?"

In the black community, urban terror has existed for years in the form of blacks murdering blacks and it's time to look at the tragedy as the national crisis that it is. Black people's pride and togetherness and the respect we have for our heritage will be measured by the extent to which we are willing to go to solve this problem. It is up to us blacks to call for the cease fire. As Calvin Rolark, a D.C. newspaper publisher and president of the United Black Fund has said: No one can save us from us but us.

THE KID WHO WINS ONE-HANDED

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. COELHO. Mr. Speaker, recently, an article appeared in Parade magazine about Jim Abbott, a freshman pitcher for the University of Michigan baseball team. Jim has had to overcome what for some people would have been a debilitating handicap in order to achieve all that he has in his young life.

Jim was born without his right hand, but this has never prevented him from participating in the same activities that other young men do, and achieving a level of excellence in them that most only dream of. During high school, he was both the quarterback of his school's football team and the pitcher of its baseball team. Jim's exceptional ability in baseball did not go unnoticed—in his senior year of high school, he received a scholarship offer from the University of Michigan and a bonus contract offer from the Toronto Blue Jays. He chose to continue his education and play for the University of Michigan.

Jim's courage and determination should be a lesson for all of us. It is not always easy for those with disabilities to lead a normal life—as a person with epilepsy, I know just how hard it can often be to overcome some peoples' initial prejudices and prove to them that you can succeed in many different areas. But Jim has been able to do this in the highly competitive world of college athletics. I have no doubt that with his positive outlook on life and his strong determination, he will achieve continued success in the years to come.

I hope Jim Abbott's determination will serve as an inspiration to all of us who have so-called disabilities. Often, the only limitations we face are those that we build ourselves or that we allow others to place in front of us. In recognition of Jim's achievements, I ask that the article from Parade magazine be reprinted below.

[From the Parade magazine, Mar. 2, 1986]

THE KID WHO WINS ONE-HANDED

(By Mike Lupica)

It is three-quarters of a mile from Room 111, Rumsey Hall at the University of Michigan, to the baseball field at Ray Fisher Stadium, and as Jim Abbott walks across the sprawling campus, he has plenty of time to think and fret, as any freshman pitcher would. He thinks freshman thoughts. He has freshman doubts. He wonders if a high school fastball is good enough for college hitters.

"I feel the pressure," he says. "After all that's happened to me in my life, I don't want to get lost in the shuffle now. I don't want to be just another high school pitcher who got lost in college."

Jim Abbott, 18, is not just another left-handed high school phenom, no matter what happens when the varsity baseball season begins for real this month in Ann Arbor. Jim Abbott was born without a right hand.

As he heads across campus each day, he smiles nervously as he readies himself for practice. He has come too far to fail. He smiles because he is eager.

"I'm battling against the odds again," Abbott says. "I've got to prove myself all over again, because I'm different. I'm back at the bottom, working my way up. But I'm going to make it."

In the 10 years of my job as a newspaper columnist, I have never been as touched by an athlete as I have by Jim Abbott, the one-handed kid from Flint, Mich., who has been different, at least so far in his young life, because he has been better, not because he is crippled.

"I'm just at another crossroads," he says, "with people staring at me.".

His right arm ends at a narrow stub—a wrist that quit—with one small finger protruding. The right arm is about 10 inches shorter than the left. On the mound, Abbott starts with the stub stuck in the pocket of his glove, which has the pocket turned around, facing home plate. At the end of his follow-through, as a fastball already is being Federal Expressed to the plate, the good hand slides into the glove as easily as a knife going into soft butter.

When he must catch the ball, he takes it in the glove. Then, with deftness and economy, the glove is being turned around as it is tucked under his right arm, the ball comes out, and Abbott has it in his left hand, ready to throw again.

Ted Mahan, Abbott's Connie Mack League coach in Flint, says, "He used to drop the glove once in a while. I can't remember the last time he did that."

If Abbott could not make the switch, he could not pitch. He was outfitted with a hooklike prosthesis when he was 4. He threw out the hook when he was 5. He would play the hand he was dealt.

"I hated that [artificial] hand," Jim Abbott says now. "That's why I gave it up before I got to the second grade. It limited the things I could do. It didn't help me do anything. It was ugly, it drew attention to me, and I threw it out."

I say to him: "But you had to know having one hand was going to draw attention to you your whole life."

He says: "I planned to be different because I was a great baseball pitcher."

His boyhood seems artificial because it is out of some improbable storybook. Jim Abbott knew hurts. There were, briefly, nicknames like "Stub."

"He heard all the predictable mean things that 5- and 6-year-olds say," says his father, Mike Abbott. But the jokes and nicknames did not last long. Jim Abbott became the best in the neighborhood, in all the games. But mostly baseball. "He was going to show everybody," his father says.

The father, a 37-year-old account executive for Anheuser-Busch, watched the son over hundreds of boyhood hours throwing a ball against a brick wall. He would throw. Switch the glove. Catch. Put the glove under the arm. Take the ball out. Throw again. And again.

Jim started in a Flint Midget League when he was 12. There was a story about him in The Flint Journal. The road to deciding between a University of Michigan baseball scholarship and a Toronto Blue Jays bonus contract as a high school senior had begun.

"The only thing that would have been a handicap for me," Jim Abbott said one day last summer, sitting on his stoop, pounding his fist into a new Rawlings glove, "is if anyone had ever been negative around me. If anyone at any point had said, 'You can't do this' or, 'How do you expect to do that with one hand?' I probably wouldn't be playing ball of any kind right now. But my mom and dad and my coaches and my teammates have always said, 'Just go do it.' So I've played. I love playing basketball. I love football. I'm going to miss playing football now that I'm out of high school. But I just kept getting better and better at baseball. And I've been successful at every level I've pitched."

"We told him a long time ago," says his mom, Kathy Abbott, 37, a Flint attorney, "that if he wanted to play, he had to be able to do what the other kids do."

"I'm not going to tell you there weren't nights when he came home crying," says Mike Abbott. "But there really weren't a lot. He has been blessed with a great heart."

Jim Abbott is 6 feet 4 and 200 pounds. With his shock of sandy hair and open, ingenuous face." he looks like he ought to be starring in one of those summer movies for teens. He shot up to his present size between his sophomore and junior years at Flint Central High. No more brick walls by then, of any kind. Most times when the ball came back to him, it came from his catcher, because the batters were swinging and missing so often. Abbott was throwing baseballs past high school teams in the spring, Connie Mack teams in the summer. The scouts, college and pro. began to hear about this one-handed kid ("Huh? One-handed pitcher? Come on!") who was lighting up the radar guns with a 90 mph fastball. The scouts came to watch. When they saw the left arm, they forgot about the missing right hand.

In his senior year at Flint Central, Abbott had a 10-3 record with a 0.76 earned run average. He struck out 148 batters in 73 innings. He gave up just 16 hits. That works out to two strikeouts an inning, a hit every four or five innings. When batting, he stuck the stub at the end of the bat, near the handle, and closed his big left hand around it.

Using this system, Jim Abbott only managed to hit .427 for Flint Central, with seven homers. He also played quarterback on the football team. Flint Central went 10-2. Against Midlands High, Abbott threw four touchdown passes in the first half. There isn't a rule anywhere that says The Natural has to have two hands.

When I first heard about Jim Abbott, one-handed pitches, I remembered Monty Stratton, the one-legged pitcher for the White Sox, and how hard it was for him to field bunts. I asked Jim about bunts, first thing.

Jim: "One game when I was pitching in the ninth grade, they bunted on me eight times in a row. I threw out the last seven. That was enough of that."

Mike and Kathy Abbott married young. They were each 18 when their first son was born without a right hand. Like him, they have learned as they've gone. They have helped him turn the abnormal into the normal, a potential negative into an inspiring and uplifting positive. Jim Abbott would be a more complete baseball player with two hands. I find it impossible to believe he could be a more complete person.

"We think," says Mike Abbott, "that if the baseball thing went up in smoke tomorrow, Jimmy would be adjusted enough to go live his life without baseball."

Once, quite seriously, I asked Jim Abbott what he can't do.

Quite seriously, he replied: "I can't button the darn buttons on my left cuff."

"Who does it?"

"My mom, usually. My roommate in college."

"After watching him pitch, I didn't think of the right hand at all—at all," says Don Welke, one of the scouts who has helped make the Toronto Blue Jays' farm system into one of the best in baseball. "For me, he was just another outstanding prospect."

The Blue Jays felt that Abbott's impairment might discourage other teams, so they waited until the 36th round of last year's amateur draft before taking him. Some saw it as a publicity stunt—as a backhanded compliment, if you will. The Blue Jays were, and are, serious about Jim Abbott's future.

"His drafting wasn't for publicity," says Don Welke, who urged the team to take Abbott. "We look down the road and see him as a major leaguer. He has a major league arm, a major league heart."

Jim Abbott, however, had that major league heart set on Michigan.

"A couple of years ago," he says, "to play college ball at any level was a dream I never thought could come true. I remember on my first visit to Ann Arbor, I looked at the campus and thought how pretty things were and how neat it would be for someone to go there. Then I stopped short and said to myself, 'You can have this. It's you they want. You can play college baseball here.' I think I can have both my dreams. I can play college ball and have pro ball still waiting for me down the road."

A week before he left for college, I asked Jim if he was afraid about the future. "I am," he said. "But I really think they're just normal fears for a guy going off to college. You're talking about my hand, right? I had to stop being afraid a long time ago. What fear there's been, I've used to get better."

We were sitting in front of the Abbott house. He was showing me his new glove. "You know," he said, "I hear a lot about how inspirational I am. But I don't see myself as being inspirational. Whether you're rich or poor or one-handed or whatever, your own childhood just seems natural, because it's the only one you know. I've met kids with one hand lately, or one arm—8-year olds, in that range—and they tell me I've helped them by example, and I do feel great about that. But I don't think I'm that great. If I can inspire kids in any way, I'd just hope they could get the same enjoyment out of sports I've had."

And now, on this afternoon, it was time for a game of catch. Jim Abbott walked about 30 yards away and began tossing the ball to me. It began to make bigger and bigger popping noises in my glove as the kid got loose. After about five minutes, I promise I did not notice the shortened right arm, or the glove switch, any of it. I just made sure to watch the ball. I wanted to be sure I was quick enough with my glove so that a baseball thrown by Jim Abbott did not hit me between the eyes.

I thought: I'm like the hitters. I feel overmatched. But I wanted to remember this game of catch, because I began to feel strongly that it would be important someday that I knew Jim Abbott when.

I have used the word hero a lot in writing about sports, carried away by the moment. Jim Abbott is a hero. He is like most true heroes. He doesn't make a big deal out of what he does. He just gets on with things. He plays the hand dealt him, at the University of Michigan now. Without bitterness and without complaint, he has become a champion, no matter what happens in Ann Arbor this spring.

JEANE KIRKPATRICK ON FOREIGN AID: A QUESTION OF PRIORITIES

HON. JACK F. KEMP
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. KEMP. Mr. Speaker, yesterday, the Foreign Operations Subcommittee of Appropriations, where I have the honor to serve as the ranking Republican member, received testimony from Secretary of State George Shultz on the President's foreign assistance request for fiscal year 1987. I would like to share with the Members of the House some of my reflections concerning our foreign aid priorities in a year when we are all rightly concerned about the need for spending restraint.

As we embark on this year's legislative review of our foreign assistance programs and needs, I believe we should keep in mind what President Reagan said to the Nation last week:

We know that peace is the condition under which mankind was meant to flourish. Yet, peace does not exist of its own will. It depends on us—on our courage to build it and guard it and pass it on to future generations.

I have always viewed our foreign assistance programs as an integral component of our Nation's defense, and of our endeavors to build and secure peace and freedom. We have seen from the events just last week that some of our most essential defense outposts depend upon the security and stability of small and vulnerable nations, nations that are struggling to develop their economies and the essential institutions of democracy.

Soon the Congress will be asked to vote upon $100 million in assistance for the forces of democracy in Nicaragua. I believe that vote will be a seminal decision point for the future of our hemisphere, and for the role the United States will play in the world.

I believe that our larger foreign assistance program should be viewed in concert with what has been called the Reagan doctrine—support for resistance forces struggling against totalitarian control. Through our foreign aid programs, we seek to assist governments and people to prosper, and to be secure, and to advance political and economic freedom. When a nation has lost its sovereignty to tyranny, are the people any less deserving of our support?

As it see it, our foreign assistance programs—and the Reagan doctrine—rest on a common fundamental premise: There are certain values in the world that must be defended by the United States, with all the moral, political, military, and economic resources at our disposal, or they will not be defended successfully by anyone else.

I am confident that Congress will give close scrutiny to the President's foreign aid budget. We will be forced to make choices among competing programs, as we work together to reduce spending.

As we make these difficult decisions, it is my hope that the Members of the Congress will keep uppermost in mind our foreign policy and national security requirements. I do not subscribe to the notion that we should use some arbitrary index such as last year's spending levels, or how the budget looked 5 years ago, to devise some formula for allocating our resources for the future. Instead, we need to ask, What are our foreign policy objectives? How do our foreign aid programs meet those objectives? What kinds of assistance are most needed? Where is our aid most effective?

As we move through this process of evaluation, I believe that security assistance should receive the highest priority, followed by bilateral economic aid, and finally multilateral programs.

We also look to the administration to carry forward the kinds of assistance programs that will help developing nations move forward on their own, and not simply perpetuate dependency. Security and stability are essential to development, to be sure. But so are wise economic policies that promote growth.

Last year the Republican members of the Foreign Operations Subcommittee led a successful effort to block supplemental funding for the multilateral development banks because of inadequate attention at those institutions to the need to promote progrowth policies. It was gratifying to reach a meeting of the minds with the administration on the details of a progrowth approach—tax cuts, privatization, trade liberalization, market pricing—to guide our participation in the MDB's. Since

then, we have been especially pleased to see Secretary Baker use this approach as the basis for what is now commonly called the Baker plan.

This year, we need to evaluate both our multilateral and our bilateral assistance programs with even closer scrutiny to see how closely they adhere to these progrowth guidelines.

Jeane Kirkpatrick, former permanent Representative to the United Nations, is one of the country's most astute commentators on U.S. foreign policy needs. Since retiring from the halls of New York, she has taken up—among other occupations—the pen of the syndicated columnist. One of her recent columns was devoted to this question of the rational allocation of foreign aid. I believe that her observations may be of interest to the Members of Congress as we assess our foreign assistance programs for this fiscal year.

Mr. Speaker, I insert Ambassador Kirkpatrick's article, "A Big Billion," in the RECORD.

The article follows:

A BIG BILLION

(By Jeane Kirkpatrick)

Why, in this year of Zillion-dollar debt, big deficits, deep domestic spending cuts and Gramm-Rudman, has the Department of State proposed to increase foreign assistance by a billion dollars? Secretary of State George Shultz tells us there is no problem, that his budget request is "fully consistent with the targets on the deficit set out by Gramm-Rudman," but it is hard to follow his logic. And it is even harder to understand some of State's specific aid requests.

Why, for example, does the State Department want to give nearly three times as much assistance to sub-Saharan Africa (not counting humanitarian food assistance) as to South America? ($931 million to $364 million.) Why does the State Department propose to give 25 million American dollars to help Marxist Mozambique, whose government is wholly surrounded by Soviet bloc troops, in the same year it seeks aid for anti-communist insurgents all over the world?

Why is $25 million proposed for Zimbabwe—a one-party state that represses its opposition, arrests and tortures its opponents and consistently opposes U.S. foreign policy—in the same year State proposes nothing for the reliably pro-Western Ivory Coast?

And, looking at two island countries on Africa's East Coast, why is more than $2 million proposed for the Seychelles, which provides basing rights and other services to the Soviet Union, while less than half that amount is proposed for the truly neutral, independent Comoros?

Why does the State Department seek $18 million for Ghana's government, which has supported Soviet policies in Africa and elsewhere and has welcomed several thousand Soviet bloc troops, but less than one-third that amount for neighboring Togo, which shows good will to the West and courage in the face of Qaddafi's threats?

Doubtless, there are reasonable answers to these questions, and State Department representatives will have an opportunity to provide them as they explain their priorities to Congress. It promises, however, to be quite a struggle.

Foreign aid is one of the least loved, most vulnerable expenditures of any U.S. administration. Public-opinion polls regularly register popular hostility toward high levels of foreign assistance. Candidates for office regularly promise to cut foreign aid budgets. But the amount of public money requested, appropriated and spent on foreign aid—multilateral and bilateral—continues to climb.

A revolt appears to be in the offing. Senate Foreign Relations Chairman Richard Lugar warned Shultz that in making this year's request for increased assistance he was "courting catastrophe." The Democrats have reacted most strongly. "If we can't continue to pay our own bills, we can't afford foreign aid," House Appropriations subcommittee Chairman David Obey (D-Wis.) announced, adding that he was preparing a 50-percent cut in the State Department request. House Foreign Affairs Chairman Dante Fascell (D-Fla.) predicted that 15 to 30 percent would be shaved off the agency's request.

Would it matter anyway? The answer depends less on the amount cut than on what is cut.

Obviously, foreign assistance is one of the instruments of foreign policy that can be used along with diplomacy, information and military strength to accomplish our national purposes and protect our national interests. One of our national purposes is, and always has been, to help people in dire need—such as victims of famine in the Sahel. No one, however, suggests that this is the principal justification for our huge annual foreign assistance budgets.

Usually, U.S. foreign assistance is justified by sweeping assertions that it will "enhance regional stability" or help others strengthen their economies." Occasionally, it is suggested that foreign assistance gives us "leverage" (though examples are rarely provided to support the assertion), or that it prevents a country from becoming "wholly dependent" on the Soviet Union—which, in fact, rarely provides economic assistance to any country except its client states that are already wholly dependent.

Today, complaints about the level of U.S. foreign assistance are countered with vague references to the lion's share consumed by Israel and Egypt. That, in turn, is justified as "advancing, the peace process," to which, presumably, the roughly $90 million proposed for Jordan is also expected to contribute. The fact that the "peace process" has been stalled for years has had no perceptible effect on assumptions about these huge aid programs.

Sometimes, as in the Dominican Republic, El Salvador, Costa Rica, Honduras, Guatemala, Peru, Bolivia and Sri Lanka, foreign assistance is justified as part of a broad effort to help build democracy and also contribute to U.S. security. In fact, I believe it does both in the above cases. Some foreign assistance programs clearly do serve both our ideals and our national interests.

But too many U.S. aid programs have come to be viewed as "entitlements." Too many have become disconnected from realistic or hard-headed calculations of American interest or democratic institution building.

One hopes that in examining this year's foreign aid budget, Congress makes discriminating judgments and does not succumb to the temptation of across-the-board cuts.

NAVISTAR INTERNATIONAL

HON. MICHAEL DeWINE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. DEWINE. Mr. Speaker, last month, International Harvester, a major employer in my district, formally introduced their new company at a community dinner in Springfield, OH, where their premier plant is located.

Navistar International represents a healthy corporation looking forward to maintaining its status as the No. 1 medium-duty and heavy-duty truck manufacturer in the United States and Canada.

Following is a speech made by Chairman Donald D. Lennox, chairman and chief executive officer of Navistar International. I urge my colleagues to read these remarks.

REMARKS OF DONALD D. LENNOX, CHAIRMAN AND CHIEF EXECUTIVE OFFICER, NAVISTAR INTERNATIONAL CORP.

Good evening, Ladies and Gentleman. I'm delighted to be here with you tonight, in our premier plant community, Springfield, Ohio. I want to formally introduce you to the new company, Navistar International Corporation, and tell you that Navistar is very pleased to be part of Springfield. I also want to address some public policy issues that I believe are important to the future of our country.

As Navistar International, we are the number one manufacturer of medium-duty and heavy-duty trucks and a major diesel engine manufacturer in the United States and Canada. Our $3.5 billion in sales in 1985 puts us in the top quarter of the "Fortune 500." We have 15,000 employees, seven manufacturing plants, and seven regional parts distribution centers. Our distribution network is larger by far than that of any of our competitors.

As Navistar International, our debt has been cut since 1982 by two thirds, and our carrying cost accordingly. We have reduced our unfunded pension liability by better more than half. In the past four years we lowered our break-even point by 50 percent—so that we can survive on the volumes that we experienced from 1981 to 1983.

But the battle in this area is never over—it's a moving target, making it necessary for us to run hard just to keep in place. Our competitors are not standing still. Not only do we face our traditional domestic competitors. We face a concerted effort by foreign truck manufacturers to make inroads in the U.S. market—the largest single truck market in the world.

It's true that foreign manufacturers have so far taken only a small share, but we take this challenge seriously. We estimate a Japanese manufacturer can land a medium-duty truck in San Francisco for 25 percent less than we can currently produce a similar vehicle in this country. While this does not factor in the cost of establishing a nationwide distribution and service and support system that can compete with ours, you can be sure that the 25 percent figure has gotten our full attention.

But challenges do not come only from across the water. Our products also face increased demands from our own governmental bodies for better environmental and safety performance. We face additional spending to meet regulatory requirements

to reduce oxides of nitrogen and particulates emissions from our diesel engines, to lower noise levels, to limit splash and spray from tractor-trailers, and to develop non-asbestos linings for brakes, the work we must do to meet these standards comes on top of all of our ongoing research and development programs to develop competitive products for the marketplace.

The regulatory framework is also causing changes in our markets, I'm referring, of course, to the trend toward deregulation in both the trucking industry and in rail transportation. Increased competition in the trucking business has produced a shakeout, with the advantage going to the larger and financially stronger carriers. This, in turn, has intensified competition among truck manufacturers trying to sell to fewer, although larger, customers. Thus, during the recent economic recovery, while truck sales boomed, price competition was fierce, and discounting by all manufacturers has been steep.

Shifts in our domestic market would not be as crucial to us if we had clear prospects of increasing the number of trucks we sell outside the U.S. and Canada. But, I'm sorry to say, the export market in the past few years has been a disaster area. The principal problem is the high exchange value of the dollar. The Reagan administration's efforts to bring down the dollar's strength to more realistic levels are welcome. However, Navistar International will not be able to market Springfield-built trucks in the world market unless the dollar falls a great deal further.

Can we survive in this new and more difficult world? Or is truck manufacturing going the way of the smokestack industries?

My answer is yes, we can survive. But there are a lot of things that can be done—by both ourselves and the Government—that would help us be a better world competitor. There are five ways that American business can take responsibility for building our country's capability to compete in the world: maintaining adequate levels of investment and research and development, constantly reducing operating costs, making product quality a top priority, staying close to the customer, and developing new ways of involving all employees in the success of the company.

The most important thing we in the business world can do is to put capital spending and research and development at the top of our priorities. Business must continue to invest in product development, manufacturing process improvements, and new marketing techniques. As a result of increased competition from imports, most companies are keenly aware of the need to cut costs. But you're never home free—the search for greater productivity must be continuous.

One of the reasons that we did manage to survive was that even when the outlook was darkest, we set aside substantial monies for R&D. We knew our long-term survival depended on offering our customers the best possible products at competitive prices. As a result, our design and engineering facilities are equipped with the most up-to-date computer equipment, and many of our plants are automated—even though we have to be fairly labor-intensive because our products are complex.

Another prerequisite for maintaining our competitive edge is product quality. In my opinion, this is another of the reasons International Harvester was able to survive its darkest hours—the recognition in the marketplace that we offered a quality product, and the resulting loyalty of our customers.

At Navistar International, closeness to the customer is a top priority—and I think it has also been crucial to our continued success. Our large network or dealers, located where our customers need them, provides maintenance and parts service that no other truck company can provide. We back up our dealers with a network of modern, highly mechanized parts distribution centers in the U.S. and Canada, geographically situated to serve our dealers and customers speedily and economically.

In the final analysis, the ability to provide the kind of high-quality products and customer-oriented service I have been talking about depends on people. Employees are most productive when they are genuinely part of a team. This means a new, more open management style in which all members of the company become part of the decisionmaking process. It means creating and sustaining a realistic sense of shared purpose.

But the business community can't do it alone. We need wise policies on the part of our government.

The most talked-about cure for the ills of America's manufacturing sector is a national industrial policy. When I speak of industrial policy, I mean a structure of committees and government institutions charged with the responsibility of deciding which industries should be encouraged and which should be discouraged. I'm talking about picking winners and losers.

I take a dim view of this idea. Why? Well, our company was often mentioned by leading advocates of industrial policy as a prime example of the sort of business that should be encouraged to crawl off and die.

Thank heavens, we don't have this sort of policy and no committee was able to pull the plug on us. Instead, the question of our survival was left up to our lenders, our dealers, our employees, our suppliers, and our customers. And what did they do? They saw that, for all our problems, we were a leader, our products were first-class, and they were not about to abandon us.

The point I'm trying to make, of course, is that it's damned difficult to pick winners and losers. The Japanese have tried it, and they've had mixed results. Most people who have studied the Japanese industrial policy process carefully have come to the conclusion that Japan's successes can be traced to Japanese management skills, capital cost advantages, and exchange rate differentials rather than to someone else's skill at picking winners and losers.

The other point to be made about industrial policy, and its needs to be made over and over again, is that an institutionalized industrial policy can make politics dominant in what should be economic decisions. Alan Greenspan, who was President Nixon's Chairman of the Council of Economic Advisers, said it best: "Industrial policy is a process by which the politically powerful get their hands in the till."

Another nostrum for America's industrial maladies is what I would call the retreat into high-tech and services. That is, we supposedly have progressed beyond being an industrial society and we are now "post-industrial." Supposedly, we don't need manufacturing any more; we can buy it all more cheaply offshore. We can concentrate on the high-tech end of manufacturing, where we are further along on the learning curve, and provide these new products and services to the world.

I believe this is dangerous advice. The U.S. manufacturing sector is a vital factor in the successful rise of service industries. If the decline in our traditional manufacturing industries continues, these would be a serious negative impact on the service sector as well. Not to mention the negative impact on our national defense capabilities. If our basic manufacturing industries disappear, where would we get these products in the event of a major war?

Furthermore, the problem with the high-tech-and-services argument is that it assumes there is something special about the United States that will always enable us to maintain an edge or a comparative advantage in some sort of business. We'll always be one jump ahead of the rest of the world. Well, as special as the United States may be in many ways, unfortunately it's not that special. In this day and age, no nation has a competitive edge due to natural endowments or dumb luck. Every country must constantly and consciously strive to maintain its competitive edge.

How is this done? By constantly improving productivity. Let's look at the example of Japan again. In the automobile industry, Japanese wage rates, in and of themselves, do not provide an overwhelming advantage over American companies—although they are an important factor. But in this particular industry, Japanese workers are also much more productive, not just because capital spending has been high, but because they are constantly and directly involved in solving company problems from the bottom up—in contrast to the traditional American way of having managers dream up solutions that are then handed down to the workers who must implement them. The point we have to keep in mind is that Japan does not naturally have the advantage—it has created this advantage.

Another proposed solution for America's manufacturing ills is an across-the-board import surcharge on all imports coming into the United States. Superficially, at least, this proposal is attractive because it would seemingly kill two birds with one stone—it would provide more revenue for the Government, thus reducing the budget deficit, and it would reduce the trade deficit.

But a surcharge would have damaging side effects. For instance, the United States International Trade Commission staff estimated that a surcharge would cause both the exchange value of the dollar and prices of imported goods to rise. In other words, we would be forcing consumers to subsidize high-cost industries, or industries that fail to increase productivity and maintain product quality.

Nevertheless, I do believe that when a foreign government tries to use the international economic system to maximize its own benefits and minimize those of others, some sort of response may be necessary. While this should be done only after all possibilities of negotiation have been exhausted, such strong action should no longer be considered unthinkable—nor can it be postponed indefinitely.

Passage of the Gramm-Rudman legislation for a balanced budget will test the mettle of all of our elected representatives in following through in their stated objectives of reducing Federal deficits. The solutions will be painful and involve a share of sacrifice by all of us. The successful implementation of this program, in my opinion, is the number one domestic priority over the next few years. And think of what it will mean in terms of reducing the government's borrowing needs, making more capital available for industrial development, lowering in-

terest rates, and reducing the exchange value of the dollar.

One of the keys to international competitiveness is the cost of capital. We need to make sure our Tax Code and our financial system provide U.S. businesses with adequate capital at a competitive cost. That means we need to analyze how our systems stack up against those of our competitors. For instance, there is evidence that Japanese monetary and fiscal policy, by providing a low-interest-rate and low-tax environment, together with the nature of the Japanese financial system, makes the effective cost of capital to Japanese manufacturers much lower than the cost to American companies. A top executive in a Japanese manufacturing company once told me, "we look upon our banks as patrons, not as lenders."

And while we are making sure our governmental framework is not hostile to capital formation, we need to make sure it also stimulates and protects innovation. For this reason, I support the efforts of the Reagan administration and the Congress to lower tax rates and eliminate tax preferences that stimulate investment for tax purposes rather than for good business reasons.

These, then, are the government policies I would favor to provide the best operating environment. But most of the answers to our competitive problems are to be found within the business community.

With that in mind, I want to thank all of you from the Springfield community for joining with us during the past few difficult years in forging a partnership crucial to the well-being of our company and this community. As we carry this partnership into the future with a new name and a renewed sense of purpose, we can together surpass our previous accomplishments and together reach for new solutions.

THE NEW MARKET PLAN

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. GRADISON. Mr. Speaker, today I am introducing a revised version of the "Market Plan," legislation which will efficiently and accurately determine the true costs of Federal credit programs. Senator TRIBLE is introducing similar legislation in the Senate.

The "new" Market Plan represents an improvement over its predecessors (H.R. 4629 in the 98th Congress and H.R. 1216 in this Congress). Revisions stem from comments from many individuals and groups, both inside and outside the Congress. But the underlying goal of the Market Plan has not changed—to report in the unified budget the true subsidy costs of Federal credit programs.

The Market Plan takes on new meaning in these times of Gramm-Rudman because the Market Plan would reduce the deficit by $67 billion over the next 5 years. The following estimates were prepared by the Congressional Budget Office:

DEFICIT REDUCTION IN BILLIONS

	Annual	Cumulative
1987	20.6	20.6
1988	16.8	37.4
1989	13.3	50.7
1990	10.0	60.7
1991	6.7	67.4

The costs of administering the Market Plan are assumed to be part of the subsidy cost charged. It should be noted that these estimates are based on a number of simplifying assumptions. The extent of the subsidies can only be verified through the actual sale of the loans.

This deficit reduction is not done with blue smoke and mirrors. The Market Plan reduces the deficit honestly and truly through widely-accepted and commonly-employed principles of finance. It does so by accelerating repayments for new loans; repayments for old loans would continue to come in. Let me point out, however, that I am not advocating substitution of the Market Plan for "conventional" deficit reduction; the deficit reduction results from the Market Plan shifting of portfolio ownership (without recourse) from the public to the private sector.

The Market Plan would operate by requiring that new direct Government loans (not loan guarantees) be sold in the highly efficient financial marketplace, just as billions of dollars of similar financial assets are sold every working day. The discount demanded by the market, the difference between the face value and the selling price, is the subsidy conveyed by the American people to the beneficiary of the Government loan. Under the Market Plan, the discount would be scored as an outlay of the agency advancing the loan.

It is also important to note what the Market Plan would not do:

The Market Plan would not change the terms fo any credit program. Lending agencies would continue to select beneficiaries and provide them with loans and guarantees.

The Market Plan would not "privatize" Federal credit programs. It would utilize the private capital markets in order to detemine the costs of credit programs.

The Market Plan would not change the manner in which credit assistance programs receive their budgetary resources (namely, budget authority).

The Market Plan would not require or authorize the sale of the Government's existing loan portfolio.

The Market Plan would not cover Commodity Credit Corporation (CCC) loans (which are not, in fact, loans, but deferred purchase agreements) or Government-sponsored enterprises such as Fannie Mae or Sally Mae.

In short, the Market Plan corrects the flaws in the current budget accounting system. It does so by forcing the budget and the Congress to recognize the true costs of direct loans and guarantees prior to the commitments to provide this assistance; that is, when costs are still under congressional control.

LET'S BRING DEMOCRACY TO NICARAGUA

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. BROOMFIELD. Mr. Speaker, the winds of freedom are blowing. Duvalier is out of Haiti; Marcos has left the Philippines. Free elections have been held in Guatemala and in El Salvador. Numerous other Latin American countries are on the road to democracy.

Nicaragua is the exception, however. That totalitarian state under Comandante Ortega is locked in a struggle with those who would bring democracy to that long-suffering land. The democratic resistance needs our help. Although not perfect, they are our only hope for a free Nicaragua.

In the past few years, our Government has answered the call to support democracy around the world. We have called for free elections and political pluralism. We have promoted the interests of the Haitian and the Filipino people. The administration is now asking for our support for the Contras. I believe we must respond positively. We cannot let the Contras fail. We must take a stand and try to bring democracy to that country.

With these thoughts in mind, I commend the following Wall Street Journal editorial on the Philippines and Nicaragua to my colleagues in the Congress.

The article follows:

[From the Wall Street Journal, Mar. 4, 1986]

THE PHILIPPINES AND NICARAGUA

In the wake of Ferdinand Marcos's departure from the Philippines, it has suddenly become legitimate to seek to depose dictators. Indeed, old lists—drawn by the Carter administration's human-rights office—are being pulled out of drawers to find the next place the U.S. ought to spread democracy.

If anyone is sincerely devoted to the prospects for democracy, the next dictator who ought to be deposed is Nicaraguan strongman Daniel Ortega. Here is a dictator who tramples human rights, holds bogus elections, endangers the Roman Catholic Church, suppresses newspapers, keeps power with increasing infusions of foreign arms, and pulls up to a Manhattan optician in a 17-car motorcade to spend $3,500 on sunglasses for himself, wife and daughter. What's worse, Mr. Ortega threatens to export this system to his neighbors, all of them fledgling democracies and one, Costa Rica, a well-established one. What is at stake here is not only creating a new democracy, but keeping those the world already has.

Yet what do the self-proclaimed opponents of dictators say about Mr. Ortega? Very little—they worry about the lack of virtue among the contras, his opponents. In the Democratic reply to President Reagan's Saturday radio broadcast, Rep. David Bonior of Michigan complained. "The contras do not hold a single town in Nicaragua—not one. We are caught in a cycle of failure, pouring more and more U.S. tax dollars into an uncontrolled and unending war." Former President Carter himself arose in Plains to proclaim himself a champion of military strength, adding in passing,

"I think that contra strength has withered away in the last year," and that trying to do anything more in Nicaragua might lead to the involvement of U.S. troops, "which I deplore."

If a dictator can only amass enough force to win a war, in other words, it is no longer moral to oppose him. We should attempt to depose only those dictators who might actually call an election, invite outside observers, and in the end abdicate rather than start killing people. We should certainly not get involved in trying to depose dictators who get shipments of Soviet Hind helicopters to use against their guerrilla opponents. In such cases we should cut off aid to the dictator's opponents. Then, after starving the opponents, we should proclaim them too weak and ineffective to deserve our sympathies. Such is the morality offered by those who celebrate the fall of Marcos and oppose aid to the contras.

The example of the Philippines may yet have an impact on the Nicaragua debate, though, if it continues to encourage the Reagan administration. The administration is opening what the Washington dispatches call a "long-odds" battle for aid to the contras: $100 million financed by reprogramming current Pentagon funding—this time not "humanitarian" aid but $30 million in nonlethal logistical help and $70 million in military aid. After meeting with contra leaders yesterday, President Reagan said "the world is watching to see if Congress is as committed to democracy in Nicaragua in our hemisphere as it was in the Philippines."

Also yesterday, Secretary of State Shultz elaborated the case in a speech to the Veterans of Foreign Wars. "The forces of democracy were able to rally, organize, compete for, and eventually win power peacefully, despite the flawed election, because it was, at bottom, a pluralistic democratic political system," he wisely noted. "In Nicaragua, once the communist regime consolidates its power, the forces of democracy will have no such hope."

The administration, though, does not yet seem to have drawn the full lesson: that it's not necessary to apologize for wanting to depose dictators. The administration's official position continues to be that it wants to force Mr. Ortega to negotiate "democratic pluralism," a formulation that may meet diplomatic niceties but that no one over the age of 13 can believe could actually happen. Administration officials themselves peddle the line that the contras cannot win. Worse, the administration coaches the contras themselves to mouth the line that they are fighting for a draw. Then the administration wonders why it can't generate more enthusiasm for the contra cause.

We do not know whether a contra victory is possible, and neither does anyone else. But we do know that victory is the only solution, the only way to establish anything resembling democracy in Nicaragua, and the only way to end the immediate threat to its neighbors and strategic threats to our own interests. We know that there are contras ready to fight to oust the dictator; indeed, Secretary Shultz says their numbers continue to grow. We know they are pitifully armed to face an increasingly well-supplied foe. We know that, with no little thanks to our own hesitancy and cowardice, the hour is late.

We know one other thing too: that if the U.S. can't help those who would fight a far more dangerous dictator in Nicaragua, those cheers about the Philippines are not cheers for democracy. They are simply cheers that the political left has collected a scalp.

ILLITERACY REACHES CRISIS PROPORTIONS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. FLORIO. Mr. Speaker, recently the Camden Courier-Post focused attention on the high amount of illiteracy in our Nation through a series of articles. I wanted to commend the Courier-Post for promoting awareness of this important problem that we face and share with my colleagues several points that were raised in an editorial at the end of the series.

Our Nation has a reputation for having one of the most accessible and professional educational systems in the world. And yet, we face inumerable problems which we must learn to conquer and overcome. Estimates show that 27 million American adults do not have the minimal skills necessary to function in our society. These 27 million cannot read a newspaper, cannot fill out a job application, cannot maintain a checkbook, or understand the warning label on a bottle of medicine. In short, our Nation has 27 million people that form a class of functional illiterates that are uneducated, untrainable, and economically dependent.

Disturbingly, the number of functional illiterates is increasing at a rate of 2¼ million persons each year. Parents that cannot read cannot, in turn, help their children achieve the basics. Nearly 1 million students drop out of school before graduating and these unfortunate statistics have a devastating impact on various sectors of our society. The total cost of illiteracy to our Nation in terms of lost productivity, increased welfare costs, and employee errors and accidents has been estimated at $225 billion annually.

Our military and our defense system is, ironically, suffering from the impact of this problem. Millions of dollars of damage is done to equipment because of recruits that cannot read even the more simplified manuals. One-third of new recruits read only at or below the eighth-grade level. The high crime rate among juveniles has also been linked to illiteracy since 60 percent of the adult prison population is illiterate and 85 percent of the juveniles in prison cannot read or write. Minority groups are most affected as 56 percent of Hispanic adults, 54 percent of native Americans and 44 percent of black adults are illiterate whereas 16 percent of white adults suffer from this affliction.

Those individuals with less than a sixth-grade education are four times more likely to end up on welfare than those with a ninth-grade education. Up to 75 percent of the unemployed in our Nation lack the basic skills necessary to be trained for a job.

The problem has obviously reached drastic proportions and it is vital that we act if we are to preserve and improve our standing in the world market. Several months ago, I introduced a resolution establishing July 2, 1986 as National Literacy Day in order to focus congressional attention on the dimensions of this problem. In addition, several measures have been introduced in the Congress to address this problem including the Secondary Schools Basic Skills Act, which I sponsored with Congressman WILLIAMS of Montana to fund programs that would improve the basic skills of secondary school students. Additionally, I was pleased to join as a cosponsor of the Chafee-Goodling Even Start Act that would establish a pilot program to help parents in adult literacy programs with preschool-age children acquire the skills necessary to work with their children and ensure that the next generation is capable of functioning in our society.

These bills are but several examples of the types of programs necessary to improve our educational system. The most important factor in this process, however, is the continued activity of the Federal Government in providing local districts with the support, the funds, and the direction needed to fulfill our educational goals. Once again, we are facing moves to limit the role of the Federal Government in education through Draconian budget cuts in proven programs that have helped millions of students join the work force and offer invaluable contributions to this Nation. I urge my colleagues to join me in helping promote awareness of this problem and in working toward a necessary solution.

The Courier-Post editorial follows:

[From the Camden (NJ) Courier Post]

MILLIONS AMONG US CANNOT READ THIS

Illiteracy in the United States? Yes. About 27 million adults in the United States are considered functionally illiterate, Courier-Post reporter Judith Winne discovered in researching a series of articles published during National Literacy Volunteers Week, which ended Sunday. The everyday reading that most adults take for granted is beyond the ability of the functionally illiterate. They cannot look up numbers in a telephone directory, comparison shop at the supermarket, follow highway signs. They are severely handicapped as workers, parents, citizens, people.

A person who cannot fill out an application is unlikely to land a job. Parents who cannot comprehend a sentence cannot help their children with homework. Citizens who cannot decipher ballot questions are not fully able to exercise their franchise. A person who cannot read a menu is doomed to order the same items again and again. Illiteracy may do the most damage to an individual's self-respect. People who reach adulthood without the ability to read and write often are deeply ashamed of their handicap. They would rather hide it than admit it.

For all its wealth, the United States ranks 49th among the 158 member nations of the United Nations in literacy, according to Jonathan Kozol, the author of several books on learning. Yet not all the news about illiteracy in America is discouraging, for those who want help can find it—in government-supported programs or from various volunteer organizations dedicated to one-on-one tutoring. The courage and persistence of those who seek help and the dedication of those who provide it are encouraging. Recognition of the extent of the problem is beginning to spread.

The federal government provides the money for Adult Basic Education programs offered tuition-free under the auspices of

local school districts. For those who prefer a more personal approach to mastering the basic skills—one that allows them to tackle the problem more privately—agencies like the Literacy Volunteers of America, with branches in both Camden and Burlington counties, are often the answer.

Teaching those who come forward asking for help is not nearly as big a problem as reaching those who, for one reason or another, do not. Outreach is the big challenge facing those dedicated to combating adult illiteracy—that and preventive medicine.

The best way to curb adult illiteracy in the long run is to insure that fewer Americans emerge from schools without the ability to read and write. The renewed emphasis on mastering basic skills in the public schools and the disrepute into which "social" promotions have fallen are promising developments, but much more remains to be done.

OIL IMPORT FEE WOULD COST JOBS, RAISE PRICES, STUDY SAYS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. KEMP. Mr. Speaker, a recent study commissioned by Citizens for a Sound Economy, a grassroots citizens group, explains that the imposition of a $5-per-barrel oil import fee would destroy 400,000 jobs by slowing economic growth by 1 percent, raise the average family's fuel bill by $300 annually, and particularly hurt lower income people who spend a higher fraction of their income on energy. Clearly, the import fee is a bad idea, whether to reduce the deficit or as a part of tax reform.

I insert economist Michael Becker's article below:

THE NEXT GREAT CRIME OF THE 20TH CENTURY

(By Michael Becker) [1]

Remember waiting in gas lines during the 1970's? Did you ever dream then that someday politicians in Washington would be complaining that the price of oil was falling too low, and would be scrambling to prevent it?

Well, that day has come, and with a vengeance. Because today, a coalition of special interests and revenue-hungry lawmakers are on the verge of committing the next great crime of the twentieth century—the great American oil ripoff of 1986.

That's what imposing a $5 per barrel tax on imported oil would be. It would deprive American consumers of the benefit of the workings of the free market, which was unleashed by efforts to increase oil supplies through decontrol of prices. New taxes on imported oil would threaten the strength of our economy, simply to shore up wasteful federal spending programs and to protect certain domestic oil producers from competition.

The unambiguous effect of oil tariffs is to expand the public sector at the expense of the private sector and leave the great majority of citizens poorer in the process. Econometric simulation models agree that GNP would fall by nearly one percent and up to 400,000 jobs would be lost from a major tariff.

On an individual level, according to a Citizens for a Sound Economy study by economist Robert Bradley, a $5 per barrel oil import tax would cost consumers as much as $.12 per gallon more for gasoline, heating oil, and other petroleum products. That means that the average family of four would have to pay an additional $300 more per year for oil products. In addition, according to Bradley, consumers would also pay higher prices for many goods which oil is used to produce, ranging from automobile tires to farm and garden chemicals.

But this still understates the cost to consumers. Besides putting many independent service stations out of business, thus reducing competition and convenience, consumers of oil substitutes such as coal, nuclear energy, hydroelectric power, and natural gas would also face higher prices. Many natural gas contracts, for example, are indexed to the price of fuel oil in the same market area. Higher prices for the latter automatically increase prices for the former. Moreover, these higher prices have the effect of a regressive energy tax. Poorer citizens, many of whom own less energy-efficient homes and automobiles, would pay a larger fraction of their income than other Americans.

As a deficit reduction device, an oil import tax would be sadly lacking. The large revenues expected by advocates of the tax are unlikely. In addition to its administrative costs, an oil import tax would have negative dynamic effects on the economy, which imply a revenue loss and increased expenditures on unemployment and social welfare programs. It has been estimated that a $5 per barrel import tax would only reduce the deficit on average $8.6 billion in each of the next three years. Based on the 1983 level of oil consumption, that means that an additional $20 billion will be spent yearly on fuels in order to reduce the deficit $8.6 billion. This is an unaffordable price to pay to give federal lawmakers a bit of overspending relief.

Clearly, this minor contribution to deficit reduction (which makes the dangerous assumption that Washington won't simply create more federal spending programs with the new revenue) is little justification for the hardships an oil import tax will impose on consumers. Perhaps even less legitimate are the arguments of proponents who seek to protect a handful of domestic oil producers at the expense of long-suffering consumers.

These producers argue that, for national security reasons, we must protect American oil producers to avoid becoming overly dependent on unreliable foreign suppliers. In reality, they seek merely to protect themselves by artificially propping up the price of their overseas competitors. And their national security argument fails to consider how the world oil market has changed since the 1970s, when OPEC controlled the flow of oil to the West.

Mexico and Canada, not Saudi Arabia, are the leading exporters of oil to the U.S. today. Gas imports equal only six percent of U.S. consumption. Two-thirds of U.S. oil product imports originate with America's OECD allies, U.S. possessions, or U.S.-owned refineries. U.S. crude oil imports come from about 30 different countries, two-thirds from Europe, the Western Hemisphere, and the Far East. This diversity of oil and gas exporters makes a debilitating embargo virtually impossible: one must assume many embargoes—by our allies as well as by our enemies—to isolate the U.S. from the world market.

In a market economy, fluctuating oil prices will equalize supply and demand to avoid shortages. Inventory management, conservation, and other adjustments during import disruptions will minimize price jumps. Market processes, not government direction, promote the national well-being.

Finally, some argue that a tax on imported oil is desirable because it will help ensure a secure energy supply for the future. But events of the 1980s have shattered the credibility of this argument. The OPEC price war, the growth of non-OPEC oil reserves and production, the U.S. gas bubble, conservation practices, and the overhang of shut-in Canadian gas point toward an abundance of energy for the forseeable future. In light of this new reality, it is pointless to ask for more consumer sacrifice.

The price of a barrel of foreign oil has fallen from $40 to less than $15 on today's spot market, thus recouping for consumers much of the ground they lost after the 1973 Arab oil embargo. Unfortunately, these falling prices are presenting Washington with an almost irresistable temptation to hide the tax increase it would like to send you inside the pumps of your local gas station. Ultimately, big-spending politicians hope to be the heirs of OPEC.

[1] Michael Becker is a policy analyst with Citizens for a Sound Economy, a 250,000-member Washington-based grassroots citizens group. He is also a research fellow at the Center for the Study of Market Processes at George Mason University.

AMERICAN FARM BUREAU PRESIDENT DEAN KLECKNER STANDS FIRM AGAINST TAX INCREASES AND OIL IMPORT FEES

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 5, 1986

Mr. KEMP. Mr. Speaker, I rise today to bring to the attention of my colleagues a very insightful column by Dean Kleckner, president of the American Farm Bureau. This column, which was published in the March 3, 1986, edition of Farm Bureau News, points out the folly of believing that tax increases will reduce budget deficits, and particularly points out the anticompetitive effects of an oil import fee. Mr. Kleckner also points out that our efforts to reduce budget deficits should be focused on curbing runaway Federal spending, as well as on creating jobs and economic opportunities for all. I commend this column to the attention of my colleagues and thank Mr. Kleckner for his leadership on this and other issues vital to the future of our farm economy.

STANDING FIRM AGAINST TAX INCREASES

(By Dean Kleckner)

Talking about the "deficit" while working to raise taxes appears to be the current Washington political agenda.

Congress is attempting to set the stage for a new round of tax increases by directing public attention toward large budget deficits, while avoiding the real issue of government overspending. The possibility that Congress will turn tax reform into a tax increase is a very real threat.

"One day soon we're going to raise taxes. The president has no other practical alternative." That is a direct quote from House Ways and Means Committee Chairman Dan Rostenkowski. Talk of this kind is designed to soften public attitudes toward more taxes.

Farm Bureau members have remained firm against a tax increase of any kind—knowing that additional tax income would do little more than reduce pressure on Congress to cut federal spending, now increasing by about 4 percent this year after increasing 11 percent last year.

TARGETING OIL IMPORTS

The power of Congress is tied to its ability to spend freely, a power most members fight to retain and expand. Farm Bureau policies encourage decentralization of power and responsibility in the federal government.

Politicians point out that it would take a terribly large tax increase to make a real dent in the deficit, assuming it was exclusively applied to that purpose. The current push seems to be for an oil import tax of perhaps $5 per barrel. With about a third of our oil being imported, many in Washington are enthusiastic over a potential $10 billion or more in new tax revenue annually.

I can think of about a dozen reasons why an oil import tax is an extremely bad idea. First, as heavy fuel users, farmers and ranchers would immediately bear much of the tax burden. Any new tax on petroleum would add to farm and manufacturing costs, making us still more uncompetitive in world markets.

Further, an oil import fee would prop up (and hold up) domestic petroleum prices. But worst of all, a big, new source of tax revenue would encourage Congress to pursue even higher rates of spending.

FREEZE RUNAWAY SPENDING

Paring spending is a painful process that is considered politically dangerous. We cannot forget that Gramm-Rudman-Hollings, the law aimed at balancing the federal budget by 1991, a portion of which has been struck down by the U.S. District Court, was a creation of a Congress unwilling or politically unable to act against its own runaway spending.

Consider congressional reluctance to do away with revenue-sharing; an exercise in tax-taking and tax-returning that has never made sense to me. General revenue-sharing of federal taxes with local and state governments is a costly exercise in money handling in which tax dollars are first shipped to Washington only to be returned to the point of origin weeks, months or years later—minus substantial handling charges.

As an editorial in the *Chicago Tribune* recently noted, does it make sense for a bankrupt man to give money to his wealthy neighbor? The writers contend that is the case with the federal revenue-sharing, where our government with a deficit of $212 billion continues to add billions in unrestricted grants to states and municipalities, many of which have overall budget surpluses.

What does make sense, until spending can be balanced with present revenue, is a one-year, general, across-the-board freeze on government spending (except for interest payments on the federal debt) as Farm Bureau has long recommended. Besides providing a dramatic object lesson, Farm Bureau economists say that even without the help of Gramm-Rudman, a one-year freeze would cut the deficit by no less than $42 billion, which is right on the federal deficit reduction target.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, March 6, 1986, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 7

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the nominations of Paul Lamboley, of Nevada, and J.J. Simmons, of Oklahoma, each to be a Commissioner of the Interstate Commerce Commission, and Janet Hale, of Massachusetts, to be an Assistant Secretary of Transportation.
SR-253

Joint Economic
To hold hearings on the employment/unemployment statistics for February.
SD-562

10:00 a.m.
Energy and Natural Resources
To hold hearings on the nomination of Jed Dean Christensen, of Virginia, to be Director of the Office of Surface Mining Reclamation and Enforcement.
SD-366

Judiciary
Immigration and Refugee Policy Subcommittee
To resume closed hearings to review issues surrounding the attempted defection of Miroslav Medvid and the Administration's procedures regarding East bloc defectors.
SD-226

MARCH 10

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1987 for the National Institutes of Health, Department of Health and Human Services.
SD-116

10:00 a.m.
Foreign Relations
Western Hemisphere Affairs Subcommittee
To hold hearings to review the current situation in Panama.
SD-419

2:00 p.m.
Foreign Relations
Western Hemisphere Affairs Subcommittee
To continue hearings to review the current situation in Panama.
SD-419

MARCH 11

9:00 a.m.
Armed Services
To hold hearings on the status of the unified commands.
SR-222

Labor and Human Resources
Employment and Productivity Subcommittee
To hold hearings on S. 2069, to improve the Job Training Partnership program stability and lessen burdensome administrative requirements, improve services to youth and the hard-to-serve, and strengthen enforcement.
SD-430

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1987 for the National Institutes of Health, Department of Health and Human Services.
SD-116

Banking, Housing, and Urban Affairs
To resume hearings to review the farm credit situation.
SD-538

Commerce, Science, and Transportation
Consumer Subcommittee
To resume hearings on S. 1999, to provide for a uniform product liability law.
SR-253

Small Business
Innovation and Technology Subcommittee
To hold oversight hearings on the implementation of the Small Business Innovation and Research Program (P.L. 97-219).
SR-428A

10:00 a.m.
Judiciary
Patents, Copyrights and Trademarks Subcommittee
Business meeting, to mark up S. 1543, to prohibit the importation, use or sale in the country of products made abroad by a U.S. patented process, and S. 1093, to allow an extension of patent life for agricultural chemicals and veterinary medicines for time lost in regulatory review procedures at the Environmental Protection Agency and the Food and Drug Administration.
SD-226

1:00 p.m.
Judiciary
To resume oversight hearings on white collar crime in the United States.
SD-226

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Park Service, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on solar and renewable energy, energy research, and environment programs.
SD-192

Armed Services
To continue hearings on the status of the unified commands.
SR-222

Select on Intelligence
Closed briefing on arms control issues.
SH-219

MARCH 12

9:00 a.m.
Armed Services
To continue hearings on the status of the unified commands.
SR-222

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Health Resources and Services Administration and the Office of the Assistant Secretary for Health, both of the Department of Health and Human Services.
SD-116

Labor and Human Resources
To hold hearings on the nomination of Robert E. Rader, Jr., of Texas to be a Member of the Occupational Safety and Health Review Commission.
SD-430

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
*Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for defense acquisition policy.
SD-192

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Environmental Protection Agency.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the St. Lawrence Seaway Development Corporation, Department of Transportation, and the Panama Canal Commission.
SD-138

Judiciary
Security and Terrorism Subcommittee
To hold oversight hearings on certain activities of the Federal Bureau of Investigation.
SD-226

Joint Economic
Monetary and Fiscal Policy Subcommittee
To hold hearings on U.S./Canada trade policies.
SD-538

Joint Economic
Trade, Productivity, and Economic Growth Subcommittee
To hold hearings on the economic impact of the oil price collapse.
2359 Rayburn Building

11:00 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Commerce, and the International Trade Commission.
S-146, Capitol

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of the Treasury, focusing on multilateral development banks.
SD-124

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Administrative Conference of the U.S., U.S. Tax Court, Committee for the Purchase from the Blind and Handicapped, Advisory Commission on Intergovernmental Relations, Merit Systems Protection Board, Office of the Special Counsel, Advisory Committee on Federal Pay, and the Federal Labor Relations Authority.
S-126, Capitol

Energy and Natural Resources
To hold closed oversight hearings on the domestic and international petroleum situation.
SH-219

Judiciary
To hold hearings on pending nominations.
SD-226

MARCH 13

9:00 a.m.
Labor and Human Resources
Employment and Productivity Subcommittee
To resume hearings on S. 2069, to improve the Job Training Partnership program stability and lessen burdensome administrative requirements, improve services to youth and the hard-to-serve, and strengthen enforcement.
SD-430

Office of Technology Assessment
The Board to hold a general business meeting.
S-205, Capitol

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Centers for Disease Control, Alcohol, Drug Abuse and Mental Health Administration, Office of Inspector General, and Office of Civil Rights, all of the Department of Health and Human Services.
SD-116

Banking, Housing, and Urban Affairs
To resume oversight hearings to review Federal deposit insurance programs.
SD-538

Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain Defense programs, focusing on guard and reserve affairs.
SD-192

Governmental Affairs
Permanent Subcommittee on Investigations
To resume oversight hearings on airline safety in the United States.
SD-342

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on proposed legislation authorizing funds for low-income energy assistance programs.
SR-385

10:30 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for foreign assistance programs of the Department of State.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Indian Education, Department of Education, and the Institute of Museum Services.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on nuclear fission, uranium enrichment, and nuclear waste management.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Financial Management Service, Bureau of Public Debt, U.S. Mint, the U.S. Savings Bond Division, and the Internal Revenue Service, all of the Department of the Treasury.
SD-124

Judiciary
To hold hearings on the nomination for Jefferson B. Sessions III to be United States District Judge for the Southern District of Alabama.
SD-226

4:00 p.m.
Select on Intelligence
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

MARCH 14

9:30 a.m.
Finance
Health Subcommittee
To hold hearings on S. 2121, to revise the method of payment to hospitals for capital-related costs under the Medicare program.
SD-215

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Navy shipbuilding programs.
SD-192

10:30 a.m.
Energy and Natural Resources
To resume oversight hearings on the domestic and international petroleum situation.
SD-336

MARCH 18

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Health Care Financing Administration, Social Security Administration, Office of Child Support Enforcement, and refugee programs, all of the Department of Health and Human Services.
SD-116

Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on the retirement policy for public safety officials under the Age Discrimination in Employment Act.
SD-430

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Army modernization programs.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Postal Service.
SD-124

Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold oversight hearings on memorials and monuments on Federal and District lands in the District of Columbia, including criteria for approval, jurisdiction, placement, design, funding and maintenance.
SD-366

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for international security assistance programs of the Department of State.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on the Nuclear Regulatory Commission and the Federal Energy Regulatory Commission.
SD-192

MARCH 19

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Human Development Services, Office of Community Services, Departmental Management (salaries and expenses), and Policy Research, all of the Department of Health and Human Services.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, and the Arms Control and Disarmament Agency.
S-146, Capitol

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SD-219

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Defense programs, focusing on force management and personnel.
SD-192

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Veterans Administration.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Transportation Safety Board, Department of Transportation, and the Architectural and Transportation Barriers Compliance Board.
SD-138

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Export-Import Bank.
S-126, Capitol

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the General Services Administration, National Archives and Records Service, Executive Office of the President, and National Park Service, Department of the Interior (regarding White House and Vice President residence).
SD-124

Judiciary
To hold hearings on pending nominations.
SD-226

MARCH 20

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1987 for NASA.
SR-253

Energy and Natural Resources
To hold oversight hearings on the implications of fees on imported oil.
SD-366

Labor and Human Resources
Handicapped Subcommittee
To hold hearings on proposed legislation authorizing funds for rehabilitation programs.
SD-430

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Secret Service, Bureau of Alcohol, Tobacco and Firearms, and the Federal Law Enforcement Training Center, all of the Department of the Treasury.
SD-124

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on proposed legislation authorizing funds for the Community Services Block Grant programs.
SD-562

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the United States Geological Survey, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on the Power Marketing Administration.
SD-192

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold oversight hearings on government nonproliferation activities for 1985.
SD-342

4:00 p.m.
Select on Intelligence
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

MARCH 21

9:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on S. 1992 and S. 1993, bills to preserve the rights of certain parties with an interest in certain vessels or fishing facilities, or with an interest in aircrafts, aircrafts parts, or vessels.
SR-253

MARCH 25

9:30 a.m.
Labor and Human Resources
Handicapped Subcommittee
To resume hearings on proposed legislation authorizing funds for rehabilitation programs.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Forest Service, Department of Agriculture.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on atomic energy defense activities.
SD-116

MARCH 26

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Trade Commission, and the U.S. Commission on Civil Rights.
S-146, Capitol

Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for the National Science Foundation.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Interstate Commerce Commission and the Office of the Secretary of Transportation.
SD-138

MARCH 27

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Governments Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Customs Service, Department of the Treasury.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Holocaust Memorial, and the Bureau of Mines, Department of the Interior.
SD-138

APRIL 8

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy conservation programs.
SD-138

APRIL 9

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary of Education, Departmental Management (salaries and expenses), Office for Civil Rights, and Office of Inspector General, all of the Department of Education.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Attorney General, Department of Justice.
S-146, Capitol

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Railroad Administration, Department of Transportation, and the National Railroad Passenger Corporation (AMTRAK).
SD-138

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Personnel Management, and the Federal Elections Commission.
SD-124

APRIL 10

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including elementary and secondary education, education block grants, and impact aid.
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for National Oceanic and Atmospheric Administration, focusing on funds for satellite and atmospheric programs.
SR-253

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Management and Budget.
S-126, Capitol

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Inspector General, Agency for International Development, Peace Corps Inter-American Foundation, and the African Development Foundation.
S-126, Capitol

APRIL 14

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

APRIL 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including education for the handicapped, rehabilitation services and handicapped research, and special institutions (including Howard University).
SD-116

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Agency for International Development.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Endowment for the Arts and National Endowment for the Humanities.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

APRIL 16

9:00 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of AMVETS, Vietnam Veterans of America, World War I Veterans, Jewish War Veterans of the U.S.A., and Atomic Veterans.
SD-106

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including student financial assistance, guaranteed student loans, higher and continuing education, higher education facilities loans and insurance, college housing loans, and educational research and training.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Oceanic and Atmospheric Administration, Department of Commerce, and the Marine Mammal Commission.
S-146, Capitol

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold hearings on Acquired Immune Deficiency Syndrome.
SD-430

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Aeronautics and Space Administration.
SD-124

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed estimates for fiscal year 1987 for energy and water development programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Coast Guard, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of the Treasury, Postal Service, and general government programs.
SD-124

APRIL 17

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including bilingual education, vocational and adult education, education statistics, libraries, and the National Institute of Education.
SD-116

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the foreign assistance programs.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-192

APRIL 22

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Labor Relations Board, National Mediation Board, Occupational Safety and Health Review Commission, Federal Mediation and Conciliation Service, and the United States Institute of Peace.
SD-116

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on international narcotics control, migration and refugee assistance, and antiterrorism programs.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Navajo-Hopi Indian Relocation Commission, and the Office of Surface Mining, Reclamation and Enforcement, Department of the Interior.
SD-192

APRIL 23

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for ACTION (domestic programs), Corporation for Public Broadcasting, National Council on the Handicapped, Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, and National Center for the Study of Afro-American History and Culture.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Bureau of Investigation and Drug Enforcement Administration, Department of Justice, and the Equal Employment Opportunity Commission.
S-146, Capitol

Labor and Human Resources
To hold hearings on S. 1815, to prohibit any employer from using any lie detector test or examination in the work place, either for pre-employment testing or testing in the course of employment.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the United States Railway Association and Conrail.
SD-138

APRIL 24

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 1018, to clarify the meaning of the term "guard" for

the purpose of permitting certain labor organizations to be certified by the National Labor Relations Board as representatives of employees other than plant guards.
SD-430

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on voluntary contributions to international organizations programs, and for the Office of the U.S. Representative to the United Nations.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Energy Information Administration and the Economic Regulatory Administration, Department of Energy.
SD-192

APRIL 29

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Bureau of Indian Affairs, Department of the Interior.
SD-192

APRIL 30

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of U.S. Trade Representative, and the Federal Communications Commission.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on the human resources impact of re-entry of women into the labor force.
SD-430

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

MAY 1

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for territorial affairs, Department of the Interior.
SD-192

MAY 6

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

MAY 7

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Supreme Court of the United States, U.S. District Courts/Courts of Appeals, and the Commission on the Bicentennial of the U.S. Constitution.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on medical malpractice.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Urban Mass Transportation Administration, Department of Transportation, and the Washington Metropolitan Area Transit Authority.
SD-138

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Aviation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Smithsonian Institution.
SD-192

MAY 13

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

MAY 14

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol

Labor and Human Resources
To hold hearings to review barriers to health care.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Transportation and certain related agencies.
SD-138

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 525, to provide for the transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of radiation effects.
SD-342

MAY 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for fossil energy and clean coal technology.
SD-192

MAY 20

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Indian Health Service, Department of Health and Human Services.
SD-192

MAY 21

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Information Agency, and the National Endowment for Democracy.
S-146, Capitol
Labor and Human Resources
To resume oversight hearings on medical malpractice.
SD-430

MAY 29

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary and Office of the Solicitor, Department of the Interior.
SD-192

JUNE 4

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Commerce, Justice, and State, the Judiciary, and certain related agencies.
S-146, Capitol
Labor and Human Resources
To hold oversight hearings to review the imposition of user fees in FDA approval procedures for new drugs.
SD-430

JUNE 11

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations to the National Advisory Council on Women's Educational Programs.
SD-430

JUNE 17

9:30 a.m.
Labor and Human Resources
To hold hearings on food safety issues.
SD-430

JUNE 18

9:30 a.m.
Labor and Human Resources
Business meeting, to consider, pending calendar business.
SD-430

JUNE 25

9:30 a.m.
Labor and Human Resources
To hold hearings on the administration of the Mine Safety and Health Review Commission
SD-430

JULY 16

9:30 a.m.
Labor and Human Resources
To hold hearings on the establishment of generic drug procedures and patent term restoration for animal drugs.
SD-430

JULY 30

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

AUGUST 5

9:30 a.m.
Labor and Human Resources
To hold hearings to review the private sector initiatives in human services.
SD-430

SEPTEMBER 10

9:30 a.m.
Labor and Human Resources
To hold hearings to review the human resources impact on drug research and space technology.
SD-430

SEPTEMBER 16

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations.
SD-430

SEPTEMBER 24

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

CANCELLATIONS

MARCH 7

11:00 a.m.
Joint Economic
Agriculture and Transportation Subcommittee
To hold oversight hearings on the state of agricultural and rural economy.
SD-562

HOUSE OF REPRESENTATIVES—*Thursday, March 6, 1986*

The House met at 11 a.m.

PRAYER

The Reverend Dr. Ronald Christian, assistant to the bishop, American Lutheran Church, Washington, DC, offered the following prayer:

Our Father and our God, generations before us have invoked Your presence at the start of a busy day, before an important occasion, around the breakfast table, or out of the individual's heart and thoughts.

We continue the tradition and dedication of those our forebearers, seeking Your guidance on our activities this day, requesting Your presence in today's deliberations on behalf of our Nation and the world, thankful for daily bread and daily grace, and lifting up our personal needs and worries with unspoken language.

Hear our prayer, O God, and grant us those things that will not be harmful to our well-being nor damaging in our relationships with our neighbors or other countries. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H.J. Res. 534. Joint resolution making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes.

The message also announced that the Senate insists upon its amendment to the joint resolution (H.J. Res. 534) "Joint resolution making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. COCHRAN, Mr. MCCLURE, Mr. ANDREWS, Mr. ABDNOR, Mr. KASTEN, Mr. MATTINGLY, Mr. SPECTOR, Mr. HATFIELD, Mr. BURDICK, Mr. STENNIS, Mr. CHILES, Mr. SASSER, Mr. BUMPERS, and Mr. HARKIN, to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 360. An act to direct the Secretary of Agriculture to convey, without consideration, to the Nebraska Game and Parks Commission, approximately 173 acres of land within the Nebraska National Forest to be used for the purposes of expanding the Chadron State Park, Nebraska;

S.J. Res. 246. Joint resolution to designate May 25, 1986 as "Hands Across America Day", for the purpose of helping people to help themselves, and commending United Support of Artists for Africa and all participants for their efforts toward combating domestic hunger with a four thousand mile human chain from coast to coast;

S.J. Res. 257. Joint resolution to designate May 2, 1986, as "National Teacher Appreciation Day;"

S.J. Res. 261. Joint resolution to designate the week of April 14, 1986 through April 20, 1986 as "National Mathematics Awareness Week;"

S.J. Res. 262. Joint resolution to authorize and request the President to issue a proclamation designating June 2 through June 8, 1986, as "National Fishing Week;" and

S.J. Res. 265. Joint resolution authorizing and requesting the President to designate the week of March 9 through 15, 1986, as "National Employ the Older Worker Week."

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 540, RELATING TO ADDITIONAL AUTHORITY AND ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE REQUESTED BY THE PRESIDENT

Mr. WHITTEN, from the Committee on Appropriations, submitted a privileged report (Rept. No. 99-483) on the joint resolution (H.J. Res. 540) relating to Central America pursuant to the International Security and Development Cooperation Act of 1985, which was referred to the Union Calendar and ordered to be printed.

PROVIDING FOR AMENDING SENATE AMENDMENT TO HOUSE AMENDMENT TO SENATE AMENDMENT TO H.R. 3128, DEFICIT REDUCTION AMENDMENTS OF 1985

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 390, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 390

Resolved, That upon the adoption of this resolution the House shall be considered to have taken from the Speaker's table the bill (H.R. 3128) to provide for reconciliation pursuant to section 2 of the first concurrent resolution on the budget for fiscal year 1986 (S. Con. Res. 32, Ninety-ninth Congress), with the Senate amendment to the House amendment to the Senate amendment thereto, to have receded from its disagreement to the Senate amendment, and to have concurred in the Senate amendment with an amendment printed in the Congressional Record of March 4, 1986, by Representative Gray of Pennsylvania.

The SPEAKER. The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, I yield the customary 30 minutes, for purposes of debate only, to the gentleman from Tennessee [Mr. QUILLEN], and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 390 provides procedures for further consideration of reconciliation legislation in the House. Specifically, this rule provides that upon its adoption the House shall be deemed to have taken from the Speaker's table H.R. 3128, the Deficit Reduction Amendments of 1985, with the Senate amendment to the House amendment to the Senate amendment thereto, to have receded from its disagreement to the Senate amendment, and to have concurred in the Senate amendment with an amendment printed in the CONGRESSIONAL RECORD of March 4, by Representative GRAY.

While it appears to be a somewhat complex procedural posture we find ourselves in with regard to this legislation, Mr. Speaker, I would point out that the complexity is primarily a function of the action that took place on reconciliation during the closing hours of the first session of this Congress. I would like to offer just a brief sketch of the process that has taken place on this matter to date.

Reconciliation began as a multitracked legislative effort in the House last year. H.R. 3128 carried the Ways and Means reconciliation provisions; H.R. 3500 carried the reconciliation recommendations of 10 authorizing committees; and the farm bill carried the reconciliation recommendations of the Agriculture Committee. Several other smaller pieces of reconciliation were carried in other bills as well.

When the other Chamber took action on reconciliation in November, their omnibus reconciliation instructions, originally carried in S. 1730,

were inserted in lieu of the House adopted language in H.R. 3128 which was then pending before that body. That constituted the first Senate amendment to H.R. 3128.

Following this action in the other body the House took further action on reconciliation in early December by amending the Senate amendment to H.R. 3128 with the House-passed language of both H.R. 3500 and H.R. 3128—the two primary reconciliation bills adopted by the House. This procedure was simply a device to go to conference with the House positions on the issues in H.R. 3500 as well as the issues in H.R. 3128.

A conference was convened on reconciliation and a conference report was ultimately filed on December 19, 1985. On that same day, the House rejected the conference report and instead amended the Senate amendment to the bill with an amendment consisting of the conference agreement minus Superfund. The other body followed by adopting the conference report without amendment, which reinserted Superfund into the agreement.

That brings us to where we are today. By operation of this rule, the House will amend the Senate amendment to the House amendment to the Senate amendment to H.R. 3128. The rule is self-executing, which is to say that upon adoption of the rule the measure is taken from the Speaker's table and amended with the amendment printed in Tuesday's CONGRESSIONAL RECORD by Chairman GRAY, without any further vote.

As my colleagues are aware, Mr. Speaker, the issue that became the center of controversy in reconciliation during the final days of the last session was the Superfund tax issue. The position of the House on this matter, Mr. Speaker, has always been clear.

As a matter of procedure, the House indicated that H.R. 3128 was not the appropriate vehicle in which to address taxing provisions for Superfund. On two separate occasions, the House adopted reconciliation without Superfund taxes of any kind. The House took the view that the Superfund reauthorization bill, H.R. 2817, was the proper vehicle to consider the taxing issue.

As a matter of substance, the House has also taken a clear position as to the kind of taxing provision it preferred for funding the Superfund Program. By a vote of 220 to 206, the Members of this Chamber expressed their preference for taxing provisions more similar to the current Superfund tax structure, as opposed to a broader-based excise tax.

Notwithstanding the positions taken by this Chamber as to the appropriate procedure and preferred substantive provisions on Superfund, however, this reconciliation measure became a vehicle with which the other Chamber attempted to enact a broad-based excise tax for the Superfund Program.

When the measure emerged from conference, it contained a broad-based Superfund excise tax. The House considered the conference report on reconciliation first without any Superfund taxing provisions, and subsequently with the Superfund tax provisions added by the other Chamber. By a vote of 205 to 151, this Chamber supported reconciliation without Superfund. By a vote of 137 to 211, this Chamber rejected reconciliation with a Superfund excise tax.

These last two votes, occurring on the evening of December 19, constituted the last action taken on reconciliation in the House. The other Chamber likewise maintained their position in a series of recorded votes.

Mr. Speaker, during the intervening months, negotiations have continued on this and other issues. I am very pleased to note that the Superfund tax issue has been severed from reconciliation. It will be treated separately in a conference on Superfund reauthorization. In fact, I understand the House conferees have just recently been appointed on that measure.

In addition to Superfund, Mr. Speaker, I would note that there have been negotiations ongoing on a number of additional items. These issues relate to provisions in H.R. 3128 concerning the Trade Adjustment Assistance Program; several issues related to Outer Continental Shelf activities; several Medicare and Medicaid issues; aid to families with dependent children programmatic changes; and Federal employee health benefit programmatic changes.

Mr. Speaker, the issues I have just mentioned were under negotiation until yesterday. On Monday evening, the House received a proposal on these issues from the other Chamber. The House position in response to that proposal is contained in the amendment which we will adopt upon passage of this rule. In my opinion, the House has gone far in excess of halfway in settling these issues, but I will defer to our colleagues who were directly involved in those negotiations for details on how these matters were ultimately settled.

Mr. Speaker, the savings from the House reconciliation package were originally estimated in the range of $80 billion over 3 years. With the time we have lost in delaying enactment of this legislation, however, we have also lost a considerable amount of the savings originally estimated.

On that issue, I would note that this package does not contain the revenues assumed from a new Superfund tax since that matter has been removed from the bill. Likewise, the Agriculture Committee's savings were carried in separate legislation, the farm bill we enacted last year. We have also lost savings simply because the effective dates for the provisions included in reconciliation have been pushed back considerably from October 1.

Another reason for the decline in estimated savings stems from reestimates which have been performed and which have removed from the total those savings achieved by the authorizations carried in the bill. This was essentially an effort to figure a truer picture of the direct savings which will be achieved by the legislation.

Therefore, the package before the House today, with the Gray amendment, will save $6.9 billion in the current fiscal year and $18.1 billion over 3 years.

To say that we have lost savings in this package, Mr. Speaker, does not, however, diminish the importance of our task. This is $6.9 billion in addition to the savings which have been achieved by the March 1 sequester order. And for the next 2 years, this legislation will reduce the amount of savings we will have to achieve in order to comply with the Emergency Deficit Reduction Act of 1985.

We have been at work on this legislation for a long time. At times it has been a frustrating process. But it has always been a worthwhile effort.

Many Members of both Houses of Congress have invested many hours of work in this product. Some 240 conferees participated in the preparation of the conference report. Moreover, beyond the savings achieved by the legislation, it carries numerous important substantive provisions which simply will not be enacted into law without action on this measure.

Much attention has been devoted over the last several weeks to how we are going to deal with mandatory across-the-board spending cuts. The only real way to deal with this situation is to legislate. We, as Members of Congress, are ultimately responsible for establishing priorities through the budget process. This legislation is an imperative first step in this effort.

What we have before us today is a clear opportunity to demonstrate that the budget process is alive and well; that carefully considered spending reductions can be achieved; and that we are serious about addressing the Federal deficit that will haunt this and future generations if action is not taken now.

Mr. Speaker, this rule is essentially the same procedure as was used by the House in late December. At that time, on a vote of 205 to 151, the House passed that rule and thereby adopted the conference report on reconciliation without Superfund. The proposition before our colleagues today is the same, except for the few smaller changes I have already mentioned. This rule gives the Members of the House a straight up-or-down vote to

again affirm our support for reconciliation without Superfund provisions.

I urge adoption of the rule.

□ 1110

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as has been ably explained by the gentleman from South Carolina [Mr. DERRICK], the budget reconciliation bill is a very comprehensive measure, and it is a very controversial measure. But we all know that reconciliation is necessary.

Mr. Speaker, I have just received word from the administration that if this bill passes both the House and the Senate in its present form, the President's senior advisors are going to recommend to the President a veto. So we face a problem of working out a measure which will be satisfactory and, goodness knows, negotiations have been going on forever on this measure. Unfortunately, the ranking Republicans on the various committees I understand were not consulted in working out the final package. I was hoping when it came before the Rules Committee this week, that everybody would have worked it out so that when it passed the House today—and I shall vote for it—that it would not be subject to a veto.

Many things have been taken out of it which are objectionable. Many things have been included which are very favorable to Members of the House in certain areas of this country.

Mr. Speaker, I urge adoption of the rule which incidentally means the passage of the resolution as no further debate will come about. The rule will be debated for 1 hour.

Mr. Speaker, I have several requests for time. Our time over here is all taken.

Mr. STARK. I thank the distinguished gentleman from South Carolina for yielding me this time.

Mr. Speaker, the Medicare provisions contained in H.R. 3128 represent important policy changes and many months of work. Under the latest CBO estimates, the conference agreement as passed by the House on December 19, 1985, saves $17.6 billion over 3 years. The amended conference agreement increases the amount of deficit reduction to $18.1 billion. Fiscal 1987 savings amount to $6.4 billion. These savings are needed to help us meet the Gramm-Rudman target of $144 billion for fiscal 1987.

As you all know, we were unable to enact H.R. 3128 prior to adjourning in December because of a disagreement concerning superfund. Since then, we have worked vigorously to revive the bill. In response to a recent offer by the other body, we have reluctantly made a limited number of concessions. Specifically, we have deleted several provisions which would have provided modest, yet needed, increases in benefit protections at low cost to the program. The provisions that were changed to accommodate the administration were, first, reducing the rate of increase for hospitals from 1 percent to 0.5 percent; second, eliminating the expansion of the occupational therapy benefit and the vision care benefit; third, eliminating the provisions relating to durable medical equipment reimbursement, home health reimbursement limits; and the expansion of Medicare appeals.

Despite these changes, H.R. 3128 still contains a number of important provisions which are necessary to the Medicare Program and which result in substantial savings. These include: A half-percent increase in hospital payments; a slower transition to national payment rates for hospitals; special payments for hospitals treating a disproportionate share of low-income patients; a 3-year phaseout of the guaranteed return on equity payments for for-profit hospitals; a prohibition against the "dumping" of hospital emergency patients; an extension of the Medicare physician fee freeze on nonparticipating physicians through December 31 with an increase of about 4.15 percent in payments to physicians agreeing to participate during 1986; and an extension of Medicare coverage to newly hired State and local employees, effective April 1, 1986.

I believe that H.R. 3128, as amended, represents a responsible effort by the Congress to improve the Medicare Program and obtain substantial budgetary savings. If we do not enact H.R. 3128 at this time, important Medicare provisions will expire.

In the public assistance area, the amendment makes two changes to the conference agreement on AFDC and Medicaid quality control. The moratorium on fiscal sanctions in the Medicaid Program is deleted; and a clarifying amendment with regard to the Medicaid moratorium provisions of the 1984 Deficit Reduction Act is deleted.

The amendment retains the moratorium with regard to AFDC fiscal sanctions. It also retains the provision in the conference agreement mandating the AFDC Unemployed Parent Program.

The conference report and the proposed amendment reauthorize the trade adjustment assistance programs for 6 years, until September 30, 1991, retroactively from December 19. The amendment deletes from the conference report program changes which were most objectionable to the administration, but it retains the provisions in the conference report which would improve program administration.

The Superfund provisions contained in the Senate amendment, which we in the House and the administration objected to, have been deleted. As you know, these Superfund provisions are being considered in a separate conference.

In addition, the effective date of the increased Black Lung Trust Fund coal excise tax is postponed from January 1 to April 1, 1986. The new tax on smokeless tobacco would be imposed on July 1 rather than April 1, 1986. Both these changes merely make the taxes prospective and allow time for the effected industries and the Treasury Department to prepare for these tax changes. Other changes in the tax area are merely technical.

Mr. Speaker, I do not agree with all of the changes contained in the amendment to the conference report on H.R. 3128. However, I am willing to accept them in order to get this very important legislation enacted into law.

I find it very distressing to begin working on next year's budget resolution, when we have yet to finish our work on last year's budget. If we do not enact the bill before us today—last year's reconciliation legislation—we will lose $6.7 billion in savings for fiscal 1987 and upward of $20 billion over the next 3 years. This includes $6 billion in revenues, which will reduce the deficit if enacted as part of this bill. If not, they are very likely to be used in future bills to pay for revenue losers or new expenditures.

In addition to the lost savings, failure to enact this bill will result in serious disruptions in the Trade Adjustment Assistance and Medicare Programs. Frankly, I do not see how we can fail to pass H.R. 3128 and expect our constituents to believe that we are serious about reducing the Federal deficit.

I urge my colleagues to support the amendment that is before us today.

Mr. QUILLEN. Mr. Speaker, I yield 5 minutes to the gentleman from Louisiana [Mr. MOORE].

Mr. MOORE. Mr. Speaker and my colleagues, I ask you to vote for this measure before us today. I realize it is unusual, I realize the administration is opposed to it, and I realize it is an unusual procedure. But I really believe very sincerely that unusual actions are now in fact called for. We have been fighting over this reconciliation measure now for a long time. It has been before the House two or three times and been passed two or three times. And we have yet to settle anything. Nothing has finally been resolved.

There is something very important in here. There are a number of things very important in here. But there is one very obviously important to a certain number of States who have been promised fair treatment now for a number of years since 1978 and have not received it. A reconciliation bill would finally settle the issue of a division of the offshore revenues from the Outer Continental Shelf between the Federal Government and those States

that are producing oil off their borders.

The States are entitled to this money. Nobody has ever said they were not. Everybody agrees the States involved are entitled to some money. The question has been: How much?

This finally settles that. It could not come at a better time. Those States are deeply involved now in deficits like they have never seen before because of the falling price of oil. The State I am privileged to be from and represent, Louisiana, now is second in the Nation in unemployment. And we are afraid we are going to overtake West Virginia and become first because of this particular problem.

Oil prices were supposed to be, by our best planners and guessers, $40 a barrel as we are here today. It is $12 a barrel and still falling. It is expected to be maybe $9 a barrel by this summer.

Now that is good for the economy, I do not object to that; but it is awfully tough on those States that are producing it. People are going out of business; unemployment is going up very high because you do not produce oil for that price. You cannot and make money. It is very damaging to the States who are receiving large revenues and taxes and bonuses and royalties and rents such as a State like mine; suddenly they are finding the bottom is falling out of their revenue base. The money is not there to run the State.

So the first reason I would ask you to vote for this is because the States are due it and have been since 1978 and they need it.

The second reason I give you for supporting it is because the States have been promised this money since 1978 when this Congress passed legislation saying those States would get "a fair and equitable share." They have never gotten 1 penny because the Federal Government could never agree on what was fair and equitable to the States concerned.

□ 1125

That in itself is unfair and inequitable.

We have had commitments made by two administrations, Republican and Democrat, that of President Carter and that of President Reagan, saying we are going to settle this issue, we are going to get you your money. But, in fact, it never came. We have gone through negotiations with both administrations. We have yet to settle the issue.

This legislation will settle it. That is the second reason.

The third and final one is the fact that this controversy affects the entire country, not just those States. It ought to be settled.

The money that goes to the Federal Government, and it gets the lion's share of the money, is tied up in the same procedures as the States not being able to get theirs. It is all put aside in a special escrow account, and there the money sits. The Federal Government cannot get its and the State governments cannot get theirs.

This legislation would settle that so the States will finally get theirs, but the Federal Government would also get its, at least $4 billion by some accounts, that would go to reduce the deficit without having to raise taxes or cut spending. We need to pass this legislation to do that.

So, my colleagues, I ask you very sincerely, over the objections of the administration—and I support it, as you well know—over the objections you might have of this unusual procedure, to let us finally get down to business. Let us finally settle the issue. Let us finally get it done. Let us finally pay to the States what they deserve. Let us get the money going to the Federal Government that it cannot use. Let us get this issue off the table where it has been festering now since 1978.

Mr. Speaker, I urge an aye vote for this rule.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. PETRI].

Mr. PETRI. Mr. Speaker, I rise in opposition to the resolution.

There are many reasons to oppose this poor pale remnant of a reconciliation bill that has struggled to the floor today, gasping for breath. It harbors a number of odious provisions that have nothing to do with budget reconciliation and everything to do with finding a nice safe place to hide from excessive scrutiny and the possibility of a separate vote. I suspect it is the proponents of these various evils who have resurrected this bill from the dead, not some high-minded concern about the deficit. If this bill lives, we will be hard pressed to correct its mistakes. If this bill meets its just reward, its good features surely will find new life in other legislation, including budget legislation, this year.

One of the odious provisions of this bill is a national mandatory drinking age of 21, which tramples even further into the dust the beleaguered concepts of Federalism and States rights on which our Nation was founded. Some of our State governments, in their wisdom, have decided that some other minimum drinking age best fits their particular circumstances. Some argue in all sincerity that in their cases a different standard saves the most lives.

Who are we in Congress to decide that they are wrong; that a single national standard must necessarily be the best for everyone on an issue of this type? We should leave this to the States to decide for themselves.

An even more odious feature of this bill is its billion dollar bailout for the tobacco growing industry. Let me explain this. After a hard fight over repeal of the tobacco program in 1981, its proponents promised to reform it so that it operated from then on at no cost to the taxpayers. The result was the No Net Cost Tobacco Act of 1982. Opponents of the program have argued that that law failed to cover large parts of the program's costs, and that tobacco farmers and our Nation would have been far better off without any program at all, but those points are not at issue here today.

We also pointed out over the years that the assessments on farmers under the no net cost law were too small to cover even the officially recognized costs that were being run up.

But always when we complained, we were solemnly assured that the program operates at no net cost to the taxpayers and that the requirements of the 1982 law would be met. Time and again, we have heard the same refrain: No net cost; no net cost. Today we are simply asking the program's proponents to make good on that promise. We are saying, "You made your bed; now lie in it."

But a funny thing has happened. Tobacco proponents now realize that assessments were too small; that there are huge impending official losses; and that covering them under the current law will require much larger assessments that will drastically cut the profits of absentee landlord allotment owners. And now that the no-net-cost promise has become most inconvenient, they would rather forget about it. So they have come up with the bailout proposal in this bill. Under it, the Nation's taxpayers would take over from tobacco growers responsibility for up to a billion dollars of impending losses.

There are two main devices for accomplishing this. First, taxpayers would directly take over all losses on the weather-damaged 1983 burley crop. These losses alone are estimated at $400 million or more.

Second, taxpayers would take over losses on the rest of the no-net-cost crops indirectly, through one giant package deal with the big cigarette companies. The companies would buy all the Government tobacco in storage, paying way too much for the no-net-cost tobacco and way too little for the pre-no-net-cost tobacco, for which the taxpayers are still responsible under current law. In this way, from $300 to $600 million of additional losses will be shifted from the growers' tobacco onto the taxpayers' tobacco.

I have to admire the cleverness of this scheme, but I don't have to stand still for it.

Now I know CBO gives savings numbers for these tobacco provisions, but CBO staff admitted to my office that they have no expertise in tobacco. The numbers came from the people who run the tobacco program, and they are

totally misleading. They assume the tobacco in storage can't be sold without these provisions, which is clearly false, and they ignore the effect of intercrop price jiggering on future liabilities of the growers for assessments.

There are other reasons to oppose this bailout. For example, it raises grave antitrust questions, it hands over to the cigarette companies effective control of the whole tobacco-growing industry, and it will cause continued shrinkage of that industry in favor of foreign tobacco in the years to come. To his credit, the distinguished House Tobacco Subcommittee chairman recognized some of these problems in publicly opposing this plan all last year.

But I believe it is the cost issue that should concern us most. How can we start out the year of Gramm-Rudman by handing over a cool billion dollars to tobacco interests? How can we possible face all the people whose programs will be cut if we do this deed? I ask all my colleagues, please take a stand for fiscal sanity and oppose this bill.

Mr. DERRICK. Mr. Speaker, for the purpose of debate only, I yield 1 minute to the gentleman from North Carolina [Mr. WHITLEY].

Mr. WHITLEY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, in response to the remarks by the gentleman from Wisconsin, who just spoke, I would point out several things.

First of all, what we are seeking to do in tobacco is what they probably ought to do in the commodity that the gentleman is very interested in, dairy products. The Federal Government has loaned billions of dollars for millions of pounds of dairy products that have sat in commodity stocks, and they have either rotted in many cases and have become completely worthless, or they have been literally given away.

What we proposed to do in the tobacco amendments that the gentleman opposes is to take pre-1982 tobacco stocks and sell them for the highest dollar we can get from them. It is not a giveaway; it is salvaging the best we can.

The gentleman also alluded to the fact that beginning in 1982, we made a commitment to make this a no-net-cost program. That is right; we have. We continue to do that. These amendments refine the no-net-cost portion of it, and that tobacco that will be sold at less than what stabilization has in it is the pre-1982 tobacco.

Mr. QUILLEN. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. Mr. Speaker, I thank my colleague from Tennessee for yielding.

Mr. Speaker, may I say that this is the most unusual and extraordinary procedure that we are following. I am the ranking Republican on the Ways and Means Committee. Most of these items, or all of them, are involved in this procedure that we are following today involves our committee. It was not mentioned to me. I was not consulted.

There are many things that have not been mentioned here today that many of you who come from large cities, you are going to hear again from your municipal employees who are going to be blanketed under Medicare without having proper hearings. They have been unable to express themselves as to whether they want Medicare or not.

Mr. Speaker, one thing that concerns me greatly, of course, is vision care, which has been taken out entirely, which deals with optometrists. Many, many communities in my State—I live in a large city—many communities do not have ophthalmologists. They have only the optometrists, who provide good service. I think my distinguished chairman of the Health Subcommittee would agree that that is a good provision. Apparently some deal was cut with someone in the Senate to strike that provision.

Mr. STARK. Mr. Speaker, will the gentleman from Tennessee yield to me?

Mr. DUNCAN. I would be glad to yield.

Mr. STARK. Mr. Speaker, the distinguished ranking member who serves ex officio on our Subcommittee on Health shares the concern with me for the vision care provision that was dropped and other excellent provisions, such as that for occupational therapists.

Often in the spirit of compromise, good programs get jettisoned. I assure the distinguished ranking member of the committee that that was in a concession to the other body, and I also would like to give the gentleman my assurance that this Chair will attempt to revisit those issues and reenact that legislation in this year. I share the gentleman's concern for the vision care and other good provisions, and the gentleman has been a leader in that area. Mr. Speaker, I want the gentleman to know that that is not a provision that will be dropped from the agenda of our committee.

Mr. Speaker, I thank the gentleman for his interest.

Mr. DUNCAN. Mr. Speaker, I thank the distinguished chairman.

□ 1135

So with this procedure, Mr. Speaker, I must strongly oppose portions of this resolution.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Illinois [Mr. MICHEL], our minority leader.

Mr. MICHEL. Mr. Speaker, this reconciliation bill is but a small piece to a very large puzzle.

Reconciliation cannot stand alone. It must be considered in the context of the fiscal 1987 budget—further sequestration, rescissions and deferrals, the constitutional challenges to Gramm-Rudman and deferral procedures, supplemental appropriations, just for openers.

Where does reconciliation fit in?

We don't know. We're not sure.

We have no plan for dealing with these issues. We have no timetables, no goals, no objectives. We don't have any common baselines, or economic projections. We have no task forces, and too few efforts to bring the two bodies together at the negotiating table.

This exercise we are going through is unprecedented. It poses unprecedented obstacles, not the least of which are two court cases raising questions about the constitutionality of what we are doing. If you take the political equation out of the process, there are enough problems here to turn this into a national fiscal fiasco. When you add some rather intense partisan campaign politics to this process, such as field hearings on the President's budget and inventive new budget baselines, then the prospects for our success become extremely limited.

What are our goals? More importantly, what are the goals the American people would like us to achieve?

I think the American people want us to balance the budget. I really believe they want that goal accomplished, and soon. I also believe they want the budget balanced gradually, and without causing harm to the economic growth and stability this country is enjoying. They believe the two are perfectly consistent objectives.

The American people are not going to concern themselves so much with how we get the job done, they just want it done, and they want us to cooperate with each other in the process.

That leaves it up to us to be big boys and girls and work this thing out in a manner that produces some results at the end of the year.

We're not doing that now. We don't have our eyes on the budget. We have them on the ballot box in November. We're suffering from political paralysis around here. No one can move a muscle or utter a word that doesn't have some campaign value.

I don't think the American people are going to want to sit through election-year follies starring their own public servants.

We may never be able to fully explain to them the sly little tricks being played on the baseline or the separate consideration of the President's

budget, but they'll know full well that we are not working together and we are not getting the deficit reduced.

This reconciliation bill is a good representation of our failure. Reconciliation should have been completed last year, not 3 months into this year and we should have had the statesmanship to work out a compromise. We did not. All sides are at fault.

We must not let the same occur on each step through this fiscal maze we have to get through in the next 7 months. We must not let the American people down like we did last year, and the year before that, and the year before that.

Mr. DERRICK. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of the rule.

I do so despite my great disappointment at the loss of some important Medicare and Medicaid Program reforms.

At the insistence of the Senate and the Office of Management and Budget, the amendment strikes out a number of important provisions that had been agreed to by the House-Senate conferees just last December:

Medicare coverage for vision care services provided by optometrists;

Expanded Medicare coverage for occupational therapy services;

Improved appeal rights for Medicare beneficiaries whose claims for payment under part B have been erroneously denied;

Medicaid coverage for home-based respiratory care services for ventilator-dependent children and others; and

Four Medicaid home and community-based services demonstrations, including one focussing on the special needs of Alzheimer's patients.

These provisions are needed; they represent sound health policy; and they are low-cost. Just 2½ months ago, the Senate agreed to these provisions: In fact, both Medicaid provisions are originally Senate proposals.

I regret that we no longer have agreement on these items.

But it is clear that we do not, and I believe we ought to salvage what is left of this legislation, for much good policy remains.

First and foremost, this bill, as revised, would reduce the Federal deficit by about $3.8 billion next year, and by $11.7 billion over the fiscal year 1986 through fiscal year 1988 period.

Now, $3.8 billion is not an enormous amount of savings. But as those of you who have struggled to find responsible savings well know, it is hardly trivial. In fact, it represents more than 10 percent of the amount of savings we need in order to reach the Gramm-Rudman target of $144 billion next year.

We simply cannot afford to let this opportunity go by.

Second, the bill as amended retains some badly needed improvements in the Medicare and Medicaid programs:

Hospitals participating in Medicare would not longer be allowed to "dump" emergency patients who lack insurance coverage.

Hospitals serving disproportionate numbers of low-income patients would receive an adjustment in their Medicare payments to account for their higher costs.

Medicare payment for the direct costs of medical education would be restructured to make them more cost effective and to promote primary care training.

The Medicare physician fee freeze would be revised to exempt participating physicians.

A physician payment review commission would be established to make recommendations on improvements in Medicare payment methods.

The peer review organizations would be authorized to require second opinions prior to Medicare payment for certain elective surgical procedures.

Pregnant women in two-parent working poor families would be eligible for Medicaid coverage for prenatal and maternity care.

States would be able to offer hospice services to their terminally ill poor.

States would have greater flexibility in providing Medicaid home and community-based services to their elderly and disabled poor who would otherwise be placed in nursing homes:

In short, Mr. Chairman, this bill is one of those rare marriages of budgetary savings and good health policy. I urge my colleagues to support the rule.

I want to note, for the benefit of those who will implement and interpret this legislation, the purpose of one of the changes made by the amendment provided for under this rule. The amendment revises the effective date of the clarification contained in section 9517(c) of the conference agreement relating to health insuring organizations [HIO's] under Medicaid. Under the amendment, the clarification applies to entities that first become operational on or after January 1, 1986, with the following exception. In the case of HIO's that first become operational on or after January 1, 1986, but for which implementing waivers had been granted by the Health Care Financing Administration under section 1915(b) of the Social Security Act prior to that date, all of the regulatory requirements set forth in section 1903(m) of the act apply, other than those at clauses 1903(m)(2)(A)(11) (limiting the percentage of public prepaid patients to 75) and 1903(m)(2)(A)(vi) (relating to disenrollment without cause upon one month notice). The nonapplicability of these two requirements extends only during the period for which the related 1915(b) waiver granted prior to January 1, 1986, is effective. It is the understanding of the House conferees that the exception created by this amendment applies only to the following HIO's: HealthPASS in Philadelphia, PA; Kitsap Physician Service Sound Care Plan in Kitsap, Mason, and Jefferson Counties, WA; and the Organized Health System, San Mateo County, CA.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from Ohio [Mr. PEASE].

Mr. PEASE. Mr. Speaker, I rise to urge passage of this resolution because contained in the reconciliation bill is a 6-year extension of the Trade Adjustment Assistance Program. That is one of the programs that died on December 18, when we failed to pass a reconciliation bill. Thousands of American workers who are eligible have been unable to collect their benefits in the last 2½ months and are waiting desperately for us to act.

The provisions in this reconciliation package for trade adjustment assistance are excellent provisions. It is retroactive back to December 19. It deletes a couple of provisions which were especially burdensome and loathsome to the administration, and yet it also contains some provisions not costly, I might add, which will improve the administration of the TAA Program.

It also links participation in TRA weekly benefits to participation in job search and job club activities which I think will be satisfying to a lot of our Members.

And, finally, it is consistent with Gramm-Rudman. It would apply the 4.3-percent cut effective March 1.

I urge passage.

Mr. DERRICK. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana [Mr. HUCKABY].

Mr. HUCKABY. I thank the gentleman for yielding.

Mr. Speaker, I was somewhat disappointed in the minority leader's statement. He seemed not to be supporting this reconciliation bill as such. I certainly agree we should have passed it last year, but I think to pass it now is much better than not to pass it at all because it contains some $7 billion, approximately, for deficit reduction for fiscal year 1987. Four billion dollars of that is a result of legislation that my colleague, the gentleman from Louisiana [Mr. BREAUX] and I introduced several months ago involving the OCS offshore oil and gas settlement.

The States, the coastal States, will only receive 27 percent instead of 50 percent of these revenues. Hence, $4 billion will be freed up from escrow and go into reducing the Federal deficit next year. In addition to that, much needed funds to the coastal States and funds which could not come at a better time due to the rapid falling price of oil.

Mr. DERRICK. Mr. Chairman, for the purpose of debate only, I yield 1 minute to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, the amendment that would be adopted upon the passage of this rule contains a technical correction of section 4016 of the reconciliation bill, concerning the liability of Amtrak for labor protection payments. The conferees agreed to adopt a provision that would make it clear, for purposes of determining the eligibility of Amtrak employees for labor protection payments,

that "discontinuance" does not include a frequency reduction or seasonal suspension of service the effect of which is a temporary suspension of service, unless such frequency reduction or seasonal suspension reduced service below three round trips per week on a route.

Through a mistake in the drafting process, section 4016 and the conference report were altered and have a different meaning than that intended by the conferees. This technical correction restores the legislative language necessary to reflect the conferees' original intent and objective, which I have just described. The amending language will permit Amtrak to make either a frequency reduction or a seasonal suspension the effect of which is a temporary suspension of service without incurring labor protection costs, unless in either case the three-round-trip-per-week criterion is breached.

This technical correction has been worked out by the majority and minority staffs in both bodies and has been reviewed by representatives of Amtrak and labor, who have agreed that the language accurately reflects the conferees' intent. I urge the adoption of the rule and the amendment.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska [Mr. DAUB].

Mr. DAUB. Mr. Speaker, I am pleased to have the opportunity to commend my colleagues for their diligent and patient efforts in bringing this legislation to the House floor.

Certainly, there are many provisions of this compromise measure that deem special merit. Specifically, I would note that the conference agreement remedies several provisions with which I had earlier voiced concern:

The contentious Superfund provisions have been removed and are now being dealt with in a separate conference.

The specific earmarking of 1 cent of the 16 cent cigarette tax—a process that I strongly oppose—has been dropped.

The proposed salary increase for Members of Congress has been eliminated.

The provisions authorizing a new State teenage-pregnancy block grant for AFDC recipients have been dropped.

Most especially, I was pleased to note that numerous improvements were made in the Medicare provisions of H.R. 3128. The agreement includes an increase in Medicare payments to hospitals—and while we were not able to achieve as much of an increase as we may have originally sought, I want to commend the conferees on recognizing the need for some increase.

The agreement would also apply the revised hospital area wage index prospectively to hospitals, for discharges occurring after May 1, 1986. As the original House sponsor of the legislation, I recognize the importance of this one provision to countless hospitals.

Finally, with regard to the Medicare provisions, I commend the conferees on the compromise reached on the transition to national DRG payment rates: The legislation would continue the transition at a rate of 55 percent Federal specific/45 percent hospital specific.

Again, I commend the efforts for this series of achievements on budget reconciliation. Nonetheless, I do have reservations that this legislation does not adequately address our structural deficit problem. The large deficits we face are certainly not the result of the American people not being taxed enough. These deficits are the result of Government spending too much money.

Thus, my concern with respect to this legislation is that half of the deficit reduction included in the bill comes from increased revenues. Reconciliation should reduce the deficit by cutting spending exclusively. Although I support many provisions of the legislation, I sincerely regret that it does not fully address—and even exacerbates—our structural deficit problem.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Tennessee [Mr. FORD].

Mr. FORD of Tennessee. Mr. Speaker, I urge the adoption of this resolution. I believe that the House has gone the extra mile in trying to get this deficit reduction package enacted. Chairman GRAY's amendment represents a delicate balance between protecting those agreements reached in conference that are of greatest importance to the House while moving in other areas in an effort to reach accord with the Senate and the White House.

I am particularly pleased that the House is standing firm with regard to the AFDC Unemployed Parent Program. In half the States, AFDC benefits are paid only to families in which the primary wage earner is absent from the home. This misguided policy encourages family breakup. In the conference agreement, we abolish this antifamily policy by mandating that all States provide assistance to needy two-parent families.

Mr. Speaker, I have been shocked that OMB continues to oppose mandating the Unemployed Parent Program. I suggest that the director of OMB start reading the President's speeches. The President has repeatedly stressed his profamily agenda and alluded to welfare policies that encourage the breakup of the family. Denying AFDC benefits to two-parent families is the single, most notorious antifamily welfare policy. The House wants to abolish this policy. If the President means what he says, he wants to abolish this policy. It is time that the President's staff got the message. I never thought I would find myself saying this, but on this issue, they should let Reagan be Reagan. This is a profamily amendment.

Again, Mr. Speaker, I urge the adoption of this resolution.

Mr. DERRICK. Mr. Speaker, I yield such time as he may consume to the gentleman from West Virginia [Mr. RAHALL].

Mr. RAHALL. Mr. Speaker, I rise in support of the conference report on H.R. 3128, the Deficit Reduction Amendments. Of critical importance to me, and to other coal State Representatives, is the retention in this legislation of the provision relating to the Black Lung Program as it was included in the conference agreement on the budget reconciliation bill that was considered on the House floor late last year.

Under the black lung provision before us today, we have managed to insure the future solvency of the Black Lung Disability Trust Fund without incurring the disastrous effect on coalfield employment and coal markets that would have resulted under the Reagan administration's proposed 50-percent increase in the current black lung excise tax assessed on coal.

In fact, adoption of the administration proposal would have further aggravated the indebtedness of the trust fund, and as such, jeopardized payments to black lung beneficiaries by burdening the coal industry with such a level of excessive taxation that would surely have resulted in mine closings, and subsequently, fewer payments into the trust fund.

Under current law, a temporary excise tax on coal production of the lesser of $1 per ton for underground-mined coal and 50 cents per ton for surface-mined coal, or 4 percent of the price for which the coal is sold, is deposited into the Black Lung Disability Trust Fund in support of payments to beneficiaries who suffer from the crippling effects of black lung disease.

This level of taxation was imposed in 1982 as a temporary increase from the original levels of the lesser of 50 cents per ton for underground-mined coal and 25 cents per ton for surface-mined coal, or 2 percent of the selling price for which the coal is sold, in an effort to reduce the deficit in the trust fund; a deficit created primarily due to interest charges assessed on trust fund borrowing from the U.S. Treasury. Under current law, the excise tax imposed in 1982 would revert to prior year levels after January 1, 1996, or on January 1 as of which all principal and interest owed the Treasury by the trust fund have been paid.

Unfortunately, the temporary increase in the excise tax imposed in

1982 has failed to dramatically reduce the indebtedness of the Black Lung Disability Trust Fund, primarily because of skyrocketing interest charges from the U.S. Treasury.

For this reason, and in an effort to make the trust fund solvent, the coal industry—in the form of the Bituminous Coal Operators Association and coal labor in the form of the United Mine Workers of America—proposed a compromise to the administration position that the coal excise tax be increased by 50 percent. This compromise has been adopted by the conferees.

Under the black lung provision in the conference agreement, the black lung coal excise tax would be increased by 10 percent, to the lesser of $1.10 per ton for underground mined coal and 55 cents per ton for surface mined coal, or 4.4 percent of the sales price, through December 31, 1995. In addition, the provision provides for a one-time, 5-year forgiveness of the current interest payments on the cumulative indebtedness of the trust fund. It is also my understanding that the exising termination for this excise tax increase is retained under the provision in the conference agreement.

Mr. Speaker, under the administration proposal, disaster would have occurred in the coalfields of this Nation. Many smaller coal mines would have closed due to their inability to pay such an exorbitant tax and we would have witnessed increased levels of unemployment among the coal labor work force. That disaster has been averted primarily due to the persistent efforts on behalf of this compromise provision of the gentleman from Florida, SAM GIBBONS, and the chairman of the Committee on Ways and Means, DAN ROSTENKOWSKI. These two gentlemen have shown they care deeply for the well-being of the American coal miner and all of us who share this sentiment owe them a deep debt of gratitude.

Mr. DERRICK. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. DONNELLY].

Mr. DONNELLY. Mr. Speaker, I rise in strong support of the fiscal year 1986 reconciliation legislation before us today. This bill, crafted in a spirit of compromise, retains important provisions of H.R. 3128, reconciliation legislation passed by the House during last session. I am particularly pleased that it includes the provision of H.R. 3128 that only newly-hired employees be required to pay a Medicare payroll tax. I first proposed that provision many months ago when reconciliation was first considered in the Ways and Means Health Subcommittee. I am delighted that this provision remains a part of the House bill, and I commend my colleagues who have sat on the conference committee for their perseverance in adhering to the House position on this issue.

The question of mandatory Medicare coverage for State and local employees is of particular importance in my own State of Massachusetts. Virtually none of Massachusetts' 300,000 State and local employees are currently paying into the Medicare system. Because they were originally denied coverage by the Social Security and Medicare systems, public employees have developed health and retirement programs that are comparable, and often superior to, Medicare coverage. They neither want nor need to participate in the Medicare system. Mandatory coverage for all State and local employees, moreover, would cost State and local governments in Massachusetts $18 million in 1986, and $75 million in 1987. It is a cost they simply cannot absorb all at once.

Massachusetts is not the only State that would be severely affected by mandatory universal coverage; nearly every teacher, firefighter, and police officer in the country would be affected. Every one of them would face a tax increase in the form of the 1.45 percent Medicare payroll tax on their earnings. With these public servants under siege now more than ever, facing the uncertainty of how Gramm-Rudman cuts will affect them, a tax increase is not only unfair, it sends the wrong message. It sends the message that public employees will continue to unduly bear the brunt of deficit reduction efforts. I do not believe this is a course Congress should take.

Requiring that only newly hired State and local employees be required to pay into Medicare is a workable, gradual transition to the new system. It is a reasonable way for State and local governments, and their employees, to adjust to the new system without major disruption. It is the only fair way to integrate State and local employees into Medicare, and to avoid fiscal crisis in States like Massachusetts.

The conferees deserve the congratulations for their dedication to making the budget process work during extremely difficult negotiations. I urge a vote in support of this bill.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of this rule primarily because of the provisions reflecting the disposition of revenues under section 8(g) of the Outer Continental Shelf Lands Act. This disposition of funds is long overdue. It was mandated originally by the 1978 act and has been pending all this time. It is an equitable distribution.

Frankly, it is, at a minimum, very fair, because western lands currently provide for a sharing of revenues from onshore development of Federal lands on a 50-50 basis between the States and the Federal Government.

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In this instance, despite all the impact on the Outer Continental Shelf, and its adjoining coastal States, these States under this agreement will only get 27 percent of the revenues produced on the Outer Continental Shelf.

So it is a compromise, and I do indeed support it, and I rise in support of this rule allowing for House to amend H.R. 3128, the omnibus reconciliation bill, and send it back to the Senate with these amendments.

I am supporting this rule because it will essentially protect the budget savings provisions reported by both the Interior and Merchant Marine and Fisheries Committees dealing with the disposition of revenues under section 8(g) of the Outer Continental Shelf Lands Act. 8(g) revenues are those derived from Federal offshore oil and gas leases within 3 miles of State boundaries.

In meeting the reconciliation savings required under this year's budget resolution, both the Interior and Merchant Marine and Fisheries Committees have finally and equitably resolved how the Federal Government and 7 coastal States should share the $6.1 to $7.9 billion in estimated 8(g) revenues.

Some Members will criticize the distribution formula in this bill as a bailout and Federal windfall for only seven coastal States, but I would make the following points in reply:

Over the years billions in revenues have been collected by the Federal Government from oil, gas, and other mineral development on Federal onshore lands. This onshore mineral development occurs primarily in States west of the Mississippi where over 90 percent of our Federal lands exist. These Western States have always split the billions and billions in revenues from onshore development with the Federal Government on a 50-50 basis.

Yet, the Federal-State split for the offshore revenues provided in this reconciliation package will be 73 percent for the Federal Government and only 27 percent for the States.

This 73 percent Federal share means over $4.3 billion in immediate revenues to the U.S. Treasury and billions more in the outyears.

Mr. Speaker, the distribution formula in this latest amendment to H.R. 3128 is the only equitable formula that addresses coastal State concerns regarding the existing 8(g) escrow account, future 8(g) revenues, royalty payments, and the recoupment of 8(g) revenues collected since 1978 that were not placed in escrow.

The 27 percent State share of all these 8(g) revenues are desperately needed by my State of Louisiana where unemployment rates are still well above the national average and where the environmental impacts from intense offshore development have never been adequately addressed.

By approving the 8(g) revenue distribution formula in this rule and reconciliation package, the Federal Government gets the best deal

and we have for the first time our best chance to resolve a complex Federal-State dispute that began in the Carter administration and that has been debated in the Interior and Merchant Marine and Fisheries Committees since 1977.

And so it is that for the most part, I support the rules.

But I do have reservations about this package.

One reservation stems from section 19 of this compromise, which effectively gives the States a veto over OCS leasing decisions. That concerns me greatly.

A Governor could accept the revenues from existing production under this compromise and yet still put a moratorium on all future production on his State's Outer Continental Shelf. That should give us great cause for concern, and we should look at this provision carefully before it goes to the President for his signature.

Finally, I have to say that I have grave concern about the provision in the reconciliation bill which effectively coerces the States into changing their legal drinking age to 21.

Mr. Speaker, as much as all of us want to end the horrors of drunk driving, it is wrong for the Federal Government to coerce the States into changing their legal drinking age to 21. But that is exactly what this conference report does, out of the noblest of intentions, by permanently cutting necessary highway funds to those States that fail to comply with Washington's mandate.

I have lost members of my own family to alcohol related highway accidents, and I fully understand the grief of those who have lost loved ones to drunk drivers, but this is not the way to attack a serious problem. The ends do not justify the means and burying this provision in the reconciliation bill is no way to legislate.

The legal drinking age should be left to State legislatures, whose members know the local demographics, customs and mores better than anyone at the Federal level. The great problems associated with drunk driving defy uniform classification by the National Government. Statistics are legion and we could quote them all night, but the fact is that some States have voluntarily raised their drinking age only to see an increase in per capita alcohol related deaths. Thus, an approach that succeeds in New Jersey may not succeed in Louisiana because the two States are different in many vital respects.

Recently, two Case Western Reserve University professors conducted a study of 15 States where the minimum drinking age was raised to 21. In only 2 of 15 States was there a reduction in the percentage of 18-to-20-year-old deaths. In fact, in many of the 15 States, 18-to-20-year-olds accounted for a higher percentage of deaths after the minimum age was raised. Yet proponents of raising the drinking age argue that the 18-to-20 age group causes an excessive proportion of alcohol-related accidents. What they do not tell you is that the National Transportation Safety Administration found that drivers in this age group actually cause fewer alcohol-related fatalities than those in the 21-to-24 age group. Moreover, a nationwide study in January of 1984 indicated that 37-year-olds are the most likely age group to be involved in an alcohol-related accident.

Clearly, it is individuals, not age groups, which are the drunk driving killers on our roads. It is these guilty individuals, not their innocent peers, who should be made to pay for their irresponsible actions. I would like to see tougher laws being imposed on DWI offenders in every State. In particular, more licenses should be suspended, longer jail sentences should be imposed on repeat offenders, and imprisonment should be mandatory for any drunk driver who injures or kills another human being. In addition, the State should upgrade their educational programs to warn youths of the dangers of driving under the influence of alcohol.

Unfortunately, in 1984 Congress hastily passed legislation that cut off a portion of State highway funds, for a 2-year trial period, wherever the drinking age was not raised to the age of 21. I strongly opposed this legislation, and have introduced a bill in the 99th Congress to repeal it. But, now we learn that a provision has been inserted into the reconciliation bill to make this interference with States' rights permanent.

Mr. Speaker, simply raising the drinking age will not stop drunk driving. One way or another the drunks will still be out on the road, but millions of law-abiding young men and women will have a right taken from them unfairly. I would hope this provision will be deleted before the President signs the reconciliation package.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] has 9 minutes remaining, and the gentleman from Tennessee [Mr. QUILLEN] has 7 minutes remaining.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Louisiana [Mr. BREAUX].

Mr. BREAUX. I thank the gentleman for yielding me this time.

Mr. Speaker, it is absolutely amazing that we hear veto talk about this legislation. I would only bring to the Members' attention that the legislation has already indeed passed the House on one occasion; it has passed the other body on a separate occasion. The bill that we have before us today is essentially the same bill that has passed the House and the Senate once before.

In addition to that, the major objections that were brought up when we debated this bill in the House are not in this bill any more. All references to the Superfund broad-based tax, which I supported, are not in this legislation anymore. We have taken out the essential, objectionable features that were debated on the House floor when we had this bill before us last time.

The fact that the Executive Office of the President through OMB is threatening a veto of this bill is absolutely unbelieveable in my opinion. With regard to the offshore oil and gas settlement that is objected to by OMB, we have compromised this legislation. We have given up every time we had an opportunity to do that. We have given up almost 80 percent of the amount of funds that OMB said were too much to go to the coastal States.

Eighty percent of the funds we have already compromised, and yet OMB says we want to whittle you down just a little bit further; we want to bring you to your knees until you finally have to say uncle and give up in order to get OMB's approval.

I would simply say that the law requires a fair and equitable settlement for the coastal States. Giving up 80 percent of what the original House- and Senate-passed bill included I think is a fair and an equitable compromise, and any threat by OMB at this late date to say if you do not go all the way, if you do not give us 110 percent of what we demand, we are going to threaten a veto of this legislation. It is not in keeping with good, sound Government policy. It is breaking faith with all of the coastal States who get half of what the interior States get from oil and gas production.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of this resolution. I had not intended to speak, but since our colleague from Wisconsin [Mr. PETRI] had made the statement regarding tobacco, I felt it necessary to respond.

This bill and its provisions relating to tobacco is good for the budget because it will save $235 million in outlays between fiscal 1986 and 1988 and that is stated in a letter and its compendium from the Congressional Budget Office. I will be happy to show that to you if you desire. So that is the result of lower price supports.

This resolution is good for the American taxpayers because it is the best alternative for the taxpayers in relation to tobacco. If this bill does not pass, these current problems which we are in now will continue. Declining competitiveness of American tobacco;

climbing no-net cost fees which will eventually destroy this program.

If that happened, tobacco farmers would forfeit the tobacco currently used as collateral for their nonrecourse loans. The Government would then be left with at least the 1.2 billion pounds of tobacco worth about $2.7 billion now under loan. USDA would be forced to sell this tobacco at reduced fire sale prices to the detriment of the American taxpayer.

So it is less expensive to pass this bill than to not pass it. Finally, it is good for American agriculture. Lower prices will make American tobacco more competitive in the world market, improving our balance of trade. The bill requires the cigarette manufacturers to share in the financial risk of growing tobacco. Today, growers shoulder the entire risk.

This bill helps to maintain the financial stability in the tobacco belt covering some 21 States, and will prevent further stress on the Farm Credit System.

In sum, let me say this: These provisions in this bill in relation to tobacco are good for the budget, they are good for the American taxpayer, and they are finally good for the American agriculture movement.

Mr DERRICK. Mr Speaker, I yield such time as he may consume to the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of the conference report on H.R. 3128. Title XI contains provisions urgently needed to put the Pension Benefit Guaranty Corporation [PBGC], the agency which insures that workers get their private pensions when their companies are in financial difficulty, back on a sound financial footing. The bill would strengthen the PBGC plan termination insurance program in two significant ways. First, the premium that single-employer plans pay the PBGC is raised from $2.60 per year per plan participant to $8.50, effective January 1, 1986. Second, the single-employer program is restructured to limit access to PBGC assistance only to those cases in which worker's pensions are jeopardized because their employers are in genuine financial difficulty.

The termination insurance program is administered by a self-financing government corporation, the Pension Benefit Guaranty Corporation. The PBGC was created in 1974 to assure that pension benefits earned by workers would be paid even if the employer terminated the plan in an underfunded condition. The program covers about 30 million retired and working Americans and is financed solely by premiums paid by covered plans and by liability paid to the PBGC by employers that terminate underfunded plans.

One of the important provisions of the bill improves the chances for PBGC to recover on its claims for waived contributions and other amounts not paid due to the granting of waivers of ERISA's minimum funding requirements by the Internal Revenue Service. The bill authorizes the Secretary of the Treasury to require security for the waived amounts under certain circumstances. Under current law, minimum funding requirements under both title I of ERISA and the Internal Revenue Code may be waived if business hardship is demonstrated. Neither current law nor these amendments affect any contractual obligation an employer might have to make required contributions to a plan. Thus a recent case, *UAW* versus *Keystone Consolidated Industries, Inc.* (No. 84-1722, Feb. 3, 1986), in which the seventh circuit overturned enforcement of an aribtrator's award requiring an employer to make annual plan contributions in accordance with its contractual obligation under a pension agreement, even though it had obtained a waiver of the minimum funding requirement under section 303 of ERISA and section 412 of the Internal Revenue Code, does not accurately reflect current law.

In addition, the bill contains an explicit provision requiring that PBGC not proceed with a plan termination if the termination would violate the terms and conditions of an existing collective bargaining agreement. The enactment of this provision is in no way meant to diminish the already clear meaning of section 404(a)(1)(d) of Employee Retirement Income Security Act of 1974 [ERISA] which expressly requires that a fiduciary's duties be discharged "in accordance with the documents and instruments governing the plan * * *." Rather, this provision is an endorsement of judicial decisions such as *Terones* versus *Pacific States Steel Corp.*, 526 F. Supp. 1350 (N.D. Calif. 1981), holding that a company cannot unilaterally terminate a collectively bargained pension plan, when such termination is in violation of the terms of any agreement between the parties.

Finally, the bill does not make any substantive changes in the law affecting an employer's ability to recover excess asset once all liabilities to participants and beneficiaries under section 4044 of ERISA are satisfied. We expect that the issue of reversions will be separately considered at a later date. In connection with the Subcommittee on Labor-Management Relation's oversight activity in this area, it has come to our attention that some participants are not receiving the full value of their accrued benefits even if there are excess assets. This occurs when participants, who are entitled to an annuity at an age earlier than the normal retirement age, elect to take a lump sum instead of the annuity benefit. Under PBGC's practice and its regulations, the value of the lump sum is the present value of the normal form of benefit payable at normal retirement age. See 29 CFR 2619.26(b)(1). The effect of this practice is to deprive the participant electing a lump sum of the value of the annuity between the entitlement date and the normal retirement date. It has the effect of increasing the amount of the reversion at the expense of the participant. ERISA does not, and never did, authorize such a practice or regulation, either as applied to excess asset cases or other cases. I certainly expect that PBGC will immediately take appropriate steps to clarify this issue and conform its practice and regulations to the law and the original intent of Congress.

Mr. Speaker, because the bill the conferees adopted is similar to the Committee on Education and Labor's provisions contained in title III of H.R. 3500, for purposes of determining congressional intent in adopting those provisions, the most authoritative source of legislative history on the single-employer termination insurance reforms can be found in the report on H.R. 3500, the Omnibus Budget Reconciliation Act of 1985, H. Rept. 99-300, 99th Congress, 1st session, pp. 278-320.

The Committee on Education and Labor has been working for over 4 years on these issues. We are delighted that the conference report before the House today contains provisions to strengthen the PBGC Program established under title IV of ERISA. I want to take this opportunity to commend the members of the Subcommittee on Labor-Management Relations, especially the ranking member, Congresswoman MARGE ROUKEMA, and the members of the full committee, especially Chairman AUGUSTUS HAWKINS and ranking member Congressman JIM JEFFORDS, for their tireless efforts to get this legislation passed. In addition, we appreciate the cooperation of our colleagues on the Committee on Ways and Means, especially Chairman DAN ROSTENKOWSKI and ranking member Congressman JOHN DUNCAN, in assuring that this critical worker protection legislation is enacted. Finally, I want to thank the conferees for their diligent work in producing the bill before us today. We are most appreciative of the cooperation we received from our House colleagues, as well as the Senate Committees on Labor and Human Resources and Finance.

The report on H.R. 3500 cited above also contains the committee's views on the health insurance continuation coverage provisions found in title X of this bill before us today. We are pleased that the conferees have in-

cluded provisions in the bill that requires group health plans to offer a continuation option to certain groups of qualified beneficiaries, including widows and dependent children, divorced spouses and dependent children, Medicare ineligible spouses and dependent children, the unemployed—and those who have a reduction of hours such that they would lose health coverage—and dependent children who no longer qualify under the plan. We are pleased that the conferees have recognized the pressing need for those groups to have available continued access to affordable medical care.

I urge support of the conference report.

Mr. DERRICK. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. I thank the gentleman for yielding to me.

Mr. Speaker, I rise in favor of this rule and in favor of the bill. It is timely, and it should be passed.

Mr. Speaker, I rise in support of this legislation. H.R. 3128 would make significant reductions in spending for fiscal year 1986. We have worked long and hard to produce a reconciliation bill and it would be a shame to just let this bill die. This bill does reduce spending. It may not go as far as we would have liked, but we should pass it, nevertheless.

There are several important policy adjustments and corrections in this bill for my State.

First, it finally provides a fair and equitable resolution to the Outer Continental Shelf controversy. Under the bill, 73 percent of the revenues from offshore oil wells would flow to the Federal Treasury. This would reduce the deficit by $4 billion immediately and by millions more in the future.

An initial payment of $456 million would be made to the State of Texas. In the future, Texas and other States would receive 27 percent of all future rents, bonuses, royalties, and interest. This is fair and equitable. The Federal Government is simply paying the State of Texas for its share of offshore oil revenues.

Second, passage of H.R. 3128 would result in additional Federal Medicaid dollars flowing to Texas in recognition of the State's declining per capita income. There would be additional Medicaid savings for the State as a result of a provision renewing a waiver of Medicaid regulations that has allowed Texas to care for the elderly in their homes as a less costly alternative to nursing home care in cases where more intensive medical attention is needed.

Third, H.R. 3128 makes important changes in the Medicare program for Texas. For the first time, Medicare would make additional payments to hospitals serving a disproportionate share of low-income patients. These hospitals have added costs because low-income patients are generally sicker and require a higher intensity of care and services. This adjustment recognizes these added costs and attempts to adjust Medicare's payment rates to these hospitals accordingly. This is a very important provision for public hospitals in Texas which handle the bulk of indigent care in Texas.

But beyond these specific proposals, H.R. 3128 reduces the deficit and that is what we must do today. We can disagree on the details and specifics, but the bottom line is that this bill reduces the deficit. We should pass this bill and get on with the job of producing next year's budget.

Mr. DERRICK. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. I thank the gentleman for yielding me this time.

Mr. Speaker, the agreement reached by the House and Senate last year on the concurrent resolution on the budget instructed the Committees on Veterans' Affairs to report changes in laws within their jurisdiction sufficient to reduce budget authority and outlays by $300 million in fiscal year 1986, $400 million in fiscal year 1987 and $450 million in fiscal year 1988. Our committee target was $1.15 billion for the 3-year period.

Had H.R. 3128 been enacted last year, the Committee on Veterans' Affairs would have met its targets. According to the Congressional Budget Office [CBO], had title XIX(19) been enacted by January 1, we would have exceeded the mandated targets by $142 million in budget authority and $127 million in outlays. Our own committee estimate—which includes cost estimates from VA—was about $60 million higher.

Mr. Speaker, the savings contained in this bill for function 700 are real savings and I am hopeful the other body will accept this measure. According to the latest Congressional Budget Office estimate, savings for function 700—veterans' benefits and services—will total almost a billion dollars during the remainder of this fiscal year and the next 2 fiscal years. It should be noted however that over 3 full years, the savings in budget authority would total $1.4 billion.

Subtitle A of this title would reform and improve eligibility for veterans health care in VA facilities. It is the same as the conference agreement on H.R. 3128 (H. Rept. 99-453), except that certain effective dates have been revised to permit the orderly transition from existing law.

The savings resulting from this title would be achieved mostly through revenues from insurance companies who are insurers of veterans. Provisions contained in this measure would also reform and improve eligibility for veterans' health care in VA facilities. Under current law health care for all veterans is discretionary. If a bed is not available on a given day, any veteran may be denied needed care. Service-connected veterans are not usually turned away since these veterans are given priority by the Veterans' Administration. Under our health-care reform package, the Veterans' Administration would be required to provide hospital care to certain categories of veterans when determined by the administrator to be medically necessary. Included are: Service-connected veterans, former POW's, veterans exposed to certain herbicides and ionizing radiation, World War I veterans, veterans drawing pension from the VA, any veteran with one dependent whose income does not exceed $18,000—or $15,000 for a single veteran—with an increase of $1,000 for each additional dependent.

These veterans would be entitled to health care. The other body proposed to provide a comprehensive entitlement to only two categories of veterans. The meaning of the entitlement which was proposed was not different in the House and Senate bills; the difference was "who is entitled". The conference report generally follows the House bill. I think veterans understand well the meaning of an entitlement, and this bill does not change that meaning at all. I understand that there may be some reservations about this concept by those who do not believe that veterans deserve special health-care benefits, but I can assure my colleagues that we have no such reservations.

Any non-service-connected veteran with income above the limits mentioned above may also receive care provided space and resources are available; those whose income exceeds $25,000—or $20,000 for a single veteran—plus $1,000 for each additional dependent, must agree to make certain modest payments which are fully explained in the conference report; generally, these payments are less than amounts which would be payable under Medicare. In no event would the veteran be required to pay more than $492 for inpatient, nursing home, or outpatient care for 90 days of care during a 12-month period.

In making a determination whether the veteran would be required to pay the deductible, the Veterans' Administration would be required to use the same criteria and procedure that is now used in determining annual income and net worth for pension purposes.

The bill also authorizes the Veterans' Administration to recover from health insurers the reasonable costs of care furnished in VA facilities to insured veterans who have non-service-connected disabilities. Most of the savings in title 19 would be realized through this provision of the bill. Most health insurance plans and contracts contain exclusionary clauses which bar reimbursement to the United States for care provided in Federal health-care facilities. The bill would effectively nullify any contract provision agreed to after the date of enactment of this measure which seeks to bar recovery in connection with care furnished in VA facilities.

This makes the VA similar to private hospitals for insurance purposes.

Subtitle B of this title—former subtitle C—would establish an Advisory Committee on American Indian Veterans. In addition, the Administrator of Veterans' Affairs would be required to conduct an epidemiological study of long-term adverse health effects, if any, in females who served in the Armed Forces of the United States in the Republic of Vietnam and who were exposed to herbicides containing dioxin during such service.

The reform provisions contained in this bill are fair to veterans. It is easy to administer. It sets out our commitment to take care of service-connected disabled veterans and the non-service-connected veteran most in need. The committee proposal does not bar any veteran from the health care system and, if implemented, will force the agency to better plan to meet the future needs of our Nation's veterans.

Our committee has met its targets and I urge my colleagues to support this reconciliation measure.

The former subtitle B of title XIX would have provided a cost-of-living adjustment [COLA] of 3.1 percent for veterans receiving compensation for service related disabilities and for eligible survivors and dependents receiving dependency and indemnity [DIC] benefits from the Veterans' Administration. This measure was considered separately and passed last December (H.R. 1538) and signed by the President on January 13, 1986 (Public Law 99-238). Accordingly, this subtitle has been deleted from H.R. 3128.

Mr. Speaker, veterans will be affected in this budget crunch, but the House Members should be commended for their support in veterans compensation, pensions, medical care, and home loans. Veterans have real friends in the House Members.

Mr. QUILLEN. Mr. Speaker, I yield 1 minute to the gentleman from Vermont [Mr. JEFFORDS].

Mr. JEFFORDS. I thank the gentleman for yielding me this time.

Mr. Speaker, before proceeding with an explanation of the intent behind the ERISA changes contained under this legislation I would like to make several points in connection with the development of these provisions.

First, the ERISA single employer termination insurance revisions in title XI are the product of nearly 5 years of effort by the members of the Committee on Education and Labor to fashion a workable compromise acceptable to the administration and other groups representing retirees, organized labor, and the business community. That these diverse interests have now agreed on the need for and the general parameters of the reform package means that a balance has been struck in the legislation that will help restore the long-term solvency of the PBGC while maintaining the critical support of the termination insurance program by those who must ultimately pay its costs. Appropriate credit must be given to my chairman, GUS HAWKINS, and particularly to MARGE ROUKEMA and BILL CLAY, the ranking member and chairman, respectively, of the Subcommittee on Labor-Management Relations who together with their other subcommittee members worked so diligently to carefully craft a reform package that addresses the complex problems in an effective manner.

I would also like to personally thank the Secretary of Labor, Bill Brock, for his extensive efforts to educate the Members of this Congress to the urgent need to put into place the new design for the single employer program.

Second, there should be no mistaking the relevancy that the ERISA changes have to deficit reduction. The PBGC single employer program had a $462 million deficit as of September 30, 1984, and a negative cash flow. The deficit has continued to grow to about $1.3 billion after taking into account the roughly $600 million unfunded liability of two large plans that were recently terminated. This development has, unfortunately left the conferees with no alternative but to adopt the larger premium level among the three committee bills. The premium increase to $8.50 contained in title XI and the reforms, when considered together, are estimated by the Congressional Budget Office to result in a reduction in Federal outlays of about $666 million over the next 3 fiscal years—1986-88.

Finally, I have this observation to make in connection with the provisions of title X—continuation coverage under group health plans. However meritorious the provisions of these amendments may be, they were included by each of the four committees without the benefit of hearings or the usual perfecting legislative process which has proven so beneficial to improving other ERISA legislation. I would encourage each of the three agencies given regulatory authority under the conference agreement to exercise extreme care to coordinate and cooperate fully to fashion a workable regulatory structure along the lines with which plan sponsors have become accustomed under ERISA and the Internal Revenue Code.

It should be noted that the conferees did not include a specific provision preempting State law in connection with the federally mandated health care continuation coverage. Instead the conferees decided to rely on the general construct of Federal law under which State laws will be preempted if they conflict with the new federally mandated health care continuation coverage provisions, or if they would otherwise frustrate the operation of these provisions.

In order to bring Federal law fully into conformance with the Federal policy under the Social Security Act that Medicaid funds may not be used unless Medicaid is the payer of last resort, title IX of this legislation includes an exception to the section 514 ERISA preemption provision to allow State law to apply in connection with ERISA covered plans to the extent necessary to effectuate this Federal policy.

The following is an explanation of the agreement reached by the conferees in connection with the ERISA single employer termination insurance changes.

The general framework sets forth requirements for terminating a plan and the level of employer liability.

As under current law, an employer may stop pension accruals at any time by freezing the plan, but service for vesting purposes must continue until plan termination. An employer would be allowed to terminate the plan if one of the following criteria are met:

First, standard termination; the plan assets must be sufficient to pay all benefit commitments. Benefit commitments would include all nonforfeitable benefits, plus plant shutdown benefits and Social Security supplements to the extent participants are entitled to such benefits on the date of termination. Benefit commitments would not include death benefits—other than a qualified preretirement survivor annuity.

Second, distress termination; the employer must meet at least one of the following standards of financial distress:

Chapter 7 bankruptcy liquidation;

Chapter 11 bankruptcy reorganization if the bankruptcy judge approves the termination; or

PBGC determines that either the employer is unable to pay debts when due and unable to continue in business, or pension costs have become unreasonably burdensome as a result of a declining work force.

Following a distress termination, the employer would have the following responsibilities to PBGC and the participants.

With respect to liability to PBGC:

First, as under current law, 100 percent of the unfunded guaranteed benefits, limited by 30 percent of the employer's net worth, is payable in full on plan termination.

Second, if 30 percent of net worth is less than 100 percent of the underfunding, the remaining underfunding, up to 75 percent of the total underfunding, will be paid off over time. The payment schedule will be worked out by the PBGC and the employer.

Third, there is a limitation on annual payments; in any year in which

the employer is not profitable, the employer would be liable for 50 percent of the annual payment due under the payment schedule negotiated above. The remainder would be deferred until the next year.

With respect to liability to participants:

First, the value of the claim generally is 75 percent of the difference between vested and guaranteed benefits; the termination trustee will work out a payment schedule.

Second, there is a cap on liability; in no case could the total liability to participants exceed 15 percent of the total vested benefits under the plan.

Third, there is a limitation on annual payments; in any year in which the employer is not profitable, the employer would be liable for 25 percent of the annual payment due under the payment schedule negotiated above. The remainder would be deferred, on an annual basis, until the PBGC's claim is extinguished.

With respect to Bankruptcy Code issues; there are no amendments to the Bankruptcy Code. The status of the PBGC's 30 percent of net worth claim will remain the same as under current law. The Senate language establishing priority for PBGC's additional claims is dropped.

With respect to to termination procedures:

Advance notice is required; 60 days advance notice before termination must be given to participants and unions; 15 days advance notice must be given before freezing accruals.

Post termination audits are required; PBGC must annually perform an audit, a statistically significant selection of terminating plans to determine whether participants and beneficiaries have received the benefits to which they are entitled. For each plan selected for audit, a statistically significant selection of participants and beneficiaries must be checked.

Enforcement authority; private actions may be brought by participants, beneficiaries, plan administrators, employers, and unions. As under current law, PBGC may also sue.

With respect to funding waivers; the Secretary of the Treasury is authorized to require that security be provided as a condition of granting a waiver of the minimum funding standard. In addition, if the amount of the outstanding waived liability is greater than $2 million, the Secretary must notify the PBGC and consider its comments. PBGC would have a 30-day comment period.

With respect to evasion of liability; if a person enters into a transaction, a principal purpose of which is to evade liability, and the plan terminates within 5 years of the transaction, PBGC may assess liability against that person as if the transaction had never occurred. This rule would apply to transactions after January 1, 1986. The final language clarifies that such a person would not include a financial institution that merely lends funds in connection with such a transaction.

With respect to studies; two studies would be mandated.

The PBGC would be required to study the premium structure—including the possible use of a risk and/or exposure-related premium structure—and make recommendations for change, if necessary. An advisory group appointed by the chairmen of the House Committees on Education and Labor and Ways and Means and the Senate Committees on Labor and Human Resources and Finance would analyze and critique the study. The study would be due no later than 1 year from enactment and the advisory group's report would be due no later than 6 months after the PBGC had completed its study.

In addition, the Secretary of Labor would be required to conduct a study of terminations of overfunded pension plans. The report, together with any recommendations for statutory change, must be submitted to the committees named above.

With respect to premiums; the single employer premium is increased from $2.60 to $8.50 per participant per year, effective for plan years beginning January 1, 1986.

With respect to plan assets; transitional relief is provided to publicly held real estate entities by assuring an effective date for final regulations issued by the Department of Labor defining "plan assets" with which final regulations are promulgated.

In addition, the Secretary of Labor must adopt final regulations defining "plan assets" by December 31, 1986.

GAO authority to examine plan records; pursuant to a congressional request, the Comptroller General would be authorized to examine certain plan documents. Any information gathered under this authority would not be available to the public.

Notwithstanding these good provisions, I must vote against this bill.

Mr. Speaker, I come before the House to make my colleagues and the young people of this country aware of the attempt that is being made here to discriminate against a small segment of our population. Hidden away in the reconciliation bill is section 4104, which will make permanent the penalties imposed on those States which have not raised their drinking age to 21.

I come before the House, as I did back in December, to protest the manner in which this provision has been added to the reconciliation bill, and to urge my colleagues to vote against this rule and send the bill back to the Rules Committee for a rule which will allow us to debate the merits of the national minimum drinking age.

The reason why I continue to bring this issue before the House is that we treated our young people in the same shabby fashion back in the summer of 1984, when by unanimous consent at 1 a.m. we passed the national minimum drinking age law. Just like we are about to do now: No hearings, no committee process, no meaningful debate, and no vote. And I am not willing to sit back and let this provision be snuck by the House in a similar fashion, especially in light of recent studies which suggest that raising the drinking age may actually increase alcohol related traffic fatalities among the affected age groups.

The national minimum drinking age was hailed as a panacea for the problem of drunk driving. However, new studies are now available which indicate that this legislation may have the exact opposite effect. A study by Prof. Jack DeSario and Frederic Bolotin of Case Western Reserve University of Cleveland found that of the 15 States that raised their drinking age between 1979 and 1983, only 2 experienced a subsequent decline in the percentage of alcohol-related traffic fatalities among the affected age group. And in those two States, tougher punishments accompanied the increase in the drinking age.

The study found that in 8 of the 15 States which increased their drinking age, the percentage of alcohol-related fatalities in the affected age group actually rose. If the goal of the national minimum drinking age is to reduce drunk driving deaths, as the proponents have stated it is, then I would suggest that we are making a mistake. Raising the drinking age prevents young adults from drinking in the controlled atmosphere of a bar or restaurant and forcing them into their cars. Particularly in rural States like Vermont, this is an unwise approach.

Kansas raised its drinking age to 21 in 1985. According to the Kansas Club and Tavern Association, wholesale sales to bar and restaurants decreased 25 percent; yet sales to package stores increased 30 percent. This suggests to me that 18- to 20-year-olds are consuming about the same amount of alcohol, but they are doing so in their cars, in their dorm rooms, and in private homes. In these settings it is much more difficult to control excessive drinking. There is no bartender to shut someone off if they have had too much to drink.

Similar studies conducted at the Wharton School of the University of Pennsylvania and Pensacola Junior College reach the same conclusion. Raising the drinking age does not reduce alcohol-related fatal accidents.

Back in 1971, after prolonged national debate, the Congress voted to lower

the age of adulthood to 18. We judged that those old enough to die for our country are old enough for all rights, obligations, and privileges of citizenship.

But last year, with no debate, without even a vote, the Congress approved legislation which instructs the Department of Transportation to withhold highway trust fund money from those States which do not have a 21-year-old drinking age, 5 percent in fiscal year 1986 and 10 percent in fiscal year 1987. Now we will be asked to approve, again with no debate, an amendment added by the other body to the reconciliation bill which requires the Transportation Department to withhold 10 percent of Federal funds in fiscal years 1988 and beyond. This is money that the taxpayers of these States have paid into the highway trust fund. Yet we say, "We know what's best for your State, so we're going to take your money away until you do what we say."

In taking this ill-conceived action, Congress is led to believe that it is addressing the national tragedy of drunk driving. Is it? No, because drunk driving is a national problem which cuts across the entire age spectrum.

We are all aware of the statistic that 18- to 21-year-olds make up 9 percent of the country's drinking population, yet they are involved in 17 percent of all alcohol-related accidents. This figure is high, but what of the remaining 83 percent of the accidents?

On a national basis, under 20-year-old drivers account for a high percentage of all fatal car accidents, alcohol related or not. This can be explained in part by their inexperience and propensity to drive with a "heavy foot." The insurance companies certainly see it this way and adjust their rates accordingly. I know this for a fact—I pay for my son's car insurance.

When looking at raising the drinking age to reduce the number of car accidents involving individuals under 20, I think we have to realize that this group, historically, are problem drivers. Data for all fatal car accidents in 1970 show that drivers less than 20 accounted for 15 percent of all accidents. This is of course prior to the time the drinking age was generally reduced to 18 across the country. In 1983, this group still accounted for 15 percent of all fatal accidents.

A few other statistics of interest are worth noting at this time. In 1983, 17- to 20-year-olds were involved in 18.8 percent of all alcohol-related fatal accidents. In this same year, 21- to 24-year-olds accounted for 22.2 percent of these accidents. Figures from my own State of Vermont show roughly the same relationship with 17- to 20-year-old drivers accounting for 22 percent of alcohol-related fatal accidents and 21- to 24-year-olds accounting for 27 percent. If the answer to drunk driving is raising the drinking age, shouldn't we be looking at raising the age to 24? Or, is not the more logical answer to direct educational and other special programs toward our younger generation?

I am concerned because this national minimum drinking age legislation is a phony solution to a very real problem. We need to find real solutions to this national problem, not raise the drinking age and pat ourselves on the back. Many States are enacting tough new drunk driving laws and increasing enforcement of drunk driving laws. State and local governments and school officials are developing innovative education programs. These are the steps the Congress should be encouraging.

In my home State of Vermont, bar and restaurant owners are implementing call-a-cab programs. Students at the University of Vermont have organized a "free ride home" for students and local residents who have had too much to drink. We should be commending these students, not taking away the opportunity to make responsible choices about alcohol. We should be educating students about the dangers of drinking and driving, and increasing public awareness of the tragedy of drunk driving with alcohol education programs.

Proponents of the national minimum drinking age cite benefits of uniformity among the States. We hear about how the present system encourages 18- to 20-year-olds to drive across State borders to obtain alcohol. However, this legislation creates a whole new set of problems for border States. The largest city in Vermont with a college population of 13,400 is a quick drive to the Quebec province where the drinking age is 18. This situation exists all across the northern tier where cities such as Buffalo, Detroit, Duluth, Grand Forks, Spokane, and Seattle, with an estimated combined population of 180,000 18- to 21-year-olds, are all within striking distance of Canadian provinces where the drinking age is less than 20. Along our Mexican border, cities such as Brownsville, Corpus Christi, El Paso, Tucson, and San Diego are all within easy reach of a drinking age less than 21. The combined population of 18- to 21-year-olds in these cities is approximately 152,000. All in all, the total 18 to 21 population that will be tempted to cross international borders is probably close to a half million.

The 21st amendment to the Constitution preserves the rights of States to regulate the sale of intoxicating liquors within their borders. Residents of my home State of Vermont resent the Federal Government blackmail on this State issue, and the Vermont Legislature has passed a joint resolution which, and I quote,

• • • Expresses on behalf of the people of the State of Vermont its outrage and opposition to very intrusive actions by the federal government on the drinking age.

Vermonters are correct in implying that the Congress is sticking its nose in somewhere it doesn't belong. This is a State issue. Even as we pass historic legislation which will shift massive Federal responsibilities back to the States, we choose blackmail on an issue which is unquestionably under the jurisdiction of the States.

Mr. Speaker, I resent the way this issue has been brought before the House, and I urge my colleagues to defeat this rule. This is, obviously, an attempt to circumvent the legislative process. What an example to set for our young voters.

Mr. QUILLEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. I thank the gentleman for yielding to me.

Mr. Speaker, for nearly a year, Congress and the executive branch have been working together to enact a reconciliation bill that will result in significant deficit reduction. By necessity deficit reduction has become the major priority for Congress, the President and the Nation. Unfortunately, there are those in Congress who have chosen to use the reconciliation process to advance a variety of measures unrelated to deficit reduction and contrary to the interests of many Americans. Falling into this category are the provisions making permanent the withholding of highway funds for States not meeting federally mandated minimum drinking age standards.

During its consideration of the reconciliation bill the Senate added provisions making permanent the withholding of highway funds for States not succumbing to Federal blackmail on the drinking age issue. The House-Senate conferees left those provisions intact and now the proposed rule on the bill denies members an opportunity to specifically vote on this issue.

The drinking age provisions in the reconciliation measure take away the privileges of taxpaying adults, without an opportunity for meaningful debate and without a vote.

These provisions are inconsistent with the responsibilities we grant young adults. Legally, they may marry, raise a family, borrow over $100,000 to buy property, and or be convicted of any crime. As lawmakers, it strikes me as unjustifiable that we maintain certain expectations of our young adults and simultaneously deny them commensurate privileges.

It has not been proved that raising the drinking age will decrease drinking and driving. States which have raised the legal age have not seen a decline in total liquor sales. In fact, alcohol-related accidents and deaths have increased for the age group affected in some of these States. The legislation may result in the opposite of its intent, increasing the incidence of "illegal" drinking and driving.

I oppose Federal minimum age drinking requirements and oppose the manner in which these requirements have been included in a bill intended to address the problem of the Federal deficit. Increasing the minimum drink-

ing age to 21 will not cure the national problem of drinking and driving, nor will it aid the cause of deficit reduction.

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Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. WYLIE].

Mr. WYLIE. Mr. Speaker, I thank the gentleman for yielding.

I have asked for this time so that I might inquire of the distinguished chairman of the Budget Committee with reference to the housing portion of this conference report.

My inquiry really goes to the language that would track the language included in title II of H.R. 3128. Title II was the title which was devoted to housing programs under the Banking Committee's jurisdiction, and it is my understanding that this conference report only includes four items, and those are savings in the rural housing programs, the section 108 CD loan guarantee program, public housing operating subsidies and changes in public housing debt financing.

Can the chairman of the Budget Committee tell me if my assumptions are correct and that we have not gotten into any jurisdiction which would be procedurally not in line with that thought?

I yield to the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. I would say to the gentleman that his assumptions are absolutely correct. This bill does not contain those items.

Mr. WYLIE. I thank the gentleman for his answer. With that answer, I will support the conference report. I think it is a good one as far as the jurisdiction of the Banking Committee is concerned.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the very distinguished chairman of the Budget Committee, the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. Mr. Speaker, today we have pending before us an important budgetary measure—reconciliation. If enacted, this package would save the American taxpayers $6.9 billion this year and $18.1 billion over 3 years.

At the end of last session, Congress failed to agree to the pending reconciliation bill. The House and the other body, in acting on the conference report on H.R. 3128, agreed on all but one issue: Superfund revenues.

Since December, the leadership of the House and the other body, the leaders of the committees of both houses with matters in dispute, and White House representatives have spent endless hours negotiating a final resolution to Superfund as well as other matters which arose since then in the reconciliation package.

The House made an offer to the other body modifying the final reconciliation package several weeks ago. On Monday, the other body responded to that offer. Today's amendment is the House's response, including changes to Medicare, Medicaid, trade adjustment assistance, Superfund, and Outer Continental Shelf oil programs. While none of us may agree with every element of the reconciliation bill, the final product deserves our support.

It is my hope that if this amendment is agreed to today, the other body will move expeditiously to approve the final package and the President will sign the bill.

In proposing the pending amendment, the House has moved considerably toward meeting the concerns and objections of both the other body and the White House. Still, the final package will be a bill maintaining the House position of fairness and equity.

We must act now to build momentum toward action on the fiscal year 1987 budget. If the other body fails to act or if the President fails to sign the reconciliation bill, what type of signal would this send about our resolve toward deficit reduction?

Last December, Members of both bodies rallied to the trumpet call of Gramm-Rudman. Are those same Members today prepared to turn a deaf ear to the real action it takes to meet our deficit goal? On one day, the White House touts the desperate need for budget savings. The next day, his advisers signaled opposition to a reconciliation package simply because it isn't the President's precise program.

Mr. Speaker, the political talk of deficit reduction is cheap, but the real price of deficit reduction is met through action. We have talked long enough, today we will act by voting "yes" on the pending measure.

Mr. Speaker, it has come to my attention that explanatory language on Nuclear Regulatory Commission fees—subtitle G of title VII of the conference report on H.R. 3128—was inadvertently omitted when the conference report was filed in December. I submit that language for the RECORD in order to clarify the intent of the conference on this issue:

STATEMENT OF MANAGERS RE NRC FEES

The House Budget Reconciliation legislation directs the Nuclear Regulatory Commission to collect user fees and charges that, when added to other amounts collected by the Commission, total one-half of its budget. Under the Independent Offices Appropriation Act of 1952 (31 U.S.C. Sec. 9701), the Commission currently assesses fees which are expected to total $60 million in FY 1986. The House provision adds additional authority, which is expected to result in more than $150 million per year in additional revenues, assuming the current level of NRC expenditures. Discretion is left to the NRC to establish the details of the charges in the rulemaking. However, under the House provision, the Commission must consider the costs of regulating various classes of licensees. The Senate Reconciliation legislation contained no such provision.

The conferees agreed to require the NRC to assess and collect annual charges from its licensees in an amount that, when added to other amounts collected by the Commission, shall not exceed 33 percent of the Commission's budget for each fiscal year. Assuming the current level of NRC expenditures, this is expected to result in the collection of additional fees in an amount up to approximately $80 million per year for each fiscal year. The charges assessed pursuant to this authority shall be reasonably related to the regulatory service provided by the Commission, and fairly reflect the cost to the Commission of providing such service. This is intended by the conferees to establish a standard separate and distinct from the Commission's existing authority under the Independent Offices Appropriation Act of 1952 in order to permit the Commission to more fully recover the costs associated with regulating various categories of Commission licensees. This authority is not intended, however, to authorize the Commission to recover any costs that are not reasonably related to the regulatory service provided by the Commission, nor is it intended to authorize the Commission to recover any costs beyond those that, in the judgment of the Commission, fairly reflect the cost to the Commission of providing a regulatory service.

The Commission may assess and collect annual charges from its licensees only after the expiration of 45 calendar days, as calculated in accordance with this provision, following receipt by the Congress of a report by the Commission regarding its authority to collect annual charges prior to the enactment of this provision, including the authority provided pursuant to the Independent Offices Appropriation Act of 1952. This report must be completed by the Commission and submitted to the Congress within 90 days after the enactment of this Act. In addition, the Commission must promulgate rules, after notice and opportunity for public comment, establishing the amount of the charges to be assessed pursuant to this authority, before any such charges may be assessed. It is the intention of the conferees that, because certain Commission licensees, such as universities, hospitals, research and medical institutions, and uranium producers have limited ability to pass through the costs of these charges to the ultimate consumer, the Commission should take this factor into account in determining whether to modify the Commission's current fee schedule for such licensees.

Mr. QUILLEN. Mr. Speaker, as I said and the Members have heard, this is a very comprehensive measure. I have listened intently to what has been said.

I regret very much that the ranking minority members of the committees were not taken in on the deliberations. I think that was a drastic mistake.

I regret to hear someone from another State that does not grow burley tobacco hack away at the program.

I regret to hear others who are very much in discord with what is in this measure.

With all of that in mind, however, this bill has some good provisions and I think that when it gets to the

Senate, it will be toned down or honed up and will be made workable so that the President will be able to sign it; although now as it is presented before this House, it is a veto proposition in my opinion.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 4 minutes to the distinguished majority leader, the gentleman from Texas [Mr. WRIGHT].

Mr. WRIGHT. Mr. Speaker, this is the acid test. This is the time. The time for talk really has passed. Now it is the time for action. This is an opportunity to save $18 billion off the deficits of the next 3 years.

The question we face is really a fairly simple one. Do we make good on the pledge that we made in the budget resolution that passed last year so overwhelmingly or will we renege on that pledge?

This is the only opportunity we will have to make good on that pledge and this is a fine vehicle on which to do it. It represents that best compromise that was possible.

When we passed the budget, we actually signed a promissory note to the effect that we were going to make certain savings on future budgets.

Now, here is our opportunity to sign the check that pays off that promissory note. Do we sign the check and redeem the note or do we say, "Well, no, let's put that on a credit card and we'll pay you some other time."

Now is the time, now is the opportunity.

These matters involved in this reconciliation bill, which will save some $6.9. almost $7 billion in the current fiscal year, will save $6½ billion in fiscal year 1987 and $18 billion in the next 3 fiscal years were not matters of major controversy last December when both the House and Senate passed all the provisions in this bill identically and hung up on one question that now has been removed from the bill, the question of how we finance the Superfund. There are not any matters involved in this legislation that were considered major controversies last December. It does important things that need to be done. It resolves the issue of the tabacco tax so that the States are not hung out on a limb. It resolves the issue of major reforms in Medicare. It extends the Trade Adjustment Assistance Act otherwise expiring and provides important help for those millions of workers thrown out of jobs by imports.

It settles the matter hanging controversy since 1978 over the Outer Continental Shelf revenues and how they should be divided among our States.

None of these things was a matter of controversy last December. This bill with all those things intact passed this House and with all those matters intact passed the other body.

Now, there may be some minor controversies. Obviously, any time you have to save $18 billion someone, somewhere, is going to be upset by some provision in the bill. It is a major bill and some Members give the impression today that they would rather insist on the right to drink whiskey at the age of 18 than they would to save $18 billion; but it seems to me that they have their priorities somewhat askew.

This deficit is like a toothache. It is not going to go away. Either we go to the dentist and have it attended to or we settle down for a long, long term of a dull and steady ache.

The time for talking has passed. The time for dental work is here, so let us go to the dentist today. Let us pass this bill, save $18 billion, relieve our Budget Committee's and our budget process of $6½ billion that they will have to find elsewhere to save if we do not do it in the next fiscal year.

The time is here to vote. Let us vote "aye" in a bipartisan way and send a strong message to the other body and the White House that we are intent on saving this $18 billion.

Mr. QUILLEN. Mr. Speaker, I reclaim the balance of my time and yield such time as he may consume to the gentleman from Alabama [Mr. CALLAHAN].

Mr. CALLAHAN. Mr. Speaker, I rise in support of this legislation. Specifically, I support the measure's amendments to section 8(g) of the Outer Continental Shelf Lands Act. This section deals with the equitable sharing of revenues by States and the Federal Government resulting from oil and gas leasing on OCS lands within 3 miles of a State's seaward boundary.

After many years of disagreement over the term "fair and equitable" and several lawsuits, the Congress has attempted to resolve the dispute by clarifying the meaning of "fair and equitable." Passage of this legislation would mean that States will finally have an opportunity to receive a fair share of funds currently held in escrow.

This measure, if enacted, would distribute 27 percent of the OCS revenues currently held in escrow to the seven affected States. The remaining 73 percent would accrue to the Federal Treasury. That translates into a deficit reduction in fiscal year 1986 of more than $4 billion. Furthermore, the distribution formula would be set in law ensuring that the Federal Government would receive 73 percent of all future revenues derived from the 8(g) zone.

Mr. Speaker, the section 8(g) agreement is far from perfect. However, the history of the dispute between the States and the Federal Government begged for a reasonable legislative initiative. It is notable that the parties involved are not totally satisfied with this language. The States wanted us to give them more; the administration wanted us to give the States less. I think we struck the middle ground in developing this compromise. It is fair and equitable, it is a deficit reducer, and it ends an unpleasant situation. This settlement is long overdue.

It is time to settle the section 8(g) issue and I suggest that we get on with it. I urge adoption of the rule.

Mrs. ROUKEMA. Mr. Speaker, I rise to support the ERISA single employer termination insurance provisions contained under title XI.

Our Committee on Education and Labor has taken the lead in calling for a national retirement income policy which is responsive to the present and future needs of our Nation's retirees. The ERISA title IV termination insurance program is certainly a cornerstone of this policy, and the efforts today to shore up the single employer fund will help assure that the ERISA foundation remains a solid one.

Mr. Speaker, I want to commend the other members of our committee who have worked on a bipartisan basis over the past 4 years to design legislation which addresses the complex problems facing the Pension Benefit Guaranty Corporation [PBGC] in its financing of employee and retiree pension benefits under terminated single employer pension plans. Additionally I commend the Secretary of Labor, Bill Brock, the new Executive Director of the PBGC, Kathy Utgoff, and the other administration officials who met untiringly and who kept an open mind about the specific language of the reforms until a workable compromise could be fashioned. I am satisfied at this point that the reform package is reasonable, responsible, and will prove workable in helping reduce PBGC financing needs in the future.

The provisions adopted by the conferees which are contained in title XI strengthen the Single-Employer Termination Insurance Program in three ways—first, by placing the PBGC back on a sound financial footing by increasing the premium payed by covered plans; second, by restructuring the system to limit access to PBGC assistance to only those cases in which workers' pensions are jeopardized because their employers are in genuine financial difficulty; and third, by assuring that, to the greatest extent possible, workers receive their full earned benefits when plans terminate.

The actuarial deficit of the PBGC has already passed $1 billion and, without further action, would reach $6 billion by the end of this century. To meet these demands, as well as the directives of the Committee on Education and Labor in the House budget resolution, the legislation increases the premium for the Single-Employer Termination Insurance Program from its present $2.60 per capita to $8.50 for plan years beginning in 1986.

To merely enact a premium increase is not enough, however. After nearly a half-decade of study and debate it has been clearly demonstrated that there is a pressing need for reforms as well, to ensure that access to the insurance program is limited to companies which are faced with genuine hardships. As a result the legislation includes features that will

discourage the "dumping" of pension liabilities onto the PBGC.

At present, it is possible for an employer to receive a minimum funding waiver without providing any security to secure repayment of the waived contribution. The revisions permit the IRS to impose security conditions in connection with such waivers after actively taking into account any comments or concerns the PBGC may have.

Also, at present a company can, in certain circumstances, "dump" unfunded pension benefits on the PBGC and continue in business with little or no liability for those benefits. The revisions require an employer to meet one of three statutory distress tests before being able to terminate an underfunded plan. The employer would also be subject to additional liability to the PBGC in the event the employer's liability exceeds 30 percent of net worth. Appropriate reductions in the payment of such liability would be provided during an employer's nonprofit years.

Currently a controlled group of corporations can spinoff a financially distressed affiliate with large unfunded pension benefits and escape any resonsibility for any subsequent claim against the PBGC. The reforms clarify that an employer remains liable if there is an "evasion" of liability. The conference agreement also clarifies that such liable persons do not include financial institutions that merely lend funds in connection with evasive transactions.

Finally, the reforms require a plan sponsor to fully fund for vested benefits if the plan is to be terminated other than in a distress situation. This enhances the protection of employee vested benefits in cases in which the sponsor can afford to meet the promised level of benefits. In the case of a distress termination, 75 percent of vested but nonguaranteed benefits would be protected by means of additional employer payments to a termination trust. Appropriate reductions in the payment of such liability would be provided during an employer's nonprofit years.

Generally, while these provisions of the single-employer reform package are only prospective in nature, it is intended that their application help avoid the kind of future program funding crisis that faced Social Security only a few years ago. In summary the case for the enactment of these single employer termination insurance reforms is a compelling one.

The conference agreement also contains title X—continuation coverage under group health plans. These provisions amend title I of ERISA to require group health care plans to include either an 8-month or 3-year continuation option for certain unemployed, widowed, divorced, and Medicare ineligible spouses and dependent children. Plans could require such persons to pay the cost of such coverage. The ERISA provisions, although solely within the jurisdiction of the Committee on Education and Labor, were added to the legislation under exceptional circumstances and are deserving of further congressional scrutiny as to their operation in practice.

Mr. PANETTA. Mr. Speaker, I rise today in strong support of H.R. 3128, the Deficit Reduction Amendments of 1985. This legislation contains two important provisions which will allow for the further development and utilization of hospice care in the United States. One provision approved by the House Ways and Means Committee would make the hospice benefit under Medicare a permanent program. At present, this benefit is scheduled to terminate at the end of this fiscal year. In addition, a provision approved by the House Energy and Commerce Committee would allow States to fund hospice programs using Medicaid funding. This would allow the poor and the elderly, eligible for Medicaid and suffering from a terminal illness to receive treatment in a hospice program.

As you know, Mr. Speaker, Congress adopted legislation in 1982 which provided coverage of hospice care under Medicare. This program has proven successful and has provided compassionate care to many terminally ill Medicare patients. However, the program has not operated without difficulty. In implementing this program, we have seen constant delays by the Department of Health and Human Services in issuing regulations, meeting deadlines laid out in the authorizing legislation. Also, hospice programs throughout the country have experienced enormous difficulties in obtaining reimbursements from their intermediaries. Even with the administrative hurdles and barriers which hospice programs have had to encounter, many terminally ill patients and their family members have been served by hospice program from around the country participating in Medicare. The results we have seen clearly indicate that the hospice program deserves to be a permanent part of Medicare. Furthermore, I am hopeful that by making this program permanent the approach to this program by the Department of Health and Human Services will be modified and we will see a more effective and responsive implementation. Also, by making this program permanent any uncertainity by health care providers will be removed and greater participation can be expected.

Mr. Speaker, the Medicaid provision will give States the option to fund hospice programs under the Medicaid Program. While the majority of persons in this country suffering from a terminal illness are elderly, there is a sizable population of Medicaid eligible persons who also may choose to utilize hospice care. I think we should make this option available to Medicaid patients similar to the option currently made available to Medicare beneficiaries. The compassionate and cost-effective alternative offered through the use of hospice should be part of the Medicaid program. Congress has displayed strong support for hospice in the past, and once again, I urge the support of my colleagues for the hospice provisions contained in this measure.

Mr. NIELSON of Utah. Mr. Speaker, though there are many reasons why I oppose this legislation, I rise in support of passage of the House amendments to the conference report on H.R. 3128. One of its key provisions would reauthorize the Trade Adjustment Assistance Program. I do not agree with all of the changes this legislation would make in the program. However, I do feel that it offers certain improvements that are both necessary and prudent in order for TAA to live up to the promises we have made to those workers who have lost their jobs due in part to the unprecedented flood of cheap—and often government-subsidized—foreign imports.

My own district has been particularly hard hit by our inability to reauthorize the TAA Program and to live up to our commitments. I could recite a long list of names of Utahans who are anxiously awaiting the restoration of their readjustment allowances, who have continued to hang on, while watching the utility companies turn off their heat and electricity, the finance companies repossess their cars, and the banks forclose on their homes. I get 25-plus calls a day asking me, "How much longer, Mr. Congressman? How much longer will we have to wait before the Federal Government fulfills its part of the agreement?"

I'm afraid the casualty list will continue to grow, so long as we in Congress fail to do our part and restore the trade readjustment allowance these workers depend on to help pay their bills during retraining. We can accomplish this by supporting the conference report to House Resolution 390. I urge my colleagues to do so.

Mr. FRENZEL. Mr. Speaker, H.R. 3128 has many more liabilities than assets. It was originally supposed to save at least $60 billion over 3 years. This creampuff will, with a little luch, break, save only $12 billion.

Worse, half of the 3-year savings come from increased taxes. That is a pretty sorry record of reconciliation. Whatever effort was expended to develop this harmless substitute could have been better spent elsewhere. H.R. 3128 wasn't worth the trouble.

The pension features alone warrant a negative vote. No firm in its right mind will ever want to create a defined benefit pension plan again. That surely was not the intention of the committee of jurisdiction, but that is the inevitable result.

This bill extends trade adjustment assistance for 6 years over the objections of the administration. The administration is willing to provide $100 million for this assistance under the Job Partnership Training Act, but it is unwilling to fund this function twice; 6 years of duplication is too much.

Under the existing TAA Program, beneficiaries are required to look for a job and accept suitable employment when it becomes available. This is also the requirement for unemployment compensation and, as far as I know, all Government unemployment compensation programs. The TAA provisions in this reconciliation bill make the Government responsible for the cost of job clubs and job workshops in addition to the cost of training and already generous job search and relocation allowances. It seems big brother government wants to leave no stone unturned in making unemployment a comfortable state to be in for trade impacted workers.

Masquerading as improvements in the TAA Program, these provisions require that beneficiaries enroll in a job workship or a job club before weekly allowances can be paid. Those who have already taken such workshops and club programs get benefits without doing anything further. Job workships and clubs, as defined in this legislation, can consist of 1 day to 2 weeks of discussions of job openings, resume writing, interviewing techniques, and so forth. The cost of such programs can run

from a couple of hundred dollars to a couple of thousand dollars.

Here you have the ludicrous situation of mandating that an unemployed worker bill the Government for job clubs and workshops—and participate in such activity for as little as 1 day—before that worker is eligible to collect up to 56 weeks of benefits from the Government. Programs that ensure escalating cost should not receive the serious attention of Congress at a time when good programs are struggling under tight budget constraints.

One real improvement this legislation makes in the TAA Program is to eliminate direct loans and loan guarantees to trade impacted firms. At least the taxpayer will no longer have to pay for the high percentage of defaults that have consistently occurred under existing law.

The conferees have created a far worse program that, according to CBO, will cost $321 million in fiscal year 1987. This is definitely an increase over the existing program of about $90 billion a year. These costs could continue to rise over the 6-year lifespan of the new program. Most assuredly we will have a wave of newly created and Government-funded job clubs and job workshops.

Another feature of this bill gives certain States a favored status with respect to Outer Continental Shelf energy revenues. Energy-consuming States are being asked to give even more to energy-producing States. That is not fair, and this kind of decisionmaking has no place in a reconciliation bill.

The tobacco features, as noted by previous speakers, are also flawed.

According to the administration, this bill contains nearly $4½ billion in program expansions. Nobody ever intended that reconciliation bills would be used to increase spending, but House Democrats found a way to spend more under the guise of reducing deficits.

The way this bill comes to the House is also a perversion of our normal procedures. When the Rules Committee heard the bill, no one seemed to understand what was in it. No Republican had anything to do with it. Nor, apparently, did the other body. The adminstration says it will veto the bill. It certainly should.

I shall vote against this bill because it not only falls far short of reasonable deficit reduction aspirations, but it also expands spending, and makes other imprudent policy decisions. It should be defeated.

Mr. JONES of North Carolina. Mr. Speaker, I rise in support of the rule on the budget reconciliation conference report.

We are facing an unusual situation today. This is an instance in which we are seeking to change portions of a conference report after the conferees have agreed to a compromise and both Houses of Congress have voted in support of that compromise.

It has become clear that further changes to the conference report are needed to obtain a Presidential signature. As a result, two major concessions have been made on issues affecting the Outer Continental Shelf. The 8(g) language has been changed to reduce significantly the sums to be paid to certain coastal States.

Also the "Buy America" provision has been substantially weakened by providing a procedure for case-by-case waivers in instances of economic hardship, in addition to other exemptions previously contained in the conference report. These concessions by House Members are significant and they do not come easily.

I hope that the leaders of the other body will recognize how far the House has come in its departures from the House conference report. We may not have satisfied the OMB position in every way but it would be a major miscalculation if the other body refused to approve this product or if the President would not sign it.

This matter contains several important provisions reported from the Committee on Merchant Marine and Fisheries. I would like to address three of those provisions specifically.

In title VI, subtitle D would enact the Ocean and Coastal Management and Development Block Grant Act. This subtitle would institute a concept known commonly as Outer Continental Shelf [OCS] revenue sharing. This body has considered and passed such legislation several times in the past, in particular, H.R. 5. I would like to take this opportunity to explain some of the major provisions of subtitle D.

The concept of OCS revenue sharing implements a simple but important principle: Investment of revenues from nonrenewable ocean resource development into management of renewable ocean resources at the State and local level. This is achieved through a program of targeted block grants. The justifications and principles for such a program are outlined in detail in the committee report on H.R. 5 (No. 98–206). Although incorporating many of the provisions of H.R. 5, subtitle D of title VI contains specific differences which warrant explanation.

An important distinction is made regarding the definition of the terms "coastal State" and "coastal territory." For the purposes of this bill, the Commonwealth of Puerto Rico is to be considered as a coastal State. This change was made in order to account for significant ocean and coastal management problems faced by the Commonwealth of Puerto Rico.

Several changes were made to the structure of the Ocean and Coastal Resources Management and Development Fund. First, the program's starting date has been delayed until fiscal year 1988; this will allow an appropriate period for the implementing agency to prepare an administrative framework and to draft necessary regulations. Second, the mechanics of the fund have been somewhat altered to reflect a compromise between the House and Senate bills. Annually, beginning in fiscal year 1988, this fund will accrue 20 percent of the annual increase in Federal OCS revenues beyond $5 billion; this approximates the level of OCS revenues received in fiscal year 1985.

In fiscal year 1988, the fund will be capped at $150 million. The cap will rise to $300 million in fiscal year 1989. After fiscal year 1989, this cap will increase by 5 percent per year. There are several advantages to this altered framework. First, it links funds available for State block grants to the annual growth or decline of OCS mineral leasing receipts. Second, it provides coastal States with a direct share of, and interest in, the revenues generated by the Federal OCS Leasing Program.

As in H.R. 5, no expenditures will be made from the fund, for any purposes, except as provided in appropriations acts.

Subtitle D authorizes annual ocean and coastal resource management and development block grants to coastal States, including Great Lakes States and Territories. No State may receive a block grant under this legislation until that State has submitted a pregrant report and provided opportunity for public comment on such report. The pregrant report and public comment requirements are discussed in detail in the committee report on H.R. 5. Additionally, the requirement that the State establish a trust fund for receipt of block grant moneys was added to provide improved enforcement and audit capabilities.

The formula mechanism for allocating block grants is adopted from H.R. 5 utilizing the five, equally weighted criteria contained in that bill. This five-part formula is discussed in detail in the section-by-section analysis and in Appendix A of House Report 98–206. Several special modifications in the weighting of, and eligibility for, certain criteria were made to produce a more equitable distribution of block grant funds among the various States. The discussion contained in the House committee report, however, is still relevant and provides strong guidance regarding the various formula elements.

Only certain ocean and coastal enhancement and management activities are eligible for funding through a State block grant: Activities authorized by the Coastal Zone Management Act of 1972; activities authorized pursuant to the Coastal Energy Impact Program [CEIP]; activities for the enhancement, management and development of living marine resources; and activities for the preservation, enhancement and management of natural resources including coastal habitats. Regarding the first two categories-CZMA and CEIP activities—the description in Appendix B of the House Report 98–206 remains relevant. The latter two categories of allowable uses are slightly modified from those contained in H.R. 5. It is important to emphasize that a coastal State is not required to have an approved coastal zone management program as a prerequisite to the expenditure of funds under any of the funding categories outlined in this section.

Section 6035 of subtitle D, like section 6 in H.R. 5, provides for assistance to local governments. This provision is adapted from that in H.R. 5, with minor modifications. The intent of this section is to ensure not only that States will provide their local governments with an adequate proportion of block grant funds, but also equally important that each State receiving a block grant establishes a mechanism which effectively solicits and considers the needs and priorities of its many local governments. It is the intent of this provision to ensure that State block grant funds are used to assist those local governments which have the greatest responsibility in performing ocean and coastal management activities. Local government activities in managing the effects of coastal related energy facilities are considered especially important. The proportion of a State's block grant which must

be allocated to local government activities is 33⅓ percent.

Section 6036 contains provisions for an annual audit of block grant funds perceived by any State. Such provisions indicate congressional intent for close Federal oversight of State block grant expenditures. This audit requirement is the primary mechanism by which the implementing Federal agency may ensure compliance with the provisions of this act. It is also the primary mechanism for ensuring that State block grant expenditures reflect the national interests in ocean and coastal management.

The second matter I would like to bring to your attention is subtitle E of title VI which reauthorizes the Coastal Zone Management Act of 1972 [CZMA]. The Committee on Merchant Marine and Fisheries has considered this legislation during 2 days of intensive hearings conducted by the Subcommittee on Oceanography, chaired by our distinguished colleague, Ms. MIKULSKI. We are convinced by the testimony, as well as our 13 year oversight of the CZMA, that important national interests are being well served by this program.

Twenty-three States and five territories have developed impressive CZM programs with the encouragement of Congress and the help of some Federal funding. These States have voluntarily assumed the primary responsibility for managing their shorelines. The program's voluntary nature demonstrates respect for the tradition in the United States of local and State responsibility for land use planning. Rather than overriding local and State authority for this important task, Congress has encouraged coastal States to utilize their full authority. Furthermore, through the CZMA, Congress has provided a constant reminder to coastal States of their vital role in promoting common interests shared by all States, whether coastal or landlocked.

Because the CZMA has been so successful and because pressures on the coast are constantly increasing, the committee recognizes the need to enhance the total level of support for this program. However, we are not recommending increased Federal support; rather, increases would come from greater coastal State matching contributions. Beginning in fiscal year 1989 and beyond, there would be a 50/50, rather than 80/20. Federal/State partnership.

By reducing the share of Federal involvement in CZM, we do not want to give the misimpression that this program is not serving national interests. On the contrary, our Nation will always need to play an active role in overseeing the wise management of our coastal areas because important national concerns are being served. The increasing State share reflects the fact that State programs are beginning to mature. Further implementation should be accomplished on the basis of an equal partnership.

These amendments do more than simply equalize the Federal/State partnership in coastal zone management. Other important provisions are contained in the bill—

It requires States to promptly submit for Federal review and approval any program changes they may have and clarifies that no amendment may be implemented as part of a federally approved coastal program unless it has first been approved by the Secretary of Commerce. Therefore, unless a proposed amendment has been so approved, it may not be implemented with the use of CZM funds and may not be used to enforce Federal consistency with the State's program.

It allows the Secretary of Commerce to reduce funding for programs which are not making satisfactory progress in identifying and protecting coastal resources of national significance.

Some dormant provisions of the act are repealed and the National Estuarine Sanctuary Program is strengthened to reflect an emphasis on research, so that our knowledge and awareness of estuaries will be improved, and we can better provide for their continued health.

These provisions of subtitle E are carefully balanced. They enjoy bipartisan support. In this regard, I would like to acknowledge the thoughtful contributions of Congressmen NORM LENT, our full committee ranking member, and NORM SHUMWAY, ranking member on the Oceanography Subcommittee as well as my colleague, subcommittee Chairwoman BARBARA MIKULSKI. With their assistance, you have before you a subtitle of the reconciliation conference report which continues the important work of managing our Nation's coastal zone and reduces the need for additional spending over the next several years.

Finally, I would like to address a provision in title VIII of the conference report. Title VIII includes amendments to the Outer Continental Shelf Lands Act [OCSLA].

Subtitle B of title VIII involves an amendment to section 19 of the law, dealing with the relationship between the Secretary of the Interior and the Governors of affected coastal States with respect to OCS lease sales and development and production plans.

The House and Senate conferees agreed on language that would require the Secretary to give equal weight to the need for oil and gas and the need to protect other resources and uses of the coastal and marine environment that are affected by offshore energy development.

In my judgment, the conferees did not mean that in any particular lease sale or development plan, there will be equal oil and gas resource benefits and environmental costs.

Rather we intended that the Secretary consider, with equal seriousness, resource development values, on the one hand, as against environmental protection values, on the other.

The conferees also decided to delete section 19(D) of the law which provides that the Secretary's decision to accept or reject a Governor's recommendation shall be final and shall not, alone, be a basis for invalidation of the proposed action in any suit or judicial review, unless found to be arbitrary or capricious.

The "arbitrary or capricious" language is taken from the Administrative Procedure Act. To make certain that the scope of judicial review of the Secretary's decision, under the language of the amendment, shall be that applied to final Federal agency actions by the Administrative Procedure Act, 5 U.S.C. 706(2)(A)—"arbitrary and capricious, an abuse of discretion, or otherwise not in accordance with law"—the conferees reinserted that standard at the end of subsection (C), as modified by the amendment. Scrutiny of the Secretary's decisions under section 19, therefore, will be limited to those standards specified in 5 U.S.C. 706(2)(A).

Mr. HAMMERSCHMIDT. Mr. Speaker, as the ranking member of the House Veterans' Affairs Committee, I rise in strong support of H.R. 3128's provisions on veterans' programs. This bill would be of great benefit to service-connected disabled veterans and to needy veterans. We are in a time of difficult decisions because of the imperative for deficit reduction.

The Committee on Veterans' Affairs at the outset adopted a bipartisan approach to the budget for the VA, and when the joint budget resolution for fiscal year 1986 instructed a savings of $300 million for the VA, the committee again acted on a bipartisan basis to achieve the savings. We are now well into the fiscal year, but it is not too late to achieve at least some of the budgetary savings and the health care reforms, which continue to produce savings in the out years.

The principal vehicles for meeting the budgetary goals for the VA are reform of veterans' health care eligibility and third-party reimbursement from health care insurance.

It was necessary to work out differences with the other body on much of the reform of veterans' health care eligibility. Both bodies began with their own means tests and strengthened commitments to provide health care. The third-party reimbursement proposals had only technical differences, which were easily resolved.

There is no need to repeat the details of the health care eligibility reform which the chairman, SONNY MONTGOMERY, has outlined. Suffice it to say, for the first time ever, the Government is formally committed to providing hospital care for service-connected and truly needy veterans. For the first time ever, the universe of veterans for whom the VA is going to provide hospital care is clearly defined.

I would have preferred the income line of the means test be drawn somewhat higher than allowed by the compromise with the other body. However, the $15,000 limitation for single veterans and the $18,000 limitation for married veterans provide a starting point and could possibly be adjusted in the future, if experience shows that they are too low.

Mr. Speaker, I hope the reform of health care eligibility with its strengthened commitment to provide hospital care is as pleasing to our Nation's veterans as it is to me. This legislation adopts the framework of the original House bill. It is a truly historic step which confirms that the Congress intends for the Veterans' Administration hospital system to keep essential its present form for many years to come.

This important legislation in large part owes its existence to the leadership and personal dedication of my friend and colleague, SONNY MONTGOMERY, chairman of our committee. He has been most instrumental in bringing this veterans' legislation to the floor.

Also a special note of appreciation should go the chairman of the House Budget Com-

mittee, BILL GRAY, to its ranking member, DEL LATTA, and to MARVIN LEATH, a member of the Veterans' Affairs Committee on temporary leave of absence to the Budget Committee.

Mr. Speaker, I urge my fellow Members to support the veterans' provisions of this measure, which will achieve both a desirable savings in the VA budget and a significant reform of veterans' health care eligibility.

Ms. MIKULSKI. Mr. Speaker, I rise today to speak in support of the proposed House amendments to the budget reconciliation bill. This bill proves that we in Congress can make difficult choices to reduce the deficit.

It shows that we can meet human needs, yet keep our fiscal responsibility. It shows we can sweat the details by deciding which programs work and which ones do not; which ones we should keep, which ones we should cut.

This bill is a budget cutter and a deficit dampener. I will save American taxpayers billions of dollars over the next 3 years without reducing our quality of life.

But, as is true with any large budget package, there is good news and bad news.

For Marylanders, the goods news includes the fact that this reconciliation bill has a "Mikulski amendment" which saves the State of Maryland almost $8 million in penalties caused by the failure of a contractor to provide the State with a certified management information system for the Maryland Medicaid Program.

Without this amendment, the State would have to pay these penalties to the Federal Government, and would thereby have to reduce funds available to provide health care to low-income people under Medicaid.

Another good part of this reconciliation bill is the fact that it extends the authorization for Amtrak. That means thousands of Maryland jobs are being saved, as well as important rail service for thousands of Maryland commuters who live in Baltimore and work in Washington.

The bill also continues Federal support for hospice services for the terminally ill. It penalizes hospitals and doctors who refuse to treat emergency patients because of a lack of insurance or ability to pay, and it sets up experiments to determine the cost effectiveness of Medicare coverage for preventive health care.

For Maryland and American workers, the bill extends the Trade Adjustment Assistance Program for 6 years. This program provides important assistance to workers and companies hurt by foreign competition. It also protects American jobs by including a "buy American" provision for materials and supplies used on oil rigs in offshore drilling.

As I said before, there is good news and some bad news in this bill. The bad news includes the fact that this bill does not reduce the deficit by as much as the earlier budget bill we passed.

Another piece of bad news in this bill is the failure to include the "Mikulski Medicare vision" amendment which the House approved in a previous reconciliation bill.

This amendment would have saved money for Medicare by providing coverage for vision care services provided by optometrists. Medicare currently only covers vision services if they're provided by ophthalmologists, usually at higher fees than those charged by optometrists. By including my amendment, this bill would have saved money and made vision care services more widely available for Medicare users.

Even though I'm disappointed at certain aspects of the budget reconciliation bill, I supported it. I did so because I believe it is important to create a frame work for our future.

To build that future, we must rid ourselves of the deficits facing us: Budget deficit, trade deficit, research and development deficit, and what I call our education deficit.

This budget reconciliation bill goes a long way toward reducing the biggest of our deficits—our budget deficit. That's why I proudly supported the House amendments to this bill.

Mr. QUILLEN. Mr. Speaker, I yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. PETRI. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 314, nays 86, not voting 34, as follows:

[Roll No. 41]

YEAS—314

Akaka	Byron	Edwards (CA)
Alexander	Callahan	Edwards (OK)
Anderson	Campbell	Emerson
Andrews	Carper	English
Annunzio	Chandler	Erdreich
Anthony	Chapman	Evans (IL)
Archer	Clay	Fascell
Armey	Clinger	Fazio
Aspin	Cobey	Feighan
Atkins	Coble	Fields
AuCoin	Coelho	Fish
Barnes	Coleman (TX)	Flippo
Bartlett	Combest	Foley
Barton	Conte	Ford (MI)
Bateman	Cooper	Ford (TN)
Bates	Courter	Fowler
Bedell	Coyne	Frank
Bellenson	Crockett	Franklin
Bennett	Daniel	Frost
Bentley	Darden	Fuqua
Bereuter	Daschle	Gallo
Berman	Daub	Garcia
Bevill	Davis	Gaydos
Biaggi	de la Garza	Gejdenson
Bliley	Dellums	Gephardt
Boehlert	Derrick	Gibbons
Boggs	Dickinson	Gilman
Boland	Dicks	Glickman
Boner (TN)	Dingell	Gonzalez
Bonior (MI)	DioGuardi	Gordon
Bonker	Dixon	Gradison
Borski	Donnelly	Gray (PA)
Bosco	Dorgan (ND)	Green
Boulter	Dowdy	Guarini
Boxer	Downey	Hall (OH)
Breaux	Duncan	Hall, Ralph
Brooks	Durbin	Hamilton
Brown (CA)	Dwyer	Hammerschmidt
Broyhill	Dymally	Hatcher
Bruce	Dyson	Hawkins
Bryant	Early	Hayes
Burton (CA)	Eckart (OH)	Hefner
Bustamante	Eckert (NY)	Heftel
Hendon	Mica	Sensenbrenner
Henry	Mikulski	Shelby
Hertel	Miller (CA)	Sikorski
Holt	Miller (WA)	Sisisky
Hopkins	Moakley	Skeen
Horton	Montgomery	Skelton
Howard	Moody	Slattery
Hoyer	Moore	Smith (FL)
Hubbard	Morrison (CT)	Smith (NE)
Huckaby	Mrazek	Smith (NJ)
Hughes	Murphy	Snowe
Hutto	Murtha	Snyder
Jacobs	Natcher	Spence
Jenkins	Neal	Spratt
Jones (NC)	Nelson	St Germain
Jones (OK)	Nichols	Staggers
Jones (TN)	Nielson	Stallings
Kaptur	Nowak	Stark
Kasich	O'Brien	Stenholm
Kastenmeier	Oakar	Stokes
Kemp	Oberstar	Strang
Kennelly	Obey	Studds
Kildee	Olin	Sweeney
Kindness	Ortiz	Swift
Kleczka	Owens	Synar
Kolbe	Panetta	Tallon
Kostmayer	Parris	Tauke
LaFalce	Pease	Tauzin
Lantos	Penny	Taylor
Leach (IA)	Pepper	Thomas (GA)
Leath (TX)	Perkins	Torres
Lehman (CA)	Pickle	Torricelli
Lehman (FL)	Price	Towns
Leland	Pursell	Traficant
Lent	Quillen	Udall
Levin (MI)	Rahall	Valentine
Lightfoot	Ray	Vento
Lipinski	Regula	Visclosky
Livingston	Reid	Walgren
Loeffler	Richardson	Watkins
Long	Ridge	Waxman
Lott	Rinaldo	Weaver
Lowry (WA)	Roberts	Weber
Lujan	Robinson	Weiss
Luken	Rodino	Wheat
Lundine	Roe	Whitehurst
MacKay	Roemer	Whitley
Manton	Rogers	Whittaker
Markey	Rose	Williams
Martin (NY)	Roukema	Wilson
Martinez	Rowland (CT)	Wirth
Matsui	Rowland (GA)	Wise
Mavroules	Roybal	Wolf
Mazzoli	Russo	Wolpe
McCloskey	Sabo	Wortley
McCollum	Savage	Wright
McCurdy	Scheuer	Wyden
McHugh	Schneider	Wylie
McKernan	Schroeder	Yatron
McKinney	Schuette	Young (AK)
McMillan	Schumer	Young (MO)
Meyers	Seiberling	

NAYS—86

Applegate	Hyde	Ritter
Badham	Ireland	Saxton
Bilirakis	Jeffords	Schaefer
Broomfield	Kanjorski	Schulze
Brown (CO)	Kramer	Sharp
Burton (IN)	Lagomarsino	Shaw
Carney	Lewis (CA)	Shumway
Chappie	Lewis (FL)	Shuster
Cheney	Lloyd	Siljander
Coats	Lowery (CA)	Smith (IA)
Coughlin	Lungren	Smith, Denny (OR)
Craig	Mack	Smith, Robert (NH)
Crane	Madigan	Smith, Robert (OR)
Dannemeyer	Marlenee	Solomon
DeLay	Martin (IL)	Stangeland
DeWine	McCain	Stratton
Dornan (CA)	McCandless	Stump
Dreier	McEwen	Sundquist
Fawell	McGrath	Swindall
Fiedler	Michel	Thomas (CA)
Florio	Miller (OH)	Vander Jagt
Frenzel	Mitchell	Volkmer
Gekas	Molinari	Vucanovich
Gingrich	Moorhead	Walker
Goodling	Morrison (WA)	Yates
Gregg	Oxley	Young (FL)
Gunderson	Packard	
Hansen	Pashayan	
Hiler	Petri	
Hunter	Porter	

NOT VOTING—34

Ackerman	Gray (IL)	Myers
Addabbo	Grotberg	Rangel
Barnard	Hartnett	Rostenkowski
Boucher	Hillis	Roth
Carr	Johnson	Rudd
Chappell	Kolter	Slaughter
Coleman (MO)	Latta	Solarz
Collins	Levine (CA)	Traxler
Conyers	McDade	Whitten
Edgar	Mineta	Zschau
Evans (IA)	Mollohan	
Foglietta	Monson	

□ 1225

The Clerk announced the following pair:

On this vote:

Mr. Coleman of Missouri for, with Mr. Zschau against.

Messrs. HUNTER, APPLEGATE, and LEWIS of Florida changed their votes from "yea" to "nay."

Messrs. WORTLEY, LEACH of Iowa, and LUJAN changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to the provisions of House Resolution 390 the House recedes from its disagreement to the Senate amendment and concurs with an amendment to the Senate amendment to the House amendment to the Senate amendment to the bill H.R. 3128, as follows:

Amendment to the Senate amendment to the House amendment to the Senate amendment to H.R. 3128:

In section 4016, insert "or seasonal suspension" after "adjustment in frequency"; and insert "adjustment or" after "service unless such".

In subparagraph (F)(ii) of paragraph (10) of section 204(b) of the Magnuson Fishery Conservation and Management Act, as proposed to be amended by section 6021, strike out "from such nations".

In subsection (b)(2)(B) of section 315 of the Coastal Zone Management Act, as proposed to be amended by section 6044, strike out "environmental" and insert "environment".

In section 3A of the National Ocean Pollution Planning Act of 1978, as proposed to be added by section 6072(2)—

(1) amend subparagraph (B) of subsection (a)(2) to read as follows:

"'(B) be headed by a director who shall—

'(i) be appointed by the Administrator,

'(ii) serve as the Chair of the Board, and

'(iii) be the spokesperson for the program;'";

(2) insert a quotation mark and a period after the period at the end of subparagraph (D) of subsection (b)(2); and

(3) strike out paragraph (3) of subsection (b).

In section 6085—

(1) insert "and duties" after "functions" in the long title of the Act of August 6, 1947 cited in such section; and

(2) strike out "'or subdivision thereof'" and insert "'or subdivision thereof,'" in paragraph (2).

In section 8003, amend the first sentence of the proposed section 8(g)(2) of the Outer Continental Shelf Lands Act to read as follows:

Notwithstanding any other provision of this Act, the Secretary shall deposit into a separate account in the Treasury of the United States all bonuses, rents, and royalties, and other revenues (derived from any bidding system authorized under subsection (a)(1)), excluding Federal income and windfall profit taxes, derived from any lease issued after September 18, 1978, of any Federal tract which lies wholly or partially within three nautical miles of the seaward boundary of any coastal State.

In section 8004(a), strike out "January 1, 1986" and insert in lieu thereof "April 15, 1986".

In section 8006(a), insert "issued after September 18, 1978" after "any Federal leases".

In section 8006(a)(1), insert "issued after September 18, 1978" after "derived from any lease".

Amend section 8201 by striking out the close quote and period at the end and inserting in lieu thereof the following new paragraph:

"(4)(A) Notwithstanding the provisions of this subsection, a lessee may petition the Secretary for a waiver of the requirements of this subsection.

"(B) The Secretary shall assign an Administrative Law Judge to conduct a hearing on the record on the petition and make a finding for the Secretary.

"(C) The Administrative Law Judge shall recommend to the Secretary that the Secretary grant such waiver if the Administrative Law Judge finds that the lessee's exploration or development and production plan cannot be carried out solely because of the additional costs that would be incurred as a result of the requirements of this subsection.

"(D) If the Secretary receives the recommendation from the Administrative Law Judge provided in paragraph (C), the Secretary may grant the waiver if the Secretary concurs with the finding of the Administrative Law Judge.".

In subtitle A of title IX, strike out sections 9203, 9212, 9302, 9311, and 9312, and conform the table of contents of title IX accordingly.

In section 9101—

(1) in subsection (a), strike out "FEBRUARY 28" and "February 28" and insert in lieu thereof "APRIL 30" and April 30", respectively;

(2) in subsections (b), (e)(1)(B), (e)(2)(B), (e)(2)(C), and (e)(3)(B), strike out "1 percent" and insert in lieu thereof "1/2 percent";

(3) in subsection (d), strike out "December 19, 1985" and insert in lieu thereof "March 15, 1986";

(4) in subsection (e)(1)(A), strike out "March" and insert in lieu thereof "May";

(5) in subsection (e)(2)(B), strike out "5 months" and "7 months" and insert in lieu thereof "7 months" and "5 months", respectively; and

(6) in subsection (e)(3)(B), strike out "7/12" and insert in lieu thereof "5/24".

In section 9102—

(1) in subsection (d)(2)(B), strike out "5 months" and "7 months" and insert in lieu thereof "7 months" and "5 months", respectively, and

(2) in subsection (d)(3), strike out "March" and insert in lieu thereof "May".

In section 9103, in subsections (a) and (b)(2), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9104, in subsections (a) and (c)(1), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9105, in subsections (a) and (e), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9123(b), strike out "January" and insert in lieu thereof "April".

In section 9124(b)(1), strike out "April" and insert in lieu thereof "July".

In section 9128, strike out "will go" and insert in lieu thereof "went".

In section 9201(d), strike out "March" and insert in lieu thereof "May" each place it appears.

In section 9211(e), strike out "February" and "April" and insert in lieu thereof "May" and "July", respectively, each place each appears.

In section 9301—

(1) in subsection (a), strike out "JANUARY 31" and "January 31" and insert in lieu thereof "APRIL 30" and "April 30", respectively;

(2) in subsection (b), strike out "11-month", "February", "January 31", "4-month", and "January 1986" and insert in lieu thereof "8-month", "May", "April 30", "7-month", and "April 1986", respectively, each place each appears; and

(3) in subsection (c)(5), strike out "July" and insert in lieu thereof "October".

In section 9303—

(1) in subsection (b)(2), strike out "April", "1987" and "December 31, 1986" and insert in lieu thereof "July", "1988", and "December 31, 1987", respectively, and

(2) in subsection (b)(5)(A), strike out "April" and insert in lieu thereof "July".

In section 9304(b)—

(1) strike out "11-month" and "February" and insert in lieu thereof "8-month" and "May", respectively;

(2) in paragraph (1) in the matter before subparagraph (A), insert "at any time" after "in the case of any physician who"; and

(3) in paragraph (1)(B), strike out "is not a participating physician" and all that follows through "September 30, 1985, or" and insert in lieu thereof "was not a participating physician (as defined in section 1842(h)(1) of the Social Security Act) on September 30, 1985, and who is not such a physician".

In section 9307(c)—

(1) in paragraph (1), strike out "subsection (1)" and insert in lieu thereof "subsection (k)";

(2) in paragraph (2), strike out "after subsection (k), added by section 146(a) of this title," and insert in lieu thereof "at the end"; and

(3) in the subsection added by paragraph (2), strike out "(l)(1)" and insert in lieu thereof "(k)(1)".

In subtitle B of title IX, strike out sections 9504, 9513, and 9521, and conform the table of contents of title IX accordingly.

In section 9501(d)(1), strike out "April" and insert in lieu thereof "July".

In section 9505(b)(1)—

(1) strike out "sections 9501 and 9504" and insert in lieu thereof "section 9501", and

(2) strike out "(VI)" and "(VII)" and insert in lieu thereof "(V)" and "(VI)", respectively

In section 9506(a), in proposed subsection (k)(2) of section 1902 of the Social Security Act, insert "(other than by will)" after "established".

In section 9511(b) strike out "January" and insert in lieu thereof "April".

In section 9517(c), amend paragraph (2) to read as follows:

(2)(A) Except as provided in subparagraph (B), the amendments made by paragraph (1) shall apply to expenditures incurred for heatth insuring organizations which first become operational on or after January 1, 1986.

(B) In the case of a health insuring organization—

(i) which first becomes operational on or after January 1, 1986, but

(ii) for which the Secretary of Health and Human Services has waived, under section 1915(b) of the Social Security Act and before such date, certain requirements of section 1902 of such Act.

clauses (ii) and (vi) of section 1903(m)(2)(A) of such Act shall not apply during the period for which such waiver is effective.

In section 9522, insert "(or submitted during 1986 by)" after "granted to".

In section 9523—

(1) in subsection (a) strike out "CONTINUED" and "continue" and insert in lieu thereof "RENEWED" and "renew", respectively, and

(2) In subsection (b)—

(A) strike out "continued" and insert in lieu thereof "renewed".

(B) strike out "the date of the enactment of this Act" and insert in lieu thereof "December 31, 1985".

In section 9526, at the end of subsection (a) of proposed section 1920 of the Social Security Act, add the following:

"(F) Section 310(b)(1) of Public Law 96-272 (relating to continuing medicaid eligibility for certain recipients of Veterans' Administration pensions).

In section 12301—

(1) in subsection (b)—

(A) strike out "or 1903(u)" in paragraph (1), and

(B) strike out "titles IV-A and XIX" and insert in lieu thereof "title IV-A" each place it appears; and

(2) after subsection (d), strike out "and 1982.".

In section 12304(a)(3), immediately before the semicolon at the end of the proposed new subparagraph (C), insert the following: "; but the State shall not be subject to any financial penalty in the administration or enforcement of this subparagraph as a result of any monitoring, quality control, or auditing requirements".

Part 1 of subtitle A of title XIII of the bill is amended to read as follows:

PART 1—TRADE ADJUSTMENT ASSISTANCE

SEC. 13001. SHORT TITLE.

This part may be cited as the "Trade Adjustment Assistance Reform and Extension Act of 1986".

SEC. 13002. ELIGIBILITY OF WORKERS AND FIRMS FOR TRADE ADJUSTMENT ASSISTANCE.

(a) WORKERS—Sections 221(a) and 222 of the Trade Act of 1974 (19 U.S.C. 2271(a); 2272) are each amended by inserting "(including workers in any agricultural firm or subdivision of an agricultural firm)" after "group of workers".

(b) FIRMS.—

(1) Subsections (a) and (c) of section 251 of the Trade Act of 1974 (19 U.S.C. 2341) are each amended by inserting "(including any agricultural firm)" after "a firm".

(2) Paragraph (2) of section 251(c) of the Trade Act of 1974 (19 U.S.C. 2341(c)(2)) is amended to read as follows:

"(2) that—

"(A) sales or production, or both, of the firm have decreased absolutely, or

"(B) sales or production, or both, of an article that accounted for not less than 25 percent of the total production or sales of the firm during the 12-month period preceding the most recent 12-month period for which data are available have decreased absolutely, and".

SEC. 13003. CASH ASSISTANCE FOR WORKERS.

(a) PARTICIPATION IN JOB SEARCH PROGRAM REQUIRED.—

(1) Subsection (a) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291(a)) is amended by adding at the end thereof the following new paragraph:

"(5) Such worker, unless the Secretary has determined that no acceptable job search program is reasonably available—

"(A) is enrolled in a job search program approved by the Secretary under section 237(c), or

"(B) has, after the date on which the worker became totally separated, or partially separated, from the adversely affected employment, completed a job search program approved by the Secretary under section 237(c).".

(2) Section 231 of the Trade Act of 1974 (19 U.S.C. 2291) is amended by adding at the end thereof the following new subsection:

"(c) If the Secretary determines that—

"(1) the adversely affected worker—

"(A) has failed to begin participation in the job search program the enrollment in which meets the requirement of subsection (a)(5), or

"(B) has ceased to participate in such job search program before completing such job search program, and

"(2) there is no justifiable cause for such failure or cessation.

no trade readjustment allowance may be paid to the adversely affected worker under this part on or after the date of such determination until the adversely affected worker begins or resumes participation in a job search program approved under section 237(c).".

(3) Subsection (a) of section 239 of the Trade Act of 1974 (19 U.S.C. 2311(a)) is amended—

(A) by striking out "training," in clause (2) and inserting in lieu thereof "training and job search programs,"; and

(B) by striking out "and (3)" and inserting in lieu thereof "(3) will make determinations and approvals regarding job search programs under sections 231(c) and 237(c), and (4)".

(b) QUALIFYING WEEKS OF EMPLOYMENT.—The last sentence of section 231(a)(2) of the Trade Act of 1974 (19 U.S.C. 2291(a)(2)) is amended by striking out all that follows after subparagraph (C) and inserting in lieu thereof "shall be treated as a week of employment at wages of $30 or more, but not more than 7 weeks, in case of weeks described in paragraph (A) or (C), or both, may be treated as weeks of employment under this sentence.".

(c) WEEKLY AMOUNTS OF READJUSTMENT ALLOWANCES.—Section 232 of the Trade Act of 1974 (19 U.S.C. 2292) is amended—

(1) by striking out "under any Federal law," in subsection (c) and inserting in lieu thereof "under any Federal law other than this Act",

(2) by striking out "under section 236(c)" in subsection (c) and inserting in lieu thereof "under section 231(c) or 236(c)", and

(3) by striking out "If the training allowance" in subsection (c) and inserting in lieu thereof "If such training allowance".

(d) LIMITATIONS.—

(1) Paragraph (2) of section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)(2)) is amended by striking out "52-week period" and inserting in lieu thereof "104-week period".

(2) Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended by adding at the end thereof the following new subsection:

"(e) No trade readjustment allowance shall be paid to a worker under this part for any week during which the worker is receiving on-the-job training.".

SEC. 13004. JOB TRAINING FOR WORKERS.

(a) IN GENERAL.—Section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended—

(1) by striking out "for a worker" in subsection (a)(1)(A) and inserting in lieu thereof "for an adversely affected worker",

(2) by striking out "may approve" in the first sentence of subsection (a)(1) and inserting in lieu thereof "shall (to the extent appropriated funds are available) approve",

(3) by striking out "under paragraph (1)" in subsection (a)(2) and inserting in lieu thereof "under subsection (a)",

(4) by striking out "this subsection" in subsection (a)(3) and inserting in lieu thereof "this section",

(5) by redesignating paragraphs (2) and (3) of subsection (a) as subsections (e) and (f), respectively,

(6) by inserting at the end of subsection (a) the following new paragraphs:

"(2) For purposes of applying paragraph (1)(C), a reasonable expectation of employment does not require that employment opportunities for a worker be available, or offered, immediately upon the completion of training approved under this paragraph (1).

"(3)(A) If the costs of training an adversely affected worker are paid by the Secretary under paragraph (1), no other payment for such costs may be made under any other provision of Federal law.

"(B) No payment may be made under paragraph (1) of the costs of training an adversely affected worker if such costs—

"(i) have already been paid under any other provision of Federal law, or

"(ii) are reimbursable under any other provision of Federal law and a portion of such costs have already been paid under such other provision of Federal law.

"(C) The provisions of this paragraph shall not apply to, or take into account, any funds provided under any other provision of Federal law which are used for any purpose other than the direct payment of the costs incurred in training a particular adversely affected worker, even if such use has the effect of indirectly paying or reducing any portion of the costs involved in training the adversely affected worker.

"(4) The training programs that may be approved under paragraph (1) include, but are not limited to—

"(A) on-the-job training,

"(B) any training program provided by a State pursuant to section 303 of the Job Training Partnership Act,

"(C) any training program approved by a private industry council established under section 202 of such Act, and

"(D) any other training program approved by the Secretary,", and

(7) by inserting after subsection (c) the following new subsection:

"(d) Notwithstanding any provision of subsection (a)(1), the Secretary may pay the costs of on-the-job training of an adversely affected worker under subsection (a)(1) only if—

"(1) no currently employed worker is displaced by such adversely affected worker (including partial displacement such as a re-

duction in the hours of nonovertime work, wages, or employment benefits),

"(2) such training does not impair existing contracts for services or collective bargaining agreements,

"(3) in the case of training which would be inconsistent with the terms of a collective bargaining agreement, the written concurrence of the labor organization concerned has been obtained,

"(4) no other individual is on layoff from the same, or any substantially equivalent, job for which such adversely affected worker is being trained,

"(5) the employer has not terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created by hiring such adversely affected worker,

"(6) the job for which such adversely affected worker is being trained is not being created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals,

"(7) such training is not for the same occupation from which the worker was separated and with respect to which such worker's group was certified pursuant to section 222,

"(8) the employer certifies to the Secretary that the employer will continue to employ such worker for at least 26 weeks after completion of such training if the worker desires to continue such employment and the employer does not have due cause to terminate such employment,

"(9) the employer has not received payment under subsection (a)(1) with respect to any other on-the-job training provided by such employer which failed to met the requirements of paragraphs (1), (2), (3), (4), (5), and (6), and

"(10) the employer has not taken, at any time, any action which violated the terms of any certification described in paragraph (8) made by such employer with respect to any other on-the-job training provided by such employer for which the Secretary has made a payment under subsection (a)(1).".

"(b) ON-THE-JOB TRAINING DEFINED.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended by adding at the end thereof the following new paragraph:

"(16) The term 'on-the-job training' means training provided by an employer to an individual who is employed by the employer.".

"(c) AGREEMENTS WITH THE STATES.—Section 239 of the Trade Act of 1974 (19 U.S.C. 2311) is amended—

(1) by amending subsection (a)(2) by inserting "but in accordance with subsection (f)," after "where appropriate,"; and

(2) by adding at the end thereof the following new subsections:

"(e) Agreements entered into under this section may be made with one or more State or local agencies including—

"(1) the employment service agency of such State,

"(2) any State agency carrying out title III of the Job Training Partnership Act, or

"(3) any other State or local agency administering job training or related programs.

"(f) Each cooperating State agency shall, in carrying out subsection (a)(2)—

"(1) advise each adversely affected worker to apply for training under section 236(a) at the time the worker makes application for trade readjustment allowances (but failure of the worker to do so may not be treated as cause for denial of those allowances), and

"(2) within 60 days after application for training is made by the worker, interview the adversely affected worker regarding suitable training opportunities available to the worker under section 236 and review such opportunities with the worker.".

SEC. 13005. JOB SEARCH ALLOWANCES.

(a) IN GENERAL.—Section 237 of the Trade Act of 1974 (19 U.S.C. 2297) is amended by adding at the end thereof the following new subsection:

"(c) The Secretary shall reimburse any adversely affected worker for necessary expenses incurred by such worker in participating in a job search program approved by the Secretary.".

(b) DEFINITIONS.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319), as amended by section 13004(b) of this Act, is further amended by adding at the end thereof the following new paragraph:

"(17)(A) The term 'job search program' means a job search workshop or job finding club.

"(B) The term 'job search workshop' means a short (1 to 3 days) seminar designed to provide participants with knowledge that will enable the participants to find jobs. Subjects are not limited to, but should include, labor market information, résumé writing, interviewing techniques, and techniques for finding job openings.

"(C) The term 'job finding club' means a job search workshop which includes a period (1 to 2 weeks) of structured, supervised activity in which participants attempt to obtain jobs.".

SEC. 13006. ADJUSTMENT ASSISTANCE FOR FIRMS.

(a) TECHNICAL ASSISTANCE.—

(1) Paragraph (1) of section 252(b) of the Trade Act of 1974 (19 U.S.C. 2342(b)(1)) is amended to read as follows:

"(1) Adjustment assistance under this chapter consists of technical assistance. The Secretary shall approve a firm's application for adjustment assistance only if the Secretary determines that the firm's adjustment proposal—

"(A) is reasonably calculated to materially contribute to the economic adjustment of the firm,

"(B) gives adequate consideration to the interests of the workers of such firm, and

"(C) demonstrates that the firm will make all reasonable efforts to use its own resources for economic development.".

(2) Section 252 of the Trade Act of 1974 (19 U.S.C. 2342) is amended by striking out subsection (c) and redesignating subsection (d) as subsection (c).

(3) Paragraph (2) of section 253(b) of the Trade Act of 1974 (19 U.S.C. 2343(b)(2)) is amended by striking out "such cost" and inserting in lieu thereof " such cost for assistance described in paragraph (2) or (3) of subsection (a)".

(b) NO NEW LOANS OR GUARANTEES.—Section 254 of the Trade Act of 1974 (19 U.S.C. 2344) is amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding any other provision of this chapter, no direct loans or guarantees of loans may be made under this chapter after the date of enactment of the Trade Adjustment Assistance Reform and Extension Act of 1986.".

SEC. 13007. EXTENSION AND TERMINATION OF TRADE ADJUSTMENT ASSISTANCE.

(a) IN GENERAL.—Section 285 of the Trade Act of 1974 (19 U.S.C. 2271, preceding note) is amended—

(1) by striking out the first sentence thereof and inserting in lieu thereof "(a)",

(2) by striking out the section heading and inserting in lieu thereof "SEC. 285. TERMINATION.", and

(3) by adding at the end thereof the following new subsection:

"(b) No assistance, allowances, or other payments may be provided under chapter 2, and no technical assistance may be provided under chapter 3, after September 30, 1991.".

(b) CONFORMING AMENDMENT.—The table of contents of the Trade Act of 1974 is amended by striking out the item relating to section 285 and inserting in lieu thereof the following:

"Sec. 285. Termination.".

SEC. 13008. AUTHORIZATION OF APPROPRIATIONS.

(a) WORKERS.—Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended by striking out "1982 through 1985" and inserting in lieu thereof "1986, 1987, 1988, 1989, 1990, and 1991".

(b) FIRMS.—Subsection (b) of section 256 of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended—

(1) by inserting "for fiscal years 1986, 1987, 1988, 1989, 1990, and 1991" after "to the Secretary",

(2) by striking out "from time to time", and

(3) by striking out the last sentence thereof.

SEC. 13009. EFFECTIVE DATES; APPLICATION OF GRAMM-RUDMAN.

(a) IN GENERAL.—Except as provided in subsections (b) and (c), the amendments made by this part shall take effect on the date of the enactment of this Act.

(b) JOB SEARCH PROGRAM REQUIREMENTS.—The amendments made by section 13003(a) apply with respect to workers covered by petitions filed under section 221 of the Trade Act of 1974 on or after the date of the enactment of this Act.

(c) EXTENSION AND AUTHORIZATION.—Chapters 2 and 3 of title II of the Trade Act of 1974 (19 U.S.C. 2271, et seq.) shall be applied as if the amendments made by sections 13007 and 13008 had taken effect on December 18, 1985.

(d) APPLICATION OF GRAMM-RUDMAN.—Trade readjustment allowances payable under part I of chapter 2 of title II of the Trade Act of 1974 for the period from March 1, 1986, and until October 1, 1986, shall be reduced by a percentage equal to the non-defense sequester percentage applied in the Sequestration Report (submitted under the Balanced Budget and Emergency Deficit Control Act of 1985 and dated January 21, 1986) of the Comptroller General of the United States for fiscal year 1986.

Strike out subtitle B of title XIII and redesignate the following subtitles accordingly.

Strike out subsection (d) of section 13202 and insert in lieu thereof the following:

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to smokeless tobacco removed after June 30, 1986.

(2) TRANSITIONAL RULE.—Any person who—

(A) on the date of the enactment of this Act, is engaged in business as a manufacturer of smokeless tobacco, and

(B) before July 1, 1986, submits an application under subchapter B of chapter 52 of the Internal Revenue Code of 1954 to engage in such business,

may, notwithstanding such subchapter B, continue to engage in such business pending final action on such application. Pending such final action, all provisions of chapter 52 of such Code shall apply to such appli-

cant in the same manner and to the same extent as if such applicant were a holder of a permit to manufacture smokeless tobacco under such chapter 52.

Strike out subsection (c) of section 1320 and insert the following:

(c) EXISTING REDUCTION IN RATES FOR PERIOD AFTER TEMPORARY INCREASE RETAINED.—So much of subsection (e) of section 4121 (relating to temporary increase in amount of tax) as precedes paragraph (2) is amended to read as follows:

"(e) REDUCTION IN AMOUNT OF TAX.—

"(1) IN GENERAL.—Effective with respect to sales after the temporary increase termination date, subsection (b) shall be applied—

"(A) by substituting '$.50' for '$1.10',

"(B) by substituting '$.25' for '$.55', and

"(C) by substituting '2 percent' for '4.4 percent'."

In section 13203(d), strike out "December 31, 1985" and insert in lieu thereof "March 31, 1986".

In section 13205(a)(1), strike out "of the Internal Revenue Code of 1954".

In subsection (a)(2) of section 13205, strike out "of such Code" each place it appears.

In section 13205, strike out "December 31, 1985" and "January 1, 1986" and insert in lieu thereof "March 31, 1986" and "April 1, 1986", respectively, each place either appears.

At the end of paragraph (2) of section 1303(d) of the Internal Revenue Code of 1954 (as proposed to be added by section 13206(a)), insert the following:

In applying subparagraph (B), amounts which constitute earned income (within the meaning of section 911(d)(2)) and are community income under community property laws applicable to such income shall be taken into account as if such amounts did not constitute community income.

In section 13207(c), strike out "September 12, 1985" and insert in lieu thereof "September 12, 1984".

In subparagraph (A) of section 531(g)(1) of the Tax Reform Act of 1984 (as proposed to be added by section 13207(d)), strike out "performed" and insert in lieu thereof "performs".

In paragraph (2) of section 531(g) of the Tax Reform Act of 1984 (as proposed to be added by section 13207(d)), strike out subparagraph (B) and insert in lieu thereof the following:

"(B) if—

"(i) such organization is described in section 501(c)(6) of the Internal Revenue Code of 1954 and the membership of such organization is limited to entities engaged in the transportation by air of individuals or property for compensation or hire, or

"(ii) such organization is a corporation all the stock of which is owned entirely by entities referred to in clause (i), and".

In clause (vi) of section 57(a)(9)(E) of the Internal Revenue Code of 1954 (as proposed to be added by section 13208(a)), strike out "The" and insert in lieu thereof "For purposes of this subparagraph, the".

In clause (vii) of such section 57(a)(9)(E), strike out "The" and insert in lieu thereof "For purposes of this subparagraph, the".

In section 14001(a)(2), strike out "amounts".

In section 19001(a), strike out "and Compensation Rate Amendments of 1985" and insert in lieu thereof "Amendments of 1986".

In section 19011—

(1) strike out "April 1, 1986" in the last sentence of subsection (e)(2) and insert in lieu thereof "July 1, 1986"; and

(2) in subsection (f)—

(A) strike out "April 1, 1986" each place it appears and insert in lieu thereof "July 1, 1986";

(B) strike out "March 31, 1986" both places it appears in paragraph (2)(A) and insert in lieu thereof "June 30, 1986"; and

(C) strike out "April and May 1986" in paragraph (2)(B) and insert in lieu thereof "July and August 1986".

Strike out subtitle B of title XIX (and redesignate subtitle C as subtitle B).

In section 19031(b)(2), strike out "April 1, 1986" and insert in lieu thereof "July 1, 1986".

In section 19032—

(1) strike out "February 1, 1986" in subsection (a) and insert in lieu thereof "May 1, 1986"; and

(2) strike out "November 1, 1986, and November 1, 1987," in subsection (f) and insert in lieu thereof "February 1, 1987, and February 1, 1988,".

GENERAL LEAVE

Mr. DERRICK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H. Res. 390, the resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate has passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1614. An act to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will now entertain 1 minute requests, pending other legislative business.

LEGISLATIVE PROGRAM

(Mr. LOEFFLER asked and was given permission to address the House for 1 minute.)

Mr. LOEFFLER. Mr. Speaker, I rise for the purpose of determining the schedule for the remainder of the day and for next week, and the times of votes that might occur today.

Mr. FOLEY. Will the gentleman yield?

Mr. LOEFFLER. I yield to the gentleman.

Mr. FOLEY. Mr. Speaker, the Committee on Rules is now considering a rule which would make in order the consideration of H.R. 4306, to amend certain sections of the 1985 farm bill. It is anticipated that the Rules Committee will grant such a rule today, and it is our intention to call up such a rule when it is available, and to consider, if the appropriate leave is granted by the House, to consider H.R. 4306 today; or in the alternative to take from the Speaker's table as the rule may permit the Senate-passed bill on the same subject matter.

I believe it is the intention of the Chair to designate 1-minute speeches and to proceed with special orders with the understanding that we will return to official business of the House when the Committee on Rules has filed the rule.

Mr. LOEFFLER. Does the distinguished majority whip have any feel as to what time today we might adjourn?

Mr. FOLEY. I would assume that the consideration of the rule and the consideration of the bill if the rule is granted would probably continue the House in business until somewhere around 4:30 or 5 o'clock this afternoon, perhaps earlier.

Mr. LOTT. Would the gentleman yield?

Mr. LOEFFLER. I yield to the distinguished minority whip.

Mr. LOTT. The Committee on Rules is meeting at this moment, and expects to be through with the rule within the next 25 to 30 minutes at the very most. So we should be able—OK. I understand they have just completed. So we should be able to have it here on the floor by 1:30 or so, and it would take I guess about an hour and a half after that, probably?

□ 1235

Mr. FOLEY. As I say, if the rule is available and adopted, I would hope we could conclude business by 4 o'clock this afternoon.

Mr. Speaker, if the gentleman will yield further, the program for today I have already announced. That will conclude legislative business, although the House will meet on pro forma session tomorrow.

On Monday the House will also meet in pro forma session.

On Tuesday we will consider seven bills under suspension of the rules:

H.R. 4240, to Increase the Limitation on Emergency Relief Projects of Catastrophic Nature, and Natural Disasters.

H.R. 969, conservation services bill.

House Joint Resolution 17, amendments to Hawaiian Homes Commission Act of 1920.

S. 1396, to settle unresolved claims of White Earth Indian Reservation, MN.

H.R. 3556, land exchange at Fort Story.

H.R. 4329, Anglo-Irish Peace Agreement for Ireland and Northern Ireland.

House Resolution 389, commend Inter-American Foundation for its 15th anniversary and contributions to U.S. development assistance in Latin America and the Caribbean.

Votes will be postponed on Tuesday until the conclusion of debate on the suspensions. But votes will be taken Tuesday if ordered on any of the suspensions considered on Tuesday.

On Wednesday and the balance of the week, the House will meet at 3 p.m. on Wednesday, 11 a.m. on Thursday, and the balance of the week, to consider H.R. 1920, the Indian gambling bill, subject to a rule being granted. This announcement is made subject to the usual reservations: conference reports may be brought up at any time and further business may be announced later.

Mr. LOEFFLER. I then take it from the distinguished majority whip that the gentleman does not intend to have other legislation then that may be up on the floor of the House on Wednesday and Thursday of next week.

Mr. FOLEY. Yes; I would underscore the gentleman's thought that there may be additional business scheduled that is not part of this announcement.

Mr. LOEFFLER. Does the gentleman have any idea what it may be, any ideas of legislation that may be considered at that time.

Mr. FOLEY. It is possible that there coud be legislation with reference to the so-called lie detector bill, the polygraph legislation.

Mr. LOEFFLER. Is it the intention of the majority leadership to be in session on Friday of next week?

Mr. FOLEY. We have not made a decision not to be in session on Friday at this time, but will advise the House as soon as a determination is made. It has to be assumed at this time.

Mr. LOEFFLER. Mr. Speaker, I yield back the balance of my time.

ADJOURNMENT TO MONDAY, MARCH 10, 1986

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow, Friday, March 7, 1986, it adjourn to meet at 12 noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

REQUEST TO DISPENSE WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

Mr. WALKER. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO HAVE UNTIL MIDNIGHT, TUESDAY, MARCH 11, 1986, TO FILE A REPORT ON H.J. RES. 540 RELATING TO ADDITIONAL AUTHORITY AND ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE REQUESTED BY THE PRESIDENT

Mr. PRICE. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services have until midnight, Tuesday, March 11, 1986, to file a report on House Joint Resolution 540, relating to Central America, pursuant to the International Security and Development Cooperation Act of 1985.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the Chair's prior announcement, we will be returning to legislative business.

At this time, the Chair will entertain 1-minute requests.

JOHN N. McMAHON, DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE

(Mr. BOLAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOLAND. Mr. Speaker, I was saddened to learn of the resignation of John N. McMahon as Deputy Director of Central Intelligence.

I knew John well for the 8 years that I chaired the Permanent Select Committee on Intelligence.

During that time, he held such important posts as Deputy Director of Central Intelligence for the Intelligence Community, CIA Deputy Director for Operations, CIA Deputy Director for Intelligence, and, finally, Deputy Director of Central Intelligence.

During his career of 34½ years, John has supervised the major collection and analytical areas within the CIA, and has occupied the two key posts for management of the intelligence community.

He has served three Presidents—President Ford, President Carter, and President Reagan—and has earned the respect and admiration of each.

It is equally significant that, in the process, he earned the intense loyalty of those who worked for him.

Mr. Speaker, in the estimation of all those who have dealt with him, including all members—past and present—of the Permanent Select Committee on Intelligence, John McMahon was a professional's professional.

If Bill Casey has provided the flair and been the lightning rod for the CIA, John McMahon has been its steady hand and its continuity.

He is a man whose word is accepted by proponents and critics of the administration's programs, by critics and supporters of intelligence.

He gained his reputation through a thoroughly honest and consistently fair approach to every issue he addressed.

John McMahon was just what the Central Intelligence Agency needed in the post-Church and Pike committee days.

He showed us that the Nation's best and brightest people were in responsible positions in the management of our intelligence services and that intelligence was still an honorable profession.

The intelligence community and the Nation will miss his exceptional leadership in the days ahead.

AGRICULTURAL REBELS

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, the smoldering resentment against dictatorship is rising.

The administration's manipulation of farm policy regulation has forced me to conclude the only way to have America's agricultural grievances recognized in the White House is to organize an effort of agricultural rebels.

We agricultural rebels want equal access to be heard.

We want access to justice.

We want recognition of rural America's nightmare. We want correction of the regulation-manipulation attitude that is being used to torpedo the farm bill and that is wrecking the farm economy.

We recognize the Contra situation in Nicaragua is serious, but even more serious is the suffering, hardship, and displacement in our own farm country.

When we agricultural rebels have been heard, then we can talk Contra aid.

Mr. Speaker, producers are going to ask, "Were you with the rebels representing agricultural grievances?"

TAX AMNESTY PROGRAM GETTING CLOSER AND CLOSER

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, tax amnesty is getting closer. As the author of the first legislation introduced in the House to provide tax amnesty, I was heartened to read President Reagan's comments in today's Washington Post. The President said his administration was examining "very closely" the possibility of a tax amnesty program and saw it as a possibility for ending "a solution in which we are losing billions and billions a year from people who are not paying their fair share."

It is obvious that in recent weeks there has been considerable movement on tax amnesty. Since the time I first introduced my bill in April 1985, I felt the idea made sense. The most compelling reason for tax amnesty is its appeal as a powerful but painless tool in our deficit-reduction campaign.

A 6-month national tax amnesty as I propose in H.R. 2031 could raise between $15 and $20 billion in new revenues. This would help not only to reduce our deficit, but the scandalously high rate of national tax delinquency. The Treasury Department estimates, that for 1985, the "tax gap" will reach $90 billion.

The Federal Government has had the benefit of the successful programs tried by 13 States for amnesty. The most successful is the most recent—in my home State of New York where $341 million was raised in only 3 months. This was 60 percent higher than expected.

Tax amnesty looks as though it is going to happen. It should, it is an idea whose time has clearly come.

SANDINO WOULD BE ROLLING OVER IN HIS GRAVE

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, Sandino's grandson is in Washington today. This may be the only place you hear about it, even though he held a press conference today.

In case you don't know, Sandino is the patron saint of the Communist regime in Nicaragua. Only if Sandino knew how his name has been corrupted, he'd be rolling over in his grave.

Sandino's grandson, Aristides Pavon, says:

> My grandfather was never a Communist. He was against all foreign influence including the Americans or the Communists who tried to manipulate his movement. He would have been violently opposed to the Cuban and Soviet influence in our country today.

Sandino's grandson was jailed by the Sandinistas for 3 years, and they tortured him in an effort to get him to back their regime. But he refused. He believes the only way to force the Sandinistas to change their policies is to support the democratic resistance in Nicaragua.

As American labor leader Bill Doherty says, "There are more Sandinistas, the true Sandinistas, fighting in the freedom forces than there are in the Sandinista militia."

THE 50TH ANNIVERSARY OF THE NATIONAL COUNCIL OF NEGRO WOMEN, INC.

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, it is my privilege to congratulate the National Council of Negro Women on the occasion of its 50th anniversary. Today many of my New York neighbors and constituents are gathering at the rotunda of the Bronx Supreme Court House to commemorate this auspicious event.

For a half century, the National Council of Negro Women has brought together black women and their organizations in a united effort to improve the quality of life for our communities and our Nation.

From the vision and imagination of its founder, Mary McLeod Bethune, to the spiritual leadership of its indomitable president, Dorothy I. Height, The national council has never faltered in its determination to harness the collective power of women to eliminate racism and sexism from our society.

The national council has always been in the forefront of developing and promoting programs which open doors and offer opportunities to the poor, the oppressed, and those to whom equality has traditionally been denied. In the early years it was advocacy for fair employment opportunities and practices, Federal housing programs, an end to segregation of the Armed Forces, particularly efforts to integrate black women into the WAVES, WACS, and Army Nurse Corps. The council has fought for educational excellence, voter education and registration, and an accurate census count to insure that blacks and other minorities receive a fair share of the Nation's benefits.

Today, the national council is a coalition of 30 national organizations with 210 local sections which reach 4 million people. Together they are confronting the increasing impoverishment of the black family, through advocating and providing job training for minority youth and single black female heads of household, and developing and championing meaningful teenage pregnancy prevention programs.

Since 1958, Dorothy Height has been president, coordinating the council's national services and unifying the affiliates' outreach to broaden "this national framework which was begun under Mrs. Bethune, and which promises to add incalculable cleansing and greatness to this country as a whole."

Our country is indeed greater for the contributions of the National Council of Negro Women.

WOMEN'S HISTORY WEEK

(Mrs. MEYERS of Kansas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MEYERS of Kansas. Mr. Speaker, this is Women's History Week, and Kansas women have contributed much to that history.

Lutie Lytle was the first black woman lawyer in America.

Georgia Neese Clark Gray was the first woman Treasurer of the United States.

Lucy Hobbs Taylor was the first woman dentist in the world.

Susanna Mador Salter was the first woman elected mayor of a U.S. city.

Nellie Cline was the first woman lawyer to practice before the U.S. Supreme Court.

Hattie McDaniel was the first black woman to receive an Academy Award.

Margaret Hill McCarter was the first woman to address a Republican National Convention.

Osa Johnson was the first woman to explore the South Seas.

Amelia Earhart was the first woman to fly solo across the Atlantic.

Nancy Landon Kassebaum is the first woman elected to the U.S. Senate without being preceded by her husband.

And Lynette Woodard is the first woman to play basketball for the Harlem Globetrotters.

Mr. Speaker, I'm pleased to recognize these Kansas women who have been pioneers of equality for all women.

I WILL NOT TAKE THE ADVICE OF JEFFREY ZUCKERMAN

(Mr. MITCHELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MITCHELL. Mr. Speaker, I will not heed the advice of Mr. Jeffrey Zuckerman, nominee as General Counsel, for the Equal Employment Opportunity Commission.

Mr. Zuckerman recommends that, if after my retirement, I seek employment in the private sector, I should apply for a job as a porter.

Congresswoman Mary Rose Oaker will not follow Mr. Zuckerman's advise either. He recommends that if she should seek employment in the private sector, she should apply for a job as a file clerk.

This strange man Mr. Zuckerman says blacks, women, and minorities can best fight discrimination by offering to work for lower wages than white employees. This bizarre statement is incredible. Mr. Reagan described a leader of one the Arab States as "Flakey" I describe Mr. Zuckerman as "shakey."

Come to think of it a lot of flakey—shakey people have been associated with the Reagan administration.

There was a Secretary of the Interior who was a beaut! I think it was he who saw the Beach Boys as a subversive influence in America.

There was another guy who was Secretary of Labor. Some of his statements matched Mr. Zuckerman's in being eccentric.

There was a little lady, little in mind especially, who held that black males in America could not be freed from 10,000 years of jungle freedom.

There is another person in this administration who held that the parents of press people were canines.

Flakey, shakey-bizarre-eccentric.

No, Mr. Zuckerman—"Tote that barge, lift that bale" days are gone forever.

No, Mr. Zuckerman—women are no longer non-entities in the work place.

No, Mr. President—their parents were not female dogs.

□ 1250

SISYPHUS AND HIS DOLLAR

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, the story of Sisyphus springs to mind as we read the latest trade deficit figures. According to Greek mythology, the gods punished the shrewd and greedy king of Corinth by condemning him in eternity to roll uphill a heavy stone which was always to roll back when he reached the end of the slope.

The Commerce Department reported that in January our merchandise trade deficit reached an all-time high of $16½ billion, as opposed to $15 billion in December and $11½ billion in January 1985. There can be little doubt that this dismal result is a direct consequence of Government policy to beat down the value of the dollar in the foreign exchanges. This policy is a loud and clear signal to our exporters that they should delay the repatriation of their export earnings and finance their new exports through dollar loans that can be later repaid with cheaper dollars. Thus the export statistics must show a decline. The same policy is also a loud and clear signal to our importers to the effect that they should step up their imports as the same goods will cost them more dollars later. So the importers are filling all the warehouse space they can find and finance their inventories with dollar loans which they expect to repay with depreciated dollars. Thus the import statistics must show a rise, making the gap between imports and exports even wider.

Uncle Sam cuts a pathetic figure as he is working at the Sisyphean task of reducing the trade deficit by beating down the value of the dollar. The more and the longer he makes the dollar decline, the worst the trade deficit will get.

A more appropriate way of solving our trade problem may be to stabilize the dollar, rather than destabilize it. As the speculative flows and pools of goods in search of foreign exchange profits dry up, so will our trade deficits evaporate.

FIREARMS LEGISLATION

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, one of the things that seems to generate more heat than light around this institution is firearms legislation.

A few months ago, many special interest groups predicted that firearms legislation would never come through the House process and urged Members to sign a discharge petition discharging the Subcommittee on Crime from its legislative responsibilities.

I am happy to report, Mr. Speaker, that those folks were absolutely wrong. This morning, my Subcommittee on Crime reported out a firearms bill unanimously, with bipartisan support, one that goes to the full committee next week, a bill that in fact is balanced, that balances the interests of law-abiding sportsmen and other citizens who have legitimate reason for owning and possessing and using a firearm with the interests of society in trying to protect themselves from those that abuse a firearm.

Mr. Speaker, I think my colleagues well know that I am a sportsman myself of long standing, and I will take a back seat to no one who suggests that they are sensitive and I am not sensitive to the interests of the sporting public.

I am also one who has come from a background of law enforcement, and I know how important it is for us to provide proper tools for the law enforcement community to do their job in identifying those and prosecuting those who would abuse a handgun in particular in a commission of a felony.

The legislation is a strong measure. It imposes mandatory prison terms on those that would use a machinegun in the commission of a violent offense or a drug offense, and does many other things that I am sure that my colleagues will support.

Mr. Speaker, I hope my colleagues will take a look at the bill. Read it; do not accept what has been spoonfed to us. Read the bill, and I am sure you will find it as one you can support.

LET US AVOID A BUDGETARY STALEMATE

(Mr. GRADISON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRADISON. Mr. Speaker, the fiscal year 1987 budget is a critical one, both in meeting the deficit targets mandated by Gramm-Rudman, and for sustaining economic growth. It deserves a serious effort free of shortsighted political posturing.

Republicans on the Budget Committee have demonstrated that they are ready to devote the necessary effort to the task before us. We returned early from the February recess and reviewed the President's budget with OMB Director James Miller. We have met with all the ranking minority members of the authorizing and appropriating committees, and we are now meeting with other Republican colleagues. We have repeatedly expressed our willingness to cooperate with the Democratic majority in fashioning the kind of budget which preserves essential functions of government and keeps taxes low.

So far, however, the Democratic majority has not approached this year's budget cycle with the seriousness required to address the issue successfully. Nor have they been forthcoming to our offer to cooperate on a viable bipartisan budget. To avoid budgetary stalemate, especially as we have to meet a tight schedule, I urge my Democratic colleagues to change their policy and embark promptly upon a course of serious bipartisan budget deliberations.

YOU CAN RUN, BUT YOU CAN'T HIDE

(Mr. GRAY of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRAY of Pennsylvania. Mr. Speaker and colleagues, once again we are back at the point where we are talking about partisan positions on budget.

As chairman of the House Budget Committee, I want to make it very clear that we are going to come forward with the President's budget. He has asked that we consider it. He has asked in television ads around the

country, he has asked through his Secretaries and Cabinet members and, yes, just the other day he wore a T-shirt that said, "Save Our Budget."

We are prepared to call upon Members of the House to consider that budget.

I think it is interesting that they would spend more time talking about what Democrats are going to do, rather than talking about whether they support their own President's budget.

Second, if this House turns down the President's budget, we will move at that time to construct an alternative. Is it not interesting that the Members on the minority side want to construct an alternative before even considering their own President's budget? I think they are giving a new definition to cut and run: The President cuts, they run. But as one great American said, "You can run, but you can't hide."

RESTORE THE 1986 COLA TO MILITARY AND FEDERAL RETIREES

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, the Civil Service Retirement System for Federal and military retirees is designed to provide a fair, livable annuity to those who have worked for the U.S. Government and vested in the program.

The Federal retirement program also serves as a leading incentive for personnel to pursue a career in the U.S. Government. In 1981, Congress voted to eliminate one of the semiannual cost-of-living adjustments. In 1982, Congress voted to reduce the COLA one-half for retirees under the age of 62. Most recently, Congress voted to eliminate the COLA due in January 1986.

During this time when it is in our best interest to bring the ever growing deficit under control, it should be mandatory to share the burden equally and not jeopardize the security of our Government and military retirees. A dependable retirement system is necessary to promote our Government and national defense.

Mr. Speaker, I urge this Congress to restore the 1986 COLA to Federal and military retirees and work to maintain a dependable Federal retirement system in following years.

H.R. 3803, TRUTH IN IMPORT ADVERTISING BILL

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, in October 1985, 30.4 percent of all new cars sold in American were imported. In December 1985, 33.4 percent of new cars sold in American were imported.

Is it any wonder that we have had a $148.5 billion deficit for 1985? And now we start off 1986 with a bang, like Mr. DANNEMEYER said, with a $16.5 billion trade deficit in January alone. Projected annually, we will escalate a trade deficit of over $200 billion in 1986, and no one is pushing a button around here.

I have lost nearly every manufacturing job in my district, and what I have left is threatened.

No matter what accomplishments the 99th Congress shall make, it will all go in vain historically if we do not intervene and challenge this trade deficit problem.

I have introduced H.R. 3803, which is known as the Truth in Import Advertising Bill. What it says is basically this: If the President has not done anything, if the Congress has not done anything, if the Senate has not done anything, let us give the American people a chance to do something. It would require labels that either say "Made in America" or "Not Made in America" on every item or every package that is sold in this country.

Mr. Speaker, let us give our people a chance.

□ 1300

IS IT RED BAITING? IS IT McCARTHYISM?

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, as the rhetoric begins to heat up on the Contra issue, we might pause to agree upon some ground rules.

Yesterday one member of the Democratic side made an accusation of "red baiting" against the administration.

I have even heard the word "McCarthyism" used against those of us who favor aid to the Contras.

The dictionary defines McCarthyism as: "The use of tactics involving personal attacks on individuals by means of widely publicized indiscriminate allegations especially on the basis of unsubtantiated charges."

By that definition it is those who have been falsely accusing other of red baiting who are guilty of McCarthyism.

It is an old trick—falsely accusing others of a vicious act, but it has no place in this House.

Many of us—on a bipartisan basis—agree with the administration that if the Contras are not aided, the future of Central America will belong to communism.

We may be wrong. Or we may be right. History will judge. But let's not accuse us or the administration of red baiting for so believing.

Those who continue to engage in this name-calling will be the ones guilty of 1980's McCarthyism.

Let's stick to the facts and avoid the tactics we all deplore.

DELETION OF NAME OF MEMBER AS COSPONSOR OF H.R. 4286

Mr. MATSUI. Mr. Speaker, I ask unanimous consent that my name be deleted as a cosponsor of H.R. 4286.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

THE COMPREHENSIVE GOVERNMENT INTRUSION ACT OF 1985

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, rumor has it that H.R. 700 is about to be brought to the floor for consideration. Rumor has it that this bill may be brought under a closed rule.

Mr. Speaker, I cannot resist reminding people that my name for this bill is the Comprehensive Government Intrusion Act of 1985. It is a bill that in consideration within two committees we managed earlier to give something of a technical knockout, and it had disappeared for a long time. But rumor has it that the timing now for reconsideration and perhaps bringing this bill to the floor is based on the fact that the gentleman from Ohio (Mr. LATTA) will not be able to be with us due to his hospitalization, and the rumor goes on to say that under those circumstances the bill can be brought back under a closed rule where we will have no opportunity to amend it in such a way as to give the rights in the bill to the unborn, who so richly deserve that consideration, along with everybody else.

Mr. Speaker, I think it is extremely unfortunate that we on this side of the aisle and those of us who may oppose favorite legislation by leaders in the House have to devise our plan for response based on rumor.

Let us get the cards on the table and let us get the bill out to consider, if that is what we intend to do.

THE PRESIDENT'S BUDGET

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, I thought someone might want to reply to the rather incredible statement made by my distinguished colleague, the gentleman from Pennsylvania, the chairman of the Budget Committee, a few moments ago.

The chairman of the Budget Committee came before us and suggested that, first of all, we as legislators have no obligation except to work on the President's budget and bring the President's budget to the floor and consider that without change. He criticized the minority for taking a look at the President's budget and trying to find out ways that we might be able to modify it to make it into a better budget. I think that is responsible legislating. That is what we should be doing. That is precisely what the Democrats have been unwilling to do. Their party's position has been on this floor to criticize the President's budget without coming up with a budget of their own. I think it is appalling, and I think for the Budget Committee chairman to come to this floor and suggest that that is the right course of action, that they are going to do nothing, they are simply going to wait, they are simply going to run the President's budget out here as a political charade, I think it is appalling. It is high time that the Democrats begin to be responsible in this body, begin to do the job of budgeting. They are the ones who refuse to have their committees take up the sequestering under Gramm-Rudman. They are the ones who voted down a proposal to have sequestering done by the committees here in a responsible way rather than across the board. It is high time politics is done the right way in the name of the American people.

NICARAGUAN AID

(Mr. SOLOMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOLOMON. Mr. Speaker, a little while ago a Member of this Congress accused the administration of redbaiting on the issue of the Nicaraguan aid which is coming before our Foreign Affairs Committee in just a few minutes.

Let me just say this: The administration is not redbaiting anybody. The administration is not saying that if you are opposed to the Nicaraguan aid that you support communism.

What the administration is saying is that, if you oppose the Nicaraguan aid bill, that that could lead to aiding and abetting the spread of communism, but it in no way impugns any Member of this House. There is no question that every single Member of this House on both sides of the aisle are patriotic Americans. If you were not, you would not be here today. But the point has to be made that we need the support of the Nicaraguan aid bill today if we are going to thwart what is happening in Central America tomorrow.

SPECIAL ORDER REQUESTS

The SPEAKER pro tempore. The Chair will take special order requests. Is there any Member in the House who requests a special order?

Mr. BURTON of Indiana. Mr. Speaker, I have requested a special order of an hour later today, but I think that the Committee on Rules will be coming back prior to the conclusion of my remarks. So would it be in order to wait and take my special order at the conclusion of business today?

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Speaker, I was going to request a 5-minute special order, if the gentleman will yield for that purpose.

The SPEAKER pro tempore. The gentleman's rights will be protected.

The Chair recognizes the gentleman from Massachusetts [Mr. FRANK].

GRAMM-RUDMAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. FRANK] is recognized for 5 minutes.

Mr. FRANK. Mr. Speaker, we are going to begin a process today known as the "I didn't mean it when I voted for Gramm-Rudman parade." We have a majority of the Members in this body who voted for Gramm-Rudman. But apparently the text of Gramm-Rudman which was available at the time was in some language other than English because we have Members on this floor and in this body who voted for Gramm-Rudman who would now have us believe that they did not know what was in it.

I counted up as of yesterday 22 bills had been filed to undo parts of Gramm-Rudman.

Now, some people voted against that particular piece of legislation and, quite consistently, we are trying to either repeal or amend it. But I am fascinated by the parade of our colleagues, who, having voted for it, and then having gone home and found their voters and constituents did not necessarily think it was a good idea, have now come back and are seeking exceptions to it.

We were told that the beauty of Gramm-Rudman was it did not allow exception, it was across the board, it generated pressure.

Well, it generated pressure, all right. It generated so much pressure that some of those who voted for it have wilted early on. And I have to say that if people are wilting in the cold of February and March, I expect that we are going to have a mass wilt come the thaw which we will see in May.

We have had a whole series of bills filed by Members who apparently want to go back to their constituents and say, "When I voted for Gramm-Rudman, of course I did not mean you." That I think will go down with "the check is in the mail" and some other famous sayings as a maxim that I think will not command total credibility.

Today we are going to have this with regard to the dairy program. Gramm-Rudman was supported and many of them who voted for it now want to make a special exemption for dairy, among other things, and they want to make a special exemption, Members should be aware, which goes directly contrary to what the President has said. Under the Gramm-Rudman provisions of dairy now, the rice support paid out by the Treasury to dairy farmers is to be reduced by 4.3 percent. We are told, by the way, by advocates of the program, that 4.3-percent reduction, in a program of $1.8 billion, will cost the farmers $350 million. Now, 4.3 percent of $1.8 billion is not $350 million. What they mean is that it will also cause the price to drop, which some of them think is a bad thing, some of us think is a good thing. But, in addition, what they want to do is to increase the tax you pay for the privilege of being a dairy farmer in America.

Right now, if you are a dairy farmer, whether or not you are a participant in this program, whether or not you get any subsidy payments back, you pay a tax for the privilege of dairy farming, and some of our great free-enterprise-get-the-government-off-the-people's-backs conservatives, instead of having an expenditure reduction which they voted for in Gramm-Rudman, want to stop that and instead institute a higher tax on dairy farming.

Mr. GUNDERSON. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I will be glad to yield to the gentleman from Wisconsin to explain the virtues of increasing the tax on dairy farming.

Mr. GUNDERSON. Well, first of all, I think we always try to use words directly or indirectly around here, but I think it has been very clear time and time again that whenever we have asked for a definition from the Parliamentarian on the assessment, it has never been ruled a tax, and I do not think we want to represent it as such. But I think we need to understand how the assessment issue has come before us.

Mr. FRANK. In response to the gentleman, it is a tax. The President is right, if you want to raise taxes on people—and that is a legitimate thing to do; I want to raise some taxes in some areas—we should not weasel around. This is something you have to pay, if you want to be a dairy farmer, you have got to pay this into the Fed-

eral Treasury, and it does not make any difference whether you are getting anything in return or not.

The gentleman can call that an assessment, he can call it anything he wants, but I think people will understand it as a tax. We have jurisdictional questions here about whether or not it has to go to Ways and Means, but that does not mean that a payment levied on everybody who performs—and, as a matter of fact, I think most economists, almost all economists, would agree this is an excise tax on the privilege of farming, you would pay an annual amount if you want to be a dairy farmer.

Mr. GUNDERSON. Mr. Speaker, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. What was the price support for milk in 1980, does the gentleman recall, when he and I arrived in the Congress?

Mr. FRANK. I did not arrive until 1981. The gentleman might have gotten a head start on me.

Mr. GUNDERSON. Well, 1981.

Mr. FRANK. Well, as I remember, then it was about $13. It was producing about a $3-billion program. We have whittled that to $1.8 billion. We continue to pay people.

Mr. GUNDERSON. No, wait a minute. Will the gentleman yield further?

Mr. FRANK. I will be glad to yield.

Mr. GUNDERSON. Correct me if I am wrong. The price on January 1, 1981, when we arrived in Congress, was $13.10 for a hundredweight of milk.

Mr. FRANK. Right, I said about $13.

Mr. GUNDERSON. The price support for milk today is $11.60 per hundredweight; is that correct?

Mr. FRANK. Yes. And under Gramm-Rudman, which the gentleman voted for, it is going to go down 50 cents.

Mr. GUNDERSON. Just a second. Can I continue? Would the gentleman yield further so I can continue?

Mr. FRANK. Yes.

Mr. GUNDERSON. That means that we have gone from $13.10 to $11.60, which is about $1.50 price cut in the support price for milk.

Mr. FRANK. Right.

Mr. GUNDERSON. Is that correct?

The SPEAKER pro tempore. The time of the gentleman from Massachusetts [Mr. FRANK] has expired.

COMMEMORATING THE CENTENNIAL CELEBRATION OF KANSAS CITY, KS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Kansas [Mrs. MEYERS], is recognized for 5 minutes.

Mrs. MEYERS of Kansas. Mr. Speaker, today, Thursday, March 6, 1986, marks the centennial celebration of the birth of Kansas City, KS, a city of nearly 170,000 at the junction of the Missouri and Kansas Rivers.

The legacy of Kansas City, KS, is a chronicle of greatness—of great achievements, of great problems overcome by a great people who came from throughout the world to build that city and contribute so much to the American way of life.

From the time Lewis and Clark explored there in 1804, the history of Kansas City, KS, is very rich.

The Chouteau trading post; Moses Grinter's ferry across the Kansas River between Fort Leavenworth and Fort Scott; the great Indian tribes of the Wyandots, the Delawares, and the Shawnee; Quindaro, an entry point to Kansas for black slaves escaping on the underground railroad; Freedman's University, founded by the African Episcopal Methodist Church; the Union Pacific and Santa Fe Railroads; the Argentine smelter, once the world's largest smelter of silver, gold and lead; the Billy Mitchell B-25 Bomber built in Kansas City, KS, during World War II; the devastating 1951 flood; Procter & Gamble; General Motors; meatpackers like Armour, Cudahy, Swift, and Wilson; and former U.S. Senator Harry Darby—all are part of the fabric of Kansas City, KS.

Today, as we commemorate the 100th anniversary of Kansas City, KS, we honor those who went before us paving the way for the future, and living the words of the Kansas motto, "Ad Astra Per Aspera," to the Stars through difficulties.

Citizens of Kansas City, KS, I am privileged to represent you in the Congress of the United States.

UNITED STATES SHOULD BETTER SAFEGUARD ITS TECHNOLOGIES AND ITS JOBS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 5 minutes.

Mrs. BENTLEY. Mr. Speaker, yesterday morning, I heard a radio news report in which Prime Minister Nakasone stated his intention to send a delegation to the United States to discuss whether Japan will participate in the strategic defense iniative [SDI]. From the report, it appeared the Japanese were hesitant to join us in developing SDI.

Such restraint by the Japanese would be a refreshing change. I find it hard to believe. Imagine the Japanese not taking part in state-of-the-art research of optics, lasers, and related technologies.

Does anybody in this Chamber really believe the Japanese would cede a technological advantage to us in a field as key as "light" research. It has already been suggested by some that subatomic research in this area may hold the answer to the development of the next generation of computers.

Obviously, the Japanese must be trading on their reluctance to improve their bargaining position. From their standpoint, this must be quite logical. The United States has had a consistent history of shooting itself in the foot when it comes to arms length negotiations with the Japanese on trade.

Please consider that in 1977 the United States entered into a coproduction agreement with Japan for F-15's. In just 7 years, the Japanese have taken the knowledge, and, are now making top quality commercial jets. And, the U.S. share of the world market has dropped.

Last fall, the United States licensed the Patriot missile to Japan. I leave it to your imagination what they can do in 7 years in the commercial arena with that technology.

But the Japanese are our allies. They would never do anything to hurt us. I'm sure Caesar would have wished to have friends as loyal as our allies.

For far too long the United States has been blinded to trade inequities because a country is labeled an ally. The harsh realities are: Last year the United States had a $150 billion trade deficit—$50 billion of which was with the Japanese.

Do you know how many jobs that represents?

Can you imagine how our economy would flourish if the $150 billion trade deficit were infused into the U.S. economy? The deficit would drop. Interest rates would drop. Employment would go up. Everything we are trying to achieve by Gramm-Rudman.

And yet, our Government follows every policy that encourages our allies to invade our markets. The invasion does not stop with cars, stereos, and clothes, but extends to the core of our defense industrial base.

What does this mean in real terms? In terms of employment? It means that since 1980 34,200 Americans have lost their jobs to foreign competition—mostly at the hands of our loyal allies, the Japanese.

We, the Congress, cannot place the blame totally on the administration; the Congress passed the Trade Agreements Act of 1979. It is this bill that has given our allies so many advantages over our companies.

We, the Congress, need to look seriously at this bill and the 1982 NATO Treaty. We, the Congress, need to assure that our companies will be able to compete evenly with foreign government-assisted firms. We, the Congress, need to ask the President to review favorably the 232 petition of the machine tool industry. We, the Congress, need to make sure that the United States stops giving away the technology that will create tomorrow's jobs.

□ 1315

INTRODUCTION OF LEGISLATION TO ESTABLISH A U.S. TRADE DATA BANK

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR], is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, last month's trade deficit hit an all-time monthly record—$16 billion more foreign imports on our shores than our exports out—more jobs lost in America. The administration says "* * * better days are ahead." Well, when it comes to forecasting trade deficit trends, this administration's shooting record is abysmal.

Last May, when the first quarter numbers showed a then record trade imbalance, they said, "it will get better." It hasn't. Last summer, when the President unveiled the administration's trade initiative, he said his plan would do the trick. It didn't. Last fall, after the Secretary of the Treasury intervened in international markets to bring down the value of the dollar, we were told foreign imports would ease up on our shores, they didn't. The only thing that will work is a comprehensive trade policy which sees the international marketplace as it is, not as it is theorized in 50-year-old textbooks. But we don't have sufficient intelligence for the battle ahead.

Today, I am introducing legislation which would establish a U.S. Trade Data Bank. The Nation needs to cut through all the rhetoric and crystal ball visions about what is happening to us and measure the hard facts as they are, so that we can move, we can move on to a trade policy that works for Americans for a change. At least, we must do as good a job at measuring the impact of what is happening in our marketplace as other nations do.

ORDER OF BUSINESS

Mr. GUNDERSON. Mr. Speaker, I ask unanimous consent to take my 5-minute special order now.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

DAIRY PRICE SUPPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. GUNDERSON] is recognized for 5 minutes.

Mr. GUNDERSON. Mr. Speaker, I appreicate the opportunity to address the House to continue on with the discussion which I was having with my good friend and colleague from Massachusetts earlier.

I think it is very important that when people discuss the whole issue of dairy that is in front of this Congress for the last week, first and foremost, will someone please tell the Washington Post and everyone else that dairy is not trying to escape the impact of Gramm-Rudman; they are trying to do just the opposite.

What we are trying to do is find a way in which dairy can truly contribute to the savings requried by the dairy industry under Gramm-Rudman and that we come up with the $80 million in savings under the Dairy Price Support program.

Second, I think it is very important for all of those colleagues of mine who come from urban areas to understand that when we look at this issue and how Dairy will try to comply with its required savings under Gramm-Rudman, we are not talking about a price increase or a price decrease for the consumer. The fact is, in 1981 we had a price of $13.10; today, we have a support price of $11.60, a $1.50 cut in the support price for 100 pounds of milk. The fact is the price of milk in the supermarket has not gone down. If anything, it has gone up.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. GUNDERSON. I yield to the gentleman.

Mr. FRANK. I thank the gentleman for yielding.

Mr. Speaker, the gentleman is a more sophisticated economist than that. There are no single-factor explanations for any price. It seems to me very clear, and the gentleman subscribes to these principles elsewhere. The gentleman from Vermont, who is a distinguished authority on dairy and a great advocate of dairy said himself on the floor of the House last week, it is in the CONGRESSIONAL RECORD of last Thursday, that if the Gramm-Rudman provision goes in to effect as written, the Government lowers the support price, that will tend to lower the price that everybody pays for milk.

That will have a somewhat downward trend. There are other factors, but in and of itself it has a downward trend on price.

Second, we have the fact that if you increase the assessment that every dairy farmer has to pay, you are increasing the cost of producing milk.

Finally, I would just make this point. If you take a 4.3-percent reduction, it costs the Government less than $350 million because 4.3 percent of a $1.8 billion program is not $350. The gentleman is saying that if you do that 4.3 reduction, it will cost the dairy farmers $350 million. apparently that is because they anticipate some loss in revenue to the dairy farmers other than the Government support, that is, from prices declining.

The gentleman from Vermont said himself on the floor last week, if the Government cuts the support price that will tend to put a downward pressure on the price everybody else pays for milk as well.

Mr. JEFFORDS. Mr. Speaker, will the gentleman yield?

Mr. GUNDERSON. I yield to the gentleman.

Mr. JEFFORDS. I think either I was cut off in mid-sentence. What I either would have said or have always said and will say again here, however, that has never happened.

What has happened is that that decrease in price has been absorbed by the processors and the retailers and the wholesalers and everybody along the chain. If you take a look at what has happened, and let us remember that the dairy farmers in this country have taken already a 12-percent cut in the product of which none, to my knowledge, at least in my area, has been passed on to consumers. They are now going to, with this provision passing, there would be a total of 16 percent. The likelihood of that would require something which has never occurred in the history of of the Milk Marketing Program and that is to have that passed on to the consumers.

The only time it has ever been passed on has been when the price was cut by some $2 or $3, in which case a little bit of it passed on. The statistics are very clear on that; the charts are very clear on that. Any analyst will tell you that. In fact, even in the areas that you would expect it to go down it has not gone down.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. GUNDERSON. I yield to the gentleman.

Mr. FRANK. I am again struck by the argument of some of my good friends that none of the normal rules of economics that most of us believe in apply to agriculture. Of course there are no single factor influences, but to argue, and it is true, that prices are sometimes stickier on the downside than on the upside.

I did not say that reducing the support price in and of itself causes a drop right away; it exerts downward pressure. The notion that the middlemen are always going to take it up and the processors, some of that happens, but some of it hits the consumer.

It is always the argument of those who are looking for more money for their group that, well, even if you lower the price, none of it will ever get to the consumer. To argue, as it sounds to me my friends are arguing, that the level of the support price that the Government pays is irrelevant to the price of the commodity simply does not comply with economic reality, and everybody knows that.

I would say here that I wish my friends on the other side of the aisle showed a little more Republican fealty on this. Go reread the Council of Economic Advisors; listen a little more to

the Reagan administration economists because they know I am right and you are wrong.

PROVIDING FOR CONSIDERATION OF H.R. 4306 REVISING TERMS OF CERTAIN AGRICULTURE PROGRAMS

Mr. DERRICK, from the Committee on Rules, reported the following privileged resolution (H. Res. 391, Report No. 99-485), which was referred to the House Calendar and ordered printed:

H. RES. 391

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of Rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4306) to revise the terms of certain agricultural programs, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of section 401(b)(1) of the Congressional Budget Act of 1974, as amended (Public Law 93-344, as amended by Public Law 99-177) are hereby waived, and all points of order against the bill for failure to comply with the provisions of clause 5(a) of Rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be considered for amendment under the five-minute rule, and each section shall be considered as having been read. It shall be in order to consider an amendment to the bill, if offered by Representative Coelho of California, inserting the text of the amendment in the nature of a substitute recommended by the Committee on Agriculture to, and now printed in, the bill H.R. 4188, said amendment if offered shall be considered as having been read, and all points of order against said amendment for failure to comply with the provisions of clause 5(a) of Rule XXI are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 4306, it shall be in order, any rule of the House to the contrary notwithstanding, to consider a motion in the House, if offered by the chairman of the Committee on Agriculture or his designee, to take from the Speaker's table the bill H.R. 1614, with the Senate amendments thereto, to concur in the Senate amendment to the title, and to concur in the Senate amendment to the text with an amendment inserting in lieu thereof the text of H.R. 4306 as passed by the House.

□ 1325

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 391 and ask for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution.

The SPEAKER pro tempore. The question is, Will the House now consider House Resolution 391?

So, (two-thirds having voted in favor thereof) the House agreed to consider House Resolution 391.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Missouri [Mr. TAYLOR], pending which I yield myself such time as I may consume.

Mr. Speaker, the rule before the House is an open rule providing for 1 hour of general debate on H.R. 4306. The rule waives section 401(b)(1) of the Congressional Budget Act against the consideration of the bill and clause 5(a) of rule XXI against the bill itself.

Section 401(b)(1) of the Budget Act prohibits the consideration of any bill which would make new entitlement spending authority available during the fiscal year in which it is considered. Because certain provisions of the bill would modify existing law to allow for increases in payments to farmers during the current fiscal year the bill is in technical violation of section 401(b)(1) and the waiver is necessary in order that the House may consider this urgent legislation.

Mr. Speaker, while it is true that the Budget Act had to be waived in order for the House to consider this bill, I should make the point that the committee only agreed to the waiver after giving due consideration to the cost effects of the bill. According to the Congressional Budget Office, the legislation made in order by the rule actually saves the Federal Government a significant amount of funds over the next several years. Inclusion of the Budget Act waiver will actually result in savings and so granting the waiver cannot be construed to be a budget-busting action.

Clause 5(a) of rule XXI prohibits the inclusion of appropriations in authorizing legislation. Again, H.R. 4306 would make funds available for expenditure by the Department of Agriculture and so the bill is in technical violation of this provision.

The rule before the House also makes it in order for Representative COELHO to offer an amendment to the bill and waives clause 5(a) of rule XXI against it. The amendment would consist of the text of the amendment in the nature of a substitute which the Committee on Agriculture recommended to the House in its report to accompany H.R. 4188. That amendment is now printed in H.R. 4188. The text of that amendment provides for an alternative method by which program savings required under the Balanced Budget and Emergency Deficit Control Act of 1985 are to be achieved in the dairy price support activities of the Department of Agriculture.

The amendment would freeze the price support level for dairy products at the level which was in effect before the Presidential sequestration order became operative and provides instead for an increase in assessments imposed on dairy farmers. The amendment the gentleman from California will offer is designed to be deficit neutral. Because assessed funds are deposited into the Commodity Credit Corporation fund and are subsequently available for expenditure, the increase in the assessment rate constitutes an appropriation and would normally not be in order if offered to authorizing legislation.

The rule also provides for one motion to recommit.

Finally, Mr. Speaker, the rule makes it in order to consider a motion to take H.R. 1614 with the Senate amendments from the Speaker's table, to concur in the Senate amendment to the title, and to concur in the Senate amendment to the text with an amendment. The House amendment will consist of the text of H.R. 4306 as passed by the House. The motion may be offered by the chairman of the Committee on Agriculture or his designee. H.R. 1614 was the wheat referendum bill which the House passed last June. This morning, the other body attached S. 2143, the Food Security Act Amendments of 1986, to H.R. 1614 and sent it back to the House.

Mr. Speaker, I would defer to my colleagues on the Committee on Agriculture to explain the details of the bill before us. It is important that the House consider the bill at this time in order that our Nation's farmers may be apprised of the programs which are to be available that affect their operations.

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution is an open rule providing for floor consideration this afternoon on vital and necessary farm program adjustment legislation. The rule provides a waiver of the Budget Act for the bill (H.R. 4306) and also waives clause 5(A) of rule XXI against consideration of the bill.

In addition, the rule makes in order a specific amendment relating to the dairy assessment program, to be offered by the gentleman from California [Mr. COELHO], and it provides a waiver of clause 5(A) of rule XXI against the Coelho amendment.

Mr. Speaker, the Committee on Rules reported this rule just a few minutes ago, without one dissenting vote. The procedure being employed here is absolutely necessary if the House is to make these adjustments as soon as necessary.

Mr. Speaker, this rule is supported by a broad, bipartisan coalition of members from the Committee on Agri-

culture, and was supported bipartisanly by the Committee on Rules.

This rule has one additional feature that I want to point out. After passage of H.R. 4306, the rule allows the House to consider a motion, if one is offered, by the gentleman from Texas [Mr. DE LA GARZA] the chairman of the Committee on Agriculture to take the bill, H.R. 1614, from the Speaker's table and to concur with the Senate amendment with an amendment consisting of the text of H.R. 4306 as passed by the House.

Mr. Speaker, this hookup provision with the bill at the Speaker's table is designed to get the issue over to the other body this week with a goal of final passage in the immediate future.

Mr. Speaker, I will not take the full amount of time to explain the provisions of 4306, except to say that time is of the essence on this, since the signup of the dairy whole herd buyout program ends today and part of the bill, H.R. 4306, extends that for another 30 days, which is necessary because the regulations have not been disseminated out to the local ASCS offices for full explanation.

I do want to conclude my remarks by reminding the Members that this rule is being considered today only because we have already voted by two-thirds or better to consider it.

I support this rule, as did all the members of the Committee on Rules, and I support enactment of the bill, H.R. 4306, as well as the amendment of the gentleman from California [Mr. COELHO] made in order by this rule.

Ordinarily the Rules Committee does not move as quickly on bills as we did today. However, I do want to point out that the amendment made in order by this rule is nearly identical to the bill, H.R. 4188, for which the Rules Committee granted a rule last week. That bill has not yet been called up for consideration, and this rule will at least allow the House to consider the matter.

So I think it is important that this rule be passed.

Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman from Missouri for allowing me to take a few minutes to discuss this quickie rule that we have before us. The gentleman is correct that we do not often get one out here this quickly from the Rules Committee. I think we might want to consider what is in it.

We had a discussion here a few minutes ago where the majority leader came to the floor and told us that when it comes to spending, the acid test was on a bill that was raising spending in several programs by over $4 billion and was raising or was doing things about deficit by raising revenues and that was the acid test.

Well, I would say to the gentleman from Texas and the rest of the Members here, this bill is more of an acid test, because right here what we are doing is we are bringing up a rule out here quickly out of the Rules Committee that does as the first thing is waives the Congressional Budget Act, section 401(B)(1). What section 401(B)(1) says is that you cannot create new entitlement authority after the fiscal year begins. That is a fairly serious matter that we are talking about here. We are talking about being into a fiscal year and now Congress is going to come along, bust the budget by creating new entitlement authority after the fiscal year is underway. That is a very, very serious violation of the Budget Act that we are simply waiving here this afternoon in the quickie rule. Not only are we busting the budget, knowingly so, said so right in the rule, not only that, but then we are appropriating the money, in violation of the rules of the House, in order to bust the budget.

We are saying that we are going to waive clause 5(A) of rule XXI which says that you cannot appropriate in a legislative bill; so we simply come out with a waiver on that one, too.

So here is what we are doing. We are saying, throw out the Budget Act, bust the budget, and then go ahead in violation of the rules of the House and spend the money in a legislative bill.

This is how deficits take place, my friends. Whether you like this bill or do not like the bill, the problem is, this is a deficit problem and we are making the determination about whether we are going to do anything about deficits in what we do in this rule.

Let me talk just a moment or two on the merits of the bill. We have a dairy provision coming out here which has wide support within the dairy community, but I will also tell you that it has some real opposition in the dairy community. There are many, many dairy farmers who feel that the idea of having a price drop rather than increased assessment is the direction they would like to go, that they do not want any kind of increased assessment.

In fact, it is my understanding that in their meeting that has been taking place in town recently, the American Farm Bureau has come out against the assessment.

So you have a very large block of farmers in this country, including a large block of dairy farmers, who do not think that this bill is right on the merits; but particularly since that particular organization, one of the biggest organizations in the country, supports the balanced budget concept, I think that those farmers would be appalled by the fact that we are going to take up this bill under a provision that busts the budget, knowingly, and then appropriates the money in a manner which is contrary to the rules of this House in order to get it.

I would ask the Members of this House to vote against this budget-busting rule.

Mr. DERRICK. Mr. Chairman, I just say to the gentleman from Pennsylvania [Mr. WALKER], the gentleman was commenting about how quick the Rules Committee operated on this particular rule, and I just tell the gentleman that we get better with age.

Mr. Speaker, for purposes of debate only, I yield 4 minutes to the gentleman from Virginia [Mr. OLIN].

Mr. OLIN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in opposition to the rule and I rise in opposition to the bill that is before us in its present form.

We have got a rule before us, Mr. Speaker, that is interesting. It brings before the House some very noncontroversial provisions that relate to yields and acreage and so on that should be passed. They are very valid. They are needed badly.

The bill takes out of itself all the dairy provisions that are controversial, and it is interesting; but then the rule allows these dairy provisions to come back in and be offered by the committee and voted on, except that the committee also has the option, if they want to use it, of not bringing up the amendment, but going right to the Senate version.

Well, the Senate yesterday passed a bill which includes the provisions of H.R. 1403 and also includes all the controversial dairy provisions. If we move directly to consider the Senate bill as a whole, we are not going to have to look at those dairy provisions.

I understand that the gentleman from Massachusetts has been permitted to put in one amendment which relates to the dairy tax, and that is good. I am glad that is in there.

□ 1340

But there is another provision in the Senate bill which I would like to call to your attention which we are not going to get a chance to vote on, and it is unfortunate because that provision, and I am going to talk about it, vastly changes the intent of the farm bill. It is not a technical amendment; it changes the basic intent of the farm bill.

In the farm bill, there is a provision for the first time in 49 years to consider in the milk marketing orders the payment to dairy co-ops for milk handling, and the provisions are that the Secretary is to hold hearings. If the hearings seem to indicate that an adjustment in these milk-handling charges are justified, he is permitted to move on that and establish them.

This bill that we are considering, the Senate bill that will finally come up here and we are not going to have a chance to vote on, the Senate bill for the first time in 49 years takes this thing in the farm bill which is a trial and error thing, we do not know how it is going to work; therefore, we gave the Secretary discretion and we did not make it mandatory, this bill is going to say to the Secretary that if anyone makes a request that these milk-handling charges be allocated to co-ops. and they get allocated before the milk price is set, they come right off the top. If anybody makes a request, the Secretary is obliged to hold hearings and within 60 days after he holds the hearings, he is obliged to enact a regulation that sets the price of these milk-handling charges.

There is a great suspicion that this is a very, very self-serving scheme for certain large co-ops that do milk handling, that produce the lion's share of their market to sell the product to the Government, and this could very well turn out to be the scandal of all time if we let it go through.

This bill does not allow that provision. If the chairman moves to adopt the Senate provision, it does not allow that provision to be voted on. It is in the package.

I think the bill, the rule is ill-conceived. You have a tax in this bill that should not be enacted. And incidentally, on that tax, this has not come out here yet, but the dairy people that have been talking about this for the last week claim that the dairy industry is going to go under if we cut the support price.

Let me just tell you that the American Farm Bureau, which is certainly a responsible agricultural organization, has reviewed that subject. They are opposed to adding the tax. They are in favor of lowering the support price, as we should, because they know that in the long run, that is going to be better policy.

This rule is going to get these controversial, improper dairy provisions finally adopted today if we do not vote something down here. We need to vote down the rule, and if these provisions are still in the bill when we finally get the bill, we ought to vote down the bill. This is coming up improperly and it is at the last minute.

I urge my colleagues to vote this rule down so that we can start over again and do it right.

Mr. TAYLOR. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Speaker, I rise in support of this rule. Contrary to what the gentleman who just preceded me in the well said, we cannot start over. We have been begging and yelling around here for a week that we have to get this issue resolved, not only for dairy, but for the nonprogram crops, for the signup for the program crops and everything else. We cannot stand up here and delay and delay and delay and say probably tomorrow everything will be perfect and ideal. Anybody who is a part of a legislative process knows that this is not how you work, and I cannot help it that the gentleman from Virginia [Mr. OLIN] has lost the philosophical debate on the farm bill. We fought all of that in 1985, we fought that issue in subcommittee and he lost. We fought that issue in the full committee and he lost. We fought that issue on the floor of the House and he lost. We fought that issue in the conference committee, and he was there, and he lost. And I cannot help that, but that is the majority will of the Congress of the United States. He has every right to make a statement, but he does not have every right to stop the entire Farm Program from working simply because he did not get his way.

What we are dealing with in the legislation that is before us, that will come up in this rule is legislation that, No. 1, is technical language to make various changes in the farm bill. Second, it is the legislation we have been in an acrimonious debate over here in the House for the last week dealing with how dairy will meet Gramm-Rudman.

I would suggest again that the problem there is not with dairy, that dairy should not meet Gramm-Rudman. Dairy ought to have the same savings in Gramm-Rudman that every element of the Federal Government has. The problem is that the Gramm-Rudman conference report defines dairy as a crop, and anybody who understands milk knows milk is not a crop. So we are trying to change that particular provision as to how we achieve the savings.

The truth is we are going to achieve more savings under this legislation for Gramm-Rudman than we would under any other alternative.

I do not like budget waivers. I have never voted for rules that deal with budget waivers. But I think it is important that my Republican colleagues understand that the Republican leadership supports this rule. The Republican leadership wants this legislation to come up. That is very important that we understand that because we are not spending money. The legislation that deals with technical amendments in the farm bill is revenue-neutral. The legislation that deals with Gramm-Rudman is actually saving the Government money, so we are not spending any money.

The only reason we are even dealing with waivers is because we are trying to bring this bill up in an expeditious fashion. I counsel my colleagues on both sides of the aisle to understand what we are doing and what we are not doing. I apologize to my colleague from Virginia that he lost the debate on the farm bill, but I will assure him we are not debating the farm bill today. The policies of assessments, whole-herd buyouts, differentials which your area benefits from, marketwide service markets, which your area benefits from, and everything else that was all decided in the farm bill, we are not debating those issues today. Let us get on with the issue at hand.

The farmers of this country are getting a little bit impatient with this Congress which debates, debates, and debates and never gets the programs in place in order so that the farmers of this country can start doing what they are wanting to do, and that is farm.

I yield back the balance of my time.

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. GUNDERSON] yields back 2 minutes.

Mr. TAYLOR. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. SCHUETTE].

Mr. SCHUETTE. Mr. Speaker, I rise this afternoon in support of the rule and I rise in support of the Michigan bean industry, Michigan's pride.

A key element of the debate and the discussion is the correction in a technical amendment to the 1985 farm bill to help people in agriculture across this country. Today is March 6. The signup date has been delayed. We need in this body to act. We need in this body to permit people in agriculture, men and women, families, the opportunity to make business decisions.

The time to act is now. The other body has acted. We in this body have an opportunity to act as well.

We need to remove the cloud of uncertainty so that farmers who are business people, men and women in agriculture, can make decisions. We cannot inject partisan politics. We need to make sure we are working as one in unison to help American agriculture.

The driving industry in Michigan, nonprogram crops, vegetables, popcorn, sweet corn, this rule would provide that we can ensure that we do not have a surplus and a glut of products impacting already depressed prices in American agriculture. Indeed, there are other measures that this rule would provide to help the very difficult times in the dairy industry. The clocks are running. Today is March 6, and as my colleague, the gentleman from Wisconsin, stated, the time to act is now to make sure that we provide farmers the opportunity to make wise and reasoned decisions after the delay, unfortunately, we have seen here to date.

I would encourage my colleagues on both sides of the aisle to make sure we give this hand to help Government which has been the culprit, Government which in many instances has en-

couraged, aided and abetted the difficulties that farmers today in America are experiencing. So it is our responsibility and it is our effort this afternoon to assure that we lend this hand, lend a hand to make sure that we correct those problems facing American agricultural producers today.

I urge you to vote in support of the rule and I yield back the balance of my time.

□ 1350

Mr. TAYLOR. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. STANGELAND].

Mr. STANGELAND. Mr. Speaker, Members of the House, I rise in support of this rule; however, somewhat reluctantly. I would have much preferred that we could have passed the bill here on the floor that the House committee passed. However, I think in the essence of time, and time is running out, we have to be able to pick up the Senate-passed bill, pass it here, and send it down to the White House.

To do otherwise is going to delay some programs that we need very badly that are in this bill and certainly that time is of the essence, because it means a tremendous loss of income in the agricultural sector, a sector that cannot at this point in time stand any further loss in income.

So I would hope that we would pass this rule; that we would pass the bill, and move on to the business at hand.

Mr. TAYLOR. Mr. Speaker, I have no further requests for time, and yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. OLIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 344, nays 57, not voting 33, as follows:

[Roll No. 42]

YEAS—344

Akaka	Bedell	Borski
Alexander	Beilenson	Bosco
Andrews	Bennett	Boucher
Annunzio	Bentley	Boulter
Anthony	Bereuter	Boxer
Applegate	Berman	Breaux
Aspin	Bevill	Brooks
Atkins	Biaggi	Broomfield
AuCoin	Boehlert	Brown (CO)
Badham	Boggs	Bruce
Barnes	Boland	Bryant
Barton	Boner (TN)	Burton (CA)
Bateman	Bonior (MI)	Burton (IN)
Bates	Bonker	Bustamante
Byron	Hopkins	Pashayan
Callahan	Horton	Pease
Carper	Howard	Penny
Carr	Hoyer	Pepper
Chandler	Hubbard	Perkins
Chapman	Huckaby	Petri
Chappie	Hughes	Pickle
Clay	Hutto	Porter
Coats	Hyde	Price
Coelho	Jacobs	Pursell
Coleman (TX)	Jeffords	Quillen
Combest	Jenkins	Rahall
Conte	Johnson	Rangel
Conyers	Jones (NC)	Regula
Cooper	Jones (OK)	Reid
Coughlin	Jones (TN)	Richardson
Courter	Kanjorski	Ridge
Coyne	Kaptur	Rinaldo
Craig	Kasich	Ritter
Crockett	Kastenmeier	Roberts
Daniel	Kemp	Robinson
Darden	Kennelly	Rodino
Daschle	Kildee	Roe
Davis	Kindness	Rogers
de la Garza	Kleczka	Rose
Dellums	Kostmayer	Roukema
Derrick	Kramer	Rowland (CT)
DeWine	LaFalce	Rowland (GA)
Dickinson	Lantos	Russo
Dicks	Leach (IA)	Sabo
Dingell	Leath (TX)	Savage
Dixon	Lehman (CA)	Saxton
Donnelly	Lehman (FL)	Schaefer
Dorgan (ND)	Leland	Scheuer
Dowdy	Lent	Schneider
Downey	Levin (MI)	Schroeder
Duncan	Lewis (FL)	Schuette
Durbin	Lightfoot	Schumer
Dwyer	Lipinski	Seiberling
Dymally	Livingston	Sensenbrenner
Dyson	Lloyd	Sharp
Eckart (OH)	Loeffler	Shelby
Eckert (NY)	Long	Sikorski
Edwards (CA)	Lott	Siljander
Edwards (OK)	Lowry (WA)	Sisisky
Emerson	Lujan	Skeen
English	Luken	Skelton
Erdreich	Lundine	Slattery
Evans (IA)	MacKay	Smith (FL)
Evans (IL)	Madigan	Smith (IA)
Fascell	Manton	Smith (NE)
Fazio	Markey	Smith (NJ)
Feighan	Marlenee	Smith, Robert (OR)
Fiedler	Martin (IL)	Snowe
Fish	Martin (NY)	Snyder
Flippo	Martinez	Solomon
Florio	Matsui	Spence
Foley	Mavroules	Spratt
Ford (MI)	McCain	Stallings
Ford (TN)	McCloskey	Stangeland
Frank	McCurdy	Stark
Franklin	McDade	Stenholm
Frenzel	McEwen	Stokes
Frost	McHugh	Stratton
Fuqua	McKernan	Studds
Gallo	McKinney	Sundquist
Garcia	Mica	Sweeney
Gaydos	Michel	Swift
Gejdenson	Mikulski	Swindall
Gephardt	Miller (CA)	Synar
Gibbons	Miller (OH)	Tallon
Gilman	Miller (WA)	Tauke
Gingrich	Mitchell	Taylor
Glickman	Molinari	Thomas (CA)
Gonzalez	Mollohan	Thomas (GA)
Gordon	Montgomery	Torres
Gradison	Moody	Torricelli
Gray (IL)	Moore	Towns
Gray (PA)	Morrison (CT)	Traficant
Gregg	Morrison (WA)	Traxler
Guarini	Mrazek	Udall
Gunderson	Murphy	Valentine
Hall (OH)	Murtha	Vander Jagt
Hall, Ralph	Natcher	Vento
Hamilton	Neal	Visclosky
Hammerschmidt	Nelson	Volkmer
Hatcher	Nichols	Walgren
Hawkins	Nielson	Watkins
Hayes	Nowak	Waxman
Hefner	Oakar	Weaver
Heftel	Oberstar	Weber
Hendon	Obey	Weiss
Henry	Ortiz	Wheat
Hertel	Owens	Whitehurst
Hiler	Oxley	Whitley
Holt	Panetta	Whittaker
		Whitten
		Williams
		Wilson
		Wirth
		Wise
		Wolf
		Wolpe
		Wortley
		Wyden
		Wylie
		Yates
		Yatron
		Young (AK)
		Young (MO)

NAYS—57

Anderson	Fawell	Olin
Archer	Fields	Packard
Armey	Gekas	Parris
Bartlett	Goodling	Roemer
Bilirakis	Green	Shaw
Bliley	Hansen	Shumway
Brown (CA)	Ireland	Shuster
Broyhill	Kolbe	Smith, Denny (OR)
Carney	Lagomarsino	Smith, Robert (NH)
Cheney	Lewis (CA)	St Germain
Cobey	Lowery (CA)	Staggers
Coble	Lungren	Strang
Crane	Mack	Stump
Dannemeyer	Mazzoli	Tauzin
Daub	McCandless	Vucanovich
DeLay	McCollum	Walker
DioGuardi	McGrath	Young (FL)
Dornan (CA)	McMillan	
Dreier	Meyers	
Early	Moorhead	

NOT VOTING—33

Ackerman	Grotberg	O'Brien
Addabbo	Hartnett	Ray
Barnard	Hillis	Rostenkowski
Campbell	Hunter	Roth
Chappell	Kolter	Roybal
Clinger	Latta	Rudd
Coleman (MO)	Levine (CA)	Schulze
Collins	Mineta	Slaughter
Edgar	Moakley	Solarz
Foglietta	Monson	Wright
Fowler	Myers	Zschau

□ 1400

Mr. GINGRICH and Mrs. MARTIN of Illinois changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXPLANATION OF PROCEDURE WITH RESPECT TO THE FARM BILL

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, I take this brief time to explain to the Members that I am going to ask for a unanimous-consent request that we take from the Speaker's desk the Senate version of H.R. 4306 that encompasses most of what we try to do with the House bill, with the understanding and the commitment that we would have a separate vote on the dairy price reduction provision.

We take this route, Mr. Speaker, because of the urgency of the situation. I apologize to the membership for the changes in direction that have taken place in the last several days, only begging you to understand that democracy and freedom are not a disciplined process and representation of the people through a body such as ours is not an exact science.

Therefore situations change, forcing us to take expedient measures that we would, perhaps, rather not take; but

the critical situation in rural America is such that we have to do that.

What I will do in the unanimous-consent request is to bascially take from the Speaker's desk the Senate version that has most of the items which we have in the House bill with the exception of a couple. Then we can send the bill to the President immediately rather than go through the process of conference and further parlimentary procedures.

□ 1415

To those who still have an interest in certain provisions, we will have other vehicles. We will continue considering your concerns, and we will continue working with you.

Mr. KASTENMEIER. Mr. Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield.

Mr. KASTENMEIER. Mr. Speaker, one of my concerns with what the gentleman has in mind is that time is fleeting, and I know that it is important to pass an agricultural bill either in the Senate form or in the form that the gentleman's committee reported.

In terms of the dairy provisions, in terms of the signup provisions that you have in your bill, if they are not included, and they would not be if the Senate bill were substituted, we would not have the time to get those in any other vehicle before March 31. If we could devise a way, I would be more inclined to yield on such a unanimous-consent request, because I think they are essential, the March 31 signup date and the new base for those who participated in the diversion program in the dairy section, which is in the House bill and which is excellent.

Mr. DE LA GARZA. Mr. Speaker, the gentleman is correct on the need for quick action. We understand and we sympathize with the gentleman's concern.

The commitment that I have made generally I make specifically to the gentleman, that we will pursue other avenues. We still have unanimous-consent requests, and we still have suspensions. We will continue working beyond today to see what we can come up with.

We cannot cover all the items at one time and satisfy all of the Members who have concerns at one time. We have to go piecemeal, unfortunately and regrettably. But as the gentleman knows, we have worked with the gentleman and we will continue working with the gentleman, and I would hope that we would be allowed to take this one step in the direction all of us want to go, and continue with the other steps that we have to take.

Mr. KASTENMEIER. If the gentleman will further yield, one of the questions is whether the administration, the Department of Agriculture, can on its own authority do what the House version would have done by legislation. Now, if in fact it can, I would suggest, if the gentleman is willing and the minority is willing, that we insist by at least urgent letter form that the Department of Agriculture, if it does have authority, make those changes, because I think time otherwise will run out on us.

The SPEAKER pro tempore. The time of the gentleman from Texas [Mr. DE LA GARZA] has expired.

(By unanimous consent, Mr. DE LA GARZA was allowed to proceed for 30 additional seconds.)

Mr. DE LA GARZA. Mr. Speaker, to reply to the gentleman, I do not know if they have that authority, but I certainly would exert any influence that I have to urge them, if they do have that authority, certainly to do so. We will do everything that we can to encourage them so administratively. The gentleman has our commitment to do that by letter, by personal communication, or however the gentleman would suggest that we do it.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, I would like to ask two questions following up on the questions from the gentleman from Wisconsin [Mr. KASTENMEIER].

Mr. Speaker, is there any Member on the floor who can tell me whether the Department does have the authority to change the signup time, to move it back, since clear regulations are not even out yet, and to incorporate the other change on the calculation of the base for those who participated in the diversion program as you have in the House bill under the amendment offered by the gentleman from California?

The SPEAKER pro tempore. The time of the gentleman from Texas [Mr. DE LA GARZA] has again expired.

(By unanimous consent, Mr. DE LA GARZA was allowed to proceed for 30 additional seconds.)

Mr. DE LA GARZA. Mr. Speaker, I yield to the gentleman from California, the chairman of the subcommittee.

Mr. COELHO. Mr. Speaker, in answer to the question of the gentleman from Wisconsin, the answer is that the Department does have the authority to make those changes. So they could do it today if they wanted to.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman.

Mr. OBEY. Mr. Speaker, I ask the gentleman from California if the Department could make both of them?

Mr. COELHO. Both changes, they could make them today if they wanted to.

Mr. OBEY. What I would ask is, if we were not to interpose an objection, would the chairman of the committee and the rankiing member on the minority side of the committee be willing to join us in a letter to the administration, asking them to act to administratively accomplish those two changes?

Mr. DE LA GARZA. For myself, I would.

Mr. COELHO. For myself, I would.

Mr. JEFFORDS. Mr. Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Speaker, I would be happy to.

I believe the gentleman is absolutely correct. There might be some difference of opinion in the exact wording, but we ought to allow those diversion people to be able to participate in the program without penalty.

Mr. MADIGAN. Mr. Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Speaker, will the gentleman restate his question, please?

The SPEAKER pro tempore. The time of the gentleman from Texas [Mr. DE LA GARZA] has again expired.

(By unanimous consent, Mr. DE LA GARZA was allowed to proceed for 30 additional seconds.)

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, I thank the gentleman for yielding.

The gentleman from California has just indicated to me and to Mr. KASTENMEIER that the administration does have the administrative authority to move back the signup deadline for the whole-heard buy out and to effect the change in calculating the diversion base so that persons who participated in the diversion program have an opportunity to have that prior base considered as their base, and subsequently then make a lower bid.

Mr. Speaker, having received assurances from the gentleman from California that the administration has the authority to accomplish both of those changes, what I ask is, if we were not to interpose an objection to take up the Senate bill, would the gentleman from Illinois and the gentleman from Texas be willing to join us in a letter asking the administration to accomplish those two changes by administrative action, so that we do not have to object to trying to move this legislation along today?

Mr. MADIGAN. Mr. Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Speaker, I was just on the telephone with the Acting Secretary trying to accomplish that

and was cut off, and I then came back out here for this debate.

In the absence of being able to get that commitment from him on the telephone, I would be happy to join with the gentleman from Texas, the gentleman from California and others on such a letter.

Mr. COELHO. Mr. Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman.

Mr. COELHO. Mr. Speaker, I would just like to also inform the gentleman from Wisconsin that the Senate is also sending a letter as well in regard to this. They had confirmation that the Department does have the authority to do this. So they have joined and are unanimously doing it as well on that side, so it would fit in with what the gentleman wants to do.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, I appreciate that on the part of all of you, because, as you know, this is the most important decision some of those farmers are going to have to make in their lives, and they have to have some time to make that decision correctly.

Mr. DE LA GARZA. Mr. Speaker, I thank the gentleman. We appreciate the gentleman's concern and participation, and we will cooperate.

FOOD SECURITY IMPROVEMENTS ACT OF 1986

Mr. DE LA GARZA. Mr. Speaker, in lieu of proceeding under House Resolution 391, I ask unanimous consent that it shall be in order at any time for the Speaker to declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1614) with the Senate amendments thereto; that general debate thereon continue not to exceed 1 hour, to be equally divided and controlled by myself or by my designee and by the ranking minority member of the Committee on Agriculture or his designee; that the Senate amendment to the text be considered as having been read for amendment; that no amendment thereto be in order except one amendment, if offered by myself or my designee, to strike out section 9 and 10 of the Senate amendment, and that said amendment be debatable for not to exceed 1 hour, to be equally divided between myself or my designee and an opponent of the amendment; that after disposition of the amendment, the Committee shall rise and report the bill to the House with the amendment if adopted; that if the amendment has been adopted, the previous question be considered as ordered in the House without intervening motion on a motion to concur in the Senate amendment to the title and to concur in the Senate amendment to the text with the amendment adopted in the Committee of the Whole; that if the amendment has not been adopted, the previous question be considered as ordered in the House without intervening motion on a motion to concur in the Senate amendments; and that all points of order be waived against the Senate amendments, and the motions pertaining thereto made in order by this request, and against their consideration.

□ 1425

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. KASTENMEIER. Mr. Speaker, reserving the right to object, based on the assurances of the gentleman from Texas and the gentleman from Illinois, and based on the colloquy entered into with the gentleman from Wisconsin [Mr. OBEY], I will not object, but it is entirely based on that premise, and I appreciate the assurances given.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. OBEY. Further reserving the right to object, Mr. Speaker, I would simply like to join with my colleague, the gentleman from Wisconsin [Mr. KASTENMEIER], in indicating that I am very reluctant not to object because I do not have a lot of confidence that, frankly, the administration will do what we are asking. But assuming that we will have a chance to persuade them that that is what they ought to do, I appreciate the cooperation of all four of the gentlemen who have given us those assurances, and I will not object.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. MADIGAN. Reserving the right to object, Mr. Speaker, I do so for the purpose of asking, under my reservation, if I may yield to the gentleman from Texas, so that he may respond to a question that I would put, for the purpose of causing everyone in the assembly to understand exactly what this procedure is going to be.

It is my understanding that, if the gentleman's unanimous consent request is not objected to, we are going to consider the Senate amendment, we are going to consider a Frank amendment to the Senate amendment, which would strike the dairy provisions, that 1 hour of time will be allowed for the discussion of the Frank amendment to strike the dairy provisions, but that no debate would be in order following the conclusion of the debate on Frank and the vote on Frank, so that anyone who wants to say anything about anything in this bill will have to say it during the debate on the Frank amendment; is that correct?

Mr. DE LA GARZA. Will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from Texas.

Mr. DE LA GARZA. Under the request, we allow for 1 hour to discuss the other provisions outside of the dairy amendment.

Mr. MADIGAN. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. HORTON. Mr. Speaker, reserving the right to object, I will not object but I do want to make the observation, in connection with the letter that is being proposed to be sent to delay the whole herd buyout time dates, that some of the dairy farmers in the New York region, particularly in the upstate area which I represent, are concerned about the requirement—it is not in regulation, but the requirement—that the branding be on the face of the cow rather than on the flank, and if there is some way they could change that requirement I think it would be very helpful, and perhaps the letter could speak to that problem.

Mr. DE LA GARZA. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Speaker, I do not know if the requirement has been finalized or not, but this is really a technical issue, a state of the art issue, as to where you brand a cow. But if there is objection, and from several sources I have heard objection to branding on the cheek, as it is so called commonly—I have no druthers one way or the other—if anyone has concern, I certainly would be happy to join with them to see that their concern is met if at all possible.

Mr. HORTON. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. FRANKLIN. Mr. Speaker, reserving the right to object, I would like to point out to the chairman and the ranking member of the Committee on Agriculture that certain amendments that were included in the House bill are not contained in the Senate bill, one of which I was an author, concerning a 30-day extension of the time in which ASCS applications can be filed for consideration, which is contained in section 8 of the House bill and which is not contained in the Senate bill.

I introduced this in the Committee on Agriculture and we got a unanimous vote to have it adopted. Since it is not going to be now included, I would like the cooperation of the chairman of the committee and the ranking minority member of the committee to make the same sort of request to the Department of Agriculture that they institute this policy contained in section 8 by virtue of administrative action that they can do, and if the ranking minority member and the chairman would do that, I would withdraw this reservation.

Mr. DE LA GARZA. Mr. Speaker, will the gentleman yield?

Mr. FRANKLIN. I yield to the gentleman from Texas.

Mr. DE LA GARZA. First, let me say that my personal opinion is that the Department has the authority to do that. Whether they choose to use it or not, that is something else. Further, it was the intent of the committee that the Department use that authority. As the gentleman understands, we are caught in a very critical time situation; but I will do anything and everything that I can to see that the commitment of the Agriculture Committee, which in fact it is, be carried out, and will join with the gentleman to seek that end.

Mr. FRANKLIN. I thank the chairman.

Mr. Speaker, I yield to the gentleman from Illinois [Mr. MADIGAN], the ranking minority member.

Mr. MADIGAN. I thank the gentleman for yielding, and I would be happy to comply with his request, since what I think he was asking for was certainly the intent of the conferees on the writing of the 1985 farm bill and is entirely consistent with what we understood we were doing.

Mr. FRANKLIN. I thank the gentleman, and, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. TAYLOR. Mr. President, reserving the right to object, I would like to associate myself with the remarks of the gentleman from Mississippi [Mr. FRANKLIN] in support of his amendment to H.R. 4306 extending the time for the signup of the whole herd buyout.

I think one of the problems we face today is that the regulations have not been amply distributed to the ASCS officers across the country. The producers have not had an ample opportunity to review the program, nor have they seen the regulations. They have not had enough time to make the determination as to whether or not they want to participate, and that signup period ends today. And without this very important extension, I think that the success of the whole herd buyout is going to be greatly jeopardized.

Mr. Speaker, there are three other provisions that are very important that are in H.R. 4306 that are not in the provisions of the Senate amendment to H.R. 1614. One of them deals with the sale of crossbred heifers, and I would like to ask the chairman of the Committee on Agriculture, if I might: Is it true that by administrative order the Agriculture Department has solved this problem of the sale of the crossbred heifers?

Mr. DE LA GARZA. I was so informed, and I was given copies of a proposed regulation that would take care of the gentleman's concern.

Mr. TAYLOR. Well, it was incorporated in the bill H.R. 4306, and if it has not been done by administrative regulation, I would certainly urge that we press for that, along with the extension of the signup time.

I will not object, but I am very hopeful that we will be able to resolve these very important details of the dairy program which, in my opinion, will have a great deal to do with the ultimate success of the whole herd buyout.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. FRANK. Reserving the right to object, Mr. Speaker, I just want to further clarify and make sure I understand where we are, because I know a lot of the Members are interested.

If the unanimous-consent request of the gentleman from Texas is agreed to, as I hope it will be, because I think it clarifies things, the bill before us will contain, as part of it, the provisions for changing the way in which dairy complies with Gramm-Rudman.

The unanimous-consent request will make in order an amendment which I hope to have a chance to offer, which will delete those provisions, so Members who have been following that discussion for the past few days should understand if the unanimous-consent request is granted, the bill before us will embody the position that has been advocated by the gentleman from Vermont and others to alter the way Gramm-Rudman deals with dairy, I will then be given an opportunity to offer an amendment to drop that out of the bill. Associated with me will be the gentleman from Virginia, because part of that amendment will also drop section 9 from the bill which deals with marketing orders.

So the Members understand, the unanimous-consent request will put those dairy provisions in the bill before us and an amendment will be in order and the Members will have a chance to listen to a debate, participate in the debate and have a rollcall vote on whether or not they want to vote for an amendment to knock them out.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. OLIN. Mr. Speaker, reserving the right to object, I do not intend to object but to clarify the remarks of the gentleman from Massachusetts. The addition that the chairman of the committee agreed to, to the expected amendments of the gentleman from Massachusetts, would allow the consideration of section 9 of the Senate bill which will be shortly before us.

Section 9 of that bill deals with making certain provisions regarding milk marketing orders mandatory on the Secretary of Agriculture as opposed to optional.

It represents a major policy change that was not intended in the farm bill, was never expected, it was a measure that was an exploratory area, a trial area, to make it mandatory is not in order, and when the amendment of the gentleman from Massachusetts [Mr. FRANK] comes to the floor I will be talking about that provision as well as the other provisions relating to Gramm-Rudman. Both of those provisions should be stricken from the bill.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. Pursuant to the order of the House of today, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1614, with Senate amendments.

□ 1437

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1614) to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986, with Senate amendments, with Mr. MURTHA in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The gentleman from Texas [Mr. DE LA GARZA] will be recognized for 30 minutes, and the gentleman from Illinois [Mr. MADIGAN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first, let me thank my colleagues for allowing us to proceed in this manner.

Second, it will not be my intention to discuss the House committee-passed

version, inasmuch as we will now be working from the Senate amendment, and I would like to very briefly give the Members a very short explanation of how the Senate version differs from the House bill because I think all Members need to know the contents and the substance of what we will be dealing with.

The No. 1 difference is that the Senate version has a different yield provision, locking in yields at 95 percent of 1985 levels in 1987. This is the Senate amendment.

No. 2 would be the Senate provision relating to the Special Assistant for Trade in the White House. The Senate lowers the level of appointment for this assistant.

No. 3 would be a different export programs savings amount to reflect lower yield costs. The savings are to compensate so that we keep the legislation at no cost, with no budget implications.

No. 4, the Senate version provides for expanded hay and grazing.

No. 5 relates to milk marketing order service payments, requiring that co-ops continue getting such payments.

No. 6, the Senate authorizes the use of CCC PIK commodities—that is, payment in kind—in research on engines that do not use oil.

No. 7, the Senate bill extends the time for the food stamp quality control study.

No. 8, the Senate bill will permit licensed grain elevators to alleviate shortages of space by transferring grain.

No. 9 is a sense-of-Congress resolution encouraging USDA to use advanced recourse loans to help the farmers this spring.

No. 10 requires AID to develop a needed plan for African famine assistance.

No. 11 requires USDA to make announcements that will facilitate the operation of the Food Donation Program under section 416.

That describes the items not in the House bill but in the text of what we will be voting on, Mr. Chairman.

Mr. Chairman, I reserve the balance of my time.

□ 1440

Mr. MADIGAN. Mr. Chairman, I reserve my time at this point.

Mr. DE LA GARZA. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. BEDELL].

Mr. BEDELL. I thank the gentleman for yielding me this time.

Mr. Chairman, as chairman of the subcommittee that has foreign agriculture in its jurisdiction, I want to explain to the House an issue that I know is of concern to many Members in regard to our exports.

The situation is that two of the programs we have in this bill will cost some extra money, and we had to get the money from somewhere in order that this would remain neutral as far as the budget is concerned. Under those circumstances, of those two programs, one of them is a Targeted Export Enhancement Program in which there was $325 million per year for 3 years in the bill. That $325 million is lowered to $110 million in this bill.

In addition to that, there was a General Export Enhancement Program that applied over the 3-year period of $2 billion. That $2 billion was reduced to $1 billion. I would be less than honest with you if I said that I was pleased to see this money reduced. However, in view of the importance of getting legislation to our farmers to help with the two problems that our farmers face in the bill, that it was, I felt, the only proper thing to do to bring those down.

I want to assure the Members of the House that those programs continue to be mandatory, that the Government is required to institute those programs and use them to the extent of the amounts I have mentioned, and that we will be monitoring and fighting to see that indeed the programs are used as this mandates they are to be used.

Mr. MADIGAN. Mr. Chairman, I yield 1 minute to the gentlewoman from Nebraska [Mrs. SMITH].

Mrs. SMITH of Nebraska. I thank the gentleman for yielding me this time.

Mr. Chairman, I want to commend the committee for bringing these amendments to the floor expeditiously. The farmers are tired of waiting to know just what is going to happen. These changes are changes that will solve some very serious problems in my area. I am being swamped with calls from bean producers who fear that if we do not put in this limitation on crops that can go on nonprogram areas, their industry will be devastated.

I think that our grain producers are going to be helped by this, and I again want to say that we are not trying to change this program; we are just trying to make certain areas better and to correct it with all possible speed.

Mr. MADIGAN. Mr. Chairman, I yield 3 minutes to the gentleman from Oregon Mr. [ROBERT F. SMITH].

Mr. ROBERT F. SMITH. I thank the gentleman for yielding me this time.

Mr. Chairman, it is too bad that the House could not have had an opportunity to go ahead with our consideration of this bill, because I think amendments that were provided in the House bill improved the Senate bill that we are considering immensely. It did it in a number of ways, and I did not object to the consideration of the Senate bill simply because of the timeliness of the problem that we have before us.

But that is not my fault; that is the fault of the system. We have been here 3 months knowing exactly the problems that face farmers in America, and we chose to run it down to the deadline of signup today to take action. I think that is wrong; I think that violates every Member of this House of Representatives in particular, because we have not had an opportunity to concern ourselves with the considerations of this bill. Let me just give the Members a couple of items.

Lest anybody not know what is in the Senate bill, I want you to know what it does. I am going to support it, but I want you to know what it does.

For the first time in this country, it increases the amount of acreage that are subsidized acres for hay and grazing by 72 million acres. I understand that this provision says that it will be by State direction. But there are people in America who make their money in farming from haying; they make their money in agriculture from grazing. They are not subsidized, and now they are going to direct competition with those people who are now under a subsidy if they elect to use the 50-percent base, receive the 92-percent deficiency payment. These people are in direct competition with subsidized farmers using subsidized acres to go into competition with private enterprise.

The Senate bill is not all roses. It does correct some important things for farmers, and the reason I did not object is because I felt that the overall correction was essential. One, of course, is a nonprogram crop which we must address and the Senate bill addresses.

The other issue is yields, and I think we must have the yield portion. I am saying that we had to take the money for this bill, to make it revenue neutral, out of export enhancement. That had to be done; that is unfortunate for the long term. But personally, I would rather do that and provide more money for farmers now than a possibility of a better market in the future, and that is why we are doing this.

So I suggest to my colleagues that they do what I am going to do: Choke down what I think was the deprivation of House input for a bill that has to be passed, and that is the best I can say about it.

Mr. MADIGAN. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. ROBERTS].

Mr. ROBERTS. I thank the gentleman for yielding me this time.

I first want to thank the chairman of the committee Mr. DE LA GARZA and Mr. FOLEY for their very strong efforts to get all of these problems solved in what appears to be yet another farm

bill as we are considering it here as of late this afternoon.

I also want to associate myself with the remarks made by my friend and colleague from Iowa, in that he is the chairman of the Department of Operations Research and Foreign Agriculture Subcommittee which deals with exports, and I am the ranking member.

We had intended on mandating several export initiatives in order to get tough with our competitors. We have done that, however, those funds now being used in part to pay for some of the provisions in this bill.

I would only mention the problem of the proven yields in my country and also the nonprogram crop business on idled acres. I know that this sounds to a certain extent almost like gobbledygook to my colleagues from urban areas. In just talking with good friends and colleagues of mine, they were wondering exactly what it is we are doing with this farm bill. I would say to my colleagues that in terms of final budget exposure that that is not the problem.

I would also say to my colleagues that when you write a farm bill, it is just as important to cross the t's and dot the i's to make it work in farm country. I can report to my colleagues that I have been spending the last 10 days literally hours on the telephone with my producers trying to address these special technical problems so they can live with the farm bill, and so that it will work. That is what this bill is about.

I have reservations about some of the provisions, but, in general, I must say that I support the bill, and I thank my colleagues for all of their effort in trying to make the farm bill work better in farm country. Time is of the essence.

Signup for the 1986 farm programs should have begun last Monday, but because Congress has delayed action on this legislation signup has been postponed.

The wheat farmer in my district planted his 1986 crop of wheat last fall without knowing what the 1986 Wheat Program would be because Congress was still debating the 1985 farm bill. We are only a few weeks away from the start of wheat harvest in the southern parts of the United States. Wheat farmers and for that matter all other farmers do not know what the farm program is and what the final details look like. This is like asking a construction company to start building a building without a copy of the blueprints. This legislation will clear up that confusion and allow the USDA to get on with the signup for the 1986 farm programs.

I urge my colleagues to put aside their partisan bickering and pass this legislation. Farmers need to know what the rules of the game are and this bill is essential if farmers are going to make decisions on whether to participate in Federal farm programs.

Mr. MADIGAN. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the gentleman from North Dakota, our colleague, Mr. DORGAN.

Mr. DORGAN of North Dakota. Mr. Chairman, I simply want to support the efforts of the chairman and say that, while I was not a big supporter of the farm bill itself, I do support the chairman's efforts to correct a couple of obvious problems.

The first deals with program payment yields. It makes good sense to correct what I think was an oversight in the farm bill and allow farmers who have been able to prove their yields in the past to be able to acquire program payments on that yield or close to the 1985 yield level. So I support the corrective actions concerning program payment yields.

□ 1450

The second important issue concerns the planting of nonprogram crops. We find very thin markets in some of these areas, that is, dry edible beans, potatoes, sunflower seeds, and others. If some farmers were able to produce these nonprogram crops on underplanted acres, it would disturb the market. Thus, we would find people who were not involved in the program with nonprogram crops having the prices radically reduced. That would be unfortunate.

We would like to prevent the flooding of fragile markets from occurring. We think that the language in this bill moves in that direction.

I did want to take this opportunity, having been on the other side of the fence with the chairman on several occasions, to say thanks for the opportunities he has given us to correct these two areas.

Mr. BEREUTER. Mr. Chairman, I appreciate this opportunity to urge my colleagues to vote for H.R. 4306 which contains technical amendments to the 1985 farm bill. Even though I believe it was an absolute necessity to pass the farm bill before adjourment in December, particularly in light of the deficit-reduction sentiment and emphasis shown in Congress during 1986, there still are some areas in the commodity programs which should be refined and improved. This bill will address several areas within the farm bill to maintain the intent of Congress to assist those particular farmers who are affected.

As you know, this bill would exempt any crop that would be economically adversely affected from being treated as a nonprogram crop when the Secretary allows producers to plant nonprogram crops on only 50 percent of their permitted acres but yet receive 92 percent of the payments. While I am fully supportive of this bill and I realize the devastating effects that might be placed on many dry edible bean producers throughout my home State of Nebraska, this body must also recognize that popcorn growers will experience the same problem as other nonprogram crops because of this provision in the farm bill. I should also point out that I am well aware that the purpose of this provision is to provide an incentive for farmers not to produce a surplus crop but it should not be at the expense of an alternative crop already established in the marketplace.

In my State of Nebraska there are many growers who have raised popcorn for several years. Many of these producers have either decreased or eliminated their production of field corn. Farmers who have decreased the supply of feed grains by raising popcorn are now going to be penalized for not having joined the ranks of other farmers asking for Government help in this time of need. It is possible that this provision will cause considerable overplanting by many farmers that will erode the price for popcorn by 20 to 30 percent. Downward market pressure on popcorn prices will force many established popcorn growers out of the industry through no fault of their own.

Because Nebraska ranks second in the Nation in both planted acres and pounds of popcorn produced—49,500 acres and 152.1 million pounds respectively—I am sure this body recognizes what a positive impact this legislation would have on the popcorn industry in Nebraska. Until now, the inability of popcorn growers to participate in the farm program has not been an issue because earlier farm programs did not seriously erode the market price for popcorn. However, many popcorn growing areas throughout Nebraska will be seriously affected if their commodity is treated as a nonprogram crop under the current farm bill.

Although I realize that this bill being discussed today would allow the Secretary to discourge the production of any nonprogram crop that would be adversely affected by this provision, I thought it should come to the attention of my colleagues that popcorn growers could suffer as much as any other nonprogram crops. For the sake of those long-time popcorn farmers in Nebraska who have not contributed to the oversupply of feed grains, I hope that we will pass this bill to prevent any harm to our popcorn farmers in Nebraska.

With respect to the program yield changes, this body will have my full support to the enactment of this legislation. As you also know, the current farm bill states that program yields will be established by averaging the yields for the 1981–85 crops after discarding the highest and the lowest yield years. This system would deny recognition of increases in per-acre productivity of many producers in Nebraska. If the bill is enacted, the formula would remain in effect, but the Secretary would be prohibited from setting a producer's program yield for 1986 or 1987 at a level below a farm's assigned yield for 1985.

Conditions in the agricultural sector of Nebraska have yet to see any signs of improvement in net farm income. If this provision in the farm bill is not revised, many wheat and feed grain farmers may suffer severe losses of income. It is unfortunate that many farmers,

who have recently worked very hard to improve their productivity and have increased their assigned yields, must now face the possibility of lowering their assigned yields because of a provision in the farm bill.

Congress and the U.S. Government must continue to be fair and responsible in its relationships with the American farmer and the agribusiness sector in farm communities across the country. Considering the very distressed financial conditions facing farmers in my State, failure to consider such changes as those proposed in this bill will put an additional financial burden on many farmers who have been efficient through extremely tough times.

I urge my colleagues to support this legislation.

Mr. McCLOSKEY. Mr. Chairman, I rise in support of H.R. 4306, legislation which will assist the USDA in the implementation of the 1986 Farm Program as Congress intended. Clearly, this legislation is desperately needed for grain and dairy farmers as well as the producers of nonsupported commodities. Despite the protests of some that this bill runs contrary to our deficit reduction efforts, the changes made will actually produce savings of $125 million over the next 3 years by scaling back minimum reductions on some agricultural export development programs.

Right now, a state of confusion reigns in the Farm Belt over what the administration is doing to implement the 1986 Farm Program. Contrary to the expressed intent of Congress, the administration has sought to administer important parts of the Farm Program at the lowest possible rate of income protection. H.R. 4306 seeks to address this by establishing a nonadjustable minimum for producer yields for the 1986 and 1987 crop year. Under current implementation plans, a participant in the Wheat and Feed Grains Program could be assigned a yield significantly below that of his or her 1985 assigned levels. This could result in payment reductions and would contradict the major intent of the 1985 farm bill which was to freeze income supports for farmers for at least 2 years.

In addition, H.R. 4306 will provide dairy farmers with more time to decide whether it is in their interest to participate in the Dairy Whole Herd Buy Out Program. Again, details on this program have been slow in coming, explanations have been contradictory and it has been difficult for individual farmers to determine whether participation is in their interest.

While legitimate concerns have been raised about certain parts of this comprehensive revision of certain parts of the 1985 farm bill, we must recognize that time is of the essence for so many farmers who are waiting to make their plans for the 1986 crop year. I hope the House will pass this important legislation.

Ms. SNOWE. Mr. Chairman, I rise in support of this legislation, which has important provisions for the farming community. I wanted to point out, in particular, the importance of the provision which adjusts the underplanting provision for acreage taken out of production by rice, cotton, and grain farmers. This provision was originally introduced as separate legislation, H.R. 4079, by Congressman SCHUETTE and Congressman TRAXLER.

Maine's potato farmers have every right to be concerned about the potential planting of potatoes on this supposedly "conserved acreage." These family farmers face a drastic situation this year on account of a dramatic increase in overall production in the fall-producing States. Without making an adjustment through this legislation, Congress will have done a real disservice to potato producers in Maine and other States, and to a lot of other nonprogram crop producers.

It is galling to me that a potato farmer, who receives nothing in the way of price support loans, deficiency payments, or other forms of Government aid, could find his livelihood overrun by a govenment mistake.

Under the farm bill's current language, farmers who choose to idle excess acreage under the acreage reduction requirements for grain, cotton, and rice farmers could plant thousands of acres of potatoes and receive income support benefits on 92 percent of their eligible acreage. That amounts to a significant bonus for these farmers, but more importantly, it could lead to much higher production of potatoes, and much lower prices for a crop that is already suffering from overproduction.

Considering that the whole intention of this provision in the farm bill was to divert extra lands for conservation purposes, leaving this language as it is would be ridiculously unfair to nonprogram farmers.

I know my concerns are shared by many other Members of this body who work hard in their districts for producers of crops like potatoes, dried beans, carrots, onions, and other products. It is a continuing source of frustration to see so much Government support going to the basic commodity producers but little in the way of support going to the nonprogram crops. At the very least, those programs we do have should not work against the best interests of my potato farmers in Aroostook County, ME.

Maine potato farmers are struggling in one of their worst years ever. National overproduction and subsidized Canadian imports are crippling this traditional industry. These farmers are getting paid less than $1 for a 165-pound barrels of potatoes that cost over $9 to produce. I would estimate we may lose 150 to 200 farmers this year. Without this legislation, it is possible that number could be higher.

For farmers who have never even asked for Federal income support subsidies, or ever received significant assistance from the Department of Agriculture, the farm bill adds insult to injury. The result, unless we pass this provision, will be a real jump in the number of foreclosures in Maine and for other nonprogram crop industries across this country.

This legislation today leaves these farmers who rely totally on what the market will give them a chance to maintain the status quo. It won't give them the help they need, but it does remove a serious threat. This provision is fair and reasonable, and it is absolutely essential that we make this necessary legislative correction.

Mr. DASCHLE. Mr. Chairman, I rise in support of H.R. 1614, legislation which will correct many of the deficiencies created by the 1985 farm bill, and the manner in which the U.S. Department of Agriculture is implementing this legislation.

Two very important provisions of this legislation deal with the Dairy Program and the wheat and feed grains yield formulation provisions of the 1986 Farm Program.

When Congress passed the dairy provisions of the farm bill, we gave very specific directions to the Department on how we intended that program to operate. We expected the whole herd buy out to be a very integral part of the entire dairy package, and expected the administration to implement the program as such.

Dairy farmers have been contacting my office by the hundreds, all asking the same question, "USDA is running this program as if they really don't want us to participate in the whole herd buy out." It comes as no surprise to the many dairy producers throughout the Nation who are trying to decide whether to submit a bid that the Department has not yet finalized the regulations for this program, even though we are within hours from the closing day of submitting a bid.

For an administration who seems to understand only military spending, let me draw an analogy. It would be similar to the Pentagon asking a military contractor to submit a bid for a military weapon, and be advised that they intend to change the bid's specifications after the bid has been submitted. I dare say that not many contractors would be clammering for this process. Given the incredible manner in which this program has been administered by this administration, I trust it will not come as a surprise if dairy farmers chose the same route.

I intend to support the efforts of my colleague, Mr. COELHO, to secure an administrative extension of the signup date for the whole herd buy out through April 1. This legislation also contains a provision which directs the Department not to penalize in this bid process those producers who participated in the Dairy Diversion Program, by allowing the use of prediversion production levels. In another example of the Dairy Program being administered totally contrary to the direction provided USDA by the Agriculture Committee, the Department had administratively refused to make this correction, forcing this legislative change.

Finally, this amendment incorporates a mechanism to offset the estimated 55 cents per hundredweight decrease in CCC purchases that would disproportionally impact certain regions. In its place, this amendment would authorize an estimated 12-cent increase in the dairy assessment to offset revenue lost due to the Gramm-Rudman order.

Similarly, the Agriculture Committee approved legislation which attempted to correct the manner in which the yield provisions of the farm bill were being administered. The Foley bill (H.R. 4105) which I cosponsored would have mandated that a farmer receive a Farm Program payment based on a yield no less than his 1985 program yield.

Even though this fell far short of the language originally contained in the House-passed farm bill which based payments on actual yields, the Foley language was far preferable to the final version. This yield freeze was adamantly opposed in the Agriculture Committee by administration officials. In USDA's rush to oppose H.R. 4105 on budget-

ary grounds, the loss in farm income was ignored.

The legislation before this body today attempts to address this serious problem, and do so in a manner that will receive the support of the administration. For 1986 crops, producers would receive Government-owned commodities to offset reductions in program payment yields in excess of 3 percent of the producer's 1985 program payment yield level. In 1987, similar compensation would be provided for reductions in excess of 5 percent.

In calculating program payment yields for 1988 and beyond, the program payment yield in 1986 could not fall more than 10 percent below the 1985 program payment yield for an individual farmer.

As farmers prepare their calculations for the 1986 Farm Program participation, one fact must be made perfectly clear. CCC contract payments will be reduced by 4.3 percent. Gramm-Rudman provided for the sanctity of CCC contracts signed by producers before March 1. This administration deliberately delayed signup so that the March 1 Gramm-Rudman cuts would further depress Farm Program prices.

Mr. Chairman, these provisions are critical to the decisionmaking process facing farmers as they contemplate participation in the 1986 Farm Program. For that reason, and the fact that many of these provisions force USDA to act as Congress originally intended, I urge the adoption of this legislation.

Mr. STALLINGS. Mr. Chairman, I would like to speak in support of the bill—H.R. 1614—that will provide some very necessary fine tuning to the Food Security Act of 1985. I support this bill for many reasons but am most concerned with and support nonprogram crop amendments contained in this bill. These nonprogram crop amendments will change what is referred to as the 50/92 rule that allows producers to plant up to 50 percent of their permitted wheat, feed grain, upland cotton or rice acreage to a nonprogram crop and still receive deficiency payments on 92 percent of the permitted acreage. I understand the intent of the 50/92 rule was another means, short of mandatory production controls, to encourage producers to shift from the traditional program crops like wheat and corn that are in chronic surplus to a more diversified agricultural crop.

However, it hasn't taken long to realize how ill-conceived this provision really is as producers on nonprogram crops are now faced with certain oversupply and lower prices for their commodities which are not subsidized by the Government. Unless corrected, we will, in effect, be using Government policy and taxpayers' money to benefit one class of producers who already receive a minimal level of direct Government support at the devastating expense of other nonprogam crop producers who don't benefit from these farm subsidies.

I don't think we have any alternative, Mr. Chairman, but to ban planting of these unsubsidized crops such as dry beans and potatoes on underplanted program acres in order to avoid total chaos in these other commodity markets. I am particularly concerned about the immediate impact of this provision on the producers in my district who grow a variety of nonprogram crops including dry edible beans, potatoes, sugar beets, and alfalfa—all of which have been targeted by the 50/92 rule.

These producers are vulnerable because they have, through necessity and prudent planning, diversified their farming practices to include many if not most of these so-called nonprogram crops. Specifically, Idaho is ranked No. 1 in the production of potatoes and sixth in the production of dry edible beans—two crops which could easily become surplus in 1986 as a result of the 50/92 incentives now in the Food Security Act of 1985.

Perhaps even more damaging will be the long-term net effect of transferring the production base of many nonprogram crops from areas that have, through hard work, built a diversified agriculture economy to other regions of the country which have traditionally been more reliant on wheat and feed grains.

Mr. Chairman, I am sure that all of the Members of this body will agree that we must act quickly to avoid creating a virtual range war that pits program farmers against nonprogram crop producers. We have an opportunity today to do just that and for this reason I urge my colleagues to support the nonprogram crop amendments.

Mr. Chairman, I also strongly support another provision in this bill now before this body that will put restrictions on the amount a producer's program yield, on which deficiency payments are based, can be reduced under a new formula established in the Food Security Act of 1985. This restriction is essential to avoid drastic crop yield reductions for many of our more efficient producers. These producers have achieved major gains in their productivity in recent years and should not be unjustly penalized.

A system using "proven yields" to determine income support payments would of course be more equitable for our producers and would most likely guarantee greater participation in the Government's programs. But I recognize here that we are operating under some very tight budget constraints which often result in farm programs that fall short of being ideal long-term policy. Given these budget constraints that most of us have generally endorsed, I urge your support for this compromise measure which is absolutely essential for stabilizing farm income in rural America.

Finally, Mr. Chairman, I would like to speak briefly to the dairy provisions contained in this package of farm bill amendments. I support these provisions that will allow the Secretary of Agriculture to continue to accept bids for the 18-month Milk Production Termination Program through April 1. This extension is the only reasonable course for this body to adopt since USDA has admitted that they won't even have the regulations governing this program available until March 7, which is now the scheduled end of the bidding period. If this program is going to have a fighting chance to succeed, then it only makes sense to give our producers an adequate opportunity to study the specifics of the program before submitting their applications.

I also strongly support another technical change to the Dairy Termination Program that will specifically allow producers who participated in the previous Dairy Diversion Program to select a milk marketing history based on their actual production prior to the diversion period or the marketings of milk during calendar year 1985.

I urge my colleagues to favorably consider all these amendments that are clearly in the best interests of our farmers. We must act now, however, so that we can reduce the confusion and uncertainty regarding congressional intent in the Food Security Act of 1985 and enable all producers to employ sound economic planning for the 1986 season.

Mr. DAUB. Mr. Chairman, I rise in favor of this bill. Once again Congress has fiddled while the farmer gets burned. We have been in session almost 3 months knowing that feed grain and wheat farmers needed the issues in this legislation resolved to make important production and signup decisions for the coming crop year. But what did we do during these 3 months? Nothing. As usual congressional procrastination has left the farmer holding the bag.

This bill provides that the 1986 and 1987 payment yields will be near the levels of the 1985 yields. Without this change, certain farmers could have their benefits reduced by up to 20 percent. It also requires that nonprogram crops cannot be planted on acres idled under the so-called underplanting rule of the farm bill.

Any increased funding because of these provisions will be paid for out of reductions in the Export PIK Program and Targeted Assistance Program. This is unfortunate, because reduction of these needed programs will hamper our export efforts. However, these programs will only be reduced, not eliminated. Without such an offset, it is unlikely the Congress would have approved these needed changes.

I have serious reservations about the dairy provisions of the bill. Essentially, these provisions exempt dairy from the 1986 sequestration order which reduces program outlays by 4.3 percent. This action is wrong for a number of reasons.

Wheat and feed grain producers had their 1986 loan and deficiency checks reduced by 4.3 percent. If other commodities are not granted an exemption from these reductions, why should dairy? As I have said before all of these reductions wheat and feed grains as well as dairy could have been avoided in whole or part if Congress instructed its committees to come up with alternative savings. In another example of congressional procrastination, Congress wouldn't do this.

This exception from the sequester order for dairy provides precedent for other exceptions jeopardizing the chances that Congress will meet the deficit reduction goals set out in Gramm-Rudman.

Finally, the increased assessment is actually an excise tax which should have been referred to the committee with jurisdiction over taxes—the Ways and Means Committee—but wasn't.

For these reasons, I voted for the amendment striking the dairy portions of this bill.

In conclusion, Mr. Chairman, the provisions in this bill especially for yield changes, are badly needed by Nebraska farmers. Regrettably they have come at the last hour, but the

last hour seems to be the only time Congress will do its work.

Mr. MARTIN of New York. Mr. Chairman, I rise today in opposition to the amendment offered by my colleague from Massachusetts, [Mr. FRANK].

As I have said before, and I say it again for the edification of all my colleagues in the House—our dairy farmers are not looking to shirk their responsibilities under Gramm-Rudman. I would suggest that they are willing to do, and, in fact, have done, more than their fair share for the good of the country as a whole.

The dairy farmers' responsibility under Gramm-Rudman is $80 million. I cannot understand how my colleagues can fail to see the logic of implementing this reduction in Federal spending in the fairest and most equitable manner possible. If this amount can be raised by assessing our farmers an additional 10 to 11 cents, rather than by reducing the price support paid for surplus products, which would cost our farmers over $300 million, is this not the most appropriate approach to take?

I would submit that it is. This is a question of budget policy, not dairy policy. I implore my colleagues on both sides of the aisle to defeat this amendment.

Mr. AUCOIN. Mr. Chairman, I rise in reluctant support of H.R. 4306. Let me add my fervent hope that this legislation represents Congress' final debate on the 1985 farm bill.

Because certain provisions of H.R. 4306—specifically elimination of the noncrop setaside and changes to the dairy program—are important, I'll vote "yes." At a time of dislocation and economic hard times in farming communities across the United States, it doesn't make sense for Congress to indirectly subsidize farmers for planting crops that aren't covered by a Federal commodity program.

However, some of the other parts of this bill are pretty darn hard to swallow. I'm especially disturbed that we're financing these changes, and others I haven't mentioned, by robbing from export promotion programs.

H.R. 4306 decimates the blended credit program and cuts "bonus bushel" in half. While I'm a strong supporter of these programs, it's no secret that the Department of Agriculture isn't keen on being told that they have to promote farm exports. In fact, cutting these programs is the price the administration holds out for a Presidential signature on this bill.

Based on the record so far, I'm certain the Department will balk at using the remaining $1 billion in "bonus bushel" funds. That means Congress has got to use a little friendly persuasion. In the long run, there's no other way to stabilize farm income.

Mr. ROBERT F. SMITH. Mr. Chairman, I rise in support of H.R. 1614. I see this as a bill aimed at striking a balance between the good intentions of Congress and the reality of agriculture, a business ruled by natural forces.

The 1985 farm bill set out an ambitious plan of price supports and commodity targets for the next 5 years. As a member of the Agriculture Committee, I think the lion's share of the changes made between the new and old farm policies were critical to the long-term economic health and vitality of both the American farm community and to the Nation itself.

Unfortunately, we just took too long to create that new bill.

By the time the farm bill was signed into law, the timetable set by nature herself has driven many American farm producers to plant crops which, as it turns out, would be covered by the new bill.

Today, H.R. 1614 is in front of the House as a transitional instrument. Its an essential buffer between old and new 5-year policies for farmers like Oregon winter wheat growers who planned the only way they could at the time, under provisions of the old policy.

Within H.R. 1614 are two provisions that serve as business-sustaining adjustments.

5 OR 10 PERCENT DIVERSION

I regret the fact that this bill fails to address an area which I consider to be critical: An amendment which I offered to the alternative bill, H.R. 4306, to allow certain producers of the 1986 wheat crop a 5- or 10-percent diversion option.

In the new farm bill, winter wheat farmers must idle at least 25-percent of their acreage base to qualify for income and price support programs. And they may idle another 10-percent under the Optional Paid Diversion Program.

The problem is that there is absolutely no middle-ground flexibility. Qualification comes only with 25 or 35 percent.

The old bill, on the other hand—the only guide available when Oregon winter wheat farmers were forced to decide diversion levels—offered qualification at 30-percent diversion.

As a result, farmers who complied with existing law when their crops went in the ground will no longer be in compliance when the crop comes out of the ground, by no fault of their own.

My amendment would have simply offered additional diversion qualification at 5- or 10-percent levels. It tells those farmers who followed both natural and congressional mandates that 30-percent set-asides will qualify during this transitional period.

I believe its simply a matter of being fair, at no cost to the Government.

NONPROGRAM CROPS

The first provision which is in H.R. 1614 protects nonprogram crop producers from the problems associated with an opportunistic overproduction of their commodity.

The 1985 farm bill allows program—subsidized—crop producers to be paid for growing nonprogram crops on the acres which they removed from program commodity productions.

H.R. 1614 adds a caveat to that allowance: Nonprogram plantings would be prohibited if the Secretary of Agriculture determined that nonprogram, nonsubsidized crop prices would be adversely affected by the production or if subsidized crops show the impact of nonsubsidized crops.

The provision is Congress' assurance that one class of producer shouldn't benefit at the expense of other classes.

YIELD CALCULATION

Finally there is one more matter of fairness which concerns me: The new farm bill's formula for calculation of program yield and the critical need for a period transition are provided today by H.R. 1614.

H.R. 1614, will freeze, at 97 percent of the 1985 level, the program yields used in calculating income support payments for individual grain, cotton, and rice producers, for the 1986 crop.

Today's adjustment will also freeze farm "program yields" in determining support payments for the 1987 crop at not less than 95 percent of the 1985 level.

H.R. 1614 retains the new formula for calculating program yields on a historical basis but it would provide a phase-in period for adoption of the new system.

Without this legislation, the new system could reduce this year's program yields on some farms below 97 percent of last year's level. That, in turn, would decrease the income support of affected farmers by reducing the level of deficiency payments and payments-in-kind they are eligible to receive.

In nontechnical terms, we've realized that the 1985 farm bill penalizes farmers who have improved productivity and efficiency over the last 5 years. Without the flexibility offered by H.R. 1614, the new formula could cost farmers from 10 to 30 percent of their yield.

That's bad enough today, but in the long run, I think we'll sorely regret penalties we put on productivity advancements in light of the broad goals this country has set for its farm producers.

This Government should be helping farmers adjust to the market oriented policy that was established in the 1985 farm bill. That means encouraging production efficiency and productivity improvements.

Our goal is to sell all we can produce in the world markets which this Government should be helping to find. Today's productions limits are tomorrow's market disappointments.

Mr. Chairman, let me finish by saying that these adjustments are needed and they're worthy.

They are worthy enough that we have countered their costs by pilfering from the export expansion end of the farm bill, the so-called Bicep Program which in itself represents our best hope for recapturing overseas market shares.

The bottom line is that we would not be here today if H.R. 1614 didn't merit important attention. Changes can be made, even though the tools will remain in USDA to allow U.S. commodities to become competitive in world markets.

I urge you to join with me in voting in favor of this bill.

Mr. DE LA GARZA. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

Pursuant to the order of the House of today, the Senate amendment to the text is considered as having been read. No amendment is in order except one amendment, if offered, by the chairman of the Committee on Agriculture or his designee to strike sections 9 and 10 of the Senate amendment, which shall be debatable for 1 hour, equally divided and controlled

by the proponent and a member opposed.

The text of the Senate amendments is as follows:

Resolved, That the bill from the House of Representatives (H.R. 1614) entitled "An Act to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986", do pass with the following amendments:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Food Security Improvements Act of 1986".

SEC. 2. NONPROGRAM CROPS.

(a) WHEAT.—Section 107D(c)(1) of the Agricultural Act of 1949 (as added by section 308 of the Food Security Act of 1985) is amended—

(1) in subparagraph (C), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (K))";

(2) in subparagraph (C)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (K)).''; and

(3) by striking out subparagraph (K) and inserting in lieu thereof the following new subparagraph:

"(K)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (C) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (C) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(b) FEED GRAINS.—Section 105C(c)(1) of the Agricultural Act of 1949 (as added by section 401 of the Food Security Act of 1985) is amended—

(1) in subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (I))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (I)).''; and

(3) by striking out subparagraph (I) and inserting in lieu thereof the following new subparagraph:

"(I)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(c) COTTON.—Section 103A(c)(1) of the Agricultural Act of 1949 (as added by section 501 of the Food Security Act of 1985) is amended—

(1) in subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (G))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (G)).''; and

(3) by striking out subparagraph (G) and inserting it lieu thereof the following new subparagraph:

"(G)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(d) RICE.—Section 101A(c)(1) of the Agricultural Act of 1949 (as added by section 601 of the Food Security Act of 1985) is amended—

(1) in subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (G))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (G)).''; and

(3) by striking out subparagraph (G) and inserting in lieu thereof the following new subparagraph:

"(G)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to con-

servation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(e) APPLICATION.—In the case of the 1986 crops of wheat, feed grains, upland cotton, and rice, the amendments made by this section shall not apply to any producer who demonstrates to the satisfaction of the Secretary of Agriculture that the producer, before February 26, 1986, planted or contracted to plant for the 1986 crop year a portion of the permitted acreage of the producer to any agricultural commodity other than wheat, feed grains, upland cotton, extra long staple cotton, rice, or soybeans.

SEC. 3. FARM PROGRAM PAYMENT YIELDS.

(a) ESTABLISHED PRICE PAYMENTS FOR 1986 AND 1987 CROP YEARS.—Section 506(b) of the Agricultural Act of 1949 (as added by section 1031 of the Food Security Act of 1985) is amended—

(1) in paragraph (1), by striking out "paragraph (2)" and inserting in lieu thereof "paragraphs (2) and (3)";

(2) by redesignating paragraphs (2) through (4) as paragraphs (3) through (5), respectively; and

(3) by inserting after paragraph (1) the following new paragraph:

"(2)(A) In the case of the 1986 crop year for a commodity, if the farm program payment yield for a farm is reduced more than 3 percent below the farm program payment yield for the 1985 crop year, the Secretary shall make available to producers established price payments for the commodity (in the form of commodities owned by the Commodity Credit Corporation) in such amount as the Secretary determines is necessary to provide the same total return to producers as if the farm program payment yield had not been reduced more than 3 percent below the farm program payment yield for the 1985 crop year.

"(B) In the case of the 1987 crop year for a commodity, if the farm program payment yield for a farm is reduced more than 5 percent below the farm program payment yield for the 1985 crop year, the Secretary shall make available to producers established price payments for the commodity (in the form of commodities owned by the Commodity Credit Corporation) in such amount as the Secretary determines is necessary to provide the same total return to producers as if the farm program payment yield had not been reduced more than 5 percent below the farm program payment yield for the 1985 crop year.".

(b) FARM PROGRAM PAYMENT YIELDS FOR 1988 AND SUBSEQUENT CROP YEARS.—Section 506(c)(1) of the Agricultural Act of 1949 is amended by adding at the end thereof the following new sentence: "Notwithstanding any other provision of this paragraph, for purposes of establishing a farm program payment yield for any program crop for any farm for the 1988 and subsequent crop years, the farm program payment yield for the 1986 crop year may not be reduced more than 10 percent below the farm program payment yield for the farm for the 1985 crop year.".

SEC. 4. SPECIAL ASSISTANT FOR AGRICULTURAL TRADE AND FOOD ASSISTANCE.

(a) CHANGE OF TITLE.—(1) Section 1113 of the Food Security Act of 1985 is amended—

(A) in the caption, by striking out "FOOD AID" and inserting in lieu thereof "FOOD ASSISTANCE"; and

(B) in subsection (a), by striking out "Food Aid" and inserting in lieu thereof "Food Assistance".

(2) The table of contents in section 2 of such Act is amended by striking out "Food Aid" in the item relating to section 1113 and inserting in lieu thereof "Food Assistance".

(b) APPOINTMENT OF INITIAL SPECIAL ASSISTANT.—Section 1113(a) of such Act is amended by adding at the end thereof the following new sentence: "The President shall appoint the initial Special Assistant not later than May 1, 1986.".

(c) REMOVAL OF LEVEL I CLASSIFICATION.—Section 5312 of title 5, United States Code, as amended by section 1113(d) of the Food Security Act of 1985, is amended by striking out the item relating to:

"Special Assistant for Agricultural Trade and Food Aid.".

(d) COMPENSATION FOR THE SPECIAL ASSISTANT.—Section 1113(d) of the Food Security Act of 1985 is amended to read as follows:

"(d) Compensation for the Special Assistant shall be fixed by the President at an annual rate of basic pay of not less than the rate applicable to positions in level III of the Executive Schedule.".

SEC. 5. TARGETED EXPORT ASSISTANCE.

Section 1124 of the Food Security Act of 1985 is amended by striking out subsection (a) and inserting in lieu thereof the following new subsection:

"(a) for export activities authorized to be carried out by the Secretary of Agriculture or the Commodity Credit Corporation, in addition to any funds or commodities otherwise required under this Act to be used for such activities—

"(1) for each of the fiscal years ending September 30, 1986, through September 30, 1988, the Secretary shall use under this section not less than $110,000,000 of funds of, or commodities owned by, the Corporation; and

"(2) for each of the fiscal years ending September 30, 1989, and September 30, 1990, the Secretary shall use under this section not less than $325,000,000 of funds of, or commodities owned by, the Corporation.".

SEC. 6. DEVELOPMENT AND EXPANSION OF MARKETS FOR UNITED STATES AGRICULTURAL COMMODITIES.

Subsection (i) of section 1127 of the Food Security Act of 1985 is amended to read as follows:

"(i) During the period beginning October 1, 1985, and ending September 30, 1988, the Secretary shall use agricultural commodities and the products thereof referred to in subsection (a) to carry out this section, except that the value of the commodities and products may not be less than $1,000,000,000, nor more than $1,500,000,000. To the maximum extent practicable, such commodities shall be used in equal amounts during each of the years in such period.".

SEC. 7. HAY AND GRAZING ON DIVERTED WHEAT AND FEED GRAIN ACREAGE.

(a) WHEAT.—Subparagraph (C) of section 107D(f)(4) of the Agricultural Act of 1949 (as added by section 308 of the Food Security Act of 1985) is amended to read as follows:

"(C)(i) Except as provided in clause (ii), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage diverted from production by participating producers in such State to be devoted to—

"(I) hay and grazing during not less than 5 of the principal growing months (as established for a State by the State committee), in the case of the 1986 crop of wheat; and

"(II) grazing, in the case of each of the 1987 through 1990 crops of wheat.

"(ii) In the case of each of the 1987 through 1990 crops of wheat, grazing shall not be permitted for any crop of wheat under clause (i)(II) during any 5-consecutive-month period that is established for such crop for a State by the State committee established under section 8(b) of such Act.".

(b) FEED GRAINS.—Subparagraph (C) of section 105C(f)(4) of the Agricultural Act of 1949 (as added by section 401 of the Food Security Act of 1985) is amended to read as follows:

"(C)(i) Except as provided in clause (ii), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage diverted from production by participating producers in such State to be devoted to—

"(I) hay and grazing during not less than 5 of the principal growing months (as established for a State by the State committee), in the case of the 1986 crop of feed grains; and

"(II) grazing, in the case of each of the 1987 through 1990 crops of feed grains.

"(ii) In the case of each of the 1987 through 1990 crops of feed grains, grazing shall not be permitted for any crop of feed grains under clause (i)(II) during any 5-consecutive-month period that is established

for such crop for a State by the State committee established under section 8(b) of such Act.".

SEC. 8. PROTECTION OF BASE ON NONPROGRAM CROP ACREAGE.

Section 504(b)(2) of the Agricultural Act of 1949 (as added by section 1031 of the Food Security Act of 1985) is amended—

(1) by redesignating clause (D) as clause (E); and

(2) by striking out clause (C) and inserting in lieu thereof the following new clauses:

"(C) acreage in an amount equal to the difference between the permitted acreage for a program crop and the acreage planted to the crop, if the acreage considered to be planted is devoted to conservation uses or the production of commodities permitted under section 107D(c)(1)(K), 105C(c)(1)(I), 103A(c)(1)(G), or 101A(c)(1)(G), as the case may be;

"(D) in the case of each of the 1986 through 1989 crop years, acreage in an amount equal to not to exceed 50 percent of the permitted acreage for a program crop for each of the 1986 and 1987 crop years, 35 percent of the permitted acreage for the 1988 crop year, and 20 percent of the permitted acreage for the 1989 crop year, if—

"(i) the acreage considered to be planted is planted to a crop, other than a program crop, peanuts, soybeans, extra long staple cotton, or commodities specified in clause (C);

"(ii) the producers on the farm plant for harvest to the program crop at least 50 percent of the permitted acreage for such crop; and

"(iii) payments are not received by producers under 107D(c)(1)(C), 105C(c)(1)(B), 103A(c)(1)(B), or 101A(c)(1)(B), as the case may be; and".

SEC. 9. MARKETWIDE SERVICE PAYMENTS.

(a) HEARING.—Not later than 90 days after receipt of a proposal to amend a milk marketing order in accordance with section 8c(5)(J) of the Agricultural Adjustment Act, reenacted with amendments by the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 608c(5)(J)) (as added by section 133 of the Food Security Act of 1985), the Secretary of Agriculture shall conduct a hearing on the proposal.

(b) IMPLEMENTATION.—Not later than 120 days after a hearing is conducted under subsection (a), the Secretary shall implement, in accordance with the Agricultural Adjustment Act, a marketwide service payment program under section 8c(5)(J) of such Act that meets the requirements of such Act.

SEC. 10. INCREASED MILK ASSESSMENTS TO MEET DEFICIT REDUCTION REQUIREMENTS.

Effective March 1, 1986, section 201(d)(2) of the Agricultural Act of 1949 (as amended by section 101(a) of the Food Security Act of 1985 (Public Law 99-198) is amended—

(1) in subparagraph (B), by striking out "The" and inserting in lieu thereof "Except as provided in subparagraph (E), the"; and

(2) by adding at the end thereof the following new subparagraph:

"(E)(i) In lieu of any reductions in payments made by the Secretary for the purchase of milk and the products of milk under this subsection during the period beginning March 1, 1986, and ending September 30, 1986, required under the order issued by the President on February 1, 1986, under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), the Secretary shall increase the amount of the reduction required under subparagraph (A) during the period beginning April 1, 1986, and ending September 30, 1986, as the sole means of meeting any reductions required under the order in payments made by the Secretary for the purchase of milk and the products of milk under this subsection.

"(ii) The aggregate amount of any increased reduction under clause (i) shall be equal, to the extent practicable, to the aggregate amount of the reduction that would otherwise be required under the order referred to in clause (i) in payments made by the Secretary for the purchase of milk and the products of milk under this subsection during the period beginning March 1, 1986, and ending September 30, 1986, except that the amount of any increased reduction under clause (i) may not exceed 12 cents per hundredweight of milk marketed.".

SEC. 11. RESEARCH ON EXTERNAL COMBUSTION ENGINE.

Section 4(m) of the Commodity Credit Corporation Charter Act is amended by adding at the end thereof a new sentence as follows: "Notwithstanding any other provision of this Act, the Corporation may, in the exercise of its power to remove and dispose of surplus agricultural commodities, export, or cause to be exported, not to exceed such amounts of commodities owned by the Corporation as will enable the Corporation to finance research and development of external combustion engines using fuel other than that derived from petroleum and petroleum products. The total value of commodities exported annually for the purposes of the research authorized by the preceding sentence may not exceed $30,000,000.".

SEC. 12. QUALITY CONTROL STUDIES UNDER THE FOOD STAMP PROGRAM.

Section 1538 of the Food Security Act of 1985 is amended—

(1) in subsection (a)(3), by striking out "of enactment of this Act" and inserting in lieu thereof "the Secretary and the National Academy of Sciences enter into the contract required under paragraph (2)";

(2) In subsection (c)(1), by striking out "18 months after the date of enactment of this Act" and inserting in lieu thereof "6 months after the date on which the results of both studies required under subsection (a)(3) have been reported"; and

(3) in subsection (c)(2), by striking out "2 years after the date of enactment of this Act" and inserting in lieu thereof "6 months after the date on which the results of both studies required under subsection (a)(3) have been reported,".

SEC. 13. ADVANCE RECOURSE LOANS.

(a) It is the sense of the Congress that the Secretary of Agriculture shall carry out a program authorized by section 424 of the Agricultural Act of 1949. Such program shall provide for the following:

(1) Advance recourse loans shall be made available only to those producers of a commodity who are unable to obtain sufficient credit elsewhere to finance the production of the 1986 crop of that commodity, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes (as determined by the Secretary) in the community in or near which the applicant resides. A producer who has received a commitment or been furnished sufficient credit or a loan for production of the 1986 crop of a commodity shall not be eligible for an advance recourse loan to finance the production of that commodity for such crop year.

(2) Advance recourse loans shall be made available to producers of a commodity at the applicable nonrecourse loan rate for the commodity (as determined by the Secretary). Within the limits set out in paragraphs (5) and (7), advance recourse loans shall be available—

(A) to producers of wheat, feed grains, cotton, and rice who agree to participate in the program announced for the commodity on an amount of the commodity equal to one-half of the farm program yield for the commodity multiplied by the farm program acreage intended to be planted to the commodity for harvest in 1986, as determined by the Secretary;

(B) to producers of tobacco and peanuts who are on a farm for which a marketing quota or poundage quota has been established on an amount of the commodity equal to one-half of the farm marketing quota or poundage quota for the commodity, as determined by the Secretary; and

(C) to producers of other commodities on an amount of the commodity equal to one-half of the farm yield for the commodity multiplied by the farm acreage intended to be planted to the commodity for harvest in 1986, as determined by the Secretary.

(3) An advance recourse loan under section 424 shall come due at such time immediately following harvest as the Secretary determines appropriate. Each loan contract entered into under section 424 shall specify the date on which the loan is to come due.

(4)(A) The Secretary shall establish procedures, when practicable, under which a producer, simultaneously with repayment of his recourse loan, may obtain a nonrecourse loan on his crop (as otherwise provided for in the Agricultural Act of 1949) in an amount sufficient to repay his recourse loan.

(B) In cases in which nonrecourse loans under such Act are not normally made available directly to producers, the Secretary shall establish procedures under which a producer may repay a recourse loan at the same time the producer receives advances or other payment from the producer's disposition of his crop.

(5) Advance recourse loans shall be made available as needed solely to cover costs involved in the production of the 1986 crop that are incurred or are outstanding on or after the date of enactment of this section.

(6) To obtain an advance recourse loan, the producer on a farm must—

(A) provide as security for the loan a first lien on the crop covered by the loan or provide such other security as may be available to the producer and determined by the Secretary to be adequate to protect the Government's interests; and

(B) obtain multiperil crop insurance, if available, to protect the crop that serves as security for the loan.

If a producer does not have multiperil crop insurance and is located in a county in which the signup period for multiperil crop insurance has expired, the producer shall be required to obtain other crop insurance, if available.

(7) The total amount in advance recourse loans that may be made to a producer under section 424 may not exceed $50,000.

(8) An advance recourse loan may be made available only to a producer who agrees to comply with such other terms and conditions determined appropriate by the Secretary and consistent with the provisions of section 424.

(b) The Secretary shall carry out the program provided for under section 424 through the Commodity Credit Corporation, using the services of the Agricultural Stabilization and Conservation Service and

the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) to make determinations of eligibility with respect to the credit test under subsection (a)(1), and determinations as to the sufficiency of security under subsection (a)(6). The Secretary may use such committees for such other purposes as the Secretary determines appropriate in carrying out section 424.

(c) It is further the sense of Congress that the Secretary of Agriculture shall issue or, as appropriate, amend regulations to implement the program provided for under section 424 as soon as practicable, but not later than 15 days after the date of enactment of this Act. Loans and other assistance provided under such program shall be made available beginning on the date such regulations are issued or amended.

SEC. 14. TRANSFER OF AGRICULTURAL PRODUCTS STORED IN WAREHOUSES.

Section 17 of the United States Warehouse Act (7 U.S.C. 259) is amended—

(1) by striking out "That" and inserting in lieu thereof "(a) Except as provided in subsection (b),"; and

(2) by adding at the end thereof the following new subsection:

"(b)(1) Notwithstanding any other provision of this Act, if a warehouseman because of a temporary shortage lacks sufficient space to store the agricultural products of all depositors in a licensed warehouse, the warehouseman may, in accordance with regulations issued by the Secretary of Agriculture and subject to such terms and conditions as the Secretary may prescribe, transfer stored agricultural products for which receipts have been issued out of such warehouse to another licensed warehouse for continued storage.

"(2) The warehouseman of a licensed warehouse to which agricultural products have been transferred under paragraph (1) shall deliver to the rightful owner of such products, on request, at the licensed warehouse where first deposited, such products in the amount, and of the kind, quality, and grade, called for by the receipts or other evidence of storage of such owner.".

SEC. 15. PLAN FOR THE USE OF AFRICA FAMINE RELIEF.

Title II of the Act of April 4, 1985, entitled "An Act Making supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes", Public Law 99-10, is amended by striking out "the Administrator" and all that follows through "Africa." and inserting in lieu thereof the following: "the President certifies that the use of such funds is essential to famine relief in Africa. The Administrator of the Agency for International Development shall prepare and submit to Congress before April 15, 1986, a plan specifying how such additional funds for African famine relief would be used. The plan shall ensure, among other things, that the funds from the reserve, if utilized, shall be available to cover all costs for inland transportation of food only as are necessary for its timely delivery.".

SEC. 16. ESTIMATION OF COMMODITY CREDIT CORPORATION UNCOMMITTED STOCK.

Section 416(b)(10)(B) of the Agricultural Act of 1949 is amended—

(1) by inserting before the period at the end of the second sentence the following: "or, in the case of fiscal year 1986, prior to March 31, 1986"; and

(2) by inserting before the period at the end of the third sentence the following: "or, in the case of fiscal year 1986, March 31, 1986.

Amend the title so as to read: "An Act entitled: The Food Security Improvement Act of 1986.".

Mr. DE LA GARZA. Mr. Chairman, I designate the gentleman from Massachusetts [Mr. FRANK] to offer the amendment authorized under the unanimous-consent request.

AMENDMENT OFFERED BY MR. FRANK

Mr. FRANK. Mr. Chairman, I offer the amendment referred to in the unanimous-consent request.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. FRANK: Mr. FRANK moves to amend the Senate amendment on pages 18 and 19 by striking section 9 and section 10.

Mr. FRANK. Mr. Chairman, for purposes of dividing time, I yield to the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Chairman, I divide the time allotted to me equally with my distinguished colleague, the gentleman from Illinois [Mr. MADIGAN].

Mr. MADIGAN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman from Texas [Mr. DE LA GARZA] will be recognized for 30 minutes, and the gentleman from Illinois [Mr. MADIGAN] will be recognized for 30 minutes.

PARLIAMENTARY INQUIRY

Mr. FRANK. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. FRANK. Mr. Chairman, my understanding was that I have 30 minutes, the gentleman from Texas has 15, and the gentleman from Illinois 15. That was my understanding from the gentleman from Texas, that 30 minutes was to go to the designee of the gentleman from Texas.

The CHAIRMAN. The gentleman from Massachusetts [Mr. FRANK] has 15 minutes, and the gentleman from Texas [Mr. DE LA GARZA] has 15 minutes.

Is the gentleman from Illinois [Mr. MADIGAN] opposed to the amendment?

Mr. MADIGAN. I am, Mr. Chairman.

The CHAIRMAN. The gentleman from Illinois then is recognized for 30 minutes.

Mr. FRANK. Mr. Chairman, my understanding is that it is 1 hour to be divided equally. I am the only proponent of my amendment now on my feet, although I hope reinforcements are in the process of arriving, so I would think I would be entitled to 30 minutes, and the other gentlemen can divide the 30 between them.

The CHAIRMAN. The gentleman is correct. If he is the only person in favor of the amendment, the gentleman is correct.

Mr. FRANK. At this time, Mr. Chairman.

The CHAIRMAN. The gentleman from Massachusetts is entitled to 30 minutes.

Is the gentleman from Texas [Mr. DE LA GARZA] opposed to the amendment?

Mr. DE LA GARZA. I am, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas will be recognized for 30 minutes.

Mr. DE LA GARZA. Mr. Chairman, I would divide my time equally with the gentleman from Illinois, or should the gentleman from Illinois request——

The CHAIRMAN. The gentleman from Illinois [Mr. MADIGAN] will be recognized for 15 minutes and the gentleman from Massachusetts [Mr. FRANK] will be recognized for 30 minutes.

Mr. DE LA GARZA. Mr. Chairman, I would ask the gentleman from Illinois if he would prefer to divide in any other manner? I am amenable. I have no preference.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Chairman, it seems like we have just proposed a procedure by which the majority side will control two-thirds of the time. Was that the intention of the unanimous-consent request?

Mr. DE LA GARZA. No, but that the author of the amendment happens to be in the majority, no majority-minority, but he is the one that offered the amendment.

Mr. FRANK. Mr. Chairman, will the gentleman from Texas yield?

Mr. DE LA GARZA. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, first, I would say, on matters of agriculture some of us sometimes have difficulty differentiating the committee majority from the committee minority. I certainly would look forward to sharing much of my time with Members on the other side.

I have already spoken, in fact, to the gentleman from Pennsylvania [Mr. WALKER] on the subject. I intend to make much of my time available to Members on the other side. If the gentleman from Illinois has any such request for Members in support of my amendment, I will be glad to accommodate them.

Mr. MADIGAN. Oh, I am not going to belabor it, if the gentleman will yield further. That was my parliamentary inquiry awhile ago when the gentleman interrupted me and I never got a chance to make the inquiry; but as I say, I am not going to pursue it. In fact, if the gentleman from Texas

wants to control all the time in opposition, it is perfectly all right with me.

Mr. DE LA GARZA. This gentleman would be happy to allow the gentleman from Illinois to control all the time.

Mr. MADIGAN. It seems like Calhoun does not want the ball, Mr. Chairman.

Mr. DE LA GARZA. Why not just divide it equally, Mr. Chairman.

The CHAIRMAN. The gentleman from Massachusetts [Mr. FRANK] is recognized.

Mr. FRANK. Mr. Chairman, I yield myself such time as I may consume.

There are two aspects of this. The gentleman from Virginia will address section 9 involving marketing orders. The part I am going to talk about now deals with section 10. Section 10 is a provision which we talked about last week and again earlier today. Many Members are familiar with it.

Gramm-Rudman requires that subsidy payments that go to dairy farmers be reduced as of March 1 by 4.3 percent, just as other domestic programs that were not on the exempt list.

The dairy farmers do not like that. They do not like it in part because of the remarks made by the very able gentleman from Vermont [Mr. JEFFORDS], the great authority on dairy.

In the CONGRESSIONAL RECORD for February 27 on page H 726, he says that if we follow what Gramm-Rudman now says—and let me make this clear. My position is that for dairy, Gramm-Rudman ought to stay the way it is written. If and when we begin to make Gramm-Rudman exceptions, it seems to me we ought not just to single out dairy.

People on the other side in the Senate and in the Senate bill before us want to give an exemption to dairy from Gramm-Rudman. Instead of reducing the subsidy paid to the farmers, they want to raise the amount paid into the Treasury by all dairy farmers.

It seems very like a tax to me, because dairy farmers have to pay this if they want to be dairy farmers, whether or not they are program recipients under this program. Any economist would define this as an excise tax on your ability to dairy farm.

Now, if we do it the way the bill now calls for, the way people in the Agriculture Committee want, you will be adding to the cost of doing dairy business. You will put an extra assessment on that every dairy farmer will have.

You will add to the cost of doing business and that will tend to push up the price. That is certainly the view of the consumer organizations which support my amendment and of the people who are in the dairy food processing business.

Generally it is usually accepted, particularly on the other side, that if you increase the tax on something, you tend to increase its price. We understand that.

On the other hand, if you lower the subsidy the Government pays, you tend to reduce the price.

And here is what the gentleman from Vermont [Mr. JEFFORDS] said:

> Obviously, when you sell to the government, you get that much less.

That is what would happen if we do not change the law.

> The buyer next door who is not the government says——

I quote the gentleman from Vermont here—

> The buyer next door who is not the government says, "Well, there is no sense in us offering any more than the government is paying," and that is the way the system works. The processors next door offer a lesser amount of money and then all dairy farmers lose that money.

That is true. A drop in the subsidy price tends to put a downward price, a downward push on the market price. An increase in the assessment would raise the cost.

Now, peculiarly, as with other agricultural commodities, we will hear many free market conservatives come up here and say that the laws of economics to not apply to agriculture, for various and sundry reasons.

Like it or not, they do.

The question is this. Should we give agricultural dairy farmers an exemption from Gramm-Rudman? Should we say that with regard to them we will not drop the Government payments that they receive. Instead, we will raise the tax.

I would anticipate great support on the other side, because the President has said that he is opposed to meeting the Gramm-Rudman targets by raising taxes as opposed to cutting expenditures.

Incontrovertibly, that is what will be done if my amendment is not adopted. Instead of cutting the amount that is paid out to the recipients under the program we will raise the tax that everyone had to pay for the privilege of being a dairy farmer. It will be a special Gramm-Rudman exemption for that one group. It will set the precedent of raising the Government's revenue, rather than cutting the expenditures, and it will have a negative effect on the consumer, not on a 1-to-1 basis, because markets do not work that way, but you will substitute a measure which tends to have a downward pressure on the consumer price for a measure that will tend to have an upward pressure on the consumer price.

So I hope the amendment is adopted.

Mr. Chairman, I reserve the balance of my time.

Mr. DE LA GARZA. Mr. Chairman, I yield 5 minutes to our colleague, the gentleman from Vermont [Mr. JEFFORDS].

Mr. JEFFORDS. Mr. Chairman, I have spent a considerable length of time over the past week talking to this body and informing my colleagues about the importance of this bill. I am not going to take an inordinate amount of time today.

I would hope and believe, of course, that everyone has paid attention to what I have said; but on the possibility that this has not been the case, I will refresh everyone's memory.

We are not dealing here with dairy policy. We are not trying to exempt dairy farmers from Gramm-Rudman. We are dealing with how we should comply with Gramm-Rudman. We are dealing with what is the most efficient and effective way—with the least damage to those people that will be affected—to collect the money which is necessary to meet the impact of Gramm-Rudman. That is what this debate is all about and it is as simple as that—no more, no less.

What happened is very simply this. In the farm bill, it was decided that the best way to meet the Gramm-Rudman budgets would be through a 10-cent assessment upon all the dairy producers in the country.

Now, the ramifications of that are to raise the amount of money that is available, approximately $80 million for dairy's share.

Unfortunately, although the Gramm-Rudman provisions were only designed to take care of corn, wheat, and other crops, the legal experts said that these provisions, for some reason or other, affected dairy as well because they were specific and the provision to instead, allow an increase in the dairy assessment was a general provision. Therefore, the legal experts required that the Department utilize the provisions aimed at wheat and corn in making reductions to dairy.

The ramifications are radically different. Under one scenario you have an effect of 10 cents and all the producers will pay. On the other, the net effect is a 55-cent price cut.

The difference to dairy farmers is some $300 million in lost income, which does not go to the taxpayers, does not go to reduce the deficit, but goes, and all the facts will show later, goes to the processors, the middlemen and the retailers. It will not result in any decrease to the price to consumers.

Let us take a look at the chart here just a moment. What the chart shows graphically is that, with a 10-cent assessment, $80 million is collected from farmers and every penny of that money goes into the Federal Treasury to reduce fare deficit.

If you go with the other alternative, the farmers kick in somewhere between $50 million and $80 million to the Treasury and they lose somewhere around $350 million.

No one in their right mind would choose to unnecessarily reduce farm income without any benefit to the consumer or to the Treasury.

Now, if we will move on to the next chart very briefly, I will show you the farm provisions that were designed to meet the Gramm-Rudman targets in a responsible manner.

I would point out right here that the net effect of what the gentleman from Massachusetts would like to do is to have almost a dollar price cut—bang—right now, this spring. Never has he or the gentleman from Virginia ever suggested that what we ought to have is a dollar cut in the price support to the farmers of this country. No one would ever, in any kind of compassion or logic, suggest that.

Well, let us take a look at the chart again. The current farm law is the green line. You can see it dips down.

In the other column is farm income. It was at the break-even point before the farm bill. It is on its way down, and depending on which route you go, it is going to be a negative cash situation, or a negative income situation.

The blue line is what would happen if you put the assessment on. It will dip a little bit more sharply, but it will still be a reasonable cut, even though the average farm will be in a negative situation, and the red line is what will happen if you pass the gentleman's amendment. We will have farmer's income dipping way down and tens of thousands of dairy farmers going out of business unnecessarily and prematurely.

Now, with the final chart I will try to answer as best I can the argument of the gentleman from Massachusetts that somehow we are going to affect the consumers. I would like you to take a look at this. I would like to remind you that dairy farmers, more than any other business in this country, have been trying to help reduce prices. They have taken a 12-percent cut over the past couple of years in what they get for their products, and look what has happened to consumer prices.

Now, the gentleman from Massachusetts would say that, by gosh, the consumers should have had that passed on to them.

□ 1505

All right, let us take a look. Let us look at the dairy price support, which has gone down 12 percent since 1981. You will see that during that period of time when the farmers have been getting less money, ice cream has gone up 22 percent, cheese has gone up 17 percent, butter has gone up 8 percent, and whole milk has gone up 6 percent.

That is the answer. It will not help the consumer.

Vote for a stable order here.

Mr. FRANK. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, I do not rise to speak to the merits of the amendment. Rather, I rise to note a jurisdictional concern of the Committee on Ways and Means.

This Senate provision which the amendment before you would strike expands a provision in the Food Security Act of 1985 which requires the Secretary of Agriculture to reduce the price received by producers of milk marketed for commercial use if a milk diversion program is in effect. The difference in the reduced price and the sales price would be remitted to the Commodity Credit Corporation by the purchaser of the milk or, in the case of a direct sale to consumers, withheld by the producer and remitted to the Commodity Credit Corporation.

The Senate bill would expand this dairy revenue provision of the Food Security Act. That bill would allow the Secretary of Agriculture to increase the portion of the price which is paid to the Commodity Credit Corporation in an amount which would fully replace any price cuts otherwise required under the Gramm-Rudman legislation. This additional revenue is estimated to raise $80 million during the 6 months the higher Commodity Credit Corporation payment is in effect.

Mr. Chairman, in my opinion this Senate provision imposes a cost upon the first purchasers of milk that is in essence an excise tax on the purchase of milk.

As a revenue measure this is a matter which falls within the jurisdiction of the Committee on Ways and Means pursuant to rule X of the House.

In light of the perceived need to proceed with this matter in an expeditious manner, the chairman of the Committee on Ways and Means has not pressed his committee's jurisdictional concern and did not request for sequential referral of H.R. 4188, legislation identical to this Senate provision, when it was reported by the Committee on Agriculture.

It is my intention today to give the full House membership notice that the Committee on Ways and Means does not intend to waive its jurisdiction on similar revenue measures in the future. It is my understanding that the Committee on Ways and Means will request referral of revenue measures that are similar to this provision of the Senate bill.

Mr. Chairman, I wish to emphasize that the concern I am raising here is not merely a concern from the jurisdictional perspective of the Committee on Ways and Means but also a concern from the constitutional perspective of the House of Representatives to preserve its prerogatives under article I, section 7, to originate revenue legislation.

Mr. Chairman, I submit the letters exchanged between the chairmen of the Committees on Agriculture and Ways and Means regarding H.R. 4188 to be included in the RECORD at this point.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
Washington, DC, February 26, 1986.

Hon. E (KIKA) DE LA GARZA,
Chairman, Committee on Agriculture, Longworth Building, Washington, DC.

DEAR MR. CHAIRMAN: I write you regarding jurisdictional concerns that I have with H.R. 4188, as favorably reported by the Committee on Agriculture. It is my understanding that a provision of H.R. 4188 would expand a revenue provision in H.R. 2100, the Food Security Act of 1985 (P.L. 99-198), about which you and I exchanged letters last year. I have enclosed copies of that earlier correspondence for your information.

The Food Security Act requires the Secretary of Agriculture to reduce the price received by producers of milk marketed for commercial use during fiscal years 1986 through 1990 if a milk diversion program is in effect. The difference in the reduced price and the sales price would be remitted to the Commodity Credit Corporation (CCC) by the purchaser of the milk or, in the case of a direct sale to consumers, withheld by the producer and remitted to the CCC. The amount to be paid over to the CCC under this provision is 40 cents per hundredweight of milk for fiscal year 1986.

As I stated in my letter to you of July 16, 1985, the Food Security Act imposes a cost upon first purchasers of milk that is the equivalent of an excise tax imposed at that point in the flow of milk from producers to ultimate consumers. As you know, the Rules of the House of Representatives provide that the Committee on Ways and Means has jurisdiction over revenue measures generally. This jurisdiction extends to fees, charges, and other revenue measures as well as explicit taxes.

Because the schedule of the Committee on Ways and Means was extremely crowded with tax reform legislation during the latter part of 1985 and because the Committee did not wish to delay the extremely important farm bill, this Committee agreed not to seek a sequential referral of H.R. 2100 at that time.

However, it has come to my attention that in H.R. 4188 the Committee on Agriculture has expanded the dairy revenue provision. H.R. 4188 would allow the Secretary of Agriculture to increase the portion of the price which is paid to the CCC in an amount which would fully replace any price cuts which would otherwise be required under the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177). This additional revenue is estimated to raise $80 million during the 6 months the higher CCC payment is in effect.

Once again I understand your need to move quickly on legislation that would override reductions required beginning March 1, 1986, under the Balanced Budget and Emergency Deficit Control Act of 1985. However, I am seriously concerned from a jurisdictional standpoint with the expansion of this revenue measure.

If the Committee on Ways and Means refrains from requesting a sequential referral in the interest of not frustrating the Agri-

culture Committee's desire to expedite House consideration of H.R. 4188 prior to March 1, it would be my request that you, as Chairman of the Committee on Agriculture, acknowledge the jurisdictional concerns of this Committee and agree that the deferral of such a request on the part of the Committee on Ways and Means under these circumstances would not be viewed as precedential in the event efforts are made to extend or enlarge this provision again or to initiate any similar provision in the future.

Thank you for your consideration of this important matter.

Sincerely yours,

DAN ROSTENKOWSKI,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, DC, February 26, 1986.

Hon. DAN ROSTENKOWSKI,
Chairman, Ways and Means Committee, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This refers to your letter expressing your jurisdictional interest in H.R. 4188, as favorably reported by the Committee on Agriculture. Specifically, your letter addresses the provision in H.R. 4188 requiring the Secretary of Agriculture to increase the reduction in the price received by producers of milk already being implemented as part of the dairy program under the Food Security Act of 1985.

The increase, which will be in effect only for the six-month period ending September 30, 1986, is designed to enable the Department of Agriculture to meet its outlay reduction obligations under the Balanced Budget and Emergency Deficit Control Act of 1985 as it applies to the dairy program. The bill is consistent with the overall agreement on dairy policy embodied in the Food Security Act of 1985. It was anticipated at that time that the required budget deficit reductions applicable to the dairy program under the then recently-enacted Balanced Budget and Emergency Deficit Control Act of 1985 would be achieved through such an adjustment of the price reduction mechanism contained in the Food Security Act; and H.R. 4188 will enable the Department of Agriculture to fulfill that aspect of the compromise on the dairy program.

We acknowledge your jurisdictional concerns relating to this bill. While we may differ as to the essential nature of the milk price reduction mechanism, we do, of course, recognize your concerns arising out of your jurisdiction over revenue measures generally. Further, we agree with you that forebearance by the Committee on Ways and Means on sequential referral of H.R. 4188 should not be viewed as precedential with respect to future legislation.

We appreciate the continuing cooperation of your Committee and its staff in matters of mutual interest. We assure you that, on the part of the Committee on Agriculture, that cooperation will continue.

With warm regards,

Sincerely,

E. (KIKA) DE LA GARZA,
Chairman.

Mr. MADIGAN. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise against this Frank anticonsumer amendment, and it is an anticonsumer amendment, ladies and gentleman, because you have to ask yourself: Why do you have milk price supports in the first place? The reason you have them is to prevent monopolies from taking over in this country and putting every small farmer in America out of business.

I represent the Hudson Valley from West Point all the way to Lake Placid in the Hudson Valley of New York State, and they are all dairy farmers. The average herd runs 50 head per farm.

You take away milk price supports and you put them all of out of business, and you put all of these large consortiums throughout the United States in business. And then, I say to the gentleman from Massachusetts, Mr. FRANK, watch the price of milk skyrocket.

The gentleman calls this a consumer amendment?

Let me just say Gramm-Rudman means to all of us that we either raise taxes in order to meet the budget reductions or we cut spending to meet those deficit reductions or some combination of both. I went back to my farmers and I asked them what should we do. Like they always do, like they have always done throughout the history of this country, they said we are willing to pay our share. So yes, they will go along with a 10-cent increase.

And you know something, you have to take off your hat to those people. They are having a rough time of it today. Our farmers in the Northeast do not even contribute to this overproduction. We are at a break-even point. We produce enough milk in New York State to feed our people, 18 million of them. Yet we constantly are asked to make up for the problems of other people, and we do it gladly.

Now I am going to watch very carefully because I have stood up here when you have had problems, even in New York City. Where are you, you New York City Congressmen?

Mr. Chairman, may I have 1 additional minute?

Mr. JEFFORDS. Mr. Chairman, I am happy to yield the gentleman 1 additional minute.

Mr. SOLOMON. I want to tell my colleagues from New York City that I have stood up here and supported you when you needed additional money, when you were desperate. I am going to tell all of you from Philadelphia, Chicago, and Los Angeles, and all over America, you urban Congressmen, if you want some help, you watch carefully. We are not trying to bust Gramm-Rudman. We are going along with it because we are not raising taxes, we are not cutting spending. We are coming up with a revenue not out of the pocket of the Government, but out of our pockets, the farmers of America, and that is the way we are going to do it.

Let me see you bring a mass transit bill before this House, and if you do not raise your subway fares by 10 cents, then I am going to raise the dickens with you on this floor. You had better support the defeat of the Frank amendment.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I am glad to yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, I just want to say to those who are persuaded by the gentleman that the dairy farmers are supporting this change in Gramm-Rudman out of their concern for the consumers and not because they are trying to maximize their income, I hope they will be careful of the gentleman from New York if he tries to sell them a monument.

Mr. SOLOMON. The annual wage of the farmer in my district is about $8,000. What is it in yours?

Mr. FRANK. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. OLIN].

Mr. OLIN. Mr. Chairman, I thank the gentleman for yielding me this time.

I will say to the gentleman from New York who was recently in the well that it is true that the country's dairy farmers are generous. They are responsible and they are trying to do a good job, and they are doing it.

The difficulty is that the dairy farmers are producing 10 percent more milk than the country needs or can consume or use.

The other interesting thing is that we are in the sequestration part of the Gramm-Rudman, and that part of Gramm-Rudman requires that within the activities that are appropriate that the expenses of the Government be reduced.

The only expense the Government has in dairy is the cost of buying surplus dairy products from certain milk cooperatives that make manufactured products. That is the only expense the Government has. It is quite appropriate that that expense be reduced in order to meet the provisions of Gramm-Rudman, and that is what the Department of Agriculture has already implemented. And it makes sense.

The idea that this is going to wipe out the dairy industry is just not reasonable. Thirty-five of the 44 milk marketing areas of the country have had their milk differentials increased. In most of those cases, it has largely offset the effect of Gramm-Rudman, not in all areas, but in most of them. And it is a move in the direction of correcting the surplus problem that the industry has.

It does not make any sense at all to handle Gramm-Rudman by imposing a tax. The provisions are very clear.

With regard to section 9 of the Senate bill which the gentleman from Massachusetts' amendment would delete from the bill, that section of the Senate bill adds to a provision that was added in the farm bill, so for the first time, cooperatives in this country could be paid for certain milk-handling charges, so-called marketing services, providing that the Secretary of Agriculture held hearings upon request, and that as a result of those hearings, in his judgment, the requests for such payments would be needed and justified. This bill that section 9 involves would make the action by the Secretary mandatory. It would for the first time require the Secretary when he receives a request for such marketing payments, it would require him first of all in 60 days to have a hearing. It would then require him after hearing in 180 days to make an affirmative action with regard to those charges, ruling what they should be. It basically would mandate that the Secretary must approve and designate charges to certain marketing co-ops to collect from their milk receipts right off the top before calculating what the farmers were to receive.

□ 1515

The bill that we are considering here that we would like to delete would increase returns to large dairy co-ops and in turn reduce the returns to small and independent dairy farmers by lowering the blend price paid for those farmers.

It is also a considerable concern that the ramifications of this might be wider. One of the reasons that the Secretary was given discretion in this case is because this is a trial program; it has never been done before; nobody knows for sure what kind of justification will be given for these charges; nobody knows for sure how much money will be taken off the top and how much that will mean.

It was intended that the Secretary have discretion here to rule on whether the request was reasonable and needed, and since we don't know a thing about what kind of games might be played with this, it is very important that on a trial basis we have that discretion, that we not mandate that the Secretary of Agriculture accept the recommendation and put it into effect.

One of the provisions that this bill would involve in some cases would be to amend the service payments authority, which are included in the Food Security Act of 1985, and at the request of a specific, very dominant cooperative, this particular cooperative controls 70 to 90 percent of the milk supplies in its area; it already receives over the order prices money to cover its market-wide services.

There is a considerable suspicion that this cooperative and other regional giants would want to tap the pool of receipts of all dairy farmers in the various Federal order areas to serve their own corporate interests. I do not know if they would do it; or whether they could make it stick, but they would be authorized to, and the Secretary would be authorized, would be required to set their prices for this.

They could very well be seeking unlimited resources of money to pay for manufacturing plants that were bad investments and unneeded for any purpose except to sell to the Federal Government.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FRANK. Mr. Chairman, I yield the gentleman an additional minute.

Mr. OLIN. I think that the provisions of the bill that the chairman of the Committee on Agriculture is proposing to this House of Representatives, except for the dairy provisions, is a good bill. The provisions are needed. They are technical amendments.

These particular two provisions: the provision with regard to milk marketing orders has never been discussed in the committee; it has never been discussed in the whole House; it was put in at the last minute; it represents new policy, untried policy and should be rejected.

The milk tax is not needed; it is contrary to the provisions of Gramm-Rudman, and it should be rejected. I urge all Members of the House to vote in favor of Mr. FRANK's amendment, get these unneeded dairy provisions out of the bill and then vote for the bill, as improved.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. I thank the chairman for yielding to me this time.

Mr. Chairman, the 1985 farm bill as it now stands will cost the 1st District of Arkansas up to $35 million. This loss will result directly from the formula contained in the new law for computing average farm yield for program payments. Yields are in effect reduced by 10 to 20 bushels per acre.

Farmers are financially trapped into signing up for farm programs because of current hard times. The drop in agriculture exports has led to domestic surpluses which have driven commodity prices down. Farm income has reached its lowest point since the early days of the Great Depression. During President Reagan's administration, average annual net farm income dropped to $8.36 billion, measured in 1967 dollars. During President Hoover's administration, average annual net farm income reached $8.2 billion, as measured in 1967 dollars.

Yet when farmers sign up for income support programs, the new law just hits them harder. Farm income will be lower this year than last year because of the 1985 farm bill.

Amending the new law is necessary to correct this inequity. I support the bill before us today. It mandates that the Secretary compensate farmers for the loss in yield and income by offering farmers payments-in-kind. However, while this action today is an improvement, it is not a remedy for a low-income farm policy.

This bill would require the Secretary to make in-kind payments available to all farmers whose yield is reduced below the 1985 level. In 1986, these payments must restore a farmers' total production level to the equivalent of 3 percent below the 1985 level and in 1987 to 5 percent below the 1985 level. This bill lessens the negative impact of the 1985 farm law but it fails to address the fundamental problem of low farm income. I support the measure, but frankly it is still not enough.

Mr. MADIGAN. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Chairman, Members, I rise in strong opposition to the motion by the gentleman from Massachusetts [Mr. FRANK]. I would like to make three quick points that I think are very important.

First and foremost let us understand that we are talking about a technical change to Gramm-Rudman. Again, I apologize to my colleague from Virginia, but we debated the farm bill in December and we resolved that issue. Today we are talking about a technical change to Gramm-Rudman.

The reason we are here is because the way the conference report on Gramm-Rudman came out, at the same time we were drafting the farm bill so we did not know about it, but it came out defining milk or dairy as a crop. Now, there is no one in this Congress, no one in the country that would suggest that dairy is a crop; that is why we have to have this legislation in front of us.

The second thing is, we are not trying to escape from dairy's obligation to save money like every other element of the Federal Government; the dairy program is supposed to save $80 million, and I would suggest to you we are going to save at least that, if not more, if you agree with the particular legislation in front of us.

The fact is, that if you have a 55-cent price cut or you have a 10-cent assessment, you are going to come up with $80 million. That is all equal. The problem is, every dairy economist in the country will tell you a 50-cent price cut leads to a half percent increase nationally in the production of milk, which would force the Government to purchase an additional billion pounds, costing $160 million.

Therefore, instead of saving money under a price cut, you actually cost the Government money.

The third thing that I want to discuss is to all of my rural colleagues who received earlier today in the mail a telegram from the National Farm Bureau saying that they oppose increases in dairy assessment. I don't know what the National Farm Bureau office is doing, and I cannot speak for their new leadership, but I must tell you that this Farm Bureau telegram is directly contrary to the resolution passed at the National Farm Bureau convention in Janaury.

The proposed platform presented to the Farm Bureau's national convention in January called for opposition to amendments. The Wisconsin Farm Bureau president made a motion at that convention to delete opposition to assessment, and the reason he did, in his arguments which they have in their record if they will look at it, is so that if Gramm-Rudman came along, they could meet dairy's obligation through assessments. That motion to delete opposition to assessments at the Farm Bureau convention was approved overwhelmingly by the National Farm Bureau convention in January.

So, I apologize to the National Farm Bureau administrative office that has sent out this telegram; but you are not representing the wishes of the National Farm Bureau convention in the delegates assembled in January.

Therefore, I call upon all my colleagues, let us resolve this issue and get on which implementing the farm bill.

Mr. FRANK. Mr. Chairman, I yield myself 3 minutes.

First, I want to thank my friend from Wisconsin [Mr. GUNDERSON] for underlining the position of the National Farm Bureau in support of my amendment. He says it is only a technical change. The technical change happens to be one of the central principles that the President has talked about.

Instead of meeting the Gramm-Rudman target by cutting expenditures, the proponents of the position that is in the bill would meet that by raising revenues. As the gentleman from Georgia pointed out, and I think he is absolutely right, we are talking about an excise tax on dairy farmers, because every dairy farmer in America has to pay this excise whether or not he or she benefits from the program.

I want to note again the irony to me of some of the usual defenders of the free enterprise principle who have somehow lost sight of what it means in this case. I am sorry our good friend from New York [Mr. SOLOMON] is not here; he said this is a proconsumer bill because the reason we spend billions of dollars subsidizing dairy farmers is to protect the small farmer against the big ones.

Unfortunately for his argument, big dairy farmers get a lot of subsidy, too. There is not anything in the dairy program that limits the subsidy; it is one of those antimeans tested entitlements where the bigger you are the most you get.

Let us focus on what this bill does. Members on the other side of this issue from me have admitted that cutting the subsidy tends to reduce the price paid for milk. They argue that the middle man will eat it up.

Well, anytime we deal in this House with legislation that has an impact on price, we are always told by the defenders of the particular producer group that the consumer will never see it. In fact, we have seen these ingenious charts that said when the support price was $13, milk prices were such-and-such; and as the support price dropped, milk prices went up.

Well, by that logic, I suppose we should have doubled the support price, so we would have cut the milk price almost to zero.

There are not single factors that account for prices. There are a lot of things that happen, because milk has to be driven and processed, and advertised, and people pay taxes and people have wages to pay; but it is undeniable, and in every other context but this, my friends on the other side of this issue agree to it: When you reduce the price that a major purchaser pays for a product, it puts downward pressure on the price.

Again, I quote the gentleman from Vermont [Mr. JEFFORDS] who say, that when the Government pays less, other people tend to pay less, too.

I yield to the gentleman from Vermont.

Mr. JEFFORDS. Just so that we clear that up, I brought the charts out and I showed everyone that that has never happened. You said "tend to put it down," and I agree with the gentleman in the sense that it might tend to do that, but then I was cut off by, I think, the gentleman from Virginia, not the one that has been participating here, but Mr. WALKER, and I did not have a chance to finish. I finished today with the charts.

The charts show that even the price to farmers has gone down 12 percent and everything else has gone up.

□ 1525

Mr. FRANK. Mr. Chairman, I yield myself 2 minutes.

With all respect to my dear and esteemed friend, that is not true.

In the first place the gentleman was not cut off, I urge people to read the RECORD. He was having a nice colloquy with his good friend, the gentleman from Pennsylvania [Mr. WALKER] most amiably; after he concluded the gentleman from Pennsylvania took back his time.

The gentleman from Vermont said, because maybe he did not know that we were listening and maybe he did not think through the implications of it when you cut the support price, that makes other people pay less.

Now what he showed with his charts was that the ultimate price to the consumer does not track on a one-to-one basis the support price. Of course not.

The level of inflation in the economy is a factor, wages are a factor, fuel prices, of course they are; but everyone understands that one factor tends to push prices downward would be a cut in the support price and one pushing them upward would be an increase in the taxes. There simply is not any debate about this. What the gentlemen want to do, who are for the bill as written, is to say, "No, we will not save this money by paying less." They make their own argument because they say that if we do Gramm-Rudman the way it is written, it will cost the dairy farmers $350 million. That could have only happened if they agreed that the price would drop because in and of itself a 4.3-percent drop in the support price costs the dairy farmers about $80 million. How did you get the other $270 million? You are admitting when you conjure up that figure that the price paid to the dairy farmers will drop. I am not here saying people's market price ought to be driven down artificially. We have a very artificial scheme that grossly overpays what the market would pay for this product. Gramm-Rudman says reduce that by 4.3 percent as you have reduced so many other things. The proponents of the dairy farmers are saying, "No, don't do that, don't give the consumer any downward pressure. Instead raise the tax that every dairy farmer pays and give us this exception from Gramm-Rudman," and I think it is bad public policy.

Mr. MADIGAN. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. COELHO].

Mr. COELHO. I thank the gentleman from Illionois.

First off I would like to tell my colleagues that I do not have any charts. Second, that I think the whole important thing to remember here is that we are trying to continue the program that was implemented in the farm bill. The decision that was made then was a philosophical decision: Do we either get the Dairy Program under control by reducing price supports or do we do it through an assessment program? That was debated, fought out here on the floor. We agreed that for the next 18 months that we would have an assessment program, reduce the cost to the taxpayers in regard to a dairy program. We are reducing the cost by $3.5

billion. The dairy farmers are paying for that themselves. And that we would not go through a price-support cut that would in effect guarantee that we would bankrupt many small dairy farmers throughout this country; that the burden of the surplus in the Dairy Program is something that has been contributed to by large and small farmers all across this country and for people to say that some dairy farmers are not part of the problem means that they do not understand the program.

Every farmer who produces milk is part of the program. We do have a surplus. It is adamantly necessary that we reduce those surpluses and we are reducing those surpluses through a general assessment throughout the country and we will bring down those surpluses and we will reduce the cost to the taxpayer. We are down now to $1.5 billion. We want to bring it down to $1.2.

That is what we should be headed toward. That is what everybody in here, when you talk about it, that is where we are ending up with the bottom line.

So I think it is important that we permit the program which we agreed to in December, that we permit it to continue to work; that it does not make any sense to have an assessment program and then to turn right around and have a price-support cut. You defeat the whole purpose of the program that we adopted in December.

So I urge my colleagues to oppose this amendment. It is contrary to the purpose of the program that was adopted in December. The gentleman from Massachusetts argued strongly at that time and he lost. I submit this is a continuation of that debate and I would urge my colleagues to vote against the amendment again.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back 2 minutes.

Mr. FRANK. Mr. Chairman, I yield myself 2 minutes.

The gentleman from California has helped make the point. What he said was, "Go on as if nothing has happened. We passed an agriculture bill and let us just let it happen." He forgot two words or maybe three: Gramm, Rudman, and you can make the third one whichever one you want, some want it to be Hollings, some want it to be something in the middle. The point is that Gramm-Rudman intervened. Now the gentleman from California voted against Gramm-Rudman. I understand that. Let us be clear where some of the drive here comes from. We have people who represent dairy areas who voted for Gramm-Rudman. The dairy farmers said, "Ho, wait a minute, we don't like this." They said, "Not you, we meant Gramm-Rudman for everybody else. We meant we would cut here in Medicare, we would cut public transportation, have a little less housing, not so much research into cancer, but you, oh, we did not mean to cut you. Instead we will raise the tax that you won't pay but we will do this in a way that will mean less pressure on the price in a downward direction, more pressure on the price in the upward direction." And the gentleman from California is correct; had Gramm-Rudman not intervened, we would not be here today. This is not an effort by those of us on the side of my amendment to deal solely with the question that we dealt with last year. The question is should there be an exemption for Gramm-Rudman? This is not a bill that we brought in. This is a bill brought in by the people who voted for Gramm-Rudman and did not like it because it affected some of their own people, not to mention the section which the gentleman from Virginia talked about, which was not Gramm-Rudman at all. The gentleman from Wisconsin said this bill is just technical amendments to Gramm-Rudman, including a subject that Gramm-Rudman never touched. But that is where we are and that is the question: Should you say that everybody else in the Federal Government gets dealt with that way but dairy farmers will be given this exemption from Gramm-Rudman which substitutes a reduction in the subsidy that they are paid and instead increases the tax that every dairy farmer has to pay? You ask yourselves, economically which would have what impact on the consumer; are you better off as a consumer in the economy if there is a downward pressure to the subsidy price being paid for a commodity being reduced, or are you better off to tax that something and increase what you are paying.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, the gentleman from Massachusetts is absolutely correct about the reason we are here today. It is correct that the people who voted for Gramm-Rudman and the people who brought us Gramm-Rudman are now recognizing that it caused some problems that it should not have caused. I agree with that. I disagree with the gentleman on his conclusion about what we ought to do about it. This is a lousy bill. It should not be here.

The farmers should not have to take either an increase in the assessment or an additional reduction in the price support in order to comply with Gramm-Rudman because under the basic farm bill they already took their cuts. They should not get a double whack.

That is what this bill is about today, that is what we ought to recognize. I simply want to say one thing: I recognize the concern that the gentleman from Massachusetts has about consumers and I share it. But the problem is that what is going to happen to dairy farmers is not going to be just a minor inconvenience, it is going to affect their lives, it is going to destroy them and this bill is not going to help that much but it will help a little, and I hope it will pass without the amendment of the gentleman.

Mr. FRANK. Mr. Chairman, I yield 1 minute to the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. Mr. Chairman, I am not going to discuss the dairy provision because I support the committee bill. I did want to say, however, that I want to let grain farmers know that this bill does provide them some protection against reduced farm income but clearly not what farmers had thought was going to be when we passed the 1985 farm bill. Grain farmers thought there was going to be a freeze in their payment so they would not suffer reduction in farm income. This Agriculture Committee passed a bill that would in fact protect the yields of farmers so there would in fact be a freeze but because of the efforts of the other body and the administration, farmers are going to have to see an additional reduction in their farm income that they did not anticipate. I think this committee chairman, Mr. DE LA GARZA, Mr. FOLEY, Mr. MADIGAN, and others did their best to protect those yield provisions but farmers should realize that they will suffer some additional reduction in their farm income through a reduction of yields largely caused by the interpretation of the bill by the administration. It is through the efforts of Mr. DE LA GARZA, Mr. FOLEY, and others that we have been able to protect them as best that we could.

Mr. MADIGAN. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. FRANK. Mr. Chairman, I yield back the balance of my time.

Mr. DE LA GARZA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I do this only to urge my colleagues to vote no on the Frank amendment and support the committee. We have done the best we could. Legislation is the art of the possible. That is where we are now. We think we can help all of rural America and the producers who give us this bounty in this great country of ours in this very critical moment. The legislation is a very small step in that direction, but nonetheless a step to try and assist them.

Mr. Chairman, I urge my colleagues to vote "no" and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. FRANK].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. FRANK. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 120, noes 267, answered "present" 1, not voting 46, as follows:

[Roll No. 43]

AYES—120

Anderson	Fawell	Morrison (CT)
Archer	Fields	Mrazek
Armey	Flippo	Nelson
Atkins	Frank	Nielson
Badham	Garcia	Nowak
Bartlett	Gibbons	Olin
Barton	Green	Owens
Bateman	Gregg	Packard
Bates	Guarini	Parris
Berman	Hall (OH)	Pepper
Bliley	Hendon	Rangel
Boucher	Hertel	Rinaldo
Broomfield	Hiler	Ritter
Brown (CA)	Howard	Roemer
Brown (CO)	Hunter	Rowland (GA)
Broyhill	Hutto	Scheuer
Carney	Jacobs	Schroeder
Carper	Jenkins	Schumer
Cheney	Kennelly	Seiberling
Coats	Kolbe	Shaw
Cobey	Kostmayer	Shumway
Coble	Lagomarsino	Shuster
Conte	Lantos	Smith (FL)
Coughlin	Lehman (FL)	Smith, Robert (NH)
Courter	Lewis (CA)	
Coyne	Lipinski	Spence
Crane	Lloyd	Spratt
Dannemeyer	Lowery (CA)	Staggers
Darden	Lowry (WA)	Stark
Daub	Lungren	Studds
DeLay	Mack	Swindall
Derrick	MacKay	Thomas (CA)
DioGuardi	Markey	Walgren
Dixon	Mavroules	Walker
Donnelly	Mazzoli	Waxman
Downey	McCollum	Weiss
Dreier	McGrath	Wolf
Dwyer	McMillan	Yates
Early	Meyers	Young (FL)
Edwards (CA)	Miller (CA)	
Fascell	Moorhead	

NOES—267

Akaka	Brooks	Dorgan (ND)
Alexander	Bruce	Dornan (CA)
Andrews	Bryant	Dowdy
Annunzio	Burton (CA)	Duncan
Anthony	Burton (IN)	Durbin
Applegate	Bustamante	Dymally
Aspin	Byron	Dyson
AuCoin	Callahan	Eckart (OH)
Barnes	Carr	Eckert (NY)
Bedell	Chandler	Edwards (OK)
Beilenson	Chapman	Emerson
Bennett	Chappie	English
Bentley	Clay	Erdreich
Bereuter	Coelho	Evans (IA)
Bevill	Combest	Evans (IL)
Biaggi	Conyers	Fazio
Bilirakis	Cooper	Feighan
Boehlert	Craig	Fiedler
Boggs	Crockett	Fish
Boner (TN)	Daniel	Florio
Bonior (MI)	Daschle	Foley
Bonker	Davis	Ford (MI)
Borski	de la Garza	Ford (TN)
Bosco	Dellums	Franklin
Boulter	Dickinson	Frenzel
Boxer	Dicks	Frost
Breaux	Dingell	Fuqua
Gallo	Marlenee	Shelby
Gaydos	Martin (IL)	Sikorski
Gejdenson	Martin (NY)	Siljander
Gekas	Martinez	Sisisky
Gilman	Matsui	Skeen
Gingrich	McCain	Skelton
Glickman	McCandless	Slattery
Gonzalez	McCloskey	Smith (IA)
Gordon	McDade	Smith (NE)
Gradison	McHugh	Smith (NJ)
Gray (IL)	McKernan	Smith, Denny (OR)
Gray (PA)	McKinney	
Gunderson	Mica	Smith, Robert (OR)
Hall, Ralph	Michel	
Hamilton	Mikulski	Snowe
Hammerschmidt	Miller (OH)	Snyder
Hansen	Miller (WA)	Solomon
Hatcher	Mitchell	Stallings
Hawkins	Molinari	Stangeland
Hayes	Mollohan	Stenholm
Hefner	Montgomery	Stokes
Heftel	Moody	Strang
Henry	Moore	Stratton
Holt	Morrison (WA)	Stump
Hopkins	Murphy	Sundquist
Horton	Murtha	Sweeney
Hoyer	Myers	Swift
Hubbard	Natcher	Synar
Huckaby	Neal	Tallon
Hughes	Oberstar	Tauke
Hyde	Obey	Tauzin
Ireland	Oxley	Taylor
Jeffords	Panetta	Thomas (GA)
Johnson	Pashayan	Torres
Jones (NC)	Pease	Torricelli
Jones (OK)	Penny	Towns
Jones (TN)	Perkins	Traficant
Kanjorski	Petri	Traxler
Kaptur	Pickle	Udall
Kasich	Pursell	Valentine
Kastenmeier	Quillen	Vento
Kemp	Rahall	Visclosky
Kildee	Regula	Volkmer
Kindness	Reid	Vucanovich
Kleczka	Richardson	Watkins
Kramer	Ridge	Weaver
LaFalce	Roberts	Weber
Leach (IA)	Robinson	Wheat
Leath (TX)	Rodino	Whitley
Lehman (CA)	Roe	Whittaker
Leland	Rogers	Whitten
Lent	Rose	Williams
Levin (MI)	Roukema	Wilson
Lewis (FL)	Rowland (CT)	Wirth
Lightfoot	Roybal	Wise
Livingston	Sabo	Wolpe
Loeffler	Savage	Wortley
Long	Saxton	Wyden
Lott	Schaefer	Wylie
Luken	Schneider	Yatron
Lundine	Schuette	Young (AK)
Madigan	Sensenbrenner	Young (MO)
Manton	Sharp	

ANSWERED "PRESENT"—1

Goodling

NOT VOTING—46

Ackerman	Hartnett	Price
Addabbo	Hillis	Ray
Barnard	Kolter	Rostenkowski
Boland	Latta	Roth
Campbell	Levine (CA)	Rudd
Chappell	Lujan	Russo
Clinger	McCurdy	Schulze
Coleman (MO)	McEwen	Slaughter
Coleman (TX)	Mineta	Solarz
Collins	Moakley	St Germain
DeWine	Monson	Vander Jagt
Edgar	Nichols	Whitehurst
Foglietta	O'Brien	Wright
Fowler	Oakar	Zschau
Gephardt	Ortiz	
Grotberg	Porter	

□ 1550

The Clerk announced the following pairs:

On this vote:

Mr. Boland for, with Mr. Ortiz against.

Mr. Russo for, with Mr. O'Brien against.

Messrs. STOKES, RODINO, STUMP, DANIEL and MONTGOMERY changed their votes from "aye" to "no."

Messrs. MAVROULES, HERTEL of Michigan, PARRIS, HUTTO, LEHMAN of Florida, FLIPPO, RITTER and PACKARD changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Under the order of the House of today, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. ALEXANDER] having assumed the chair, Mr. MURTHA, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1614) to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986, with Senate amendments thereto, and pursuant to the order of the House of today reports the bill with Senate amendments back to the House.

Under the order of the House of today, the previous question is ordered.

Pursuant to the order of the House of today, the question is on the motion to concur in the Senate amendments.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. WALKER. Mr. Speaker, I was on my feet.

The gentleman over here was on his feet.

The SPEAKER pro tempore. Was the gentleman from Massachusetts seeking recognition?

Without objection, the proceedings will be vacated, and the Chair will again put the question.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to concur in the Senate amendments.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CONTE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 283, nays 97, not voting 54, as follows:

[Roll No. 44]

YEAS—283

Akaka	Bentley	Boxer
Alexander	Bereuter	Breaux
Andrews	Bevill	Brooks
Annunzio	Biaggi	Brown (CO)
Anthony	Bilirakis	Bruce
Applegate	Boehlert	Bryant
Aspin	Boggs	Burton (CA)
AuCoin	Boner (TN)	Burton (IN)
Barnes	Bonior (MI)	Bustamante
Barton	Bonker	Byron
Bateman	Borski	Callahan
Bedell	Boucher	Carper
Bennett	Boulter	Carr

Chandler	Hyde	Roberts
Chapman	Ireland	Robinson
Clay	Jeffords	Rodino
Coats	Johnson	Roe
Coelho	Jones (NC)	Roemer
Combest	Jones (OK)	Rogers
Conyers	Jones (TN)	Rose
Cooper	Kanjorski	Rowland (CT)
Craig	Kaptur	Rowland (GA)
Crockett	Kasich	Roybal
Darden	Kastenmeier	Savage
Daschle	Kemp	Saxton
Daub	Kildee	Scheuer
Davis	Kindness	Schneider
de la Garza	Kleczka	Schuette
Dellums	Kolbe	Schumer
Derrick	Kramer	Seiberling
Dickinson	LaFalce	Sharp
Dicks	Leach (IA)	Shelby
Dingell	Leath (TX)	Sikorski
Dorgan (ND)	Lehman (CA)	Siljander
Duncan	Leland	Sisisky
Durbin	Levin (MI)	Skeen
Dymally	Lewis (FL)	Skelton
Dyson	Lightfoot	Slattery
Eckart (OH)	Livingston	Smith (IA)
Eckert (NY)	Loeffler	Smith (NE)
Edwards (CA)	Long	Smith (NJ)
Edwards (OK)	Lott	Smith, Denny (OR)
Emerson	Lowry (WA)	Smith, Robert (OR)
English	Lundine	Snowe
Erdreich	Madigan	Snyder
Evans (IA)	Manton	Solomon
Evans (IL)	Marlenee	Spence
Fazio	Martin (IL)	Spratt
Feighan	Martin (NY)	Staggers
Fish	Martinez	Stallings
Flippo	Matsui	Stangeland
Florio	McCain	Stenholm
Foley	McCloskey	Stokes
Ford (MI)	McDade	Strang
Ford (TN)	McHugh	Stratton
Franklin	McKernan	Stump
Frenzel	McKinney	Sundquist
Frost	Meyers	Sweeney
Fuqua	Mica	Swift
Gallo	Michel	Synar
Gaydos	Mikulski	Tallon
Gejdenson	Miller (CA)	Tauke
Gephardt	Miller (OH)	Tauzin
Gilman	Miller (WA)	Taylor
Gingrich	Mitchell	Thomas (CA)
Glickman	Mollohan	Thomas (GA)
Gonzalez	Montgomery	Torres
Goodling	Moody	Torricelli
Gordon	Moore	Towns
Gradison	Morrison (WA)	Traficant
Gray (IL)	Murphy	Traxler
Gray (PA)	Murtha	Udall
Guarini	Myers	Valentine
Gunderson	Natcher	Vento
Hall (OH)	Neal	Volkmer
Hall, Ralph	Nowak	Vucanovich
Hamilton	Oberstar	Watkins
Hammerschmidt	Obey	Weber
Hansen	Oxley	Wheat
Hatcher	Panetta	Whitley
Hawkins	Pashayan	Whittaker
Hayes	Pease	Whitten
Hefner	Penny	Williams
Heftel	Pepper	Wilson
Henry	Perkins	Wirth
Hiler	Petri	Wise
Hopkins	Pickle	Wolpe
Horton	Pursell	Wortley
Howard	Rahall	Wyden
Hoyer	Rangel	Wylie
Hubbard	Regula	Yatron
Huckaby	Reid	Young (AK)
Hughes	Richardson	Young (MO)
Hunter	Ridge	
Hutto	Rinaldo	

NAYS—97

Anderson	Brown (CA)	Daniel
Archer	Broyhill	Dannemeyer
Armey	Carney	DeLay
Atkins	Cheney	DioGuardi
Badham	Cobey	Dixon
Bartlett	Coble	Donnelly
Bates	Conte	Dornan (CA)
Beilenson	Coughlin	Downey
Berman	Courter	Dreier
Bliley	Coyne	Dwyer
Broomfield	Crane	Early
Fascell	Lowery (CA)	Ritter
Fawell	Lujan	Roukema
Fields	Luken	Sabo
Frank	Lungren	Schaefer
Garcia	Mack	Schroeder
Gekas	MacKay	Shaw
Gibbons	Markey	Shumway
Green	Mavroules	Shuster
Gregg	Mazzoli	Smith (FL)
Hendon	McCollum	Smith, Robert (NH)
Hertel	McGrath	Studds
Holt	McMillan	Swindall
Jacobs	Molinari	Visclosky
Jenkins	Moorhead	Walgren
Kennelly	Morrison (CT)	Walker
Kostmayer	Mrazek	Waxman
Lagomarsino	Nelson	Weiss
Lantos	Nielson	Wolf
Lehman (FL)	Olin	Yates
Lent	Owens	Young (FL)
Lipinski	Packard	
Lloyd	Parris	

NOT VOTING—54

Ackerman	Grotberg	Price
Addabbo	Hartnett	Quillen
Barnard	Hillis	Ray
Boland	Kolter	Rostenkowski
Bosco	Latta	Roth
Campbell	Levine (CA)	Rudd
Chappell	Lewis (CA)	Russo
Chappie	McCandless	Schulze
Clinger	McCurdy	Sensenbrenner
Coleman (MO)	McEwen	Slaughter
Coleman (TX)	Mineta	Solarz
Collins	Moakley	St Germain
DeWine	Monson	Stark
Dowdy	Nichols	Vander Jagt
Edgar	O'Brien	Weaver
Fiedler	Oakar	Whitehurst
Foglietta	Ortiz	Wright
Fowler	Porter	Zschau

□ 1615

Mrs. ROUKEMA changed her vote from "yea" to "nay."

So the Senate amendments were concurred in.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unamious consent that all Members may have 5 legislative days in which to revise and extend their remarks on the motion just agreed to and the subject matter thereof.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZING SECRETARY OF AGRICULTURE TO MAKE GRANTS TO ESTABLISH INSTITUTES OF RURAL TECHNOLOGY DEVELOPMENT

Mr. WATKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4331) to authorize the Secretary of Agriculture to make grants for the purpose of establishing institutes of rural technology development, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. BEREUTER. Reserving the right to object, Mr. Speaker, I reserve the right to object in order that the gentleman may explain the intention of his motion.

Mr. WATKINS. Mr. Speaker, I appreciate the inquiry of the gentleman from Nebraska.

Let me say this was passed in the farm bill, but it was in one of the sections—and passed also in the Senate, but in a different section, so when it went to conference the two different groups were discussing it and did not realize that it was in the other section. As a result, it was dropped out and was not passed, along with the full farm bill.

I talked to the ranking Republican member of the Agriculture Committee on this. He had no objection to this.

I do not know where the gentleman from Illinois [Mr. MADIGAN] is now, but I discussed it with the gentleman and also discussed it with the chairman and also with the gentleman from Pennsylvania [Mr. WALKER] and others on this particular matter.

Mr. BEREUTER. Reclaiming my time, Mr. Speaker, I would say to the gentleman from Oklahoma that it is my understanding, this gentleman is here for another reason, and I am simply taking the responsibility that has been established on our side of the aisle and say to the gentleman that it is our understanding that it has not been cleared with the leadership in advance.

I would defer to the minority whip and yield to the gentleman from Mississippi.

Mr. LOTT. Mr. Speaker, I thank the gentleman for yielding.

We just would like to make sure that our ranking minority member is on notice and has been involved and has no objection and has had an opportunity to look over it.

Has that been done?

Mr. WATKINS. Yes; I would like to say that I did talk to the ranking minority member, the gentleman from Illinois [Mr. MADIGAN], along with the gentleman from Pennsylvania [Mr. WALKER] earlier in the discussion there; also the gentleman from Wisconsin [Mr. GUNDERSON] and also the gentleman from Vermont [Mr. JEFFORDS], I talked to him.

Mr. LOTT. Mr. Speaker, will the gentleman yield further?

Mr. BEREUTER. I yield.

Mr. LOTT. Is this discretionary legislation?

Mr. WATKINS. Yes; it is discretionary. It is also within the authorization of present law, so there is no more money. It does not cost any additional money at all and it has been passed, I might say, three times by this body, 390 to 3 votes, and another time 398 to 4, because of a vote technicality, so it has been looked at several times.

Mr. LOTT. Mr. Speaker, will the gentleman yield further for one question?

Mr. BEREUTER. I yield.

Mr. LOTT. And it is discretionary with regard to the promulgation of regulations?

Mr. WATKINS. Yes, sir.

Mr. LOTT. Mr. Speaker, I thank the gentleman.

Mr. BEREUTER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. VISCLOSKY). Is there objection to the request of the gentleman from Oklahoma [Mr. WATKINS]?

There was no objection.

The Clerk read the bill, as follows:

H.R. 4331

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION. 1. That this Act may be cited as the "Rural Industrial Assistance Act of 1986".

SEC. 2. Section 310B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932) is amended by—

(1) adding at the end of subsection (a) the following: "No loan may be made, insured, or guaranteed under this subsection that exceeds $25,000,000 in principal amount."; and

(2) effective on October, 1, 1986, adding at the end thereof the following:

"(f)(1) The Secretary may make grants under this subsection to public and nonprofit private institutions for the purpose of enabling them to establish and operate centers of rural technology development that have, as a primary objective, the improvement of the economic condition of rural areas by promoting the development (through technological innovation and adaptation of existing technology) and commercialization of (A) new products that can be produced in rural areas, and (B) new processes that can be used in such production.

"(2) Grants under this subsection may be made on a competitive basis. In making grants, the Secretary shall give preference to applicants that will establish centers for rural technology in areas that have (A) few industries and agri-businesses, (B) high levels of unemployment, (C) high rates of out-migration of people, business, and industries, and (D) low levels of per capita income.

"(3) If grants are to be made under this subsection the Secretary shall issue regulations implementing this subsection that shall include provisions for the monitoring and evaluation of the rural technology development activities carried out by institutions that receive grants under this subsection.".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DESIGNATION OF HON. THOMAS S. FOLEY TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS UNTIL MARCH 11, 1986

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
March 6, 1986.

I hereby designate the Honorable Thomas S. Foley to act as Speaker pro tempore to sign enrolled bills and joint resolutions until March 11, 1986.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the designation is agreed to.

There was no objection.

ADJOURNMENT TO MONDAY, MARCH 10, 1986

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

PROPOSED FROSTBAN FIELD TEST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, recent events surrounding the proposed "Frostban" experiment on a strawberry field in my congressional district have generated both concern about the potential hazards of such experiments, and frustration at the confusing regulatory structure that now exists. On March 5, the House Science and Technology Committee's Subcommittee on Investigations and Oversight held a hearing to review these matters. I would like to share my testimony that I gave before the subcommittee with my colleagues.

I want to thank the subcommittee for holding this hearing and providing me with an opportunity to testify on this critical subject. I also appreciate your giving the chairman of the Monterey County Board of Supervisors, Sam Karas, who is accompanied by Walter Wong, the County Director of Environmental Health, and the president of a Monterey citizens organization, Glen Church, an opportunity to testify.

The issue of biotechnology experimentation was brought most forcefully to my attention a few weeks ago, when Advanced Genetic Sciences, Inc. [AGS] was given a permit by the Environmental Protection Agency for an experimental use of "Frostban" on a strawberry field in Monterey County, in my congressional district. The controversy raised by the events surrounding that proposed experiment has national implications and has led in part to this hearing.

The rapid developments in the field of biotechnology over the past several years have raised enormous concerns for the public, for the scientific community, and for government at all levels. While this relatively new technology holds great potential for improving the quality of life on our planet, it also presents many risks, some of them potentially enormous and without precedent to guide us.

Our knowledge of the short- and long-term effects of this kind of experimentation for human, animal, and plant life remains limited. It is clear that the careful regulation of these activities must be given a high priority by local, State, and Federal Governments. The Federal Government is ultimately responsible for this national issue, but State and local governments have a key role to play as well. The Environmental Protection Agency has a clear and serious responsibility to work with State and local agencies, as well as the public, to provide for safe experimentation that is as risk-free as possible.

In the case of Frostban, there was no formal notification to the public or to local government that this experiment would take place. The Monterey County Board of Supervisors was not briefed by the EPA until the board raised strong objections based on legitimate concerns raised by members of the community. These legitimate concerns were primarily over the safety factor. The fact is that EPA had approved a permit for a potentially dangerous experiment in a part of the county that is very close to a populated area. Frankly, EPA treated this new substance as if it were a routine pesticide when it was clear that a higher level of caution was called for. This, combined with the lack of consultation, caused a public reaction which eventually convinced the manufacturer to delay the experiment and move the site to an unpopulated area. These events could be used to write a primer on how not to regulate these experiments.

When all of the evidence is considered, there will be four very important lessons from the experience with Frostban. These are lessons that we seem to be taught over and over again but fail to learn.

First, a fundamental reason for our Nation's, and civilization's, advance has been our drive to discover new methods of improving the conditions under which we live. One of the most important, of course, is the quantity and quality of the food we eat. Despite the problems we are dicussing today, I hope—and have no doubt—that we will continue to encourage research into safe and effective ways to improve agricultural production, including possible methods of controlling frost damage. Improvements benefit both consumers and agriculture. The lesson here is that we must encourage research and development and provide cooperation and coordination between the private and public sectors to ensure safe and effective ways to achieve that goal.

The second lesson is that such research must be conducted under conditions that protect the public safety and minimize health risks. Experiments conducted to improve the public's health and welfare cannot at the same time jeopardize the public's health and welfare.

A case in point is the Frostban experiment. Despite precautionary conditions that the EPA required for this potentially dangerous field test, the EPA's own Hazard Evaluation Division concluded that the new microbe would probably escape the strawberry experiment and could survive indefinitely on plants outside the experimental plot. As a condition for issuing the experimental test permit, the EPA recommended that the area be isolated from a populated area in order to protect against the spread of the microbe, as well as a requirement that protective gear be provided to the individuals conducting this experiment. It was not until after the permit was granted that the EPA actually visited the site, and it was only then that the Agency learned that the experiment would in fact be conducted near

a residential area in North Monterey County. There are areas of the county that are more isolated and would have been more appropriate for such an experiment. This action alone ran contrary to ideal conditions recommended for the experiment by the EPA. I recognize that the EPA issues permits for literally thousands of pesticide experiments and that it would be difficult to go out in the field and evaluate each and every site. However, given the uncertainties involved with this new technology, EPA should proceed with even greater caution, and site evaluation should be an integral part of the process.

EPA's own recommendation stated that such field tests should be conducted in remote locations, away from people and crops. The EPA even required that protective gear be provided to the individuals conducting this experiment. Clearly, the neighboring landowners should have been afforded the same protection by restricting the site to a remote area. The lesson here is that conditions imposed on such experimentation must be met both in spirit and in substance.

The third lesson is that there is an immediate need to clarify and coordinate the Federal structure for the safe regulation of new, emerging biotechnologies. We must have consistent policies among the numerous Federal agencies with jurisdiction over this area of experimentation. The confusing maze of Federal bureaucracy that now governs aspects of biotechnology is unnecessarily cumbersome. Manufacturers have been frustrated in their efforts to discover the proper regulatory procedures to work through; concerned citizens have been frustrated in their efforts to obtain information on the hazards of such experiments; and in response to these concerns, both State and local governments have been frustrated in their efforts to provide guidance on this matter—due to lack of cohesive Federal policy. The Federal agencies charged with regulating these new substances must develop safe and consistent policies that will provide effective guidance to those individuals and organizations affected by this technology.

The fourth and perhaps most important lesson is that in such experiments, where a new substance is involved and where it is shown that there is some risk to the public, the public should be fully informed of the risks, as well as monitoring steps that will be taken to minimize those risks. There is a tendency among the scientific community, which sometimes afflicts Government as well, that they know best and that the public need not be informed. They believe that there is no danger involved in the experiment, and that therefore, there is nothing for the public to be concerned about. But the public has a right to be informed. Here, there was a failure of both public and private agencies to fully advise local offices and the community of what was involved. Knowledge, as we know, is the best cure for fear—if indeed, this knowledge confirms that there is nothing to fear. This may or may not have been the case here, because there simply is not enough information available to make that determination.

Regarding Frostban, it is possible that research can proceed, but only with appropriate protections for public health. In addition, action must be taken to fully inform the public of any risks involved.

More broadly, if we can learn the lessons that I have outlined here, then we can benefit from the mistakes that have been made in the past. We must do the following: (1) There must be a coordinated and consistent policy established among the responsible Federal agencies to provide guidance and information to state and local governments and the private sector. (2) EPA guidelines for experimentation must be strictly enforced and monitored, and adherence to safety regulations in both spirit and substance must be insisted upon. (3) Notwithstanding the need for confidentiality of business operations, the public's right to know must be given the first priority, whatever change in attitude this may require for both government and the scientific community. These should be the guiding principles for any new policies implemented by Congress or the Environmental Protection Agency.

Again, Mr. Chairman, thank you for this opportunity to testify.

□ 1630

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, I rise once again because of what I consider to be a very ominous development in the shape and form of President Reagan's insistence in pursuing an inexorable and unreversible course of action with respect to Central America, particularly in Nicaragua which, with a great deal of apprehension, I have expressed through the years and I consider to be a calamitous, a course of action that inescapably will lead America into great loss of blood and treasure. The President, as I have indicated before, has followed a dogmatic line of thinking and behavior that is reminiscent of General Custer of the last century.

The historians relate how General Custer, who was in many, many ways a counterpart of our President today as an ideolog, once making what he called a Custer decision was inflexible and nothing would cause him to recant or change that decision. I think that the calamitous, the disastrous, the sad, the tragic loss of 241 marines in Beirut is mute but most tragic testimonial to the President's mindset in which and during which for a course of over 14 months persistently insisted with callous indifference to set aside the unanimous advice of the chief military expertise that our country can produce in the persons and shape of the Joint Chiefs of Staff. No one needs to remind us that though that event has been lost into the dust of recent history, given the shape of events in the modern day world, where the events of just a few months ago have been telescoped and forgotten, but I think that those relatives, those surviving relatives of the dead marines, some of whom have been in touch with me through the years, certainly poignantly accede to the fact that they are bitter, that what they have been told, for instance, is that their sons were not killed in action, were not killed in the defense of the country, they were defined as having been killed in an accident. As such, they would not be entitled to even the minimal benefits that we would provide during war as we did during World War II.

As I have futilely tried to provide legislation to recognize the need for in this day and time an era of Presidential undeclared wars in which many Americans have been asked to serve, and who have done so loyally, but at the loss of their lives, in my opinion, unnecessarily, tragically, and all due to the stubborness and mule-headedness and the inflexibility of a mind reflected in the person of our President.

Now I have had mostly these have been partisan forces who resent my referring to the President in these terms. The truth of the matter is that I have tried always to be as outspoken in my expressions as I am in my thinking, and that I speak no different in this forum than I do back home where I pass review by the constituents every 2 years. On top of that, my words have been mild by comparison with what distinguished men of the cloth or men of God, as I call them, have said and have uttered. I want to bring to the attention of my colleagues such utterances that took place just 2 days ago, day before yesterday here in Washington where a numerous congregation of religious people, not just Catholic bishops and other ecclesiastics, but several faiths, including the Jewish faith involved in appealing to the President. I am going to read from the release that they made at the time and which was read at the gates or near the gates of the White House:

IN THE NAME OF GOD—STOP THE LIES—STOP THE KILLING

A scaffold of deception is being constructed around Nicaragua. Exggeration, misinformation, and outright falsehood form the heart of the Reagan administration's case against Nicaragua. The purpose of the government's distortion campaign is to prepare the American people for further U.S. military action in Nicaragua. The saying, "In war, truth is the first casualty," is an apt description of current events.

The official deception that undergirded the war in Vietnam was overwheming in its magnitude and devastating in its consequences. That American tragedy, built upon a foundation of falsehood, is still painfully with us. If the present lying continues unchallenged and has its intended effect, it is certain that yet more killing will result.

We in the religious community feel compelled to speak out now about Nicaragua before many more lives are lost. We refuse to allow the deception to go unchallenged or to accept the senseless violence that is deception's companion. Together we say, "In the name of God, stop the lies, stop the killing!"

The administration has been deceiving the public in its quest for military and so-called humanitarian aid to the contras. Most notably, it has been covering up credible reports that the contras are systematically committing human rights atrocities against innocent civilians. The contras are not freedom fighters.

We are opposed to any aid to the contras in any form. The United States should not conduct its foreign policy by funding paramilitary groups to subvert sovereign nations. The notion of "humanitarian aid" to the contras is a dangerous deception being used to cover up the truth.

Nicaragua has offered peace initiatives that are worthy of more energetic exploration by our government, which seems to prefer the financing of terrorism to the pursuit of peace.

We call upon the U.S. government to cease its promotion of fear and hatred and to cease its funding of the contra war against Nicaragua.

We call upon the media to critically examine the unsubstantiated assertions made by the U.S. government regarding Nicaragua.

We call upon U.S. citizens to test the statements and policies of our government, to listen to other voices, and to come to their own conclusions regarding the situation in Nicaragua.

We call upon all persons of faith and conscience in the United States to look at the effects of current U.S. policy in Nicaragua and all of Central America, and to join with us in saying to the government of the United States, "In the Name of God, Stop the Lies, Stop the Killing."

□ 1640

It is signed by:

Bishop Thomas Gumbleton, Archdiocese of Detroit; Co-founder of Bread for the World; Active in Pax Christi.

Paul Moore, Jr., 13th Episcopal Bishop of New York (1972-present); Bishop of Washington, D.C. (1964-1972); Chair of Committee of 100 of National Board of NAACP Legal Defense Fund.

Marshall Meyer, Rabbi of B'nai Jeshrun, New York City; Founder and Senior Rabbi of Communidad Bet'l, Buenos Aires (1963-1984); Author of "Nunca Mas" (to be published in English this Spring); Served on Presidential Commission, Argentine Permanent Assembly for Human Rights (1977-1981). Vice President of University of Judaism, Los Angeles (1984-1985).

Jim Wallis, Editor of "Sojourners"; Founder of Sojourners Community; Evangelical Pastor; Author: "Revive Us Again" (Abbington Press), "Call to Conversion" (Harper & Row), "Agenda for Biblical People" (Harper & Row).

Maurine Fiedler, Catholic Sister of Loretto; Co-Director of the Quixote Center, which is raising $27 million in humanitarian aid for Nicaragua.

William Sloane Coffin, Senior Minister at Riverside Church, New York City (1977-present); First Director of Peace Corps Field Training Site in Puerto Rico; Chaplain of Yale University (1958-1976); Infantry Officer of the U.S. Army in Europe (1942-1947); served with the CIA in Germany (1950-1953); Founder of Clergy & Laity Concerned About Viet Nam.

Norman Bent, Nicaraguan Pastor of the Moravian Church in Managua; Native of the Atlantic Coast of Nicaragua; very involved in ministry to the Miskito Indians throughout the country; works with the Nobel Prize winning international agency Service for Peace and Justice (SERPAJ).

Phylis Taylor, Member of WFP Steering Committee; led a WFP Jewish delegation to Nicaragua, December 1984; Executive Committee Member of the Jewish Peace Fellowship.

Charles Litkey, U.S. Army Chaplain in Viet Nam (1966-1969); Recipient of Congressional Medal of Honor for courageous service in Viet Nam; Veterans Administration, San Francisco, CA. (1970-1984).

Gilberto Aguirre, Nicaraguan lay leader of the First Baptist Church in Managua; Executive Director of the Protestant Committee for Aid to Development (CEPAD), an organization made up of 64 Protestant denominations which has started development and emergency relief projects in some 400 communities throughout Nicaragua; lay leader of the First Baptist Church in Managua.

There is an appendix which I ask unanimous consent to offer for the record at this point, which is entitled, "Appendix to the statement: 'In the Name of God—Stop the Lies—Stop the Killing.'"

We have this appendix signed by over 100 U.S. religious leaders, March 4, 1986, prepared by the Washington office of Witness for Peace.

Mr. Speaker, I ask unanimous consent that that be included in the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The appendix follows:

APPENDIX: TO THE STATEMENT "IN THE NAME OF GOD—STOP THE LIES—STOP THE KILLING!"

(Signed by over 100 U.S. Religious Leaders, March 4, 1986. Prepared by the Washington Office of Witness for Peace)

A SAMPLING OF THE DECEPTION AND LIES OF THE REAGAN ADMINISTRATION CONTRASTED WITH DOCUMENTED EVIDENCE OF THE NICARAGUAN REALITY

I. The Nature and Activity of the U.S. Backed "Contras":

Myth #1, Freedom Fighters: "They [contras] are our brothers, these freedom fighters . . . They are the moral equivalent of the Founding Fathers and the brave men and women of the French Resistance" (President Reagan, *Washington Post* 3/2/85). "It's not hard to tell as we look around the world, who are the terrorists and who are the freedom fighters . . . The contras in Nicaragua do not blow up school buses or hold mass executions of civilians" (George Schultz, 6/24/83, entered in Congressional Record 10/3/84). "The Nicaragua armed opposition has attacked very few economic targets and has sought to avoid civilian casualties" (State Department Resource Paper, "Groups of the Nicaraguan Democratic Resistance; Who Are They?" 4/85).

Reality #1: "They [the contras] have attacked civilians indiscriminately; they have tortured and mutilated prisoners; they have murdered those placed hors de combat by their wounds; and they have committed outrages against personal dignity" (An Americas Watch Report, "Violations . . .," 3/85). "Those incidents that have been investigated reveal a distinct pattern, indicating that contra activities often include: attacks on purely civilian targets resulting in the killing of unarmed men, women, children and the elderly; premeditated acts of brutality including rape, beatings, mutilation and torture; individual and mass kidnapping of civilians . . . assaults on economic and social targets such as farms, cooperatives, food storage facilities and health centers . . . kidnapping, intimidation, and even murder of religious leaders who support the government, including priests and clergy-trained lay pastors" (*Contra Terror In Nicaragua* by Reed Brody, 1985). "I love killing; I have been killing for the past seven years. There's nothing I like better. If I could, I'd kill several people a day." (Chief of Misura's Military Operations, quoted in Jack Anderson column, 9/30/84). "Many civilians were killed in cold blood. Many others were tortured, mutilated, raped, robbed or otherwise abused . . . The atrocities I had heard about were not isolated incidents, but reflected a consistent pattern of behavior of our troops" (Affidavit of Edgar Chomorro [former contra leader and member of F.D.N. directorate], before International Court of Justice, 9/5/85).

Myth No. 2, Popular Uprising: "The freedom fighters are peasants, farmers, shopkeepers, and vendors. Their leaders are without exception men who opposed Somoza" (Langhorne Motley, before the Western Hemisphere Subcommittee, 1/29/85). "Contrary to propaganda, the opponents of the Sandinistas are not die-hard supporters of the previous Somoza regime" (President Reagan, Address to Joint Session of Congress, 4/27/83).

Reality No. 2: ". . . 46 of the 48 positions in the FDN military leadership are held by ex-National Guardsmen. These include the Strategic Commander, the Regional Command Coordinator, all five members of the General Staff, four out of five Central Commanders, five out of six regional commanders, and all 30 task force commanders" (Who Are the Contras? Research Report for the bipartisan Arms Control and Foreign Policy Caucus, 4/18/85). "Former National Guardsmen who had sought exile in El Salvador, Guatemala and the United States after the fall of the Somoza Government were recruited to enlarge the military component of the organization. They were offered regular salaries, the funds for which were supplied by the C.I.A. . . . Arms, ammunition, equipment and food were supplied by the C.I.A. . . . After the initial recruitment of ex-Guardsmen from throughout the region (to serve as officers or commanders of military units), efforts were made to recruit "foot soldiers" for the force from inside Nicaragua. Some Nicaraguans joined the force voluntarily. . . . Many other members of the force were recruited forcibly. F.D.N. units would arrive at an undefended village, assemble all the residents in the town square and then proceed to kill—in full view of the others—all persons suspected of working for the Nicaraguan Government or the F.S.L.N., including police, local militia members, party members, health workers, teachers, and farmers from government-sponsored cooperatives. In this atmosphere, it was not difficult to persuade those able-bodied men left alive to return with the F.D.N. units to their base camps in Honduras and enlist in the force. This was, unfortunately, a widespread practice that accounted for many recruits" (Affidavit of Edgar Chamorro, International Court of Justice, 9/5/1985).

II. Intent and Activities of Reagan Administration Toward the Government of Nicaragua:

Myth #3, No Overthrow: "But let us be clear as to the American attitude toward the

Government of Nicaragua. We do not seek its overthrow" (President Reagan before Joint Session of Congress, 4/27/83). "We are not seeking the overthrow of the Sandinista government" (Secretary of State George Shultz before the Senate Foreign Relations Committee, 8/4/83). "When Reagan was then asked whether he was advocating the overthrow of the government, he said, not if the present government would turn around and say, all right, if they'd say uncle" (*WPost*, 2/22/85).

Reality #3: "This manual [*Psychological Operations In Guerrilla Warfare*, Fall 1983] was written and printed up in several editions by the CIA. The manual talks of overthrowing the Sandinistas . . . A majority of the Committee concludes that the manual represents a violation of the Boland Amendment" (House Select Committee on Intelligence, Press Release, 12/5/84). "When asked if the United States was out to overthrow the Sandinista regime, Mr. Speakes said: Yes, to be absolutely frank" (*WTimes*, 2/19/86).

Myth #4, U.S. Did Not Mine Harbor: " . . . the United States is not mining the harbors of Nicaragua" (Caspar Weinberger, speaking on ABC News program "This Week," 4/8/84). "I intend to comply fully with the spirit and the letter of the Intelligence Oversight Act. I intend to provide this committee with the information it believes it needs for oversight purposes" (William Casey, Director of the CIA, before the Senate Select Committee on Intelligence, 1/13/81). "And we are not engaging in acts of war against anybody" (Jeane Kirkpatrick, U.S. Ambassador to the U.N. before the Senate Committee on Foreign Relations, 3/1/82).

Reality #4: ". . . The Senate Committee was not properly briefed on the mining of Nicaraguan harbors with American mines from an American ship under American command . . . In no event was the briefing 'full' 'current' or 'prior' as required by the Intelligence Oversight Act of 1980 . . ." (Senator Moynihan, in resignation as Vice Chair of the Senate Select Committee on Intelligence, 4/15/84). ". . . an inter-agency committee representing State, Defense and the CIA by the end of 1983 agreed on a package of measures including mining. The President approved the package . . ." (*Newsweek*, 4/23/84). "It [the mining of Nicaraguan harbors] is an act of war. For the life of me I don't see how we are going to explain it" (Letter from Senator Barry Goldwater to William Casey, Director CIA, 4/9/84).

Myth #5, Embargo Was Necessary: "I, Ronald Reagan, President of the United States, find that the policies and actions of the Government of Nicaragua constitute an unusual and extraordinary threat to the national security and foreign policy of the United States, and hereby declare a national emergency to deal with that threat" (Executive Order, 5/1/85).

Reality #5: ". . . the embargo means the death of thousands of children for lack of medicines . . . great suffering and hunger for all Nicaraguans . . . We, from our Christian faith based on Scripture, denounce and condemn the embargo carried out by the United States Government, considering it anti-Christian, anti-Biblical, inhumane, unjust, illegal and arbitrary. We cannot conceive that the same President who was sworn in with his hand on the Bible would emit a decree that goes totally against the Bible and is aimed at annihilating an entire people" (Pastoral Letter from the Baptist Convention of Nicaragua, 5/10/85). "The Parliament is alarmed by the decision of the President of the United States" (European Economic Community, 5/11/85). "We are strongly opposed to the use of sanctions outside the United Nations system" (Caribbean Community of Foreign Ministers, 5/11/85). "The Latin American Economic System (SELA) rejects the total trade embargo . . ." (SELA, 5/17/85).

III. The Nature and Activity of the Nicaraguan Government:

Myth #6, Exporting Arms: "The Sandinistas have been attacking their neighbors through armed subversion since August of 1979" (President Reagan, at the Western Hemisphere Legislative Leaders Forum, 1/24/85). "The majority of the weapons still used by the (Salvadoran) guerrillas were supplied externally" (Langhorne Motley, 2/21/84). ". . . tons and tons of munitions are being flown in from Nicaragua" (Thomas Enders, Assistant Secretary of State for Inter-American Affairs, 3/1/83).

Reality #6: "Since early 1983, it appears that the insurgents may have obtained most of their newly acquired firearms through capture from the Salvadoran military" (Cable from U.S. Embassy in El Salvador to Washington, 8/1/83). "There has not been a successful interdiction, or a verified report, of arms moving from Nicaragua to El Salvador since April 1981 . . . The Administration and the CIA have systematically misrepresented Nicaraguan involvement in the supply of arms to Salvadoran guerrillas to justify efforts to overthrow the Nicaraguan Government" (David MacMichael [former CIA employee who provided national intelligence estimates on Central America from 1981 to 1983], *NYT*, 6/11/84).

Myth #7, Offensive Military Buildup: "We see 36 military bases and garrisons in Nicaragua now under construction or completed" (Fred Ikle, Undersecretary of Defense, 3/14/83). "Nicaragua today has . . . Soviet weapons that consist of heavy-duty tanks, an air force, helicopter gunships, fighter planes, bombers, and so forth . . ." (President Reagan, Remarks to press, 4/14/83). "[We may see] a massive Soviet and Cuban intervention . . . We may be seeing Cubans move into a combat role on the mainland of North America . . . or we are going to be seeing a Soviet base in Nicaragua" (Assistant Secretary of State for Inter-American Affairs Elliott Abrams Jr, WPost 12/6/85).

Reality #7: "For a country that has been invaded by the United States on nine different occasions, a U.S. presence of close to 5,000 men in Honduras is sufficient cause for concern" (Report of Congressional Study Mission, 8/29/84). "The overall buildup is primarily defense oriented, and much of the recent effort has been devoted to improving counter-insurgency capabilities" (U.S. Intelligence Report prepared late 1984, cited in *Wall Street Journal*, 4/1/85). "The might of the Nicaraguan air force is infinitesimal . . . the much vaunted threat of the Soviet-built T-55 tanks in Nicaragua is really a hollow threat." and ". . . the military garrison near Somoto . . . was comprised of two small buildings and a one-vehicle lean-to maintenance shed" (Lt. Col. John Buchanan, USMC ret., NYT, 4/27/83, and testimony before the House Subcommittee on Inter-American Affairs, 9/21/82). "My impression after visiting the Potosi area and then later seeing DOD aerial photos taken before my visit was that the DOD claims and photos did not reflect the reality of what I saw on the ground with first hand observation" (Lt. Col. Edward King, USA ret., 9/11/84).

Myth #8, Totalitarian Dungeon: "The Nicaraguan people are trapped in a totalitarian dungeon" and "The United States will continue to view human rights as the moral center of our foreign policy" and "As you know, the Sandinista dictatorship has taken absolute control of the Government and the armed forces. It is a communist dictatorship, it has . . . in many cases expunged the political opposition and rendered the democratic freedoms of speech, press and assembly, punishable by officially sanctioned harassment, and imprisonment of death" (President Reagan, *NYT* 7/18/84, *WPost* 9/24/84, White House press release, 4/15/85).

Reality #8: ". . . where human rights are concerned we find the Administration's approach to Nicaragua deceptive and harmful . . . The misuse of human rights data has become pervasive in officials statements to the press, in White House handouts on Nicaragua, in the annual *Country Report* on Nicaraguan human rights prepared by the State Department, and most notably, in the President's own remarks. When inconvenient, findings on the U.S. Embassy in Managua have been ignored; the same is true of data gathered by independent sources . . . In Nicaragua there is no systematic practice of forced disappearances, extrajudicial killings or torture . . . While prior censorship has been imposed by emergency legislation, debate on major social and political questions is robust, outspoken, and often strident . . . (The) description of a totalitarian state bears no resemblance to Nicaragua in 1985" (Americas Watch Report "Human Rights In Nicaragua," 7/85).

Myth #9, Religious Persecution and Anti-Semitism: "Functioning as a satellite of the Soviet Union and Cuba, they [Sandinista government] moved quickly to . . . persecute the church . . ." (President Reagan, *WPost*, 2/17/85). "The Sandinistas seem always to have been anti-Semitic . . . After the Sandinista takeover the remaining Jews were terrorized into leaving" (President Reagan, at meeting of White House Outreach Group with B'nai B'rith ADL, 7/20/83). "The president told a religious conference . . . he had received a message from the pontiff 'urging us to continue our efforts in Central America.' . . . the president said the pope 'has been most supportive of all our activities in Central America'" (WPost, 4/19/85).

Reality #9: "The Vatican, contradicting statements by President Reagan, said today that Pope John Paul II never has endorsed U.S. policies in Nicaragua" (*Post*, 4/19/85). "A high-level delegation from the National Council of Churches visited Nicaragua in November 1984 specifically to investigate charges of religious persecution. They found the charges entirely without substance. The growth of the Protestant community since 1979 (from 80,000 to 380,000) would tend to support this finding" (Americas Watch Report "Human Rights In Nicaragua," 7/85). "The Secretary General of the Dominicans, Father Manuel Perez, denied the alleged existence of religious persecution brought about as a result of the state of emergency in Nicaragua. . . . (He) stated that fifteen members of his religious order who still remain in Nicaragua have expressed their satisfaction with their work within the process of change in that country. The Dominican priests in Nicaragua do not feel persecuted by the Sandinistas and

they are free to carry out their ministry working with the peasants in cooperatives or celebrating the eucharist" (News release from France, 11/85). "U.S. Embassy officials reported that 'the evidence fails to demonstrate that the Sandinistas have followed a policy of anti-Semitism.' Rabbi Heszel Kelpfisz of Panama visited Nicaragua and reported to the World Jewish Congress that he did not observe 'any anti-Semitic activity'" (New Jewish Agenda in "Jews and Central America," an undated pamphlet). "The American Jewish Committee and the World Jewish Congress, among others, investigated the ADL charges . . . and found they could not be substantiated. The U.N., the OAS Inter-American Commission on Human Rights and Pax Christi reached the same conclusion" (Americas Watch Report "Human Rights In Nicaragua," 7/85).

Myth #10, Massacre of Miskito Indians: ". . . [A]n attempt to wipeout an entire culture, the Miskito Indians, thousands of whom have been slaughtered or herded into detention camps where they have been starved or abused" and "a campaign of virtual genocide against the Miskito Indians" (President Reagan, in televised speech 5/9/85, and radio address 6/6/85). "Specific cases investigated by Baldizon concern the application of special measures (execution) to 150 Miskito Indians . . ." (The White House Report on Nicaragua, 11/6/85).

Reality #10: "The picture thus created is terrifying. It is also not accurate . . . There has never been evidence of racially-motivated or widespread killing of Miskitos . . . The relocations of January-February and November 1982 . . . were not aimed at the Miskito culture or people as a whole; in fact some 10% of the Miskito population was affected (about 11,500 total) and the policy was clearly prompted by military considerations . . . That the Sandinistas did mistreat Miskitos during 1981 and 1982 has been extensively documented . . . Improvements in this area, on the other hand, have been dramatic. Since 1982 we are aware of one Miskito disappearance . . . As much as it ignores positive developments, the Administration has also ignored evidence that, for the past two years, the most serious abuses of Miskito's rights have been committed by the contra groups . . . (Americas Watch Report "Human Rights In Nicaragua," 7/85).

Myth #11, Systematic Atrocities and Violations of Human Rights: "[The Sandinistas] summarily execute suspected dissidents" (Remarks of the President to Central American Leaders," 3/25/85). "John Blacken [State Department] told the audience that the Sandinistas were responsible for more than 1,000 disappearances . . . Constantine Menges of the National Security Council told a group . . . the figure was 2,000" (An Americas Watch Report, "Human Rights In Nicaragua" July 1985). "You can see in Greneda the hijacking of a country by a small, dedicated, ruthless, violent band of communists and you can see that is what happened to the Nicaraguan revolution" (Senior White House office, *WPost* 2/20/86).

Reality #11: ". . . the violations that were committed by members of the Nicaraguan armed forces appear to be relatively isolated cases of abuses of authority and breaches of military discipline. There was no evidence that violations were condoned by superiors. On the contrary, in many cases, citizens aware of the incidents told our investigators that the perpetrators had been punished" (*Nicaragua: Violations of the Laws of War by Both Sides, February-December 1985*, Washington Office on Latin America, 2/86). "A pattern emerges of frequent though generally short-term imprisonment of prisoners of conscience, incommunicado detention before trial, violations of the right to fair trial in political cases and poor prison conditions. Military personnel have been convicted and punished for abuses of prisoners, including murder and rape, but some reported cases of killings and "disapperances" have not been officially resolved" (Amnesty International Report, *Nicaragua: The Human Rights Record*, 2/86).

Myth #12, Fradulent Elections: "The Sandinista Government has never been legitimized by the people" and ". . . Soviet-style sham elections" (President Reagan, News Conference, Lisbon, 5/10/85, and *NYT* 7/22/84). "I think we have to ignore this pretense of an election they just held. This is not a government. This is a faction of the revolution that has taken over at the point of a gun" (President Reagan, WPost, 3/5/85). ". . . It is a communist, totalitarian state and it is not a government chosen by the people" (President Reagan, *Christian Science Monitor*, 2/25/85)

Reality #12: "The actual voting process on Nov. 4 was meticulously designed to minimize the potential for abuses . . . The voting occurred in secret and free of coercion . . . We observed no irregularities in the voting process . . . No major political tendency in Nicaragua was denied access to the electoral process in 1984 . . . The only ones that did not appear on the ballot on Nov. 4 were absent by their own choice, not because of government exclusion" (Official Report of the Latin American Studies Association [15 scholars from various fields], 11/84). "Three hundred outside observers were invited to watch the election process. The voting process was well organized, clear to the voters, orderly, secret, and well scrutinized by national as well as foreign observers. There was no hint of fraud" (*The Christian Century*, 2/20/85). ". . . our government, legitimately chosen by a majority of our people in November 1984 . . ." (Baptist Convention of Nicaragua, 5/10/85.)

Myth #13, Oppressive State of Emergency: "On October 15, Daniel Ortega announced a new State of Emergency suspending virtually all civil liberties in Nicaragua. The decree signaled an escalation in the assault on basic freedoms, providing further legal underpinning to the consolidation of a totalitarian regime . . . Analysis of the rising level of domestic unrest in the months preceeding the announcement suggests that the actual motive was a sense that diminishing public support for regime policies had reached a dangerous level" ("The White House Report on Nicaragua,", 11/6/85).

Reality #13 "These measures [state of emergency decree of October 15, 1985] were relaxed by the legislature in November 1985. The restriction on freedom of expression was limited to censorship of matters concerning military and economic affairs considered prejudicial to national security. The restriction on freedom of movement was limited to war zones; and public meeting, demonstrations, and strike action were permitted with prior authorization. Habeas corpus was restored, but only in non-political cases . . ." (Amnesty International Report, *Nicaragua: The Human Rights Record*, 2/86). "We reject the interpretation that the state of emergency is a step toward the imposition of a Marxist-Leninist dictatorship in our country. From our experience we testify that the democratic process ratified by last year's election is moving forward amidst all the difficulties that are being imposed abroad to hinder it . . . "Antonio Valdivieso Ecumenical Center, Managua, 11/16/85). "The measure can only be understood by stepping into the Latin American experience and recalling the history of US efforts to destabilize other elected governments, particularly the Chilean government of Salvador Allende in the early 1970's. In that case, religious, political, and media groups, far from being innocent agents in need of protection by the state, turned out to be actively lending themselves to a foreign plot to overthrow the government" (Ed Griffin-Nolan WFP/Managua memo, 10/21/85).

IV. Who Is Undermining the Negotiated "Contadora" Solution?:

Myth #14, The U.S. Supports Contadora: "The United States fully supports the objectives already agreed upon in the Contadora process as a basis for a solution of the conflict in Central America." (Secretary of State George Shultz, 8/84). "We have supported a verifiable and comprehensive implementation of the September 1983 Document of Objectives of the Contadora process as the best hope for achieving an enduring regional peace." ("The White House Report on Nicaragua," 11/6/85).

Reality #14: "We have trumped the latest Nicaraguan/Mexican effort to rush signature of an unsatisfactory Contadora agreement . . . although the situation remains fluid and requires careful management . . . we have effectively blocked Contadora group efforts to impose the second draft of the Revised Contadora Act." (National Security Council memo, 10/30/84). "The collapse of the Contadora processes wouldn't be a total disaster for U.S. policy . . . Collapse would be better than a bad agreement" (State Department paper, 9/4/85). [The Contadora nations] "are confronted by a hostile United States Government. The Reagan Administration offers rhetorical support for the Contadora process but in reality seeks to win a military victory and overthrow the Sandinista Government." (Carols Andres Perez, former Venezuelan president, *NYT*, 5/1/85). "Now, if the United States is getting support for its policies, that's because it is currently manipulating its weak client states in Central America—El Salvador, Costa Rica, Honduras. These countries, when acting independently, elaborated on and improved the Contadora process . . . But when Nicaragua signed that act, the United States promptly denounced it and pressured its satellites to follow suit." (Carlos Fuentes, author, former Mexican ambassador to France, interview 1-86). "It has become increasingly difficult for elected officials throughout Europe to defend the NATO alliance because of United States policy in Central America." (Delegation of European parliamentarians, 3/85, quoted in *Outcast Among Allies*, IPS, 11/85). "In another development, Oscar Arias Sanchez, president-elect of Costa Rica, who has been praised by Reagan administration officials, said he opposes military aid to the rebels, or contras, fighting Nicaragua's government." (WPost, 2/20/86).

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1985, 739 8th St. SE, Washington, DC 20003; and *Nicaragua: Violations of the Law on Both Sides*, by Mary Dutcher [WPF], Washington Office on Latin America, 110 Maryland Avenue, NE, Washington, DC 20002.

RELIGIOUS LEADERS WHO HAVE ENDORSED THE STATEMENT "IN THE NAME OF GOD—STOP THE LIES—STOP THE KILLING"

Bishop Maurice J. Dingman, Catholic Bishop of Des Moines, Iowa.

Bishop Leontine T.C. Kelly, United Methodist Church, San Francisco Area.

Rabbi Marshall T. Meyer, B'nai Jeshurun, New York City, Special Counsel to the Chancellor, Jewish Theological Seminary.

The Right Reverend Philip Cousins, President, National Council of Churches, Bishop, African Methodist Episcopal Church, Florida.

The Right Reverend Paul Moore, Episcopal Bishop of New York.

Sylvia Talbot, President, Church Women United.

J. Randolph Taylor, President, San Francisco Theological Seminary, Former Moderator of the Presbyterian Church (USA).

Bishop Ernest Dixon, United Methodist Church, San Antonio Area, President, Texas Conference of Churches.

Joseph E. Lowery, President, Southern Christian Leadership Conference.

Donald Shriver, President, Union Theological Seminary, New York City.

Rabbi Leonard I. Beerman, Leo Poaeck, Temple, Los Angeles.

Bishop Thomas Gumbleton, Archdiocese of Detroit.

Carol Quigley, I.H.M., President, Immaculate Heart of Mary.

Vernon Grounds, President, Evangelicals for Social Action, President, Conservative Baptist Seminary.

Avery A. Post, President, United Church of Christ.

The Right Reverend Harold Hopkins, Episcopal Bishop of North Dakota.

William M. Boteler, M.M., Superior General in Maryknoll, NY.

John A. Lapp, Moderator of the Mennonite Central Committee.

Bishop Melvin G. Talbert, United Methodist Church, Resident Bishop, Seattle Area.

Keith A. Russell, President, New York Theological Seminary.

Sister Margorie Tuite, National Coordinator, Assembly of Religious Women.

John O. Humbert, President, Disciples of Christ in the U.S. and Canada.

Sister Mary Charlotte Barton, G.N.S.H., Superior General, Grey Nuns of the Sacred Heart.

Bishop C. Dale White, United Methodist Church, New York Area.

George Peck, President, Andover Newton Theological School.

Sister Janet Mock, C.S.J., Superior General, St. Joseph Convent.

Reverend James M. Lawson, Jr., President, Southern Christian Leadership Conference, Los Angeles.

Brother Thomas Grady, O.S.F., Superior General, Franciscan Brothers.

The Right Reverend H. Coleman McGehee, Jr., Episcopal Bishop of Michigan.

Jim Wallis, Evangelical Pastor, Editor of Sojourners.

Arie R. Brouwer, General Secretary, National Council of Churches.

David Ramage, President, McCormack Theological Seminary.

Bishop Walter F. Sullivan, Catholic Diocese of Richmond, VA.

John Perkins, Center for Reconciliation and Development, Pasadena, CA, Founder of Voice of Calvary Ministries.

Bernice VanderLoop, O.S.M., President, Servants of Mary, Ladysmith, WI.

Jack L. Stotts, President, Austin Presbyterian Theological Seminary.

Sister Luise Ahrens, President, Congregation of Maryknoll Sisters.

Rabbi Balfour Brickner, Stephen Wise Synagogue, New York City.

Bishop Nicholas D'Antonio, O.F.M., New Orleans, LA.

Right Reverend Lyman Ogilby, Bishop, Episcopal Diocese of Pennsylvania.

Sister Susan Seitz, O.S.F., President, Franciscan Sisters, Dubuque, IA.

Asia Bennett, Executive Secretary, American Friends Service Committee.

The Right Reverend William Davidson, Episcopal Auxiliary Bishop of Ohio.

Sister Mary Edmund Gibson, O.P., Superior General, St. Mary's Congregation, New Orleans, LA.

The Right Reverend L. Shannon Mallory, Episcopal Bishop of El Camino Real, California.

Bishop Joseph H. Yeakel, United Methodist Church, Washington Area.

William Sloane Coffin, Senior Minister, Riverside Church, New York City.

Ron Sider, Professor, Eastern Baptist Theological Seminary.

Eileen J. Cehyra, Provincial Superior, San Antonio, TX.

Bishop Walter J. Schoenherr, Detroit, MI.

Rosemary Radford Ruether, Professor and Author, Garrett Evangelical Theological Seminary.

Bishop Kennth Hicks, United Methodist Church, Kansas Area.

Sister Joan Chittister, O.S.B., Prioress, Benedictine Sisters of Erie, Pennsylvania.

Myron Augsburger, Evangelist, Washington Community Fellowship.

Gayroud Wilmore, Dean, New York Theological Seminary.

Marian McAvoy, S.L., President, Sisters of Loretto.

Sister Monica McGloin, O.P., President, Dominican Sisters of the Sick Poor.

Rabbi Dvorah Bartnoff, Congregation AM Haskalah, Philadelphia, PA.

Bishop Gustav Schultz, Southwestern Province, Association of Evangelical Lutherans.

Amy M. Hoey, R.S.M., President, Sisters of Mercy, New Hampshire.

John Corcoran, Vicar General, Maryknoll, NY.

Sister Celestine Thibodeaux, C.I.C., Superior General, Sisters of Immaculate Conception.

William S. Schulz, President, Unitarian Universalist Association.

Bishop Nelson W. Trout, Woodland Hills, CA.

Sister Mary Ellen Reichert, O.S.F., Provincial Superior, Order of St. Francis.

Anthony M. Bianco, C.R.S.P., Provincial Superior.

Rabbi Gerald Serotta, National Steering Committee for New Jewish Agenda.

The Very Reverend James S. Stratton, C.S.R., Provincial Superior, Redemptorist Priests and Brothers, San Franciso, CA.

Bishop P. Frances Murphy, Auxiliary Bishop of Baltimore.

Sister Miriam Maroney, Provincial Superior, Sisters of the Good Shepherd.

Sister Kay Burton, S.N.J.M., Provincial Director in Spokane, WA, Sisters of the Holy Names.

Robert MacAfee Brown, Professor Emeritus, Pacific School of Religion.

Sister Margaret Byrne, Congregational Leader in Washington, DC, Sisters of St. Joseph of Peace.

Doris Younger, General Secretary of Church Women United.

Sister Dorothy Ettling, General Superior of Sisters of Charity, San Antonio, TX.

Sister Anna Margaret Cahill, President, Dominicans of St. Catharine, KY.

Rabbi Mordechai Leibling, Director, Special Project for the Federation of Reconstructionist Congregations and Havurot.

Howard L. Rice, Professor, San Francisco Theological Seminary, Former Moderator of the Presbyterian Church (USA).

Helen Flaherty, S.C., President, Sisters of Charity, Cincinnati, OH.

Sister Marie Kathleen Maudlin, Congregational Minister, General Superior.

Dorothy MacDougall, S.C.N., Superior General, Sisters of Charity of Nazareth.

Ronald G. Taylor, Executive Director, Board of International Ministries, American Baptist Churches.

Sister Sheila McGinnis, Sector Superior, North America Sector, Medical Mission Sisters.

Dorothy Ann McKinney, Director of International Designs for Economic Awareness.

Sara Nelson, Executive Director, Christic Institute.

Sagrario Nunez, Provincial Superior, Haverford, PA.

Sister Cynthia Sabathier, C.S.J., Assistant Provincial, Sisters of Saint Joseph, Medaille, New Orleans.

John Collins, Co-director, Clergy and Laity Concerned.

Sister Anne O'Neil, Provincial of the U.S. Province, Society of the Sacred Heart.

Vincent Harding, Professor, Iliff School of Theology.

Mary Lou Owczarzak, Community Coordinator, Mission Sisters of the Holy Spirit.

Sister Miriam Moroney, Provincial Superior, Sisters of the Good Shepherd.

Sister Mary Irene Cecil, Superior in Maple Mt, KY.

Jorge Lara-Braud, Professor of Theology and Culture, San Francisco Theological Seminary.

Katharine Hanrahan, S.C.N., Provincial Superior, Louisville, KY.

Sister Margaret Krantz, F.M.D.C., Major Superior, Franciscan Missionary, Sisters of the Divine Child.

Phillip Berryman, Author, Philadelphia, PA.

Sister Rosaire Lucassen, O.P., President, Dominicans of Racine, WI.

Brigid McCoy, SS.CC., Regional Superior, East Region, U.S.A.

Jim Antal, Executive Secretary, Fellowship of Reconciliation.

Sister Joanne Meyer, O.S.F., Director of the Congregation, Sisters of St. Francis of Assisi.

Sister Frances Cunningham, O.S.F., President, School Sisters of St. Francis.

William Webber, Professor, New York Theological Seminary.

John D. MacLeod, Jr., Synod Executive of North Carolina, Presbyterian Church (USA).

Sister Mary Lou Kownacki, O.S.B., National Coordinator, Pax Christi.

Richard Shaull, Professor Emeritus and author, Princeton Theological Seminary.

Bruno Barnhart, Cam. OSB, Prior, Immaculate Heart Hermitage.

Daniel Berringan, S.J., New York City.

Sister Agnes Connolly, President, Sisters of Charity, New York City.

A. Garnett Day, Executive Secretary, Disciples Peace Fellowship.

Marie Egan, I.H.M., President, Immaculate Heart Community, Los Angeles, CA.

Rabbi David A. Teutsch, Executive Director.

Mary H. Miller, National Chair, Episcopal Peace Fellowship.

Sister M. Juliana Haynes, S.B.S., President, Sisters of the Blessed Sacrament.

Alexander A. DiLella, O.F.M., Professor, Catholic University, Washington, DC.

T. Richard Snyder, Dean, New York Theological Seminary.

Robert Z. Alpern, Director, Washington Office, Unitarian Universalist Association.

Sister Marian Bandille, O.S.F., Provincial Missionary in Massachusetts, Franciscan Sisters.

Henry L. Bird, Urban Indian Missioner, Episcopal Diocese of the Rio Grande.

Elizabeth Brown, O.S.B., Prioress, Benedictine Sisters, Glendora, CA.

Margaret Cafferty, P.B.V.M., Congregational Superior, San Francisco. CA.

William Callahan, S.J., Co-Director, Quixote Center.

Sister Athena Calogeras, SSJ-TOSF, Director, St. Francis Region, Chicago, IL.

Charles J. Chaput, O.F.M., Provincial Minister, Capuchin Province of Mid-America.

Sister Narita Cooney, R.S.M., Provincial Administrator, Sisters of Mercy, Omaha Province.

William Coop, Chairperson of Bi-National Service Council, PC (USA).

Sister Michaela Crowley, O.S.F., U.S. Provincial Executive, School Sisters of St. Francis.

Sister Miriam Patrick Cummings, S.S.N.D., Provincial Leader in Chicago, School Sisters of Notre Dame.

Sister Miriam Dardenne, Abbess of Redwood Monastery, California.

Walter T. Davis, Jr., Interim Dean, San Francisco Theological Seminary.

William J. Davis, S.J., Co-director, Christic Institute.

Richard Bagget Deats, Director, Interfaith Activities, Fellowship of Reconciliation.

Jim Douglass, Co-founder, Ground Zero Center for Non Violent Action, WA.

Sister Michele Doyle, O.S.F., U.S. Provincial Executive, School Sisters of St. Francis.

Sister Mary Dunn, O.S.U., Council Member of Ursuline Sisters, Youngstown, OH.

Michelle Farabaugh, O.S.B., Prioress, Benedictine Sisters of Pittsburgh.

Maurine Fiedler, S.L., Co-Director, Quixote Center.

David Flusche, O.S.B., Priest and Monk of New Subiaco Abbey, AK.

Sister Jean Ford, R.S.C.T., Provincial Team Member, Society of the Sacred Heart.

Sister Patricia Gamgort, O.S.B., Prioress of the Benedictine Sisters of Ridgely, MD.

Donald J. Goergen, O.P., Dominican Provincial, Central Province.

Sister Lucille Goertz, O.S.B., Prioress in Covington, CA.

Sister Ann Gormly, S.N.D., Associate Director, U.S. Catholic Mission.

Sister Elaine Gremminger, O.S.F., U.S. Provincial Executive, School Sisters of St. Francis.

Joseph R. Hacala, S.J., Director, National Office of Jesuit Social Ministries.

Sister Louise Hageman, O.P., Prioress of the Dominican Sisters, Great Bend, KS.

Sister Mary Victoria Hayden, S.C.N., Provincial, Louisville II Province.

H. Daehler Hayes, Conference Minister of the Rhode Island Conference, U.C.C.

Charles Henry, O.S.B., Prior, St. Maur Priory, Indianapolis, IN.

Sherman G. Hicks, Assistant to the Bishop, Illinois Synod, Lutheran Church in America.

Mary E. Hunt, Co-director, WATER.

Sister Mary Caroline Jakubowski, S.S.N.D., Provincial Leader, Milwaukee Province.

John D. Keller, O.S.A., Provincial, Order of St. Augustine, Western Province.

Sister Rosalie King, O.S.F., U.S. Provincial Executive, School Sisters of St. Francis.

Arthur Kortheuer, Chair, Peace Initiatives Network.

Pat Kowalski, O.S.M., Prioress Provincial, American Province, Servants of Mary.

Myron Kowalsky, O.F.M., Capuchin Provincial Minister, Detroit, MI.

Patricia Krommer, C.S.J., Executive Director, Archbishop Oscar Romero Relief Fund.

Joseph R. Lang, M.M., Executive Director, U.S. Catholic Mission Association.

Sister Susan Lardy, Prioress, Annunciation Priory, Bismarck, ND.

Dean H. Lewis, Director, Advisory Council on Church and Society, P.C. (USA).

Millard C. Lind, Professor of Old Testament, Associated Mennonite Seminaries.

Sister M. Jean Linder, O.S.F., Community Minister, Tiffin, OH.

John R. Lynch, Sacred Heart School of Theology.

Sister Ann M. Mahoney, S.P., Vice President of Sisters of Providence.

Sister Mary Sue Mertens, C.D.P., Provincial in St. Louis.

The Very Reverend William Morell, O.M.T., Provincial, Oblates of Mary Immaculate, Southern U.S. Province.

Diane McCormack, Vice President, Immaculate Heart of Mary.

Alan McCoy, O.F.M., Executive Director in Los Angeles, Franciscan Conference.

Sister Mary Roy McDonald, School Sisters of St. Francis, Milwaukee, WI.

Margaret Nulty, S.C., Director, Leadership Conference of Women Religious.

Sister Patricia O'Brian, O.C.D., Prioress of the Carmelite Monastery.

Urbane Peachy, Executive Secretary, M.C.C. Peace Section.

Sister Christina Pecoraro, O.S.F., Provincial Minister of Holy Name Province, Stella Niagara, NY.

Donna Quinn, O.P., National Coalition of American Nuns.

Rosemary Rader, O.S.B., Prioress of St. Paul's Priory.

Sister Joann Riester, O.S.F., U.S. Provincial Executive, School Sisters of St. Francis.

Sister Ruth Schwalenberg, D.M.J., Provincial of the Daughters of Mary and Joseph, Palos Verdes, CA.

M. Angelice Seibert, O.S.U., President, Ursuline Sisters of Louisville, KY.

Patrick Shelton, O.S.B., Abbot, St. Leo Abbey, FL.

Bede Smith, Professor, St. Augustine's Seminary.

James Sorinson, The American Lutheran Church.

Sister Rita Taggart, O.S.B., Prioress of Order of St. Benedict, Rapid City, SD.

Robert W. Tiller, Director, Office of Governmental Relations, American Baptist Churches, USA.

Patrick Tonry, S.M., Provincial of NY, Province of Marianists.

Gerard A. Vanderhaar, Professor of Religion, Christian Brothers College.

Leland Wilson, Director, Washington Office of Church of the Brethren.

Sister Ann Wylder, R.C., Provincial, Midwest Province, Congregation of Our Lady of the Cenacle.

Darrell W. Yeaney, Executive Director, United Campus Christian Ministry.

SUPPLEMENTARY LIST OF RELIGIOUS LEADERS WHO HAVE SIGNED THE STATEMENT "IN THE NAME OF GOD—STOP THE LIES—STOP THE KILLING"

George C. Harris, Episcopal Bishop of Alabama.

John C. Bennet, President Emeritus, Union Theological Seminary, New York City.

B. Davie Napier, Former President, Pacific School of Religion, Professor Emeritus, Yale University.

Sister Kathleen Keating, President, Sisters of St. Joseph of Springfield.

Sister Karen Stern, S.H.F., Superior General, Mission San Jose, CA.

William M. Aber, Executive Presbyter, Presbytery of Santa Fe, NM.

Sister Mary Joan Coultas, Provincial Director, Allison Park, PA.

Rabbi Jerrold Goldstein, Director, Hillel House, Van Nuys, CA.

Sister Kathleen Mary McCarthy, Provincial Superior of Sisters of St. Joseph of Carondelet, CA.

Rollin O. Russell, Conference Minister, Southern Conference U.C.C.

Dorothy Sadowski, Executive Team Member, Cleveland, OH.

Robert E. Seel, Executive Presbyter, de Cristo Presbytery, PC (USA).

Carl R. Smith, Synod Executive of Lincoln Trails, IN PC (USA).

Susan Anne Snyder, O.P., Prioress General, Kenosha Dominicans, WI.

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent also that following that I be permitted to place into the RECORD an article by Joanne Omang and John M. Goshko, who are Washington Post staff writers, in an article that appeared day before yesterday in the Washington Post entitled, "GAO Faults Auditing of Contra Aid. State Department Controls Unable to Verify Delivery, Report Says" in the subheadline.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The article follows:

GAO FAULTS AUDITING OF CONTRA AID—STATE DEPT. CONTROLS UNABLE TO VERIFY DELIVERY, REPORT SAYS

(By Joanne Omang and John M. Goshko)

State Department audit controls over millions of dollars in U.S. humanitarian aid to Nicaraguan rebels "cannot verify actual delivery or receipt of items" in the field, a General Accounting Office official said in congressional testimony prepared for delivery today.

The statement by Frank C. Conahan, director of GAO's national security and international affairs division, said the department "does not have procedures and controls which would allow it to provide these assurances" that Congress asked for when it approved the $27 million aid program last fall.

The report for the House Foreign Affairs subcommittee on Western Hemisphere affairs, a copy of which was provided to The Washington Post, is likely to provide ammunition in the debate over President Reagan's new request for $100 million in aid to the contras, including perhaps $70 million in covert military aid. Its contents were disclosed on a day of rising rhetorical warfare between backers and opponents of new aid for the Nicaraguan rebels. The battle is expected to continue until Congress votes on the request, probably in about two weeks.

White House communications director Patrick J. Buchanan launched the opening salvo by warning on "CBS Morning News":

"if we don't get that assistance to the contras, they'll be defeated," he said. "The communists . . . will roll up Nicaragua and then we'll be left with two options: basically the United States can then step aside and watch the Warsaw Pact roll up Central America, or we send in the Marines."

Secretary of State George P. Shultz expressed general agreement. "If it's a question of avoiding the use of U.S. military forces directly, then support for the president's package is indicated," he told a House subcommittee.

On the other side of the issue, 167 religious leaders charged that "exaggeration, misinformation and outright falsehood form the heart of the Reagan administration case against Nicaragua." And the Washington-based human rights group Americas Watch, reporting abuses by the Nicaraguan government as well as the contra rebels, urged that the aid package be defeated.

Paradoxically, the critical GAO report may provide ammunition for the administration, which has been arguing that the overt program is working so badly that only a new covert plan can meet the contras' needs.

"Those charged with administering the [contra aid] program are unable to verify expenditures made in the region, and are unable to observe the end use of procured items to ensure that they were not diverted, bartered or exchanged," Conahan's draft testimony said.

While the $5.2 million in aid funds so far spent in the United States has been under "considerable control," $7.1 million spent in the Central American region is not, Conahan said. "Payment is usually made to a Miami bank account of one of several brokers . . . there is no audit trail showing payments from the brokers' accounts to suppliers, and only partial documentation of shipments from the suppliers to the resistance forces."

Congressional sources said the GAO had told them about $4 million worth of equipment purchased in the United States remains in U.S. warehouses because of refusal by the Honduran government to allow its delivery to contra troops based in that country.

The developments occurred as White House officials, following a Cabinet strategy meeting on the aid proposal, said Reagan plans to deliver a nationally televised plea for the aid over the March 15-16 weekend, if the House sticks to its plan to vote the following week.

Spokesman Larry Speakes said the administration faces "an uphill fight" on the package, which would provide the 20,000 contras with $30 million in nonmilitary aid and give Reagan $70 million to use as he likes, presumably for covert military aid. "For the moment we think it is the appropriate package," Speakes said.

Administration officials have repeatedly argued that renewed military pressure from the contras is the only way to bring Nicaragua's leftist Sandinista government into regional peace negotiations, and that a contra defeat means an eventual choice between a communist Central America or U.S. military action. However, Reagan has also declared repeatedly, as recently as last week, that he has no plans to use troops in Central America.

Rep. David R. Obey (D-Wis.), chairman of the House Appropriations subcommittee on foreign operations, told Shultz that the administration stand is illogical. "We view the aid package not as a way to avoid American involvement, but as a means that will put us on the slippery slope to involvement," Obey said.

In the Philippines, "we let the people there do it. If we learned one lesson from the Philippines, it is 'don't give $100 million to the contras.' "

House Speaker Thomas P. (Tip) O'Neill Jr. (D-Mass.) echoed that in his first formal statement on the contra issue. "It would be a disaster for America to drop from the high road of smart diplomacy [in the Philippines] to the depths of gunboat diplomacy," he said. "Reagan should practice the magic of Manila on Managua."

The Catholic, Jewish and Protestant religious leaders, including eight seminary presidents and 20 bishops of varying denominations, said they will plant "crosses of sorrow and hope" in 78 cities nationwide to memorialize alleged victims of contra attacks in Nicaragua.

Their statement said the administration "has been covering up credible reports that the contras are systematically committing human rights atrocities" and that its policy is "built upon a foundation of falsehood."

Americas Watch Vice President Aryeh Neier told a news conference the group's ninth report on human rights in Nicaragua was "the most depressing yet" in showing that "all parties have contributed to the deterioration of the human rights situation; the Sandinista government, the contras and the United States government," the latter by "trying to smear those who compiled reports" critical of the contras.

U.S. charges that Nicaragua has murdered thousands of its political opponents "are unsubstantiated and almost certainly false," Neier said.

Mr. GONZALEZ. I offer all of this for the RECORD because I think there is nothing more that the RECORD should demand of us than the ongoing historical facts as they are being reported by our media; whether it is the printed or the electronic media.

We have had extremely valuable documentary reports on the electronic media; that is on television, by several of our networks that should have by now illustrated to us in the Congress and to the American people generally that the issues that we confront with respect to the churning events and processes of historical development in the countries immediately south of our border, are of such complexity that they cannot be susceptible of these simplistic attitudes of President Reagan and those acting in this administration in his behalf; beginning with the very first Secretary of State that President Reagan appointed as a member of his Cabinet, General Alexander Haig, who was first to describe the events in El Salvador; the smallest country in the Western World, as an East-West confrontation.

He went further and said:

I herewith draw a line in which we, the United States will draw the line on any further incursions in this contention known as the East-West confrontation or, in other words, West versus communism or countries in the free world versus the communist slave states.

At that point, I had reached the conclusion that the administration just formed days before, on January the 20, 1981, was irrevocably committed to a policy that would not find room for a diplomatic approach. That has been the record of Mr. Reagan's approach to the questions confronting us of the most serious nature, at a most serious and ominous conjunction of historical development for us who share the New World with these countries than perhaps at any point in our history.

Therefore, the demand is for us to evolve a mature, an understanding based on knowledge of that history and knowledge of all of these 21 or so nations that constitute this generally described area of Latin America.

My interests have been aroused since the previous President, Jimmy Carter, so that what I have offered for the record thus far and will not repeat today should indicate clearly that my approach has been basically nonpartisan. That I would, if the President were a Democrat, be speaking just as strong and perhaps more strongly in a partisan sense, more allowable, than I am now in the case of the present incumbent President.

The reason that my interest was aroused was because I could see, in late 1979 and early 1980, that whoever it was in that administration who was advising the President with respect to what should have been the evolving nature of a policy reflecting America's leadership position which we still had a vestigal amount, to lead in a collective sense.

I had pointed out but failed to penetrate the levels of decisionmakers under the Jimmy Carter administration, that the history was very eloquent in what it revealed; those events in which the United States successfully exercised leadership.

It was not necessarily such a thing as President Johnson's invasion of Santo Domingo. I might say for the record that in that case, the Organization of American States asked me to form part of the core of objective observers, as they called them, who would oversee the election held in Santo Domingo on July 1, 1966. And I served as such and went to Santo Domingo. I did not consider myself an expert before; I did not then, and I have not since, but in view of the fact that I am also the recipient of infor-

mation which charges me with knowledge and therefore, as I have exercised ever since I accepted a public trust based on the free elections of the citizens in my given area, and that is to speak out as a matter of responsibility and duty in the form of accountability based on the knowledge received.

Not that I was smart enough to think it up, not that I was smart enough to even dig it out or research it; but because of the unimpeachable and the absolute trustworthiness of the nature of the information and the source of the information, I have spoken out.

It has motivated me getting up in this well, the past 25 years almost, because I have spoken from this well from the very beginning of my experience as a Member of the House of Representatives. There was no television coverage and there was no thought given to seeking that, any more than there is today, where happily I think there is a little bit more accountability by having that kind of a coverage of the proceedings of the House of Representatives.

I believe and have always believed that the biggest problem in attempting to presume to represent people was a question of communication; and this is a continuing challenge, I believe.

□ 1650

So that in exercising what I feel is basic accountability, I have spoken out. It has created in some cases very nasty situations. I have been shot at; I have had the FBI report not once but four times what they call hits or rewards offered for injury to me, including death. And happily, I have survived. And, unfortunately, my experience with such agencies as the FBI have left a very sour taste in my mouth. My experiences such as they have been in view of the information that has been brought to my attention by absolutely trustworthy and absolutely knowledgeable sources, and let me say that 90 percent of those sources have been constituent sources, they have been citizens that know of me, that live in the district, some of them have gone off, they are in the service, in the uniforms of our services, they have developed great expertise, they occupy positions of trust in our military intelligence and other branches of the service and have felt it was their duty to communicate with the only man they felt they knew who would have some access to the levels of command or at least judgment-making decision levels.

The truth of the matter is that an individual Member of the House, 1 out of 435, has very serious limitations. The very nature of the body would explain that.

So this means, which is a privilege, it is the privilege given a Member of a numerous body to extend over and above the limitations that are imposed of necessity during the course of debate on any issue, to extend on the issue that the Member feels impelled is of such importance that it warrants his appealing to this particular privilege.

Today, more than ever, I feel that we, the Members of Congress, and those in the House of Representatives particularly, must summon more, perhaps, than at any time, perhaps even during wartime, because in time of war the heroes are there and easily defined, but it is in time of peace when the thinking and the policy structuring that could be erected to provide the leadership that our country could follow to lead to avoiding such violence as warfare, is necessary to be forthcoming, and actually fortunate the land where that can be produced and where it can be forthcoming.

Would we not say now in retrospect that had our leaders in and out of Congress, in and out of the President's office, had a truer perspective of the nature of that outer world, in the one case Southeast Asia, even in the continuing case of Europe today as it is constituted, would it not be helpful to have a closer perspective, one based on the real world as it exists there, not as we have fancied it to be or as we have inherited the notion that it is. Would it not be a very great thing that the President could respect the coequal and the independent and the separate branch of the Government, the first branch of Government under the Constitution in article I? And say to the Congress before the approval of the War Powers Limitation Act there certainly would have been no duty on me to come before the Congress on some of the deliberations that, of necessity, had to be made on the executive level; but since then and even though I feel that I do not have to, out of respect to the representatives of the people I want to come before you and lay the cards on the table, based on the facts as they have developed and as they have been reaffirmed, and to show you that the correctness of my position is such that I have the active alliance of this and this and this country; but not only in the New World but in the Old World.

I come before you Members of Congress after I have initiated various attempts to bring about a collective and a peaceful and a negotiated and a diplomatic approach to the resolution of these very serious upheavals that are taking place south of the border. That would be the ideal. This would be the way that our students in government would say it is supposed to be functioning.

The truth of the matter is that President Reagan has made a very, very indifferent recognition of the presence and the significance of congressional approval. He is not the first President but nevertheless I feel that in his case it was far more fatal not to do it than in others.

Why do I say that? I say that because the facts show that at no time has President Reagan made an effort to seek the alliance or to exert the leadership of the United States in a collective form with the very organizations that we took the leadership several decades ago in forming on the basis of treaties that we, ourselves, initiated and wrote and were able at the time to obtain the overwhelming, if not the unanimous, alliance and affinity of interests of these nations.

The Treaty of Rio, the other two or three corollary understandings that gave rise to what we call the Organization of American States, wherein and when at what time has a President either through himself or through his Secretary of State made any effort to seek some resolution of these questions before unilaterally taking the decision to militarize in the heaviest and most exaggerated form that the history of that section of the world shows? Never in the history of the Caribbean and the Pacific on the other side of the Isthmus has there been such a military presence as that which the President has had in place for almost 4 years now.

The very fact that he announced the formation of a Bipartisan Commission on Central America in which he announced the membership of a goodly number of Members of Congress, both House and Senate, and went out and attracted some personalities such as the mayor of my city, but who, at the time he announced the formation of a bipartisan Commission in which he said he was forming as an advisory group because he was seeking and desiring the advice of this aggregation which he called the Bipartisan Commission on Central America, but simultaneously with the announcement of the names of those who had accepted he announced the decision to deploy the heaviest military presence in that area.

I challenge the wisdom and the judgment of the Members of Congress who accepted under those terms, even supposing they knew nothing about the decision of the President announced immediately after he announced the formation of the Commission. I felt that under those circumstances the President was acting in a duplicitous manner, because he had not waited to seek the advice and obtain that advice, he had acted immediately on a course of unilateral military intervention.

Today, at the same time that he is telling us that under no circumstances can he recommend $60 million for domestic needs to try to take care of the growing army of homeless Americans—and I am speaking now of

women and children, not ne'er-do-wells, not hoboes, not derelicts, but families—but wants to give much more than that, and apparently says he has the money for it, whereas he tells he does not for the other, to a group that by all sources' testimony are nothing more or less than a rather random and motley crew of assassins, rapists, murderers of schoolteachers, innocent village women, and men informers in Nicaragua.

He has ordered and we have ended up in occupying the sovereign state of Honduras. We are not there on the invitation of the representatives of the people of Honduras. On the contrary, the last item that I ask be inserted in the RECORD will show that even with the 40-some-million dollars that he flummoxed the Congress into giving him last year as nonlethal, whatever that may be, or humanitarian aid, cannot even be accounted. And that all that our responsible oversight agencies can tell us is they do not know what has happened to over half of those goods or materials or moneys.

Well, I have indicated on the RECORD where it is and I have said at the very outset when I spoke on this subject matter last, that is during the course of this second session, that they are held in Honduras, that the Honduran Government was refusing to even allow the unloading of the cargoes because our leaders and State Department have become so brazen, they have become so arrogant, that they do not mind announcing to the world that they were sending this aid into the sovereign state of Honduras to help a group of people and men that the Honduran people feared more, as they do now, than they did the Nicaraguans, and that they could not proclaim as a sovereign nation to the world that they could passively accept that and not be in violation of the basic rules of international law.

That is the long and short of it. And that is where the goods are. Whether they have unloaded them in the interim or not, I do not think so. In fact, I know so, because it is corroborated by this GAO report that was alluded to in this article in the Washington Post 2 days ago.

So the President is asking us for an additional, this time directly, $100 million.

What is it the President really seeks? The money? No, any more than he needed the $40 million in so-called nonlethal aid. What he needs desperately is some kind of a rescue from a miserable commitment, one that stands in shame before the world, one that has brought the condemnation, not the joinder, of every single country in the Western Hemisphere and every country in Europe and those that we do business with in the Far East. There is not a one of the countries that share the world in the New World with us that goes along with the Reagan policy in Latin America or Central America, specifically.

□ 1705

So what is it the President seeks? He seeks the imprimatur of approval.

There are some of my colleagues who say, well, he really knows he is not going to get $100 million, but he will do with about one-third of that, and that will be sufficient. He will sign that bill. He will accept it; meaning that what the President really wants is that approval, even though it might be indirect, by the Congress of those policies, that, I say again, are totally bankrupt, for we have invested now, just in the smallest country since 1981, $4 billion plus, most of it in military aid, direct and indirect.

How was it funded? Was it funded in that amount directly by the Congress? No. As in the case of the aid to the Contras which the CIA has given in the last 2 years, even when the Congress 2 years ago this summer passed a prohibitory amendment saying, "Mr. President, not one penny of this money goes to the Contras," or the CIA as they put it, all the President was using was the elasticity of his discretionary Executive budget, which went up in 1½ years 750 percent, and the overwhelming amount of that money was used to provide through the CIA that help to the Contras, that introduced for the first time in the New World the most deadly, death-dealing machines of war that have ever been introduced in the New World. This is where we are.

So if the President obtains even an oblique or an indirect stamp of approval, or imprimatur of approval, there is no question in my mind that there will be only one end result. It is just a matter of time and circumstances and the scenario that we will have inevitably, inexorably, because the President does not show one least bit of an inclination to deviate one bit from that policy, the involvement of our troops.

In today's Washington Post it is interesting to note that this is exactly, not what HENRY GONZALEZ has been saying, but what Secretary of Defense Caspar Weinberger says as of today's Post. What does he say? He says if you, the Congress, do not give us that money, we will eventually have to use our troops.

Well, I will tell this to Mr. Caspar Weinberger. Mr. Secretary, whether you get the money or not, you are already involving, you have already caused the death of 17 active-duty members of our armed services in Central America, and all you will be doing will be ensuring a calamitous incursion that no President since Calvin Coolidge has thought it wise or deemed it necessary to incur.

I say that, under these circumstances, we in the Congress must transcend this question of partisanship and need to blindly support the Chief Executive. There come times when we must make the decision. In this case, it is difficult to conjure and to bring on this House floor all of the tragic consequences that have occurred because of this mistaken policy; the 50,000 Salvadorans dead, the thousands inundating our borders now—for in my city of San Antonio, I guarantee you, my colleagues, I can take you and show you where we have more Salvadoran illegals than we have Mexican illegals, which is what has been agitating your minds in the deliberations concerning the amendments to the Immigration and Naturalization Act.

Surely we must realize that this is a failed and a bankrupt policy, that if we cannot after a heavy involvement, including some of our men who, today as I am speaking, contingents of our servicemen, are involved in the civil war in El Salvador, and where we have introduced the horrible machines of death that are killing in untold numbers of innocent women, innocent children, innocent peasants, where we have resorted to the resettlement so-called tactics of Vietnam and have uprooted entire hamlets unnecessarily, but because we are in not only forming the armed forces, but arming, guiding and making the key decisions.

For every helicopter we have there now, which are the heavy Huey attack helicopters with so-called night vision gunning down innocent children, we have American pilots flying the reconnaissance for them, pointing.

In Nicaragua, we have had several lost, whereby some misbegotten commanders have tried to imitate the CIA and its so-called plausible deniability. That is where the serviceman is told, "Well, if you're caught or if you're killed, you are not a serviceman, you are not on active duty. We are not going to give you your dog tag." And that is it. Now, you may have volunteers. We do have quite a number of American mercenaries there. We did in 1954, when the CIA took the credit for destabilizing the so-called Colonel Arbenz' regime.

But what did we resolve? We did not get any further, other than some time for something that no tide, no man or combination of men is going to stop, and that is the repressed up to now desires of those vast masses who now know that there is another world, and that they do not have to live that way. It just depends on what wisdom, whether through wit and will, we can find a reason to give hope and an outlet to that hope to the submerged masses that, for a couple of centuries and more, have been victimized by despots, tyrants, oppressors, and most of them with our help, simply because they were the ones that were doing business with our vast corporate enter-

prises. But even those have forsaken Latin America in the last decade. We had a drop from 40-percent investment to 17-percent investment in less than a decade in the seventies.

So with this type of a contingency, is it not time for us to ask for some accountability from the executive branch.

Mr. Speaker, I yield to my distinguished colleague from Minnesota.

Mr. VENTO. Mr. Speaker, I want to commend the gentleman. I think the gentleman is making a very important statement with regard to the problems in Central America.

Most specifically, I just want to point out that today the Foreign Affairs Committee is to vote on the aid to the Contras, a $100-million proposal that the President has recommended and, of course, we are besieged by the media blitz, and so forth, to support such.

I want to say that I do not support that $100 million recommendation from the President, with all due respect.

The fact is, of course, that most recently in news events, the Secretary of Defense has announced that if we do not support this particular type of aid, in fact, the only other alternative is that we would have American troops that would be present then in Nicaragua. By what action, by what rationale, I do not understand, nor do I agree with some of the conclusions that the Secretary spoke.

But I want to point out that the fact is that considerable American troops, considerable American personnel have been in Honduras on so-called training activities. We have had virtually tens of thousands of American troops and hundreds of millions of dollars spent in Honduras, in the nation adjacent to, next to, Honduras. And the fact is that we have placed into those countries investment, airfields, communication facilities—in other words, we have been spending through the Department of Defense directly tens of millions of dollars, $100 million in one particular instance over the last 4 or 5 years, much of it not done with the avowed approval, but with some of the flexibility that the Department of Defense and any administration, I suspect, needs in order to conduct our defense and our foreign policy.

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However, I think that this type of money, this type of activity, speaks to the fact about what our involvement has been, and I think that the so-called patrol and other types of activities are merely a rather transparent effort to in fact provide a U.S. military presence and a not so subtle threat to the Nicaraguan Government.

I think that these activities, this sort of gunboat diplomacy, as I think it is properly characterized, speak to an action, a willingness that we would seek a military solution in Central America, when indeed I think, as the gentleman commented about the repression, about the economic circumstances there, about the problems that exist—and there are real problems in Central America—that these do not speak to a military solution but much rather to a political solution to this through the Contadora process, through the support groups that have been created by Central and South American neighbors, the very countries that are even more close than, for instance, our Nation, whether it be Florida or Texas, with respect to these particular areas.

And so it is very important, I think, that we have this debate, that the gentleman takes a little time on special orders today to explore the problems that exist with regard to these nations, if we are to in fact help and participate fully in the crafting of a policy.

The point is that many say we have Marxists in Central America today, we have Communists in Central America, and indeed that statement is true. I think all of us would agree that there are those who have a different political ideology, different political views than we have, I mean radically different views, and I think all of us can agree on that point.

But the fact is that we have these same political parties in many of our NATO allies, for instance, in France, in Italy one-third of the chamber of deputies is of course Communist. So the fact is that the mere presence of Communists and the fact that they think ugly thoughts and they think thoughts and pursue different remedies, different economic solutions than those which we accept through our form of government and our economic system as being the acceptable mode, should not, I think, threaten our Nation if indeed it does at all.

The fact is, is our national security at stake? Are we in fact pursuing a foreign policy that will indeed result in getting along with our Central American neighbors, whoever happens to be in power there, and it is not our will but that I hope of a self-determined will, and that is certainly a goal I think we should all agree we should strive for, whether it is Nicaragua or El Salvador.

But it seems to me that the policy that is being pursued by this administration is one that makes a common conflict with all the nations, with all the different groups, and in fact is expanding the type of conflict which is occurring in Central America rather than trying to keep it in perspective and in focus. Certainly we have to be concerned. But this idea of making a common enemy out of anyone who is against any type of government form is a problem. I have a lot of problems with the lack of democracy and self-determination and human rights issues in Central America.

I think that all Members indeed in this body would suggest that they are concerned about that, but I am concerned about what is happening in Chile, I am concerned about what is happening in the other nations of South America and Central America as well, not just sort of this overconcern with one nation such as Nicaragua, which indeed we have to be concerned about. We have to pursue the proper policy to what end we are seeking. I think the result here, as mentioned earlier in my comments, is political rather than military.

I want to thank the gentleman because I think he is pointing out one of the very basic problems here which is the problem of the economy of Central America that constitutes the very serious problem, where a handful of families control the entire economy. And until we democratize, as it were, that economy or those economies in those nations, I think we are not going to achieve the political goals that we share, the rights of individuals that are so important.

It is not an easy task, of course, to do that. The cooperatives, the labor unions, the other American business expertise that we have provided in these nations in terms of foreign assistance are extremely important. The education of individuals from those areas in our Nation perhaps is one of the best forms of investment that we could make, and yet we are cutting those budgets back home and cutting the Fulbright programs and the other scholarship programs that have been so important historically in developing the proper rapport with these people.

But what is also important in recognizing the problems that exist in terms of economic democratization of various countries is what has happened, for instance, in Mexico and how they have strived to try to attain that type of broad-based economy. Economic democratization does not mean anything more than, for instance, the free enterprise system which we are so concerned about here and the type of economy, the mixed economy that we have here, where we do not have just a handful of families or a handful of people controlling the entire country.

The gentleman has been very kind with his time in yielding to me so that I could add my voice this week, I think an important time to add our voices to his concerns about policy issues which we are going to be facing in the weeks and months ahead, especially with regard to support for the Contras, the so-called freedom fighters.

I thank the gentleman for yielding and I commend him for taking the time.

Mr. GONZALEZ. I feel not only grateful but I feel highly honored that my very able and very distinguished friend from Minnesota has taken the time himself. I know that he has spoken out. I know how he has voted in the past, and it has been one of those inspiring comradeships that has motiviated me, in part, to speak out.

I think that the gentleman recognizes my anguish when I read in the paper the day before yesterday that the President himself says, "Well, we have got to remember that these terrorists are just 2½ hours drive to Harlingen, TX.

Well, now, Harlingen, TX, is the seat, the capital, of the Confederate Air Force. Why, they would not dare let those Nicaraguans in there, first; and, second, this is the sesquicentennial year in Texas. My God, this is the year we celebrate the defeat of Santa Anna's armies, the last one that invaded that part of the country. And Mexico shows no desire whatsoever, as I said the other day, to try to get the Alamo back. They do not show any interest that I know of even in trying to get any portion of Texas back, at least not until Texas repeals its sales tax.

But then we have the Texas Rangers. My God, the Texas Rangers alone, one riot, one man. I do not share the President's fears.

Mr. VENTO. If the gentleman will yield, I feel comforted by all of that protection from down south in Texas.

Mr. GONZALEZ. I thought I better tell my Minnesota friend.

Mr. VENTO. I know they are not going to get to Minnesota with all of that in front of them. But I think the more important concern, of course, has been almost what I would say is a flood of what is illegal immigration that has come into the Nation, and that certainly is a serious concern and yet one that is not addressed. But I might say the greater threat has occurred not because of some of the illegal but some of the legal, some of the invitations that went out, for instance, to various people who settled in Florida and settled in other parts of our Nation who fled these nations and in fact have now formed and even trained their various groups in our country with private support and, I guess, not so subtle public tolerance of that, only to then use our nation as a basis of training, of raising money to then return to Central America to cause some difficulty, to form these various groups, and so forth, and the public policy that seems to be at least blind or actually endorsing those sorts of activities. So I think these sorts of scare tactics and these sorts of innuendoes that have characterized some of this show I think more the desperation of the position rather than the logic of the position of those who would advocate this type of aid.

Mr. GONZALEZ. I agree.

Mr. VENTO. I think, if our national security was genuinely at risk, that this House would respond in such a way as to deal with that. But I think the endorsement of every single point of conflict as being the key area of national security risk really demeans this body, demeans the discussion of this issue which is not helpful and I think is a detour in the main issue that the Congress has to face and that we have to develop in common league with the administration in terms of foreign policy. I hope we can develop that. I think that the words and the comments that have been spoken speak more to politics than to a rational policy path for our foreign policy.

So I thank again the gentleman for yielding and I thank the Texas Rangers for their defense of our Nation.

Mr. GONZALEZ. Well, they are there, I want to remind my friend from Minnesota, and they are a formidable group still, and they are not going to allow any such thing. Besides, Harlingen is in from the border a little bit. It is not right on the border. I do not think those fellows if they even tried would want to come, unless they came maybe perhaps through Matamoros or Brownsville, but then I think they would be more interested in coming by way of Louisiana and New Orleans where they probably would have more fun, anyway.

BEWARE OF QUICK FIXES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. PICKLE] is recognized for 5 minutes.

Mr. PICKLE. Mr. Speaker, there has been a lot of talk in the past couple of weeks about a great new and painless revenue-raising idea that could provide the Federal Treasury with a $10- to $20-billion windfall. It's called tax amnesty.

You have to admit that it sounds good. It would get us off the hook for about $10 to $20 billion of tough budget-cutting decisions. It could bring in additional revenue without the pain of voting for a tax increase.

But I am wary of any quick fix, especially ones that are designed to allow us to avoid making the tough decisions that we were sent here to make.

If there is indeed sizable dollars in uncollected back taxes out there that would come in if we granted a tax break for cheaters, then why don't we just give IRS the additional enforcement personnel they need to go out and get that revenue?

Nearly every dollar spent on IRS enforcement brings in a $10 return to the Treasury. Voluntary compliance with tax laws has been declining in recent years. I am afraid that tax amnesty would further erode voluntary compliance. It would send out the signal that it's OK to cheat on your taxes because we are going to forgive you whenever we need a boost in revenues so we can avoid making tough decisions on budget cuts or tax increases.

The IRS already knows who most of the tax cheaters are but they don't have the personnel to go out and get them. If we give IRS additional enforcement personnel, it will bring in additional revenue and it will send a signal that everyone must pay their taxes.

I think this whole issue should be subject to a public hearing. IRS has always taken a position against tax amnesty and has put forth valid reasons that we should examine closely. The Treasury Department is showing signs of weakening its previous opposition and I think we should get them on record to explain their position.

Before my colleagues jump on this quick-fix bandwagon, I think we should give it very close examination. I present here an editorial from today's Washington Post that expresses a wise caution about any quick fix.

FLAWS IN TAX AMNESTY

Tax amnesty is a fundamentally bad idea, and the Senate Budget Committee would make a serious mistake in endorsing it. The appeal is obvious. It promises a surge of revenue painlessly, without a tax increase. A number of the states have offered tax amnesties in recent years, and governors enthusiastically trumpet the revenues that they claim to have collected that way. But the senators need to give that proposition a careful second look.

The first issue is equity. A tax amnesty generally means a period in which people with guilty consciences can come forward and pay what they owe without penalties or the fear of criminal prosecution. Why should Congress enact a tax break for the cheaters, benefiting them rather than the good citizens who have paid their full tax liabilities all along?

The second issue is effectiveness. The states' experiences here are poor guides for federal policy. Amnesties have been most productive in those states with slack collection programs. Massachusetts, for example, coupled the announcement of an amnesty with a warning of much tougher enforcement and higher penalties ahead. In comparison with the states, federal enforcement has always been pretty muscular and, in any case, Congress does not have any new and sudden tightening of the system in mind. In these circumstances a federal amnesty would only set a bad precedent. Seeing one amnesty, people would naturally expect others to follow—and some would begin cutting corners in anticipation of it.

Senators would also be wiser not to assume that an amnesty draws huge waves of revenue from penitent non-taxpayers with great secret wealth previously unsuspected by the authorities. In Illinois, to take another example, an amnesty collected a substantial amount of money—but most of it apparently came from taxpayers who were already being audited, or were engaged in legal quarrels with the state over the amounts that they owed. Amnesty simply offered them a cheap way to end the quarrels.

71-059 O-87-27 (Pt. 3)

The Internal Revenue Service itself has contributed to the idea of vast hidden wealth by its assertion, in a study several years ago, that some $90 billion a year in income taxes goes uncollected. But that estimate is highly controversial and, other specialists argue, is far too high. Is there any point in enacting a bad law in hopes of capturing money that doesn't exist?

If Congress wants to go after uncollected taxes—as it certainly should—there's a better way. It can give the IRS more money to do its job. The IRS has been systematically underfinanced for years. But each dollar invested in the IRS results in upwards of $10 in additional revenue. That kind of arithmetic ought to appeal to a Congress seriously interested in deficit reduction.

CANADIAN TIMBER—AN ISSUE FOR NEGOTIATION, NOT LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. FRENZEL] is recognized for 20 minutes.

Mr. FRENZEL. Mr. Speaker, one of the most vexing bilateral problems we have with Canada is the timber issue. The United States' domestic timber industry charges that Canada's—actually British Columbia's—low stumpage fees constitute a domestic subsidy to its timber industry. Canada says that the problem is more likely due to the high value of the dollar, that its stumpage fees are fairly determined, and that there is a strong United States consumer demand for many of its lumber products.

Even though Canada does make some strong arguments for its position, many Members of Congress are convinced that we should pass legislation to protect United States industry. One likely bill, H.R. 2451, the natural resources subsidy bill, would, in effect, unilaterally determine that Canadian stumpage fees constitute a subsidy thereby making Canadian lumber eligible for assessment of countervailing duties. In 1983, the Department of Commerce ruled that Canadian stumpage fees were not a subsidy.

I believe that H.R. 2451 would mandate unwise public policy. It will force the Canadians to retaliate by refusing to import many United States products. Passage, or even further consideration, of the bill would also send a strong negative signal to the Canadians about the United States-Canada free trade agreement negotiations.

Timber is by far the largest industry in Canada. No United States industry compares to Canadian timber in proportion to the domestic economy. A bill containing what Canadians believe are unfair timber provisions would be a terrible discouragement to Canada to go to the free trade agreement bargaining table.

Even though I believe that the problem will be ameliorated somewhat when the dollar starts to decline vis-a-vis the Canadian dollar and the housing market will begin to improve; there still will be a problem that needs serious bilateral consideration particularly before we see any of the above improvements. It seems to me that we should deal with the problem in the context of the free trade agreement negotiations, not unilaterally through protectionist legislation such as H.R. 2451. Even if timber needs immediate attention, as alleged, that attention should occur at the bargaining table rather than through single-minded unilateral congressional action.

It is easier to blame imports for the woes of domestic industry. Sometimes they are unfair. I'm not sure they are in this case. If the U.S. timber industry is suffering through no fault of its own, we may want to look at our own domestic policies for possible relief. Or perhaps we should disband our own auction system and look toward developing stumpage fees of our own patterned after those in Canada. Import restrictions should be the least preferred course of possible relief for the U.S. timber industry, unless there is clear and convincing proof the imports are unfair.

There has only been a 0.6-percent increase per year in the Canadian share of the U.S. market between 1978–84. The large increase in the Canadian share occurred between 1975–78 when Canadian lumber filled a shortage in domestic demand in an upturn in the housing market. Even though the housing market is fairly depressed today, the U.S. industry still cannot supply domestic demand for all lumber products.

There is also evidence that many consumers prefer Canadian lumber products and are even willing to pay a premium for some of them. For those Canadian lumber products that are cheaper than the U.S. equivalent, the strength of the U.S. dollar has had more to do with the price differential rather than the low stumpage fees. Canadian stumpage fees are low, but they have been determined the same way for years. They are purposely low to account for the higher prices Canadian companies must pay for transportation and removal of the timber. Further, Canadian companies must pay for infrastructure improvements needed to access the timber and for reforestation costs. U.S. companies are afforded the same stumpage prices in Canada as their Canadian competitors.

The Congressional Research Service estimates that the U.S. Forest Service has subsidized the sale of timberland in the United States to the tune of about $1.5 billion in the last 10 years. We have also granted sizable tax breaks to the U.S. timber industry, and it appears that we will continue to do so. Both of these could be considered countervailable subsidies by the Canadians. Many U.S. jobs could be lost as a consequence which support exports to Canada.

I urge my colleagues to avoid the pitfalls that would result from further consideration of H.R. 2451, and instead to urge the administration to continue its efforts to negotiate bilaterally now and during the free trade agreement negotiations.

COURT ANNEXED ARBITRATION ACT OF 1986 AND INTERNATIONAL ARBITRATION ACT OF 1986

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. KASTENMEIER] is recognized for 5 minutes.

Mr. KASTENMEIER. Mr Speaker, I am introducing two bills that relate to arbitration. First, I am proposing the Court-Annexed Arbitration Act of 1986. This legislation recognizes the importance of alternative methods of dispute resolution. At the same time, because the authorization encompassed by this bill ends after 5 years, it is an example of congressional support for structured experimentation in the Federal courts.

As my colleagues know, the Federal district courts have experienced a dramatic increase in the number of filed civil cases. For example, between 1960 and 1983 there has been a 250-percent increase in the number of cases filed in Federal district courts. (Unsurprisingly, even though the number of district judges has been increased by Congress, there still has been a large augmentation in the number of filings per judge at the district court level from less than a 400 per judge to nearly 600).

This caseload crisis could, of course, be ameliorated by the elimination of diversity of citizenship jurisdiction. Such a reform is the single most effective change that could be effectuated for the Federal judiciary. It respects federalism; it equips the Federal courts to confront the budget axe of Gramm-Rudman-Hollings; and it assists not only the trial courts but also the courts of appeals and the Supreme Court.

Although the House has twice passed diversity legislation in the past, such a move appears to be difficult to achieve in the Senate in light of the entrenched opposition of trial lawyers and their bar associations. As a result, responsible advocates of court reform are obligated to turn to nonjudicial forums of the resolution of disputes. Arbitration is one such alternative.

As Chief Justice Burger said in a speech to the American Bar Association, arbitration is not . . . "the answer or cure-all for the mushrooming caseloads of the court, but [is] one example of a better way to do it." Long ago, Aristotle observed that ". . . arbitration was devised to the end that equity might have full sway." These words still ring true today.

To date, at least three Federal courts have experimented with arbitration. While the results of that experimentation have been mixed, in my view, there is adequate justification for continuing the experiment. The bill does, however, require that any further arbitration programs be rooted in express congressional authorization. Therefore, only those 10 districts listed in the bill can engage in arbitration programs. In addition, five further districts can be added to the list provided that their arbitration plans are approved by the Judicial Conference of the United States and they are subjected to study by the Federal Judicial Center.

Due to the fact that the proposed legislation authorizes an experiment for a 5-year period, at the end of 4 years the Federal Judicial Center will file a report with Congress on implementation of the legislation and recommendations for legislative change.

The purpose of the authorization and the report is to provide Congress with information that will:

First, describe the arbitration programs as conceived and as implemented in the experimental districts;

Second, determine the level of satisfaction with the court-annexed arbitration programs in each of the experimental districts by court personnel, attorneys and litigants whose cases have been referred to arbitration;

Third, summarize those program features that can be identified as being related to program acceptance both within and across districts;

Fourth, describe the levels of satisfaction relative to the cost per hearing of each program; and

Fifth, allow a determination to be made whether to terminate or continue the experiment or alternatively, to codify an arbitration provision in title 28 of the United States Code authorizing arbitration in all Federal district courts.

In conclusion, I hope my colleagues will be supportive of this legislative initiative.

Second, I also am introducing a bill that will authorize Federal courts to enforce the decisions of international arbitrators. Current law is ambiguous on Federal court enforcement of international arbitral awards. Occasionally, courts have failed to recognize arbitration awards rendered against foreign governments because the awards have been found to conflict with the Federal act of State doctrine or the doctrine of sovereign immunity.

The proposed legislation solves present uncertainties in the law by providing that an agreement to arbitrate shall be deemed as consent to subsequent judicial proceedings to confirm any arbitral award made under such agreement.

Credit for this bill should be directed to Senator CHARLES MCC. MATHIAS, Jr., who introduced similar legislation in the Senate in June of 1985. The rationale for the legislation is set forth in his floor remarks:

Since arbitration agreements are becoming more common as a means of settling international commercial disputes, we need this simple guarantee to secure the safety of U.S. companies' interests abroad. This amendment would recognize the positive role of international arbitration and encourage its use. It would also prevent U.S. courts from invoking the act of state doctrine in inappropriate cases, and it would prevent the foreign government from invoking the sovereign immunity defense to escape enforcement of arbitral awards.

Reform is needed to promote the international rule of law, which provides the protection that U.S. businesses need when they operate overseas.

The procedure of submitting controversies to impartial arbitrators is a proven success on the international level. When a commercial relationship exists between a private enterprise and a sovereign state, a clause is normally inserted in a contract specifying that any disputes that might arise will be resolved by an arbitrator or arbitrators mutually agreed upon by the parties. Alternatively, an arbitrator or arbitrators could be selected by the International Court of Justice.

The arbitration process has obvious advantages to all the parties, especially when compared to the alternative of litigation in the judicial system of the country where the claim arose. Arbitration contains the element of compromise, whereas litigation is a winner-take-all situation. Moreover, arbitration is participator as opposed to being adversary. And finally, arbitration does not preclude going to court, should the parties fail to comply with the arbitral agreement.

When the parties go to court, one of them generally tries to procure an order enforcing the arbitral award. Thus, the court's job is different than relitigating the entire case.

As mentioned above, uncertainties exist in current law about the enforcement of arbitral awards in Federal courts. Since the proposed legislation removes those uncertainties, it will provide a substantial improvement to international law. The bill is entirely consistent with our international obligations and the norms of Federal judicial procedure.

I hope my colleagues in the House and Senate give serious thought to the proposal and assist in its ultimate enactment.

Interested parties should submit comments to the Subcommittee on Courts, Civil Liberties and the Administration of Justice, 2137B Rayburn House Office Building, Washington, DC 20515. Telephone Number (202) 225-3926.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. LEVINE of California (at the request of Mr. WRIGHT), for today, on account of official business.

Mr. HILLIS (at the request of Mr. MICHEL), for today, on account of attending the funeral of Charles A. Halleck.

Mr. MYERS of Indiana (at the request of Mr. MICHEL) until 3:30 p.m. today, on account of attending the funeral of Charles A. Halleck.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. FRANKS, for 5 minutes, today.

Mr. KAPTUR, for 5 minutes, today.

Mr. PICKLE, for 5 minutes, today.

(The following Members (at the request of Mr. STRANG) to revise and extend their remarks and include extraneous material:)

Mr. BURTON of Indiana, for 60 minutes, today.

Mr. PARRIS, for 5 minutes, today.

Mr. PARRIS, for 5 minutes, March 7.

Mr. DANNEMEYER, for 60 minutes, March 11.

Mr. DANNEMEYER, for 60 minutes, March 12.

Mr. DANNEMEYER, for 60 minutes, March 13.

Mr. ARMEY, for 60 minutes, March 12.

Mrs. BENTLEY, for 5 minutes, March 7.

Mr. CRAIG, for 60 minutes, March 12.

Mr. MCCOLLUM, for 60 minutes, March 12.

Mr. FRENZEL, for 20 minutes, today.

Mr. GINGRICH, for 5 minutes, today.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. ECKART of Ohio, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

(The following Member (at the request of Mr. PICKLE) to revise and extend his remarks and include extraneous material:)

Mr. KASTENMEIER, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. NIELSON of Utah, prior to the vote on House Resolution 390, in the House, today.

Mr. BEREUTER, immediately before Frank amendment to H.R. 4306, in the Committee of the Whole, today.

(The following Members (at the request of Mr. STRANG) and to include extraneous matter:)

Mr. COURTER.

Mr. CRANE.

Mr. LIGHTFOOT.

Mr. BARTON of Texas.

Mr. CARNEY.

Ms. SNOWE in two instances.

Mr. ARMEY.

Mr. MCCANDLESS.

Mr. DANNEMEYER in two instances.

Mrs. ROUKEMA.

Mr. MARLENEE.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. MORRISON of Connecticut.

Mr. WISE.

Mr. HOYER in two instances.

Mr. MARKEY in two instances.

Mr. MONTGOMERY.

Mr. PEPPER.

Mr. RANGEL.

Mr. GARCIA.

Mr. MINETA.

Mr. WEISS.

Mr. LIPINSKI.

Mr. MOODY.

Mr. COELHO.

Mr. GUARINI.

Mr. ATKINS.

Mr. LANTOS.

SENATE BILL AND JOINT RESOLUTIONS REFERRED

A bill and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 360. An act to direct the Secretary of Agriculture to convey, without consideration, the Nebraska Game and Parks Commission, approximately 173 acres of land within the Nebraska National Forest to be used for the purposes of expanding the Cha-

dron State Park, Nebraska; to the Committee on Interior and Insular Affairs.

S.J. Res. 257. Joint resolution to designate May 2, 1986 as "National Teacher Appreciation Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 261. Joint resolution to designate the week of April 14, 1986 through April 20, 1986 as "National Mathematics Awareness Week", to the Committee on Post Office and Civil Service.

S.J. Res. 262. Joint resolution to authorize and request the President to issue a proclamation designating June 2 through June 8, 1986, as "National Fishing Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 265. Joint resolution authorizing and requesting the President to designate the week of March 9 through 15, 1986, as "National Employ the Older Worker Week"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. PICKLE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 31 minutes p.m.) under its previous order, the House adjourned until Monday, March 10, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2929. A letter from the Administrator, Environmental Protection Agency, transmitting the annual report for fiscal year 1985 on the total number of applications for conditional registration of pesticides, pursuant to the act of June 25, 1947, chapter 125, section 29 (92 Stat. 838); to the Committee on Agriculture.

2930. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to provide for membership for the United States in the Multilateral Investment Guarantee Agency, and for United States acceptance of the merger of the capital resources of the Inter-American Development Bank, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

2931. A letter from the Secretary, Department of Energy, transmitting the annual report of actions taken under the Powerplant and Industrial Fuel Use Act of 1978 and section 2 of the Energy Supply and Environmental Coordination Act of 1974, during calendar year 1985, pursuant to 42 U.S.C. 8482; to the Committee on Energy and Commerce.

2932. A letter from the Secretary, Department of Health and Human Services, transmitting a report on the status of health personnel in the United States, pursuant to 42 U.S.C. 295h-2(c); to the Committee on Energy and Commerce.

2933. A letter from the Acting Archivist of the United States, National Archives, transmitting the agency's annual report of its activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2934. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting the Board's annual report of its activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2935. A letter from the Chairman, Commodity Futures Trading Commission, transmitting the Commission's eleventh annual report on its activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2936. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting a report of the Corporation's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2937. A letter from the Director, Office of Legislative and Public Affairs, National Science Foundation, transmitting the Foundation's annual report of its activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2938. A letter from the Executive Director, National Mediation Board, transmitting the annual report of the Board's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2939. A letter from the Postmaster General, United States Postal Service, transmitting the annual report of the Postal Service's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2940. A letter from the President, National Endowment for Democracy, transmitting a report of the agency's activities under the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2941. A letter from the Marshal of the Court, Supreme Court of the United States, transmitting the annual report on administrative costs of protecting Supreme Court Officials, pursuant to 40 U.S.C. 13n(c) (Aug. 18, 1949, ch. 479, sec. 9(c) (96 Stat. 1958)), Public Law 99-218 (99 Stat. 1729); to the Committee on the Judiciary.

2942. A letter from the Acting Assistant Secretary, Legislative and Intergovernmental Affairs, Department of State, transmitting a draft of proposed legislation to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

2943. A letter from the Chairman, U.S. Merit Systems Protection Board, transmitting a report on the number of appeals filed during calendar year 1985, pursuant to 5 U.S.C. 7701(i)(2); to the Committee on Post Office and Civil Service.

2944. A letter from the Chairman, U.S. Merit Systems Protection Board, transmitting a report on the Board's appeals decisions for fiscal year 1984, pursuant to 5 U.S.C. 1205(a)(3); to the Committee on Post Office and Civil Service.

2945. A letter from the Secretary of Defense, transmitting a report on waivers of minimum funding and staffing requirements for technology transfer from Federal laboratories, pursuant to Public Law 96-480, section 11(b); to the Committee on Science and Technology.

2946. A letter from the Executive Secretary, Department of Defense, transmitting a report on the Department's procurement from small and other business firms for October 1985 through November 1985, pursuant to 15 U.S.C. 639(d); to the Committee on Small Business.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of the rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DINGELL: Committee on Energy and Commerce. H.R. 969, A bill to amend the Energy Security Act and the National Energy Conservation Policy Act to repeal the statutory authorities administered by the Residential Energy Conservation Service and the Commercial and Apartment Conservation Service; with amendments (Rept. 99-484). Referred to the Committee of the Whole House on the State of the Union.

Mr. DERRICK: Committee on Rules. House Resolution 391. Resolution providing for the consideration of H.R. 4306, a bill to revise the terms of certain agricultural programs (Rept. 99-485). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 4240. A bill to amend title 23 of the United States Code to increase the limitation on the amount of obligations from $30,000,000 to $100,000,000 for emergency relief projects in any State resulting from any single natural disaster or catastrophic failure occurring in calendar year 1986; with amendments (Rept. 99-486). Referred to the Committee of the Whole House on the State of the Union.

ADVERSE REPORTS

Under clause 2 of rule XIII.

Mr. WHITTEN: Committee on Appropriations, House Joint Resolution 540. Joint resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985. (Adverse Rept. 99-483, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FASCELL (for himself, Mr. WRIGHT, Mr. FOLEY, Mr. BROOMFIELD, Mr. HAMILTON, Mr. GILMAN, Mr. YATRON, Mr. SOLARZ, Mr. MICA, Mr. LANTOS, Mr. SMITH of Florida, Mr. WEISS, Mr. HYDE, Mr. SOLOMON, and Mr. BEREUTER):

H.R. 4329. A bill to authorize United States contributions to the International Fund established pursuant to the November 15, 1985, agreement between the United Kingdom and Ireland; to the Committee on Foreign Affairs.

By Mr. ROYBAL:

H.R. 4330. A bill to amend titles XI and XVIII of the Social Security Act with respect to Medicare policies concerning continuing care, to improve the quality assurance system as it applies to Medicare beneficiaries, and for other purposes; jointly, to

the Committees on Ways and Means, and Energy and Commerce.

By Mr. WATKINS (for himself, Mr. TALLON, and Mr. ALEXANDER):

H.R. 4331. A bill to authorize the Secretary of Agriculture to make grants for the purpose of establishing institutes of rural technology development; considered and passed.

By Mr. HUGHES (for himself, Mr. MCCOLLUM, Mr. MAZZOLI, Mr. MORRISON of Connecticut, Mr. FEIGHAN, Mr. SMITH of Florida, Mr. LUNGREN, and Mr. SHAW):

H.R. 4332. A bill to amend chapter 44 (relating to firearms) of title 18, United States Code, and for other purposes; to the Committe on the Judiciary.

By Mr. APPLEGATE (for himself, Mr. SOLOMON, Mr. MONTGOMERY, and Mr. HAMMERSCHMIDT):

H.R. 4333. A bill to amend title 38, United States Code, to improve veterans' benefits for former prisoners of war; to the Committee on Veterans' Affairs.

By Mr. ASPIN (for himself and Mr. DICKINSON) (by request):

H.R. 4334. A bill to amend title 10, United States Code, to authorize the Secretary of Defense to waive application of provisions of law concerning contract procedures, contract terms and conditions, and contract performance for petroleum acquisition; to the Committee on Armed Services.

By Mr. BEDELL (for himself, Mr. STALLINGS, Mr. DASCHLE, and Mr. PENNY):

H.R. 4335. A bill to expand markets for agricultural commodities, to improve the environment, and to enhance the energy security of the United States by providing for the increased use of alcohol-blended fuel in motor vehicles; to the Committee on Energy and Commerce.

By Mr. CRANE (for himself, Mr. DUNCAN, Mr. DANNEMEYER, Mr. BLILEY, Mrs. LLOYD, and Mr. COBEY):

H.R. 4336. A bill to amend the Social Security Act to provide that Social Security coverage for employees of religious organizations shall be optional; to the Committee on Ways and Means.

By Ms. FIEDLER:

H.R. 4337. A bill to amend section 304 of the Tariff Act of 1930 (19 U.S.C. 1304) to expedite disposition by the Secretary of the Treasury of certain complaints relating to the country of origin marking requirement for articles imported into the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. FLORIO (for himself, Mr. DOWDY of Mississippi, Mr. RICHARDSON, Ms. MIKULSKI, Mr. OBERSTAR, Mr. SHUSTER, Mr. RAHALL, Mr. STAGGERS, Mr. RINALDO, and Mr. TOWNS):

H.R. 4338. A bill to amend the Railroad Retirement Act of 1974 to prevent the elimination of certain cost-of-living increases in certain annuity amounts, to prevent other benefit reductions, and for other purposes; to the Committee on Energy and Commerce.

By Mr. JENKINS:

H.R. 4339. A bill to amend the Internal Revenue Code of 1954 to provide interest rate assumptions in computing the unfunded vested benefits of a multiemployer plan, and for other purposes; to the Committee on Ways and Means.

By Ms. KAPTUR:

H.R. 4340. A bill to establish the United States Trade Data Bank, the Intragovernmental Council on Economic and Trade Data, and for other purposes; to the Committee on Ways and Means.

By Mr. KASTENMEIER:

H.R. 4341. A bill to amend title 28 of the United States Code to encourage prompt, informal, and inexpensive resolution of civil cases in U.S. district courts by the use of arbitration, and for other purposes; to the Committee on the Judiciary.

H.R. 4342. A bill to amend title 9, United States Code, to clarify that Federal courts are authorized to enforce the decisions of international arbitrators; to the Committee on the Judiciary.

By Mr. LIVINGSTON (for himself, Mr. BURTON of Indiana, Mr. RUDD, Mr. LAGOMARSINO, and Mr. SMITH of New Jersey):

H.R. 4343. A bill to provide for radio broadcasting to Nicaragua by a separate broadcasting service within the Voice of America; to the Committee on Foreign Affairs.

By Mr. McEWEN:

H.R. 4344. A bill to provide that receipts and disbursements of the Highway Trust Fund, the Airport and Airway Trust Fund, and the Inland Waterways Trust Fund shall not be included in the totals of the budget of the U.S. Government as submitted by the President or the congressional budget; jointly, to the Committee on Public Works and Transportation, and Government Operations.

By Mr. McEWEN (for himself, Mr. APPLEGATE, Mr. WYLIE, and Ms. KAPTUR):

H.R. 4345. A bill to authorize the Administrator of Veterans' Affairs to establish a national cemetery in or near Cleveland, OH; to the Committee on Veterans' Affairs.

By Mr. MONTGOMERY:

H.R. 4346. A bill to provide for registration by the Selective Service System of persons qualified in health-care occupations that are essential to the Armed Forces and in which the Armed Forces are understaffed; to the Committee on Armed Services.

By Mr. NEAL:

H.R. 4347. A bill to provide that the percentage of total apportionments of funds allocated to any State from the Highway Trust Fund in any fiscal year be at least 100 percent of the percentage of estimated tax payments paid into the Highway Trust Fund which are attributable to highway users in such State in the latest fiscal year for which data is available; to the Committee on Public Works and Transportation.

By Mr. OBERSTAR:

H.R. 4348. A bill to amend the Boundary Waters Canoe Area Wilderness Law to change the authorizations of appropriations for resource management review and grants; to the Committee on Interior and Insular Affairs.

By Mr. REGULA (for himself, Mr. COURTER, Mr. MCCAIN, Mr. BOEHLERT, and Mr. LIGHTFOOT):

H.R. 4349. A bill to amend the Internal Revenue Code of 1954 to allow individuals a deduction from gross income for contributions to a health services savings account and to amend title XVIII of the Social Security Act to establish a limited Medicare option for catastrophic care, and for other purposes; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. VENTO (for himself, Mr. LAGOMARSINO, Mr. HUCKABY, Mr. PASHAYAN, Mr. LOTT, Mr. STALLINGS, Mr. BROWN of Colorado, Mrs. JOHNSON, Mr. GEJDENSON, Mr. SEIBERLING, and Mr. UDALL):

H.R. 4350. A bill to amend the Wild and Scenic Rivers Act, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mrs. VUCANOVICH:

H.R. 4351. A bill to withdraw and reserve for the Department of the Navy certain public lands within the Bravo-20 Bombing Range, Churchill County, NV, for use as a training and weapons testing area, and for other purposes; jointly, to the Committees on Armed Services, and Interior and Insular Affairs.

By Mr. ADDABBO (for himself, Mr. ACKERMAN, Mr. ANDERSON, Mr. ANDREWS, Mr. ANNUNZIO, Mr. APPLEGATE, Mr. ASPIN, Mr. BEILENSON, Mr. BERMAN, Mr. BEVILL, Mr. BIAGGI, Mr. BOLAND, Mr. BONER of Tennessee, Mr. BORSKI, Mrs. BOXER, Mr. BRYANT, Mr. BUSTAMANTE, Mr. CARNEY, Mr. CARPER, Mr. CARR, Mr. CHANDLER, Mr. CLINGER, Mr. COATS, Mr. COBEY, Mr. COELHO, Mr. COLEMAN of Texas, Mr. CONTE, Mr. COUGHLIN, Mr. COYNE, Mr. CROCKETT, Mr. DANNEMEYER, Mr. DE LA GARZA, Mr. DE LUGO, Mr. DELLUMS, Mr. DICKS, Mr. DINGELL, Mr. DIO-GUARDI, Mr. DIXON, Mr. DORGAN of North Dakota, Mr. DOWDY of Mississippi, Mr. DWYER of New Jersey, Mr. DYSON, Mr. EARLY, Mr. ECKERT of New York, Mr. EDGAR, Mr. EDWARDS of California, Mr. ERDREICH, Mr. EVANS of Illinois, Mr. FASCELL, Mr. FAUNTROY, Mr. FAZIO, Ms. FIEDLER, Mr. FISH, Mr. FLIPPO, Mr. FLORIO, Mr. FORD of Michigan, Mr. FOWLER, Mr. FRANK, Mr. FRANKLIN, Mr. FRENZEL, Mr. GEJDENSON, Mr. GILMAN, Mr. GREEN, Mr. GUARINI, Mr. HATCHER, Mr. HEFTEL of Hawaii, Mr. HERTEL of Michigan, Mr. HORTON, Mr. HOYER, Mr. HUGHES, Mr. HUNTER, Mr. JACOBS, Mr. KANJORSKI, Mr. KASTENMEIER, Mr. KEMP, Mr. KINDNESS, Mr. KOLBE, Mr. KOSTMAYER, Mr. KRAMER, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. LELAND, Mr. LENT, Mr. LEVIN of Michigan, Mr. LOWERY of California, Mr. LUNDINE, Mr. MCGRATH, Mr. MCHUGH, Mr. MACK, Mr. MANTON, Mr. MARTINEZ, Mr. MATSUI, Mr. MAZZOLI, Mr. MINETA, Mr. MOLLOHAN, Mr. MONSON, Mr. MOODY, Mr. MOORHEAD, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. NEAL, Mr. NIELSON of Utah, Mr. NOWAK, Ms. OAKAR, Mr. O'BRIEN, Mr. OWENS, Mr. PASHAYAN, Mr. PORTER, Mr. PURSELL, Mr. QUILLEN, Mr. RANGEL, Mr. REID, Mr. RICHARDSON, Mr. RINALDO, Mr. RODINO, Mr. ROE, Mr. SABO, Mr. SAVAGE, Mr. SCHAEFER, Mr. SCHEUER, Mr. SCHUMER, Mr. SHELBY, Mr. SHUSTER, Mr. SIKORSKI, Mr. SISISKY, Mr. SKELTON, Mr. SMITH of New Jersey, Mr. SMITH of Florida, Mr. SMITH of Iowa, Mr. SOLARZ, Mr. SOLOMON, Mr. STOKES, Mr. TOWNS, Mr. TRAXLER, Mr. VALENTINE, Mr. VENTO, Mr. WALGREN, Mr. WEBER, Mr. WEISS, Mr. WHEAT, Mr. WILSON, Mr. WIRTH, Mr. WOLF, Mr. WORTLEY, Mr. YATES, Mr. YATRON, Mr. YOUNG of Florida, and Mr. YOUNG of Missouri):

H.J. Res. 553. Joint resolution to authorize and request the President to issue a proclamation designating May 11, through

May 18, 1986, as "Jewish Heritage Week"; to the Committee on Post Office and Civil Service.

By Mr. PEPPER:

H.J. Res. 554. Joint resolution to designate the week beginning May 18, 1986, as "National Digestive Diseases Awareness Week"; to the Committee on Post Office and Civil Service.

By Ms. SNOWE (for herself, Mr. HORTON, Mr. DAUB, Mr. MINETA, Mr. WOLF, Mr. TOWNS, Mr. ROYBAL, Mr. SAXTON, Mr. CROCKETT, Mr. SYNAR, Mr. HEFTEL of Hawaii, Mr. HAMMERSCHMIDT, Mr. FAZIO, Mr. OWENS, Mr. DYSON, Mr. NEAL, Mr. RICHARDSON, Mr. STARK, Mr. CONTE, Mr. WYLIE, Mr. LAGOMARSINO, Mr. MADIGAN, Mr. RINALDO, Mr. DANNEMEYER, Mr. CHAPPIE, Mr. BIAGGI, Mr. RODINO, Mr. WORTLEY, Mr. BILIRAKIS, Mrs. BENTLEY, Mr. REID, and Mr. LIGHTFOOT):

H.J. Res. 555. Joint resolution to designate the week beginning November 24, 1986, as "National Family Caregivers Week"; to the Committee on Post Office and Civil Service.

By Mr. DREIER of California:

H. Res. 392. Resolution to express the sense of the House of Representatives that the Postmaster General should issue a postage stamp honoring all American servicemen and civilians still unaccounted for as a result of the conflict in Indochina; to the Committee on Post Office and Civil Service.

By Mr. PEPPER (for himself and Mr. SILJANDER):

H. Res. 393. Resolution expressing the sense of the House of Representatives regarding support by the United States for the National Union for the Total Independence of Angola [UNITA]; to the Committee on Foreign Affairs.

By Mr. SHAW:

H. Res. 394. Resolution providing for a voluntary controlled substances testing program for Members, officers, and employees of the House; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

303. By the SPEAKER: Memorial of the Senate of the Commonwealth of Massachusetts, relative to the status of Americans still missing and unaccounted for in Indochina; to the Committee on Foreign Affairs.

304. Also, memorial of the Legislature of the State of Minnesota, relative to actions to determine the fate of persons missing in action in Southeast Asia; to the Committee on Foreign Affairs.

305. Also, Memorial of the General Assembly of the Commonwealth of Pennsylvania, relative to the issuance of a stamp honoring American horology; to the Committee on Post Office and Civil Service.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 97: Mr. SMITH of New Hampshire.

H.R. 808: Mr. FEIGHAN, Mr. MOAKLEY, Mr. RODINO, Mr. SABO, and Mr. OBERSTAR.

H.R. 811: Mr. GINGRICH.

H.R. 1140: Mr. PICKLE, Mr. MORRISON of Connecticut, and Mr. SMITH of Florida.

H.R. 1145: Mr. SOLARZ.

H.R. 1770: Mr. HYDE.

H.R. 1840: Mr. SKELTON, Mr. LEWIS of California, Mr. EMERSON, Mr. ROGERS, and Mr. CARPER.

H.R. 1950: Mr. MCKINNEY.

H.R. 2504: Mr. MARKEY.

H.R. 2815: Mr. PACKARD.

H.R. 3081: Mr. COUGHLIN, Mr. KOSTMAYER, and Mr. BROOMFIELD.

H.R. 3155: Mr. LEVINE of California.

H.R. 3465: Mr. ACKERMAN, Mrs. KENNELLY, Mr. HUGHES, Mr. MADIGAN, Mr. FAZIO, Mr. EARLY, Mr. MRAZEK, Mr. SENSENBRENNER, and Mr. HAWKINS.

H.R. 3555: Mr. SCHUMER, Mr. OWENS, Mr. GRAY of Illinois, Mr. BOSCO, Mr. DANNEMEYER, Mr. HUNTER, Mr. LIPINSKI, Mr. MINETA, Mr. SNYDER, Mr. YATES, Mr. NICHOLS, and Mr. MATSUI.

H.R. 3743: Mr. BATEMAN.

H.R. 3803: Mr. GOODLING, Mr. MURPHY, Mr. FORD of Michigan, Mr. HAYES, Mr. WILSON, Mrs. BENTLEY, Mr. WATKINS, and Mr. LELAND.

H.R. 3833: Mr. OBERSTAR.

H.R. 3961: Ms. OAKAR, Mr. LUKEN, Mr. MURPHY, Mr. BOUCHER, Mr. VISCLOSKY, Mr. TOWNS, Mr. RAHALL, and Mr. GRAY of Illinois.

H.R. 4012: Mr. FORD of Michigan.

H.R. 4014: Mr. BOLAND, Mr. STARK, Mr. RICHARDSON, Mr. MONTGOMERY, Mr. CHAPPELL, Mr. GUARINI, Mr. FRANK, Mrs. BOXER, Mr. HUNTER, Mr. LEHMAN of Florida, Mr. LELAND, Mr. MRAZEK, Mr. SHELBY, Mr. FLORIO, Mr. MANTON, Mr. BOUCHER, Mr. MCGRATH, Mr. LOWRY of Washington, Mr. VALENTINE, Mr. SCHEUER, Mr. RAHALL, Mr. WHITEHURST, Mr. FAZIO, Mr. WHEAT, and Mrs. LLOYD.

H.R. 4048: Mr. LUJAN, Mr. WILSON, Mr. MARTINEZ, Mr. BATEMAN, Mr. ROBINSON, Mr. SMITH of Florida, Mr. DARDEN, Mr. RANGEL, Mr. BURTON of Indiana, Mr. BEVILL, and Mr. KINDNESS.

H.R. 4073: Mr. WHITTAKER.

H.R. 4085: Mr. KEMP.

H.R. 4109: Mr. WIRTH, Mr. SEIBERLING, Mr. EDGAR, and Mr. DIXON.

H.R. 4125: Mr. HUNTER, Mr. UDALL, Mr. FRANK, Mr. WOLF, Mr. WORTLEY, Mr. BILIRAKIS, and Mr. COURTER.

H.R. 4128: Mr. ALEXANDER and Mrs. LLOYD.

H.R. 4194: Mr. GREEN, Mr. LEHMAN of Florida, Mr. LEVINE of California, Mr. LEVIN of Michigan, and Mr. MARKEY.

H.R. 4202: Mr. BUSTAMANTE, Mr. DELAY, Mr. HORTON, Mr. LELAND, Mr. LIVINGSTON, Mr. LOTT, Mr. LOWRY of Washington, Mr. MURPHY, Mr. WHITEHURST, Mr. WHITTAKER, Mr. WOLF, Mr. WOLPE, Mr. EMERSON, and Mr. DORNAN of California.

H.R. 4205: Mr. OBERSTAR, Mr. STARK, Mr. FORD of Michigan, Mr. SCHEUER, Mr. DELLUMS, Mr. GUARINI, Mr. HAYES, Mr. BATES, and Mr. TOWNS.

H.R. 4221: Mr. SWIFT and Mr. DICKS.

H.R. 4228: Mr. LAGOMARSINO and Mr. SMITH of Florida.

H.J. Res. 7: Mr. MCMILLAN, Mr. MYERS of Indiana, Mr. SKEEN, Mrs. MEYERS of Kansas, Mr. REGULA, Mr. BERMAN, Mr. LOEFFLER, Mr. GOODLING, Mrs. VUCANOVICH, and Mr. MILLER of Washington.

H.J. Res. 96: Mrs. HOLT, Mr. LIPINSKI, Mr. WYLIE, and Mr. SKELTON.

H.J. Res. 127: Mr. VALENTINE, Mr. FAZIO, and Mr. MCEWEN.

H.J. Res. 365: Mr. EVANS of Iowa and Mr. NIELSON of Utah.

H.J. Res. 376: Mr. FEIGHAN.

H.J. Res. 470: Mr. SCHUMER, Mr. BIAGGI, Mr. CHAPPELL, Mr. SABO, Mr. TRAFICANT, Mr. BORSKI, Mrs. BENTLEY, Mr. DIOGUARDI, Mr. DOWDY of Mississippi, Mr. FISH, Mr. STANGELAND, Mr. LUKEN, Mr. ANDREWS, Mr. AKAKA, Mr. KOLTER, Mr. HUGHES, and Mr. GARCIA.

H.J. Res. 504: Mr. ARMEY, Mr. DELAY, Mr. FISH, Mr. GINGRICH, Mr. LIPINSKI, and Mr. MONSON.

H.J. Res. 505: Mr. ADDABBO, Mr. ANDERSON, Mr. ANNUNZIO, Mr. ANDREWS, Mr. ANTHONY, Mr. BADHAM, Mr. BARNES, Mr. BENNETT, Mrs. BENTLEY, Mr. BEVILL, Mr. BROWN of Colorado, Mr. BONER of Tennessee, Mr. BOSCO, Mrs. BOXER, Mr. BURTON of Indiana, Mr. BUSTAMANTE, Mr. CALLAHAN, Mr. CARPER, Mr. CARR, Mr. CHANDLER, Mr. CLAY, Mr. COBEY, Mr. COBLE, Mr. COELHO, Mr. COLEMAN of Missouri, Mrs. COLLINS, Mr. CONTE, Mr. CONYERS, Mr. CROCKETT, Mr. DARDEN, Mr. DELAY, Mr. DE LA GARZA, Mr. DELLUMS, Mr. DE LUGO, Mr. DORNAN of California, Mr. DYMALLY, Mr. DYSON, Mr. EMERSON, Mr. FEIGHAN, Mr. FISH, Mr. FOGLIETTA, Mr. FOLEY, Mr. FOWLER, Mr. FRANK, Mr. FUSTER, Mr. GRAY of Illinois, Mr. GREEN, Mr. GUARINI, Mr. GUNDERSON, Mr. RALPH M. HALL, Mr. HAMILTON, Mr. HAMMERSCHMIDT, Mr. HANSEN, Mr. HAYES, Mr. HENDON, Mr. HERTEL of Michigan, Mr. HORTON, Mr. HOWARD, Mr. HOYER, Mr. JACOBS, Mr. JONES of Tennessee, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. KASTENMEIER, Mr. KOLTER, Mr. KILDEE, Mr. KOSTMAYER, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LELAND, Mr. LENT, Mr. LEWIS of California, Mr. LEWIS of Florida, Mr. LIPINSKI, Mr. LIVINGSTON, Mr. MANTON, Mr. MARKEY, Mr. MARTINEZ, Mr. MATSUI, Mr. MAVROULES, Mr. MAZZOLI, Mr. MILLER of Ohio, Mr. MOAKLEY, Mr. MRAZEK, Mr. MURPHY, Mr. NELSON of Florida, Ms. OAKAR, Mr. OBERSTAR, Mr. O'BRIEN, Mr. ORTIZ, Mr. OWENS, Mr. PANETTA, Mr. PEPPER, Mr. PERKINS, Mr. PRICE, Mr. PURSELL, Mr. RAHALL, Mr. RANGEL, Mr. RAY, Mr. RICHARDSON, Mr. ROE, Mr. ROBERTS, Mr. ROWLAND of Georgia, Mr. ROSE, Mr. SAVAGE, Mr. SABO, Mr. SCHEUER, Mr. SCHUMER, Mr. SILJANDER, Mr. SMITH of Florida, Mr. SMITH of Iowa, Ms. SNOWE, Mr. STOKES, Mr. TAUZIN, Mr. THOMAS of Georgia, Mr. TOWNS, Mr. TRAXLER, Mr. VALENTINE, Mr. VANDER JAGT, Mr. VENTO, Mr. VOLKMER, Mr. WALGREN, Mr. WEBER, Mr. WILSON, Mr. WOLPE, Mr. WORTLEY, Mr. WYDEN, Mr. YATRON and Mr. YOUNG of Missouri.

H.J. Res. 508: Mr. PORTER, Mr. WOLPE, Mr. ANDERSON, Mr. FISH, Mr. BONIOR of Michigan, Mr. WALGREN, Mr. CHENEY, and Mr. STENHOLM.

H.J. Res. 514: Mr. HUTTO, Mr. HENRY, Mr. GIBBONS, Mr. FEIGHAN, Mr. DYMALLY, Mr. DANNEMEYER, Mr. WAXMAN, Mr. NIELSON of Utah, Mr. O'BRIEN, Mr. WORTLEY, Mr. RAHALL, Mrs. BOXER, Mr. BEDELL, Mr. DE LA GARZA, Mr. YOUNG of Alaska, Mr. BRYANT, Mr. GINGRICH, Mr. BENNETT, Mrs. BENTLEY, Mr. MCDADE, Mr. REID, Mr. DORGAN of North Dakota, Mr. ACKERMAN, Mr. AKAKA, Mr. ADDABBO, Mr. ANDERSON, Mr. ANDREWS, Mr. CHAPPELL, Mr. DAUB, Mr. DWYER of New Jersey, Mr. BEVILL, Mr. LAGOMARSINO, Mr. MANTON, Mr. MRAZEK, Mr. ANTHONY, Mr. COLEMAN of Missouri, and Mr. HEFTEL of Hawaii.

H.J. Res. 522: Mr. EDGAR, Mr. PERKINS, Mr. MINETA, Mr. NOWAK, Mr. SCHEUER, Mr. OBERSTAR, Mr. WEISS, Mr. LEVIN of Michigan, Mr. DELLUMS, Ms. SNOWE, and Mr. DASCHLE.

H.J. Res. 523: Mr. WEBER, Mr. BUSTAMANTE, Mr. SUNIA, Mr. RICHARDSON, Mr. FEIGHAN, Mr. NIELSON of Utah, Ms. KAPTUR, Mr. WEISS, Mr. JEFFORDS, Mr. WIRTH, Mr. HUGHES, Mr. GEKAS, Mr. COURTER, Mr. HENRY, Mr. EVANS of Iowa, Mr. LEACH of Iowa, Mr. CHAPPIE, Mr. FUQUA, Mr. CONTE,

Mr. DEWINE, Mr. FISH, Mr. COUGHLIN, Mr. PERKINS, Mr. LIGHTFOOT, Mr. DIOGUARDI, Mr. HORTON, Mr. NATCHER, Mr. KOSTMAYER, Mr. BORSKI, Mr. EMERSON, Mr. SMITH of Iowa, Mr. CLAY, and Mr. WILSON.

H.J. Res. 539: Mr. SCHULZE.

H.J. Res. 541: Mr. GEJDENSON, Mr. LUNDINE, Mr. BOUCHER, Mr. LEHMAN of California, Mr. LEVINE of California, Mr. COOPER, Mr. SCHEUER, Mr. LEVIN of Michigan, Mr. OBERSTAR, Mr. SABO, Mr. DE LUGO, Mrs. COLLINS, Mr. BEREUTER, Mr. BARNES, Mr. DYMALLY, Mr. BIAGGI, Mr. FLORIO, Mr. AUCOIN, Ms. KAPTUR, Mr. BARNARD, Mr. HOWARD, and Mr. UDALL.

H.J. Res. 548: Mr. MAVROULES, Mr. MACK, Mr. MURPHY, Mr. CONYERS, Mr. DYSON, Mr. NICHOLS, Mr. CHAPMAN, Mr. HAYES, Mr. LAGOMARSINO, Mrs. LLOYD, Mr. WORTLEY, Mr. DE LA GARZA, Mr. BEVILL, Mr. LAFALCE, and Mr. LANTOS.

H. Con. Res. 127: Mr. PETRI, Mr. BADHAM, Mr. CHAPMAN, Mr. DANIEL, Mr. DYSON, Mr. WHITEHURST, Mr. SKELTON, Mr. COLEMAN of Missouri, and Mr. ARCHER.

H. Con. Res. 289: Mr. BONIOR of Michigan.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 4286: Mr. MATSUI.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

282. By the SPEAKER: Petition of the City Council, Brooklyn, OH, relative to the General Revenue Sharing Program; to the Committee on Government Operations.

283. Also, petition of Senator Nelson, committee on general governmental operations, 18th Guam Legislature, Agana, GU, relative to proposed legislation concerning S. 1053 of the U.S. Senate; to the Committee on the Judiciary.

SENATE—*Thursday, March 6, 1986*

(Legislative day of Monday, February 24, 1986)

The Senate met at 10:45 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Our prayer will be offered today by the Reverend Dr. Samuel George Hines, national president of the Church of God and pastor of the Third Street Church of God, Washington, DC.

PRAYER

The Reverend Dr. Samuel George Hines, pastor, Third Street Church of God, Washington, DC, and national president of the Church of God, offered the following prayer:

Let us pray.

O God, our Father, another day of privilege and responsibility has been granted to us out of the generosity of Your benevolent hand. This and all the gifts of Your bounty we receive with thanksgiving, acknowledging You as the reason for our being, the source of our living and the goal of our striving.

We worship You as king of kings and lord of lords, the Creator who makes and shapes this universe according to Your infinite wisdom and calls us to have dominion and to be good stewards of Your gifts of creation and redemption.

Escort us by Your spirit into venturesome explorations of the possibilities before us; stimulate us to seize the opportunities around us and enable us to appropriate the strength You provide so that we might always choose the hard right instead of the easy wrong. Help us today to seek Your glory instead of our own and the good of others ahead of our own interests. We hear Your call to be servants even when we lead and to be leaders in setting examples of servanthood. Make us, by Your grace, equal to our calling to be ambassadors of reconciliation in a world of alienation and polarization.

We bless this land in Your name and dedicate ourselves to making her what You have ordained her to be as a nation and in the family of nations. Graciously remind us of the poor and the underprivileged, the hungry and the oppressed. Show us how to make power available to the powerless making Your agenda our own, through Him who became poor so that we might become rich, even Jesus Christ our Lord. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, and I would reserve the time of the distinguished minority leader, Senator BYRD. Then under the special orders, there are four Senators. Senators PROXMIRE, BUMPERS, CHAFEE, and KASSEBAUM have 15 minutes each.

Routine morning business will follow until 12 noon, with Senators permitted to speak therein for not more than 5 minutes each. At 12 noon, by a previous agreement, the Senate will turn to the consideration of Calendar No. 254, S. 104, relating to armor-piercing bullets, under a time agreement. We will try to accommodate Senators. I understand there are some Senators who may have a scheduling problem with that precise vote time. We will try to work that out so all Senators can be protected.

Then, we have to slip a bit, but by previous consent at 2 o'clock we were scheduled to turn to Senate Joint Resolution 225, the constitutional amendment calling for a balanced budget, but we will work out the schedule on both those matters.

We will have a session tomorrow. I hope we will be able to complete our work tomorrow, early afternoon, by 3 or 3:30.

There could be votes tomorrow, probably will be votes tomorrow, because I understand that those who oppose the constitutional amendment want time to debate and time to offer amendments, and that is why we are having a session tomorrow. We want activity, we want debates, we want amendments and votes, and I hope that those who are in opposition to the balanced budget amendment will be prepared to accommodate that schedule tomorrow.

The same would be true on Monday, but there will be no votes after 6 o'clock on Monday.

The same would be true on Tuesday. I anticipate we will still be on the balanced budget amendment. If we have had adequate debate by that time and most Members have had an opportunity to submit and debate their amendments, I would guess that by that time we would want to file a cloture motion. I have discussed this with the distinguished chairman of the committee.

Also, today, we will need to make a technical change—not in the House bill we passed last night; but we are trying to discharge the Agriculture Committee and get a House bill out here that we might use as a vehicle. We are concerned about the threat of a House blue slip should we use a Senate measure for a bill which some would argue might contain a revenue provision. We hope to have that done by noon.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER (Mr. LAXALT). Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is now recognized.

Mr. PROXMIRE. Mr. President, I want to make sure that the time of the minority leader has been reserved. I understand that the majority leader did that.

The PRESIDING OFFICER. That time has been reserved.

Mr. PROXMIRE. I thank the Presiding Officer.

TIME TO BRING BRITAIN AND FRANCE INTO NUKE NEGOTIATIONS

Mr. PROXMIRE. Mr. President, anyone who believes the nuclear arms race is strictly a superpower show had better take another look. At the very time negotiators for the United States and the Soviet Union are pushing for a mutual nuclear arsenal reduction by both superpowers, the United Kingdom and France are coming on in the nuclear weapons derby like gangbusters. Both superpowers have announced their interest in trying to negotiate an agreement for both sides to cut their present colossal 10,000 strategic nuclear warheads each in half—that is, to 5,000 strategic nuclear warheads each.

President Reagan some time ago specified his goal as the elimination of all nuclear weapons everywhere on Earth. Secretary Gorbachev has recently met the President's dreamy challenge and dreamed far up and beyond with a proposition that would banish all nuclear weapons from the face of the Earth in the next 14 years. Meanwhile, at the same time the two most powerful men on Earth are tossing out their rhetorical bids for the minds and hearts of the great majori-

ty of mankind, both superpowers are pouring billions into building more and more nuclear weapons. They are feverishly pushing weapons research testing and development to produce new nuclear weapons that can penetrate and defense and devastate any target.

But far and away the biggest proportional increases in nuclear weapon power are taking place in England and France. Neither of these two nuclear powers is directly represented at the Geneva arms control negotiations. Neither is limited in the slightest by SALT I or SALT II. Both are free to double or triple their already impressive nuclear punch. Both seem to be on their way to doing exactly that. If the superpowers succeed at Geneva and agree to sharp nuclear weapons reductions, they would find the United Kingdom and France moving in exactly the opposite direction.

So why knock it? Aren't Britain and France our allies? Britain is firmly in the North Atlantic Treaty Alliance. France is not. But the New York Times reported on Sunday, January 26, that a classified report prepared by the Joint Chiefs of Staff states: "French nuclear strike aircraft * * * might be committed to the Alliance." This is precisely why it seems most unlikely that the negotiations at Geneva involving only the United States and the Soviet Union could, in the absence of any nuclear weapon restraint on England and France, achieve an agreement for equal reductions by the two superpowers.

In the New York Times article of January 26 to which I have referred, Michael Gordon describes the United Kingdom and French buildup. Gordon reports that Britain plans by the late 1990's to have 512 nuclear warheads carried on new submarines and deployed in Trident missiles bought from the United States. It is also replacing its old bombers with new Tornado planes that would carry additional warheads. The French are also adding nuclear missiles carrying multiple warheads in new submarines and bombers. Both France and Britain would have in excess of 1,000 strategic nuclear warheads. Of course, the present 10,000 strategic warhead arsenals of the Soviet Union and the United States dwarf the British and French potential arsenals. But if Geneva negotiations succeed in reducing United States and Russian arsenals, the mid-1990's could find a world of four nuclear superpowers.

Under those circumstances, China, with her spectacular new economic growth, could push her nuclear arsenal into the same class as the other big boys and become a fifth nuclear superpower. The 1,000 nuclear warhead deployment of France and England would not put them at anything like a 5-to-1 disadvantage with each of the two present superpowers, if the superpowers reduced their arsenals to 5,000 strategic nuclear warheads each in accordance with present proposals. Because of the invulnerability of their new submarines and bombers, both France and England would have achieved something very close to de facto parity with the Soviet Union.

A recent National Academy of Science study discloses that if only 100 warheads, which is a tiny 1 percent of the present Soviet arsenal of 10,000 strategic warheads, reached American cities, we would suffer the instant death of between 35 million and 55 million Americans, with tens of millions of additional Americans terminally ill and generally without medical attention available. America would be destroyed as an organized society. On the same basis, with a 1,000 nuclear warhead arsenal available to France or England, a modest 10 percent of the warheads of either—I repeat, either—nation could utterly devastate the Soviet Union and leave it a steaming rubble.

It is going to be very difficult to persuade France and England and China to enter into the negotiation to reduce or limit their planned new nuclear power. But they must. If they do not, it is hard to see the negotiations going anywhere.

Mr. President, I ask unanimous consent that the article by Michael Gordon in the January 26 New York Times, to which I have referred, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Jan. 26, 1986]

BRITISH AND FRENCH MISSILES COMPLICATE LIFE FOR MOSCOW

(By Michael R. Gordon)

WASHINGTON.—While the United States and the Soviet Union exchange suggestions for deep cuts in nuclear arms, Britain and France are heading the opposite way. Both have started programs to multiply their nuclear arsenals.

Britain is equipping four submarines with 64 new Chevaline missiles, each carrying two warheads. It eventually plans to replace them with four new submarines each carrying 16 Trident II missiles purchased from the United States. Each Trident will probably carry eight warheads that could be aimed at separate targets, analysts say. By the late 1990's, Britain would have 512 warheads on four submarines. It is also replacing its old bombers with new Tornado planes.

France has also begun to install multiple-warhead missiles on submarines. Last year, the Inflexible went to sea with 16 missiles, each carrying six warheads, thus doubling its arsenal of submarine-launched missiles.

Eventually, the French will have these M-4 missiles on at least five submarines. In addition, France has 18 land-based missiles, each with a single warhead, and a new mobile land-based missile is under consideration. A nuclear air-to-surface missile is also being readied, as are Mirage 2000 planes that would be armed with missiles.

CHINA'S STOCKPILE

The British and French are thought to be in a different nuclear league than China, which some experts say has about 120 land-based intercontinental and medium-range missiles as well as two missile-carrying submarines.

Even so, the British and French have long pointed out that their arsenals are tiny compared to those of the superpowers.

The British strategic force "represents less than 3 percent of the strategic nuclear forces available to the United States or to the Soviet Union," the British Foreign Secretary, Sir Geoffrey Howe, has told the United Nations.

But if British and French forces grow as planned to more than 1,000 warheads, and the United States and the Soviet Union cut back to 4,500 warheads each, as the United States has proposed, the European forces would loom larger.

The Soviet Union has repeatedly raised the issue of British and French forces, generally insisting that it should be allowed the same number of weapons as the combined forces of all its potential Western adversaries.

The United States has replied that it cannot negotiate on behalf of other nations and that to compensate the Soviet Union for British and French forces would leave the United States numerically inferior to the Soviet Union.

Western officials further argue that British and French forces should not be equated with American forces because they are designed primarily as deterrents for the protection of the two countries.

But the issue is not clear-cut. Even though France is not part of NATO's military command, a classified report prepared by the Joint Chiefs of Staff states: "French nuclear strike aircraft . . . might be committed to the Alliance" in a conflict.

In any event, American officials were heartened when the Soviet leader, Mikhail S. Gorbachev, seemed to back away from Moscow's old position.

He suggested that all American and Soviet intermediate-range missiles be removed from Europe within eight years and that Britian and France could keep their nuclear missiles, if they agreed not to add to them during that period.

Both nations have laid down tough conditions before they will entertain such a notion. One has been that the United States and the Soviet Union make major cuts in their nuclear arsenals.

A French Embassy official said even the 50 percent reduction proposed by the United States might not suffice. Another condition, often overlooked, is that there be no significant changes in Soviet antimissile defenses.

STAKES ARE HIGHER

But this runs counter to the Reagan Administration's stated objective as part of the President's Strategic Defense Initiative, or "Star Wars," of moving toward a world in which both the United States and the Soviet Union would build up missile defenses.

France has also said it would accept limits on its nuclear arms only if the balance in conventional and chemical arms is improved in favor of the West.

Some Reagan Administration officials assert that the Soviet Union will eventually back away from its effort to limit the British and French forces. That is essentially what happened when the issue came up

during the 1972 negotiations on the SALT I nuclear weapons treaty. But others are taking the Russians at least partly at their word.

This time around, the stakes are higher, and the pressure on Britain and France could be, too.

THE MYTH OF THE DAY: THE FTC'S POLICY ON DECEPTIVE ADVERTISING BENEFITS BUSINESS

Mr. PROXMIRE. Mr. President, the myth of the day is that the Federal Trade Commission's new policy on "deceptive advertising" benefits industry. That is a myth.

It takes great ingenuity for a Government agency to develop and implement a policy that helps no one. But my hat is off to the Federal Trade Commission for this Rube Goldberg design.

In a statement yesterday, I pointed out the myth that the Federal Trade Commission still protected American consumers from deceptive advertising. It is clear that they do not.

But what about major advertisers? Aren't they the logical beneficiaries of the FTC's new "hands off" deregulation philosophy? You would think they would be. At the time the FTC developed its new policy to limit what it would consider to be deceptive advertising, it was certainly hailed as a victory for industry.

Yet the purported benefits to major advertisers have proven just as mythical. Is that just my view? Hardly. That was the conclusion reached by Business Week magazine in a December 2 review of the impact of the new policy. And what did they find?

Firms which derided the Federal Trade Commission as a "national nanny" are now finding themselves besieged on all sides as others have stepped forward to fill the void left by the FTC.

Litigation before various courts, expensive and time consuming, has replaced the FTC as the major forum. And, as Business Week points out, the courts have not been reluctant to levy punitive damages—something the FTC could never do.

In a dispute between Jartran and U-Haul, the courts ruled that Jartran's ads, which compared their trucks with those of U-Haul, were deceptive. The court awarded $20 million in compensation to U-Haul and tacked on another $20 million in punitive damages for good measure. The case is now under appeal.

The article goes on to chronicle the inefficiency of using the courts, as well as the inconsistency that results from actions by various State attorneys general on deceptive advertising cases, particularly, in New York, California, Massachusetts, and Texas.

Advertisers are now facing increasing numbers of suits directly from consumers as well. General Foods is facing a class action suit in California regarding ads for children's cereals that were alleged to be deceptive, preying on the "unique susceptibility of children."

While the administration has touted its new policy to the business community as a major improvement over the days of the FTC as "national nanny," it is now clear that they have sold the business community to a Trojan horse.

The benefits of a clear and consistent and strongly enforced Federal Trade Commission policy far outweigh the mythical benefits of the Reagan administration's "hands off" approach.

It is time for the Federal Trade Commission to return to its prior policy on deceptive advertising and put some teeth into it; because if their current policy is deregulation at its best, the price to American business as well as the American consumer is far too high.

RECOGNITION OF SENATOR CHAFEE

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

SALT ARMS LIMITATIONS

Mr. CHAFEE. Mr. President, the concurrent resolution which several of us are introducing today reaffirms the Senate's commitment to existing SALT arms limitations. It underlines our dedication to the so-called no-undercut policy with regard to these limits.

Mr. President, in the next 2 months, the United States must decide if it will continue to remain within the SALT ceilings of 1,200 multiple-warhead missiles. When the U.S.S. *Nevada*, our eighth Trident submarine, begins sea trials on May 20, and I understand that is a magnificent vessel, the U.S.S. *Nevada*.

The PRESIDING OFFICER. Yes.

Mr. CHAFEE. I can perhaps say that safely without fear of contradiction, particularly from the Chair.

When that ship goes out for its test trials on May 20 of this year, we will have to dismantle the launchers on two Poseidon submarines in order to stay within the limits of the SALT treaty.

Under the no-undercut policy, which we have as regards SALT II, which as the Chair so well knows is unratified, as long as the Soviets continue to do so, we will not undercut that policy. There will be a holding on course toward a new agreement on arms control and reductions.

Last June, Mr. President, as we faced for the first time a potential U.S. violation of the 1,200 missile limit, as our seventh Trident submarine, the U.S.S. *Alaska*, was prepared to go to sea trials, this Senate voted 90 to 5 in favor of extending the policy of interim restraint through December 31 of this year.

Mr. President, greatly to his credit, ordered the dismantling of one Poseidon submarine because the President recognized as did the Senate the clear advantages of our policy of abiding by the unratified SALT II treaty.

As a result of President Reagan's decision, the United States remained in compliance with the treaty.

I recommend that President Reagan once again recognize the great value of this interim restraint, and we join in urging him to continue to abide by the informal limits.

I support the no-undercut policy because, by and large, it has worked.

Informal adherence to the SALT I and II ceilings for strategic offensive weapons has kept in abeyance the threat of an unrestrained arms race. What is more, Mr. President, the numbers indicate that the policy has worked in favor of the United States.

In order to comply with SALT's provisions—when I refer to "SALT," of course I am referring to SALT I and SALT II—between 1973 and 1985, the Soviet Union dismantled 539 operational missiles and bombers while the United States dismantled only 16.

If modernization continues as expected in both countries, under the same limits, the Soviet Union will be forced to dismantle another 316 missiles between now and 1987, compared with 58 for the United States. That is five times as many missiles dismantled on the Soviet side.

Mr. President, this informal agreement arrangement is that we abide, although we have not ratified SALT II, and we will not get into the reasons for that. I personally wish we would ratify SALT II, but nonetheless that does not seem to be in the cards. Even though we do not ratify it we observe it, and thank goodness for that.

If the Soviets were not dismantling in order to stay under the limits, we would not be here today advocating continued restraint.

If the United States had not offset the U.S.S. *Alaska*'s missiles by dismantling a Poseidon submarine last year, the Soviet Union surely would have halted its own compliance with the SALT II program.

We have worked out a delicate arrangement here and it has thus far succeeded because both sides, the U.S.S.R. and the U.S.A., recognize its key role in keeping arms control alive and in restraining an arms race.

If we choose now to break this arrangement, I have little doubt, and I think it is absolutely certain, that the Soviets would initiate an arms buildup of frightening proportions.

For example, the Soviets are well ahead of us in numbers of multiple warheads, ICBM's, which can be produced quickly. The end of mutual restraint would probably mean the beginning of a sudden Soviet buildup in these ground-based missiles. In fact, it is likely that if interim restraints were abandoned, the Soviets would begin expanding every part of their arsenal, not only the ground-based ICBM, but the sea-based launchers as well, forcing the United States to respond accordingly in the interest of national security.

As we press for a safer, saner world, this is exactly the kind of scenario we wish to avoid, which is why this resolution which I and the distinguished Senator from Wisconsin, and others, who will be here very shortly, are submitting.

First, this resolution urges compliance measures, the resolution of disputes through diplomatic channels, through the standing consultative commission which, of course, exists, and through the Geneva arms talks.

Significant questions of compliance have arisen, and they have arisen over the Soviets encryption, for example, of missile test data and the U.S.S.R.'s possible deployment of new types of ICBM's.

I believe that although these concerns do not yet justify scrapping the whole arrangement, these concerns must be resolved if our informal restraint agreements are to remain valid.

And, of course, another problem that should be dealt with in connection with these restraints, and this deals with the ABM Treaty, is the erection of that very large Soviet radar in the Soviet Union.

Second, this resolution urges an extension of our observance of existing SALT limits through December 31, 1987, with the proviso that the Soviet Union must also refrain from undercutting the same limits. This is the key to controlling arms, and until we have a new workable treaty, and will greatly assist negotiators in Geneva in their attempts to formulate a new agreement.

As we continue to modernize our weapons systems, this extension, the extension of the compliance agreement arrangement, will from time to time require further dismantling of existing older systems.

Sure, we are going to have to take out of operation some systems. Probably the ones we will have to be taking out most will be our Poseidon submarines. It is important to keep in mind that the Soviets will have to dismantle more than we do in order to remain in compliance.

Last, this measure requests that further reports on Soviet compliance furnish the whole picture rather than simply a list of violations.

Recent reports have focused on violations without telling us enough about where and how the Soviets may have honored SALT II. If we are to continue evaluating our own participation in this arrangement, we need both sides of the story, in other words, what is happening now. The standing consultive commission only deals with violations. We are recommending that the standing consultive commission also report where the Soviets are observing and the steps that they have taken to observe. I think that is very important so that when we look at the standing consultive reports we can get a balanced view.

It is not only that they violated with the encryption or they violated with this new radar, but it also gives the balanced picture, as I say, as of where they observed the treaty.

The United States has remained within the limits of SALT I and SALT II for 5 years and everyone agrees that it has been worth it. The Joint Chiefs of Staff support extension of this policy, as do our allies in NATO. The allies made clear their desire for continued restraint last year when President Reagan was first faced with the possible U.S. violation of the 1,200 missile ceiling. Public opinion polls have consistently demonstrated large majorities in favor of honoring existing treaties.

As we look forward to further Geneva-type talks and another Reagan-Gorbachev summit, possibly this summer, hopefully this summer, the most responsible approach is to continue our no undercut policy and to ensure that the Soviets do the same.

Mr. President, I wish to make it clear that this resolution just does not say that the United States abide by the SALT II limitation without the Soviets complying. The resolution makes clear, in the latter part of it, where it says:

> Nothing in this resolution should be construed as, (1) endorsing unilateral United States compliance with existing strategic arms agreements.

There must be a two-way street. The Soviets must observe it if we are expected to observe it. Some critics will perhaps come to the floor here and say, "Oh, we are just observing it ourselves while the Soviets are making these terrible violations." Not so. This is not a unilateral U.S. compliance.

Second, nothing in this resolution should be construed as prohibiting the United States from exercising its rights and obligations as provided under international law with respect to treaty compliance.

Finally, nothing in this resolution should be construed as prohibiting or delaying the development, flight-testing, or deployment of the small intercontinental ballistic missile as authorized by law.

Mr. PROXMIRE. Will the Senator from Rhode Island yield briefly?

Mr. CHAFEE. Yes. I made a mistake in saying that the Senator from Wisconsin was on this resolution.

Mr. PROXMIRE. I wanted to be sure that I would be put on the resolution. I ask unanimous consent, if the Senator will permit, that I be added as a cosponsor of the resolution. It is an excellent resolution. I understand the Senator's staff has been in touch with my staff today on it and we are familiar with it.

Mr. CHAFEE. I thank the Senator. We would certainly be delighted to do that. The principal sponsor of the resolution is the senior Senator from Arkansas, and I will make certain that the Senator from Wisconsin is added.

Mr. PROXMIRE. I want to commend my good friend from Rhode Island. There is nobody in this body who can speak with more authority on our own national security. He was in combat in the Marines, and Secretary of the Navy. He knows, from both the top and the actual fighting man's viewpoint, the importance of national security. So he speaks with great authority.

As he points out, from a strictly military standpoint, it makes sense for us to abide by this resolution. If SALT II goes aglimmer—and it could very easily; it actually expired; it is only kept alive on the basis of an Executive order—it means that we will suffer in comparison with the Soviet Union from a military standpoint. And the Senator from Rhode Island, as I say, can speak with great authority on that.

As he also points out, I would just like to add, arms control is in very dismal condition. I cannot remember a time in the 28 years I have been here when arms control has been in such a bad shape as it is right now. I think we have to keep SALT II alive even though it is hanging by a thread. I think this idea of no undercut makes sense.

So I am happy to hear the remarks of my friend from Rhode Island on violations. He is right. We should go to the Standing Consultative Commission and we also have to recognize the military significance of violations. The agreements are ambiguous. It is easy to have violations that are alleged because, technically, they can be a violation. But whenever we allege a violation, let us hear why it has military significance. We do not do that. We should have it. And if we have it, we can also determine whether or not the violation is something we should take to the SCC and whether or not we should insist that either they comply or we reconsider our own going along with the treaty.

The Senator from Rhode Island is absolutely right in this latter regard.

It must not be unilateral. Both superpowers must agree to abide by it.

I thank my good friend from Rhode Island.

Mr. CHAFEE. Mr. President, I am absolutely delighted that the Senator from Wisconsin is joining in this resolution because no one has paid more attention to this area than he has. Over many, many years he has been deeply concerned. His influence and his efforts in seeing that we continue to observe this treaty and that we initiate other treaties in arms control has been a very important factor in the whole progress that we have made.

I agree on the Krasnoyarsk radar. That is clearly a violation of the Soviets to the ABM treaty, and the encryption is a very serious problem. Those matters should go to the SCC and they should be handled there.

Indeed, as the Senator from Wisconsin knows, the Soviets have deep concerns over several radars that we are involved in in England and in the United States, as well. Are those radars looking out solely; are they just carrying on the functions of the radar that they replaced? Those matters should be resolved.

Finally, we have mentioned here a couple of times the Standing Consultative Commission, the SCC. Mr. President, that has been an area, an arena, the Standing Consultative Commission, for contesting perceived violations. I feel it is unfortunate that the Standing Consultative Commission has not been used in a more imaginative way. We have very good people as members of that, and I can only assume that the Soviets have, as well.

I hope, in the days and months ahead, that somehow the Standing Consultative Commission could be used more imaginatively to initiate more contacts between the two nations in how we might resolve these issues and not solely deal with conflict but how it might operate to bring us together more.

I am not intimately familiar with everything in connection with the Standing Consultative Commission, but I have the feeling that, one, they do not meet very often; two, it is only in connection with when a matter has arisen that poses the two nations in conflict. I think it can be used in a more constructive and imaginative way.

Mr. PROXMIRE. I believe the Senator is right about the SCC not meeting very often lately. There was a time when they did back in the late seventies. They met and the report we got from the U.S. representatives who were on it was that the Soviet Union had either allayed our suspicions or desisted where they had engaged in violations. So this can be a very constructive way of making the treaty work and stop violations when they are occurring.

Mr. BUMPERS addressed the Chair.

Mr. CHAFEE. Mr. President, I wonder if I might address the Senator from Arkansas for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, I would ask the Senator, I do not know whether he heard the distinguished senior Senator from Wisconsin wanting to join the resolution.

Mr. BUMPERS. I did, indeed.

Mr. CHAFEE. I felt the request would best come from the Senator from Arkansas, since he is the sponsor of the resolution.

Mr. BUMPERS. Mr. President, I thank the Senator from Rhode Island.

I was very gratified by the exchange that I heard between the Senator from Rhode Island and the Senator from Wisconsin. I am very pleased to have the Senator from Wisconsin join us in what some of us feel is one of the most important issues that we have to address around here every year.

Mr. President, in less than 2 months, the President of the United States is again going to be faced with one of the most important national security decisions in 1986, indeed of his whole second term. He will have to decide whether we are going to continue to keep some limits on the strategic offensive arms race or end all limits, allowing the arms race to really take off.

At the conclusion of my remarks I will introduce a resolution on behalf of myself and my distinguished colleagues, Mr. LEAHY of Vermont, Mr. CHAFEE of Rhode Island, Mr. HEINZ of Pennsylvania, and Mr. PROXMIRE of Wisconsin.

This resolution calls upon the President to decide in favor of U.S. security interests and continue his wise no undercut policy on existing SALT agreements.

Mr. President, the Senator from Rhode Island commented a moment ago that you can stand around and talk about violations all day long, but the truth of the matter is any objective analysis shows that the constraints which are now in place as a result of SALT II benefit our security interest, and I am not saying that as a Democratic Senator from Arkansas and the Senator from Rhode Island is not saying it as a Republican Senator from Rhode Island.

We are saying it because the Joint Chiefs of Staff say it. We are saying it because the commanders of all of our strategic forces say it. We are saying it because most of the Secretaries of Defense preceding the existing Secretary of Defense say it.

So this is not a hawk versus dove question. This is a question of whether we are going to break out of the arms control agreements that now ever so slightly constrain the arms race.

The event that will trigger this important decision will occur on May 20. On that day, the Navy plans to send the U.S.S. *Nevada*, our eighth Trident submarine, out to sea for sea trails. The *Nevada*'s 24 missile tubes—and each one of these missiles will carry eight warheads—will put us over the SALT II limit of 1,200 of MIRV'd missile launchers unless we take offsetting actions, by dismantling other systems. To stay within the SALT limits, we would need to dismantle either two older Poseidon subs, each with 16 missiles, or one Poseidon and one flight of 10 Minuteman III ICBM's. Because dismantling requires some advance notice so our military can respond in a timely way, the Chief of Naval Operations, Admiral Watkins, told the Defense Appropriations Subcommittee that "a decision would be needed in the April timeframe." That's next month.

Last June, just before the seventh Trident sub went out to sea under similar circumstances, the Senate by an overwhelming vote of 90 to 5 voiced its support for the no-undercut policy.

It adopted a resolution by the same Senators, Senator HEINZ, Senator LEAHY, Senator CHAFEE, and myself, by a vote of 90 to 5, and I believe it is crucial for the Senate to again make its voice heard on this issue before the President makes his decision next month.

Our resolution is very similar to what was agreed upon last year. Two changes are worthy of note, however; the dates in the language are extended for 1 year, and it is asked that future arms control compliance reports include data on where the Soviets are complying with treaties as well as where concerns about possible violations exist.

For the last few years, Congress has asked the President to submit reports to Congress on Soviet arms control compliance. But, instead of getting compliance reports, we have received violations reports. Now it is very important that Congress be told about concerns of possible Soviet violations.

We want it. We need it. But, if we are to make well-informed decisions, we must also be told about where the Soviets are in compliance, about Soviets' dismantling of submarines, ICBM's, and bombers to comply with the SALT treaties.

The Defense Intelligence Agency I do not think any longer considers the Backfire a strategic bomber. We need to be told those things officially. This clarification is spelled out in our resolution. It is precisely this lack of information about the whole compliance question that has confused people in Congress and around the country about why we have a no-undercut policy. The Congressional Research Service has prepared a very useful report that illustrates the way that

this can be done, and I commend it to my colleagues' attention

I ask unanimous consent that chapter I of this report, "Compliance with the SALT I Interim Agreement," be included in the RECORD at the end of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit No. 1)

Mr. BUMPERS. The arguments for continuing the SALT no-undercut policy are just as compelling now as they were last year. Briefly, it will enhance U.S. and allied security to stay within SALT's numerical limits, and it would dangerously weaken our security to break out of those limits.

Everyone wants success at Geneva, and we are more likely to get it if there are at least some restraints in place. Our distinguished colleague, the senior Senator from Virginia, Mr. Warner, has put it very well when he told a Washington Times reporter late last year that extending the SALT II agreement would be conducive to continuation of the arms control talks between the two countries. "A sharp turn away from that policy could well be detrimental to the atmosphere in which these talks are being conducted."

But more than its effect on the Geneva negotiations, Mr. President, SALT is important to our security because it forces—this is extremely important—the Soviet Union to dismantle weapons that they otherwise would keep deployed.

This is a key reason why the SALT no-undercut policy has been consistently supported by the Joint Chiefs of Staff, and more recent by the President.

Here is what our top military experts say. Gen. Brent Scowcroft: "Yes, I think we should comply with SALT II. There are restraints in the treaty on the Soviets which, however modest, are better than having no restraints at all."

Gen. David Jones, then-JCS chairman in 1981: "There is not even a marginal military reason for exceeding the SALT limits."

Then-Commander in Chief of the Strategic Air Command, Gen. Bennie Davis, last March, "I have made that assessment privately that we should continue to abide by the SALT II limitations".

The fact is, the Soviet are continuing to dismantle missiles today to comply with SALT. This is one of the untold stories of arms control. Listen to this, Mr. President. Since 1978, the Soviets have dismantled 14 operational missile firing Yankee-class nuclear submarines, four in the last 2 years, to comply with SALT I's offensive limits, which technically have expired, and they continue to do this.

According to the Congressional Research Service, the Soviets have dismantled 70 SS-11 ICBM's and 15 Bison bombers in the last year to compensate for the deployment of SS-25 missiles and Bear-H bombers. In fact, the Soviets have dismantled well over 500 operational missiles to comply with these treaties. The United States, by contrast, has had to dismantle only 16.

I ask unanimous consent that a fact sheet summarizing this dismantling be placed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit No. 2.)

Mr. BUMPERS. What would happen if we continue the President's wise policy of continuing to abide by SALT? Through 1987, the Soviets would have to dismantle over five times as many missiles as would the United States, 316 versus about 58. Furthermore, the Poseidon submarines to be dismantled for SALT reasons would reach their 30-year life limits and have to be dismantled anyway in 1993 and 1994. We are giving up virtually nothing.

If we drop our policy of abiding by SALT. The Soviets will not have to make any of these reductions. Furthermore, they would be free to add up to 20 more warheads on each of their 308 SS-18 ICBM's, adding over 6,000 warheads to their totals. They could build still more SS-18's. They could easily exceed the SALT II limit of 820 MIRV'd ICBM launchers since they now have 818, and are getting ready to deploy their new MIRV'd SS-24 this year.

The great increase in Soviet ICBM warheads would pose a major threat to the survivability of the small ICBM because the Soviets could just barrage the area in which the mobile small ICBM would be deployed. In addition this growth of Soviet warheads would also magnify the already difficult task confronting any star wars system, as the administration has already conceded.

Some say that because the Soviets have violated some of SALT's provisions we should junk the treaty. Yet every Soviet compliance problem we have would be worse without SALT. Ending SALT will not stop the SS-25, will not stop Soviet missile encryption, and will not stop the Krasnoyarsk radar. We should press our compliance concerns with Soviets, but, meanwhile, we would be foolish to junk SALT.

Defense Secretary Weinberger, a known foe of SALT, stated in London late last fall that the Soviets are deploying more SS-25 missiles. And I share his concerns about the SS-25 being a violation of SALT II. But what he fails to tell us is that the Soviets are chopping up older missiles to stay within the SALT limits. Ending SALT won't stop the Soviets from deploying those SS-25's. All it will stop is the Soviet practice of dismantling older missiles as new ones deploy. That's why the Joint Chiefs support the President's no-undercut policy, and why I do, too.

I believe the President will again conclude the same thing.

Our allies strongly support our current SALT policy. Every one of our NATO allies endorsed SALT II back in 1979, and they continue to do so today. Listen to the words of Hans-Dietrich Genscher, West Germany's Foreign Minister, as quoted by stern magazine:

> At the Lisbon NATO Conference in June we supported the United States Sentiment of commitment to the SALT II Treaty, although it was never ratified. Because it is very difficult to make new agreements in arms control, it is all the more important to most carefully preserve existing treaties and adhere to them.

Rejecting SALT now, before we have a new strategic arms agreement in place, would be a body blow to the NATO alliance, and would give the Soviets a propaganda field day in Europe.

So where do we go from here? Clearly, we should continue to pursue a new arms accord that will reduce the number of nuclear weapons on both sides and increase the stability of the forces that both sides have. And in the meantime, we should keep some form of restraints in place while we pursue this new agreement.

As President Reagan so wisely said last June:

> Despite the Soviet record over the last years, it remains in our interest to establish an interim framework of truly mutual restraint on strategic offensive arms as we pursue . . . the ongoing negotiations in Geneva.

I urge the President to continue the fine precedent he established last June and direct the Pentagon to dismantle the appropriate weapons so that we stay within the SALT ceilings.

We have heard a lot about sweeping proposals for major cuts in the arms levels on both sides, and I divinely hope these efforts eventually bear fruit. But it sounds like it may be some time before that happy day occurs. Let us have the courage to take small steps, and keep some limits on the arms race until then, to make our great country, and the whole world, a little safer.

Mr. President, I ask unanimous consent that a news article from the New York Times of February 10, 1986, in which the Joint Chiefs of Staff say that they do not find the Soviets cheating on SALT II, be inserted in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 3.]

Mr. BUMPERS. Now, Mr. President, I send a resolution to the desk and I

ask that it be printed in the RECORD and properly referred.

The PRESIDING OFFICER. The resolution will be received.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

S. CON. RES. 112

Whereas, it is a vital security objective of the United States to limit the Soviet nuclear threat against the United States and its allies; and

Whereas, the United States has legitimate concerns about certain Soviet actions and behavior relevant to limitations and other provisions of existing strategic arms agreements; and

Whereas, the President has declared that "the United States will continue to pursue vigorously with the Soviet Union the resolution of our concerns over Soviet noncompliance"; and

Whereas, the President has declared that "despite the Soviet record over the last years, it remains in our interest to establish an interim framework of truly mutual restraint on strategic offensive arms as we pursue . . . the ongoing negotiations in Geneva"; and

Whereas, it would be detrimental to the security interests of the United States and its allies, and to international peace and stability more generally, for the existing limitations on strategic offensive nuclear weapons to lapse before replacement by a new strategic arms control agreement between the United States and the Soviet Union; and

Whereas, continuation of a mutual policy of not undercutting existing strategic arms agreements would be conducive to continuation of the current Geneva arms talks, while a sharp turn away from that policy could well be detrimental to the atmosphere in which these talks are being conducted; and

Whereas, both sides have to date remained within a number of the numerical and other limits on force levels contained in existing strategic arms agreements by dismantling operational launchers on missile-firing submarines and staying below the limits on multiple-warhead missile launchers and other related limits; and

Whereas, it is in the security of the United States and its allies to require the Soviet Union to remain at or below a level of eight hundred and twenty launchers of MIRVed ICBMs, and at or below other related limits contained in existing strategic arms agreements: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(a) the United States should vigorously pursue with the Soviet Union the resolution of concerns over compliance with existing strategic arms control agreements and should seek corrective actions through confidential diplomatic channels, including, where appropriate, the Standing Consultative Commission, the ongoing nuclear arms negotiations in Geneva, and summit meetings between the leaders of the United States and the Soviet Union;

(b) the Soviet Union should take positive steps to resolve the compliance concerns of the United States about existing strategic offensive arms agreements in order to maintain the integrity of those agreements and to strengthen the positive environment necessary for the successful negotiation of a new strategic offensive arms agreement;

(c) the United States should, through December 31, 1987, continue to refrain from undercutting the provisions of existing strategic offensive arms agreements so long as the Soviet Union refrains from undercutting those same provisions, or until a new strategic offensive arms agreement between the United States and the Soviet Union is concluded;

(d) the President should—

(1) not later than February 1, 1987, submit to Congress a report, with an unclassified summary, containing the following:

(A) A range of projections and comparisons, on a year-by-year basis, of United States and Soviet strategic weapons dismantlements that would be required over the next five years if the United States and the Soviet Union were to adhere to a policy of not undercutting existing strategic arms control agreements.

(B) A range of projections and comparisons, on a year-by-year basis, of likely United States and Soviet strategic offensive force inventories over the next five years assuming a termination at the end of 1986 in the current no-undercut policy.

(C) An assessment of the possible Soviet political, military, and negotiating responses to the termination of the United States no-undercut policy.

(D) Recommendations regarding the future of United States interim restraint policy, including the desirability of possible modifications thereto that would permit stabilizing reductions to take place on both sides while negotiations for a more comprehensive reductions agreement are underway;

(2) carefully consider the impact of any change in the current policy of the United States regarding existing strategic offensive arms agreements on the long-term security interests of the United States and its allies;

(3) consult with Congress before changing that policy; and

(4) ensure that future reports to Congress dealing with Soviet compliance with arms control commitments present an assessment that identifies limitations which are being observed as well as those where adherence is either in serious doubt or not taking place.

(e) Nothing in this resolution should be construed as:

(1) endorsing unilateral United States compliance with existing strategic arms agreements;

(2) prohibiting the United States from exercising its rights and obligations as provided under international law with respect to treaty compliance;

(3) prohibiting or delaying the development, flight-testing, or deployment of the small intercontinental ballistic missile (SICM) as authorized by law.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President.

EXHIBIT 1

I. COMPLIANCE WITH THE SALT I INTERIM AGREEMENT*

A. BAN ON ADDITIONAL FIXED INTERCONTINENTAL BALLISTIC MISSILE (ICBM) LAUNCHERS

The obligation.—Article I of the SALT I Interim Agreement forbids the parties to begin construction of additional fixed ICBM launchers. This article limited the United States to the 1054 fixed ICBM launchers that were operational when the agreement was signed, and restricted the Soviet Union to the 1618 fixed ICBM launchers estimated to have been operational or under construction at that time.[4]

The record of Soviet compliance.—Ths Soviets have not constructed new fixed ICBM launchers since SALT I came into force. Soviet compliance with the construction ban was questioned in the SCC after the United States observed the Soviets building new silos in 1973. The Soviets replied that the silos were designed for launch-control purposes and not to house prohibited ICBM launchers. Further U.S. intelligence confirmed the Soviet contention.[5]

During the early and mid 1970s, the number of fixed Soviet ICBM launchers decreased from the SALT I 1618 ceiling, and from 1978 to 1985, the number stood at 1398.[6] Despite the reduction in silo launchers, the Soviets deployed a new generation of missiles in the 1979s. To accommodate the new ICBMs, the Soviets retired older missiles and placed the new missiles in existing silos. Specifically, they retired 510 SS-11s to accommodate their 150 SS-17s and 360 SS-19s, and 308 "heavy" SS-9s to accommodate their 308 SS-18s.[7]

In 1985, the Soviets took steps to deactivate SS-11s as they deployed mobile SS-25s. This trade-off would reduce the SALT count of fixed ICBM lanuchers below 1,398 if SS-11s were taken down according to procedures established in the Standing Consultative Commission (SCC), the group chartered under the SALT accords to draw up rules for decommissioning systems so that they will be considered "dismantled" for SALT purposes. As of January 1986, unclassified Department of Defense and Arms Control and Disarmament Agency figures did not reflect reductions in fixed ICBM launchers. According to the Joint Chiefs of Staff, however, 70 fewer SS-11s were deployed on January 1, 1986, than a year earlier.[8]

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* Follow footnotes as marked.

[4] These numbers were not included in the text of the treaty, but were considered by the United States to be launcher ceilings. See Statement of Secretary of State William P. Rogers in U.S. Congress. Senate. Committee on Foreign Relations. Strategic Arms Limitation Agreements. Hearings, 92d Cong., 2d Sess. Washington, U.S. Govt. Print. Off., 1972. p. 8. The Soviets' SALT I ceiling of 1618 fixed ICBM launchers was subsequently superseded by a lower SALT II ceiling. See p. 21-23 of this paper.

[5] U.S. Department of State. SALT One: Compliance. SALT Two: Verification. Selected Documents, No. 7. Washington, 1978. p. 4-5.

[6] The reduction in the early and mid 1970s was motivated by SLBM deployments. See p. 10-12 of this paper. The 1398 figure appears in numerous sources, including U.S. Department of Defense. Soviet Military Power. 4th edition. Washington, 1985. p. 26, 29; and, Collins, John, and Patrick Cronin. U.S./Soviet Military Balance. Statistical Trends, 1975-1984. CRS Report No. 85-83F. Washington, Congressional Research Service, 1985. p. 20. (Hereafter cited as Collins, CRS Report No. 85-83F.)

[7] Collins, John, and Patrick Cronin. U.S./Soviet Military Balance. Statistical trends, 1970-1983. CRS Report No. 84-163S. Washington, Congressional Research Service, 1984. p. 14, shows that, as SS-17s and SS-19s were deployed, SS-11s were reduced from a high of 1030 in 1974 to the current deployment of 520. A similar transition took place as fourth generation SS-18s replaced third generation SS-9s between 1975 and 1980. The Pentagon cites the same current deployment figures in U.S. Department of Defense. Soviet Military Power, 4th ediction. Washington, 1985. p. 29. The retirement of SS-9s is also governed by another SALT I restriction, that on conversion of launchers for "light" ICBMs into launchers for "heavy" ICBMs. See p. 6-10 of this paper.

[8] ACDA indicated a status quo of "some 1,400 missiles in silos" in Arms Control Impact Statement, FY 1987, p. III-B-5. The Joint Chiefs of Staff

B. RESTRICTIONS ON MODERNIZATION AND MODIFICATION OF ICBM'S AND ICBM LAUNCHERS

The obligation.—Article IV of the Interim Agreement states that the United States and the Soviet Union may modernize and replace strategic missiles and their launchers. However, such modernization is subject to restrictions.

Article II prohibits the conversion of launchers for "light" ICBMs or for "older" ICBMs into launchers for modern "heavy" ICBMs. This provision was designed to prevent the expansion of the Soviet arsenal of modern heavy ICBMs, which at the time SALT I was signed comprised 308 SS-9s. The Soviets' largest light ICBM was the SS-11, and older ICBMs were those deployed before 1964, such as the SS-7s and SS-8s.[9] Although it was clear which missiles in the sides' existing arsenals were "heavy" and which were "light," the agreement did not name the criteria by which missiles deployed in the future would be categorized. U.S. SALT I negotiators could not persuade their Soviet counterparts to include a definition of "heavy" in the agreement, so to elaborate on Article II, U.S. negotiators added two features to the Interim Agreement.

First, certain restraint on increases in missile size was achieved through a restriction on enlargement of silo launchers. Agreed Statement "C" established that, when undertaking allowed modifications, the parties would not "significantly" increase the size of their ICBM launchers.[10] A "significant increase" was defined in Common Understanding "A" to be an enlargment of "10 to 15 percent" of the "dimensions" of silo launchers at the time the agreement was signed.[11]

Second, the United States made a unilateral statement to enter its own understanding of "heavy" missile into the record. The U.S. delegation said, "The United States would consider any ICBM having a volume significantly greater than that of the largest light ICBM now operational on either side to be a heavy ICBM."[12] Secretary of Defense Melvin Laird later specified in a Senate hearing that an increase of 10 to 15 percent would be "significant."[13] The Soviet side made clear that it did not accept the U.S. definition of a "heavy" ICBM.[14]

The record of Soviet compliance.—Since the signing of SALT I in 1972, the Soviet Union has modernized its ICBM arsenal as permitted by Interim Agreement terms. *Soviet Military Power*, the Defense Department's annual assessment of Soviet forces, describes the modernization during this period as follows:

"The operational Soviet ICBM force consists of some 1,400 silo launchers, aside from those at test sites. Some 818 of these launchers have been rebuilt since 1972. Nearly half of these silos are new versions of the original designs and have been reconstructed or modified in the past six years. All 818 silos have been hardened better to withstand attack by currently operational U.S. ICBMs. These silos contain the world's most modern deployed ICBMs—the SS-17 Mod 3 (150 silos), the SS-18 Mod 4 (308), and the SS-19 Mod 3 (360). Deployment of these ICBMs began just six year ago."[15]

Soviet Military Power also points out that SS-17's, SS-18's, and SS-19's are MIRVed, unlike the missiles they replaced, and are more accurate than their predecessors. These modifications in silo hardening, and in missile MIRVing and accuracy are permitted by the Interim Agreement.

The freeze on launchers for Soviet heavy SS-9 ICBMs and follow-ons is governed by the restriction on increases in silo dimensions as well as by the ban on construction of additional silo launchers. As mentioned in the preceding section, government sources confirm that the Soviet arsenal of missiles the size of the SS-9 has not increased, and that the Soviets removed their original force of 308 SS-9s to make room for their 308 heavy SS-18s.[16]

The addition of the SS-19 to the Soviet arsenal in 1975 provoked questions about Soviet compliance with the Article II ban on conversion of launchers for light ICBMs into launchers for heavy ICBMs. The SS-19, which was being deployed as a replacement for the SS-11, had a volume about twice that of the SS-11.[17] This increase was clearly inconsistent with the U.S. definition of a "heavy" missile as expressed in non-binding Unilateral Statement D. Deployment of the SS-19 did not, however, require increases in silo launcher size that would have violated the Interim Agreement. In 1978, Secretary of State Vance reported that the SS-19 was questioned in the SCC "to emphasize the importance the United States attached to the distinction made in the Interim Agreement between 'light' and 'heavy' ICBMs . . .," but said that the missile was "not a violation" of SALT I.[18]

C. CEILINGS ON SLBM LAUNCHERS AND BALLISTIC MISSILE SUBMARINES, AND ASSOCIATED DISMANTLING REQUIREMENTS

The obligation.—Article III and the Protocol to the Interim Agreement provide that the United States and the Soviet Union must not exceed ceilings on SLBM launchers and on modern ballistic missile submarines. The Soviet Union may have up to 950 SLBM launchers and 62 modern ballistic missile submarines, and the United States is permitted up to 710 SLBM launchers and 44 submarines.[19] When SALT I was signed in 1972, the SLBM and submarine inventories of both sides were well below these ceilings. The Interim Agreement Protocol established base levels that reflected the number of SLBM launchers operational or under construction in 1972: 656 for the United States and 740 for the Soviet Union. For each increase in the SLBM launcher inventory above the base figure, an ICBM launcher had to be dismantled. New SLBM's could also be deployed as replacements for older SLBM's.

Agreed Statement "E" of the Interim Agreement states that required dismantling is to begin as new ballistic missile submarines go to sea trials, and is to take place according to procedures established in the SCC. The procedures are classified, but according to the Administration, they include an obligation not to use facilities remaining at dismantled ICBM sites for storage, support, or launch of ICBMs.[20]

The record of Soviet compliance.—The totals of ballistic missile submarines and SLBMs fluctuate as new submarines go to sea trials and older submarines are retired. In early 1985, the Administration said that the Soviet Union was observing SALT I ceilings on SLBM launchers and ballistic missile submarines.[21] Joint Chiefs of Staff figures reflecting Soviet deployments as of January 1, 1986, showed 944 SALT-accountable SLBMs and 62 modern ballistic missile submarines.[22]

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showed a total of 1,328 missiles in silos in United States Military Posture, FY 1987, p. 19, as compared to 1,398 in the FY 1986 Posture statement. The reductions in deployments indicated by JCS figures do not necessarily imply that reductions were achieved by decommissioning SS-11s in accordance with SCC-approved procedures. The discrepancies in these ICBM lanucher figures affect the SALT II aggregate SNDV count. See p. 14-17 of this paper, the section on the SNDV ceiling, for further discussion of these discrepancies.

[9] The text of the agreement did not identify existing missiles as "heavy" or "light". Administration testimony on SALT I revealed that restrictions on modern heavy missiles applied to SS-9s and follow-ons, and that the largest light ICBM was the SS-11. ACDA Director and chief SALT negotiator Gerard Smith testified that U.S.-Soviet exchanges reflected "good agreement" on the categorization of existing missiles. U.S. Congress. Senate. Committee on Foreign Relations. Strategic Arms Limitation Agreements. Hearings, 92d Cong., 2d Sess. Washington, U.S. Govt. Print. Off., 1972. p. 32-33.

[10] The five "Agreed Statements" appended to the Interim Agreement were approved by both sides and initialed by the heads of the delegations.

[11] Three "Common Understandings" are associated with the Interim Agreement. These interpretive statements were not formally recorded and initialed, but an understanding on these points is part of SALT I negotiating history.

[12] Unilateral Statement "D" associated with the SALT I Interim Agreement. U.S. Arms Control and Disarmament Agency. Arms Control and Disarmament Agreements. Texts and Histories of Negotiations. Washington, 1982. p. 157. Unilateral statements were made to declare the U.S. position on certain points. The United States acknowledges that these statements are not binding on the Soviet Union.

[13] U.S. Congress. Senate. Committee on Armed Services. Military Implications of the Treaty on the Limitations of Anti-Ballistic Missile Systems and the Interim Agreement on Limitation of Strategic Offensive Arms. Hearings, 92d Cong., 2d Sess. Washington, U.S. Govt. Print. Off., 1972. p. 165.

[14] U.S. Department of State. SALT One: Compliance. SALT Two: Verification. Selected Documents, No. 7. Washington, 1978. p. 5.

[15] U.S. Department of Defense. Soviet Military Power, 4th edition. Washington, 1985. p. 29.

[16] The figure of 308 SS-18's currently deployed is cited in U.S. Department of Defense. Soviet Military Power, 4th edition. Washington, 1985. p. 29. Completion of the conversion of SS-9 launchers to accommodate SS-18s was acknowledged in, Organization of the Joint Chiefs of Staff. U.S. Military Posture for FY 1983. Washington, U.S. Govt. Print. Off., 1982. p. 107.

[17] U.S. Congress. Senate. Committee on Armed Services. Military Implications of the Treaty on the Limitation of Strategic Offensive Arms and Protocol Thereto (SALT II Treaty). Hearings, 96th Cong., 1st Sess., Part 2. Washington, U.S. Govt. Print. Off., 1979. p. 518.

[18] U.S. Department of State. SALT One: Compliance. SALT Two: Verification. Selected Documents, No. 7. Washington, 1978. p. 5. To avoid subsequent disagreements on this issue, the sides agreed to define the distinction in terms of throwweight and launchweight in the SALT II Treaty., See p. 21-23 of this paper.

[19] Secretary of State William Rogers explained in SALT I hearings which submarines and SLBMs are SALT accountable. See U.S. Congress. Senate. Committee on Foreign Relations. Strategic Arms Limitation Agreements. Hearings, 92d Cong., 2d Sess. Washington, U.S. Govt. Print. Off., 1972. p.8.

[20] The President's Unclassified Report on Soviet Noncompliance With Arms Control Agreements. White House Press Release. December 23, 1985. p. 11-12.

[21] ACDA confirmed Soviet observance of these ceilings in Fiscal Year 1986 Arms Control Impact Statements. Joint Committee Print, 99th Cong., 1st Sess. Washington, U.S. Govt. Print. Off., 1985. p. 176.

[22] Included in the SALT count of modern ballistic missile submarines are Yankee-, Delta-, and Typhoon-class submarines; Hotel- and Golf- class are excluded. SALT-accountable SLBM launchers include all launchers on nuclear-powered submarines, and modern launchers on older submarines (for example, SS-N-8's on Golf III). See, Joint Chiefs of Staff. U.S. Military Posture, FY 1987. p. 19. The JCS count can be broken down as follows:

Type of SSBN	Number and type of SLBM on each SSBN	Total SLBM's on given type of SSBN	Quantity of SSBN
Typhoon	20 SS–N–20	80	4
Delta IV	16 SS–NX–23	32	2
Delta III	16 SS–N–18	224	14
Delta II	16 SS–N–8	64	4
Delta I	12 SS–N–8	216	18
Yankee II	12 SS–N–17	12	1
Yankee I	16 SS–N–6	304	19
Total SALT-accountable SSBN's			62
Hotel III	6 SS–N–8		6
Golf III	6 SS–N–8		6
Total SALT-accountable SLBM's			944

As the Soviets have deployed new SLBMs, they have dismantled both ICBM and SLBM launchers. Trading off ICBMs for SLBMs in the late 1970s, the Soviet dismantled launchers for their force of 190 SS–7 and 19 SS–8 ICBMs.[23] As new Soviet Delta and Typhoon submarines have gone to sea trials and thus become SALT-accountable, older submarines have been retired. Among those retired were seven Hotel IIs. These old nuclear-powered submarines were not themselves SALT-accountable, but each carried three SALT-accountable SS–N–5s.[24] More important, since 1978, 14 Yankee I submarines have been taken out of service as ballistic missile submarines.[25] This means that launchers for 224 SS–N–6 SLBMs on those Yankee Is have been removed.[26]

Both the Carter and Reagan Administrations have reported on issues related to Soviet compliance with dismantling requirements. In 1978, the Carter Administration reported that, two years earlier, the Soviets had not met a dismantling requirement within the time frame established by SCC procedures. The Soviets acknowledged the situation, specified a date by which dismantling would be completed, and agreed to forestall sea trials of additional submarines with SLBMs until the requirement had been fulfilled. The Soviets followed through with the schedule, and the Carter Administration reported.

"Since that time, although we have observed some minor procedural discrepancies at a number of those deactivated launch sites and at others as the replacement process continued, all the launchers have been in a condition that satisfied the essential substantives requirements, which are that they cannot be used to launch missiles and cannot be reactivated in a short time. As necessary, we have pursued the question of complete and precise accomplishment of the detailed requirements of the agreed procedures." [27]

The Reagan Administration judged that Soviet compliance with SALT I dismantling requirements was adequate until 1985. The Arms Control and Disarmament Agency 1984 Annual Report said,

"In the past, questions have been raised regarding Soviet compliance with the provisions of the Interim Agreement. In response to U.S. expression of concern in the SCC, Soviet actions have satisfactorily resolved destruction and dismantling issues." [28]

One issue that the Reagan Administration examined for compliance with dismantling requirements involved Yankee I submarines which were retired as ballistic missile carriers. These submarines were not scrapped and some reconfigured into attack or cruise missile carrying submarines. The President reported in February 1985 that such conversion does not violate any obligation.[29] The issue that, according to the Reagan Administration, breaks the pattern of compliance involves activity at former SS–7 ICBM sites. In December, 1985, the President charged that the Soviets have used former SS–7 facilities to support SS–25 deployments, in violation of their political commitment to observe SALT I implementing procedures.[30]

EXHIBIT 2

FACT SHEET: CONTINUING THE SALT NO-UNDERCUT POLICY

I. U.S. policy toward existing strategic arms agreements has maintained important restraints on Soviet nuclear forces.

To stay within SALT numerical limits, the Soviets have been forced to dismantle hundreds of missiles, including 14 Yankee-class missile submarines, with 224 SS–N–6 missiles. These Yankee subs were newer than 80% of our missile subs.

By contrast, the U.S. has dismantled only one operational submarine, with 16 missiles, to comply with SALT.

Operational launchers dismantled to comply with SALT, 1973–85

U.S.S.R.:	
SS–11	70
SS–7	190
SS–8	19
SS–N–5	21
SS–N–6	224
Bison bombers	15
Total	539
United States: Poseidon C–3	16

Source: "Soviet Military Power, 1985," Department of Defense; "Soviet Compliance Behavior: The Record on the SALT I and II Agreements on Offensive Arms," Charles R. Gellner and Jeanette Voas, Congressional Research Service, February 24, 1986.

In addition, for over 13 years SALT has prevented the Soviets from building new ICBM silos, forcing them to deploy their newer ICBMs in existing silos, displacing older ICBMs. If we count all the older Soviet missiles that were removed when newer missiles were put in their silos, the Soviet total would increase still more: a total of 798 older Soviet SS–9 and SS–11 ICBMs were replaced by newer missiles.

If we continue our current SALT policy, Soviet dismantling to stay within SALT limits must continue. Without SALT, no such dismantling would occur, and the Soviet nuclear threat to the United States and NATO would be much greater.

Neither the U.S. nor USSR has exceeded the treaty ceilings on multiple warhead (MIRV) missiles. The Soviets were above the overall ceiling of 2,400 on missile launchers and bombers when the treaty was signed. Under international law they are not obliged to reduce to this level treaty ratification.

The MIRV ceilings of SALT II have appreciably constrained Soviet force deployments since 1979, when SALT II was signed. Specifically, the Soviets have built up to, but not exceeded, the SALT II limit of 820 MIRVed ICBM launchers, as shown below. The Soviets also remain below the MIRVed missile and MIRVed missile/ALCM bomber limits.

UNITED STATES MIRV'D FORCE LEVELS AS OF JANUARY 1, 1986

	U.S.	U.S.S.R.	SALT II limit
MIRV'd ICBM's	550	818	820
MIRV'd ICBM's and SLBM's	1,198	1,154	1,200
MIRV'd ICBM's/SLBM's and ALCM-equipped bombers	1,308	1,179	1,320

Source: Congressional Research Service, op. cit.

II. The U.S.S.R. will have to dismantle more than the U.S. under SALT.

As shown below, under SALT the Soviets will have to dismantle much more than the U.S. The Poseidon subs we would dismantle for SALT reasons will reach their 30 year life limits and have to be dismantled anyway in 1993 and 1994.

Estimated dismantling requirements through 1987

United States:	
Poseidon	48
Minuteman III	10
Total	58
U.S.S.R.:	
SS–17	70
SS–11	120
SS–N–6	64
SS–N–18	32
Bison bombers	30
Total	316

Estimates based on Soviet force projections in "U.S./Soviet Strategic Nuclear Forces: Potential Trends With or Without SALT", by A. Tinajero, J. Medalia, H. Wrenn, and P. Zinsmeister, Congressional Research Service, October 5, 1984.

III. The Soviets could far exceed SALT levels in the next decade if they are freed from SALT restraints.

[23] Collins, CRS Report No. 85–83F, p. 10. See also the testimony of ACDA Director George Seignious II in U.S. Congress. Senate. Committee on Armed Services. Hearings, 96th Cong., 1st Sess. Military Implications of the Treaty on the Limitation of Strategic Offensive Arms and Protocol Thereto (SALT II Treaty), part 2. Washington, U.S. Govt. Print. Off., 1979. p. 455.

[24] In April 1985, the Department of Defense Legislative Liaison Office said that all Hotel IIs had been retired. Dismantling began in the late 1970s from a peak of seven Hotel IIs. Collins, CRS Report No. 85–83F. p. 13.

[25] Soviet Military Power provides a figure of 21 Yankee Is operating as ballistic missile submarines and says that the SLBM launch tubes have been removed from 12 Yankee Is. U.S. Department of Defense. Soviet Military Power, 4th edition. Washington, 1985. p. 31. The Department of Defense Legislative Liaison Office said in February, 1986, that 19 Yankee Is were in service as ballistic missile submarines, a figure consistent with JCS FY87 Posture Statement figures. Thus, launch tubes have been removed from 14 Yankee Is.

[26] Each Yankee I carries 16 SS–N–6s. U.S. Department of Defense. Soviet Military Power, 4th edition. Washington, 1985. p. 31.

[27] U.S. Department of State. SALT One: Compliance. SALT Two: Verification. Selected Documents, No. 7 Washington, 1978. p. 7.

[28] U.S. Arms Control and Disarmament Agency 1984 Annual Report. Joint Committee Print, 99th Cong., 1st Sess. S. Prt. 99–24. Washington, U.S. Govt. Print. Off., 1985. p. 76.

[29] The President's Unclassified Report to the Congress on Soviet Noncompliance With Arms Control Agreements. White House Press Release. February 1, 1985. p. 5.

[30] The President's Unclassified Report on Soviet Noncompliance With Arms Control Agreements. White House Press Release. December 23, 1985. p. 11–12.

If the U.S. violates the SALT II limit of 1,200 on MIRVed missile launchers, the Soviets would likely break that and the other SALT II numerical limits. It would be easy for the Soviets to do this since they are just 2 missiles under the SALT II limit of 820 on MIRVed ICBMs:

SS-24 Deployment. The Soviets start deploying their SS-24, with 10 warheads each, this year. Under SALT II, the Soviets must dismantle an older MIRVed missile for each SS-24 they deploy to stay within the 820 ceiling. Without SALT, the Soviets would be free to replace all 510 of their single-warhead silo-based missiles with SS-24's, adding almost 4,600 nuclear warheads to their arsenal.

Add Warheads to the SS-18. The giant Soviet SS-18 ICBM currently has 10 large warheads, the maximum number SALT permits. Without SALT, the Soviets could add 10-20 extra warheads to each SS-18. This would add over 6,100 highly accurate warheads to their arsenal.

These two entirely feasible measures would enable the Soviets to add over 10,000 accurate ICBM warheads to their arsenal:

Replace SS-11/13's with SS-24's	4,590
Add RV's to SS-18	6,160
Total extra warheads	10,750

Build more silos. SALT bans the addition of new silos. Without SALT, the Soviets could build new silos and deploy extra MIRVed ICBMs. If the Soviets build silos as fast as in the late 1960's (about 300 per year), they could have the launch capability for thousands more warheads by 1996.

IV. The Reagan administration's policy for the last 5 years has been to observe existing strategic arms agreements.

"As for existing strategic arms agreements, we will refrain from actions which undercut them so long as the Soviet Union shows equal restraint."—PRESIDENT REAGAN, May 31, 1982.

"We have been holding to that [no-undercut policy] and thought that it would be helpful . . . We have been eliminating some of the older missiles and taking out some of the submarines. We will continue . . . we feel that we can live with it."—PRESIDENT REAGAN, January 9, 1985.

"The United States is continuing to carry out its own obligations and commitments under relevant agreements."—PRESIDENT REAGAN, February 1, 1985.

"It remains in our interest to establish an interim framework of truly mutual restraint on strategic offensive arms as we pursue with renewed vigor our goal of real reductions."—PRESIDENT REAGAN, June 10, 1985.

"We should continue to abide by the SALT II limitations."—GENERAL BENNIE DAVIS, March 6, 1985, then Commander-in-Chief, Strategic Air Command.

VI. Recommendations:

We should continue the current SALT "no-undercut" policy.

Our security interests demand that this SALT framework be put on a firmer foundation. This should receive the highest priority at the next Reagan-Gorbachev summit.

EXHIBIT 3

[From the New York Times, Feb. 8, 1986]

JOINT CHIEFS FIND NO SOVIET CHEATING

(By Michael R. Gordon)

WASHINGTON, Feb. 7—An intelligence estimate made public by the Joint Chiefs of Staff contradicts President Reagan's assertion that the Soviet Union has violated a key arms-control provision.

The President said last month that Moscow had violated its commitment to not deploy more intercontinental missiles and bombers than it had in 1979 when it signed the second treaty to limit strategic weapons.

The new intelligence estimate inconsistent with this is in a report by the Joint Chiefs on the "United States Military Posture," which was presented to Congress this week in connection with the Administration's military spending request for 1987.

President Reagan said in his December report that the Soviet Union had violated the Soviet commitment, made in 1981, to not increase the number of missile launchers and intercontinental bombers above 2,504, the number in place when the second strategic arms limitation treaty was signed.

DIFFERENCE IN NUMBERS

Mr. Reagan said the number of such weapons deployed by the Soviet Union was "above the 2,504 cap in violation of its political commitment under SALT II."

He added, "Such activity is indicative of a Soviet policy inconsistent with the political commitment."

But the report by the Joint Chiefs says the Soviet Union has 2,477 systems covered by the arms treaty, according to arms control experts who have interpreted the data in the report.

The report by the Joint Chiefs does not specifically address the issue of Soviet adherence to the 2,504 limit and provides a general breakdown of Soviet nuclear forces.

Experts derived the figure of 2,477 by subtracting systems that are not subject to the negotiations on limiting strategic arms' limit on delivery vehicles from the Joint Chiefs' total count of Soviet strategic weapons systems.

The systems that are not covered by the negotiations' limit of 2,504 includes Soviet SS-N-5 missiles that are deployed on Soviet nonnuclear "Golf" submarines and Backfire bombers, according to the International Institute for Strategic Studies and other experts.

The report by the military chiefs "confirms that the Soviet Union continues to comply with the SALT 2 treaty by dismantling strategic systems," said Spurgeon M. Keeny Jr., a former deputy director of the Arms Control and Disarmament Agency and the president of the private Arms Control Association.

He noted that the Joint Chiefs' report shows that the Soviet Union has continued to reduce its force of SS-II missile silos and Yankee-class submarines over the last year as it has deployed new weapons.

Mr. Keeny said that "it appears gravely irresponsible for the Administration to have formally charged the Soviet Union in December with the violation of the SALT-2 overall numerical limits when the J.C.S. order of battle now shows them to be well within the required limits."

A spokesman for the Joint Chiefs of Staff said the report was based on unclassified information supplied by the Defense Intelligence Agency as of January 1, 11 days after President Reagan's report was submitted to Congress.

"Even though there might be a slight difference between this report and the one in December, the J.S.C. support the President's latest report on noncompliance," said the spokesman, who added that he could provide no immediate explanation for the discrepancy.

According to the Joint Chiefs of Staff report, the Soviet Union's strategic force has undergone some significant changes that have led to a reduction of 16 systems covered by strategic arms negotiations' limits since a similar report was issued by the Joint Chiefs last year. These are said to be among the Soviet changes:

Reducing its force of SS-11 missiles by 70, while deploying 45 new mobile SS-25 missiles.

Removing 15 Bison bombers from its force, while increasing its Bear bombers force by 10.

Withdrawing two Yankee-class submarines, carrying a total of 32 missiles and apparently two Hotel-class submarines carrying 6 missiles from its force.

At the same time, the Soviet Union has added a Typhoon submarine, which carries 20 missiles, and has also added Delta IV submarines, which carry a total of 32 missiles.

A POLITICAL MATTER

Administration officials said the issue of Soviet violations of the 2,504 limit was primarily a political matter of little military importance.

The officials said that when the Presidential report on purported Soviet arms-control violation was prepared last year, intelligence reports showed that the Soviet Union was slight over the 2,504 limit.

A major reason that the Soviet Union was judged to be over the limit is that the Administration does not accept a Soviet assertion that it has converted some old Bison bombers to aerial tankers for refueling. The bombers, though, have not been flown and are not considered to be part of the Soviet Union's day-to-day operational force.

PRESERVING SALT LIMITS

Mr. LEAHY. Mr. President, I am happy to join my distinguished colleagues, Senators BUMPERS, CHAFEE, and HEINZ in introducing legislation to express the sense of Congress that the United States should continue to abide by the provisions of existing arms control treaties through December 31, 1987 so long as the Soviet Union acts in a similar manner. The President has been following this policy, of not undercutting existing arms agreements, with strong support from the Senate, since 1981.

As we have for 3 consecutive years as a bipartisan coalition supporting the no-undercut or interim restraint policy, we are convinced that preserving these limits on Soviet strategic offensive forces is in the national security interests of the United States.

The no-undercut policy has been overwhelmingly endorsed by the Senate on two separate occasions. The first time was in 1984, when an earlier version of the resolution we are introducing today was adopted by an 82-to-17 vote. In 1985, the Senate again supported a similar resolution 90 to 5.

On June 10, 1985 President Reagan, in a statement of singular importance for the arms control process, announced that the United States would dismantle the launchers on an older Poseidon submarine in order to remain within the SALT II launcher subceiling of 1,200 ballistic missiles. Our amendment to the fiscal year 1986 defense authorization bill was passed by

a 90 to 5 vote just days before the President made this decision public.

Mr. President, on June 1, President Reagan declared that: "despite the Soviet record over the last years it remains in our interest to establish an interim framework of truly mutual restraint on strategic offensive arms as we pursue . . . the ongoing negotiations in Geneva."

I am convinced the President took this wise action not because of his dedication to the SALT agreements—which he once labled as "fatally flawed"—but because he recognizes that the numerical limits of S. LT serve vital U.S. security interests by restraining Soviet strategic forces. Clearly, he agreed with our judgment that without the SALT restraints, Soviet strategic modernization programs would increase the nuclear threat to the United States.

Once again this spring Congress and the President must address the question of whether the United States should continue this policy. In 1984 and 1985, Congress voted in favor of maintaining observance of the SALT numerical ceilings for an additional year. That is our proposal in this third interim restraint resolution. Our resolution would urge the President to continue the no-undercut policy, on a mutual basis with the Soviet Union, for another year—through December 31, 1987.

In May the United States will send the eighth Trident submarine to sea. The U.S.S. *Nevada* will put the U.S. 22 launchers over the 1,200 limit unless the President orders the launchers on two older Poseidon class submarines dismantled to offset the new Trident.

Mr. President, collapse of the policy of interim restraint would severely damage, possibly even destroy prospects for arms control. I believe it could lead to the cancellation of the upcoming summit between General Secretary Gorbachev and President Reagan. That would be a tragedy.

Objectively, little has changed in the United States-Soviet strategic relationship since the President's 1985 decision that would justify scrapping a policy which has served U.S. security interests, and preserved an arms control framework for the Geneva talks and the summit discussions. Indeed, according to press reports, the Joint Chiefs of Staff believes the no-undercut policy is in national security interests. I ask unanimous consent that an article in this regard from the New York Times of February 8, 1986, be included in the RECORD at the conclusion of my remarks, together with additional material relating to whether the United States should or should not continue to observe key SALT limits on a reciprocal basis with the Soviet Union.

In a letter to the President on this issue last November just prior to the summit, Secretary Weinberger openly opposed the dismantling of the launchers on two older Poseidon submarines to begin at the time the sea trials of the U.S.S. *Nevada* commence in late May. He suggested a lesser step, such as drydocking the submarines without removing the missile launchers. Aside from the drydocking and overhaul costs of reactivating the submarines, such an action would cause the United States to breach a key offensive ceiling established by the SALT II Treaty.

Secretary Weinberger justified his recommendation by declaring that continued adherence by the United States to the numerical ceiling of SALT II would require us to dismantle far larger numbers of modern weapons than the Soviets over the near term.

Mr. President, the fact is that if the SALT II limits were continued through the near term, that is, through 1987 rather than through 1991 as suggested by Secretary Weinberger, the Soviet Union must pay a higher price in terms of required dismantlements than the United States. The fact sheet which accompanied our "Dear Colleague," and which Senator BUMPERS has inserted in the RECORD today, makes this clear. It points out that thus far, in order to comply with SALT, the Soviets have had to dismantle 539 launchers, and the United States only 16. In 1987, each side would be required to undertake the following dismantlements:

United States:	
Poseidon	48
Minuteman III	10
Total	58
U.S.S.R.:	
SS-17	70
SS-11	120
SS-N-6	64
SS-N-18	32
Bison bombers	30
Total	316

There can be no doubt that preservation of the mutual observance of the no-undercut posture is an important limitation on the growth of Soviet strategic offensive forces. Soviet practice, as is well-known, is to retain in their inventory all missiles unless actually forced by arms control to reduce them. Were it not for the necessity of observing the SALT ceilings, these 316 Soviet strategic missiles and bombers would continue to be aimed at American targets, including our cities and people. Contrary to Secretary Weinberger's assertion, SALT reduction requirements are strongly favorable to the United States through 1987. Beyond 1987, as new U.S. strategic systems come on line, the burden of reductions begins to shift, and the United States then must make greater sacrifices to remain within the ceilings.

However, observance after 1987 is another fundamental decision, and should be made in light of progress in the Geneva arms talks, the outcome of the upcoming summit, the evolving strategic situation, and other relevant political, diplomatic and security factors. The resolution we are introducing today does not purport to make that decision, or to tie the President's hands. It seeks to declare our support for the President to continue the same policy he has followed respecting the SALT agreements since he took office in 1981, that is, to respect them on a mutual basis with the Soviet Union so long as it is in the interests of national security and of the chances for arms control to do so.

Interim restraint is no substitute for a new treaty providing for deep reductions and other limitations that are verifiable and which strengthen stability. Such an agreement, even if serious progress is made at a summit this year, could be some time off. Therefore, our resolution would help preserve the existing arms control framework and enhance the prospects for progress at the summit.

Mr. President, while many of us, Republican and Democratic, have had large differences with this administration over its arms control policies, we all applauded the courage of President Reagan's June 10, 1985 decision to continue his "no undercut" policy. I urge my colleagues to help the President by cosponsoring the Bumpers, Leahy, Chafee, Heinz resolution.

Mr. HEINZ. Mr. President, the date for the next United States-Soviet summit meeting remains a subject of dispute between Washington and Moscow, but the air is full of serious talk about arms control progress. Following on the Geneva summit last November, the two sides have each tabled new proposals to bring our bilateral arms race under control. In this context, I join with my distinguished colleagues, Senator BUMPERS, CHAFEE, and LEAHY in introducing a resolution that urges President Reagan to continue his policy of not undercutting the crucial SALT II numerical limits now being observed by both sides.

We have all seen false hopes for arms control progress dashed before. We have seen apparent momentum disappear in the complexity of technical or political considerations, whether internal or international, between rivals or within alliances. There is no guarantee that the current moves on arms control will bear fruit any time soon. With these truths in mind it is all the more evident that the United States should continue to abide by the limits in the unratified SALT II treaty that the Soviet Union also observes. We benefit from Soviet compliance with the essential numerical ceilings of SALT II, and abandoning our cur-

rent policy of interim restraint would hurt us in two ways: first, it would give the Soviets the green light to exploit their position to increase their strategic warhead count much more quickly than can the United States, and second it would cut out the legs of the President as he goes into the next, potentially crucial round of arms bargaining with the Soviets.

The SALT II limits make the strategic relationship between the United States and the Soviet Union much more orderly and predictable than it would be without these limits. A world totally without SALT II restraints would be less predictable, but some things can be foreseen right now, and they are all bad for the United States.

For example, the Soviets are poised just under the limit of 820 land-based multiple warhead missiles—they have 818 deployed today. They could add multiple-warhead SS-24's to their force without corresponding reductions in other systems. Just by replacing their older, single warhead missiles with the new SS-24, the Soviets could add 4,600 warheads capable of devastating targets here in the United States. Or the Soviets could add large numbers of warheads by adding to the number of bombs carried by their huge SS-18 ICBM's. We are not sure what they would do. But we are sure it would be bad for our security.

The Soviets have continued to dismantle systems to stay within the limits set by SALT I and SALT II. In fact, they have scrapped 14 missile submarines, hundreds of land-based missiles, and over a dozen strategic bombers to stay under the ceilings. In the same time, since 1973, the United States has dismantled exactly one missile-carrying submarine to stay in compliance with the unratified treaty limits of SALT II and the terms of SALT I.

When the U.S.S. *Nevada* puts to sea for its sea trials in May, the United States will broach the limit of 1,200 MIRV'd missile launchers. Staying within the limits will require the President to choose which U.S. systems should be retired. Two submarines, or a combination of submarines and land-based ICBM's, or at least 22 ICBM's, will have to be taken out of service to keep us under that ceiling of 1,200. That choice is for the President and his military advisers. We have to remember that these retirements are buying us security in the form of lower levels of Soviet forces than we could be facing otherwise, more predictable Soviet forces, and the basis for moving ahead with the President's program of seeking deep cuts in the arsenals of both sides.

At this time, when there seems more promise for real arms control progress than in many years, we have to stand firm behind a wise policy that has enhanced our security and provides a base for real reductions in the swollen nuclear arsenals of the United States and the Soviet Union. I urge my colleagues to consider the importance of continuing interim restraint in U.S. strategic policy and support the resolution we are introducing today.

Mr. President, I ask unanimous consent that a recent article from the New York Times on Soviet compliance and a chapter from a recently updated study by Charles Gellner of the Congressional Research Service be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. AIDE SAYS SOVIET HAS KEPT MOST ARMS PACTS

(By Michael R. Gordon)

WASHINGTON, Jan. 9.—The Soviet Union has complied with the vast majority of important arms control provisions, according to private Congressional testimony by a ranking State Department official

The same State Department official also said in private Congressional testimony that the United States would risk starting an arms race that it might lose, if it responded to purported Soviet violations with American actions that run counter to the unratified arms limitation treaty of 1979.

The disclosure of the testimony was made against a background of repeated charges by some Reagan Administration officials that the Soviet Union has routinely violated arms control treaties.

The State Department testimony was given early last year in a closed-door session of the Senate Armed Services Committee and was recently published by the committee in an unclassified form.

DEEP DIVISIONS

The State Department views run counter to Defense Department assertions, and provide a look at the deep divisions within the Administration on the issue of Soviet compliance with arms treaties.

The Defense Department has asserted that the Soviet Union has a "policy of treaty violation." Defense Secretary Casper W. Weinberger has recommended to the White House that the United States take a number of steps that would conflict with the unratified 1979 treaty in order to respond to a purported pattern of Soviet violations.

The State Department comments were presented last February by Lieut. Gen. John T. Chain Jr., who was then director of the bureau of politico-military affairs in the State Department and is now chief of staff for the NATO commander.

The Administration's allegations of Soviet treaty violations have not changed fundamentally since that time.

In the committee deliberations on the purported violations, General Chain said there was a need for the committee "to put a little balance into the conversation."

THE LARGE MAJORITY

He told the committee that the Soviet Union has kept most of its treaty commitments, although he asserted that it had committed some violations.

"If you take the body of the treaties in a macrosense," he said, "they have complied with the large majority of the treaties."

"I would hate to see this body walk out of here at the end of the day thinking of arms control as no good because the Soviets always cheat," he added. "That is not the position of the Administration. It certainly is the position of the State Department."

During the closed session, General Chain also differed with Richard N. Perle, an Assistant Secretary of Defense, over the value of the 1979 treaty limits.

General Chain argued that the Soviet Union might be in a better position to move ahead in the strategic arms race if the treaty limits were dropped.

He noted that the Administration was considering, at that time, whether to dismantle a Poseidon submarine when a new Trident submarine went to sea. A decision not to dismantle the submarine would have pushed the United States over a treaty limit on the number of multiple-warhead missiles.

RISK IS DESCRIBED

General Chain said that "if we cross this line" and abandon some treaty limits, the United States could be at a disadvantage since the Soviet Union probably had a far greater potential for building up its strategic arms than the United States. This is because the Soviet Union does not need public support to increase its arms buildup, General Chain said.

This view was disputed by Mr. Perle, who said in a subsequent committee session that there would be "no militarily significant difference" through 1990 if the United States abandoned the 1979 arms limitation treaty.

He told the committee that "the Soviet program for the next few years is accommodated" by the treaty because the limits set in the treaty are high and because the Soviet Union can cheat.

The Administration eventually decided to stay within the treaty limits by dismantling the Poseidon submarine. But the issue has re-emerged because yet another Trident submarine is going to sea this May and because the continuing deployment of air-launched cruise missiles on bombers will also push the United States over a treaty limit unless the Administration takes action to offset it.

OPPOSITION TO DISMANTLING

The United States could stay within the treaty limits by dismantling two Poseidon submarines.

Mr. Weinberger has recommended that the Administration not dismantle the two Poseidon submarines.

Instead, he has suggested that the submarines be retired for a year. After that time, the United States would decide whether to overhaul the submarines and send them out to sea, or dismantle them. Mr. Weinberger also proposed other responses that run counter to the 1979 treaty.

President Reagan, in the public report on Soviet "noncompliance" that he made to Congress on Dec. 20, did not assess the overall Soviet record on arms control. While asserting that there had been a pattern of violations, Mr. Reagan did not address the subject of what steps the Soviet Union had taken to comply with arms treaties.

SOVIET COMPLIANCE BEHAVIOR: THE RECORD ON THE SALT I AND II AGREEMENTS ON OFFENSIVE ARMS

II. COMPLIANCE WITH THE SALT II TREATY

A. Ceiling on aggregate number of strategic nuclear delivery vehicles (SNDV's)

The obligation. Had SALT II entered into force, Article III would have required each side to limit its aggregate SNDVs—that is, its combined arsenal of ICBM launchers,

SLBM launchers, and heavy bombers—to 2400. Article III also called for a reduction to 2250 SNDVs by January 1, 1981. When the treaty was signed, the Soviet aggregate SNDV figure was 2504, and the U.S. figure was 2283.[31] Compliance with the letter of the agreement would have required the Soviets to dismantle 104 SNDVs when the treaty came into force, and an additional 150 in 1981. However, the Soviets were under no legal obligation to cut back their forces while the treaty was pending ratification.[32] When the pre-ratification legal obligation lapsed and a "political commitment" was assumed in 1981, the Reagan Administration did not expect the Soviets to reduce their SNDV total to the Article III limits, but did expect them to refrain from building up above 2504.[33] State Department official Lt. Gen. John Chain testified before Congress,

"We have not and the Soviets have not agreed to positive reductions prior to ratification. We have said that there cannot be a rise in the number from the level at the time when the commitment not to undercut takes place." [34]

In his December 1985 report on Soviet noncompliance, President Reagan said that, "The U.S. Government interprets the Soviet commitment to abide by SALT II as including the existence of a cap on SNDVs—at a level of 2504 existing at the time SALT II was signed." [35] The Soviets have not publicly declared that they will observe a 2504 ceiling, although there have reportedly been private statements to that effect.[36] The Soviets may tacitly indicate that they recognize an SNDV ceiling through their actions: Soviet actions to take SS-11s and Bison bombers out of service (described below) appear to have been motivated in part by an SNDV cap.

The record of Soviet compliance. The aggregate of Soviet SNDVs fluctuates as new systems are brought into service and older systems are retired. Different assessments have been made, in part varying with judgments about whether older systems being taken out of service are considered "dismantled." The Arms Control and Disarmament Agency said early in 1985 that the Soviet Union had "approximately 2500" SALT-accountable SNDVs.[37] The 1985 edition of "Soviet Military Power" provided figures that yielded a SALT-accountable SNDV aggregate of 2511, and figures supplied by the Department of Defense in April 1985 showed a lower aggregate due to the retirement of two submarines.[38] The President said in late December, 1985, in his report on Soviet noncompliance with arms control agreements, that the aggregate exceeded 2504.[39] The Joint Chiefs of Staff differed with the President in their FY 1987 Posture Statement, showing a SALT-accountable aggregate of 2477 as of January 1, 1986.[40]

The unclassified version of the President's report of December 23, 1985, did not indicate what systems, in the Administration's evaluation, put the Soviets over the 2504 threshold. The discrepancy between the President's assessment and that of the JCS may have been due to different judgments about the number of systems retired in 1985. Articles in the press, citing unnamed official sources, said that the Administration included deployments of 45 SS-25s and 25 Bear-H bombers in the Soviet SNDV count, but did not subtract decommissioned systems from the tally.[41] The Soviets reportedly removed SS-11s from their silos and destroyed the silo covers. Administration sources said that these measures were inadequate to consider the launchers "dismantled" under SALT procedures established in the SCC. The Soviets also reportedly took Bison bombers out of service as heavy bombers, disabling some and converting others to tankers. According to press reports, the Administration did not deduct the Bisons from the SNDV count because dismantling procedures were never established for heavy bombers. Unnamed Administration officials were quoted as saying that the bomber-to-tanker conversion could not be verified because the external configuration of the Bisons had not changed.[42] In contrast, the JCS figures reflected retirements of 70 SS-11s and 15 Bison bombers in 1985.[43]

B. Ceilings on multiple-warhead (Mirved) Systems

The obligation. Article V restricts each side to an aggregate figure of 1320 multiple-warhead (MIRVed) systems. Included in this figure are launchers for MIRVed ICBMs and SLBMs, and heavy bombers equipped for long-range cruise missiles. A sub-ceiling of 1200 limits MIRVed missiles, and no more than 820 of these MIRVed missiles may be ICBMs.

The record of Soviet compliance. According to official government sources, the Soviets have not exceeded the SALT II ceilings on MIRVed systems. Figures for Soviet forces at the time SALT II was signed and in 1985 are cited below:

	SALT II ceiling	U.S.S.R., June 1979[44]	U.S.S.R., 1985 [45]
Aggregate multiple-warhead systems	1320	752	1179
Launchers for MIRVed missiles	1200	752	1154
Launchers for MIRVed ICBMs	820	608	818

[44] Statements of Data on the Numbers of Strategic Offensive Arms as of the Date of Signature of the [SALT II] Treaty. U.S. Arms Control and Disarmament Agency. Arms Control and Disarmament Agreements. Texts and Histories of Negotiations. Washington, 1982. p. 273–274. When the treaty was signed, the Soviets had 608 launchers for MIRVed ICBMs, 144 launchers for MIRVed SLBMs, and no bombers equipped with cruise missiles.

[45] U.S. Department of Defense. Soviet Military Power, 4th edition. Washington, 1985. p. 29, 31, 35; International Institute for Strategic Studies. The Military Balance, 1985/1986. London, IISS, 1985. p. 21. Updated as of January 1, 1986 with data provided by the Department of Defense Legislative Liaison Office. The figures cited above include 818 SS–17s, SS–18s, and SS–19s; 336 SS–N–18s, SS–N–20s, and SS–N–23s; and 25 Bear-H bombers.

C. Restrictions on fractionation of missiles

The obligation. SALT II restricts the proliferation of warheads on each existing and on each new missile. Article IV, paragraph 10, prohibits increasing the number of warheads on existing types of ICBMs. These ICBMs may not be flight-tested or deployed with more warheads than they had carried during flight-tests before SALT II was signed. To prevent circumvention of this requirement, the third agreed statement associated with this article sets minimum weight requirements for reentry vehicles (RVs) tested or deployed on existing types of ICBMs.

Paragraphs 11 through 14 of Article IV restrict fractionation of new systems. The number of RVs on new missiles may not exceed figures established in the treaty: ten

[31] Statements of Data on the Numbers of Strategic Offensive Arms as of the Date of Signature of the [SALT II] Treaty. U.S. Arms Control and Disarmament Agency. Arms Control and Disarmament Agreements. Texts and Histories of Negotiations. Washington, 1982. p. 273–274. The U.S. aggregate included 1054 ICBM launchers, 656 SLBM launchers, and 573 heavy bombers. The Soviet aggregate included 1398 ICBM launchers, 950 SLBM launchers, and 156 heavy bombers. The Soviet SLBM figure excluded 39 SS-N-5s on 13 diesel-powered Golf II submarines; Article II, paragraph 2, exempts older missiles on nonnuclear-powered submarines from SALT aggregates. The Soviet bomber figure includes only Bear and Bison bombers; Backfire bombers are not included in the SNDV aggregate. See p. 24–26 of this paper.

[32] The treaty provides that dismantling is to begin when the treaty enters into force. See also U.S. Congress. Senate. Nomination of Ralph Earle II. Executive Report No. 96-33, 96th Cong., 2d Sess. Washington, U.S. Govt. Print. Off., 1980. p. 48. An ACDA memorandum on p. 48 of that report explains that the preratification standard for compliance with a treaty does not require the parties to fulfill every treaty provision if nonfulfillment does not "defeat the object and purpose" of the treaty. The memorandum cites the SNDV ceiling as such a provision.

[33] In correspondence with Members of Congress, President Reagan wrote that the United States did not consider the aggregate number of Soviet SNDVs to violate any obligation, because there was no legal commitment involved nor had the Soviets claimed to be observing the 2400 and 2250 SNDV ceilings. See, August 6, 1984, letter from President Reagan to Sens. East and Symms. Published in Symms, Steven. Report on Soviet SALT Treaty Violations. Remarks in the Senate. Congressional Record, v. 135, Oct. 11, 1984. p. S14513. In March, 1985, State Department spokesman Edward Djerdjian elaborated on U.S. expectations saying, "The United States interprets the Soviet commitment to abide in general by the treaty to include caps on SNDVs at the level existing at the time of the signing of the SALT II Treaty. The Soviet Union should not exceed through deployment of any new SNDVs the 2504 it had at the time of signature of SALT II." See, Institute for Defense and Disarmament Studies. The Arms Control Reporter. Brookline, MA, 1985. p. 607.B.59.

[34] U.S. Senate. Committee on Armed Services. Soviet Treaty Violations. Hearings, 99th Cong., 1st Sess. Washington, U.S. Govt. Print. Off., 1985. p. 35.

[35] The President's Unclassified Report on Soviet Noncompliance With Arms Control Agreements. White House Press Release, December 23, 1985. p. 9.

[36] Information provided by the ACDA legislative liaison office. Also, see for example, Gelb, Leslie H. Arms Control and the Russians: Battle on Compliance Heats Up. New York Times. June 7, 1985. p. A1.

[37] U.S. Arms Control and Disarmament Agency. Fiscal Year 1986 Arms Control Impact Statements. Joint Committee Print, 99th Cong., 1st Sess. Washington, U.S. Govt. Print. Off., 1985. p. 187.

[38] The 2511 was derived from Pentagon figures of 1398 ICBM launchers, 943 SLBM launchers (as explained on p. 10 of this paper), and "some" 170 Bear and Bison bombers. U.S. Department of Defense. Soviet Military Power, 4th edition. Washington, 1985. p. 29–33. In April 1985, the Department of Defense Liaison Office supplied figures to CRS that totalled 2492. This included 1398 ICBM launchers, 924 SLBM launchers, and 170 heavy bombers.

[39] The President's Unclassified Report on Soviet Noncompliance With Arms Control Agreements. White House Press Release. December 23, 1985. p. 9.

[40] Organization of the Joint Chiefs of Staff. United States Military Posture, FY 1987. p. 19.

[41] The Soviet measures and Administration reaction described here were reported in Pincus, Walter. Soviets Push New ICBM Tests. Washington Post. December 21, 1985. p. A, A14; Gordon, Michael R. U.S. Arms Report Is Called Biased. New York Times. December 24, 1985. p. A5; Gordon, Michael. U.S. Says Soviet Complies on Some Arms Issues. New York Times. November 24, 1985. p. 18; Hiatt, Fred. Weinberger Urges More for Defense. Washington Post. January 10, 1986. p. A8.

[42] Gordon, Michael. U.S. Says Soviet Complies on Some Arms Issues. New York Times. November 24, 1985. sec. 1, p. 18.

[43] Joint Chiefs of Staff. U.S. Military Posture, FY 1987. p. 19; and Joint Chiefs of Staff. U.S. Military Posture, FY 1986. p. 19.

for the one allowed new type of ICBM, and fourteen for SLBMs. Heavy bombers equipped for long-range cruise missiles may carry on the average no more than 28 cruise missiles.

The record of Soviet compliance. According to the Department of Defense, the Soviets have not increased the number of warheads on ICBMs that were in existence when SALT II was signed. The SS-11 and SS-13 remain single-warhead missiles.[46] SS-17s and SS-19s have now, as in 1979, four and six warheads respectively.[47] The number of warheads on the SS-18 is more contentious.[48] But despite a reported dispute in the intelligence community about whether heavy SS-18s are deployed with 10 or 14 warheads, official published sources maintain that the warhead count on the SS-18 has remained constant at ten.[49]

According to the Department of Defense, the Soviets have not flight tested or deployed new missiles with more warheads than SALT II allows. The SS-N-20, a Soviet SLBM deployed after the treaty was concluded, carries six to nine warheads, below the permitted 14-warhead ceiling.[50] The new SS-X-24 has ten warheads, the maximum that SALT II permits.[51] The SS-X-25, which the President has called a forbidden second "new type" of ICBM, is a single-warhead ICBM.[52]

D. Ban on additional fixed ICBM launchers and contraints on launcher modification

The obligation. In Article IV, the SALT II Treaty reaffirms the SALT I ban on construction of additional fixed ICBM launchers. After reductions carried out in accordance with SALT I, the Soviet had 1398 fixed ICBM launchers when SALT II was signed, and were required by SALT II to stay at that level. Article IV, paragraph 2, refines the construction ban by prohibiting relocation of fixed ICBM launchers.

Article IV also sets four restrictions on ICBM launcher modernization and modification. First, constraining launcher modification as a means of inhibiting growth in missile size, Article IV, paragraph 4, provides that during modernization, ICBM silo volume may not be increased by more than 32 percent. Second, like SALT I, SALT II precludes growth of the Soviet heavy ICBM force by coupling a ban on construction of additional launchers with a prohibition on conversion of launchers for light or older ICBMs into launchers for modern heavy ICBMs. SALT II improved on SALT I by defining "heavy": Article II, paragraph 7, says that a heavy missile for SALT II purposes is one with a launchweight or throwweight greater than that of the SS-19. Third, Article IV, paragraph 5, bars development, testing and deployment of systems that would give ICBM launchers a rapid reload capability. And, fourth, conversion of non-ICBM launchers into launchers for ICBMs is banned by Article IV, paragraph 8. This means that launchers for intermediate-range missiles may not be converted to accommodate strategic missiles. An offshoot of this provision is contained in a Common Understanding that forbids production, testing and deployment of the Soviet SS-16 ICBM. The SS-16 ban was designed to prevent conversion of intermediate-range SS-20s into SS-16s with the addition of a third stage. The first two stages of the three-stage SS-16 are similar to the two-stage SS-20, and some speculated that the SS-16 might be fired from an SS-20 launcher.[53]

Test and training launchers are exempt from the rules that pertain to SALT-accountable launchers, but Article VII restricts test launchers to prevent circumvention of those rules. Test launchers may be used only for testing, and their numbers may not be increased by more than 15 percent under the SALT II regime.

The record of Soviet compliance. The Soviets have not constructed new fixed ICBM silo launchers; the number of such launchers has not increased above 1398 since the conclusion of SALT II.[54] The arsenal of heavy ICBMs has not grown; the Soviets now have 308 SS-18s as they did when SALT II was signed.[55]

In public, the Administration has neither charged violations nor provided information to confirm compliance with other provisions related to modification of launchers, such as those provisions on relocation of fixed ICBM launchers, on giving non-ICBM launchers ICBM capabilities, on limiting ICBM silo enlargement to 32 percent, and on guidelines for test and training launchers.

As for the rapid reload ban, the 1985 edition of "Soviet Military Power" said, "Some [Soviet] ICBM silo launchers could be reloaded, and provisions have been made for the decontamination of those launchers."[56] The President has not charged that this reload capability violates SALT II, possibly because the process is not considered "rapid." An earlier edition of "Soviet Military Power" said, "The Soviets probably cannot refurbish and reload silo launchers in a period less than a few days . . ."[57]

In the one charge related to the network of obligations on launcher modification, the President said that the Soviets probably deployed the SS-16 at Plesetsk from 1979 to early 1985 in violation of SALT II. In December 1985, he reported that activity at Plesetsk in 1985 "seems to indicate the removal of SS-16 equipment." The President has not mentioned the SALT II ban on SS-16 production and flight-testing among his charges of non-compliance.[58]

E. Restrictions on new systems and on modernization and replacement of existing systems

The obligation. Modernization of strategic forces may be undertaken under the SALT II regime, but while modernizing, the parties must observe certain restrictions. Article IV, paragraph 9, governs modernization and replacement of ICBMs. Existing ICBMs may be modified, but with one exception, such modification may not involve changes in type of fuel (liquid or solid) or number of stages, or entail increases of more than five percent in length, diameter, launchweight, or throwweight. If modification does not take place within these guidelines, the resulting missile will be considered a "new type". Each party is permitted to develop only one new type of ICBM, and that new ICBM must be no heavier than the largest light ICBM, the SS-19.

Article IX, paragraph 1 (e) states that new SLBMs may be developed, but they, too, may not exceed the size of the SS-19 in either launchweight or throwweight.

The record of Soviet compliance. According to the Administration, since SALT II was signed, the Soviets have flight tested four new strategic ballistic missiles—the SS-N-20 and SS-NX-23 SLBMs, and the SS-X-24 and SS-X-25 ICBMs. The President has charged that the last of these, the SS-X-25, violates the prohibition on more than one "new type" of ICBM. The Administration says that the throwweight of the SS-X-25 differs by more than the prescribed 5 percent from the throwweight of the SS-13. It is therefore a "new type," according to the Administration, and not the modification that the Soviets claim it is. The Administrtion has neither charged that the four new missiles are larger than the SS-19 in violation of SALT II, nor confirmed that the throwweights and launchweights are consistent with treaty terms.[59] Since SALT II

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[46] U.S. Department of Defense. Soviet Military Power, 4th edition. Washington, 1985. p. 29. And, Collins, CRS Report No. 85-83F, p. 12. One of the President's violation charges charges relates to fractionation restrictions on the SS-13. The President has charged that the weight of the SS-25 RV is less than half of the missile's throwweight. Therefore, if the SS-25 were a modification of the SS-13 as the Soviets claim, the RV weight would violate a requirement for existing missiles established in Article IV, paragraph 10 (Third Agreed Statement).

[47] Ibid.

[48] The SS-18 warhead count is important because the missile is large enough to carry twenty or more warheads, according to some estimates. Secretary of Defense Harold Brown testified to the Senate, ". . . the Soviets' SS-18 missile could be equipped to carry 20 or even 30 independently targeted warheads in the 1980s—actually theoretically more than that, but above 30 I think you run into limits of practicality . . ." See U.S. Congress. Senate. Committee on Foreign Relations. The SALT II Treaty. Exec. Report No. 96-14, 96th Cong., 1st Sess. Washington, U.S. Govt. Print Off., 1979. p. 151-153.

[49] The 10 warhead figure is cited in U.S. Department of Defense. Soviet Military Power, 4th edition. Washington, 1985. p. 29. The 10 vs. 14 question has its roots in a controversy that dates back to the last days of SALT II negotiations. During two flight tests of the SS-18 at the end of 1978, U.S. intelligence observed 14 movements in the mechanism that releases warheads, although only 10 dummy warheads were released. SALT II negotiators consequently addressed the problem of restricting extra movements that might allow clandestine addition of warheads to missiles. Agreed statements associated with SALT II fractionation limits prohibited such movements, exempting movements for release of penetration aids. More recently, a disagreement over the number of warheads on each SS-18 has been credited in part for a disparity among intelligence community estimates of the total number of warheads in the Soviet arsenal. See, for example, Anderson, Jack, and Dale Van Atta. The Warhead Gap Between the CIA and DIA. Washington Post. April 5, 1985. p. B8.

[50] U.S. Department of Defense. Soviet Military Power, 4th edition. Washington, 1985. p. 32.

[51] Ibid., p. 29.

[52] Ibid.

[53] U.S. Congress. Senate. Committee on Foreign Relations. The SALT II Treaty. Exec. Report No. 96-14, 96th Cong., 1st Sess. Washington, U.S. Govt. Print. Off., 1979. p. 373.

[54] U.S. Department of Defense. Soviet Military Power, 4th edition. Washington, 1985. p. 29. And, Collins, CRS Report No. 85-83F, p. 10. As explained on p. 6 of this paper, by the Joint Chiefs of Staff's count, the number has dropped to 1328.

[55] Ibid.

[56] U.S. Department of Defense. Soviet Military Power, 4th edition. Washington, 1985. p. 28.

[57] U.S. Department of Defense. Soviet Military Power, 2d edition. Washington, 1983. p. 21.

[58] The issue of compliance with the ban on testing is significant because the SS-16 had not proven to be reliable in tests before it was banned by SALT II. U.S. officials testified that the Soviets could not confidently deploy it without further testing. U.S. Congress. Senate. Committee on Armed Services. Military Implications of the Treaty on the Limitation of Strategic Offensive Arms and Protocol Thereto (SALT II Treaty). Hearings, 96th Cong., 1st Sess. Washington, U.S. Govt. Print. Off., 1979. p. 1467.

[59] The Administration has not published launchweight and throwweight estimates for these missiles. The SS-X-24 has been described as "probably about the same size" as the MX, and the SS-X-25 as "about the same size" as the Minuteman. The SS-

was signed, modifications of the SS-17 and the SS-19 have been identified.[60] The Administration has not publicly questioned whether these modifications exceeded treaty constraints.

F. Restrictions on Backfire bombers

The obligation. The Soviet's Backfire bomber was not defined as a SALT-accountable "heavy bomber" in the text of the treaty. The Backfire was, however, restricted in a statement presented by General Secretary Brezhnev to President Carter at the SALT II summit in 1979. In this statement, the Soviets said that the Backfire was a medium-range bomber and that the Backfire's range would not be increased ". . . in such a way as to enable it to strike targets on the territory of the U.S.A." The Soviets also said that Backfire production would not exceed 30 bombers a year.[61]

The record of Soviet compliance. The Defense Department asserted that the Backfire ". . . has the capability to strike the U.S. on one-way intercontinental missions with forward recovery. Using Arctic staging bases and inflight refueling, the Backfire could achieve similar target coverage on two-way missions. If staged but not refueled in flight, it could conduct strike missions against some targets in the U.S." [62]

Backfires are not currently equipped for in-flight refueling. They were originally deployed with aerial refueling probes, but these probes were removed by July 1980 in connection with SALT II assurances.[63] In December, 1985, President Reagan reported that the Soviet Union had made temporary deployments of Backfires to Arctic bases.[64] Thus, the Backfire could strike "some targets" in the United States, according to the Pentagon assessment above. The President concluded that Arctic staging is "inconsistent" with the commitment not to give the Backfire the capability to strike U.S. territory.

The December 1985 report also questioned Soviet compliance with the production ceiling on Backfires. The report, while noting ambiguities in the evidence, indicates that the Soviet Union may have violated its commitment by producing "slightly more" than 30 Backfires a year until 1984. Subsequently, the President reported, the rate appears to have dropped "slightly below" 30.[65]

N-20 has been called "marginally larger" and the SS-NX-23 "larger" than the SS-N-18, the largest Soviet SLBM at the time SALT II was signed. Jane's Weapons Systems 1984-1985. London, Jane's Publishing Company, Ltd., 1984. p. 8, 11.

[60] Mod 3 of the SS-19 was first deployed in 1980, and Mod 3 of the SS-17 was first deployed in 1982. Collins, CRS Report No. 85-83F, p. 10.

[61] The exclusion of the Backfire from SALT II limits provoked controversy during the ratification hearings, and Soviet statements about the Backfire's range have been contested by some U.S. observers. U.S. Congress. Senate. Committee on Foreign Relations. The SALT II Treaty. Exec. Report No. 96-14, 96th Cong., 1st Sess. Washington, U.S. Govt. Print. Off., 1979. p. 173-182.

[62] U.S. Department of Defense. Soviet Military Power, 4th edition. Washington, 1985. p. 85.

[63] Ibid.

[64] The President's Unclassified Report on Soviet Noncompliance With Arms Control Agreements. White House Press Release. December 23, 1985. p. 10.

[65] Ibid. Press reports indicate that "slightly" signifies a difference of 2 or 3. See, for example, Pincus, Walter. U.S. Eyes Soviet Rate of Making Bombers. Washington Post. December 22, 1984. p. A18.

MOROCCAN HUMAN RIGHTS

Mr. BUMPERS. Mr. President, I have recently received information from Amnesty International on human rights abuses in Morocco that is most disturbing. The report documents cases of torture and incommunicado detention by Moroccan police.

I have heard from Amnesty International Group 53, located in Fayetteville, AR, regarding their focus on Morocco in an attempt to bring international attention to the problem of human rights abuses in that country, and I share their deep concerns about the treatment of prisoners of conscience there. At their request, I have written the Moroccan Head of State, King Hassan II, urging him to take a personal interest in the enforcement of human rights standards that have been recognized by international agreement, and to fully investigate the allegations that such abuses have occurred.

Mr. President, I ask unanimous consent that my letter be inserted in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMITTEE ON APPROPRIATIONS,
Washington, DC, February 19, 1986.

His Majesty HASSAN II,
King of the Moroccans.
His Excellency MAATI JORIO,
Embassy of Morocco,
Washington, DC.

YOUR MAJESTY: I am writing to express my concern about information I have received from Amnesty International regarding the treatment of prisoners held solely because of their non-violent expressions of political or religious beliefs.

Amnesty International has documented several cases of prisoners of conscience being tortured in contravention of Moroccan and international law. While I appreciate the cordial relations that the U.S. enjoys with Morocco, it has long been the policy of the United States to oppose in the strongest terms all forms of torture. This policy was reaffirmed last year with passage of a Joint Resolution by Congress (Public Law 99-447), denouncing all forms of torture and inhuman punishment.

Of special concern to me is the treatment of prisoners held incommunicado during periods of detention following arrest and before official criminal proceedings have commenced. While I am aware that Moroccan law limits the period of such *garde a vue* dentention, the information I have received indicates that authorities regularly exceed these legal limits. I am fully opposed to any periods of incommunicado detention in which a prisoner's access to lawyers, doctors, or family members is denied. It is during such periods of detention that abuses of international and Moroccan law regarding the humane treatment of prisoners are most likly to occur.

Another concern of mine is the full implementation of the United Nations International Covenant on Political and Civil Rights, of which Morocco is a signatory. As you know, Article 706 of the Covenant states that "No one shall be subject to torture, or to cruel, inhuman or degrading treatment or punishment." Further, Article 9 states that "Anyone arrested or detained on a criminal charge shall be brought promptly before a judge and shall be entitled to trial within a reasonable time or to release." It is important that those held for criminal or political reasons be granted every possible right afforded by international law, and this is the responsibility of states which have agreed to the accord. The evidence I have received indicates that Morocco has not met that responsibility.

I urge you to take a personal interest in ensuring that the appropriate international agreements and Moroccan law are fully adhered to with respect to the treatment of prisoners, and to investigate the charges levied in the Amnesty International report. The enforcement of these minimum standards of human rights will send a strong signal to the United States that the universally-recognized standards of human justice are important in Morocco.

Respectfully,

DALE BUMPERS.

RECOGNITION OF SENATOR KASSEBAUM

The PRESIDING OFFICER. Under the previous order, the Senator from Kansas [Mrs. KASSEBAUM] is recognized for not to exceed 15 minutes.

AID TO THE CONTRAS

Mrs. KASSEBAUM. Mr. President, a few days ago, the President sent to Congress his request for $100 million in humanitarian and military aid for resistance forces opposing the Sandinista government of Nicaragua.

It was always understood that this request would be controversial because of the complex issues involved. The Congress has debated this matter for several years and it has never reached a clear consensus on how to proceed.

On the one hand, it has become increasingly clear that the Sandinistas have no intention of fulfilling the promises that preceded the overthrow of President Somoza's repressive government. The Sandinistas have driven out or muzzled all moderate factions within the government. They have cracked down on civil liberties and banned freedom of speech, freedom of the press, and freedom of assembly. And, they have accelerated an alarming military buildup financed by the Soviet Union and directed by Cuba.

These events have left the Sandinistas with few supporters in the Congress. In fact, they have created a profound concern that the people of Nicaragua overthrew one dictatorship only to have installed an equally oppressive regime.

I believe there is a broad consensus on this point within the Congress. However, it is another matter when we turn to the question of what the United States should do about this chain of events. Few of us here believe we should retire to the sidelines and do nothing. But equally few are eager for direct intervention in Nicaragua.

This has led the Congress into an uncomfortable middle ground of trying to provide moral and material support for resistance forces, but stopping short of direct U.S. involvement.

At the same time, there has never been any doubt or hesitation at the White House about this matter. The President has repeatedly asked the Congress for covert military aid to the Contras fighting the government. The President has made this issue one of the highest priorities of his administration.

The week, in effect, the White House has thrown down the gauntlet on Nicaragua. It appears that the President wants the $100 million in aid with no conditions, and no questions asked, or he wants to be able to assign the blame for any consequences.

I certainly can understand the President's concern about developments in Nicaragua. What is still not clear to me is where this policy will lead, how long it will take to reach the desired result and what the price will be along the way.

However, the first cost seems to be any hope of a reasoned and rational debate among ourselves. I am particularly troubled by the distortions that have entered this debate.

First, there is the suggestion that this is a purely partisan issue—a disagreement between Republicans in white hats and Democrats wrapped in red banners. Second, there is the argument that this is a matter of patriotism—those who love America will support the President and those who oppose want to abandon San Diego to the Sandinistas. Finally, there is the claim that this is a simple choice between good freedom fighters and evil Marxists.

Mr. President, as one who cannot support the administration's request as it is now formulated, I find this simplistic reasoning to be highly offensive.

To those genuinely interested in our foreign policy and our national interests in Central America, I would raise some serious concerns.

One is the question of where this policy is leading us. Surely, no one who believes we are dealing with hardcore Marxist-Leninists in Managua can believe that $100 million will take care of the problem.

We are told that this aid will arm and equip a resistance force of 25,000. This is a significant force but it is not likely to roll into Managua after a few days of skirmishing. It will have to be sustained for a long time, perhaps several years, in a brutal civil war—if it is successful. If the resistance forces are smashed, the United States would have to take more direct steps to enforce its will on Nicaragua.

Faced with such probabilities, we should consider the makeup of the resistance forces, and their chances of success. Those chances hinge in part on American assistance, but an even more critical requirement is popular support within Nicaragua. Few guerrilla movements can survive, let alone succeed, without the aid and comfort of local populations.

All of the dollars in the United States Treasury cannot buy this kind of support in Nicaragua. It must come from a broad and growing acceptance of the Contras as a legitimate alternative to the Sandinistas. In this regard, the Contras appear to have made some headway—thanks to the blundering of the Sandinistas and some changes in the Contras' own tactics—but this remains a large, open question and a potentially fatal weakness in our policy.

For years, the Contras have bickered among themselves without being able to unify their forces and actions and without being able to produce a cogent agenda for Nicaragua's future. Their ranks range from former Sandinistas to former members of the Somoza National Guard. So far, their mutual dislike of the Sandinistas has not overruled their every-man-for-himself mentality. If they succeeded in overthrowing the present government, it is anybody's guess what would happen next.

All of this indicates to me that the critical question in this debate cannot be answered by Congress. It must be answered by the Contras themselves. If the Contras are willing and able to unify and present themselves as a legitimate, democratic alternative to the Sandinistas they will deserve our support. If they cannot take that crucial step, the resistance forces will have doomed their own efforts.

Mr. President, I believe a credible case can be made for providing some assistance to the resistance forces. So far that case has not been made because it requires that we make very clear demands of the Contras in return for our support.

Finally, I would point out that even if we never provided another cent of aid to the Contras, the United States would hardly be abandoning Central America. We provide, and will continue to provide, about $1 billion a year to the democratically elected Governments of El Salvador, Guatemala, Honduras and Costa Rica.

These democratic governments certainly face severe challenges and, in some cases, they are in fragile condition, but we have made a substantial commitment to them and I believe that commitment will continue to be strong and active.

In that respect, our policy toward Nicaragua must always be part of the broader regional picture. I do not believe it is wise for us to do nothing in regard to legitimate concerns about Nicaragua, but I also do not believe we should act blindly and hope for the best. We should stop all the posturing and get on with the process of shaping an intelligent policy toward Nicaragua.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for a period not to extend beyond the hour of 12 noon, with statements therein limited to 5 minutes each.

THE LINK BETWEEN TERRORISM AND DRUG TRAFFICKING

Mrs. HAWKINS. Mr. President, I rise today to emphasize the point that there is an indisputable connection between terrorism and drug trafficking. Organization involved in the international narcotics traffic coexist in a gentlemen's agreement kind of way and cooperate with political insurgent groups and terrorists. It works this way: Traffickers provide terrorists with American money and weapons in exchange for protection and help in drug smuggling operations. Terrorists and insurgents have their own nefarious agenda—they do not control significant portions of the drug trade. But, and this is a big but, the profit gained from even an occasional drug transaction could yield substantial revenues for a militant cause. It does not require a great imagination to conceive that terrorists bankrolled by drug trafficking could become powerful enough to dislodge legitimate governments in nations friendly to the United States and to threaten our national security.

Drug traffickers are not by specific definition terrorists or insurgents. But it is a fact that they do employ everything in the terrorists' bag of tricks to achieve limited political goals. Traffickers who use threats, violence, kidnaping, and assassination to interfere with enforcement of the drug laws can only be considered as terrorists in nature. These terrorist tactics are commonplace in Mexico, Columbia, and Peru.

In Mexico, there have been repeated acts of violence in the quest to bring drug trafficking under control. This trafficking violence reached a shocking crescendo in February of last year with the kidnaping, torture, and murder of DEA Agent Enrique Camarena and a Mexican pilot. Camarena's kidnaping came on the heels of a raid staged by Mexican police on the largest marijuana plantation ever discovered in Mexico. They confiscated 8,500 tons of marijuana. In the course of the search for the abducted Camarena, five people including a policeman were killed. In November of last year 19 police officers and members of an antidrug team working in southern Mexico were ambushed, tortured, and killed

by drug traffickers equipped with automatic weapons.

In Colombia, much of the violence centers on the question of extradition of drug trafficking suspects to the United States for trail. Two key members of the Colombian Government—the Minister of Justice and a key assistant in the Justice Ministry—were slain presumably by traffickers in 1984. Both have been outspoken supporters of the United States Colombian Extradition Treaty. The Colombian judiciary, the group charged with responsibility of disposing of drug cases and processing of extradition requests, has been targeted by traffickers. Twenty-four judges, among them the one investigating the murder of the Justice Minister, have been slain in the past 2 years. The terrorism does not end there. Colombian traffickers have placed a bounty of $350,000 on the head of any top DEA official killed in the United States or Colombia. They have also threatened to murder five Americans for every alleged Colombian drug trafficker sent to the United States for trial.

In Peru, drug-related violence has been on the upswing since 1983. The Upper Hullaga Valley has been the scene of violent attacks by traffickers on police and eradication workers. In November 1984, 19 members of an American-financed cocaeradication team were tortured and murdered. Less than a year later, 50 traffickers armed with submachine guns killed 17 U.S.-financed drug eradicators. Since then, dozens of Peruvians, including policemen, mayors, and farmers, have been slain by cocaine traffickers.

That is the situation as it exists in countries with which we have friendly relations. What, then, is the situation with countries with whom we are not so friendly? Cuba and Nicaragua come immediately to mind. Both Cuba and Nicaragua blatantly aid drug traffickers in smuggling drugs from Colombia to the United States. Bulgaria assists traffickers moving drugs from Southwest Asia to Western Europe. All three of these countries are ideally located geographically to serve as transshipment points for drugs on the way to Europe or the United States. They look the other way while drug traffic routes violate their sovereign territory, paving the way for traffickers to avoid detection by narcotics-interdiction forces.

The use of a Nicaraguan airfield, under the joint control of the armed forces and the Ministry of the Interior, for cocaine sumggling has been documented. Planes were loaded with drugs while men in official Nicaraguan uniforms stood by. The protection given the smugglers and other kinds of help extended them would not be possible without ties that led to the top echelon of the Sandinista regime.

After years of rumors about Cuba's involvement in drug smuggling, it was firmly established in the early 1980's that there was a link between the Cuban Government and Colombian drug traffickers. Four major Cuban officials were indicted by a United States district court on smuggling conspiracy charges. The officials were the former Cuban Ambassador to Colombia, two top officials of the Cuban Communist Party, and a vice admiral in the Cuban Navy. The quartet, and others allied with them, according to the indictment, agreed to allow Cuban soil to be used as a supply and loading center for ships bringing drugs to the United States and Cuban waters for navigation to evade American interdiction authorities. The Cuban Government was to be on the receiving end of a great deal of money when the payoff for the drugs came through.

Mr. President, the fact remains there is an undeniable link between drug trafficking and terrorism. To combat one, we must combat the other. Drugs and terrorism threaten our established values, our personal safety, and our national security. We cannot afford to ignore this threat.

TRIBUTE TO DR. STANLEY J. SARNOFF

Mr. HATFIELD. Mr. President, one of the most distinguished scientists of our time, Dr. Stanley J. Sarnoff, was honored recently by the Montgomery County, MD, Chapter of the American Heart Association. There could be no more fitting honoree than Dr. Sarnoff, a physician and cardiovascular surgeon by training who has directed his considerable talent to both clinical practice and basic research investigations, contributing significantly to our collective knowledge about the functions and dysfunction of the heart. His lifetime achievements in research and the training of new generations of investigators ensures that the field continues to be ripe with talent.

Mr. President, the medical research in which Dr. Sarnoff and other preeminent scientists are engaged has enhanced the quality of our lives in quantifiable ways.

Between the years 1963 and 1984, years in which we can track a growing Federal investment in research, the age adjusted death rate from all causes of death dropped from 757 deaths per 100,000 to 547 per 100,000. Seventy percent of this reduction results from the declining death rate for cardiovascular illiness. Since 1970, it is estimated that the death rate from coronary heart disease alone has decreased by 30 percent.

In addition to the signficant health benefits of such scientific investigations, the economic benefits resulting from these advances are staggering. For every $1 invested in biomedical research, $13 are returned to the economy in terms of longer life expectancy and reduced illness.

More specifically, in the field of cardiovascular research, it is estimated that, in a single year, approximately 150,000 lives and $7.7 billion are saved as a direct result of the knowledge we have obtained in the treatment or prevention of coronary heart disease.

In the context of our budgetary process it is absolutely essential to keep in mind the long-term and outyear benefits of our research investment. Cutting Federal outlays for biomedical research increases, by catastrophic proportions, the amount of human suffering and economic hardship which could have been avoided.

There is no greater expression of our appreciation to such medical giants as Dr. Stanley J. Sarnoff for his life achievements than to reaffirm our commitment to the Nation's medical research effort. Further, there is no greater insurance policy our Nation can take out against the human and economic ravages of heart diseases and related disorders, than to maintain the momentum in research and the development of new treatment techniques. The work begun by Dr. Sarnoff is too important to our survival. The cost of our shortchanging such life-sustaining efforts is too dear.

Mr. President, I ask unanimous consent to have printed in the RECORD the full text of the tribute to Dr. Sarnoff at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PRESENTATION OF AN AMERICAN HEART ASSOCIATION RESEARCH FELLOWSHIP IN HONOR OF DR. STANLEY J. SARNOFF BY THE MONTGOMERY COUNTY CHAPTER OF THE MARYLAND AFFILIATE

A commitment to cardiovascular *investigation* and *Youth in training* would have to be the prime characteristics of the career and contributions of Stanley J. Sarnoff. Dr. Sarnoff would humbly indicate, to anyone interested, the major role that opportunity afforded him as a young medical student at Johns Hopkins and as a young surgical trainee at the Massachusetts General Hospital. At these Institutions his curiosity and stimulation by others led to both singular accomplishments in the area of creative contribution and deviation of his career from clinical practice toward investigative medicine. During those early days he was the first to discover the differential sensitivity of various types of nerves to pharmacological paralysis. He used this information to show a fundamental principle of cardiovascular physiology and the treatment of heart failure. Spinal anesthesia with the early elimination of arterial vasoconstricting tone reduced blood pressure and relieved the symptoms of acute heart failure, that is, pulmonary edema dramatically. There pioneering efforts led to modern concepts of vasodilator or unloading therapy for acute and chronic heart failure. Also the idea of spinal nerve block and reduction of blood pressure led to the treatment of hypertension by blocking sympathetic nerves with

specific nerve blocking drugs. As a medical student he made important contributions to the understanding of the myocardial consequences and contribution to the shock state and made observations and projections necessary to the production of physiological methods for long term artificial ventilation. The reason for Dr. Sarnoff's commitment to medical students in research is clear.

When Dr. Sarnoff's career swung from the pursuit of medicine to basic studies of the physiology of the heart and circulation, major revolutionary discoveries and concepts rapidly emerged. The thrust of my comments are not toward detailing these contributions but it must be acknowledged that all current concepts of clinical physiology of the circulation and the factors which control the work and functional performance of the heart were the products of the controlled, precise experiments in his laboratory. During those years of investigation at the Harvard School of Public Health in Boston and in the National Heart and Lung Institute of the National Institutes of Health in Bethesda, Maryland, trainee after trainee came, grew, and left to contribute to the field which grew under his umbrella. For more than a decade, no less than 5 new trainees entered the Laboratory yearly. Few stayed longer than 2-3 years. It was a dynamic changing environment in the Laboratory. The intelectual onslaughts of the leader were compelling. Many, many tried to champion objection. The rare successes by a trainee were greeted with enthusiasm by the leader, but only after all details were explored and all avenues and uncertainties clarified. There was no publication that emerged from the Laboratory without attention to each statement, each verb and each punctuation. Each graph and each illustration because of this precision and thought leaves an indelible picture on every reader of these papers, even today.

Dr. Sarnoff usually directed the Laboratory in only one experiment a week. Making ready for this experiment occurred on Tuesday, the experiment was run on Wednesday, the data were analyzed on Thursday and by Friday at 2:00 p.m. discussions of the results of the one experiment were completed. Ample time was available in the evenings, weekends and all day Monday for individual research efforts and none who were in this Laboratory failed to produce important experimental results during those hours. Current leaders of cardiovascular physiology and medicine who emerged from that Laboratory include Dr. Eugene Braunwald, Chairman of the Department of Medicine at Harvard Medical School; Dr. Joseph P. Gilmore, Chairman of the Department of Physiology at the University of Nebraska; Dr. Jere Mitchell, Professor of Medicine and leader of the Cardiopulmonary Section at the University of Texas, Southwestern at Dallas; Dr. W. John Powell, Associate Professor of Medicine, Harvard Medical School; Dr. Edmund H. Sonnenblick, Director of Cardiology at Einstein Medical School; Dr. Andrew Wallace, former Director of Cadiology at Duke University and currently Director of Duke Medical Institutions and Dr. Myron L. Weisfeldt, Director of Cardiology at Johns Hopkins Medical Institutions.

Dr. Sarnoff founded Survival Technology in the early mid 1960's at the time when American's military strategy involved almost solely offensive and destructive weapons. Dr. Sarnoff conceived and invented devices for effective self-administration of an antidote to toxic chemicals. These devices have been in the forefront of defensive weapons strategies of the United States of America for the last 20 years. In addition to these military tasks Dr. Sarnoff's industrial corporation has continuously allocated large segments of its resources toward research and development in the area of prevention of sudden cardiac death among patients with heart disease. The goal here is to prevent sudden death by drugs which are made very rapidly active by intramuscular self-administration. These devices for self-administration are now entering clinical practice. Advanced monitoring systems developed by Survival Technology have led to a myraid of technology developments targeted at effective and instantaneous identification of patients at risk for acute cardiac events through transtelephonic transmission and data analysis.

Successful corporate development has led to a recent renewal of Dr. Sarnoff's commitment to the training and development of young investigators. With some stimulation and re-enforcement by long term colleagues in the field of cardiovascular medicine, Dr. Sarnoff began a program of support for medical students in the field of cardiovascular research. He conceived of the idea that medical students should be supported in leaving their routine curriculum to go to another institution and there to embark on a one year total commitment experience to basic cardiovascular research. Eight to ten such individuals per year have been supported by the Stanley J. Sarnoff Endowment for Cardiovascular Science since 1980. The members of the Board of Directors of this Foundation are appointed by the following medical institutions: Duke, Johns Hopkins and the University of Texas at Dallas. There is also representation from the faculty of the Harvard Medical School. These representatives of the medical community have a majority voice in the activities of the Foundation.

The success of this program can be measured already in terms of the research accomplishments of the students themselves. No year has gone by in which 20 or more scientific presentations or publications have not appeared from individual Sarnoff Fellows. The oldest of these Fellows are currently entering post-doctoral fellowship training periods. It is clear that many of these former Sarnoff Fellows will achieve independent investigator status and leadership positions within the academic cardiovascular community.

Several years after the beginning of these activities the American Heart Association on a national level began to develop and champion a program for research support of medical students in the cardiovascular field. This national program, modeled after the Sarnoff Program, now supports close to 70 medical students country-wide. Each student spends one year of full-time commitment to cardiovascular investigation at a basic level during medical school.

These are remarkable accomplishments for an individual who has spent nearly all of the last 30 years within the Maryland and particularly the Montgomery County community. It is certainly most appropriate for Dr. Sarnoff to be recognized by his own constituency within the Montgomery County area of the American Heart Association for these accomplishments and contributions. On this occasion the Maryland Affiliate of the American Heart Association has established one cardiovascular research fellow each year to be designated the Stanley J. Sarnoff Research Fellow. Each such fellow will be presented with a certificate in this regard upon completion of his or her fellowship program. This period of fellowship training will allow the chosen physician to pursue major basic and clinical research objectives. Please join the American Heart Association in congratulating Dr. Sarnoff on this unique honor. It is clear that through this new commitment, the American Heart Association and the Maryland Heart Affilate will not only continue yearly to honor Dr. Sarnoff but will also make progress in fullfilling its mission to reduce death and disability due to heart disease and stroke—MYRON L. WEISFELDT, Director of Cardiology, Johns Hopkins Hospital.

SPEECH BY LEO CHERNE, VICE CHAIRMAN OF THE PRESIDENT'S FOREIGN INTELLIGENCE ADVISORY BOARD

Mr. DURENBERGER. Mr. President, I would like to call the attention of the Members to a speech recently delivered by Mr. Leo Cherne, Vice Chairman of the President's Foreign Intelligence Advisory Board.

Mr. Cherne eloquently argues that the intelligence community faces greater challenges today than ever before.

One problem Mr. Cherne points out is that the intelligence community is simply required to do more today than it was just one or two decades ago.

In the 1950's, the intelligence community had to pay attention to the Soviet military threat, perhaps some political developments in Europe, and not much else. Today, of course, is different. Not only does the intelligence community have to worry about new problems like instability and the proliferation of high-technology weapons in the Third World, terrorism, and international trade—the Soviet Union itself is still a problem, and the threat it presents is more varied than ever. The Members of the Senate are well aware of Soviet support for subversive movements, Soviet proxy warfare by Cubans, and the development by the Soviet Union of high-technology weapons.

The other problem Mr. Cherne points out is that our expectations for intelligence are greater today.

Not only is the intelligence community expected to keep its customers aware of a wider range of issues, but the range of customers has itself broadened. Defense, Commerce, the Treasury, even the private sector—everyone, it seems, needs the service that only the intelligence community can provide.

Mr. President, I agree wholeheartedly with Mr. Cherne's observations.

Many of the trends Leo Cherne points out in his speech were precisely the ones the Select Committee on Intelligence cited when it tasked the Director of Central Intelligence to develop a national intelligence strategy.

Last month Director of Central Intelligence William Casey delivered the

first national intelligence strategy to the select committee. The strategy is, as you would expect, classified. But I can say that when Bill Casey wrote the national intelligence strategy, he addressed the kinds of concerns Mr. Cherne points out. Furthermore, the Director of Central Intelligence linked these trends to his strategy and showed how the long-range plans of the intelligence community were going to meet these challenges.

Leo Cherne asks in his speech, how will the intelligence community meet the challenges that lie ahead? Mr. Cherne believes that much of the answer lies in a better understanding of what intelligence is supposed to do, what the problems are, and how the overall intelligence program is aimed at meeting them.

This is exactly what the national intelligence strategy is supposed to do.

Mr. President, the national intelligence strategy is both a product and a process.

The product is obvious—it is the document itself. The national intelligence strategy, which is to be updated and issued by the Director of Central Intelligence on a regular basis, explains the National Foreign Intelligence Program as no document has up to now.

The process is a little less obvious, but equally important. This month the Select Committee on Intelligence began hearings to review the national intelligence strategy as part of its annual authorization procedure. In these hearings, the committee is bringing intelligence producers and intelligence consumers together, face to face, to determine whether the strategy laid forth by the Director of Central Intelligence responds to our country's intelligence needs. As odd as it may seem, Mr. President, such face-to-face confrontations between consumers and producers have rarely occurred up to now.

Mr. President, I found Mr. Cherne's observations most astute, and I believe my fellow Members will as well. For that reason, I ask unanimous consent that a copy of his speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

U.S. INTELLIGENCE REQUIREMENTS FOR THE LATE 1980'S

U.S. INTELLIGENCE REQUIREMENTS FOR THE LATE 1980'S

(By Leo Cherne)

In putting before you some of the urgent intelligence requirements for the late 1980's, and knowing that 45 minutes hardly provides an interval sufficient to do this, I would have been tempted to immediately plunge into the specific tasks made urgent by the rapidly changing world environment.

However, a 3-hour television drama co-authored by a Pulitzer Prize-winning Washington Journalist helped illuminate further what has for some time been my conviction—that the functioning of U.S. foreign intelligence will remain seriously hampered until the American people better understand the nature of the role of foreign intelligence, the importance of its functioning, and its indispensability if peace is to be preserved. The relevance of that TV drama is that it illuminated some of the reasons for the continuing crisis of confidence in our government. The program was "Under Siege," and I will now quote a few lines from an extensive critical review in the New York Times' Sunday television section on February 9:

"'Under Siege' is about domestic terrorism, and it's both chilling and muddled. Americans get blown to bits; the Capitol is hit by rockets. The principal terrorist says, "My only goal is to teach—to educate America what it is to suffer as so many third-world people suffered so many times before. What's chilling is that this is a three-hour made-for-TV movie on a major network, and that at the end of the movie we're meant to dislike not so much the terrorists as the United States Government . . . 'Under Siege,' slick, glossy, with drumbeats punctuating its score, knows who the enemy is: It's not the terrorists; it us . . . True to itself to the end, meanwhile, 'Under Siege' winds down with the CIA breaking the law. This is followed by a massive Government cover-up."

We have in recent months been exposed to the shame of a number of Americans who have sold some of our most sensitive intelligence information to the Soviet Union and other foreign governments. It appears that they have done so not because a Marxist-Leninist conviction spurred their betrayal. It is said they did so for substantial monetary rewards. What is not said is that one consequence of neutralizing public support of intelligence, if not in fact portraying it as a shameful activity, is to remove the element of shame and betrayal which would to some extent serve to inhibit those who seek to earn ready cash or act out neurotic impulses which are not ideological but deeply personal.

One of the intelligence tasks which confronts us requires that public indignation against the traitors accompany their dishonor. Legal punishment may prove far weaker than social indignation and contempt.

I regard this aspect of our requirements for the remaining years of this decade as so important that I will elaborate at the sacrifice of detailing some of the specific tasks which must be performed by the intelligence community. It is essential to that enlarged role of intelligence that it be understood by the media and the public and that its essential role be accepted. Let me restate that role:

Its primary purpose is to avert war by alerting us to any dangers to our national security. The second role of intelligence is to help us to make the wise judgments needed to retain our strength—military, political and economic—against the many threats to each of these—and some of these dangers will grow in the years ahead.

We are living in a world in which our interdependence increases more quickly than we are able to assimilate the significance of that interdependence. That interdependence involves manufacture and trade, commodities and credit communications, vital resources and ideas. That interdependence also has the effect of stimulating tensions, between nations and instability within them. The technological developments which have revolutionized world banking and the transfer of credit is fraught with consequences which cry for prompt and accurate assessments. We are dependent increasingly, even for our vital sources of military strength, on capabilities and resources which are diminishing here and increasing elsewhere.

Intelligence is an indispensable tool which enables us to understand the consequences of this rapid movement to a profoundly changed and interdependent world; enabling us to devise policies which enhance our ability to shape our destiny.

The essence of the difference of intelligence in the democracies and the Marxist-Leninist states is that the normal purpose of our foreign intelligence is to buttress stability, make change as unturbulent as possible. It essentially seeks to protect the democratic order. And its errors and bias tend toward the maintenance of the status quo—on occasion a flawed status quo.

The KGB's role is almost the precise opposite except within its political domain. Its function is to generate and exploit turbulence. "The worse, the better" is an old Russian nihilist maxim which aptly describes the nihilist thrust of Leninist intelligence activities wherever stability exists. The Soviet intelligence apparatus is inherently the provocateur, the merchant of disorder, the magnifier of social, economic or political weakness or distress. It is the ultimate force which enhances the possibility of conflict, careful only that the flames ignited not singe the flame thrower.

One of the requirements for the late 80's is to confront the fact that there are those among intellectuals who are blind to an adversary which prohibits ideas. Peacemakers exist who are uncritically ready to serve a perpetual war-making machine. Journalists develop myopia when confronted with a system which prohibits the freedom of the press. Writers fail to be outraged by a mechanism which corsets and commands the writer. Civil libertarians are slow to criticize a system which most completely obliterates civil freedoms. Celebrated artists remain blind to a system from which artists flee.

It is said that Marxist-Leninism as an ideology no longer exerts the appeal it once did, and in a sense that's true. Nevertheless, each of the previous paradoxes remain and are now expressed not by yesterday's adulation of the warmaker, the USSR, but by a constant and undiminished opposition to those who would keep the Kremlin's dangerous propensities in check. In short, we, not they, are the enemy.

Today's and tomorrow's society differ in critical respects from the international military environment which essentially ended with World War II.

Among the 42 current conflicts involving 4 million people engaged in wars, rebellions or civil uprisings, few nations have declared war upon another. This ambiguity about hostility today which places a particular premium upon effective intelligence.

The massive lethal power possessed by the great nations—and most particularly the United States and the USSR—has had a still inadequately understood effect upon warfare. Smaller nations are infinitely more free to take belligerent action than are the two muscle-bound giants. This does not mean that we are equally paralyzed or that the U.S. and the USSR adapt to this reality similarly. The belligerent propensities of smaller nations all too often involve the interests of the superpowers, and somewhat less often, the participation by a superpower by means short of war. How, where and why

such indirect intervention occurs is a crucial difference between us. So too is the freedom or eagerness with which such indirect action occurs.

The Soviet Union has pressed to the hilt the use of proxy nations to perform its purposes—content to rely on our fear of wider war to keep us largely paralyzed.

Within this rubric we have seen the growth of a new form of war—terrorism—supported, if not spawned by nations virtually secure in the absence of risk to themselves. Such involvement is invariably supported by the Soviet Union and its client states—as eagerly as joint action to punish those who unleash terror is shunned by our allies.

There will be no more difficult task for intelligence in the years ahead than to penetrate the small fanatic groups which perform the terrorist acts, groups which are utterly without moral restraint and which hold the innocent in complete contempt. But that intelligence task becomes a nearly impossible one unless there is a better understanding that terrorism is itself simply another form of warfare.

One of the most penetrating and accurate descriptions of the true nature of terrorism was contained in a statement which emerged from a conference on "State Terrorism and the International System," held under the auspices of the International Security Council in Tel Aviv a month ago. Sixty prominent senior statesmen, active and retired military officers and national security specialists from 12 countries convened to consider the character and extent of state-sponsored terrorism. Among their conclusions, the following are particularly penetrating:

"The problem indeed is not just loose, gang-like incursions. It is terrorism—state-sponsored, state-supported, state-condoned, and even state-directed. Tyrannical and totalitarian ideologies have now subscribed to a new gospel of violence as an instrument of political change. A 'Radical Entente' presently spearheaded by five militant states (Syria, Libya, Iran, North Korea and Cuba) is making coordinated efforts—by themselves and with others—to undermine the power and influence of the United States and its allies. Here the well documented role of the Soviet Union is to provide the professional infrastructure of terrorism including money, arms, explosives, recruitment and training, passports, infiltration and escape routes, transports, communications, safe havens, control officers, and more. Taken together, these constitute an elaborate international network of support systems for terrorists. "This is not to suggest that the Soviets push the buttons and that their hand is always, directly or indirectly, in play. None of us subscribe to that kind of over-simplification. But where they do not initiate it, they encourage it. The destabilization and subversion have a pattern which serves Soviet interests, and this must be faced by leaders of the Free World even if for the moment, it is not high on the official diplomatic agenda. Both lives and liberties are at stake. We must learn more about what we are dealing with—and do more about it."

Meanwhile the Soviet Union has pursued twin objectives during all the years since World War II's end: to separate the U.S. and Western Europe while mounting a relentless, sophisticated and surprisingly effective propaganda campaign to persuade the world that peace is USSR's true purpose and that the risk to that peace resides in Washington, not Moscow. And the Soviet Union has perfected the manipulation of proxy bodies essential to the propagation of that all too widely accepted fantasy.

A great danger to stability is surprise. It is the vital attribute of terrorism and aggression. Intelligence is our only available instrument to keep these disasters in check.

Terrorism provides the clearest spotlight with which to illuminate the true purpose of intelligence. Virtually none of the critics of our intelligence efforts extend their distaste to include intelligence designed to alert us to impending terror or to identify the terrorist perpetrators once they have struck. Yet in no respect is the function of intelligence, whether analytic or clandestine, different when applied to the frightful consequences of terrorism than it is when applied to other international hazards, some of which involve the threat to life and human safety which are infinitely greater.

In an all-too-brief description of the essential functions of intelligence, I earlier referred to a contribution of intelligence which will be of increasing importance with each passing month of these years ahead: to protect not only our nation's freedom, security and stability, but to enhance the safety and stability of all the nations which seek to avert war and cultivate their own growth with minimal risks to their own tranquility.

It is here that the rapid growth of interdependence is especially relevant. Let me list a few of the major dangers in which intelligence is an indispensable tool.

A decision was made by a handful of men which led to a reduction in the price of oil—a price reduction by more than a third in less than a month. The life and death of nations and their economies will rest on how low that price falls. Some nations will benefit. Others face unmanageable social and economic turbulence. The consequences to us in the U.S. are many and varied. A number of U.S. banks may be in jeopardy. Some industries and many localities face serious hardship. And even as others momentarily remain unaffected or even benefited, an economic fire storm may overtake all of us. Only wise and sometimes swift government policy provides the possibility of moderating these consequences—and policy formation will be at least partially blinded in the absence of effective intelligence.

A number of less-developed nations are now indebted to banks, government and international institutions by an amount in excess of 900 billion dollars. It is less the debts than the consequences which flow from their payment or non-payment of the interest on those debts which holds a world economy in thrall.

It is unfortunate that many of those now in debt are countries which only recently adopted democratic governmental forms. Political and social instability in those countries can swiftly snuff out that recent progress and the danger may be as close as our own southern border.

The meeting of the five leading finance ministers of the industrial nations illustrates the urgency of cooperative international policy if these shoals are to be navigated. Intelligence is an indispensable mapmaker of the charts needed to navigate these shoals.

We have entered the age of high-technology married to the information age of microchip, super-computer, and the new sophisticated robots known undramatically as "flexible means of production."

Labor-intensive industries will continue to die or adjust, move their operations to countries which suddenly enjoy comparative advantage or merge with successful foreign competitors.

There are virtually no American automobiles made entirely of American-made parts. The five leading Japanese car makers are all now operating on our soil. TV brings to every American home the $3,990 blessing of the Yugo, and South Koreans will make their automotive presence vivid indeed with the $4,995 Hyundai (Honday).

There are all the makings of international tension in these facts—of disappearing American manufacture, of growing U.S. manufacturing unemployment. And the mix is one which threatens the growth of protectionism. And all this is the grist of governmental policy which will be increasingly dependent on accurate and early intelligence.

Some of the best work on this process of structural change is being done by the analysts in the CIA augmented by expertise derived from conferences, many of them unclassified, with business, universities, think tanks and others.

Of what importance is this? Most observers who have studied the structural change I have referred to are of the opinion that we are entering the greatest threshold of destabilizing change in the history of man—greater than the change set into motion with the birth of cultivated agriculture, greater than the industrial age which followed, greater than the mass manufacture, greater than the birth of the service economy which now provides more than 70 percent of our jobs. We have entered the age of information and we will wander through it blindly unless effective intelligence is an instrument which helps shape prompt, effective and peaceful policy. Without it there is the greater certainty of turbulent, divisive and dangerous economic conflicts.

The fact that I am concentrating on intelligence requirements for the balance of this decade may leave the misleading impression, especially in areas involving the dramatic economic difficulties we are likely to face, that the intelligence community is or should be the sole source of the information and judgment required for wise and timely government policy. It is clear that in specific fields and on a number of the potential difficulties which lie ahead, the Department of the Treasury, the State Department, the Federal Reserve Bank, and the Department of Commerce each have specific responsibilities which are assisted by sophisticated sources of information available to them. Contributions made by the intelligence community to those key government agencies are on the one hand supplementary and on the other indispensable. Not only must each of these instruments of the federal government seek to improve their own sources of advanced knowledge and judgment, not only must the intelligence community make a unique contribution to that input, but it may well be that the greatest contribution which may be required in the interval ahead is one which addresses itself to more effective coordination of sources of intelligence without which the policy responses may prove inadequate or late.

There are other very specific intelligence tasks which will be of increasing importance for the balance of this decade. Some of them are altogether new. Regrettably, almost none of them are easy. Yet they are indispensable. I'll refer to them briefly.

Among the urgent tasks for intelligence will be to fathom the means by which the Soviet Union intends to derive the benefits

of the information age while withholding from its managers the technology and the freedom to use it which are essential to eminence in the revolutionary structural change taking place.

Linked to the challenges of the information age, a host of intelligence questions emerge from the convulsive demographic changes taking place in the USSR. These changes are shifting the balance of population to Moslem Russia and away from the shrinking population of Mother Russia where its government, industry and education are concentrated. By what means can these ethnic tensions in European and Asian Russia be exacerbated?

Is it possible that the Soviet Union had chosen to buy and steal the high technology it requires because those means of acquiring the most advanced technology are easier and cheaper than inventing and producing their own high-tech breakthroughs. Their technical ability is surely not the total impediment.

The spreading high technology capability in the Third World creates an increased difficulty in averting transfer of sensitive technology to the Soviet Union. And this too will complicate the task for intelligence.

This new environment suggests still another need which partially involves intelligence and partially the continuous planning for industrial mobilization which is the Defense Department's responsibility. That question is, how do we manage our economy in an emergency when we are increasingly dependent on strategic materials, facilities, processes in other nations which may or may not be amenable or reliable when needed?

There is still another intelligence question which addresses itself to the periodic difficulties we have in securing participation by our allies in one or another of the international difficulties we confront. Perhaps the most striking illustration of this question is why nations which have suffered far more than we have, the destruction of life and property by terrorists, appear quite unwilling to associate themselves with us in any action to redress state-sponsored terrorism.

Do we really understand why this is so? Are we altogether clear why neutralism and unilateralism play as large a role as they do in Europe? May not the distaste for us among many Europeans exist because they correctly perceive the Soviet danger and correctly judge that they cannot moderate that danger, while we, by opposing the Soviet Union would involve our allies in a risky and costly hazard they are not prepared to assume?

Can we win the war of systems if we cannot win the war of ideas, or are unwilling to pay for what it takes to do so? The Soviet Union spends far more to jam VOA, BBC, Deutsche Welle and Radio Francais than all of us together spend in our efforts to reach the Soviet Union. Are there means we have neglected?

Among the tasks facing intelligence for the balance of this decade which are pressing even at this moment is the redefinition and legitimization of covert action, unless of course we are prepared to accept the notion that covert action is legitimate if used by the Soviet Union, its client states, as well as the states which sponsor terrorism, but unacceptable as a counterforce to be used by the United States. We are no longer in Henry Stimson's world where as he said "gentlemen do not read others' mail," or George Kennan's world where he said "if covert action cannot be kept secret, it must not exist."

And closely linked to this, a fresh assessment must be made of the consequences of sharply limiting the presence of the KGB on our soil. The Soviet Union's pervasive capabilities for telephonic eavesdropping enjoy immunity among us, and they operate from key urban locations.

How can genuine symmetry be achieved in the privileges the Soviet Union enjoys among us and those they accord us in their midst? This is a major challenge which will continue to bedevil U.S. intelligence.

If the Soviet Union is long permitted to enjoy a field day in the United States, it should be noted that they have not had uninterrupted success in many of the world areas under their influence.

We must better understand what is producing Soviet distress among its clients elsewhere in the world and particularly in Africa. That distress varies, but it has included Egypt, Somalia, Mozambique, Grenada, South Yemen, and Tanzania. There are now several on-going insurgencies fighting against Soviet-backed Marxist regimes, the wave of the future is not assuredly theirs.

Do we periodically subject our most certain conclusions and cherished conceptions about our adversary to remorseless reexamination? For example, are we too ready to assume that the Soviet Union's economic problems significantly diminish the continuing danger to our security represented by Soviet power and will.

It is clear from much that I have said that the tasks which lie ahead of intelligence are both different and greater than any which the intelligence community has previously confronted. There will be many problems in dealing with this painful reality. Almost all of them are affected significantly by the public's misconceptions, let alone repeated evidence of media hostility. There are problems which are bureaucratic; others which are budgetary. There are problems which flow from the very nature of a democratic state and some which flow from the peculiarly American culture. We have a remarkable tendency to look at the mirror when we consider our adversaries, and mirrow-imaging is the use of accurate intelligence.

We must also ask: can our intelligence be as good as it must be as long as our knowledge of foreign languages and cultures remains as poor as it is, especially when that handicap is further compounded by the disinvolvement of our centers of learning, research science and technology, some of whom shun "contaminating" contact with the world of intelligence?

I will conclude with a prophecy and a challenge. One is unavoidable and the other as yet unmet.

Less than 50 years ago, this nation unlike England, had no need for economic intelligence. Whatever intelligence we had was focused on the capabilities and intentions rooted in dangers we perceived to be military.

During the remainder of the decade, I suggest that the greater threats to stability will flow from hazards which are economic, social, cultural and political. Do not misunderstand me. I am not suggesting that the military dangers have receded. They have changed their character, but are painfully with us. But a new panoply of dangerous troubles create urgent intelligence needs in the years immediately ahead.

Now the challenge! The actors in this new international drama are not only governments, but they include industries, labor unions, universities, banks, stock and commodity exchanges.

Intelligence has thus far been essentially limited to informing other government sectors. We impose understandable limits, and they are sharp, to keep the world of foreign intelligence and our domestic life apart. We also have our antitrust laws. We do not, as the Japanese do, have an instrument like MITI which performs some of the coordinating and judgmental functions for Japanese industry.

Yet, how do we meet the manifold challenges of the Information Age? How do we share essential intelligence with the private sectors of our society, the sectors upon whom tomorrow's eminence depends?

And even were that intelligence to be shared, there remains the central problem which exists even in the most urgent governmental use of intelligence—how to make effective use of the information? By informing a man about to be hanged of the exact size, location and strength of the rope, you do not remove either the hangman or the certainty of his being hanged.

All that intelligence can do is seek to concentrate the mind sufficiently to reduce the chance of unanticipated crisis, or, more hopefully, and less likely, avert it altogether.

SENATOR DECONCINI'S ADDRESS BEFORE THE NATIONAL ASSOCIATION OF STATE DIRECTORS OF VETERANS AFFAIRS

Mr. CRANSTON. Mr. President, on Monday, March 3, my good friend and colleague on the Veterans' Affairs Committee, the Senator from Arizona [Mr. DECONCINI], was given the "Man of the Year" award by the National Association of State Directors of Veterans Affairs. This was a most fitting tribute to DENNIS DECONCINI who is one of the greastest friends that veterans have in the entire Congress.

Upon accepting this most well-deserved award, Senator DECONCINI delivered an outstanding speech at the association's meeting here in Washington, DC. In his truly stirring and inspirational remarks, Senator DECONCINI made a devastating critique of the President's grossly inadequate fiscal year 1987 budget for verterans' programs.

As we undertake consideration of the fiscal year 1987 budget with regard to veterans' programs, I urge all of my colleagues to consider carefully Senator DECONCINI's remarks.

Thus, Mr. President, for the information of my colleagues and the public, I ask unanimous consent that the speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR DENNIS DECONCINI: BEFORE THE NATIONAL ASSOCIATION OF STATE DIRECTORS OF VETERANS AFFAIRS

It is an honor and a privilege for me to speak before this distinguished audience. This nation owes you, and veterans everywhere, the liberty we enjoy. For you are the Americans who have answered the call. You are the Americans who keep the peace.

We have an ongoing commitment to those who have served on our behalf. Mark this down, double space it, and underline it. We do not recognize that commitment by cutting programs for veterans. We do not recognize that commitment by slashing services for those who put their lives on the line.

Make no mistake. Today the United States has the largest deficit in the history of the planet. It's a deficit that's holding this country hostage.

Five years ago Ronald Reagan saw the danger. He said, and I quote: "One trillion dollars of debt—if we as a nation needed a warning, let that be it."

But President Reagan failed to heed his own warning. In five years of his administration that debt is now two trillion dollars. In five years of his administration, Ronald Reagan doubled what it took the entire history of this country to accumulate.

Now President Reagan is to be commended on many fronts. His diplomatic success in the Philippines was one of his finest hours. His summit meeting with Mr. Gorbachev shows the President's willingness to negotiate for peace. Mr. Reagan proposed a defense build-up that was absolutely essential. President Reagan knows that it is through a strong national defense that we have the greatest hope for a lasting peace.

But Mr. Reagan has failed to put the skids on a national debt that could bring this country to its knees.

Now President Reagan has sent his new budget down to Congress. Make no mistake. For the sake of this nation we must—we must—balance the budget. But we must also weigh carefully how we get there, and how fairly we treat our citizens along the way.

Mr. President, I want to send you a message. By any account, we should have a medical system for our veterans second to none. But, Mr. President, you have broken that promise. Your VA health budget is flawed, it's unfair—it's far and away the worst budget submitted in the last 15 years!

It slashes hospital stays by 58,000 and outpatient visits by an incredible 1.1 million. Your budget threatens nine thousand medical employees in fiscal 1987 alone. It slashes acute care hospital beds by almost three thousand. It threatens medical facilities scheduled to come on line across the nation. All this at a time when our aging veterans are falling prey to catastrophic illnesses.

So, Mr. President, don't talk of compromise when there is no compromise. Don't talk of sacrifice when you ask veterans to lead the way.

Mr. President, pure and simple, what your budget does is take away the American Dream from the American veteran. You want to zero out Veterans Job Training. You want to axe the New GI Bill. That's a program of unqualified success, Mr. President. That's a program that returns seven dollars to the Treasury for every dollar spent.

And you go further, Mr. President. You want to jack up the veterans' loan guaranty fee. You promise, in no uncertain terms, that you will not raise taxes. But, Mr. President, what you are proposing is a tax on veterans' housing.

What you are doing, Mr. President, is "deep sixing" veterans' chances of getting a job, getting an education, owning a home. This is the American dream, Mr. President, and your proposals are neither right nor fair.

How fair is it, Mr. President, to slash veterans' services at the same time you jack up foreign aid by eight and a half percent? How fair is it to slash veterans' programs at the same time you increase IRS money by almost one billion dollars? How fair is it to slash veterans' programs at the same time you allow defense to leap eight percent?

As the former head of the President's Council of Economic Advisers, Murray Weidenbaum, said: "We do not promote the national security by showing the Russians how fast we can spend money."

We do not promote the national security by slashing veterans' programs because our national security depends on veterans. From Valley Forge to Vietnam, our veterans have never let America down. America cannot—we must not—abandon them now or in years to come.

And so, Mr. President, I send you a message loud and clear. I am committed to our veterans who keep the peace. I am committed to our veterans who answer the call. And so, Mr. President, I am committed to ensuring that your budget does not succeed.

We've won the first battle, Mr. President. Both Houses of Congress just passed a law to prevent big reductions in home loan guarantees for veterans. I promise you, Mr. President, I will continue to fight your veterans' budget. I will fight it because of the Americans who fought for us at Normandy, at the Bulge, at Iwo Jima, at Hue. These are the veterans who have never let America down. America cannot—we must not—abandon them now or in years to come.

FOOD SECURITY IMPROVEMENTS ACT OF 1986

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Agriculture be discharged from further consideration of H.R. 1614, and I ask for its immediate consideration.

Mr. BYRD. Mr. President, reserving the right to object, there is no objection on this side. It has been cleared and I am happy to say we are ready to proceed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 1614) to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. DOLE. Mr. President, I move to strike all after the enacting clause and ask unanimous consent that S. 2143, as amended by the Senate last night, be substituted therefor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment has been agreed to. If there is no further amendments to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 1614), as amended, was read the third time, and was passed.

Mr. DOLE. I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I send a title amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

Amend the title so as to read as follows: An Act entitled "The Food Security Improvements Act of 1986."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the title.

The amendment was agreed to.

Mr. DOLE. I ask unanimous consent that S. 2143 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, again, let me thank the distinguished minority leader for clearing this so quickly. I have had a conversation this morning with Representative FOLEY and he indicates that by sending it back so quickly, it will help expedite matters. Otherwise, it could be blue-slipped because of the dairy amendment. This will avoid that and they may take action this afternoon. If not, they may send over a House bill which we can act on today or tomorrow.

Again, I thank the distinguished minority leader and all those who cleared this procedure.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate proceed into executive session to consider the nomination of Richard E. Lyng, of Virginia, to be Secretary of Agriculture.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

NOMINATION OF RICHARD E. LYNG TO BE SECRETARY OF AGRICULTURE

The legislative clerk read the nomination of Richard E. Lyng, of Virginia, to be Secretary of Agriculture.

Mr. BYRD. Mr. President, there is no objection on this side.

Mr. DOLE. Did I understand, Mr. President, there is a request for a rollcall on the nomination?

Mr. BYRD. That is correct, Mr. President.

Mr. DOLE. Mr. President, I ask for the yeas and nays on the nomination.

The PRESIDING OFFICER. Is there sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the nomination.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. KASSEBAUM) The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Madam President, as I understand it, the nomination of Mr. Richard Lyng, to be Secretary of Agriculture, is pending.

The PRESIDING OFFICER. That is correct.

A "NO" VOTE ON THE LYNG NOMINATION

Mr. PROXMIRE. Madam President, this Senator is going to vote "No" on the nomination of Richard E. Lyng to be Secretary of Agriculture.

Mr. Lyng is a very personable gentleman with admirable qualities. He is likeable and intelligent, smiling, a very happy person, who all of us would like as a companion. I have absolutely no quarrel with him on a personal basis. Here is why I am voting "No."

First, Mr. Lyng has recently been in business as a consultant in the field of agriculture. While in that position, he helped lead the fight in favor of the amendment that would have undermined the beleaguered dairy farm economy. He led that fight during the 1985 farm bill debate and lobbied very hard for that amendment. Fortunately, this amendment was defeated in the Senate. But inclusion of this amendment in the 1985 farm bill would have meant a 50-percent per-hundredweight cut in dairy price supports this year for dairy farmers, beginning, in fact, on January 1 of this year. That is the last thing in the world that dairy farmers need or deserve. The farm bill that was signed into law is bad enough—it calls for price-support cuts in 1987. But if Mr. Lyng had had his way, we would have had cuts beginning in 1986.

So I cannot vote for a man who thought it was a good idea to impose dairy price-support cuts on dairy farmers in 1986 and who actively lobbied to bring this about. I am fearful about what he would do or propose in this regard once he assumes the post of Secretary of Agriculture.

Mrs. HAWKINS. Madam President, will the Senator yield?

Mr. PROXMIRE. I have not finished my remarks. I will be happy to yield after I have finished my remarks. I have only 3 minutes.

Mr. BYRD. Madam President, will the distinguished Senator yield?

Mr. PROXMIRE. I yield.

Mr. BYRD. I ask the Senator's pardon.

Madam President, there is an order to proceed at 12 o'clock, I believe, to the cop killing bullet legislation, in legislative session, and we are beyond that point. I do not see the distinguished majority leader on the floor, but I would like to accommodate Mr. PROXMIRE.

Mr. PROXMIRE. Madam President, will the Senator yield?

Mr. BYRD. I yield.

Mr. PROXMIRE. I was on the floor earlier this morning when the majority leader indicated that he hoped that he could work out an accommodation on that. He realized that it would be necessary to do so. I think that was his intention, although he did not specify the details of it.

Mr. BYRD. I am sure the majority leader would accommodate the Senator if he were here. I will be glad to make the request.

I have been asked by Mr. DOLE to ask unanimous consent that Mr. PROXMIRE proceed for 5 minutes, and then the previous order govern.

Mr. BOSCHWITZ. Madam President, reserving the right to object, I say to the Senator from Wisconsin that there are a number of Senators who have to go to a funeral and some other things. I would like to make a statement, too, and I will reserve time for my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Madam President, I should remind my colleagues that since December 1983, dairy price supports have been cut from $13.10 per hundredweight down to $11.60, the current level. The 1985 farm bill does further damage by imposing a 50-cent price cut in 1987; and then, from 1988 through 1990, the Secretary is required to reduce the support price level by 50-cents per hundredweight if annual Government purchases are projected to exceed 5 billion pounds as of January 1 of each of those 3 years.

The 1985 farm bill also calls for an 18-month whole herd buyout program beginning April 1, 1986, to be funded by a producer assessment of 40 cents per hundredweight. Again, dairy farmers are being hit. True, on January 1, 1987, the Secretary is required to reduce this assessment to 25 cents per hundredweight; but on that same date, he is also required to cut the price support level by 25 cents per hundredweight.

In addition, the 1985 farm bill has another disastrous feature. The differentials used in setting minimum fluid milk prices in some marketing orders are increased. This means higher class I price guarantees for the Southeast at the expense of the upper Midwest, with a resulting shift in milk production away from Wisconsin.

But, in the face of all this, Mr. Lyng wanted price support cuts for dairy farmers on January 1, 1986. There is no way that I can support and vote for a man who takes this position, which is so damaging to dairy farmers in Wisconsin and elsewhere.

Second, Mr. Lyng has consistently opposed the Milk Diversion Program, which was a resounding success. I favored its inclusion in the 1985 farm bill as the supply management tool to be used right now—in lieu of the whole herd buyout. But this was not to be, and this was another reason I opposed the 1985 farm bill and now oppose Mr. Lyng.

There is no need to review in detail here the virtues of the Milk Diversion Program. But just let me remind my colleagues that it succeeded in bringing about reductions in three related areas: First, milk production; second, CCC purchases; and third, Federal Government costs. It was a total winner in meeting these objectives. How could Mr. Lyng—or anyone else—be opposed to such a program?

Third, Madam President, I oppose Mr. Lyng because I believe strongly that we need someone as Secretary of Agriculture today who is intimately familiar with problems of agriculture in the Midwest. The Midwest is where the major problems in agriculture are occurring at this very moment.

Mr. Lyng is from California. As such, he is worried about a different set of concerns than those that are paramount to farmers in the Midwest, the home of the family farmer. I would feel much more comfortable if we had a person from the Midwest in charge at USDA at this time.

Finally, Mr. Lyng has been quoted as saying that "philosophically, John Block and I are peas in a pod." This troubles me, because the John Block reign brought only disaster to dairy farmers and others in the Midwest. The last thing we need is a "chip off the old Block."

For these reasons, I oppose Mr. Lyng and will vote "No."

Madam President, I think too few people realize the tremendous beating that farmers, including dairy farmers, have taken. If they do not have a friend in the Secretary of Agriculture, they are in very, very deep trouble.

Farmers work longer hours. Their income now is less than the minimum wage, on the average. They make an investment of $200,000 per farm. In Wisconsin, according to the University of Wisconsin, they work 10 to 12 hours a day, 7 days a week, and their productivity has improved enormously.

Last year, farm productivity improved in this country and was the only major segment of our economy

that improved. It increased 11 percent on the farm.

I am against Mr. Lyng. I think we need somebody who understands the desperate need farmers have at this time to have an opportunity to earn an adequate income.

I yield the floor.

Mr. HELMS. Madam President, I strongly support the nomination of Richard E. Lyng to serve as Secretary of Agriculture.

As was pointed out in the Agriculture Committee hearing, Mr. Lyng is no stranger to agriculture or to the Senators in this body. During President Reagan's first term, Dick Lyng served as Deputy Secretary of Agriculture. In that capacity, he was responsible for overseeing the day-to-day operations of the Department of Agriculture.

Previous to serving as Deputy Secretary, Mr. Lyng served as president of the American Meat Institute, as Assistant Secretary of Agriculture, and as director of the California State Department of Agriculture, where he served for Governor Ronald Reagan. A native Californian, he served for 18 years as president of a family seed and bean production and processing company.

Madam President, it is obvious that Mr. Lyng has a long and distinguished record of service to American agriculture. Many of our colleagues have worked with him in the past, and I think it is safe to say that he is universally regarded as a man who is fair and honest. His talent and broad background in agriculture equip him very well to deal with the stress in agriculture today.

I might say just a word, Mr. President, about the task facing Dick Lyng. The events of recent days here in the Senate, where we have been debating changes in the farm bill, are an indication of the troubled financial condition of agriculture and the concern we all share for our Nation's farmers. In many ways it is a grim situation, and the task facing Dick Lyng—the task of restoring prosperity to farmers—is a daunting one. It is a task, I think, that not many men would be willing to accept.

I was impressed with Dick Lyng's view of the task ahead when he appeared before the Agriculture Committee. Instead of talking about the trouble in agriculture and the impossibility of the job the President has asked him to do, he looked at the half-full glass, not the half-empty glass. Mr. Lyng acknowledged the trouble in agriculture, but also recognized that our agricultural system has many strengths, and that things are going to get better in agriculture. As he put it:

> Agriculture will survive and thrive in the years ahead. This is no time for pessimism. It is, rather, a time for hard work and confidence in the days ahead.

Madam President, American agriculture needs Dick Lyng's talent, enthusiasm, and optimism. I know of no better man to guide agriculture through these troubled times. I have known Dick and worked with him over the years, and I consider him a trusted friend. I urge the Senate to approve his nomination.

Mr. THURMOND. Madam President, I rise in support of the nomination of Mr. Richard E. Lyng to be Secretary of Agriculture.

Mr. Lyng is superbly qualified for this position by reason of his educational background and his experience. Mr. Lyng graduated cum laude from the University of Notre Dame in 1940 with a Ph.D. in commerce. Enlisting in the Army during World War II, he fought for his country in the South Pacific, rising to the rank of second lieutenant before leaving the service.

Mr. Lyng spend the next 22 years as president of a family-owned, seed and bean production and processing company in Modesto, CA. In addition, he has also served as president of the American Meat Institute and has held several prestigous board of director memberships including: the Tri-Valley Growers of California; the Chicago Mercantile Exchange; the Refrigeration Research Foundation; and the Commodity Credit Corporation. Mr. Lyng was a member of the Agribusiness Advisory Board and has spent the past year with Lyng and Lesher, Inc., an agricultural consulting business. This long and varied list of positions and experiences in the agricultural sector makes Mr. Lyng especially qualified to fulfill the duties of the post for which President Reagan has seen fit to nominate him.

Madam President, Dick Lyng is no stranger to public service. He held the position of director of the California State Department of Agriculture under then Governor Reagan. Mr. Lyng was an Assistant Secretary of Marketing and Consumer Services for the U.S. Department of Agriculture under President Nixon. Recently, he held the position of Deputy Secretary of Agriculture. Furthermore, in 1980 he led the agriculture transition team of President Reagan.

Madam President, Dick Lyng is eminently qualified for the position of Secretary of Agriculture. He is considered by his peers to be a pragmatist. He realizes the difficulties facing our agricultural sector and is willing to tackle those problems. Mr. Lyng is highly qualified for the appointment in terms of both ability and experience. I am confident that he will serve the Nation well in this position.

Again, Mr. Lyng is an excellent choice for Secretary of Agriculture. I commend President Reagan on his selection, and I urge my colleagues to support his nomination.

Mr. ABDNOR. Madam President, I will cast my vote today in favor of the confirmation of Richard Lyng as Secretary of the U.S. Department of Agriculture.

I am voting for Secretary-designate Lyng because of the potential he brings to his new job. Richard Lyng has the potential to have an impact on farm policy like few Secretaries before him, and I am very hopeful that America's farmers will benefit from Secretary-designate Lyng's opportunity to leave his mark on agriculture policy.

One of my major complaints about any Secretary of Agriculture has been that the persons holding that job all too frequently have little to say in deciding national policies that affect farmers. The Office of Management and Budget and the State Department have often had more to say about farm policy than the Department of Agriculture and, to those agencies, the interests of farmers and ranchers appear to be held in low priority.

I have great hopes that Secretary-designate Lyng can begin to change that. He has a good, long-standing relationship with President Reagan. He has the President's trust and, hopefully, will have the President's ear. He needs to use his relationship with President Reagan to improve the livelihood of America's farmers and ranchers.

In short, we need a Secretary of Agriculture who will represent farmers to the White House, not represent the Office of Management and Budget to farmers.

Madam President, it is no longer a secret in this country that the farm economy is not well. Each day, ranchers and farmers are going out of business, many of them victimized by economic trends and policies. Their needs and interests have not been adequately addressed within the White House, OMB, or at USDA.

We need a new era in American agriculture. I am encouraging Secretary-designate Lyng to bring that new, brighter era into being. I will vote for his confirmation, and urge him to waste no time in taking steps to heal an ailing rural America.

Mr. SYMMS. Madam President, I join with many of my colleagues in enthusiastically endorsing the nomination of Mr. Richard Lyng as Secretary of Agriculture. He is admirably suited, both by ability and experience, to discharge the responsibilities of Secretary of Agriculture. This is an important nomination, Mr. President. It is particularly important in my State of Idaho where agriculture is the most important industry and timber production is a strong second. I mention timber because much of the timber in my State is on Federal land managed by the Department of Agriculture. Ob-

viously, the Secretary of Agriculture plays a significant role in the economy of Idaho.

Since 1972 I've had many opportunities to work with Dick Lyng. As a freshman Congressman I found him to be a great asset in Agricultural Committee matters. Literally, his experience and knowledge were invaluable. I was pleased with with his appointment as Deputy Secretary of Agriculture in 1981. As you know he left the Cabinet in February 1985 forming a consulting firm. Now, I'm looking forward to working with him again in the recovery of American agriculture.

Madam President, Dick Lyng's philosophy is very close to that of President Reagan. Certainly, that's a philosophy that I share although I know there will be times when we disagree on methods of achieving our goals.

His highest priority, improving agricultural exports, is right on target. My State of Idaho must export a high percentage of the crops we produce. Its no secret that our exports have fallen off badly. That failure has hurt not only the farmers but the economy of the State.

The availability of Farm Credit is a crucial issue now and it will be even more crucial as this season goes on. Dick Lyng understands the situation and the problems it presents for people. I'm sure he will handle this problem as well as anyone could.

A dismaying array of challenges face agriculture. Those problems can be successfully surmounted. My experience with Dick Lyng indicates that he will be equal to the task.

I've had occasion recently to bring to Dicks attention a problem on the definition of a family farm that is important to Idaho farmers. I appreciate his quick and helpful response. I've also had occasion to discuss with him problems facing Idaho's timber industry. He understands the situation rapidly and I'm sure improvements will be coming.

In closing, Madam President, I wholeheartedly support Mr. Richard Lyng as Secretary of Agriculture.

Mr. KASTEN. Madam President, I rise to speak on the nomination of Richard Lyng as Secretary of Agriculture.

Richard Lyng has been nominated as Secretary of Agriculture after a long career in agriculture and agribusiness. A former Deputy Secretary of Agriculture, he has an excellent reputation as a man who is knowledgeable about all aspects of agriculture, who is experienced in administering the Department of Agriculture, and who knows how to get things done.

I intend to support his nomination, but I do so with reservations. Mr. Lyng is a Californian, and his perspective on the dairy issues that are so important to my State reflect this. He has in the past stood for support price cuts and generally for the unsympathetic view of the dairy industry held by his predecessor, John Block.

The tremendous financial stress being felt by Wisconsin family dairy farmers in particular demands that the Secretary of Agriculture be sensitive to the need of those dairy farmers for help in maintaining their incomes and addressing the credit problems that beset so many of them. In particular, the Secretary's office is no place for someone who does not recognize the vital importance of the dairy program to Wisconsin farmers.

I suspect that Mr. Lyng and I probably will find ourselves disagreeing about many farm issues, especially dairy issues. But disagreements on agricultural issues need not prevent the development of the kind of effective working relationship that I believe is necessary if Wisconsin's farm interests are to be effectively served.

I hope and believe that Dick Lyng and I can work effectively together on a number of issues related to the dairy industry. Chief among these are marketing order issues. I have long believed that low-cost-of-production dairy regions like Wisconsin are disadvantaged by the current structure of Federal milk marketing orders designed to encourage local sources of milk production in all areas of the country.

I feel strongly that less regulation in this area would allow greater access to markets for Wisconsin dairy farmers, and lower-cost milk for millions of lower-income consumers in the New York metropolitan area, Florida, Texas, and elsewhere. The availability of such lower-cost milk would encourage increased consumption, and reduce the dairy surplus without any changes to the price support program.

I am hopeful that a free market conservative like Dick Lyng will have the broadness of vision to see dairy policy as a whole. It is neither wise nor fair to speak of dairy policy simple in terms of the price support program. We must consider also one of the primary reasons for everything we do in farm policy—to help family farmers find markets for their products and help them stay on the land. The fact of the matter is that the largest number of family dairy farmers is in Wisconsin and the upper Midwest.

We hear—and talk—a lot about the plight of those family farmers in this body. The hardship, heartache and pain in rural America is real, and it is that human issue that is the salient fact we need to consider as we work on farm issues. Talk is easy; I'm interested in helping our farmers in this troubled time. I will be doing everything I can to work with Dick Lyng to do just that—recognizing our differences on some issues, but also what I believe is our shared desire to get farmers through this very difficult period, and restore prosperity to rural areas in Wisconsin and across the country.

The PRESIDING OFFICER. The question is, will the Senate advise and consent to the nomination of Richard E. Lyng, of Virginia, to be Secretary of Agriculture? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Arizona [Mr. GOLDWATER], and the Senator from Alaska [Mr. STEVENS], are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. INOUYE], is absent because of death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 95, nays 2, as follows:

[Rollcall Vote No. 26 Ex.]

YEAS—95

Abdnor	Garn	McConnell
Andrews	Glenn	Melcher
Armstrong	Gore	Metzenbaum
Baucus	Gorton	Mitchell
Bentsen	Gramm	Moynihan
Biden	Grassley	Murkowski
Bingaman	Harkin	Nickles
Boren	Hart	Nunn
Boschwitz	Hatch	Packwood
Bradley	Hatfield	Pell
Bumpers	Hawkins	Pressler
Burdick	Hecht	Pryor
Byrd	Heflin	Quayle
Chafee	Heinz	Rockefeller
Chiles	Helms	Roth
Cochran	Hollings	Rudman
Cohen	Humphrey	Sarbanes
Cranston	Johnston	Sasser
D'Amato	Kassebaum	Simon
Danforth	Kasten	Simpson
DeConcini	Kennedy	Specter
Denton	Kerry	Stafford
Dixon	Lautenberg	Stennis
Dodd	Laxalt	Symms
Dole	Leahy	Thurmond
Domenici	Levin	Trible
Durenberger	Long	Wallop
Eagleton	Lugar	Warner
East	Mathias	Weicker
Evans	Matsunaga	Wilson
Exon	Mattingly	Zorinsky
Ford	McClure	

NAYS—2

Proxmire	Riegle

NOT VOTING—3

Goldwater	Inouye	Stevens

So the nomination was confirmed.

Mr. DOLE. Madam President, I move to reconsider the vote by which the nomination was confirmed.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Madam President, I ask unanimous consent that the President be immediately notified of the action by the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Madam President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

MANUFACTURE AND IMPORTATION OF ARMOR-PIERCING BULLETS

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 104) to amend chapter 44, title 18, United State Code, to regulate the manufacture and importation of armor-piercing bullets.

The Senate proceeded to consider the bill (S. 104), which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause and insert the following:

That section 921(a)(17) of title 18 of the United States Code is redesignated as section 921(a)(17)(A), and a new subparagraph (B) is added to section 921(a)(17) to read as follows:

"(B) The term 'armor-piercing ammunition' means solid projectiles or projectile cores constructed from tungsten alloys, steel, iron, brass, bronze, beryllium copper, or depleted uranium. The term shall not include shotgun shot required by Federal or State environmental or game regulations for hunting purposes, frangible projectiles designed for target shooting or any projectile which the Secretary finds is primarily intended to be used for sporting purposes. The term 'solid' in the first sentence of this subparagraph means made entirely from one or more of the substances specified therein, but may include the presence of trace elements of other substances.".

SEC. 2. Section 922(a) of title 18 of the United States Code is amended—

(a) by striking out "and" at the end of paragraph (5);

(b) by striking out the period at the end of paragraph (6) and inserting in lieu thereof a semicolon; and

(c) by adding after paragraph (6) the following:

"(7) for any person to manufacture or import armor-piercing ammunition, except that this paragraph shall not apply to—

"(A) the manufacture or importation of such ammunition for the use of the United States or any department or agency thereof or any State or any department, agency, or political subdivision thereof;

"(B) the manufacture of such ammunition for the purpose of exportation; and

"(C) any manufacture or importation for the purposes of testing or experimentation authorized by the Secretary; and

"(8) for any manufacturer or importer to sell or deliver amor-piercing ammunition, except that this paragraph shall not apply to—

"(A) the sale or delivery by a manufacturer or importer of such ammunition for use of the United States or any department or agency thereof or any State or any department, agency, or political subdivision thereof;

"(B) the sale or delivery by a manufacturer or importer of such ammunition for the purpose of exportation;

"(C) the sale or delivery by a manufacturer or importer of such ammunition for the purposes of testing or experimenting authorized by the Secretary.".

SEC. 3. Subparagraph (A) of section 923(a)(1) of title 18 of the United States Code is amended to read as follows:

"(A) of destructive devices, ammunition for destructive devices or armor-piercing ammunition, a fee of $1,000 per year;".

SEC. 4. Subparagraph (C) of section 923(a)(1) of title 18 of the United States Code is amended to read as follows:

"(C) of ammunition for firearms, other than ammunition for destructive devices or armor-piercing ammunition, a fee of $10 per year.".

SEC. 5. Subparagraphs (A) and (B) of section 923(a)(2) of title 18 of the United States Code are amended to read as follows:

"(A) of destructive devices, ammunition for destructive devices or armor-piercing ammunition, a fee of $1,000 per year; or

"(B) of firearms other than destructive devices or ammunition for firearms other than destructive devices, or ammunition other than armor-piercing ammunition, a fee of $50 per year.".

SEC. 6. The first sentence of section 923(e) of title 18, United States Code, is amended by striking out "under this section" and all that follows through the end of the sentence and inserting in lieu thereof the folowing: "under this section, if the holder of such license—

"(1) being a licensed dealer, willfully transfers armor-piercing ammunition manufactured or imported after the effective date of this section; or

"(2) violates any provision of this chapter or any rule or regulation prescribed by the Secretary under this chapter.".

SEC. 7. Section 923 of title 18, United States Code, is amended by adding at the end thereof the following:

"(k) Licensed importers and licensed manufacturers shall mark all armor-piercing projectiles and packages containing such projectiles for distribution in the manner prescribed by the Secretary by regulation. The Secretary shall furnish information to each dealer licensed under this chapter defining which projectiles are considered armor-piercing ammunition as defined in section 921(a)(17)(B).".

SEC. 8. Section 929 of title 18 of the United States Code is amended to read as follows:

"Whoever, during and in relation to the commission of a crime of violence, which may be prosecuted in a court of the United States, including a crime of violence which provides for an enhanced punishment if committed by the use of a deadly or dangerous weapon or device, uses or carries a firearm and is in possession of armor-piercing ammunition capable of being fired in that firearm shall, in addition to the punishment provided for the commission of such crime of violence, be sentenced to a term of imprisonment for not less than 5 years. Notwithstanding any other provision of law, the court shall not suspend the sentence of any person convicted of a violation of this subsection, nor place the person on probation, nor shall the terms of imprisonment run concurrently with any other terms of imprisonment, including that imposed for the crime in which the armor-piercing ammunition was used or possessed. No person sentenced under this subsection shall be eligible for parole during the term of imprisonment imposed herein.".

SEC. 9. The amendments made by this Act shall take effect on the date of enactment of this Act, except that sections 3, 4, and 5 shall take effect on the first day of the first calendar month which begins more than ninety days after the date of the enactment of this Act.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. KENNEDY. Madam President, may we have order?

The PRESIDING OFFICER. The Senator from Massachusetts is correct.

There will be order, please, so that the Senator from South Carolina may be heard.

Mr. THURMOND. Madam President, today I rise in support of passage of S. 104, a bill to regulate the manufacture and importation of armor-piercing bullets. Joining me in this bipartisan enterprise are 64 of my distinguished colleagues, including the ranking minority member of the Judiciary Committee, Senator JOSEPH R. BIDEN, JR., and the two distinguished Senators from New York, DANIEL PATRICK MOYNIHAN and ALFONSE D'AMATO. Similar legislation was previously introduced as S. 2766 in the 98th Congress when it was cosponsored by 95 Members of the Senate and was unanimously approved by the Committee on the Judiciary. Likewise, our colleagues in the House recently evidenced their overwhelming support for such legislation by a vote of 400 to 21.

This bill for which Senator BIDEN and I have obtained strong bipartisan support in both the 98th and 99th Congresses is the product of extensive work on the part of the administration, members of the Committee on the Judiciary, and other interested parties. This bill will limit the proliferation of ammunition which might be sought by persons determined to engage in crime at all costs, but which has no legitimate sporting purpose. I believe that it achieves an infinitely fair balance between the legitimate interests of law enforcement and sportsmen.

Madam President, this delicate equilibrium was achieved as a result of considerable hard work and devotion to the public interest. The administration, and particularly the Treasury and Justice Departments, are to be highly commended for grappling with the difficult definitional problem posed by this bill.

On July 25, 1985, the Committee on the Judiciary reported S. 104 with an amendment in the nature of a substitute by a vote of 17 to 0. S. 104 as amended by the Judiciary Committee changes the original bill in several ways: First, it allows for restricted testing of armor-piercing bullets. Next, armor-piercing bullets are to be clearly identified by distinctive markings, and

dealers' licenses are to be revoked if they illegally and willfully sell armor-piercing ammunition manufactured after the date of enactment of this bill. The amended bill also conforms section 929 of title 18, as revised by the Comprehensive Crime Control Act of 1984, and the provisions of this bill in the following manner:

It replaces section 929's definition of armor-piercing bullet based upon test procedures by the National Institute of Law Enforcement and Criminal Justice with the definition from S. 104 which is based on the composition of the bullet;

It replaces section 929's current application to handguns with an application to all firearms as in S. 104;

It replaces the penalty provision in section 929 of not less than 5 years nor more than 10, with the provision from S. 104 which is not less than 5 years; and,

It replaces the requirement in section 929 for the bullets to be loaded, with the requirement of S. 104 that the bullets be in possession of the individual.

Furthermore, in conforming section 929 and the bill the underlying offenses are changed from violent felonies to crimes of violence in accordance with revisions made by the Comprehensive Crime Control Act of 1984.

This legislation is important to protect our law enforcement officers who put their lives at risk everyday to free our Nation of crime.

I strongly urge my colleagues to support this measure which has received the careful attention and overwhelming approval of the members of the Committee on the Judiciary and 65 Senators who have sponsored the bill.

Mr. LAXALT. Madam President, I am happy to rise today in support of S. 104, a bill to limit the manufacture, importation, and sale of armor-piercing bullets. This bill represents over 3 years of delicate negotiations among police organizations, gun owner representatives, and the departments of the Federal Government directly responsible for its enforcement. It is a tribute to their patience and persistence throughout the difficult negotiation process.

Some ammunition, when used in handguns that criminals often carry, will penetrate the soft body armor that is worn by more and more police officers today. The body armor is generally made of multiple layers of Kevlar fabric which eliminates much of the bulkiness associated with the older types of body armor. The purpose of this legislation is to keep this handgun ammunition from the hands and guns of criminals by making it unavailable to the general public.

This legislation bans the manufacture, importation, and restricts the sale of the proscribed ammunition. Furthermore, S. 104 defines "armor-piercing ammunition" in terms of the metallic composition of the projectile. This definition provides ample notice to commercial manufacturers and to individuals who load their own cartridges of the types of projectiles covered by the statute. The bill also includes three commonsense exceptions to the definition: One of these authorizes the Secretary of the Treasury to exempt from the ban any projectile that he finds to be used primarily for sporting purposes.

In my opinion, this legislation provides a workable statute and one that deals reasonably with all of the interests concerned. I commend the administration, the National Rifle Association, and the representatives from police organizations throughout the country for their achievement. I strongly urge my colleagues in the Senate to act favorably on S. 104.

Mr. DENTON. Madam President, I am pleased to join my distinguished colleague from South Carolina, Mr. THURMOND, in support of S. 104, a bill which will amend Chapter 44, Title 18, United States Code, to regulate the manufacture and importation of armor-piercing ammunition. The bill strikes an appropriate balance between the need to make our law enforcement officers as safe as possible and the need to maintain the second amendment rights of law-abiding citizens.

The bill would limit the manufacture and importation of armor-piercing ammunition to the military and other Federal, State, or local government agencies who may have legitimate needs for this type of ammunition. Additionally, the bill would provide for a mandatory penalty on the possession of armor-piercing ammunition during the commission of a violent felony. Specifically, the bill would:

First, set up a definition of armor-piercing ammunition which specifically excludes sporting ammunition, including ammunition released by the Director of Civilian Marksmanship of the Department of the Army;

Second, make illegal the manufacture and importation of armor-piercing ammunition, except for use by the Government, for exportation or for the purposes of testing or experimenting authorized by the Government;

Third, set up a $1,000 licensing fee for manufacturers and importers of armor-piercing ammunition;

Fourth, subject a licensed dealer to license revocation for selling armor-piercing ammunition manufactured or imported after the effective date of the act;

Fifth, require that all importers and manufacturers clearly mark all bullets and packages that contain armor-piercing bullets; and

Sixth, set up a minimum mandatory sentence of not less than 5 years for persons who use or carry armor-piercing ammunition during the commission of a violent felony.

The bill was engendered out of a concern among law enforcement officials, legislators, and the general public at large that certain types of armor-piercing ammunition are readily available on the commercial market and that such ammunition poses a severe threat to the safety of our law enforcement officials. The bill addresses these concerns without restricting or interfering with the legitimate use of firearms for hunting, trap or skeet shooting, formal or informal target shooting, or gun collecting. The bill restricts the misuse of armor-piercing ammunition without impacting on sporting ammunition. The bill has the support of the National Rifle Association and various law enforcement organizations.

I commend Senator THURMOND for sponsoring the legislation, and I urge my colleagues to support passage of S. 104.

Mr. THURMOND. Madam President, I now ask unanimous consent that the committee amendment be agreed to and considered as original text for the purpose of further amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment in the nature of a substitute was agreed to.

Mr. THURMOND. Madam President, I now yield to the able and distinguished Senator from Delaware, the ranking minority member of the Judiciary Committee, Senator BIDEN.

Mr. BIDEN. Madam President, I will try not to be repetitious and I will be very brief.

I am obviously delighted that we have finally gotten to this point and I am delighted to join with Senator THURMOND in passing out this very important piece of anticrime legislation.

Today we have a bill that will assist, in my view, 570,000 law enforcement officers in this country. The bill, to state the obvious, is intended to ban the availability of armor-piercing bullets that obviously pose a potential threat to police officers.

First, the legislation defines armor-piercing ammunition so as to cover all materials now in use.

Second, it does not include shotgun shot used for hunting nor any projectile which the Secretary of the Treasury finds is primarily intended for sporting purposes.

Third, it bans the importation and manufacture of armor-piercing ammunition except for use by the Government or for exportation.

Fourth, it requires the clear marking of this ammunition so that there will be no misunderstanding.

Fifth, it sets a $1,000 license fee for manufacturers and importers of armor-piercing ammunition.

Sixth, it restricts any future sale of ammunition produced after the date of enactment of this legislation.

When reviewing the contents of this bill, I think my colleagues would find it hard to understand why it has taken us so long to get this bill before the full Senate for consideration. The House has already acted on a similar piece of legislation passed by an overwhelming vote of 400 to 21.

I think it might be helpful if I very, very briefly outline the course this legislation had to travel.

In the 97th Congress, under the leadership of Senator MOYNIHAN, S. 555, the Law Enforcement Officers Protection Act of 1983, was introduced. The thrust of the legislation is incorporated in this bill.

Senator MOYNIHAN, I might say, is to be commended on his diligent work on this issue, and should be, in my view, given much of the credit for bringing the original matter to the attention of all of us.

Shortly thereafter, my senior colleague and chairman, Senator THURMOND, and others on the floor today, held a hearing on the matter in March of 1984. It became clear that there was a problem in the definition used in the bill and that additional technical adjustments were necessary for the legislation.

It was my contention that a compromise position that would get these bullets off our streets and not infringe upon the legitimate rights of hunters and sportsmen could be and had to be found. At that hearing, I asked the Treasury Department representatives to begin working on the new definition that would be based on voluntary requests to current ammunition importers and manufacturers not to deal in armor-piercing bullets.

The bill we are considering today is a culmination of the effort and compromise and has involved numerous law enforcement groups, the National Rifle Association, the Department of Justice, and the Treasury Department.

Madam President, police chiefs and police departments around the country know all too well the grave danger posed by these armor-piercing bullets. The legislation that we have before us today has been endorsed by the National Association of Police Organizations, the Federal Law Enforcement Officers Organization, the Fraternal Order of Police, the International Brotherhood of Police Organizations, the International Union of Police Organizations, the National Sheriffs Association, the International Association of Chiefs of Police, the National Organization of Black Law Enforcement Officers, and literally hundreds of State and local law enforcement organizations.

Madam President, passage of this bill is long overdue.

Speaking before the National Sheriffs Association in June 1984 the President stated, "I fully expect to be signing the cop-killer bullet bill before the Congress adjourns."

In a bipartisan spirit and on behalf of men and women in law enforcement communities around the country, I am grateful that we can now move one step closer in the enactment of this bill. I ask my colleagues to not only vote for this, but I think we should show our overwhelming support in this vote, making clear to law enforcement officers that we understand the problem and we have not forgotten them.

I thank you, Madam President, and I yield the floor.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. BIDEN. Madam President, I yield such time as the Senator may require.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. Madam President, today, the Senate has the opportunity, and the responsibility to protect the Nation's law enforcement officers. The bill before us today, S. 104, would ban the manufacture, importation and sale of lethal armor-piercing ammunition, known as cop-killer bullets, which threaten police across the country. I am proud to be joined by the distinguished chairman of the Judiciary Committee, Senator THURMOND, and the ranking minority member, Senator BIDEN, in offering legislation to protect our police by banning these bullets.

Cop-killer bullets have no place in the arsenal of any sportsman or law-abiding citizen. They are used for but one purpose—to kill or wound police officers, Federal law enforcement officers, even Presidents and other public officials—when they are wearing bulletproof vests. Armor-piercing ammunition, originally developed to help police officers fight crime, now threatens the lives of those officers.

Our legislation would ban the manufacture, importation and sale of solid projectiles and projectile cores made entirely or as a combination of tungsten alloys, steel, brass, iron, beryllium copper, or depleted uranium. Such bullets travel faster than do normal bullets, and they do not collapse when they hit their targets. The bill would not ban gunshot used for hunting, nor would it ban the manufacture of armor-piercing bullets for export, for the use of law enforcement and military agencies, or for testing purposes.

I am especially pleased that the Judiciary Committee voted unanimously to include restrictions on the sale of these bullets and that the Treasury Department supported this amendment. As amended, S. 104 would prohibit the "willful" sale of cop-killer bullets manufactured after this bill is enacted, and would require that all armor-piercing ammunition bear a distinctive marking to distinguish it from conventional rounds.

The committee also voted unanimously to reinforce the provisions of the Comprehensive Crime Control Act enacted last year, pertaining to armor-piercing ammunition. The possession of a cop-killer bullet, while using or possessing a firearm during the commission of a Federal crime of violence, will now bring a mandatory prison sentence, without hope of parole or leniency. Under this amendment, anyone who uses cop-killer bullets will suffer the full penalty of the law.

Since the development of Kevlar and similar materials used in bulletproof vests more than a decade ago, flexible body armor has saved the lives of more than 500 police officers. From 1974 to 1983, the number of law enforcement officers slain in the line of duty fell 43 percent. Many of those lives were saved by bulletproof vests; a single cop-killer bullet could have rendered any of those vests useless. In a test conducted by the California State Police, one armor-piercing bullet—the KTW variety—penetrated four bulletproof vests and five Los Angeles County telephone books stacked behind them. This is ammunition of no legitimate use to hunters or target shooters.

It has been a long struggle to bring this matter to the attention of Congress and the floor of the Senate. In the 97th Congress, on February 22, 1982, I introduced S. 2128, my first attempt to ban cop-killer bullets; it received support from two Senate cosponsors. Representative MARIO BIAGGI of New York, who has been a tireless advocate of this cause, introduced identical legislation, H.R. 5437, in the House of Representatives. In the first month of the 98th Congress, on February 22, 1983, I introduced S. 555, legislation identical to the bill I had proposed the previous year. Representative BIAGGI again offered companion legislation. I was joined on S. 555 by 19 Members of this body, and I asked the administration to support a ban on cop-killer bullets. On May 31, 1983, Mr. Robert McConnell, Assistant Attorney General, wrote to say that the administration would support only penalties for criminal possession of armor-piercing ammunition, but not a ban on their manufacture, importation or sale.

The effort continued, and the Senate Judiciary Committee agreed to hold hearings on S. 555 in March 1984. At those hearings, police officers representing many of the Nation's law enforcement agencies—officers who wear

bulletproof vests and who run the risk every day of facing criminals armed with bullets that can pierce those vests—testified for a more comprehensive ban on the ammunition.

On June 14, 1984, after much negotiation, a compromise was reached, and with the support of the administration, Senators THURMOND, BIDEN, KENNEDY, and I introduced S. 2766. Twelve days later, the Judiciary Committee reported out S. 2766 favorably.

When, near the end of last year's session, the measure had not yet been considered by the full Senate, I offered the provisions of S. 2766 as an amendment to the omnibus continuing resolution. Unfortunately, the Senate chose not to act on the legislation at that time. And so, at the close of the 98th Congress, no ban was enacted on cop-killer bullets. The Nation's police were told to wait.

On January 3, 1985, the first day of this Congress, Senators THURMOND, BIDEN, and I introduced S. 104, the legislation now before us. S. 104 has received the support of 62 Senators, both Democrats and Republicans, and on July 25, the Judiciary Committee voted unanimously to report the bill favorably.

On December 16, 1986, the House passed overwhelmingly, 400 to 21, its version of this legislation.

Police chiefs and police departments around the country know all too well the grave dangers posed by cop-killer bullets, and have joined the call to ban them. Legislation to ban cop-killer bullets has been endorsed by the International Association of Chiefs of Police, the Fraternal Order of Police, the National Sheriffs' Association, the National Troopers' Coalition, the International Brotherhood of Police Officers, the National Association of Police Organizations, the Police Executive Research Forum, the International Brotherhood of Police Associations, the United Federation of Police, the Federal Law Enforcement Officers Association, and hundreds of State and local law enforcement agencies. In my own State, such a measure has been unanimously endorsed by the New York City Council and the New York State Assembly. The members of Handgun Control, Inc., also have been especially diligent in their efforts to protect the public from these bullets.

I would also like to recognize the efforts of several members of congressional staff who have been especially diligent in bringing this matter to the attention of the public and to the floor of this body—Scott Green of Senator BIDEN's staff; Craig Floyd of Representative BIAGGI's staff; Diana Waterman, an aide to Senator THURMOND, and Sheila Bair, an aide to the distinguished majority leader.

It is unusual that the same opportunity presents itself twice to this body, but legislation to reduce the threat of cop-killer bullets has come before us again. We still can, and must, act—on behalf of the thousands of law enforcement officers across the country who have spoken in its support.

Speaking before the National Sheriffs' Association in June 1984, President Reagan said, "I fully expect to be signing a cop-killer bullet bill before this Congress adjourns." We have the chance now to give the President that opportunity, denied him in the last Congress. Now is the time to enact strong and comprehensive legislation to end the threat to our police officers posed by cop-killer bullets.

Madam President, as we do proceed through this legislation, might I just take a moment of the Senate's time to express the appreciation that all of us who have been involved have for the President pro tempore, without whom we would not be in the circumstances we find ourselves, and his distinguished ranking member, the Senator from Delaware [Mr. BIDEN].

Madam President, this has been a journey of some length. I would like to record that the matter was first brought to my attention by Mr. Phil Caruso, of the New York City Patrolmen's Benevolent Association who first encountered the problem of the use of these bullets against officers wearing body armor.

It is perhaps not known that many law officers in this country routinely where body armor. It has been an extraordinary experience inasmuch as a great deal of this has involved community effort to raise the money to purchase the vests, a kind of bonding with the police for which I think our communities are all the better. But this sense of security being dissipated by these projectiles, these bullets.

Madam President, I want very much to be specific that in 1984, our dear friend, the Senator from Nevada, Senator LAXALT, joined in a colloquy with me in which he said there would be hearings on this matter in the Subcommittee on Criminal Law of the Judiciary Committee. There were hearings.

Senator THURMOND and Senator BIDEN joined in the Judiciary Committee and worked out a very special arrangement that brought the administration, the National Rifle Association, and the Congress together in support of this measure.

Madam President, I think it was perhaps a surprise for the NRA to learn that much of their membership is made up of police officers, but they did find that out and that was helpful. They responded rationally.

In 1984, an effort was made to add this bill to the omnibus crime bill. We had the problem of a filibuster. Senator THURMOND stated that if we would withdraw the measure it would come up in time and, indeed, his word, as always, has been kept faithfully.

Senator DOLE made a similar commitment in 1985, which he reminded us of last night.

Finally, Madam President, I note that it was President Ronald Reagan who went before the convention of the National Rifle Association in Phoenix on May 6, 1983, and said these bullets we are dealing with today are, "designed to be truly a threat to law enforcement officers who sometimes have to depend on bulletproof vests." Our President went before the NRA and said that.

The following year, in a speech to the National Sheriffs Association in Harftford, CT, he stated, "I expect to be signing a cop-killer bullet bill before this Congress adjourns."

That was not possible, but he will be able to sign it before this month is out, as far as I can see. I think we owe it to him. It is not the easiest thing for him to have done what he did. It is a mark of respect for the President as well as concern for the issue and the men and women involved that we proceed today.

Madam President, we are going to have a number of amendments offered, one of which will come from my friend, the distinguished Senator from Idaho [Mr. SYMMS]. I have here a letter in opposition to that amendment from the Police Foundation of which James Q. Wilson is chairman of the board. It is signed by the executive director of the International Association of Chiefs of Police, the National President of the Grand Lodge of the Fraternal Order of Police, the president of the Police Foundation, the executive director of the National Sheriffs Association, and the president of the National Association of Police Organizations. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 6, 1986.

Hon. DANIEL P. MOYNIHAN,
U.S. Senate,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR MOYNIHAN: As the representatives of a wide range of national law enforcement organizations, we write to express our opinions on two amendments that may be offered when S. 104 is considered by the full Senate.

The first amendment, proposed by Senator Steve Symms, R.Idaho, would modify the definition of "armor-piercing ammunition" contained in the bill by restricting only those hard metal and alloy projectiles and projectile cores "originally designed and primarily intended for use in a handgun." We believe that this change in the definition would dangerously weaken the legislation; ammunition that can be used interchangeably in both handguns and other firearms, which is not already exempted by other provisions of S. 104, could be manufactured, imported, and sold without any restrictions. In addition, the amendment proposed by Senator Symms does not offer a

clear definition of the term "handgun." Without further clarification, the Treasury Department will have difficulty determining the range of firearms covered by the provision.

The second amendment, proposed by Senator Luger, R.Ind., clarifies the intent of S. 104—a ban on armor-piercing ammunition capable of use in handgun—without creating ambiguity or narrowing the purpose of the legislation. We support this amendment and urge its adoption.

When the Senate takes up these two amendments, we hope that the views of our organizations, and the interests of law enforcement officers we represent will be given serious consideration.

Sincerely,

Jerald Vaughn, Executive Director, International Association of Chief of Police; Robert T. Scully, President, National Association of Police Organizations; Hubert Williams, President, Police Foundation; Richard A. Boyd, National President, Grand Lodge, Fraternal Order of Police; L. Cary Bittick, Executive Director, National Sheriffs' Association.

Mr. MOYNIHAN. I thank the Chair. I yield the floor.

Mr. KENNEDY. Madam President, will the Senator from Delaware yield time to me?

Mr. BIDEN. I yield 5 minutes to the Senator from Massachusetts.

Mr. KENNEDY. Madam President, I am pleased to join my colleagues today in urging passage of this long overdue legislation to ban the sale of armor-piercing ammunition.

This legislation was first offered 3 years ago by Senator MOYNIHAN and Congressman BIAGGI in response to a surge of serious incidents involving the use of armor-piercing bullets in shootouts against the police.

Three years ago, I was prepared to offer it again as an amendment during the Judiciary Committee's consideration of gun control legislation, but the Justice Department and the Department of the Treasury asked for more time. Now, after constant congressional pressure—and pressure from local police and law enforcement associations across the country—the administration has finally endorsed the provisions of this bill.

Despite the delay, we can take some satisfaction in the broad coalition—both in the Congress and across the country—that has formed in support of this bill to protect the lives of police officers.

We hear a great deal about crime control and the need to support law enforcement. The bill before us is a very clear way to do that. It bans a particularly vicious form of ammunition—cop killer bullets—which are designed to penetrate bullet proof vests and which endanger the life of every police officer in every community in America.

The step we are taking today is positive in and of itself. But I hope that it will also show that supporters of responsible gun control measures are in no way seeking to deprive hunters of their rifles or to deny law abiding citizens of the right to purchase handguns for sporting purposes or for self-protection. Rather, our goal is to keep handguns out of the wrong hands, and armor-piercing ammunition from being used to kill or maim our police officers—the men and women who are on the front lines every day in the fight against crime.

Finally, Madam President, I too, join in thanking the chairman, the Senator from South Carolina [Mr. THURMOND], and the ranking member of the committee [Mr. BIDEN] for bringing this matter up this afternoon. I hope the Senate will resist any efforts in any way to reduce the effectiveness of the purpose of this legislation. I welcome the fact that we are going to finally get disposition of this issue on the Senate floor this afternoon. It has taken us over 3 years, quite frankly, to get there.

The initial proposals made by the Senator from New York and others on this measure provided that discretion be given to the Secretary of the Treasury to define what is a cop-killer bullet. Then it was the judgment of those who were resisting those efforts 3 years ago that we ought to put the definition in the statute itself, which this legislation does.

Again, I think there is no question that we are long overdue in addressing this issue. There have been scores of law enforcement officials who have been wounded in the line of duty over the 3 years Congress has been going back and forth on this issue. It seems to me we ought to be able to give those individuals who are on the front line of protecting American citizens, our police officers, this kind of support as they go about their perilous duty of protecting our citizens from violence and in dealing with the violence in our society, as well as against organized crime. This is a meaningful step, one which I hope all can join in.

In addition, I think this is a firm indication that we are going to support the law enforcement people of this country in an extremely important way. It seems to me that we should act and act expeditiously and work very closely with the House to get this legislation signed into law at the earliest possible time.

As one who has followed this issue closely and listened to the arguments in opposition, I find that they are without persuasion and without basic and fundamental reason. The justification for this legislation is so overwhelming and the support for it is so complete that we should pass it this afternoon.

I commend all of those on the committees and outside the committees who have worked to see us move to this day.

Madam President, I urge all of our colleagues to support this proposal.

Mr. BIDEN. Madam President, I see the Senator from South Carolina had to leave the floor for a moment. I wonder if the Senator from Idaho is prepared to present his amendment? I am confident the Senator from South Carolina would not mind yielding time if he were here.

Mr. SYMMS. Madam President, I thank the Senator. I have some time. I yield myself 10 minutes.

I rise to strongly oppose passage of the legislation. I do that with some trepidation because of my high respect for the President pro tempore of the Senate and for the ranking member of the committee. I know they are very sincere.

I have listened to my colleagues here and I know they are very sincere about why it is they support this legislation. I have no illusions that this legislation may not pass this body today. But I do believe very firmly that the record should be very clear that this legislation is not what it has been presented to be. I am not surprised that it has gotten this far, but I think we should talk about what this bill is.

On its face, the bill defies reason, as it is premised on the theory that an inanimate object is the source of a crime. I have never supported or believed in that theory and I am surprised at the number of my colleagues who seem to believe that argument is valid in this case. Moreover, S. 104 treads heavily on the constitutional guarantee of the right to keep and bear arms. The bill allows Congress to prohibit the manufacture, importation, and sale of certain types of ammunition but provides no clear standard for determining which types of ammunition are constitutionally protected and which ones are not.

This is a media issue clear and simple. Let me first begin by addressing a fundamental problem of the legislation, namely, the fact that the problem it purports to address simply does not exist.

We are asked to vote for a bill to ban the so-called cop killer bullets when there exists not a single documented case of a police officer being killed by an armor-piercing bullet after piercing body armor. The problem here is entirely the creation of the news media.

In 1983, an article appeared in the winter edition of "Combat Arms" in which Evan Marshall, a sergeant detective and 14-year veteran of the Detroit Police Department, makes the following remarks:

> Most of the publicity about police officers and body armor over the last 2 years has been a result of an NBC program on KTW ammunition . . . In a bid for sensationalism, NBC labeled the KTW rounds as "killer bullets."

Officer Marshall goes on to explain the history of KTW manufacture and use in this country and the harmful effects of publicity which raised the public's awareness of police use of body armor. The last paragraph of the article reads as follows—I am going to make a point about this article in a moment but I want to read on and quote from officer Marshall. He says:

Each night before I leave for work at 11 p.m., I take a minute to make sure my six kids are properly tucked in. After kissing my wife goodbye, I put my vest on and go to work. The possiblity that someone out there might have KTW ammo doesn't bother me much, but the worry that the publicity about body armor has seriously negated its value is a legitimate concern. Responsible journalistic techniques, if not mere commonsense, dictate that we temper the right to know with the need to know, especially when there are law officers' lives at stake.

Mr. President, I ask unanimous consent that the entire text of the article by Officer Marshall be printed at this point in the RECORD.

(Mr. SIMPSON assumed the Chair.)

There being no objection, the text was ordered to be printed in the RECORD, as follows:

A POLICE VIEW OF THE SO-CALLED "COP KILLER" BULLET

(By Evan Marshall)

Most of the publicity about police officers and body armor over the last two years has been a result of an NBC program on KTW ammunition. Entitled "Killer Bullet," NBC's presentation was a mixture of half-truth, hype and the unwarranted exposure of the existence and use of soft body armor by police officers. Many of us in law enforcement were extremely fearful that such exposure would result in the unnecessary wounding of officers, and that fear has become a reality.

In a bid for sensationalism, NBC labeled the KTW rounds as "killer bullets." Evocative, to be sure, but as the readers of "International Combat Arms" know, any bullet can be a killer! In fact, the very design of the KTW offering makes it a round with great penetrating ability, but relatively limited stopping power. Of even more significance is the fact that according to an FBI report, there is not a single instance where an officer has been killed with KTW ammunition. So why ban the KTW? After all, the numbers of officers killed with conventional, commercial brands of handgun ammunition are unacceptably high, yet I've never heard anyone advocate the banning of conventional ammo on these grounds.

The NBC show gave the impression that KTW is a new product, and that the network, Congressman Mario Biaggi and others identified this new threat immediately and acted to protect police officers before it became widely available. That impression is quite false. KTW has been around for a number of years. I did an article on it eight years ago, and it had been around for a couple of years at that time!

KTW was originally developed by three individuals in Lorain, Ohio, after the officers there had found their traditional .38 Special loads had proven inadequate to penetrate the sheet metal of a felon's vehicle. The first bullets were made of a special tungsten carbide core, but this approach soon proved too expensive, and the current version is a bronze core coated with green Teflon.

The round has great penetrating ability and is a superb choice for certain, specialized police situations. I'll be the first to admit that it is not well-suited to routine law enforcement use. First of all, it's not very wise to carry ammunition in your handgun that will penetrate your own vest, whether the ammo in question is KTW or not. I do, however, recommend that an officer carry a spare speedloader or magazine of this load, for those situations where ammunition capable of penetrating various barriers is needed. While these situations may happen only occasionally, I've personally been involved in at least three incidents where the ammunition available was not capable of penetrating the barriers protecting the "bad guys."

Biaggi and company would apparently like us to believe that this ammunition has no place in law enforcement. I suggest that they tell that to the families of the two police officers killed in Nyack, New York, by a terrorist wearing a bulletproof vest. When captured, he still had one of the officer's bullets imbedded in his vest. Or tell it to an officer in my department who was shot by a felon wearing soft body armor. The felon was hit several times by handgun loads without effect. The officer involved in this unfortunate incident is now on permanent disability.

Another argument advanced by the "Killer Bullet" story is that this round is not being used by law enforcement agencies in this country. John Klein, manufacturer of KTW and other law enforcement products, recently allowed me to look through his invoices. While John justifiably defends his right to keep his customers' identities confidential, I can assure ICA readers that not only do local and state law enforcement agencies purchase the ammunition in impressive quantities, but a great deal of it goes to Federal law enforcement agencies and U.S. military units as well! Most KTW rounds are produced in 9 mm Parabellum and go to foreign clients. Some sensational terrorist incidents overseas were "settled" by KTW.

On a recent visit to the KTW plant, I saw 20 cases of KTW 9 mm marked for shipment to a country in Europe with severe terrorist problems. Obviously, one does not buy such a quantity of ammo unless one is convinced of its efficiency and applicability.

The main thrust of the "Killer Bullet" program was apparently to expose the general public to the existence of soft body armor. Kevlar vests were used as a test medium to demonstrate the KTW's penetrating qualities. This is worrisome, but it gets worse—they went on to show officers donning concealable body armor in a locker room setting. What did this exposure have to do with "Killer Bullets"?

During hearings in Washington, Biaggi repeated his performance for the media, making it public knowledge that not only police officers, but the President of the United States rely on soft body armor for protection. Biaggi's actions belie his supposed concern for the safety of law enforcement personnel.

In contrast to some pro-police organizations, the National Rifle Association has wisely recognized that the "Killer Bullet" controversy represents a gun control issue. If the anti-gun people can begin to restrict ammunition, they can get gun control through the back door.

Vests are built to different threat levels, and a vest that is designed to stop .38 Specials will be easily defeated by .357 lead loads or 9 mm FMJ ammo. Since these "killer bullets" can penetrate police body armor, they should be outlawed too, right?

In light of his support of a "media event" which brought soft body armor into the limelight, I find it extremely ironic that Mario Biaggi is now introducing a bill to make it a Federal offense to wear a bulletproof vest during the commission of a felony. In fact, in the Summer 1983 issue of *The Journal* (The official publication of the Fraternal Order Of Police) there are two news releases supplied by Biaggi regarding his proposed ban on armor-piercing ammunition and his bill that would make it a crime to wear body armor during commission of a felony. He mentions the increase in armor-clad criminals as justification for such legislation. What will cops use to defeat such a threat if Biaggi gets his way and bans KTW?

Each night before I leave for work at 11 p.m., I take a minute to make sure my six kids are properly tucked in. After kissing my wife goodbye, I put my vest on and go to work. The possibility that someone out there might have KTW ammo doesn't bother me much, but the worry that the publicity about body armor has seriously negated its value is a legitimate concern. Responsible journalistic techniques, if not mere common sense, dictate that we temper the *right* to know with the *need* to know, especially when there are law officers' lives at stake.

Mr. SYMMS. The sponsors of this constitutionally onerous measure seek to address a problem which simply does not exist. Police officers are not being killed by solid core bullets piercing their body armor. Rather, police officers have suffered an injustice caused by media hype surrounding this issue. Criminals are now aware that their potential victims, the cops, may be wearing body armor and they are aiming for parts of the body which are unprotected.

That is the part which bothers me. That is the part which concerns this Senator even to be discussing this on the floor, because it makes the information available and creates the impression that somehow they should aim for different parts of the body.

I wish to get on to another point, Mr. President, punishing people and not things. This is a fundamental point of what is wrong with this legislation. It is a problem I alluded to at the beginning of my remarks. Presumably, the intent of the bill is to reduce the possibility that police officers will be killed by a solid core bullet penetrating body armor. The problem is we have already increased significantly the possibility that police officers will be killed by raising the public's knowledge about body armor, and we are now asked to support a bill that addresses criminal activity not by focusing on the individual who commits a crime but by focusing on an inanimate object which may be used in a crime.

Mr. President, I have recently read an article written by Amy Goldstein, a reporter for the Baltimore Sun, enti-

tled "Baltimore Will Replace Outdated Vests to Give Police Officers Better Protection."

Miss Goldstein reports that just 6 days before Officer Vincent J. Adolfo was killed by a bullet that passed through his armored vest, the Baltimore Police Commissioner announced his intention to replace the vests issued by the city. At the time the article was written, the police had not identified the kind of bullet that killed Officer Adolfo, but they believed it was fired from a high velocity weapon, perhaps a .357-caliber Magnum handgun.

Mr. President, I found the article interesting for what is says about the problem of the so-called cop-killer bullets. Indeed, there are bullets which will pierce body armor, and thus they may kill a police officer, even though he or she is wearing a standard issue vest.

In this case, we do not know what type of bullet the assailant used, but we do know he used a gun which could easily have pierced the vest Officer Adolfo was wearing with a standard .357-caliber Magnum bullet. Such standard bullets would not be affected by this bill, but they are described as armor piercing because of their metal jacketing and high velocity. In other words, there is no scientific or comprehensive definition of armor piercing bullets. The possibility that a bullet will pierce a vest depends on a number of factors, including the caliber and the velocity of the bullet and the protection in the vest. According to the Baltimore Sun article, police spokesman Dennis Hill said that the department's vests are rated at threat level 1, which refers to the number of layers of Kevlar Aramid fiber in the vest. A threat level 1 vest could not have been expected to deflect a slug from the kind of gun apparently used to kill the officer, according to the National Institute of Justice which sets body armor standards.

The point is that if Congress really wants to help protect the lives of police officers, we should be considering legislation that focuses on the act of committing a crime and provides for punishment suitable to the crime. Instead, we are considering a bill which will infringe on the constitutional rights of gun owners and sportsmen without providing any means to prevent or significantly deter the killing of police officers.

Mr. President, I ask unanimous consent that the Baltimore Sun article to which I have referred be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SYMMS. Mr. President, for the benefit of my colleagues who are here on the floor who are interested, I have brought with me some examples of the armor-piercing capacity of various types of ammunition, some which would be banned under the bill and some which would not. This testing was done in 1976. I have some examples here of a Kevlar vest, eight samples.

This is just one sample. The common handguns were the .38 special, the .357 Magnum, and the .45. Both the .38 special and the .357 Magnum were fired from the same weapon with a 4-inch barrel. The .38 was a commerically purchased, standard-velocity, 58-grain bullet. The .357 was a high-velocity 158-grain jacketed soft point. These bullets were fired at a distance of 3 feet into various thicknesses of layered Kevlar, backed by wet paper pulp simulating a human torso. Results indicated that even a mild round from the standard low-velocity .38 caliber lead slug could penetrate up to the fourth layer. The full metal .45 low velocity could penetrate up to the fifth layer. The high-velocity .357, the same weight and size as the .38, could penetrate several additional layers. Therefore, the conclusions were that any round, solid core, exotic alloy or even commercially produced lead slugs, will penetrate soft body armor based on the velocity of the particular round, and even the .38 special high-velocity 125 grain that are commercially available will defeat all but the heaviest of body armors.

Mr. President, I have those here for any of my colleagues who would like to look at them.

Incidentally, Mr. President, the tests were run by then 1st Lt. Sam Routson, U.S. Marine Corps, over at the Eighth and Eye Street barracks. He happens now to be my administrative assistant. He is still active in the Marine Corps Reserve. I think they are very good tests, and anybody who doubts the validity of them is welcome to call him and discuss it with him.

The purpose, Mr. President, of displaying these examples is to make clear the disparity between what the bill's proponents say it will do on the one hand and what it will actually do on the other hand. The proponents are saying it will ban armor-piercing ammunition and thereby save lives of policemen. At this point I would like to use some steel plates here to show what has happened.

Mr. President, it is a little difficult for the distinguished majority whip of the Senate to see this from his seat, but I know in Wyoming a great many of his sportsmen would be interested in this.

This is shot through a half-inch iron plate from 100 yards with a .460 Weatherby Magnum, 500 grain bullet, soft point, which penetrates right through it; a .450 Winchester Magnum, 500 grain soft point—the point is that the supersolid brass bullets, the kind that are defined in this legislation, do not penetrate the iron plate, yet the soft-nosed bullets do go right through. And I think that is the point. What we are trying to do here is to make a definition.

Here is a .223, 55-grain hollow point that goes through a quarter-inch of steel.

And those are ammunitions that would not be banned by the legislation.

These are some other examples, cross-sections of lead core bullets, and so forth, which are here for my colleagues. The lead core standard hunting bullets are not banned, and these are bullets that would be banned—all used in hunting moose, elk, and so forth, unless we can make an amendment to this legislation.

Mr. President, the point I want to make on these demonstrations is that the proponents are saying that we are going to ban armor-piercing ammunition and thereby are going to save lives. That is a good cause, and I am for that. But it actually bans a few types of bullets which, like millions of rounds of bullets not included in the bill, will pierce armor at a sufficiently high velocity on impact.

On that point, the 9 millimeter cartridge that is now becoming the standard military pistol for the U.S. Armed Forces, with the steel-jacketed bullet that is standard issue, which will be used in the National Marksmanship Program, will be ammunition that penetrates the Kelvar vest. I do not know exactly what Congress has in mind for this in the future. If they want to outlaw the National Marksmanship Program, stop the surplus sale of standard military ammunition for our young people to be able to learn gun safety and the handling of firearms for security purposes and self-protection, I think that does present a problem to us, because the standard military ammunition to be used in the National Marksmanship Program in the future will penetrate these vests.

My strongest objection to the bill can be summarized in this question: If Congress is able to limit the second amendment right of the people to keep and bear arms on the basis of the armor-piercing capacity of ammunition, can there be any constitutional limit on the quantity and types of ammunition that may be banned by some future Congress? Based on the constitutional standards set in this legislation, Mr. President, I wonder if there remains any constitutional limit on Congress' authority to restrict the people's access to ammunition.

That is one case. Now I want to talk about another matter that I think Congress can do something about, and I think the opponents can support part of this.

There is a lack of knowledge about the impact of the bullet ban. For example, only within the last 6 months have we discovered a number of industrial and construction purposes for single metal projectiles which would be banned under the current language of the bill. For those who may be unaware of this information, the bullet ban as presently construed would have the following adverse effects, and I hope that the ranking minority member and the distinguished chairman of the committee will be able to support corrective amendments to correct this, which will be offered shortly.

First. The oil industry uses single metal bullets fired through the steel casings of oil wells to fractionate the oil bearing strata and provide a channel for the oil to run into the well casing. Also, steel projectiles are fired into the ground to provide seismic readings.

Second. Steel manufacturers use single metal bullets, fired at the slag build-up on the walls of furnaces, to remove the slag while the furnace is still hot, thereby avoiding 3 or 4 days of down time.

Third. The New Mexico School of Mines has in the development stage a gun to be used in mines to fire depleted uranium or other single metal bullets at the rock face to provide bore holes for dynamite charges that would otherwise have to be drilled by hand.

Fourth. The building construction industry uses ram sets, pneumatic nail drivers and power actuated tools to fire single metal projectiles.

I hope we will be able to adopt an amendment that will correct this inequity in the bill and make it more workable for the commercial and industrial uses of these bullets.

The bullets or projectiles used for each of these industrial purposes would be banned under the current language of the bill; and I believe it is important to note that none of these industrial uses would have been discovered until after the damage was done if we passed the legislation a few months ago.

It was only last year that 95 Members of this body who were well intended, were in favor of passing this legislation without amendment to correct this problem, and the industry people who are using these weapons had no idea that Congress was in the process of passing a law aimed at protecting the lives of police officers which would stop practices such as this. The only reason it did not pass is that this Senator and others objected to it. Otherwise, it would have been passed into law, and we would have been faced with that difficulty.

I think those of us in the Senate owe a debt of gratitude not to ourselves and not to the Senate, but we do in fact owe it to the hardworking and dedicated officers at the Gun Owners of America, the Firearms Hardcorps, and the Citizens Committee for the Right to Keep and Bear Arms. I want to take this opportunity, Mr. President, to thank Larry Pratt, Gary Curran, Neal Knox, and John Snyder for the long hours they have spent helping me discover the deficiencies and incongruities inherent in the bill.

The PRESIDING OFFICER. The Senator's additional 10 minutes have expired.

Mr. SYMMS. I yield myself 5 additional minutes.

We have found another significant problem with the legislation as currently written. Mr. President, I am aware of three plants in the Nation—one in Indiana, one in Utah, and one in Arizona—where single metal bullets are manufactured and sold to hunters who want a nonexpanding bullet generally for one of two reasons: First, nonexpanding bullets will not destroy meat when taking a turkey, deer, or other small, edible game; and second, nonexpanding bullets may be used to penetrate the hide of big game, such as elephants or buffalo.

These manufacturers are small businessmen, at least one of whom has invested his life savings in his business. Under the present terms of the bill, these manufacturers would have to stop their production of single metal bullets unless and until the Secretary of the Treasury determines that the bullets they produce are primarily intended for sporting purposes.

Mr. President, I submit that this bill, as currently written, will unnecessarily threaten the livelihood of these men and their families. I hope we will adopt an amendment which will save their businesses, and I ask unanimous consent that a letter sent by one of the manufacturers, Arthur Alphin, to Senator QUAYLE may be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

A SQUARE,
Madison, IN, 20 February 1986.

Re. S. 104.

Hon. DAN QUAYLE,
U.S. Senate,
Washington, DC
(Attention Ms. Betsy Brand).

DEAR MS. BRAND: First let me say that I thoroughly enjoyed meeting with you and very much appreciate the time you gave me from your busy schedule. This letter is a follow-up to that visit. I am greatly concerned about bill S. 104. This bill will destroy my business, rob me of my invested savings and put 7 employees out of work. As your constituent I need your help in stopping it. Let me explain.

I am a small businessman. For over 11 years I worked on the design of a better non-expanding rifle bullet for sporting purposes. In many cases, hunters do not want a bullet to expand. At the low end of the spectrum this means a bullet that will not destroy meat when taking a deer or similar sized animal. At the high end, animals such as elephant and buffalo must be taken with a bullet that penetrates deep to the central nervous system. An expanding bullet simply cannot do this. These are valid sporting requirements and have been recognized as such for over 100 years. Until now this need was met with a conventional lead cored bullet wherein the jacket material covered the nose. This solution was by no means ideal, for under the stresses of impact the lead flowed as a fluid and the bullet normally deformed.

My breakthrough was to make the bullet of a leaded bronze alloy. By tightly controlling the alloy and the process (I am trying to get a patent) the bullet does not deform on impact with a game animal and yet does not harm the rifle barrel. The bullet gains strength through its homogeneity (hence the name Monolithic Solid™) not through its rigidity or hardness. First introduced on the market in 1984, this bullet met with success. I sell them both domestically and for export. I am licensed by Department of State under PM/MC #1289-3247. As business has expanded I have hired employees. I currently have 3 employees, one of whom is handicapped and was hired under the Federal Work Incentive program. Indirectly the sale of these bullets supports 4 more employees among subcontractors, plus provides partial support of a number of others in transportation and marketing.

Here is the problem: Bill S.104 will Destroy my business and put all of these people in the unemployment line. The bill basically prohibits the manufacture and distribution of bullets (projectiles) made of 7 metals, bronze being one of them. There are exemptions for export. However, export sales alone are not enough to keep the bullet afloat or my company in business. It is only the sum total of domestic and export demand which makes this business economically viable.

There is another potential exemption in the Bill's wording but it involves the discretion of the Secretary of the Treasury. In order to gain this exemption I would have to start adversrial litigation against Treasury. The burden of proof would fall upon me. Even if I were successful in this endeavor I might well have to repeat the process every time the Secretary changed. This, of course, is a moot point for the cost of such legal action will break me. Should the bill pass, I would have no choice but to salvage what money I could from the ruins of my business and start again.

I regard this as extremely unfair. Were I a felon, the burden of proof would be upon the Government and the process would start before a jury, not an administrative court. But I am only a veteran, I enlisted in November of 1965, I bled for our country; do I not at least get the same deal? What about my employees? Doesn't my paraplegic fellow, in his first job since his crippling injury over 4 years ago, deserve a chance to pay off his medical expenses and start a new life for himself? I do not wish to be overly emotional but we do not deserve such treatment.

Of course the question comes up, are we doing something that is a threat to the general welfare of the public? The answer is a thunderous No. One of the great things about my bullet is that it gains strength through homogeneity not hardness. It is actually softer and has a much lower melting temperature than the jacket of a lead-cored bullet. On an animal, this is of no consequence. However, on steel and other forms of metallic armor the rapid deceleration releases heat that melts my bullet and causes

a failure to penetrate. My bullets actually penetrate armor less well than a jacketed, lead cored bullet because the rigid jacket tends to hold the bullet together for the few extra milliseconds required. I can prove this either mathematically or by demonstrative experiment. I might add that such experiments, with projectiles that would be prohibited by the bill, are standard fare in impact and penetration mechanics courses that are part of materials sciences programs at many universities.

Thus far I have mentioned metallic armor. Since the bill is the result of an attempt to protect police, some of whom wear Kevlar vests, why do I say metallic? Simply put, if actions are prima facie evidence of intent, the bill is intended for metallic armor. Of the seven projectile materials in S. 104, 5 of them (tungsten alloys, steel, iron, beryllium copper and depleted uranium) are used by the military for the penetration of steel armor.

Kevlar is, in fact, a flexible cloth. Velocity, not bullet composition, is the determining factor in breaking down the material integrity of Kevlar. The use of a 4 pound Kevlar vest is a trade-off. Such a vest is at the limit of discomfort and bulkiness for the average person. Yet such a vest can only provide protection against low velocity bullets and some oblong fragments. Military vests are not rated against small arms ammunition nor is any police vest rated for bullets over 1400 feet per second. This can be verified with any vest manufacturer or with Stephen Freitas (or any other Kevlar researcher) at Natick Labs.

A policeman wearing a vest is not invulnerable, he is simply playing the odds. Any rifle (using any ammunition) will penetrate a police vest, as will many high-velocity handgun rounds. By use of a file and an electric drill, bullets can be made from aluminum or wooden dowel rod (available in any hardware store and not regulated by the bill) which, when substituted for the relatively heavy lead bullet of low velocity handgun ammunition, will result in high velocity and easy penetration of a Kevlar vest.

Such information should not be carelessly spread about. Much of the protection of the Kevlar vest comes from the fact that the ordinary thug does not see it or know that it is there. If such a thug has a gun and shoots, that gun is frequently a low velocity handgun and the vest will stop most low velocity shots. Recently, I have seen evidence that since the "cop-killer" hoopla started in 1984, there has been over a 500% increase in wounds to the groin and head on policemen. The vests, as shown on TV, don't cover the groin or the head. Thugs aren't stupid and maybe they are learning from the publicity. I do not wish to perpetuate such learning.

Well now, if the bill has little to do with Kevlar and will not result in greater protection of police (a poll I saw from Mr. Larry Pratt indicates that most policemen believe this) what will it do? It will stop this country in its tracks. Its effect on academia, the space program and the mining, construction and oil industries is staggering.

Steel, bronze, brass, aluminum and copper projectiles are commonly used for impact studies in many mechanics and materials courses. Further, many universities conduct private research, using these projectiles, in the area of low, high and hyper velocity impact. This research is used for modeling everything from automobile crashes into guard rails all the way up to meteoroid impact on communications satellites. Such problems as foreign object damage in water driven electric generation turbines and tornado damage to buildings is easily modeled by firing the above projectiles. Studies of the shock waves of such impacts is even essential in determining the Hugoniots and other properties of metals. The use are near infinite. A partial list of universities with courses, programs of research in this area include: Johns Hopkins, Brown, University of Texas (Austin), New Mexico School of Mines, Kansas State University, University of Arizona, University of Dayton, Colorado School of Mines, Texas A&M, University of Kansas, Franklin Institute, and the University of California. Independent research is also carried on at the Southwest Research Institute, Illinois Institute of Technology and the Electric Power Institute. Private industrial research is carried on by General Motors, Honeywell, Owens Corning, General Dynamics, Exxon, General Research Corp., Boeing, Nuclear Metals, Bell Helicopter, Black & Veatch, Kennemetal and a host of others. I must emphasize that this list is short for it contains only the ones that I personally know about.

A better idea of the depth and breadth of such research, and its direct and modeling applications to everyday life, can be had by perusing the constant flow of articles in such periodicals as: the Journal of Applied Physics, Journal of Spacecraft and Rockets, Philosophical Transactions of the Royal Society of London, The Shock and Vibration Bulletin, Journal of Mechanics of Solids, Journal of Materials Science, Journal of Engineering Materials and Technology, International Journal of Fracture Mechanics, Journal of Materials, International Journal of Rock Mechanics of Mining Sciences, International Science and Technology, Proceedings of the Physical Society, International Journal of Engineering Sciences, International Journal of Mechanical Sciences, Journal of Terramechanics, and the Journal of Mechanics and Physics of Solids.

I must emphasize that the above list does not include a large number of books and seminar proceedings on the subject and it does not include any military or government research.

The exemption in the bill for military and government purposes is obviously of little value. The government or military cannot expand to take over all this diverse research. Even, if by some stretch of the imagination, the government did get into guard rails, mining, Hugoniots, power plants, and so forth; how could it cover the universities where the next generation of researchers and scientists is being educated? It is obvious that this bill's impact on academia and research is stunning.

The impact of S. 104 on industry is even more severe. For example, much seismic research includes firing steel and bronze bullets into the ground and taking sensor readings at remote locations. The mining and tunneling industries are using remotely fired steel bullets, in place of rock drills, for making dynamite drill holes. The steel industry uses certain types of steel projectiles for breaking up the slag that occurs in certain steel making processes. Even the construction industry uses steel and bronze projectiles. In the case of steel, they are driven into concrete structures for the attachment of firring strips and the hanging of suspended ceilings and lights. Though I did not lift the panels to check, I believe the ceiling of the Hart Building is suspended by just such means. A sample projective, as available from any industrial supply house, is enclosed. In home construction, pneumatic nail guns firing steel, brass and bronze nails are used in many wood framing and shingling operations. This constitutes a major time savings over hammers and muscle. All of this would be banned by the bill.

Were this not enough, S. 104 would have a critical impact on the oil industry. Purpose-built guns firing steel bullets are an essential item for the piercing of oil well casing and penetration and fracture of rock strata. Such action is necessary in order to allow oil to flow from the strata into the casing so it can be pumped to the surface.

In short, S. 104 is an unmitigated disaster. I understand that some sponsors of the bill would be willing to accept an amendment exempting "industrial use". This is only a half measure. It leaves out the private research, the academic training and me. I spent eleven years and a good portion of my savings to build a business. I defended the American Dream, I "paid my dues" for the American Dream, why should I now be denied the American Dream?

Please help me save my business. Please help save vital academic research. I would be grateful if you and Senator QUAYLE could personally go to Sen. THURMOND and his staff and stop this bill. Failing an outright stop on the bill, I feel that the following amendments are essential:

(1) page 5, line 20, delete "brass, bronze" for brass and bronze have nothing to do with penetrating metallic armor and present no greater threat to Kevlar than lead.

(2) page 5, line 24, delete "the Secretary finds" so that any arbitrary action on the part of Treasury results in the burden of proof falling upon the Government.

(3) amend page 5, line 25 to read ". . . intended to be used for sporting, academic, research, industrial, exploration, recovery, construction and other commercial purposes."

In order to provide you assistance in helping me I have enclosed some extra visual aids. You will find two of my bullets, (the Monolithic Solid™) and a second construction nail. I am preparing photos showing the succes of my bullets in game and their failure on steel. I shall forward a set to you just as soon as they are finished.

Thank you for your time in reading this rather lengthy missive. I will be grateful for anything you can do. Though I can ill afford the loss of time or money, I stand ready to travel to Washington to meet with or talk with anyone. I must fight for my employees and my business. Please help us save our jobs and our future.

Sincerely yours,

ARTHUR B. ALPHIN.

Mr. SYMMS. Mr. President, I would like to quote a number of things from this letter for the benefit of my colleagues on the floor. This gentleman writes an excellent letter. It is sound from the standpoint of practicality. He says:

I regard this as extremely unfair. Were I a felon, the burden of proof would be upon the Government and the process would start before a jury, not an administrative court. But I am only a veteran, I enlisted in November 1965, I bled for our country; do I not at least get the same deal? What about my employees? Doesn't my paraplegic fellow, in his first job since his crippling injury over 4 years ago, deserve a chance to pay off his medical expenses and start a new life for himself? I do not wish to be overly

emotional but we do not deserve such treatment.

He goes into detail and talks about steel, bronze, brass, aluminum, and copper projectiles which are commonly used for impact studies. He says:

Further, many universities conduct private research, using these projectiles, in the area of low, high and hyper velocity impact. This research is used for modeling everything from automobile crashes into guard rails all the way up to meteoroid impact on communications satellites. Such problems as foreign object damage in water driven electric generation turbines and tornado damage to buildings is easily modeled by firing the above projectiles.

What I am saying is if we do not amend this legislation today, we will outlaw legitimate industry that makes industrial and specialized sporting-type ammunition for use in the steel industry, the oil industry, and for other areas.

I urge my colleagues to make reference to this letter that was sent to our dear colleague, Senator QUAYLE.

Mr. President, one of the last points I would like to make is the hue and cry that this is supported by the rank and file law enforcement officer in the United States. I want to say a few words about the support offered in this bill by the Nation's police associations.

First, there is no stronger supporter or Senator that holds the police officers of the United States in higher esteem than this Senator does. I hold them in high regard and I believe we should all be proud of their daily brave efforts to ensure the safety of all of us in this country and their fellow-citizens.

It is out of this respect that I now speak. My colleagues know the support this measure has received from some of the police associations. However, there is another factor to consider—our rank and file police officers.

I have repeatedly heard from police officers in my State who do not believe the passage of the armor-piercing bullet bill will make their jobs any safer or decrease the risk of being fatally shot in the line of duty. This conclusion about the effectiveness of this measure coincides with the results of a recent poll of rank-and-file policemen from around the Nation.

In 1984, Mr. President, I think this is a very significant, the Gun Owners Foundation surveyed 50,000 police officers on the subject of a ban of armor-piercing bullets. The foundation believes that this is the largest survey of its kind ever conducted. The results are quite enlightening: Of more than 10,000 police officers who responded to the survey, 74 percent answered "No" when asked, "Would you feel safer if the so-called cop-killer bullet was banned?"

While certain organizations may be boisterously supporting this measure, they seem to be out of touch with what their members that they represent may be saying. They may believe, and I do not impugn their motives, they may be representing what they believe to be in their organization's best interests, but they do not necessarily reflect what their members believe to be in both the organization's and the Nation's best interest.

This is reflected best in a letter sent by an Illinois police officer to Mr. Neil Knox, the founder of Firearms Hard Corps. I would like to share this letter with my colleagues and read it into the RECORD at this point. I will omit the name and the union local number of the police officer for obvious protection and respect for his privacy.

DECEMBER 4, 1985.

MR. NEIL KNOX,
Firearms Hard Corps,
Silver Spring, MD 20906.

DEAR MR. KNOX: I am a Chicago Police Officer, and NRA life member, and a member of [Fraternal Order of Police] F.O.P. lodge No. ——. Membership in F.O.P. is mandatory or I would have resigned long ago.

I have been active in fighting gun control for many years and I can tell you that most (80-90%) of Chicago Police Officers are pro-gun. Lodge No. —— has given those of us who oppose gun control no help at all.

The main problem is the National F.O.P. It seems that like many national organizations, the leadership is unrepresentative of and unresponsive to the views of the membership. The national F.O.P. has even singled out NRA members in the ranks for criticism, saying that there is only one side to take on the issue (A.P. bullets).

You can advise Representative Volkmer that F.O.P. does not speak for its membership.

(Name omitted)

The PRESIDING OFFICER. The Senator's additional 5 minute have expired.

Mr. SYMMS. I yield myself an additional 5 minutes.

I received countless letters of this kind. I think the 50,000 poll with 10,000 respondents is probably the most widespread poll in the country and probably one of the best barometers of the feeling of those people.

Clearly, a distinction needs to be drawn between individual police officers across the Nation and the organizations which purport to represent these officers. Whereas the organizations' leadership strongly support this ban, they seem not to have surveyed adequately their members. I believe the significant majority of the Nation's police force opposes the ban.

Mr. President, I intend to vote in support of what I believe to be a fundamental and inviolable constitutional right, the right to keep and bear arms. I will vote against final passage of this bill because I believe it violates that right, and I urge my colleagues to join in that vote.

EXHIBIT I

BALTIMORE WILL REPLACE OUTDATED VESTS TO GIVE POLICE OFFICERS BETTER PROTECTION

(By Amy Goldstein)

Six days before a fatal bullet pierced the armored vest of Officer Vincent J. Adolfo, the Baltimore police commissioner said he intended to replace the vests issued the city's 2,000 officers with ones that would provide better protection.

In a Nov. 12 memo, Commissioner Bishop L. Robinson said, "We believe it is necessary to increase the level of protection" against big, high-speed bullets that police are seeing more often.

The vests, which all Baltimore police officers are required to wear, are nine years old and now have the lowest rating on a national scale ranking the protectiveness of various kinds of "soft body armor," according to Dennis S. Hill, a police spokesman.

Police have not yet identified the kind of bullet that passed through officer Adolfo's vest and struck his heart, killing him. But they believe it was fired from a high velocity weapon, perhaps a .357-caliber Magnum handgun.

Mr. Hill said the department's vests are rated at threat-level one on a four point scale—with threat-level four the most protective. They could not have been expected to deflect a slug from the kind of gun apparently used to kill the officer, according to the National Institute of Justice, which has set standards for body armor since 1971.

The vests, which slip over the head, cover the chest and are worn under an officer's uniform, are designed to deflect relatively small, standard bullets, Mr. Hill said. The police commisioner wants new vests that will protect against more powerful .357-caliber Magnum and 9mm bullets as well, the spokesman said.

There is a realization the weapons are getting more high-powered and the protection is not, so he decided to upgrade the protection," Mr. Hill said.

Armored vests now are made that can deflect bullets from a .44-caliber Magnum handgun or a submachine gun, according to Lester Shubin, head of technology assessment for the National Institute of Justice, the research arm of the U.S. Department of Justice.

Commissioner Robinson said in an interview yesterday his decision to replace the vest was prompted in part by the Sept. 1 shooting of a police sergeant in West Baltimore which marked the first time a criminal's bullet had penetrated a department issue vest.

Sgt. Terrence P. McLarney was shot three times by a fleeing robbery suspect. One of the 9mm slugs passed through the officer's bullet resistant vest and wounded him in the abdomen.

Commissioner Robinson said his department is preparing to hire an outside ballistics laboratory to test vests and recommend one that will meet "the most recent national performance standards." He said he was uncertain how soon new vests would be purchased, although Mr. Hill said the department expected to buy them by next June.

Officer Michael P. Dunn has first-hand proof of their effectiveness.

In April 1979, he was shot when the driver of a van he'd stopped in South Baltimore for a traffic violation turned out to have inside two women he'd kidnapped, raped and robbed.

The driver was two feet from Officer Dunn when he fired a .32-caliber handgun three times. One of the bullets struck the officer's vest in the middle of his chest but did not penetrate it.

"The doctor told me if it hadn't been for the vest, half my heart would have been blown away" said Officer Dunn, 30, who works in the department's community relations division.

The department bought its current vests in 1976 from the Protective Apparel Corporation of America in Englewood Cliffs, N.J., which sells bullet-resistant vests of several types.

The department bought its current vests in 1976 from the Protective Apparel Corporation of America in Englewood Cliffs, N.J., which sells bullet resistant vests of several grades to police departments around the country. Like most armored vests, they are made of Kevlar Aramid Fiber by the Dupont Company. A Dupont spokesman said yesterday that the fiber, which was introduced commercially in 1972 and also is used in making airplanes, tire cord and high-strength rope and cables, is five times as strong as an equal weight of steel.

The spokesman said the protectiveness of a given vest is determined by the number of layers of fabric and its weave.

In Baltimore County, police are issued vests similar to those issued in Baltimore, according to E. Jay Miller, a county police spokesman. Mr. Miller said the county police periodically review the quality of the vests and have no plans to replace them.

In Anne Arundel County, the Police Department has been gradually replacing the original vests it brought in the late 1970s. The county began two months ago buying new ones that "will take a [.357-caliber and .44-caliber Magnum]," according to Capt. Edgar F. Koch.

The Maryland State Police also issues armored vests to its troopers, but declined yesterday to say how much protection they provide.

Baltimore's Police Department is the only one that requires its officers to actually wear the vests, although Mr. Hill said no one ever has been penalized for failing to wear one.

Mr. Shubin, of the National Institute of Justice, said there is no recommended national standard of protection for armored vests. He said that police departments should choose their own by watching the kind of weapons they confiscate.

He said that properly chosen, well-cared-for vests should keep officers safe. "If you've got it in the right threat level, it'll work every time."

Mr. SYMMS. Mr. President, I see the distinguished Senator from Ohio on the floor. If he wants to speak on the general legislation I can withhold offering my amendment. Does the Senator wish to speak on the bill itself?

Mr. METZENBAUM. I thank my colleague from Idaho. I do indeed.

Mr. SYMMS. Mr. President, how much time do we have remaining under the 1 hour?

The PRESIDING OFFICER. The Senator has 31 minutes.

Mr. SYMMS. Mr. President, I reserve my 31 minutes.

Mr. BIDEN. Mr. President, I yield to the Senator from Ohio 7 minutes.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, this bill was reported unanimously by the Judiciary Committee in July. It has over 64 cosponsors. In the last Congress this bill had over 90 cosponsors. Unfortunately diehard opponents of any type of gun regulation have kept it from coming up.

Finally, we have a chance to pass it, and we should do so as soon as possible.

In fact, there still is opposition to the bill as indicated by the Senator from Idaho moments ago. He talks about the right to bear arms. No one takes issue with the right to bear arms. But the issue does have to do with what kind of arms are borne.

This bill does two basic things: First, it bans the manufacturing, importing and selling of ammunition that pierces bulletproof vests. Second, it provides a prison term of 5 years for the act of carrying this ammunition in the course of carrying out a Federal crime of violence. There is an exception for use of this ammunition for legitimate sporting purposes.

Frankly, I found that to be rather interesting, the exception for legitimate sporting purposes. I suppose you need armor-piercing bullets if you are inclined to go out and shoot rhinos or elephants or hippos which are to be found in every State of the Union. But I do not know of any animals that are that large. It is my understanding that some have argued you need this because some hunters want to be certain that you pierce the animal completely and therefore you want to have an armor-piercing bullet. I cannot really believe that you need a bullet having the strength of an armor-piercing bullet to kill a deer or turkey or wild goose, whatever the case may be.

I do not believe that we need armor-piercing bullets for any purpose, but there is an exception in the bill for legitimate sporting purposes and, therefore, I will not object to it.

What possible legitimate objection to this bill could there be? It is aimed at a sinister type of ammunition that creates a threat to the lives of law enforcement officers. We do not need these bullets on the shelves of our neighborhood gun stores. Law enforcement officials every day of the week put their lives on the line for us. I think that we have an obligation today to put our votes on the line for them to give them a fighting chance in fighting the most vicious criminal element who would see fit to use this kind of ammunition.

The bill is supported by every major law enforcement organization in the country, including the International Association of Police Chiefs, the Fraternal Order of Police, the Trooper Coalition, and the National District Attorneys Association. And in the last Congress, even the National Rifle Association supported a bill which was virtually the same, although it is my understanding that at the present time, they are neutral.

I really question what particular validity does it have when all of these organizations speaking for their members indicate their support of this legislation. Then there is some poll taken. At least we are told about a poll. I have not seen the poll. I do not know how the question is asked and I think it depends on how it is asked. We all know so well that you can ask a question in whatever way you want in order to get the kind of answer that you want. So when my colleague from Idaho indicates that 74 percent indicated in the negative when they were asked if they would feel safer if cop-killer bullets were banned, I suppose I have to check and see how did they ask the question, what was the real significance of it. And even if that were so, when the organizations who are speaking for those members and who have studied the issue all come down on the side of saying that we ought to ban the cop-killer bullets, how can anyone stand on the floor and say that we still ought to permit them to be sold in this country?

This bill was brought up at the end of the 98th Congress and withdrawn when the opponents threatened to filibuster. At that time, Senator MCCLURE said, "I have always said that as a part of the comprehensive legislation dealing with reform of the 1964 Gun Control Act I would have no objection to the passage of this bill. I at the minimum would be compelled to try to get it adopted as part of the package, the bill that the Senator has referred to, but also the McClure-Volkmer bill."

Senator MCCLURE was saying he wanted the McClure-Volkmer bill and he was perfectly willing to accept this as a part of it.

And what was the bottom line? We got the McClure-Volkmer bill, but we did not get the cop-killer bill. We passed the McClure-Volkmer bill and now it is time for us to pass this piece of legislation.

I happen to disagree with the McClure-Volkmer bill. I think it was and is bad legislation. I think it was one of the most dangerous antilaw and order bills this Senate has ever passed. But it is surely incumbent upon us now to pass this bill which restricts the most dangerous type of ammunition available to criminals. We have waited long enough for this bill to pass. The lives of law enforcement officers all over this country are at risk every day. It is reckless and would be reckless and irresponsible on our part to delay this bill any longer.

(Mr. PRESSLER assumed the chair.)

Mr. SYMMS. Mr. President, I yield myself 5 more minutes.

Mr. President, I just want to say to my good friend from Ohio that he obviously missed my point here. I wish to make this very clear.

I will read from this letter that was written to Senator QUAYLE from the gentleman who is in the business of making this ammunition.

A policeman wearing a vest is not invulnerable, he is simply playing the odds. Any rifle—using any ammunition—will penetrate a police vest, as will many high-velocity handgun rounds. By use of a file and electric drill, bullets can be made from aluminum or wooden dowel rod—available in any hardware store and not regulated by the bill—which, when substituted for the relatively heavy lead bullet of low velocity handgun ammunition, will result in high velocity and easy penetration of a Kevlar vest.

Reading further from the letter:

I am a small businessman. For over 11 years I worked on the design of a better nonexpanding rifle bullet for sporting purposes. In many cases, hunters do not want a bullet to expand. At the low end of the spectrum this means a bullet that will not destroy meat when taking a deer or similar sized animal. At the high end, animals such as elephant and buffalo must be taken with a bullet that penetrates deep to the central nervous system. An expanding bullet simply cannot do this. These are valid sporting requirements and have been recognized as such for over 100 years. Until now this need was met with a conventional lead cored bullet wherein the jacket material covered the nose. This solution was by no means ideal, for under the stresses of impact the lead flowed as a fluid and the bullet normally deformed.

My breakthrough was to make the bullet of the leaded bronze alloy. By tightly controlling the alloy and the process—I am trying to get a patent—the bullet does not deform on impact with a game animal and yet does not harm the rifle barrel. The bullet gains strength through its homogeneity—hence the name Monolithic Solid ™—not through its rigidity or hardness. First introduced on the market in 1984, this bullet met with success. I sell them both domestically and for export. I am licensed by Department of State. . . As business has expanded I have hired employees. I currently have three employees.

The point I am trying to make is that, without the amendment, my good friend from Ohio will find out that he is outlawing this kind of legitimate, honest activity that has nothing sinister about it. This, again, makes my point that we certainly need to make some corrections to this legislation, at least, not to mention the constitutional problems that this Senator feels are carried with the implications of this legislation.

AMENDMENT NO. 1644

Mr. SYMMS. Mr. President, I now call up my amendment No. 1644 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. SYMMS] proposes an amendment numbered 1644.

On page 5, line 21 after the word "uranium" insert the words "and intended for use in a handgun".

Mr. SYMMS. Mr. President, what the amendment does is it would change the definition of armor-piercing ammunition to include only those solid projectiles or projectile cores constructed of metals listed in the bill which are intended for use in a handgun. It is a very simply amendment which would correct two significant deficiencies that I find in the bill as it is currently written.

Mr. President, these are the industrial uses for construction purposes, single metal projectiles which will be banned under the current language. I think it is most important that we do this.

I would like to read the text of the bill for my colleagues the way it would read with this amendment in the bill. This is on page five of the bill:

The term "armor-piercing ammunition" means solid projectiles or projectile cores constructed from tungsten alloys, steel, iron, brass, bronze, beryllium copper, or depleted uranium and intended for use in a handgun.

That would be added to it. Then this would protect this gentleman from Indiana who has written in. It would protect the industrial uses.

The oil industry uses single metal bullets fired through the steel casings of oil wells to fractionate the oil bearing strata and provide a channel for the oil to run into the well casing. Also, steel projectiles are fired into the ground to provide seismic readings.

Steel manufacturers use single metal bullets, fired at the slag buildup on the walls of furnaces, to remove the slag while the furnace is still hot, thereby avoiding 3 or 4 days of down time.

I mentioned earlier the New Mexico School of Mines is working on developing a depleted uranium or other single-metal bullets to fire at the rock face to save the drilling costs and drilling expenses to place dynamite charges in mines.

The construction industry uses ram sets, pneumatic nail drivers and power actuated tools to fire single-metal projectiles.

Mr. President, that basically is what the amendment is about. It simply says, and I repeat again, on page 5 it would read as follows:

The term 'armor-piercing ammunition' means solid projectiles or projectile cores constructed from tungsten alloys, steel, iron, brass, bronze, beryllium cooper, or depleted uranium and intended for use in a handgun.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. THURMOND. Mr. President, I oppose this amendment offered by the distinguished Senator from Idaho on several accounts and at the conclusion of my remarks I will move to table the amendment.

I, as do many of my colleagues, have a great deal of respect for Senator SYMMS. He is an able Senator and is to be commended for adhering to his ideals and in the vast majority of issues considered in the Senate he and I stand side-by-side in our support.

However, in this instance, we have a critical bill at stake and I must oppose the Senator's amendment. The amendment would have a significantly adverse, maybe even fatal, impact on the bill.

First, the amendment would incorporate a vague and ambiguous standard of intent into this definition by adding the provision intended for use in a handgun.

Second, the amendment would severely limit the type of ammunition to be regulated. A great many bullets are interchangeable between rifles and handguns. This amendment would preclude us from regulating those bullets which may be intended for use in a rifle but nevertheless, can be used in handguns. Those bullets are no less dangerous or deadly for law enforcement officers. We have already struck a fair and equitable balance in the definition of ammunition to be covered. We must not severely limit the scope of coverage in the manner proposed by this amendment.

Mr. President, the able and distinguished Senator from Idaho handed out a sheet here that has seven points on it. The third, fourth, and fifth points are covered by the amendment No. 2 which I understand the distinguished Senator wishes to offer and which we later will agree to accept.

As to the fourth one, I want to say that the Senator is in error in saying this amendment eliminates the adverse impact of S. 104 on the Civilian Marksmanship Program of the Department of Defense. The distinguished Senator is in error about that.

On page 7 of the bill, it is clearly stated in section (8)(A), at the top of the page, the fourth line:

"(A) the sale or delivery by a manufacturer or importer of such ammunition for use of the United States or any department or agency thereof or any State or any department, agency, or political subdivision thereof;

So the U.S. Government would be exempt under that.

As to the last point he makes which says the Treasury Department officials have no objection to this amendment, Mr. President, we have a Treasury Department official in the gallery at this time. We just conferred with him. The Treasury Department, he says, has taken no position on that matter.

Mr. President, I want to quote from the second paragraph of a letter written today, March 6, 1986, from a number of law enforcement organization officials.

The first amendment, proposed by Senator Steve Symms, R-Idaho, would modify the definition of "armor-piercing ammunition" contained in the bill by restricting only those hard metal and alloy projectiles and projectile cores "originally designed and primarily intended for use in a handgun." We believe that this change in the definition would dangerously weaken the legislation; ammunition that can be used interchangeably in both handguns and other firearms, which is not already exempted by other provisions of S. 104, could be manufactured, imported, and sold without any restrictions. In addition, the amendment proposed by Senator Symms does not offer a clear definition of the term "handgun." Without further clarification, the Treasury Department will have difficulty determining the range of firearms covered by the provision.

And they go on to say they do not oppose the second amendment. I have already stated that I will not oppose that.

This letter is signed by Jerald Vaughn, executive director, International Association of Chiefs of Police; Robert R. Scully, president, National Association of Police Organizations; Hubert Williams, president, Police Foundation; Richard A. Boyd, national president, Grand Lodge, Fraternal Order of Police; and L. Cary Bittick, executive director, National Sheriffs' Association.

So, Mr. President, all of these police organizations oppose the amendment how being offered by my good friend, the able Senator from Idaho. We feel it is a dangerous amendment, it could be fatal to the bill, and therefore we have to oppose it.

I will move to table the amendment knowing full well that when this amendment is tabled Senator SYMMS intends to offer a different but far more desirable amendment which protects the interests of sportsmen and their interest in an acceptable manner. I believe the second amendment is acceptable.

With that, I move to table the amendment, but I withhold that for the moment as I understand there may be some other remark on this amendment.

Mr. President, does the distinguished Senator from New York wish to make remarks?

Mr. MOYNIHAN. Briefly, if our revered President pro tempore will yield, I would just make a point about the letter he was reading which is from the Police Foundation.

Of course, it represents the views of the groups he mentions and embodies the policy of the organizations in the country which oppose this amendment for good and sufficient grounds.

Mr. THURMOND. Mr. President, I yield to the able Senator from Ohio if he has any comments on this particular amendment.

Mr. METZENBAUM. I do indeed, if the Senator is good enough to yield to me.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I am opposed to this amendment. I think this amendment would provide a tremendous gaping hole in the effectiveness of the bill. It creates a giant and dangerous loophole. Under this amendment, if the ammunition is not intended for use in a handgun when it is made, it is not covered by the prohibition in the bill. Being able to prove for what kind of gun ammunition is intended is not exactly an easy task. How do you prove that? If ammunition is intended for use in the rifle but can be used in a handgun, it will be readily available if we were to accept this amendment.

The fact is, there are types of ammunition which are manufactured, I can honestly say, and intended for rifles which can and will be used in handguns. If this amendment is agreed to, you can be certain that it will not take criminals long to figure out which pistol they have to buy to use this type of ammunition.

Another problem with this amendment is that there is no definition for the word handgun. Does it include a gun with a barrel length of 5 inches or less? If so, there will be pistols with barrel lengths of 5½ inches, 6 inches, and so forth, that will not be covered. That will only provide another giant loophole for the criminals.

It is highly unlikely this amendment will pass. It is opposed by the author of the bill, the distinguished chairman of the Judiciary Committee, as well as the ranking minority member. The law enforcement groups oppose it, and I am hopeful that an overwhelming majority of the Members of the Senate will oppose it.

Mr. President, I ask unanimous consent that a letter from the Federal Law Enforcement Officers Association, which includes in it the language, "We feel that this language is too broad and would lead to violations of the intent of the law.

"I am writing to express to you our opposition to Senator SYMMS' proposed amendment to S. 104," signed Robert VanEtten, president. I ask unanimous consent that the entire letter be included in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL LAW ENFORCEMENT
OFFICERS ASSOCIATION,
Mineola, NY, March 5, 1986.

Senator HOWARD M. METZENBAUM,
U.S. Senate, Washington, DC.

DEAR SENATOR METZENBAUM: I am writing to you to express our opposition to Sen. Symms proposed amendment to S. 104 which states, "the term armor-piercing ammunition means solid projectiles or projectile cores constructed from tungsten alloys, steel, iron, brass, bronze, beryllium copper, or depleted uranium and originally designed and primarily intended for use in a handgun."

We feel that this language is too broad and would lead to violations of the intent of the law.

Thank you for your time and consideration.

Sincerely,

ROBERT E. VANETTEN,
President.

Mr. METZENBAUM. Mr. President, I also have a letter, and I am not certain but that this is the same letter Senator MOYNIHAN was speaking about a moment ago, from the Police Foundation, in which they say, "Noted below is the proposed amendment to S. 104 which has been presented by Senator SYMMS," and then they go on to say, "It is our view that this amendment adds an additional complication to the bill, and could create problems for law enforcement," signed Hubert Williams.

Mr. President, I ask unanimous consent that the entire letter be included in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

POLICE FOUNDATION,
Washington, DC, March 5, 1986.

Hon. HOWARD M. METZENBAUM,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR METZENBAUM: Noted below is the proposed amendment to S. 104 which has been presented by Senator Symms:

". . . and originally designed and primarily intended for use in handguns."

It is our view that this amendment adds an additional complication to the bill and could create problems for law enforcement.

Sincerely,

HUBERT WILLIAMS.

Mr. METZENBAUM. I am frank to say, Mr. President, that in the unlikely event this amendment is not tabled, this bill is not going to be passed because this is the guts of the bill. It will not be passed in this Congress in an effective and meaningful form because it would have to be offered as an amendment to some other piece of legislation until it goes through without any giant loopholes, and in a way that protects law enforcement officers.

I urge my colleagues to reject the amendment because sooner or later the bill is going to pass without it.

I commend the distinguished chairman of the Judiciary Committee whom I understand is about ready to offer a motion to table the Symms amendment.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. I yield myself a very brief moment or two here just to make a couple of comments about some of the comments that have been made about this amendment.

First, I want to thank the distinguished President pro tempore for his support of Symms amendment No. 2 which will be offered immediately following the disposition of this amendment.

I want to restate one thing that I think is most important. The difference between No. 1 and No. 2 is very simple. Symms amendment No. 1 says that "The term armor-piercing ammunition means solid projectiles or projectile cores constructed from tungsten alloys, steel, iron, brass, bronze, beryllium cooper, or depleted uranium, and intended for use in a handgun." The next amendment will say "which may be used in a handgun."

If this first amendment passes, I would like to make it clear to my colleagues that the .25 (6.35mm) ACP, .256 Winchester Magnum, .30 (7.62mm) Luger, .32 Smith & Wesson, .32 Short Colt, .32 Long Colt, .32 ACP, .32 Automatic (7.65 mm), .32 Smith & Wesson Long, .32-20 Winchester, .357 Magnum, 9mm Luger, 9mm Winchester Magnum, .38 Smith & Wesson, .38 Special, .38 Short Colt, .38 Long Colt, .38 Automatic, .38 Super Auto, .38-40 Winchester, .41 Remington Magnum, .44 Smith & Wesson Special, .44 Russian, .44 Remington Magnum, .44-40 Winchester, .45 Colt, .45 ACP, .45 Auto Rim, .45 Winchester Magnum is a list of cartridges that are intended to be used in a handgun.

These would still be included in the definition of armor piercing ammunition even with the passage of the Symms amendment. If it is actually a solid core bullet, that list I just read would still be included.

I do not want my colleagues to get the impression from some of the things that have been said here that this would completely gut this bill. It would not gut this bill. In my opinion, this is what was the original intention, what some of our colleagues intended when they started on this project several years ago. Our distinguished colleague in the House who is a distinguished police officer himself, a good friend of mine, MARIO BIAGGI, has been a leader in this issue. What they are trying to do is to get at ammunition that would be used in handguns that might possibly be used against the police officers.

That is a noble goal. None of us can be opposed to that. But there are difficulties with the legislation as currently written. I want to make that clear.

I would hope my colleagues would accept this amendment. Vote down the motion to table that the distinguished President pro tempore is about to make and accept this amendment. I would appeal to my colleagues if they are for this legislation go ahead and pass this amendment and it still will do what they said it would do at the outset.

Mr. BIDEN. Will the Senator yield for a question?

Mr. SYMMS. I am happy to yield.

Mr. BIDEN. I want to be sure I have the distinction between the first and second amendments. The amendment that we are shortly going to vote on, assuming there is a tabling motion, is that the same amendment that the Senator had described from the well? I am a little confused.

Mr. SYMMS. The ammunition I just read off, the solid core, armor piercing and so forth, would still be outlawed with my amendment. This is "intended for use in the handgun."

The second amendment says, "which may be used in a handgun," which broadens it greatly. You can make a handgun out of a rifle or whatever.

Mr. BIDEN. So the first amendment we will be voting on in some form or another is the "intended for use in the handgun" amendment. Is that correct?

Mr. SYMMS. That is correct.

Mr. BIDEN. I thank the Senator.

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SYMMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. Mr. President, I do not want in any way to repeat what the distinguished President pro tempore said, but I did have a phone call from the Deputy Assistant Secretary of the Treasury who advised me by phone on the morning of March 5 that the Department of the Treasury had no objection to the amendment. There may be other officials in the Treasury who do have objection to this amendment, but I do think there are some people who do not have objection to the amendment.

I say to the distinguished President pro tempore, this Senator is ready to go ahead and dispose of this amendment, if he is ready to make his motion.

Mr. THURMOND. In just a moment.

Mr. SYMMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I am ready to yield back the remainder of my time if the distinguished Senator from Idaho is.

Mr. SYMMS. I yield back the remainder of my time.

Mr. THURMOND. Mr. President, I move to lay on the table the amendment of the distinguished Senator from Idaho and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina to lay on the table the amendment of the Senator from Idaho. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. STEVENS] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. INOUYE] is absent because of death in the the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 88, nays 10, as follows:

[Rollcall Vote No. 27 Leg.]

YEAS—88

Abdnor	Ford	Melcher
Andrews	Glenn	Metzenbaum
Armstrong	Goldwater	Mitchell
Baucus	Gore	Moynihan
Bentsen	Gorton	Murkowski
Biden	Gramm	Nickles
Bingaman	Grassley	Nunn
Boren	Harkin	Packwood
Boschwitz	Hart	Pell
Bradley	Hatfield	Proxmire
Bumpers	Hawkins	Pryor
Burdick	Hecht	Riegle
Byrd	Heflin	Rockefeller
Chafee	Heinz	Roth
Chiles	Hollings	Rudman
Cochran	Humphrey	Sarbanes
Cohen	Johnston	Sasser
Cranston	Kassebaum	Simon
D'Amato	Kasten	Specter
Danforth	Kennedy	Stafford
DeConcini	Kerry	Stennis
Denton	Lautenberg	Thurmond
Dixon	Laxalt	Trible
Dodd	Leahy	Wallop
Dole	Levin	Warner
Domenici	Long	Weicker
Durenberger	Lugar	Wilson
Eagleton	Mathias	Zorinsky
Evans	Matsunaga	
Exon	Mattingly	

NAYS—10

East	McClure	Simpson
Garn	McConnell	Symms
Hatch	Pressler	
Helms	Quayle	

NOT VOTING—2

Inouye	Stevens

So the motion to lay on the table Amendment No. 1644 was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, I think we can be through this bill in about 5 minutes. I ask unanimous con-

sent that the time for consideration of Senate Joint Resolution 225 be postponed until the conclusion of H.R. 3132.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1645

(Purpose: To exempt ammunition used exclusively for industrial or sporting purposes from certain provisions)

Mr. SYMMS. Mr. President, I call up amendment 1645 and ask that it be read.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Idaho [Mr. SYMMS] proposes an amendment numbered 1645:

On page 5, line 21, after "uranium" insert "which may be used in a handgun".

On page 10, after line 7, add the following:

"SEC. 10. For purposes of section 921(a)(17)(B) of title 18, United States Code, as added by the first section of this Act, 'handgun' means any firearm including a pistol or revolver designed to be fired by the use of a single hand. The term also includes any combination of parts from which a handgun can be assembled."

Mr. MOYNIHAN. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Conversations will please move into the Cloakrooms.

Mr. SYMMS. Mr. President, I understand from the debate we had earlier that this issue has been thoroughly discussed. It is my understanding that the committee supports this amendment, so I reserve the remainder of my time.

Mr. THURMOND. Mr. President, we are willing to accept this amendment. We think it does not harm the bill, and we are willing to go along with it.

Mr. MOYNIHAN. Mr. President, on behalf of the distinguished Senator from Delaware, who is necessarily absent from the floor for this moment, may I say we are willing to accept it on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1645) was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1646

(Purpose: To clarify that the regulated projectile provisions contained in S. 104 do not include industrial projectiles or charges used to perforate piping in the oil and gas industry.)

Mr. BENTSEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Texas [Mr. BENTSEN], on behalf of himself and Mr. NICKLES, proposes an amendment numbered 1646.

Mr. BENTSEN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Following the definition of "armor piercing ammunition" contained on page 5 of S. 104, add the following full sentence following the word "purposes." on line 25.

"The term shall not include any other projectiles or projectile cores which the Secretary finds are intended to be used for industrial purposes, including, but not limited to, charges used in oil and gas well perforating devices."

Mr. BENTSEN. Mr. President, the Senator from Oklahoma and I have joined together to craft a narrow exemption to the restrictions of S. 104. Our amendment is intended to exempt from regulation certain projectiles and projectile cores that are an integral part of the operations of the oil and gas industry.

We believe that our amendment in no way detracts from the overall regulatory scheme proposed in S. 104. Indeed, that regulatory scheme would be flawed if, for no real reason, it prevented a major industry from using a necessary and proven technology.

A well accepted and widely used procedure, and an important step in the production of oil and gas, is the perforation of pipe casing and surrounding geologic formation with projectiles made of some of the elements listed in S. 104. The perforating device is lowered into the well to the proper depth, where it fires a projectile through the pipe casing and into the surrounding geolgic formation so that oil or gas may flow into the pipe casing and up to the surface.

Of course, the projectiles used to perforate oil and gas wells must be of a kind that can breach the thick casing of the pipe. Their use could be restricted by S. 104 in its present form.

Mr. President, we view our exemption as a perfecting amendment to S. 104. It is most emphatically not a weakening amendment. Our discussions with our colleagues lead us to believe that their are no substantive objections to what we are proposing. We seek a tightly drawn exemption for an industrial procedure that was never intended, and in no way should, fall within the scope of S. 104. We urge our colleagues to support the Bentsen-Nickles amendment to S. 104.

I have checked with both sides, the managers of the bill for the majority and the minority, and I know of no objection, and I defer to their comments.

Mr. THURMOND. Mr. President, we are willing to accept this amendment.

Mr. MOYNIHAN. Mr. President, on behalf of the Senator from Delaware, who is absent from the floor at this time, I am authorized to say that we accept the amendment on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1646) was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, I would like to know if there are any other amendments. We do not want to deprive anyone of offering amendments.

Mr. DOLE. Mr. President, the Senate today considers S. 104, the bill introduced by Senators THURMOND and MOYNIHAN to regulate strictly the manufacture, importation, sale, and possession of body armor piercing ammunition. This legislation passed the Senate in the last Congress by an overwhelming vote. This year it again enjoys widespread support in the Senate.

Control of this lethal ammunition has long been of concern to this Senator. During consideration of the McClure gun bill in the 87th Congress, I spoke out on the subject in my individual views on S. 1030 when it was reported from the Senate Judiciary Committee. In the 98th Congress, I offered an amendment in the committee to S. 914, the mandatory penalties for the use of armor piercing ammunition used during the commission of a Federal crime, which has approved by the committee and later enacted into law as a part of the Comprehensive Crime Control Act of 1984. In this Congress, during consideration of S. 49, I again repeated my support for tightening Federal controls on armor piercing ammunition and my intention to secure timely passage of S. 104 by the Senate.

Mr. President I am pleased to join with the distinguished chairman of the Committee on Judiciary, Mr. THURMOND, Senator MOYNIHAN, the Department of Justice, and State and local law enforcement officials throughout the country in supporting S. 104. This is important legislation and I hope that this year, the bill will finally be enacted into law.

Mr. President, I ask unanimous consent that my views on this issue that appeared in the report on S. 914 be included in the RECORD.

There being no objection, the views were ordered to be printed in the RECORD, as follows:

ARMOUR-PIERCING AMENDMENT

Recently, I have joined with the Administration, Chairman Thurmond, the National Rifle Association, and other members of the Judiciary Committee to reach this very im-

portant agreement on the provisions of the legislation. I have been active on this issue since 1982, when the dangers inherent in the widespread availability of armor-piercing ammunition first came to my attention. In the 97th Congress, I sponsored legislation that would have required ammunition dealers to record every sale of this ammunition. That proposal was eventually incorporated into Treasury regulations.

During Senate Judiciary Committee consideration of S. 914, I successfully offered an amendment which provides for strict minimum mandatory penalties for persons utilizing armor-piercing ammunition in the commission of federal offenses. The language of this amendment is identical to the Administration-sponsored provisions of the omnibus crime legislation (S. 1872) which passed the Senate earlier this year.

Since the Law Enforcement Assistance Administration supported the development of soft body armor for police use in 1973, more than 400 officers' lives have been saved. According to officials at the National Institute of Justice, tests have demonstrated the vulnerability of that soft-body armor to certain kinds of ammunition. Although there has been no widespread use of this ammunition by criminal elements as yet, the potential availability of the ammunition and its unregulated manufacture is an invitation for trouble. This legislation will shut the door of availability of the ammunition to the criminal element by prohibiting its importation and restricting manufacture and sale of the bullets in this country to that which is needed for legitimate law enforcement purposes.

A word of caution is in order. There are problems of definition with this ammunition. We do not want to throw the baby out with the proverbial bath water. Ammunition is in wide-spread use for long-guns that could fit within proposed definitions. We must carefully consider these potential problems and fashion appropriate solutions.

Mr. DECONCINI. Mr. President, I support S. 104, a bill to regulate the manufacture and importation of armor piercing bullets in the United States. The bill enjoys bipartisan support in Congress and is supported by law enforcement groups, the administration, and the National Rifle Association. I believe it is an important step for us to take to protect those that we ask to protect us.

As a long-time supporter of law enforcement agencies and officers, I am pleased to have the opportunity to vote for an important protection for individual officers. This carefully crafted legislation has 64 cosponsors in the Senate and was the result of the fine efforts of Senators THURMOND and BIDEN, the chairman and ranking member of the Senate Judiciary Committee. The bill will restrict the proliferation of ammunition whose only purpose is to pierce the soft body armor worn by our policemen for protection. Because of the efforts of the Justice Department, the Treasury Department, and Senators THURMOND and BIDEN, the bill has been written in such a way that it will not effect the legitimate use of solid single metal bullets.

I believe that this bill strikes exactly the proper balance between our law enforcement concerns and our legitimate interest in not violating the rights of gun owners and users in the United States. I am a strong supporter of an unimpeded right to bear arms and am very pleased that the National Rifle Association and many law enforcement groups have worked together to settle their differences and help us to devise a bill that all can support.

I also would like to thank the distinguished Senator from Idaho, Senator SYMMS, for his conscientious efforts in bringing before this body issues concerning this legislation that we did need to discuss. I think that it is important to point out, however, that the bill we are discussing does not "ban the possession" of armor piercing bullets. It does regulate the importation and manufacture of these bullets as well as provide the Secretary of the Treasury discretion to make exceptions to this regulations when meritorious applications are made. I believe that this provision will insure that the legitimate users of these bullets are provided a mechanism to allow such use.

Mr. President, attempts were made at the end of the 98th Congress to add these provisions to the continuing resolution. I strongly supported Senator MOYNIHAN'S efforts at that time and continue to believe we should have added this important legislation as an amendment to that resolution. Our delay has needlessly placed thousands of police officers in jeapardy. It is long past time that we enacted this important safeguard.

I would once again like to thank Chairman THURMOND and Senator BIDEN for their efforts. I urge my colleagues to support S. 104.

REGULATION OF ARMOR PIERCING BULLETS

Mr. CHAFEE. Mr. President, I am pleased to be a cosponsor of S. 104, a bill to regulate the manufacture and importation of armor piercing bullets.

Easy access to cop killer bullets is endangering the safety of police officers in cities throughout America. These bullets serve no purpose but to kill and wound police officers and Federal law enforcement officers when they are wearing bulletproof vests.

The legislation before us today would limit the manufacture, importation, and possession of armor piercing ammunition to the military and Federal, State, or local government agencies which may have legitimate needs for such ammunition. Additionally, the bill would provide for a mandatory penalty for the possession of armor piercing ammunition during the commission of a violent felony.

This bill, generated by law enforcement officials, legislators, and the general public, rose out of a deep concern that certain types of armor piercing ammunition are too readily available on the commercial market. Such easy accessibility to cop killer bullets poses a serious threat to the safety of our law enforcement officials. S. 104 addresses these concerns without restricting or interfering with the legitimate use of firearms for hunting, trap, or skeet shooting, and formal or informal target shooting.

We all know that law enforcement is a particularly dangerous occupation. Law enforcement officers are entrusted with the tremendous responsibility of protecting us from heinous acts of violence. It is our duty in turn to protect the officers who, even with bulletproof vests, face the danger of being injured or killed each and every day.

We have an opportunity today to offer our support to these public servants for their dedicated efforts to ensure our safety. This legislation is one way to let them know that we appreciate the dangers inherent in their work. I hope my colleagues will join me in support of this legislation.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was the third time.

Mr. THURMOND. Mr. President, I move that the Senate proceed to the consideration of H.R. 3132.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3132) to amend chapter 44 of title 18, United States Code, to regulate the manufacture, importation, and sale of armor-piercing ammunition, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina.

The motion was agreed to.

Mr. THURMOND. Mr. President, I move to strike all after the enacting clause of H.R. 3132 and to substitute the text of S. 104, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. THURMOND. Mr. President, I ask for the yeas and nays on final passage of H.R. 3132, as amended.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. STEVENS] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Hawaii [Mr. INOUYE] is absent because of death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 97, nays 1, as follows:

[Rollcall Vote No. 28 Leg.]

YEAS—97

Abdnor	Glenn	Melcher
Andrews	Goldwater	Metzenbaum
Armstrong	Gore	Mitchell
Baucus	Gorton	Moynihan
Bentsen	Gramm	Murkowski
Biden	Grassley	Nickles
Bingaman	Harkin	Nunn
Boren	Hart	Packwood
Boschwitz	Hatch	Pell
Bradley	Hatfield	Pressler
Bumpers	Hawkins	Proxmire
Burdick	Hecht	Pryor
Byrd	Heflin	Quayle
Chafee	Heinz	Riegle
Chiles	Helms	Rockefeller
Cochran	Hollings	Roth
Cohen	Humphrey	Rudman
Cranston	Johnston	Sarbanes
D'Amato	Kassebaum	Sasser
Danforth	Kasten	Simon
DeConcini	Kennedy	Simpson
Denton	Kerry	Specter
Dixon	Lautenberg	Stafford
Dodd	Laxalt	Stennis
Dole	Leahy	Thurmond
Domenici	Levin	Trible
Durenberger	Long	Wallop
Eagleton	Lugar	Warner
East	Mathias	Weicker
Evans	Matsunaga	Wilson
Exon	Mattingly	Zorinsky
Ford	McClure	
Garn	McConnell	

NAYS—1

Symms

NOT VOTING—2

Inouye Stevens

So the bill (H.R. 3132), as amended, was passed, as follows:

H.R. 3132

That section 921(a)(17) of title 18 of the United States Code is redesignated as section 921(a)(17)(A), and a new subparagraph (B) is added to section 921(a)(17) to read as follows:

"(B) The term 'armor-piercing ammunition' means solid projectiles or projectile cores constructed from tungsten alloys, steel, iron, brass, bronze, beryllium copper, or depleted uranium which may be used in a handgun. The term shall not include shotgun shot required by Federal or State environmental or game regulations for hunting purposes, frangible projectiles designed for target shooting or any projectile which the Secretary finds is primarily intended to be used for sporting purposes. The term shall not include any other projectiles or projectile cores which the Secretary finds are intended to be used for industrial purposes, including, but not limited to, charges used in oil and gas well perforating devices. The term 'solid' in the first sentence of this subparagraph means made entirely from one or more of the substances specified therein, but may include the presence of trace elements of other substances.".

SEC. 2. Section 922(a) of title 18 of the United States Code is amended—

(a) by striking out "and" at the end of paragraph (5);

(b) by striking out the period at the end of paragraph (6) and inserting in lieu thereof a semicolon; and

(c) by adding after paragraph (6) the following:

"(7) for any person to manufacture or import armor-piercing ammunition, except that this paragraph shall not apply to—

"(A) the manufacture or importation of such ammunition for the use of the United States or any department or agency thereof or any State or any department, agency, or political subdivision thereof;

"(B) the manufacture of such ammunition for the purpose of exportation; and

"(C) any manufacture or importation for the purposes of testing or experimentation authorized by the Secretary; and

"(8) for any manufacturer or importer to sell or deliver amor-piercing ammunition, except that this paragraph shall not apply to—

"(A) the sale or delivery by a manufacturer or importer of such ammunition for use of the United States or any department or agency thereof or any State or any department, agency, or political subdivision thereof;

"(B) the sale or delivery by a manufacturer or importer of such ammunition for the purpose of exportation;

"(C) the sale or delivery by a manufacturer or importer of such ammunition for the purposes of testing or experimenting authorized by the Secretary.".

SEC. 3. Subparagraph (A) of section 923(a)(1) of title 18 of the United States Code is amended to read as follows:

"(A) of destructive devices, ammunition for destructive devices or armor-piercing ammunition, a fee of $1,000 per year;".

SEC. 4. Subparagraph (C) of section 923(a)(1) of title 18 of the Untied States Code is amended to read as follows:

"(C) of ammunition for firearms, other than ammunition for destructive devices or armor-piercing ammunition, a fee of $10 per year.".

SEC. 5. Subparagraphs (A) and (B) of section 923(a)(2) of title 18 of the United States Code are amended to read as follows:

"(A) of destructive devices, ammunition for destructive devices or armor-piercing ammunition, a fee of $1,000 per year; or

"(B) of firearms other than destructive devices or ammunition for firearms other than destructive devices, or ammunition other than armor-piercing ammunition, a fee of $50 per year.".

SEC. 6. The first sentence of section 923(e) of title 18, United States Code, is amended by striking out "under this section" and all that follows through the end of the sentence and inserting in lieu thereof the following: "under this section, if the holder of such license—

"(1) being a licensed dealer, willfully transfers armor-piercing ammunition manufactured or imported after the effective date of this section; or

"(2) violates any provision of this chapter or any rule or regulation prescribed by the Secretary under this chapter.".

SEC. 7. Section 923 of title 18, United States Code, is amended by adding at the end thereof the following:

"(k) Licensed importers and licensed manufacturers shall mark all armor-piercing projectiles and packages containing such projectiles for distribution in the manner prescribed by the Secretary by regulation. The Secretary shall furnish information to each dealer licensed under this chapter defining which projectiles are considered armor-piercing ammunition as defined in section 921(a)(17)(B).".

SEC. 8. Section 929 of title 18 of the United States Code is amended to read as follows:

"Whoever, during and in relation to the commission of a crime of violence, which may be prosecuted in a court of the United States, including a crime of violence which provides for an enhanced punishment if committed by the use of a deadly or dangerous weapon or device, uses or carries a firearm and is in possession of armor-piercing ammunition capable of being fired in that firearm shall, in addition to the punishment provided for the commission of such crime of violence, be sentenced to a term of imprisonment for not less than 5 years. Notwithstanding any other provision of law, the court shall not suspend the sentence of any person convicted of a violation of this subsection, nor place the person on probation, nor shall the terms of imprisonment run concurrently with any other terms of imprisonment, including that imposed for the crime in which the armor-piercing ammunition was used or possesed. No person sentenced under this subsection shall be eligible for parole during the term of imprisonment imposed herein.".

SEC. 9. The amendments made by this Act shall take effect on the date of enactment of this Act, except that sections 3, 4, and 5 shall take effect on the first day of the first calendar month which begins more than ninety days after the date of the enactment of this Act.

SEC. 10. For purposes of section 921(a)(17)(B) of title 18, United States Code, as added by the first section of this Act, "handgun" means any firearm including a pistol or revolver designed to be fired by the use of a single hand. The term also includes any combination of parts from which a handgun can be assembled.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DECONCINI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, I now ask unanimous consent that S. 104 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I wish to take this oppportunity to thank Senator BIDEN, the ranking minority member of the Senate Judiciary Committee, and Senator METZENBAUM, a member of the committee, for their good work on this bill we just passed. Also, I wish to express my appreciation to Senator D'AMATO of New York and Senator MOYNIHAN of New York for the excellent work they did in connection with this bill. I wish to especially thank Diana Waterman and

Cindi Blackburn, very able members of my staff, for the tremendous research and work they did on this bill, and other staff members from the majority and minority staffs.

Mr. President, I also wish to express my appreciation for the leadership shown by the majority leader, Senator DOLE, in this matter, and the fine cooperation of the minority leader, Senator BYRD.

Mr. MOYNIHAN. Mr. President, I think we ought not to conclude this exceptional morning and afternoon in the Senate, in which we have shown this body is capable of accepting in the interest of law and order and in the interest of gun control—it being the single most significant aspect of gun control, it is likely one day to prove control of ammunition—and it could not have happened without the faithfulness and the great skills and the great respect in which the President pro tempore is held. I wish to associate myself with all those who know that without STROM THURMOND this could not come to pass, as it has done, and I express appreciation for that.

Finally, Mr. President, I wish to note that we were honored today with the presence on the floor of MARIO BIAGGI, whose legislation, in fact, we passed, the sister legislation from the House side.

Mr. THURMOND. Mr. President, I wish to thank the able Senator for his kind remarks.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

The PRESIDING OFFICER. The clerk will report Senate Joint Resolution 225.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 225) proposing an amendment to the Constitution relating to a Federal balanced budget.

The Senate proceeded to consider the joint resolution.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, today the Senate begins its consideration of a proposal to amend the U.S. Constitution to require the Federal Government to achieve and maintain a balanced budget.

As all of my colleagues are aware, amendment of our supreme law is a very serious endeavor. It is an action which should be reserved for those instances when it becomes necessary to protect the fundamental rights of our citizens or to ensure the survival or effectiveness of our system of Government.

Mr. President, I believe that the effectiveness, indeed, the very survival of our system of Government has become jeopardized by an irrational and irresponsible pattern that has developed and become entrenched in Federal fiscal policy over the last half-century. Because of this fiscal policy, those liberties and opportunities of our present and future citizens, which we have come to regard as sacred, are seriously threatened.

For many years, I have believed, as have many other Members of Congress, that the way to reverse the misguided fiscal direction of the Federal Government is by amending the Constitution to mandate, except in extraordinary circumstances, balanced Federal budgets. The threat posed to our Nation's security by the ever-worsening Federal budgetary condition is, I believe, a distinct danger. It makes appropriate, indeed, necessitates a solution in the form of a constitutional amendment.

In the past we have been told by the opponents of the balanced budget constitutional amendment that self-imposed congressional restraint is what is needed to solve our fiscal woes— not a constitutional amendment. The fact is, however, that in the face of frightening deficits, Congress has not proven that it is capable of such restraint.

During the debate on Senate Joint Resolution 225, some of my colleagues will no doubt point to the Gramm-Rudman-Hollings balanced budget statute as evidence that a balanced budget constitutional amendment is unnecessary. I supported Gramm-Rudman-Hollings. I remain optimistic that it can succeed. However, we must remain cognizant of the fact that, even if executed to the letter, Gramm-Rudman-Hollings will result in only one balanced Federal budget—that in fiscal year 1991. While a balanced budget in fiscal year 1991 would be cause for celebration, it is sobering to remember that it would be the first balanced Federal budget in 21 years and only the second in nearly a third of a century.

Unfortunately, even if Gramm-Rudman-Hollings is successful, it will not have conclusively reversed the now entrenched pattern of deficit spending by the Federal Government. Once again the Congress would be unrestrained in its ability to borrow on the credit of future generations.

What is needed today—indeed, what is long overdue—is an addition to our most basic and supreme law which establishes balanced budgets as a fiscal norm, rather than a fiscal abnormality.

Additionally, we cannot ignore the reality that Gramm-Rudman-Hollings is statutory law and nonbinding on any Congress which wishes to alter or abolish its provisions. Regrettably, in the past, self-imposed limitations in the form of statutes or budget resolutions have failed to provide sorely needed fiscal responsibility. Already, press accounts and some of our colleagues have suggested that pro-spending and anti-taxing pressures could cause Congress to look for ways to avoid compliance with Gramm-Rudman-Hollings.

A balanced budget constitutional amendment is necessary because only such an amendment can exert the sort of external constraint and limitation upon Congress which will enable it to resist those pressures. No Congress could ignore its dictates, reverse its effect, or dodge its intent.

Mr. President, the recent history of the Federal Government is, by now, all too well known:

Congress has balanced the Federal budget only once in the last 25 years.

The level of annual budget deficits has grown enormously over this period of time. Since 1970, the United States has incurred the 12 largest peacetime deficits in the history of the Nation.

Last year, the total national debt of the United States soared to more than $2 trillion and continues to increase rapidly.

Federal spending, which first surpassed $100 billion in the years of the Kennedy administration 24 years ago, and which first surpassed $200 billion only 15 years ago, today is just short of reaching $1 trillion annually. It used to be said that Federal deficits were not such a bad thing because we owed it to ourselves. Some argued that deficits could even be useful by stimulating the economy. However, it is clear today to virtually every reasonable observer, of whatever political or philosophical persuasion, that deficit spending has negative consequences—and those consequences are disastrous.

As a result of a quarter-century of virtually unchecked deficit spending, this Nation has suffered periods of historically unprecedented levels of unemployment, periods of double digit levels of inflation, periods of catastrophically high interest rates, and periods of declining levels of national investment and productivity.

Mr. President continued deficit spending by the Federal Government will undoubtedly lead the Nation to new periods of economic stagnation and decline. The tax burdens which today's deficits will place on future generations of American workers is staggering. We must reverse the fiscal course of Federal Government, and I believe that a constitutional amendment is the best way to do it.

During my early years in the Senate, I introduced several constitutional amendments to require enactment of balanced budgets. None of those proposals were acted on by the Judiciary Committee. In the 96th Congress, I joined with several Senators on Senate Joint Resolution 126, a constitutional amendment to balance the budget which was defeated narrowly by the

Judiciary Committee on March 15, 1980, by a vote of 9 to 8.

During the 97th Congress, I introduced, along with a number of cosponsors, Senate Joint Resolution 58, a balanced budget constitutional amendment which was approved by the Senate on August 4, 1982. Less than 2 months later, a similar measure was considered by the full House of Representatives and secured the support of a clear majority of the body, although it fell short of the requisite two-thirds vote.

During the 98th Congress, along with many cosponsors, I introduced Senate Joint Resolution 5, a proposal nearly identical to Senate Joint Resolution 58 which had been approved by the Senate the preceding year. Senate Joint Resolution 5 was reported by the Judiciary Committee, but was not considered by the full Senate.

On January 3, 1985, I introduced Senate Joint Resolution 13, a resolution identical to Senate Joint Resolution 5 from the 98th Congress. On July 11, 1985, the Judiciary Committee voted 11 to 7 to favorably report a streamlined Senate Joint Resolution 13 to the Senate.

During May, June, and July 1985, as the committee debated the provisions of Senate Joint Resolution 13, some members of the committee expressed a desire to further simplify the proposed constitutional amendment. On July 11, 1985, in addition to reporting Senate Joint Resolution 13, the committee voted 14 to 4 to report an alternative resolution which I proposed along with Senators HATCH, DECONCINI, and SIMON. It is this resolution, Senate Joint Resolution 225, which is before the Senate today.

Mr. President, the provisions of Senate Joint Resolution 225 are not complicated. Its operative section simply states:

> Outlays of the United States for any fiscal year shall not exceed receipts to the United States for that year, unless three-fifths of the whole number of both Houses of Congress shall provide for a specific excess of outlays over receipts.

How is this to be achieved? As stated in the committee's report on Senate Joint Resolution 225:

> This section does not state the process that Congress must follow in achieving the result of a balanced budget. The committee recognizes that there are numerous equitable ways of achieving a budget that is in balance. It recognizes that some traditional practices associated with the budget process are valid and will continue while other processes will need to be modified in order to assure compliance with the amendment.

Mr. President, since Senate Joint Resolution 225 was reported by the Judiciary Committee, some have expressed concerns that its provisions would create a bias in our fiscal system in favor of higher taxes. It is true that Senate Joint Resolution 225 provides accountability by Members of Congress in decisions to run budget deficits, but includes no provision for accountability in decisions to increase taxes.

I intend to propose, therefore, along with Senators HATCH, DECONCINI, SIMON, GRASSLEY, SIMPSON, and GARN a new section in Senate Joint Resolution 225 which will require that a bill to increase revenues become law only if approved by a majority of the whole number of both Houses of Congress by rollcall vote.

Senate Joint Resolution 225 also provides that its provisions may be waived during any fiscal year in which a declaration of war is in effect.

Finally, Mr. President, Senate Joint Resolution 225 currently establishes the effective date of this amendment as the second fiscal year following its ratification. Since this provision was drafted, however, the Gramm-Rudman-Hollings statute has been enacted. This statute will provide the period of deficit reduction which should preceed imposition of the proposed constitutional amendment and should be allowed to work. I, therefore, intend to propose, along with Senators HATCH, DECONCINI, SIMON, GRASSLEY, SIMPSON and GARN that the effective date in Senate Joint Resolution 225 be amended to establish an effective date of 1991 or the second fiscal year beginning after the amendment's ratification, whichever, is later.

Mr. President, I am pleased that the balanced budget amendment proposal is supported by many in this body of widely varying political philosophies. Its supporters share an unyielding commitment to restoring sanity to a spending process which is out of control and hurling our Nation headlong toward disaster.

If Senators have not joined in this effort, I hope they might do so before we complete debate on Senate Joint Resolution 225.

I want to take a moment to commend Senator HATCH, Senator DECONCINI, Senator SIMON, Senator HEFLIN, Senator GRASSLEY, Senator SIMPSON and others on the Judiciary Committee for their many efforts to bring this matter to the Senate floor. I also commend the distinguished majority leader, Senator DOLE, for his efforts in behalf of the balanced budget amendment while a member of the Judiciary Committee and since that time and also commend his efforts as majority leader in assisting to get this important matter before the Senate.

I especially wish to commend Senator HATCH who, as chairman of the Subcommittee on the Constitution, has over a number of years held many hearings and devoted a great deal of time and effort to the balanced budget amendment. He is a fine lawyer and we are proud of his work.

Mr. President, I stated in 1982 as the Senate began its consideration of Senate Joint Resolution 58 that I had waited 28 years to see the Senate begin deliberations on a constitutional amendment to balance the Federal budget. It is time now for Congress to submit an amendment to the States for ratification.

I want my Government to work efficiently, fairly, and responsibly for all our citizens. Government cannot be efficient, fair, or responsible when it spends more than it receives in revenues. Congress must take responsibility for the fiscal well-being of our Government. We have failed our responsibility for the past two-and-a-half decades.

Mr. President, Senate Joint Resolution 225 can restore our government to one of efficiency, fairness and responsibility. I urge the Senate to act favorably on Senate Joint Resolution 225.

AMENDMENT NO. 1652

(Purpose: To require that any bill to increase revenue shall become law only if approved by a majority vote of the whole number of both Houses of Congress by rollcall vote, and to modify the effective date)

Mr. THURMOND. Mr. President, I now send an amendment to the desk, sponsored by myself and Senator HATCH, Senator DECONCINI, Senator SIMON, Senator GRASSLEY, Senator SIMPSON, and Senator GARN, and ask that it be reported.

The PRESIDING OFFICER (Mr. MCCONNELL). The clerk will report.

The legislative clerk read as follows:

> The Senator from South Carolina [Mr. THURMOND], for himself and Mr. HATCH, Mr. DECONCINI, Mr. SIMON, Mr. GRASSLEY, Mr. SIMPSON, and Mr. GARN, proposes an amendment numbered 1652.

Mr. THURMOND. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> Strike out all after the resolving clause and insert in lieu thereof the following: "That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:
>
> 'ARTICLE —
>
> 'SECTION 1. Outlays of the United States for any fiscal year shall not exceed receipts to the United States for that year, unless three-fifths of the whole number of both Houses of Congress shall provide for a specific excess of outlays over receipts.
>
> 'SECTION 2. Any bill to increase revenue shall become law only if approved by a majority of the whole number of both Houses of Congress by rollcall vote.
>
> 'SECTION 3. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect.
>
> 'SECTION 4. This article shall take effect for the fiscal year 1991 or for the second

fiscal year beginning after its ratification, whichever is later.'.".

Mr. HATCH. Mr. President, I rise this afternoon with very strong feeling that this is one of the most important debates that has ever taken place in the U.S. Senate. I want to particularly pay tribute to the President pro tempore of the Senate, STROM THURMOND, for the leadership he has provided over many decades culminating in this particular debate this day and probably through the rest of next week.

He has been a great inspiration to all of us on the Judiciary Committee not only as chairman of that committee but as the leader in the balanced-budget amendment fight over all these years.

I never thought I would sit in the U.S. Senate with great people like STROM THURMOND, but I am grateful to have had not only that privilege of sitting in the Senate with him and beside him, but working very closely with him in the Judiciary Committee. I think he is one of the all time great people who have ever served in Government in the history of our Nation.

Having served with him, and having seen how hard he works, how sincere he is, how dedicated his efforts have been, I just have nothing but total respect and deep feeling for him.

This particular debate is very important. It could not have occurred without the leadership of Senator THURMOND.

I wish to mention in that regard the leadership of Senator DECONCINI. DENNIS and I came to the Senate together back in 1976 and we have worked together ever since we have been here, along with Senator THURMOND, to try to come up with a resolution that everybody could accept that literally would lead us to resolve the difficulty we have with regard to the budgets, in particular the lack of balanced budgets. He has exhibited singularly, I think, a great deal of courage through these years as well as a great deal of intelligence. I express my appreciation as well as my deep regard and affection for him.

Senator SIMON is a relatively new Member of the Senate, but he has certainly grabbed the ball here and is willing to put his name on the line and stand up and be counted because he realizes, as do all of us, that we simply cannot continue to go down the paths we have been going. We simply cannot mortgage the future of our children any longer.

The best way to solve this problem is to put into the basic document of our land a requisite that we have to at least point toward a balanced budget. I think this amendment is a consensus amendment and one of the best ways of doing that.

I suppose every Senator would have some criticism of any amendment to the Constitution. Some Senators want to draft very broad amendments, some want to micromanage everything in the Constitution. Some differ on one point or another. Constitutional amendments as a general rule are consensus amendments, amendments that build consensus, that really attract liberals, conservatives, moderates, Democrats, Republicans. They are consensus in the sense that they build relationships that literally make a difference in our society at large.

I personally believe that this particular amendment is one of the most important ever brought to the floor of the U.S. Senate. I compliment people like Senator GRASSLEY, Senator HEFLIN, Senator DOLE, Senator SIMPSON, Senator DENTON, Senator EAST, Senator MCCONNELL, and Senator SPECTER. There are many, many others we should compliment. I will just say those who have been willing to stand up and support these amendments, I think, are very very important.

"The public debt is the greatest of dangers to be feared by a republican government."

"Once the budget is balanced and the debts paid off, our population will be relieved from a considerable portion of its present burdens and will find * * * additional means for the display of individual enterprise."

The Senate is currently undertaking consideration of a historic balanced-budget amendment to the Constitution. But what may be surprising to some is that the two quotations above are not recent statements by current proponents of the proposed amendment. The first statement was made by Thomas Jefferson and the second by Andrew Jackson. The two quotes illustrate an important truth: No concept is more a part of traditional American fiscal policy than that of the balanced budget. Throughout most of the Nation's history, the requirement of budget balancing under normal economic circumstances was considered part of what has been called our "Unwritten Constitution."

Influenced by individuals such as Adam Smith, David Hume, and David Ricardo, the drafters of the Constitution and their immediate successors at the helm of the new government strongly feared the effects of public debt. Even Alexander Hamilton and Thomas Jefferson, who had widely diverse perspectives on the role of the Federal Government, were in agreement that, whatever debt happened to be accrued by a nation, it ought to be repaid within some prescribed period of time.

Early American Presidents were in virtually unanimous agreement on the dangers of excessive public debt. Consequently, for approximately 150 years of our history—from 1789 to 1932—balanced budgets or surplus budgets were the norm. While budget procedures had little of their present organization, the concept of a balanced budget was accepted widely as the hallmark of fiscal responsibility. Those deficits that did occur—during wartime or during the most severe recessions—normally were compensated for by subsequent surpluses.

I ask unanimous consent that table No. 1 be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—DEBT AND PERPETUAL DEBT IN AMERICAN HISTORY

Event associated with new debt	Justification for new debt	Fiscal years, new debt incurred	Amount of new debt incurred	Years until next surplus after event concluded	Percent of new debt later retired	Year this percent of new debt retired	New perpetual debt
Assumption of debt of original States	Creation of new nation	1789	[1] $77	1	99.98	1834	$38,000
Whiskey rebellion	Military emergency	1794–95	[1] 5	2	100	1797	0
War of 1812	do	1812–15	[1] 71	1	100	1828	0
Panic of 1837	Economic emergency	1837–38	[1] 10	2	68	1839	[1] 3
Depression of 1840's	do	1840–43	[1] 29	1	58	1846	[1] 12
Mexican-American War	Military emergency	1847–48	[1] 13	1	73	1857	[1] 13
Recession of 1858	Economic emergency	1858–60	[1] 36	NA	0		[1] 36
Civil War	Military emergency	1861–65	[2] 2.7	1	69	1893	[1] 871
Depression of 1890's	Economic emergency	1894–97	[1] 475	NA	64	1905	[1] 171
Spanish-American War	Military emergency	1898–99	[1] 210	1	100	1901	0
World War I	do	1917–19	[2] 24	1	33	1930	[2] 15
Depression of 1930's	Economic emergency	1931–41	[2] 33	NA	0		[2] 33
World War II	Military emergency	1942–46	[2] 219	1	8	1948	[2] 201
Korean war	do	1951–55	[2] 19	2	17	1957	[2] 16
Recessions of 1958–62	Economic emergency	1958–63	[2] 27	NA	0		[2] 27
Vietnam war	Military emergency	1964–73	[2] 150	NA	0		[2] 150
Recession of 1974–75	Economic emergency	1974–75	[2] 76	16	0		[2] 76
Deficits of 1976–85	Insufficient	1976–85	[3] 1.3	6	0		[3] 1.3
Balanced budget law	None	1986–90	[2] 532	5	0		[2] 532

[1] Million [2] Billion [3] Trillion.

Mr. HATCH. Between 1932 and 1960, the rigid rule of annual balanced budgets gave way to a fiscal policy in which balanced budgets remained an overall objective but in which deficit spending nevertheless was viewed as a tool occasionally useful to effect appropriate economic results. New economic theories had emerged that placed great weight upon the ability of the Federal Government to manage fiscal policy through deficits and surpluses.

However, a real turning point in the history of U.S. fiscal policies occurred during the 1960's. Even the keynesian objective of balancing surplus years with deficit years succumbed to the idea of regular, annual uncompensated-for deficits.

During the past two decades, the Federal Government has run deficits in all but a single year. The deficits have come during good times and they have come during bad times. They have come from Presidents who have pledged themselves to balanced budgets and they have come from Presidents whose fiscal priorities were elsewhere. They have come from Presidents of both parties.

Even more alarmingly, the magnitude of these deficits has increased enormously. For the 7 fiscal years ending in 1967, the total deficit was approximately $91 billion. For the 7 fiscal years ending in 1981, the total deficit was approximately $450 billion. The total national debt stands just over $2 trillion, with nearly two-thirds of that total incurred during the past decade alone.

MAGNITUDE OF FEDERAL DEBT

The number "2 trillion" is too clean and simple-sounding to communicate the implications of our staggering debt. In 1975, before this recent borrowing spree, the Federal debt amounted to approximately $2,500 per person, and the annual interest charges cost roughly $250 per taxpayer. At the present, the Federal debt amounts to over $8,000 per person, with annual interest charges exceeding $1,300 per taxpayer. By 1990, according to 1985 Congressional Budget Office projections, the debt could reach $12,000 per person, and annual interest charges of $2,300 per taxpayer. Even if the Government adheres to its newly enacted deficit ceilings for the next 5 years, the debt would still reach $10,000 per person, with interest charges of $2,000 per taxpayer. These last figures—which must be considered optimistic—would mean a four-fold increase in per-capita debt, and an eight-fold increase in annual interest charges per taxpayer, since 1975. This gives a better picture of the actual magnitude of the debt. It still does not describe, however, the human implications. The human implications are that our children are being shackled with an insurmountable burden as a result of our largess. Over time, the disproportionate burdens imposed on today's children and their children by a continuing pattern of deficits will include some combination of the following: Increased taxes; reduced public welfare benefits; reduced public pensions; reduced expenditures on infrastructure and other public investments; diminished capital formation, job creation, productivity enhancement, and real wage growth in the private economy; higher interest rates; higher inflation; increased indebtedness to and economic dependence on foreign creditors; and increased risk of default on the Federal debt.

Perhaps the most significant effect of today's unrestrained borrowing, however, will be a reduction in the political choices available to future governments of this Nation. From 1952 through 1975, the interest cost on the Federal debt consumed between 6.7 percent and 8.3 percent of annual revenues. Since then, that percentage has risen steadily. By 1985, interest costs consumed 17.7 percent of annual revenues. Projections made in 1985 by the Congressional Budget Office indicate that, by 1990, interest costs could consume approximately 21 percent of annual revenues. This means that only 79 percent of annual revenues will be available to meet the future needs of government—needs which will be no less pressing than today's.

In 1985, 77 percent of Federal Government expenditures were financed by tax revenues, and the remaining 23 percent by borrowing. Of this situation, one could say that the American people were getting a dollar's worth of government for every 77 cents' worth of taxes. But at what cost? Future taxpayers—including today's children—face the sad prospect of receiving 77 cent's worth of government for every dollar's worth of taxes.

SUMMARY

Efforts to secure a constitutional rule to require a balanced Federal budget and to limit the growth of Federal spending have intensified as the Federal Government's persistent failure to balance its budget has produced debt of nearly $2 trillion ($2,000,000,000,000) and as the Federal share of the economy has continued to increase.

In a large measure, the Nation's economic problems are attributable to these facts. Unacceptable levels of inflation, and unemployment, as well as enormous foreign trade imbalances, can be traced directly or indirectly to the fiscal policies and practices of the National Government.

Senate Joint Resolution 225 will reestablish constitutional limitations upon Federal spending and deficit practices that existed in earlier years through an array of formal and informal constitutional provisions and which have been eroded over the course of recent years. The abandonment of the "unwritten constitution" requirement of balanced budgets, the passage of the 16th amendment, and the development of new judicial doctrines concerning the Federal spending authority are some of the features that have contributed to the present situation in which there is virtual absence of external constraints upon the ability of Congress to spend.

Specifically, the proposed amendment addresses a serious spending bias in the present fiscal process arising from the fact that Members of Congress do not have to cast votes in behalf of new taxes in order to accommodate new spending programs. Rather than having to cast such politically disadvantageous votes, Congress has been able to resort to increased levels of deficit spending and borrowing to defer tough economic choices.

Members of Congress, thus, have been free to respond to the concentrated pressures of spending interest groups—and reap the political advantages of doing so—without having to reap concomitant political disadvantages by reducing spending programs favored by some other spending interests or by expressly raising taxes.

The result is that spending continues inexorably to rise whatever the genuine will of the people. This result is an essentially undemocratic and unresponsive process that enables Members of Congress to avoid ultimate accountability for their spending and taxing decisions. This institutional bias requires a constitutional solution.

I ask unanimous concent that the text of Senate Joint Resolution 225 with the consensus tax amendment be placed in the RECORD at this point.

There being no objection, the resolution and amendment were ordered to be printed in the RECORD, as follows:

TEXT OF SENATE JOINT RESOLUTION 225 WITH CONSENSUS TAX AMENDMENT

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled (two thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

ARTICLE —

SEC. 1. Outlays of the United States for any fiscal year shall not exceed receipts to the United States for that year, unless three fifths of the whole number of both Houses

of Congress shall provide for a specific excess of outlays over receipts.

SEC. 2. Any bill to increase revenue shall become law only if approved by a majority of the whole number of both Houses of Congress by rollcall vote.

SEC. 3. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect.

SEC. 4. This article shall take effect in fiscal year 1991 or for the second fiscal year beginning after its ratification whichever is later.

CONCEPTS OF SENATE JOINT RESOLUTION 225

Mr. HATCH. Mr. President, Senate Joint Resolution 225 proposes to overcome this spending bias by restoring the linkage between Federal spending and taxing decisions. It does not propose to read any specific level of spending or taxing forever into the Constitution and it does not propose to intrude the Constitution into the day-to-day spending and taxing decisions of the representative branch of the Government. It merely proposes to create a fiscal environment in which the competition between the tax-spenders and the taxpayers is a more equal one—one in which spending decisions will once more be constrained by available revenues.

Section 1 of the amendment would establish a balanced budget as a norm of Federal fiscal policy. It could be overcome, however, by three-fifths votes in both Houses of Congress. Section 2 of the amendment would prohibit Congress from raising taxes and increasing the Federal Government's share of the national economy unless Members of Congress were willing to go on record.

This amendment is not a panacea for the economic problems of the Nation. The amendment is, however, a necessary step toward securing an environment more conducive to honest and accountable fiscal decisionmaking.

Senate Joint Resolution 225 represents both responsible economic policy and responsible constitutional policy. Passage of this resolution would constitute an appropriate response by Congress to the pending applications by nearly two-thirds of the States for a constitutional convention on this issue.

This amendment is in agreement with President Ronald Reagan who stated in 1980:

> Excessive Federal spending and deficits have become so engrained in Government today that a constitutional amendment is necessary to limit this spending. I shall continue to emphasize the need for such an amendment. In his most recent State of Union address, the President also said: "Once we've made the hard choices, we should lock in our gains with a balanced budget amendment to the Constitution."

NEED FOR SENATE JOINT RESOLUTION 225

The primary purpose of Senate Joint Resolution 225 is to correct a bias in the present political process in behalf of ever-increasing levels of Federal Government spending. Whether such spending is financed by higher taxes or new debt, it has woeful economic consequences. High interest rates, and the resulting decline in investment and productivity, as well as unacceptable levels of unemployment, all follow when the Government uses an excessive share of the Nation's resources, leaving too little for productive use by the private sector. If the Federal Reserve Board attempts to reduce these economic problems by increasing the money supply faster than increases in the supply of goods and services, inflation results.

While it is true that much of the enormous growth in Federal Government spending over the past two decades may be a response to evolving notions of the role of the public sector on the part of the American citizenry—that is, a genuine shift in the will and desire of the people—it is my contention that a substantial part of this growth stems from far less benign factors.

In short, the American political process is defective insofar as it is skewed toward artificially high levels of spending, that is, levels of spending that do not result from a genuine will and desire on the part of the people. It is skewed in this direction because of the characteristics of the fiscal order that have developed in this country in recent decades. It is a fiscal order in which Members of Congress have every political incentive to spend money and almost no incentive to forego such spending. It is a fiscal order in which spending decisions have become increasingly divorced from the availability of revenues.

GRAMM-RUDMAN AND A CONSTITUTIONAL AMENDMENT TO BALANCE THE BUDGET

The enactment of Gramm-Rudman does not diminish the need for a constitutional amendment requiring a balanced budget. Gramm-Rudman does not purport to correct the structural bias in favor of deficit spending that would be offset by a constitutional amendment.

The proposed constitutional amendments to balance the Federal budget correct the inherent structural bias within our political system causing chronic deficit spending. Gramm-Rudman implements that fundamental principle over the next 5 years, but it neither corrects the systemic biases in our political system nor purports to make that policy permanent. Accordingly, even if Congress and the President successfully meet the worthy objectives of the Gramm-Rudman statute over the next few years, the symptoms may have been temporarily relieved, but the cancer will linger to flare up later.

The spending bias in our fiscal processes is caused by the absence of linkage between taxing and spending decisions. Members of Congress, however well intentioned, simply do not have to cast votes in behalf of new taxes in order to accomodate new spending. Rather than casting politically disadvantageous votes, they may either resort to increased levels of deficit spending funded by borrowing or allow the tax system, through bracket creep, to produce annual, automatic tax increases. Over the next 5 years, Gramm-Rudman effectively addresses the deficits caused by these systemic flaws, but a constitutional amendment is necessary to permanently correct the flaws.

In a democracy, constitutions establish the structure of government by imposing restraints on the behavior of those who represent them. For years, the body politic has suffered from the removal of constraints upon Congress imposed explicitly or assumed implicitly by the framers of the Constitution. Consequently the Federal Government has run a deficit in 24 of the past 25 years. Since 1970, the United States has incurred the 11 largest peacetime deficits in the history of the Nation with nine deficits over the past decade in excess of $50 billion. Consequently, Congress had to take the unprecedented steps prescribed by Gramm-Rudman. In this sense, Gramm-Rudman is itself a testament to the need for constitutional restraint. Thus, an amendment to the Constitution would reimpose, explicitly, those constraints as only a constitutional amendment can.

Although Gramm-Rudman statutorily mandates a balanced budget, a constitutional amendment is required for the following reasons:

Gramm-Rudman does not purport to correct the structural bias in favor of deficit spending that would be offset by a constitutional amendment.

Gramm-Rudman is only intended to deal with a temporary crisis, whereas a constitutional amendment corrects a bias that has caused deficits in 47 of the past 54 budget cycles. The deficit spending bias is not a problem that has lasted, nor will last, only 5 years. In other words, the system is "broke" and will not be finally "fixed" in 5 years. It demands a permanent constitutional solution. See attached chart for documentation of deficit spending caused by structural bias.

Ultimately no Congress can bind a succeeding Congress by simple statute. Already press accounts and some of our colleagues have suggested spending and taxing pressures could cause Gramm-Rudman to be circumvented or changed. The success of deficit reduction efforts in the next 5 years and beyond may depend on stronger medicine than a statute can supply. Put another way, no statutory measure can contain provisions requiring a greater or more onerous voting rule for its repeal than for its adoption. Any balanced budget statute can be repealed,

in whole or in part, by the simple expedient of adopting a new statute. Statutory limitations remain effective only as long as no majority coalition forms to overcome such statutory constraints. The virtue of a constitutional amendment is that it can invoke a stronger rule to overcome the spending bias.

Gramm-Rudman has put the Nation on the road to recovery. In the absence of constitutional underpinnings, however, Gramm-Rudman or any other statutory prescription faces challenges that may compromise enforcement.

By analogy: Several Senators could propose legislation to change statutory law relating to ratifying treaties, expelling Members of either House of Congress, or proposing constitutional amendments—all of which are current constitutional provisions requiring supermajority votes. This hypothetical legislation could set up elaborate mechanisms to ensure that treaties or constitutional amendment proposals get careful congressional scrutiny or that accused Members of Congress get due process. Even if such legislation were enacted, the new bill would not eliminate the need for the constitutional supermajority requirements in each of these areas. Similarly the current constitutional amendment proposals are intended to endow the voting of an unbalanced budget with the same solemn consideration now required for treaties. Because disconnecting outlays from revenues has consequences at least as sweeping as most treaties, a constitutional supermajority requirement is warranted regardless of current statutory attempts to balance the budget.

CONCENTRATED BENEFITS—DISPERSED COSTS

It is important first to understand what some economists and political scientists have described as the "concentrated benefit/dispersed cost" phenomenon. This describes the fact that the benefits of any given spending program normally are concentrated within a relatively small class of beneficiaries, while the costs of such a program are dispersed throughout a relatively large class of persons, that is, the taxpayers. Thus, those parties who benefit from a particular spending measure stand to benefit greatly while those who bear the costs are affected insignificantly. Arthur Burns, former Chairman of the Federal Reserve Board, described it in these terms:

The proximate causes of this governmental bias are quite clear. In general, spending programs are more popular with people than higher taxes. The potential beneficiaries of a spending program are often a numerical minority, but they have a stronger incentive to keep informed, to organize, and to lobby for their favorite program than those who bear the cost have to oppose it. The rising cost of political campaigns and the concurrent proliferation of fundraising committees put intense pressure on legislators to vote for spending programs favored by such groups. We may, in fact, be entering an era in which governmental processes are overwhelmed by the naked demands of increasingly well-organized and effective interest groups. It is this concern that has led me to look with favor on even preemptory devices for offsetting the existing bias toward larger Federal spending and borrowing.—AEI Economist, April 1979.

The competition, then, between the tax-spenders and the taxpayers is a highly unequal one; it is not at all surprising that the former should prevail so frequently. It is simply not worth the while of the individual taxpayer to spend as much time and effort to save himself a few cents or a few dollars on some program as it is for spending to secure millions or even billions of dollars for themselves. The spending interests tend to be intense and passionate in focusing upon individual spending measures likely to accrue to their benefit, while those who logically would be the most concerned about such spending, the taxpayers, tend to be diffuse and unorganized. Spending interests are politically and articulate and able to reward or punish legislators with their organized electoral support or nonsupport. Meanwhile, taxpayers are politically inarticulate, only barely able to perceive their self-interest in the context of isolated pieces of legislation. It is only when the spending programs are aggregated that the taxpayer begins to feel the full impact of such spending. Thus, it is only natural that legislators, however sincerely committed to fiscally responsible public policies, should be sensitive and responsive to the concerns of those who lobby for new or expanded spending initiatives. As Professor Charles Baird of the University of California at Hayward has observed:

Whenever Government programs are considered one by one, there is a bias toward Government growth. Each program has a well-defined constituency that receives positive benefits therefrom. In many cases, the benefits from a particular program to a particular person represent a large part of that person's total income, while the tax cost to the beneficiary of that program is miniscule. Such direct beneficiaries of program A therefore are strongly motivated to organize work and lobby for the adoption and growth of that program. There is no countervailing incentive for taxpayers in general to organize, work, and lobby against program A in isolation because any individual taxpayer's share of program A is miniscule. Since elected representatives inevitably respond to lobbying efforts, there is a high probability that program A will be adopted even if the sum of the benefits therefrom are less than the sum of the costs.

The purpose of Senate Joint Resolution 225 is to create a more equal competition between spending interests and taxpayer interests by reducing the structural bias toward higher spending within the Federal fiscal system that contributes to the current imparity. By reducing the bias, and creating a more neutral environment within which this competition can take place, the representative processes will be more responsive and accountable to the genuine desires and interests of the public at large with respect to levels of public expenditures. As Professor Allan Meltzer of Carnegie-Mellon University has observed—

Only by changing the ground rules under which spending decisions are made can we expect to obtain the outcome which people desire.

The proposed amendment addresses an important element of the spending bias: The access Members of Congress have to deficit spending. This enables Members of Congress to avoid having to vote new taxes in order to finance new spending.

DEFICIT SPENDING

A principal cause of the spending bias involves the virtually unlimited access that Members of Congress have to deficit spending. As the "unwritten Constitution" requirement of budget balance has been disregarded in recent years, Members of Congress no longer are constrained in their ability to increase spending by the concomitant need to increase ordinary revenues. Permissible levels of spending no longer are defined, as they traditionally have been, by levels of revenue available. In consequence, Members of Congress are free to obtain the resulting political advantages, without having either to (a) reduce spending for some other spending interest and incur the resulting political disadvantages, or (b) increase tax revenues and incur the resulting political disadvantages.

Members of Congress do not have to reduce levels of spending for one program in order to accomplish increases in other programs because there is no effective limit as to how much Congress may spend in its budget. Once the traditional linkage has been severed between spending and revenues, there is no need for Members to establish priorities as between alternative spending proposals; each can be satisfied simply by increasing the level of the deficit. The availability of deficit spending enables Members to avoid the hard political decision of having to choose among spending proposals and thereby ensure for themselves some element of political disadvantage as well as political advantage.

Members of Congress do not have to increase revenues in order to accommodate increased spending because levels of spending no longer are related in any meaningful way to levels of revenue. Thus, not only is there no need for Congress to antagonize any other spending interest in the process of supporting a given spending measure, but there is no need to antagonize taxpayers generally by appearing to raise their tax burdens. Again, there is

no element of political disadvantage Members of Congress are required to incur in order to reap the political advantages of responding to the spending interests.

In this respect, the availability of unlimited deficit spending allows the political costs of spending measures to be deferred in time, while enabling the political benefits to be enjoyed immediately. While the benefits of the measure usually will be understood immediately by its beneficiaries, the costs—in the form of higher future taxes, higher future inflation, and higher future interest rates—usually will be evident only at some remote time. Indeed, there may be no political costs whatsoever unless those who suffer from these economic ills are sophisticated enough to understand the cause-effect relationship between the earlier spending and the later symptoms.

APPROACH OF SENATE JOINT RESOLUTION 225

In seeking to reduce the spending bias in our present system—the unlimited availability of deficit spending—the major purpose of Senate Joint Resolution 225 is to ensure that, under normal circumstances, votes by Congress for increased spending will be accompanied either by votes (a) to reduce other spending programs or (b) to increase taxes to pay for such programs. For the first time since the abandonment of the traditional balanced budget requirement, Congress will be required to cast some politically difficult vote as a precondition for a politically attractive vote to increase spending.

Section 1 of the proposed amendment would address the spending bias—unlimited access by Members of Congress to deficit spending—by requiring a three-fifths vote of each House of Congress before the Federal Government could engage in such spending. Such a procedure would not prohibit deficit spending, but would simply reestablish, as a norm, a budget in balance rather than one in deficit. A consensus greater than a normal majority would be required to violate this norm. Unless such a consensus existed, Congress would be bound in its spending by its available revenues and would be forced to account for new spending in one program area by either reduced spending in another program area or by increased taxes. The political advantages resulting from support for new spending then would be matched, at least to some degree, by countervailing political disadvantages.

Section 2 of the proposed amendment would reinforce section 1 and further link tax spending and tax raising by requiring both Houses of Congress to approve any bill to increase revenues by a constitutional majority. In the absence of clear constitutional majority and Presidential consent, a tax increase could not cause the public sector to grow at the expense of the private. Though while section 1 would ensure, as a norm, that Federal spending is matched by Federal revenues, section 2 would ensure that such revenues are not raised without political accountability for Members of Congress. It would also make it less likely that the budget would be regularly balanced at increasingly high levels of taxation. Before Congress could make available to itself greater amounts of revenue for new spending initiatives, it would have to stand up in view of the public and place itself on record in behalf of such increased revenues.

As a result, Senate Joint Resolution 225 effects a subtle, but important, change in the psychology of the budget process. Under the present system, each spending interest, in effect, competes with the taxpayers to raise the total ante in the Federal Treasury. Under a system, however, in which some form of spending ceiling is in effect, these same interests suddenly will be competing with one another in order to ensure themselves a certain proportion of a fixed ante in the Federal Treasury. Not only will spending interests have to convince Congress that their favored programs merit funding at a certain level, but they will, in addition, have to establish the priority of their programs. A spending ceiling comprised of something beyond mere congressional self-restraint will force Members of Congress to view spending requests in terms of relative desirability, not simply in terms of whether or not a program is desirable at all. An element of competition among the spending interests will be introduced into the budget process, undoubtedly to the long-term interests of those who finance the spending programs favored by these interests.

Thus, the proposed amendment would make it easier for well-meaning, but beleaguered, Members of Congress to exercise fiscal responsibility in making their policy decision. There would be an external constraint, something beyond their own ability to resist the importunities of the spending interests, upon which they could rely. As Professor Roger Freeman of the Hoover Institution has noted:

> It is not that Members of Congress do not wish to produce a balanced budget but that under the circumstances they can only do so at a grave political risk to their survival. They need a defense against excessive demands which allows them to say "no" to a multitude of pressure groups. Such a defense cannot be built by statute because any act of Congress can be amended or repealed by this Congress or the next. Only a constitutional amendment can impose credible and effective spending restraints.

Professor James Buchanan goes on to elaborate:

> The fault lies not in the bad intentions of elected politicians. The basic causes for the dramatic, and readily observable, shift in U.S. fiscal habits after World War II and notably after 1960 are not hard to identify. Keynesian teachings had succeeded in effectively repealing an important element of the unwritten fiscal constitution within which American politics had been carried out throughout almost two centuries of its history.

In summary, the purpose of Senate Joint Resolution 225 is to eliminate political process which allows Members to avoid having to vote for higher taxes in order to pay for higher spending and to establish a more genuinely neutral environment within which the budget competition occurs. The proposed amendment does not define what constitutes or what does not constitute a responsible budget, but only defines the institutional framework within which such budgets can be put together. Rather than Federal Government spending increasing inexorably, whatever the desires of the citizenry, the amendment would ensure that such spending is set at levels more reflective of their genuine desires.

ECONOMIC BACKGROUND

Two statements summarize the economic issues addressed by Senate Joint Resolution 225: First, the Federal sector has become increasingly prone to deficit financing since World War II; and second, the Federal sector, during that period, has come to command an increasing share of the Nation's economic output and income.

FEDERAL DEFICITS: INCREASINGLY FREQUENT AND LARGE

The Federal Government has run a budget deficit in 24 of the past 25 years and in 47 of the past 55 years. Deficit spending has come to occur during good economic conditions and during bad economic conditions. While the past decade has seen little change in the frequency of these deficits, it has seen, however, significant change in the size of deficits.

Since 1970, the United States has incurred the 11 largest peacetime deficits in the history of the Nation with 9 deficits over the past decade in excess of $50 billion. Following fiscal year 1970, the total national debt of the Nation stood at $383 billion; following fiscal year 1985 just 15 years later, this figure will stand at approximately $2 trillion—$2,000,000,000,000. Nearly half of this total debt has been incurred during the past 8 years alone, with well over two-thirds having been incurred in the past two decades alone—see table 2.

With the rising national debt has come rising interest payments. Where interest absorbed approximately 6 percent of the national budget 20 years ago, in fiscal year 1985 interest payments will represent over 13 percent of the total budget. Total interest of $130 billion for fiscal year 1985 represents a total larger than the entire Federal budget during the early 1960's, and

comprised the third largest expenditure item in the Federal budget. It is a figure nearly half as large as spending for national defense and nearly one-third as large as spending for income security programs, including Social Security.

FEDERAL SPENDING AND TAXING: AN INCREASING SHARE

Prior to World War I, Federal spending represented a minor share of the Nation's economic output of goods and services. Other than in times of war, the relatively small amounts of Federal spending were financed primarily by import duties. Government spending at all levels represented less than 9 percent of the gross national product [GNP].

Beginning with ratification of the 16th amendment in 1913, providing Federal access to taxation of incomes, and with the onset of World War I, the Federal sector has demonstrated a continuing propensity for growth, whatever the economic circumstances. Over the next 20 years, Government spending nearly doubled as a percentage of the economy. Since that period, however, spending has accelerated at an even more rapid pace, particularly Federal Government spending. In 1929, Federal expenditures of $3 billion represented just 3 percent of GNP. By 1950, the peacetime share had risen to 15 percent of GNP or $43 billion. For fiscal year 1984, Federal Government spending of $852 billion commanded nearly 24 percent of GNP—the highest in the peacetime history of the United States.

To illustrate this growth in another way, the first $100 billion budget in the history of the Nation occurred as recently as fiscal year 1962, more than 179 years after the founding of the Republic. The first $200 billion budget, however, followed 9 years later in fiscal year 1971. The first $300 billion budget occurred 4 years later in fiscal year 1975; the first $400 billion budget 2 years later in fiscal year 1977; the first $500 billion budget in fiscal year 1980; the first $600 billion budget in fiscal year 1981; the first $700 billion budget in fiscal year 1982; and the first $800 billion budget in fiscal year 1984—see table 3.

Despite the fact that an increasing share of this spending has been accounted for through deficit financing, Federal tax burdens have had to increase enormously in recent years to pay for these expenditures. Per capita tax receipts have nearly doubled in the past 8 years alone, while the number of individual taxpayers paying more than 20 percent of their income to the Federal Government has more than tripled in the past 15 years. Approximately 75 percent of all American families, through a combination of taxes and inflation, now have fewer real, after-tax dollars than 15 years ago.

NATURE OF THE DEBT

The enormity of the current deficits has raised the need for a balanced budget to emergency levels. Yet, many continue to argue that we have had deficits for half a century and the sky has not fallen. The sad truth is that in the past decade we have begun to run an entirely new type of deficit that is much more destructive than the relatively smaller ones of the past.

The debt we are now incurring is a radically different character than the debt in the recent past. It is of unprecedented size in real terms. And there is no plausible possibility that new debt issues will end at any foreseeable date in the future. Most importantly, it reverses the long downward trend in the size of the national debt and as a share of the country's economic activity.

Prior to the Great Depression, Congress was bound by a moral rule against budget deficits. But the economic tragedies of the 1930's, and the advent of the theories of John Maynard Keynes in 1936, caused legislators to rethink their policies on budget deficits. When the economy needed stimulating, deficits were seen as an appropriate remedy to the problem. Controversely, when the economy needed restricting, a fiscal surplus was called for. Debt creation, according to Keynes, was a valuable tool for economic policy; but at other times, or in the wrong amounts, debt creation could be a dangerous force.

Underlying these deficits, however, was a genuine concern for effective fiscal management. The real value of national debt—that is, national debt expressed in constant—1972—dollars—has shown a remarkable stability over the years 1950 to 1976, swinging up slightly in recession years and down slightly in boom years—table 4.

But as newer theories became popular—supply side, monetarism, among others—the traditional Keynesian concern with the size of the deficit was largely abandoned. And deficits correspondingly exploded.

The average real national debt in the 1981-84 period was $602 billion—1972 dollars—an increase of some 39 percent over the period from 1950-77.

Without the traditional constraint on deficits, the spending bias has come into full operation. According to projections by the Congressional Budget Office, Federal outlays will be some $260 billion higher, and revenues will be more than $1.2 trillion lower, in the 1980's.

National debt as a ratio of gross national product serves as a measure of the importance of Federal debt in the economy. As table 5 shows, Federal debt declined steadily as a share of the economy from the end of World War II until the beginning of the 1980's.

Within a few short years, debt as a share of the economy has reached levels unheard of, except in time of war. And the spiral continues ever higher. Congressional Budget Office projections show Federal debt increasing in importance for the remainder of the decade—table 6.

In short, national debt as a share of the economy today is growing for the first time since World War II. The situation is without precedent in our history.

ECONOMIC SYMPTOMS

From modest beginnings, the Federal Government has grown to become the dominant institution in the United States. No other entity comes close to it in ability to condition the course of economic events.

Most of the economic difficulties currently being suffered by the Nation are attributable directly or indirectly to recent economic policies pursued by the Federal Government.

Three statements summarize the consequences of increasing Federal deficits, taxation, and spending: First, after two centuries of relatively stable prices, inflation although improving in recent years has not been fully under control for two decades; second, rather than sustained economic growth, the economy over the past two decades has been characterized by extended periods of economic stagnation; and third, rather than high levels of savings and capital formation, the economy has come to be characterized by relatively low levels of savings and capital formation.

Typically, wartime inflation has been followed by a period of falling prices. As late as the 1930's, the index of prices was essentially at the same level as that of 150 years earlier. By contrast, the period following World War II is distinguished precisely by the failure of prices to return to their prewar levels. Only in response to the price stabilizing policies of the early 1950's. This period of relative price equilibrium during the early 1960's. This period of stability, however, signaled only an end to the World War II and Korean war inflations; it did not contribute to a return to prewar price levels. Since the mid-1960's, inflation has come to dominate the economy—an inflation unmistakably associated with Federal deficits of the late 1960's and 1970's. Although recent efforts to restrain inflation have been relatively successful, nevertheless the 1939 dollar, which had declined to a value of 40 cents by 1968, has declined to a value of well under 20 cents today.

As Federal spending and deficits have achieved peacetime record levels, the Nation's economy has crested and fallen. From sustained high annual growth rates in the 1960's of 5 to 6 percent, the real economic growth of the country declined toward zero in 1980. The real gross national product actually declined in 4 separate years

over the decade prior to 1980. The more that the Federal sector has drawn from the Nation's economic product the less robust the economy has been. As the Nation's annual growth declined, so too did its relative economic position among world economies.

Also closely associated with the pattern of rising Federal spending and deficits has been the sharply declining pattern of personal savings and private investment. In recent years, personal savings have declined from 7 to 8 percent of disposable personal income to less than 5 percent, a greater than 50-percent reduction. At the same time, private domestic investment has steadily declined as a proportion of the GNP. These levels are now among the lowest in the world and among industrialized, Western nations.

PROXIMATE CAUSE AND EFFECT

The inflation which began in 1968 has been closely associated with large and continuing Federal deficits. These deficits have placed the Federal Reserve Banking System in an increasingly untenable position. If the Federal Reserve refuses to purchase the new debt offered by the Treasury, increasing pressure is placed upon private capital markets. Federal financing of deficits is competitive with private demand for borrowed funds. As a result "crowding out" occurs as Federal borrowing displaces private borrowing, leading both to higher rates of interest and lower rates of private capital formation. As Prof. Roger Freeman of the Hoover Institution summarizes it:

> If the Treasury competes for funds, it drives up interest rates and crowds out other would-be borrowers. Thereby, it reduces the funds which are available for private investment, holds back industrial expansion, and improvement in productivity and limits job creation.

If, on the other hand, the Federal Reserve purchases the new debt, the monetization of this debt may lead to a money supply growing faster than the economy's ability to absorb this growth without adding to prices. More money generally means higher prices today further generating expectations of even higher prices tomorrow. As former Chairman of the Federal Reserve, Arthur Burns, has observed:

> When the Government runs a budget deficit, it pumps more money into the pocketbooks of people than it takes out of their pocketbook * * * the persistence of substantial deficits in Federal finances is mainly responsible for the serious inflation that got under way in this country in the mid-1960's * * * then the deficit increases at a time of economic expansion, as it has done lately, we should not be surprized to find the rate of inflation quickening.

Prof. Milton Friedman notes further:

> Interest rates are high because inflation is high. Inflation is high because the rate of money creation is high.

Faced with abnormally large Federal budget deficits, the Federal Reserve has tended to purchase a significant portion of the new debt. As inflation has resulted, individuals have accelerated their purchase of consumer goods and services, in the prices bidding up prices further, reducing personal savings, and reducing private capital formation.

Decades of inflation have done damage beyond swift correction. For instance, Congress has been under pressure to index a variety of its funding programs—from school lunches to Social Security—in an effort to maintain relative levels of funding. Such spending has, of course, contributed to still higher levels of Federal deficits.

Prof. Lowell Harris of Columbia University summarizes the issue in the following manner:

> Easing the financing of a Federal deficit by supplying new bank credit (money) has appeal. New money can be injected into the economy easing someone's problems. Businesses and governments get dollars that had not existed. Such injections seem to permit the accomplishment of good things. But as the funds thus created add to the flow through the economy, the cumulating results will differ from the initial results. The dollar loses buying power. Budget deficits invite the creation of money, and monetary expansion lies at the base of inflation . . . Federal deficits tempt the use of money creation as a means of getting dollars for the Treasury without evident pain.

In the face of unusually high levels of Federal spending, the alternative to deficit financing is, of course, increased taxation. This, too, has adverse economic consequenses, apart from the diminished freedom of the citizen to consume, as he chooses, the fruits of his one hand, less income means less money to save, less money for private investment in future output, and less economic growth. On the other hand, less income after taxes means less incentive to engage in productive economic activity generally—less incentive to work, less incentive to invest, and less incentive to do the things that contribute to economic growth. High rates of income taxation further distort the allocation of productive resources, invariably toward less efficient use.

U.S. COMPETITIVENESS IN WORLD MARKETS

Experience with persistent large deficits in the 1980's has focused attention on another problem associated with excessive Government borrowing: Undermining the Nation's trade position in world markets.

The huge borrowing needs of the Federal Government, coupled with the credit demands of businesses and consumers, have required a huge influx of capital into the United States. Making the United States attractive to foreign investment has helped avoid any severe effects from crowding out private credit needs and has helped keep inflation and interest rates lower than they might otherwise be. But clearly the day of reckoning cannot be postponed for long when the Federal Government incurs massive deficits year after year.

America's need for foreign capital has had a major—some would say disastrous—impact on the balance of trade. A strong dollar makes it more difficult for U.S. producers to sell their goods overseas, and easier for foreign producers to market their goods in the United States. At least in the short run, that means slower growth and fewer jobs in those sectors of the American economy that depend heavily on export markets. The decline in our manufacturing sector, the loss of markets for our agricultural products, and our record trade deficit with Japan are bringing calls for new measures to protect American industries from foreign competition: Measures which could threaten the prospects for healthy economic growth around the globe, ultimately destroying jobs and economic opportunity for Americans.

It is clear in any event that continuing massive budget deficits will have an enormous cost for the American economy. As economic growth accelerates in other developed countries, they will become more attractive to investment. The foreign investment that sustains our debt-ridden economy could dry up, and we would face the prospect of massive inflation or of skyrocketing interest rates that would bring the economy to a halt. The dangers of persistent deficits have never been clearer than they are today.

A constitutional rule limiting the growth of Federal deficits, spending, and taxation would contribute substantially toward the restoration of stable prices, stable employment, and stable economic growth.

Mr. President, I ask unanimous consent that tables 2-6 and a detailed analysis of Senate Joint Resolution 225 be printed in the RECORD.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

TABLE 2.—*National debt in the 20th century*

[In billions of dollars]

Year	Debt
1900	1
1901	1
1902	1
1903	1
1904	1
1905	1
1906	1
1907	1
1908	1
1909	1
1910	1
1911	1
1912	1
1913	1
1914	1
1915	1
1916	1
1917	3

Year	Debt
1918	12
1919	25
1920	24
1921	24
1922	23
1923	22
1924	21
1925	21
1926	20
1927	19
1928	18
1929	17
1930	16
1931	17
1932	19
1933	23
1934	27
1935	29
1936	34
1937	36
1938	37
1939	48
1940	51
1941	58
1942	79
1943	143
1944	204
1945	260
1946	271
1947	257
1948	252
1949	253
1950	257
1951	255
1952	259
1953	266
1954	271
1955	274
1956	273
1957	272
1958	280
1959	288
1960	291
1961	293
1962	303
1963	311
1964	317
1965	323
1966	329
1967	341
1968	370
1969	367
1970	383
1971	410
1972	437
1973	468
1974	486
1975	544
1976	632
1977	709
1978	780
1979	834
1980	914
1981	1,004
1982	1,147
1983	1,382
1984	1,577
1985[1]	1,850

[1] Estimated in fiscal year 1986.

Source: Office of Management Budget.

TABLE 3.—BUDGET RECEIPTS AND OUTLAYS, 1789–1986 [1]

[In millions of dollars]

Fiscal year	Budget receipts	Budget outlays	Budget surplus or deficit (–)
1789–1849	1,160	1,090	+70
1850–1900	14,462	15,453	–991
1901–1905	2,797	2,678	+119
1906–1910	3,143	3,196	–52
1911–1915	3,517	3,568	–49
1916–1920	17,286	40,195	–22,909

TABLE 3.—BUDGET RECEIPTS AND OUTLAYS, 1789–1986 [1]—Continued

[In millions of dollars]

Fiscal year	Budget receipts	Budget outlays	Budget surplus or deficit (–)
1921	5,571	5,062	+509
1922	4,026	3,289	+736
1923	3,853	3,140	+713
1924	3,871	2,908	+963
1925	3,641	2,924	+717
1926	3,795	2,930	+865
1927	4,013	2,857	+1,155
1928	3,900	2,961	+939
1929	3,862	3,127	+734
1930	4,058	3,320	+738
1931	3,116	3,577	–462
1932	1,924	4,659	–2,735
1933	1,997	4,598	–2,602
1934	3,015	6,645	–3,630
1935	3,706	6,497	–2,791
1936	3,997	8,422	–4,425
1937	4,956	7,733	–2,777
1938	5,588	6,765	–1,177
1939	4,979	8,841	–3,862
1940	6,361	9,456	–3,095
1941	8,621	13,634	–5,013
1942	14,350	35,114	–20,764
1943	23,649	78,533	–54,884
1944	44,276	91,280	–47,004
1945	45,216	92,690	–47,474
1946	39,327	55,183	–15,856
1947	38,394	34,532	+3,862
1948	41,774	29,773	+12,001
1949	39,437	38,834	+603
1950	39,485	42,597	–3,112
1951	51,646	45,546	+6,100
1952	66,204	67,721	–1,517
1953	69,574	76,107	–6,533
1954	69,719	70,890	–1,170
1955	65,469	68,509	–3,041
1956	74,547	70,460	+4,087
1957	79,990	76,741	+3,249
1958	79,636	82,575	–2,939
1959	79,249	92,104	–12,855
1960	92,492	92,223	+269
1961	94,389	97,795	–3,406
1962	99,676	106,813	–7,137
1963	106,560	111,311	–4,751
1964	112,662	118,584	–5,922
1965	116,833	118,430	–1,596
1966	130,856	134,652	–3,796
1967	148,906	157,608	–8,702
1968	152,973	178,134	–25,161
1969	186,882	183,645	+3,236
1970	192,807	195,652	–2,845
1971	187,139	210,172	–23,033
1972	207,309	230,681	–23,373
1973	230,799	245,647	–14,849
1974	263,224	267,912	–4,688
1975	279,090	342,245	–45,154
1976	298,060	364,473	–66,413
TQ [2]	81,232	94,188	–12,956
1977	355,559	400,506	–44,948
1978	399,516	448,368	–48,807
1979	463,302	490,997	–27,694
1980	517,112	576,675	–59,563
1981	599,272	657,204	–57,932
1982	617,766	728,375	–110,609
1983	600,562	795,969	–195,407
1984	666,457	851,786	–185,324
1985 estimate	736,859	959,085	–222,226
1986 estimate	793,729	973,725	–179,996

[1] Data for 1789–1939 are for the administrative budget data for 1940 and all following years are for the unified budget.

[2] In calendar year 1976. The Federal fiscal year was converted from a July 1–June 30 basis to an October 1–September 30 basis. The TQ refers to the transition quarter from July 1 to September 30, 1976.

TABLE 4.—*National debt/GNP price deflator*

[Billions of 1972 dollars]

1929	52
1933	92
1939	169
1940	175
1945	686
1950	479
1955	451
1960	424
1965	434
1966	428
1967	431
1968	448
1969	448
1970	419
1971	427
1972	437
1973	442
1974	422
1975	432
1976	478
1977	506
1978	518
1979	510
1980	512
1981	513
1982	553
1983	642
1984	713

TABLE 5.—*National debt/gross national product*

[1972 dollars]

1929	0.16
1933	.41
1939	.53
1940	.51
1945	1.22
1950	.90
1955	.69
1960	.58
1965	.47
1966	.43
1967	.42
1968	.39
1969	.39
1970	.38
1971	.38
1972	.37
1973	.35
1974	.34
1975	.35
1976	.37
1977	.37
1978	.36
1979	.36
1980	.35
1981	.34
1982	.37
1983	.42
1984	.44

TABLE 6.—*Debt held by the public as a percent of GNP Congressional Budget Office projections*

1986	41.8
1987	44.0
1988	46.0
1989	47.9
1990	49.7

DETAILED ANALYSIS OF S.J. RES. 225

SECTION 1, FIRST CLAUSE

"Outlays" is intended to include all disbursements from the Treasury of the United States, either directly or indirectly through Federal or quasi-Federal agencies created under the authority of acts of Congress, and either "on-budget" or "off-budget". With certain exceptions, outlays are those withdrawals subject to article I, section 9, which provides that "no money shall be drawn from the Treasury, but in consequence of appropriations made by law". It is intended to exclude from outlays repurchase and/or retirement of Federal debt.

". . . Receipts . . ." is intended to include all moneys received by the Treasury of the United States, either directly or indirectly, through Federal or quasi-Federal agencies created under the authority of acts of Congress. In present usage, receipts is intended to be synonomous with the definition of "budget receipts" as found in "a glossary of terms used in the budget process" (1984). It is intended to exclude from receipts the proceeds of debt issuance and to not include "off-setting collections".

". . . Fiscal year . . ." is intended as a term defined by statute and, as such, is to have no constitutional standing apart from

its statutory definition. Under current law, the Federal fiscal year begins on 1 October of one calendar year and ends on 30 September of the following calendar year. The amendment does not require an immutable definition of fiscal year; other fiscal years could be defined without straining the intent of the amendment.

"Outlays", "receipts", "fiscal year" are all terms defined by or to be defined by statute and, as such, have no constitutional standing apart from these statutory definitions. The intentions of the committee with regard to current concepts have been set out elsewhere in the report. At the same time, the committee is sensitive to the likelihood that such concepts will undergo modification through time. Provided these modifications are not designed to subvert the restrictions imposed by the amendment, but rather are designed to further those purposes, there is no intention that the meanings given here are immutable.

". . . Shall not . . ." is a term readily obvious in its intent and spirit to all who read these words except those intent on obviating their purpose through deception of the public and to the Supreme Court. Simply put, it means you cannot. The amendment contains no enforcement clause because it feels that this mandate is perfectly clear, and that the retribution that would be felt by Members and the President, for blatantly violating the highest law of the land would be sure and quick.

". . . Exceed . . ." means that outlays may not be greater than receipts. Receipts may exceed outlays. The term is not meant in an absolute sense. It is not possible to monitor outlays and receipts in a trillion dollar budget so that there will be an exact balance at the close of business on the final day of a fiscal year. The intent of the committee is that the Congress should use every reasonable means to achieve a substantial balance in outlays and receipts for each fiscal year. For example, the spirit of the amendment would not be violated if at the close of the fiscal year a de minimus imbalance was determined to have occurred. What is de minimus is subject to some interpretation, but given present-day monitoring abilities and the size of the Federal budget, it would be fair to say that a $10 billion imbalance—or roughly 1 percent of the Federal outlays—would not reflect an intent to avoid the purpose of this amendment. Greater imbalances may conceivably occur, and as they grow more regular and larger in amount it is anticipated that public sentiment will sharpen the estimating abilities of the executive and legislative branches.

Section 1, second clause

". . . Three-fifths of the whole number . . ." is intended to identify the minimum proportion of the total membership of each House needed for action by the Congress. Under current law, three-fifths of the Senate membership is 60 and of the House of Representatives is 261. Vacancies would reduce the minimum majorities.

". . . The whole number of both Houses . . ." is intended to be consistent with the use of the phrase "the whole number of Senators" in the 12th amendment to the Constitution, denoting the entire membership of the individual House of Congress in question; "both Houses", the "Senate", and "House of Representatives" now in the Constitution. Specifically, "both Houses" is not intended to connote a joint session of Congress or of its equivalent.

". . . Shall provide for . . ." is intended to be a mandatory requirement that when Congress determines that outlays shall exceed receipts they must do so by affirmative action that includes a three-fifths vote to have the imbalance and that the degree of imbalance be specifically stated in dollars.

". . . A specific excess of outlays over receipts." Is intended to identify the maximum number of dollars by which outlays may exceed receipts in the statement of receipts and outlays for the fiscal year adopted by the Congress pursuant to the first and second sentences of this section.

Of necessity, there would be a rollcall vote in determining whether there exists a three-fifths majority in each House in favor of a specific level of deficit. The committee intends that the substance of such a vote be restricted to the issue of such a deficit. For example, it would be inconsistent with the objectives of this provision of such a deficit were conditioned or qualified by particular circumstances (e.g., "whenever the measure of unemployment exceeds ten percent"), or if there was specification of the uses to which the excess outlays were to be allocated. Neither a provision for excess outlays attached as a rider to a resolution addressing some other subject nor a resolution to which a ride addressing some other subject has been attached would be consistent with this provision.

EXPLANATION OF SECTION 2

In accordance with the explanation of the specific terms of S.J. Res. 225 provided in the committee report, I would like to explain in detail the terms of the new section two amendment dealing with bills to increase revenues.

"Any bill" is intended to include all forms of legislation that could be used to "to increase revenues." This would include any amendments to bills, portions of bills, or other forms of legislation intended to increase revenues. The term "bill" itself is used in the same sense that it is employed in article I, section 7 of the Constitution.

"To increase" is intended to mean that only those bills intended by Congress to increase revenue are subject to the constitutional majority requirements of this section. The authors of this section purposefully avoided use of the term from article I, section 7, "for raising revenue" because this language has been interpreted to mean all revenue bills whether increasing or decreasing tax rates or bases. The authors do not intend bills that decrease tax rates or bases to be subject to the constitutional majority requirement. However, any bill which increases to any degree either the rate or the base of any tax shall be subject to this section.

"Revenue is used in the same sense that the term is used in article I, section 7 and article I, section 9. It includes all money gathered, collected, or raised by income taxes, excise taxes, imposts, tariffs, customs and export fees, duties, or other forms of government taxation. It would not necessarily include inspection fees used to defray the cost of the inspection activity or government bonds like those employed by the Tennessee Valley Authority, unless these were used in lieu of taxes as a means of raising general revenues for the Nation.

"Shall become law only if approved" means that the constitutional majority requirement is imposed on Congress's lawmaking authority alone. This is not to be construed as having any effect whatsoever on the presentment clause of article I, section 7. Any bill to increase revenues approved by both Houses of Congress by the requisite majority would still be presented to the President for his approval or rejection and would not be enacted without complying completely with the provisions of the presentment clause.

"By a majority of the whole number of both Houses of Congress" is intended to identify the minimum proportion of the total membership of each House needed for action by the Congress on any bill to increase revenues. Under current law, a majority of the Senate membership is 51 and of the House of Representatives is 218. Vacancies would reduce these minimum majorities.

"By rollcall vote" means that in all cases the votes of both Houses of Congress shall be determined by yeas and nays and the names of the persons voting for and against the bill shall be entered on the journal of each House respectively. In other words, this requires a recorded rollcall vote to establish the constitutional majority and that record is to be printed in the Congressional Record and accordingly published to the public. This procedure is also completely consonant with the constitutional procedure established by article I, section 7, the presentment clause.

SECTION 3

The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect.

". . . may waive . . ." is intended to provide Congress with discretionary authority to operate outside of the provisions of particular sections of this amendment in the event of declarations of war. Such a waiver would be by concurrent resolution of Congress, a resolution which would not have to be submitted to the President for approval or disapproval.

". . . the provisions of this article . . ." is intended to refer primarily to sections 1 and 2 of the amendment. The Congress may waive any or all of these provisions. Waiver of sections 3, 5, or 6 would seem pointless.

". . . declaration of war . . ." is intended to be construed in the context of the powers of the Congress to declare war under Article 1, section 8, neither adding to nor substracting from those powers. The committee intends that ordinary and prudent defense appropriations and preparations for a war perceived by the Congress to be imminent be funded fully within the limitations imposed by the amendment, although Congress may establish higher levels of spending and or deficits for these or any other purposes under sections 1 and 2.

". . . for any fiscal year . . . is in effect . . ." is intended to require a waiver of the provisions of the amendment on a year-by-year basis. That is, Congress cannot adopt a waiver resolution which shall apply to more that one fiscal year. Rather, the Congress annually must adopt a separate waiver for the fiscal year at issue.

Although this section is identical to language contained in each of the earlier versions of S.J. Res. 225, including that approved by the Senate in 1982, some proponents of the measure have raised concern about whether the language of section 3 goes far enough in assuring that Congress could respond to urgent threats to national security.

Senator HEFLIN offered an amendment in committee, which was defeated 10-7, designed to respond to this concern. The Heflin amendment would automatically waive the balanced budget requirement in time of war; authorize the Congress to waive

such requirement if the United States is engaged in military conflict which causes an "imminent military threat to the national security"; and enable Congress to provide for additional outlays for the defense of the Nation if Congress declares by an absolute majority of the whole number of each House that there is an "unforeseen and imminent military threat to the national security", through a joint resolution enacted into law.

Although there was virtually unanimous consensus that Congress ought to retain maximum flexibility in responding to national security crises, the majority of the committee felt that S.J. Res. 225 already dealt adequately with this. In the event of a defense-related emergency, the Congress under S.J. Res. 225 could: (A) waive the entire amendment in case of declared war; (B) waive the balanced budget requirement by three-fifths vote; or (c) adjust spending levels or spending priorities within the existing budget by a simple majority vote. Further, it was contended that the approximately $70 billion Defense Department operation and maintenance account exists for the very purpose of ensuring that the armed services are always able to respond in a timely manner to military threats.

Proponents of Senator HEFLIN's amendment felt, on the other hand, that the exsisting provisions of the amendment are excessively restrictive and that a three-fifths vote requirement to allow for defense spending may prove too difficult or time consuming. Concern was expressed that appropriate military responses might be dependent on the expediency of the moment. Senator HEFLIN described his amendment as a "safeguard mechanism" to be used in those situations in which 60 votes may be impossible to achieve but in which congressional majorities (and the President) support the use of such funds.

The committee acknowledges that the Heflin amendment has substantial merit and it is expected that further efforts at negotiation and compromise will continue on this important issue as S.J. Res. 225 approaches floor consideration.

SECTION 4

This article shall take effect for the second fiscal year beginning after its ratification or fiscal year 1991, whichever is later.

". . . Shall take effect . . ." is intended to be interpreted in the same manner as the same phrase contained in section 5 of the 20th amendment.

". . . For the second fiscal year beginning . . ." means that all of the obligations imposed upon Congress and the President by this amendment for any fiscal year shall be complied with for such fiscal year, the first day of which begins at least one full fiscal year and less than two full fiscal years after the date of ratification.

". . . Its ratification . . ." is intended to be construed as ratification of this article under article V of the Constitution.

"Or fiscal year 1991 whichever is later" clarifies that there will be an adequate adjustment period before the provisions of sections one through three go into effect. Fiscal year 1991 was selected because it is also the year that the "Balanced Budget and Emergency Deficit Control Act of 1985", also known as the Gramm-Rudman-Hollings Act, has targeted for achievement of a balanced budget. Thus this proposed amendment should not go into effect until after Congress has already achieved a balanced budget. In any event, Congress will have adequate lead time to bring the budget into balance before the provisions of the proposed amendment take effect.

STATE EXPERIENCE

Mr. HATCH. Mr. President, in contrast to past Federal fiscal policies, continued deficit spending by the States has been a rarity. Perennially, more States incur general surpluses than incur general deficits. The vast majority of the States are prohibited, by Constitution, from spending more than available revenues. A growing number of States, in addition, have imposed constitutional restrictions upon their own ability to spend or tax in excess of prescribed levels.

In comparing Federal and State fiscal policies, there are widely varying budgeting, accounting, and reporting practices. Also, by virtue of its access to the monetary printing press, there are different fiscal options available to the Federal Government than are available to State Governments. In addition, there are different functions to be served by the fiscal policies of the Federal Government than by those of the States. Despite these differences, the ability of the States to operate within their constitutional constraints is instructive. Such constraints have proven to be workable and have not inhibited significantly the ability of State Governments to perform their most widely accepted functions. Because it has been required, State legislatures have learned to operate effectively within the external limitations of their constitutions, many of which are more restrictive than S.J. Res. 225.

By the end of 1984, 44 States had constitutional provisions limiting their ability to incur budget deficits. An additional eight States had enacted statutory constraints to this effect. These limitations fall into a number of broad categories. Some would constrain the Governor by requiring the submission of a balanced budget. For example, California's Constitution reads in part:

Within the first 10 days of each calendar year, the Governor shall submit to the legislature, with an explanatory message, a budget for the ensuing fiscal year containing itemized statements for the recommended State expenditures and estimated State revenues. If recommended expenditures exceed estimated revenue, he shall recommend the sources from which the additional revenues should be provided.

In addition, the California Constitution requires that proposals to incur State debt be submitted to the electorate for approval. Other States would impose direct constitutional limitations upon the States legislature. For example, Louisiana's Constitution reads as follows:

Total appropriations by the legislature for any fiscal year shall not exceed anticipated State revenues for that fiscal year.

Other States would combine restrictions upon the Governor and the State legislatures. For example, Maryland's Constitution reads as follows:

The budget and the budget bill as submitted by the Governor to the general assembly shall have a figure for the total of all proposed appropriations and a figure for the total of all estimated revenues available to pay the appropriations, and the figure for total estimated revenues. Neither the Governor in submitting an amendment or supplement to the budget bill nor the general assembly in amending the budget bill shall thereby cause the figure for total proposed appropriations to exceed the figure for total estimated revenues, including any revisions, and in the budget bill as enacted, the figure for total estimated revenues shall always equal or exceed the figure for total appropriations.

Finally, some States would allow the contraction of extremely small amounts of debt which in practice, effectively prohibits the use of such debt to finance significant expenditure items. For example, Iowa's Constitution reads:

The State may contract debts to supply casual deficits or failures in revenues or to meet expenses not otherwise provided; but the contingent . . . shall never exceed the sum of two hundred fifty thousand dollars ($250,000).

In addition, by mid-1985, 20 States had adopted constitutional limitations upon State expenditures and revenue. An additional 12 States had adopted statutory restrictions to this effect. These limitations are summarized in Table 7.

One recent study concluded that such limitations have had a "constraining effect on the proclivity of public sector spending at the State and local level."—Ulimchuk, Constitutional Tax Limits at the State Level (1981).

Mr. President, I ask unanimous consent that table 7, a description of State tax and expenditure limits, be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 7.—DESCRIPTION OF STATE TAX AND EXPENDITURE LIMITS

State, year of adoption, type of limit, method of approval	Limit applies to	The limit is	Provisions for waiver	Provisions in the case of transfer of responsibility for government program	Treatment of surpluses
Alaska[1] 1982: Constitutional, Expenditure, Legislative, Referendum.	State appropriations	Appropriations shall not exceed $2.5 billion by more than the cumulative percentage change in population and inflation since July 1, 1981.	Limit may be exceeded for capital projects or appropriations to the permanent fund if the bill is (1) approved by the governor or three-fourths of the legislature and (2) approved by voters.	None	
Arizona, 1978: Constitutional, Expenditure, Legislative, Referendum.	Appropriations of State tax revenues	Appropriations of state tax revenues shall not exceed 7 percent of state personal income.	Requires two-thirds approval of each house of the legislatures on specific additional appropriation.	Legislature shall provide for adjustments to limit if court order or legislative enactment transfers responsibility between state and local governments or between federal and state govts.	No provision.
California, 1979: Constitutional, Expenditure, Citizens initiative.	Appropriations of State tax revenues	Yearly growth in appropriations limit shall not exceed percentage increase in population and inflation.	In the event of an emergency the appropriation limit may be exceeded provided increased expenditures are compensated for by reduced expenditures over 3 following years. Alternatively, the limit may be changed by voters but the change is operative for only 4 years.	(1) The appropriations limit shall be altered if program responsibility is transferred from one government entity to another, from govt. to private entity or from funding through special revenues. (2) The state shall provide the funding when it requires local govt. to provide a program. (3) Appropriations required for purposes of complying with federal requirements are not under limit.	Surplus revenues shall be returned by revision of tax rates or fee schedules within next two fiscal years.
Colorado, 1977: Statutory, Expenditure, Legislative vote.	State general fund appropriations	Yearly growth of State general fund appropriations shall not exceed 7 percent.	Statute may be amended at any time by majority vote of legislature.	None	General fund revenues in excess of limit and after retention of unrestricted general fund year and balances of 6 percent of revenues shall be used for tax relief, capital construction, highway expenditures and water projects.
Hawaii, 1978: Constitutional, Expenditure, Constitutional convention referendum.	State general fund appropriations	Rate of growth of general fund appropriations shall not exceed average rate of growth of State personal income for 3 previous years.	Requires two-thirds approval of each house of the legislature on specific additional appropriation.	State shall share in cost of any new program or service increase required of local governments by the legislature.	If state general fund balance in each of two succeeding years exceeds 5 percent of general fund revenues, legislature shall provide for tax refund.
Idaho, 1980: Statutory,Expenditure, Legislative vote.	State general fund appropriations	Appropriations shall not exceed 5⅓ percent of State personal income.	Requires two-thirds approval of each house of the legislature on specific additional appropriation.	Adjustments to limit shall be made if court order or legislative enactment transfers responsibility between State and local governments or between Federal and State governments.	No provision.
Louisiana, 1979: Constitutional, Revenue, Legislative vote.	State tax revenue	Tax revenue shall not exceed fiscal years 1978–79 tax revenue/1977 State personal income multiplied by last year's State personal income.	Statute may be amended at any time by majority of legislature.	None	State tax revenue in excess of limit shall be deposited in the Tax Surplus Fund; appropriations from that fund may be made for paying tax refunds.
Michigan, 1978: Constitutional, Revenue, Citizen initiative.	State revenue	Revenue shall not exceed fiscal years 1978–79 State revenue/1977 State personal income multiplied by the greater of State personal income in prior calendar year or average state personal income over previous 3 calender years.	Government must first specify an emergency then the legislature must concur by two-thirds vote in such house.	(1) Limit may be adjusted if program responsibility is transferred for one level of government to another. (2) State is prohibited from reducing current proportion of local services financed through state aid. (3) No new program shall be required of local governments unless cost is paid by State. (4) The proportion of total state spending paid to all units of local government as a group shall not be reduced below proportion for fiscal year 1978–79.	Revenues exceeding limit by 1 percent or more shall be used for tax refunds set in proportion to income tax liability. Excess less than 1 percent may be transferred to the State Budget Stabilization Fund.
Missouri, 1980: Constitutional, Revenue, Citizen Initiative.	State revenue	Revenue shall not exceed fiscal years 1980–81 State revenue/1979 state personal income multiplied by the greater of State personal income in prior calendar year or average state personal income over previous 3 calendar years.	Government must first specify an emergency, then the legislature must concur by two-thirds vote in such house.	(1) Limit may be adjusted if program responsibility is transferred from one level of government to another. (2) State is prohibited from reducing current proportion of local services financed through state aid. (3) No new program shall be required of local governments unless cost is paid by State.	Revenues exceeding limit by 1 percent or more shall be refunded pro rata based on income tax liability. Excess less than 1 percent shall be transferred to the general revenue fund.
Montana, 1981: Statutory, Expenditure, Legislative vote.	State appropriations	State biennial appropriations shall not exceed State appropriations for the preceding biennium plus the product of preceding biennial appropriations and the growth percentage. The growth percentage is the percentage difference between average state personal income for the 3 calendar years immediately preceding the next biennium and the average State personal income for the 3 calendar years immediately preceding the current biennium.	Governor must declare an emergency. Legislature must then approve specific additional expenditure by two-thirds vote of each house.	None	No provisions.
New ADA, 1979: Statutory, Expenditure, Non-Binding, Legislative vote.	Governor's proposed general fund expenditures.	Proposed biennial expenditures authorized for the 1975–76 biennium multiplied by [1 + percentage population change since July 1, 1974] multiplied by [1 + percentage inflation].	Not applicable because nonbinding	None	Do.
New Jersey,[2] 1976: Statutory, Expenditure, Legislative Vote.	State appropriations	Fiscal year appropriations shall not exceed fiscal year State per cap. inc./prior fiscal year st. per cap. in. multiplied by appropriations in prior fiscal year.	Must be approved by majority of voters in state referendum at a general election prior to fiscal year in which limit is to be exceeded.	Adjustment to limit shall be made if program responsibility is transferred between state and local governments.	Do.
Oregon, 1970: Statutory, Expenditure, Legislative vote.	State general fund appropriations	The rate of growth of appropriations in each biennium shall not exceed rate of growth of State personal income in 2 preceding calenuar years.	Statuts may be amended at any time by majority of legislature.	Adjustment to limit shall be made if program funding is transferred from general fund to nongeneral fund sources.	Revenue exceeding limit by 2 percent or more shall be used for tax refunds proportional to income tax liability.
Rhode Island, 1977: Statutory, Expenditure, Non-Binding, Legislative vote.	Governor's general fund appropriation request.	Yearly growth in Governor's general fund appropriation request shall not exceed 6 percent.	Not applicable because nonbinding	None	No provision.

TABLE 7.—DESCRIPTION OF STATE TAX AND EXPENDITURE LIMITS—Continued

State, year of adoption, type of limit, method of approval	Limit applies to	The limit is	Provisions for waiver	Provisions in the case of transfer of responsibility for government program	Treatment of surpluses
South Carolina, 1980, 1984: Constitutional, Expenditures, Legislative referendum.	State appropriations	Yearly growth in State appropriations shall not exceed average growth of personal income over 3 preceding years, or 9.5 percent of total State personal income, whichever is greater. Also the number of state employees is tied to State population.	Limit may be exceeded for 1 year by two-thirds vote of the legislature if it first declares a financial emergency. Also, every 5 years the legislature can review the composition of the limit.	None	Excess revenues may be spent to match Federal programs, for debt purposes, tax relief, or transferred to reserve fund.
Tennessee, 1978: Constitutional, Expenditure, Constitutional convention referendum.	Appropriations of State tax revenues	Growth in State appropriations shall not exceed growth in State personal income.	Specific additional amount may be approved by majority vote of the legislature.	State must share in cost if it increases expenditure requirements of local governments.	No provision.
Texas, 1978: Constitutional, Expenditure, Legislative referendum.	Appropriations of State tax revenues	Growth of biennial appropriations shall not exceed rate of growth of State personal income.	Specific additional amount may be approved by majority vote of the legislature if it first adopts a resolution that an emergency exists.	None	Do.
Utah, 1979: Statutory, Expenditure, Never implemented, Legislative vote.	State appropriations	Growth in appropriations may not exceed 85 percent of the increase in State personal income.	Limit may be exceeded by two-thirds vote of legislature if fiscal emergency is declared by legislature and legislature follows required procedures for publicizing its intent and holding public hearing.	(1) Limit shall be adjusted if program responsibility is transferred between state and local governments or from the Federal Government to the State. (2) Limit shall be decreased if funding source moved from sources covered under limit to sources exempt from limit. Revenue from exempt sources that is moved to nonexempt accounts shall come under the limit.	Revenue in excess of limit up to 2 percent of appropriations may be kept in unappropriated State funds balance; other excess revenue shall be rebated to taxpayers.
Washington, 1979: Statutory Revenue, Citizen initiative.	State tax revenue	Growth in tax revenues shall not exceed average rate of growth of State personal income over preceding 3 years.	Emergency must be declared by two-thirds vote of legislature then legislature must approve specific additional appropriations by two-thirds vote.	(1) Limit shall be adjusted if program responsibility is transferred between state and local governments or between State and Federal Governments. (2) State must reimburse local governments for increased cost if legislature imposes program responsibility on local governments.	Excess revenue becomes part of State tax revenue for next fiscal year.

[1] Automatic vote for reconsideration of limit is set for 1986. [2] Expired 1983.

Source: ACIR staff compilation from 1984 ACIR State Fiscal Survey of legislative and executive budget officers and from state tax and expenditure limit legislation.

ENFORCEMENT GENERALLY

Mr. HATCH. Mr. President, while earlier versions of balanced budget amendments contained language to the effect that, "The Congress shall have the power to enforce this article by appropriate legislation," this was not included in the proposed amendment because it was believed to be unnecesary language. Unlike earlier amendments to the Constitution that contained similar enforcement provisions, e.g., the 19th, 23d, 24th, and 26th amendments, Senate Joint Resolution 225 imposes no limitation upon State actions; it limits only the authority of the National Government. This, the committee felt that the language of the "necessary and proper" clause in article 1, section 8 would clearly effect the same results as an independent enforcement provision in the proposed amendment. Article I, section 8, clause 17, reads as follows:

The Congress shall have the power . . . to make all laws which shall be necessary and proper for carrying into execution the foregoing powers and all other powers vested by this Constitution in the Government of the United States or in any department or officer thereof. It is also unnecessary to restate language included in an earlier version of Senate Joint Resolution 225 which stated, "the Congress shall enforce and implement this article by appropriate legislation." It is implicit in the proposed amendment that a responsibility is placed on Congress to enact legislation in a timely manner that will fill in the fine details of the process created by the proposed amendment and which cannot be addressed in as precise a manner by constitutional amendment as by simple statute. Congress' power in this regard will be as broad as its power under the "necessary and proper" clause to carry into effect any other authority or power granted to it by the Constitution, see *Marbury* v. *Madison*. 1 Cranch, 137 (1803).

One of the elements of the process established by Senate Joint Resolution 225 that Congress is expected to implement is that specified in section 1. This sentence imposes a continuing responsibility upon Congress and the President to maintain actual levels of Federal spending within constitutionally permissible levels of spending. Congress and the President are to carry out these responsibilities through both. First, the authority presently available to Congress and the President to affect and influence the fiscal process; and second, any new authority created by Congress under its article I enforcement authority, and otherwise consistent with the Constitution of any new means by which Congress and the President can affect and influence the fiscal process.

It is not the intent of this provision, then, to establish any new authority in the President, absent congressional action, or to imply any reordering of the separation of powers balance between these branches of the National Government. This provision, for example, does not vest in the President any new authority to impound appropriated funds; or to veto line items in appropriation bills; Congress, however, may choose to amend existing impoundment statutes—consistent with the Constitution—and establish greater authority in the President to carry out his section 1 obligations by impounding funds. It is not mandated, however, that Congress implement this or any other particular enforcement provision; it is expected only that the Congress ensure that there be some effective means by which the Congress and the President may each exercise authority to enforce this critical provision of the amendment.

In the absence of such legislation, it is still expected that the President will exercise his budget proposing authority, his veto authority, and any other authority presently available to him to carry out the mandate of the section 1 provision. The same would be expected of Congress, of course.

While there may be no sanctions expressly contained in Senate Joint Resolution 225 for the violation of any particular provision, it must first be recognized that Congress and the President are expected to act in accordance with the Constitution. Both Members of Congress and the President are obligated to take oaths of office that require compliance with the Constitution. Thus, in summary, enforcement of the amendment is governed by several principles: the language and the intent of Senate Joint Resolution 225 are clear when it says outlays shall not exceed receipts, it means outlays shall not exceed receipts in the absence of a specific waiver; second, Congress and the President are to abide by this language and intent; and third, where necessary, Congress is to enact legislation that will better enable the Congress and the President to comply with the language and intent of the amendment. This I will discuss more later.

In addition, Senate Joint Resolution 225 is designed to promote its own enforcement through political processes. By establishing a focus upon two or three critical votes each year relating to aggregate levels of taxation and

deficits, in place of the present diffuse resolution 255 is designed to enable the electorate to better identify those Members of Congress most responsible for higher levels of spending, taxing, and deficits. To the extent that the amendment succeeds in creating a more useful flow of political information to the electorate, and this is a major objective of the amendment, it will be enforced most effectively at the polls every other November.

ROLE OF FEDERAL COURTS

The question arises, however, about the role of the Federal courts—particularly the Supreme Court—in enforcing the provisions of the amendment. While several witnesses have testified before the committee to the effect that explicit provisions ought to be incorporated into the amendment establishing judicial enforcement, others have testified strongly in support of explicit prohibitions upon such enforcement.

The authors have chosen to say nothing in the amendment itself about this issue. By addressing it in this manner, we believe that we have established the correct balance in refusing to establish constitutional sanction for the Federal courts to involve themselves in fundamental macroeconomic questions, while not undermining their equally fundamental obligation to "say what the law is," *Marbury* v. *Madison*, 1 Cranch 137, 177 (1803).

While there are a number of Senators who are seriously concerned about the diminished exercise of judicial self-restraint in recent years, traditional judicial and constitutional conceptions of justiciability, and standing, as well as the idea of what constitutes a political question best reserved to nonjudicial branches of the Government, suffice to ensure that the courts will not involve themselves, as a normal matter, in reviewing the operations of the budget process.

The role of the Federal judiciary in reviewing compliance with the proposed amendment will be sharply limited—by both the Constitution and past judicial practices—for the following reasons: First, there would only rarely, if ever, be standing in any individual or group of individuals to challenge alleged breaches of the amendment; second, even if such standing were conferred, the courts would normally treat issues raised under the amendment as political questions to be decided in the discretion of other branches of Government; and third, it is questionable that the courts would find most issues arising under the amendment to be justiciable in the sense of presenting the kind of case to which the judicial power attaches under article III of the Constitution.

The doctrine of standing is generally regarded as constitutionally mandated by the cases and controversies clause of article III. The "gist of the question of standing" is* whether the party seeking relief has.

Alleged such a personal stake in the outcome of the controversy as to assure that concrete adverseness which sharpens the presentation of issues upon which the Court so largely depends for illuminations of difficult constitutional questions, *Baker* v. *Carr*, 396 U.S. 186, 204 (1962).

The personal stake or personal injury, in fact, must be direct and specific, not a "generalized grievance" whose impact would be "plainly undifferentiated and common to all members of the public." *United States* v. *Richardson*, 418 U.S. 166, 177, 179-80, 1974. "A plaintiff must allege some particularized injury that sets him apart from the man on the street." Under the proposed amendment, a party would have to demonstrate that he suffered a differentiated or uncommon injury as a result of congressional violation of its constitutional duties to balance its budget, or limit spending or taxing to prescribed levels. Under most circumstances, this would be an extremely difficult demonstration, particularly since the actual breach of the amendment would normally arise from a violation of aggregate outlay levels and no individual spending or revenue measure is likely to be solely responsible for that violation. In other words, even if Congress exceeded the amendment's limits in some respect, it would still be unlikely that the courts would or could look beyond the violation to examine which particular spending or revenue measures caused those results. This would normally preclude the showing of a differentiated injury to some party.

Federal courts increasingly, have been facing the question of standing in the context of suits brought by Members of Congress. While the Supreme Court as yet to consider the issue on its merits, the trend in lower court decisions has been to treat the legislator in a manner similar to any other citizen. As the District of Columbia Circuit Court has observed, the legislator-litigant "receives no special consideration in the standing inquiry," *Reuss* v. *Balles*, 584 F.2d 46, 466, (1978). He is still obligated to demonstrate a particularized injury before standing will attach.

What constitutes injury still remains highly unclear. Most of the cases that have been considered by the courts have involved instances in which executive branch actions have resulted in alleged injuries to the plaintiff as in *Kennedy* v. *Sampson*, 364 F. Supp 1075, 1078, (D.C.D.C. 1974) and *Mitchell* v. *Laird*, 488 F.2d 611 (D.C. Cir. 1973). Recent district court decisions throw serious doubt on the ability of Members of Congress to sue on the basis of allegedly wrongful actions taken by Congress itself. In *McClure* v. *Carter*, 513 F. Supp 265 (Dist. Ct. Idaho 1981), the court held that a congressional judge in violation of the ineligibility clause of the constitution, article I, section 6, clause 2. In explaining its decision, the court stated:

Senator MCCLURE had the opportunity to persuade his colleagues to vote against the confirmation and, in the conscientious performance of his duties, did just that. That he and like-minded Senators did not prevail in the Senate does not mean that the effectiveness of Senator MCCLURE's vote was impaired. It means merely that he was on the losing side . . . under the Constitution, it was the duty of Congress itself, in the first instance, to determine Judge Mikva's qualifications both on the merits and on the issue of whether he was constitutionally eligible to serve as a judge.

This concept of congressional standing was clouded somewhat by *Riegle* v. *Federal Open Market Committee*, 656 F.2d 873, (D.C. Cir. 1981), which invented a two-step analysis for handling legislator suits. The courts held that separation of powers or political question concerns should not enter into the determination of legislator-plaintiff standing. But if, after standing had been properly alleged, the court believed that the "congressional plaintiff" could obtain substantial relief from his fellow legislators through the enactment, repeal, or amendment of a statute, the court should exercise its equitable discretion to dismiss the legislator's action." This standard, the court believed, "would counsel the courts to refrain from hearing cases which represent the most obvious intrusion by the judiciary into the legislative arena: Challenges concerning congressional action or inaction regarding legislation." Whether or not this new test will stand the test of time—and Supreme Court review—remains to be seen.

Since most breaches of the proposed amendment would normally result not from the failure of the executive branch to the appropriate actions, but from the failure of a majority of Congress itself to abide by the provisions of the amendment or to establish appropriate compliance procedures, either the traditional approach to congressional standing or the exercise of the more recently fashioned equitable discretion should work equally well in preventing inappropriate judicial remedies.

Where the alleged violation occurs on the part of the executive branch, the dimunition in congressional influence, influence on the part of Congress as a whole, must amount to a disenfranchisement, a complete nullification or withdrawal of a voting opportunity, and the congressional plaintiff must point to a clear standard in the constitution or in the statutes by which disenfranchisement can be shown, *Goldwater* v. *Carter*, 617 F.2d 697, 702, (D.C. Cir. 1979). It is insufficient that an individual legislator's influence be merely diminished so long

as recourse to the legislative process remains. Like suits brought by citizens and Congressmen, taxpayer suits would find article III's standing requirements to pose almost insurmountable barriers.

The recent Supreme Court case of *Valley Forge Christian College* v. *Americans United, Inc.* 454, U.S. 464 (1982) clarifies the enormous obstacles to a taxpayer attempting to enforce the amendment in Court. The Court dismissed as injustifiable this taxpayer's claim that a Federal donation of property to a parochial school violated the first amendment. The Court reasoned that the taxpayers had failed to satisfy the standing tests established by *Flast* v. *Cohen* 393, U.S. 83 (1968). This result would be likely in any case brought by a taxpayer to enforce the amendment because, as stated earlier, the Court would rarely, if ever, be able to conclusively find, given the multitude of contributing enactments and economic factors whenever the amendment's limits come to be exceeded, that any particular "challenged enactment exceeds specific constitutional limitations." Even if this were possible, however, the taxpayer would have to prove, in addition to the Flast requirements, an actual personal injury suffered by himself as a consequence of the alleged constitutional breach.

In Valley Forge, the Court could find no injury to the plaintiffs, "economic or otherwise," in the taxpayer's assertion that the constitution had been breached by the actions in question. Since it would be difficult, if not impossible, to identify any specific congressional act as a breach of the amendment, it would be even more difficult to show that that particular act also caused a personal injury in fact to the plaintiff. Valley Forge has raised the already lofty standing barriers to likely suits to judicially enforce this amendment.

Even if these barriers were overcome, and standing were conferred upon some litigant, the "political question" doctrine would still pose a formidable obstacle to a court taking cognizance of issues arising under the proposed amendment. An observer of the doctrine has described it in these terms:

> Political questions are ones committed to other than judicial organs of Government, not in terms excluding judicial control, but with respect to issues so distinctly political in character that the courts regard it as improper to seek to exercise control, although in the exercise of the jurisdiction conferred upon it by the Constitution, the U.S. Supreme Court may feel called upon to determine issues equally as delicate as those which it avoids. Dodd, Judicially Non-Enforceable Provisions of Constitutions, 79 University of Pennsylvania Law Review 54, 85 (1931).

A "political question" has been described as one in which the courts "forgo their unique and paramount function of judicial review of constitutionality." Henkins, "Is There a Political Question Doctrine?" 85 Yale Law Journal 579, 599 (1976). The test formulated by the Supreme Court in determining the existence of a "political question" has been articulated as follows:

> Prominent on the surface of any case held to involve a political question is found to be a textually demonstrable constitutional commitment of the issue to a coordinate political department; or a lack of judicially discoverable and manageable standards for resolving it; or the impossibility of deciding without an initial policy determination of a kind clearly for non-judicial discretion; or the impossibility of a court's undertaking independent resolution without expressing lack of respect due coordinate branches of government; or an unusual need for unquestioning adherence to a political decision already made; or the potentiality of embarrassment from multifarious departments on one question. Baker v. Carr, 369 U.S. 186 (1962).

The clear constitutional commitment to Congress to control Federal spending—article I, sections 8 and 9—is sufficient to ensure that the courts will exercise maximum caution in interfering with congressional determinations under the proposed amendment. It is evident that the process of developing a budget involves precisely the kinds of determinations for which legislators are most capable and courts least capable. The need to respond to public sentiment, the need to negotiate the demands of various and competing spending interests, and the need to make difficult policy determinations about public spending and revenue priorities are clearly factors that mitigate in behalf of legislative-branch, rather than judicial-branch, determinations. Further, it is questionable that there are adequate standards for "judicial manageability" of the class of cases most likely to arise under the proposed amendment. Any examination of aggregate spending, taxing, and deficit figures produced by Congress would run up against the problem of uncovering "differentiated" injury to some party, while any deeper, more probing analysis, necessitating judical inquiry into the process by which such numbers were produced, almost certainly would involve the courts in matters beyond their expertise—matters the determination for which are placed clearly within a coordinate branch of Government.

The committee also doubts that much litigation arising under the proposed amendment would be "justifiable" in the sense that appropriate relief could be fashioned by the courts. In describing the components of a "case or controversy," the Supreme Court has noted that there must be:

> • • • a real and substantial controversy admitting of specific relief through a decree of a conclusive character. *Aetna Life Insurance Co.* v. *Haworth,* 300 U.S. 227, 240 (1937).

In other words, the courts must inquire "whether or not the claim presented and the relief sought are of the type which admit of judicial resolution." *Powell* v. *McCormack,* 395 U.S. 486 (1969).

It is difficult to conceive of workable and enforceable judicial decrees or orders being issued with respect to controversies under Senate Joint Resolution 13 that would not involve the judicial branch in matters in budget policy that are clearly within the primary authority of either the legislative or executive branches of the National Government. It is doubtful that the courts would relish, or that Congress would permit, the Federal judiciary to issue the kinds of orders and decrees, and maintain the kind of continuing oversight to ensure the effectiveness of such orders and decrees, that would be necessary in matters of budget policy in order to insure compliance with the proposed amendment.

Because balanced budget requirements in State constitutions vary widely, it is difficult to draw any final conclusion from the experience of State courts with lawsuits requesting judicial enforcement. The infrequent decisions indicate, however, the reluctance of the State courts to become involved in decisions inappropriate for judicial decisionmaking. In New York, for instance, the court of appeals refused to review legislative enactments for conformity with the constitutional balanced budget mandate. *Wein* v. *Carey,* 362 N.E. 2d 587 (1977). In Maryland, the State's highest court declared moot a case challenging legislative actions as inconsistent with the balanced budget requirement because the fiscal year had expired before the case reached final resolution. This court refused to invoke the State's exception to mootness for issues of public importance. *Bishop* v. *Governor,* 380 A. 2d 220 (1977). The New Jersey Supreme Court admitted that it lacks power to order or enjoin the appropriation of funds to enforce the balanced budget rule, but did retain the option of offering advisory opinions on legislative action—an option barred in the Federal courts by article III. *Camden* v. *Byrne,* 411 A. 2d 462 (1980). These few cases are indicative of the difficulties experienced by courts in attempting to administer any remedy for a legislative function—allocation of funds—committed generally by State constitutions to other branches of government. Thus, these cases reinforce our understanding and intent that this amendment will be self-enforcing.

In summary then, while the authors of this proposal have chosen consciously not to prohibit judicial review altogether of "cases or controversies"

arising in the context of the proposed amendment—in the belief that the most serious and unambiguous violations of its provisions ought to be subject to external check—it nevertheless is expected that the amendment will be largely self-enforcing and self-monitoring. First, Congress and the President each are expected to establish appropriate procedures for complying with the amendment; second, Congress and the President each are expected to monitor the actions of the other branch and, to the limits of their authority, enforce the provisions of the amendment against that branch; and finally, the public is expected, and will be in an enhanced position, to monitor the actions of both of these branches of Government and, where they fall short of complying with the provisions of the amendment, to enforce it through electoral means. Only as a final resort, and only under the most compelling circumstances—as, for example, when the practices of either the Congress or the Executive undermine the ability of the amendment to be self-enforcing—is there anticipated to be a significant role for the judicial branch.

CONCLUSION

When it comes to deficits, Congress has sunk from the fiscal equivalent of "social drinking"—indulging on a small scale, with an ostensibly valid purpose—to full-scale alcoholism. It continues to imbibe on a huge scale, for no valid purpose, and with effects it knows and publicly states will be destructive over time. Nonetheless, Congress, like the classic alcoholic, cannot stop itself from deficit spending and no one has found a way to hide the bottle. This amendment is a stiff dose of very important medicine.

Senate Joint Resolution 225 holds promise for making the alcoholic understand the full implications of his excesses and to reform at all costs. This is our best hope to stop the drinking before its disastrous consequences are irreversible.

Mr. EVANS. Mr. President, I have listened with considerable interest and find myself in agreement with most of what my two distinguished colleagues, the Senator from Utah and the Senator from South Carolina, have said. I disagree, however, strenuously with their conclusion. It seems to me that what they have said is a great indictment, an indictment of Congress, and indictment of the President, an indictment of the people and the voters of this country for having failed on the first hand to pass and on the second hand to insist on a balanced budget or at least responsible budget making.

I have been horrified in the relatively short time I have been here by the blithe way in which we spend and the difficulty with which we tax or even find balance in our budget. I strongly do support responsible budgeting, and I think that while I have not been here very long, I have had more experience than any other Member of this body in preparing large public budgets. As Governor of the State of Washington for 12 years, I supervised very closely the preparation of those budgets. Some of those budgets were during periods of economic boom and liberal tax revenues. Other budgets were prepared during times of extreme economic distress with an overall unemployment rate in the State which almost approached 15 percent.

Under both of those circumstances, we passed, in the same tradition that virtually all States have, a balanced budget each year.

Interestingly enough, during that same 12-year period the debt of the State of Washington grew by almost $1 billion, small when compared to the national level but significant in the State of Washington.

I think one of the fundamental questions we must begin with is how can this State, all States, virtually all local governments claim a balanced budget and yet go deeper into debt with each passing year.

Well, of course, the difference is that State and local communities keep their budgets and their books differently than we do at the national level.

Even though I am a strong believer in and have voted I believe quite consistently for those measures which would balance budgets, was and am an enthusiastic supporter for the Gramm-Rudman-Hollings Act, which gives us a course, an opportunity to set a target toward a balanced budget, Mr. President, I think it is interesting, indeed fascinating, to find that the people of this country themselves have changed markedly over the last 7 or 8 years in their view of a balanced budget amendment to the Constitution as a means of handling what is increasingly a difficult fiscal situation.

During the same period of time that national deficits were soaring, you would think people would have greater and greater concerns expressed by stronger and stronger support for a constitutional amendment, yet quite the contrary is true. In 1978—these figures are all from successive Gallup polls and taken quite consistently—81 percent of the people in this Nation favored a balanced budget amendment. In 1982, 4 years later, 75 percent supported it. Today, in a poll taken just within the last year, 49 percent supported it.

My distinguished colleague from Utah mentioned the number of States which had passed a call for a constitutional convention with the goal to seeking a balanced budget amendment. I think it is also significant that no new States have joined that group in the last 2 years, and I believe it is unlikely that other States will join this year.

I think this is happening because more and more citizens are realizing that a constitutional amendment to balance the budget is both unwise and unworkable, even though I am confident an overwhelming percentage of our people and this Congress would share the goal of a balanced budget. I wholeheartedly agree with the 50 percent of this Nation's population who believe high Federal budget deficits will injure our citizens and business. With even greater feelings, I agree with recent polls which show that 89 percent recognize deficits as tarnishing the hopes and dreams of future generations.

Let us be quite candid about it. There is nothing in our Constitution and there is nothing in our laws—there is no barrier—to preventing a President today, this year, next year, last year, at any time in our history, from submitting to this Congress a budget which is balanced. There is no barrier to doing so. There is no barrier to this Congress to pass a balanced budget. But that is where the action occurs.

A constitution can only exhort, It must be a President and a Congress who act. There are no barriers to action now.

I think it is terribly important for us to recognize the fact that it is the eternal vigilance of our people and their determination, through their votes, as to what they are concerned about. Believe me, if enough citizens are concerned and express that concern by their vote and the election of officeholders, who in turn will be more vigilant, then, in the best and the only way, will we finally achieve a balance in our budget.

It is a terribly important debate on which we are embarked now. Any time we seriously talk of changing our Constitution, it must be concluded to be a serious debate. I think the fact that it is so serious is a very good reason for us to go slowly, for us to exhaust other remedies, for us to look to other means, before we finally determine that a constitutional convention or a constitutional amendment is necessary.

There is some considerable irony in the fact that this debate is taking place this year, within months after this Congress passed a historic act. The Gramm-Rudman-Hollings Deficit Reduction Act is the right way to go, or at least it is a responsible way to go. It sets us a target that will get us to a balanced budget. It has some built-in, self-executing factors, and it deserves a chance to work. I believe it will work. I believe it is already beginning to work, and I can think of nothing that would derail that direction faster than to have this Congress vote for a balanced budget amendment to the Constitution, turn the problem over to the

several States for ratification, and then blithely go back to the old ways of spending and taxing.

Polls show, of course, that people oppose new taxes and yet pretty generally support current levels, sometimes even increased levels, of spending. And why not? When for every dollar of spending it costs us 83 cents in taxes, we are getting more than our money's worth; we are living beyond our means. I wish to share with my colleagues the importance of correcting that direction.

The solutions are relatively few in number, and I think we know what they all are.

The suggestion now is to amend the Constitution, but I believe there are at least a couple of other directions that should precede that which are more important and which I believe are beginning to work.

First, give Gramm-Rudman-Hollings a chance to work. Give it an opportunity this year, next year, the next several years, to show that it can help us with the necessary fiscal courage to reach and keep the goal of a balanced budget.

I think this debate may serve another good purpose. It may serve the purpose of alerting the people of this country to the problems of budget-making and the problems of a balanced budget. It may cause them to more carefully assess, during an election campaign, the views of those who run for office; in turn, elect those to office who will carry out the will of the people in reducing and eventually eliminating this haunting Federal budget deficit. It is not time to reward the political office holders who just spend. It is important to reward those who have a considerably greater degree of concern for the public's purse and the public's wallet.

Of course, there is no easy solution. Some are clearly better than others, and I suggest that a constitutional amendment falls far behind the others which are in front of us.

Let me present, briefly, the beginnings of my case.

One of the arguments used most frequently is that individuals balance their budget; why not governments? That has extended to the old saw that State and local governments balance their budgets; why not the Federal Government? Corporations and businesses, if they are to be successful, balance their budget; why not the Federal Government?

I ask: How would any family in this country fare if they were to live under a law which required them to balance their income and outgo each year without any thought of capital investment—that you could only buy a house when you had saved enough money to pay for it with cash, that you could only buy a new car when you had enough money to pay for it with cash? That is precisely what this balanced budget amendment would do, unless we are willing to change, as I believe we ought to change, the way in which we keep our books.

Could you balance your yearly family budget if you were required to include the total cost of a new home in that 1 year's budget? Some might. I could not, and I doubt that many could.

A simple comparison cannot be made. But it is important to recognize that neither governments, local and State; corporations and businesses; nor individual citizens truly balance their budgets, under our definition of the term. All make long-term investments. All budget those investment through some kind of debt.

Proponents suggest that a constitutional constraint on Federal Government spending is really needed to control Congress. I can guarantee, from some experience on both sides of the governmental fence—the legislative on the one hand and the executive on the other—that this statement simply would give people a false sense of security. The only thing that will truly get us to a balanced budget over a long haul is a commitment of elected officials, not a constitutional provision.

I know too well the misleading budgetary and accounting practices of many of our State and local governments from my days as Governor of the State of Washington. These governments have successfully sidestepped virtually all restrictions on their financial independence, even though most of them have constitutional requirements for a balanced budget. The evasion of restrictions on public debt required a more novel approach than was the case with taxes and expenditures, but the solution developed was disarmingly simple and is used massively throughout the country today—separate corporate entities created by State and local governments which issued bonds that were not subject to the legal restrictions on public debt.

The essential feature of all these organizations is that their financial activities do not appear in the budgets of the governments which created them. Thus, government officials have been able to make part of the public sector seemingly to disappear by forming separate entities, off-budget enterprises to conduct borrowing and spending activities.

A good example: In 1980 total off-budget spending by State level off-budget entities nationwide was estimated to be approximately $106 billion that year. That would put total State government expenditures at about $249 billion that year, fully 74 percent higher than the 143 billion reported.

State and local governments claimed balanced budgets and constitutional provisions to ensure balance; yet from 1980 through 1984 State and local debt grew by more than $200 billion, corporate debt grew by more than double that, and personal and individual debt grew by more than a trillion dollars during that same period of time.

You may ask then how do these unique spending practices relate to a Federal balanced budget amendment? The primary reason that we do not use off-budget financing to a great degree at the Federal level is that effective constraints on borrowing have never been imposed on Congress by a balanced budget amendment.

I can guarantee you that the pressures will be huge, probably irreversible, to seek out these evasions if a constitutional provision is passed which requires a balanced budget.

Those frustrated taxpayers who expect a balanced budget amendment to the Constitution to work miracles in controlling Federal spending are, if the past is any guide at all, likely to be disappointed, bitterly disappointed.

Most Federal politicians have served in public office at State and local levels where the off-budget device has been raised to an art.

It is purely wishful thinking to believe that the off-budget potential for Federal programs has been overlooked on the one hand or exploited to the fullest extent possible on the other.

Next, a balanced budget amendment simply is unworkable and in addition unwise.

These are just a few of the questions which will be asked during the next few days of the debate in increasingly greater detail.

The amendment is simple. It states the case in little more than a paragraph, but my, oh my, what questions it raises.

What is a balanced budget? According to whose way of keeping books? What is an outlay? What are receipts? What are taxes?

Does spending include outlays of Social Security and highway trust funds and the many other special funds in Government? Does it include Federal capital and loan and lending guarantees?

So many expenditures, exclusions, and special emergency provisions would be necessary to make the amendment workable that would no longer be meaningful.

The thing that concerns me most about this vagueness of terms and the need to explicitly define them is that it would be inevitably the Federal judiciary which would make those definitions.

Some of the most important—and I would include this proposed amendment certainly as being an important amendment—some of the most important amendments which are subject to the same vagueness or difficulties with

terminology are the commerce clause of our Constitution and the 14th amendment which was almost a mini-Constitution of human rights itself passed several years after the Civil War. Those two elements of our Constitution are still regularly under judicial review by the Supreme Court almost 200 years after the passage of the Constitution and more than 100 years after the passage of the 14th amendment.

I can think of no worse place to have the budgetary decisions of this Nation made than through the activities and decisions of the Supreme Court of the United States, who are responsible neither for the political nor the economic activities with which they deal.

We could well be faced with some almost impossible restrictions or definitions coming down through court decisions. We would not enter a period of stability. We would, if this act or this constitutional amendment were ratified, enter a period of extreme uncertainty which I am convinced would last far into the next century.

Finally, Mr. President, a number of citizens of this country call themselves fundamentalists, and when it comes to the Constitution of the United States I indeed am a fundamentalist. This Constitution has served as a framework for free government for our Nation longer than constitutions of any other existing nation on the face of the Earth.

We can be proud of the fact it has been copied and envied by people who live all over the world. It has served us well because it has remained through 200 years as a fundamental statement of basic rights of our citizens and a fundamental statement of the organization of our Government.

Since the passage of the bill of rights, this Constitution has been amended only 16 times. Eight of those times have been what I would call for ministerial actions, the establishment of a two-term limitation on the Presidency, the popular election of Members of this body. That leaves only six times that we have amended the Constitution in respect of fundamental rights of our people and three of those six include extending the right of voters to women, to blacks, and to 18-year olds. One abolished slavery. Those are the kinds of fundamental rights which do belong in a constitution.

A balanced budget amendment which substitutes for executive and legislative responsibility has no place alongside those great and important amendments.

I said that the Constitution has been amended 16 times, 8 current amendments ministerially, 6 for human rights, and that leaves 2, and I think those 2 are a current civics lesson to anyone who would suggest that the Constitution be amended for a balanced budget.

The 18th amendment was the famous amendment on prohibition. We made a mistake, an embarrassing mistake. With prohibition we did not prohibit people drinking, I think to the amazement of many who think they know that amendment. All we did was say it was illegal to sell, transport, distribute, to do anything with alcoholic beverages but it did not say you could not drink them. That was the intent, but that is not what they said. They hoped by drying up supplies they would cause people to change their habits, and it did not work.

We created an underground economy. We created more crime. We found out very quickly that it was a mistake. But it took 13 years, 13 years to repeal that mistake with the 21st amendment.

And, that, Mr. President, I suggest is the best example I know, the best parallel, to what well could happen with the passage of a balanced budget amendment.

It is sort of like getting a marriage for which there is no divorce. It is embarking on a dangerous course, and when we find that it was wrong, we could find it exceedingly difficult to change.

But the parallel that is most important is simply that prohibition did not keep us from drinking. I suggest that a balanced budget amendment will not keep us from spending. A drunk always has a way to get a drink and a spender will always find a way to your wallet. It is not the protection of a constitutional amendment that counts, it is the election and support of Presidents and Senators and Representatives who have the courage to vote for and to support consistently responsible budgeting.

When we introduce new restrictions to the Constitution, we do something else. We cause people to pay less, not more, attention to their Government. It would be easy, if we passed a balanced budget amendment to the Constitution, to cause people to say:

> Now, we don't have to worry. We don't really have to quiz those candidates for office. We don't have to care so much where they stand on budgeting and spending and taxes because we have got a balanced budget amendment to the Constitution which protects us.

And that simply is leading us in the wrong direction in terms of civic vigilance and in people paying attention to their Government. It sends a false sense of security and at the same time discourages citizens from participating and better understanding the Government under which they live.

Mr. President, during the course of the next several days we will have further opportunities to ask questions, to share ideas, and to debate this important amendment. I reiterate what I said at the beginning: This is a flawed amendment, an unnecessary amendment, and an unworkable amendment. It comes just at a time when we probably have taken the cure, when we are starting down the right road in terms of responsible budgeting. And it did not take a constitutional amendment to put us there. It took a growing recognition on the part of Members of this body and the other body, a growing recognition on the part of the citizens of this Nation that we simply had to move in a different direction. That is the right and the responsible way to do it. A balanced budget amendment to our Constitution, which would be dangerous, indeed, is the wrong way to do it.

(Mr. GOLDWATER assumed the chair.)

Mr. DECONCINI. Mr. President, I yield to the distinguished Senator from Mississippi in support of the amendment.

Mr. STENNIS. Mr. President, I thank the Senator from Arizona for suggesting that I be recognized.

Mr. President, I voted for the Gramm-Rudman-Hollings amendment. One reason was that it was the best thing that was then available and something had to be done and it is coming along fairly well. I am not supporting this proposal here through any disappointment with or alleged fault of that amendment.

In fact, Mr. President, years ago, more than 15 years ago, I first joined in offering a constitutional amendment along this same line. I, at that time, had been a member of the Appropriations Committee for several years. The cost to the Government, the reasonable, legitimate cost to the Government on the whole was mounting all the time and we were having more and more trouble in keeping things in order and balanced, in keeping our finances balanced. And I decided then that something would have to be done.

That subject matter has been debated here over a course of years and with various degrees of support, but always with a recognition, clear cut and undisputed, that improvement had to be had; that better control had to be found in the way of managing our financial affairs. Just like an individual couple or family or unit of our society, if they keep on running in debt more and more and more without ever getting things in order and straightened out and running on a constructive, helpful course, our Government will wind up as a financial failure.

Now, for a long time, I felt, well, after all, the ups and downs of these difficult years cause us to have these deficits. The mistake of fact and places cause us to contribute to it ourselves and things are going to be

better and things will straighten out and our economy will enlarge. The chances of having it balanced up will improve, and we could get by. Maybe, after all, we will solve this problem without a constitutional amendment.

But now here, after all these years on the Appropriations Committee and connected with other committees, too, I have been driven—and I was stubborn about it—but I have been driven to the conclusion that there must be some modification in our basic law that will remind the great body of the people of a continuing responsibility to keep our financial affairs in order. There must be something that will prod us all to do that, the taxpaying public and the Members of the Congress all, that will prod us to consistently maintain a stable course and will force us to have self-discipline.

We are not trying to punish anyone into contributing to a balanced budget. We are trying to save ourselves. We are trying to keep on a sound foundation.

And I am satisfied, reluctantly and regrettably, that this is an absolute necessity now, not only in getting back on the track and getting the budget balanced for 1 year or 2 years or 3 years under Gramm-Rudman—and I believe there is a chance to do that—but I mean a permanent, well-established policy and determination on the part of the American people that we are going to keep our affairs in order; that we are not going to run through a lot of money and leave it to our children and grandchildren and force them to have to pay it, if they can—if they can and if they will—and that we will do those things in time to keep us from having what I call a runaway Government, or a breakdown in the financial structure of our form of Government.

Now if I did not believe it was necessary to do something like this, I would not be supporting any measure of this kind. I just do not much like the idea of having to have these—it is a police measure, in a way, but it is absolutely essential, in my humble judgment.

I think it is going to take a great deal of effort here by those of us who are in office—we are just temporarily here—to make the people, enough of them, fully understand it, and understand it with a desire to act and bring about a remedy, to do their part in bringing about a remedy, that will bring us a new part of the Constitution of the United States that will have such far-reaching power and influence when it is in operation that it will correct a deficiency that is very clear and plain to me.

Let me just give an illustration or two as to what woke me up to these affairs.

I was here and substituting for the then chairman of the Appropriations Committee of the Senate about 15 years ago, or somewhere close thereto, and that year—I did not handle all the bills, but I handled more than one of the large ones here on the floor—we were able to get through all the appropriations bills for a total of a little less than $100 billion.

Well, I thought that was a terrible amount of money, and it was.

Time went on and things swung around. By chance, I was in here about 3 or 4 years ago, back in the special position of responsibility with reference to the largest appropriations bill. We managed to get that passed, but it had a total amount in it of right close to $300 billion for the Department of Defense alone. It had a bill paying interest at the rate of almost $100 billion a year, just for interest on the national debt, which had spurted forward so fast.

We had not been in a war but for a small part of those intervening years. We had not had extraordinary expenses. There had not been a failure of energy availability. We had had a lot of inflation. But there were none of those calamitous things that would force the expense of Government forward.

One of the big things was that we were just living beyond our means. We were spending money that we did not have. The only way to get it was to borrow it and that is where we see it reflected in that national debt.

I tell you, Mr. President, a thing like that will wake you up. You have to try to answer the questions of your colleagues. You have to try to answer the questions of your people at home, your constituents. You have to try to answer the press. You have to answer questions as to why those things happened and why did you let them happen. You cannot find a satisfactory answer.

We had to be driven to those extreme figures before we really took out after the idea of getting this budget back in balance. In spite of that special effort, instead of making headway and getting it balanced, it shot forward unexpectedly at a $100 billion or $200 billion a year rate above the calculations.

We were supposed to have figures from experts, and they are experts as far as they know how to be, but we were off base, we were off center, and our estimates were bad and getting worse.

Those are actual figures that can be traced down. That is what woke me up. I am repeating it today not for the first time but, actually, after several times in an effort to just help out—and this probably will not be passed this year, to be frank about it—for something along the line of this limitation.

We have been talking about a mandatory balanced budget, but this is a limitation. Something along this line will have to be done in order to save the soundness of our economy and our credit throughout the financial world. We are still the leader and have the responsibility not only for ourselves but the added responsibility of leadership. Something is going to have to be done about it. I do not have any doubt whatsoever.

Mr. President I have a few additional remarks.

My support, Mr. President, for a constitutional amendment in this area, as I have already said, is not hasty or impulsive. It grows out of my longstanding belief that Government, like people, must live within its means, or somewhere near it, and make up for any deficiency in any area in time. The record of our performance over the past few decades is not a good one.

I am not accusing anyone of wrongdoing. We just have not had the determination. We have not had the watchfulness in order to put over this sound policy. Every year we have had some surprises that you have to expect.

We have not gone bankrupt or anything like that, and I am not saying calamitous events are just around the corner.

Since 1950, and I have been here since that time, the Federal budget has been in balance only on five occasions. That really interests me to think that I have been at least a part of a record of that kind.

We have had a deficit every year, except one, since 1960. Think of that.

I am not running down the country, but I am talking about deficiencies and also a lack of alertness on the part of enough of our people to realize that it is ruining this country and something has to be done about it.

I am willing to help deliberately to try to stir the people up. I am not trying to run any individual out of office; of course not. But I want to stir the people up to the realization that it is our country and we have to go to doing more of these hard things and get back on solid ground.

Like some of our ordinary citizens who do not know how to manage their finances, who continue to spend more than they take in, we actually find ourselves deeper and deeper and deeper in debt, with demands increasing rather than decreasing.

We can do something about that. I am not plugging here for any particular form of amendment, but we are going to have to do something of this nature. I will support any form which I think is probably correct.

It was only 24 years ago that the entire Government budget for the year was just under $100 billion.

Now we will spend almost $150 billion next year for the interest payments alone.

Think of that, Mr. President. About $150 billion for interest alone. And we

have not had any real recent war, any calamitous thing of that kind. We have had inflation, but, nevertheless, we have let those things get that much out of line. Trying to do something about it, on a temporary basis, just barely, we have already passed the Gramm-Rudman-Hollings measure—and I say, I voted for it. At its best, it will just have 2 or 3 years to meet the situation and then we still will not have a permanent plan, a permanent operating plan that woild keep us out of this trouble.

I think it has to be a demand from the people, a perpetual demand, a demand by them on their legislators that they choose themselves, that they keep their financial affairs in order. Otherwise, our system will not work.

We are rounding out, as someone has said, 200 years of successful operation of our Government. We have paid our bills, as a whole. We have not gone into default. We have never run out on an agreement that we have made. But still, we are in this confounding pickle that we have already referred to and described in part.

Mr. President, I am not going to deal too much in these figures. They are tiring. I am ashamed of them, ashamed of my part that I have had in them and of failing to do better. I think the only source of appeal on it now is to make the people realize—they will do something about it, but they have to be made to realize what our real predicament is.

I said at one time, several years ago now, that I was not going to spend my time anymore in working to try to help pass a constitutional amendment. But I have been driven back to it. I am satisfied that something along that line is necessary and that the day will come when it will be too late.

I said the people would be aroused and would do something about it if they get the facts. At the same time, I say we have a whole lot of good people that make their demands more and more on the Federal Government or any unit of the Government. They do not understand fully enough the implications that go with it that create these deficits, and undermine the real foundations of our system of government. So we have to wake up first and then make this new start along these lines of a permanent nature, though not this rigidly enforced, absolutely balanced budget every year; there has to be some flexibility.

I repeat that I have gone into this thing by experience right here, on this floor, year after year, that drives me to these conclusions. I think we are going to have to keep on until we can be more effective than we have in what we do ourselves and in arousing our people.

I did not get to hear the Senator from South Carolina [Mr. THURMOND]. He is one of the hardest-working men here and I know he made a good speech. He is chairman of a very difficult committee and he carries on. He and I have both been here a good while and he stays with a problem once he comes up on it or against it. He will find his way, too. There are others in that group. I am going to try to hear the rest of the debate.

I compliment the Senator from Arizona. I have found that Mr. DECONCINI has been alert, he knows what is going on, he works hard. I think he has sound judgment. I know he worked a lot on this bill and I commend him and thank him, as well was others. Those who do not see things just as I do, I am not going to be ill with them, but I believe if they keep on digging on this matter as far as the Federal Government is concerned, they will come around pretty close to this conclusion.

So let us give our people now the chance to add this amendment to our Constitution. We are celebrating its 200th anniversary in the next 2 years, the beginning of the Constitution of the United States, an amazing, marvelous instrument of self-government. The way it has worked and come out on top is miraculous. But here is one defect, one that cannot be debated. I think we can really celebrate this second century's ending and begin the new one that is coming in no better way than to clean up these finances and get on a better system and then stay with it.

Mr. President, I hope to hear virtually all of this debate and I hope to get to speak again. Again, I thank the Senator from Arizona for arranging for me to have this time.

I yield the floor.

Mr. DECONCINI. Mr. President, I thank the Senator from Mississippi. I think the remarks he has stated so eloquently here, based on the long history he has witnessed in both Houses of Congress and their inability to do something to get control of the budget. He knows that there are many ways to do it having sat on the Senate Appropriations Committee for many years, both as chairman and ranking member, where he demonstrated that we could to something if we were willing. I think his points are so well taken. We are overdue now, and if we want to do anything for this Republic, really, it is time to get our house in order fiscally. I appreciate that.

Mr. President, I have a statement but there are a number of other people who have been here a long time. I yield to the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. HEFLIN. Mr. President, I thank the distinguished Senator from Arizona for yielding.

Today, I rise to support a constitutional amendment to balance the budget. The first bill I introduced as U.S. Senator when I came to the Senate in January 1979 proposed a constitutional amendment to balance the Federal budget. Since that time, I, with many of my colleagues, have worked in many ways to formulate a consensus approach to curbing Federal spending and to bring about a balanced budget. We organized a constitutional amendment to balance the budget caucus. A group of Judiciary Committee members met and, over the years, have worked toward trying to pass a resolution which would give congressional approval to the constitutional amendment and send it to the States for ratification.

In the 97th Congress, the Senate did pass a constitutional amendment to balance the Federal budget, Senate Joint Resolution 58, by more than two-thirds vote of 69 to 31. It was not, however, passed by a two-thirds vote in the House of Representatives. It received more than a majority there but was lacking a few votes as to the requisite two-thirds.

I might point out in regards to this history in the House of Representatives that it was necessary that a discharge petition be filed to get the resolution out of the House Judiciary Committee, and when the discharge petition was filed the leadership of the House acted immediately and they voted on it. I think this caught the proponents of the constitutional amendments for a balanced budget by surprise. They did not have an all-out, well-coordinated campaign with all of the supportive organizations of citizens working at that time to secure the vote. If the Senate approves this resolution and it goes to the House of Representatives, I do not believe next time the proponents in the House along with the citizens groups who are interested in the passage of this constitutional amendment ot balance the budget will be caught by surprise. I believe there will be coordination of the petition for discharge after there has been a well-organized effort, an effort to secure as many votes as possible in the House of Representatives for the constitutional amendment to balance the budget. I predict, if it is well coordinated "with all interested citizens" groups that congressional approval will be obtained and that it will then of course, be submitted to the State for ratification and within less than 2 years the Senate will ratify the constitutional amendment to balance the budget.

All of the proposals have a requirement that there shall be a passage of 2 years after the ratification process has been achieved before the constitutional amendment to balance the budget will go into effect. I believe if congres-

sional approval is granted, it will take a year and a half to 2 years—I said previously 2 years—for the States to ratify. This would mean you would have 4 years in order to achieve a balanced budget before the requirements would be applicable.

In the meantime we have a 5-year temporary plan, Gramm-Rudman-Hollings, which is now being followed. There is some question as to its constitutionality. It may well be that Gramm-Rudman-Hollings will be back before the Congress to be fine tuned, but some plan, whether it be Gramm-Rudman-Hollings or some other, will be necessary for the transition to move away from the present deficit-spending syndrome toward a balanced budget.

I think, frankly, we now have an excellent opportunity to get the House to go along. There have been some changes in the Senate, but I believe that the necessary two-thirds vote will be obtained again in the Senate.

I am convinced that the Congress of the United States and the administration do not have the necessary willpower to cut Government spending and balance the budget, and that may well include some revenues in the future, without the constitutional amendment providing the discipline to do so. Maybe, as some argue, there is no need for a constitutional amendment, but the helter-skelter fiscal irresponsibility demonstrated within the past 25 years indicates otherwise.

For much of the history of this great Nation, a balanced budget from the Federal Government's viewpoint was part of our unwritten constitution. In the first 100 years of this Republic, a surplus budget was the norm. There have been periods in our history when the exigencies of war, recession, or depression have necessitated operating the budget with a deficit. But initially there were always attempts to balance the lean years with the more prosperous ones. In the past two decades, however, Americans have seen higher and higher levels of deficits, taxes, and spending. Legislators tend to look at each program separately, not realizing that every dollar appropriated becomes a part of a larger debt, a debt that is threatening the economic stability of our Nation.

In 1789, when the Constitution was adopted, Thomas Jefferson warned, "The public debt is the greatest of dangers to be feared by a republican government."

Somehow or another and somewhere along the road, we have lost sight of our forefathers' admonitions. The Federal budget has been balanced one time in the past 25 years. In 1963, 174 years after the adoption of our Constitution, the national debt was $300 billion. Today, the gross Federal debt is approximately $1,827,500,000,000. It has taken less than 25 years to more than triple our national debt. Currently, on an annual basis, we are operating at a deficit of approximately $176 billion. If we continue our current course, it will take less than 5 years to double the existing debt.

In addition, we are now paying $148 billion in interest alone of the national debt. This represents 15 percent of the present Federal budget.

We should stop and think: If we were not at a stage where the prime interest rate was 9.5 but was 12, what would we see as the percentage of our national debt to be devoted toward debt service?

Mr. SIMON. Will the Senator from Alabama yield on that point?

Mr. HEFLIN. Yes.

Mr. SIMON. I thank the Senator. He used the figure $148 billion we are spending this year in interest. In fact, that is the net interest figure. The gross interest figure, which is $181 billion, puts in the income we get on interest from Social Security trust funds and some others. The real figure is $181 billion, which brings it not to 15 percent, but 20 percent of our budget. It makes the situation even worse.

I applaud the remarks of my distinguished friend from Alabama, but I wanted to add that one word. It is even worse than the Senator suggests.

Mr. HEFLIN. I should like to applaud the staff of the distinguished Senator from Illinois.

Mr. SIMON. The Senator has an outstanding staff, but I just want to add that one point.

Mr. HEFLIN. I think it is an interesting point we should not overlook.

I am sure some will question whether a constitutional amendment is really necessary in light of Gramm-Rudman-Hollings, and to that question my answer is unequivocally "Yes." Gramm-Rudman-Hollings is a beginning. It is a plan. It is, as I mentioned earlier, a 5-year plan. It is a temporary plan. It goes out of existence in 1991. We hope that it will accomplish its intended purpose. It is also a statutory response to a crisis that demands constitutional resolve. Gramm-Rudman-Hollings is a 5-year response to our fiscal past. It requires a zero deficit by the year 1991. A constitutional amendment will secure our fiscal future and require a balanced budget as a fiscal norm.

It is almost like building a house without laying a proper foundation. Even if a house crumbles, if its foundation is strong, something remains upon which to rebuild.

On February 7, 1986, a three-judge district court declared an acute provision of the Gramm-Rudman-Hollings Act unconstitutional. An unconstitutional delegation of power to the Comptroller General was the reason they gave.

A hearing before the Supreme Court has been tentatively set for April 23. We hope that the Supreme Court, by the end of this term year, on July 1, will come forth with a decision.

As I understand it, also included in this litigation are cross-appeals, and all questions pertaining to the constitutionality of the Gramm-Rudman-Hollings amendment to the Budget Act will be raised. It is hoped that the Court will address each of those issues and that we will have a clear, definitive answer to the constitutionality of all aspects of Gramm-Rudman-Hollings.

Regardless of the outcome of the Court's decision, Gramm-Rudman-Hollings has forced us, as a nation, to make some difficult decisions in some difficult times. If nothing else, it has brought us back to the reality that we are accountable as a people for the decisions of our Government. It is time the Government becomes accountable, also.

The statutory responses in the past have not contained the detail of Gramm-Rudman-Hollings, but we have had statutory responses and they have been adopted in good faith by this body and by the House of Representatives; and while the intentions were good, the victories were short lived.

Already I am beginning to hear various approaches on what might happen to Gramm-Rudman-Hollings. Various scenarios have already been presented, stating that this is an election year; that when the time gets close to the election period, again there will be a short life to Gramm-Rudman.

I have had one scenario related to me—which I certainly hope does not come into existence—which goes like this:

About October 1, as we begin a new fiscal year, we may well see that no appropriations bills have been passed by both Houses and signed by the President; that with October 1 facing us and the November election coming up, there would be a tendency to say, "Well, we'll have a lameduck session, a session after the election."

So then they come up with the idea that a continuing appropriation resolution be adopted, that it be presented, that it would be for only a short period of time—say, for only 2 months, running from October 1 to December 1—and that Congress would come back into session on November 15 and would then face up.

So the continuing resolution would contain words such as this: "Notwithstanding any other provision of law"—which includes Gramm-Rudman-Hollings—"the continuing appropriation resolution for the next 2 months shall be as follows."

Therefore, that would be a statutory response to Gramm-Rudman-Hollings. Gramm-Rudman-Hollings would be short lived, and we would come back

on November 15 and say that we would do something about it.

Well, we will have passed the deadlines of Gramm-Rudman-Hollings in the meantime. What might happen? I do not know. I just point to the fact that Gramm-Rudman-Hollings has great intentions, but it can be short lived. It is a statutory response. Statutory responses toward curbing deficit spending have not worked in the past. So I think it is essential that a constitutional amendment be adopted which would direct itself toward the overall problem and give us a sound approach toward dealing with the problem of deficit spending in the future.

I believe that the constitutional amendment is the answer. An amendment which requires a two-thirds vote in each House of Congress and, most important, a ratification by three-fourths of the States of this great Nation will mean a great deal. A constitutional amendment will truly be a united effort bringing together a united nation.

Many of my colleagues argue that if we posses a strong discipline, then a constitutional amendment will be unnecessary. I do not disagree with the sentiment of this statement, but the reality, the problem, is deeper than individual resolve. I may have an individual resolve on the 99.9 percent Ivory Soap approach toward deficit spending, but I may have to look after some pet project. I know that there are Senators who do have to look at some things as they may pertain to them; and when it comes down to collective resolve, sometimes that individual discipline is absent.

We find that it is the institutional structure that encourages response to individual need, without counting the cost to the greater good. Therefore, I think it is necessary that we have a constitutional amendment and not attempt to rely upon a statutory response such as Gramm-Rudman-Hollings in the long run.

This past summer, the Senate Judiciary Committee reported two versions of the constitutional amendment—Senate Joint Resolution 13 and Senate Joint Resolution 225.

Senate Joint Resolution 13 would establish the norm of a balanced Federal budget. Congress would be required to adopt a budget prior to the fiscal year in which outlays do not exceed receipts, unless a specific level of deficit is approved by a vote of three-fifths of the Members of each House.

Section 2 of Senate Joint Resolution 13 would require Congress to adopt a level of receipts in its budget for the fiscal year that represented a proportion of the Nation's economy no greater than that of the previous year.

Sections 1 and 2 together would create a spending limitation, unless Congress passed a bill, by an absolute majority of the membership of each House of Congress, approving specific additional receipts.

I have cosponsored and supported this approach in the past; but in an attempt to formulate an amendment which would attract bipartisan support, the committee also reported a more straightforward and more flexible balanced budget amendment, Senate Joint Resolution 225. I also supported this measure in committee.

It is my understanding that a further compromise has been reached. Many Senators have played an important role in the development of this constitutional amendment approach.

The sponsors of this compromise agreement, Senators THURMOND, HATCH, DECONCINI, and SIMON, believe that it is the best possible approach.

I will support, as I have always supported, a constitutional amendment. But I hold fast to a sincere belief that any constitutional amendment must provide flexibility in the times when the United States is faced with threats to our national security.

Senate Joint Resolution 225 provides that a waiver can be passed for the provisions of the article in time of declared war. I think this is necessary but it falls short of meeting the purpose for which it is written.

A declaration of war should automatically waive the provisions of the constitutional requirement dealing with a balanced budget.

The United States has engaged in only five declared wars in its history. Today it is more commonplace for nations to engage in conflict without a formal declaration of war.

I will offer an amendment to provide for an automatic waiver of the provisions of the article in times of declared war, but it will also allow for a waiver when the United States is engaged in a military conflict which causes an imminent and serious military threat to our national security.

I want to again state what my amendment will do. It will provide for an automatic waiver of the provisions of the article in times of declared war, but it will also allow a waiver when the United States is engaged in a military conflict which causes an imminent and serious military threat to our national security.

My amendment will also say that before that waiver can be granted a joint resolution must be passed, which becomes law. A joint resolution that becomes law means that the Senate must pass it, the House must pass it, and the President must sign it. The resolution must declare that the United States is engaged in military conflict which represents a serious and imminent threat to the national security. After that resolution has passed, then Congress, by a separate bill, can pass a waiver.

I want to point out that we have had a situation dealing with Korea and dealing with Vietnam, in which there was an undeclared war.

We have had matters such as Grenada where we were engaged in a military conflict, but I would not classify Grenada as being a serious and imminent threat to our national security.

Certain requirements would have to be met before we would waive it and the joint resolution would not only have to be passed by the Senate and the House, and signed by the President, but then there would have to be a waiver. To me, this is very important.

There have been, in the history of this country, nearly 200 instances in which we have been involved in undeclared wars.

All of those instances, in my judgment, did not represent a serious or imminent threat to national security.

But I think that the requirement of passing a resolution, signed by the President, is sufficient to guard against those temporary instances. This means that for each fiscal year the war went on, and that would mean 11 years in the case of the Vietnam war, the Congress would have to pass a resolution stating that we are engaged in military conflict that represents an imminent and serious threat to national security. This requirement would have to be fulfilled before you could adopt a waiver in the instances in which there is undeclared war.

My intent is simply to ensure the security of our Nation and to provide the mechanism to allow for a quick response if the need demands.

Mr. President, today we have a chance to turn our rhetoric to reality, to draw upon the potential of the leaders and the citizens of this Nation to adopt an amendment of which we can all be proud. The States have indicated their willingness to take over their responsibility if we are successful; 32 of our States have petitioned Congress under the provisions of article 5 of the Constitution to call a constitutional convention to consider a balanced Federal budget. With the addition of two more States, Congress will have abdicated its responsibility to another body. This has never occurred in the history of our Nation, and I do not believe it will occur because I believe that Congress will move forward to adopt this resolution calling for the States to ratify a constitutional amendment to balance the budget.

I believe that a convention would be unwise and certainly would be unnecessary if this body fulfills its own duties for providing the leadership in this area.

Mr. President, I commend the distinguished chairman of the Judiciary Committee, Senator STROM THURMOND, for his outstanding leadership and his efforts over the years to bring this Nation back to fiscal responsibil-

ity. I also commend the distinguished chairman of the Subcommittee on the Constitution, Senator HATCH, and the ranking minority member, Senator DECONCINI.

I recognize the leadership provided by Senator PAUL SIMON, and by making suggestions he has brought about a substantial change. I did not like the change, but it perhaps will mean that additional votes can be garnered for its support. I really like the idea of a limitation on taxation. But, nevertheless, I think he has been very persuasive in convincing the other people who have been involved in reaching this compromise and I intend, of course, to support it. I do, however, intend to offer my amendment pertaining to the national security, as I previously mentioned.

It would be difficult, if not impossible, to recognize all the Members who over the years have brought us to this point today. I know that last Congress Senator ARMSTRONG and Senator BOREN proposed an amendment to it and I know the committee supported their amendment. I think theirs ties into the issue of the national debt. It may well be that the change of language is sufficient. I have not made up my mind. I am still studying this, and I understand Senator ARMSTRONG and Senator BOREN are too, as to whether or not it is necessary to tie it to the national debt in order to make it self-enforcing. Before, in my judgment, it was not self-enforcing unless the Armstrong-Boren language adopted by the Senate contained in that constitutional amendment was included.

There are others who have worked hard on this over a period of time. I will not attempt to name them all, but there are many who have worked and are continuing to work to bring about this constitutional amendment.

I have learned that the process of Congress is often slow and painstaking. We must now finish a task that was begun by Senator Millard Tydings in 1935. We are not beginning a new task today. Hopefully we are completing an old one. Today our momentum is high, our vision is focused, and we are one step away from greatness.

Charles F. Kettering once said the greatest thing this generation can do is to lay a few stepping stones for the next generation.

Let us make sure the next generation steps in the right direction.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. Mr. President, I commend the Senator from Alabama. He has not only been a leader in this area but also he is a constitutional expert, having served as chief justice of the Alabama Supreme Court. His suggestions, of course, have been implemented to a degree in Senate Resolution 225 regarding the waiver provision in the event of war. Although section 3 is not quite as broad as I think the Senator wants, he certainly makes a good point that we do not want to do anything that will jeopardize the national security interest of our country.

I thank the Senator from Alabama for his compliments. But I must say to my colleagues that Senator HEFLIN has been in this fight for a balanced budget amendment in a very thoughtful manner, both in the committee and on the floor. We would not have passed that bill in the 97th Congress without him.

Mr. President, I yield to the Senator from Illinois.

Mr. SIMON. I thank the Senator from Arizona. I thank the Senator from Alabama for his thoughtful remarks and the thoughtful work of the Judiciary Committee generally. I have the good fortune to sit next to him in the Judiciary Committee. He is a former justice of the Alabama Supreme Court; I feel like I am sitting next to a justice when I am sitting next to Senator HEFLIN. And he was typically thoughtful in his remarks here.

I also want to thank my colleagues. Senator DECONCINI has been the diplomat in working out this carefully crafted amendment. I suggested to him that if this all works out very well, we may well have a successor to the Secretary of State, George Shultz, in the Senator from Arizona. He has done a superb job here.

Senator HATCH, who chairs the subcommittee, has been very fair to all of us, including a new Member from Illinois who comes in very green. He has been exceedingly tolerant. And the chairman of the full committee, Senator THURMOND, also has gone out of his way to be helpful.

I also wish to acknowledge the remarks of Senator STENNIS here. He brings a perspective of years that is helpful to all of us. And we commend him for those thoughtful words.

Back when I was first elected to the State legislature in Illinois, I received a letter from a man in South Roxana, IL. He had 13 points to his letter. The first 12 were increased services he wanted from Government and the 13th point was cut taxes. And, believe it or not, we have just about adopted his program.

The reason we have just about adopted his program is we have elected people, many of us to this body and the other body and in State legislative bodies and elsewhere, who were following the polls. And the polls say two things: taxes are unpopular and it is popular to spend money. And so we have followed the winds of public opinion and that has not been a healthy thing.

I came across this quotation from Professor Roger Freeman of the Hoover Institute at Stanford University. He says:

> It is not that Members of Congress do not wish to produce a balanced budget, but that, under the circumstances, they can only do so at a grave political risk to their survival. They need a defense against excessive demands which allows them to say no to a multitude of pressure groups. Such a defense cannot be built by statute because any Act of Congress can be amended or repealed by this Congress or the next. Only a constitutional amendment can impose credible and effective spending restraints.

I think the professor is right. Gramm-Rudman-Hollings—and I voted for it—I hope will move us in the right direction. But the same simple majority that passed Gramm-Rudman-Hollings can repeal Gramm-Rudman-Hollings. If, in fact, it works—and I hope it does—then the constitutional amendment we are talking about will do no harm. This is a structural change and it is a change that is not foreign to the Constitution. As a matter of fact, you read scholars through the years who have spoken about the unwritten constitutional principle that we will have a balanced budget.

What we are doing is putting that old, original, unwritten constitutional amendment in writing in the Constitution. Was it really an unwritten constitutional amendment? Well, it is very interesting. Take a look at national debt from the beginning of this country through 1917. Do you know what the national debt was at the end of 1917? Three billion dollars. The national debt has grown 666 billion times 3 since that time. At the end of World War II, we had a total debt of $260 billion, after going through two great world wars. In 1965, 20 years after the Second World War, it had grown to $323 billion. And now, in the last 20 years, it has grown from $323 billion to almost $2 trillion.

I say to my colleagues, particularly on this side of the aisle, I know many of whom are opposed to this right now, as well as on the other side of the aisle, what we are doing right now is we are spending a growing percentage of our taxpayers' money on interest rather than goods and services. And I do not care whether you are a liberal, conservative, Democrat, or Republican, it just does not make sense to spend an increasing percentage of our tax dollars on interest rather than goods and services.

Right now, if you take a look at the total amount contributed by taxpayers in individual income tax, over half of that goes right now to pay the interest on the Federal debt—over $181 billion this year.

I had an interesting dinner the other night with a distinguished business leader from the city of Chicago, Richard Dennis. He is in the trading field. He is, frankly, a Democrat, regarded

by many people as a liberal Democrat. He said, "You can make an argument that if we continue the deficit somebody is going to be ahead a year from now over if we cut back on it. But," he said, "no one can make the argument that 10 years from now anyone is going to be ahead if we continue this deficit as we do right now."

One hundred and eighty-one billion dollars—$500 million a day—we are spending on interest. Interest is now the third largest expenditure of the Federal Government, behind defense and Social Security. And if we do not change our ways, if Gramm-Rudman-Hollings does not work, by fiscal year 1991, interest will be the No. 1 Government expenditure, ahead of everything. We clearly have to get ahold of this deficit.

Incidentally, I see the distinguished Presiding Officer, the chairman of the Armed Services Committee, and we talk about defense growth. In outlay terms, over the past 5 years we have had a defense growth of 88 percent. That is a startling growth. Do you know what the growth in outlays for interest is for the last 6 years? Two hundred and forty percent. We are at the point where every 4 or 5 years we are going to double the interest expenditure of the Federal Government. You cannot continue that very long without the whole system collapsing.

Just in the last 3 years, we have increased the indebtedness about $600 billion. The interest on that $600 billion is roughly $50 billion a year. That is there in perpetuity. That is three times more than we spend on all the education programs in the Federal Government—student aid, guaranteed student loans, help for the handicapped, chapter I, all of them. What we could do with that $50 billion, either in giving it back to the taxpayers or enriching this country, is absolutely incredible.

Also, if we can get ahold of this thing, we are going to help the business and economy of this country. Someone asked me, as I got to the elevator out here, "Well, how can the economy stand having a balanced budget?" Let me tell you, this economy would do very, very well. In fact, the passage of Gramm-Rudman-Hollings has already lowered interest rates a little and the stock market has done well.

I served on the Budget Committee for 6 years in the House. The general rule of thumb by economists is that we reduce interest rates 1 percent for each $50 billion we reduce the deficit. Just yesterday, in West Germany, they announced they were reducing the prime rate in interest. What did they reduce it from? From 4 percent to 3½ percent. If we could have an interest rate even double that as prime, it would help the economy of this country—construction, business, foreign trade, everything.

Another point that is easily lost, which has not been mentioned on this floor and which was brought up by our colleague from Arkansas, Senator DALE BUMPERS, a while back, I think is extremely important; $181 billion for interest this year is the greatest redistribution of wealth in the history of humanity. I am stealing that phrase from DALE BUMPERS, but I think he is absolutely correct.

Who pays that $181 billion? Well, it is the staff members around here, including my good staff people and your good staff people, and all the others. Who receives the $181 billion? Not very many of the staff people sitting on the sofas have too many T bills. At least that is my guess. I may be wrong. It is people who have an abundance. That redistribution of wealth is not a healthy thing for this country.

In 3 years, we have moved from being the No. 1 creditor Nation in the world to being the No. 1 debtor Nation. 1914 was the last time we were a debtor Nation, and we are now moved to being the No. 1 debtor Nation.

Sixty percent of that deficit is bought directly or indirectly outside the borders of the United States. We can tolerate that this year and maybe next year and maybe the year after. But at some point we get on thin ice as a Nation; at some point we are going to have an Ohio savings and loan scandal or a problem in some other State, and people in Venezuela, Saudi Arabia, and a lot of other countries are going to say, "I wonder if my money is safe in the United States."

They then start withdrawing. Unlike the Ohio savings and loan situation where you can control it internally, we will not be able to control that. It is extremely important to get ahold of this thing.

I would remind you of the old verse from the "Book of Proverbs," the borrower is a servant of the lender. The more we become obligated to those in other countries because of a growing indebtedness, the greater the likelihood that someone in Saudi Arabia or some other country is going to call in the card someday and say, "If you do not modify your policy, we are going to pull our money out."

I do not want to put the United States in that kind of jeopardy.

(Mr. EVANS assumed the Chair.)

Mr. SIMON. I heard the distinguished Senator from Washington, Senator EVANS, a very fine Member of this body, say, "Individuals in our families do not pay everything by cash. We buy a car or buy a home and we do not pay by cash."

The analogy I do not think is an appropriate one, with all due respect to my colleague. An individual does not pay cash for a home or a car because he or she has no choice.

The Federal Government can pay by cash and we ought to pay by cash.

I see the distinguished Senator from Washington has just assumed the Chair. I have just been quoting the Senator.

The reality is the Federal Government can pay by cash. If you have enough money as an individual there is no reason not to pay by cash, to buy a car or a house, unless you can make an investment that pays more money.

At a press conference four of us held earlier, one of the reporters asked, "When you were in State government, did you have a requirement for a balanced budget?"

Illinois happens to be one of the States that does not have a strong constitutional amendment, and it has been a misfortune. But I remember when Illinois passed the first big bond issue, which happened to be for two things I supported strongly, higher education and mental health. The vote was 55 to 1. I was the one vote against it. I said if we start down this path, we will have bond issue after bond issue after bond issue. They assured me there would never again be a bond issue in the State of Illinois.

Well, we have had I do not know how many bond issues. The State of Illinois is now spending into the hundreds of millions each year on interest which is absolutely not needed.

We just heard the other day about the trade deficit for January, $16 billion plus, the worst month on record.

Last year, it was $148 billion. If you used the usual calculation, $30,000 for a job, that is 4.9 million jobs. If you make that $40,000 a job, that is 3.7 million jobs.

What is the reason for the trade deficit? Well, there are a number of reasons, but the No. 1 reason by far is the overvalued dollar caused by our deficit. We are shooting ourselves in the foot.

I noted that one House committee studying this said half of the trade deficit is caused by the overvalued dollar. That means 2.5 million jobs we could have in Mississippi, Arizona, Washington, South Carolina, Connecticut, Utah, Illinois—in all the States.

I have just a couple of other points, Mr. President.

Someone has already mentioned that 32 State legislatures have put in a call for a constitutional convention. It may be, as the distinguished Senator from Washington, Senator EVANS, said earlier today, that there will be no further calls, but there are those who are reasonably knowledgeable who think that four additional States could join that list this year.

No one here knows what would happen if we had a constitutional con-

vention. We do not know what they would do in crafting a balanced budget amendment. That is the nominal reason for the call. I fear it would not be a carefully crafted one like this.

Second, they could bring into the Constitution abortion, get rid of part of the Bill of Rights—they could do things that would not be wise.

I think we should not move in that direction. I opposed Senate bill 13. I opposed the constitutional amendment bill that came to the House a few years ago because it tied in a percentage on national income that we could spend, limiting it to that percentage.

I think it is unwise. This is another reason I think that here we have a properly crafted constitutional amendment.

I do not know what is going to happen 10 years from now, 20 years from now, 30 years from now. I do not want Government being a roller coaster in the economy. Here we have something that I think makes sense.

I would add, and I know the distinguished Senator from Alabama talked about an amendment, we have this thing that is carefully crafted and I hope we will be very, very careful about any amendments.

Yes, there are some amendments I would like to see, some amendments that Senator DECONCINI would like to see, Senator HATCH, Senator THURMOND, and others. But we have worked out a compromise that I think is eminently sound. I think it is a compromise that can pass the House of Representatives in addition to passing this body. Of course, we will have to wait and see.

Finally, one final point.

We talk about what we can do in this body to counter Marxism, to increase the influence of this country. Right now you have three countries in Latin America facing very severe economic problems: Mexico, Argentina, and Brazil. All three are democracies today. All three face serious indebtedness problems.

There is nothing that we could do to encourage stability in those countries and discourage extremists more than getting our interest rates down.

Passage of this constitutional amendment, I think, could help a great deal.

Why is Marxism losing its appeal around the world? Why is the free system gaining? I think one of the reasons, one of the chief reasons, is that people see that our system works. And if we do not get hold of this indebtedness, I say to my friends, this good, fine, free system is going to collapse. That is the reality. We are facing something serious. I hope we do the right thing.

Again, I thank my colleagues on the Judiciary Committee who have helped to craft this measure. I think we have a solid amendment that can help this country as perhaps nothing else we are going to pass in my term in the U.S. Senate. It has been a privilege to work on this. I hope we do the right thing. I hope we pass this resolution. The country is going to be well served if we do.

Mr. DECONCINI. Mr. President, I thank the Senator from Illinois for the statement he has just made on this constitutional amendment. Let me also indicate that I agree with the Senator. There is nothing more positive that I could do for this country in my service representing the State of Arizona than to see a constitutional amendment become part of the highest law of the land.

The consideration of any constitutional amendment is a matter of great importance to all of us. Consideration of Senate Joint Resolution 225 as modified, the balanced budget amendment, could well be the most important single piece of legislative activity that this body will engage in, certainly in this Congress, not to take away from some of the significant items and legislation that we have already taken up or that we will take up.

If Congress adopts and three-fourths of the States ratify this amendment, it will become part of the fundamental law of the land, impacting on generations far into the future. We owe it to ourselves and to those future generations to address this matter from the best of our ability, permitting only the highest elements of the legislative and democratic processes to be factors influencing our decision.

This resolution should be scrutinized carefully. I appreciate and have the greatest respect for the Senator from Washington, who spoke earlier. If that scrutiny reveals the need for modification, then it should be done. By the same token, we should keep in mind that we are amending the Constitution. It is a statement of the general principles by which we hope to order our lives and to live.

The principles set out in this amendment are twofold:

First, in section 1 of the amendment, we bluntly and simply state that "outlays of the United States for any fiscal year shall not exceed receipts to the United States for that year." This is as straightforward a way as possible to state the principle that a balanced budget shall be our fiscal norm. To assure necessary flexibility in the face of unexpected economic events, the amendment does permit the waiver of the balanced budget mandate, but only when "three-fifths of the whole number of both Houses of Congress shall provide for a specific excess of outlays over receipts." This waiver could take place any time prior to or during the fiscal year for which a budget is being developed or monitored.

The second principle established by this amendment is a mixture of the principles of accountability and tax limitation. The amendment achieves this principle by directing in section 2 that "any bill to increase revenue shall become law only if approved by a majority of the whole number of both Houses of Congress by rollcall vote." It is not our intent to unduly bias the legislative process against the raising of necessary revenue. It is our intent that if we go to the American people with demands for an additional portion of the money they have earned, we do so in a manner that permits the public to readily identify the actions that their Representatives have taken. It makes us accountable to a degree that we are not accountable today.

Section 3 of the amendment provides that the article may be waived for any fiscal year in which a declaration of war is in effect. This provision is identical to the waiver provision adopted as part of Senate Joint Resolution 58 in 1982. Thoughtful, well-intentioned amendments may be offered to this provision during the course of debate. I look forward to a discussion of this issue and hope that by the end of that debate, a substantial meeting of the minds will have occurred on the necessity or lack thereof, for any additional criteria under which the amendment may be waived.

The Senator from Alabama is eloquent and makes a good argument and I think we shall have an opportunity to discuss that even further. It is my belief at this time that the waiver provision in section 1 of the amendment permitting waiver by three-fifths vote is satisfactory in assuring our ability to respond to any crisis requiring an unexpected expenditure and breaking of the budget.

I wish to make some general comments about the amendment. It is not a panacea for our Nation's fiscal problems. It is not a cure-all and has never been advertised as such that anyone should say, "Hurrah, we'll pass this and not have any problems again." What the amendment should achieve is the creation of a fiscal environment in Congress where more responsible budget-making decisions will be possible. We are all under pressures from worthy groups to support worthy causes. With this amendment in place, I as a legislator, as can my colleagues, can point to the highest law of our land as a mandate that receipts and outlays of the Government must be in general equilibrium. This amendment will give me an added ability to say "no," or, if I want to say "yes," that we are going to have to find revenue.

Second, although it is called a balanced budget amendment, an equally important element of the proposed amendment is the restoration of accountability to the budget process.

Perhaps the principal idea of the amendment is the Congress and the President ought to retain the flexibility to make day-to-day budgetary decisions and determine overall spending and taxing levels, but that the public ought to be better able to evaluate the decisions of their representatives. This amendment will separate rhetoric from actions. It will enhance the democratic nature of the budget process and government generally if the citizenry is better able to determine the position of Members of Congress on issues of taxation.

Finally, the proposed amendment is jut that—a constitutional amendment. It is not a statute of Congress that attempts to fill in every detail of the budget process. Nor is it an enactment which is absolutely and unequivocally incapable of being circumvented by a legislative body that wants to violate its spirit. Rather, it is designed to provide policy direction. There is no question that there will be an early need for implementation legislation by the Congress to fill in the gaps and set procedures. This is normal with any constitutional amendment. It is also expected, as with any other amendment, that the Members of Congress and the Executive Office will do their best to abide not only by the letter but by the spirit and intent of the amendment as well.

It has become painfully clear to me and to all Members of the Congress that something drastic and dramatic is needed to shake some fiscal sense into ourselves and into the President. Congress cannot do it alone. The President cannot do it alone—even if he wants to. I am sure we all recall the statements by our President when he felt he could achieve a balanced budget by the mid-1980's. Well, however well intentioned he was then, his actions and the pressures of reality have driven the Federal deficit from $74 billion in fiscal year 1980 to over $200 billion for fiscal year 1986. A great effort was undertaken last year with the passage of Gramm/Rudman/Hollings. That was a sincere, thoughtful approach to our fiscal problems and I applaud the leaders of that effort. As Senator RUDMAN said so well, "It is a bad idea whose time has come."

Is that really what we want to do? I do not think so. I think much more is needed. We have already seen some of the potential frailties of Gramm/Rudman/Hollings. The step begun by that statutory effort can be completed with a constitutional amendment.

The message this amendment will send will be louder, clearer, longer, and stronger.

I would like to conclude by praising a number of my colleagues whose efforts have made it possible for this amendment to have evolved to where it is today. First, I must compliment Senator HATCH, the chairman of the Constitution Subcommittee of which I am the ranking member. The Senator from Utah has worked and lived with this issue to an extent that really cannot be adequately quantified. His efforts have been legion, always professional, thoughtful, and with a degree of flexibility that is only reflected by true leaders. Tireless in his efforts on behalf of this amendment, he has achieved a depth of knowledge and insight into this issue that will impress the public, scholars, economists and all of us that will hear him over the course of deliberations on Senate Joint Resolution 225.

The distinguished chairman of the Judiciary Committee, Senator THURMOND, is the other giant in the struggle to achieve this amendment. He was here long before I was and probably will be here long after I have left this body. I hope that he will have the benefit of seeing a constitutional amendment enacted into law. Nobody has stood here longer, with the exception of the Senator from Mississippi, perhaps, and constantly talked, cajolingly and in a sense of unity, about trying to get a balanced budget, and now we are at that threshold.

I want to express my admiration and appreciation to the Senator from Illinois [Mr. SIMON] for the effort and thoughtfulness he has brought to this evolutionary process. We would not be here today, I do not think, with this amendment without his leadership.

Many other Members, as the Senator from Alabama pointed out—and he is just one—have spoken forcefully on behalf of a balanced budget amendment. Senator HEFLIN has stood shoulder-to-shoulder with me for years since he has been in the Senate trying to pass this legislation.

He mentioned the Senator from Colorado [Mr. ARMSTRONG]. Senator BOREN, Senator FORD, and others have attempted vigorously to alter and to amend and to make this a more workable constitutional amendment. Indeed, they all are entitled to credit, for we have an opportunity here to put something together. Senator CHILES has worked hard on it. There are just a lot of Senators who have really labored for a long time.

In conclusion, Mr. President, the amendment before us may not be perfect, but the democratic process leading to the amendment laid before the Senate has been perfect. It has involved great compromise on the part of the Members and of various interest groups; it has involved nearly 20 days of hearings over the past few years; it has involved many days of debate at the Judiciary Committee where every member had an opportunity to fully articulate their views and attempt to win over their colleagues. The amendment before us is the best that a group of hardworking honorable human beings, led by Senator HATCH and Senator THURMOND, could achieve that also had a hope of receiving the required two-thirds vote of this body and the House.

I urge my colleagues to pass this amendment so we can get on with doing something credible in the fiscal area for this country.

Mr. HATCH. Mr. President, a short while ago my respected colleague from Washington, who now resides in the chair, expressed his reasons for apprehensions about House Joint Resolution 225, and I would like to address some of those just for a few minutes before this day is over.

Before I do, however, I would like to express my appreciation to my dear friend from Arizona for his kind words about me. The feeling is very much reciprocal. I know that we would not be here except for Senator THURMOND and Senator DECONCINI and the work that they have done through all of these years. I personally express my affection for them.

Mr. WEICKER. Mr. President, will the distinguished Senator yield for a question?

Mr. HATCH. I will be glad to yield.

Mr. WEICKER. I wonder if we might not get to a vote on this matter. I see no reason why, at this juncture, with arguments having been put forth, we should not have a vote up or down on the resolution before this body. I was wondering whether the managers of the bill are disposed to seeing that occur.

Mr. HATCH. I might just say that we have agreed that several amendments will be brought to the floor. There are a number of colleagues who have indicated they want their amendments brought to the floor.

Mr. DECONCINI. If the Senator will yield, I would like to see it brought to a vote.

Mr. HATCH. Sure. I would like to see that also.

Mr. DECONCINI. I just asked the Senator from Alabama if he was prepared to offer his amendment today, and he said, "No; maybe tomorrow." I do not know when he would like to do it.

I agree with the Senator; I would like to get a vote on it.

Mr. WEICKER. The Senator from Alabama is a proponent of the legislation?

Mr. DECONCINI. He is a proponent of the legislation, but he also wants to offer an amendment expanding, I believe, the third section.

Mr. WEICKER. I see.

Mr. DECONCINI. I asked him if he was willing to do it today, or prepared. He had other things he had to do.

Mr. WEICKER. I thank my colleague for yielding because he has the floor, but I thought it very essential at this juncture to make the point because I heard in the recesses of the

Chamber and the various cloakrooms the unsubstantiated statement made that there were those of us who were engaged in extended debate on this matter. I can assure you, Mr. President, that I am quite prepared to vote on this matter. I am one of those who is supposed to be leading this extended debate along with Senator EVANS and Senator METZENBAUM. I think it very important to have it set right at the outset, within 3 hours of when we started the debate, we wanted to vote up or down. Obviously, this is not going to be possible. I am sure that I do want to hear the comments of my colleagues and my good Senator from Utah, and I want to hear also further amendments of the Senator from Alabama. But I just have a thought in the back of my mind that sometime during next week it very well may be laid at our doorstep that the Senator from Connecticut has delayed the termination of these proceedings, and that just is not so.

Mr. DECONCINI. Will the Senator yield?

Mr. WEICKER. I want to move right now to a vote, if we could have one.

Mr. DECONCINI. Will the Senator yield?

Mr. WEICKER. Of course. The Senator from Utah has the floor.

Mr. DECONCINI. Will the Senator yield?

Mr. HATCH. Yes.

Mr. DECONCINI. I compliment the Senator from Connecticut because, quite frankly, we would probably be in the ritual of a heated, extended debate now, maybe with a cloture vote sometime today, if the Senator or others wanted to do that. I do not think there has been any indication that that is what the opponents to this bill have wanted. I agree with the Senator and join with him; I wish we could vote today.

Mr. WEICKER. Good.

Mr. DECONCINI. But we cannot only because there are some Senators who want to offer amendments. I am certainly not delaying it, nor is the Senator from Utah.

Mr. HATCH. I am delighted to hear this wonderful paragraph from the distinguished Senator from Connecticut because I know that if he was of the mind to have extended debate on this issue, it would be a very trying time for all concerned. I know if anybody understands how to have extended educational dialog, it is the distinguished Senator from Connecticut. I understand a little about it myself, but certainly I would have to stand in the shadow of the distinguished Senator from Connecticut.

Mr. WEICKER. If there is a greater joy than being able to vote on this measure, it is to listen to the words of the distinguished Senator from Utah and I will now sit myself down.

Mr. HATCH. With that, I will be happy to accommodate the distinguished Senator from Connecticut and I will try to be as eloquent as he always is on these constitutional issues.

I might just say that the distinguished Senator from Washington raised some interesting questions, and I would like to take a few seconds here today to comment about some of those.

He did say something to the effect that States have foundered under their constitutional balanced budget requirements, and that may be so in some rare instances. But in this regard the best response comes from the Governor of Pennsylvania, Dick Thornburgh.

At this point, I ask unanimous consent, Mr. President, to include in the RECORD the thoughtful statement of Governor Thornburgh of Pennsylvania who testified at a hearing of the Constitution Subcommittee on this issue.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TESTIMONY BY GOVERNOR DICK THORNBURGH BEFORE THE SUBCOMMITTEE ON THE CONSTITUTION

Good morning. I am here before you today to preach what 48 other Governors and I practice. We have been obliged to go through the agonizing process of balancing our state budgets every year, while watching with dismay as federal expenditures systematically exceed revenues. We are now at the point where annual deficits will well exceed 200 billion dollars if current federal policies are continued.

The nation's Governors are deeply concerned about the large federal deficits. This concern led us to adopt a bi-partisan federal budget resolution at this winter's meeting of the National Governors' Association, a resolution in which we called for the enactment by Congress of procedural reforms, including a balanced budget constitutional amendment. In this resolve, we join with 71 percent of the American public, according to a recent nationwide poll, and with the legislatures of 32 states which have called for a constitutional convention to adopt a balanced budget amendment.

Congress came close to approving such an amendment in 1982 when more than two-thirds of the Senate, and more than a majority, but less than the necessary two-thirds, of the House voted for inserting a balanced budget requirement into the Constitution.

All of these supporters recognized the wisdom in what Thomas Jefferson had to say on this issue—"To preserve our independence, we must not let our rulers load us with perpetual debt".

The time has come to provide Congress and the President with those structural tools and constraints that have proved invaluable to states in balancing their budgets. During the recent recession, 43 states cut costs and 44 raised taxes to keep their budgets balanced. It is doubtful that these actions would have occurred without constitutional requirements that their budgets be balanced. Without constitutional discipline, we would have had great difficulty exerting the executive and legislative discipline that made this record possible.

At the federal level, I believe Congress is not as innocent of, nor Presidents both past and present so blameworthy for, the fiscal problems we face today. Both are, I think, more victim than villain of rapidly evolving institutional dynamics. Between 1976 and 1983, for instances, Congress passed budgets (total authorizations and total outlays) higher than the budgets requested by Presidents on six out of eight occasions. If the budgets of these Presidents had been accepted, the current deficit could have been over $72 billion less than it is today.

Although not always in agreement with Budget Director David Stockman, I do agree with his broad assessment of the deficit problems we have today. According to Mr. Stockman, our major problem is the inexorable tendency in modern industrial democracies for government spending to grow faster than the economy and the companion tendency for both taxation and government deficits to rise along with it.

The rise of sophisticated single issue pressure groups, as well as other major political, economic, and social developments have rendered both Congress and the executive branch incapable of reinstituting control over an increasingly runaway federal deficit.

Both institutions are caught up in a system badly in need of structural adjustment. The balanced budget amendment is the key element in such an adjustment. While it has gained support, doubters remain. I have heard certain objections more often than others, and these are my responses:

First, it is argued, the amendment would "clutter up" our basic document in a way contrary to the intentions of the founding fathers. Wrong. The founding fathers clearly contemplated that amendments would be necessary to keep the Constitution abreast of the times, and this process already has been used 26 times. Moreover, one certainly can speculate that the notion of a federal government consistently spending more than it took in was so alien to the thinking of 1787 that a balanced-budget provision might well have been deemed superfluous. Indeed, one of the major preoccupations of the Constitutional Convention was dealing with the problem of how to liquidate the post-Revolutionary war debts of the states in an expeditious manner. It is worth noting that the Treasury did not begin to systematically incur annual deficits until the mid-1930s, nearly a century and a half after the adoption of the Constitution.

Second, the adoption of the amendment would not solve the deficit overnight. Right, but no such claim ever has been made by serious proponents of the amendment. Obviously a period, perhaps five or even 10 years, would be required for the full phase-in of a reduction to a zero deficit. During this interim period, however, budget-makers would be disciplined to meet declining deficit "targets" in order to reach a final balanced budget by the established date.

Third, such an amendment would necessitate vast cuts in social services or military or other categories of expenditure. Not necessarily. It would be required that these programs be paid for on a current basis. Certainly, difficult choices would have to be made about priorities and levels of program funding in all areas, but the amendment's purpose is to discipline the executive and legislative branches actually to make these choices and not propose or perpetuate vast spending programs without providing reve-

nues to fund them. It would, in effect, make Congress and the President more accountable for the spending decisions they make while in office, and I think that this would have a very healthy impact on the decisions themselves.

Fourth, a balanced-budget requirement would prevent or hinder our capacity to respond to national-defense or economic emergencies. This is an easy one. Of course any sensible requirement would feature a "safety valve" to exempt the incurring of deficits to respond to national-defense and economic emergencies—perhaps one requiring a two-thirds or three-fifths vote of the members of both houses of Congress. There also would be nothing to prevent Congress from instituting "rainy-day" funds that would set aside current revenues during good times to be used for countercyclical purposes during economic retrenchment. This currently is done in 23 states.

Fifth, a balanced-budget amendment would be "more loophole than law" and easily could be circumvented. If the experience of the nation's governors is any guide, this, too, is wrong. Such requirements are now in effect in all but one of the 50 states, and have served them well. The inclusion of a presidential line-item veto, which is available to most governors, would assure that any congressional overruns could be dealt with by the President; and public clamor, the elective process and the courts would provide backup restraint on any tendency to ignore a constitutional directive.

In the final analysis, most of the excuses raised for not enacting a constitutional mandate to balance the budget seem to rest on a stated or implied preference for solving our deficit dilemma through the "political process", that is, responsible action by the President and Congress.

This has been tried and found wanting, again and again. The last attempt to establish guidelines for such a "political process," the 1974 Budget Reform Act, contributed to mounting deficits, higher interest rates, a huge negative trade balance and further discredit to the governmental process.

I believe this country is ready for a simple, clear, and supreme directive that its elected officials honor their fiscal responsibilities, and I believe that a constitutional amendment is the only instrument that will meet this need effectively. Years of experience at the state level have argued persuasively in favor of such a step, and years of debate have produced no persuasive arguments against it.

In conclusion, let me share with you the view of a distinguished American and advisor to eight Presidents, a scholar and former president of the Pennsylvania State University, who died only last week.

Milton S. Eisenhower, in one of his last printed commentaries, carried in January by the Wall Street Journal, said:

"Without an amendment requiring the President and Congress to maintain a balanced budget, with exceptions to meet certain emergencies, our nation faces disaster."

We can yet avoid such a disaster and I suggest that we move quickly now to do so.

Thank you.

Mr. HATCH. Governor Thornburgh testified that:

Such requirements are now in effect in all but one of the 50 States, and have served them well. . . . In the final analysis, most of the excuses raised for not enacting a constitutional amendment to balance the budget seem to rest on a stated or implied preference for solving our deficit dilemma through the political process. This has been tried and found wanting, again and again. . . . I believe this country is ready for a simple, clear, and supreme directive that its elected officials honor their fiscal responsibilities.

The Senator from Washington also raised questions about how the amendment proposal would be enforced. I think this is a thoughtful question to which there really is a strong answer.

ENFORCEMENT

In the first place, this amendment, unlike its predecessors, requires Congress and the President to ensure that "outlays of the United States . . . shall not exceed receipts to the United States" in the absence of a specific waiver by a three-fifths vote. If this amendment were ratified, the Constitution's mandate would be perfectly clear: "Shall not" means "shall not." There is no ambiguity that Congress and the President are to use every tool in their constitutional arsenals to guarantee that outlays do not exceed receipts "for any fiscal year." The President and Members of Congress take oaths to uphold the Constitution. If this proposal is ratified as part of the Constitution, those oaths will bind both executive and legislative officers to take whatever actions are necessary to ensure that outlays do not exceed receipts for any fiscal year. This may be the most important aspect of the enforcement of this amendment to the Constitution. The supreme law of the land will itself carry enough force to ensure that its policies are not flouted.

Given the imperative of upholding the Constitution, Congress and the President will be obligated to enact implementing legislation. As a single Senator, I cannot presume to dictate in advance the exact form of the implementating policy, but some ways in which the executive and legislative branches will check each other to ensure compliance with the amendment are evident at this time. In the first place, Congress would certainly require itself to pass a budget statement that is in balance. Congress could not expect to complete a fiscal year with outlays and receipts in balance if the anticipatory budget statement or resolution failed to establish a plan to ensure that outlays do not exceed receipts. Based on this statement, Congress' budget agency, currently the Congressional Budget Office, would carefully monitor outlays and receipts to ensure compliance with the plan. In the event that outlays were outstripping the plan or that receipts were falling short of the targets, CBO might be empowered to recommend corrective action to Congress. Thus, Congress would be warned in advance to take corrective action in the form of spending cuts, rescissions of planned spending, tapping an available contingency fund set-aside in a previous fiscal year, tax increases in compliance with section 2 of this amendment, or any combination of these alternatives. This implementing policy may contain some kind of automatic trigger as is found in the Gramm-Rudman-Hollings package to require Congress to undertake corrective budgetary action in the event that certain outlay or receipt targets are exceeded.

At the same time, the executive branch's budget office, currently the Office of Management and Budget, would carefully monitor the economic indicators to ensure that outlays and receipts are in line with the constitutional requirement of a balance at the end of the fiscal year. Thus, the executive branch would be checking the legislative branch and vice versa. In the event that the executive branch detects a potential overrun of outlays or shortfall of receipts, it too could take appropriate corrective action. This might entail Presidential veto of spending measures, recommendations to Congress to rescind some spending obligations, recommendations to Congress to tap an available contingency fund set-aside in a previous year, deferrals of spending as permitted currently by the 1974 Budget Act, recommendations to Congress to increase taxes in accord with section 2 of this amendment, or any combination of these alternatives. Ultimately the President would have available the "bully pulpit" of the Presidency to appeal to the American people to make sure that Congress meets its constitutional obligation to balance the budget.

Thus, in addition to the executive and legislative branches checking each other, Senate Joint Resolution 225 is designed to promote its own enforcement through political processes. By requiring a three-fifths vote to authorize deficit spending in any fiscal year and a constitutional majority by rollcall vote to increase revenues to balance the budget, Senate Joint Resolution 225 enables the electorate by examining a few very accessible votes to identify those Members of Congress most responsible for higher levels of deficit spending and taxation. By facilitating the flow of political information to the electorate, Senate Joint Resolution 225 will ensure that the constitutional policy of a balanced budget will be enforced at the polls every election day.

It is most important to realize that Senate Joint Resolution 225 does not dictate exactly how Congress and the Executive must reach the constitutional obligation of a balanced budget, but it is unequivocal that Congress and the Executive must fulfill that obligation in every fiscal year or vote affirmatively by three-fifths to authorize a specific deficit, unless a declaration of war is in effect.

Time prevents me from responding to all of the questions raised by the Senator from Washington at this moment. I will look forward to other opportunities for explanation later, but I would like to make just two further points. First, the Senator contends that some terms of the proposal, like "outlays" are undefined. These terms are explained in the detailed and legally effective committee report.

WHAT IS MEANT BY THE TERM "OUTLAYS?" COULD THE AMENDMENT BE CIRCUMVENTED BY "OFF BUDGET" SPENDING?

The key word here is "outlays," because anything the Federal Government spends, except to pay off the debt, is embraced within the term "outlays" in the amendment. Outlays includes off-budget spending.

You would not be able to purchase oil reserves with debt under the amendment except straight up as part of the overall budget outlay problem. And there is no way that that could occur without a vote on it. In this case, it would have to be either a three-fifths vote on it. In this case, it would have to be either a three-fifths vote, if we wanted to deficit spend in order to purchase that oil, or we would have to have a constitutional majority in order to raise taxes to pay for it, or we would have to reduce spending elsewhere to do it. One way or the other, we would have to stand up, vote, and be counted. A few years ago, we did move to off-budget spending in that category and there was not the concomitant standing up and voting, such as we would have under the amendment.

I might also add that "outlays" is intended to include, according to page 42 of our committee report.

All disbursements from the Treasury of the United States, either directly or indirectly through Federal or quasi-Federal agencies created under the authority of acts of Congress, and either "on budget" or "off budget." With certain notable exceptions, outlays are those withdrawals subject to article I, section 9 which provides that "no money shall be drawn from the Treasury, out in consequence of appropriations made by law."

The committee report also defines the terms "receipts" and the other terms raised by the Senator from Washington. I will not quote those definitions at this time.

Finally, the Senator contends that evasions of the amendment are likely. This offers a chance to discuss whether an amendment ought to be assessed on the basis of whether it could conceivably be evaded. My answer also covers reasons the courts will not be involved with setting budgetary priorities and how this principle is consistent with other constitutional provisions.

ENFORCEABILITY

One of the objections sometimes raised against the proposal is that it would not be enforceable, either because the courts would not entertain suits based upon it, or because Congress could easily comply with it technically while evading its purpose and intent—for example, by requiring private institutions to shoulder what were formerly governmental obligations.

Whatever may be the merits of a different approach—and I, by the way, do not think there are many—it is simply impossible to maintain that judicial enforceability or practical inevadability are characteristic of the provisions of our present Constitution. Many provisions are not actionable in the courts, or can be readily observed to the letter while violated in spirit and intent. The Founding Fathers apparently thought that several hundred legislators are no more likely than five Justices to either violate or evade their oaths of office, and that even the President alone will probably not do so.

Foremost among the judically unenforceable provisions of the Constitution are many of those going to the heart of democratic government—the election of the people's representatives and the manner of their deliberations. When someone asserts that the constitutionally prescribed manner of election has not been complied with, the Constitution leaves it to the respective Houses of Congress, rather than the courts, to resolve the dispute. article I, section 5, clause I provides that "each House shall be the Judge of the Elections, Returns and Qualifications of its own Members." By reason of what is called the political question doctrine, see Baker versus Carr, 369 U.S. 186 (1962), it is inconceivable that the courts would seek to review this judgment. Nor would they look behind either House's determination that the constitutionally required quorum was present (art. I, sec. 5, cl. 1), or that a bill passed by the constitutionally required majority or two-thirds vote. Indeed, they have even declined to review the validity of State ratifications of constitutional amendments, see Coleman versus Miller, 307 U.S. 433 (1939). And there are other "political questions," beyond those pertaining to the elective or legislative process, as to which the courts will not consider it their business to enforce constitutional guarantees—whether, for example, a State has a "Republican Form of Government" (art. IV, sec. 4), see Luther versus Borden, 48 U.S. (7 How.) 1 (1849), and (perhaps) whether necessary congressional approval for the cancellation of a treaty has been obtained, see Goldwater versus Carter 444 U.S. 996, 1002 (1979) (opinion of Justice Rehnquist).

Other provisions of the Constitution are rendered unenforceable in the courts by reason of the doctrine of standing. This requires, as a condition of judicial jurisdiction, that the person seeking relief have suffered some particularized injury which sets him apart from the citizenry at large. Many constitutional provisions can be violated without giving rise to any such injury—for example, the prohibition against a Member of Congress holding any Federal office (art. I, sec. 6, cl. 2) see Schlesinger versus Reservists Committee to Stop the War, 418, U.S. 208 (1974), or most prohibitions applicable to expenditure of Federal funds, compare Frothingham versus Mellon, 262 U.S. 447 (1923), with Flast versus Cohen, 392 U.S. 83 (1968). One constitutional provision that has been held to be judicially unenforceable for this reason is a distinctly budgetary one: The requirement that a "regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time" (art. I, sec. 9, cl. 7). See United States versus Richardson, 418 U.S. 166 (1974).

As for the notion that there is no room in our Federal Constitution for prohibitions that can be observed to the letter but violated in spirit and intent: That should be sufficiently refuted by reference to the use of the commerce clause to evade the effect of the careful enumeration of Federal powers (art. I, sec. 8) and of the 10th amendment. See, for example, *Perez* v. *United States*, 402 U.S. 146 (1971) (use of commerce clause to assert police power over "loan-sharking"). It seems to me that the practical political obstacles to technical evasion of the proposed amendment are at least as high as those applicable to existing provisions of the Constitution. Ultimately, however, the theory of the document is simply that the people's representatives will not ordinarily violate their trust.

Whether or not one considers that theory adequate, it is in any event quite clear that neither judicial enforceability nor practical inevadability has in the past been a criterion for constitutional guarantees. The framers of the Constitution simply depended on other forms of enforcement and checks and balances.

Mr. McCLURE. Mr. President, I will speak later with respect to the balanced budget amendment and will either join with or offer amendments on my own behalf with respect to certain alternatives or additions or changes with respect to the amendment. But at this time I wish to speak with respect to another subject.

PRESIDENT REAGAN ENDED A 20 YEAR COVERUP OF SOVIET TREATY VIOLATIONS

Mr. McCLURE. Mr. President, on August 1, 1955, the Senate Judiciary Committee filed a report on Soviet treaty violations and followed that by

reports on January 1, 1959 and January 1, 1964—over 100 violations in all. The Department of Defense reported 50 Soviet violations on November 5, 1962. These four official reports covered more than 150 violations prior to 1964. Then, for the next 20 years, total, complete official blackout of the news.

On January 20, 1984, that coverup by official Washington ended with President Reagan's report to the Congress. That report has been followed by three other classified and public reports on Soviet Arms Limitation Treaty violations. These four Presidential reports to the Congress and to the American people have been the first official U.S. Government reports on Soviet treaty violations since January 1, 1964.

These four reports and the previous four reports from both the executive and legislative branches are of real significance for U.S security and world peace. Without Soviet compliance with arms control and international security treaties, there can be no order in international relations and no reliable security arrangements not wholly based on military might.

Soviet noncompliance with treaties could increase the risk of war. That is why the chief American arms control negotiator in Geneva, our distinguished Ambassador Max Kampelman, himself stated recently:

> It is essential in our negotiations in Geneva that we highlight the issue of Soviet violations of existing arms control agreements, even though they will yell like stuck pigs.

EXPANDING PATTERN OF SOVIET SALT VIOLATIONS

Mr. President, President Reagan's most recent report to Congress on Soviet Noncompliance with Arms Control Agreements of December 23, 1985, contains seven new Soviet SALT violations. These seven newly confirmed Soviet SALT violations are as follows:

SALT II TREATY

First, the Soviet Union has exceeded all the ceilings on Strategic Nuclear Delivery Vehicles of SALT II: 2,250; 2,400; and the number they had on June 18, 1979, when the SALT II Treaty was signed—2,504—and the United States, in contrast, has only 1,839. More significantly, the United States denied itself the right in the still secret September 1981 and June 1982 Executive Agreements with the Soviets, which incorporated the unratified SALT II Treaty by reference, to have the same number of SNDVs as the Soviets. Thus the secret United States-Soviet executive agreement on the SALT II Treaty was inconsistent with the 1972 Jackson amendment to SALT I, which required "equal levels of forces" with the Soviets in any SALT II Treaty. It is interesting to note that the President's report of December 23, 1985 considers the Soviet excess SNDVs above the number they had in June 1979 (including covert SS-16s) to give the Soviets "little military gain." If this is true, then perhaps the United States need not deploy any more B-1Bs, Trident subs, ALCMs, or MX ICBMs. Moreover, United States acceptance of unequal ceilings in the secret SALT II executive agreement makes it easy to understand why the Soviets do not take seriously United States proposals for equality in the START or umbrella negotiations. The Soviets know that the United States has already openly and formally accepted unequal and inferior force levels, thereby forfeiting the right to demand equality.

Second, Soviet deployment of the mobile SS-25 ICBM violates the SALT II prohibition on the development, testing, and deployment of more than one "new type ICBM," because the Soviets already declared their SS-24 to be their one allowed "new type ICBM" even before the first test of the SS-25.

Third, the Soviets violated the SALT II provisions, the first common understanding to article XV, requiring that the United States be able to determine the relationship between a new Soviet missile and its launcher during testing, by deliberately camouflaging and concealing SS-25 mobile launchers at the Plesetsk Test Range, and by flight-testing the SS-25 only at night.

Four, Soviet production of more than 30 Backfire bombers per year between 1979 and 1984 violates Brezhnev's Backfire bomber pledge, an integral part of SALT II.

SALT I INTERIM OFFENSIVE WEAPONS AGREEMENT

Fifth, Soviet use of old SS-7 ICBM facilities to support the deployment of the new SS-25 mobile ICBM violates the 1974 ICBM dismantling procedures for SALT I.

SALT I ANTI-BALLISTIC MISSILE (ABM) TREATY

Sixth, the Soviets "may" have deployed ABMs and ABM-capable surface to air missiles (SAMs) with a prohibited rapid reload capability. This violates the ABM Treaty prohibition on rapid reload ABMs.

Seventh, Soviet development of SAMs capable of ABM use violates ABM Treaty prohibitions. High Soviet officials have admitted twice that their SAM-5, mobile SAM-10, and mobile SAM-12 have been developed and deployed with a prohibited ABM capability. Moreover, the SAM-12 ABM-capable mobile interceptor and mobile radar are reportedly being deployed to defend the mobile SS-25 ICBM, confirming the already admitted fact that the Soviets have deployed mobile ABM-capable SAMs. On October 31, 1985, Defense Secretary Weinberger testified to the Senate Foreign Relations Committee that the Soviets already had "some nationwide ABM capability." The Joint Chiefs of Staff fiscal year 1987 military posture statement concedes for the first time that: "The SAM-5, SAM-10, and SAM-X-12 may have the potential to intercept some types of U.S. ballistic missiles."

On March 5, 1986, General Abramson, Director of the Strategic Defense Initiative Office in the Defense Department, testified to the Senate Subcommittee on Defense Appropriations that the Soviet Union has a territorial, nationwide ABM defense, and that their ABM-3, SAM-5, SAM-10, and SAM-12 are now in series, mass production.

These seven newly confirmed Soviet SALT violations come on top of 32 already presidentially confirmed Soviet SALT violations. So in fact it is obvious that there has been an expanding pattern of Soviet SALT violations since the January 1984 first presidential Report to Congress, indeed, since SALT talks began in 1969. In fact, there are now a total of 50 Soviet arms control or international security treaty violations confirmed by President Reagan and his administration since the previous 1955, 1959, 1962, and 1964 official U.S. Government reports of over 150 Soviet international security treaty violations. Thus, there are a total of over 200 Soviet violations of international security treaties.

DOCUMENTATION OF SOVIET VIOLATIONS

Mr. President, I ask unanimous consent that the following documents be printed in the RECORD:

First. The most recent President's unclassified report on Soviet noncompliance with arms control agreements, December 23, 1985;

Second. Tables comparing four Presidential reports to Congress on Soviet arms control treaty violations since January 23, 1984;

Third. The Defense Department's November 5, 1962, report entitled: "Soviet Treaty Violations;"

Fourth. New York Tribune series on the report of the President's General Advisory Committee on Arms Control and Disarmament, on Soviet SALT violations, August 31, 1984; September 4, 1984; September 5, 1984;

Fifth. President's report on Soviet noncompliance with arms control agreements, February 1, 1985;

Sixth. Report of the President's General Advisory Committee on Arms Control and Disarmament, released to Congress on October 10, 1984.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLES COMPARING FOUR PRESIDENTIAL REPORTS TO CONGRESS ON SOVIET ARMS CONTROL TREATY VIOLATIONS

Issue/report	President Jan. 23, 1984	GAC Oct. 10, 1984	President Feb. 1, 1985	President June 10, 1985	President Dec. 23, 1985
1979 SALT II TREATY [1]					
(1) Flight testing second new type ICBM (SS-25)	Probable violation	Probable violation	Violation	Irreversible violation	Violation.
(2) Anti Covert MIRV limit on RV to TW ration	Violation	Violation	Violation	Serious concerns unresolved	Violation.
(3) Telemetry encryption impeding verification	Violation	Violation	Violation	Violation	Violation.
(4) Deliberate Concealment Plesetsk test center		Violation			
(5) Deployment of SS-16 mobile ICBM	Probable violation	Probable violation	Probable violation	Probable violation	Confirmed violation.
(6) Falsification of SALT II Data Base		Probable violation			
(7) Deployment of second new type ICBM (SS-25)					Further violation.
(8) Strategic Nuclear Delivery Violation Vechicle Limits					Violation.
(9) Backfire bomber intercontinental Operating Capability				Violation	Violation.
(10) Backfire bomber Production Rate				Violation	Violation.
(11) Concealment of Missile/Launcher Association					Violation.
1972 ABM TREATY SALT I					
(1) Deployment of large Krasnoyarsk radar, neither on perifery nor oriented outward, 1981-present.	Almost certainly a violation	Violation	Violation		Violation.
(2) Testing and deployment of mobile Flat Twin ABM radar in 1975 and continuing development 1975 to present.		Violation	Potential violation		Potential violation.
(3) Concurrent testing of ABM and SAM components			Highly probable violations		Highly probable violations.
(4) Deliberate concealment measures		Violation			
(5) ABM and ABM-related actions in preparation for defense of the national territory.			Potential violation	Serious cause for concern	U.S.S.R may be preparing an ABM defense of its national territory.
ABM Capability of Modern SAMs					Insufficent evidence.
Rapid Reload of ABM Launchers					Ambiguous situation, serious cause for concern.
1972 SALT I INTERIM AGREEMENT					
(1) Deployment of heavy throw-weight SS-19 and SS-17 ICBMs despite limit on heavy ICBM launchers, 1972 to present.		Circumvention defeating object and purpose.			
(2) Deliberate concealment measures		Violation			
(3) Deployment of Delta Modern SLBM launchers exceeding SALT I Protocol limit, 1976-77, not dismantling older launchers.		Violations			
(4) Mobile SS-25 ICBM base at dismantled SS-7 ICBM sites, using SS-7 support facilities.					Violation.
Yankee SLBM submarine conversion into elongated cruise missle carriers.			Not a violation but a threat to U.S. and Allied security.	Not a violation but a threat to U.S. and Allied security.	
NUCLEAR TESTING					
(1) Nuclear Test Moritorium 1959-61 Unilateral Soviet Commitments Resumption of atmospheric testing 1961-1962, during negotiation of treaty banning atmospheric tests.		Breach of unilateral commitment			
(2) 1963 Limited Test Ban Treaty Venting radioactive debris outside U.S.S.R., when available and reasonable precautions could have contained debris, 1965 to present.		Numerous violations	Numerous violations		Violations.
(3) 1974 Threshold Test Ban Treaty and 1976 Protocol (unratified, effective as of March 31, 1976) Underground nuclear testing with yields in excess of 150 kt. limit.	Likely to have violated	Suspicion of repeated violations	Likely violation		Likely violation.
OTHER ARMS CONTROL COMMITMENTS					
(1) Offensive Weapons in Cuba (Unilateral Soviet Commitment) 1962.		Breach of unilateral commitments			
(2) Offensive weapons in Cuba—Reciprocol Unilateral Commitment 1979.		Breach of unilateral commitments			
(3) Biological Weapons Convention 1971	Violation	Violations	Violations		Significant violations.
(4) Geneva Protocol of 1925 Chemical and Toxin Weapons	Violation	Circumventions defeating object and purpose.	Violations		Significant violations.
(5) Montreuz Convention of 1936 & Law of Sea Convention of 1982.		Violations			
(6) Helsinki Final Act of 1975	Violation	Violations 1981, 1983	Violations		Violations of terms.
(7) Conventional Weapons Convention, 1981		Violations			
(8) SS-20 Mobile IRBM Deployment Moritorium March 1982-Nov 1983 Unilateral Soviet Commitment.		Breach of unilateral commitment			

[1] Unratified, duty no to defeat object and purpose, political commitment.

THE PRESIDENT'S UNCLASSIFIED REPORT ON SOVIET NONCOMPLIANCE WITH ARMS CONTROL AGREEMENTS

The following is the text of a letter from the President to the Speaker of the House of Representatives and to the President of the Senate transmitting the President's report, in classified and unclassified versions, on Soviet noncompliance with arms control agreements as required by PL 99-145:

DEAR MR. SPEAKER (DEAR MR. PRESIDENT): In response to Congressional requests as set forth in Public Law 99-145, I am forwarding herewith classified and unclassified versions of the Administration's report to the Congress on Soviet Noncompliance with Arms Control Agreements.

Detailed classifed briefings will be available to the Congress early in the new year.

I believe the additional information provided, and issues addressed especially in the detailed classified report, will significantly increase understanding of Soviet violations and probable violations. Such understanding, and strong Congressional consensus on the importance of compliance to achieving effective arms control, will do much to strengthen our efforts both in seeking corrective actions and in negotiations with the Soviet Union.

Sincerely,

RONALD REAGAN.

The unclassified report is attached.

THE PRESIDENT'S UNCLASSIFIED REPORT ON SOVIET NONCOMPLIANCE WITH ARMS CONTROL AGREEMENTS

In reporting to the Congress on February 7 of this year on Soviet noncompliance with arms control agreements, I stated that:

"In order for arms control to have meaning and credibly contribute to national security and to global or regional stability, it is essential that all parties to agreements fully comply with them. Strict compliance with all provisions of arms control agreements is fundamental, and this Administration will not accept anything less. To do so would undermine the arms control process and damage the chances for establishing a more constructive U.S.-Soviet relationship."

I further stated that:

"Soviet noncompliance is a serious matter. It calls into question important security benefits from arms control, and could create new security risks. It undermines the confidence essential to an effective arms control process in the future. With regard to the issues analyzed in the January 1984 report, the Soviet Union has thus far not provided satisfactory explanations not undertaken corrective actions sufficient to alleviate our concerns. The United States Government has vigorously pressed, and will continue to press, these compliance issues with the Soviet Union through diplomatic channels."

The important role of treaty compliance for future arms control was recently recog-

nized by the United Nations. On December 12, 1985, the General Assembly passed by a vote of 131-0 (with 16 abstentions) a resolution on arms control compliance which had been introduced by the United States and other co-sponsors. The resolution:

Urges all parties to arms limitation and disarmament agreements to comply with their provisions;

Calls upon those parties to consider the implications of noncompliance for international security and stability and for the prospects for further progress in the field of disarmament; and

Appeals to all U.N. members to support efforts to resolve noncompliance questions "with a view toward encouraging strict observance of the provisions subscribed to and maintaining or restoring the integrity of arms limitation or disarmament agreements."

At the request of the Congress, I have in the past two years provided three reports to the Congress on Soviet compliance issues. The first, forwarded in January 1984, reviewed seven compliance issues, concluding that the Soviet Union had, in fact, violated a number of important arms control commitments.

In September 1984, I provided, at the request of the Congress, a report on Soviet noncompliance prepared by the independent General Advisory Committee on Arms Control and Disarmament. That report concluded that over a 25-year span the Soviets had violated a substantial number of arms control commitments.

In February 1985, I submitted a report to the Congress updating the Administration's January 1984 report and reviewing 13 issues that could be treated in unclassified terms and an additional group of six issues treated on a classified basis. That report discussed the pattern of Soviet arms control violations, probable violations, or ambiguous activity in seventeen cases. The U.S. Government found seven Soviet violations, three probable violations, one likley and one potential violation. The Soviets were found to be in compliance in two other cases examined.

One of those issues, Yankee-Class submarine reconfiguration, is not addressed in the current report. While a submarine reconfigured to carry long-range curise missiles constitutes a threat similar to that of the original SSBN, I reported in February that Soviet reconfiguration activities have not been in violation of the SALT I Interim Agreement. This issue, therefore, requires no further judgment in terms of compliance at present.

Public Law 99-145 requires the Administration to provide on an annual basis by December 1 of each year a classified and unclassified report to the Congress containing the findings of the President and any additional information necessary to keep the Congress informed on Soviet compliance with arms control agreements.

The current report responds to this. It is the product of months of careful technical and legal analysis by all relevant agencies of the United States Government and represents the Administration's authoritative updated treatment of this important matter.

The current unclassified report examines one new issue and updates all of the issues studied in the classified report of February 1985, except the issue of Yankee-Class submarine reconfiguration. There are violations in nine cases. Of the nine cases involving violations, one SALT II issue—that of Soviet concealment of the association between missiles and their launchers—is examined for the first time. The Soviet Union has now also violated its commitment to the SALT I Interim Agreement through the prohibited use of remaining facilities at former SS-7 ICBM sites. In addition, Soviet deployment of the SS-25 ICMB during 1985 constitutes a further violation of the SALT II prohibition on a second new type of ICBM. Several other issues involve potential, probable or likely violations.

The current unclassified report reaffirms the findings of the February 1985 classified report concerning ABM issues, making public two of them for the first time. It also reaffirms the February findings concerning SALT II issues involving violations, including one concerning strategic nuclear delivery vehicles, which has not previously been made public. In two SALT II issues with respect to which the Soviets were not judged to be in clear violation in the classified report of last February, the findings are altered or updated. These two issues are the SS-16 and an issue made public for the first time—Backfire Bomber production rate.

The Administration's most recent studies support its conclusion that there is a pattern of Soviet noncompliance. As documented in this and previous reports, the Soviet Union has violated its legal obligation under or political commitment to the SALT I ABM Treaty and Interim Agreement, the SALT II agreement, the Limited Test Ban Treaty of 1963, the Biological and Toxin Weapons Convention, the Geneva Protocol on Chemical Weapons, and the Helsinki Final Act. In addition, the U.S.S.R. has likely violated provisions of the Threshold Test Ban Treaty.

While we remain concerned about Soviet violations of Basket I of the Helsinki Final Act and the Limited Test Ban Treaty, there is no unambiguous evidence of new 1985 Soviet violations of these two treaties. With regard to the Biological and Toxin Weapons Convention, or the Geneva Protocol on Chemical Weapons, there also is no unambiguous evidence of new 1985 Soviet lethal attacks that meets our strict standards of evidence. However, the Soviets clearly remain in violation of the Biological and Toxin Weapons Convention.

THE SIGNIFICANCE OF SOVIET NONCOMPLIANCE

Through its noncompliance, the Soviet Union has made military gains in the areas of strategic offensive arms as well as chemical, biological and toxin weapons. If the yields of Soviet nuclear tests have been substantially about 150 kilotons, then Soviet testing would allow proportionately greater gains in nuclear weapons development than the U.S. could achieve. The possible extent of the Soviet Union's military gains by virtue of its noncompliance in the area of strategic defense also is of increasing importance and serious concern.

In a fundamental sense, all deliberate Soviet violations are equally important. As violations of legal obligations or political commitments, they cause grave concern regarding Soviet commitment to arms control, and they darken the atmosphere in which current negotiations are being conducted in Geneva and elsewhere.

In another sense, Soviet violations are not of equal importance. While some individual violations are of little apparent military significance in their own right, such violations can acquire importance if, left unaddressed, they are permitted to become precedents for future, more threatening violations. Moreover, some issues that individually have little military significance could conceivably become significant when taken in their aggregate.

The Krasnoyarsk Radar

The radar under construction near Krasnoyarsk in Siberia is disturbing for both political and military reasons. Politically, the radar domonstrates that the Soviets are capable of violating arms control obligations and commitments even when they are negotiating with the United States or when they know we will detect a violation. The 1972 ABM Treaty prohibits the Soviets from siting an AMB radar, or siting and orienting a ballistic missile detection and tracking radar, as the Krasnoyarsk radar is sited and oriented.

Militarily, the Krasnoyarsk radar violation goes to the heart of the ABM Treaty. Large phased-array radars (LPARs) like that under construction near Krasnoyarsk were recognized during the ABM Treaty negotiations as the critical, long lead-time element of a nationwide ABM defense.

When considered as a part of a Soviet network of new LPAR's, the Krasnoyarsk radar has the inherent potential to contribute to ABM radar converage of a significant portion of the central U.S.S.R. Moreover, the Krasnoyarsk radar closes the remaining gap in Soviet ballistic missile detection and tracking coverage.

ABM Territorial Defense and Other ABM Activities

The Krasnoyarsk radar appears even more menacing when considered in the context of other Soviet ABM-related activities. Together they cause concern that the Soviet Union may be preparing an ABM territorial defense. Some of these activities, such as permitted LPARs and the Moscow ABM deployment area, are consistent with the ABM Treaty. Others involve potential or probable Soviet violations or other ambiguous activity, including:

The apparent testing and development of components required for an ABM system which could be deployed to a site in months rather than years;

The probable concurrent testing of air defense components and ABM components;

The development of a modern air defense system, the SA-X-12, which may have some ABM capabilities; and

The demonstration of an ability to reload ABM launchers and to refire the interceptor missile in a period of time shorter than previously noted.

Soviet deployment of an ABM territorial defense contrary to the ABM Treaty would have profound implications for Western security and the vital East-West strategic balance. A unilateral Soviet territorial ABM capability acquired in violation of the ABM Treaty could erode our deterrent and leave doubts about its credibility. Such a capability might encourage the Soviets to take increased risks in crises, thus degrading crisis stability.

SS-25

The SS-25, a clear and irreversible violation of the Soviet Union's SALT II commitment, also has important political and military implications. Testing and deployment of this missile violates a central provision of the SALT II Treaty, which was intended to limit the number of new ICBMs. The Treaty permits only one new type of ICBM for each Party. The Soviets have informed us that their one new type will be the SS-X-24, which is now undergoing testing, and have falsely asseted that the SS-25 is a per-

mitted modernization of the silo-based SS-13 ICBM.

Under the pretext of permitted modernization, the Soviets, since the last compliance report, have deployed a prohibited second new type of missile, the SS-25, which is mobile and could be made more lethal. The SS-25 also could be modified to carry more than a single warhead. Most worrisome is the technical arguments by which the Soviets sought to justify the SS-25, for it might be applied to additional prohibited new types of ICBM's in the future.

Telemetry Encryption and Concealment of Missile/Launcher Association

Two other Soviet violations impede our ability to verify the Soviet Union's compliance with its political commitments. Soviet use of encyrption impedes U.S. verification of Soviet compliance and thus contravenes the provision of the SALT II Treaty which prohibits use of deliberate concealment measures which impede verification of compliance by national technical means. A new finding of this report is that current Soviet activities violate the provision of the Treaty which prohibits use of deliberate concealment measures associated with testing, including those measures aimed at concealing the association between ICBM's and launchers during testing. These deliberate Soviet concealment activities impede our ability to know whether a type of missile is in compliance with SALT II requirements. They could also make it more difficult for the United States to assess accurately the critical parameters of any future missile.

Since the SALT I agreement in 1972, Soviet encryption and concealment activities have become more extensive and disturbing. These activities, Soviet responses on these issues, and Soviet failure to take the corrective actions which the United States has repeatedly requested, are indicative of a Soviet attitude contrary to the fundamentals of sound arms control agreements. Soviet encryption and concealment activities present special obstacles to maintaining existing arms control agreements, undermine the political confidence necessary for concluding new treaties, and underscore the necessity that any new agreement be effective verifiable. Soviet noncompliance, as documented in current and past Administration reports and exemplified by the encryption and concealment issues, has made verification and compliance pacing elements of arms control today.

Chemical, Biological and Toxin Weapons

The Soviet Union's violations of its legal obligations under the Biological and Toxin Weapons Convention and the Geneva Protocol have important political and military implications. The Soviets had a program of biological and toxin weapons before they signed the multilateral Treaty. Upon signing the Treaty, the Soviets not only did not stop their illegal program but they expanded facilities and were instrumental in the use of prohibited agents.

The Soviet Union has a prohibited offensive biological warfare capability which we do not have and against which we have no defense. This capability may include advanced biological agents which we have little knowledge. Evidence suggests that the Soviets are expanding their chemical and toxin warfare capabilities in a manner that has no parallel in NATO's retaliatory or defensive programs. Even though there has been no unambiguous evidence of lethal attacks during 1985, previous activities have provided testing, development and operational experience.

Nuclear Testing

With respect to the Threshold Test Ban Treaty, Soviet testing at yields above the 150 kiloton limit would allow development of advanced nuclear weapons with proportionately higher yields than the yields of weapons that the U.S. could develop under the Treaty. The U.S. Government judges that Soviet test activities constitute likely violations of the 150 kiloton limit.

Other Issues

Military significance is evidently not necessarily the determining factor in Soviet decisions or actions which violate their arms control commitments. The Soviet Union has also violated or probably violated arms control obligations and commitments from which at present it appears to reap little military gain. The following cases are relevant in this regard:

The use of remaining facilities at former SS-7 ICBM sites since the February 1985 compliance report (SALT I interim Agreement);

Exceeding the strategic nuclear delivery vehicle limits (SALTS II);

Probable deployment of the SS-16 (SALT II); and

Underground nuclear test venting (Limited Test Ban Treaty).

The 1981 Soviet violation of the military exercise notification provisions of the Helsinki Final Act involved an action contrary to the confidence building measures included in that agreement.

Soviet deployments of Backfire Bombers to Arctic staging bases are inconsistent with the Soviet Union's political commitment to the SALT II Treaty. In addition, while there are ambiguities concerning the data, there is evidence that the production rate of the Backfire Bomber was constant at slightly more than 30 per year until 1984, and slightly less than 30 per year since then. Those Soviet Backfire Bomber activities will continue to be monitored and assessed.

THE SOVIET RESPONSE

At the same time as the Administration has reported its concerns and findings to the Congress, the United States has had extensive exchanges with the Soviet Union on Soviet noncompliance in the Standing Consultative Commission (SCC), where SALT-related issues (including ABM issues) are discussed, and through other appropriate diplomatic channels. I expressed my personal concerns directly to General Secretary Gorbachev during my recent meeting with him in Geneva.

All of the violations, probable violations and ambiguous situations included in this report and previously reported on have been raised with the Soviets, except certain sensitive issues. The Soviet Union has thus far not provided explanations sufficient to alleviate our concerns on these issues, nor has the Soviet Union taken actions needed to correct existing violations. Instead, they have continued to assert that they are in complete compliance with their arms control obligations and commitments.

U.S. POLICY

In contrast with the Soviet Union, the United States has fully observed its arms control obligations and commitments, including those under the SALT I and SALT II agreements. As I stated in my message to the Congress on June 10 of this year concerning U.S. interin restraint policy:

"In 1982, on the eve of the Strategic Arms Reductions Talks (START), I decided that the United States would not undercut the expired SALT I agreement or the unratified SALT II agreement as long as the Soviet Union exercised equal restraint. Despite my serious reservations about the inequities of the SALT I agreement and the serious flaws of the SALT II agreement, I took this action in order to foster an atmosphere of mutual restraint conducive to serious negotiation as we entered START.

"Since then, the United States has not taken any actions which would undercut existing arms control agreements. The United States has fully kept its part of the bargain. However, the Soviets have not. They have failed to comply with several provisions of SALT II, and we have serious concerns regarding their compliance with the provisions of other accords.

"The pattern of Soviet violations, if left uncorrected, undercuts the integrity and viability of arms control as an instrument to assist in ensuring a secure and stable future world. The United States will continue to pursue vigorously with the Soviet Union the resolution of our concerns over Soviet noncompliance. We cannot impose upon ourselves a double standard that amounts to unilateral treaty compliance."

On June 10, I invited the Soviet Union to join the United States in an interim framework of truly mutual restraint on strategic offensive arms and to pursue with renewed vigor our top priority of achieving deep reductions in the size of existing nuclear arsenals in the ongoing negotiations in Geneva. I noted that the U.S. cannot establish such a framework alone and that it would require the Soviet Union to take positive, concrete steps to correct its noncompliance, to resolve our other compliance concerns, to reverse its unparalleled and unwarranted military buildup, and actively to pursue arms reduction agreements in the Geneva negotiations.

In going the extra mile, I have made clear that as an integral part of this policy, we will also take those steps required to assure our national security and that of our Allies that were made necessary by Soviet noncompliance. Thus, as I indicated to the Congress on June 10, "appropriate and proportionate response to Soviet noncompliance are called for to ensure our security, to provide incentives to the Soviets to correct their noncompliance, and to make it clear to Moscow that violations of arms control obligations entail real costs."

As we monitor Soviet actions for evidence of the positive, concrete steps needed on their part to correct these activities, I have directed the Department of Defense to conduct a comprehensive assessment aimed at identifying specific actions that the United States could take to augment as necessary the U.S. strategic modernization program as a proportionate response to, and as a hedge against the military consequences of those Soviet violations of existing arms control agreements which the Soviets fail to correct. We will carefully study this report as soon as it has been completed.

As we press for corrective Soviet actions and while keeping open all programmatic options for handling future milestones as new U.S. strategic systems are deployed, we will continue to assess the overall situation in light of Soviet actions correcting their noncompliance, reversing their military build-up, and promoting progress in Geneva.

I look forward to continued close consultation with the Congress as we seek to make progress in resolving compliance issues and in negotiating sound arms control agreements.

The findings on Soviet noncompliance with arms control agreements follow.

THE FINDINGS

Anti-Ballistic Missile (ABM) Treaty:

Treaty Status—The 1972 ABM Treaty and its Protocol ban deployment of ABM systems except that each party is permitted to deploy one ABM system around the national capital area or, alternatively, at a single ICBM deployment area. The ABM Treaty is in force and is of indefinite duration. Soviet actions not in accord with the ABM Treaty are, therefore, violations of a legal obligation.

1. The Krasnovarsk Radar.

Obligation: To preclude creation of a base for territorial ABM defense, the ABM Treaty provides that radars for early warning of ballistic missile attack may be deployed only at locations along the periphery of the national territory of each party and that they be oriented outward. The Treaty permits deployment (without regard to location or orientation) of large phased-array radar for purposes of tracking objects in outer space or for use as national technical means of verification of compliance with arms control agreements.

Issue: The January 1984 and February 1985 reports examined the issue of whether the Krasnoyarsk radar meets the provisions of the ABM Treaty governing phased-array radars. This report reexamines this issue.

Finding: The US Government reaffirms the conclusion in the February 1985 report that the new large phased-array radar under construction at Krasnoyarsk constitutes a violation of legal obligations under the Anti-Ballistic Missile Treaty of 1972 in that in its associated siting, orientation, and capability, it is prohibited by this Treaty. Continuing construction and the absence of credible alternative explanations have reinforced our assessment of its purpose. Despite US requests, no corrective action has been taken. This and other ABM-related Soviet activities suggest that the USSR may be preparing an ABM defense of its national territory.

2. Mobility of ABM System Components.

Obligation: The ABM Treaty prohibits the development, testing or deployment of mobile land-based ABM systems or components.

Issue: The February 1985 report examined whether the Soviet Union has developed a mobile land-based ABM system, or components for such a system, in violation of its legal obligation under the ABM Treaty. This report reexamines this issue.

Finding: The US Government judges that the evidence on Soviet actions with respect to ABM component mobility is ambiguous, but that the USSR's development and testing of components of an ABM system, which apparently are designed to be deployable at sites requiring relatively limited site preparation, represent a potential violation of its legal obligation under the ABM Treaty. This and other ABM-related Soviet activities suggest that the USSR may be preparing an ABM defense of its national territory.

3. Concurrent Testing of ABM and Air Defense Components.

Obligation: The ABM Treaty and its Protocol limit the Parties to one ABM deployment area. In addition to the ABM systems and components at that one deployment area, the Parties may have ABM systems and components for development and testing purposes so long as they are located at agreed test ranges. The Treaty also prohibits giving components, other than ABM system components, the capability "to counter strategic ballistic missiles or their elements in flight trajectory" and prohibits the Parties from testing them in "an ABM mode." The Parties agreed that the concurrent testing of SAM and ABM system components is prohibited.

Issue. The February 1985 compliance report examined whether the Soviet Union has concurrently tested SAM and ABM system components in violation of its legal obligation since 1978 not to do so. It was the purpose of that obligation to further constrain testing of air defense systems in an ABM mode. This report reexamines this issue.

Finding: The US Government reaffirms the judgment made in the February 1985 Report that the evidence of Soviet actions with respect to concurrent operations is insufficient fully to assess compliance with Soviet obligations under the ABM Treaty. However, the Soviet Union has conducted tests that have involved air defense radars in ABM-related activities. The large number, and consistency over time, of incidents of concurrent operation of ABM and SAM components, plus Soviet failure to accommodate fully US concerns, indicate the USSR probably has violated the prohibition on testing SAM components in an ABM mode. In several cases this may be highly probable. This and other ABM-related activities suggest the USSR may be preparing an ABM defense of its national territory.

4. *ABM Capability of Modern SAM Systems.*

Obligation: Under the ABM Treaty, each party undertakes not to give non-ABM interceptor missiles, launchers or radars "capabilities to counter strategic ballistic missiles or their elements in flight trajectory, and not to test them in an ABM mode . . ."

Issue: The February 1985 classified report examined whether the Soviet Union has tested a SAM system or component in an ABM mode or given it the capability to counter strategic ballistic missiles or that elements in flight trajectory in violation of their legal obligation under the ABM Treaty. This report reexamines this issue.

Finding: The US Government reaffirms the judgment made in the February 1985 report that the evidence of Soviet actions with respect to SAM upgrade is insufficient to assess compliance with Soviet Union's obligations under the ABM Treaty. However, this and other ABM-related Soviet activities suggest the USSR may be preparing an ABM defense of its national territory.

5. *Rapid Reload of ABM Launchers.*

Obligation: The ABM Treaty limits to 100 the number of deployed ABM interceptor launchers and deployed interceptor missiles. It does not limit the number of interceptor missiles that can be built and stockpiled. The Treaty prohibits the development, testing or deployment of "automatic or semi-automatic or other similar systems for rapid reload" of the permitted launchers.

Issue: The February 1985 classified report examined whether the Soviet Union has developed, tested or deployed automatic, semi-automatic, or other similar systems for rapid reload of ABM launchers in violation of its legal obligation under the ABM Treaty. This report reexamines this issue.

Finding: The US Government judges, on the basis of the evidence available, that the USSR's actions with respect to the rapid reload of ABM launchers constitute an ambiguous situation as concerns its legal obligations under the AMB Treaty not to develop systems for rapid reload. The Soviet Union's reload capabilities are a serious concern. These and other ABM-related Soviet activities suggest that the USSR may be preparing an ABM defense of its national territory.

6. ABM Territorial Defense.

Obligation: The ABM Treaty allows each party a single operational site, explicitly permits modernization and replacement of ABM systems or their components, and explicitly recognizes the existence of ABM test ranges for the develement and testing of ABM components. The ABM Treaty prohibits, however, the deployment of an ABM system for defense of the national territory of the parties and prohibits the parties from providing a base for such a defense.

Issue: The February 1985 report examined whether the Soviets have deployed an ABM system for the defense of their territory or provided a base for such a defense. This report reexamines this issue.

Finding: The US Government judges that the aggregate of the Soviet Union's ABM and ABM-related actions (e.g., radar construction, concurrent testing, SAM upgrade, ABM rapid reload and ABM mobility) suggests that the USSR may be preparing an ABM defense of its national territory.

SALT II TREATY

Treaty status

SALT II was signed in June 1979 and has not been ratified. In 1981 the United States made clear to the Soviet Union its intention not to ratify the SALT II Treaty. Prior to this clarification of our position in 1981, both nations were obligated under customary international law not to take actions which would defeat the object and purpose of the signed, but unratified, Treaty. Such Soviet actions prior to 1981 are violations of legal obligations. Since 1981, the United States has observed a political commitment to refrain from actions that undercut the SALT II Treaty so long as the Soviet Union does likewise. The Soviets have told us they also would abide by these provisions. Soviet actions inconsistent with this commitment are violations of their political commitment with respect to the SALT II Treaty.

1. The SS-25 ICBM.

Obligation: In an attempt to constrain the modernization and the proliferation of new, more capable types of ICBMs, the provisions of SALT II permit each side to "flight test and deploy" just one new type of "light" ICBM. A new type is defined as one that differs from an existing type by more than 5 percent in length, largest diameter, launch-weight or throw-weight or differs in number of stages or propellant type. In addition, it was agreed that no ICBM of an existing type with a post-boost vehicle and a single reentry vehicle would be flight-tested or deployed whose reentry vehicle weight is less than 50 percent of the throw-weight of that ICBM. This latter provision was intended to prohibit the possibility that single warhead ICBMs could quickly be converted to MIRVed systems.

Issues: The January 1984 and February 1985 reports examined the evidence: whether the Soviets have tested or deployed a second new type of ICBM (the SS-25) which is prohibited; whether the reentry vehicle (RV) on that missile, if it is not a new type, is in compliance with the provision that for existing types of single RV missiles, the weight of the RV be equal to at least 50 percent of total throw-weight; and whether encryption of SS-25 flight test telemetry impedes verification. This report reexamines these issues.

Findings:

(a) *Second New Type—Testing and Deployment:* The US Government judges, based on convincing evidence about the SS-25, that the throw-weight of the Soviet SS-25 ICBM exceeds by more than five percent the throw-weight of the Soviet SS-13 ICBM and cannot therefore be considered a permitted modernization of the SS-13 as the Soviets claim. The SS-25 is a prohibited second "new type" of ICBM and its testing, in addition to the testing of the SS-X-24 ICBM, thereby is a violation of the Soviet Union's political commitment to observe the "new type" provision of the SALT II Treaty. The deployment of this missile during 1985 constitutes a further violation of the SALT II prohibition on a second "new type" of ICBM.

(b) *RV-to-Throw-weight Ratio:* The US Government reaffirms the conclusion of the January 1984 report regarding the SS-25 RV-to-throw-weight ratio. That is, if we were to accept the Soviet argument that the SS-25 is not a prohibited "new type" of ICBM, it would be a violation of their political commitment to observe the SALT II provision which prohibits the testing of such an existing ICBM with a single reentry vehicle whose weight is less than 50 percent of the throw-weight of the ICBM.

(c) *Encryption:* The US Government reaffirms its judgment made in the January 1984 report regarding telemetry encryption during tests of the SS-25. Encryption during tests of this missile is illustrative of the deliberate impeding of verification of compliance in violation of the USSR's political commitment.

Despite US requests for explanations and corrective actions with regard to the SS-25 ICBM-related activities, Soviet actions continue unchanged, and the Soviet Union has proceeded to deployment of this missile.

2. Strategic Nuclear Delivery Vehicle Limits.

Obligation: The Soviet Union's political commitment to abide by SALT II is interpreted by the US Government as including an obligation not to increase the number of strategic nuclear delivery vehicles (SNDVS) in its arsenal. The Soviet Union had 2,504 SNDVs when it signed SALT II.

Issue: The February 1985 classified report examined the issue of whether the Soviet Union has abided by its commitment not to exceed the level of 2,504 SNDVs. This report reexamines this issue.

Finding: The US Government interprets the Soviet commitment to abide by SALT II as including the existence of a cap on SNDVs—at a level of 2,504 existing at the time SALT II was signed. The Soviet Union has deployed SNDVs above the 2,504 cap in violation of its political commitment under SALT II. Such activity is indicative of a Soviet policy inconsistent with this political commitment.

3. SS-16 Deployment.

Obligation: The Soviet Union agreed in SALT II not to produce, test or deploy ICBMs of the SS-16 type and, in particular, not to produce the SS-16 third stage or the reentry vehicle of that missile.

Issue: The January 1984 and February 1985 reports examined the evidence regarding whether the Soviets have deployed the SS-16 ICBM in spite of the ban on its deployment. This report reexamines this issue.

Finding: The President's February 1985 Report to Congress which noted that the evidence is somewhat ambiguous and we cannot reach a definitive conclusion, found the activities at Plesetsk to be a probable violation of the USSR's legal obligation and political commitment under SALT II. Soviet activity in the past year at Plesetsk seems to indicate the probable removal of SS-16 equipment and introduction of equipment associated with a different ICBM.

4. Backfire Bomber Intercontinental Operating Capability.

Obligation: At the signing of SALT II, the USSR gave the US assurances about the BACKFIRE bomber's intercontinental operating capability. The Soviet statement of June 16, 1979, read, in pertinent part, as follows:

The Soviet side informs the US side that the Soviet "Tu-22M" airplane, called 'Backfire' in the USA, is a medium-range bomber, and that it does not intend to give this airplane the capability of operating at intercontinental distances. In this connection, the Soviet side states that it will not increase the radius of action of this airplane in such a way as to enable it to strike targets on the territory of the USA. Nor does it intend to give it such a capability in any other manner, including by in-flight refueling . . .

This unilateral statement is an integral part of the SALT II agreement and the US considers it to be incorporated in the Soviet Union's political commitment to abide by SALT II.

Issue: The February 1985 classified report addressed the issue of whether temporary deployments of BACKFIRE bombers to Arctic bases constitute actions inconsistent with Brezhnev's June 16, 1979, statement not to give the BACKFIRE an increased radius of action and the capability of operating at intercontinental distances. This report reexamines this issue.

Finding: The US Government judges that the temporary deployment of BACKFIREs to Arctic bases is cause for concern and continued careful monitoring. By such temporary deployment of BACKFIREs, the Soviet Union acted in a manner inconsistent with its political commitment in the June 1979 BACKFIRE statement not to give BACKFIRE the capability to strike targets on the territory of the United States.

5. Backfire Bomber Production Rate.

Obligation: At the signing of SALT II, the USSR gave the US assurances about the BACKFIRE bomber's production rate. The Soviet statement read, in pertinent part, as follows: ". . . the Soviet side states that it will not increase the production rate of this airplane as compared to the present rate." Soviet President Brezhnev, according to Secretary Vance's SALT II transmittal letter to the Senate, "continued that the Soviet BACKFIRE production rate would not exceed thirty per year." President Carter stated that the United States enters into the SALT II Agreement on the basis of the commitments contained in the Soviet statement and that it considers the carrying out of these commitments to be essential to the obligations under the Treaty. The US considers the Soviet unilateral statement to be an integral part of the SALT II Agreement and, as such, to be incorporated in the Soviet Union's political commitment to abide by SALT II.

Issue: The February 1985 report examined the question of whether the Soviet Union has produced more than 30 BACKFIRES per year and increased the production rate since signing SALT II. This report reexamines this issue.

Finding: The US Government judges that the Soviet Union is obligated to produce no more than 30 BACKFIRE bomber aircraft per year. There are ambiguities concerning the data. However, there is evidence that the Soviet BACKFIRE production rate was constant at slightly more than 30 per year until 1984, and decreases since that time to slightly below 30 per year.

6. Encryption of Ballistic Missile Telemetry.

Obligation: Provisions of SALT II ban deliberate concealment measures that impede verification by national technical means. The Treaty permits each party to use various methods of transmitting telemetric information during testing, including encryption, but bans deliberate denial of telemetry, such as through encryption, whenever such denial impedes verification.

Issue: The January 1984 compliance report examined whether the Soviet Union has engaged in encryption of missile test telemetry (radio signals) so as to impede verification. This issue was reexamined in the February 1985 compliance report and is examined again in this report.

Finding: The U.S. Government reaffirms the conclusion in the February 1985 report that Soviet encryption practices constitute a violation of a legal obligation under SALT II prior to 1981 and a violation of their political commitment since 1982. The nature and extent of such encryption of telemetry on new ballistic missiles, despite US requests for corrective action, continues to be an example of deliberately impeding verification of compliance in violation of this Soviet political commitment.

7. Concealment of Missile/Launcher Association.

Obligation: Article XV of the SALT II Treaty prohibits "deliberate concealment measures which impede verification by national technical means of compliance with the provisions of this Treaty". This obligation is further clarified in a Common Understanding that states that Article XV applies to all provisions of the Treaty and "includes the obligation not to use deliberate concealment measures associated with testing, including those measures aimed at concealing the association between ICBMs and launchers during testing".

Issue: This report examines for the first time the issue of whether the Soviets have concealed the association between an ICBM and its launcher during testing in violation of their obligation not to use deliberate concealment measures which impede verification.

Finding: The US Government judges Soviet activities related to the SS-25 to be a violation of the Soviet Union's political commitment to abide by the SALT II Treaty provision prohibiting concealment of the association between a missile and its launcher during testing.

SALT I INTERIM AGREEMENT

Treaty status

The SALT I Interim Agreement entered into force for the United States and the Soveit Union in 1972. Dismantling procedures implementing the Interim Agreement were concluded in 1974. The Interim Agreement, by its own terms, was of limited duration and expired as a legally binding document in 1977. The applicability of the Interim Agreement to the Nations of both parties has, however, been extended by the parties by a series of mutual political commitments, including the President's May 31, 1982 statement that the United States would refrain from actions which would undercut existing strategic arms agreements so long as the Soviet Union shows equal restraint. The So-

viets have told us they would abide by the SALT I Interim Agreement and SALT II. Any actions by the USSR inconsistent with this commitment are violations of its political commitment with respect to the Interim Agreement and its implementing procedures.

Use of "remaining facilities" at former SS-7 sites

Obligation: The SALT I Interim Agreement and its procedures prohibit the Parties from using facilites remaining at dismantled or destroyed ICBM sites for storage, support, or launch of ICBMs. Any Soviet actions inconsistent with this commitment are violations of a political commitment with respect to the Interim Agreement and its implementing procedures.

Issue: The February 1985 report examined whether the USSR has violated the SALT I Interim Agreement prohibition against using facilities remaining at dismantled former SS-7 ICBM sites for the storage, support or launch of SS-25 ICBMs. This report reexamines this issue.

Finding: The US Government judges that Soviet use of former SS-7 ICBM facilities in support of the deployment and operation of the SS-25 mobile ICBMs is in *violation* of the SALT I Interim Agreement. Should the Soviets use "remaining facilities" in the future at other former SS-7 sites where the SS-25 is now in the procces of being deployed, such use will also constitute Soviet violation of its political commitment under the SALT I Interim Agreement.

BIOLOGICAL WEAPONS CONVENTION AND 1925 GENEVA PROTOCOL

Chemical, biological, and toxin weapons

Treaty status: The 1972 Biological and Toxin Weapons Convention (the BWC) and the 1925 Geneva Protocol are multilateral treaties to which both the United States and the Soviet Union are parties. Soviet actions not in accord with these treaties and customary international law relating to the 1925 Geneva Protocol are violations of legal obligations.

Obligations: The BWC bans the development, production, stockpiling or possession, and transfer of microbial or other biological agents or toxins except for a mall quantity for prophylactic, protective or other peaceful purposes. It also bans weapons, equipment and means of delivery of agents or toxins. The 1925 Geneva Protocol and related rules of customary international law prohibit the first use in war of asphyxiating, poisonous or other gases and of all analogous liquids, materials or devices and prohibits use of bacteriological methods of warfare.

Issues: The January 1984 and February 1985 reports examined whether the Soviets are in violation of provisions that ban the development, production, transfer, possession and use of biological and toxin weapons and whether they have bcen responsible for the use of lethal chemicals. This report reexamines this issue.

Finding: The US Government judges that ongoing Soviet activities confirm and strengthen the conclusion of the January 1984 and February 1985 reports that the Soviet Union has maintained an offensive biological warfare program and capability in violation of its legal obligation under the Biological and Toxin Weapons Convention of 1972.

Allegations concerning the use of lethal chemicals or toxins in Kampuchea, Laos, or Afghanistan have subsided in 1985. However, there is no basis for amending the February 1985 conclusion that, prior to this time, the Soviet Union has been involved in the production, transfer, and use of trichothecene mycotoxins for hostile purposes in Laos, Kampuchea, and Afghanistan in violation of its legal obligation under international law as codified in the Geneva Protocol of 1925 and the Biological and Toxin Weapons Convention of 1972.

THRESHOLD TEST BAN TREATY

Nuclear testing and the 150-kiloton limit

Treaty Status: The Threshold Test Ban Treaty (TTBT) was signed in 1974. The Treaty has not been ratified but neither party has indicated an intention not to ratify. Therefore, both Parties are subject to the obligation under customary international law to refrain from acts that would defeat the object and purpose of the TTBT. Soviet actions that would defeat the object and purpose of the TTBT are therefore violations of thier legal obligations. The United States is seeking to negotiate improved verification measure for the Treaty. Both Parties have separately stated they would observe the 150 kiloton threshold of the TTBT.

Obligation: The Treaty prohibits any underground nuclear weapon test having a yield exceeding 150 kilotons at any place under the jurisdiction or control of the parties beginning March 31, 1976. In view of the technical uncertainties associated with estimating the precise yield of nuclear weapon tests, the sides agreed that one or two slight, unintended breaches per year would not be considered a violation.

Issue: The January 1984 and February 1985 reports examined whether the Soviets have conducted nuclear tests in excess of 150 kilotons. This report reexamines this issue.

Finding: While ambiguities in the pattern of Soviet testing and verification uncertainties continued in 1985, the US Government reaffirms the February 1985 finding that Soviet nuclear testing activities for a number of tests constitute a likely violation of legal obligations under the Threshold Test Ban Treaty of 1974, which banned underground nuclear tests with yields exceeding 150 kilotons. These Soviet actions continued despite US requests for corrective measures.

LIMITED TEST BAN TREATY

Underground nuclear test venting

Treaty Status: The Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and Under Water (Limited Test Ban Treaty) (LTBT)) is a multilateral treaty that entered into force for the United States and the Soviet Union in 1963. Soviet actions not in accord with this treaty are violations of a legal obligation.

Obligations: The LTBT specifically prohibits nuclear explosions in the atmosphere, in outer space and under water. It also prohibits nuclear explosions in any other environment "if such explosions cause radioactive debris to be present outside the territorial limits of the State under whose jurisdiction or control such explosion is conducted".

Issue: The February 1985 report examined whether the USSR's underground nuclear tests have caused radioactive debris to be present outside of its territorial limits. This report reexamines this issue.

Finding: The US Government reaffirms the judgment made in the February 1985 Report that the Soviet Union's underground nuclear test practices resulted in the venting of radioactive matter on numerous occasions and caused radioactive matter to be present outside the Soviet Union's territorial limits in violation of its legal obligation under the Limited Test Ban Treaty. The Soviet Union failed to take the precautions necessary to minimize the contamination of man's environment by radioactive substances despite numerous US demarches and requests for corrective action.

HELSINKI FINAL ACT

Helsinki Final Act notification of military exercises

Legal Status: The Final Act of the Conference on Security and Cooperation in Europe was signed in Helsinki in 1975. This document represents a political commitment and was signed by the United States and the Soviet Union, along with many other States. Soviet actions not in accord with that document are violations of their political commitment.

Obligation: All signatory States of the Helsinki Final Act are committed to give prior notification of, and other details concerning, major military maneuvers, defined as those involving more thn 25,000 troops.

Issue: The January 1984 and February 1985 reports examined whether notification of the Soviet military exercise "Zapad-81" was inadequate and therefore a violation of the Soviet Union's political commitment under the Helsinki Final Act. This report reexamines this issue.

Finding: The US Government previously judged and continues to find that the Soviet Union in 1981 violated its political commitment to observe provisions of Basket I of the Helsinki Final Act by not providing prior notification of exercise "ZAPAD-81". While the USSR has generally taken an approach to the confidence-building measures of the Final Act which minimizes the information it provides, Soviet compliance with the exercise-notification provisions was improved in 1983. In 1984 the Soviets returned to a minimalist approach providing only the bare information required under the Final Act. The Soviet Union continued this approach during 1985.

[ALERT NO. 5.—SOVIET TREATY VIOLATIONS, PUBLISHED BY ARMED FORCES INFORMATION AND EDUCATION, DEPARTMENT OF DEFENSE, NOV. 5, 1962]

SOVIET TREATY VIOLATIONS

Officials of the Soviet Union, from the 1917 Bolshevik revolution onward through 45 years of Communist rule, have established an undisputed reputation for breaking their most solemn pledges.

The Soviet regime's consistent viewpoint on the relative unimportance of promise is not restricted to its dealings with other countries, but extends with equal force to its relationships with the Russian people and the various minority groups which comprise the U.S.S.R.

Only 3 days after the November 7, 1917, revolution placed it in power, the Communist regime abolished freedom of the press as a privilege too dangerous to be entrusted to the people. The people were promised, however, that the decree would be rescinded just "as soon as the new regime took root." This 45-year promise notwithstanding, the order still applies today.

Other instances in which the Soviet Republic has broken faith with its own people are legion. The revolution of 1917 was carried out in the name of democracy, and ever since "democracy" has been one of the most frequently used words in the Communist lexicon. But while the Communists have

capitalized on the word, they have radically altered its definition—from "government by the people" to "government for the good of the workers." Since the Communists keep for themselves the right to determine what is "good" for the workers the Soviet definition of democracy in fact has become "government by Communists."

After 1917, the Russian people wanted not only democracy but its specific institutions; a constitution, a parliament, elections, a secret ballot, trade unions, etc. They were given all these things, but in name only.

The Soviet Constitution is an interesting document to read. However, it is violated or ignored by the regime as a matter of course. The Soviet parliament meets regularly, but it possesses neither power nor function. Elections are held every 4 years, but the single-slate ballot gives the voters no choice. A secret ballot is provided, but its purpose is to identify dissenters rather than protect them. Trade unions flourish, but only to make the worker more subservient to his employer, the state.

A Record of Broken Promises

That promises mean next to nothing to the Communist official mind has been admitted by Soviet leaders:

V.I. Lenin—

"Promises are like pie crust, made to be broken."

"It would be mad and criminal to tie one's hand by entering into an agreement of any permanence with anybody."

J.V. Stalin—

"Words have no relation to actions—otherwise what kind of diplomacy is it?

"Words are one thing, actions another. Good words are a mask for concealment of bad deeds. Sincere diplomacy is no more possible than dry water or wooden iron."

G.E. Zinoviev (first head of the Communist International)—

"We are willing to sign an unfavorable peace—it would only mean that we should put no trust whatever in the piece of paper we should sign."

The Soviet Communist regime has entered into hundreds of international agreements. The following list shows how well the Soviet leaders keep their promises when it no longer appears to be in their interest to do so.

The agreement	The result
May 7, 1920: Soviet regime signs treaty with Independent Georgian Republic, pledging no interference in Georgia's internal affairs.	February 11 and 12, 1921: Soviet troops invade Georgia, in step leading to absorption of republic into U.S.S.R.
March 16, 1921: In trade agreement with Britain, Soviet Union pledges not to engage in propaganda in that country.	May 26, 1927: Britain ends agreement because of Soviet violations, including failure to stop propaganda as promised.
June 5, 1922: Soviet Union concludes friendship agreement with Czechoslovakia	June 29, 1945: U.S.S.R. compelled Czechoslovakia to cede Carpatho-Ukraine to the Soviet Union.
December 12, 1943: U.S.S.R. and Czech government-in-exile sign treaty of friendship and mutual assistance.	February 25, 1948: Czechoslovakia Government forced to accept Communist ultimatum as Soviet Union completes arrangements to force country into its satellite empire. Ultimatum compels appointment of a cabinet of Moscow followers and climaxes Soviet postwar drive to absorb once-independent Czechoslovakia.
December 17, 1925: U.S.S.R. signs nonaggression and neutrality pact with Turkey	March 20, 1945: U.S.S.R. denounces this pact, begins campaign to secure control of Black Sea straits.
August 31, 1926: Soviet Union concludes nonaggression pact with Afghanistan.	June 14, 1946: U.S.S.R. forces Afghanistan to cede border territory of Kuahka.
September 28, 1926: Soviet Union makes nonaggression pact with Lithuania, labor extending this agreement through 1945.	June 15, 1940: Soviet troops invade Lithuania. August 8, 1940: Lithuania is annexed by Soviet Union.
September 27, 1928: Soviet Union adheres to Kellogg-Briand pact for renunciation of war.	Soviet Union violates this pledge by 1939–40 invasions of Poland, Lithuania, Latvia, Estonia, Rumania, and Finland.
January 21, 1932: U.S.S.R. agrees to nonaggression pact with Finland	November 30, 1939: Soviet military forces invade Finland.
February 5, 1932: Soviet Union signs nonaggression pact with Latvia.	June 16, 1940: Soviet troops invade Latvia. August 8, 1940: Latvia is forcibly incorporated in the U.S.S.R.
May 4, 1932: Soviet Union pledges nonaggression in agreement with Estonia	June 16, 1940: Soviet military forces invade and occupy Estonia. August 6, 1940: Estonia is annexed by U.S.S.R.
July 25, 1932: Soviet Union signs nonaggression pact with Poland.	September 17, 1939: Soviet troops invade Poland.
May 8, 1934: U.S.S.R.-Poland extend nonaggression pact for 10 years	September 29, 1939: U.S.S.R. signs agreement with Nazi Germany to partition Poland.
June 9, 1934: U.S.S.R. recognizes Rumania, guarantees her sovereignty	June 27, 1940: Soviet army invades Rumanian provinces of Bessarabia and Northern Bukovina. Soviet occupation of these areas completed in 4 days.
September 15, 1934: U.S.S.R. enters League of Nations, pledging thereby "the maintenance of justice and a scrupulous respect for all treaty obligations in the dealings of organized peoples with one another.".	August 23, 1939: U.S.S.R. makes treaty with Nazi Germany, termed "a joint conspiracy" to deprive Poland, Estonia, Latvia, Lithuania, Finland, and Rumania of their independence and territorial integrity.
August 31, 1937: Soviet Union signs nonaggression pact with Republic of China.	October 2, 1940: U.S.S.R. breaks relations with Republic of China, after recognizing Communist Chinese regime it helped to gain power.
July 30, 1941: U.S.S.R. concludes agreement with Polish Government-in-exile, pledging mutal aid and cooperation.	April 28, 1943: U.S.S.R. breaks relations with Polish Government-in-exile on pretext of Polish request for Red Cross investigation of Katyn Forest massacre.
September 24, 1941: Soviet Union pledges adherence to Atlantic Charter, which provides that agreeing countries seek no aggrandissment, that the countries desire no territorial changes not made in accord with freely expressed wishes of the people concerned, and that they respect the right of all peoples to choose their own government.	Against these promises stands the Soviet Union's record of occupation and domination of Rumania, Estonia, Latvia, Lithuania, Czechoslovakia, Tannu Tuva, Afghanistan territory, Hungary, East Germany, Albania, Bulgaria, Poland, North Korea, Mongolia.
January 29, 1942: Soviet Union, with Iran and Britain, signs treaty of alliance, providing for military use of Iranian territory only until end of military operations against Germany.	Soviet Union refused to withdraw its troops from Iran at the end of World War II.
February 4–11, 1945: At Yalta Conference, U.S.S.R. agrees on various postwar measures, including adoption of a resolution that the liberated peoples of Europe should have the opportunity to solve their economic problems by democratic means.	In violation of this agreement stands the U.S.S.R.'s record of domination in Bulgaria, Rumania, Poland, East Germany, Hungary, and Czechoslovakia, and other countries which were forced into postwar roles as satellites of the Soviet Union.
February 11, 1945: U.S.S.R. at Yalta Conference, agreed to declaration that Polish provisional government "shall be pledged to the holding of free and unfettered elections as soon as possible on the basis of universal suffrage and secret ballot.".	January 5, 1947: Soviet Union refuses to participate in meeting with Britain and United States to secure compliance with the 1945 agreement pledging free elections in Poland. January 19, 1947: Communist-controlled fraudulent election carried out under conditions of Soviet military occupation.
April 11, 1945: U.S.S.R. signs 20-year treaty of friendship, mutual aid, and cooperation with Yugoslavia.	September 29, 1949: Soviet Union denounces this agreement.
June 14–18, 1945: President Truman and Premier Stalin agree, in an exchange of letters, to "free access by air, road, and rail from Frankfort and Bremen for U.S. forces.".	April 1, 1948 to May 12, 1949: The Soviet Union imposes the Berlin blockade by severing all land and water routes between Berlin and West Germany. Western Allies supply Berlin by airlift. March 1962: Soviet Union haarasses flights by Allied airplanes between Berlin and West Germany.
July 17 to August 2, 1945: At Potsdam Conference, U.S.S.R. agrees that there should be uniform treatment of the German people throughout Germany.	East Germany today continues to be a rigidly controlled Soviet satellite. Its people have been denied free elections, isolated from the people of West Germany, and victimized by the same kind of regimentation, police rule, and economic restrictions imposed on the people of all the Soviet bloc states in Europe.
August 14, 1945: The Soviet Union enters into treaty with the Republic of China, containing these pledges: "Each high contracting party undertakes not to conclude any alliance and not to take any part in any coalition directed against the other high contracting party * * *. The treaty comes into force immediately * * * and shall remain in force for a term of 30 years.".	February 14, 1950: These pledges were broken when the U.S.S.R. made a new agreement with the Communist Chinese regime it had helped create. The Soviets did not even bother to change the basic wording. The new treaty also pledges: "Both high contracting parties undertake not to conclude any alliance against the other high contracting party and not to take part in any coalition or actions or measures directed against the other high contracting * * *. The present treaty will be valid for 30 years.
March 10, 1947: Council of Foreign Ministers, meeting in Moscow, agrees that all German prisoners of war should be repatriated by December 31, 1948..	August 3, 1955: Soviet regime furnishes West German Red Cross with data on the health and wherebouts of only 20 of the approximately 14,000 Germans known to be still held in the U.S.S.R.

The agreement	The result
May 4 and June 20, 1949: Four-power agreements of New York and Paris guarantee United States, British, French, and Soviet joint control of Berlin, all access routes to and from the city, and freedom of movement within the city.	September 20, 1955: U.S.S.R. unilaterally transfers Soviet control over all access routes to and from Berlin to East German regime.
	August 13, 1961: Construction of Berlin wall completely prohibits free passage from the Soviet sector to the Western sectors.
July 27, 1956: Military armistice established between United Nations command and opposing Communist forces, assisted by U.S.S.R. of China and North Korea. Armistice agreement pledges signers to "cease introduction into Korea of reinforcing military personnel.".	July 11, 1965: U.N. command details long list of armistice agreement violations by Communist parties.
	May 6, 1957: U.N. command, in another of series of official complaints, charges that Communists have sent troops in Korea's demilitarized zone six times in period of less than 4 months.
January 14, 1956: U.S.S.R. signs agreement with Yugoslavia, pledging $110 million in credits for industrial construction. August 4, 1956: U.S.S.R. pledges an additional grant of $175 million, bringing total to $285 million.	May 28, 1958: Yugoslav sources disclose that the Soviet Union has postponed for 5 years the grant to Yugoslavia amounting to $285 million. This represented an attempt to retaliate against Yugoslavia for its refusal to accept the Soviet Communist Party's ideological leadership.
October 19, 1956: U.S.S.R.-Japanese joint declaration pledges the Soviet Union to refrain from interference in Japan's internal affairs.	1958: During the weeks preceding Japanese elections of May 22, Soviet radio beams propaganda at Japan violently opposing the reelection of Premier Kiahus government.
	1959–60: U.S.S.R. threatens Japan with the possibility of nuclear war if Japan ratifies United States-Japan security treaty, signed January 19, 1960.

[From the New York Tribune, Aug. 31, 1984]

WHITE HOUSE MAY BARE SOVIET TREATY VIOLATIONS

(By Albert L. Weeks)

The White House has decided, against the advice of the State Department and the CIA, to release a declassified version of a top secret report on Soviet treaty violations so "explosive" that it has been all but suppressed for nearly a year.

Prepared for President Reagan by 12 highly respected experts, the report documents a quarter-century of Soviet non-compliance affecting the most sensitive security areas of U.S.-Soviet relations. Today, the New York Tribune presents the first nine of 29 slides (see page 6A) from a briefing on the report given to groups of congressmen and senior administration security officials.

The revelations contained in the report—portions of which have been obtained by the Tribune—plus Soviet flouting of SALT II provisions detected by U.S. intelligence during the 10 months since the report was given to Reagan last November, add up to a devasting indictment of the whole purpose and rationale of arms-control negotiations with the Soviets.

Administration experts believe that once the facts of the Soviet violations are made known to the public, it is possible that such superpower negotiations in the future will be altered profoundly or abandoned altogether.

Early in his administration, Reagan convened the bipartisan General Advisory Committee on Arms Control and Disarmament (GAC) and directed it to study the history of Soviet compliance—and non-compliance—with strategic treaties. He relied on this panel rather than on the CIA, because the agency "under [President] Carter was covering up this stuff," a well-informed intelligence source told the *Tribune*.

Despite demands from Congress, most of the violations never have been made public, nor have the Soviets publicly been confronted with them according to administration sources.

As well, the White House silence about Soviet treaty violations since November is causing tremors within Republican ranks in the Senate and House and among members of the bipartisan committee that prepared the report.

"The contents of the GAC report are so explosive, Reagan's 'pragmatic' advisers have tried to keep the lid on it," an administration source said.

Both houses of Congress have unanimously passed amendments demanding that the president release to Congress the report prepared by his advisory committee. The amendments have yet to take effect, since they were attached to the two versions of the 1985 Defense Authorizations Bill, now deadlocked in the joint congressional Conference Committee.

One of the key members of GAC soon will publish an article in which he says that if the United States does not call the Soviets on the violations the adversary will perceive that our political will is weak. Lack of such a challenge to the Soviets, Dr. Colin Gray will write in the fall issue of *Foreign Policy* magazine, to appear next month, will damage seriously the credibility of our strategic-nuclear deterrence vis-a-vis the Soviet Union.

PRESSURE TO REVEAL

The Reagan administration again will be under strong bipartisan pressure when Congress reconvenes next week to reveal the GAC findings on the violations. A spearhead comprising about a dozen Republican senators and congressmen—including Sens. JOHN EAST, R-N.C.; MACK MATTINGLY, R-Ga.; JAMES MCCLURE, R-Idaho; and JESSE HELMS, R-N.C.; and Reps. JAMES COURTER, R-N.J.; and JACK KEMP, R-N.Y.—is expected to appeal urgently to the White House to release more information.

Secretary of Defense Caspar Weinberger reportedly has told Helms that a declassified version of the top-secret report will reach Congress in mid-September.

The Senate and House Republicans backing disclosure say they place, as one source put it, the "day-to-day" security of the United States above partisan politics. Further, this congressional group believes the best rebuttal to the Democrats' attacks on lack of progress in arms control is the GAC report itself. The continuing, daily Soviet violations of agreements, they say, represent a mounting military threat.

VIOLATIONS, CIRCUMVENTIONS

The sensitive GAC findings covering 25 years, together with more recent intelligence input about contemporary Soviet violations and circumventions of treaty obligations heretofore kept secret, show that:

Soviet non-compliance is especially evident in areas of offensive strategic weapons—the kind that could be used for what Soviet military literature calls the "crushing nuclear first strike."

Soviet actions represent utter violation of specifically stated SALT I-II and Anti-Ballistic Missile (ABM) treaty prohibitions. The Soviet violations virtually tear up U.S.-Soviet accords on the most crucial points.

Soviet compliance can be documented only in the area of what GAC calls issues of low-level importance, and in areas where mutual U.S.-Soviet interest in reaching an agreement is stronger than the Soviet motive to violate the given obligation (for example, nonproliferation, nuclear-accident avoidance and hotline communications, the Antarctic treaty, environmental modification treaty, and so forth).

In addition to the GAC report, there are more violations about which Reagan must report to Congress by Sept. 15 under a congressional mandate. These newest violations—some 12 in all—are particularly threatening and unsettling to U.S. security interests.

Violations of the Nuclear Test Ban Agreement date back to the Khrushchev period of 1963.

The establishment of clandestine Soviet Arctic basing of strategic-range Backfire and Bison long-range bombers poses a threat to the "Industrial Triangle" of the continental United States lying just over the North Pole. (Although the latter were mentioned in the Pentagon's annual Soviet Military power booklet issued last March—five red dots showing the northern bases—the size of the violation in Arctic basing abutting North America is more extensive than has been made public up to now.)

The SALT treaty mandated dismantling of certain strategic-weapons systems—that is, down to 2,250 "strategic delivery vehicles"—has been flouted by the Soviet Union, which actually has built up these assets to more than 2,700 strategic vehicles, while the United States has continued to build down below the stipulated level.

In addition, the Tribune has learned that:

The Soviets have been jamming telemetric data collected by U.S. satellite electronic intelligence means; such jamming is prohibited by treaty. Such Soviet interference has been employed to conceal Soviet testing in the ABM mode and ICBM testing.

Soviet research, development and deployment in sea-based missiles—cruise and ICBM—have been particularly active in the most recent times, and some of these Soviet activities have violated stated SALT parameters.

POLITICS OF DISCLOSURE

Some of the president's inner core of political advisers, particularly James Baker and Michael Deaver, evidently have regarded disclosure as a political liability in an election year. They reportedly now have acquiesced to National Security Adviser Robert McFarlane's insistence that covering up the report harms U.S. security, administration sources said.

However, Secretary of State George Shultz, other State Department officials and the CIA, according to a White House source, still oppose releasing even the declassified version of the GAC report, the sources said.

Those advisers close to the president who favor disclosure believe that if the Democrats chose to stir up a controversy over release of the information, it would help

rather than hinder Reagan's re-election, for he could demonstrate that what the Republican platform calls the Carter "cover-up" of past Soviet violations now has been rectified.

The congressmen pressing for release of the GAC report believe the administration must be open and candid with Congress and the public over the large-scale Soviet violations, as U.S. security is endangered by Soviet flouting of the treaties. They say it is time to bring what they say is a deplorable situation to the attention of the U.S. public. This would help win support for efforts to redress the strategic-weapons imbalances that have continued to accrue since the signing of the various agreements.

3 ATTEMPTS TO DISCLOSE

Thrice, Congress has passed amendments demanding that the administration disclose reports on Soviet treaty violations.

The first was sponsored in the House by Rep. James Courter, R-N.J., and in the Senate by Sens. James McClure, R-Idaho, and Mack Mattingly, R-Ga. This amendment passed both houses unanimously in June. It requires the president to send to Congress an unclassified version of the GAC report within 60 days of the enactment of the 1985 Defense Authorization Bill.

The DAB currently is deadlocked in the Senate-House Conference Committee, meeting to reconcile differences in the two versions of the bill. They key issues of this stalemate are the level of defense spending to be authorized, and unilateral U.S. arms control constraints on the new MX ICBM. The stalemate probably will require passage of a "stop-gap" Continuing Resolution, to fund U.S. defense programs in the meantime.

The second amendment was sponsored by McClure alone. It passed the Senate by 82 votes. It requires the president to report to Congress on all remaining Soviet arms control violations by Sept. 15, 1984.

An earlier amendment, passed 93-0 in the Senate on Sept. 22, 1983, requiring a presidential report to Congress on Soviet arms control violations up to that time, has yet to be fully complied with.

MEMBERS OF THE GAC

The 12 GAC members appointed by Reagan in 1981 and confirmed by the Senate comprise five Democrats, and seven Republicans and independents. They are:

William R. Graham—Ph.D. physicist (chairman).

Colin S. Gray—world reknowned strategic analyst.

Roland F. Herbst—defense analyst.

Robert B. Hotz—former editor of Aviation Week and Space Technology.

Eli S. Jacobs—businessman.

Charles Burton Marshall—foreign policy expert and brother of former Secretary of State George Marshall.

Jaimie Oaxaca—businessman.

John P. Roche—former defense policy adviser to President Johnson.

Donald Rumsfeld—former secretary of defense, under President Ford.

Harriet F. Scott—expert on Soviet military doctrine.

Laurence H. Silberman—former U.S. ambassador to Yugoslavia and former deputy U.S. attorney general.

[From the New York Tribune, Aug. 31, 1986]

REPRODUCTIONS OF SLIDES USED IN HIGHLY CLASSIFIED BRIEFINGS: JOINT CHIEFS OF STAFF, SECURITY-ORIENTED CONGRESSMEN AND CIA OFFICIALS HEARD RECORD OF 25 YEARS OF SOVIET TREATY VIOLATIONS

[Unclassified]

GENERAL ADVISORY COMMITTEE ON ARMS CONTROL AND DISARMAMENT

William R. Graham—chairman.
Colin S. Gray.
Roland F. Herbst.
Francis P. Hoeber.
Robert B. Hotz.
Eli S. Jacobs.
Charles Burton Marshall.
Jaimie Oaxaca.
John P. Roche.
Donald Rumsfeld.
Harriet F. Scott.
Laurence H. Silberman.

(Membership of the General Advisory Committee, appointed by President Reagan in 1981 and confirmed by the U.S. Senate.)

[Unclassified]

TASKING OF GENERAL ADVISORY COMMITTEE ON ARMS CONTROL AND DISARMAMENT

November 19, 1982 meeting with the President.

Committee asked to review arms control: verification; compliance; lessons for future agreements.

(Tasking instructions for the committee.)

[Unclassified]

A QUARTER CENTURY OF SOVIET COMPLIANCE PRACTICES UNDER ARMS CONTROL COMMITMENTS

Review of Soviet Commitments and Practices: 1958-1983

I. Approach;
II. Products;
III. Definitions and criteria;
IV. Key findings;
V. Recommendations;
VI. Further issues.

(Table of Contents for the GAC Report.)

[Unclassified]

I. APPROACH FOR THE REVIEW

Committee performed an independent review: All Soviet arms control obligations since WW-II; previous studies; United States documentation; Soviet Union documentation; community-wide support; briefings by a wide range of officials; use of outside experts; limited cross-checking of information.

(Process by which the committee reached its conclusions; they studied all relevant U.S. and Soviet documents, had access to all levels of government, were briefed by a wide range of officials and experts inside and outside the government, and cross-checked their information as thoroughly as possible.)

[Unclassified]

II. PRODUCTS OF THE REVIEW

Report: A quarter century of Soviet compliance practices under arms control commitments: 1958-1983.

Letter to the President containing recommendations.

Summary briefing.

(The three elements of the full GAC review of Soviet Violations are: (1) The report itself in two volumes: Vol. 1—275 pages, classified TOP SECRET, Codeword; and Vo. 2—7 pages, classified SECRET, (2) A letter of recommendation delivered to President Reagan as long ago as Nov. 1983. (3) A summary briefing, built around these classified and unclassified slides.)

III. DEFINITIONS AND CRITERIA

Material breaches of obligations: Violation of an agreement or treaty; breach of a unilateral commitment; circumvention defeating the object or purpose of a treaty.

Standards of confidence: High confidence—probable to certain; reason for suspicion—lesser confidence in facts, law, or both.

(Definitions used to establish a Soviet treaty violation, breach or circumvention. Two criteria were used to separate violations from suspicions of violations. If the evidence was probable or certain, the event was classed as a violation.)

SOVIET BREACHES OF BINDING ARMS CONTROL OBLIGATIONS HIGH CONFIDENCE IN RELIABILITY OF DATA INTERPRETATION

[Non-SALT matters]

Soviet obligation	Type of breach	Soviet action	Dates
Nuclear test moratorium.	Breach of unilateral commitment.	.....	1961–1962.
Offensive weapons in Cuba.	Breach of unilateral commitment.	.....	1962.
Limited test ban treaty of 1983.	Violations.....	Extra-territorial venting...	1965–present
Offensive weapons in Cuba.	Breach of unilateral commitment.	Deploying nuclear missile type submarines in Cuban territorial waters.	1970–1974.
Biological weapons convention of 1972.	Violations.....	Facilities expansion, biological munitions production, storage, transfer and use.	1972–present.
Geneva Protocol of 1925.	Circumventions defeating object or purpose.	Transfer for first use of chemical weapons against non-parties.	1980–1982.
Montreux convention of 1936.	Violations.....	Transit of Turkish Straits by aircraft carriers.	1976–present.
Helsinki Final Act of 1975.	.....do.....	Failure to notify before military exercises.	1981 Sept–1983 June.
Conventional weapons convention of 1981.	Violations of customary international law.	Use of booby-trap mines and incendiary devices against civilians in Afghanistan.	1981–1982.
Brezhnev's SS-20 moratorium.	Breach of unilateral commitment.	Completion of launcher positions.	1982 March–1983 Dec.

(These are the two most important charts in the series of slides. They enumerate and describe a total of 17 Soviet arms control treaty violations, including violations of the SALT treaties. These criteria were established by GAC for presenting its conclusions, and they are highly respected. The criteria express the GAC interpretation of the intelligence data and international law in each of the 17 cases of Soviet arms control treaty violations.)

MATERIAL BREACHES OF SOVIET ARMS CONTROL COMMITMENTS

[SALT matters]

Soviet obligation	Type of breach	Soviet action	Dates
Interim SALT agreement of 1972.	Circumvention defeating object or purpose.	Deployment of medium ICBM—(SS-19 and SS-17).	1972–present.
Interim SALT agreement, ABM Treaty and SALT II Treaty.	Violations.....	Deliberate concealment activities impending verification.	1972–present.
ABM Treaty.....	.....do.....	Development and deployment of non-permanently fixed ABM radar contrary to article V (1) (common understanding.C).	1975.

MATERIAL BREACHES OF SOVIET ARMS CONTROL COMMITMENTS—Continued

[SALT matters]

Soviet obligation	Type of breach	Soviet action	Dates
SALT I protocol	do	Deployment of modern submarines exceeding limit of 740 ballistic missile submarine launchers without dismantling other ICBM or SLBM launchers.	1976–1977.
SALT II Treaty	Probable violation.	Probable continued "deployment" of (SS–16 Mobile ICBM; and launchers at Plesetsk.	1979–present.
SALT II Treaty	do	Testing of SS–X–25, a second new ICBM, contrary to article IV (9).	1983.
ABM Treaty	Violation	Construction of large non-peripheral radar.	1981–present.

[From the New York Tribune, Sept. 4, 1984]

STUDY OF SOVIET TREATY VIOLATIONS REVEALS DANGERS FOR U.S. SECURITY

(By Albert L. Weeks)

(The New York Tribune has gained access to the most comprehensive report in 2 decades on Soviet arms pact violations. So potentially damaging are its contents to the proponents of detente and compromise on the side of the West, that the U.S. government thus far has refused to fully disclose the report.)

In 1969, the Soviet Union established the Department for Strategic Deception (DSC) in the Kremlin, led by then-Marshal Nikolai Ogarkov, who now is chief of the general staff.

In the 14 years since the department was started, it systematically has subverted the arms control treaties between the United States and the Soviet Union, including the first and second Strategic Arms Limitation Treaties (SALT).

The highly classified report for President Reagan authored by his General Advisory Committee on Arms Control and Disarmament (GAC) documents 17 material violations of arms control agreements by the Soviets. It also lists 10 more "suspicions" of material breaches. The report has been suppressed quietly, at least since November 1983, by members of Reagan's inner core of advisers, who apparently fear that disclosure would endanger what remains of "detente."

The GAC report, portions of which have been obtained by the New York Tribune, has been the subject of intense interest by administration defense analysts and government consultants, one of whom called the findings "of crucial significance for our nation's defenses."

(Nine Slides from the classified briefing on the report are reproduced on page 7A.)

KEY FINDING NO. 2

Soviets use deliberate deception in negotiations:

SALT I: Replacement of light SS-11 with "light" SS-19 ICBM;

SALT I: Encouragement of U.S. unilateral statement: Later rejected (stretch *Yankee* submarine);

MBFR: Soviets have consistently underrepresented Warsaw pact troop strength by over 200,000 men;

SALT II: *Backfire* bomber intercontinental capability denied.

(One of nine slides, fully explained on page 7A, from a classified briefing on the top secret report to the president about 25 years of Soviet compliance—and non-compliance—with arms control agreements.)

Last week, *a White House source* said that National Security Adviser Robert McFarlane had won out over Reagan aides Michael Deaver and James Baker, with Secretary of State George Shultz and ranking CIA officers still arguing against disclosure, when Reagan finally decided to release a version of the report to Congress later this month.

If the White House does release a sanitized version of the GAC findings, Congress may finally stop clamoring for disclosure. Three separate amendments ordering the White House to release the report have been passed, two of them unanimously.

A carefully studied case in point raised by the GAC involves flagrant violations of the SALT I Interim Agreement and the 1972 Anti-Ballistic Missile (ABM) Treaty. In the former, following the signing of the Interim Agreement, the Soviets illegally deployed the SS-19 "heavy" Intercontinental Ballistic Missiles (ICBMs) they were building as the talks on the agreement continued. Secondly, by building a nationwide network of ABM management radar systems, the Kremlin has openly violated the 1972 treaty.

The supporters of disclosure within the White House and Congress believe Reagan would benefit politically in two ways by revealing the Soviet violations. First, disclosure dramatizes the fact that the Soviet Union has stalked out of arms-reduction talks three times in the last year. Second, the extent and nature of the violations are such that the disclosure of the GAC report and later post-GAC intelligence information about additional breaches of agreements would only demonstrate that the United States will have to take additional measures to guard its own security. This implies further defense expenditures, perhaps on a larger scale than was anticipated originally.

THREATEN U.S. SECURITY

The GAC report states that Soviet treaty circumventions:

Threaten U.S. capability to defend the United States against a nuclear first strike launched from the Soviet Union.

Allow a one-sided Soviet superiority along a number of military parameters, including both conventional and nuclear arms, and all three legs of the strategic U.S. "triad"—manned bombers, ground-based missiles, sea-based missiles.

Place the United States in a bind of unilateral compliance with U.S.-Soviet agreements, while the Soviets are left free to take advantage of U.S. compliance by tearing up the most sensitive as well as elastic parts of at least 2 dozen arms control agreements reached since 1957.

Supplement Soviet peace propaganda efforts, tailored to the above Soviet arms violations, to attempt to embarrass the United States with charges of "instigating the arms race," while, in fact, this country merely seeks to redress the *growing* imbalance resulting from Soviet violations.

Soviet propaganda often is echoed in the U.S. print and broadcast media—for example, when a network news Pentagon correspondent gives viewers the impression that it is the United States that makes the weapons innovations that are later only "copied" by the Soviets, GAC findings, and the timing of introduction of numerous Soviet weapons, prove that this perception of U.S. arms innovation is false.

Violate both SALT treaties by the deployment of a brand new multi-warhead strategic missile, the SS-26 (larger than our proposed MX). Because of the power and accuracy of the SS-26, it represents a threat to our retaliatory land-based missile force of Minuteman IIIs.

Have allowed the Soviets to construct the intercontinental Backfire bomber, a plane, they insist cannot fly beyond their borders.

JAM VERIFICATION SIGNALS

By jamming signals for verifying treaty compliance (e.g., the ABM treaty of 1972), the Soviets may have succeeded partly in concealing further breaches of the ABM Treaty, breaches that informed sources say are under study at this moment by U.S. intelligence.

Despite Soviet interference with telemetry for checking compliance, the United States has discovered that the other side has developed a large supersonic submarine-launched cruise missile, which has been stealthily—and illegally—adapted to the hulls of a class of permitted Y-Class Soviet submarine.

Another discovery is the Soviet capability to reload at concealed ABM sites, which constitutes a double violation, since only one ABM site per side is permitted. Taken together, reloading of the one and building of illegal additional sites constitute a blatant violation.

These revelations of violations and a statement by Soviet Foreign Minister Andrei Gromyko that neither the United States nor the Soviet Union has any "strict obligations to act in accordance with the [SALT] II Treaty," imply that the Kremlin may have had no intention of making even a show of abiding by SALT II. Neither the Soviet Union nor the United States ratified the SALT II treaty.

"WE CAN, BUT YOU CAN'T"

Instead, they threw down a gauntlet to the United States as if to say: "See, we're going ahead with our weapons programs and intend to gain superiority over you. But what can you do about it? Your legislators, your public will not stand for the large increases in defense expenditures necessary to keep up with us.

"Meanwhile, the world will see, by your revelations of our violations, that we are the wave of the future, the mightier of the two superpowers, as the United States begins to occupy second place."

Characteristically, Ogarkov told a group of U.S. congressmen visiting the Soviet Union 5 years ago: "We have superiority over you. You had better get used to it."

Ogarkov's threat is hammered home by the GAC report, which said that not only does the United States lack the long- or short-range strategy for deterring Soviet treaty violations, there are very few ways to counteract the violations.

Saying that quiet diplomacy via "special" channels has not inspired the Soviet Union to abide by its treaties, the report suggests that more formal government moves in the past have had some effect. Specifically, U.S. forthright action during the Cuban missile crisis, and reports suplied to the U.S. media about Soviet use of chemical weapons in Southeast Asia, "yellow rain," resolved both situations, at least temporarily.

A major concern raised by the GAC is that the violations listed may only represent the "tip of the iceberg," because other treaty violations probably have been necessary in order to carry out the known violations.

[From the New York Tribune, Sept. 4, 1984]

REPRODUCTIONS OF SLIDES USED IN SECRET BRIEFINGS—PART II: JOINT CHIEFS OF STAFF, SECURITY-ORIENTED CONGRESSMEN AND CIA OFFICIALS HEARD RECORD OF 25 YEARS OF SOVIET TREATY VIOLATIONS

KEY FINDING NO. 1

Recurring pattern of Soviet violations since 1972:

Review includes events of 1958-1983.

25 arms control treaties of the USSR: 12 appear not to raise compliance concerns; 9 involve "material breaches."

4 material breaches of oral commitments.

Of the 17 "material breaches": 7 involve SALT, 10 involve non-SALT commitments; 13 began in or after 1972 (SALT era).

10 further suspicions of "material breach" considered: unable to resolve; several could have major military significance.

(This chart establishes two important new facts: The GAC found 17 material Soviet arms control breaches; and the GAC found 10 suspicions of material breaches—some having possible major military significance.)

KEY FINDING NO. 2

Soviets use deliberate deception in negotiations:

SALT I: Replacement of light SS-11 with "light" SS-19 ICBM;

SALT I: Encouragement of U.S. unilateral statement; later rejected (stretch *Yankee* submarine);

MBFR: Soviets have consistently underrepresented Warsaw pact troop strength by over 200,000 men;

SALT II: Backfire bomber intercontinental capability denied.

(The chart lists four examples of Soviet deceptions in arms control negotiations. In the first case, the Soviets told the U.S. that they did not intend to replace light ICBMs with heavy ICBMs. This was prohibited by the SALT I Interim Agreement (Article II). Yet, they replaced their light SS-11 ICBMs with their new SS-19 ICBMs, which they knew to be a "heavy" ICBM.

(Secondly, they accepted a U.S. unilateral statement that old missile submarines to be converted to non-missile uses could not be made longer, or could not have missile tubes sticking out of their hulls. The Soviets then went on to violate this U.S. unilateral statement—their apparent acceptance of which seemed to bind them—in both ways.

(Third, the Soviets have continuously lied about their troop strength in the Mutual Balanced Force Reduction negotiations since 1973.

(Fourth, the Soviet leaders denied that their Backfire bomber had intercontinental capability, when in fact it does have such capability.)

KEY FINDING NO. 3

Soviets sign and ratify arms control treaties they are planning to violate:

Biological weapons convention (ratified).

Soviets expanded BW facilities—1972-1975.

SALT II (signed): Soviets falsified SALT II data base—SS-16's at Plesetsk.

(Other examples of the Soviets signing an arms control agreement they were planning to violate are the SALT I Interim Agreement, by deploying illegally their SS-19 heavy ICBM, and the SALT I ABM Treaty, by deploying an illegal nationwide network of ABM management radars.)

KEY FINDING NO. 4

Soviet concealment and deception increasing:

Impedes verification: encryption; concealment; deception.

Centrally managed Soviet program.

(This chart says the Soviet concealment and deception program violates SALT I and II, because it constitutes deliberate interference with U.S. National Technical Means of SALT Verification—interference prohibited by SALT I and II.)

KEY FINDING NO. 5

Private diplomacy insufficient to restore compliance: standing consultative commission; high level demarches.

But some U.S. actions have been effective: Military measures, public information, diplomatic protests; resolved Cuban missile crisis.

Public information, U.N. investigation, involvement of allies and neutral countries; striking reduction or halt in use of lethal chemical weapons.

(Although private diplomacy has failed to force Soviet compliance with treaties, government action via the military, the foreign service and public information campaigns resolved the Cuban missile crisis and convinced the Soviets to restrict their use of chemical warfare, such as with "yellow rain" in Asia.)

KEY FINDING NO. 6

No U.S. long-range strategy to deter Soviet violations:

U.S. verification capability necessary but not sufficient.

U.S. options often planned "after the fact."

U.S. left with few options.

(The U.S. has no long or short range strategy to deter Soviet violations and very few options to counteract them.)

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FURTHER SIGNIFICANCE OF RECENT SOVIET BREACHES

The Soviet breaches since SALT II appear to have several properties:

Initiated at about the time of SALT II agreement;

Done in a fashion which should have at least caused U.S. suspicion;

Some of the apparent advantages gained by the recent breaches could have been obtained by "legal" means.

In the opinion of the committee, a reasonable interpretation of some of the Soviet breaches, including part of their concealment and deception program, is that they are measures to test:

U.S. intelligence capabilities;

U.S. political processes relative to arms control.

These breaches and the expanding Soviet national concealment and deception program may have been a preparation or a cover for more extensive violations taking place now or to take place in the future.

(The most significant point on this chart is that the 17 Soviet violations described in the GAC report are the known, visible "tip of the iceberg," beneath which there may be a whole series of unknown or even more serious violations.)

SOVIET CONCEALMENT AND DECEPTION PROGRAM

Establishment of KGB Disinformation Department, 1959.

Establishment of Ministry of Defense Department, 1970 for: Marshall (then General) N.V. Ogarkov; later became senior military member of SALT I delegation, now chief of the general staff.

Large increase in program since SALT I.

Program includes both weapons systems costrained by arms control and those not constrained: concealment of weapons and facilities; deceptive construction and decoys; information security (encryption, telemetry suppression, etc.), may also include dual purpose covers: submarine tunnels for both hardness and concealment.

(This chart describes the Soviet Union's centrally managed program of concealment and deception. It omits the fact that in 1970 the Kremlin's Ministry of Defense established a Department for Strategic Deception (dot with blank space after it) headed by Soviet Marshall N.V. Ogarkov.)

COVER AND DECEPTION QUESTIONS

The Soviets have used concealment and deception in connection with breaches of SALT agreements: examples: maintenance of SS-16 and testing of SS-X-25.

Are they planning to cover more extensive violations?

Are they presently conducting more extensive violations?

(Further examples of Soviet concealment in connection with breaches of SALT agreements. Examples not listed include: Construction of submarine tunnels; SS-20 concealment; SS-X-24 testing.)

[From the New York Tribune, Sept. 5, 1984]

ARMS TALKS—WHAT ARE THE RISKS FOR THE U.S.?

(By Albert L. Weeks)

The New York Tribune has gained access to the most comprehensive report in 2 decades on Soviet arms pact violations. So potentially damaging is its content to the proponents of detente and compromise in the

West that the U.S. government thus far has refused to fully disclose the findings. This series is based on the report; the slides published on page 4A are from a secret briefing on its contents.

Given the breadth of Soviet violations of arms agreements with the United States over the past 25 years, does it make sense to negotiate with the Soviets on security matters? Indeed, is it safe for the United States to do so, given what one defense analyst calls the "dangerous" disadvantages into which the United States had fallen via wholesale Soviet circumventions of the ABM Treaty, SALT I and II, nuclear testing and conventional-arms treaties going back to 1958?

While it may be true that the United States is in the process of catching up with the Soviets—after years of putting faith in such treaties and Soviet willingness to scale down the arms race—there is no guarantee that the Soviets will desist in their ongoing program to stay ahead. Moreover, 10 possible arms-pact violations by the Soviets so far this year are now under study by U.S. Intelligence. That's 10 more thant the 17 cited in the classified report to President Reagan of November 1983 from his General Advisory Committee on Arms Control and Disarmament (GAC).

During the 1960s, Nikita Khrushchev hinted at a pattern of violations planned by the Soviets more than a decade prior to detente and the ABM and SALT I and II agreements. Violations of a variety of other treaties relating to nuclear testing and deploying offensive missiles in Cuba also date back to the Khrushchev years (1959-64). Taken together, they suggest that the Kremlin's decision to use deception against security agreements with the United States is longstanding.

In two major speeches delivered by Khrushchev in 1960 and 1961, the Soviet leader explicitly revealed that the Soviet Union would in the future conceal extra missiles and warheads, "dispersing and camouflaging them well." Khrushchev told the Supreme Soviet on Jan. 14, 1960: "We are developing such a system [of backup missiles] so that if some means of retaliation [on the Soviet side] were knocked out, we could always fall back on others and strike the enemy from reserve installations."

The Penkovsky Papers, revealed to the West by military intelligence officer Col. Oleg Penkovsky at the same time as the Khrushchev speech, showed that the Soviets intended to establish the means to shoot down incoming U.S. missiles. The Soviet Union, indeed, deployed the first such ABM system, the "Galosh," before the United States deployed the "Safeguard" ABM, which turned out to be superior to the Soviet system. Once Safeguard was operational, Moscow suddenly suggested abandoning the ABM concept in favor of the U.S.-proposed "MAD" (Mutual Assured Destruction) strategy providing nearly total dismantlement of all ABM sites, actual or intended.

Conceived by Kennedy-Johnson administration non-military-specialist advisers, clustered around Defense Secretary Robert McNamara, MAD was predicated on the assumption that the Soviets would uphold whatever treaties they might sign. While the United States dismantled all ABM sites, the Soviets, relying on professional-military advice, stepped up development of their own ABM, while retaining the option—declined by the United States—of maintaining a functioning ABM site near Moscow.

Meanwhile, under Marshal Nikolai Ogarkov—later to become Leonid Brezhnev's chief of the General Staff after earlier having been promoted by Brezhnev to Moscow Center to head up the Chief Directorate for Strategic Deception in 1968-69—the Soviet Union embarked on the ruse of signing the 1972 ABM Treaty and SALT I-II. By these agreements, concluded in various installments during the administrations of Presidents Nixon, Ford and Carter, the Soviets sought to gain significant advantages in strategic arms, offensive and defensive (ABM).

CONCERTED VIOLATIONS

The contents of the GAC report, and intelligence information collated since November 1983 and since the president's own partial revelations in January, show a shocking picture of concerted Soviet violations. The circumventions, according to informed defense analysts, significantly threaten U.S. security at the present time.

Congress has passed three amendments instructing the president to report to Congress on Soviet treaty violations, but none have yet to take effect. Last week, the White House reportedly settled on a mid-September date for a partial disclosure to Congress.

As long as the full extent of the violations is kept from public view, many congressmen and the public at large may continue to press for action on the arms control negotiations, which the Soviets have walked out on three times in the past year alone.

Public opinion polls steadily indicate that this is what the public wants. However, were the facts in the GAC report alone known to the public, opinion might veer away from trusting the Soviets in living up to a whole range of new arms agreements, conventional and nuclear, since their record is one of deception, according to the GAC.

POINTS TO CONSIDER

As a bare minimum, some defense analysts suggest, the two superpowers might agree solely to work on agreements that pertain to:

Defusing potentially dangerous situations that could escalate into full-scale nuclear war—i.e., broadening that part of the SALT I Treaty pertaining to each side keeping the other informed of its policy in crisis situations affecting third parties, while showing a readiness to take measures to defuse those crises pregnant with the danger of nuclear war.

Improving such emergency communications links as the Hot Line, which actually was upgraded this spring.

Compliance in the area of unimpaired telemetry (heretofore U.S. telemetry has been impaired by Soviet jamming, encryption, etc.) so that a viable check on Soviet testing can be maintained. In the past, the Soviets have stopped such blocking of U.S. monitoring systems, when confronted with proof, only to begin new ones when the opportunity to test new, prohibited equipment presented itself.

"Very extensive and nationally controlled" Soviet concealment and deception (see accompanying GAC briefing chart). This deception must be publicly raised with the Soviets; if the violations continue, the American public must be informed and countermeasures taken to overcome any Soviet advantage accruing from the discovered violation.

The United States, the GAC report recommends, must deny the Soviets the "benefit of the doubt." Washington will have to assume, as Khrushchev himself stated, that the Soviets will build—if they haven't already—a number of fallback (or "redundant") systems; that they will go ahead with ABM, despite the 1972 treaty; and, that they will complete an already underway "High Frontier," or "Star Wars" defense system.

The U.S. public will have to face the likelihood that truly convincing verification has definite limitations, that missiles (as long as a Pullman car) and warheads (as tall as a man) can be concealed quite easily, even from on-site inspector—a process which the Soviets, in any event, refuse to allow—and that high-flying photo-recon satellites, for all their photographic sharpness, cannot penetrate shrouds and roofs of a size sufficient to cover missiles and warheads.

SOVIETS SEEK SUPERIORITY

The American public will have to be informed that the Soviet Union, as it has consistently maintained in its own past and current military literature, actively seeks superiority, not "parity" as it has alleged since the days of detente, over the United States across the whole range of conventional and nuclear military forces.

Significantly, in recent weeks, as if to advertise the advantage of such pursuit of superiority, the Soviets have resorted to publicizing their military-testing accomplishments. SALT weapons counts—the tallies of the two superpowers' nuclear arsenals in 1972 and 1979—are bound to show mounting Soviet military strength. This, too, plays into Soviet hands.

Such advertisements of military power were used in the past by Hitler to intimidate all potential interferers with the Nazis' pursuit of world domination. Soviet propaganda aims to show the world that the United States is not the No. 1 military power any longer. Were this perception to sink in, with regard both to world public opinion and among Americans, there is no telling what intimidatory "psychwar" effect this perception might have on the United States, its allies, and what remains of the truly "nonaligned" world.

CASE FOR DISCLOSURE

Bearing all this in mind, the case for full disclosure to the U.S. public of the litany of Soviet violations of arms control agreements is strong for the following reasons:

The necessity for U.S. development and deployment of defensive weapons systems becomes documented for public (and congressional) consumption and support.

By confronting the Soviets on their record, the United States demonstrates to the potential enemy that U.S. determination to meet the Soviet challenge is strong and unflagging.

President Reagan, whether campaigning for re-election or beginning his second term, would be strengthened in his bipartisan effort to build a national consensus around the need to effectively confront and counter the Soviet military threat—an effort that a fullbreasted airing of the violations buttresses.

[From the New York Tribune, Sept. 5, 1984]

REPRODUCTIONS OF SLIDES USED IN CLASSIFIED BRIEFINGS: PART III

JOINT CHIEFS OF STAFF, SECURITY-ORIENTED CONGRESSMEN AND CIA OFFICIALS HEARD RECORD OF 25 YEARS OF SOVIET TREATY VIOLATIONS.

EXAMPLE OF VIOLATIONS WITH POSSIBLE BROAD MILITARY SIGNIFICANCE—SOVIET OFFENSIVE FORCES

Soviets appear to have requirement for large secure strategic reserve force.

U.S. missile accuracy improvements will eventually threaten silo-based reserve.

Three possible Soviet solutions may involve violations—Mobile Missiles: Two probable violations connected with mobiles (SS-16 and SS-X-25); large concealment and deception program connected with SS-20; Soviets may intend to conceal mobile ICBM in SS-20 force.

Extra stored missile—activated when needed. Several suspicious events.

Extra SLBM force levels. Large concealment and deception program for submarines. Soviet concealment and deception program reducing U.S. ability to assess that strategic strength.

EXAMPLE OF VIOLATIONS WITH POSSIBLE BROAD MILITARY SIGNIFICANCE—SOVIET DEFENSE FORCES

Large Soviet air defense system being maintained, improved. Needs anti-ballistic missile complement to be effective.

Soviet arms-control violations and suspicious actions include expansion and improvement of large fixed radar network with one radar that violates ABM treaty. Rapid relocation of a "flat twin" ABM radar also in violation of ABM treaty. Use of air defense system components at ABM test range a suspicious activity periodically occurring since 1973, a possible violation of ABM treaty.

Soviet actions are consistent with: an ABM "breakout" capability, covert use of air defense systems to enhance ABM capability.

U.S. ballistic missile requirements sensitive to Soviet ABM capability.

POTENTIAL IMPACTS OF SOVIET BW/CW PROGRAM

Soviets have apparently developed a wide spectrum of CW and BW weapons. "Tailored" use. Some for direct attack on personel, some for extended area denial, etc.

Government of China view Soviet capability as sub-nuclear option against CPR.

West has inadequate capability to respond in kind.

Smaller nations becoming interested in obtaining CW capability—Iraq may be only one exmaple.

Soviet program now seems to be pursuing genetic engineering for new agents. New, unique agents possible, west may remain ignorant of their properties, potential serious consequences.

STANDARDS OF PROOF

Beyond a reasonable doubt: unrealistic criteria for arms control, unlikely to be possible in most cases no police or judicial authority.

Suspected party controls the evidence: should supply data to show innocence.

U.S. attempted to obtain such data in SS-X-25, SS-16 and TTB cases failed: Soviets used concealment in SS-X-25 and SS-16, SS-X-28—encryption, SS-16—equipment under roofs when U.S. intelligence platforms near, snow tracks show activity at other times.

If Soviets use concealment: should deny them benefit of the doubt.

Soviet concealment and deception increasing through SALT process. Now very extensive and nationally controlled.

IV. FINDINGS—AGREEMENTS WITHOUT COMPLIANCE PROBLEMS

Accident avoidance—Direct communications link/hot line agreement of 1963. Amended 1971; USSR-U.S. accidents agreement of 1971 (1 inadvertent violation); USSR-United Kingdom accidents agreement of 1973; USSR-France accidents agreement of 1978.

Nonproliferation—Nonproliferation treaty of 1968; guidelines for nuclear transfers. IAEA INFCIRC/208 of 1974; guidelines for nuclear transfers, IAEA INFCIRC/254 of 1978; protocol II of the treaty of Tlatelolco (Latin American Nuclear Free Zone), USSR ratification 1978; convention on the physical protection of nuclear material USSR ratification 1983.

Other—Antarctic Treaty of 1969; outer space treaty of 1967; Seabed Treaty of 1971; Convention on Environment Modification of 1977.

AVAILABLE SOVIET MOVEMENT TOWARD COMPLIANCE

Soviets have many opportunities to improve their compliance.

Terminate arms control related cover and deception activities.

Dismantle Abaloakovo Radar.

Terminate flat twin development.

Cease using air-defense equipment during missile flights.

Build down SS-19 to pre-SALT I throw weight levels.

Destroy SS-16 facilities and equipment.

Terminate development of SS-X-25 (PL5).

Dismantle 36 European SS-20 launch facilities.

Destroy BW facilities and weapons.

Improve nuclear test containment.

Declare AS-3 (kangaroo) as long range cruise missile.

Correct MBFR Warsaw pact force levels.

Notify United Nations of all space launches.

Move aircraft carrier activity from Black Sea.

SOVIET NONCOMPLIANCE WITH ARMS CONTROL AGREEMENTS—FEBRUARY 1, 1985

(Following are the texts of President Reagan's message to the Congress and his unclassified report on Soviet noncompliance with arms control agreements.)

MESSAGE TO THE CONGRESS, FEB. 1, 1985

During 1984, at the request of Congress, I forwarded two reports to the Congress on arms control compliance. The first, forwarded last January, was an in-depth analysis of seven specific issues of violations or probable violations by the Soviet Union of arms control obligations and commitments. The second report, forwarded in October, was an advisory study prepared independently by the General Advisory Committee on Arms Control and Disarmament. These reports indicate that there is cause for serious concern regarding the Soviet Union's conduct with respect to observance of arms control agreements.

In the FY-1985 Defense Authorization Act and the Conference Report on that Act, the Congress called for additional classified and unclassified reports regarding a wide range of questions concerning the Soviet Union's compliance with arms control commitments. The Administration is responding to these requests by providing both classified and unclassified reports which update the seven issues initially analyzed in the January 1984 report, and analyze a number of additional issues.

In this unclassified report the United States Government reaffirms the conclusions of its January 1984 report that the USSR has violated the Helsinki Final Act, the Geneva Protocol on Chemical Weapons, the Biological and Toxin Weapons Convention, and two provisions of SALT II [strategic arms limitation talks]: telemetry encryption and ICBM [intercontinental ballistic missile] modernization. The United States Government also reaffirms its previous conclusions that the USSR has probably violated the SS-16 deployment prohibition of SALT II and is likely to have violated the nuclear testing yield limit of the Threshold Test Ban Treaty. In addition, the United States Government has determined that the USSR has violated the ABM [Anti-Ballistic Missile] Treaty (through the siting, orientation, and capability of the Krasnoyarsk Radar), violated the Limited Test Ban Treaty, and violated the SALT II provision prohibiting more than one new type of ICBM, and probably violated the ABM Treaty restriction on concurrent testing of SAM [surface-to-air missiles] and ABM components. Evidence regarding the USSR's compliance with the ABM Treaty provision on component mobility was determined to be ambiguous. In addition, the United States Government is concerned about Soviet preparations for a prohibited territorial ABM defense. Further, the USSR was determined to be currently in compliance with those provisions of the SALT I Interim Agreement and its implementing procedures that deal with reuse of dismantled ICBM sites and with the reconfiguration of dismantled ballistic missile launching submarines.

Beyond the issues that are treated in the unclassified report released today, there are other compliance issues that will not be publicly disclosed at this time but which remain under review. As we continue to work on these issues, we will brief and consult with the Congress in detail and will, to the maximum extent possible, keep the public informed on our findings.

In order for arms control to have meaning and credibly contribute to national security and to global or regional stability, it is essential that all parties to agreements fully comply with them. Strict compliance with all provisions of arms control agreements is fundamental, and this Administration will not accept anything less. To do so would undermine the arms control process and damage the chances for establishing a more constructive U.S.-Soviet relationship.

As I stated last January, Soviet noncompliance is a serious matter. It calls into question important security benefits from arms control, and could create new security risks. It undermines the confidence essential to an effective arms control process in the future. With regard to the issues analyzed in the January 1984 report, the Soviet Union has thus far not provided satisfactory explanations nor undertaken corrective actions sufficient to alleviate our concerns. The United States Government has vigorously pressed, and will continue to press, these compliance issues with the Soviet Union through diplomatic channels.

Our approach in pursuing these issues with the Soviet Union is to ensure that both the letter and intent of treaty obligations and commitments will be fulfilled. To this end the Administration is: analyzing further

issues of possible non-compliance; as noted above, seeking from the Soviet Union through diplomatic channels explanations, clarifications, and, where necessary, corrective actions; reporting on such issues to the Congress; and taking into account in our defense modernization plans the security implications of arms control violations. At the same time, the United States is continuing to carry out its own obligations and commitments under relevant agreements. Our objectives in the new negotiations which begin in March are to reverse the erosion of the ABM Treaty and to seek equitable, effectively verifiable arms control agreements which will result in real reductions and enhanced stability. While all of these steps can help, however, it is fundamentally important that the Soviet Union take a constructive attitude toward full compliance with all arms control obligations and commitments.

The Administration and the Congress have a shared interest in supporting the arms control process. For this reason, increased understanding of Soviet violations or probable violations, and a strong Congressional consensus on the importance of compliance to achieving effective arms control, will stengthen our efforts both in the new negotiations and in seeking corrective actions from the Soviet Union.

I look forward to continued close consultation with the Congress as we seek to make progress in resolving compliance issues and in negotiating sound arms control agreements.

Sincerely,

RONALD REAGAN

[Unclassified Report, Feb. 1, 1985]

SOVIET NONCOMPLIANCE WITH ARMS CONTROL AGREEMENTS

INTRODUCTION

In January 1984, the President, in response to Congressional requests, reported to the Congress on several issues involving violations or probable violations by the Soviet Union of existing arms control agreements, including: the Geneva Protocol on Chemical Weapons, the Biological and Toxin Weapons Convention, the Helsinki Final Act, the ABM Treaty, SALT II, and the Threshold Test Ban Treaty.

In that report the President stated:

"If the concept of arms control is to have meaning and credibility as a contribution to global or regional stability, it is essential that all parties to agreements comply with them. Because I seek genuine arms control, I am committed to ensuring that existing agreements are observed."

The President further noted that:

"Soviet noncompliance is a serious matter. It calls into question important security benefits from arms control and could create new security risks. It undermines the confidence essential to an effective arms control process in the future. It increases doubts about the reliability of the USSR as a negotiating partner, and thus damages the chances for establishing a more constructive U.S.-Soviet relationship."

The current unclassified report provides updated information on the seven issues previously reported and additionally reviews six other compliance issues that have been intensively studied since the January 1984 report was completed, for a total of thirteen issues. The six new cases involve questions of Soviet compliance with provisions of the SALT I Interim Agreement, the Limited Test Ban Treaty (LTBT), and the Anti-Ballistic Missile (ABM) Treaty.

With regard to the SALT I Interim Agreement, this report examines the evidence on two issues: (1) whether the USSR has made prohibited use of remaining facilities at dismantled former ICBM sites; (2) whether the USSR has reconfigured dismantled ballistic missile submarines in a manner prohibited by Treaty or Protocol provisions.

With regard to the Limited Test Ban Treaty (LTBT), this report examines whether the USSR vented nuclear debris from underground nuclear tests beyond its territorial limits in contravention of the LTBT.

With regard to the ABM Treaty, this report examines whether the USSR has: concurrently tested SAM and ABM components; developed, tested, or deployed mobile ABM components; and/or has provided a base for territorial defense.

In this report the United States Government reaffirms the conclusions of its January 1984 report that the USSR has violated the Helsinki Final Act, the Geneva Protocol on Chemical Weapons, the Biological and Toxin Weapons Convention, and two provisions of SALT II: telemetry encryption and ICBM modernization. The United States Government also reaffirms its previous conclusions that the USSR has probably violated the SS-16 deployment prohibition of SALT II and is likely to have violated the nuclear testing yield limit of the Threshold Test Ban Treaty. In addition, the United States Government has determined that the USSR has violated the ABM Treaty through the siting, orientation, and capability of the Krasnoyarsk Radar and the Limited Test Ban Treaty; by testing the SS-X-25 ICBM in addition to the SS-X-24 ICBM, violated the SALT II "new types" provision limiting each party to one new type ICBM; and probably violated the prohibition against concurrent testing of SAM and ABM components. Moreover, the Soviet Union's ABM and ABM-related actions suggest that the USSR may be preparing an ABM defense of its national territory. Evidence regarding the USSR's compliance with the ABM Treaty provision on component mobility was determined to be ambiguous, and the USSR was determined to be currently in compliance with provisions of the SALT I Interim Agreement and its implementing procedures that deal with reuse of dismantled ICBM sites and the reconfiguration of dismantled ballistic missile launching submarines.

In addition to the issues regarding Soviet compliance with arms control agreements which are addressed in this unclassified report, there are other compliance matters currently under review which cannot be publicly disclosed at this time and which we intend to brief to the Congress on a classified basis in the near future.

In examining the issues in this unclassified report, as well as in the classified report to follow, we have focused on questions of Soviet noncompliance. Questions of Soviet noncompliance have not arisen with regard to several other provisions of these agreements, nor with certain other treaties, such as the Antarctic Treaty, the Outer Space Treaty, the Non-Proliferation Treaty, the Seabed Arms Control Treaty, the Environmental Modification Convention, and others.

The issues we have analyzed raise very serious concerns. The United States Government firmly believes that in order for arms control to have meaning and credibly contribute to national security and to global and regional stability, it is essential that all parties to agreements fully comply with them. Strict compliance with all provisions of arms control agreements is fundamental, and the United States Government will not accept anything less: to do so would undermine the arms control process and damage the chances for establishing a more constructive U.S.-Soviet relationship.

THE FINDINGS

Biological and Toxin Weapons Convention and 1925 Geneva Protocol

1. Chemical, Biological, and Toxin Weapons—

Treaty Status: The 1972 Biological and Toxin Weapons Convention (the BWC) and the 1925 Geneva Protocol are multilateral treaties to which both the United States and the Soviet Union are parties. Soviet actions not in accord with these treaties and customary international law relating to the 1925 Geneva Protocol are violations of legal obligations.

Obligations: The BWC bans the development, production, stockpiling, or possession, and transfer of: microbial or other biological agents or toxins except for a small quantity for prophylactic, protective, or other peaceful purposes. It also bans weapons, equipment, and means of delivery of agents or toxins. The 1925 Geneva Protocol and related rules of customary international law prohibit the first use in war of asphyxiating, poisonous, or other gases and of all analogous liquids, materials or devices; and prohibits use of bacteriological methods of warfare.

Issues: The January 1984 compliance report addressed whether the Soviets are in violation of provisions that ban the development, production, transfer, possession, and use of biological and toxin weapons. Soviet compliance was reexamined for this report.

Finding: The U.S. Government judges that evidence during 1984 confirm and strengthen the conclusion of the January 1984 report that the Soviet Union has maintained an offensive biological warfare program and capability in violation of its legal obligation under the Biological and Toxin Weapons Convention of 1972.

Although there have been no confirmed chemical and toxin attacks in Kampuchea, Laos, or Afghanistan in 1984, there is no basis for amending the January 1984 conclusion that the Soviet Union has been involved in the production, transfer, and use of trichothecene mycotoxins for hostile purposes in Laos, Kampuchea, and Afghanistan in violation of its legal obligation under international law as codified in the Geneva Protocol of 1925 and the Biological and Toxin Weapons Convention of 1972.

Limited Test Ban Treaty

2. Underground Nuclear Test Venting—

Treaty Status: The Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and Under Water (Limited Test Ban Treaty (LTBT)) is a multilateral treaty that entered into force for the United States and the Soviet Union in 1963. Soviet actions not in accord with this treaty are violations of a legal obligation.

Obligations: The LTBT specifically prohibits nuclear explosions in the atmosphere, in outer space, and under water. It also prohibits nuclear explosions in any other environment "if such explosion causes radioactive debris to be present outside the territorial limits of the State under whose jurisdiction or control such explosion is conducted."

Issue: The U.S. examined whether the USSR's underground nuclear tests have

caused radioactive debris to be present outside of its territorial limits.

Finding: The U.S. Government judges that the Soviet Union's underground nuclear test practices have resulted in the venting of radioactive matter and caused radioactive matter to be present outside the Soviet Union's territorial limits in violation of its legal obligation to the Limited Test Ban Treaty. The Soviet Union has failed to take the precautions necessary to minimize the contamination of man's environment by radioactive substances despite U.S. request for corrective action.

Threshold Test Ban Treaty

3. Nuclear Testing and the 150 Kiloton Limit—

Treaty Status: The Threshold Test Ban Treaty (TTBT) was signed in 1974. The Treaty has not been ratified but neither party has indicated an intention not to ratify. Therefore, both parties are subject to the obligation under customary international law to refrain from acts which would defeat the object and purpose of the TTBT. Soviet actions that would defeat the object and purpose of the TTBT are therefore violations of their legal obligation. The United States is seeking to negotiate improved verification measures for the Treaty. Both Parties have separately stated they would observe the 150 kiloton threshold of the TTBT.

Obligation: The Treaty prohibits any underground nuclear weapon test having a yield exceeding 150 kilotons at any place under the jurisdiction or control of the Parties, beginning March 31, 1976. In view of the technical uncertainties associated with estimating the precise yield of nuclear weapons tests, the sides agreed that one or two slight unintended breaches per year would not be considered a violation.

Issue: The January 1984 report examined whether the Soviets have conducted nuclear tests in excess of 150 kilotons. This issue was reexamined for this report.

Finding: The U.S. Government judges that, while ambiguities in the pattern of Soviet testing and verification uncertainties continued in 1984, evidence available through the year confirms the January 1984 finding that Soviet nuclear testing activities for a number of tests constitute a likely violation of legal obligations under the Threshold Test Ban Treaty of 1974, which banned underground nuclear tests with yields exceeding 150 kilotons. These Soviet actions continue despite U.S requests for corrective measures.

Helsinki Final Act

4. Helsinki Final Act Notification of Military Exercises—

Legal Status: The Final Act of the Conference on Security and Cooperation in Europe was signed in Helsinki in 1975. This document represents a political commitment and was signed by the United States and the Soviet Union, along with many other States. Soviet actions not in accord with that document are violations of their political commitment.

Obligation: All signatory States of the Helsinki Final Act are committed to give prior notification of, and other details concerning, major military maneuvers, defined as those involving more than 25,000 ground troops.

Issues: The January 1984 compliance report examined whether notification of the Soviet military exercise Zapad-81 was inadequate and therefore a violation of the Soviet Union's political commitment under the Helsinki Final Act. The USSR's compliance with its notification commitment was reexamined for this report.

Finding: The U.S. Government previously judged that the Soviet Union violated its political commitment to observe the prior-notification provisions of Basket I of the Helsinki Final Act, which requires notification and other information concerning exercises exceeding 25,000 ground troops. A major Warsaw Pact maneuver (Zapad-81), exceeding the 25,000 troop limit, was conducted in 1981 at a time great pressure was being put on Poland, and the Soviet Union did not provide the pre-notification or other information required. The judgment that the Soviet Union did not observe the prior notification provisions of the Helsinki Final Act is confirmed.

While the USSR and Warsaw Pact states have generally taken an approach to the confidence-building measures of the Final Act which minimizes the information they provide, Soviet compliance with the exercise-notification provisions was much improved in 1983. However, during 1984, the USSR returned to a minimalist stance, providing only the bare minimum required under the Final Act.

SALT I Interim Agreement

Treaty Status: The SALT I Interim Agreement entered into force for the United States and the Soviet Union in 1972. Dismantling procedures implementing the Interim Agreement were concluded in 1974. The Interim Agreement, by its own terms, was of limited duration and expired as a legally binding document in 1977. The applicability of the Interim Agreement to the actions of both parties has, however, been extended by the parties by a series of mutual political commitments, including the President's May 31, 1982 statement that the United States would refrain from actions which would undercut existing strategic arms agreements so long as the Soviet Union shows equal restraint. The Soviets have told us they would abide by the SALT I Interim Agreement and SALT II. Any actions by the USSR inconsistent with this commitment are violations of its political commitment with respect to the Interim Agreement and its implementing procedures.

Two issues were analyzed for this report: Soviet activities at dismantled ICBM sites, and reconfiguration of a Yankee-Class ballistic missile submarine.

5. Mobile Missile Base Construction at Dismantled SS-7 ICBM Sites—

Obligation: The SALT I Interim Agreement and its procedures prohibit the parties from using facilities remaining at dismantled or destroyed ICBM sites for storage, support, or launch of ICBMs. Any Soviet actions inconsistent with this commitment are violations of a political commitment with respect to the Interim Agreement and its implementing procedures.

Issue: The U.S. examined whether the USSR has used former ICBM sites in a manner inconsistent with its political commitment under the Interim Agreement and its implementing procedures.

Finding: The U.S. Government judges that Soviet activity apparently related to SS-X25 ICBM deployments at two former SS-7 bases does not at present violate the agreed implementing procedures of the SALT I Interim Agreement. However, ongoing activities raise concerns about compliance for the future, since use of "remaining facilities" to support ICBMs at deactivated SS-7 sites would be in violation of Soviet commitments. The U.S. will continue to monitor development closely.

6. Reconfiguration of Yankee-Class Ballistic Missile Submarines

Obligations: The SALT I Interim Agreement and its procedures require that submarines limited by the Agreement be dismantled or be reconfigured into submarines without ballistic missile capabilities. Any Soviet actions inconsistent with this obligaton are violations of a political commitment.

Issue: The U.S. examined whether the USSR's reconfiguration of a submarine to increase its length, and for use as a platform for modern long-range cruise missiles, is consistent with its political commitments under the Interim Agreement and its implementing procedures.

Finding: The U.S. Government judges that the Soviet Union's conversion of a dismantled SSBN into a submarine longer than the original, and carrying modern, long-range cruise missiles is not a violation of its political commitment under the SALT I Interim Agreement, but constitutes a threat to U.S. and Allied security similar to the original Yankee-Class submarine.

SALT II Treaty

Treaty Status: SALT II was signed in June 1979 and has not been ratified. In 1981 the United States made clear to the Soviet Union its intention not to ratify the SALT II Treaty. Prior to this clarification of our position in 1981, both nations were obligated under customary international law not to take actions which would defeat the object and purpose of the signed, but unratified, Treaty. Such Soviet actions prior to 1981 are violations of legal obligations. Since 1981, the United States has observed a political commitment to refrain from actions that undercut the SALT II Treaty so long as the Soviet Union does likewise. The Soviets have told us they also would abide by these provisions. Soviet actions inconsistent with this commitment are violations of their political commitment with respect to the SALT II Treaty.

Three SALT II issues are included in this unclassified report: encryption of telemetry, SS-X-25 ICBM, and SS-16 ICBM deployment.

7. Encryption of Ballistic Missile Telemetry—

Obligation: The provisions of SALT II ban deliberate concealment measures that impede verification by national technical means. The Treaty permits each party to use various methods of transmitting telemetric information during testing, including encryption, but bans deliberate denial of telemetry, such as through encryption, whenever such denial impedes verification.

Issue: The January 1984 compliance report examined whether the Soviet Union has engaged in encryption of missile test telemetry (radio signals) so as to impede verification. This issue was reexamined for this report.

Finding: The U.S. Government reaffirms the conclusion in the January 1984 report that Soviet encryption practices constitute a violation of a legal obligation under SALT II prior to 1981 and a violation of their political commitment since 1982. The nature and extent of such encryption of telemetry on new ballistic missiles, despite U.S. request for corrective action, continues to be an example of deliberately impeding verification of compliance in violation of this Soviet political commitment.

8. The SS-X-25 ICBM—

Obligation: In an attempt to constrain the modernization and the proliferation of new, more capable types of ICBMs, the provisions of SALT II permit each side to "flight test and deploy" just one new type of "light" ICBM. A new type is defined as one that differs from an existing type by more than 5 percent in length, largest diameter, launch-weight, and throw-weight or differs in number of stages or propellant type. In addition, it was agreed that no single reentry vehicle ICBM of an existing type with a post-boost vehicle would be flight-tested or deployed whose reentry vehicle weight is less than 50 percent of the throw-weight of that ICBM. This latter provision was intended to prohibit the possibility that single warhead ICBMs could quickly be converted to MIRVed [multiple independently-targetable reentry vehicle] systems.

Issues: The Soviets declared the SS-X-24 to be their allowed one new type ICBM. The January 1984 report examined the issues: whether the Soviets have tested a second new type of ICBM (the SS-X-25) which is prohibited; whether the reentry vehicle (RV) on that missile, if it is not a new type, is in compliance with the provision that for existing types of single RV missiles, the weight of the RV be equal to at least 50 percent of total throw-weight; and whether encryption of SS-X-25 flight test telemetry impedes verification. The U.S. reexamined these issues for this report.

Finding:

a. Second New Type: The U.S. Government judges that the SS-X-25 is a prohibited second "new" type of ICBM and that its testing, in addition to the SS-X-24 ICBM, thereby is a violation of the Soviet Union's political commitment to observe the "new" type provision of the SALT II Treaty. Despite U.S. requests, no corrective action has been taken.

b. RV-to-Throw-Weight Ratio: The U.S. Government reaffirms the conclusion of the January 1984 report regarding the SS-X-25 RV-to-throw-weight ratio. That is, if we were to accept the Soviet argument that the SS-X-25 is not a prohibited new type of ICBM, it would be a violation of their political commitment to observe the SALT II provision which prohibits the testing of such an existing ICBM with a single reentry vehicle whose weight is less than 50 percent of the throw-weight of the ICBM.

c. Encryption: The U.S. Government reaffirms its judgment made in the January 1984 report regarding telemetry encryption during tests of the SS-X-25. Encryption during the tests of this missile is illustrative of the deliberate impeding of verification of compliance in violation of a legal obligation prior to 1981, and of the USSR's political commitment subsequent to 1981.

9. SS-16 Deployment—

Obligation: The Soviet Union agreed in SALT II not to produce, test, or deploy ICBMs of the SS-16 type and, in particular, not to produce the SS-16 third stage or the reentry vehicle of that missile.

Issue: The January 1984 report examined the evidence regarding whether the Soviets have deployed the SS-16 ICBM in spite of the ban on its deployment. The U.S. reexamined this issue for this report.

Finding: The U.S. Government reaffirms the judgment made in the January 1984 report. While the evidence is somewhat ambiguous and we cannot reach a definitive conclusion, the available evidence indicates that the activities at Plesetsk are a probable violation of the USSR's legal obligations not to defeat the object and purpose of SALT II prior to 1981 when the Treaty was pending ratification, and a probably violation of a political commitment subsequent to 1981.

ABM Treaty

Treaty Status: The 1972 ABM Treaty and its Protocol ban deployment of ABM systems except that each party is permitted to deploy one ABM system around the national capital area or, alternatively, at a single ICBM deployment area. The ABM Treaty is in force and is of indefinite duration. Soviet actions not in accord with the ABM Treaty are, therefore, violations of a legal obligation.

Four ABM issues are included in this unclassified report: the Krasnoyarsk Radar, mobile land-based ABM systems or components, concurrent testing of ABM and SAM components, and ABM territorial defense.

10. The Krasnoyarsk Radar—

Obligation: In an effort to preclude creation of a base for territorial ABM defense, the ABM Treaty limits the deployment of ballistic missile early warning radars, including large phased-array radars used for that purpose, to locations along the periphery of the national territory of each party and requires that they be oriented outward. The Treaty permits deployment (without regard to location or orientation) of large phased-array radars for purposes of tracking objects in outer space or for use as national technical means of verification of compliance with arms control agreements.

Issue: The January 1984 report examined the evidence regarding the construction of a large phased-array radar near Krasnoyarsk in central Siberia. It was concluded that this radar was almost certainly a violation of the ABM Treaty. The U.S. reexamined this issue for this report.

Finding: The U.S. Government judges, on the basis of evidence which continued to be available through 1984, that the new large phased-array radar under construction at Krasnoyarsk constitutes a violation of legal obligations under the Anti-Ballistic Missile Treaty of 1972 in that in its associated siting, orientation, and capability, it is prohibited by this Treaty. Continuing construction, and the absence of credible alternative explanations, have reinforced our assessment of its purpose. Despite U.S. requests, no corrective action has been taken.

11. Mobility of New ABM System—

Obligation: The ABM Treaty prohibits the development, testing, or deployment of mobile land-based ABM systems or components.

Issue: The U.S. examined whether the Soviet Union has developed a mobile land-based ABM system, or components for such a system, in violation of its legal obligation under the ABM Treaty.

Finding: The U.S. Government judges that Soviet actions with respect to ABM component mobility are ambiguous, but the USSR's development of components of a new ABM system, which apparently are designed to be deployable at sites requiring relatively little or no preparation, represent a potential violation of its legal obligation under the ABM Treaty. This and other ABM-related Soviet actions suggest that the USSR may be preparing an ABM defense of its national territory.

12. Concurrent Testing of ABM and SAM Components—

Obligation: The ABM Treaty and its Protocol limit the parties to one ABM deployment area. In addition to the ABM systems and components at that one deployment area, the parties may have ABM systems and components for development and testing purposes so long as they are located at agreed test ranges. The Treaty also prohibits giving components, other than ABM system components, the capability "to counter strategic ballistic missiles or their elements in flight trajectory" and prohibits the parties from testing them in "an ABM mode." The parties agreed that the concurrent testing of SAM and ABM system components is prohibited.

Issue: The U.S. examined whether the Soviet Union has concurrently tested SAM and ABM system components in contravention of this legal obligation.

Finding: The U.S. Government judges that evidence of Soviet actions with respect to concurrent operations is insufficient to assess fully compliance with Soviet obligations under the ABM Treaty, although the Soviet Union has conducted tests that have involved air defense radars in ABM-related activities. The number of incidents of concurrent operation of SAM and ABM components indicate the USSR probably has violated the prohibition on testing SAM components in an ABM mode. In several cases this may be highly probable. This and other such Soviet activities suggest that the USSR may be preparing an ABM defense of its national territory.

13. ABM Territorial Defense—

Obligation: The Treaty allows each party a single operational site, explicitly permits modernization and replacement of ABM systems or their components, and explicitly recognizes the existence of ABM test ranges for the development and testing of ABM components. The ABM Treaty prohibits, however, the deployment of an ABM system for defense of the national territory of the parties and prohibits the parties from providing a base for such a defense.

Issue: The U.S. examined whether Soviet ABM and related activities provide a base for a territorial defense.

Finding: The U.S. Government judges that the aggregates of the Soviet Union's ABM and ABM-related actions suggest that the USSR may be preparing an ABM defense of its national territory.

THE WHITE HOUSE,
WASHINGTON, DC.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: When I forwarded a report from my Administration to the Congress on Soviet Noncompliance with Arms Control Agreements on January 23, 1984, I said, "If the concept of arms control is to have meaning and credibility as a contribution to global or regional stability, it is essential that all parties to agreements comply with them." I continue to believe that compliance with arms control agreements is fundamental to the arms control process.

Congressional amendments to the FY 1985 Defense Authorization Bill calling for Administration reports on compliance issues, as well as for the transmittal of classified and unclassified versions of the report, A quarter Century of Soviet Compliance Practices Under Arms Control Commitments: 1958-1983 prepared by the bipartisan General Advisory Committee on Arms Control and Disarmament, demonstrate the priority that Congress places on compliance.

In response to the Congressional requirement, an unclassified version of the General Advisory Committee's report, a summation prepared by the Committee, is provided herewith. Because the Committee's full

report contains extensive classified intelligence information, the classified version is being transmitted to the two Select Committees of the Congress on Intelligence.

The General Advisory Committee's report to me resulted from a year-long analysis, by this bipartisan independent body, of Soviet practices with regard to arms control treaties, other agreements, unilateral political commitments, and statements of policy. Neither the methodology of analysis nor the conclusions reached in this report have been formally reviewed or approved by any agencies of the U.S. Government. The report reflects the General Advisory Committee's attempt to assemble as complete as possible an historical record of Soviet behavior and to identify long-term patterns of Soviet compliance practices.

For its part, the Administration continues to be seriously concerned about Soviet behavior with regard to compliance with arms control obligations and commitments. We are actively pursuing several such issues in confidential discussions with the Soviet Union and are seeking explanations, clarifications, and corrective actions. Issues of concern continue to be intensively studied by appropriate agencies, and I intend to keep the Congress informed on this important matter in the future.

Increased understanding of compliance issues and a solid Congressional consensus on the importance of compliance to achieving effective arms control will strengthen our efforts to negotiate equitable and verifiable agreements and will assist as we seek the resolution of important unresolved compliance issues. I look forward to continued close consultation with the Congress as we seek to make progress in resolving compliance issues relating to existing arms control agreements and in negotiating sound arms control agreements.

Sincerely,

A Quarter Century of Soviet Compliance Practices Under Arms Control Commitments: 1958-1983

SUMMARY—OCTOBER 1984

The General Advisory Committee on Arms Control and Disarmament (GAC) is a Presidential advisory committee established by the Arms Control and Disarmament Act of 1961. The members are private citizens appointed by the President with the advice and consent of the Senate. Its duties are to advise the President, the Secretary of State, and the Director of the Arms Control and Disarmament Agency on matters affecting arms control and disarmament and world peace. The current General Advisory Committee is bipartisan, and its members have been drawn from the scientific, academic, business, and national security communities. A number of its members have held high government positions in previous administrations. The General Advisory Committee provides advice and analysis that is independent from the bureaucratic process, with a point of view not tied to any particular institution.

INTRODUCTION

In response to President Reagan's request and in accord with its statutory mandate, [1] the President's General Advisory Committee on Arms Control and Disarmament has conducted an independent, comprehensive, one-year study of the long-term pattern of Soviet performance pertaining to arms control obligations arising from agreements and Soviet unilateral commitments. The classified report of that study, entitled A Quarter Century of Soviet Compliance Practices Under Arms Control Commitments: 1958-1983, was submitted to the President on December 2, 1983, with the Committee's unanimous endorsement, and has since been presented to senior administration officials and briefed to congressional committees and members upon their request. In accordance with Congressional Amendments to the Fiscal Year 1985 Defense Authorization Bill and in response to instruction from the White House, the General Advisory Committee has prepared this unclassified summary for transmittal to the Congress.

Using all available data concerning Soviet actions pertinent to such obligations, the Committee has determined that the Soviet Union's practices related to about half of its documentary arms control commitments have raised no questions regarding compliance. Soviet practices related to the other half, however, show material breaches—violations, probable violations, or circumventions—of contractual obligations.

Many of the compliance issues considered in the report have been reviewed by the U.S. Government, raised by the U.S. in the U.S.-Soviet Standing Consultative Commission, or brought to Soviet attention through diplomatic channels. The prevailing practice has been to consider each instance as an isolated event. The General Advisory Committee report is the first comprehensive U.S. study of all Soviet practices under arms control obligations since World War II and explores the cumulative pattern of pertinent Soviet conduct. Such a study, based on wide access to official information, has never before been done within the U.S. Government.

Twenty-six documentary agreements were examined, along with numerous unilateral Soviet commitments. The sources of information included previous U.S. Government studies and documents, Soviet statements, and briefings by a wide range of U.S. Government officials and nongovernment experts. While the Committee is grateful for assistance from many quarters, the Committee acknowledges full responsibility for the content of its report and this summary.

The report used a conceptual framework based upon the norms of international law.[2] According to these norms, treaty violations, circumventions which defeat the object and purpose of the treaty, and breaches of authoritative unilateral commitments all constitute material breaches and justify appropriate corrective measures. All types of material breaches are considered in the report, and the distinctions among them are noted.

The Committee has found that in most cases of alleged Soviet violations, the Soviets readily could have shown that the allegations were false—if they had been false. This the Soviets have repeatedly failed to do, even though diplomatic and other channels have been used by the U.S. in seeking to clarify possible misconceptions.

Past analyses (other than the President's report to the Congress of January 23, 1984) have tended to invoke standards of proof applicable only when powers to collect and to inspect evidence, to subpoena witnesses, to take testimony under oath, to prosecute for perjury, etc., are available as legal tools.

The General Advisory Committee's report distinguishes between instances for which the evidence supports high confidence that material Soviet breaches have occurred, and those cases for which the evidence gives substantial reason for suspicion but is short of being conclusive.

Categories used in the report are:

Areas of Apparent Soviet Compliance as determined within the limitations of U.S. verification capabilities.

Material Breaches ranging from highly probable to certain, including:

Violations of an international obligation involving conduct contrary to a treaty or other binding international agreement;

Breaches of authoritative unilateral commitments, whether written or oral, as well as unilateral commitments reciprocally negotiated; and

Circumventions, or practices incompatible with the essential objects or purposes of agreements though not in explicit violation of their terms.

Suspicious Events indicative of possible material breaches.

Breaches of the Duty of Good Faith incumbent upon all nation states.

The following summarizes areas of apparent Soviet compliance:

AREAS OF APPARENT SOVIET COMPLIANCE

Accident avoidance

1. Direct Communications Link/Hot Line Agreement of 1963, amended 1971.
2. USSR-US Accidents Agreement of 1971 (one violation, judged to be inadvertent).
3. USSR-United Kingdom Accidents Agreement of 1973.
4. USSR-France Accidents Agreement of 1976.

Nonproliferation

5. Nonproliferation Treaty of 1968.
6. Guidelines for Nuclear Transfers, IAEA INFCIRC/209 of 1974.
7. Guidelines for Nuclear Transfers, IAEA INFCIRC/254 of 1978.
8. Protocol II of the Treaty of Tlatelolco (Latin American Nuclear Free Zone), USSR Ratification of 1979.
9. Convention on the Physical Protection of Nuclear Material, USSR Ratification 1983.

Other

10. Antarctic Treaty of 1959.
11. Outer Space Treaty of 1967.
12. Seabed Treaty of 1971.
13. Convention on Environmental Modification of 1977.

The following summarizes specific instances of probable to certain Soviet noncompliance, as determined by the Committee's study:

Soviet violations, breaches of unilateral commitments, and circumventions defeating the object or purpose of arms control agreements: high confidence in reliability of data interpretation:

A. NON-SALT MATTERS

1. Nuclear Test Moratorium: breach of unilateral commitment to suspend all nucle-

[1] As specified in Section 26 of the Arms Control and disarmament Act of 1961 as amended. A list of members is attached.

[2] The Committee used the 1969 Vienna Convention on the Law of Treaties and decisions of the International Court of Justice as the principal legal basis for analyzing Soviet compliance behavior. (The United States is a signatory of the Vienna Convention; the Soviet Union is not. Neither nation has ratified it, but the Vienna Convention is regarded by both the U.S. and the Soviet Union as a codification of customary international law on treaty obligations, applicable to parties and non-parties alike.)

ar testing—by resuming and continuing atmospheric nuclear testing, 1961-1962.

In September 1961, the Soviet Union breached its unilateral commitment to the nuclear test moratorium upon giving three days of notice and while conducting related treaty negotiations with the U.S. This breach resulted in the Soviet Union testing a total explosive yield of more than 300 megatons in the ensuing 13 months.

2. Offensive Weapons in Cuba: breach of unilateral commitment not to send offensive weapons to Cuba—by the covert shipment and deployment of offensive weapons, 1962.

The Cuban missile crisis was caused by the breach of the Soviets' unilateral commitment not to send offensive weapons to Cuba, 1962.

3. Limited Test Ban Treaty of 1963: numerous violations of the prohibition on conducting nuclear tests that cause extraterritorial venting of radioactive debris—by testing nuclear devices that vent radioactive debris beyond the borders of the Soviet Union, 1965 to present.

The Limited Test Ban Treaty not only prohibits testing of nuclear weapons under water, in the atmosphere, and in space, but also bans the venting of underground explosions that cause radioactive debris to cross national boundaries. Since 1965, the Soviet Union has repeatedly allowed such radioactivity to vent in connection with many of its nuclear weapon tests. U.S. experience has shown that care can prevent such venting, and that Soviet violations of this treaty could reasonably have been prevented.

4. Offensive Weapons in Cuba: breach of unilateral commitments of 1962 and 1970 not to place offensive weapons in Cuba—by deploying and tending Soviet nuclear missile-carrying submarines in Cuban territorial waters, 1970-1974.

After the termination of the Cuban missile crisis, the record shows the Soviets did commit themselves not to base offensive weapons in Cuba if the U.S. refrained from invading Cuba. Soviet tending and operation of nuclear weapons submarines in Cuban territorial waters from 1970 to 1974 breached this unilateral commitment.

5. Biological Weapons Convention of 1972: violations of provisions requiring the destruction or diversion to peaceful purposes of all biological agents, toxins, weapons, equipment, and means of delivery—by the retention of facilities, continued biological munitions production, storage, transfer, and use, 1972 to present.

The Soviets' biological weapons program continued during the negotiating, signing, ratification, and entry into force of this treaty.

6. Geneva Protocol of 1925: Circumventions defeating the object and purpose of treaty provisions (a) by the transfer of chemical weapons and toxin weapons to their Vietnamese clients with subsequent use in Southeast Asia, 1975-1982; and (b) by Soviet use of lethal agents in Afghanistan, 1980-1982.

The Soviet reservations relative to the ratification of the Geneva Protocol of 1925, claiming exemption for first use against protocol Non-parties, might be put forward to explain the Soviet use of chemical and toxin weapons in Afghanistan, Laos, and Kampuchea. Such circumventions nevertheless defeat the object and purpose of banning first use of lethal chemical or toxin weapons. The Soviets have not asserted this or other legal defense of their actions, but rather they have denied the facts of the matter, falsely claiming no such use.

7. Montreux Convention of 1936: violations of the prohibition on the transit of aircraft carriers through the Turkish Straits—by the recurring transit of Soviet KIEV-class aircraft carriers, 1976 to present.

The Soviets additionally have under construction at their Black Sea shipyards an even larger aircraft carrier that will also violate the Montreux Convention upon passage to the open seas.

8. Helsinki Final Act of 1975: violations of the commitment to notify Final Act Parties and provide specified data 21 days before conducting exercises of more than 25,000 troops—by undertaking major military troop maneuvers without providing specified information concerning the maneuvers, March and September 1981, and June 1983.

9. Conventional Weapons Convention of 1981: violations of customary international law—by failing to observe the Treaty between signing and ratification—by the use of booby-trap mines and incendiary weapons against civilians in Afghanistan, 1981-1982.

10. The March 16, 1982, Brezhnev-declared Moratorium (further clarified in May 1982) on the completion of SS-20 ballistic missile launchers in the European part of the U.S.S.R.: breach of unilateral commitment—by the continued construction of SS-20 bases and facilities in the European part of the Soviet Union, March 1982 to November 1983.

On March 16, 1982, President Brezhnev committed the Soviet Union to a moratorium on the completion of SS-20 launch facilities in the European part of the Soviet Union. In May 1982, President Brezhnev specified "an end to the construction of launching positions" as part of the moratorium. The continued construction and completion of 36 SS-20 sites in 1982 and 1983 violated that unilateral commitment.

B. SALT MATTERS

1. The SALT I Interim Agreement on Offensive Arms, 1972: circumvention defeating the stated U.S. object and purpose of limiting the throwweight of Soviet ICBMs and breach of the 1972 Principles Agreement—by the deployment of the large throwweight SS-19 and SS-17 ICBMs, 1972 to present.

The SALT I Interim Agreement prohibits the conversion of launchers for light ICBMs into launchers for heavy ICBMs. The intent of this provision was to limit the growth of ICBM throwweight and its resultant potential counterforce capability. The Soviet conversion of launchers for the light SS-11 into launchers for the SS-17 and SS-19 ICBMs circumvents this provision, thereby defeating an essential stated U.S. object and purpose in entering into the agreement. This action widened the disparity between Soviet and U.S. strategic missile throwweight and increased significantly the threat to U.S. ICBMs.

2. The SALT I Interim Agreement on Offensive Arms, 1972, Article V(3); ABM Treaty of 1972, Article XII(3); SALT II Treaty of 1979, Article XV(3): violation of the provisions not to use deliberate concealment measures which impede verification of compliance by national technical means—by numerous deliberate concealment activities that impede verification of SALT Agreements, 1972 to present.

The SALT I agreements and the exchange of commitments made concerning SALT II bind the U.S. and the Soviet Union not to use deliberate concealment measures which impede verification, by national technical means, of compliance with provisions of these agreements. However, during the decade of the 1970s, there has been a substantial increase in Soviet arms control-related concealment activities. An example of Soviet concealment activities that clearly impede U.S. verification efforts is the encryption of the SS-X-25 missile telemetry, which impedes the U.S. ability to determine the characteristics of this missile, including characteristics controlled by SALT II. (This issue is further discussed below.) A second example of prohibited deliberate Soviet concealment activity is connected with the probable continued deployment of the SS-16 ICBM at Plesetsk. The present Soviet concealment activities constitute a continuing violation of binding commitments.

3. The ABM Treaty of 1972: violation of the prohibition on the development and deployment of non-permanently fixed ABM radar [Article V(1) Common Understanding C]—by the development and deployment of such a radar on the Kamchatka Peninsula in 1975, and by continuing developmental activities between 1975 and the present.

The ABM Treaty prohibits the development, testing and deployment of mobile ABM components. During the negotiations the U.S. and the Soviet delegations agreed (on January 29, 1972 and April 13, 1972 respectively) that this provision would rule out deployment of ABM launchers and radars which "were not permanent fixed types." This agreement constitutes a binding interpretation of the treaty.

4. SALT I Interim Agreement of 1972, Protocol: violations of the numerical launcher limits—by the deployment of DELTA submarines exceeding the limit of 740 launch tubes on modern ballistic missile submarines without dismantling sufficient older ICBM or SLBM launchers, March 1976 to October 1977.

The SALT I Interim Agreement required the Soviets to dismantle ICBM launchers to compensate for modern SLBM launchers in excess of 740. Following the sea trials of new DELTA-class submarines in 1976 and 1977, the Soviets did not dismantle a sufficient number of launchers to compensate for deployments of their new submarine ballistic missile launchers. Upon U.S. inquiry, the Soviets admitted this excess, but failed to accelerate their dismantling activities.

The Committee has reviewed the data relative to this matter, and has concluded that their violation was probably not inadvertent, but rather was part of a deliberate Soviet effort to challenge U.S. arms control verification capabilities.

5. SALT II Treaty of 1979: probable violation of the provision banning the production, testing, and deployment of the SS-16 mobile ICBM—by the probable continued deployment of SS-16 ICBMs at Plesetsk, and by falsifying the SALT II data base identifying specific systems and their numbers covered by the Treaty, 1979 to present.

The SALT II Treaty prohibits the deployment of the SS-16 ICMB (Soviet designation—RS-14). Deliberate Soviet concealment which impedes verification of compliance by U.S. national technical means has been associated with the probable SS-16 deployment. Nevertheless, the SS-16 apparently has been maintained at Plesetsk since the signing of the Treaty, in violation of Soviet commitments relative to that treaty. The probable existence of the SS-16 at Plesetsk also shows that Soviets deliberately falsified the SALT II data base concerning the number of ICMB launchers. This data base was to be corrected semi-annually; however, the Soviets have not corrected it.

6. SALT II Treaty of 1979: probable violation of Article IV (9) which limits each side

to one new type ICMB—by the testing of a second new type ICMB, February 1983 to present; violation of the anti-MIRV provision of article IV(10)—by testing a lighter warhead than the Treaty allows; and violation by the deliberate concealment (encryption) of data, contrary to Article XV(3), May 1983 to present.

SALT II allows each party to develop only one new type of ICMB. Since the Soviets have designated the SS-X-24 as that one new type, the SS-X-25, which appears to be another new type of ICMB, violates the Treaty. The Soviets, however, claim that this missile is a modification of the SS-13, an ICMB developed in the mid-60s.

While common sense judgment would hold a 1980's high technology missile to be new, the extensive encryption of the flight telemetry impedes U.S. understanding of the missile. U.S. analyses, however, indicate that it is very likely that the missile fits the Treaty definition of a new type of ICBM.

7. The SALT I ABM Treaty of 1972: violation of Article VI(b) limiting the location and orientation of radar deployment—by the construction of a large, phased array radar not located on the periphery of the Soviet Union and not oriented outward, 1981 to present.

The ABM Treaty restricts the deployment of early warning radars to sites on the periphery of the national territory; such radars must also be oriented outward. The construction and orientation of such a radar near the city of Krasnoyarsk, an interior site, violate this provision. The design of the facility is substantially identical to another radar declared by the Soviets to be an early warning radar. The Soviets, however, have stated that the Krasnoyarsk radar is a "space tracking" radar. All early warning radars can also perform limited "space tracking" functions, and while this radar is no exception, its location and geometry are inappropriate for a dedicated space tracking radar.

SUSPICIOUS SOVIET ACTIVITIES RELATED TO ARMS CONTROL COMMITMENTS

The Committee also reviewed fifteen areas of Soviet activity that raise suspicion of further material breaches of arms control agreements. In these cases the data neither confirm that a material breach has occurred nor eliminate suspicion concerning non-compliance. Most of these suspicious activities have been connected with Soviet offensive forces and may indicate the existence of either an offensive force structure in excess of that allowed by various agreements, or offensive weapons with greater capability than allowed by agreements. In addition, several events are indicative of further violations or circumventions of the ABM Treaty, and a review of Soviet testing of nuclear explosives strongly suggests that the Soviets may have repeatedly violated the Threshold Test Ban Treaty. Moreover, other Soviet activities may relate to obligations under the provisions of one or more accords addressing non-interference with national technical means of verification of compliance. Each of these activities may indicate Soviet plans and efforts to develop further military capabilities of considerable significance.

BREACHES OF THE DUTY OF GOOD FAITH

Customary international law, as codified by the Vienna Convention of the Law of Treaties and by decisions of the International Court of Justice, obligates nations to act in good faith in their dealings with other nations. The Committee reviewed a number of Soviet actions which, while not material breaches of binding agreements, were breaches of that duty of good faith. Some Soviet actions in this category have been misrepresentations made during arms control negotiations or after binding agreements came into effect. An example of such misrepresentation concerns the erroneous data provided by Soviet negotiators at the Mutual Balanced Force Reduction negotiations in Vienna concerning Warsaw Pact troop numbers. This material misrepresentation has been a major barrier in these negotiations.

The Soviets have also disregarded all six unilateral declarations made by the U.S. in SALT I to clarify constraints upon Soviet forces under that agreement. While unilateral declarations do not bind the other party, Soviet unwillingness either to concur promptly or to take exception to such U.S. statements constitutes a breach of the duty of good faith in negotiations.

Further, the Soviets have demonstrated a lack of good faith by their largely non-responsive posture concerning compliance concerns brought to their attention by the U.S. Government over a span of nearly two decades.

PATTERNS IN SOVIET COMPLIANCE PRACTICES

The Soviet Union's actions since 1958 concerning arms control agreements demonstrate a pattern of pursuing military advantage through selective disregard for its international arms control duties and commitments.

The Committee found recurring instances of Soviet conduct involving deliberate deception, misdirection, and falsification of data during negotiations. In addition to the military value accruing to the Soviets from individual violations, the overall pattern of Soviet practices could have several possible motivations:

(1) The Soviets may be indifferent to U.S. objections and responses to their non-compliance with arms control treaties.

(2) The Soviets may be attempting to weigh the effectiveness of U.S. verification capabilities.

(3) The Soviets may be testing U.S. willingness to reach definitive conclusions concerning Soviet arms control compliance.

(4) The Soviets may be testing U.S. and international resolve and responses to their arms control behavior.

(5) These activities, as well as the other concealment activities, may be intended to raise the level of U.S. confusion in order to hide more serious covert activities, such as development and deployment of a ballistic missile defense system.

Soviet denial activities significantly increased over the last quarter century and today are challenging U.S. verification capabilities despite improvements in U.S. verification technology. Deliberate Soviet efforts to counter U.S. national technical means of verfication strongly indicate a Soviet intention to persevere in circumventing and violating agreements.

U.S. verification capabilities have not deterred the Soviets from violating arms control commitments. Furthermore, the near total reliance on secret diplomacy in seeking to restore Soviet compliance has been largely ineffective. The U.S. record of raising its concerns about Soviet non-compliance exclusively in the Standing Consultative Commission and through various high level diplomatic demarches demonstrates the ineffectiveness of this process. In contrast, the international participation in verifying the use of chemical and toxin weapons and the disclosure to the public of such use may have contributed to limiting the extent of these prohibited Soviet activities.

The United States has never had a long-range, comprehensive strategy to deter and if necessary initiate measures to offset Soviet arms control non-compliance. Development of a U.S. arms control policy that anticipates Soviet behavior in light of the historical compliance record was beyond the scope of the Committee's review. Nevertheless, the development of means to safeguard the U.S. against Soviet non-compliance is essential if the arms control process is to avoid being further undermined, if it is to have favorable long-term prospects, if it is to build trust among nations, and if it is to contribute to U.S. national security and the cause of peace.

U.S. efforts to obtain Soviet compliance have been most effective when reliable information about compliance has been presented to the American people and to the world. The strength of America's democracy lies in an informed citizenry. Fundamental to this nation's effort to negotiate equitable and verifiable arms control agreements is an American public informed on the critical issue of arms control compliance.

GENERAL ADVISORY COMMITTEE ON ARMS CONTROL AND DISARMAMENT

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Colin Spencer Gray. President of the National Institute for Public Policy in Virginia. Formerly the Director of National Security Studies at the Hudson Institute in New York.

Roland F. Herbst, has been with R&D Associates, Marina del Rey, California since 1971. Formerly Deputy Director, Defense Research and Engineering (Space and Strategic Systems), Office of the Secretary of Defense, 1969-1971.

Francis P. Hoeber. President of Hoeber Corp., Arlington, Virginia since 1974. Formerly with the Rand Corporation (1968-1974) and the Stanford Research Institute (1960-1968).

Robert B. Hotz. Senior Editorial Consultant, McGraw-Hill Publications. He is also an author and lecturer. Formerly editor-in-chief and publisher of Aviation Week and Space Technology magazine.

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Harriet Fast Scott. Author and lecturer. She serves as a consultant on Soviet military and political-military affairs to various research institutions and government organizations. Formerly with Stanford Research Institute.

Laurence Hirsch Silberman. Partner, Morrison and Foerster, Washington, D.C. Also a visiting fellow of the American Enterprise Institute and member of the Council on Foreign Relations. Formerly Ambassador to Yugoslavia 1975-1977. Deputy Attorney General of the United States 1974-1975, Under Secretary of Labor, 1970-1973.

U.S. UNILATERAL DISARMAMENT

Mr. McCLURE. Mr. President, it is interesting to note that U.S. policy of continuing to comply unilaterally with the unratified, expired SALT II Treaty rests upon three criteria:

First, Soviet actions correcting their noncompliance;

Second, Soviet actions reversing their military buildup;

Third, Soviet actions promoting progress in Geneva.

But the Soviets are still refusing to acknowledge or reverse their SALT violations, are continuing their massive and relentless military buildup and are refusing to make specific negotiation progress in the Geneva umbrella or START negotiations. Thus by each of the three U.S. criteria for continuing to unilaterally comply with SALT I and II, there is no logic in the U.S. policy except that of unilateral disarmament and appeasement.

But as President Reagan stated on June 10, 1985, to Congress:

> Appropriate and proportionate responses to Soviet noncompliance are called for to ensure our security . . .

I strongly agree with President Reagan, and that is why I authored the proportionate response language in the fiscal year 1986 Defense authorization bill on June 5, 1985. The President and the Congress will be challenged in the fiscal year 1987 Defense bills to enact significant proportionate responses to the Soviet SALT violations.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

The Senate resumed the consideration of Senate Joint Resolution 225.

Mr. DIXON. Mr. President, what is the order of business at this time?

The PRESIDING OFFICER. The question is on the amendment in the nature of a substitute to Senate Joint Resolution 225.

Mr. DIXON. Mr. President, in connection with the efforts of my distinguished colleague from Illinois, I congratulate my distinguished colleague on the exceptional work that he has done in the Judiciary Committee there with his colleagues and here on the floor in connection with this amendment.

I had indicated to him earlier in a private discussion that for some time I have been committed to the idea of a line-item and reduction veto power in the President, and it had been my intention to offer an amendment to his constitutional amendment to provide for that authority in the President. But it has concerned me that by virtue of that, I might intrude into this constitutional amendment, a highly controversial subject, that would cause him some grief in connection with what is a very difficult problem at best in seeking to persuade two-thirds of his colleagues to support a constitutional amendment.

So, I wish to say for the record that I will not offer that amendment to his constitutional amendment that would provide for a line-item and reduction veto power in the President, reserving to Congress a right to override by a constitutional amendment.

I know I speak for many of his friends and associates when I say that we congratulate him on a job well done in connection with bringing this measure to the floor and in connection with his work to date on this important subject matter.

Mr. SIMON. Mr. President, I thank my colleague with whom I served in the State legislature. We have been friends and associates for a long time.

It is, as he has implied, a carefully crafted amendment that Senator DECONCINI, Senator THURMOND, Senator HATCH, and I have worked on. I really appreciate his willingness not to offer that amendment.

It is an amendment that has much merit but it is an amendment also, I say with great respect to my distinguished colleague, that might detract from our ability to pass the amendment. Getting two-thirds in the Senate is not an easy thing. I applaud his interest in this whole subject.

My colleague from Illinois is one who has been interested in sane, sound, fiscal policies when he was in State government, and he is interested in it in the Federal Government.

Mr. EXON. Mr. President, I wonder if I might pose a question or two to some of the sponsors of the bill, and certainly either my good friend from Illinois or my good friend from South Carolina very likely will be able to respond.

As both of them very likely know, this Senator has supported constitutional amendments to balance the budget in the past, and I intend to support the work product of the four distinguished Senators whose names appear as the principal sponsors of the contitutional amendment that is now before us and upon which I expect we will be voting, I hope successfully, by some time next week.

I would say that I also had an amendment prepared to the measure as it was originally brought out of the committee. That amendment had to do with an amendment that I introduced the last time this matter was before the body with regard to requiring that the President of the United States become involved in this process directly and be so stated in either a law or a constitutional amendment requiring the President of the United States to submit a balanced budget each and every year to the Congress of the United States or, failing that, a statement as to why he could not. I recognized that, with the changes that have now been made, that amendment would not fit very well, it seems to me, with the amendment being offered. So, at least at this time, I am not offering that amendment, again in a spirit of compromise, hoping that we can get something through.

Having said that, I have a question or two about whether or not we may have compromised down this amendment to the place it might not do what I think myself, the sponsors, and most of the people in the Senate who support this measure might like to see. Therefore, I have a question. I am not sure of the enforcement mechanism. If this passes by the required vote in the Senate and if it is ratified by the required number of the States, then it becomes a part of the Constitution and we assume that would be a constructive move.

However, I do have some question regarding the lack of what I can see as a significant "enforcement mechanism" in the measure before us.

Before I ask the question, I simply want to state that I served as the Governor of my State for 8 years. We have a constitutional provision that the State of Nebraska cannot borrow money. Therefore, when the State of Nebraska runs out of money at any time, to follow the law, it is a requirement that the Governor call a special session of the legislature. A special session of the legislature meets and they have the responsibility of either cutting expenditures enough so that we are in balance or raising revenues. So that is an effective enforcement mechanism that from time to time forces the Legislature of Nebraska and the Governor of Nebraska to face up to the fact that they cannot operate in the red.

Now, as I take it, this amendment is intended to do the same thing. Can the sponsors of the amendment answer my question that is phrased this way: Let us assume that this becomes a part of the Constitution. And let us suppose that at some year in the future, we have a trillion-dollar budget for the United States of America. We will be over that the next time, but let us just take the trillion-dollar figure. That is the budget. Things are going along fine. Income is meeting outgo; everything looks good. Something

happens, as it has frequently happened just in my 7 years of service in this body, where things dramatically change in a relatively short period of time.

What would happen under this constitutional amendment in full force and effect, if, for example, on a $1 trillion budget, it should be decided in August of a fiscal year that we are all at once, let us say, $2 billion short, so that at the end of the fiscal year on October 1, upcoming in that particular year, we would not have a balanced budget? Indeed, we are going to be $2 billion in the red. Under that kind of a scenario, what, if anything, would happen if the constitutional amendment before us ever becomes operative?

Mr. SIMON. Will my colleague yield?

Mr. EXON. I am glad to yield.

Mr. SIMON. I appreciate his question. I also appreciate the Senator not offering the amendment that he mentioned. I agree that it is absolutely desirable that the President give us a balanced budget each year. I think Congress is better off addressing that issue through statute, rather than in the Constitution.

What we must make clear is that Congress has to work out an implementation mechanism. Once we pass this broad outline, then Congress is going to have to follow through and say, among other things, that a little bit of leeway is essential, 1 percent, something like that; then, we have to live with that.

If, as suggested, the bottom drops out of the economy or something like that, then we have the choice of a three-fifths vote or other mechanisms we can work out. Or if Congress failed to act, if we passed no implementing——

Mr. EXON. If it could not get three-fifths.

Mr. SIMON. Then any citizen could go into the courts and the courts would probably tell us, "You have 60 days to work something out, Congress."

No. 1, I do not think we will get that far. I think just as we have worked out Gramm-Rudman-Hollings as a mechanism structured to move us in the right direction, we will work out mechanisms to solve this. I cannot tell what they are going to be, but I think this body can find those sensible mechanisms.

We know we have to act and, if we do not act, ultimately the courts will force either us to act or hand the authority over to the executive branch.

(Mr. HUMPHREY assumed the chair.)

Mr. EXON. If I understand my friend from Illinois, what he is telling me in essence is that the question that I posed is a good one and his answer to that is that if this amendment becomes part of the Constitution, as we hope, then it would be the responsibility of the Congress working in conjunction and in cooperation, hopefully, with the President of the United States and the executive branch to later work out the enforcement mechanism that I think is obviously lacking at this particular time.

Mr. SIMON. The Senator from Nebraska is absolutely correct.

I see the distinguished chairman of the Judiciary Committee standing. Perhaps he wishes to add something.

Mr. THURMOND. I thank the Senator. I think the able Senator from Illinois has covered the point. I might say that there probably would be a statute passed by the Congress on the enforcement issue. I think the courts would probably construe the constitutional amendment as a self-enforcing amendment. The discussion between the two Senators has been altogether properly in line.

Mr. EXON. Let me just say this by explanation for the record: It seems to me, therefore, the position that we are in, if we are successful in passing this, and if it is ratified by the States and, therefore, becomes a part of the Constitution, is we will at least have taken a meaningful step forward so it would force the executive and the legislative branch simply not to go on as we have for a whole series of years and really not worry about the deficit because all we have to do is add to it.

It would seem to me, then, that the answer to the scenario that I outlined might be that in a $1 trillion budget in August of the year where we are obviously going to be $2 billion short, the Court would not have time to act, I would think, between August and October, but then what would happen in that event, I would guess, would be that we would indeed end up the year $2 billion short of meeting income and outgo as dictated. At that time, even if we do nothing else, it would be the responsibility of the President and the Congress for the next year to make up that $2 billion in that next year and not go along with the assumption of let us not worry about it, let us just start piling that $2 billion on top of $5 billion the next year and $12 billion the year after that.

Is that a fair assessment to make with regard to this?

Mr. THURMOND. My State has a constitutional amendment that mandates a balanced budget. When I was Governor, 1 year receipts ran short, and the legislature came in and put on a little tax and made it right up.

Here I think there would be a little flexibility and the Congress would have that flexibility. But I think it would have to take action to either cut expenses or put on some tax to make it up. That is my judgment. We would have to do that.

Mr. EXON. I agree—and I will be glad to yield to my friend from Illinois in a second—but all I am saying is that we have not yet created a mechanism that we hope we can create later on to address this during a fiscal year. It is very clear if this becomes a constitutional amendment, to use the scenario that I used, that the Congress could not, certainly, at the end of that fiscal year when we are $2 billion in the red, pass another hold the line $1 trillion budget and not do anything about the $2 billion shortfall that we had for the year. So at least, at the minimum, if we do not do anything else, this is a matter that would be forced to be addressed at the beginning of each fiscal year, and, if we miss our mark, at least we would not be more than a year and a few months out of balance. Is that correct?

Mr. THURMOND. I think the Senator has stated it very well. I think the very fact that we have a constitutional amendment to mandate a balanced budget is going to have a tremendous effect. I am convinced that if we pass this amendment that you are going to see the budget balanced from then on.

I congratulate the able Senator for supporting this amendment and the fine support he has given in the past.

Mr. EXON. I yield to my friend from Illinois.

Mr. SIMON. I join my colleague from South Carolina in commending the Senator from Nebraska for posing these questions which are very important, fundamental questions. The scenario will be either as the Senator from Nebraska suggests or as the Senator from South Carolina suggests, that we have to deal with this one way or another. We cannot continue to pile up this indebtedness.

In earlier remarks today I pointed out from the beginning of our Republic until the end of 1917 we accumulated a grand total of $3 million in indebtedness. That was the indebtedness of this country at the end of 1917. Since then it has been growing and growing.

I commend the Senator from Nebraska. I think he has to be part of working out this implementation mechanism. We have to work out some practical mechanism.

I also agree with my colleague from South Carolina. With this amendment to the Constitution, there would be a discipline that Congress has lacked. We are going to have to face up to this deficit.

Mr. EXON. I thank my friend from South Carolina and my friend from Illinois for their kind remarks and their straightforward answers to my questions.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY AND THE BALANCED BUDGET AMENDMENT

Mr. HEINZ. Mr. President, according to the schedule of business for floor consideration, the Senate has begun debate on proposals for a constitutional amendment to balance the budget. These proposals raise a host of issues, but I will limit my remarks at this point to reminding my colleagues of the serious damage to the Social Security system that could result from an over-broad or badly drawn constitutional amendment. If we are going to get serious about a balanced budget, let's make sure we don't use Social Security to balance the scale.

As I pointed out in 1982, when we first considered this proposal, the potential for serious damage arises from the need for long-term planning in the Social Security system. We all know that neither Congress nor the administration always has a good handle on the long-term picture. Congress funds the Federal Government on a year-to-year basis. When we are doing an exceptional job, we look as far as 3 years into the future. In contrast, Social Security looks 75 years into the future, and attempts to structure its funding to meet its needs over this very long haul.

What sort of long-term plans does Social Security need to make? Well, Mr. President, the chief problem for Social Security concerns its adjustment to the baby-boom generation, which is moving through America's demographic profile like a large rabbit swallowed by a small snake. The retirement of the baby boom, beginning around the year 2012, will greatly increase benefit outlays. In preparation for this, the 1983 Social Security Solvency Act provided for Social Security to build up a large surplus during the working years of those baby boomers. This surplus, at its peak, will equal five times the annual outlays of the system. Translated to today's outlays, that surplus would equal about $1 trillion. The actual dollar surplus 25 years from now would be several times this amount. After reaching this peak, the system will run deficits for many years, and gradually spend down the surplus.

Like Joseph in Egypt, the Social Security system plans for years of plenty followed by years of famine. In contrast, the proposed amendments seek to keep total Government outlays closely in line with receipts—not just over the long term, but in each and every budget year.

I believe that even the sponsors of the various proposed amendments will agree that the long-term scenario for Social Security directly conflicts with that proposed for the Federal budget as a whole under a balanced budget amendment. The heart of this conflict lies in the unique nature of Social Security as a trust fund system, meaning that the revenues generated by its payroll tax can be spent only on benefits, and its assets must be sufficient to meet each month's benefit payments. In considering a balanced budget amendment, we must ask ourselves exactly how, as a practical matter, can we possibly, take this self-contained system, that specifically plans to run years of surpluses followed by years of deficits, and force it into a rigid budget structure with other programs that have different sources of revenue, and which are far more amenable to year-by-year funding. Clearly, these two types of programs simply do not mix.

What specifically will happen if a balanced budget amendment includes the Social Security trust funds? Mr. President, I believe several problems will arise.

The chief problem concerns the surpluses in Social Security. Let's begin with the situation in 1991, when we will reach a zero deficit under Gramm-Rudman. If Social Security is included in the calculations under a constitutional amendment, we will also reach the balance that the amendment mandates. This balance, however, will be completely illusory. The Social Security system is expected to run a $68 billion surplus in 1991, a number that will rise steadily over the succeeding 20 years. Where will that surplus go? The answer is obvious, the surplus will be used to fund other programs such as defense, education, nutrition and so forth. As worthy as those programs might be, the Social Security surplus will disguise their true cost, and Congress will spend far more on them than the Nation's general revenue sources, can actually pay for.

It will appear to the public that Congress has balanced the budget and met the command of the amended Constitution, but the reverse will be true. Forcing the Social Security surplus into the budget for other programs, despite the appearance of a balanced budget, will in reality grossly distort the budget for those other programs. This distortion will grow more pronounced with each passing year—as the trust fund surplus grows larger, so will the programs that feed off it. Ultimately, the balanced budget amendment will create the very monster it seeks to destroy—a massive and entrenched structural deficit.

This structural deficit will lay dormant for years. The crisis won't surface until the annual trust fund surplus levels off about the year 2010. Then as the surplus starts to decline, we'll have to pay the piper for a Government we built around the false budgetary prosperity created by the surplus. When that false prosperity is cut off, Congress will find it difficult if not virtually impossible to suddenly cut or end the programs that will have built up. If we don't act now to remove Social Security from the balanced budget calculation, we will ultimately face a round of budget cuts that will make Gramm-Rudman look like penny-ante poker.

I think I can almost hear some of my colleagues, and others, saying: "We can solve that problem easily. Let's just cut Social Security taxes and reduce the surplus." This takes us into dangerous territory, Mr. President. I believe it is perfectly legitimate to question the need for large surpluses when it is done in the context of debate over the long-term needs of the system. However, tampering with the solvency of the trust funds simply to balance 1 year's ledger sheet threatens the foundations of the entire system.

Congress must respect the necessary long-term integrity of Social Security. The system is designed as a contract between generations, balancing the interests of the young, the old, the rich, and the poor. If we destabilize the system, and give today's workers grounds to question the security of their retirement, those workers will abandon the contract, abandon the system, and abandon the old. And when those workers retire, they will face the same treatment from their children. Mr. President, a balanced budget amendment that includes Social Security holds the very real promise of turning one generation against another, to the detriment of all of us.

The problems with a balanced budget amendment are not limited to those resulting from the trust fund surplus. Even if we do somehow avoid the threat of huge structural deficits, we need to ask ourselves what will happen to a constitutionally balanced budget during the years after 2015, when the trust fund starts to run large deficits, and spends down its reserves, As Social Security benefits grow as a proportion of constitutionally limited outlays, what will happen to other Federal programs? Well, Mr. President, if Congress is prevented from raising revenues, the existence of large year-to-year deficits in the trust fund will force Congress to either cut general Government programs or cut Social Security benefits. Something will have to give in that situation, and many fear that Social Security benefits will come out the loser.

What makes this situation worse, Mr. President, is that the impact of this crisis won't wait 30 years to make itself known. Casting doubt on the future of Social Security benefits destabilizes the system today by shaking

peoples faith. Many in the baby-boom generation already fear that Social Security won't be there when they need it. If we don't act swiftly to exempt the trust funds from the balanced budget constraints, then they and many others will indeed have reason to worry. As I described earlier, and as I have stated on many occasions, including Social Security in balanced budget proposals runs the risk of setting generation against generation, and ultimately destroying a system of retirement security that is literally indispensable.

Mr. President, I fear that the proposed balanced budget amendments set up the very real possibility that the U.S. Constitution will ultimately force the Federal Government to break its contract with America's older citizens. Our responsibility in considering these proposals is to ensure that our zeal to balance the Federal budget does not inadvertently sink the Social Security system. I believe that any amendment should accommodate the long-term plans for Social Security, allow the program to adjust to a changing demographic landscape, and, at the very least, avoid introducing massive amounts of uncertainty into this country's retirement policy.

In their examination of the proposals before us, I urge my colleagues to carefully consider the problems I have addressed.

SUPPORT OF BALANCED BUDGET AMENDMENT

Mrs. HAWKINS. Mr. President, I rise in support of the balanced budget amendment as offered in Senate Joint Resolution 225. This is the responsible way to deal with the realities of the Federal budget. Too often rhetoric dealing with the intentions of Senators attempting to impose automatic mandates on the budget process ignore the very real necessities of specific Government programs. This amendment would force the Members of Congress to face the tough votes they were sent here to make. Instead of providing them with rhetorical sanctuary behind an unaccountable budget process.

This amendment allows Congress to deal with the unexpected. Once the balanced budget is in place and set into law, few Senators will be unwilling to risk breaking the law to deal with emergency situations. This amendment provides for just such an unforseeable event, without unduly labeling Senators as budget breakers and allows Congress a second chance.

An example of a situation which may arise that would justify this exception to the balanced budget is the price of childhood vaccines. The Federal Government currently purchases over 50 percent of the childhood vaccines for its national immunization effort. This program is extremely cost effective given the tremendous cost both in terms of finances and human terms of not adequately immunizing our children against these deadly and contagious childhood diseases. I am sure that no Member of this body wants to see a return of the iron lung and the destruction caused by the rubella and polio outbreaks. Continued funding of the Center for Disease Control's Immunization Program has always been a top priority of Congress, in every administration. But unfortunately the price of childhood vaccines is not constant. The price is controlled not by supply and demand or even technology, but by insurance and liability concerns fueled by the increase in lawsuits. Over the past 2 years, the price for the vaccine for diptheria, pertussis and tetanus has increased by 300 percent. Congress and the administration have no control over these price increases. We are at the mercy of the remaining manufacturers who chose to remain in the market. I hope such a situation never occurs, but if it does, we must have a mechanism that will enable us to respond to such an emergency situation.

Once again Mr. President, I would like to commend Mr. THURMOND for introducing this amendment. This amendment is responsible government and allows us to deal with the unexpected should the need arise.

Mr. ABDNOR. Mr. President, it is time for Congress to finally take action that has long been demanded by the American people, and by more than a few of us in this body.

It is time to, once and for all, tear up the congressional credit card. Congress has used this card to run up enormous debts that our children and grandchildren will spend their lives paying. It's time to begin thinking about the economic security of those future generations, and stop mortgaging the future with our generation's excessive spending.

Three years ago, I cosponsored the balanced budget constitutional amendment. By not passing the amendment at that time, American taxpayers have paid a heavy price. In the 3 years that have lapsed since then, Congress has added over $600 billion to the national debt, or $2,500 more indebtedness for every American man, woman, and child.

The only way to keep Congress from exacerbating this problem is to hamstring it so that it cannot continue to spend this country into oblivion. I have no qualms about creating a constitutional amendment to enforce fiscal responsibility upon this Nation's policymakers.

By passing this balanced budget amendment, we will make government live by the same rule that we all live by in our households—that you can't spend more than you take in. By spending excessively year after year, Congress has made it more difficult for millions of families to create budgets that they can live with.

By living within its means, Congress can create an economic environment that will lead to a better livelihood for virtually all Americans.

I hope that Congress has finally mustered the courage to pass this long overdue measure. The congressional credit card has been abused long enough. It's time to tear it up.

SENATOR LEAHY'S PRESCRIPTION FOR A NICARAGUA POLICY

Mr. PELL. Mr. President, I enthusiastically recommend that my colleagues in the Senate read the thoughtful and positive op-ed piece by Senator LEAHY that was published in the Boston Globe yesterday. As ranking minority member of the Foreign Relations Committee, I have voiced my objections about the administration's policy in Nicaragua, especially with regard to support of the Contras, "our terrorists," who continue to brutalize their own people.

Among the points made in his article is that the United States must get serious about supporting the Contadora process. With the Caraballa message of January, the Contadora process is being revitalized, thanks to the dedicated work of the foreign ministers of the Contadora nations and the support group. Nicaragua has declared its support for Caraballeda which paves the way for putting Contadora back on track. This should be the No. 1 priority for the United States—real support for a political settlement—not a failed policy of aid to the Contras.

As we move in this body for a vote on the administration's request to fund the Contras, I consider Senator LEAHY's article required reading.

I ask unanimous consent that the attached article be inserted in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Boston Globe, Mar. 5, 1986]

A BETTER WAY TO DEAL WITH NICARAGUA

(By Patrick J. Leahy)

WASHINGTON.—Congress and the president are about to lock horns again on one of the most divisive foreign policy issues of this decade: Should the United States continue trying to overthrow the Sandinista regime in Nicaragua? This fight should be avoided.

The administration is determined to continue its belligerent policy of military pressure and confrontation. It first tried to do this by financing contra rebels in a covert war against the Sandinistas. Congress rejected this discredited strategy after two years of raucous debates and a torrent of leaks about what was supposed to be a secret war.

After limping along this past year with a compromise humanitarian-aid program for the contras—a disguised welfare program to keep them alive and trigger-happy until a

fresh attempt could be made to get real weapons—the president has come forward with a new request.

Even as Congress is swallowing drastic domestic cuts to reduce the staggering federal deficit, the president asks us to approve $100 million in new aid to the rebels: $30 million will be in the form of "humanitarian" items such as boots, tents, trucks and aircraft; the remaining $70 million will be for arms. The president wants full authority to funnel that lethal equipment to the contras, which, without a doubt, means reinjecting the CIA into the Nicaraguan insurgency.

The president can get enough votes in the Senate to drag his request reluctantly along, even though real support for his policy of military pressure on the Nicaraguan government has dwindled sharply over the last two years.

There is a painful recognition, even among the president's closest supporters in the Senate, that his strategy for dealing with the Sandinistas is a failure. Forcing just enough votes for passage doesn't demonstrate national unity for this policy—let alone encourage other countries' support.

After five years, the hole we are in gets deeper every day. The Contadora process—a genuine attempt by our allies in the region to negotiate a political settlement to the dispute—is floundering. The foreign ministers of the Contadora countries and the Contadora support-group nations publicly call on the president to cease support of contra insurgency.

Confrontation has not made the Sandinistas more tractable or more interested in a lessening of tensions in Central America. On the contrary, Sandinista radicals, using U.S. pressure as a justification, have strengthened their grip. Massive quantities of Soviet, Cuban and other Soviet-bloc arms are flowing into Nicaragua to bolster their military forces.

The president's policy isn't working. Administration rhetoric aside, there are other constructive alternatives that could form a new, more positive approach:

U.S. support for the contra insurgency should cease. Having created the contras, the United States cannot now make them disappear. We can't back away and leave them in Honduras and Costa Rica, disgruntled, desperate and heavily armed. We would have to continue to feed and maintain them while assisting their relocation and resettlement.

The United States must become serious about supporting the Contadora negotiations and about engaging in bilateral talks with the Sandinistas. A mixture of economic, diplomatic and political pressure and incentives would provide the leverage the administration argues it must have in seeking a settlement.

Congress and the president should reach an understanding on the level of Soviet and Cuban influence in Central America that will be tolerated. The United States should not allow any Cuban or Soviet military bases or combat presence in Nicaragua. The introduction of offensive weapons from the Soviet Union or Cuba into Nicaragua should not be accepted. We must make clear that the United States would assist our Central American friends and allies in resisting any Sandinista attack on them.

Defining these elements and putting them into a coherent policy should occur in a national debate involving the president, both houses of Congress and the American people.

President Reagan and the hard-liners have been given five years to try to frighten the Sandinistas into concessions by supporting the contra insurgency. It hasn't worked—and won't work, no matter how much money and how many lives are expended. It is time for a change.

NAUM AND INNA MEIMAN

Mr. SIMON. Mr. President, I have, in two trips to the Soviet Union, visited with Prof. and Mrs. Naum Meiman, a couple who want to emigrate to Israel. He has been part of the Helsinki watch group there in the Soviet Union, part of a brave, small group that has stood up and said, "We want to see the Helsinki accord complied with."

They are a marvelous couple. Mrs. Meiman has had her fourth operation for cancer. Professor Meiman is 74 years old. He is not going to, realistically, live too many more years. I hope he lives to be 100. But the reality is that, at the age of 74, it is not likely that he has too many more years.

They want to emigrate to Israel.

I have visited with them twice. The first time, my daughter was with me. And I hasten to add she went over at our expense and not Government expense.

But I will never forget, when we were leaving their apartment. Mrs. Meiman was wearing a brooch. She took it off and handed it to my daughter and said, "Here, I want you to have it. If anything happens to me, I want someone to remember me."

I can tell you, there was not a dry eye in that apartment after she said that.

They want freedom. I am going to—from this day on, until the Meimans have a chance to emigrate, I am going to take a few minutes on the floor each day to talk about this fine couple. It is a small thing in the course of history and in the course of nations. But why we cannot permit these fine people to emigrate, I do not know. I hope the Soviet Union will recognize it as a better part of public relations to let these people emigrate.

EXPRESSING CONCERN FOR NAUM AND INNA MEIMAN

Mr. HART. Mr. President, 8 months ago, I participated in the Congressional Call to Conscience for Soviet Jewry on behalf of my good friends, Naum and Inna Meiman. Dr. Naum Meiman and his wife have been trying for years to leave the Soviet Union and join their daughter, Olga Plum, who is a constituent of mine in Colorado. The Meimans repeatedly have been denied emigration visas to seek medical treatment and to be reunited with their daughter. They have been told repeatedly that Mrs. Meiman is too ill to travel; that satisfactory medical treatment for Mrs. Meiman is already available in the Soviet Union; that a Ministry of Health certificate, stating that treatment abroad, is necessary, must be presented to Soviet emigration officals—only to be told by the Ministry of Health that such certificates do not exist.

It is little consolation that we, in the Congress, who have also been working for years on the Meimans' behalf are also frustrated. Our frustration is minor compared to what Naum and Inna Meiman must face every day. But it is real—and it is beyond my understanding what the Soviet authorities have to gain by continuing to deny the necessary exit visas to the Meimans.

I raised the Meimans' case directly with Soviet Foreign Minister Gromyko and other Soviet officals when I visited Moscow in January of last year. I have pursued the case with Soviet Ambassador Dobrynin and have written to General Secretary Mikhail Gorbachev asking his help in securing an exit visa for the Meimans. It is of the greatest importance that the Meimans and other Soviet Jews who wish to emigrate be reminded constantly that they have friends and supporters around the world. It is equally important the Soviet Government be constantly reminded of that fact.

I hope that my colleagues will join Senator SIMON and me in using every available opportunity and channel of communication to raise the Meiman case with Soviet Officials and diplomats. Improvement in United States-Soviet relations cannot be based solely on the status of arms control negotiations. Better relations must also be based on a recognition of, and respect for, basic human rights—including the right to emigrate.

I look forward to the day when the Senate can ratify an arms control agreement between the United States and the Soviet Union—and I look forward to the day when my family has the pleasure of visiting with Naum and Inna Meiman in our home in Denver.

Mr. DECONCINI. Mr. President, I am pleased to join my colleague, Senator SIMON, in reiterating our deep concern for the tragic fate of Naum and Inna Meiman. On November 4, 1985, I included a statement in the RECORD regarding a letter I had received from Naum which described his relentless, yet futile, pursuit to be granted permission to emigrate from the Soviet Union to Israel. Of particular concern to me at that time, and today, is the rapidly deteriorating health of Inna Meiman.

I recently learned that Inna's health has not improved and, in fact, has worsened. Although Inna has already undergone four cancer operations and has received numerous invitations from the West to receive the adequate medical care she desperately needs, she is not allowed to leave the Soviet Union for security reasons. It is

beyond comprehension that a 53-year-old gravely ill woman, who has never been involved in classified work, could possibly be a threat to her government's security.

This is an outrage. How much more can this family endure?

Until the Meimans are allowed to live the remaining few years of their lives in Israel, I will continue to be outspoken about their case. I will continue to let the appropriate Soviet authorities know that such inhumane treatment cannot be tolerated.

I commend Senator SIMON for pursuing this issue of concern to me, to my colleagues, and to the American people.

1986 CALL TO CONSCIENCE PROGRAM: INNA AND NAUM MEIMAN

Mr. MITCHELL. I appreciate this oportunity to speak out on behalf of Inna and Naum Meiman, two Soviet Jews who have been "refuseniks" since 1974.

We live in an age of international turmoil resulting from a seemingly uncontrollable arms race and incomprehensible terrorism. At the same time, there is an ever-growing interest among people everywhere in securing international peace and justice. We look to the leaders of the United States and the Soviet Union for our survival. We watch for some sign, some signal that things are really improving and that our efforts to bring about peace will not be in vain.

Often, as we work for peace, we are confronted by a myriad of stumbling blocks that seem to prevent us from forging ahead. They are often incomprehensible, unexplainable, arbitrary. We often grow discouraged. And yet, some greater force seems always to convince us that we must not give up hope; that we must continue to seek peace.

In many ways, the incomprehensible and arbitrary conditions under which we labor for peace reflect situations of "refuseniks" like Inna and Naum Meiman. Their desire for freedom—and in Inna's case, medical treatment unavailable in the Soviet Union—remain unfulfilled because of the intransigence of the powerful and arbitrary Soviet bureaucracy and its emigration policies. As a member of the Senate delegation to the Soviet Union last August, I had the opportunity to meet with the Meimans. I was struck by the courage with which they continued their now 11-year-old personal battle with what seems an impersonal and imperious foe.

We have much to learn from the personal struggles of the Meimans and their "refusenik" brothers and sisters. I have often been amazed by the spirit of freedom which they carry with them. For it is actually from their choice to defy Soviet authority, from their choice to become "refuseniks" that their strength flows. Let us not only continue to work for the human rights of Jews and other dissidents in the Soviet Union, including Inna and Naum Meiman, but also learn from their experiences. Like them, let us be strengthened by our choice to work for freedom, justice, and peace everywhere.

AVIATION SAFETY

Mr. EXON. Mr. President, as the ranking member of the Aviation Subcommittee, myself and others have been doing a great deal of work, effort, and investigation with regard to the overall matter of aviation safety.

Mr. President, I noticed a very interesting article in the Washington Post of March 1 by Richard Cohen. Mr. President, I ask unanimous consent that that article by Mr. Cohen be printed in the RECORD immediately at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. EXON. Mr. President, although I have not yet seen it, there was a news story out yesterday that the GAO has come out with a year-long report with regard to aviation safety, the whole matter of air traffic controllers, the whole matter of the aging of the commercial fleet, on which we will be holding hearings in the Aviation Subcommittee of the Commerce Committee in the near future. Also, GAO is making a report on the matter of inspections, to make sure that the airplanes that are flying under the deregulation that we are presently experiencing are indeed worthy of carrying these passengers with the safety with which the American public has become accustomed.

EXHIBIT 1

[From the Washington Post, Mar. 1, 1986]

DANGER ON THE WING

(By Richard Cohen)

Aside from an inexplicable urge to apply for the Journalist in Space program (I sat down until the feeling passed), there was never the slightest chance I would ever rocket off this Earth—to become weightless and babble Spacespeak, that clipped nonlanguage in which the death of seven persons is called an "anomaly."

But I do fly quite a bit. I used to do it mostly for fun, but now I do it almost entirely for business, and worry a lot that I will descend in a flaming anomaly. For that reason, I see the investigation into the explosion of the space shuttle Challenger as something that applies not only to the space program but to all forms of air transportation. The witnesses keep saying NASA, but I keep hearing TWA.

I choose TWA totally at random. I could have chosen Eastern or American, United or Pan Am. In fact, I could have chosen any of the airlines which, since deregulation, have been cutting fares, hammering their employees and offering bonus miles. All this suggests that safety is not job one. Making a buck is.

Just recently, leaders of the airlines pilots' union said that United Airlines, the nation's largest, was cutting costs by observing only minimal safety standards. Maybe. Union leaders sometimes say things for bargaining purposes that they cannot substantiate. (United responded by citing its safety record; not a single serious incident in 1985.)

Similar charges were leveled against Continental, Western and Eastern airlines, and American paid a $1.5 million fine to the Federal Aviation Administration in settlement of charges that its maintenance program was not up to snuff. It denied any violation.

The NASA investigation is, of course, about the shuttle—the one that goes into space, not the steerage-class one that scurries between Boston, New York and Washington for Eastern Airlines. But even on the nonprofit space shuttle, there were pressures. The program was behind schedule. There had been criticism. The president was going to refer to the shuttle in his State of the Union message. Morton Thiokol Inc., the maker of the rocket, was at the time negotiating a $1 billion NASA contract. A plucky and winning schoolteacher was being kept waiting, and, of course, space scientists, like anyone else, like to get on with it. It's the reason, storm or no storm, we drive to grandma's for Christmas. A schedule has almost a moral weight.

But even so, a moment of national epiphany—an instance when a light bulb of comprehension went on in all our heads—occurred when we learned that an engineer who had been arguing against launch because of the cold was given some haberdashery advice: "Take off your engineering hat and put on your management hat." Robert K. Lund, a Morton Thiokol vice president for engineering, was told. All of a sudden, the world looked different.

No enterprise, no company, can ever be totally shielded from financial pressures—nor, probably, should it be. But deregulation has put enormous pressure on U.S. airlines. Eastern, a wounded bird, fled into the wings of Texas Air to avoid bankruptcy. Continental went bust in one life, reorganized and returned sans its old unions. TWA is buying Ozark, and mighty Pan Am, for decades an American presence in the Pacific and Manhattan, had to sell both its office buildings and its once-storied routes to the Orient.

There are many lessons to be drawn from the NASA tragedy. Pick what you want. But for me, the explosion of the shuttle proves once again that safety is always an orphan. When it comes to the airlines industry, unless either profits are once again guaranteed or the government once again takes regulation seriously, the constant scratching for a buck is going to push aside safety concerns. It is too much to ask that an airlines industry scrapping for every dollar, penalized financially for every plane in the shop and demoralized in the work force by union-busting tactics and the specter of bankruptcies is not going to tell some pilot what Lund was told at NASA: Put on your management hat. When that happens, not even a helmet will help us.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he had approved and signed the following bills:

On February 27, 1986:

S. 1574. An act to provide for public education concerning the health consequences of using smokeless tobacco products.

On February 28, 1986:

S. 2036. An act to make certain technical corrections to amendments made by the Food Security Act of 1985, and for other purposes.

MESSAGES FROM THE HOUSE

At 5:26 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 1282. A bill to revise and extend provisions of the Public Health Service Act relating to primary care.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2625. A communication from the Acting Secretary of Agriculture transmitting, pursuant to law, a determination made that it is in the public interest to use procedures other than competitive to negotiate extensions of 14 contracts of the FmHA; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2626. A communication from the Comptroller General of the U.S. transmitting, pursuant to law, a report on the status of budget authority being withheld by the President contrary to the Impoundment Control Act; jointly, pursuant to the order of January 30, 1975, to the Committee on Appropriations, the Committee on the Budget, and the Committee on Energy and Natural Resources.

EC-2627. A communication from the General Counsel of the Department of Transportation transmitting, pursuant to law, copies of the FAA fy1987 budget requests; to the Committee on Commerce, Science, and Transportation.

EC-2628. A communication from the Commandant of the U.S. Coast Guard transmitting, pursuant to law, a report on functions to be studied for conversion to performance under contract; to the Committee on Commerce, Science, and Transportation.

EC-2629. A communication from the Chairman of the Prospective Payment Assessment Commission transmitting, pursuant to law, a report relative to Medicare prospective payment; to the Committee on Finance.

EC-2630. A communication from the Chairman of the U.S Merit Systems Protection Board transmitting, pursuant to law, a report on the number of 1985 appeals submitted to the Board, and their status; to the Committee on Governmental Affairs.

EC-2631. A communication from the Mayor of the District of Columbia transmitting a draft of proposed legislation to increase the amount authorized to be appropriated as the annual Federal payment to the District of Columbia; to the Committee on Governmental Affairs.

EC-2632. A communication from the Administrator of the Office of Juvenile Justice and Delinquency Prevention, Department of Justice, transmitting, pursuant to law, the ninth analysis and evaluation of Federal juvenile delinquency programs; to the Committee on the Judiciary.

EC-2633. A communication from the Director of ACTION transmitting a draft of proposed legislation to reauthorize ACTION for fiscal years 1987, 1988, and 1989; to the Committee on Labor and Human Resources.

EC-2634. A communication from the Secretary of Defense transmitting, pursuant to law, notice of waiver of provisions of the Stevenson-Wydler Technology Innovation Act as DOD technology transfer activities substantially achieve the objectives of the Act and also involve substantial classified matters; to the Committee on Commerce, Science, and Transportation.

EC-2635. A communication from the Secretary of Labor transmitting, pursuant to law, a report on worker adjustment assistance training funds under the Trade Act; to the Committee on Finance.

EC-2636. A communication from the Special Counsel of the U.S. Merit Systems Protection Board transmitting, pursuant to law, a report on allegations of a violation of law and regulation, mismanagement, gross waste of funds, and abuse of authority by officials of the Golden Gate National Recreation Area, National Park Service; to the Committee on Governmental Affairs.

EC-2637. A communication from the Chairman of the U.S. Merit Systems Protection Board transmitting, pursuant to law, the Board's annual report on Appeals Decisions for fiscal year 1984; to the Committee on Governmental Affairs.

EC-2638. A communication from the Postmaster General transmitting, pursuant to law, the Postal Service's 1985 Freedom of Information report; to the Committee on the Judiciary.

EC-2639. A communication from the Chairman of the Commodity Futures Trading Commission transmitting, pursuant to law, the Commission's 1985 Freedom of Information report; to the Committee on the Judiciary.

EC-2640. A communication from the Director of the Peace Corps transmitting, pursuant to law, the Corps' Freedom of Information report for 1985; to the Committee on the Judiciary.

EC-2641. A communication from the Executive Director of the National Mediation Board transmitting, pursuant to law, the Board's 1985 Freedom of Information Act report; to the Committee on the Judiciary.

EC-2642. A communication from the Chairman of the Federal Deposit Insurance Corporation transmitting, pursuant to law, the Corporation's 1985 Freedom of Information Act report; to the Committee on the Judiciary.

EC-2643. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on the Status of Health Personnel in the U.S.; to the Committee on Labor and Human Resources.

EC-2644. A communication from the Executive Secretary of the Office of the Secretary of Defense transmitting, pursuant to law, the October-November 1985 report on DOD procurement from small and other business firms; to the Committee on Small Business.

EC-2645. A communication from the Administrator of the U.S. Fire Administration transmitting, pursuant to law, the effects of contracting for guard and firefighting services in DOD; to the Committee on Armed Services.

EC-2646. A communication from the Assistant Secretary of Defense transmitting, pursuant to law, a report on the effects of contracting for guard and firefighting services in DOD; to the Committee on Armed Services.

EC-2647. A communication from the Deputy Secretary of Defense, the Deputy Administrator of GSA, and the Acting Administrator of NASA, transmitting, pursuant to law, reports prescribing regulations defining the interest of the U.S. and of a contractor in technical and other data; to the Committee on Governmental Affairs.

EC-2648. A communication from the Chief Judge of the U.S. Claims Court transmitting, pursuant to law, the report of the Hearing Officer and the report of the Review Panel in the matter of Frank L. Hulsey v. United States; to the Committee on the Judiciary.

EC-2649. A communication from the Administrator of the Environmental Protection Agency transmitting, pursuant to law, the Agency's insecticide, fungicide, and rodenticide activities in 1985; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2650. A communication from the Secretary of Commerce transmitting a draft of proposed legislation to authorize appropriations for the National Bureau of Standards for fiscal year 1987; to the Committee on Commerce, Science, and Transportation.

EC-2651. A communication from the Secretary of Energy transmitting, pursuant to law, the annual report of the Department on actions taken under the Powerplant and Industrial Fuel Use Act during 1985; to the Committee on Energy and Natural Resources.

EC-2652. A communication from the Administrator of the General Services Administration transmitting, pursuant to law, a report on accessibility standards under the Architectural Barriers Act; to the Committee on Environment and Public Works.

EC-2653. A communication from the Director of the Office of Management and Budget transmitting, pursuant to law, a listing of Federal agencies certifying no funds obligated or expended during fiscal year 1985 for purposes prohibited by the Coastal Barrier Resources Act; to the Committee on Environment and Public Works.

EC-2654. A communication from the General Counsel of the Department of State transmitting a draft of proposed legislation to provide for membership of the U.S. in the Multilateral Investment Guarantee Agency, and for acceptance of the merger of the capital resources of the Inter-American Devel-

opment Bank; to the Committee on Foreign Relations.

EC-2655. A communication from the Acting Assistant Secretary of State transmitting a draft of proposed legislation to amend the Immigration and Nationality Act to provide for more efficient consular services and operations; to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-579. A joint resolution adopted by the Legislature of the State of California; to the Committee on Commerce, Science, and Transportation.

"ASSEMBLY JOINT RESOLUTION No. 10

"Whereas, Pacific Coast fishing interests supported the passage of the Magnuson Fishery Conservation and Management Act of 1976 by the United States Congress because they believed it would reduce or phase out major foreign fishing fleets working off the Pacific Coast; and

"Whereas, Pacific Fishery Management Council regulation has not resulted in a significant reduction or phaseout of foreign fishing, but has allowed foreign fleets as close as three miles to the Pacific Coast instead of the pre-1976 limit of 12 miles; and

"Whereas, American fishermen have been subjected to increasing regulation and a dramatic economic decline; and

"Whereas, The salmon resource has declined continually since the creation of the Pacific Fishery Management Council, and the council's approach to salmon management has been dramatic reductions in ocean harvest aimed at the single goal of escapement; and

"Whereas, The council has done nothing to help correct severe salmon habitat problems that are presently the major factor limiting the rebuilding of salmon stocks; and

"Whereas, The council's approach to harvest management has led to a steady decline in all phases of the fishing industry (including commercial, sport, charter, and American Indian), with a full 50 percent of the commercial fishermen out of business or on the verge of bankruptcy, and coastal communities dependent on income from commercial and sport fisheries totally devastated; and

"Whereas, There is presently no statutory requirement that fishery user groups be represented on the council; and

"Whereas, The council is not involved in any habitat restoration or fishery resource enhancement; and

"Whereas, The council has no plans to phase out foreign fishing off the Pacific Coast; and

"Whereas, Idaho is the only noncoastal state with voting powers on ocean fisheries on any fishery management council in this country; and

"Whereas, The Magnuson Fishery Conservation and Management Act has led to an attempt by the federal government to permanently preempt Oregon's authority to manage fishery resources with Oregon's state waters, with California as the threatened next target for permanent preemption; and

"Whereas, Congress is scheduled to consider reauthorization and possible reform of the Magnuson Fishery Conservation and Management Act in 1986, and responsible organizations including Fishermen's Solidarity, the National Wildlife Federation, the Fisheries Resources Task Force of the Oregon House of Representatives, and the Pacific Marine Fisheries Commission have made positive proposals for reform; and

"Whereas, The House of Representatives Merchant Marine and Fisheries Committee has passed legislation incorporating most of the recommendations of the Pacific Coast Fisheries organizations on habitat and representation issues; now, therefore, be it

"*Resolved, by the Assembly and Senate of the State of California jointly,* That the Legislature of the State of California respectfully memorializes the President and Congress of the United States to enact legislation in order to amend the Magnuson Fishery Conservation and Management Act in 1986 to meet the goals and objectives of the united Pacific Coast fishing community; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California, Oregon, and Washington in the Congress of the United States, to the Chairperson of the House of Representatives Merchant Marine and Fisheries Committee, to the Secretary of Commerce, and to the Director of Fish and Game of the State of California."

POM-580. A joint resolution adopted by the Legislature of the State of California; to the Committee on Commerce, Science, and Transportation:

"ASSEMBLY JOINT RESOLUTION No. 82

"Whereas, On January 28, 1986, the seven-person crew of the space shuttle Challenger was tragically killed in an explosion just after lift-off from Cape Canaveral, Florida, and these astronauts were: Gregory B. Jarvis, Sharon Christa McAuliffe, Ronald E. McNair, Ellison S. Onizuka, Judith A. Resnik, Francis R. Scobee, and Michael J. Smith; and

"Whereas, On January 27, 1967, the only other deaths in the history of the United States manned space program occurred when Roger B. Chaffee, Virgil I. (Gus) Grissom, and Edward H. White II were killed when a flash fire swept through their Apollo capsule during a ground test; and

"Whereas, It is appropriate to honor the memories of those 10 brave Americans who sacrificed their lives for the advancement of human knowledge through the peaceful exploration of space; and

"Whereas, Continuing on a mission which began in 1977, the unmanned Voyager-2 spacecraft has recently sent back information about the planet Uranus, and 10 hitherto unknown moons of that planet have been discovered as a result; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California hereby proposes that the 10 recently discovered moons of Uranus be named for the 10 astronauts who have died in the service of the United States of America; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the International Astronomical Union, the President and Vice President of the United States, the Speaker of the United States House of Representatives, each Senator and Representative from California in the Congress of the United States, the Director of the Jet Propulsion Laboratory in Pasadena, and the Administrator of the National Aeronautics and Space Administration."

POM-581. A resolution adopted by the Legislature of Guam; to the Committee on Energy and Natural Resources:

"RESOLUTION No. 251 (LS)

"*Be it resolved by the Legislature of the Territory of Guam:*

"Whereas, in 1973, Public Law 12-31 authorized the Board of Education to initiate and develop a bilingual-bicultural education program emphasizing the language and culture of the Chamorro people; and

"Whereas, in the Fall of 1973, the Department of Education implemented a Chamorro Language and Culture Program funded by the Federal Emergency School Aid Act; and

"Whereas, in 1977, Public Law 14-53, amended by Public Law 15-9, directed that courses in Chamorro language and culture be mandatory no later than school year 1980 for all elementary students but elective for students in the Junior and Senior high schools; and

"Whereas, the Governor of Guam has proclaimed Chamorro Week to be observed from February 24 through March 7; and

"Whereas, the Chamorro Language and Culture Program imparts to students of Chamorro ancestry an appreciation of the history and culture associated with their language, and to students of other ethnic backgrounds, insight into the beauty found in the language and culture heritage of a unique people—the Chamorros; and

"Whereas, the observance and celebration of Chamorro Week is encapsulated in the theme, "I LENGGUAHI YAN KOTTURA—ISAN I HALE'-TA" that is, that language and culture are the rainbows that direct us to our roots; and

"Whereas, Juan Malimanga comic strip and Fino' Chamorro are products of the Chamorro Studies and Special Projects Division, Department of Education; and

"Whereas, the participants in the program—staff, teachers, and students—should take pride in their accomplishments and achievements over the past school years; now, therefore, be it

"*Resolved,* that the Eighteenth Guam Legislature extend its appreciation and commendation to the staff, teachers, and students in the Chamorro Language and Culture Program; and be it further

"*Resolved,* that the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Administrator, Chamorro Language and Special Projects Division, Department of Education; to the Director of Education; to the Chairman, Board of Education; to Guam's Washington Representative; to the Chairperson of The Federation of Guamanian Association of America, Inc. and to the Governor of Guam."

POM-582. A petition from members of the Legislature of the State of Arizona relative to the allocation of certain oil pricing settlements; to the Committee on Energy and Natural Resources.

POM-583. A resolution adopted by the Senate of the Legislature of the State of South Dakota; to the Committee on Finance.

"SENATE CONCURRENT RESOLUTION No. 37

"Whereas, when South Dakota residents purchase goods via telephone or mail from

out-of-state catalog retailers and have the goods delivered to them, no retail state sales tax or use tax is paid to South Dakota; and

"Whereas, in such an aforementioned case no sales tax is paid to the state in which the goods were purchased; and

"Whereas, South Dakota and the other states of the union experience large tax losses when persons purchase goods via telephone or mail from out-of-state catalog retailers; and

"Whereas, it is very difficult for the states to collect this tax revenue without interfering with interstate commerce; and

"Whereas, it is in the common interests of all the states to close this tax loophole; and

"Whereas, the federal government has the authority to regulate interstate commerce and could pass legislation to correct this loophole; and

"Whereas, legislation entitled the "Main Street Fair Competition Act" has been introduced in Congress to correct this situation:

"*Now, therefore, be it resolved,* by the Senate of the Sixty-first Legislature of the state of South Dakota, the House of Representatives concurring therein, that Congress is hereby requested to enact the "Main Street Fair Competition Act" to require catalog retailers to collect a uniform state sales tax on retail sales conducted via the telephone or mail to out-of-state purchasers and to provide a mechanism whereby such a tax would be distributed to the state where such purchase was delivered; and

"*Be it further resolved,* that the Secretary of the Senate of the state of South Dakota forward copies of this Resolution to the South Dakota congressional delegation, the Clerk of the United States House of Representatives and the Secretary of the United States Senate."

POM-584. A resolution adopted by the Mayor and Municipal Council of Clifton, New Jersey, favoring Federal and state tax reductions, but objecting to reductions in local municipal services and programs; to the Committee on Finance.

POM-585. A resolution adopted by the Legislature of the State of Minnesota; to the Committee on Foreign Relations.

"RESOLUTION

"Whereas, on January 27, 1973, the Paris Peace Accords were signed to end American involvement in the war in Southeast Asia; and

"Whereas, 2,434 Americans, including 53 Minnesotans, remain unaccounted for; and

"Whereas, the sorrow, anxiety, and frustration of the families of these men are not relieved by the delay; and

"Whereas, the goverment of the United States should ensure, through an authentic, comprehensive investigation, the return of any Americans still in Southeast Asia and to account for Americans who have perished there; and

"Whereas, the government of the Socialist Republic of Vietnam has shown increased willingness to cooperate in efforts to account for the missing American servicemen; NOW, THEREFORE,

"Be it resolved by the Legislature of the State of Minnesota, That it joins with the families of the missing men in maintaining a constant vigil of anticipation and hope for a true accounting of their loved ones and the return of the remains of those who died as a result of the war.

"Be it further resolved, That the government of the United States should do all it can to answer the questions surrounding the status of the missing men, and to secure the return of the remains of the dead.

"Be it further resolved, That the Socialist Republic of Vietnam is requested to yield all information it has on the status of the missing Americans.

"Be it further resolved, That the Legislature commends the governments of the United States and the Socialist Republic of Vietnam for having initiated negotiations directed at determining the fate of missing Americans and supports the establishment of on-going talks leading to a true accounting of missing Americans in Southeast Asia.

"Be it further resolved, That the Secretary of State of the State of Minnesota is directed to send certified copies of this resolution to the President of the United States, the Speaker and Chief Clerk of the United States House of Representatives, the President and Secretary of the United States Senate, the chairman of the Committee on Foreign Affairs of the United States House of Representatives, the chairman of the Committee on Foreign Relations of the United States Senate, to the Minnesota Representatives and Senators in Congress and to the Permanent Representatives of the Socialist Republic of Vietnam to the United Nations."

POM-586. A resolution adopted by the Senate of the Legislature of the State of West Virginia; to the Committee on the Judiciary:

"SENATE RESOLUTION No. 15

"Whereas, The Soviet occupation of Afghanistan continues unabated, causing immense privation to and suffering among the people of Afghanistan and the Soviet occupation of this independent and sovereign land has now entered its seventh year; and

"Whereas, The Soviet occupation forces now total over one hundred eighteen thousand troops and the Soviets are using special terrorist troops; and

"Whereas, Soviet and Kabul regime forces have stepped up their military campaign against the civilian population, by using antipersonnel mines, willful destruction of crops and livestock and bombs disguised as toys or pens designed to maim, not kill; and

"Whereas, Soviet and Kabul troops have launched attacks on Pakistan's territory and three million five hundred thousand refugees have been forced to flee Afghanistan; and

"Whereas, The proud spirit of the people of Afghanistan, its resistance to occupation and its struggle to regain its sovereignty remain an inspiration to people, whether free or under the yoke of tyranny; and

"Whereas, The people of Afghanistan observe March 21 as the start of the New Year; therefore be it

"Resolved by the Senate: That the Senate does hereby urge the Governor of West Virginia to proclaim March 21, 1986, Afghanistan Day in West Virginia, and commend this observance to all our citizens; and, be it

"Resolved further, That a duly authenticated copy of this resolution, signed by the President and attested by the Clerk be transmitted to the Governor, President Ronald W. Reagan, to the leadership of the Congress of the United States and to the Congressional Delegation from this State."

POM-587. A joint resolution adopted by the Legislature of the Commonwealth of Virginia; to the Committee on the Judiciary:

"SENATE JOINT RESOLUTION No. 13

"Whereas, the trauma experienced by the parties upon the dissolution of a marriage is frequently aggravated by the anxieties of the parties regarding their future financial conditions; and

"Whereas, the obligation to support one's family is one in which the state has a significant interest; and

"Whereas, the judicial system and administrative procedures governing support and custody and visitation should ensure that the children of the parties receive needed financial support; and

"Whereas, the modifications in federal laws and procedures are necessary to allow the states to achieve these objectives; now, therefore, be it

"Resolved by the Senate, the House of Delegates concurring, That the Congress of the United States is hereby memorialized to (i) amend the federal bankruptcy statutes to prohibit the discharge in bankruptcy proceedings of any support arrearage obligation that has been assigned by the obligee to a state agency and to prohibit such discharge of support obligations arising pursuant to an order entered by a court not of record or by an administrative agency and (ii) to amend federal law to allow either party to a child custody case to use the Internal Revenue Service location services as is allowed under the Parental Kidnapping Prevention Act; and, be it

"Resolved further, That the Clerk of the Senate transmit copies of this resolution to the President of the United States Senate, the Speaker of the House of Representatives, and the Virginia Delegation to the Congress of the United States in order that they may be apprised of the sense of the Virginia General Assembly."

POM-588. A joint resolution adopted by the Legislature of the State of New Mexico; to the Committee on the Judiciary:

"A JOINT RESOLUTION

"Whereas, the First Congress of the United States, on September 25, 1789, at a session held in New York, New York, duly adopted a resolution proposing an amendment to the constitution of the United States; and

"Whereas, the legislature of the state of New Mexico acknowledges that the article of amendment to the constitution of the United States proposed by resolution of the First Congress on September 25, 1789 may still be ratified by states' legislatures as a result of the ruling by the United States supreme court in the landmark case of *Coleman v. Miller,* 307 U.S. 433 (1939); and

"Whereas, the amendment proposed by the First Congress on September 25, 1789 has already been ratified by the legislatures of the following states on the dates indicated, to wit: Maryland on December 19, 1789; North Carolina on December 22, 1789; South Carolina on January 19, 1790; Delaware on January 28, 1790; Vermont on November 3, 1791; Virginia on December 15, 1791; Ohio on May 6, 1873 (70 Ohio Laws 409-10); Wyoming on March 3, 1978 (124 *Cong. Rec.* 7910); Maine on April 27, 1983 (130 *Cong. Rec.* H9007, S11017); Colorado on April 18, 1984; South Dakota on February 21, 1985 (131 *Cong. Rec.* H971, S3306); New Hampshire on March 7, 1985 (131 *Cong. Rec.* H1378, S3597); Arizona on April 3, 1985 (131 *Cong. Rec.* H2060, S4750); Tennessee on May 23, 1985 (131 *Cong. Rec.* H6672, S10797, S13504); and Oklahoma on July 10, 1985 (131 *Cong. Rec.* H7263, S13504); as well as by the Senate of the State of Georgia on February 2, 1984 and on January 21, 1985

and by the House of Representatives of the State of Indiana on February 4, 1985; and

"Whereas, the proposal that has been submitted to the several states for ratification reads:

"*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, two-thirds of both Houses concurring,* That the following [Article] be proposed to the Legislatures of the several States, . . . which [Article], when ratified by three-fourths of the said Legislatures, to be valid to all intents and purposes, as part of the said Constitution, viz:

"'[An article] in addition to, and Amendment of the Constitution of the United States of America, proposed by Congress, and ratified by the Legislatures of the several States, pursuant to the fifth Article of the original Constitution.

"'Article the second . . . No law, varying the compensation for the services of the Senators and Representatives, shall take effect, until an election of Representatives shall have intervened.';

"*Now, therefore, be it resolved by the Legislature of the State of New Mexico,* That pursuant to Article V of the Constitution of the United States, the amendment proposed by the First Congress on September 25, 1789 is hereby ratified by the state of New Mexico; and

"*Be it further resolved,* That a certified copy of this resolution, under the great seal of the state of New Mexico, be immediately forwarded to the administrator of general services, Washington, D.C., to each member of the New Mexico delegation to the Congress of the United States and to the President Pro Tempore of the Senate and the Speaker of the House of Representatives of the Congress of the United States with the request that this resolution be printed in full in the CONGRESSIONAL RECORD."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

H.J. Res. 345. A joint resolution to designate March 1986, as "Music in Our Schools Month."

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S. 1889. A bill to amend title 11 of the United States Code, relating to bankruptcy, to prevent discharge of administratively ordered support obligations.

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 205. A joint resolution to designate March 21, 1986, as "National Energy Education Day."

S.J. Res. 272. A joint resolution to authorize and request the President to issue a proclamation designating March 21, 1986, as Afghanistan Day, a day to commemorate the struggle of the people of Afghanistan against the occupation of their country by Soviet forces.

S.J. Res. 273. A joint resolution to designate the week of March 9, 1986, as "National Developmental Disabilities Awareness Week."

S.J. Res. 275. A joint resolution to designating May 11 through May 17, 1986, as "Jewish Heritage Week."

S.J. Res. 276. A joint resolution to designate February 19, 1987, as "National Day for Federal Retirees."

S.J. Res. 285. A joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Osteoporosis Awareness Week."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

Raymond J. Dearie, of New York, to be United States District Judge for the Eastern District of New York;

Con. G. Cholakis, of New York, to be United States District Judge for the Northern District of New York;

Robert Q. Whitwell, of Mississippi, to be the United States Attorney for the Northern District of Mississippi;

P.A. Mangini, of Connecticut, to be United States Marshal for the District of Connecticut;

J. Jerome Perkins, of Indiana, to be United States Marshal for the Northern District of Indiana;

Lee Koury, of Missouri, to be United States Marshal for the Western District of Missouri;

Ralph L. Boling, of Kentucky, to be United States Marshal for the Western District of Kentucky;

Wayne D. Beaman, of Virginia, to be United States Marshal for the Western District of Virginia;

William I. Berryhill, Jr., of North Carolina, to be United States Marshal for the Eastern District of North Carolina.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BENTSEN:

S. 2145. A bill to authorize the construction at certain military installations, and for other purposes; to the Committee on Armed Services.

By Mr. DOLE (by request):

S. 2146. A bill to amend title VIII of the act commonly referred to as the Civil Rights Act of 1968 to provide the Secretary of Housing and Urban Development and the Attorney General with additional authority to enforce rights to fair housing, and for other purposes; to the Committee on the Judiciary.

By Mr. WEICKER (for himself, Mr. KERRY, Mr. COCHRAN, Mr. NICKLES, Mr. SARBANES, Mr. QUAYLE, Mr. BAUCUS, Mr. INOUYE, Mr. DIXON, Mr. MATSUNAGA, and Mr. PRESSLER):

S. 2147. A bill to extend the authorization for not-for-profit organizations operated in the interest of handicapped and blind individuals to receive procurement contracts under the Small Business Act; to the Committee on Small Business.

By Mr. NICKLES (for himself, Mr. DOLE, Mr. GRASSLEY, Mr. HATCH, Mrs. HAWKINS, Mr. HEINZ, Mr. MATTINGLY, Mr. QUAYLE, and Mr. WEICKER):

S. 2148. A bill to amend the Fair Labor Standards Act of 1938 to require that wages based on individual productivity be paid to handicapped workers employed under certificates issued by the Secretary of Labor; to the Committee on Labor and Human Resources.

By Mr. KENNEDY (for himself, Mr. MOYNIHAN, Mr. DODD, Mr. PELL, and Mr. EAGLETON):

S. 2149. A bill to authorize United States contributions to the international fund established pursuant to the November 15, 1985, agreement between the United Kingdom and Ireland; to the Committee on Foreign Relations.

By Mr. ARMSTRONG (for himself and Mr. PROXMIRE):

S. 2150. A bill to rescind certain budget authority proposed to be rescinded in a special message transmitted to the Congress by the President on February 5, 1986, in accordance with section 1012 of the Impoundment Control Act of 1974; to the Committee on the Budget and the Committee on Appropriations, jointly, to be reported by the Appropriations Committee pursuant to the order of January 30, 1975.

By Mr. DIXON:

S. 2151. A bill to amend title 10, United States Code, to establish within the Office of the Secretary of Defense an Office of Defense Acquisition for the centralized procurement of all property and services for the Department of Defense, to provide for an Under Secretary of Defense for Acquisition, and for other purposes; to the Committee on Armed Services.

By Mr. DIXON:

S. 2152. A bill to amend title 10, United States Code, to require the Department of Defense to exclude from consideration for contracts those firms in which a hostile foreign government or a covered foreign national owns or controls a significant interest; to the Committee on Armed Services.

By Mr. CHILES:

S. 2153. A bill to amend the Foreign Assistance Act of 1961 to prohibit the Overseas Private Investment Corporation from supporting financially the export of citrus crops; to the Committee on Foreign Relations.

By Mr. ROTH (for himself, Mr. DURENBERGER, Mr. BIDEN, and Mr. BOSCHWITZ):

S.J. Res. 289. Joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden '88 American Committee; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BUMPERS (for himself, Mr. LEAHY, Mr. CHAFEE, Mr. HEINZ, and Mr. PROXMIRE):

S. Con. Res. 112. Expressing support for the President's no-undercut policy concerning existing strategic offensive arms agreements; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BENTSEN:

S. 2145. A bill to authorize the construction at certain military installations, and for other purposes; to the Committee on Armed Services.

MILITARY BASE SCHOOL FUNDING

● Mr. BENTSEN. Mr. President, today I am introducing legislation to authorize three small military construction projects which are needed in Texas to assure continued accreditation for schools teaching military dependents. The total monetary cost would be less than $2 million, but the failure to undertake these projects with some promptness could have most unfortunate consequences for children of military personnel at the bases concerned.

My bill would authorize funds for classroom construction at Fort Sam Houston, Randolph Air Force Base, and Lackland Air Force Base. The supplementary facilities are needed to meet more stringent State requirements, enacted to improve the quality of education.

The three school districts at these installations cannot raise taxes to finance the required additions because their authority extends only as far as the boundaries of the untaxable military bases. They cannot go to the State for funding because they already receive the full amount the Texas Education Agency can give them. They must turn, instead, to the Federal Government, which has a tradition and an obligation to provide an adequate education to the dependents of military personnel.

Mr. President, there are only six school districts in the Nation coterminous with military bases, and only the three in Texas face this urgent requirement of adding facilities in order to avoid the loss of accreditation. I believe that these are special circumstances which justify special authorization.

At each base, the commanders have identified military construction projects which would meet the new educational standards. These projects, however, have not been given high enough priority to win inclusion in the official budgets. Such omissions run the risk of jeopardizing the quality of education available to the children of military personnel and undermining the confidence of military parents in the Defense Department's regard for their dependents' needs.

I hope that the Armed Services Committee will consider this legislation promptly and favorably so that the lengthy process of construction will not be unnecessarily delayed.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2145

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION FOR ARMY CONSTRUCTION PROJECT

The Secretary of the Army may carry out a military construction project at Fort Sam Houston, Texas, in the amount of $570,000.

SECTION 2. AUTHORIZATION FOR AIR FORCE CONSTRUCTION PROJECTS

The Secretary of the Air Force may carry out military construction projects at Lackland Air Force Base, Texas, in the amount of $481,000 and at Randolph Air Force Base, Texas, in the amount of $852,000.

SECTION 3. AUTHORIZATION OF APPROPRIATIONS

(a) ARMY.—The sum of $570,000 is authorized to be appropriated to the Secretary of the Army for construction of the project authorized in section 1.

(b) AIR FORCE.—The sum of $1,333,000 is authorized to be appropriated to the Secretary of the Air Force for the construction of the project authorized in section 2.●

By Mr. DOLE (by request):

S 2146. A bill to amend title VIII of the act commonly referred to as the Civil Rights Act of 1968 to provide the Secretary of Housing and Urban Development and the Attorney General with additional authority to enforce rights to fair housing, and for other purposes; to the Committee on the Judiciary.

FAIR HOUSING AMENDMENTS ACT

Mr. DOLE. Mr. President. Today I am introducing at the request of the administration legislation to amend the Fair Housing Act of 1968.

The bill is similar to legislation proposed by the administration in the last Congress and introduced by request by Senator Baker. Briefly, the major provisions of the bill would:

Authorize the Department of Housing and Urban Development to refer cases involving individual instances of housing bias to the Justice Department for enforcement in the Federal courts—under current law, such suits can be initiated only where a pattern or practice of housing discrimination can be shown. In all other cases, HUD's only recourse is to seek voluntary conciliation between the parties; and

Add discrimination against the handicapped as a prohibited activity.

Mr. President, I applaud the fact that the administration has reaffirmed its continued interest in the fair housing issue by once again proposing legislation. On more than one occasion, I have expressed my view that strengthening the fair housing law should be high on Congress' agenda. This bill may not be perfect—there may be certain improvements which could be made—but it is a sound, constructive proposal. Secretary Pierce should be commended for his tireless efforts as the chief administration advocate for putting teeth into the 1968 law.

There are many in Congress who have also made fair housing one of their legislative priorities. Senator MATHIAS, for one, has devoted substantial amounts of time and energy over the years to this cause. He, along with Congressman FISH in the House, recently introduced a bill which differs in certain respects from this proposal. The major difference is in the enforcement mechanism: This bill would provide for enforcement in the Federal courts, whereas the Mathias/Fish bill would utilize administrative law judges to hear fair housing cases. In addition, the Mathias bill would prohibit discrimination against families with children. This bill does not contain such a provision.

Finally, though both bills prohibit discrimination against the handicapped, they differ with respect to scope and substantive requirements. These provisions are of particular interest to me, and I believe it is imperative that they be carefully scrutinized to ensure they contain adequate protections for the disabled, while balancing the legitimate interests of landlords and sellers.

Mr. President, 18 years ago, in the aftermath of the assassination of Dr. Martin Luther King, Congress passed the last major building block of the 1960's civil rights legislation. The promise of this new law was to provide for fair housing throughout the Nation. Unfortunately, though significant progress has been made, the law has proved inadequate to fulfill that promise. I am optimistic that in this Congress, we will finally be able to develop and enact consensus legislation to remedy the law's deficiencies. There are many and varied interests and concerns which need to be addressed, including those of the enforcement agencies, fair housing advocates, and the real estate industry. But I am hopeful we can work it out. Such legislation is long overdue.

Mr. President, I ask unanimous consent that the text of the bill and a section-by-section summary be printed in the CONGRESSIONAL RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2146

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Fair Housing Amendments Act of 1986".

SHORT TITLE FOR 1968 ACT

SEC. 2. The Act entitled "An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes" (Public Law 90-284, approved April 11, 1968) is amended by inserting immediately after the comma at the end of the enacting clause the following: "That this Act may be cited as the 'Civil Rights Act of 1968'.".

SEC. 3. Title VIII of the Act entitled "An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes" (Public Law 90-284, approved April 11, 1968) is amended by inserting immedi-

ately after the title's catchline the following new section:

"SHORT TITLE

"SEC. 800. This title may be referred to as the 'Fair Housing Act'.".

SEC. 4. Section 802 of the Act entitled "An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes" (Public Law 90-284, approved April 11, 1968 is amended—

(a) by striking out "or 806." in subsection (f) and inserting in lieu thereof "806, or 818."; and

(b) by adding at the end thereof the following new subsections:

"(h) 'Conciliation' means the resolution of issues raised by a complaint and its investigation, through informal negotiations involving the person aggrieved, the respondent and the Secretary (or a State or local agency to which a complaint is referred).

"(i) Conciliation agreement' means a written record, executed by the person aggrieved and the respondent and (except in the case of an agreement obtained by a State or local agency to which a complaint is referred) approved by the Secretary, setting out the terms under which the issues raised by a complaint and its investigation have been resolved.

"(j) 'Respondent' includes the person named in a complaint, or any other person identified in the course of investigation as a person who participated in, or was responsible for, an alleged discriminatory housing practice.

"(k) 'Handicap' means, with respect to a person, (1) a physical or mental impairment which substantially limits one or more of such person's major life activities, (2) a record of having such an impairment, or (3) being regarded as having such an impairment; but such term does not include any current impairment that consists of alcoholism or drug abuse, or any other impairment that would be a direct threat to the property or the safety of others.".

DISCRIMINATION AGAINST THE HANDICAPPED

SEC. 5. Section 804 of such Act is amended—

(a) by adding the following after subsection (e):

"(f)(1) To refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, a dwelling to any person because of a handicap of a prospective buyer or renter or of any person associated with such buyer or renter unless such handicap would prevent a prospective dwelling occupant from complying with such rules, policies, and practices as are permitted by paragraph (2) of this subsection.

"(2) To discriminate against any person in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection therewith, because of handicap. For purposes of this paragraph—

"(A) discrimination includes—

"(i) refusal to permit reasonable modifications of premises occupied, or to be occupied, by persons with a handicap which are necessary to afford such handicapped persons ready access to and use of premises, but in the case of a rental, no modification need be permitted unless the renter first agrees to restore the premises to the condition which existed before such modification, reasonable wear and tear excepted; and

"(ii) refusal to make reasonable accommodations in policies, practices, rules, services, or facilities when such accommodations are necessary to afford handicapped persons ready access to and use of such dwellings; and

"(B) discrimination does not include—

"(i) refusal to make alterations in premises at the expense of sellers, landlords, owners, brokers, building managers, or persons acting on their behalf;

"(ii) refusal to modify generally applicable rules, policies, practices, services, or facilities where such modification would result in expense to sellers, landlords, owners, brokers, building managers, or persons acting on their behalf or unreasonable inconvenience to other affected persons; or

"(iii) refusal to allow architectural changes to, or modifications of, buildings which would decrease the marketability or value of a building or alter the manner in which a building or its environs has been, or is intended to be, used.";

(b) by inserting "handicap", immediately after "sex," each place it appears in sections 805 and 806, and subsections (c), (d) and (e) of section 804 of such Act.

ENFORCEMENT PROCEDURES

SEC. 6. Sections 810 through 813 of such Act are stricken out, and new sections 810 through 813 are added, as follows:

"ADMINISTRATIVE ENFORCEMENT

"SEC. 810. (a) Any person who claims to have been injured by a discriminatory housing practice or who believes that he will be irrevocably injured by a discriminatory housing practice that is about to occur (hereafter "aggrieved person") may file a complaint with the Secretary. Complaints shall be in writing and shall state the facts upon which the allegations of a discriminatory housing practice are based and shall contain such other informaton, and be in such form, as the Secretary requires. Upon the filing of such a complaint the Secretary shall furnish a copy of the same to the person or persons who allegedly committed or are about to commit the alleged discriminatory housing practice. The Secretary shall investigate the complaint and give notice in writing to the aggrieved person and to the respondent whether he intends to resolve it. The Secretary shall make and give notice of his decision whether to resolve the complaint as promptly as possible and, so far as practicable, not later than one hundred and twenty days after receiving the complaint or after expiration of any period of reference under subsection (c). If the Secretary decides to resolve the complaint, he shall proceed to try to eliminate or correct the alleged discriminatory housing practice by informal methods of conference, conciliation, and persuasion. Except for the terms of the conciliation agreement, if any, nothing said or done in the course of such informal endeavors may be made public or used as evidence in a subsequent proceeding under this title without the written consent of the persons concerned. Any employee of the Secretary who shall make public any information in violation of this provision shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined not more than $1,000 or imprisoned not more than one year. A conciliation agreement may provide for binding arbitration of the dispute arising from the complaint. Any arbitration that results from a conciliation agreement under this section may award appropriate specific relief, including monetary relief, to the person aggrieved.

"(b) A complaint under subsection (a) shall be filed within one hundred and eighty days after the alleged discriminatory housing practice occurred. Complaints may be reasonably and fairly amended at any time. A person who is not named in a complaint, but who is identified in the course of investigation as a respondent, may be joined as an additional or substitute respondent by means of written notice from the Secretary. Such notice shall set out the procedural rights and obligations of respondents and shall explain the basis for the Secretary's belief that the person to whom the notice is addressed is properly joined as a respondent. The notice shall be accompanied by a copy of the original complaint. A respondent may file an answer to the complaint against him and with the leave of the Secretary, which shall be granted whenever it would be reasonable and fair to do so, may amend his answer at any time. Both complaints and answers shall be verified.

"(c) Whenever a complaint filed by an aggrieved person alleges a discriminatory housing practice which appears to constitute a violation of a State or local fair housing law within the jurisdiction of a State or local public agency which has been certified by the Secretary under this subsection, the Secretary shall refer such complaint to such agency. The Secretary, in the Secretary's discretion, also may refer a complaint filed by the Secretary to such an agency. Except as provided in this subsection, the Secretary shall take no further action with respect to a complaint referred pursuant to either of the foregoing two sentences if the appropriate State or local agency has, within thirty days from the date of referral, commenced proceedings in the matter and, having done so, carries forward such proceedings with reasonable promptness. The Secretary shall take action as provided in subsection (a) on a complaint filed by an aggrieved person and referred to a State or local agency on which a final disposition by such agency has not been obtained, upon request by the complainant made at any time not less than ninety days following the date of referral, provided that the Secretary may continue such action from time to time so long as the Secretary believes, on the basis of consultation with the State or local agency, that the ongoing efforts of such agency are likely to result in satisfactory resolution of the complaint. The Secretary also may take further action at any time on a complaint referred to a State or local agency if the Secretary certifies that in his judgment, under the circumstances of the particular case, the protection of the rights of the parties or the interests of justice require such action. In making such certification with respect to a complaint on which a final disposition by a State or local agency has been obtained, the Secretary shall accord substantial weight to the findings and conclusions made by the State or local agency. In no event shall the Secretary take further action where the State or local agency has obtained a conciliation agreement. An agency may be certified under this paragraph if the Secretary determines that the substantive rights protected by such agency are substantially equivalent to such rights protected by this title (provided that an agency may be certified with respect to discriminatory housing practices based on race, color, religion, sex, or national origin nothwithstanding that the agency does not provide substantially equivalent protection against discriminatory housing practices based on handicap) and that the authority of such agency to investigate and conciliate complaints is substantially equivalent to such authority granted to the Secretary by and under this title.

"(d) Whenever a complaint is filed with or by the Secretary, or whenever the Secretary is taking further action on a complaint previously referred to a State or local fair housing agency pursuant to subsection (c) of this section, and the Secretary determines on the basis of a preliminary investigation that prompt judicial action is necessary to carry out the purposes of this title, the Secretary may refer the matter to the Attorney General with a recommendation that a civil action be filed on behalf of the United States for appropriate temporary or preliminary relief pending final disposition of the complaint by the Secretary. Any temporary restraining order or other order granting preliminary or temporary relief shall be issued in accordance with Rule 65 of the Federal rules of Civil Procedure. An application for relief under this paragraph shall not affect the continuation of administrative proceedings under this section.

"(e) If the Secretary has not secured an acceptable conciliation agreement within thirty days after notification to a respondent of the Secretary's decision to resolve a complaint, or if the Secretary certifies before expiration of such period that conciliation of the complaint has been attempted and that additional efforts are considered unlikely to be successful, and the Secretary has determined, after an investigation under this section, that reasonable cause exists to believe that a discriminatory housing practice has occurred or is about to occur, the Secretary shall, not later than ninety days after notification to the respondent of the Secretary's decision to resolve the complaint and unless the Secretary has secured an acceptable conciliation agreement, refer the matter to the Attorney General with a recommendation that a civil action be filed on behalf of the United States.

"(f) The Secretary, in the Secretary's sole discretion, may refer any matter otherwise within the Secretary's jurisdiction under this title to the Attorney General with a recommendation that appropriate action be taken.

"(g) Whenever the Secretary has reasonable cause to believe that a respondent has failed to comply with a conciliation agreement approved by the Secretary, the Secretary may refer the matter to the Attorney General with a recommendation that a civil action be filed on behalf of the United States for the enforcement of the terms of the agreement in an appropriate district court. In any proceeding brought under this pararaph, the petition for enforcement shall include a true copy of the conciliation agreement, and the court's inquiry shall be limited to interpretation of the agreement's terms and to factual issues concerning the nature and extent of the respondent's alleged failure to comply with the agreement. Nothing in this paragraph shall prevent the court from setting aside or modifying any provision of a conciliation agreement upon a finding that the provision is inconscionable or in derogation of the Constitution or laws of the United States.

"(h) Actions may be brought by the Attorney General under this section in any appropriate United States district court. If the court finds that the respondent has engaged or is about to engage in a discriminatory housing practice, the court may award such preventive relief, including a permanent or temporary injunction, restraining order, or other order, against the person or persons responsible for a violation of this title as is necessary to insure the full enjoyment of the rights granted by this title, and may assess a civil penalty against the respondent in an amount not exceeding $50,000, to vindicate the public interest. The court may allow the prevailing party (other than the United States) a reasonable attorney's fee as part of the costs. The United States shall be liable for costs the same as a private person.

"(i) Actions brought by the Attorney General under this section shall be commenced (1) within eighteen months after the alleged discriminatory housing practice or failure to comply with a conciliation agreement occurred, or (2) within twelve months after referral by the Secretary, whichever period shall later expire.

"(j) In any action brought pursuant to this section, the burden of proof shall be on the Attorney General.

"(k) Upon timely application, any person may intervene in any civil action brought by the Attorney General under this section which involves an alleged discriminatory housing practice with respect to which such person is an aggrieved person or a conciliation agreement to which such person is a party. The court may grant such appropriate relief to any such intervening party as is authorized in section 813 of this title.

"(l) Whenever, prior to the conclusion of conciliation efforts by the Secretary, an action filed pursuant to this section, section 812 or section 813 shall come to trial, the Secretary shall immediately terminate all efforts to resolve such complaint by informal methods.

"INVESTIGATIONS; SUBPOENAS; GIVING OF EVIDENCE

"SEC. 811. (a) In conducting an investigation the Secretary shall have access at all reasonable times to premises, records, documents, individuals, and other evidence or possible sources of evidence and may examine, record, and copy such materials and take and record the testimony or statements of such persons as are reasonably necessary for the furtherance of the investigation: *Provided, however,* That the Secretary first complies with the provisions of the Fourth Amendment relating to unreasonable searches and seizures. The Secretary may issue subpoenas to compel his access to or the production of such materials, or the appearance of such persons, and may issue interrogatories to a respondent, to the same extent and subject to the same limitations as would apply if the subpoenas or interrogatories were issued or served in aid of a civil action in the United States district court for the district in which the investigation is taking place. The Secretary may administer oaths.

"(b) Upon written application to the Secretary, a respondent shall be entitled to the issuance of a reasonable number of subpoenas by and in the name of the Secretary to the same extent and subject to the same limitations as subpoenas issued by the Secretary. Subpoenas issued at the request of a respondent shall show on their face the name and address of such respondent and shall state that they were issued at his request.

"(c) Witnesses summoned by subpoena of the Secretary shall be entitled to the same witness and mileage fees as are witnesses in proceedings in United States district courts. Fees payable to a witness summoned by a subpoena issued at the request of a respondent shall be paid by him.

"(d) Within five days after service of a subpoena upon any person, such person may petition the Secretary to revoke or modify the subpoena. The Secretary shall grant the petition if he finds that the subpoena requires appearance or attendance at an unreasonable time or place, that it requires production of evidence which does not relate to any matter under investigation, that it does not describe with sufficient particularity the evidence to be produced, that compliance would be unduly onerous, or for other good reason.

"(e) In the case of contumacy or refusal to obey a subpoena or to answer an interrogatory, a petition for enforcement may be filed in the United States district court in which the person to whom the subpoena or interrogatory was addressed resides, was served, or transacts business.

"(f) Any person who willfully fails or neglects to attend and testify or to answer any lawful inquiry or to produce records, documents, or other evidence, if in his power to do so, in obedience to the subpoena, interrogatory or other lawful order of the Secretary, shall be fined not more than $1,000 or imprisoned not more than one year, or both. Any person who, with intent thereby to mislead the Secretary, shall make or cause to be made any false entry or statement of fact in any report, account, record or other document submitted to the Secretary pursuant to the Secretary's subpoena, interrogatory or other order, or shall willfully neglect or fail to make or cause to be made full, true, and correct entries in such reports, accounts, records, or other documents, or shall willfully mutilate, alter, or by any other means falsify any documentary evidence, shall be fined not more than $1,000 or imprisioned not more than one year, or both.

"(g) The Attorney General shall conduct all litigation in which the Secretary participates as a party or as amicus pursuant to this action.

"ENFORCEMENT BY PRIVATE PERSONS

"SEC. 812. (a)(1) The rights granted by sections 803, 804, 805, 806 and 817, as well as the rights created by a conciliation agreement, may be enforced by civil actions in appropriate United States district courts without regard to the amount in controversy and in appropriate State or local courts of general jurisdiction. A civil action shall be commenced within two years after the alleged breach of the conciliation agreement or the alleged discriminatory housing practice occurred.

"(2) A civil action may be filed by an aggrieved person without regard to whether a complaint has been filed with or by the Secretary pursuant to section 810(a) and without regard to the status of any such complaint filed with or by the Secretary, but where the Secretary or a State or local agency has obtained a conciliation agreement, no action may be filed under this section by the aggrieved person with respect to the alleged discriminatory housing practice which forms the basis for such complaint filed with the Secretary except for the purpose of enforcing the terms of such an agreement.

"(3) The Court may continue a civil action brought pursuant to paragraph (1) of this subsection from time to time before bringing it to trial if the court believes that the ongoing efforts of the Secretary or of a State or local agency to obtain conciliation are likely to result in satisfactory settlement of the alleged discriminatory housing practice which forms the basis for the action in court.

"(4) Any sale, encumbrance, or rental consummated prior to the issuance of any court

order issued under the authority of this title, and involving a bona fide purchaser, encumbrancer, or tenant without actual notice of the filing of a complaint or civil action under the provisions of this title shall not be affected.

"(b) Upon application by the plaintiff and in such circumstances as the court may deem just, a court of the United States in which a civil action under this section has been brought may appoint an attorney for the plaintiff and may authorize the commencement of a civil action under proper showing without the payment of fees, costs, or security. A court of a State or subdivision thereof may do likewise to the extent not inconsistent with the law or procedures of the State or subdivision.

"(c) The court may grant as relief, as it deems appropriate, actual damages, any permanent or temporary injunction, temporary restraining order, and other relief, including punitive damages, and may allow the prevailing party a reasonable attorney's fee as part of the costs. The United States shall be liable for such costs the same as a private person.

"(d) Upon timely application, the Attorney General may intervene in such civil action, if the Attorney General certifies that the case is of general public importance. Upon such intervention the Attorney General may obtain such equitable and declaratory relief as may be appropriate.

"ENFORCEMENT BY THE ATTORNEY GENERAL

"SEC. 813. (a) Whenever the Attorney General has reasonable cause to believe that any person or group of persons is engaged in a pattern or practice of resistance to the full enjoyment of any of the rights granted by this title, or that any group of persons has been denied any of the rights granted by this title and such denial raises an issue of general public importance, the Attorney General may bring a civil action in any appropriate United States district court.

"(b) The court may award such preventive relief, including a permanent or temporary injunction, restraining order, or other order against the person or persons responsible for a violation of this title as is necessary to insure the full enjoyment of the rights granted by this title. The court may assess a civil penalty against the respondent in an amount not exceeding $50,000, and for any subsequent violation by such respondent may assess a civil penalty in an amount not exceeding $100,000, to vindicate the public interest."

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 7. (a) Section 803 of such Act is amended—

(1) by striking out the words "EFFECTIVE DATES" in the caption and inserting in lieu thereof the word "APPLICABILITY";

(2) by striking out subsection (a) and inserting in lieu thereof the following:

"(a) The prohibitions against discrimination in the sale or rental of housing set forth in section 804 shall apply to all dwellings except as exempted by subsection (b) of this section and by section 807."; and

(3) by striking out "section 804 (other than subsection (c))" in the opening clause of subsection (b) and inserting in lieu thereof "subsections (a), (b), (d), or (f) of section 804."

(b) Section 804 of such Act is amended by striking out "As made applicable by sectioin 803 and except" and inserting in lieu thereof "Except".

(c) Sections 805 and 806 of such act are amended by striking out "After December 31, 1968, it" in each such section and by inserting in lieu thereof in each such section "It".

(d) Section 814 of such Act is amended by striking out "812 or 813" and inserting in lieu thereof "810, 813, or 814".

(e) Section 818 of such Act is amended by striking out the last sentence.

CONFORMING AMENDMENT TO TITLE IX OF 1968 CIVIL RIGHTS ACT

SEC. 8. Section 901 of the Act entitled "An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes" (Public Law 90-284, approved April 11, 1968) is amended by inserting ", handicap (as defined in Section 802 of this Act," immediately after "sex" each place it appears.

APPLICABILITY

SEC. 9. The amendments made by this Act shall be applicable to complaints pending before the Secretary, to complaints heretofore referred to State or local agencies pursuant to Section 810(c) of Public Law 90-284 and pending on the date of enactment of this Act, and to all complaints initiated, filed or referred thereafter, but nothing in this Act shall be construed to shorten the time for filing a civil action pursuant to this title with regard to any complaint filed with the Secretary, or referred to a State or local agency, prior to the effective date of this Act.

SECTION-BY-SECTION SUMMARY OF THE FAIR HOUSE AMENDMENTS ACT OF 1986

POPULAR NAMES

Section 1 provides that the Act may be cited as the "Fair Housing Amendments Act of 1986." Sections 2 and 3 are nonsubstantive amendments making official the popular names of the 1968 Act and Title VIII of that Act.

DEFINITIONS

Section 4 adds violations of Section 817 of the existing law (prohibitions on harassment and intimidation of persons exercising fair housing rights) to the definition of discriminatory housing practice. This change would clarify that complaints may be made to HUD in intimidation cases, and that the strengthened enforcement powers proposed for the Justice Department could be employed in such cases. (Current law provides only for "appropriate civil action(s)" to enforce Section 817.)

Section 4 also provides definitions of "conciliation" and "conciliation agreement" in order to facilitate other amendments which increase the prominence of conciliation as a milestone in the enforcement process. Also added is a definition of "respondent", which includes both persons identified by the person aggrieved in the original complaint and others identified in the course of investigation as persons who participated in or who were responsible for the alleged illegal practice.

In addition, a definition of "handicap" is provided. The term is defined (with respect to a person) as (1) a physical or mental impairment which substantially limits one or more major life activities, (2) a record of having such an impairment, or (3) being regarded as having such an impairment. The term, however, does not include any current impairment that consists of alcoholism or drug abuse, or any other impairment that would be a direct threat to the property or safety of others.

DISCRIMINATION AGAINST THE HANDICAPPED

Section 5 adds handicapped persons to those protected under the Fair Housing Act. A new Section 804(f) prohibits refusals to sell or rent or refusals to negotiate for the sale or rental of dwellings because of the handicap of a buyer or renter or of any person associated with the buyer or renter. The amendment also prohibits discrimination in the terms, conditions or privileges of sale or rental, or in the provision of services or facilities in connection with a dwelling, because of handicap.

The amendment includes a provision describing the broad types of seller/renter conduct which will be considered discriminatory, and other actions which are not included in the definition of discrimination.

Discrimination includes refusal to permit reasonable modifications of premises for occupancy by persons with handicaps where those modifications are necessary for ready access and use, but in the case of rental dwellings, the renter must first agree to restore the premises, reasonable wear and tear excepted.

The refusal to make reasonable accommodations in policies, practices, rules, services or facilities connected with a sale or rental, when such accommodations are necessary to afford handicapped persons ready access and use, is also included in the definition of discrimination.

It is not, however, considered discriminatory under the amendments to refuse to make alterations at the expense of the housing supplier, or to refuse to modify rules, policies, practices, services or facilities where the modification would result in expense to the housing supplier, or in unreasonable inconvenience to other affected persons. Refusal to allow architectural changes or other building modifications is not discriminatory under the amendments if the change or modification would decrease a building's marketability or value, or alter the manner in which a building or its environs has been or is intended to be used.

The amendment also adds "handicap" as a prohibited basis of discrimination under other provisions of the Act, including Sections 804(c) (advertising), (d) (misrepresentation of availability of units) and (e) (blockbusting), 805 (financing), 806 (provision of brokerage services), and 901 (criminal prohibition against intimidation).

ENFORCEMENT PROVISIONS

Section 6 is one of the bill's key amendments. It would augment Section 810 of the present law by authorizing HUD, generally after failure to achieve voluntary conciliation, to refer a complaint to the Attorney General with the recommendation that the Attorney General initiate a lawsuit for injunctive relief and civil penalties. It also would authorize the aggrieved person who filed the complaint to intervene in the Attorney General's action and to obtain the same relief as would be available in a private action brought under Section 812, including actual and punitive damages.

Section 6 proposes a complete restatement, with amendments, of Sections 810 through 813 of the present law. The substantive changes from present law that are proposed are described hereafter.

Section 810(a) of the Act currently requires that the Secretary investigate a complaint and give notice in writing to the aggrieved person whether he intends to resolve it within thirty days after receipt of the complaint or after expiration of a period of reference to a State or local fair housing

agency. The thirty-day limitation is unrealistically short to permit adequate investigation of a complaint and an informed decision whether to attempt to resolve it by conciliation. Section 6 removes the thirty-day limitation and substitutes therefor a provision requiring the Secretary to make and give notice of his decision whether to resolve the complaint as promptly as possible and, so far as practicable, within 120 days after receiving the complaint or reactivating a complaint previously referred to a State or local agency. The provision is not intended to bar the Secretary for conducting further investigation after the determination to resolve and commencement of conciliation where considered necessary. The permission to defer the determination to resolve beyond 120 days where it is not practicable to do otherwise is intended to provide for unusual circumstances, such as where issuance and enforcement of subpoenas and interrogatories under Section 811 of the Act is required.

Present law provides that nothing said or done in the course of informal conciliation may be made public or used as evidence in a subsequent proceeding without the written consent of the persons concerned. The bill would specify that such provisions do not prohibit disclosure of the terms of the conciliation agreement. The amendment is declarative of existing law; see *James v. Hafler*, 320 F. Supp. 397 (D. Ga. 1970).

A new provision is added to section 810(a) of the Act stating that a conciliation agreement may provide for binding arbitration of the dispute arising from the complaint. Any such arbitration may result in the award of appropriate specific relief, including monetary relief, to the person aggrieved. The specification of such authority is not intended to question the appropriateness of current practice of providing for specific relief, including monetary relief, in conciliation agreements.

A proposed amendment to Section 810(b) would permit the Secretary to join additional respondents as parties to a complaint where such persons are identified, in the course of investigation, as appropriate additional or substitute respondents. The Secretary must provide written notice of this action to any such new respondent.

Section 810(c), regarding referral of complaints to State or local agencies administering laws providing substantially equivalent rights and remedies, is revised to assure that State and local laws which have been recognized under current law will not lose such status (and, as a consequence, their rights to reimbursement for expenses under Section 816 of the Act) as a result of the amendments. The fair housing laws of 33 States and 63 localities have been recognized to date. The amendment would confirm HUD's practice since 1972 by providing that, as to remedies, a State or local agency will be certified if the authority of such agency to investigate and conciliate complaints is substantially equivalent to such authority granted to the Secretary, notwithstanding that the State or local law fails to provide a complainant with a judicial remedy. Current regulations provide that the Secretary will recall referred complaints, pursuant to the recall authority granted by Section 810(b) of the Act, where the applicable State or local law fails to provide access to a State or local court and the complaint has not been satisfactorily resolved administratively. Under current law, such recall by the Secretary recommences the statute of limitations for institution of private action by the complainant pursuant to Section 810(d). Following enactment of the amendments, recall of a previously referred complaint by the Secretary under such circumstances would permit the Secretary to pursue the enhanced enforcement procedures provided by the amendments (i.e., referral to the Attorney General). Thus, such enhanced procedures will be available as a back-up to State and local conciliation efforts as well as HUD conciliation.

The revisions to Section 810(c) reflect the position of investigation and conciliation as the key administrative remedial procedure under the Act and the benefits of providing for the availability of this procedure at the most decentralized level where housing transactions occur and within the most ready access to complainants and respondents. The revisions also reflect, however, that the Fair Housing Act represents strong national civil rights policy for which Federal enforcement responsibility is important and not to be evaded or diluted. Accordingly, the amendment preserves the right of the Secretary under current law to reactivate a complaint referred to a State or local agency if the Secretary certifies that in his judgment, under the circumstances of the particular case, the protection of the rights of the parties or the interests of justice require such action. In the interests of according finality to informed dispositions of complaints by State and local agencies, the amendment provides that, in making the foregoing certification with respect to a complaint on which a final disposition by the State or local agency has been obtained, the Secretary is to accord substantial weight to the findings and conclusions made by the agency. The Secretary is barred from taking any further action where a conciliation agreement has been obtained.

In order to further assure the availability of enforcement of Federal rights to aggrieved persons, the amendment also provides that the complainant may obtain reactivation of a complaint by the Secretary where a final disposition has not been obtained within ninety days following referral to a State or local agency. However, the Secretary may defer active investigation of such a complaint so long as the Secretary believes, on the basis of consultation with the State or local agency, that the ongoing efforts of such agency are likely to result in satisfactory resolution of the complaint. It is intended that the term "final disposition" encompasses "no cause" determinations, conciliation agreements, enforceable consent orders, orders issued after hearing, and any other actions resulting in termination of the agency proceeding.

The amendment also provides that, as to substantive rights, an agency may be certified if the law it administers provides substantially equivalent protection against discriminatory housing practices based on race, color, religion, sex or national origin even if it does not provide such protection with respect to discrimination based on handicap. Prior to 1984, HUD regulations permitted recognition of a State or local law as providing substantially equivalent rights notwithstanding that the statute did not prohibit acts of discrimination based on sex, which was added as a basis of prohibited discrimination under the Fair Housing Act in 1974. In fact, all State and local laws which were recognized contained adequate prohibitions against discrimination based on sex, and in 1984 HUD amended its regulations to reflect a determination that the exception of sex discrimination was no longer necessary and, further, that prohibitions against sex discrimination in housing are essential to an effective and comprehensive State or local fair housing law. Similarly, however, not all State or local laws currently recognized contain prohibitions against discrimination based on handicap. The bill is intended to make clear that complaints based on other prohibitions may be referred to a State or local agency even if the State or local fair housing law administered by it does not prohibit discrimination based on handicap.

The amendment is not intended to otherwise limit the Secretary's judgment and discretion in determining whether a particular State or local law is sufficiently comprehensive in its prohibitions to be an effective instrument in carrying out and achieving the intent and purposes of this Act.

Complaints filed with HUD frequently allege the discriminatory denial of a specific rental unit or homeownership opportunity. Satisfactory relief to the complainant, therefore, may require the continued availability of the unit being sought. As an important aid to the efficacy of HUD's conciliation process, therefore, proposed Section 810(d) would provide for authority in the Secretary to refer cases to the Attorney General during HUD's investigation stage where necessary for the purpose of seeking temporary or preliminary judicial relief pending final administrative disposition of a complaint. Any temporary restraining order or other order granting preliminary or temporary relief would be issued in accordance with Rule 65 of the Federal Rules of Civil Procedure.

The major changes to present law appear in subsections (e)-(k) of proposed Section 810.

Section 810(e) provides basic authority for suits by the Attorney General on behalf of the United States where the Secretary, within thirty days after the notice of a decision to resolve, has not secured an acceptable conciliation agreement, and, further, has determined, after investigation, that reasonable cause exists to believe that a discriminatory housing practice has occurred or is about to occur. Such a "reasonable cause" determination is not a prerequisite to the Secretary's determination to attempt to resolve a complaint by voluntary conciliation, so that not every unresolved complaint will be referred to the Attorney General. However, where a "reasonable cause" determination is made, referral by the Secretary to the Attorney General, with a recommendation that a civil action be filed, is mandatory. Action by the Attorney General remains within the latter's prosecutorial discretion, but it is expected that the Attorney General will give weight to the recommendation by the Secretary. The referral by the Secretary to the Attorney General must be made not later than ninety days after the decision to resolve the complaint, unless an acceptable conciliation agreement has been obtained.

The Secretary also may refer a complaint to the Attorney General prior to the expiration of thirty days after the determination to resolve by conciliation if, in addition to making the "reasonable cause" determination, the Secretary certifies that conciliation has been attempted and additional efforts are considered unlikely to be successful.

Section 810(f) authorizes the Secretary, in his or her sole discretion, to refer any case otherwise within the Secretary's jurisdiction for action by the Attorney General.

Section 810(g) authorizes judicial enforcement by the Attorney General, upon refer-

ral from the Secretary, of conciliation agreements. The paragraph is explicit on the point that such an action should be in the nature of a suit to enforce a contract—i.e., the court is not to look behind the agreement to examine the facts leading up to it. However, a special reservation allows the court reviewing an agreement to set it aside or modify it if any provision is "unconscionable or in derogation of the Constitution or laws of the United States."

Section 810(h) authorizes U.S. District Courts, in actions brought by the Attorney General under any provision of Section 810, to assess up to $50,000 in civil penalities against any person or persons responsible for a violation of the Fair Housing Act. For any subsequent violation by the same respondent, a civil penalty may be assessed in an amount up to $100,000. The purpose of the civil penalties is "to vindicate the public interest." The court is also authorized to award preventive relief, including a permanent or temporary injunction, restraining order, or other order, and may allow the prevailing party (other than the United States) a reasonable attorney's fee as part of the costs.

Section 810(i) provides for a statute of limitations on enforcement actions filed by the Attorney General under Section 810—eighteen months following the alleged discriminatory housing practice or violation of a conciliation agreement, or twelve months after referral by the Secretary, whichever period shall expire later. (The statute of limitations for filing a complaint with the Secretary is 180 days following the alleged discriminatory housing practice.)

Section 810(k) grants a right to intervene in an action brought by the Attorney General after referral under Section 810 to any person who is an aggrieved person with respect to the discriminatory housing practice charged in the complaint, and it provides that the Court may grant to the intervenor any relief that could be obtained in a private action brought under Section 812. Thus, the private complainant who filed the original complaint with the Secretary may obtain damages, including punitive damages, in the course of the Attorney General's civil penalty action. This provision is important, both to assure individual relief to the victim of the discrimination and to provide an incentive to the individual victim to cooperate in the Attorney General's pursuit of the action. The right of intervention also applies to an action by the Attorney General to enforce a conciliation agreement to which the intervenor is a party.

Section 810(d) of the present law provides an independent basis for commencement of a private action by an aggrieved person following inability of the Secretary to obtain voluntary compliance. Such actions are subject to a special, short statute of limitations and may not be brought in Federal Court if the person aggrieved has a judicial remedy under a State or local law providing substantially equivalent rights and remedies. It is uncertain, under current law, whether an aggrieved person who commences suit under Section 810(d) may obtain damages as well as equitable relief. In view of separate amendments to Section 812 which expand the statute of limitations for suits brought under that Section and permit such suits to be brought without regard to whether a complaint has been filed with the Secretary or the status of such a complaint, as well as the right of intervention in the newly created action by the Attorney General, the amendment proposes to eliminate the separate basis for private action under current Section 810(d) as unnecessary.

Section 810(j) provides that in any action brought under the section, the burden of proof shall be on the Attorney General. This applies to the Attorney General's action a provision of present law application to a private action commenced under current Section 810(d).

Section 811 of the Act is amended to confirm the authority of the Secretary to enforce an interrogatory as well as a subpoena.

Section 6 of the bill amends Sections 812 (a) and (c) of the present law—the private litigation provisions.

Section 812(a) is amended to:

1. extend the statute of limitations for private actions from 180 days to two years;

2. clarify that a private action may be filed whether or not a complaint has been filed with the Secretary, and without regard to the status of such a complaint;

3. make explicit the aggrieved person's separate cause of action to enforce the terms of a conciliation agreement;

4. provide that where the Secretary or a State or local agency has obtained a conciliation agreement, no separate civil action may be filed under Title VIII with respect to the same alleged discriminatory housing practice by the aggrieved person except for the purpose of enforcing the terms of the agreement.

Other features of present Section 812(a) are retained without substantive change. Section 812(b) is also undisturbed.

Revised Section 812(c) authorizes the court to grant as relief, as it deems appropriate, actual damages, any permanent or temporary injunction, temporary restraining order, and other relief, including punitive damages. As under current law, "actual damages" recoverable as a result of a discriminatory housing practice are intended to include intangible damages, such as emotional distress and humiliation, as well as out-of-pocket costs. See *Jeanty v. McKay & Poague, Inc.*, 496 F.2d 1119 (1974); *Steele v. Title Realty Co.*, 478 F.2d 380 (10th Cir. 1973). The dollar limit on punitive damages is removed—leaving the amount of such damages at the discretion of the court—and the attorney's fee clause is adjusted to follow the format of the Civil Rights Attorney's Fee Awards Act, 42 U.S.C. 1988. (A comparable attorney's fee provision appears in amended Section 810(d).) Under current law, an attorney's fee may be awarded only to a prevailing plaintiff and only if the court finds that the plaintiff is financially unable to assume such fee.

A new Section 812(d) is added to the Act, providing that the Attorney General may intervene in any private civil action brought under Section 812, if the Attorney General certifies that the case is of general public importance. Upon such intervention, the Attorney General may obtain such equitable and declaratory relief as may be appropriate.

To augment the new litigation authority for the Attorney General contained in revised Section 810(d) of the Act, Section 6 of the bill provides for amendments to the Attorney General's existing enforcement powers contained in Section 813 of the present law. In addition to the existing authority of the United States to sue for injunctive relief, the court is empowered in an action brought under Section 813 to assess a civil penalty, "to vindicate the public interest," of up to $50,000 against a respondent found to have violated the statute and to assess a penalty of up to $100,000 for a subsequent violation by the same respondent.

TECHNICAL AND CONFORMING AMENDMENTS

Sections 7 and 8 of the bill contain a series of technical and conforming amendments. Section 8 adds "handicap" as a protected class under Title IX of the Civil Rights Act of 1968, which imposes criminal penalties for intimidating or interfering with any person in the exercise of rights protected by the Fair Housing Act.

APPLICABILITY

Section 9 provides that the new enforcement powers set out in the bill shall be applicable to pending complaints, and provides that the bill's revised time requirements shall not be construed to shorten the time for filing a civil action with regard to complaints filed before the Amendments Act's effective date. This latter provision is necessary because, under court decisions, some complainants have been permitted to file suits very late where the Secretary's case-closing letter was received beyond the 180-day statutory filing period.

By Mr. WEICKER (for himself, Mr. KERRY, Mr. COCHRAN, Mr. NICKLES, Mr. SARBANES, Mr. QUAYLE, Mr. BAUCUS, Mr. INOUYE, Mr. DIXON, Mr. MATSUNAGA, and Mr. PRESSLER):

S. 2147. A bill to extend the authorization for not-for-profit organizations operated in the interest of handicapped and blind individuals to receive procurement contracts under the Small Business Act; to the Committee on Small Business.

PROCUREMENT OF GOVERNMENT CONTRACTS BY CERTAIN NONPROFIT ORGANIZATIONS

● Mr. WEICKER. Mr. President, on behalf of Senators KERRY, COCHRAN, NICKLES, SARBANES, QUAYLE, BAUCUS, INOUYE, MATSUNAGA, and PRESSLER, I am pleased to introduce a bill which will allow sheltered workshops once again to compete for Government procurement contracts. In restoring eligibility to the workshops, we are recognizing the potential of this program to provide the handicapped and blind with employment opportunities by allowing them to compete for Federal contracts under the Small Business Set-Aside Program.

The blind and handicapped are perhaps the most disadvantaged citizens in our country, relegated quite often to a life at the periphery of society, struggling, against overwhelming odds, for nothing more than a fair shake. It is becoming clear that this life carries with it severe economic burdens. According to the latest polls, over 60 percent of our handicapped citizens are unemployed, and 50 percent fall below the poverty line.

Sheltered workshops are nonproft organizations which employ handicapped and blind workers. Until September 1983 they were allowed to submit competitive bids for Government contracts. We tried in the last Congress to restore that authorization: S. 1323 passed in the 98th Congress, and an analagous bill, H.R. 3020 passed in the House, but for reasons

unrelated to the merits of the legislation, the proposal died in conference.

The bill which I and my cosponsors introduce today, rectifies an aberrant situation. Under the Small Business Act, only for-profit companies may compete for set-aside procurement contracts. Sheltered workshops are chartered as not-for-profit organizations, and therefore, are excluded from the bidding process. The legislation I am introducing today would carve out a narrowly-defined exception to this rule and allow those organizations dedicated to the development and employment of handicapped and blind individuals the opportunity to compete for these contracts.

The Federal Government wants to buy its products at the cheapest price possible; sheltered workshops want permission to submit bids on some of these products, and the handicapped and blind employees of these workshops want to earn a living and be productive members of society. With enactment of this bill, everyone is a winner.

This bill addresses many concerns and it represents a carefully crafted balance between the concerns of small business and the needs of sheltered workshops. Once again, we will allow sheltered workshops, licensed by the Department of Labor and having at least a 75-percent handicapped or blind work force, to submit competitive bids for small business set-aside contracts. This is no Government giveway. On the contrary, in these tight budgetary days, we in the Congress should encourage the Government to obtain its merchandise at the cheapest price possible.

We have included in this bill an annual ceiling of $50 million, so that there will be no claims that we are unfairly burdening the small business contractors. In the period 1981-83, when the legislation was on the books, there was an annual cap of $100 million. However, less than $10 million was in fact awarded during the entire 3-year period, out of a total of $38 billion in awards. That amounts to a minuscule one-fourth of a percent. This bill will have only a de minimis impact on small business, so there should be no concern that workshops are crowding out the for-profit companies.

Some have tried to draw parallels between this bill and the Javits-Wagner-O'Day Act, 41 U.S.C. 46 et seq. The comparison is inappropriate. This bill gives workshops the option of competing on an individual bid, or seizing market opportunities as they arise without the arduous and lengthy application process contemplated under Javits-Wagner-O'Day. In bidding on an individual job under this bill, a workshop need not commit its resources beyond the timeframe of the individual contract, but can jump into the spot market for small business awards. In effect, we are permitting workshops to adjust to economic necessities so that they may keep their workers on the job during lean times.

We are limiting the program to 5 years so that we may collect data to determine how the program is working. There have been requests to impose a permanent authorization for eligibility, but we believe that it is appropriate to examine the consequences of this legislation when we have a sufficient data base. During the last period, recordkeeping was unfortunately very poor. We are requiring improved recordkeeping which will facilitate our analysis later on.

We are also requiring that at least 75 percent of the work done in manufacturing any product or providing any service under this program must be performed by handicapped or blind workers. We do not want contracts awarded to workshops which do not channel the work to the legitimate beneficiaries.

Mr. President, this is an important addition to the Federal Government's efforts to bring dignity and equal opportunity to the workplace. In this instance, we are only allowing handicapped and blind workers to compete for Federal procurement contracts like everyone else, and we are limiting them to an infinitesimal slice of the Federal procurement pie, set aside for small business. I am pleased to report that both the National Industries for the Severely Handicapped and the National Association of Rehabilitation Facilities have endorsed this bill.

I ask unanimous consent that the test of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2147

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 15(c) of the Small Business Act (15 U.S.C. 644(c)) is amended to read as follows:

"(c)(1) During each of the fiscal years 1987 through 1991, public and private not-for-profit organizations eligible for assistance under section 7(h) shall be eligible to participate in programs authorized under this section in an aggregate amount for each such year not to exceed $50,000,000.

"(2) The Administrator shall—

"(A) monitor and evaluate such participation; and

"(B) in any case described in paragraph (3), require each agency and department having procurement powers to take such action as may be appropriate to alleviate economic injury sustained or likely to be sustained by for-profit small business concerns.

"(3) The requirement under paragraph (2) shall apply in any case in which the Administrator and the Executive Director of the Committee for the Purchase from the Blind and Severely Handicapped find that the participation of such organizations has caused or may cause severe economic injury to for-profit small business concerns. For the purpose of this paragraph, 'severe economic injury' occurs in any case where a for-profit concern has experienced or is likely to experience a reduction in annual sales of 20 percent or more.

"(4) Each agency and department having procurement powers shall report to the Office of Federal Procurement Policy each time a contract subject to this subsection is entered into, and shall include in its report the amount of the next higher bid submitted by a for-profit small business concern. The Office of Federal Procurement Policy shall collect data reported under the preceding sentence through the Federal procurement data system and shall report to the Administration which shall notify all such agencies and departments when the maximum amount of awards authorized under paragraph (1) have been made during any fiscal year.

"(5) For the purpose of this subsection, a contract may be included only if at least 75 percent of the direct labor performed on each item being produced under the contract in the sheltered workshop and performed in providing each type of service under the contract by the sheltered workshop is performed by handicapped or blind individuals.".

SEC. 2. Not later than September 30, 1990, the General Accounting Office shall prepare a report describing the impact that contracts awarded under section 15(c) of the Small Business Act have had on for-profit small business concerns for fiscal years 1987 through 1989. The report shall be transmitted to the Senate Committee on Small Business and the Committee on Small Business of the House of Representatives.

SEC. 3. There is established a task force on purchases from the blind and severely handicapped which shall consist of one representative of the small business community and one individual knowledgeable in the affairs of or experienced in the work of sheltered workshops. The task force shall meet at least once every six months for the purpose of reviewing the award of contracts under section 15(c) of the Small Business Act and recommending to the Small Business Administration such administrative or statutory change as it deems appropriate.●

● Mr. PRESSLER. Mr. President, I rise today to join Senator WEICKER in sponsoring legislation to restore the eligibility of work centers for the severely handicapped and blind to compete for Government procurement contracts. Enactment of this legislation is long overdue because previous eligibility for work centers to compete for these contracts expired in September 1983.

During one of my recent trips to South Dakota, I had the opportunity to see how a work center operates—an experience I strongly recommend to my colleagues. During my tour of the Sioux Vocational School in Sioux Falls, I was able to witness, firsthand, vocational skill development programs. I was also able to review the service contracts employing clients in janitoral and food service production jobs for direct placement in competitive employment. Disabled workers are capable of making a contribution to our economy—and should be allowed that opportunity. Production facility

agencies like the Sioux Vocational School provide a very important economic and industrial resource for industry within our State.

The arguments that reinstating work center eligibility will have a significantly adverse effect on small businesses is unfounded. The effects of past work center set-aside legislation on small business contract awards are negligible. Between fiscal years 1981 and 1983, small business set-aside awards totaled $37.5 billion. Set-asides for work centers amounted to only $6.7 million. All small business contracts totaled $81.7 billion.

To protect against any possible adverse impact on small businesses, the previous ceiling of $100 million has been cut in half. Additionally, the legislation authorizes work center eligibility for only 5 years. Every effort has been made to alleviate possible adverse impact on small businesses, while still providing the severely disabled with an opportunity for employment. I urge my colleagues to join in cosponsoring this legislation. As Members of Congress, we have an obligation to do everything we can to ensure that the Federal Government provide handicapped individuals with the basic opportunities we sometimes take for granted. Reinstating the eligibility for work centers to compete for small business set-asides is only one step toward evening the odds.●

● Mr. QUAYLE. Mr. President, I am pleased to be an original cosponsor of this bill that will assist sheltered workshops around the Nation to provide for greater employment opportunities for the handicapped and disabled. I especially want to commend my colleague from Connecticut, Mr. WEICKER, for his leadership as chairman of the Committee on Small Business and of the Subcommittee on the Handicapped on this issue.

Sheltered workshops provide a valuable service to our disabled population as well as to our industries and communities. Employment at sheltered workshops results in people with severe handicaps receiving training opportunities which in turn lead to placements in competitive employment. Persons who would otherwise be dependent upon Federal benefit programs become taxpaying citizens through the training and work experience provided by these workshops.

This legislation would simply authorize sheltered workshops to compete along with every other small business for Government contracts. This bill does not set aside any money for the workshops themselves. To ensure that small businesses will not be affected, the bill applies a cap of $50 million that can be awarded to sheltered workshops. In addition, the bill requires that at least 75 percent of the work done on each item must be produced by the handicapped workers themselves. Finally, the bill maintains the right of appeal for any small business that suffers serious adverse economic consequences as a result of an award to a sheltered workshop.

Mr. President, recent statistics show that some 60 percent of handicapped and blind individuals are not working. While we have been successful in dropping the unemployment rate for other Americans, we have not paid enough attention to the least abled of our population. This bill is one small step that the Government can make to help provide our disabled population with more training skills and higher levels of employment.

Mr. President, I am very happy to support this legislation, and I urge my colleagues to approve this bill in quick order to help afford our disabled citizens a bright employment future.●

By Mr. NICKLES (for himself, Mr. DOLE, Mr. GRASSLEY, Mr. HATCH, Mrs. HAWKINS, Mr. HEINZ, Mr. MATTINGLY, Mr. QUAYLE, and Mr. WEICKER):

S. 2148. A bill to amend the Fair Labor Standards Act of 1938 to require that wages based on individual productivity be paid to handicapped workers employed under certificates issued by the Secretary of Labor; to the Committee on Labor and Human Resources.

HANDICAPPED EMPLOYMENT

● Mr. NICKLES. Mr. President, today I am introducing legislation along with Senators DOLE, GRASSLEY, HATCH, HAWKINS, HEINZ, MATTINGLY, QUAYLE, and WEICKER that will help improve employment opportunities for the most severely disabled persons and end an inadvertent form of discrimination against them. One of the most fundamental indications of full participation in our society is the self-sufficiency and self-esteem that comes with employment. One segment of the American population has a harder time than most achieving the goal of employment. That segment consists of physically and mentally disabled persons.

It was not too many years ago that persons with physical handicaps such as blindness and paraplegia needed special places of employment in order to work. Now most of those persons can work in normal competitive work situations at wages the same as for nonhandicapped persons. This has been possible because of better education, new technology, and an enlightened view of the potential of disabled persons.

Many of the employment opportunities for these more severely disabled persons are made possible in rehabilitation facilities where accommodations can be made for the physical and psychological needs of these individuals. Many supportive services are also provided in these rehabilitation facilities.

A special section of the Fair Labor Standards Act, section 14(c), provides for special minimum wage requirements for persons whose productivity is diminished by a physical or mental handicap. In 1966, this law was amended to require multiple certificates for different programs and different workers. The Department of Labor has interpreted section 14(c) to require physical separation of work activities center programs for the more severely disabled from other less disabled workers. In 1966, sheltered work was provided primarily for physically disabled persons and the more severely disabled mentally disabled persons were a small minority. Today they make up over 75 percent of the persons employed in sheltered work programs.

The requirement for physical separation of the more severely disabled from other more productive workers unfairly segregates these workers. More severely handicapped workers are denied the opportunity to work with more productive workers and are thus denied positive role models. Current law and regulations also make it difficult for some facilities to provide the broad spectrum of work opportunities needed to expand employment and therapeutic opportunities. The administrative burden of the current law and regulations puts the emphasis of compliance on meeting the voluminous paper requirements. The requirement that a minimum or floor rate be paid under some certificates has also been burdensome since 87 percent of the workers are exempted.

The bill adopts the recommendations of a General Accounting Office (HRD-81-99) study of sheltered workshops and a major study from the Department of Health and Human Services. Both of these studies suggested simplification of section 14(c) to a single certificate based on the productivity of the individual handicapped worker. As under current law, handicapped must be paid wages which are commensurate with those paid nonhandicapped for the same type, quality, and quantity of work. Simplification of the provision will allow employers and the Department of Labor to concentrate their efforts on better measuring the productivity of disabled workers and find work that allows maximum productivity. The GAO study also recommended that DOL improve its enforcement efforts of section 14(c) compliance by increasing both the number and quality of investigations of sheltered work programs. I fully concur with that recommendation and I intend to ensure that DOL implement that recommendation.

A companion bill, H.R. 2676, has been introduced in the House of Representatives by Congressman THOMAS

PETRI, ranking member of the Labor Standards Subcommittee. A hearing was held October 3, 1985. Supportive testimony was given by the National Association of Rehabilitation Facilities, Goodwill Industries of America, National Industries for the Severely Handicapped, Association for Retarded Citizens—U.S., National Easter Seal Society, National Industries for the Blind, the Department of Labor, and S&H Products (Sidney, OH).

I urge my colleagues to support this important legislation, and ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2148

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That subsection (c) of section 14 of the Fair Labor Standards Act of 1938 (29 U.S.C. 214) is amended to read as follows:

"(c) The Secretary, to the extent necessary to prevent curtailment of opportunities for employment, shall by regulation or order provide for the employment, under special certificates, of individuals (including individuals employed in agriculture) whose earning or productive capacity is impaired by age, physical or mental deficiency, or injury. Under such certificates individuals shall be paid wages which—

(1) are lower than the minimum wage applicable under section 6,

(2) are commensurate with those paid to nonhandicapped workers, employed in the vicinity in which the individuals under the certificates are employed, for essentially the same type, quality, and quantity of work, and

(3) are related to the individual's productivity.".●

By Mr. KENNEDY (for himself, Mr. MOYNIHAN, Mr. DODD, Mr. PELL, and Mr. EAGLETON):

S. 2149. A bill to authorize U.S. contributions to the International Fund established pursuant to the November 15, 1985, agreement between the United Kingdom and Ireland; to the Committee on Foreign Relations.

THOMAS P. O'NEILL, JR., AID TO IRELAND AND NORTHERN IRELAND ACT

Mr. KENNEDY. Mr. President, I send to the desk a bill authorizing $50 million a year in United States aid to Ireland and Northern Ireland over the next 5 years, as American's part of the historic peace process now underway in that troubled land.

Last November, at Hillsborough in Northern Ireland, Prime Minister Garret FitzGerald of Ireland and Prime Minister Margaret Thatcher of the United Kingdom signed a far-reaching accord to end the violence and achieve a peaceful settlement of the conflict in Northern Ireland. The accord provides new hope to all the people of both parts of Ireland that the Nationalist and Unionist traditions in Northern Ireland may at last be able to achieve a reconciliation that respects the rights of their two communities and ends the violence that has wracked the province for the past 17 years.

The Anglo-Irish agreement provides a long-overdue opening for a continuing political dialog to resolve the crisis in Northern Ireland that has now cost 2,500 lives and caused untold economic damage to the area. It sends an important message to all the people of Ireland—and the United States—that peaceful progress is possible and that the path of the bomb and the bullet is not the way to Ireland's future.

In one of its key provisions, the Anglo-Irish accord includes an unprecedented British acceptance of a role for Ireland in the day-to-day affairs of Northern Ireland. With a specific role for Dublin, the Catholic minority in the north will finally be assured that its legitimate rights and aspirations are to be fairly honored and fully protected.

All of us who favor the cause of peace in Northern Ireland recognize the need to implement the new agreement as firmly and as swiftly as possible. The Irish and British Prime Ministers have clearly expressed their determination to move forward. And the legislation we are introducing today is the most effective way for the United States to demonstrate its support for the accord, when our support is needed most.

America has a strong and close relationship with both Britain and Ireland, and this modest American contribution to a better future for Northern Ireland can be a useful part of the process to achieve a permanent and lasting peace.

On the day the agreement was signed last fall, the President of the United States praised the accord and pledged his support. In doing so, President Reagan was reaffirming the commitment made by President Carter in 1977 to work closely with Congress in a bipartisan effort to find effective ways for the United States to support the cause of peace in Northern Ireland.

Last December, the Senate and the House of Representatives passed resolutions commending the Hillsborough accord and declaring our willingness to provide appropriate U.S. assistance, including economic and financial support.

Legislation authorizing such assistance was introduced in the House of Representatives this morning, and has already been approved by the House Committee on Foreign Affairs.

For the first 2 fiscal years, 1986 and 1987, the annual U.S. contributions will come from existing Economic Support Fund appropriations. In addition to ESF, the bill also provides other forms of economic assistance, as suggested by the President in his March 4 message to Congress. These programs include the Private Sector Revolving Fund, the Overseas Private Investment Corporation, and the Trade and Development Program, each of which offers worthwhile investment and development incentives.

U.S. funds provided by this legislation will go to the Special International Fund for Rehabilitation and Reconstruction established in the Anglo-Irish agreement and will be used to foster economic revitalization of areas in both Ireland and Northern Ireland affected by the crisis. It is my hope that the U.S. assistance made available by this legislation will induce other nations to contribute to the fund as well.

Finally, this legislation might never have seen the light of day without the commitment and determination of our friend and colleague, the Speaker of the House of Representatives. In tribute to the Speaker, his leadership on this measure and his longstanding support for the cause of peace in Northern Ireland, I have designated this bill as the "Thomas P. O'Neill, Jr., Aid to Ireland and Northern Ireland Act of 1986."

The O'Neill funds provided by this legislation can become an important part of the promising initiative now underway in Britain and Ireland. In this measure, we reaffirm America's unequivocal opposition to violence and our enduring support for peace in Northern Ireland. I urge my colleagues to act quickly and favorably on this bill.

Mr. President, I ask unanimous consent that the text of the bill may be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2149

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Thomas P. O'Neill, Jr., Aid to Ireland and Northern Ireland Act of 1986."

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress—

(1) finds that the agreement signed by the United Kingdom and Ireland on November 15, 1985, is a clear demonstration of British and Irish determination to make progress concerning the complex situation in Northern Ireland;

(2) reaffirms the support for the Anglo-Irish Agreement which it expressed through the adoption of House Concurrent Resolution 239 in December 1985;

(3) is particularly encouraged that these two neighbors, longstanding friends of the United States, have joined together to promote the economic and social development of those areas in Ireland and Northern Ireland which have suffered most severely from the consequences of violence in recent years; and

(4) believes that, in recognition of our ties of kinship, history, and commitment to democratic values, the United States should

participate in this renewed commitment to social and economic progress in Northern Ireland and affected areas of Ireland.

(b) PURPOSES.—It is, therefore, the purpose of this Act to provide for United States contributions in support of the Anglo-Irish Agreement, such contributions to consist of not less than $250,000,000 in economic support fund assistance for payment to the International Fund established pursuant to the Anglo-Irish Agreement, as well as other assistance to serve as an incentive for economic development and reconciliation in Ireland and Northern Ireland. The purpose of these United States contributions shall be to support the Anglo-Irish Agreement in promoting reconciliation in Northern Ireland and the establishment of a society in Northern Ireland in which all may live in peace, free from discrimination, terrorism, and intolerance, and with the opportunity for both communities to participate fully in the structures and processes of government.

SEC. 3. UNITED STATES CONTRIBUTIONS.

(a) ECONOMIC SUPPORT FUND ASSISTANCE.—Of the amounts authorized to be appropriated for each of the fiscal years 1986 through 1990 to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $50,000,000 shall be used for a United States contribution to the International Fund. For the fiscal years 1986 and 1987 funds previously authorized to be appropriated to carry out that chapter for those years shall be used for this contribution. To carry out this subsection, there are authorized to be appropriated to carry out that chapter (in addition to amounts otherwise authorized to be appropriated) $50,000,000 for each of the fiscal years 1988 through 1990, which amounts are authorized to remain available until expended.

(b) OTHER ASSISTANCE.—The following authorities may also be used for United States programs in Ireland and Northern Ireland in support of the Anglo-Irish Agreement:

(1) Section 108 of the Foreign Assistance Act of 1961 (relating to the Private Sector Revolving Fund).

(2) Title IV of chapter 2 of part I of that Act (relating to the Overseas Private Investment Corporation), without regard to paragraph (2) of the second undesignated paragraph of section 231 of that Act.

(3) Section 661 of that Act (relating to the Trade and Development Program).

SEC. 4. CONDITIONS AND UNDERSTANDINGS RELATING TO THE UNITED STATES CONTRIBUTIONS.

(a) PROMOTING ECONOMIC AND SOCIAL RECONSTRUCTION AND DEVELOPMENT.—The United States contributions provided for in this Act may be used only to support and promote economic and social reconstruction and redevelopment in Ireland and Northern Ireland. The restrictions contained in sections 531(e) and 660(a) of the Foreign Assistance Act of 1961 apply with respect to any such contributions.

(b) UNITED STATES REPRESENTATION ON THE BOARD OF THE FUND.—The President shall make every effort, in consultation with the Government of the United Kingdom and the Government of Ireland, to ensure that there is United States representation on the Board of the Internatioal Fund.

(c) PRIOR CERTIFICATIONS.—Each fiscal year, the United States may make contributions to the International Fund only if the President certifies to the Congress that he is satisfied that—

(1) the Board of the Fund, as a whole, is broadly representative of the interests of the communities in Ireland and Northern Ireland; and

(2) disbursements from the Fund—

(A) will be distributed in accordance with the principle of equality of opportunity and nondiscrimination in employment, without regard to religious affiliation; and

(B) will address the needs of both communities in Northern Ireland.

Each such certification shall include a detailed explanation of the basis for the President's decision.

SEC. 5. ANNUAL REPORTS.

At the end of each fiscal year in which the United States Government makes contributions to the International Fund, the President shall report to the Congress on the degree to which—

(1) the Fund has contributed to reconciliation between the communities in Northern Ireland;

(2) the United States contribution to the Fund is meeting its objectives of encouraging new investment, job creation, and economic reconstruction on the basis of strict equality of opportunity; and

(3) the Fund has increased respect for the human rights and fundamental freedoms of all people in Northern Ireland.

SEC. 6. REQUIREMENTS RELATING TO FUNDS FOR "INTERNATIONAL ORGANIZATIONS AND CONFERENCES".

(a) DISBURSEMENTS, AUDITS, AND REPORTS.—The provisions relating to disbursement on vouchers, audits, and submission of reports with respect to expenditures pursuant to the Joint Resolution of July 11, 1956 (Public Law 689), shall also apply with respect to expenditures pursuant to section 109(c) of the Act of November 22, 1983 (Public Law 98-164).

(b) FUNDS SUBJECT TO REQUIREMENTS.—That section is amended—

(1) by striking out "In addition to" and inserting in lieu thereof "Of";

(2) by striking out "by section 102(2)" and all that follows through "1985" and inserting in lieu thereof "for each fiscal year";

(3) by inserting "may be used" before "for expenses"; and

(4) by striking out all that follows "participation in" through "such as".

SEC. 7. DEFINITIONS.

As used in this Act—

(1) the term "Anglo-Irish Agreement" means the Agreement Between the Government of Ireland and the Government of the United Kingdom dated November 15, 1985; and

(2) the term "International Fund" means the international fund for economic development projects in Northern Ireland and Ireland, established pursuant to Article 10 of the Anglo-Irish Agreement.

By Mr. ARMSTRONG (for himself and Mr. PROXMIRE):

S. 2150. A bill to rescind certain budget authority proposed to be rescinded in a special message transmitted to the Congress by the President on February 5, 1986, in accordance with section 1012 of the Impoundment Control Act of 1974; pursuant to the order of January 30, 1975, referred jointly to the Committee on Appropriations and the Committee on the Budget.

RESCISSION OF CERTAIN BUDGET AUTHORITY

● Mr. ARMSTRONG. Mr. President, today Senator PROXMIRE and I are introducing a bill approving five of President Reagan's proposed rescissions for fiscal year 1986.

This bill approves the President's rescissions for the Department of Housing and Urban Development subsidized housing programs, urban development action grants, mass transit discretionary grants for new starts, the Economic Development Administration, and the Appalachian Regional Commission.

Mr. President, I ask that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2150

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the rescissions of budget authority made in subsection (b) are made under section 1012 of the Impoundment Control Act of 1974 (2 U.S.C. 683) pursuant to the rescission proposals contained in the special message (printed as House Document No. 99-161) transmitted to the Congress by the President on February 5, 1986, in accordance with such section.

(b) Each of the following amounts of budget authority, provided for the projects and activities identified in the rescission proposal referred to in this subsection with respect to each such amount is rescinded:

Rescission Proposal Number	Amount of Budget Authority Rescinded
R86-14	$101,309,000
R86-52	$4,416,131,000
R86-55	$220,062,000
R86-67	$521,275,000
R86-74	$81,000,000●

By Mr. DIXON:

S. 2151. A bill to amend title 10, United States Code, to establish within the Office of the Secretary of Defense an Office of Defense Acquisition for the centralized procurement of all property and services for the Department of Defense, to provide for an Under Secretary of Defense for Acquisition, and for other purposes; to the Committee on Armed Services.

DEPARTMENT OF DEFENSE ACQUISITION REORGANIZATION ACT

Mr. DIXON. Mr. President, today I am introducing a bill that restructures the way the Department of Defense buys billions of dollars of goods and services and consolidates much of the procurement responsibility in the Pentagon under a newly created position of Under Secretary of Defense for Procurement.

Mr. President, I serve on the Senate Armed Services Committee and on its Defense Acquisition Policy Subcommittee. Today, after months of hearings and many markup sessions, the Armed Services Committee voted 19 to 0 to report out a defense reorganization bill. During the markup, I introduced an amendment to create this new post of Under Secretary of Defense for Acquisition. The amendment was accepted in principle by the com-

mittee and is embodied in this bill. However, so that the committee could further study the Packard Commission recommendations regarding defense procurement, we agreed that my bill will be subject to hearings on March 13.

This bill is a compromise between the legislation I introduced 2 months ago and the procurement organization as it is found today in the Defense Department.

It is very simple. It establishes a new position of Under Secretary of Defense for Acquisition with responsibility for all procurement policy within the Department of Defense, including all contract administration and audit functions.

This position has been recommended by the Packard Commission. My legislation provides authority for the Under Secretary to approve plans and specifications for all major systems before any of them are approved for start-up, development or production. The legislation consolidates under the Under Secretary a variety of staff offices that are now independent, including the Competition Advocates General, the Defense Logistics Agency, the Defense Acquisition Agency and the Disadvantaged Business Utilization Office.

The legislation also makes the Under Secretary the Acquisition Executive for the Department of Defense. Directs the Under Secretary to reduce the headquarters staffs by 20 percent and to develop policies and programs for career recruiting, training development and assignment of military personnel in procurement jobs.

This legislation would substantially streamline procurement and eliminate duplication and conflicts of authority. Mr. President, the Packard Commission report supports every significant feature of my bill.

One of the most important functions of Government is to maintain the common defense. We are asked to, and do, spend huge sums of money on a variety of offensive and defensive systems to preserve our national security. Regardless of what systems are purchased however, we should insist that the purchasing process be carried out efficiently, effectively and at the least cost.

We have already taken a number of important steps to change the procedures for making these purchases. But we will be able to fully meet our responsibility for maintaining the national defense only if we are also prepared to make major changes in the organizational structure of the Department of Defense along the lines I am proposing today.

Mr. President, I ask unanimous consent that the text of the bill be included in the RECORD following these remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2151

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Department of Defense Acquisition Reorganization Act of 1986".

SEC. 2. UNDER SECRETARY OF DEFENSE FOR ACQUISITION.

Section 135 of title 10, United States Code, is amended—

(1) in the first sentence of subsection (a)—

(A) by striking out "two" and inserting in lieu thereof "there";

(B) by striking out "policy and" and inserting in lieu thereof "Policy,"; and

(C) by striking out the period and inserting in lieu thereof ", and one of whom shall be the Under Secretary of Defense for Procurement."; and

(2) in subsection (b)—

(A) by inserting "(1)" after "(b)";

(B) by designating the second sentence as paragraph (2);

(C) by designating clauses (1), (2), and (3) of paragraph (2) (as designated by subclause (B) of this clause) as clauses (A), (B), and (C), respectively; and

(D) by adding at the end of the following new paragraph (3):

"(3) (A) ESTABLISHMENT OF UNDER SECRETARY OF DEFENSE FOR ACQUISITION.—In section 135 of title 10, United States Code, increase the number of Under Secretaries of Defense by one and insert the following new paragraph:

One of the Under Secretaries shall be the Under Secretary of Defense for Acquisition. He shall have as his principal duty the overall supervision of the policy development and resource management for the following:

"(A) The acquisition of all property and services for the Department of Defense, including major defense systems acquisitions.

"(B) All of the contract administration and contract audit functions of the Department of Defense.

"(C) The supervision, direction, and control of—

"(i) the Competition Advocates General of the agencies of the Department of Defense;

"(ii) the functions and personnel of the Defense Logistics Agency;

"(iii) the functions and personnel of the Defense Acquisition Regulatory Council; and

"(iv) the functions and personnel of the Offices of Small Disadvantaged Business Utilization for the agencies of the Department of Defense, established pursuant to section 15(K) of the Small Business Act (15 U.S.C. 644(k).".

The Under Secretary shall be the Acquisition Executive of the Department of Defense pursuant to section 401 of title 41, United States Code.

(c)(1) Chapter 137 of such title is further amended by adding at the end thereof the following new section:

"Sec. 2325. Approval of new starts, full-scale development, or production.

A major system new start, or the full-scale development of a major system, or the procurement of a major system, may not be entered into unless the Under Secretary of Defense for Acquisition has reviewed and approved the acquisition program. In reviewing any proposed program for the acquisition of a major system, the Under Secretary shall evaluate the plans and requirements for the system, determine the necessity for production, consider the commonality of parts and components of the system, consider the complexity and practicality of the system, and, when appropriate, obtain the advice if the Under Secretary of Defense for Research and Engineering regarding research development, test and evaluation for such major system.".

(d) Within two years after the establishment of the office of the Under Secretary of Defense for Acquisition, the total number of civilian and military personnel assigned or detailed to permanent duty in the headquarters staffs reporting to the Under Secretary shall be reduced by a number equal to 20 percent below the number of civilian and military personnel assigned or detailed to permanent duty in such headquarters staffs reporting to the Under Secretary on the date of the enactment of this Act. Except in time of war or national emergency declared by Congress, the number of persons assigned to duty in the headquarter staffs reporting to the Under Secretary of Defense for Acquisition may not be increased after the reduction required by the preceding sentence.

(e)(1) The Secretary of Defense shall develop appropriate policies and programs for the career recruiting, training, development and placement of personnel of the Department of Defense assigned to duty in a procurement function of the Department. Such policies shall take into account the procurement management personnel requirements provided for in chapter 85 of title 10, United States Code.

(2) Not later than January 1, 1987, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report of the policies and programs he determines will carry out the career development for such personnel.

(3) Such policies and programs shall be implemented not later than January 1, 1986.

(4) Section 2308 of such title is amended by inserting "to the approval of the Under Secretary for Acquisition and" after "Subject".

By Mr. DIXON:

S. 2152. A bill to amend title 10, United States Code, to require the Department of Defense to exclude from consideration for contracts those firms in which a hostile foreign government or a covered foreign national owns or controls a significant interest; to the Committee on Armed Services.

NO HOSTILE FOREIGN GOVERNMENT DEFENSE CONTRACTS

Mr. DIXON. Mr. President, today I am introducing legislation to correct what must be one of the greatest examples of inconsistency in America's policies toward hostile foreign governments that I have seen in quite a while.

Several weeks ago, employees of J.I. Case, a company based in Bettendorf, IA, wrote me about a problem their firm has had in securing defense contracts. Over the last 6 months, J.I. Case has lot about five contracts to a foreign company, 15 percent of which is owned by the Libyan Goverment. It

appears that Case was the second lowest bidder on a pending defense contract to produce 178 tractors for the Marine Corps.

That contract went to a subsidiary of Fiat, Mr. President. Libya has a 15-percent interest in Fiat. They have a man on Fiat's board of directors.

Mr. President, it troubles me to see Libya benefiting from U.S. contracts. It also troubles me to hear from employees of the Case Co., many of whom reside in Illinois, about this incredible arrangement we seem to have with Fiat and, ultimately, Libya.

This legislation was introduced in the House of Representatives last week by my friend and colleague from Illinois, LANE EVANS, along with JIM LEACH of Iowa. It is my pleasure to introduce this measure in the Senate.

Simply, this legislation requires the Department of Defense to exclude from consideration for contracts those firms in which a hostile foreign government or a covered foreign national owns or controls a significant interest. It calls on the Department of Defense to issue a list, within 90 days after enactment of this legislation, of those nations considered hostile for the purposes of this bill.

I urge my colleagues to join me in supporting this bill.

By Mr. ROTH (for himself, Mr. DURENBERGER, Mr. BIDEN, and Mr. BOSCHWITZ):

S.J. Res. 289. Joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden '88 American Committee; to the Committee on the Judiciary.

YEAR OF NEW SWEDEN

Mr. ROTH. Mr. President, today I am introducing a joint resolution with my colleagues, Senators DURENBERGER, BIDEN, and BOSCHWITZ, to commemorate the landing of the first Swedish settlers in America. Our resolution would designate 1988 as the Year of New Sweden.

In 1638, Swedish settlers boarded the *Kalmar Nyckel* and the *Fogel Grip* and set sail for the New World in hope of establishing a colony in the Delaware River Valley. Their journey ended at a location on the Christina River in what is now the State of Delaware. Since that time, Swedish-Americans have made invaluable contributions to Delaware and the Nation.

Swedish-Americans have enriched our life and culture in many varied ways. John Morton of Pennsylvania and John Hanson of Maryland were instrumental in the founding of our Nation. The pioneering spirit of these men and their ancestors helped blaze the frontier. Today there are 4.2 million Swedish-Americans dispersed throughout the 50 States; these descendants continue to provide leadership in all walks of life.

Many communities throughout the country are planning events to commemorate the 350th anniversary of the landing of the Swedes in America. In my home State of Delaware, the *Kalmar Nyckel* Commemorative Society, under the chairmanship of Mrs. Camille Julin, is planning to build a replica of the *Kalmar Nyckel* clipper ship. It is the hope of the society that upon completion the clipper ship will be used for travels during 1988 and then by the city of Wilmington for promotion around the Nation. It will also serve as a continuing symbol of the contribution by Swedes to Delaware and America.

Mr. President, enactment of our joint resolution to commemorate the 360th anniversary of the landing of the first Swedish settlers in America by designating 1988 as the "Year of New Sweden," is a fitting tribute to the many accomplishments and contributions Swedish-Americans have made. I hope we can act swiftly on this legislation and I would urge my colleagues to lend their support to this effort. I ask unanimous consent that the text of the resolution appear in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 289

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas, on or about March 29, 1638, the Kalmar Nyckel and Fogel Grip, ships sent by Sweden to establish a colony in the Delaware River Valley, anchored off the "Rocks" on the Christina River in what is now the State of Delaware; and

Whereas, the colony which they established—New Sweden—was the first permanent settlement of Swedes in North America; and

Whereas, Swedish settlers were instrumental in the founding of our nation; John Morton of Pennsylvania, a signer of the Declaration of Independence, was of Swedish descent, as was John Hanson of Maryland, who presided over the Continental Congress from 1781 through 1782; and

Whereas, Swedish immigration to the United States consisted of 1.2 million people between the late 1840's and the late 1920's, who came here to seek a better life; these settlers dispersed to all regions of the United States, and

Whereas, the contributions of Swedish-Americans to our way of life and our culture have been varied and many; their pioneering nature made them leaders in many fields including politics, business, education and the arts; and

Whereas, it is estimated that today there are 4.2 million United States citizens of Swedish descent living in every State and involved in every walk of life; and

Whereas, 1988 marks the 350th anniversary of the arrival of the Kalmar Nyckel and Fogel Grip in North America; and

Whereas, a United States committee—New Sweden '88—is planning a series of events and celebrations throughout our Nation to commemorate this anniversary; and

Whereas, at the present time, the following American cities and States have New Sweden '88 committees and chairs planning local activities: Washington, D.C., Wilmington, Philadelphia, New York City, Detroit, Chicago, Minneapolis, Houston, Dallas, Los Angeles, San Francisco, Seattle, St. Louis, New Jersey, Nebraska, North Dakota, South Dakota, and western Illinois: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That 1988 is hereby designated as the "Year of New Sweden" in the United States. The President is authorized and requested to issue a proclamation designating 1988 as the "Year of New Sweden" and to invite and encourage the Governors of the several States, the chief officials of local governments and the people of the United States to participate in the events and activities that the New Sweden '88 American Committee has planned for 1987 and 1988.

Mr. BIDEN. Mr. President, I am pleased to join with Senators ROTH, DURENBERGER, and BOSCHWITZ in introducing a resolution designating 1988 as the "Year of New Sweden." I believe that this is only fitting to honor both our longstanding friendship with the nations of Scandinavia as well as the 350th anniversary of the landing of the Swedes and the Finns in this country.

I am especially pleased because Fort Christina, at the mouth of the Delaware River in Wilmington, was the original Swedish colony in the New World. Indeed, it was around Fort Christina that the city of Wilmington grew up.

Today, Swedish- and Finnish-Americans can be found in every region of this country. In addition, we continue to have warm and friendly relations with the countries from which their ancestors hailed.

I look forward to the ceremonies in Delaware and elsewhere commemorating this important milestone in our Nation's history.

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. CRANSTON, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America, Inc.

S. 104

At the request of Mr. HATFIELD, his name was added as a cosponsor of S. 104, a bill to amend chapter 44, title 18, United States Code, to regulate the manufacture and importation of armor piercing bullets.

S. 174

At the request of Mr. GORE, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 174, a bill to provide for the designation of 20 regional centers for the treatment of Alzheimer's disease and related dementia and for other purposes.

S. 869

At the request of Mr. MITCHELL, the name of the Senator from South Dakota [Mr. ABDNOR] was added as a cosponsor of S. 869, a bill to provide that the pensions received by retired judges who are assigned to active duty shall not be treated as wages for purposes of the Social Security Act.

S. 1290

At the request of Mr. MATHIAS, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 1290, a bill to prohibit discrimination in insurance on the basis of blindness or degree of blindness.

S. 1292

At the request of Mr. BAUCUS, the names of the Senator from Georgia [Mr. NUNN], and the Senator from Virginia [Mr. TRIBLE] were added as cosponsors of S. 1292, a bill to amend title VII of the Tariff Act of 1930 in order to apply countervailing duties with respect to resource input subsidies.

S. 1666

At the request of Mr. DODD, the names of the Senator from Pennsylvania [Mr. SPECTER], and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of S. 1666, a bill to provide assistance to States for educational excellence and for assuring access for underserved populations to the benefits of general State educational reforms.

S. 1773

At the request of Mr. LEAHY, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 1773, a bill to express the policy of the Congress on the number of members of the Soviet mission at the U.N. headquarters.

S. 1874

At the request of Mr. WEICKER, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 1874, a bill to authorize quality educational programs for deaf individuals, to foster improved educational programs for deaf individuals throughout the United States, to reenact and codify certain provisions of law relating to the education of the deaf, and for other purposes.

S. 1900

At the request of Mr. ROTH, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 1900, a bill to amend the Foreign Agents Registration Act of 1938 by providing for the 5-year suspension of exemptions provided to an agent of a foreign principal convicted of espionage offenses.

S. 1901

At the request of Mr. ROTH, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 1901, a bill to amend the Foreign Missions Act regarding the treatment of certain Communist countries, and for other purposes.

S. 1921

At the request of Mr. D'AMATO, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 1921, a bill to amend title 31, United States Code, to require that in the President's budget for a fiscal year the economic assumptions pertaining to inflation for major weapon system programs of the Department of Defense be the same as those for the rest of the budget.

S. 1952

At the request of Mr. GLENN, the names of the Senator from Alabama [Mr. HEFLIN], and the Senator from California [Mr. CRANSTON] were added as cosponsors of S. 1952, a bill to provide for the striking of medals to commemorate the Young Astronaut Program.

S. 1969

At the request of Mr. SPECTER, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 1969, a bill to create a National Center for the Prosecution of Child Abuse under the Office of Justice Programs in the Department of Justice.

S. 2038

At the request of Mr. MCCONNELL, the names of the Senator from Alabama [Mr. DENTON], and the Senator from Nevada [Mr. HECHT] were added as cosponsors of S. 2038, a bill to amend the Federal Rules of Civil Procedure regarding dispute resolution.

S. 2046

At the request of Mr. MCCONNELL, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 2046, a bill to provide limits and procedures in certain civil cases.

S. 2057

At the request of Mr. HATCH, the names of the Senator from Pennsylvania [Mr. HEINZ], and the Senator from Florida [Mrs. HAWKINS] were added as cosponsors of S. 2057, a bill to establish the President's Council on Health Promotion and Disease Prevention.

S. 2074

At the request of Mr. RIEGLE, the names of the Senator from Kentucky [Mr. FORD], the Senator from Florida [Mr. CHILES], the Senator from Ohio [Mr. GLENN], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of S. 2074, a bill disapproving the proposed deferral of budget authority for community development block programs.

S. 2092

At the request of Mr. CHAFEE, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 2092, a bill to provide for consistent Federal actions affecting resources of the National Park System, and for other purposes.

S. 2108

At the request of Mr. KASTEN, the names of the Senator from Iowa [Mr. GRASSLEY], the Senator from Alabama [Mr. HEFLIN], the Senator from Idaho [Mr. MCCLURE], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Indiana [Mr. QUAYLE], the Senator from South Carolina [Mr. THURMOND], and the Senator from California [Mr. WILSON] were added as cosponsors of S. 2108, a bill to provide that Federal tax reform legislation shall not take effect before January 1, 1987.

S.J. RES. 169

At the request of Mr. MATHIAS, the names of the Senator from South Carolina [Mr. HOLLINGS], the Senator from Arkansas [Mr. BUMPERS], and the Senator from New York [Mr. MOYNIHAN] were added as cosponsors of Senate Joint Resolution 169, a joint resolution to commemorate the bicentennial anniversary of the first patent and the first copyright laws.

S.J. RES. 266

At the request of Mr. DENTON, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of Senate Joint Resolution 266, a joint resolution to authorize and request the President to designate the month of June 1986 as "Youth Suicide Prevention Month."

S.J. RES. 267

At the request of Mr. HEINZ, the names of the Senator from South Dakota [Mr. ABDNOR], the Senator from North Dakota [Mr. BURDICK], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Kentucky [Mr. FORD], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Texas [Mr. BENTSEN], and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of Senate Joint Resolution 267, a joint resolution designating the week of May 26, 1986, through June 1, 1986, as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week."

S.J. RES. 276

At the request of Mr. DOMENICI, the names of the Senator from Arizona [Mr. DECONCINI], the Senator from North Dakota [Mr. ANDREWS], and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of Senate Joint Resolution 276, a joint resolution to designate February 19, 1987, as "National Day for Federal Retirees."

S.J. RES. 279

At the request of Mr. GORE, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from Ohio [Mr. GLENN], the Senator from California [Mr. CRANSTON], the Senator from Nebraska [Mr. ZORINSKY], the

Senator from Missouri [Mr. EAGLETON], the Senator from Arkansas [Mr. PRYOR], the Senator from North Dakota [Mr. BURDICK], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Michigan [Mr. LEVIN], the Senator from Massachusetts [Mr. KERRY], the Senator from Rhode Island [Mr. PELL], the Senator from New Jersey [Mr. BRADLEY], the Senator from South Dakota [Mr. ABDNOR], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Maryland [Mr. MATHIAS], the Senator from Idaho [Mr. SYMMS], and the Senator from Nevada [Mr. LAXALT] were added as cosponsors of Senate Joint Resolution 279, a joint resolution to designate the month of October 1986, as "Lupus Awareness Month."

S.J. RES. 287

At the request of Mr. BOREN, the names of the Senator from Kansas [Mr. DOLE], the Senator from Nebraska [Mr. ZORINSKY], the Senator from Maryland [Mr. SARBANES], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of Senate Joint Resolution 287, a joint resolution designating September 29, 1986, as "National Teachers Day."

S. CON. RES. 106

At the request of Mr. SPECTER, the names of the Senator from Louisiana [Mr. LONG] and the Senator from South Dakota [Mr. ABDNOR] were added as cosponsors of Senate Concurrent Resolution 106, a concurrent resolution expressing the sense of the Congress with respect to certain amounts proposed by the President to be rescinded.

S. RES. 275

At the request of Mr. HUMPHREY, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of Senate Resolution 275, a resolution to express the opposition of the United States to the "one-child" family planning policies of the Government of the People's Republic of China and to encourage the People's Republic of China to abandon such policies.

S. RES. 298

At the request of Mr. WEICKER, the names of the Senator from Maryland [Mr. MATHIAS], the Senator from Arizona [Mr. DECONCINI], the Senator from Iowa [Mr. GRASSLEY], and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of Senate Resolution 298, a resolution expressing support and encouragement of the Senate for the U.S. Disabled Ski Team at the 1968 World Disabled Ski Championships to be held in Salem, Sweden, on April 6 through April 17, 1986.

S. RES. 303

At the request of Mr. HEINZ, the names of the Senator from Florida [Mrs. HAWKINS], the Senator from Maryland [Mr. SARBANES], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Wisconsin [Mr. KASTEN], and the Senator from Idaho [Mr. MCCLURE] were added as cosponsors of Senate Resolution 303, a resolution to express the sense of the Senate with respect to proposals currently before the Congress to tax certain employer paid benefits and other life-support benefits.

S. RES. 330

At the request of Mr. DENTON, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of Senate Resolution 330, a resolution establishing a Special Committee on Families, Youth, and Children.

S. RES. 343

At the request of Mr. RIEGLE, the names of the Senator from Florida [Mr. CHILES] and the Senator from Ohio [Mr. GLENN] were added as cosponsors of Senate Resolution 343, a resolution expressing the sense of the Senate with respect to the proposed rescission of budget authority for urban development action grants.

SENATE CONCURRENT RESOLUTION 112—SUPPORTING THE PRESIDENT'S NO-UNDERCUT POLICY TOWARD EXISTING STRATEGIC OFFENSIVE ARMS AGREEMENTS

Mr. BUMPERS (for himself, Mr. LEAHY, Mr. CHAFEE, Mr. HEINZ, and Mr. PROXMIRE) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 112

Whereas, it is a vital security objective of the United States to limit the Soviet nuclear threat against the United States and its allies; and

Whereas, the United States has legitimate concerns about certain Soviet actions and behavior relevant to limitations and other provisions of existing strategic arms agreements; and

Whereas, the President has declared that "the United States will continue to pursue vigorously with the Soviet Union the resolution of our concerns over Soviet noncompliance"; and

Whereas, the President had declared that "despite the Soviet record over the last years, it remains in our interest to establish an interim framework of truly mutual restraint on strategic offensive arms as we pursue . . . the ongoing negotiations in Geneva"; and

Whereas, it would be detrimental to the security interests of the United States and its allies, and to international peace and stability more generally, for the existing limitations on stragic offensive nuclear weapons to lapse before replacement by a new strategic arms control agreement between the United States and the Soviet Union; and

Whereas, continuation of a mutual policy of not undercutting existing strategic arms agreements would be conducive to continuation of the current Geneva arms talks, while a sharp turn away from that policy could well be detrimental to the atmosphere in which these talks are being conducted; and

Whereas, both sides have to date remained within a number of the numerical and other limits on force levels contained in existing strategic arms agreements by dismantling operational launchers missile-fireing submarines and staying below the limits on multiple-warhead missile launchers and other related limits; and

Whereas, it is in the security interest of the United States and its allies to require the Soviet Union to remain at or below a level of eight hundred and twenty launchers of MIRVed ICBMs, and at or below other related limits contained in existing strategic arms agreements: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(a) The United States should vigorously pursue with the Soviet Union the resolution of concerns over compliance with existing strategic arms control agreements and should seek corrective actions through confidential diplomatic channels, including, where appropriate, the Standing Consultative Commission, the ongoing nuclear arms negotiations in Geneva, and summit meetings between the leaders of the United States and the Soviet Unon.

(b) The Soviet Union should take positive steps to resolve the compliance concerns of the United States about existing strategic offenseive arms agreements in order to maintain the integrity of those agreements and to strengthen the positive environment necessary for the successful negotiation of a new strategic offensive arms agreement;

(c) The United States should, through December 31, 1987, continue to refrain from undercutting the provisions of existing strategic offensive arms agreements so long as the Soviet Union refrains from undercutting those same provisions, or until a new strategic offensive arms agreement between the United States and the Soviet Union is concluded;

(d) The President should—

(1) not later than February 1, 1987, submit to Congress a report, with an unclassified summary, containing the following:

(A) A range of projections and comparisons, on a year-by-year basis, of United States and Soviet strategic weapons dismantlements that would be required over the next five years if the United States and the Soviet Union were to adhere to a policy of not undercutting existing strategic arms control agreements.

(B) A range of projections and comparisons, on a year-by-year basis, of likely United States and Soviet strategic offensive force inventories over the next five years assuming a termination at the end of 1986 in the current non-undercut policy.

(C) An assessment of the possible Soviet political, military, and negotiating responses to the termination of the United States no-undercut policy.

(D) Recommendations regarding the future of United States interim restraint policy, including the desirability of possible modifications thereto that would permit stabilizing reductions to take place on both sides while negotiations for a more comprehensive reductions agreement are underway;

(2) carefully consider the impact of any change in the current policy of the United States regarding existing strategic offensive arms agreements on the long-term security interests of the United States and its allies;

(3) consult with Congress before changing that policy; and

(4) ensure that future reports to Congress dealing with Soviet compliance with arms

control commitments present an assessment that identifies limitations which are being observed as well as those where adherence is either in serious doubt or not taking place.

(e) Nothing in this resolution should be construed as:

(1) endorsing unilateral United States compliance with existing strategic arms agreements;

(2) prohibiting the United States from exercising its rights and obligations as provided under international law with respect to treaty compliance;

(3) prohibiting or delaying the development, flight-testing, or deployment of the small intercontinental ballistic missile (SICM) as authorized by law.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President.

AMENDMENTS SUBMITTED

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

THURMOND (AND OTHERS) AMENDMENT NO. 1652

Mr. THURMOND (for himself, Mr. HATCH, Mr. DECONCINI, Mr. SIMON, Mr. GRASSLEY, Mr. SIMPSON, and Mr. GARN) proposed an amendment to the joint resolution (S.J. Res. 225) proposing an amendment to the Constitution relating to a Federal balanced budget; as follows:

Strike out all after the resolving clause and insert in lieu thereof the following: "That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

"ARTICLE —

"SECTION 1. Outlays of the United States for any fiscal year shall not exceed receipts to the United States for that year, unless three-fifths of the whole number of both Houses of Congress shall provide for a specific excess of outlays over receipts.

"SEC. 2. Any bill to increase revenue shall become law only if approved by a majority of the whole number of both Houses of Congress by rollcall vote.

"SEC. 3. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect.

"SEC. 4. This article shall take effect for the fiscal year 1991 or for the second fiscal year beginning after its ratification, whichever is later."

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a hearing before the Committee on Energy and Natural Resources.

The hearing will take place Tuesday, March 25, 1986, at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC. This will be an oversight hearing on the domestic and international petroleum situation and the implications of fees on imported oil.

Only administration witnesses will testify. For further information, please contact Debbi Rice or Howard Useem at (202) 224-2366.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INTELLIGENCE

Mrs. HAWKINS. Madam President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, March 6, in closed session, to conduct a hearing on the fiscal year 1987 Intelligence Budget Authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mrs. HAWKINS. Madam President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Thursday, March 6, to hold an oversight hearing on airline safety in the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mrs. HAWKINS. Madam President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, March 6, in executive session, to vote final passage on the DOD organizational bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

SENATOR CRANSTON'S BILL TO PROHIBIT PROPOSED EXCESSING OF VA PROPERTY IN SOUTHERN CALIFORNIA

● Mr. DECONCINI. Mr. President, it is a pleasure for me to join with the ranking minority member of the Committee on Veterans' Affairs, Mr. CRANSTON, as well as my fellow members of the committee from Hawaii [Mr. MATSUNAGA], Maine [Mr. MITCHELL], and West Virginia [Mr. ROCKEFELLER], in introducing S. 2141, a measure to prohibit the Administrator of Veterans' Affairs from declaring as excess several parcels of land at VA Medical centers in southern California.

As Senator CRANSTON has noted, on February 5, the VA advised the Committees on Veterans' Affairs of the Senate and the House, of its intention to declare as excess to the needs of the Veterans' Administration certain land and improvements at the west Los Angeles and Sepulveda VA Medical Centers. The VA advised that GSA estimates that $360 million in revenues will be generated by the disposal of this acreage, and this amount is reflected as savings in the President's fiscal year 1987 budget.

Mr. President, the senior Senator from California has described in great detail why this proposal for the excessing and disposal of this VA property is a bad idea. I will not repeat those reasons.

I do, however, want to reemphasize Senator CRANSTON's assertion that this is far from an issue involving only California. It is important that all of my colleagues in the Senate understand this. This is an instance where OMB is forcing the VA, against its better judgment, and in a way not consistent with the Administrator's statutory responsibilities, to make a judgment—that the land is "no longer needed by the Veterans' Administration in carrying out its functions"—and to concur in a proposal that is not only a complete sham in terms of fiscal year 1987 revenues but also a short-sighted, ill-advised proposal to dispose of Federal resources that have been dedicated to the benefit of our Nation's veterans.

Mr. President, I am delighted to be joining with my good friend in this initiative. I urge all my colleagues in the Senate to examine carefully the merits of this proposal to prohibit the excessing of the land and to join with us in cosponsoring this legislation.●

NATIONAL CONGRESS OF AMERICAN INDIANS HONORING CHARLIE POURIER OF PINE RIDGE INDIAN RESERVATION

● Mr. ABDNOR. Mr. President, just recently the National Congress of American Indians [NCAI] held its Congressional Awards Banquet to honor Senator BARRY GOLDWATER with its Lifetime Achievement Award for his efforts on behalf of native Americans in our Nation.

I have the honor of serving with Mr. GOLDWATER on the Senate Select Committee on Indian Affairs, and there is no individual more dedicated to improving the quality of life for the American Indian than the distinguished senior Senator from Arizona. And, there is no more deserving recipient than Senator GOLDWATER. I should like to take this opportunity to congratulate him. In addition to this honor, the National Congress of American Indians also bestowed a special honor on Mr. Charles Pourier of Pine Ridge, SD. Mr. Pourier is the director of the Shannon County Johnson-O'Malley [JOM] Education Program on the Pine Ridge Indian Reservation. Charlie is being honored for his ef-

forts on behalf of Indian schoolchildren across our Nation. He singlehandedly organized the 1985 JOM Mothers March on Washington to lobby Congress to save this important education program which was slated for elimination.

By these efforts he assured the continuation of this program and the services it offers to native American children in South Dakota and across the country. I am pleased that I could join in this effort both as a member of the Senate Select Committee on Indian Affairs and the Senate Appropriations Committee to assure that Mr. Pourier's efforts were supported.

Mr. President, while honoring Mr. Pourier's efforts, I should also like to remind my colleagues in the Senate that this program is vital to improving the educational status of Indian children and I urge their continued support for such vital Indian education programs.

Mr. President, I should also like to take this opportunity to salute the work of the National Congress of American Indians [NCAI] under the capable direction of Ms. Suzan Shown Harjo. For many years NCAI has been at the forefront of efforts to educate and inform Congress and the American people on the problems and challenges which face American Indians on a daily basis. Much of the Indian legislation passed by the Congress during the past decade was as a direct result of the lobbying efforts of NCAI. I commend Ms. Harjo and her dedicated staff for their continued efforts on behalf of native Americans.●

A TRIBUTE TO COL. HARVEY I. BUCKLES, INFANTRY

● Mr. SYMMS. Mr. President, I wish to pay tribute to Col. Harvey I. (Buck) Buckles, infantry, from Glenns Ferry, ID. He was the assistant chief of staff for Sixth U.S. Army at the time of his untimely death of cardiac arrest Saturday, February 22. He was 48.

Colonel Buckles was a distinguished military graduate of Idaho State University in 1960, receiving his bachelor's degree in physical education. He was commissioned as a second lieutenant, infantry, and entered on active duty at Fort Benning, GA. He completed the basic and advanced infantry officers courses, parachute course, Ranger course, Command and General Staff College, and U.S. Army War College during his more than 25 years of service. He also earned a master's degree in public administration from Shippensburg University, PA.

His first combat tour in the Republic of Vietnam was as an adviser to the Vietnamese Army and his second Vietnam tour was as a battalion executive officer with the 173d Airborne Brigade. He also served in Germany, first as the director of training, VII Corps, and later as a battalion commander with the Berlin Brigade. After completing the Army War College, he was assigned as deputy chief of staff, operations for the Sixth U.S. Army.

Colonel Buckles is survived by his wife, Caroline; a daughter, Ann Marie, 17; two sons—Brent, 25, an infantry lieutenant with the 25th Infantry Division, Hawaii, and Kevin, 21—and his mother, Mrs. Marie Buckles of Pocatello, ID.

Colonel Buckles, infantry, will be remembered by his family and friends as a person of rare competence and compassion who could be depended upon to do what was right for his soldiers, his Army, and his country. May God comfort his family.●

NOTICE OF DETERMINATIONS BY THE SELECT COMMITTEE ON ETHICS

● Mr. RUDMAN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35, for Mr. Tim Sisk, a member of the staff of Senator DALE BUMPERS, to participate in a program in the Federal Republic of Germany, sponsored by the Haus Rissen, International Institute for Politics and Economics, from August 10 through 20, 1986.

The committee has determined that participation by Mr. Sisk in the program in the Federal Republic of Germany, at the expense of the Haus Rissen, International Institute for Politics and Economics, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Michele Marquez, a member of the staff of Senator ALAN CRANSTON, Mr. Mark Contreras, a member of the staff of the Subcommittee on Immigration and Refugee Policy, and Mr. Chris Dunn, a member of the staff of the Judiciary Committee, to participate in a program in Mexico, sponsored by the Chamber of Industry for Transformation of Nuevo Leon [CAINTRA], from February 13 through 16, 1986.

The committee has determined that participation by Ms. Marquez and Messrs. Contreras and Dunn in the program in Mexico, at the expense of the Chamber of Industry for Transformation of Nuevo Leon [CAINTRA], is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Ms. Ann Goldman, a member of the staff of Senator ALAN CRANSTON, to participate in a program in Mexico, sponsored by the Chamber of Industry for the Transformation of Nuevo Leon [CAINTRA], from February 13 through 16, 1986.

The committee has determined that participation by Ms. Goldman in the program in Mexico, at the expense of the Chamber of Industry for the Transformation of Nuevo Leon [CAINTRA], is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Joseph Trujillo, a member of the staff of Senator PETE V. DOMENICI, who participated in a program in Mexico, sponsored by the Chamber of Industry for the Transformation of Nuevo Leon [CAINTRA], from February 13 through 18, 1986.

The committee has determined that participation by Mr. Trujillo in the program in Mexico, at the expense of the Chamber of Industry for the Transformation of Nuevo Leon [CAINTRA], was in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35, for Mr. Robert W. Porter, Jr., a member of the staff of Senator WILLIAM S. COHEN, to participate in a program in Japan, sponsored by the Japan Center for International Exchange [JCIE] from March 30 to April 6, 1986.

The committee has determined that participation by Mr. Porter in the program in Japan, at the expense of the Japan Center for International Exchange, is in the interest of the Senate and the United States.●

NATIONAL ARTS WEEK

● Mr. SIMON. Mr. President, we are a nation of inventors and manufacturers, of soldiers and builders, of teachers and poets.

A small community in Vermont holds potluck dinners to contribute to a program of poetry in the schools. A major corporate conglomerate in New York supports public television productions seen all around the country. Chicago celebrates its Lyric Opera with the same enthusiasm as we celebrate the Chicago Bears.

We are a strong nation because we spend as much time in museums as at the ballpark, because we teach our children music and art in schools along with English and mathematics and science. We are a nation which can still dream because we have people of vision in business, in politics and in the arts. Our strength is our cultural heritage and our contemporary artists and performers as much as in our military. We have a strong defense because we know what we defend, and

we defend what we will leave to our children and grandchildren—the stories, the music, the paintings and sculpture, the plays and media productions as much as the interstate highway system and water treatment facilities.

It is a cause for celebration that we know the importance of the arts in our personal lives and in the life of the Nation. The 20th anniversary of the National Endowment for the Arts in 1985 was marked by National Arts Week which began on September 23, 1985. During that week last year, a number of events were scheduled, 800 public arts events in each of the 50 States. It was made clear that National Arts Week was not to celebrate the endowment, important as that agency has been to leverage support and interest in the arts, but to celebrate the arts in communities as large as New York and Los Angeles, and as small as Madison, GA; Columbus, IN; Murray, KY; Great Falls, MT; Wilber, NE; and Sundance Resort, UT.

The events during National Arts Week in 1985 were as varied as the communities in which they were held. The Kennedy Center debut of the Van Cliburn Competition winner was as central a celebration as the Chinese Moon Festival in Southfield, MI, and the "Art in the Park" open house in Edina, MN.

Arts Week 1985 was made possible by a public-private partnership among agencies of the Federal Government, national arts groups, State arts agencies, a special Corporation Committee, arts service organizations and most important, 800 local arts groups.

The response to National Arts Week in 1985 and the involvement of public and private individuals and organizations was overwhelming. In November 1986, a second National Arts Week is planned and it is anticipated that participation will be even greater than last year. To acknowledge National Arts Week, Senator PELL and I will be introducing legislation this month to declare it by joint resolution of Congress. Many groups have already formed to support National Arts Week 1986 including the Corporation Committee, headed this year by Paul Elicker, chairman of SCM Corp. The Corporate Committee is especially important because it represents private commitment, and plans a national grassroots campaign among patrons of the arts.

The Federal Government has been catalyst for many State and local arts groups and has supported talented individual artists and companies. We need to continue the role of the arts endowment, and encourage private, State and local efforts. The focus of National Arts Week is just this sort of cooperative effort. The lead which the Corporate Committee is taking, and the national and local interest in celebrating the arts, guarantees a week in which we will give our attention to individuals and groups who nurture our spirits each week of the year.●

PRIVATE TRANSIT AND THE PUBLIC SECTOR

● Mr. WILSON. Mr. President, I would like to introduce into the RECORD the following remarks from Mr. David Mitchell, Member of the British Parliament and Minister for Public Transport. Minister Mitchell was recently in the United States to address a conference sponsored by the Urban Mass Transportation Administration regarding the increasing role for the private sector in addressing America's transportation needs.

This nationally important conference focused attention on the potential for saving 20 to 60 percent of public transit operating costs through the use of private providers and free market competition.

It is appropriate that Minister Mitchell would address this gathering because our cousins across the Atlantic have taken the lead in opening all public transit outside of the city of London to competition between public and private providers. The results have been increased efficiency by public operators, expanded business opportunities for private operators, substantial cost savings for British taxpayers and increased services for transit users.

Our own Department of Transportation and, specifically, Urban Mass Transportation Administrator Ralph Stanley have learned from British experience and are endeavoring to introduce the same free market principals to the provision of mass transit in our own country.

Minister Mitchell's remarks provide an important lesson for all of us and I ask that they be printed in the RECORD.

The material follows:

KEYNOTE ADDRESS TO THE UMTA CONFERENCE—"PRIVATE TRANSIT AND THE PUBLIC SECTOR" ON NOVEMBER 18, 1985

(By David Mitchell MP, U.K. Minister for Public Transport

BRITAIN'S BUS REVOLUTION—FROM MONOPOLY TO COMPETITION

I am very grateful for the invitation to be with you here today to participate in this Conference. Firstly, because it gives me an opportunity to see and feel the pulsating vigour of your economy and to be in the heartland of the private enterprise system.

Secondly, because UMTA had the courage to challenge the accepted traditional concept of public transport to think out and to plan new ways ahead. I am very delighted to be invited for that reason.

Thirdly, I am delighted because of the opportunity to explain how Mrs. Thatcher's Government is revolutionising the bus industry in the United Kingdom and the plans which we have for the future.

I think perhaps I ought to start by briefly describing the bus system as it stands in the United Kingdom. There are 4 separate types of operators. First of all there is the National Bus Company; it's large, it's powerful, it's nationalised, and it operates a chain of subsidiary companies throughout the United Kingdom. Secondly, there are metropolitan county operations. These are run by the PTEs in urban areas, places like Birmingham and is conurbation, Manchester and its conurbation. They own and operate buses throughout their conurbation area, very often sharing part of it with the National Bus Company. Thirdly, there are municipal or town bus operations run by the local council in rather the same way as they run the dust cart service, trash collection and the like. And fourthly, there are the private operators—a relatively small group who are under pressure from the giants I have described to you already. We also have a taxi sector which has an artificial division between what can be done by taxi and what can be done by bus. So that's the types of operators that we have in the UK.

If you want to operate a bus service in the United Kingdom you are required to have 2 licences—first of all, an operator's licence, to show that you are competent, have adequate financial resources, proper maintenance facilities for your vehicle and the like, and your vehicles are subject to an annual special bus inspection to see that they are fit and proper to be on the roads. In addition the Department of Transport has roadside inspectors who at intervals randomly check vehicles on the road to see that they are in a fit condition. That is the first licence you are required to have.

Second is the route licence. That is the licence that you apply for and are given to run a particular route. When you have got that licence you are the only person who's allowed to run that route. In effect you have a local monopoly for your service and that is the key of the existing system.

Finally in describing the UK system, I must mention the subsidy process, counties and towns provide subsidy to maintain the network, that is to say to persuade the operators to run routes which would otherwise lose money, and in some parts of the country to depress the level of fares so that they are more attractive to the local electorate in those particular areas. The subsidy is given to the operators in a series of bilateral deals. That is to say that the county council goes each year to the major operators and does a deal. A bargain is struck. The major operator says "If you don't give me more money, I'm going to have to cut off those routes which you think are socially necessary, to this village and that village and the other; this part of town and that part of town". And the county says "Sorry, we can't affort the money you are asking", and there's a haggle. At the end of that haggle, a deal is struck, and that sticks for the following 12 months. That is the process by which subsidy is doled out.

The result flowing from this system is that over the last 30 years, the bus industry has been in a state of chronic decline. Over those 30 years journeys by bus have gone down from 42% of all journeys in the UK to only 8%—8 times as many people now are travelling by car, an equal number of people are travelling by train. And indeed in the last 10 years, bus fares have gone up by 30% more than the rise in the cost of living, i.e. more than inflation, and in the last 10 years 28% of the bus passengers have disappeared. So here we have an industry which is in a state of chronic decline, one which has caused great concern to successive Govern-

ments because a significant part of our population relies on bus services: particularly the elderly, the lower-paid travelling to and from work, students, and women whose husbands have taken the car! They are an important part of our community, which are suffering from this decline of bus services.

Governments have therefore, through the local authorities, increased the amount of subsidy which has been available to encourage operators to run these services. In the last 10 years that subsidy has gone from £10m—not to £20, £30, £40 or £50 million as you might have expected—in sterling terms it has gone from £10m to over £500m, in only 10 years. A rocketting rate of subsidy increase at the same time as this chronic decline in availability of bus services.

So we have been analyzing the cause of this and that cause we judge is principally two-fold—first that Monopoly protects the operator from all the normal pressures for business efficiency. That itself has allowed the pattern to creep in of increasing staff over and above those who are properly necessary, increased maintenance costs for the same reason, increased operating costs, creeping through into increased fares on the scale I've already described.

The second thing about it is that the system of bilateral subsidy, (the bilateral deal which I described to you earlier), means that there is no genuine measuring stick for what the price ought to be. There is no way in which they can tell whether they've got value for money. They think they've got it, they hope they've got it, they put their finger in the wind and whistle but nobody knows whether they've got it. So that is the second cause of the decline. Not only is there no measure of whether they've got value for money, but the other thing that is undoubtedly true is that a significant part of subsidy which comes so easily in a bilateral deal soaks away to inefficiency in the hands of the operator in a way which it would not do in a fully competitive system.

So the way ahead for us flows from the Thatcher Government's principal philosophy, a belief that competition is the customer's best friend, and the spur to cost effective excellence. All our actions flow from that belief, and that philosophy. That principle being applied leads to the legislation which I am about to describe to you.

If you look at where we have already introduced competition into UK transport services you will see a dramatic transformation which has already taken place. I refer first to our internal air services. We used to have just the BA 'Shuttle' service between London and Glasgow, Edinburgh, Belfast, Manchester, and the service was dull and dreary. You couldn't get a cup of coffee. Indeed I served as a Minister in Northern Ireland for 2½ years, looking after transport and the environment there, and I crosed the sea 301 times. And I complained furiously that the only coffee you could smell was that being brewed for the Captain flying the aircraft. I asked if we could have it for passengers, and I was told it would cost £500 sterling to put it on. I said "It can't cost that much" and they said "oh yes, yes, you don't realize that our kitchens are 3 miles away from Heathrow", etc. I said "Steady on, there's a cafeteria on the ground floor so fill the urn up there." I even volunteered to do it for half the price. Then we introduced competition. We allowed British Midland Airways onto the services. What happended? The shuttle died, and in its place, a pheonix was born—Super Shuttle. The competitive answer of British Airways. It was not a question of asking whether you could have a cup of coffee, but it starts in the morning when passengers are served with "a free 5 star cooked breakfast, complete with croissants. Coffee, free drinks throughout the day on the Super Shuttle services". No witch doctor in Africa waving a juju stick could work a greater magic than competition has worked for the passengers on our internal air services.

Then we've done it on long distance coaches. We deregulated that and introduced competition in 1980. The effect has been to see the level of fares tumbling down. There has been a 40% reduction in the level of fares on long distance coaches. There have been 700 new services started and there has been a 45% increase in the number of people travelling by coach. Nor are they doing it in clapped-out old coaches; the best, most modern rolling stock on the coach system of the UK is to be found on those long distance coach services.

In 1980 we also took steps to have some trail areas for introducing competition for deregulating the ordinary bus services. I identify two principal trail areas. The first being in the County of Norfolk. Now Norfolk County Council had conducted its annual bilateral deal with the National Bus Company in its area, and the figures were that the NBC wanted half a million pounds and the county council said "that's a lot of money—we're going to put it out to competitive tender"—what you in the US call 'bidding'. Instead of having to pay $500,000 they got those same services for $150,000. A saving of two thirds of taxpayers' and ratepayers' money in subsidy in that area. We also has a trail area in the City and surrounding area of Hereford which became quite constroversial. As a result of that we saw a 68% increase in bus mileage in the town and a 2% sustained increase in services in the rural areas, and the County Council save 38% of its subsidy.

So on the basis not just of the lessons learnt there, but in the implementation of our philosophy and our belief in the principles of competition, we moved on to the legislation which has just completed its passage through the House of Parliament. This introduces competition and deregulation into all the bus services in the UK—except for London Transport—in 2 stages commencing next year. In February, anyone who wants to run a commerical service, a paying service, anywhere they like, can register to do so provided they've got an operator's licence. Once they register, they are committed to running the service for the first three months following deregulation in October and thereon they will have to give six weeks' notice if they want to desist from running the service.

So that's how we shall deal with paying services the commercial side of it.

Then, once those services have been registered in February the county council will be able to identify what are the socially necessary services that are not going to be run commercially. And then, they will set them out either route by route, or in smaller batches of routes for competitive bidding and anybody can bid for one of those contracts, provided he's got his operator's license so its known that he's properly and safely accoutred. And that is the system for subsidised services which we will introduce during the coming year.

So far as taxis are concerned, we are going to reduce the artificial barrier between the taxi and the ordinary bus. Operators of licensed taxis will be able to register commercial services and to bid the same as bus operators for the subsidy contracts for the more thinly run services. They will be well-placed in many cases to be more attractive financially in their bidding than bigger vehicle operators.

But if we are going to have competition, we need to have fair competition. I described to you earlier how a lot of the bus operators in the UK are in the hands of the NBC—huge, powerful and able to dominate the market in many places. So we are breaking the NBC up into smaller operating units, generally speaking about 300 vehicles each. Then in the course of the next 3 years—and I judge it will be a good deal less than that—those companies are going to be sold into the private sector. I hope that many of them will be bought by the staff in a staff buyout and I have to say to you that I revel in the prospect that there will be a significant number of employee buyouts of those operating companies. I revel in it because it changes the motivation of the staff. I revel in it because it makes denationalisation irreversible. No socialist Government is going to come and take away a company where the workers themselves have got a share in it. It gives the people of our country a greater share, a stake in the wealth of the community which creates a bulwark against collectivism.

The metropolitan county services will be separated from the council and will operate as bus companies. The municipal, the town operators will do the same. None of these companies will be able to get any subsidy at all other than by bidding competitively for the contracts which the county council puts out for competition. Previously, local authorities which operated buses and also subsidised bus operations were able to favour their own bus operation. In future because of the new company structure these two activities of running buses and of organising the bids and contracts will be separate.

So that is the system which we are introducing in the UK. We've had quite a battle getting it through the House of Commons because the operators enjoy a monopoly. They don't like the sound of the cold wind of competition. But the one set of people who've been our firm allies are the customers, the travellers, the people who benefit from competition. That is the way forward we seek to pursue.●

S. 1567—THE ADMINISTRATION'S SUPPORT

● Mr. STAFFORD. Mr. President, the Senate can be expected to take up S. 1567 soon, possibly early next week. I urge such prompt consideration.

A decade has passed since the last omnibus water resources legislation became law. That is a long time. Many needs have been identified—many solutions developed.

The House of Representatives passed H.R. 6, its version of an omnibus water resources bill, late in the first session of this Congress.

From every indication we have received, the House bill, or one close to the House bill, would be returned from the President's desk with a veto.

And the President would be absolutely correct.

Yet the President will sign S. 1567, or a bill close to S. 1567.

Our bill now contains more than $11 billion in new projects, ones that have received the approval of the Chief of Engineers.

Our bill also contains a number of important policy changes, particularly in the area of non-Federal cost sharing.

To assure we can obtain a signable bill, I urge my colleagues to withhold advocating costly add-on amendments when we bring S. 1567 to the Senate floor.

We will endanger this important legislation if we load it up with too many marginal projects and programs.

Let me outline the standards the committee leadership will use on the floor; I urge my colleagues to help us hold to those standards:

We will oppose any add-on of a corps project that lacks approval by the Chief of Engineers.

We will oppose any reductions in the level of cost sharing that was worked out with the administration, and which is essential if we are to have a law this year.

We will oppose any costly new programs.

Mr. President, I urge my colleagues to support the committee, to help us take to conference a lean and responsible bill, one that will provide us with the flexibility we need if we are to obtain a bill the President will sign.

Mr. President, to help my colleagues understand the situation further, I ask that a copy of two letters to me from officials of the administration be printed in the RECORD.

The letters follow:

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, DC, March 3, 1986.

Hon. ROBERT T. STAFFORD,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I know you are aware of my commitment to follow up on the June 1985 water project cost sharing compromise between the Senate leadership and the Administration. This compromise is reflected in S. 1567, the Water Resources Development Act, which, if it were passed today, could be recommended for signing by the President.

The Administration remains firm in its support of sound water project development as represented by S. 1567 in its present form. It is essential that the Senate act upon S. 1567 early in this session so that the bill can be kept as unencumbered as possible. Unwarranted additions of projects and programs which are unrealistic in light of the need to reduce Federal spending and the weakening of the new project cost sharing and navigation user fee requirements must be avoided if we are to have a bill that will be signed by the President.

This bill represents the culmination of months of work on the part of the responsible Senate committees and the Administration to forge a new and realistic charter for Federal water development. It is imperative that we obtain prompt action on this legislation if we are to take advantage of the excellent opportunity you and your colleagues have created for a strong but budgetarily realistic water resources development program.

Sincerely,

ROBERT K. DAWSON,
Assistant Secretary of the Army (Civil Works).

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, February 27, 1986.

Hon. ROBERT T. STAFFORD,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC

DEAR BOB: This letter is to again express our appreciation for the important role that you have played in helping to negotiate the Senate leadership/Administration agreement on project cost sharing and commercial navigation user fees for Army Corps of Engineers water resources development. This agreement, largely reflected in S. 1567, represents the culmination of years of hard work and promises to fundamentally reform the manner in which Corps water projects are financed. The fact that S. 1567 is now ready for floor consideration is due in large measure to the full cooperation of all involved in the agreement.

I know that we can count on your continued support and leadership when S. 1567 comes up for consideration in the near future. Amendments that would increase Federal expenditures or reduce revenues from the levels in S. 1567, as reported, would be counter-productive when we are all striving to achieve the deficit reduction targets of the Gramm-Rudman-Hollings Act. I urge that you strongly oppose such measures. We all look forward to a water bill that is acceptable to the President, so that the projects either funded by the Fiscal Year 1985 Supplemental Appropriations Act or proposed for funding in the 1987 Budget can move to implementation along with enhanced cost sharing and increased user fees.

Thank you very much for your support and leadership.

Sincerely yours,

JAMES C. MILLER III,
Director.●

THE GORBACHEV ARMS CONTROL PLAN

● Mr. SIMON. Mr. President, last month the Soviet leader Mikhail Gorbachev unveiled his arms control blueprint for the rest of the century. Surprisingly, there has been very little American reaction. The Reagan administration welcomed the plan, but has spent more time looking for flaws instead of focusing on the positive.

A recent op-ed in Newsday by Townsend Hoopes, former Undersecretary of the Air Force, is a welcome addition to the few voices applauding the Gorbachev plan. Not all the specifics can be accepted; that is inevitable when such sweeping proposals are made. But there is much that can serve as a starting point for serious negotiations, and Mr. Hoopes convincingly makes the case that Mr. Gorbachev's ideas are an unprecedented departure for the Soviet Union.

Mr. President, I ask that Townsend Hoopes' article, "Gorbachev's Positive Arms Proposals," be reprinted in the RECORD.

GORBACHEV'S POSITIVE ARMS PROPOSALS

(By Townsend Hoopes)

The proposals Mikhail Gorbachev made Jan. 15 for nuclear arms control constitute a remarkably responsible forthcoming initiative to remove obstacles that have bedeviled negotiations in this pivotal area of U.S.-Soviet relations throughout the Reagan years. They are specific and practical; they offer major concessions to American concerns.

A fair reading should convince Americans with common sense that the new Soviet leadership is entirely serious about winding down the arms race.

The proposals reflect Gorbachev's clear understanding that the superpowers (and mankind) stand on the edge of a new divide. Either they will promptly stop the process of making more (and more accurate) weapons of destruction, or the arms race will be inexorably extended into space with deeper dangers, ruinous financial costs and less security for all concerned.

In his Time magazine interview in September, the Soviet leader stressed the "tremendous responsibility" for world peace that rests upon the leaders of the two superpowers. The new proposals are an eloquent plea to President Ronald Reagan to accept his share of this responsibility by facing several fundamental realities: (1) that mutual vulnerability is an irremovable condition of our era; (2) that national safety can no longer be secured by unilateral means, no matter how much is spent on military forces and new technology; (3) that strategic stability and avoidance of nuclear war depend upon political understanding and agreement. As the Gorbachev statement says: "Humanity is at a crucial stage of the new space age. And it is time to abandon the thinking of the Stone Age, when the chief concern was to have a bigger stick or a heavier stone." Thus far, Reagan has said he is "grateful" for the Soviet proposals; otherwise the administration response has been a stunned and discomfited silence.

One Gorbachev proposal calls for total elimination of nuclear weapons by the end of the century—an unrealistic idea. But American political archives are also replete with similar expressions of piety—for example, President Jimmy Carter's inaugural address and Reagan's original "Star Wars" speech, which held out the hope of rendering nuclear weapons "impotent and obsolete." Such ritual incantations should be quietly set aside.

Serious attention should focus on the concrete, practical and specific proposals in the new Soviet package, for a positive U.S. response to them could transform the prospects for arms control.

The most immediately promising proposal calls for the "complete elimination" of all intermediate-range nuclear missiles in Europe. This amounts to acceptance of the U.S. "zero option," which sought a total elimination of Soviet SS-20s targeted on Europe in exchange for no deployment in Europe of land-based cruise and Pershing II missiles under U.S. control.

The Soviet proposal is clear and straightforward; it is not encumbered by inclusion of U.S. strategic bombers based in England or U.S. carrier aircraft offshore, even though these pose a direct nuclear threat to Soviet territory. Nor does it insist on eliminating, or even counting, the British and French nuclear forces, which also pose a

threat; it asks only that these forces refrain from "buildup."

Some administration spokesmen have already raised the fear that the SS-20s now in Europe would simply be moved across the Ural mountains into Soviet Asia, whence they could be redeployed to Europe in the event of crisis. In fact, large-scale redeployment of SS-20s would not be a quick or easy operation—certainly no easier than the redeployment of Pershing II missiles from the United States back to West Germany. Moreover, the Soviet chief of staff has now given assurances that the European SS-20s would be dismantled or destroyed. And on this point, the Gorbachev statement says: "We have in mind that special procedures will be worked out for the destruction of nuclear weapons . . . Verification with regard to the weapons that are destroyed or limited would be carried out both by national technical means and through on-site inspections."

Finally, the chief Soviet negotiator in Geneva, Victor Karpov, has stated that Euromissiles could be eliminated "without links to strategic or space weapons." So this is manifestly the issue to address first in an energetic new negotiation—and without delay.

The Gorbachev proposals make a special effort to reduce western concerns about adequate verification. In the past, the Soviets have offered certain limited on-site inspections in the context of a test ban. The new proposals appear to go further, offering on-site inspections as an integral part of various other measures for verifying the progressive destruction of weapons pursuant to an agreement.

A central element of the proposals is a 50 percent reduction, over the next five to eight years, of "the nuclear arms that can reach each other's territory." But while he is willing to deal with the Euromissile problem separately, Gorbachev links the reduction of longer-range weapons to a categorical ban on a Star Wars defense system—that is, the development, testing and deployment of space weapons. He accepts that pure research is not subject to international verification and will continue.

The Reagan administration is impaled on a fundamental and absurd contradiction: It insists that a massive Star Wars defense effort will somehow improve the prospects for arms reductions by causing the Soviets to "drastically devalue" their offensive missiles and to prepare themselves in effect to negotiate those missiles away.

Like many sensible Americans, Gorbachev understands that the pursuit of Star Wars will have precisely the opposite results: Star Wars will compel Soviet countermeasures, because it threatens to deprive the USSR of its second-strike deterrent capability. This reaction will lead not to stable agreements and reductions, but to a vast new arms race in space.

In an effort to avert the dangers that lie in a rejection of restraint at this critical juncture, Gorbachev has unilaterally extended by three months the Soviet moratorium on nuclear testing, which was to expire at the end of 1985. He has invited the United States to follow the Soviet lead. In announcing the unilateral extension, he said that, in the absence of a positive U.S. response, the Soviets have "every right to resume nuclear tests" at once.

But he emphasized his serious concern to avoid being trapped again in that kind of action-reaction syndrome. "If one were to follow the usual 'logic' of the arms race, that presumably would have been the thing to do. But the point is that it is precisely that notorious logic that has to be resolutely repudiated. We are making yet another attempt in this direction. Otherwise the process of military rivalry will become an avalanche and any control over the course of events would be impossible."

These are not the words and thoughts of a leader bent upon pushing an arms race and risking war, but thus far they have failed to remove the Reagan administration's resistence to any cessation of nuclear testing. The administration has argued lamely that it must go on testing because it lags behind Moscow in missile modernization, despite an unprecedented military buildup over four years. More recently it has said that no test ban is possible so long as nuclear weapons are required for deterrence. That is a formula for continuing nuclear tests from here to eternity.

The real reason for refusing a test ban is an obsessive adherence to Star Wars. While Reagan says effusively that Star Wars will make nuclear weapons "important and obsolete," the truth is that a centerpiece of the current effort to destroy Soviet missiles in space is a weapon powered by a nuclear explosion—the X-ray laser. If it becomes a part of the system, more nuclear testing will appear as a logical necessity.

The Soviet proposals are intelligent and reasonable. They constitute an unprecedented effort to bridge the gap between the superpowers, thereby providing a basis for genuinely helpful arms reduction agreements. They deserved far more attention from the press than they have had so far, for they illuminate the truth that the Reagan administration's blind adherence to Star Wars is not only a fundamental, permanent obstacle to improved U.S.-Soviet relations but is also a burning fuse that, if not extinguished, will explode into a nightmare arms race in space.

The Gorbachev proposals offer the administration a hopeful exit from the corner into which it is mindlessly painting itself. The question is whether Ronald Reagan has the wisdom to take it.●

LIABILITY INSURANCE CRISIS

● Mr. KASTEN. Mr. President, 2 weeks ago, I chaired the first day of the Senate Small Business Committee's hearings on the impact of the current liability insurance crisis on America's small businesses.

Mr. President, during the course of the hearings, my colleagues and I heard horror story after horror story about how businesses have suffered sudden and unexpected increases in premiums for liability insurance coverage. Those premiums increased in many cases by more than 100 percent. Some businesses, which had never even experienced a loss or a lawsuit, were notified that they had been canceled by their insurance companies.

I have been leading the fight here in Congress to ease the current situation. Through legislation, including the uniform product liability bill and the Risk Retention Extension Act, I have attempted to address specific problems within the tort system as it currently stands.

I do not buy the trial lawyers' argument that the current insurance crisis is one that was invented by the insurance industry. With the amount of litigation and large settlements from those cases, the crisis lies within our judicial system.

Mr. President, one of the witnesses before the Small Business Committee, James Temp, managing vice president of Alexander & Alexander Services, Inc., of Green Bay, WI, testified on behalf of the National Association of Insurance Brokers. Mr. Temp's remarks vividly illustrate the problems of today's system and what must be done to remedy the crisis. I ask that the testimony of Mr. Temp be included in the RECORD.

The testimony follows:

TESTIMONY OF JAMES A. TEMP ON BEHALF OF THE NATIONAL ASSOCIATION OF INSURANCE BROKERS

Mr. Chairman, members of the committee I am Jim Temp, managing vice president of the Green Bay, Wisconsin office of Alexander and Alexander (A&A). A&A is the second largest insurance brokerage company in the world. We also operate in a decentralized manner and have offices in 113 American cities.

I am here today representing our trade association, the National Association of Insurance Brokers (NAIB). Accompanying me is Barabra Haugen, Director of Federal Affairs for NAIB.

I appreciate the opportunity to testify.

The NAIB is a trade association of commercial insurance brokers who, on behalf of their clients, administered over $30 billion in premiums in 1985. Our members include large international brokerage companies as well as regional and local firms.

Our clients are individuals, businesses of all sizes and professional people, as well as municipalities and state governments, schools, religious organizations and other nonprofit entitites. Their financial risk exposures range from the thousands of dollars to hundreds of millions of dollars.

Brokers' most important function is to protect the assets of our clients. In doing this, we employ a wide range of skills that combine a broad knowledge of the insurance market with experience in risk management and loss control programs.

Brokers understand the insurance marketplace because we grapple with finding our clients available and affordable insurance products everyday. And I can tell you that we have a very serious capacity problem in today's market.

I recently returned from my company's annual management meeting where I heard my colleagues tell some real horror stories. What we are finding is that while the liability crisis is not affecting everyplace, and everyone in the same way, it is touching many segments of our society—and from what I hear from other brokers, it is not getting better.

We have been fortunate in Green Bay. Our office handles both large and small businesses, which among others include a large paper company, local stores, and our city's pride—the Green Bay Packers.

So far, we have been able to satisfy about 95% of our clients' risk management requirements. This hasn't been accomplished without some problems and without some rate increases. Finding umbrella coverage for clients, for example, is much more difficult than in the past.

In Green Bay the small groceries and retail stores aren't the problem for us. Clients with medium sized businesses have been the ones hardest hit, particularly in the product liability area.

A typical example is a client who manufactures converting machinery for the paper industry. They have been our client for a number of years.

They built a machine in 1946 which has had three owners. One owner substantially modified the design, moving the operator's position from the front of the machine to the side. This change made it easier for the operator to reach into the gears to pull out jammed paper.

Without turning off the machine, one operator attempted to remove the jammed paper and lost the tips of three fingers. Why he didn't turn the machine off first we don't know.

The operator sued our client even though they had sold the machine almost 40 years ago. The operator was awarded $380,000—a large sum for a small business.

Fortunately, we were able to put together a self-insurance program to keep the company in business. However, they had to accept a large self-insured retention.

We credit our success in meeting our clients' insurance needs with several factors. We have excellent relationships with stable underwriters who have good ratings and reputations. We have worked with many of our clients for years, and we know their risk exposures and loss histories.

And perhaps there is an advantage in a small community where people know each other and business relations are built upon trust, as well as good service.

But even with all the skills of brokering, if the capacity is not available at any cost, we can't make it magically appear. I am afraid that brokers are finding that capacity is not available or very limited in some areas.

Small businesses—doctors, restaurants, day care centers, nursing homes and bars, to mention a few—are reporting difficulty in locating liability insurance.

Many must pay dramatic premium increases, if they can find insurance at all.

The Wall Street Journal recently reported that a ski resort in Pennsylvania raised the price of ski-lift tickets an average of 25% to compensate for a 600% increase in its premium. At the same time its deductible increased from $250 to $300,000.

Such examples are disturbing, and it is understandable why the business community and the public are alarmed. It is also difficult for those involved to understand the relationship between their premium increases and the insurance market generally—especially if their businesses have a good loss record.

What we are experiencing is a general tightening in the market as insurers try to recoup their recent losses.

In some instances, insurers are deciding that the risk potential in certain lines of business are too uncertain to be insurable and are simply pulling out of the market. When this happens, it can be very difficult to find replacement insurer.

The range of risk management options for small businesses outside traditional insurance is limited. Methods being used by some larger companies—captives and group insurance pools—may be too expensive and difficult to administer for small firms.

As a result smaller companies may buy less coverage or "go bare." Because they operate on a narrower profit margin, one large loss could easily wipe out a small business.

But it should be emphasized that loss control and risk management programs will help any company or organization reduce its financial exposure. Reducing risks, while always desirable, can make a critical difference to a business in today's environment because it increases the options for insurance coverage.

The liability crisis is not just an insurance problem it is a national problem. Small businesses, of course, are not the only ones being affected: schools, municipalities, large companies and many professionals are feeling the impact.

As consumers, we ultimately pay the cost in higher prices for products and services, and in the loss of technologies that improve the quality of our lives or save them.

Factors that have contributed to the crisis include;

Courts expanding and redefining theories of liability to cover risks never contemplated by the insurer;

Cashflow underwriting practices encouraged by high interest rates;

Withdrawal of world reinsurers from the market; and

Cultural attitudes that encourage settlement of disputes in court rather than over the back fence.

While we are beginning to come to terms with the causes and the consequences of the liability problem, the answers are coming with a little more difficulty.

The issues are complex and offer no easy solutions for either policymakers, the insurance consumer or the industry. But it is clearly in our best interest to seek ways to stabilize the insurance market and restore predictability to insuring risks.

I will briefly mention a few issues that merit your consideration. And if there is no objection, Mr. Chairman, I would like to submit for the record additional material explaining NAIB's position on these and other issues concerning the liability crisis.

We should:

Examine our civil justice system to determine what impact it is having on the insurance market, on our economy in general, and on our ability to resolve our disputes;

Examine the insurance cycle to find ways to ease the extreme market swings without interfering with the free market;

Expand the Risk Retention Act to include risks in addition to product liability; and

Provide tax equity for loss reserves for self insurers.

There has been much finger-pointing over who's to blame for the crisis. It reminds me of the old Laurel and Hardy episodes which inevitably ended with Oliver reminding Stanley, "Another fine mess you've gotten us into."

Neither the insurance industry, business, government, lawyers or the public is completely blameless in bringing us to the place we are today. And it will take the concerted effort of us all to come to terms with the problem.

Our time might be better spent focusing on what we might do together to solve the problem. Mr. Chairman, I commend you and the committee for taking the time to examine some of the ways we can resolve this very serious situation. Thank you.●

GIRL SCOUT WEEK

● Mr. D'AMATO. Mr. President, shortly after the turn of the century, while living in Scotland, a young, ambitious woman by the name of Juliette Gordon Low began to explore the importance of child development. Through her active involvement in an English program. Girl Guides, Juliette Low came to know and understand that proper development of a young child leads to a healthy, well-rounded adult.

Returning home to the State of Georgia in 1912, she brought with her a seed of experience that since has developed into the largest voluntary organization of girls in the world. On March 12, 1912, Juliette Low formed the Girl Guides' program with 18 members in Savannah, GA. In 1913, the name was changed to Girl Scouts, and the first Girl Scout headquarters was opened in Washington, DC. When it received its charter from Congress in 1950, Girl Scouts was well on the way to global recognition.

Today, Girl Scouts is part of a worldwide family of girls, ages 5 through 17, in 108 countries through its membership in the World Association of Girl Guides and Girl Scouts. Currently, there are approximately 3 million young women who actively participate in its myriad of programs, as well as 624,000 adult members, of which more than 99 percent are volunteers, and staff specialists instructing our children in a broad range of fields: Child development, adult education, outdoor education, and administration.

This week, March 10 through March 14, 1986, is Girl Scout Week, and the message this Congress, and indeed the American people, would like to send to the many dedicated individuals involved with Girl Scouting is one of appreciation. Without organizations such as this, this Nation and the world would lose an important stabilizing force in the upbringing of our young that we need in today's everchanging world.

Before I finish, I would like to note the ideals each Girl Scout strives to incorporate into her everyday life. We would do well to heed these words as stated in the Girl Scout Promise and Law:

GIRL SCOUT PROMISE

On my honor, I will try:
To serve God and my country,
To help people at all times,
And to live by the Girl Scout Law.

THE GIRL SCOUT LAW

I will do my best:
to be honest,
to be fair,
to help where I am needed,
to be cheerful,
to be friendly and considerate,
to be a sister to every Girl Scout,
to respect authority,
to use resources wisely,
to protect and improve the world around me,
to show respect for myself and others through my words and actions.●

UNION STATION RENOVATION

● Mr. STAFFORD. Mr. President, recently I received a letter from Keith Kelly, the president of the Union Station Redevelopment Corporation. In the letter Mr. Kelly describes in some detail the effort to renovate Union Station, adjacent to the Capitol. He also lays out a timetable on the work.

This is good news for visitors to Washington.

This is good news for the Capitol Hill area.

And it is good news for persons who travel the Northeast rail corridor.

Mr. President, I ask that a copy of Mr. Kelly's letter be printed in the RECORD.

The letter follows:

UNION STATION REDEVELOPMENT CORP.,
February 12, 1986.

Hon. ROBERT T. STAFFORD,
U.S. Senate,
Washington, DC.

DEAR SENATOR STAFFORD: Thank you for your kind letter of January 29th recognizing the signing of the development agreement. All of the parties are pleased that we can now move forward with the development of the Union Station as a passenger railroad station and a successful commercial venture.

I will address the questions asked in your letter in the order asked:

The complete architectural/engineering drawings and specifications are scheduled to be delivered to USRC on March 31st.

We intend to review those drawings and specifications and make them available to prequalified bidders on April 3, 1986. The bidders will be given four (4) weeks to prepare their bids and will be submitted to USRC about April 30, 1986. USRC will promptly review the bids and accept the lowest qualified bid and award the contract as quickly as possible after that date. We would expect construction to begin in June 1986. For your information, we have had a demolition contractor working in the station removing all vestiges of the National Visitor Center improvements since early December, 1985. We expect him to complete his work by April of 1986 or earlier.

In our sublease with the developer, we have agreed to review the question of opening date in January of 1987. However, we all anticipate that the "Grand Opening" should be in the spring of 1988 barring unforeseen complications. It should be pointed out, however, that work on the demolition of the present Amtrak facility and bringing the tracks back close to the station can only begin after the station is open.

Union Station Venture has the responsibility for finishing construction of all tenant space, leasing the complex and managing and operating the entire building. They anticipate a total investment of $31,000,000 which will be provided from private sources. They will pay USRC $1,000,000 minimum rent per annum net which is subject to a C.P.I. inflator after the third year plus 50% of the project's defined net operating income.

Our estimate of total cost is $101,000,000 of which USV will provide $31,000,000 all private. We expect to spend about $70,000,000 provided by Amtrak. We have spent about $7,000,000 to date and will have a better handle on our costs after the bid prices are received and we know how much of a contingency we will have as work proceeds.

We have been advised by the District of Columbia Department of Public Works that work on the Parking Structure should be complete in November of 1986 and that the completion of the link structure connecting the garage with the historic concourse will be completed about three months after that date.

USRC deeply appreciates the support and encouragement that you and other members of the Committee have given us as we move toward the completion of the project.

Sincerely yours,

KEITH KELLY.●

ADVANCE NOTIFICATION—PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Committee on Foreign Relations.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that such a notification has been received.

Interested Senators may inquire as to the details of this advance notification at the office of the Committee on Foreign Relations, room SD-423.

I asked that a letter in this connection be printed in the RECORD.

The letter follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, March 5, 1986.

Dr. M. GRAEME BANNERMAN,
Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR DR. BANNERMAN: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b)(1) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Southwest Asian country tentatively estimated to cost $14 million or more.

Sincerely,

PHILIP C. GAST,
Director.●

ORDERS FOR TOMORROW

RECESS UNTIL 10 A.M. TOMORROW

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 10 a.m. on Friday, March 7, 1986.

The PRESIDING OFFICER. Is there objection? Without objection, it is so orderd.

RECOGNITION OF SENATORS MCCONNELL AND PROXMIRE

Mr. DOLE. Following the recognition of the two leaders under the standing order, I ask unanimous consent that there be special orders in favor of Senators MCCONNELL and PROXMIRE for not to exceed 15 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that, following the special orders just identified, there be a period for the transaction of routine morning business not to extend beyond the hour of 10:45 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, following the conclusion of routine morning business, the Senate will resume consideration of Calendar No. 358, Senate Joint Resolution 225, a joint resolution proposing an amendment to the Constitution to balance the budget. Pending is the Thurmond substitute amendment No. 1652.

Let me indicate to my colleagues, Mr. President, I understand that we have speakers prepared to start in the morning following special orders—Senator WEICKER, Senator DODD, and others. As I understand, the managers are prepared to deal with amendments tomorrow. If there are amendments, we hope they will be offered and that we shall have votes.

We do hope to conclude our work fairly early tomorrow afternoon, say, 3, 3:30, or 4 o'clock.

Mr. President, I understand that we may be able to reach an agreement on the Fitzwater nomination, with the hope to have it debated on Monday and have a rollcall vote on Tuesday, if necessary.

RECESS UNTIL 10 A.M. TOMORROW

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 10 a.m. tomorrow.

The motion was agreed to and, at 6:19 p.m., the Senate recessed until tomorrow, Friday, March 7, 1986, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate March 6, 1986:

IN THE NAVY

The following-named officer for promotion to the grade indicated under the provisions of article II, section 2, clause 2 of the Constitution of the United States of America:

To be captian

Cmdr. Michael J. Smith, U.S. Navy, [redacted] xxx-xx-x... /1310.

IN THE NAVY

The following-named commanders in the staff corps of the Navy for promotion to the permanent grade of captain, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

MEDICAL CORPS

Aguilar, John Rexis
Alexander, Arvin Herber
Anderson, Barbara Gene
Anderson, Brian Cornell
Arnold, Robert Evans
Barbier, George Henry
Barry, Paul Douglas
Bartlett, John Donningt
Bina, William Frank, III
Bishop, William Hinton
Bliss, Donald Lee
Bumgarner, Robert Linvi
Burckhardt, William A., I
Burkhart, John Anthony
Burns, William Walker
Butler, William M.
Carlisle, James Henry, I
Carlson, Bruce E.
Carter, Manley L., Jr.
Davis, Mark Stuart
Dean, Norman Arlon
Dresser, Thomas Purinto
Dufort, Robert Thomas
Ellenbeck, Edward Willi
Fowler, James Thomas, II
Fticsar, James S.
Gambone, Joseph C.
Garges, Lawrence Marsto
Garretson, John Forbes
Garrigues, Ned William
Gilbert, Walter Livings
Goad, Robert Frank
Greeb, Charles Allen
Hardman, Jane McWilliam
Hartzman, Robert J.
Henderson, Sherry Kay
Hollingsworth, D. Vertre
Lawson, Richard Weldon
Lin, Fang Ling Hsu
Lloyd, Bruce Kerr, III
Long, Truman Edward
McNeal, Richard Mabbott
Melaragno, Anthony Jose
Mitas, John Albert, II
Moriarty, Richard Alden
Mottet, Michael Douglas
Moyer, David Baxter, Jr.
Murphy, Michael Kenneth
Peterson, Richard Boyd
Peterson, Timothy J.
Petway, Joseph Keill, Jr.
Pulliam, Morris Wade
Ragland, Jerry John
Rainey, Thomas Gilman
Scanlon, Thomas Sylvest
Schelkun, Steven R.
Schenk, Joseph Henry
Schneider, Thomas Russe
Seibel, John Edward
Shimer, Gary R.
Stafford, Sam, III
Teddi, Raul Juan
Thalmann, Edward Defore
Thomas, William Joseph
Thompson, David Herron
Tidball, John Scott
Tozer, James Michael
Vanmeter, Quentin Lee
Ward, James Singleton
Wulfsberg, Eric Alan
Zumrick, John Lawrence

SUPPLY CORPS

Allega, Timothy James
Allen, Daniel William, Jr.
Ashley, Robert E.
Battersby, Richard Wayne
Bray, Richard Lee
Brown, William Timothy
Chamberlin, Edward Robert
Chertock, Stephen Herman
Cottrell, Michael Francis
Davies, David Alan
Dexter, Stephen Thompson
Fabry, Steven Edwards
Fyfe, John Kerr, Jr.
Gibson, John Justin
Hammel, Kathleen Alexandra
Hayward, Daniel Stewart
Hiltbrand, Jon Haden
Hilton, David Eastwood
Hoyt, Charles Arny, III
Jaudon, James Elton, III
Jepson, Francis, Edward, Jr.
Kalas, Frank Joseph, Jr.
Kinsey, Joseph William
Kowalski, Fred W.
Libby, Kurt William
MacArthur, Chester Bruce
Madril, Richard Joseph
McInnis, Roger Eugene
McKechnie, Arnold Wilfred, Jr.
Moore, Beryl Grant
Munro, David Thomas
Newton, George Edward
Pearce, Charlie Albert
Pollock, William Jay
Printz, Stephen Carl
Quirk, David John
Ramelli, Daniel Steven, III
Santucci, David Michael
Schweitz, James Joseph, Jr.
Scudi, John Turner
Steffens, Paul B., Jr.
Sullivan, Michael Patrick

CHAPLAIN CORPS

Asher, William Carroll Lynn
Blackburn, Warner Phillip
Dressler, Raymond Henry, Jr.
Freistedt, Robert Ray
Fuller, Ivan Richard
Goode, James Gilmer
Hill, Edward Thomas
Kelley, Edward Joseph, Jr.
Macho, George Stephen
McCain, James Madison, Jr.
O'Brien, John M.
O'Connor, R. Conway
Rothermel, Fred Allen
Schuster, David Paul

CIVIL ENGINEER CORPS

Bone, Talbot Wade
Brown, Richard Eugene
Cotingham, John Richard
Dean, Hilbert Dwayne
Eckloff, James Clement
Everhart, Guy Franklin
Franz, John Peter
Geibel, Bruce Burgee
Hoff, Micheal Leroy
Holm, Stanley Robert, Jr.
Hughes, Duncan Stuart
Lehman, John August
Lowery, Edward Joseph, Jr.
Nash, David Julian
Owens, James Walter, II
Rever, John Nicholas
Smith, Louis Martin
Taylor, Ernest Theodore
Yankoupe, George William

JUDGE ADVOCATE GENERAL'S CORPS (25XX)

Freyer, James Anthony
Geer, John Joseph, Jr.
Grant, Harold Eric
Greiveldinger, Geoffrey
Henderson, William C., II
Larson, David Charles
Neutze, Dennis Richard
Payne, Michael L.
Pitkin, Roger Frank
Sattler, Terry D.
Vanderhoef, Craig T.
Wells, George Lawrence

DENTAL CORPS (22XX)

Ancowitz, Stephen Jay
Crowley, Leo Vincent, Jr.
Curry, Robert L.
Doblecki, Walter
Escude, Leon Raymond, Jr.
Gher, Marlin Eugene, Jr.
Harring, Ronald Francis
Johnson, Peter Fink
Jones, Harold Lee
Kielt, Raymond John
Kriz, John Francis, Jr.
Kuhl, Larry Van
Leff, Eldon Ray
Lewis, Doyle Martin
Mason, Keith Garnett
McKinley, Lawrence Davi
Patterson, Michael Will
Rothermel, Richard Alle
Silverthorn, Thomas Law
Warnock, Gary R.

MEDICAL SERVICE CORPS (230X)

Anderson, David Edward
Bartlett, Jack Wallace
Beil, James A.
Brady, James Arvid
Brubaker, Ralph Wesley
Call, Douglas William
Campbell, Paul Ernest
Chappell, Wendell Leo
Cooper, Thomas Michael
Fisher, David Howard
Frost, Alan Walker
Galley, Charles Bernard
George, James David
Gutshall, Richard Brice
Hamm, Melvin Neal
Hansel, George Joseph
Hopkins, Robert Frank
Hyde, Noel Alfred
Lamdin, Jay Marshall
Moroney, William Franci
Patterson, William Larr
Pratt, Michael Lee
Profita, Salvatore John
Relinski, Robert George
Rethmeier, Kenneth Alle
Schultz, Warren Walter
Tackitt, Robert Duane
Thomas, Whitney Proctor

NURSE CORPS (29XX)

Dault, Judith A.
Elsesser, Mary Ann
Krall, Virginia Mary
Mencik, Barbara Ann
Pollock, Linda Sue
Rieder, Karen Anne
Roadhouse, Ida Cortez

Sage, Victoria Schneide
Stratton, Mariann

LIMITED DUTY OFFICER (CIVIL ENGINEER CORPS) (653X)

Keith, Donald Rae

IN THE NAVY

The following-named commanders in the line of the Navy for promotion to the permanent grade of captain, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

UNRESTRICTED LINE OFFICER (11XX/12XX/13XX)

Aaker, Charles Erwin
Abbot, Charles Stevenson
Aeschleman, Vance E., Jr.
Allen, Kenneth Eugene
Almon, John Sterling
Amerault, James Frederick
Anderson, Dennis Dean
Arje, Andrew Coulter
Armstrong, Douglas McLean
Arndt, Keith Milford
Avery, Robert Butner
Bajuk, Gregory Emil
Baker, Jerry, Jr.
Barker, Michael Don
Barry, Thomas Joseph
Bartmess, Curtis, Jr.
Beachy, John Scott
Beard, Tomothy Robert
Beck, Andrew Conrad, II
Beers, Charles Joseph, Jr.
Begbie, Albert Joseph
Beougher, Rolland Ben
Berg, Ronald V.
Bergen, Laurence Michael, Jr.
Bernard, Alan Christian
Berning, Ronald Charles
Bertsch, William Preston, Jr.
Bien, Lyle Gene
Bill, David Spencer, III
Black, Harold David
Blair, Dennis Cutler
Blanton, James Cordell
Boennighausen, Roger Paul
Bokesch, William Michael
Boling, Deanna Irene
Bowles, Hugh Conrad
Bowman, Michael Lee
Boyd, John Stuart
Bradt, Douglas James
Brennan, Neil Maxwell
Brindel, Glenn Richard
Brodsky, Robert Gray
Bronaugh, Welbourne F.
Bruckner, James Winston
Buchanan, Richard Alan
Bucher, Lawrence Charles
Burhans, Nicholas Pegau
Burnett, Roger Allan
Button, Andrew Jerome
Byerly, Kathleen Donahue
Byron, John Ladue
Callahan, Patrick Anthony
Carden, Arthur Bruce
Carlson, David Samuel
Carlson, Edward James
Carlton, Kenneth Marvin
Castle, William Kenneth, Jr.
Catone, Richard Arthur
Center, William Dillard
Clark, Vernon E.
Clark, William Stephen
Clarke, Joseph Dallas, IV
Clay, Henry Leonard, III
Clothier, Thomas John
Cole, Bernard David
Coleman, William Arnold, Jr.
Colley, Donald Vernon
Combs, John Wesley
Coneway, Clinton James
Conrad, Raymond Paul
Cook, Charles Allen, Jr.
Cooper, William Patrick
Corcoran, Gerald J.
Corcoran, Joseph Lynn Kevin
Coumatos, Michael James
Cragg, Eugene Earl, Jr.
Cripe, Paul Lynn
Crociata, Joseph Philip
Cross, William V., II
Curtis, James Albert
Curtis, Robert Edwin
Curtis, Stephen Edward
Delaney, Kevin Frances
Dell, Julius Bloxham, Jr.
Doane, Robert K.
Donaldson, Paul Howard
Dowgwilla, Frank Michael, Jr.
Downey, Robert Vincent
Drager, James Michael
Draper, John Joseph, III
Duff, Byron Lynn
Dunn, Dale Raymond
Dwinelle, William Alfred
Dye, George Walter, Jr.
East, Don Charles
Echlin, Delos E.
Ecker, Paul William
Eddingfield, Lawrence E.
Edwards, James Nathaniel, Jr.
Edwards, Michael Bruce
Eldridge, James Donald, Jr.
Ellis, Charles Eugene
Ellis, James Oren, Jr.
Ernst, Larry Lee
Erny, Paul Frank
Eubanks, Thomas Irvin
Evans, Oliver Keith
Fagan, Patrick Michael
Fairchild, Lawrence Vernon
Farr, Leroy Allen
Farrell, Richard Kenneth
Farrell, Richard Stephen
Felty, Joseph William R.
Fernandez, Wayne Jacinto
Field, Michael Edward
Field, Richard Johns
Finta, Thomas William
Fisher, Dwight Douglas
Fitch, Rex Burnham, Jr.
Fitzgerald, John Stephen
Fitzgibbons, Thomas Arthur
Foote, Morris Cooper
Ford, Thomas Joseph
Fortenberry, Henry Charles
Frigge, William Joseph
Gay, William Wilson, III
Giblin, James Francis, Jr.
Giffin, Henry Collins, III
Gill, James Michael
Gionet, Laurence Joseph, Jr.
Gladman, Dennis Stclair
Glover, William Stewart, Jr.
Gnerlich, Charles Henry
Gohmann, Barton Charles
Grieve, David James
Hagen, James Burgess
Haskins, Michael Donald
Hattan, Robert Leland
Healy, John Francis, Jr.
Heineman, Joseph William
Henderson, Joseph Kee
Herrera, Henry Francis
Heufelder, John Richard
Hilgeman, John Lawrence
Hoberg, Raymond John
Hodge, Jerome Brownlee
Holbrook, Robert Scott
Holian, Francis Kevin
Holk, Frederick Arthur, Jr.
Hopson, Thomas Edward
Horner, Ronald Dean
Horner, Timothy Francis
Hough, James Arthur
Howard, Hugh Wyman, Jr.
Howell, Buford Fredrick
Hudson, Warren Putman
Hughes, Ivan Estes
Hughes, Kirby Edmondson, II
Hulse, Richard Louis
Humphrey, James Smith, III
Huxhold, George Emery
Jacob, Glenn Robert
Jantz, Michael William
Johnson, Adrian Warren, Jr.
Johnson, Jay Lynn
Johnson, Laurence Everett
Johnson, Paul Niels Thornton
Johnson, Robert Frederick
Johnson, Robert Lee, Jr.
Jones, Charles Ernest, III
Jones, Francis Terrell
Junek, John Filip
Jupin, Harry Andrew
Kaufman, Edwin Joseph
Kaye, Barry Nelson
Keenan, Richard Calvert, Jr.
Keiser, Ray Robert, Jr.
Kelly, John T.
Kennedy, William Henry
Kenyon, Morton William
Kibble, Anthony John
King, Larry Lee
Klahr, Owen Allen
Klein, George Adam, III
Kmetz, Stephen George
Kobylk, Nickolai Slate
Konczey, Alexander Chris
Korbet, Michael Thomas
Kratz, Allen Zetty
Krieger, Dennis Harold
Krol, Joseph John, Jr.
Kupka, Stephen Gregory
Labrecque, Robert Joseph
Lacroix, Francis William
Lagomarsino, Thomas Sivert
Larrabee, Stephen Harris, Jr.
Lassiter, Ronald Lawrence
Lawson, Thomas Nelson
Lecompte, Walter Harold
Lee, Patricia Ann
Leone, Robert Wayne
Liner, Bennice Lee
Lipfert, Ralph Hall
Lipscomb, Warren Neilson, Jr.
Lopacinski, James Michael
Lorenz, William F., III
Lovelady, David Eugene
Lynch, Robert Burgess
Lyons, John Thomas, III
Mackey, William Chambers, III
Manning, John Francis, Jr.
Marfiak, Thomas Fletcher
Margolis, Sheldon Lee
Marks, William Leon
Massey, Frederick Thomas
Masters, Quentin Steward
Mattis, David William
Matton, Michael Nevett
Matton, William George, III
Matyas, Carl Edward
Mayer, Martin J.
McCarthy, Richard Joseph
McClelland, Thomas Lee
McClendon, Robert Pierce, Jr.
McDonald, Jerry Ralph
McGinn, Dennis Vincent
McGovern, Patrick Daniel
McGruther, Kenneth Ralph
Mendenhall, Corwin Guy, III
Meserve, Theodore Joseph
Metzger, William John, Jr.
Mies, Richard Willard
Minor, Donald Anderson
Mitchell, Thomas R., III
Mittendorff, Gerald Ernest
Mladineo, Stephen Victor
Mobley, Joseph Scott

Moninger, Edward George, Jr.
Moore, Edward, Jr.
Moore, George Daniel
Moosally, Fred Pete
Moses, Dale Hopkins
Muldoon, Patrick Michael
Mutty, John Edwin
Nesbit, Thomas Burns
Neville, William Joseph, Jr.
Nichols, Lorino Buttrick
Nordeen, Michael Brent
O'Brien, Michael F.
Olson, Terry Gene
Orvis, James Worthington
Patton, Bob Riley, Jr.
Pearson, Larry Glen
Pelaez, Marc Yve Eugenio
Perrotta, Joseph William, Jr.
Peters, Robert K.
Peterson, Carl Marvin, II
Phelan, Joseph Francis
Polk, James Stanley
Powell, Orrin Bert
Pratt, Edmund Lee, Jr.
Price, Joseph Maurice
Prout, James Gregory, III
Prusaitis, Gerald Joseph
Quigley, Stephen Timothy, Jr.
Quinn, Robert Joseph, Jr.
Radican, William Walter
Raffetto, David James
Rahn, Donald Frederick
Rauch, Kenneth Norbert
Rawson, Warren Addison, Jr.
Razzetti, Eugene Anthony
Reass, Richard Martin
Reynolds, Craig Lewis
Reynolds, Tom Hunter, Jr.
Rheinstrom, Gordon Harkness
Richardson, Larry Charles
Richardson, Robert Lamar
Richardson, Terry Allen
Rittenour, Harry Taylor
Romanski, Paul Arthur
Roorbach, James Arthur, II
Ryan, James Jonathan
Ryan, John Roy
Saffell, Charles Raymond, Jr.
Saft, Burton Manly
Salinas, Daniel, II
Schmidt, William Robert
Schneider, Ronald Dale
Scott, Donald William
Scott, Morris B., Jr.
Scott, Richard Tazewell, Jr.
Sears, Scott Lowrie
Secrest, David Emmett Heaume
Shepard, Peter Atwood
Shipe, Edwin Evan, III
Sigler, John Fleet
Smallwood, Frederick Kohler
Snyder, John William, Jr.
Solomon, Dennis Lee
Sprague, Jay Woodrow
Steen, Morris G.
Sterling, Stoughton, III
Stevens, David Michael
Sulfaro, John James
Sullivan, Michael James
Sumnick, John Michael
Swientek, Francis Martin
Taylor, Rufus Lackland, III
Tedeschi, Ernest Francis, Jr.
Thompson, John Ralph
Tilt, Thomas William
Timmons, David Richard
Tinsley, James Robert, III
Tompkins, Charles Leroy
Trafton, Wilbur Cobb
Tryon, Frank Harold, Jr.
Twaddle, Roy Royce, III
Tzomes, Chancellor Alfonso
Vanderpoel, Eric, II
Vanheertum, Bruce
Vidosic, Richard Paul
Vion, Charles P.
Voorheis, Gary Martin
Votava, Charles Frank, III
Wacaser, Anderson Wade, III
Wagenseil, Lawrence L.
Waggoner, David Thoms
Wahlig, Leonard Otto
Walker, Donald Edgar
Warren, Edward Ola
Washam, Eric Lee
Wassmer, Douglas Harold
Watson, David
Webb, George Jerome, Jr.
Weber, Robert Sycks
Weeks, Floyston Allan
Welch, Glenn Ernest, Jr.
Wells, Linton II
Wetherell, David Lee
White, Allen Hardin, Jr.
White, Douglas Alan
Wiant, Jeffrie Edwin, Jr.
Wiese, Clifford Allen
Williams, James Thomas
Williams, Richard Clagge, III
Williams, Thomas Johns, Jr.
Wilson, Eldon Stephen
Wilson, George Eugene, Jr.
Winters, Timothy Paul
Wittenberg, Robert Ralph
Wood, John Robert, Jr.
Wood, William Allison
Woolrich, Raymond Dudley
Yeaw, Ronald Everest
Young, Brian Walter
Zayicek, James Stanley

ENGINEERING DUTY OFFICER (14XX)

Bryant, Franklin Simons
Buckingham, James Robert
Gillard, James Henry
Hamilton, John D.M., IV
Howard, Stephen Thomas
Huber, Paul Mikel
Hunt, Andrew Wiliam, Jr.
Julian, Benjamin Eugene
Klinkhamer, David Joseph
Mackenzie, Donald Kenneth
Major, William Earl, II
Molnar, David Louis
Manos, George Peter, Jr.
Percival, Robert Clayton
Ploeger, Robert Bowers
Porter, Thomas John
Prestero, Mark George
Scardigno, Peter Francis
Schrodt, Clair James
Steward, John Cristopher
Wheeler, Willaim Richard
Wright, Peter Warren

AERONAUTICAL ENGINEERING DUTY OFFICER (AERONAUTICAL ENGINEERING) (151X)

Brown, Robert Douglas
Carey, Edwin Fenton, Jr.
Cooney, Terence James
Devall, Roger Ronald
Duva, Alfred N., Jr.
Hanley, Wayne Richard
Helmsin, Francis Kenneth, Jr.
Hewlett, Holden Willets
Jordan, Robert Lucius
Kearney, Michael Erwin
Lewis, James Crawford
McCullough, Carl Preston
Olmstead, Allen John, Jr.
Ouderkerk, Milford Merwin
Pfitzenmaier, Larry David
Phillips, Glenn Patrick
Pieper, Bruce Allen
Sherman, Marhsall Robert
Skroch, Albert Paul, Jr.
Speakman, Glendon Caldwell

AERONAUTICAL ENGINEERING DUTY OFFICER (AERONAUTICAL MAINTENANCE) (152X)

Gabber, Wilhelm Martin
Quinn, Neal Albert, Jr.

SPECIAL DUTY OFFICER (CRYPTOLOGY) (161X)

Authement, Charles Francis
Caldarella, Rocco J.
Campbell, James Graham
Collins, James Patrick
Dittmer, Edward Raymond, Jr.
Lee, Jimmy McArthur
McDowell, Gary Allison
Nelson, Lauren Ernest
Nisbet, Robert Earl
Peterson, Charles Edward
Shank, Michael Howard
Wills, Douglas Kent, Jr.
Zak, Frank Joseph, Jr.

SPECIAL DUTY OFFICER (INTELLIGENCE) (163X)

Arendt, Steven Maurice
Burke, Jerome Joseph, Jr.
Canaday, Brent Arnold
Crabtree , Carlton Pierce
Cramer, Michael William
Davidson, Gary Paul
Malloch, Douglas Clark
Notz, Frank Peter
Pelensky, Mark
Price, Harry Jon
Shelton, Leonard George, Jr.
Walls, William Hammond
Warshawsky, David Arthur
Weller, Philip Baxter
Zschock, Charles Wolfgang

SPECIAL DUTY OFFICER (PUBLIC AFFAIRS) (165X)

Peterson, Gordon Irwin, Jr.
Sherman, Michael Terry
Taylor, Steven Craig

SPECIAL DUTY OFFICER (OCEANOGRAPHY)

Cronyn, Brian Sullivan
Evans, Kirk Eden
Felt, Robert Yocum
Gaffney, Paul Golden, II
Galvin, James Joseph
Martinek, Charles Allen
Plante, Robert John
Whittemore, Michael Alan Nye

LIMITED DUTY OFFICER

Cornell, Clifford Louis
Ellis, Robert Edward
Goddard, Glen Lewis
Lavelle, Donald Lewis
McMahon, Thomas William
Patten, Freddie Joe
Pritchard, Paul Edward

IN THE NAVY

I nominate the following-named Naval Academy Midshipmen to be appointed permanent ensign in the line or staff corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Acosta, Robert Gilbert
Adams, Erik
Adams, Jeffrey Dereek
Adams, Timothy Alden
Addison, James Robert
Adkins, James Newton, III
Aguilar, Leonard Joseph
Ainsworth, Christopher John
Alegre, Mario Hermoso
Allen, Averett Marlon
Allen, Brian Demosque
Allen, Christopher Joseph
Allen, Douglas Richard
Allen, Michael Anthony
Allen, Timothy Chen
Allison, Peter Sam
Allman, Todd Richard
Alman, Sharon Ruth

Altera, Allan Gregory
Althouse, Michael Stuart
Amedick, Michael David
Ames, Stephen Thacher
Andreas, Roger Thomas
Angil, Mark Joseph
Applewhite, William Carl, Jr.
Arata, Frank Anthony
Arneson, Kenneth Vaughan
Arredondo, Alfredo
Arthur, George Thomas
Ashley, Mattew Carl
Atkinson, Craig Alexis
Atwell, Christopher Allen
Azzarita, Nicholas Jerome
Baca, David Gregory
Bachmann, Thomas Damond
Baczowski, Daniel Kenneth
Baczuk, Rebecca Lynne
Bader, Robert Tracy
Baerga, Ruben Daryl
Baggett, Daniel Kenneth
Bailey, Jonathan Burn
Baker, John Obert, III
Balch, Walter John
Baldino, James Joseph
Ball, Donald Miller
Ball, John William, Jr.
Ballister, Daniel Jeffrey
Bamonte, John David
Banda, Hector Randolph
Barbon, Richard Scott
Barnes, Bradford Merritt
Barnes, James David
Barnett, Brian Scott
Barron, Joseph Francis, IV
Barth, Mark Steven
Bass, Elizabeth Roberta
Bateson, Damon William
Baugh, Douglas Joseph
Baughman, Kenneth Duane
Bayly, Mark Henderson
Bazan, Robert Stephen
Becker, Douglas Brian
Beckett, Karl Thomas
Beil, Bradley Gordon
Beldy, Daniel Lawrence
Bell, John Charles
Bellinger, Matthew Francis
Bellistri, Jeffrey Michael
Bencal, Christopher John
Benden, Christopher Paul
Bennett, Jeffery Kevin
Berlin, Kevin Ray
Berryman, Brian Kent
Beverly, Brian Kenneth
Beverly, Jospeph Frederick
Bijak, Francis Anthony
Black, Eugene Henry, III
Black, Robert Charles
Blair, Mary Elizabeth
Blanchard, Gregory Scott
Blastos, James M.
Bledsoe, Matthew Grant
Blumenberg, Michael Allen
Bodziak, Richard Paul
Boener, Joseph Henry B.
Bogdan, Kenneth Allen
Bojo, Rudy Rosales, Jr.
Borsch, Stuart James
Boska, Kathleen Rachelle
Bouchard, Donald Maxime
Bowen, Stephen Gerard
Boyd, Alan Davis
Boyd, Michale David
Boyer, Eric Elaine
Brady, Steven Michael
Brammer, Dean Derek
Braswell, Donald P.
Brouch, Alfred Maddock
Brochard, Paul Eugene
Brockett, James Robert
Brookins, Adolph Henry
Brooks, Robert Edward
Brown, Brian Bentley
Brown, Curtis Arnold
Brown, Edward William
Brown, James Francis
Brown, Kevin Joseph
Brown, Thomas Edward
Bruce, Thomas Dean
Bruner, Eric John
Bryant, Bradley Vance
Burger, Robert Johann
Burgess, Eugene Robert
Burke, David Joseph
Burke, Eugene Edmond
Burkert, Tod Daniel
Burgue, Daniel Joseph
Bustamante, George Amos, Jr.
Butler, Peter James
Butler, Vernon Richard
Byers, Raymond Leroy
Byman, David Andrew
Cabana, Brian Keith
Cadwell, Michael Graham
Calandra, Joseph Paul
Caldwell, Vernon Francis
Califano, Anthony Francis
Calkins, Brett Warren
Calton, Renneth Javan, II
Campbell, Glenn Everett
Campbell, James Ronald
Campion, Christopher L.
Cann, Thomas Peter, Jr.
Cannon, Sean Christian
Cardinalli, Frances
Cariello, Louis Vincent
Carlisle, Connie Lynn
Carpenter, Jerry Anthony
Carr, William Joseph
Carriedo, Ruben
Carroll, John Wesley, III
Cart, Kevin Joseph
Carwin, Stephen Eugene
Casados, Christopher D.
Casares, Jose Manuel
Casey, Kevin Thomas
Cassidy, Ian Andrew
Castelli, Christopher W.
Castro, Stephen Joseph
Ceres, Robert Lawrence
Chapman, Dale Scott
Chase, Brian Scott
Chase, Eric Thomas
Chernoch, Katherine Dundore
Choi, Rodney Mark
Chun, Conrad Comperido
Ciccolella, Carmine, Jr.
Clark, Darwin Lawrence
Cockey, Michael Kevin
Coddington, Dean Martin
Coe, James Scott
Collette, Royal G., Jr.
Collins, Chales Douglas
Collins, John Andrew
Collins, Kent Robert
Collins, Kipp Alan
Collins, Raymond Paul
Collins, Thomas Downey
Conaway, David Kent
Conlon, Thomas Mark
Connelly, Agnes Lucia
Connolly, Nicholas, III
Connors, Sean Mark
Conroy, Shawn Francis
Cook, Sprague Conant
Cooling, Norman Lee
Cooper, Douglas Windsor, Jr.
Corish, Christopher John
Costello, Paul Michael
Cowan, Edward Jude
Craig, Stuart Baskett
Craig, William Dalton
Crook, John Andrew
Crouch, Steven Wendell
Crouse, J. Cooper
Crouse, Jay Burton, III
Crumblish, Mark Francis
Cruz, Gregory Raymond
Cruz, Norman Dungo
Curry, Timothy Michael
Cyr, Andrew Alfred
Daghir, Mark Gordon
Dahl, Jeffrey Macaulay
Dalgetty, Michael Paul
Dalton, Rustin Lee
Dampier, Louis Hipolito
Danda, James Scott
Daniels, Steven Lee
Dansey, Rick Edwards
Daughtery, Lawrence Ray
Davidson, Sandra Lynne
Davila, Jeffrey Drake
Davis, Bradford Charles
Davis, Frederick Crist
Davison, Kathryn Louise
Dean, Richard William
Declue, Mark Joseph
Deeming, Shaun Andrew
Delamer, Kevin John
Delbarbra, Brian Patrick
Delia, Jerald Thomas
Dell, Ernest Edward, III
Demers, Paul Rene
Dempsey, Thomas Edward
Denuto, John Victor, III
Devino, Anthony Joseph
Dewaele, David Paul
Dibble, Bartley Marvin
Dibble, Jeffrey David
Dicampli, James Klinger
Dietrich, Peter Thomas
Digiandomenico, Joseph F.
Dingess, Jackie Eugene
Diverde, Michael Thomas
Dixon, Derrick Lamont
Dodds, Franklin Bond
Dodges, Curt Werton
Dolan, Matthew Burke
Donaldson, Scott Edwin
Donigan, Michael Kevin
Donnelly, James Stacy
Donofrio, Steven John
Donovan, William Howard, Jr.
Doran, Thomas John
Doremus, Kenneth R., III
Dorey, John Michael
Dorko, Michael Andrew
Dougherty, Charles Anthony
Dragan, William George
Driftmier, David King
Dubinck, Jefferson Lee
Dubov, William Scott
Duecker, Jonathan Andrew
Duffy, Michael John
Dufresne, Daniel Francis
Dunlao, Jean Theresa
Dunbrack, Harold Sherwood
Duncan, Timothy Dean
Dunn, Barbara Elise
Dunn, Craig Breton
Dunstan, Edmund F., III
Durand, James Francis
Durand, Jeffrey Michael
Dwyer, James Francis
Dykhoff, Nancy Jean
Dyson, John Barry
Eakes, Mark Wendell
Echols, Eddy Lewis, Jr.
Edmonds, Brian Parrott
Edson, Denise Michelle
Edwards, Douglas Todd
Ellison, Aaron Sanders
Elley, Ronnie Aspiras
English, David Milton
English, Donald Joseph
Enriquez, Kurt James
Esaki, Alan Tetslo
Estrada, Glenn John
Eustace, John Robert
Everly, Stephen Carleton

Evertson, Scott Richard
Eves, Daniel Mark
Ewing, Robert Scott
Eyres, Donald Francis
Fallon, Karen
Farina, Anthony John
Farrell, Eric David
Fay, Stephen Tower
Feffer, Mark Charles
Feinstein, Brett Michael
Fenton, Eric Jon
Fenton, Gregory John
Feuchtbaum, Louis Peter
Fink, Susan Dorothy
Finley, Michael John
Finn, William Edward
Fitzpatrick, Barry J., Jr.
Flachsbart, Brian Marvin
Fleming, James Robert
Flinter, William Paul
Flores, Jeffrey Dunn
Flores, Mark William
Fogg, Robert Gordon
Foley, James Matthias
Forney, Todd Alan
Fortin, Thomas Paul
Foster, Steven Richard
Fournier, Johann Bernard
Foy, Brian Thomas
Franklin, Clifford Scott
Freedlund, Alan Eugene
Freeman, Karen Elizabeth
Freise, Clark Bruce
Fresquez, Ricardo Lorenzo
Frick, Stephen Nathaniel
Fritts, Jeffrey Alan
Frizzell, Thomas K., Jr.
Fudge, Eric David
Fujishige, Keith Kenneth
Furey, Thomas Michael
Furlong, Thomas James
Gabion, Leonard Beylon
Galanbos, James Paul
Garay, Rober Anthony
Garcia, Levino Robert, Jr.
Gardner, Paul Alan
Gately, Bernard Mark, Jr.
Gensure, John Reynold
Gentry, Keil Rudolph
Gerson, Gary Ian
Giarrizzo, Salvatore Joseph
Giauque, Michael Scott
Gibbons, Roderick James
Gibson, Paul Steven
Gilman, John Wyman
Gilmer, Robert Earl
Glaros, Gregory Emil
Glavy, Matthew Gerard
Gleason, Daniel Christopher
Glover, Robert Patrick, Jr.
Goeser, Kurt Daniel
Gomez, Richard Michael
Goodman, Eric Gunnar
Goodwin, Robert Donald, Jr.
Goodwin, Scott Duncan
Gordy, Vicki Lynn
Gosney, James Earl
Grandelli, Patrick D.
Grandfield, James Lawrence
Gray, Robert Lee
Green, Collin Patrick
Green, Mark Andrew
Greene, David Scott
Grennon, Donald Brian
Grieco, Daniel Christopher
Griffin, John Paul
Grimm, Laurence Scott
Groves, Anne Fiona
Gruta, Daniel Ignacio
Guevarra, Carlos Sims
Gureck, William Scott
Guy, James Watson, III
Hager, Carl Allen
Hale, Arthur Hays, III
Hale, Gregory Michael
Hall, Patrick William
Hall, Todd Barton
Hall, William Gregory
Hanel, James Kenneth, Jr.
Hanlon, Douglas Dale
Hansen, Glen Kenneth
Hanson, Kelly James
Harnden, Jonathan Lance, Jr.
Harris, Eddie Dean
Harris, Linzell Laray
Harrison, Scott Tracy
Hassenfelot, Joseph John
Hassi, Edward David
Hastie, Bruce Alan
Hatala, James Robert
Heard, James Azzariah, II
Heatherington, John Patrick
Hedlund, Joel Axel
Hellman, Matthew Charles
Helmers, Scott Whittaker
Henry, Matthew James
Herlihy, Joseph Damien
Hickey, Christopher M.
Hickey, Matthew John
Hicks, Adam Stone
Hilke, Joel Eret
Hines, Joseph Emanuel
Hodge, Geralc Lee
Hoffman, Patrick Joseph
Holcomb, James Matthew
Holley, Timothy Reagan
Holyfield, Jeffrey Hunt
Hock, Luther Harold, III
Hoppes, Brett Allen
Hornberger, Jeffrey Linn
Horneff, Jeffrey Carl
Horney, Aaron Kurt
Hosack, Lisa Marie
Hostetler, David Lee
Howard, Tracy Lynn
Howe, James Fung Sheng
Hoyt, Lance Matthew
Hubbard, Bryan David
Hubbard, Garret Harold
Hudgens, Jeffrey Trent
Hudson, Bruce Richard
Hughes, Harry Neil
Huguenin, Blake Delvic
Huntley, Keith Wayne
Huskey, Theodore W.
Ihlan, Joseph William
Iiams, Kevin Michael
Irwin, Eric Scott
Istvan, Anthony Fitzgerald
Jackson, Alfred Russell, III
Jackson, Edward Keith
Jackson, Gardner Hall
Jackson, Jayson Lee
Jacobson, David Laurence
James, Robert Vincent, III
James, William Charles
James, William John
Janvier, George, IV
Jaguet, James Rene, III
Jarrell, Maurice Edward
Jarusewski, Alan John
Jemison, William Geary
Jennings, Jody Leich
Jessen, Craig Lee
Jimenez, Carlos Eduardo
Johanson, Kurt Patrick
Johnson, Bradley Richard
Johnson, Eric Walter
Johnson, Jay Erett
Johnson, Mark William
Jones, David Gregory
Jones, Marius Bennett
Jones, Morgan Elaine
Jones, Steven Patrick
Jones, William Anthony
Jonske, Louis Joseph, Jr.
Jordan, Anthony Carrell
Jordan, Dewey Guy
Judge, Thomas James
Judith, Joseph Albert
Kadowaki, Jay Akira
Kahler, Stewart Douglas
Kasprzak, John Kenny
Kawamoto, Scott James
Kaye, David John
Kearns, Edward Peter, III
Keels, Joel Scott
Keeshan, Edwin Michael
Keith, Whitney Scott
Kelly, Michael Anthony
Kennington, Bruce Scott
Kenny, Michael Francis
Kenyon, Cameron Maclean
Kern, James Joseph
Kersey, Timothy Matthew, II
Kibbey, Stephen Douglas
Kiestler, William Charles
Kilby, James Wells
Killian, Richard Vincent
Killion, Michael Patrick
Kim, Benjamin Chul Hyung
Kim, Hong Chin
Kim, Steven Woo Sang
King, Kyle Byron
Kinsey, Anders Christian
Kirby, Matthew
Kirey, Samuel Adam
Kirkpatrick, Andrew John
Kish, Stephanie Eileen
Kitchen, William A., III
Klansek, Patrick Robert
Klosowski, Bernard Samuel
Kmiec, Kenneth Paul
Knapp, Edward Stanley, Jr.
Kobler, George Ponds
Koczela, Diane Mary
Koehr, John Joseph
Kohli, Paige Elizabeth
Kolongowski, Thomas E., Jr.
Kopchick, William Joseph, II
Korol, Susan Tamara
Kostrub, William Michael
Kough, Lawrence Derek
Kovanic, Leslie Ann
Kowald, Chris Russell
Kozan, Jonathan Stephen
Kramer, Timothy Jon
Kranker, Kirt David
Krause, Kerry Scott
Kresge, James Kent
Krieger, Douglas Arthur
Krumel, Andrew Karl
Kruse, Richard Andrew
Kuhn, James Matthew
Kwietniak, Kenneth Gerard
Kwoka, Paul John Charles
Kyle, Eric Ray
Labca, Anthony Scott
Lachance, Daniel Lee
Ladouceur, Todd Michael
Lagasca, Jason John
Lamb, Russell Hill
Landwehr, David John
Lang, Kurtis Erik
Langley, Scott Allen
Laporte, Charles Gerard
Larabee, Mark Douglas
Larratt, Douglas Maclean
Lautrup, Joel William
Lawrence, Gregory Wade
Lawrence, Paul David
Laws, Cheryl Lynne
Layton, Jeffrey Scott
Le, Linh Ea
Leary, Patrick Kevin
Lecarl, Glenn Alan
Lee, Kimo K
Leeney, Michael Frederick
Lenek, David Andrew
Leonard, Joseph Jude
Lester, Timothy Thomas
Lindsey, Russell McGrath

Lirette, Andrew John
Little, Eric Stephen
Livingood, Deera Marie
Lobb, John Edward
Loefke, Lance Daniel
Lombardi, Christine E.
Lombardi, John Francis, Jr.
Long, Christopher Allen
Long, David Kyle
Lorentzen, Richard Byron
Lorrin, Mark Jerome
Losciuto, Thomas Joseph
Loveless, Bruce Franklin
Lowman, Mark Douglas
Ludlam, Joseph Henry, Jr.
Lueke, Dean Fitzgerald
Luikart, Timothy Eric
Lunde, Mark Allen
Lundstrom, Mark Steven
Luntz, Joseph James
Lupton, Michael Fitzgerald
Luscher, Thomas William
Lynch, Andrew Mark
Lynch, Peter Sean
Lyons, Patrick Edward
Lytikainen, Carl Robert
MacEda, Ulysses Victor
MacFarlane, Dirk Noble
MacInnis, Daniel Vincent
MacKenzie, Timothy James
MacMillan, Jack Fuller, Jr.
MacNeil, Donald Peter
Maffei, John Michael
Magee, Mark Thomas
Magee, Richard Alton
Maiden, Gly
Maillet, Thomas Eruce
Maillcux, James Louis
Makuch, Chester Frank
Malczynski, Richard Dennis
Malley, Gregg Philip
Malloy, James Joseph
Malloy, Matthew Michael
Malskis, Raymond Peter
Mann, Nancy Elizabeth
Manser, John Roberts
Mansfield, Peggy Wynette
Mansueti, John Romeo
Marbois, Thomas Andrew
Mariotti, Mitchell K
Marlett, Robert Lawrence
Marquis, Peter Joseph
Martinelli, John Kennedy
Martinez, Elisa Rose
Martinez, Jeffrey Paul
Martinuzzi, Eric
Masi, Stephen
Masterson, Jeffrey Milo
Masur, Daniel Richards
Matson, Carl Allen
Mauch, Kevin Richard
Maus, Robert Arthur, Jr.
Mayberry, James Sanford
Maye, Larry
Mayeaux, Agnes Mae
Mazenko, Gregory Joseph
McAnanly, James Francis
McCallum, Napoleon Ardel
McCarthy, Patricia Louise
McClelland, Charles Bruce
McCormick, Hays Walter, III
McCormick, William Alan
McDonald, Johnathan Leon
McElroy, Terry Shawn
McFadden, Patrick James
McGarvey, Timothy James
McGee, David Michael
McGinnis, Brian Russell
McGovern, Thomas Francis
McKinney, Anthony
McLaughlin, Philip Gregory
McLeod, Daniel Wright
McMahan, Mark Allen
McMichael, Gregory
McMullen, Richard A, III
McMullin, Jeffrey Michael
McNeal, James Robert
McNutt, Jeffrey Theiller
McPhillips, Steve Jerome
McQueen, Eric Steven
McSavaney, Robert Craig
McVay, Mark Patrick
Meehan, James Joseph
Meenaghan, Kevin Gerard
Mehalko, Eric Robert
Meier, John Francis
Meigs, Guy Remington
Meinrod, Adam Jerrold
Meloche, Scott Allen
Meltser, Mark Stephen
Menninger, Michael Ferbert
Merrill, Craig Forest
Merrill, Eric Gerald
Merz, William Rhode
Merzke, Daniel James
Metroka, Andrew Frederick
Metzger, Thomas David
Meyer, Paul William
Miles, Glen A.
Miller, Christopher Anthony
Miller, Glenn Albert
Miller, Gregory Eugene
Miller, Justin Irving
Miller, Mark Douglas
Miller, Matthew Norman
Miller, Todd Paul
Milliken, Kevin Rex
Millman, Thomas Mark
Mills, William Edward, III
Minns, Bernard Fairbanks, Jr
Minogue, Gregory Alan
Miranda, James Franklin
Mishik, Michael Gerard
Mitchell, Michael Steven
Mitchell, Scott Gordon
Mixson, Steven Dewitt
Monks, Thomas Owen
Moore, Brian Kelsey
Moore, Brian Maxwell
Moore, Nathan Scott
Moore, Robert Michael
Mores, Walter
Morgan, Russell Todd
Morin, Gregory Scott
Morin, Roger Joseph
Morocco, Patrick John
Morrissey, Michael Francis
Morrissey, Patrick Thomas
Moses, Daniel Charles
Moses, Timothy Eugene
Mosher, Jeffrey Kent
Moynihan, Dennis John
Muckelbauer, Matthew S.
Muench, Carl Hamillton
Mulhearn, Thomas James
Munaco, Philip Anthony
Murphy, Jeffrey Jon
Murphy, Shawn Patrick
Nahcopii, Michael Kalani
Napolitanc, Michael Kevin
Neal, John Stuart
Needham, Philip Byron John
Nibbelink, Kevin Dean
Niccdemus, Perry Lee
Nicclay, Hereert John
Niemiera, Michael
Nims, Stephen Eric
Noble, James Sean
Noltkamper, Daniel Francis
North, Carl Edgar
O'Malley, Brian James
O'Connell, Jeffrey Daniel
Obsitnik, Paul Edward
O'Donnell, John Michael
Ohman, James Ronald
O'Kamato, Lynn Sanae
O'Keefe, Cornelius F., Jr.
O'Keefe, Thomas Joseph
O'Lenick, Edwin James
Oliver, Gordon Ray, II
Olko, Ronald Douglas
Olson, Richard Leonard, Jr.
O'Malley, Kevin Dermit
O'Neill, Charles Frederick
O'Patz, David John
Ordich, Scott Alan
O'Rourke, Stephen Charles
Orwoll, Christopher Dixon
Orzell, Michael Stanley
Osborn, Thomas Edward
Ospina, Alex
Outlaw, Scott Franklin
Owen, Peter Francis
Pagach, Kenneth Irvin
Paganelli, John Ernest, Jr.
Pagel, Brian Scott
Pall, Phillip Kuhlifau
Papa, Henry William, Jr.
Parker, Derek Weston
Parker, Michael John
Parks, Bryan Keith
Parkyn, Michael Brian
Paro, Kent Anthony
Partida, Louis Paul
Partney, Gregory Evan
Pasichuke, James Marden
Paterson, Adam Eaton
Patton, Philip Lee
Pearson, Erian Davis
Pedro, Daniel George
Pelkey, Jack David
Pellegrin, Bryan Joseph
Pendergrass, William S.
Pereira, Mario Leonel
Perez, Dionysis Wong
Perkins, Glenn Alan
Perron, Ruth Anna
Petersen, David Merritt
Petersen, Lynn James
Peterson, Nick Leroy
Peterson, Patricia Mary
Petri, David Allan
Pfeifer, Gerald Kent
Philips, William Ernst
Pierce, Ivan Cleophus, III
Pietkiewicz, Michael Joseph
Pilon, Matthew Gerard
Pimpo, David Richard
Pitts, James Edward
Plant, Randall Allen
Pletke, Michael Ray
Poinsette, Raymond Maurice
Pointon, George David
Popeck, Mark Stanley
Potente, Eugene Poblete
Powell, Paul Hardy
Powers, Mark Edward
Powers, Richard John
Powers, Zack, Jr.
Pressly, Robert Forrest
Price, Cheryl Lynn
Price, Richard Henry
Prior, Robert Thurmond
Proano, Robert James, Jr.
Procak, George Joseph
Proebstle, Michael James
Prout, Nancy Lynn
Prusso, Kevin James
Puzan, James Joseph
Quesada, Anthony Michael
Quinlan, Brian Patrick
Quinlan, Scott Michael
Quinn, Maura Frances
Quinones, Barbara Jean
Raines, Alfred Charles, II
Rainone, Henry Michael
Ramil, Quintin Roxas, III
Ramos, Christopher Cadigal
Ramos, John Joseph
Raus, Raymond Peter
Rauscher, William Andrew
Ray, Daniel Thomas

Redmond, Daniel Fitzgerald
Redmond, Dennis Leo
Reed, James Dudley, II
Reeger, Christopher Mark
Reeves, Patricia Anne
Regina, Modesto Cefre
Rehwald, Stephen Paul, Jr.
Reiber, Deanna Lyn
Reich, James Michael
Reilly, Michael Sean
Reinan, Kenneth Andrew
Reinhart, James Hunter
Reitan, Paula Julie
Rexroad, Jinny Paul
Reynolds, Loretta Eleanor
Rhodes, David Leon
Richardson, Scott David
Rife, Fred Merlin, Jr.
Rigolo, Thomas Albert
Riley, Brian Merrill
Riley, Miles Vincent
Rivadeneira, Silva Monica
Rivers, Thane Damian
Roach, David Patrick
Roberts, Anthony Paul
Roberts, Ellen Elizabeth
Rodnite, Peter Martin
Rodriguez, John Richard
Rodriguez, Robert Steven
Roeckell, Mark Christopher
Rohm, William Dexter
Romaine, Richard Paul
Roper, Barton Elake
Round, Robert Dominic
Rucker, Jeff Harrison
Rumph, Scott Conrad
Rupp, Robert
Russ, John Elwood, III
Russell, Nanette Anne
Ruth, Jeffrey Scott
Ryan, James Gregory
Sakaguchi, Mark Todd
Salit, Paul William
Salvanera, Rolando C.
Salvato, Gregory
Samuels, David Andrew
Sanchez, Adrian Anthony
Sanchez, Joseph Villamar
Sandor, Andrew John
Sannicolas, Anthony J.
Sauerbrey, Erich Wilson
Sawyer, Neil Keith
Schanz, Marie Magdalen
Scheiern, Michael Lee
Schell, John Frederick
Scheufele, Peter McKeon
Schildmeyer, Gregory Paul
Schley, Nathaniel, W, III
Schmitz, James Paul
Schneider, Andrew Aloysius
Schreckengest, Ronald Ted
Schweickhardt, Alan John
Sciortino, David Patrick
Secrist, Mary Margaret
Segesdy, Scott Allen
Selberg, Diana Lynne
Semancik, Jeffrey David
Semple, Bryan Spencer
Semple, Stephen Paul
Sepanski, Scott Joseph
Sgrignoli, Rodney David
Shaffer, Alan Bruce
Shaffer, Jay Daniel
Shannon, Daniel Timothy
Shaw, Roberta Claire
Shaw, Stephen Michael
Sheedy, William Malcolm
Shellhammer, Michael James
Shelton, Paul Anthony
Sherer, William Bayly
Seridan, David James
Sherman, Gerald Aubyn
Shuma, Andrew Edward, III
Shumaker, Thomas Avah, II
Shuttleworth, Lawrence R.
Silva, Henry Raphael
Simoes, Thomas Francis, Jr.
Simonian, Lucy Ann
Somonseno, William Paul
Simpson, Christi Lynn
Singel, John Todd
Sita, Paul
Sivertsen, William Edward
Sizemore, Charles Verbon
Skillman, John Bradley
Skimmons, Brain Edward
Skrabacz, Steven Donald
Slock, George Herbert
Smallow, Theodore Nathan
Smith, Daniel Edwin
Smith, John Eric
Smith, Justin Morgan
Smith, Keith Gerard
Smith, Sybil Dawn
Smith, Thomas Marcus
Sneddon, Paul Scott
Snider, James Stuart
Snyder, Craig Andrew
Soler, Christopher
Solo, Brain Alexander
Solomon, William Todd
Sonner, John Tietjens
Sprayberry, Harold Blake
Stachelski, Geraldine Susan
Stafford, Glen Thomas
Stallings, Herry
Stancil, Anthony Wiley
Standard, Todd Russell
Starsman, Raymond S.
Stechmann, Erik Donald
Stedham, Don Earl
Steffy, Todd Allen
Stevenson, Robert W., III
Stewart, Alan Robert
Stewart, Warren S., III
Stith, Patrick Bowman
Storkey, Douglas William
Stratton, Michael Francis
Struse, James Franklin
Stryker, Richard Niclolas
Stumhofer, David George
Sturken, Brett Anthony
Sullivan, Francis Thomas
Sullivan, Joseph Carroll
Surina, John Joseph, Jr.
Swanson, John Lance
Swanson, Nels Henning
Swatling, Mark Alan
Swedean, Alison Elizabeth
Szymanski, Stephen Bernard
Tabe, Robert Wolfgang
Tanner, John Andrew, Jr.
Tatera, James Edward
Tavares, Jeffrey Louis
Taylor, John Richard
Taylor, Michael Wayne
Taylor, Michael Wilson
Temple, Keith Carlton
Testyon, Richard Joseph, Jr.
Thames, Joseph Rufus
Tharp, Michael Dale
Thibodeal, Marc Andre
Thompkins, Geselle Denice
Thurlow, William Gerard
Tillman, E. McDowell
Tokoro, Reid Teruc
Tolomeo, Raymond
Tonan, Thomas Lloyd
Totty, Earl, Jr.
Troxell, Wade Spencer
Trudell, Patricia Eileen
Tuneff, Mark Sculley
Turner, Ingrid Marie
Turner, Mitchell Kurtz
Turner, Thomas Scott
Tuzzolo, Paul Joseph
Tysinger, Russell Glenn
Ulisnik, Karen Dawn
Ulsh, Donald Alan
Urbano, Rodney Mark
Urbina, Steven Manuel
Van Dongen, Merrick Jan
Vance, Philip Warren
Vanderpyl, Alan Cutler
Vandurick, Michael George
Vangeli, Arthur John
Vantassel, Peter Boyd
Varani, Stephen John
Vazquez, Larry Lazaro
Vermeulen, Michael Paul
Vincent, Gilbert Leon
Vloedman, Peter Herbert
Voegels, Lisa Christine
Vork, Richard Stuart
Wade, Spencer Allen
Wagner, Todd Lee
Wahlstedt, Eric Charles
Waite, Jeffrey Lee
Wakefield, Bryce Edwin
Walden, Cleon Alton, Jr.
Walker, Larry Scott
Wallin, William Victor
Wallis, Joseph Franklin
Walls, John Michael
Walls, Michael David
Walsh, Patrick Michael
Walsh, Thomas Joseph
Walther, Allen David
Wansley, Charles Edward
Ward, David John
Ward, Jay Lowell
Wardwell, Thomas Carroll
Ware, Matthew Richard
Warnock, Robert Howard
Watts, David Vandoren
Waugh, Stephen Michael
Weakland, Norman Edward
Weathers, Richard Wesley
Webster, Edward Charles
Weir, David Cameron
Welch, James Gauntlett
Weller, Martin Hartzell
Wells, Michael Shawn
Wells, Royce Anthony
Wentz, Edward Allen
Wettschreck, Keith Ryan
Whaley, William Long
Wharton, James Mark
Wharton, Richard Gilbert, Jr.
Wheat, Richard Henry
Wheeler, Melody Ann
Whelan, Jeffrey Peter
Whitaker, Kylor Evan
White, Daniel Hugh
Wiegman, Paul Thomas Jeroen
Wiemann, John Marc
Wilbourn, John Murphy
Wilczynski, John Joseph
Williams, Daniel Jolley, Jr.
Williams, Gregg B.
William, Kenneth Robet
Williams, Michael Andrew
Williams, Robert
Williamson, Frank Daniel
Williamson, Jay Allen
Wilson, Charles Edmond
Wilson, James Roger
Wilson, Jesse Alphonzo, Jr.
Wilson, John Chase
Windbigler, Kevin John
Winebrenner, Jeffrey
Winfrey, Scott Andrew
Winters, Harvey Allen
Wise, Brett Daniel
Wisotzki, Stephen Craig
Wolf, Randall Joe
Wolfe, Kurt Anthony
Wolski, Edward Stephan
Wolstenholme, Jeffrey Scott
Wood, Lawrence Earl
Woodruff, Dwight Mark
Woods, James Michael

Worman, John Gilbert
Wostbrock, William W.
Wright, Grover Lee, Jr.
Wynn, John Edward, Jr.
Yamamoto, Takashi Roy
Yarger, Peter David
Young, David Scott
Young, James Robert
Young, John Thomas
Zaffiris, Nicholas Jeffrey
Zike, Stephen Brian
Zimmermann, Leonard A., III
Zingheim, Karl Joseph
Zlomke, Mark Godfrey

IN THE ARMY

The following-named officers for appointment in the Regular Army of the United States, in their active duty grades, under the provisions of title 10, United States Code, sections 531, 532, 533:

MEDICAL CORPS

To be lieutenant colonels

Allen, Robert, xxx-xx-xxxx
Baldwin, Phillip E., xxx-xx-xxxx
Blue, Peter W., xxx-xx-xxxx
Derderian, Sarkis S., xxx-xx-xxxx
Dice, William H., xxx-xx-xxxx
Faleski, Edward J., xxx-xx-xxxx
Frumkin, Kenneth, xxx-xx-xxxx
Galang, Juliana, xxx-xx-xxxx
George, Christopher, xxx-xx-xxxx
Griffith, James C., xxx-xx-xxxx
Guzman, Hector R., xxx-xx-xxxx
Heffess, Clara S., xxx-xx-xxxx
Jewett, Darrell C., xxx-xx-xxxx
Knight, James A., xxx-xx-xxxx
Lane, Richard J., xxx-xx-xxxx
Lin, Ernie E., xxx-xx-xxxx
Meadors, Gilcin F., xxx-xx-xxxx
Mena, Hernando, xxx-xx-xxxx
Miller, Ivan L., xxx-xx-xxxx
Moody, Joe M., xxx-xx-xxxx
Moore, David W., xxx-xx-xxxx
Moore, John J., xxx-xx-xxxx
Mork, Thomas J., xxx-xx-xxxx
Nadjem, Mohammad A., xxx-xx-xxxx
Nash, William C., xxx-xx-xxxx
Nguyen, Dunong, xxx-xx-xxxx
Parker, Allan L., xxx-xx-xxxx
Pierce, Edward V., xxx-xx-xxxx
Powers, John M., xxx-xx-xxxx
Rajagopal, Krishnan, xxx-xx-xxxx
Rodriguez, Ana A., xxx-xx-xxxx
Rosavazquez, Cesar, xxx-xx-xxxx
Schoomaker, Eric B., xxx-xx-xxxx
Schoonover, Edwin D., xxx-xx-xxxx
Shah, Aparna S., xxx-xx-xxxx
Snyder, Bruce A., xxx-xx-xxxx
Stanton, Robert P., xxx-xx-xxxx
Strand, Jens A., xxx-xx-xxxx
Thompson, Andrew M., xxx-xx-xxxx
Traylor, Michael T., xxx-xx-xxxx
Weisbrod, Howard G., xxx-xx-xxxx
Weyandt, Timothy, xxx-xx-xxxx
Woodford, Carroll S., xxx-xx-xxxx

To be major

Babonis, Thomas R., xxx-xx-xxxx
Baskin, Toney W., xxx-xx-xxxx
Nagorski, Leonard E., xxx-xx-xxxx
Ting, Stanislaus, xxx-xx-xxxx
Wahl, Richard C., xxx-xx-xxxx

To be captain

Gehlbach, Dan, xxx-xx-xxxx

DENTAL CORPS

To be lieutenant colonel

Allen, William R., xxx-xx-xxxx
Verhoef, Douglas R., xxx-xx-xxxx

To be major

Asher, Marshall L., xxx-xx-xxxx
Black, Richard R., xxx-xx-xxxx
Brooks, Sidney A., xxx-xx-xxxx
Driscoll, Carl F., xxx-xx-xxxx
Hess, Stephen J., xxx-xx-xxxx
Phillips, John L., xxx-xx-xxxx
Schmitz, John P., xxx-xx-xxxx

To be captain

Bicoy, Fred D., xxx-xx-xxxx
Buyer, John, Jr. xxx-xx-xxxx
Forte, Paul F., xxx-xx-xxxx
Lanier, Leander, Sr., xxx-xx-xxxx

ARMY MEDICAL SPECIALIST CORPS

To be major

Bahr, Robert J., xxx-xx-xxxx

To be first lieutenant

Flynn, Timothy W., xxx-xx-xxxx

ARMY NURSE CORPS

To be major

Siegel, Jerome P., xxx-xx-xxxx

To be captain

Casey, Linda J., xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be major

Patrick, Dale E., xxx-xx-xxxx

To be captain

Crowther, James B., xxx-xx-xxxx
Deaton, Michael, xxx-xx-xxxx
Harmon, Joseph M., III, xxx-xx-xxxx
Richards, Steven C., xxx-xx-xxxx
Whelen, Andrew C., xxx-xx-xxxx

To be first lieutenant

Hortsman, Mark A., xxx-xx-xxxx
Knott, Carol Y., xxx-xx-xxxx

To be second lieutenant

Harr, Douglas S., xxx-xx-xxxx

IN THE MARINE CORPS

The following-named officers of the Marine Corps Reserve for transfer into the Regular Marine Corps under the provisions of title 10, United States Code, section 531:

To be major

Dudley, Andrew S., Jr., xxx-xx-xxxx
Inskeep, Carl D., xxx-xx-xxxx

To be captain

Abraham, Michael P., xxx-xx-xxxx
Alvarez, Miriam, xxx-xx-xxxx
Archer, Michael S., xxx-xx-xxxx
Atkinson, Richard T., xxx-xx-xxxx
Bane, Thomas M., xxx-xx-xxxx
Bauman, Mitchell A., xxx-xx-xxxx
Bernard, Randall E., xxx-xx-xxxx
Best, Kenneth D., xxx-xx-xxxx
Bickel, Robert R., xxx-xx-xxxx
Bissonnette, Steven L., xxx-xx-xxxx
Bliss, Theodore A., xxx-xx-xxxx
Boodry, Thomas G., xxx-xx-xxxx
Brashear, Bryan W., xxx-xx-xxxx
Brennan, Steven J., xxx-xx-xxxx
Brunner, Thomas G., xxx-xx-xxxx
Carlos, Monte J., xxx-xx-xxxx
Chengeri, Michael A., xxx-xx-xxxx
Cyphers, John D., xxx-xx-xxxx
Delahanty, Francis W., III, xxx-xx-xxxx
Dicks, Dale A., xxx-xx-xxxx
Dora, Steven J., xxx-xx-xxxx
Downey, John D., xxx-xx-xxxx
Duncavage, Thomas C., xxx-xx-xxxx
Elebash, Karl S., III, xxx-xx-xxxx
Farr, Steven M., xxx-xx-xxxx
Ferrell, Keith B., xxx-xx-xxxx
Flatley, Patrick M., xxx-xx-xxxx
Flower, Paul D., xxx-xx-xxxx
Gardner, Richard S., xxx-xx-xxxx
Gottlinger, George, xxx-xx-xxxx
Guy, Wanda L., xxx-xx-xxxx
Harris, Alan B., xxx-xx-xxxx
Held, Steven L., xxx-xx-xxxx
Klepac, Eric L., xxx-xx-xxxx
Lewke, Carl A., xxx-xx-xxxx
Lickteig, Frederic W., xxx-xx-xxxx
Lizzul, Daniel M., xxx-xx-xxxx
Magill, Charles J., xxx-xx-xxxx
Martin, Kenneth B., xxx-xx-xxxx
Menah, Patrick W., xxx-xx-xxxx
Meyer, Kevin P., xxx-xx-xxxx
Murtha, James T., xxx-xx-xxxx
Nix, Daryl W., xxx-xx-xxxx
Peavy, Will J., xxx-xx-xxxx
Protack, Michael D., xxx-xx-xxxx
Rooney, Gregory D., xxx-xx-xxxx
Royce, James R., xxx-xx-xxxx
Starry, Timothy B., xxx-xx-xxxx
Stucky, Mark P., xxx-xx-xxxx
Taweel, Jeffrey G., xxx-xx-xxxx
Taylor, William E., xxx-xx-xxxx
Thompson, Terrence J., xxx-xx-xxxx
Turner, Angela F., xxx-xx-xxxx
Watters, Stephen L., xxx-xx-xxxx
Webb, John M., xxx-xx-xxxx
Wiggins, William W., xxx-xx-xxxx

To be lieutenant

Adelman, Ross A., xxx-xx-xxxx
Ames, Curtis S., xxx-xx-xxxx
Ardovino, Anthony, xxx-xx-xxxx
Ascunce, Jorge, xxx-xx-xxxx
Barker, Donald L., xxx-xx-xxxx
Bartch, Eric D., xxx-xx-xxxx
Baxter, Richard W., xxx-xx-xxxx
Benet, Reed M., xxx-xx-xxxx
Bondsconaway, Cynthia, xxx-xx-xxxx
Bowlds, Herbert A., Jr., xxx-xx-xxxx
Boyd, Robert J., xxx-xx-xxxx
Brady, Francis X., xxx-xx-xxxx
Brenner, Theodore A., xxx-xx-xxxx
Bristol, George H., xxx-xx-xxxx
Brown, Anthony B., xxx-xx-xxxx
Burke, Gerald F., xxx-xx-xxxx
Burley, Lewis J., xxx-xx-xxxx
Burris, Robert B., xxx-xx-xxxx
Carmody, Thomas P., xxx-xx-xxxx
Cawthon, Edward R., xxx-xx-xxxx
Center, Wesley D., xxx-xx-xxxx
Cianciolo, Mark G., xxx-xx-xxxx
Clark, Christopher E., xxx-xx-xxxx
Cole, James T., xxx-xx-xxxx
Considine, Marshall I., xxx-xx-xxxx
Craig, Christopher T., xxx-xx-xxxx
Criss, Rocky E., xxx-xx-xxxx
Crosby, Kenneth E., Jr., xxx-xx-xxxx
Cunningham, Louis W., xxx-xx-xxxx
Danko, Robert R., xxx-xx-xxxx
Darnell, Michael R., xxx-xx-xxxx
Davidson, Sven V., Jr., xxx-xx-xxxx
Deal, David V., xxx-xx-xxxx
Decarli, James D., xxx-xx-xxxx
Denning, Gary M., xxx-xx-xxxx
Dionne, James R., xxx-xx-xxxx
Dogonniuck, Joseph A., xxx-xx-xxxx
Donovan, Derek J., xxx-xx-xxxx
Dumont, James C., xxx-xx-xxxx
Evans, Irvin E., III, xxx-xx-xxxx
Feairheller, John H., Jr., xxx-xx-xxxx
Febonio, Ellen L., xxx-xx-xxxx
Flannery, Terry M., xxx-xx-xxxx
Flatau, Richard P., Jr., xxx-xx-xxxx
Fleming, Clark R., xxx-xx-xxxx
Flitcroft, Douglas N., xxx-xx-xxxx
Foley, Kevin L., xxx-xx-xxxx
Garmon, Charles B., Jr., xxx-xx-xxxx
Gates, Kevin M., xxx-xx-xxxx
Gethers, Douglas A., xxx-xx-xxxx
Gorman, Daniel J., xxx-xx-xxxx
Gorzynski, Stephen J., xxx-xx-xxxx
Gottlieb, Steven J., xxx-xx-xxxx
Graham, Robert C., xxx-xx-xxxx
Graham, Jacob L., xxx-xx-xxxx
Griffin, Barry D., xxx-xx-xxxx
Gumpert, Sharon F., xxx-xx-xxxx
Gumpert,Carl A., Jr., xxx-xx-xxxx
Hagopian, David M., xxx-xx-xxxx
Hamashin, Lloyd J., Jr., xxx-xx-xxxx
Hartzog, Samuel L., xxx-xx-xxxx
Hastings, Paul G., xxx-xx-xxxx

Hicks, Sherri L., xxx-xx-xxxx
Holman, Robert L., Jr., xxx-xx-xxxx
Hovanec, Andrew W., xxx-xx-xxxx
Hughes, Charles G., II, xxx-xx-xxxx
Jordan, Andrew S., xxx-xx-xxxx
Katz, Jonathan L., xxx-xx-xxxx
Keely, Ralph S., xxx-xx-xxxx
Koster, Scott J., xxx-xx-xxxx
Krajicek, James, xxx-xx-xxxx
Leach, Raymond J., xxx-xx-xxxx
Lembrick, George A., xxx-xx-xxxx
Lemishko, Alexander, xxx-xx-xxxx
Licari, John F., xxx-xx-xxxx
Locke, Mark A., xxx-xx-xxxx
Long, Lawrence J., Jr., xxx-xx-xxxx
Lueck, Michael E., xxx-xx-xxxx
Lystad, Scott E., xxx-xx-xxxx
MacLachlan, Bruce D., xxx-xx-xxxx
MaGee, Perry M., xxx-xx-xxxx
Maher, Myron J., Jr., xxx-xx-xxxx
Maloney, Mark M., xxx-xx-xxxx
Mathews, Carl D., Jr., xxx-xx-xxxx
Mattie, James C., xxx-xx-xxxx
McCutcheon, Kevin T., xxx-xx-xxxx
McLain, Patrick J., xxx-xx-xxxx
McLean, William R., xxx-xx-xxxx
McMahon, Michael G., xxx-xx-xxxx
McMillan, David B., xxx-xx-xxxx
Minarik, Steven A., xxx-xx-xxxx
Moorhead, Steven K., xxx-xx-xxxx
Morales, William D., xxx-xx-xxxx
Morgan, Michael F., xxx-xx-xxxx
Morrison, Kent D., xxx-xx-xxxx
Navaroli, Roddy A., xxx-xx-xxxx
Neilson, Ronald G., xxx-xx-xxxx
Neis, Thomas J., xxx-xx-xxxx
Niblock, Walter L., xxx-xx-xxxx
Nolan, Rodney S., xxx-xx-xxxx
O'Brien, Anthony T., xxx-xx-xxxx
Ochs, Matthew G., xxx-xx-xxxx
O'Donovan, James B., xxx-xx-xxxx
O'Hara, Gerald J., Jr., xxx-xx-xxxx
Oldland, Harry G., III, xxx-xx-xxxx
Oppliger, Michael W., xxx-xx-xxxx
Padilla, Frederick M., xxx-xx-xxxx
Phillips, Peter H., xxx-xx-xxxx
Pleis, Lawrence J., III, xxx-xx-xxxx
Putz, Robert A., Jr., xxx-xx-xxxx
Reabold, Matthew S., xxx-xx-xxxx
Redfern, Matthew D., xxx-xx-xxxx
Regini, Charles L., III, xxx-xx-xxxx
Richardson, Seth T., xxx-xx-xxxx
Riehl, Jeffrey A., xxx-xx-xxxx
Ringhoffer, Jeffrey S., xxx-xx-xxxx
Schoppe, Donald C., xxx-xx-xxxx
Schulte, Mark A., xxx-xx-xxxx
Simmons, John W., xxx-xx-xxxx
Sims, Darrell R., xxx-xx-xxxx
Smith, Steven A., xxx-xx-xxxx
Smith, Bradley F., xxx-xx-xxxx
Smith, Bryan J., xxx-xx-xxxx
Smith, Yvonne L., xxx-xx-xxxx
Smith, Dale M., xxx-xx-xxxx
Snow, Howard E., III, xxx-xx-xxxx
Sparks, Donald W., xxx-xx-xxxx
Spear, Scot F., xxx-xx-xxxx
Sprout, Richard O., xxx-xx-xxxx
Stalnaker, James L., xxx-xx-xxxx
Stubbs, Joan E., xxx-xx-xxxx
Taylor, Steven, xxx-xx-xxxx
Tetrault, Lloyd G., xxx-xx-xxxx
Tilghman, Michael R., xxx-xx-xxxx
Tomczak, Jeffrey P., xxx-xx-xxxx
Valenzuela, Franco A., xxx-xx-xxxx
Vanchieri, Anthony R., xxx-xx-xxxx
Venola, Richard E., xxx-xx-xxxx
Viola, Theodore D., xxx-xx-xxxx
Wallace, Stephen J., xxx-xx-xxxx
Walton, Ronald B., xxx-xx-xxxx
Watson, Ronald, Jr., xxx-xx-xxxx
Wesche, Michael A., xxx-xx-xxxx
Wheeler, James P., xxx-xx-xxxx
Wood, Noel S., xxx-xx-xxxx
Woods, Gregory P., xxx-xx-xxxx
Yuhas, John J., Jr., xxx-xx-xxxx
Zimmerman, Mark G., xxx-xx-xxxx

CONFIRMATION

Executive nomination confirmed by the Senate March 6, 1986:

DEPARTMENT OF AGRICULTURE

Richard E. Lyng, of Virginia, to be Secretary of Agriculture.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

EXTENSIONS OF REMARKS

MEDICARE CONTINUING CARE EQUITY AND QUALITY ASSURANCE ACT OF 1986

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. ROYBAL. Mr. Speaker, today I rise to introduce the "Medicare Continuing Care Equity and Quality Assurance Act of 1986" [CCEQA]. CCEQA is a comprehensive reform package that addresses serious problems of access and quality which beneficiaries now face under Medicare's continuing, long-term care and acute care benefits. It substantially changes the way continuing care benefits are managed and upgrades the quality assurance system for the entire Medicare Program.

The House Select Committee on Aging, which I chair, has taken a hard look at problems of access and quality resulting from health care cost containment over the past year. In 1985, two major hearings were held that showed that: First, elderly patients are being discharged sooner and sicker due to pressures on hospitals to shorten lengths of stay under prospective reimbursement; and second, actions by the administration are severely limiting beneficiary access to essential nursing home and home health care.

These hearings confirmed that health care cost containment is putting America's elderly in a classic catch-22 bind. While, on the one hand, we are seeing older patients being discharged sooner and sicker from our hospitals, this is only half the story. Efforts by the administration to contain the cost of continuing long-term care are also limiting the elderly's access to the home health and post-hospital skilled nursing home services—care they need now more than ever. Follow-up studies by the committee also revealed problems inherent in how Medicare's acute and continuing care benefits are administered. As a result, I have called through CCEQA for a major restructuring of the Medicare Program.

What has become clear is that efforts to contain provider costs are, instead, taking a direct toll on the Medicare beneficiary's access to quality physician, hospital, nursing home and home health care. The alarming reality is that for the first time in the history of public health policy, concerns for quality and access to care have become secondary to concerns for cost.

Where Congress and the administration in particular have moved quickly to contain health care costs, there has not been a corresponding push for a solid system of quality assurance to monitor cost containment and protect beneficiaries from the adverse effects of a system that has been squeezed too hard.

The continuing long-term care and quality assurance reforms in CCEQA take a major step forward to correct these deficiencies by making Medicare's nursing home and home health benefits more equitable and cost effective and by protecting the beneficiary's rightful access to quality medical, hospital, post-hospital and restorative care.

The legislation I am introducing today is the most recent of three companion bills that address the problems of access and quality which elderly patients are now facing.

The first of these companion bills, the "Quality Assurance Act of 1985" [QUARA]—(H.R. 1970) was introduced April 3, 1985. This legislation builds upon the current quality assurance system by requiring that the Department of Human Services [DHHS] and its contract Peer Review Organizations [PRO] expend at least as much effort and resources for quality as for cost containment; by extending quality assurance activities to all providers; by involving patients, local consumer boards and States in the quality review process; and by developing improved methods for measuring and assuring quality across service settings.

The second bill, the "Medicare Beneficiary Protection Act of 1986" (H.R. 4065), was introduced January 29, 1986, to prevent the administration from dropping the Medicare waiver of liability that helps to protect beneficiary access to needed home health and skilled nursing services. The Medicare waiver gives limited financial protection to health providers who accept patients they have good reason to believe are eligible for Medicare coverage, but whose claims are subsequently denied. If this provision is eliminated without reforms to protect beneficiary access, providers will have every reason to limit their participation in Medicare, to pull out of the program altogether or to turn patients away whenever there is any question of Medicare coverage.

H.R. 4065 reflects congressional opposition to dropping the waiver by containing language identical to that agreed to by Senate and House conferees in the "Consolidated Omnibus Reconciliation Act of 1985"—an act passed by the House just minutes ago.

Since H.R. 4065 was introduced, the administration has issued a final rule to drop the Medicare waiver of liability, effective March 24, 1986. Also since this time, a companion bill to H.R. 4065 has been introduced by the Honorable Senator GLENN in the Senate (S. 2122). One of the primary provisions of the legislation I am introducing today is to preserve the Medicare waiver of liability in the short term and, over a 30-month period, replace it with a system of prior and concurrent authorization for skilled nursing home and home health claims. Where the administration stops at dropping the Medicare waiver, CCEQA goes further to replace it with a more equitable alternative that protects beneficiaries while also maintaining cost-controls.

With the date on which the Medicare waiver will expire just days away, the House has acted well to pass a reconciliation bill with the waiver of liability provision intact. If passed by the Congress, this will ensure that beneficiaries continue to be protected until an alternative system, such as that offered by CCEQA, can be put in place.

Among the other prominent changes CCEQA makes in Medicare's continuing care benefit and quality assurance system are the following:

CONTINUING CARE PROVISIONS

The current waiver of liability for nursing home and home health care is replaced by a system of prior authorization. Where the administration stops at dropping the waiver, CCEQA replaces it with a more equitable alternative;

Current restrictions on beneficiary appeals are lifted to make all Medicare claims appealable and to permit providers to represent beneficiaries in all cases of appeal;

Independent PRO review of medical necessity and practical considerations is built into the current appeals process for continuing care claims;

Uniform criteria and protocols are established to make claim determinations more equitable and predictable within and across intermediaries and over time;

The performance criteria for fiscal intermediaries, now heavily weighted toward cost-savings, are changed to give equal weight to accuracy as to savings; and

A vehicle is created to directly involve consumers, providers and intermediaries in the development and implementation of CCEQA provisions and other continuing care policies at the national level.

QUALITY ASSURANCE PROVISIONS

PRO's are required to expend at least as much effort and resources for quality as for cost containment;

PRO's are required to extend quality assurance activities to all providers, including nursing home and home health providers;

Patients, local consumer boards and States are involved in the quality review process through local consumer advisory boards;

Improved methods are to be developed for measuring and assuring quality across service settings through a new national council on quality assurance; and

For the first time, standards are set for discharge planning that must be met by all Medicare hospitals and that will protect against premature discharge and promote the patient's smooth transition into post-hospital care.

Only through changes such as these can we adequately protect Medicare beneficiaries from the adverse effects of cost-driven public policy. Only through such changes can we build an equitable and high quality system of acute and chronic care. Only through such actions can we move beyond the notion of cost-efficient to cost-beneficial health care. And, only with these reforms in mind can we begin—as I have begun—to finish the unfinished agenda of Medicare and Medicaid by making comprehensive health care coverage

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

available to Americans of all ages. I refer here to my plans to introduce, in the next several days, the "USHealth Act" which provides catastrophic and basic health protection for all Americans regardless of age or income.

The reforms in CCEQA are not minor—but neither are the health care needs and related financial risks of older and younger Americans. In this spirit, the Congress cannot move quickly enough to correct the deficiencies of our current health care system that have put the nation's elderly in a catch 22 bind. The Congress must move forward to create a cost-beneficial system of comprehensive and high quality health care coverage for young and old alike.

I therefore urge the Congress to demonstrate its commitment to protecting the Medicare beneficiarie's access to quality health care by supporting the "Continuing Care Equity and Quality Assurance Act of 1986."

Mr. Speaker, I insert the bill summary for the Medicare Continuing Care Equity and Quality Assurance Act of 1986 in the RECORD:

MEDICARE CONTINUING CARE EQUITY AND QUALITY ASSURANCE ACT OF 1986

[CCEQA]

PURPOSE

To ensure equity in beneficiary access to quality continuing (long term) care services and to promote the quality and continuity of care across service settings through reforms in Medicare claims review and appeals procedures, in intermediary performance evaluation criteria and in Medicare's quality assurance system.

Continuing care reforms

Creates national council of continuing (long term) care providers, intermediaries and consumers to make recommendations to the Secretary of Health and Human Services on the implementatoin of this Act and on other continuing care policies under Medicare and Medicaid.

Replaces the current Medicare waiver of liability with a system of prior and concurrent authorization for continuing care claims that protects the beneficiary's rightful access to Medicare's continuing care benefit and that provides incentives for provider participation.

Creates uniform assessment criteria for claims review to ensure equity in claim determinations within and across intermediaries and over time.

Lifts restrictions on beneficiary appeals to make all claims appealable and to permit providers to represent beneficiaries in all cases of appeal.

Builds PRO review of "medical necessity" and "practical considerations" into the current appeals process for Medicare continuing care benefits.

Changes performance evaluation standards for fiscal intermediaries to balance incentives for cost savings with accuracy.

Promotes research in the use of Medicare continuing care benefits in a manner that is cost-effective and most appropriate to beneficiary needs.

Quality assurance reforms

Requires that Peer Review Organizations (PROs) expend at least as much effort and resources for quality as for cost containment.

Extends PRO functions to cover all Medicare health and continuing care services and to include problems of access.

Involves patients and states in quality review through local consumer advisory boards and creates "hot-lines" for Medicare providers and consumers.

Promotes the development of improved methods for measuring and assuring quality through a new national council on quality assurance.

Establishes guidelines and standards for hospital discharge planning to prevent premature discharge and ensure a smooth transition to post-hospital care.

THE ISSUE

During 1985, the House Select Committee on Aging held two major hearings on the impact of cost containment on the quality of hospital care under the new Medicare prospective reimbursement system and on the beneficiary's access to continuing (long term) care services.

These hearings clearly showed that (1) elderly patients are being discharged "sooner and sicker" due to pressures on hospitals under DRG's to shorten lengths of stay and (2) cost containment measures by the Administration on Medicare's already limited continuing (long term) care benefit are putting the elderly in a "Catch 22" bind—released sooner and sicker from our hospitals and unable to get the home and skilled nursing home care they need.

These findings confirm that under the present system, concerns for quality and access are secondary to concerns for cost. What has become clear is that it is the beneficiary—not the provider—who is feeling the impact of cost containment both in the quality of their care and in their access to post-hospital and restorative services.

Added to problems of early discharge and access to continuing care services are serious limitations inherent in Medicare's continuing care benefits such as the lack of uniform claims review criteria, the lack of continuity in the transfer from acute to post-hospital care, and inadquate protection of the beneficiary's right to appeal.

THE SOLUTION

Problems of quality and access resulting from health care cost containment demand that provisions for quality assurance (including access to care) be fully integrated into the hospital and continuing care components of the current Medicare program.

The "Continuing Care Equity and Quality Assurance Act of 1986" (CCEQA) is the most recent of three companion bills (H.R. 1970 and H.R. 4065) introduced by Congressman Edward R. Roybal, Chairman of the House Select Committee on Aging, that address the problems of quality and access elderly patients are now facing. CCEQA is a comprehensive reform package that incorporates many of the provisions of the first two bills and introduces major, new reforms to ensure the beneficiary's rightful access to Medicare's continuing (long term) care benefit, to provide incentives for provider participation and to ensure high quality care.

This legislation was developed in consultation with hospitals, skilled nursing facilities, home health agencies, legal services personnel, discharge planners, and fiscal intermediaries, as well as with consumers.

CCEQA makes the Medicare continuing care benefit more equitable and cost effective and protects the beneficiary's rightful access to high quality hospital, post-hospital and restorative care—care they need now more than ever.

CCEQA PROVISIONS: MEDICARE CONTINUING CARE REFORMS

I. Continuing Care Policy Council [CCPC]

Establishes Continuing Care Policy Council (CCPC) to make recommendations to the Secretary of DHHS on the design, implementation and evaluation of the continuing care provisions of this Act; on the development and interpretation of definitions, policies and regulations under Medicare's continuing care benefit; on the allocation of resources for the administration of these benefits; and on the management of other Medicare and Medicaid continuing (long term) care benefits.

Council members include persons with expertise in geriatrics and rehabilitative practice representing for-profit and not-for-profit hospital (acute and rehabilitative), nursing home and home health providers; fiscal intermediaries; 3rd party payors; physicians; nurses; social workers; discharge planners; legal services personnel; State ombudsmen; PROs; and consumers (who comprise at least one-fifth of the Council).

II. Uniform criteria for medical claims review

Establishes and annually updates a uniform assessment protocol and assessment tool(s) for claims review that includes (1) patient characteristics, (2) medical conditions, (3) physical and cognitive functional capacity, (4) practical considerations, (5) services required, (6) and cost/appropriateness of service setting to ensure greater equity, reliability and predictability of claim determinations within intermediaries, across intermediaries and through time. Sets qualifications for personnel employed to perform medical reviews under Medicare.

Permits intermediaries to consult with continuing care providers, in conjunction with the patient and attending physician, and approve substitute, Medicare-eligible services when medically indicated, when appropriate to the beneficiary's needs, and when substitution of services will not result in additional costs to Medicare.

III. Prior authorization

Establishes a system of prior and concurrent authorization for Medicare nursing home and home health claims that replaces the current Medicare waiver of liability for nursing home and home health providers, that protects beneficiaries against costs incurred during claims review and that includes:

(1) A presumptive eligibility period (not to exceed three days) for the beneficiary and provider based on a beneficiary's perceived elibibility for Medicare and for a specific class of Medicare benefits (i.e., skilled nursing care or home health care) and during which Medicare will pay the costs of eligible services within that class of benefits.

(2) A concurrent, 10 day claims review period for services claimed within a class of benefits (e.g. RN versus aide services). Providers will cover the costs of ineligible services provided within a class of benefits at any time during the 10 day review period or presumptive eligibility period.

Requires that DHHS monitor the acceptance of Medicare patients by continuing care providers to ensure that placement is not delayed until the results of prior and concurrent review are known.

IV. Medicare continuing care appeals, special exceptions, and special benefits

Requires, on enactment, that all Medicare continuing care claims be appealable; sets requirements for informing beneficiaries of their right to appeal; and lifts current restrictions on the provider's right to represent beneficiaries in the appeals process when approved by the patient or the patient's respresentative.

Builds PRO review of "medical necessity" and "practical considerations" into the appeals process for Medicare continuing care claims at the point at which a request for reconsideration of a denied claim is upheld by the fiscal intermediary based on prescribed "triggers" for PRO reviews. Grants special exceptions to beneificiaries who are certified by the PRO as needing a given level of care based on medical necessity.

Grants special benefits to Medicare beneficiaries who are eligible for skilled nursing care, but for whom a bed is not available. Requires that DHHS, in conjunction with the CCPC, set standards, assessment criteria and payment rates that:

(1) Ensure that allowances to hospitals for "days awaiting placement" protect the beneficiary's right to a continued hospital stay beyond that associated with a given diagnosis until a skilled nursing home bed becomes available or is no longer needed.

(2) Permit Medicare-certified home health providers and licensed intermediate nursing home providers to provide care only if the possibility of continued hospital stay is ruled out, only when the PRO certifies that the patient's health and safety can be reasonably assured at the lower level of care, only when the patient or the patient's chosen representative and physician agree to the alternate care setting, and only until a skilled nursing home bed becomes available.

Requires that PROs report annually to DHHS on their review activities under the Medicare continuing care appeals process and on patterns of intermediary denials triggering PRO consultation.

V. Performance standards for fiscal intermediaries

Requires that DHHS, in consultation with the CCPS, develop new criteria and standards for evaluating intermediary performance under the Contractor Performance Evaluation Program (CPEP) that:

(1) Give equal weight to "accuracy" as to "cost savings" in intermediary decisions under their medical claims review functions.

(2) Establish "accuracy" and "timeliness" in medical claims review as critical variables such that failure to meet standards under these, as with other CPEP critical variables, is grounds for termination of contract.

(3) Replace the current 5:1 minimum standard for cost-savings under both the medical claims review and cost report review functions with measures of cost-effectiveness that are not based on numerical standards.

(4) Increase the weighting of performance criteria related to the completeness of explanations for denials under medical claims review functions.

Requires that DDHS provide information on overall intermediary performance to the CCPC annually for the purpose of evaluating and revising criteria under the CPEP (including data on claim denials and reversals by region and intermediary including decisions from Administrative Law Judge and judicial proceedings).

VII. Medicare Benefit Management Demonstration Program

Requires that DHHS, in conjunction with the CCPC, review existing studies and demonstrations and identify the need for additional research under a new, "Medicare Benefit Management Demonstration Program" that test the feasibility of beneficiary oriented "benefit management" and "supplemental" health and support services that reduce the cost of care to beneficiaries without compromising quality and without adding to the costs of Medicare.

QUALITY ASSURANCE REFORMS

I. Increase PRO emphasis on quality assurance

Requires that PROs extend at least the same amount of effort and resources on quality assurance as on cost containment.

II. Expansion of PRO scope of work and level of effort

Expands PRO scope of work in quality assurance and board membership to cover all Medicare health and continuing care providers including hospitals, physician offices, nursing homes, home health agencies, and hospices. Also expands PRO functions to include review of continuing care claims appeals that are denied and upheld by fiscal intermediaries at reconsideration.

III. Local consumer advisory boards and hot-line

Requires that each PRO have a Consumer Advisory Board (CAB) to conduct ongoing oversight of the PRO, to provide input into the award and evaluation of PRO contracts, and to receive input from Medicare beneficiaries and other parties.

Creates 24 hour hot-line for receiving questions and complaints from Medicare providers, beneficiaries and interested parties.

IV. National Council on Quality Assurance

Establishes national Council on Quality Assurance (CQA) through the Office of Technology Assessment to oversee the operations of the quality assurance system (including problems of access) and to make recommendations to DHHS for its improvement.

Requires that DHHS provide such information as is needed by the CQA to carry out its responsibilities. This information shall include data on Medicare continuing care claim denials and reversals by region, including decisions from Administrative Law Judge and judicial proceedings, for the purpose of evaluating the potential effect of beneficiary access to continuing care services on the quality of care and the utilization of other health services.

Requires that the CQA make recommendations annually to DHHS for improving quality assurance and access to the Secretary and the Congress and requires that DHHS take into account CQA input in its administration of the PRO and Medicare programs.

V. Discharge planning

Sets guidelines for discharge planning to protect against inappropriate discharges and to ensure a smooth and timely transition to post-hospital care.

Requires that hospitals have in place a discharge planning process that begins as close to the time of hospital admission as appropriate and that alerts nursing home and home health providers of a patient's anticipated need for Medicare post-hospital at the earliest possible time.

DRUGS IN OUR SCHOOLS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. RANGEL. Mr. Speaker, I rise to call my colleagues' attention to the growing problem of drug use in our Nation's schools. I would urge all Members to give thought to this plague.

Drug usage has reached epidemic proportions among our young people. More than one-third of our high school graduates have admitted to trying marijuana, beginning a pattern of abuse that continues to spread later in life. The cycle recurs again and again, ruining the lives of many young adults.

If we wish to halt the tidal wave of illicit drugs entering our country, we must commit ourselves to cutting the demand for these drugs. And if we wish to reduce the demand, we must commit ourselves to a program of educating our young people about the dangers of drug abuse. We must mobilize every sector and every level of society. We have no alternative, Mr. Speaker, lest we lose everything we stand for.

I insert the following article into the CONGRESSIONAL RECORD, and urge my colleagues to read it carefully.

The article follows:

[From USA Today, Feb. 10, 1986]

WE JUST CAN'T LIVE WITH DEATH BY DOPE

(The Rev. Jesse L. Jackson, 44, of Chicago, is a nationally known civil-rights leader. He founded Operation PUSH (People United to Serve Humanity), and was a candidate for the Democratic nomination for the presidency in 1984. He and his wife, Jacaqueline, are the parents of five children. Jackson was interviewed by USA TODAY's editorial board.)

USA Today: Are drugs a big problem in the USA's schools?

Jackson: Yes. Whether it's in San Diego or Phoenix or Albuquerque or Washington, DC, drugs may be the most universal phenomenon in our schools today. The combination of drugs and alcohol and access to guns has made our schools the most dangerous places in the country to be between 9 and 3 during the day. We're raising the drug, the violence, and the sex issues. If we just deal with a given black issue or a given Hispanic issue, the media says it really is bad but they got a problem. But if it's in a surburban school then it's we got a problem.

USA Today: What happens when you visit our high schools and ask the students about drugs?

Jackson: I recently visited a school in San Diego and asked, " How many of you know someone in your age group who is dead because of drugs?" Almost every hand in the room went up. "How many of your know someone who is in jail because of drugs in your age group?" Hand went up, and they started laughing.

USA Today: Then what happened?

Jackson: I kept asking questions: "How many of you know someone in the school who takes drugs?" Every hand went up. "How many of you know someone in the school who drinks liquor?" All hands went up. "Aw, Reverend, you can't be serious." When I asked, "How many of you have known someone who has brought a gun or a knife to school?" about three-fourths of the hands went up.

USA Today: You have children in high school and college. Are young people dying from drugs and violence?

Jackson: My son Jonathan, went to high school in Chicago. In grades 10, 11, and 12, he was a pallbearer in 12 funerals in three years, of kids he knew—not all from his school. It's a war zone.

USA Today: So this problem of drugs and violence has become a crisis.

Jackson: Yes: Last year Jonathan, Jesse, Jr., and I were arrested for protesting at the South African Embassy. During that night in jail, I counseled about 25 young men, none of whom had a father at home. Only one had a dream. I asked, "What do you want to be?" He said, "Well, I wanted to be a policeman." But the police busted him, so he doesn't want to be that now. All of them were in jail for some drug-related situation.

USA Today: How did you counsel them?

Jackson: I wanted to talk to them. So I started in on one, a hard nut to crack. We went back and forth. He wouldn't give his name. Then he asked me, "What's your name?" I said "Jesse Jackson." He asked, "Why are you in jail?" I said, "To free South Africa." He said, "Why don't you free me!"

USA Today: Then what happened?

Jackson: I tried again: "What's your name?" He said, "John Doe." So I said, "If I go up there and tell the judge your name's John Doe, they might lock us both up. He'll think I'm crazy and you're crazy, too." He was real hard, you know. Then Jonathan said, "What you must understand, Dad, is that these boys can't lose. Let's say they try to rob a bank. When they get the money, they win. If they get caught, they come to jail with their friends. They're warm. They can eat—something they can't do at home. They win. If they get killed, they're out of their misery. They win. They can't lose."

USA Today: That's a pretty depressing picture.

Jackson: This bottom crust, this reinforced poverty, is affecting people's mentality. We're turning loose millions of people on the streets who are in this emotional and physical predicament. It's something we must put some real focus on and try to cure.

USA Today: And that's why you go to so many schools?

Jackson: Yes. I went up to a high school in Washington, D.C., and asked of those who are on drugs at any level to be honest with me. I said, "Let's face it before it's too late, and come on down to the stage." And about 300 did. Now, as I talk to these kids on this drug thing, I argue that taking drugs is morally wrong and physically destructive.

USA Today: Do they agree that taking drugs is wrong?

Jackson: They are ambivalent about whether it is morally wrong. But that's the way I put it—I tell them it's morally wrong.

USA Today: How do you do that?

Jackson: I ask them to tell me, "How many of you think that taking drugs is morally wrong?" But their value system does not reject drugs. Then I ask them, "How many of you believe taking drugs is physically destructive, that it will kill you?" They say, "Well, it's according to how much you take." There's a sense in that neither their values nor their minds reject drugs. There's a sense in which it is all right. It's kind of shady morally, and they think it can be handled physically.

USA Today: Do you think our whole society is too ambivalent, morally, about drugs?

Jackson: Yes. Take this example: If, two Nazis just grab somebody and kill them, or if three Klansmen just grab somebody, we say, "Let's stop this because something serious is going on." But if six kids die from an overdose this weekend, these kids might say, "That stuff must not have been cut right or something." We blacks have learned to live with death by dope as opposed to the rope. And we never lost as many young people by the rope as we have by dope. I mean, the Klan, at their heyday, never killed this many people, or affected this many homes. But there's a sense in which we have learned to accept this as a kind of a mosaic of our day.

USA Today: So we are at war with drugs?

Jackson: Yes, and I suggest to you that we must expose the devastating impact of this war. And It's not just a matter of stopping the supply from coming across the border. The demand is greater than the supply. And now we even have people sniffing formaldehyde, which literally embalms their brain over a period of time, as it would a dead person's brain.

USA Today: What can be done to fight drug use?

Jackson: The reason we go to these schools is that we must have a massive counter-cultural movement. Just the legislative level—that's not deep enough. More patrols at the border—that's good, but it's deeper than that. It is at the level of a spiritual deterioration and a mind collapse. It's becoming very endemic. It's almost in the blood stream of our value system and our mentality.

USA Today: What kinds of things have you seen at schools?

Jackson: I spoke at a New Orleans school one day to kids 9, 10, and 11. Magnet school. Upper crust. I challenged them to admit it if they were on drugs. Out of 1,000, about 600 came and followed me—they were on some form of drugs. One of the girls said, "Hey, let's everybody get honest now." Thirty-five teachers got up. The teachers came down, and then the principal got up. So the superintendent put his head between his legs and wept. He couldn't fire everybody.

USA Today: Teachers were using drugs too?

Jackson: Went out to Pasadena. Same scene again. Students became very antagonistic and started calling teachers' names: "Come on John. Come on Jesse. Come on Frank." Start calling teachers' names. They start getting up reluctantly.

USA Today: Was that your only experience with teachers?

Jackson: Lowest turnout was at a school in Chicago. I knew something was happening there, because I knew a lot of the students. Only four or five students came down—it was like pulling teeth. Later, some kids told me, "Reverend, we appreciate your talk so much. But teachers and the security guards are selling it. So while you were talking to us, the teachers were giving us the eye. We were afraid. We couldn't move."

USA Today: How do young people get into drugs?

Jackson: Many of the young men will start smoking or drinking to impress young women that they are mature, that they are into what's happening. Young women can help by being willing to accept young men and not reject them, and to make taking drugs invalid as an expression of their maturity.

USA Today: What's your message to those young people?

Jackson: "Young lady, you may love him, but you cannot marry him because if he's on drugs, he'll choose the monkey on his back over the baby in your belly. Young man, you cannot marry her because when she's on drugs she's not responsible for herself. She does not know what she'll do with whom." You cannot go any further than this. I mean, we just kind of bring it on down front.

USA Today: What kind of prices are we paying for drug use?

Jackson: Drugs are getting us. The're knocking us out by the thousands every weekend. It's in the nose and it's in the veins, and it's thousands of funerals every week already. We're losing more to this than we lost in the Vietnam War.

USA Today: Operation PUSH is also working on a program to make sure that every high school graduate who's qualified can go to college.

Jackson: Yes. We have found that there are thousands and thousands of students who sort of get programmed away from available opportunities, because there wasn't a good communications apparatus in high school. We're trying to set up an 800 number, where every student in America who wants to go to college can dial this national hot line. We want to make sure that any young person—black, white or brown—who wants to go to college goes. If you have your high school diploma and have everything except money, we can get you in college somewhere.

DRUG ABUSE IN USA

A 1984 survey of high school seniors showed that 16 percent had used cocaine at least once. Use was highest in the West—26 percent of students; lowest in North Central states—9 percent.

A 1984 survey of 44,000 students found that 32 percent of seniors and 10 percent of eighth-graders had used marijuana at least once in past year.

A 1985 random survey of 100 callers, ages 12 to 19, to a national cocaine hot line revealed that 64 percent were dependent on more than one drug. Most common: cocaine and alcohol; 68 percent said grades dropped because of drug use; 57 percent said they bought most of their drugs at school; and 18 percent had attempted suicide.

In 1982, 21.6 million people in USA had tried cocaine, and there were 4.2 million regular users.

A study in Miami, Fla, found that 239 heroin users were responsible for more than 80,000 crimes in one year—nearly 340 crimes each.

Estimates on the cost of drug abuse—lower worker productivity, medical expenses, and crime range from $47 billion to $60 billion per year.

AN UNFORTUNATE CHOICE OF NAMES

HON. WILLIAM CARNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. CARNEY. Mr. Speaker, we in the House have a duty to speak up against discrimination and unfairness. We have a duty to bring to light such unfair actions when the groups who are affected seem to be getting no response from the perpetrators of such discriminatory treatment.

On March 12, an episode of NBC's program Highway to Heaven, will focus on the actions of a fictional neo-Nazi character named Jan Baltic. To many of us in the House, the last name of Baltic comes close to being a form of ethnic slander.

The word Baltic specifically denotes a geographic region in Northern Europe comprised

of the States of Estonia, Latvia, and Lithuania. As we all know, these states were occupied by both Nazi Germany and the U.S.S.R. and remain illegally occupied by the Soviets today. The association of the scourge of neo-nazism with the word, Baltic, is offensive to many citizens of Baltic American descent.

So far, NBC has been unresponsive to the requests of many representatives of these ethnic groups to ameliorate this problem. This is regrettable. While NBC has an absolute right to broadcast this program, it also has a duty to mitigate this type of mistake. The cause of the Baltic people has the support of Congress. We have an Ad Hoc Baltic Committee in the House. We are currently working for passage of House Joint Resolution 500, Baltic Freedom Day. The Senate has expressed similar support.

Mr. Speaker, we call again on NBC to take some constructive action to remedy this problem, and not turn its back on the Baltic concerns until after the program has aired. The Washington Post TV column writer, John Carmody, has addressed this problem in his column today. I would like to include this portion of the column in the RECORD today as well.

[From the Washington Post, Mar. 6, 1986]

AN UNFORTUNATE CHOICE OF NAMES

THE TV COLUMN

(By John Carmody)

* * * * *

Baltic Americans, with the aid of Sens. Donald W. Riegle Jr. (D) and Carl Levin (D) of Michigan, have protested to NBC about next Wednesday's episode of "Highway to Heaven," in which the leader of a neo-Nazi group tormenting an Auschwitz survivor is named "Jan Baltic". . .

In their letter, which was also sent to Michael Landon, the producer of "Highway," the senators said, "We share the concerns of Baltic Americans that the linkage of their entire community to the kind of ethnic bigotry and hatred exhibited by Jan Baltic could create harmful tensions and misunderstandings. A similar concern has been voiced by the American Jewish Committee . . .

"We appreciate your position expressed to representatives of Baltic American organizations that the use of the name . . . was merely coincidental and was not intended to associate the over one million Baltic Americans in this country with the reprehensible attitudes of the individual portrayed as Jan Baltic . . .

"In the interest of ensuring that no group is discriminated against or vilified because of its national origin we request that NBC seriously consider substituting the name Baltic with a more appropriate one prior to the film's showing". . .

The letter was sent to Bettye King Hoffmann, vice president, program information resources . . .

According to Sen. Riegle's office, additional letters yesterday were being circulated for signatures in both the House and Senate regarding the issue.

The Baltic states—Latvia, Estonia and Lithuania—were overrun by the Soviet Army at the end of World War II. According to a Riegle aide, on Jan. 23 of this year, Sen. Riegle introduced a bill calling for June 14, 1986, to be declared Baltic Freedom Day, and a House bill was similarly introduced "to focus the attention of the world on the plight of the Baltic people and demonstrate solidarity with them in their continual struggle for freedom" . . .

A spokesman for NBC late yesterday said no change will be made in the Wednesday program . . .

In a statement issued yesterday, Hoffman said, "We're sorry to learn of your distress over the use of Jan Baltic as the name of the neo-Nazi in this program. We assure you that this is a totally manufactured name and is in no way intended to be identified with any particular group . . .

"The episode in question stresses the subject of intolerance. It contains no dialogue whatsoever that refers to the ancestry of the [fictional Jan Baltic] or to that of his accomplices . . .

". . . NBC is sensitive to scapegoating and the imputation of guilt. Fixing an entire community with responsibility for acts committed by individual members is unacceptable . . .

"At the same time, for any group to assume that the mere mention of an individual's name or identity inevitably tars the entire group with the acts of that individual is unwarranted . . .

"Even if viewers associated the name of Baltic with Latvians [sic] we strongly believe they would not conclude that those engaged in neo-Nazi activities are Americans of east central European [sic] extraction" . . .

REJECT ASSISTED HOUSING DEFERRAL

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mrs. KENNELLY. Mr. Speaker, today, I am introducing a joint resolution by which the House and Senate can reject the proposed deferrals for assisted housing, urban development block grants and community development block grants.

The administration's proposal to reduce funding in these programs represent a direct attack on the viability of our cities and the poor, the elderly, and the handicapped who live in them. These cutbacks will lead to even greater crowding in substandard apartments and to even longer waiting lists for decent, affordable homes. The elderly who are too often shut-in will be turned away at the door when budget cuts force early closings and reduced services at community centers funded by CDBG. The promise of new jobs created by projects leveraged with UDAG grants will be broken for unemployed young men and women living in the inner city, if this program no longer exists.

I urge my colleagues to support this resolution and to move quickly to reject these destructive deferrals of needed funds.

H.J. RES. —

Joint resolution disapproving several proposed deferrals of budget authority for Department of Housing and Urban Development programs

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the proposed deferrals D86-41, D86-42, D86-43, D86-44, D86-45, D86-46, D86-47, D86-48, D86-49, D86-50, and D86-51 of budget authority for the Department of Housing and Urban Development for housing programs and community planning and development, as set forth in the message transmitted by the President to the Congress on February 5, 1986, under section 1013 of the Impoundment Control Act of 1974 are hereby disapproved.

NATIONAL DIGESTIVE DISEASE AWARENESS WEEK

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. PEPPER. Mr. Speaker, I am pleased today to introduce a joint resolution that will designate the week of May 18, 1986, through May 24, 1986, as "National Digestive Disease Awareness Week," and request the President to issue a proclamation for this purpose. If adopted, this will be the fourth consecutive year this designation has been made.

The digestive system, which includes the esophagus, stomach, intestine, gall bladder, liver, pancreas, and colon can be affected by a wide range of acute and chronic diseases. To one who suffers from a disorder of the digestive tract, the problems range from mild discomfort to a severe and real threat to life itself. It has been estimated that 20 million Americans suffer from chronic digestive diseases, with over 14 million cases of acute digestive disease disorders treated each year. Tragically, more than 200,000 deaths occur from these illnesses each year, as well as one-third of all malignancies, including the cancerous growth that was removed from the President's colon last year.

When measured in economic terms, digestive disorders are extremely costly to the American public, with direct personal health care expenditures for treatment at $17 billion per year. Combined with annual lost wages, taxes, disability, and other financial expenditures, total losses from digestive diseases are estimated at nearly $50 billion.

Despite these grim and saddening statistics, there has been encouraging progress made recently by researchers through the National Institute of Arthritis, Diabetes, Digestive and Kidney Diseases. Many previously disabled and chronically ill Americans can now hope for relief from pain and suffering as a result of these Federal efforts and other research efforts conducted elsewhere. Congress has recently funded the development of Digestive Disease Research Centers of Excellence through the National Institutes of Health to perform basic and clinical research into diseases of the digestive tract. We look forward to additional insights into the debilitating effects of gastrointestinal disease from these research efforts.

Mr. Speaker, I urge my colleagues' support of this resolution—I hope each one of them will cosponsor this bill to heighten the awareness of the American public to the significance of digestive disease in this country. I applaud the Digestive Disease National Coalition for their efforts to bring about this level of awareness.

A copy of the text of the bill follows:

H.J. RES. 554

Joint resolution to designate the week beginning May 18, 1986, as "National Digestive Diseases Awareness Week"

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas digestive diseases rank third among illnesses in total economic cost in the United States;

Whereas digestive diseases represent one of the Nation's most serious health problems in terms of discomfort and pain, mortality, personal expenditures for treatment, and working hours lost;

Whereas twenty million Americans suffer from chronic digestive disease;

Whereas more than fourteen million cases of acute digestive diseases are treated in this country in this country each year, including one-third of all malignancies and some of the most common acute infestions;

Whereas more Americans are hospitalized by digestive diseases than by any other diseases, necessitating 25 percent of all surgical operations;

Whereas digestive diseases are one of the most-prevalent causes of disability in the work force;

Whereas digestive diseases cause yearly expenditure of over $17,000,000,000 in direct health care costs, and a total annual economic burden of nearly $50,000,000,000;

Whereas at least one hundred different digestive diseases, in addition to other disorders of the gastrointestinal tract, cause more than two hundred thousand deaths every year;

Whereas research into the causes, cures, prevention, and clinical treatment of digestive disease and related nutrition problems has beome a national concern, and the people of the United States should recognize digestive diseases as a major health priority;

Whereas national organizations such as the Digestive Disease National Coalition are committed to increasing awareness and understanding of digestive diseases among members of the general public and the health care community;

Whereas the National Institute of Health, through its National Digestive Diseases Education and Information Clearinghouse, and the National Digestive Diseases Advisory Board are committed to encouraging and coordinating such educational efforts; and

Whereas the week beginning May 18, 1986, marks the third anniversary of the National Digestive Disease Education Program, a coordinated effort to educate the public and the health care community regarding the seriousnes of digestive diseases, and to provide information relative to their treatment, prevention, and control: Now, therefore, be it

Revolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning May 18, 1986, is designated as "National Digestive Disease Awareness Week". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs and activities.

THE IMPORTANCE OF THE VA HEALTH CARE DELIVERY SYSTEM

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. MONTGOMERY. Mr. Speaker, I want to call to the attention of my colleagues a letter I received from a veteran who has been a patient in the rehabilitation medicine service of an Ohio VA Medical Center.

Mr. VonAlmen was concerned about the possible closing of this service at that particular facility, and I was pleased to advise him that there are no such plans. His letter points out the importance of this type of VA service. He, and other veterans, have benefited greatly from the services of the excellent staff at that VA facility. The treatment they received has enabled them to lead useful and productive lives.

Cutting the length of VA and private sector hospital stays seems to be a major objective of this and previous administrations. Mr. VonAlmen's letter illustrates why lengthy stays are sometimes necessary. I cannot emphasize too much the importance of maintaining and enhancing this type of Veterans' Administration medical care, since VA research and modes of treatment are also beneficial to our nonveteran population. VA rehabilitative medical treatment does take time, but look at the rewards!

MINERVA, OH,
February 21, 1986.

HOUSE COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC.

HON. CONGRESSIONAL REPRESENTATIVE: Recently I was a patron in the cafeteria of the Cleveland Regional Veterans Administration Medical Facility, Brecksville Division. I overheard, to save money, that plans may be in the works to close that facility's Rehabilitation Medical Services (RMS).

I have been around government installations for approximately 21 years and never have I seen a greater return per dollar invested. Let me explain.

Back in May of 1982 a young 34 year old sailor had a brain-stem infarction. The resulting stroke left him mute, completely paralyzed and fighting for his life. After he was stabilized at Virginia Beach General Hospital he was transferred to Naval Regional Medical Center at Portsmouth, Virginia. There he received his first surgery, the insertion of a feeding tube directly into his stomach. This tube was necessary to enable him to receive nourishment without an intravenous needle because he was unable to swallow even liquids. After being medically discharged from the Navy, the Air Force medi-vac transferred him to Cleveland Regional Veterans Administration Medical Center, Wade Park division.

Enroute his condition deteriorated and needed stabilization at Scott Air Force Base Hospital. After 24 hours he was sent on to Cleveland Regional Veterans Administration Medical Center, Wade Park Division where it was discovered he needed additional abdominal surgery, the stomach tube had become dislodged, infecting the diaphram.

While recovering from this second surgery it was decided he needed a third surgery to repair a decubitis (bedsore) on his buttocks.

The medical personnel in Portsmouth, Virginia had been amazed to discover he was not comatose as they had diagnosed. He showed his emotions. At Wade Park in Cleveland they became aware his intellect was intact. He could in fact "talk" using an alphabet board.

After approximately 7 months passed, while the body healed, he was transferred to RMS at Cleveland Regional Veterans Administration Medical Center, Brecksville Division. There, in time, a remarkable transition took place. That young man was transformed from a "vegetable" to this registered voter of today.

I do not possess the eloquence to state what every person on that staff means to me. They are true professionals each one. I spent a prolonged amount of time, as an inpatient, due to family problems. That staff guided me out of a very hostile state to one of functionability. I watched older and younger, men and women taught to maximize their remaining assets. I saw stroke victims, cerebral palsy, amputees, and accident victims. Without fail each one was improved.

One particular young man was made better, even while continuously professing he couldn't do anything. There were three men that actually arrived in a deep vegetable state only to be helped to a functional state. I can remember off-hand three men who came in, seated in wheelchairs and walked out. True, two needed canes but they walked.

The RMS section helped me through the roughest adjustment of my life. They are responsible, either directly or indirectly, for acquisition of most of the state-of-the-art electronics I now enjoy. These angels of mercy have helped and are helping many veterans to return to a useful and productive life.

In closing I submit, in terms of money spent, if the rest of the government could prove as beneficial as RMS in general, Ward 62A, Cleveland Regional Veterans Administration Medical Center, Brecksville Division, in particular, there would be no national debt. I know if I would have been relegated to a nursing home I'd never have regained control of my own destiny or my teenage daughter's custody. It is a shame to even consider cutting RMS, given all that it does. How can you price humanity?

I had completed seventeen years of what I'd planned on as a twenty year hitch. Reaching the rank of Senior Chief Petty Officer (E-8) has made me very conscious of every dollar spent. RMS provides the best use of funds that can be spent. Please take this letter to heart. I say the wonderful results firsthand. When another veteran has need of RMS, I hope they are still in the medical support system.

Respectfully,

FRED VONALMEN.

A SALUTE TO SISTER SAINT MATTHEW, S.S.J.

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. GUARINI. Mr. Speaker, a dedicated educator, Sister Saint Matthew, S.S.J., is celebrating her golden anniversary as a Sister of St. Joseph of Chestnut Hill, Philadelphia, PA.

Katherine Mary Coughlin, who entered the order in 1936 in Philadelphia, was born July 19, 1918, in Bayonne, NJ, daughter of Matthew Francis Coughlin of County Cork, Eire, and Mary Teresa O'Keefe of County Kerry, Erie. She is the eldest of nine children.

Sister Saint Matthew has taught tens of thousands of students in her career as a member of the faculty of the following secondary schools: the Cecilian Academy, Philadelphia, PA, Wildwood Catholic High School in Wildwood, NJ, Lebanon Catholic High School, Lebanon, PA, Our Lady of the Valley High School, Orange, NJ, and Queen of Peace High School in North Arlington, NJ. She also taught at Corpus Christi and Saint Gregory's elementary schools in Philadelphia.

Sister Saint Matthew received her early education at St. Mary's Elementary School and the Holy Family Academy in Bayonne, NJ, received a bachelor of arts with majors in Latin and the romance languages and from Chestnut Hill College in Philadelphia, PA. Sister also received a grant to study Latin in Italy and Sicily and studied Spanish at the University of Madrid and in the Dominican Republic.

On March 15 the community is paying a just tribute to Sister Saint Matthew at a testimonial dinner to be held at Queen of Peace Hall. Preceding this greeting from her friends and relatives, a mass will be concelebrated at Queen of Peace Church, 10 Franklin Place, North Arlington, by Rev. Thomas G. Madden, pastor, Rev. Robert Coleman, and Rev. Msgr. Dennis Hayes, and Rev. Msgr. Francis Seymour, at 12:30 p.m.

Sister Saint Matthew's students have gone worldwide in every profession teaching, law, medicine, parenthood and many other fields. They have carried on her work bringing the beauty of her teaching to all parts of the world.

On October 7, 1979, in a speech to women religious by Pope John Paul II in Washington, DC, he said:

The need for this public witness becomes a constant call to inner conversion, to justice and holiness of life on the part of each religious.

Thomas Fuller said in his remarks on education:

If you have knowledge, let others light their candles at it.

Lecomte Du Nouy in his remarks on education and instruction said:

Education consists in preparing the moral character of a child, in teaching him the few fundamentals and invariable principles accepted in all the countries of the world. It consists in giving him, from tenderest childhood, the notion of human dignity. On the other hand, instruction consists in making him absorb the accumulated knowledge of man in every realm. Education directs his actions, inspires his behavior in all his contacts with mankind, and helps him to master himself. Instruction gives him the elements of his intellectual activity and informs him of the actual state of his civilization. Education gives him the unalterable foundations of his life; instruction enables him to adapt himself to the variations of his environment and to link these variations to past and future events.

These observations indeed echo the purpose of Sister Saint Matthew's life in the areas of education, teaching, understanding and appreciation of life, the progressive development of character, enthusiastic and intelligent participation in building of communities and the world and the desire to participate in progress for all people.

Robert Frost said: "I am not a teacher but an awakener."

Sister has been both.

I am certain that all of my colleagues here in the House of Representatives wish to join me in this salute to a gracious lady who has devoted her life to God and man.

A TRIBUTE TO THE "CHALLENGER" ASTRONAUTS

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. MARLENEE. Mr. Speaker, the tragedy of the astronauts aboard the space shuttle *Challenger* has touched the lives of all Americans, and the sentiment of a country is typified by a Montana radio personality who authored a message entitled "Seven Empty Chairs."

An article that appeared in the Miles City Star under the headline "DJ's Tribute Heard Across Nation" illustrates the affection and tenderness toward the *Challenger* 7.

Author of the "Seven Empty Chairs," Bozeman, Montana DJ Dave Visscher, deserves acclamation for his effort. I am pleased to offer to my colleagues the Star newspaper article highlighting the "Seven Empty Chairs."

DJ's Tribute Heard Across Nation

Bozeman.—A Bozeman disc jockey has received hundreds of requests from across the nation for copies of his tribute to the shuttle astronauts who died in the Challenger catastrophe.

Dave Visscher, 23, the mid-day DJ on KBOZ-AM, said the story "Seven Empty Chairs," which he created and taped the night of the disaster on Jan. 28 is like nothing he has ever written before.

"I remember one time, just stopping and saying, 'This is incredible.'" Visscher said. "It was like I was being used as a vehicle. . . .

"It's so out of character," said Visscher, who is known for funny on-the-air stints like trying to invite Margaret Thatcher to his Fourth of July picnic.

Visscher said the script was written so quickly "it was as if someone else was writing."

A resident of Concord, N.H., where school teacher Christa McAuliffe lived, heard Visscher's tape in Bozeman and asked him to call radio station WKXL in Concord. A disc jockey there recorded it over the phone, and the ball rolled from there.

As a guest on a WKXL talk show earlier this week, Visscher offered to make copies of the tape for free, and his apartment mailbox has been swamped with empty cassettes since.

And switchboards in Bozeman and Concord have lit up each time the tape has been aired.

"It's a real honor," Visscher said. He has heard that McAuliffe's husband will receive a copy, as will radio stations in the home towns of every shuttle crew member.

Visscher had listened to live coverage of the disaster all day long Jan. 28. Space shuttle Challenger exploded just before his five-hour air shift began. Instead of playing music, he aired on-the-scene coverage from Cape Canaveral, Fla., all day.

"It was devastating for me," Visscher said. After work he went and lifted weights and ran, "thinking that would help." But when it didn't, he found himself in his bedroom recording studio, writing.

In the beginning of his story, the shuttle crew members meet God in states of confusion; they've been taken so early in their lives.

"Lord, why me?" they each ask. "Why have you struck me down so early?"

School teacher McAuliffe, the first citizen to ride in space, says in the story, "God, I'm a school teacher. This isn't fair. I've taught children for years, and there are so many children left for me to teach. I'm needed."

God guides the seven into a room where "some of the greatest people who had ever lived" are seated around a jewel-studded table, Visscher continues.

"God said, 'Don't be scared. You see, every person seated at this table is bound by one word, and that word is sacrifice. Everyone here lived so that others could reap the reward of their life.'"

At the table sits Martin Luther King, Jr., who "because of his life on earth and because of his death, in a hundred years black men and white men will walk side by side." Abraham Lincoln, the Kennedy brothers, Joan of Arc and Helen Keller are also seated at the table, as are less famous people "of all races and manners of dress."

To the astronauts, God explains, "You see, there can be no harvest if there are no storms. . . .

". . . there are scientists who are living and those who haven't been born who, moved by your deaths, will one day unlock the mysteries of the universe."

To teacher McAuliffe, God says, "You were respected by your students and you died in what was supposed to be your greatest teaching experience. But because of your example, and because of your death, many young people will enter the teaching profession. The death of one good teacher will produce many good schoolteachers . . .," Visscher narrates.

God leads the shuttle crew around the table to where there are seven empty chairs. "Sit, this is my table and you have earned the right to sit at it." The story ends:

"And the seven sat down with calm, knowing smiles on their faces, because finally, they understood."

Visscher later said, "I'll be honest with you. There are a thousand people more religious than me. But when I wrote that, the inspiration just flowed. It must have come from somewhere else."

PUERTO RICO IS COMING BACK

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. GARCIA. Mr. Speaker, earlier this week, I received a letter and a reprint of an article from Baron's Weekly from Gov. Rafael Hernandez Colon of Puerto Rico.

The article talks about Puerto Rico's economic comeback. It has begun to rebuild, but it still needs our help. The best way to achieve this would be to make certain that section 936 of the Internal Revenue Code is not altered. It was left intact in the House tax bill. It is my hope that this will be true for the Senate bill.

The Baron's article, which I am submitting for the RECORD along with the Governor's letter, describes why 936 should be preserved—Puerto Rico is coming back and part of the reason why is 936.

COMMONWEALTH OF PUERTO RICO,
San Juan, PR, March 3, 1986.

Hon. ROBERT GARCIA,
U.S. House of Representatives,
Washington, DC.

DEAR CONGRESSMAN GARCIA: I am enclosing for your review a recent article from BARRON'S weekly which outlines current economic developments in Puerto Rico.

During the past year, we have taken significant steps in bringing economic vitality to Puerto Rico's important manufacturing, tourism, construction and financial sectors. While we are proud of the progress that has been made, we recognize there is still much work to be done to raise the standard of living of our island to that of the rest of the Nation.

We believe the continued support of the Congress for Section 936 of the Internal Revenue Code, which is the cornerstone of our economic development program, is crucial to our continued economic progress in the months and years ahead. This support, together with the new spirit of investor confidence in Puerto Rico, will enable our island to fully share in the recovery that has characterized the U.S. economy in recent years.

Sincerely,

RAFAEL HERNÁNDEZ COLÓN,
Governor.

COMEBACK IN THE CARRIBEAN: PUERTO RICO'S BACK IN BUSINESS

(By Lauren R. Rublin)

SAN JUAN.—Pedro C. Lopez Flores, taxi driver and tourist guide, is utterly astounded. "I remember when the El San Juan went bankrupt. They piled all the furniture into the street. And now," he confides, "I hear they get $395 a night per room. With a phone, mind you, in every bathroom."

Make that a television and $450 a night for a deluxe suite, ever since the grande dame of Puerto Rican hotels reopened in November, boasting a $50 million-plus facelift. The El San Juan's new owners have bet the farm on Puerto Rico's economic about-face and its resurrection as a tourist mecca. And they certainly are not alone.

Within the last two years, both the Commonwealth government and private investors have poured huge sums into refurbishing the island's classiest resorts. Even the major airlines have rediscovered San Juan. Pedro Lopez Flores caught the drift just as soon as he returned home last year, and exchanged his New York hack number for a Puerto Rican license. "They're fixing up everything here," he exults. "Everything is beautiful, and so new."

Although neither as sudden, nor as dramatic, as the El San Juan's rags-to-riches transformation, Puerto Rico itself is now enjoying an economic revival of sorts. Just as "Operation Bootstrap" did in the forties, the current rejuvenation reflects local initiative as much as it does any helping hand from Uncle Sam.

Although cynics scoff that things have advanced merely from bad to less-bad (unemployment, for instance, has dropped 15% since last summer, but still hovers near 20%), signs abound that Puerto Rico finally has found its sea legs. The House Ways and Means Committee has preserved, at least for another year, Section 936 of the Internal Revenue code, which makes Puerto Rico an attractive tax haven for subsidiaries of American corporations. The islands's governor, in office just a year, already has pushed through the Commonwealth legislature a comprehensive package of personal tax reforms and industrial incentives.

Falling interest rates and oil prices also have bolstered the local economy. And Puerto Rico, as usual, is enjoying the "spillover" effect of economic buoyancy on the American mainland.

The current business is proving particularly stimulating to the island's financial companies. Spurred by the competitive effects of deregulation and aided by their access to inexpensive 936 funds, Puerto Rico's publicly held banks and thrifts all enjoyed a banner year in 1985. What's more, these institutions—Banco Popular, BanPonce, Ponce Federal, Bayamon Federal and Western Federal Bank—all are expecting another bonanza in '86. No wonder they're out of lobster at the posh Bankers' Club in Hato Rey.

Investors have fully appreciated the rising fortunes of these banks, Western Federal, which went public at $8 a share last February, now trades around $15 a share. Ponce Federal's shares, adjusted for an 8% dividend, have almost tripled since January '85 to their current eminence of around $21. Thry're slated to split next week. Bayamon Federal's stock has soared almost sevenfold, to $26, with takeover rumors providing an extra lift.

Commercial bank stocks, too have been fairly frisky. BanPonce's shares, adjusted for a 3-for-1 split last September, have climbed 17 points since January of last year, to around 28. And Banco Popular's shares, which changed hands early last year at 18 (adjusted for a 2-for-1 split), now fetch around 26.

To be sure, the strength in the Puerto Rican financial shares mirrors the spirited move in their mainland counter-part. Although their stock prices have skyrocketed, moreover, the banks' and thrifts' multiples have remained constrained. The group average now is roughly 5.7.

One of the things that has lifted hearts in Puerto Rico is the House Ways and Means' treatment of Section 936. The U.S. Treasury wanted to repeal the measure in its tax reform proposals. Adopted in 1976, though based on prior provision, 936 grants American corporations tax credits on the earnings of their Puerto Rican subsidiaries. Such income, and any interest earned on it, also is exempted from Commonwealth and local taxes, so long as it is reinvested in "eligible activities" that aid the island's economy.

Section 936 lured American corporations, and particularly pharmaceutical and electronics giants, to Puerto Rico, where they have established hundreds of manufacturing subsidiaries and infused the economy with billions of dollars. According to government estimates, some $8 billion in 936 funds is now on deposit with the island's financial institutions (and chiefly with branches of large stateside banks). Most Puerto Ricans believe the elimination of 936 would wreak economic havoc on the island.

Although Congress tampered with section 936, "they left us something we can live with," declares Jose N. Freire, auxiliary administrator of Fomento, Puerto Rico's ecomomic development authority. Most business leaders predict that the Commonwealth eventually will lose its special tax status, but that in the interim Puerto Rico has won an important psychological victory.

"Last year was a time of stagnation," explains Juan Agosto Alicea, Secretary of the Treasury. "Companies took a wait-and-see attitude about making further investments here. Now there's an economic uptick, not so much because we're expecting a boom, but because those companies are forging ahead again."

Despite the lingering uncertainty over tax matters, the Commonwealth government has redoubled its efforts to woo new business, particularly in manufacturing. This month, for the first time, Freire and Fomento Administrator Antonio Colorado are stumping California, spreading the good word about investment opportunities in Puerto Rico and the role the island hopes to play in President Reagan's Caribbean Basin Initiative. Specifically, Puerto Rico's Government Development Bank has made available some $700 million in loans, drawn from its 936 deposits, for Puerto Rican subsidiaries of companies that establish "twin plants" in neighboring islands.

Last fall, Governor Rafael Hernandez-Colon, Colorado and several private businessmen undertook a similar "mission" to Japan, to educate Japanese executives about Puerto Rico's economic virtues. In March, the island will float a $100 million bond issue, in yen, to help finance Japanese investments here.

"We still believe that Section 936 is our strongest alternative," contends Treasury Secretary Agosto Alicea. "But we have to develop a new approach to the future, which stresses fiscal autonomy and gives incentives to local entrepreneurs."

Courting Japan obviously represents one effort to wean Puerto Rico from its dependence on U.S. corporations. The governor's tax reform package, designed to encourage savings and local investment, is another. Key legislation, to date, has lowered the island's maximum personal income tax rate to 50%, abolished inheritance taxes; granted special treatment to limited partnerships and slashed the tax on savings deposit interest to 17%.

The tourist industry has received Hernandez-Colon's particular blessing, conveyed through a hefty incentive package granted last fall that includes tax breaks, fuel credits and more favorable casino and gaming laws. Under former grovernor Carlos Romero Barcelo, the Commonwealth launched a $37 million campaign to refurbish several hotel properties it owns along the Condado strip (San Juan's equivalent of Miami Beach's Collins Avenue), and else-

where on the island. Private investors have followed suit; last year, Hyatt Corp. committed $80 million to purchase and renovate two luxury resorts near San Juan.

Even higher on the governor's agenda these days is reviving Puerto Rico's moribund construction industry, an endeavor that would create tens of thousands of jobs. Last summer the Government Development Bank established a Mortgage Trust to finance low-cost housing construction, and last month local headlines screamed the good news: The GDB had approved 25 low-income housing projects, representing almost 3,000 units, to be financed with $128 million it had raised through a note issued to 936 corporations in August.

An impending construction boom, or even a boomlet, is just what the doctor ordered for Puerto Rican Cement, which has been in the doldrums for at least a year. For 1985, the island's largest cement producer reported flat earnings: $2.8 million, or $1.39 a share (not including extraordinary items), on $58 million in sales.

Its stock, which now trades around $8 a share on the NYSE, has been languishing. This year, however, Hector Del Valle, vice president for finance, is far more bullish about the company's prospects, citing the aforementioned housing program and a new, anti-import law that mandates the use of domestically produced cement in government funded projects. Given an expected pickup in its business, Puerto Rican Cement could earn as much as $1.70 a share this year.

Puerto Rico's banks and thrifts, however, have gained the most, and stand to gain still more, from the ongoing impact of Section 936 and the government's tax reforms, not to mention lower interest rates. Despite the economic interruptions caused last year by the 936 crisis, the island's five publicly traded financial institutions all enjoyed strong growth in both loans and deposits.

PUERTO RICAN BANKS: A COMPARISON

	Banco Popular	Ban-Ponce Corp.[1]	Bayamon Federal[1]	Ponce Federal[1]	Western Federal[2]
Total assets	$4,142	$2,127	$918.3	$716.9	$441
Total deposits	3,365	1,906	440.8	371.8	231.4
Total loans	1,691	1,014	499	388.7	194.8
Shareholders' equity	226.4	127	14.3	36.7	29.6
Net income (1985)	32.9	20.2	12.7	7.7	4.5
Earnings per share	3.66	4.19	[3] 9.02	4.19	2.99
Shares outstanding	9	4.3	1.03	1.84	1.5

[1] At Dec. 31, 1985.
[2] At Sept. 30, 1985.
[3] Not including extraordinary items. All figures in millions, except earnings per share.

The banks, in particular, are flush with 936 deposits, for which they pay considerably less, thanks to the applicable tax benefits, than they do for equivalent taxable funds. Moreover, because of the government's "eligible activity" requirements, much of this money is reinvested in U.S. and Commonwealth-backed loans and securities. Risky foreign loans are not a concern; in fact, Banco Popular's total foreign exposure, in December 1984, amounted to $6 million lent to the Dominican Republic.

Like most local banks and the thrifts, Popular has been chasing the consumer market in recent years, and the strategy has paid off handsomely. Puerto Rico's largest commercial bank (and its two affiliates) earned $32.9 million, or $3.66 a share, last year vs. $29.8 million, or $3.31 a share in 1984. For 1986, analysts says, Popular could be looking at earnings of at least $3.85 a share. Last year's rise, explains President Richard Carrion, reflects a 25% growth in loan volume, including a more-than-50% jump in consumer loans, as well as an increase in non-interest income.

The bank's personnel and equipment expenses have grown apace, but should stabilize this year, says Carrion, as Banco Popular completes the automation of its 125 branches (nine of them in the continental U.S.). Last year, the bank signed up five other institutions to participate in its island-wide ATM network, which now boasts more than 80 automated teller machines. Banco Popular's increasing retail orientation has taken other avenues, as well, most significantly the purchase, in 1984, of General Electric Credit Corp.'s Puerto Rican credit card business.

BanPonce Corp., the holding company for Banco de Ponce, also has moved aggressively to tap the retail market. Headquartered, not coincidentally, in the south coast city of Ponce, the 51-branch bank pioneered Puerto Rico's IRA business, and still claims 30%-35% of that market. This year, the bank has targeted credit cards, premium savings accounts and auto loans as growth vehicles.

BanPonce's mortgage loans, like Popular's, held steady last year; its consumer loan portfolio, on the other hand, grew 28%, to $390 million, and now accounts for just about 40% of the bank's total loans.

In 1985, BanPonce netted $20.2 million, or $4.19 a share, a 31% increase over the prior year's earnings of $15.4 million, or $2.69 a share (not including extraordinary items). That impressive performance, according to Executive Vice President Danilo Ondina, is a consequence of the formal strategic planning process the bank commenced five years ago, as a way of rising to "meet the challenge of deregulation." The bank ultimately decided to meet that challenge as a bank holding company, a "more appropriate mechanism," Ondina observes, through which to diversify its services and broaden its geographic base, particularly in the New York area, where it already has a dozen branches. This year BanPonce's profits could climb another 15%, though somewhat less than that on an earnings-per-share basis.

As much as deregulation has changed commercial banking, it has transformed Puerto Rico's savings and loan scene into a jungle. On the one hand, the island's 12 thrifts are tripping over each other to market new products in sometimes zany ways. On the other, the major thrifts all are bidding for an ever larger percentage of the consumer loan market and paying far greater attention to the nuances of asset management.

Of the public institutions, Ponce Federal is kicking up the most dust. Its president, Ramiro Colon, has earned a reputation as an aggresive risk-taker, and so far has been on the money. The bank's growth has been explosive, in terms of assets (up 226% since 1980), deposits (up 145% in the same stretch) and earnings. Last year Ponce netted $7.7 million, or $4.19 a share, vs. $4 million, or $1.80 a share in 1984. Colon credits Puerto Rico's economy, in general, and a construction mini-boom, in particular, for the hefty increase, although part of the gain, in all fairness, is of the bank's own making.

In February 1984, Ponce converted from mutual to stock ownership, and raised $11.6 million through its first public offering. The bank has sold two debt issues since then, which, together with a big boost in deposits, have broadened its lending and investment base, helped finance its new product introductions an abetted its expansion into metro San Juan.

With obvious relish, Colon reels off a long list of loan situations in which Ponce recently has become more involved. These include high-risk interim financing for industrial projects, a new government-backed small business association program, agricultural and student loans and equipment leasing.

Why has the bank heaped its platter so high? "We're hungrier, perhaps than the competition," he frankly admits. Investors, nonetheless, may sleep better knowing that some 65% of Ponce's loans currently are backed by either the federal or Commonwealth government.

For many years Bayamon Federal's rep was quite the opposite of Ponce's. This suburban San Juan savings and loan made little noise and less money. Then, in 1984, the thrift was rocked by a scandal that left it nearly extinct. A former officer's unauthorized investments cost Bayamon some $6.9 million, or $6.67 a share, and sent its net worth plunging to less than $2 million, considerably below federal regulatory requirements. The thrift's auditors (now its ex-auditors) not only refused to opine on Bayamon's financial health, but revoked their 1983 opinion as well.

Enter Dr. Elias Ason, bank consultant, soft-spoken academic and now Bayamon's president, and the rest is happy history. They year, the thrift posted earnings of $12.7 million, or $9.02 a share, and its net worth topped $14 million. Free, at last, to seize the opportunities offered by deregulation. Bayamon has lost no time introducing a by-now-familiar financial products menu and getting into commercial and consumer loans and even financial leasing.

Ason's chief objectives, at this juncture, are to redistribute the thrift's assets, placing more emphasis on its loan portfolio and less on its lower-yield investment securities. He also aims to upgrade Bayamon's branches, which now number 17.

Western Federal Savings Bank, asset-wise the smallest of Puerto Rico's publicly traded thrifts, still functions in many ways as a small-town savings and loan. For one thing, it is based in the west coast city of Mayaguez, far from the maelstrom of San Juan. And, although Western's branches go head-to-head, in many communities, with Banco Popular's the competition, in the island's interior, just isn't the same.

Bank Vice President Fermin Contreras notes that the Mayaguez economy is particularly stable, owing to the large concentration of 936 corporation subsidiaries established on Puerto Rico's western rim. This solid business base, coupled with Western Federal's historically conservative management, pushed the thrift to record income last year of $4.5 million, or $2.99 a share, from $2.5 million in 1984. (The bank converted to stock ownership in February 1985.)

Like most Puerto Rican bankers, Contreras now considers consumer and commercial lending Western Federal's greatest growth possibilities. Mortgage loans, he reports, "have been a little slow in our area, but that's a bit of an advantage, because most are long-term." The thrift is investing its 936 funds, instead, in mortgage-backed government securities, repurchase agreements and other short-term instruments that increase its liquidity and reduce its interest rate risk.

The greatest risk facing Western Federal, and in fact, all of Puerto Rico, according to Fermin Contreras and others, is Washington's latest economic "missile"—namely, Gramm-Rudman, the federal government's deficit reduction law. Declares Contreras: "This could prove even more of a problem, long-term, than losing Section 936." Indeed, the island currently is confronting the loss to its economy of some $40 million-$60 million, courtesy of Gramm-Rudman, come March.

But consider what else that merry month will bring. In March, Governor Hernandez-Colon will pack his chopsticks and head back to Japan. Fomento will take its road show to Chicago. Construction will have begun on those much-heralded housing projects. And the banks will report their first quarter earnings. If the last quarter is any harbinger, the Bankers' Club had better lay in more lobster.

MISLEADING THE PEOPLE

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. MARKEY. Mr. Speaker, yesterday, Assistant Secretary of Defense Richard Perle accused supporters of House Joint Resolution 3 of undermining arms control negotiations, as if this resolution is somehow responsible for the Reagan administration's failure to negotiate an arms control agreement for the last 6 years.

The argument that passage of a resolution calling upon negotiators to negotiate has hurt the negotiations is patently absurd. Mr. Perle is raising phantom difficulties with verification of a threshold test ban treaty to shield the administration's disdain for a comprehensive ban on nuclear test explosions.

If what Mr. Perle says about tentative Soviet indications of a willingness to make additional concessions on TTBT verification is true, his public statements may well cause the Soviets to withdraw their offer. One must ask just who is undercutting arms negotiations, Members of Congress who support ratification of treaties American Presidents have already signed, and a resumption of negotiations that the United States is legally committed to pursue, or an individual who broadcasts details of Soviet proposals to the press and has opposed almost every arms control agreement the United States has ever reached.

I would like to call the attention of my colleagues to a recent article on the test ban by Tom Wicker, which lays out the real reason Mr. Perle and others in the Reagan administration oppose a test ban—their desire to develop, test, and deploy new generations of nuclear weapons, including the nuclear-pumped x-ray laser for their supposedly "nonnuclear" star wars defense.

MISLEADING THE PEOPLE

"We want agreements that truly diminish the nuclear danger. We want real agreements, agreements that really work, with no cheating."

If Ronald Reagan really meant those words in his speech on military spending, why has he turned his back on the single best opportunity available to the superpowers for an agreement "that really works, with no cheating"?

That opportunity lies in a joint moratorium on nuclear testing, which might well lead on to a Comprehensive Test-Ban Treaty. Mr. Reagan is the first President to evince no interest whatever in either a moratorium or a treaty.

That is not because, as he and his Administration once insisted, neither could be adequately verified. Mikhail Gorbachev, the Soviet leader, has explicitly agreed to both on-site inspection and whatever "achievements of seismology" may be useful for verification purposes; actually, as far back as the Carter Administration's negotiations for a such a treaty, Moscow agreed in principle to on-site inspections.

Nor does Mr. Reagan's steadfast opposition to a test ban derive, as his Administration now insists, from a need for periodic proof-testing to make sure nuclear weapons in the stockpile still work. That's only an excuse, because such tests have seldom been conducted in the past; and qualified scientists say weapons reliability can be adequately checked by other means.

The Administration further insists that worries about weapons reliability undermine deterrence on both sides, perhaps making it likelier that one or both superpowers would use nuclear weapons before they could be considered unreliable. That's just another excuse for continued testing, because if either Moscow or Washington acted on such filmsy reasoning, it would face certain nuclear retaliation.

Actually, in the unlikely event that nuclear weapons reliability becomes a real concern, the uncertainty would affect both superpowers, probably making both less likely to use them.

The Administration certainly can't argue that a test ban can't be worked out with the Russians. Mr. Gorbachev proposed a six-month test moratorium last summer and Moscow has pursued it ever since. Ronald Reagan rejected it out of hand. In his Jan. 15 call for disarmament, Mr. Gorbachev devoted about a quarter of his statement to the issue and extended his unilateral moratorium three months to March 31, with a further invitation for the U.S. to join. Mr. Reagan did not respond.

Such a moratorium cannot be considered a danger to U.S. security. If the Russians were to cheat, that would be known immediately; in that case, or if Moscow openly broke the agreement, the U.S. could immediately resume its own tests, with little scientific or military loss.

It's even a violation of Mr. Reagan's legal responsibilities for him to refuse to discuss a moratorium or a test ban with Moscow. In both the Limited Test-Ban Treaty of 1963 and the Nuclear Nonproliferation Treaty of 1968, the U.S. is solemnly pledged to work and negotiate for an end to all nuclear tests for all time.

That's why it's necessary to question whether Mr. Reagan told the nation the truth when he claimed to want "agreements that truly diminish the nuclear danger." A test ban, toward which a successful joint moratorium would be an important step, would diminish that danger perhaps more than any other feasible agreement; it would do so by making the development of new nuclear weapons far more difficult, if not impossible.

Precisely for that reason, Ronald Reagan does not want a test ban. He wants, for one specific thing, to continue the kind of underground nuclear explosions that he hopes will lead to the perfecting of an X-ray laser. Such lasers would be a vital component of Mr. Reagan's proposed space-based defense, which he persists in falsely labeling "nonnuclear."

He wants also to continue the development of new and more effective nuclear weapons because, as he has just told the nation again, he believes the Russians maintain military—including nuclear—superiority over the U.S. There's no credible evidence to support that assertion, but Mr. Reagan has never been one to rely on evidence.

The House, however, may well rely on the strong evidence demonstrating that Mr. Reagan does not want a real agreement "with no cheating" to ban nuclear tests. The chairman of its Foreign Affairs and Armed Services Committees, together with 208 other members, are sponsoring a measure calling for a resumption of test-ban negotiations with the Russians. The Senate already has passed such a resolution. Mr. Reagan, needless to say, is opposed.

SAMUEL MORSE MIDDLE SCHOOL

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. MOODY. Mr. Speaker, today I would like to share with the House the accomplishments of a school in my district.

Last week, the Samuel Morse Middle School in Milwaukee, WI received the "School of Excellence" Award. The award, presented by the U.S. Department of Education, recognizes Morse Middle School as one of the finest schools in the United States.

Today, as public schools across the country face increasingly shrinking budgets, the Morse Middle School stands as a shining example of what a dedicated faculty and administration, concerned parents and eager students can accomplish together. They know the importance of investing in the minds and in the future of our young citizens.

Mr. Speaker, I ask that my colleagues in the House of Representatives join with me in saluting the students, parents, teachers, and administration of the Samuel Morse Middle School, and I look forward to informing the House of their future successes.

MRS. HELEN LANE McCARTHY

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. COELHO. Mr. Speaker, on April 25, 1986, I will join hundreds of my constituents, distinguished community and military leaders, in honoring a truly selfless public servant, Mrs. Helen Lane McCarthy. Helen has served Castle Air Force Base, and Merced County, CA, as the base community coordinator for 30 years.

Helen was born and raised on an Alabama plantation. After having graduated from Huntington College, she first came to California with her young naval aviator husband during

World War II. Returning to California in 1956, she assumed the mantle of liaison between Castle Air Force Base and the local community.

Within 2 weeks of her first day on the job, she organized the "Castle Coffee," a social gathering hosted by city fathers of Merced and Atwater for newly assigned Air Force personnel. For three decades, this weekly event has welcomed our airmen and their families to their new home, greatly enhancing the spirit of cooperation and mutual concern. Her weekly travelog in the base newspaper opened the door to the many adventures and natural wonders to be experienced in California. Her organization of Christmas parties for our young airmen eased their pain of being separated from family and friends during that special time of the year. Whenever there was a function requiring cooperation between the base and the community, Helen has been on hand with her expertise in protocol and her calm grace to assure that everything ran smoothly.

Her dedicated concern for the human spirit has extended far beyond the official functions of her job. She was a member of the original board of incorporators of the Merced Symphony Orchestra, a member of the board of Hospice, and an American Red Cross Gray Lady for 10 years. She has served as secretary of the Merced chapter of the Air Force Association, honorary director of both the Atwater and Merced Chambers of Commerce, and is a member of St. Luke's Episcopal Church.

I have known Helen for many years, and I am proud to call this outstanding citizen a personal friend of mine. I am glad to join in with many of her other friends in paying this richly deserved tribute to Helen McCarthy. Thanks to her continuing efforts, we are assured of passing on a legacy of cooperative community spirit to future members of our community and the U.S. Air Force.

REMARKS OF HON. DAVID E. BONIOR IN RESPONSE TO PRESIDENT REAGAN'S RADIO ADDRESS

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. MILLER of California. Mr. Speaker, last Saturday, March 1, 1986, my distinguished colleague from Michigan, Mr. BONIOR, delivered the Democratic response to President Reagan's radio address, regarding U.S. policy in Nicaragua.

As we prepare to vote on the President's new request for $100 million for Contra rebels, I urge you to consider Mr. BONIOR'S statement. As he eloquently points out, President Reagan's policy in Nicaragua is a failure. We should stop pouring more and more tax dollars into an uncontrolled and unending war. We should follow the path of diplomacy, as the leaders of our closest democratic allies in Latin America have urged.

The text of Mr. BONIOR'S address follows:

DEMOCRATIC RADIO ADDRESS DELIVERED BY CONGRESSMAN DAVID BONIOR ON MARCH 1, 1986

Hello, I am Congressman Dave Bonior from Michigan.

This week, the president has once again asked the American people to provide increased funding for the Contras fighting to overthrow the government in Nicaragua.

It is not the administration's first request.

Back in 1981, the administration requested $19 million. Last year, they requested $27 million. And this week, the president requested $100 million; a huge, nearly four-fold increase.

And if this request is granted, it will surely not be the last.

Today the Contra war is already in its fifth year.

That is a long time. My daughter, who may enter college in just two more years, was still in grade school when the war began.

Five years is longer than the U.S. involvement in World War I or World War II or the Korean War. Only one modern war has lasted longer, the Vietnam War.

Yet today, the Contras do not hold a single town in Nicaragua—not one. We are caught in a cycle of failure, pouring more and more U.S. tax dollars into an uncontrolled and unending war.

Mr. President, you call the Contras freedom fighters and compare them to our founding fathers. Listen to someone who has spent time behind the lines with the Contras.

Christopher Dickey, a respected foreign correspondent, describes them this way in his recent book:

"The Contra commanders * * * are men addicted to violence. Their brutality is indiscriminate—their victims include government officials (health workers, agricultural specialists, teachers, all carefully selected targets for torture, rape and murder) * * * "

A just released report by Amnesty International, winner of the Nobel Peace Prize for its work on human rights, describes the Contras' treatment of the people they capture:

"Witnesses have described * * * execution style killings, in which captives were bound, tortured and their throats slit * * *"

Is that a description of George Washington or Thomas Jefferson? With this campaign of terror, is it any wonder that the Contras have not sparked a popular, democratic movement inside Nicaragua.

Mr. President, you tell us that the Contra war is necessary to defend our allies in Central and Latin America. Yet just two weeks ago, leaders from the eight leading countries in the region came to Washington with a clear message. "Latin Ministers Urge U.S. to Halt Contra Aid," the headlines ran.

Yes, Americans have reason for concern about the direction of the Nicaraguan government—its censorship of the press, and its conflicts with the church. And we have serious security concerns both for ourselves and for Nicaragua's neighbors—the military build-up, Nicaragua's close ties with Cuba and the Soviet Union.

But our allies in the region and the neighbors of Nicaragua—those who have the greatest stake in the issue—have proposed a solution. They have developed a bold statement of principles that has been signed by all the affected Central American countries, including Nicaragua.

It calls for the verifiable reductions in military strength on all sides. It calls for the elimination of foreign military advisors in every country, including the Cubans and Soviet Bloc advisors in Nicaragua. And it calls for each country to halt efforts to export revolution. And it calls for democracy.

Guatemala is a country that knows the price of freedom, because it has just elected the first civilian president in decades. His courageous call for peace has given new life to this proposal.

Argentina is also a country that knows the price of freedom, because it has just succeeded in replacing a military dictatorship with a new democracy. Argentina's foreign minister calls this proposal "the only peaceful road to resolve the problems" in Central America.

Here is a program of peace, not war.

But it requires first that the administration stop the Contra war. Without that first step, success is impossible.

There is a decision to be made. The choice is ours, and it must be made now. We can opt for more Contra terrorism, or give peace a chance. We can listen to our allies and the neighbors of Nicaragua, or charge ahead with a war that no one else wants.

It was not armed intervention that brought democracy to the Philippines, but diplomacy. It was not the denials of election fraud that brought democracy to the Philippines, but a hard-headed recognition of the abuses rampant in the Marcos government.

We need to apply those lessons to the Contra war.

My daughter was in grade school when the Contra war began. If we add another five years to the five years that have already run, the war will be underway as she prepares to graduate from college.

My generation lived its young adult life under the shadow of the Vietnam War—a shadow that ultimately claimed 57,000 lives.

I want something better for my children, and for your children. Peace is possible. Let's end the Contra war.

HONORING THE GEORGIA HUSSARS

HON. ROBERT LINDSAY THOMAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. THOMAS of Georgia. Mr. Speaker, I have the honor of representing the beautiful coastal area of Georgia within my district. On the coast, we take great pride in the fact that our area is blessed by both its dynamic role in the growth of our State as well as a history rich in its contribution to the founding of our Nation.

In the historic city of Savannah, we have a great many organizations supported by citizens who honor the values of our Nation by recognizing the heritage of our past. Perhaps no organization has a more distinguished history than that of the Georgia Hussars, who are celebrating their 250th anniversary of military and civic service this year.

Although the Hussars originated in Savannah, its present day veterans membership is represented throughout Georgia and other areas from Florida to Washington, DC. The ancestors of the Hussars rode with General Pulaski at the Battle of Savannah as part of the Georgia Legion. It was in that battle on October 9, 1779, that the great Polish cavalry-

man was mortally wounded, and his brave career as a fighter for American independence came to an end.

But the contribution of the Georgia Hussars to our Nation has continued, and our Nation has been enriched in countless ways by their service.

In recognition of these accomplishments, the Georgia House of Representatives has enacted a special resolution in honor of the Hussars. I ask that this resolution be reprinted in the CONGRESSIONAL RECORD at this point.

A Resolution honoring the Georgia Hussars of Savannah, Georgia, on the occasion of its two hundred fiftieth anniversary; and for other purposes.

Whereas, the Georgia Hussars of Savannah, Georgia, is celebrating the two hundred fiftieth anniversary of its establishment on February 13, 1736, by General James Edward Oglethorpe; and

Whereas, the Colony of Georgia was founded on February 12, 1733, as a military buffer for the English colonies north of the Savannah River and the Spanish Territory of Florida; and

Whereas, when Governor Oglethorpe found it necessary to have mounted troops, he organized a troop of mounted Rangers on February 13, 1736, and appointed Hugh MacKay Captain; and

Whereas, this was Georgia's first Troop of Horse, later Dragoons and then Cavalry, and was composed of militia and volunteers from other Georgia military commands; and

Whereas, this Troop fought many battles against the Spanish and their Indian allies, including the Battle of Bloody Marsh on St. Simons Island; and

Whereas, the Troop fought valiantly during the American Revolution at the first Battle of Savannah and throughout the war in Georgia, Florida, and South Carolina, including the Battle of Savannah on October 9, 1779, where they were part of the Georgia Legion led by Brigadier General Casimir Pulaski during which he was mortally wounded; and

Whereas, the Georgia Hussars, one of our nation's most historic military commands, was specially recognized for service in the Revolution and given Battle Honors at ceremonies in Washington, D.C., on August 29, 1976, by then Secretary of the Army, Martin R. Hoffman; and

Whereas, the Georgia Hussars has participated as a unit or by its members in every war since its founding, bringing honor and glory to Georgia and the nation, its Battle Honors being a continuing legend of gallantry above and beyond the call of duty; and

Whereas, the Georgia Hussars continues its service to Georgia in Army National Guard on this, its two hundred fiftieth anniversary.

Now, Therefore, Be It Resolved by the House of Representatives that this body recognizes the service and the many sacrifices and gallant actions of the citizen-soldiers of the Georgia Hussars in peace as well as war which have brought honor and glory to the State of Georgia as well as to themselves.

Be It Further Resolved that the Clerk of the House of Representatives is authorized and directed to transmit an appropriate copy of this resolution to the Honorable Joe Frank Harris, Governor; to the Honorable Ronald Reagan, President of the United States; to each member of the Georgia delegation to the United States Congress; to Colonel (Ret.) Lindsey P. Henderson, Jr., Veteran Chairman of the Georgia Hussars; and to Marion C. Vause, President of the Georgia Hussars.

CHARLES CLULEE, WALLINGFORD HISTORIAN

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. MORRISON of Connecticut. Mr. Speaker, I rise today to honor Mr. Charles R. Clulee of Wallingford, CT. Today is Charlie Clulee's 80th birthday, and it is an occasion to reflect on his many contributions to the people of his home town and his State.

Charles R. Clulee was born on March 6, 1906 in a two-story home at 143 South Main Street in Wallingford, a home in which he lives today. He attended local schools, and went on to Rennsselaer Polytechnic Institute in New York, where he obtained a degree in business administration in 1928. From there, Charlie Clulee began a long, successful career with Sears, Roebuck & Co., working out of its headquarters in Chicago and New York. By the time he retired in 1962, he represented Sears' Chicago departments in the New York market.

Having retained an affection for his home town, Charlie returned to Wallingford to begin a "retirement" that has been filled with more activity and service than many accomplish in a whole lifetime. Charlie joined the Wallingford Historical Society in 1962, went on to serve as its president several times, and now is president emeritus. Active in all phases of town affairs, Charlie Clulee served on the parking authority and the board of education.

Charlie also served as a director and treasurer of the YMCA, a member of the Library Board of Managers (on which he became the first male president), an honorary member of the Center Street Cemetery Board, on the vestry of St. Paul's Church, and on the board of directors of the Wallingford Red Cross. In addition, he served as chairman of the Wallingford Celebrations Committee where he organized such popular annual events as the town's Christmas celebration, Halloween parade, community race and Fourth of July fireworks.

But the history of Wallingford and the State of Connecticut have remained Charlie's foremost interests. As town historian for Wallingford, Charlie Clulee has been a much-sought-after speaker, and he has been a guest at the Chamber of Commerce, the Rotary Club, local church groups, the American Association of Retired Persons, the PTA and has spoken before countless other civic, religious and community groups.

When Wallingford celebrated its tercentenary in 1970, Charlie Clulee was there, serving as vice president of the board of directors of the Wallingford Tercentenary Committee. He was a gubernatorial appointee for the advisory council of the statewide Bicentennial Committee in 1976, and served as a one-man speakers' bureau that year, giving lectures on State history in communities all around Connecticut. An active writer, Charlie Clulee has contributed to local newspapers on many occasions over the years. He has also served as vice president of the Connecticut League of Historical Societies, by which he was honored with an award in 1971. In recent years, he has been active in efforts to save the historic Simpson-Taber house in Wallingford, and he has promoted the establishment of a historic district in town.

Mr. Speaker, I am proud to have Charles R. Clulee as a constituent and join with many others in thanking him for his commitment to the people of Connecticut's Third Congressional District. Charlie, together with his wife, Mary, who has joined with him in many a good cause, help make Wallingford the kind of dynamic and caring community that it is. With an eye to the past, Charlie Clulee continues to work toward a more enlightened future for us all.

THE COURAGE OF THE CREW OF THE "CHALLENGER"

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. BARTON of Texas. Mr. Speaker, the disintegration of the space shuttle *Challenger* 73 seconds after liftoff January 28, 1986, rudely shocked our Nation which had come to take the steadfast success of the experimental Space Shuttle Program for granted. Seemingly routine spacecraft launches disguise the risks and challenges of space exploration. Such an event serves to remind us not only of the dangers of what we are trying to do but the awesome achievements we seek.

Our Nation glorifies its heroes. And we do so for good reason. Our heroes are honored because they dare to strive, accept the risks, and surmount the obstacles. The crew of the *Challenger* personify the values of courage and daring and the "can do" attitude which our Nation treasures. These principles keep us alive and strong; values which not only make our society a great one but a good and compassionate one as well.

We risk, we defy, we achieve, and yes, sometimes we momentarily falter, but we come back and try again not because we think we should but because we simply can't conceive of not trying.

As a member of the Space Science and Applications Subcommittee, I have been particularly interested in the Space Shuttle Program. Space exploration has enormous promise and benefit to mankind and we should continue our national commitment to it. The following newspaper editorial appeared shortly after the shuttle incident. I believe it eloquently states the case for, and continuing support of, manned space exploration. I urge my colleagues to read it.

[From the New York Times, Jan. 29, 1986]

SHUTTLES HELP TO PRODUCE WIDE RANGE OF BENEFITS

(By Stuart Diamond)

The space shuttle and the technology that spawned it are part of an expanding industry responsible for numerous existing and projected benefits worth billions of dollars in medicine, communications, food production, energy exploration and other fields.

The shuttle is considered an integral link in the building of factories, research laboratories and other extraterrestrial facilities that could far advance current technology. In space, purer medicines, stronger materials and better measurements can be made. The result can be major improvements in life on earth, according to experts.

Among the dozens of experiments that had been performed aboard the Challenger, which exploded yesterday, was the production of microscopic latex spheres that last year became the first space-manufactured product to be sold. The spheres are much more uniform than those made on earth and are used to calibrate instruments that measure blood cells, paint particles, flour, cosmetics and other materials for which size is considered critical.

Another effort aboard the Challenger was measurement of soil moisture content, aimed at providing more data for farmers on when to water, when to apply pesticides and fertilizers and how to grow crops. Such studies promise enormous benefits in energy and water, saving and higher crop yields, researchers say.

SATELLITE WAS ON BOARD

Yesterday the Challenger carried the second of three satellites that was to be deployed to replace space-tracking stations on the ground. The new system of three satellites was designed to provide more reliable data on space flight.

Issac T. Gillam, head of the space commercialization program for the National Aeronautics and Space Administration, said in an interview yesterday that the business prospects evidenced by the shuttle are only in their infancy. "But we have seen it can succeed in business with communications satellites," he said.

The satellite communications business has risen from virtually nothing two decades ago to an estimated $3 billion a year, according to the Center for Space Policy, a Cambridge, Mass., consulting firm specializing in space business opportunities. The center estimates that annual space business revenues from the many new technologies could reach $50 billion by the year 2000.

David W. Lippy, president of the center, said 200 businesses in Massachusetts alone could trace their roots to the Apollo moonlanding program. "It would be a double tragedy if this disaster led people to question whether the investment was worth it," he said.

So many new products and advances have occurred from the space program, of which the shuttle is the latest embodiment, that the United States cannot afford to slow the program and let other countries forge ahead, Mr. Lippy added.

Many of the space benefits thus far have been from unmanned satellites sent up in expendable vehicles. Such satellites have enhanced communication, monitored weather patterns, explored for oil and enabled better maps to be drawn.

More broadly, the entire space program, including the manned flights, has also resulted in strong, lightweight materials now used in everything from car parts to bicycles to packaging. Alternative energy sources and devices, from solar cells to fuel cells, have advanced further due to research connected with the space program.

The shuttle expands those efforts by providing an orbiting space laboratory and factory where gravity, pollution and atmosphere do not interfere.

"The shuttle has tremendous value in trying out new technologies," said Dr. Ray A. Williamson, a space expert at the Office of Technology Assessment, an arm of Congress. "The ability to do testing in space and bring the objects back is extremely important, expecially in materials research. Without the shuttle, the possibilities for space commercialization are pretty limited."

VENTURES BY COMPANIES

Among the more promising projects so far is a joint venture by the McDonnell Douglas Astronautics Company, a division of the McDonnell Douglas Corporation, and the Minnesota Mining and Manufacturing Company, to purify a drug that stimulates red blood cell production in people with anemia and kidney ailments. On the earth, the impurities cause various side effects.

Mr. Gillam of NASA said proteins that could not be grown very well on the ground have been grown up to 1,000 times larger on the space shuttle. Brought back to the earth, these proteins are proving to be important research tools for genetic engineers in the study of viruses, he added.

Such concerns as Deere & Company, the farm equipment concern, are trying to examine the characteristics of cast iron at zero gravity to learn how to make lighter and stronger vehicles on the earth.

Experiments have also been planned to produce pure gallium arsenide, a major candidate to replace silicon in the making of semiconductors.

The shuttle flights have hosted numerous industry-sponsored experiments by high school and college students. On the shuttle yesterday, a University of Missouri student had an experiment designed to find out if titanium metal can be strengthened in space for use in aircraft manufacturing. It was sponsored by McDonnell Douglas.

SOVIET SDI FEARS

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. MARKEY. Mr. Speaker. In our deliberations on the President's star wars plan, SDI supporters occasionally argue that if Soviet leaders are concerned about star wars, we must be on the right track with this idea.

But as Flora Lewis suggests in this morning's New York Times, the nagging fear that underlies Soviet opposition to star wars is a concern that the United States might be able to achieve a secure first-strike capability, and their desire to avoid a costly new high-technology arms race.

While a first-strike against the Soviets is contrary to our national policies, I am not surprised that the Soviet Government is as deeply suspicious of United States intentions and capabilities as we are of theirs. We have to take Soviet SDI fears into account, for out of these fears will come the inevitable Soviet response to star wars—accelerated Soviet deployments of nuclear offensive weapons, developments of weapons designed to defeat our defensive systems or deployment of star wars weapons of their own.

I commend, the Lewis Op-Ed to the attention of my colleagues.

[From The New York Times, Mar. 6, 1986]

SOVIET S.D.I. FEARS

(By Flora Lewis)

Moscow.—There is tangible disappointment here at the rather indifferent Western response to Mikhail Gorbachev's grandiose proposal to abolish nuclear weapons by the year 2000.

The Soviet leader was obviously shrewd enough to understand the broad emotional and psychological appeal of President Reagan's "dream" of building a complete defense that would make strategic missiles useless. So he hoped to circumvent "Star Wars" by going Mr. Reagan one better and suggeting they all be thrown away in 15 years.

"We too have a dream," one Soviet official said, "but ours is a real dream. The difference is that everybody in our country wants to get rid of nuclear weapons, but Americans are divided."

The Russians seem somewhat bewildered by what they consider the persistent American refusal to meet their overtures on various arms control measures, so officials are falling back on classical Marxist analysis to explain the U.S. stand. A Foreign Ministry spokesman, Vladimir Lomeiko, says the American military-industrial complex is worried about running out of orders over the longer haul, so it needs the Strategic Defense Initiative to keep contracts coming for another 20 to 30 years.

In this view, there is a "division of labor" within the American establishment, with the capitalists making sure the arms business zooms ahead no matter what, while President Reagan makes a point of "smiling, using good words about peace and sounding reasonable."

Probing somewhat deeper, Soviet concern emerges as a nagging fear that the U.S. will be able to achieve a secure first-strike capability to overwhelm Soviet forces with the Star Wars program. Gen. Sergei Lebedev of the general staff, cites the claims of "remarkable progress" by the S.D.I. Director, Lieut. Gen. James Arbahamson. "We have to believe him, in order to be on the safe side," General Lebedev said. "We remember that the atom bomb was talked about but considered far, far away for decades, and then suddenly it was there. Even if S.D.I. doesn't look feasible now, we are afraid it will reach the stage where it can't be stopped."

These arguments still don't seem to justify the tremendous urgency and huge political investment the Russians are putting into trying to block Mr. Reagan's program. Despite occasional hints from Mr. Gorbachev, they don't seem willing to seek an interim definition of permissible research.

But more technical explanations by experts do give a better idea of what underlies the Soviet position, and it makes the possibility of any agreement look more meager than ever. There is a recognition that the program involves many different new technologies, lasers, optics, supercomputers, guidance systems, navigation. "They can be used for the offensive arms race, for medium-range missiles and conventional weapons too," said Aleksei Podberiozkin, who works in the disarmament section of the Institute on World Economics. "Therefore, Star Wars implies a whole new arms race at a much higher technological level."

He concedes these are fields where research would go on anyway, with or without a Star Wars program, and that advancing technology can't be stopped. But, argue Mr.

Podberiozkin and Aleksei Nikonov, his superior, the question is whether the new developments are to be used for civilian purposes or for offense. They suggest opening up laboratories on both sides as the only way to make sure, though they admit there are big disagreements within the Soviet establishment about how to go about trying to set up controls.

Technology is heavily stressed in Mr. Gorbachev's plan to revamp the Soviet economy, but there is very little linkage here between military and civilian advances. General Lebedev said he didn't believe in the "spinoff" that American proponents of Star Wars claim will be a great advantage for industry, and saw no prospects for convergence in Soviet military and civilian technology efforts.

This is a fundamental difference between the two societies' perspective, and it indicates that it is going to be even harder than might appear to find a compromise. Once again, technology that can bring great benefits to society is combining with deepseated antagonism to drive the production of destructive forces.

The Halley's Comet project shows Soviet and Western scientists can work cooperatively, but there isn't going to be a technological fix on arms. That leaves a new effort to define security for everybody as the only way out of the impasse. Prospects for the next summit are poor.

NATIONAL FAMILY CAREGIVERS WEEK

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Ms. SNOWE. Mr. Speaker, today I am introducing House Joint Resolution 555 setting aside the week of November 24 through November 30, 1986 as "National Family Caregivers Week" in recognition of the contribution made by the family in maintaining frail and disabled family members in the home.

Research is exploding the myth that most older persons in need of help with the tasks of daily living have been abandoned by their families and placed in institutions. We now know that between 80 and 90 percent of the medically related care, personal care, household maintenance, transportation and shopping needed by older persons is provided by caregiving family members.

The unprecedented increase in the population 85 years and older and the increase in the incidence of frailty and/or disability with advancing age have resulted in approximately 5.2 million older persons residing in the community with disabilities that leave them in need of help with day-to-day tasks. It is estimated that 80 percent of these disabled elderly receive care from family members, mainly wives, daughters, and daughters-in-law. While the cost of care for the disabled or frail can be enormous in both financial and emotional terms, the contribution of the caregiver has not been fully appreciated.

For many, the role of the family caregiver is a rewarding one, but it is not assumed without sacrifice. A recent study of full-time employees at the Travelers Corp. in Hartford, CT, revealed that 28 percent of those surveyed spent an average of 10.2 hours per week giving care to an elderly relative or friend. Eight percent devoted the equivalent of a full work week to such care, and some spent as much as 80 hours a week in addition to their work and family responsibilities. Many caregivers are torn between the competing demands of family, job, and caregiving.

Most individuals would rather reside at home than in the finest facility, and the caregivers make this option possible. Their efforts strengthen the family, assuring support and continuity among generations. Thus, the role of the family caregiver is an essential one that we have only recently begun to appreciate. It is for this reason that I propose this national week of celebration, which includes Thanksgiving Day, as a time to affirm the vital importance of the family caregiver. It is fitting that we choose this week to recognize the contribution of the family caregivers who care for the disabled or frail and through whose efforts our responsibility and commitment to the family is embodied.

The resolution follows:

H.J. RES. 555

Joint resolution to designate the week beginning November 24, 1986, as "National Family Caregivers Week"

Whereas the number of Americans who are sixty-five or older is growing, with an unprecedented increase in the number of person eighty-five or older;

Whereas the incidences of frailty and disability increase among persons of advanced age;

Whereas approximately 5.2 million older persons who reside in the community have disabilities that leave them in need of help with such daily tasks as food preparation, dressing, and bathing;

Whereas families provide older persons help with such tasks, in addition to between 80 and 90 percent of the medical care, household maintenance, transportation, and shopping needed by older persons;

Whereas families who give care to older persons face many additional expenses due to home modifications, equipment rental, and higher heating bills;

Whereas 80 percent of the disabled elderly receive care from family members, most of whom are wives, daughters, and daughters-in-law, who often must sacrifice employment opportunities to provide such care;

Whereas the role of the aged spouse as a principal caregiver has generally been understated;

Whereas family caregivers are often physically and emotionally exhausted from the time and stress involved in caregiving activities;

Whereas family caregivers need information about available community resources;

Whereas family caregivers need respite from the strains of their caregiving roles;

Whereas the contribution of family caregivers helps maintain strong family ties and assures support among generations; and

Whereas there is a need for greater public awareness of and support for the care that family caregivers are providing: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning November 24, 1986, is designed "National Family Caregivers Week". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

THE BUFFALO PHILHARMONIC IS ACCLAIMED BY THE NEW YORK TIMES

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. LAFALCE. Mr. Speaker, today I place into the RECORD a copy of a New York Times account of the performance of the Buffalo Philharmonic Orchestra and its conductor Semyon Bychkov at New York's Carnegie Hall on Sunday, February 23, 1986.

This latest acclamation is further proof of the national and international reputation of the Buffalo Philharmonic Orchestra, which I am pleased to share with my colleagues.

The article follows:

NEW YORK TIMES CRITIC LAVISHES PRAISE ON BYCHKOV AND THE PHILHARMONIC

(After the Buffalo Philharmonic Orchestra and its conductor Semyon Bychkov performed Sunday in New York's Carnegie Hall, The New York Times published the following review, reprinted in full, in its Tuesday editions.)

(By Tim Page)

Once in a very long time, the critic is privileged to attend a musical event tingled with greatness. The Buffalo Philharmonic Orchestra's Sunday night concert at Carnegie Hall was one of those occasions, thanks in large part to the contribution of the orchestra's conductor, Semyon Bychkov.

Mr. Bychkov is not unknown to New York audiences; while director of the Mannes College of Music Orchestra, he led a starting professional American premiere performance of Tchaikovsky's opera "Iolanta" some years ago. But he has now begun to enter into his full maturity, and Sunday night's performance left little doubt that Mr. Bychkov may well rank highly along the podium masters of his generation.

The orchestra itself is a good one. Along with the St. Louis, Milwaukee, Pittsburgh and Los Angeles orchestras, among others, it is one of those ensembles that is perennially excluded from our arbitrary and outdated list of "big five" American orchestras. These groups play with distinction and, indeed, sometimes surpass their more celebrated competitors. The Buffalo sound is full, rich and well-blended; the playing, disciplined but never mechanical, with only an occasional muddy passage or tentative attack. There is a strength to the Buffalo Philharmonic's playing, a muscularity that seems to be endemic to cold cities; elegance is forsworn in favor of a warm bear hug.

But it was Mr. Bychkov's conducting that made the evening so rewarding. Little can be said of his manner with Smetana's overture to "The Bartered Bride"—it was clear, propulsive and straightforward, as the music demands. He proved a deft accompanist to Lynn Harrell in the Saint-Saens Cello Concerto No. 1, a gracious example of Gallic note spinning. Mr. Harrell played with style and patrician bearing.

However, it was in Shostakovich's Symphony No. 5 that Mr. Bychkov made his lasting impression. A vast musical pano-

rama, in which virtually every mood is mirrored by its opposite—its tragic mien leavened by irony, its moments of genuine exaltation hampered by the silent presence of political terror—it requires an epic musical understanding to do it justice.

And Mr. Bychkov possesses this vision. From the first notes of the symphony he was fully in control. The great Largo was built as a haunted modern nocturne, while the Allegro non troppo, with its ambiguous subtext, rattled and blared to an enthralling finale. In the wrong hands, this work can seem vulgar and obvious; on Sunday night, it impressed as one of the only Soviet works from the gore-scarred 1930s that may endure.

When the work was over, conductor and orchestra received a well-deserved standing ovation. Mr. Bychkov has recorded the Shostakovich Fifth with the Berlin Philharmonic for release on disk later this year; this listener can hardly wait.

MARYLAND WOMEN'S BASKETBALL TEAM—ACC CHAMPS

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. HOYER. Mr. Speaker, I wish today to salute a group of women from my district whose spirit and determination proved that the agony of defeat is only a brief prelude to the thrill of victory. I am speaking of the University of Maryland's Women's basketball team who pulled themselves up from a sluggish season to win their sixth ACC championship Monday night. After rolling over North Carolina State (77–55) and third-ranking Virginia (92–68) in the semifinals, the Terps went on to a thrilling victory over North Carolina, 90–74.

The three-game winning streak that clinched the ACC Title for the Terps may have been a surprise to the teams they swept over, but not to Coach Chris Weller. "I felt all along that we were competitive, but I didn't know when they were going to find out how to do their best," she says. The Lady Terps did indeed find out how to do their best, and, after a disappointing 1984–85 season, they are champions once again. The secret of their success—spunk and team spirit—is summed up by freshman Deana Tate: "We wanted to win for Coach Weller and the seniors so much—and we did."

The ACC championship team includes Lisa Brown, Vicky Bullett, Caroline Dehn-duhr, Monica Gannon, Linda Jenkins, Kaisa Maine, Brenda Mason, Pam Noyes, Zorana Radovic, Sabrena Rivers, Deana Tate, Chris Vera, and Chequita Wood.

Mr. Speaker, I know all of the Members of the House—even those from Virginia and North Carolina—will want to join me in congratulating the team on their championship season and wishing them the best for the upcoming NCAA tournament.

WILLIAM BUCKLEY ON THE SOVIET THREAT TO EUROPE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. COURTER. Mr. Speaker, William F. Buckley's recent column, "Gorbachev Brings Europe to Its Senses" is a whiff of smelling salts for those observers on both sides of the Atlantic who have entertained the notion that a nuclear-free Europe might be more secure against Soviet and Warsaw Pact troops.

Of course, the facts demonstrate that the opposite is true, which explains Mikhail Gorbachev's attraction to the nuclear-free proposal. Overwhelmingly Soviet and Warsaw Pact numerical superiority in conventional armaments facing NATO virtually ensures that a continent free of nuclear weapons would also be one essentially naked to an unstoppable nonnuclear assault by Soviet Bloc forces. So we can see clearly that there is a method to Mikhail's madness; a nonnuclear Europe makes good sense, from both a propaganda and a "correlation of forces" standpoint. I urge my colleagues to pay careful attention to Mr. Buckley's arguments.

GORBACHEV BRINGS EUROPE TO ITS SENSES

(By William Buckley)

We should all feel obliged to Soviet leader Mikhail Gorbachev for having done more than any peace committee, combination of Christian churches, or—even—presidential speechwriter to detoxify nuclear arsenals.

What has happened during the past 10 days is that the Western community in Europe has awakened to the fact that one can feel most definitively dead under the power of conventional arms. In war talk, people tend to use round figures, fair enough. They talk about 100 million dead in Europe in the event that the Soviet Union decided it wished to resume its military imperialism westward. The overwhelming predominance of the Soviet army, not only in manpower but in tanks and other mobile machinery, in fighter craft and artillery, suddenly reminded European leaders of what the alternative actually is to doing away with their theater weapons. The alternative is to rearm conventionally.

Now, it is one thing to sit comfortably in a seminar on war and peace in Aspen, or Harriman House, or Brookings, and say that, really, moral hygiene requires that we abandon our nuclear weapons and exchange them for conventional arms, quite another, in democratic exchanges, to put such counsel into effect. If the French and the West Germans, the Italians and the Low Countries were to build conventional forces sufficient to deter existing Soviet forces, they would need to enact a) universal conscription, Swiss-style; and b) increase their military budgets by something on the order of 100 to 200 percent. The fact of the matter is that they are unwilling to do this. And suddenly they realize that summiteering over their heads, Washington and Moscow are talking about arrangements whose hypothetical impact on Europe would be exactly that, assuming that Europe didn't have the power to make its own decisions on the matter of theater nuclear weapons.

Well, Francois Mitterrand in France has, through a spokesman, made his position perfectly clear. The United States, he says in effect hasn't the power to disarm France. And, he goes on, we don't care what the Soviet Union does with its SS20s. It can burn every one of them up in the presence of the World Council of Churches, we're still not going to pledge a) to do away with our atomic arsenal; b) to promise not to enlarge it; or c) to promise not to modernize it.

And an incidental benefit of the development here is that we are face to face with what it is that disturbs the world community, to wit the motives of Soviet leaders. A country that can continue to do what the Soviet Union is now doing to Afghanistan is not a country Western Europe is disposed to take chances with by unilaterally removing the force it feels is the operative deterrent against an invasion of Europe, namely its nuclear weapons. What it has most greatly to fear is the removal of American weapons, which are at a technological level of sophistication not now available to the European powers unless they were to engage their scientists in massive research and development. If we wish to see a crisis in the Western alliance, dwell on the possibility of Gorbachev and Reagan zero-optioning in Washington this summer, leaving the Europeans with their Ford Model-T theater missiles.

This is unlikely to happen, because Mr. Reagan is who he is, and he will not let our allies down. But the pressures are building.

What kind of luck would Mr. Reagan have if he attempted to talk the Soviet Union into conventional disarmament? Here he would run into extraideological Soviet lobbies. The Soviet Union needs a large heavy army to keep its citizens employed, and also to keep its citizens, and those others it dominates, subdued. For that reason the Soviet Union would never disarm it, any more than the Soviet Union would consent to pare down its nuclear strategic force to the point of finding itself at less than parity with the next largest nuclear power in the world.

But meanwhile, we must be grateful for the reintroduction of reality into the picture. That reality is that nuclear weapons have served the cause of peace.

SOVIET JEWRY

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. HUGHES. Mr. Speaker, recently we witnessed a great moment in human rights history, the release of Anatoly Shcharansky. The Soviet Union released Mr. Shcharansky after 9 years in Soviet prisons and labor camps. We, as crusaders for religious freedom, rejoice in the news of Mr. Shcharansky's new life in Israel.

However, we must not forget the thousands of people left behind in the Soviet Union, left behind because of their political or religious views. There are many who strive to practice their religion freely within the Soviet Union, but Jews who may prefer to stay in the country often file for emigration papers because of a lack of hope for the future—a lack of hope for their children and their children's children. We must encourage the Soviet Government to treat these human beings more fairly in such areas as education, employment, and religion, to name just a few areas.

With the exception of the recent emigration of individuals as part of the Soviet family reunification program, the Soviet Union has all but shutdown emigration since reaching a peak in 1979. We must step up our negotiations with the Soviet Union to open the doors of freedom for those within the country who wish to emigrate.

Although a change in Soviet policy will not come easily, we must work unceasingly to encourage better treatment for all oppressed people within the Soviet Union, for consistent emigration application policies, and finally for increased emigration for those who wish to leave. Historically, emigration has increased during times of open discussion between the United States and the U.S.S.R. and we will have the chance to further these discussions when President Reagan and Chairman Gorbachev meet later this year. Let us join together as a nation to support open discussion which will work toward a more civilized and humane policy for immigration and religious freedom for Soviet Jews.

THE TELECOMMUNICATIONS EQUIPMENT AND INFORMATION SERVICES ACT

HON. RICHARD ARMEY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. ARMEY. Mr. Speaker, in January 1984, after nearly a decade of Justice Department litigation, the AT&T telephone system was broken up. AT&T's local telephone companies were organized into seven new Regional Bell Operating companies [RBOC's]. RBOC's maintained monopolies in local service delivery, but were denied entry into certain aspects of the telecommunications industry. Today, 2 years after the breakup, many consumers remain confused about their telephone service and options, and somewhat skeptical about the need for breaking up Ma Bell.

Although the breakup will long be debated, it was intended to inject competition into the telecommunications market, and ultimately enhance consumers through more competitive prices and better services. No doubt, part of the confusion and skepticism surrounding the breakup is a product of the fact that consumers have seen AT&T's long distance rates go down, while local rates have risen.

Now that we have had some time to review the consequences of the consent decree, it appears some fine tuning is needed. I have cosponsored H.R. 3800, the Telecommunications Equipment and Information Services Act of 1985, which is but one step in the right direction. This legislation is needed because the consent decree specifically prohibited the new Regional Bell Operating Companies from engaging in certain activities which were perceived to be integral in attracting competition in telecommunications.

This bill would permit the RBOC's to compete in manufacturing and information services—effectively expanding their ability to generate revenues and hence lower local rates. At the time, the idle capacity of the RBOC's provides an opportunity for other industries to increase efficiency and also lower rates.

Yet, if we are striving for competition and the advantages deregulation has to offer, then it would only be consistent reasoning to allow all parties involved the right to freely compete in all segments of the telecommunications industry.

It's ironic that deregulation has left large segments of the industry free to compete, yet denied the full benefits of deregulation to AT&T. Fair and equitable treatment would allow AT&T to offer new services and lower prices, without undue restraints.

So long as there exists a hodgepodge of regulations, offering a mixed bag of competitive freedom, we will deny ourselves the quality and quantity of services we should and could have. Though H.R. 3800 is not a panacea, it is a strong step in the right direction.

TRIBUTE TO THOMAS MASARYK

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. LIPINSKI. Mr. Speaker, as cochairman of the Democratic Council on Ethnic-Americans, an organization that recognizes the strength and diversity within our ethnic community, I believe it is appropriate that today we honor Thomas Masaryk, founder and first President of the Czechoslovak Republic.

Born into humble surroundings, Thomas Masaryk scraped his way through secondary school by tutoring other students. Later, he graduated from the University of Vienna and went on to become a professor in philosophy at the University of Prague.

In 1890, Masaryk entered the world of politics determined to promote his ideals of freedom and justice. He fought hard to protect the rights of the Serbs and Croats and sought greater autonomy for the Czech people. In 1899, he rose to the defense of a Jewish man falsely accused of ritual murder, and saved him from a possible execution. At a time when antisemitism was reaching a fever pitch in Europe, Masaryk refused to let popular assumptions cloud his sense of justice and equality.

Toward the outbreak of World War I, Masaryk became the recognized representative of the Czech liberation movement. He desperately wanted to unify the Czech and Slovak people and mount a front against the imperialism of Germany. He came to know leaders in France, England, and the United States who were sympathetic to his freedom movement.

On June 3, 1918, Masaryk finally accomplished his goal—Czechoslovakia became an allied power and a multinational state that respected the rights of its large German and Hungarian ethnic groups.

Thomas Masaryk was elected President of Czechoslovakia in November 1918 and became the key unifying force in the battles of the Czech and Slovak parties. He advocated strong and friendly relations with all neighbors, including Austria and Germany. Nevertheless, Masaryk was one of the first leaders in Europe to voice anxiety over the emergence of the Nazis in Germany.

Mr. Speaker, as the true father and liberator of his country, Thomas Masaryk was loved by his people for his humble dignity, candor, and leadership. Many years later, we recognize him not only for his vision, but for his ability to translate his ideals into concrete action.

Today, we salute this great Czech leader for his grim determination to attain liberty for his people, and for helping to create a homeland cherished by so many ethnic groups.

PROTECT TELEVISION VIEWING RIGHTS

HON. ROBERT E. WISE, JR.

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. WISE. Mr. Speaker, hearings will be held today on "Ensuring Access to Programing for the Backyard Satellite Dish Owner" by the Subcommittee on Telecommunications, Consumer Protection and Finance. I would like to take this opportunity to express my support for satellite dish receiver owners, and emphasize my commitment to adequate television reception for rural Americans.

Rural consumers have long suffered from the inability to receive decent television reception. Many West Virginians, along with their counterparts across the Nation, have been trying for years to join into the cable television system without success. The cost of installing cable to rural areas is often prohibitive. Hundreds of citizens have collected petitions and listened to empty promises with regard to when they would have access to cable television and adequate reception. With the advent of the backyard satellite dish receiver, thousands of rural Americans, for the first time, had the opportunity to receive television programming.

Now that several satellite subscription services have begun to scramble their programming, rural Americans are once again being denied the television service they waited so long to receive. Earth station owners in West Virginia are fully agreeable to paying a reasonable fee for satellite programming. The current fees they are being asked to pay are ridiculously expensive and would serve to make adequate television reception completely unattainable for many of these people. I believe that immediate action must be taken to protect the television viewing rights of those who own satellite receivers.

As a cosponsor of H.R. 1769, H.R. 1840, and H.R. 3989, I wish to join with my colleagues in support of the backyard satellite dish owner. These bills are especially important in States like West Virginia, where for the first time, rural customers have access to adequate television programming. As long as cable operators are unable or unwilling to provide their services to such customers or the equipment to unscramble signals is not available at a reasonable cost, we must work to ensure that the rights of satellite dish owners are protected. I am confident that through the hearing process, we can work together toward a solution.

IN SUPPORT OF REFORM IN LIABILITY INSURANCE

HON. JIM ROSS LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. LIGHTFOOT. Mr. Speaker, I rise to call my colleagues' attention to the crisis we face in the insurance industry. Businesses, doctors, engineers, State and local governments, associations, and even livestock farmers are finding that liability insurance is either unavailable or too costly, even though they may have never filed a claim. It is indeed a crisis, and it affects each and every one of us—either in the pocketbook through higher charges for goods and services or, in many cases, even our ability to obtain them. The American people want us to act soon to resolve this problem, and rightly so.

It seems no one is exempt from the affects of the rising cost or the unavailability of insurance. The U.S. Chamber of Commerce reports that insurance costs have more than doubled for 40 percent of its members last year. Doctors and their patients can no longer afford the insurance they need to deliver babies. Iowa doctors estimate that their insurance costs have increased 151 percent since 1982. And counties no longer maintain many of their roads; instead, they are posting "Enter At Your Own Risk" signs at the road entrance because they cannot afford to continue their insurance policies. Even children's playgrounds are being closed because cities can no longer afford to insure the associate risk or because their insurance companies canceled their politics.

Last October, the Subcommittee on Surface Transportation, of which I am a member, held a series of hearings on the insurance problems facing the transportation industry. Witnesses from the trucking industry testified that the crisis in their industry has caused anything from severe financial hardship to outright shutdowns of operations as a result of premium increases ranging from 100 to 1,000 percent. Since truckers are required by the Federal Government to maintain a certain level of insurance, many are simply forced out of business because they cannot obtain the required level of coverage. To Iowa, where trucking is the second largest industry in the State, it is particularly critical that we find a solution to this problem.

I applaud efforts of the committees that have held hearings and have proposed legislation to address the various aspects of the liability insurance crisis. In addition, many of the State legislatures—of which Iowa is a good example—are taking action to reform their laws with regard to joint and several liability, medical malpractice, frivolous lawsuits, product liability, punitive damages, structured payments, and other areas. This is the direction in which we should be heading. It's time for us to cast aside our inclination to point fingers and fix blame for the cause of the problems in the insurance industry and get on with constructive efforts to find a solution so that businesses, professional, and government agencies can continue to operate.

A TRIBUTE TO ELIZABETH McCOMACK

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. MARTINEZ. Mr. Speaker, today I rise to honor a resident of my 30th District of California who has devoted the past 40 years of her life to professional and volunteer community service. After working as a public servant, in various capacities, for over 20 years, Mrs. Elizabeth McComack was hired as a recreation leader III for the City of Alhambra, and 5 years later, in 1969, she became Alhambra's Recreational Supervisor. During the past 17 years, Elizabeth has played a crucial role in maintaining and improving the city's recreational facilities.

But, Elizabeth's community service extends far beyond her impressive professional contributions. She has served in the Red Cross since 1951 as a volunteer, instructor, trainer, and, most recently, as chairman of the Red Cross Water Safety Committee. In addition, she is a member of the Alhambra Chamber of Commerce, the Southern California Municipal Athletic Federation, the California Department of Parks and Recreation, and the president of the Southern California Public Pools Operators Association.

It gives me great pride and pleasure to bring the accomplishments of Mrs. Elizabeth McComack to the attention of my colleagues in the U.S. House of Representatives. Completely devoted to improving the quality of life in her community, Mrs. McComack's selfless contributions are an inspiration to us all.

RECOGNITION OF THE AIR FORCE'S FLIGHT SAFETY RECORD

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. LEWIS of California. Mr. Speaker, I rise today to recognize the remarkable record of flight safety achieved by the Air Force this past year. The Air Force has just completed the safest year of flying in its history. The 1985 record-setting rate of 1.49 major flight mishaps per 100,000 flying hours is 14 percent lower than the previous record established in 1983—1.73. With 1984's rate of 1.77, the Air Force completes the third consecutive year with rates below 2.0.

Gen. Charles A. Gabriel, Air Force Chief of Staff, attributes this year's record to exceptional accomplishments in virtually every facet of flying operation. Notable among these were the all-time low number of logistics-related mishaps, the zero-mishap rate for the bomber force, and for the sixth consecutive year, a record-setting low fighter/attack aircraft accident rate. Tactical Air Command and U.S. Air Force in Europe also ended the year with all-time low rates of aircraft mishaps.

While compiling the 1985 record, the Air Force flew more hours of realistic training than any previous year, yielding higher levels of combat readiness. Significantly, this record occurred while flying nearly 3.5 million hours.

For purposes of comparison, in 1978, the major flight mishap rate was 3.16. Had that rate continued, an additional 230 aircraft would have been lost over the last 7 years at a cost of over $1.3 billion, not to mention the major implications in terms of loss of life, decreased combat capability, and impaired national security.

As General Gabriel notes, "The Force is performing its mission more safely than ever before and is achieving greater combat readiness."

SENATE PASSES COP KILLER BULLET BILL

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. BIAGGI. Mr. Speaker, I am very proud and pleased to announce that the Senate has just passed the Law Enforcement Officers Protection Act, a bill to outlaw armor-piercing ammunition that can penetrate the bullet resistant vests worn by our Nation's police offices. This legislation is very similar to the measure this august body passed overwhelmingly—400 to 21—last December. The Senate vote was just as persuasive, with the bill passing by a vote of 97 to 1.

More than anything else this resounding legislative victory demonstrates an indisputable resolve by the Congress to protect the well-being of our Nation's brave men and women who serve in law enforcement.

Mr. Speaker, as the House author of this vital police protection measure (H.R. 3132) along with my distinguished colleague from New Jersey, Mr. HUGHES, I have followed Senate action on this issue with special interest. It is with that perspective in mind that I want to commend my good friend and colleague from New York, PAT MOYNIHAN, for his tireless and vocal efforts on behalf of this important cause. I feel certain that if not for the total commitment Senator MOYNIHAN gave to this legislative effort, out of a deep respect and concern he has for law enforcement, this legislation would not be so close to becoming law—a law that many doubted could ever be enacted.

But, Mr. Speaker, I would be remiss if I did not also offer special words of praise for several other Senators who played instrumental roles in the passage of this legislation. They include STROM THURMOND, the distinguished Judiciary Committee Chairman and chief sponsor of the Senate bill, JOSEPH BIDEN, ranking minority member of the Judiciary Committee and an outspoken proponent of this legislation, and Senate Majority Leader ROBERT DOLE, who helped to overcome the obstacles that stood in the way of full Senate consideration of this measure. There were other key players obviously, a fact clearly demonstrated by the nearly 70 Senators who cosponsored the bill and 97 who voted for it. All of these individuals have demonstrated a

very special concern for the welfare of our Nation's law enforcement community.

Finally, Mr. Speaker, as we now move to a conference with the Senate on this legislation, I want to point out to my colleagues that one key diference remains between the House-passed bill and the Senate version. While the Senate bill would outlaw any new armor-piercing ammunition, it would allow those "cop killer" bullets already on gun shop shelves to be sold. The House version bans the sale of all armor-piercing ammunition, those already in the marketplace and any new ones that might come in. The law enforcement community, which has played such a major role in the development of this legislation and obviously is most affected by it, has stated in absolute terms that they will not be satisfied with anything less than a total ban on sale. I am confident that the final legislative product will reflect that concern.

MARYLAND WOMEN MAKING HISTORY

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. HOYER. Mr. Speaker, this week, the citizens of Maryland join with all Americans in observing the fifth celebration of "National Women's History Week." This is an appropriate time to pay tribute to the historical and contemporary contributions made by Maryland women across the spectrum of human endeavor.

The history of the State of Maryland furnishes a long list of significant and notable service by women to their local communities, their State, and their country. This year, as in the past, the Maryland State Department of Education and the Maryland Commission for Women have organized the commemoration of "National Women's History Week" around a theme. For 1986, the theme is "In the Public Interest: Women in Government, Law, and the Media."

The continuing legacy of women contributing notably and ably to Maryland and to the country is exemplified by the four women who constitute half of Maryland's delegation to the U.S. House of Representatives. My distinguished colleagues—HELEN DELICH BENTLEY of the Second Congressional District, BEVERLY B. BYRON of the Sixth Congressional District, MARJORIE S. HOLT of the Fourth Congressional District, and BARBARA MIKULSKI of the Third Congressional District—are the very personification of dedicated and able legislators and they are the reason why Maryland leads the country in representation by women.

Today, women graduate from Maryland's law schools in numbers equal to those for men. However, this has not always been the case either in Maryland or across the country. The first woman admitted to the bar in the State of Maryland, Etta Maddox, did not begin practice until 1902. Unofficially, in the 1640's, Margaret Brent handled a variety of legal and governmental responsibilities. For requesting a seat in the Maryland assembly and for asking for the right to vote, she has been recognized as "America's First Woman To Seek The Right To Vote."

In 1767, Anne Catherine Hoof Green succeeded her husband as publisher and editor of the Maryland Gazette. Until her death in 1775, she served as "official printer to the province of Maryland," and her newspaper provided eloquent arguments against British rule.

Mary Katherine Goddard, a Baltimore printer, published the 18th century Maryland Journal and Baltimore Advertiser. She produced the first copy of the Declaration of Independence that included the names of the signers. The U.S. House of Representatives calendar, published by the Capitol Historical Society, notes that on March 3, 1775, she was appointed as Baltimore's postmistress. Furthermore, Mary Katherine Goddard served with distinction until 1789, when the Postmaster General removed her from that post. More than 200 leading Baltimore businessmen signed a petition asking that she be retained, but the Postmaster General believed that the required travel would prove too strenuous for a woman.

In addition, the five 1986 inductees of the Maryland Women's Hall of Fame deserve special acknowledgment for their work and accomplishments. These women are: Dr. Lillie Carroll Jackson, the president emeritus of the Baltimore office of the National Association for the Advancement of Colored People, and a dedicated champion of civil rights; St. Elizabeth Ann Seton, the first American canonized by the Roman Catholic Church, and the founder of a Baltimore religious order, the Sisters of Charity; Henrietta Szold, a writer, scholar, educator, and humanitarian, who founded Hadassah; Jeannette Rosner Wolman, an organizer of the Woman's Bar Association of Maryland and the first woman accepted into the Bar Association of Baltimore City; and Dr. H. Margaret Zassenhaus, a physician credited with saving the lives of 1,200 prisoners held by the Nazis, and an award-winning writer.

All the citizens of Maryland owe a debt of gratitude to these women and to others who have excelled and have continued to excel in government, law, communications, and other professions and activities. These women and the many others in the long list of famous and not-so-famous Maryland women have added much to our history.

THE ALCHEMY OF BUDGET DEFICITS

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. DANNEMEYER. Mr. Speaker, would anyone, in his right mind, borrow money at 8 percent interest, if he could borrow at 2 percent?

Why, Uncle Sam is doing it all the time. If gold bonds with 30-year maturity paying interest in gold at 2 percent would be offered by the U.S. Government, they would be selling like hot cakes. Buyers would come from the ranks of private hoarders presently paying a carrying charge—negative interest—for the privilege of holding some 50,000 tons of monetary gold. Paradoxically—and that is the fact hard to grasp—most investors would rush and turn in their high-yielding securities in exchange for gold bonds paying only a fraction of those high yields.

Why would a man holding a noncallable bond yielding 8 percent surrender it in exchange for a gold bond yielding a mere 2 percent? The principal reason is that the 8-percent paper promises to pay just another piece of paper of uncertain and unpredictable value. By contrast, the gold bond promises to pay gold of well known and predictable value. Come to think of it, gold is gold and paper is paper. The other reason, of course, is that if long-term interest rates are to be reduced from 8 percent to 2 percent, then holders of long-term bonds stand to benefit from a capital gain which they can realize only if they switch to gold bonds or cash.

If the entire public debt of $2 trillion were refinanced in the form of gold bond issues, the interest cost on the public debt would be reduced from $200 billion to $50 billion within a year. In other words, the budget deficit would be cut by $150 billion without the pain and agony caused by the blind ax of the Gramm-Rudman spending cuts or by the club of tax increases. Part of this saving would show up as a debt reduction. Note that even the most vehement promoters of the Gramm-Rudman ax talk about deficit reduction only, never about debt reduction. Actually, it is the latter which would signal the light at the end of our high-tax tunnel. But under Gramm-Rudman debt reductions, no less than tax reductions, seem to fall well beyond the realm of possibility.

If no one in the Treasury or in our numerous think tanks has thought of this painless, not to say pleasurable, way of deficit reduction, it is due to a certain lack of literacy in neoclassical economics, and perhaps also to the widespread use of ideological blinkers. The most important economic property of gold is not to be found in its mythical power to stabilize the price level. Rather, it is to be found in the fact that individuals are willing to carry gold in their balance sheets without any promise of return, in virtually unlimited quantities, while the same would not be true of any other monetary asset. Extremely high real rates of interest are needed, even in our so-called zero-inflation environment today, to persuade individuals to hold irredeemable dollar balances. This property of gold has important and far-reaching consequences. Gold is the only monetary asset which at the same time is not the liability of someone else. In fact, gold is the ultimate extinguisher of debt. Without it debt may be shifted but not extinguished. This explains the inexorable growth of the debt tower of Babel under our present monetary arrangements. Gold has a unique role to play in the checks-and-balances mechanism of the debt structure, and hence, in keeping the rate of interest in a meaningful correlation with the productivity of labor and capital. All other monetary assets lack this faculty, and removing gold from the center is akin to removing gravitation, which will cause the rate of interest to escape into outer space. Once that happens,

we simply don't know how to bring it back to Earth without causing the money supply to explode.

One macroeconomic fact which neither the Treasury nor our university textbooks are in the habit of quoting is that there are about 85,000 tons of monetary gold in the world, of which only 35,000 tons are in official hoards, and 50,000 tons in private hoards—worth about $400 and $570 billion respectively, when gold is valued at $350 per ounce. Thus the official versus private gold ratio is 7:10 in favor of private hoarders, reflecting a remarkable lack of faith by private individuals in the debt-based monetary system, in spite of the Volcker regime of high rates of interest, and in spite of the drop in the price of gold from $800 to $300 per ounce. Individuals still hang on to their gold, foregoing any return on this part of their assets at a time when conventional wisdom counsels that WIN has won—remember President Ford's WIN button: "whip inflation now"?

As a matter of fact, a small part of that gold in private hands does earn interest. The well-heeled finance houses engaged in the development of new gold mines have concluded that Uncle Sam was crazy in paying 8 percent interest on long-term money. They refuse to play follow the leader. They have decided to finance their activities by issuing 15-year gold bonds, or their equivalent, paying interest in gold at 1 percent. Admittedly, these gold bond issues are limited in scope, they total less than a couple of billion dollars. Uncle Sam would have to float gold bonds on a scale a thousand times larger. But the gold is there, and there is a lot of room between 1 and 2 percent interest. For over 50 years the U.S. Government has not offered gold bonds to the public. It has had to pay dearly for this omission in terms of a runaway interest and debt structure.

As it has been repeatedly pointed out in the columns of the Wall Street Journal, high budget deficits were not the cause of high interest rates. The link of causation is in the other direction. The regime of high interest rates was conceived and imposed without regard to its full economic consequences. Mr. Volcker was hired to do a specific job, the job of pacifying the gold markets, in order to buy time for the fast-depreciating dollar. Part of Mr. Volcker's mandate was, apparently, to be single minded about the police action of swinging the club of high interest rates in slowing down the depreciation of the dollar. Mr. Volcker's mission has been successful, so far as it goes. The trouble is that interest rates, once they have escaped from the Earth's gravitation, cannot be brought back quickly without causing an immense explosion of the monetary aggregates. They cannot be brought back slowly either without causing a debt crisis and depression. Slowly declining interest rates have already triggered a boom in the bond market—spilling over into the stock market—and a slump in the commodity markets, squeezing the producers and forcing bankruptcies. The banks are also squeezed, as the booming bond market syphons off their cash reserves. All this can only aggravate the debt crisis, rather than relieve it.

As the example of the sorcerer's apprentice shows, it is easier to open the sluice gates than to close them. The sluice gates of debt creation were opened in 1980, and debt is still growing at the annual rate of 14 percent, in spite of the high real rate of interest. Now Mr. Volcker doesn't know how to close those gates.

In the meantime, the search to find the philosopher's stone with which to convert deficits into surpluses is continuing on Capitol Hill.

Do we have a sorcerer in our midst who can call a halt to the torrent of debt, and convert deficit into surplus, by giving the gold bond back to the world, which has so foolishly been taken away from it?

CENSORED: SOVIET BLOC FROLICKING ON NICARAGUA'S BEACHES

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. HYDE. Mr. Speaker, the growing presence of Soviet bloc personnel in Nicaragua is becoming an embarrassment for the Sandinistas in Managua. So much so, in fact, that the government has now found it necessary to censor media accounts of the sunbathing habits of Eastern bloc "guests" who are finding the inviting Nicaraguan beaches much to their liking.

News monitoring services around the world recently came across the following censored "beach" story from the Nicaraguan newspaper, "La Presna," which corroborates other reporting on the ever-increasing Soviet bloc presence in Nicaragua.

EAST EUROPEAN TOURISTS INCREASING

(Managua La Prensa in Spanish signed to press 30 Dec 85)

[Article: "Internationalists Fill Resort Benches"]

[Text] Internationalist tourism has been increasing on the Pacific coasts of Nicaragua. Large numbers of Bulgarian, Soviet, Hungarian, and East German tourists and those from other countries in the socialist orbit can be seen on the beaches on weekends.

In La Bouquita, Pochomil, Casares, and other places on the seacoasts, these tourists are monopolizing the bars and restaurants. The beaches are full of white skins, blonde hair, and blue eyes.

The townspeople call them "the internationalists." They spend large sums of cordobas and remain for hours in the sun, with their skin covered. Some beautiful and delicate women wear attractive and daring bikinis and tangas, while others with bare breasts stroll about calmly or recline on beach chairs or air mattresses in the hotel lounge areas, restaurants, or bars.

On the beaches, what draws the summer vacationers are the beautiful blonde women with green or blue eyes, who go out into the waves of the sea with indifference under the curious gaze of the local men, who are always earthy and amorous.

There is nothing to indicate that a war is going on in Nicaragua, a dramatically painful problem with the continuous movement of troops in the northern part of the country, the war zone, where young men are being mobilized for military service.

The "internationalists" remain as indifferent tourists. On weekends they travel to the beaches in luxury Toyota (Japanese) or Cherokee (American) vans, and some small Lada cars (Soviet), which for the most part are used by Nicaraguans. Some Magiruz jeeps (East German) are also seen.

While all this is happening peacefully at the beaches on weekends, the rest of the country, particularly the northern and Atlantic regions, are living in a state of war, alert, and siege-like defense.

That is what the Nicaragua of today is like: weekends at the beach and the rest of the week at war.

CULTURAL EXCHANGES ARE CRITICAL TO IMPROVING RELATIONS WITH THE SOVIET UNION

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. LANTOS. Mr. Speaker, mature societies do not suffer from the illusion that they can solve the complex problems that face them. They recognize that problems—unlike a child's jigsaw puzzle—do not have a single neat solution with a proper place for every piece. A mature society lives with its problems, it seeks a modus vivendi to minimize or avoid the problems.

We in the United States need to take that mature approach in our relations with the Soviet Union. On the one hand, the differences between out two countries are significant. On the other, the awesome and incredibly destructive power of the nuclear arsenals possessed by our two countries make it imperative that we seek a modus vivendi.

Cultural exchanges with the Soviet Union are an important element in keeping the channels of communication open between the United States and the Soviet Union. Cultural exchanges alone will not bridge those gaps, but our two peoples need to understand each other, and exchanges are important to that process.

Mr. Speaker, as part of the effort to promote cultural exchanges and communication with the Soviet Union, I call the attention of my colleagues in Congress to an extremely interesting and important exhibit of art books published in the Soviet Union and a collection of drawings by Soviet Ukrainian children. The exhibit is now on display in the Cannon Rotunda until March 14. That outstanding exhibit was officially opened yesterday afternoon at a reception attended by officials from the Soviet Union, the Soviet Embassy in Washington, United States Government officials, and Members of Congress. My wife Annette and I are delighted to sponsor this display of books and art.

I would like to express special thanks to the U.S.S.R. State Committee on Printing, Publishing and the Book Trade which sent these outstanding books here. The state committee has also sent two key officials from Moscow who arranged and opened this exhibit—Gennady S. Gots, member of the executive board and editor-in-chief of the fiction department, and

Tankred G. Golenpolsky, director of Soviet book exhibitions abroad.

Over 500 outstanding books with photographs and reproductions of Soviet art, architecture, and handicrafts are on display. Included in the collection are many outstanding and unusual albums with color photographs of art treasures from Soviet museums, palaces, and monasteries. Books on display include facsimile editions of important historical Russian manuscripts including the Svyatoslav Izbornik of 1073, a masterpiece of early Russian culture with a collection of various interpretations of difficult passages from the gospels, and an alphabet book for children published in 1694.

The exhibit displays some books in Russian that are of particular interest to Americans, including a book of American songs published in Russian translation in 1943; Russian translations of American writers such as Thomas Wolfe, Robert Penn Warren, Joyce Carol Oates, Herman Melville, Irving Stone, Eugene O'Neil, Tennessee Williams, Mark Twain, John O'Hara, Nathaniel West, and Thorton Wilder; an anthology of American poetry; a Russian edition of American composer Samuel Barber's Opera "Anthony and Cleopatra;" and an anthology of American folklore with material on Eskimos, native Americans, Afro-Americans, and covering from the colonial period to the present.

In addition to these magnificent books, children's art from the Ukraine is also on display. These children's works show the richness and variety of the art tradition in the Ukraine. This art was assembled by the Soviet Ukrainian Ministry of Education and were shown in Kiev, the capital of the Soviet Ukrainian Republic, before they were sent here.

The book and art exhibit grew out of the visit of a congressional delegation which I led to the Soviet Union last year. At a reception at the residence of our Ambassador in Moscow, my wife Annette and I met officials of the Soviet State Committee on Publishing, Printing, and the Book Trade. They suggested an exhibit of Soviet art books in Washington and we agreed to help make the arrangements for such an exhibit.

Also during the stay in the Soviet Union, Annette and I brought back a small collection of art by children of the staff of USA Institute headed by Georgi Arbatov. In March 1985 that art was displayed in an exhibit in the Cannon Rotunda. By coincidence, a Soviet Parliamentary delegaton was here in Washington at the same time that the exhibit opened. The delegation came at your invitation, Mr. Speaker. As you recall, the Soviet delegation was headed by Politburo Member Vladimir Scherbitsky.

I invited Mr. Scherbitsky to participate with us in opening the exhibit. He noted, however, that there was no art from children in the Ukraine—a significant omission since in addition to his membership in the Politburo, Mr. Scherbitsky is also head of the Ukraine. He promised to send art from Ukrainian children. These works are the ones that are now on display.

Mr. Speaker, I urge my colleagues to stop in the Cannon Rotunda to examine this exhibit. If we are to make progress in living with the problems in our relationship with the Soviet Union, we must begin to understand each other, and cultural exchanges such as this are very important in this regard.

IS THERE AN ECHO IN HERE?

HON. ALFRED A. (Al) McCANDLESS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. McCANDLESS. Mr. Speaker, several months ago, in the midst of the fiscal year 1986 budget resolution debates, I spoke out against the resolution, calling the projected 3-year reconciliation savings of $75.5 billion, "blue smoke and mirrors." Of that $75.5 billion, $67.1 billion—88.9 percent—was to be in the form of reductions in spending, and $8.4 billion—11.1 percent—was to come from increased revenues. The resolution also assumed that we would achieve a savings of $23 billion in fiscal year alone.

At the time, I said that the assumed savings would never materialize. Unfortunately, that prophecy came to pass this morning. H.R. 3128, the Consolidated Omnibus Reconciliation Act, fell far short of what the House of Representatives said was the necessary level of deficit reduction. Instead of the $75.5 billion that was promised, the House delivered $12.2 billion. Somewhere along the way, we lost $63.3 billion in deficit reduction. That was not acceptable.

In addition, of the deficit reduction that H.R. 3128 does achieve, 50 percent comes from increased revenues. Once again, Congress is resorting to raising revenues while failing to address the real deficit culprit—Federal spending. In fact, not only did H.R. 3128 fail to address Federal spending, it contained $4.4 billion in program expansions.

Of the proposed savings for fiscal year 1986, if the Outer Continental Shelf revenue acceleration provision—which can be achieved separately and which does not provide real, long-term deficit reduction—and the cigarette tax extension—which will certainly be passed if reconciliation does not pass—were deleted from the bill, there would only be $1 billion in net fiscal year 1986 outlay reductions.

The legislation could have been improved. In view of the sparse legislative schedule that the House leadership has seen fit to present to us, there was no reason why H.R. 3128 could not have been brought before the House, fully debated, and amended. Instead, they used a procedure to limit debate and prevent amendments. That is a bad way to legislate.

There were portions of the legislation that I supported and portions that I opposed. At issue, however, was whether, after months of partisan politics and much hand wringing over the deficit, H.R. 3128 was the best we could do. I do not believe that it was. Consequently, I could not support it. I could not vote to let Congress off the deficit reduction hook and allow us to renege on the promises that we as a body had made to curtail Federal spending.

The blue smoke has cleared, the mirrors have been removed, and once again, the House has refused to honor its commitment toward fiscal responsibility. I'm not surprised. I saw it coming. In fact, Mr. Speaker, I don't mind saying, "I told you so."

TRADE ADJUSTMENT ASSISTANCE FLOOR STATEMENT

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Ms. SNOWE. Mr. Speaker, hundreds of workers in the State of Maine have had their futures put on hold and imperiled since December 19 of last year. These workers, most of whom had lost their careers in shoe factories due to massive import surges, received notice that their cash benefits under the Trade Adjustment Assistance Program had been suspended.

There are two reasons for this tragedy. First, the Congress did not pass a reauthorization or temporary extension of this program before adjourning for the Christmas break.

Second and more fundamentally, however, the administration has failed to take any action on the crushing levels of imported shoes, textiles, lumber, and other products which have thrown thousands of people out of work. To compound this policy of negligence, the administration moved precipitously to close down the TRA cash benefits and firm assistance portions of TAA.

The continuing myopic trade policy and the suspension of the cash benefits program has placed in jeopardy the only remaining hope many workers have for rebuilding their lives. Just listen to what this means to many families:

"Some of us," read a letter to me signed by 34 workers, "are depending on TAA as our only means of income while training for new employment. Now we will lose our training because we have absolutely nothing to support cur families with. We are faced with welfare and living off the city."

Now, I would prefer that these and other workers did not need to participate in such a program. TAA itself, while extraordinarily valuable, only takes care of the symptom of the trade problem—the workers who have lost their jobs. It does not provide a lasting cure.

It does not, for example, cure the problem of unchecked and unceasing growth in footwear imports, to the point where imports now swallow 80 percent of the domestic footwear market. The real cure will only come when the administration drops its literal death grip on an irrelevant free market approach. They need to realize that this Nation is virtually the only Nation which does not act decisively in the interests of its own industries when they are being unfairly damaged by imports.

I don't believe, however, that the administration will come to that realization soon. In the meantime, we have to assist the victims of imports. With the cash benefits and access to training programs, these workers could represent an enormous resource to the community, in Maine and throughout the country.

Without the cash benefits, however, these workers will not be able to prepare themselves for a new career. Instead, they may be forced to live life at a subsistence level, com-

bining dead end jobs with government welfare checks.

We have the opportunity today to give them the chance they deserve, the chance to carve out a new life for themselves and their families. Let us help them do so by adopting this legislation and finally renewing trade adjustment assistance. It is, literally, the very least we can do for workers from these import-battered industries.

GRAMMY AWARD-WINNING GUITARIST, CHET ATKINS, ON CAPITOL HILL

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. ATKINS. Mr. Speaker, Shakespeare asked "What's in a name?" and answered that a rose by any other name would smell as sweet. Well, a rose by any name might smell as sweet, but I want to tell my colleagues that a Chet Atkins by any name does not sound as sweet.

Today brought a special treat for all fans of great music, and especially country music. I had the privilege of welcoming to Capitol Hill one of the truly great names in country music.

Grammy Award-winning guitarist Chet Atkins came to the Cannon Building for a reception and to accept a plaque honoring him for his contributions to American music. His accomplishments have bridged four decades, and covered the spectrum of music from Elvis Presley to the Boston Pops. He is in Washington for evening performances tonight and tomorrow night with the National Symphony Orchestra.

My colleagues in this business understand the importance of name identification. I was pleased and honored today to have had the opportunity to meet the man who probably has done more for my political career than anyone else. People all over the country, in places I've never been, identify instantly and favorably with my name. Some of them were even kind enough to write to congratulate me on my election to Congress, saying they had enjoyed my music for years.

My staff, taking advantage of the easy opportunity, named the office softball team "Chet Atkins Greatest Hits." Unfortunately, the team wasn't nearly as successful as the music.

Musician Chet Atkins has enjoyed tremendous critical and popular acclaim for his work over the years. Most recently, the National Academy of Recording Arts and Sciences recognized his virtuoso ability by presenting a Grammy for his album "Cosmic Squaredance." As a member of the Arts caucus, I greatly enjoyed having the chance to welcome him to Washington.

REMEMBERING OUR MISSING

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. DREIER of California. Mr. Speaker, after 13 years of hostility and intransigence on the issue of those Americans who remain MIA in Southeast Asia, the Vietnamese Government is finally showing positive movement toward a resolution.

Last month, I and several members of the House Task Force on American Prisoners of War and Missing in Southeast Asia returned from meetings in Hanoi with the conviction that significant progress is being made toward a final accounting of our missing. We also returned with evidence from the statements of the Vietnamese Foreign Ministry that live Americans may still remain in the countryside.

Mr. Speaker, I attribute much of our progress on this issue to the attentiveness of the American public which has shared the anxiety and uncertainty experienced by the nearly 2,500 families who have lost brothers, fathers, and husbands during the Vietnam war. The cause of our POW's and MIA's has been tirelessly pursued as a humanitarian issue despite divided judgments on our country's involvement in the war.

As we stand on the edge of a final accounting, I believe we must continue to do whatever we can to maintain the high level of public interest in this issue. As a part of this large effort, I have introduced a House resolution which would express the sense of the House that the U.S. Post Office should adopt a stamp commemorating our POW's and MIA's. Such a stamp, like the famous POW/MIA bracelet, would act not only as a memorial but a daily reminder that the issue still requires our country's utmost attention.

THE 70TH ANNIVERSARY OF THE WOMEN'S CITY CLUB OF NEW YORK

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. WEISS. Mr. Speaker, I rise today to honor the Women's City Club of New York on the occasion of its 70th anniversary celebration on March 22, 1986.

Since its inception, the Women's City Club of New York has been a vital contributor to the dialog surrounding local policymaking in New York City. In addition to its role in community policymaking, this committed group of women and men seeks to educate themselves and the community through research projects, field trips, and symposiums on important issues affecting the lives of New York residents.

Because of its serious and steadfast role in providing information, the New York Times declared some 5 years ago, that the Women's City Club is one of two local civic groups "taken most seriously by politicians because of the reliability of its research." The Women's City Club has most recently spoken out against sex discrimination in city government, and in support of increased funds to mass transit agencies. Equally as valuable has been its strong advocacy for public education in New York.

On its 50th anniversary in 1965, the Women's City Club speculated on its efforts for the coming 50 years:

(W)e cannot foresee the future . . . (but) we can feel sure . . . (that)

(w)e will not stand idly by and deplore the problems of the day. We will take our part in trying to resolve them.

Indeed, the Women's City Club has done just that.

In recognition of the Women's City Club's commitment to active and meaningful civic participation in New York City, I proudly submit this tribute for inclusion in the CONGRESSIONAL RECORD and join with the many New Yorkers in celebrating the New York City Women's Club upon its 70th anniversary.

THE OMNIBUS WILD AND SCENIC RIVERS BILL

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. VENTO. Mr. Speaker, today, I'm introducing an omnibus wild and scenic rivers measure which will provide for the designation of five rivers and formal studies of two additional rivers. I'm pleased to have join me as original sponsors the individual authors of these legislative initiatives and senior members as well as the Chairman of the Interior and Insular Affairs Committee.

This measure also includes generic amendments to the basic Wild and Scenic Rivers Act. The Department of Agriculture and Interior working with various conservation organizations and our able Parks and Recreation Subcommittee staff have labored this past year to refine these proposed changes and it is my hope that they will be enacted with these proposed designations and new studies.

The wild and scenic designations are indeed more important than ever. Rivers and watercourses are where the action is in our environment, it is the first target for human impact whether recreation or economic and as a consequence has been throughout our history the resources most vulnerable to damage.

The enactment of this measure will add some outstanding rivers to the wild and scenic protection status and some positive changes to the law to help implement more effectively the initial acts intent.

Certainly we should be acting to protect far more river resources than those embraced in this measure, but to date concensus has been thwarted by delays of initiation and in the actual study process and the mere transmital of the river studies to the Congress. The Administration has frustrated the law's intent and process. The sponsors of the individual river measures deserve considerable credit for working out agreements for these proposed

river designations in spite of such considerable obstacles.

I commend them and this measure to my House colleagues.

A TRIBUTE TO FRED SCHWARTZ

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. LEVINE of California. Mr. Speaker, this Sunday, March 9, 1986, in Atlantic Beach, NY, the seventh annual freedom dinner of the Long Island Committee for Soviet Jewry will honor Mr. Fred Schwartz of Great Neck, NY. I am delighted that Fred has been selected as this year's honoree.

Mr. Speaker, the Long Island Committee for Soviet Jewry is a member council of the Union of Councils for Soviet Jews, one of the preeminent organizations in this country working on behalf of Soviet Jewry. In Congress, we have come to rely heavily upon the excellent information and guidance the Union of Councils provides us in our fight for the freedom of our coreligionists in the Soviet Union. As one important example, there can be little doubt that the tireless efforts of the Union of Councils and its member councils around the country helped create an atmosphere of pressure on the Soviets which contributed to the release of Anatoly Shcharansky.

I would also like to mention that Lynn Singer, former president of the Union of Councils and now executive director of the Long Island committee, is a fierce fighter in the struggle for Soviet Jewry as well as a good friend. She deserves enormous credit and praise for her unstinting efforts over the years for this vital cause.

The annual freedom dinner of the Long Island committee recognizes prominent individuals who are committed to the principles of human rights and human dignity. In being named an honoree, Fred Schwartz joins the company of Governor Mario Cuomo of New York; Robert Abrams, New York State attorney general; our colleagues JACK KEMP of Buffalo, and NORMAN LENT of Long Island; and speaker of the New York State Assembly Stanley Fink, to name but a few previous honorees.

Fred Schwartz is particularly deserving of this honor. Known throughout the greater New York area—and beyond—as "Fred the Furrier," Fred was recently featured in an article in New York magazine. The piece portrayed him as someone who has built up an extremely successful fur business—he serves as chairman of the board and president of "The Fur Vault"—while at the same time sustaining a strong commitment to community affairs. His generosity and energy extends to a variety of social causes. Nonetheless, in both his professional and personal life, Fred has been and remains most committed to issues affecting the Jewish people.

He has been an enthusiastic supporter of the Long Island Committee for Soviet Jewry and believes its efforts are essential if we are ever to save the thousands of Soviets Jews still imprisoned behind the Iron Curtain. In a recent letter to me regarding the dinner, Fred wrote eloquently of the situation in Russia:

It is of particular importance at this time to sustain our support for those persons trapped and harassed in an environment which has become increasingly hostile. The Reagan/Gorbachev summit and the subsequent trickle of a few people out of Russia has provided a smokescreen for the Russians to escalate their repression of the refusenik community.

We in Congress agree that this is no time to give up the struggle, and are extremely heartened that individuals like Fred are so active and committed to this fundamental human rights issue.

Fred has also been an ardent champion of the State of Israel, and has spared no effort to ensure the continued security and viability of the Jewish state. Through his philanthropy as well as his political activities, Fred has helped to strengthen Israel immeasurably. And like all true activists, Fred has made it a point to lobby members of Congress—including me—on issues of concern to the Jewish community such as Israel. And, frankly, I appreciate and welcome his input.

Undoubtedly, Fred deserves praise for these accomplishments. However, we cannot overlook the vital role his family plays, particularly his lovely wife Allyne. I know it is their strong support for Fred that enables him to succeed in all that he does. This dinner really honors the entire Schwartz clan.

Mr. Speaker, in conclusion let me say that Fred Schwartz's legacy to Soviet Jewry, to Israel, and to those causes dear to the hearts of Jews and non-Jews everywhere will long endure. I salute a man I am proud and privileged to consider a friend, a man truly deserving of recognition by the Jewish community for his outstanding dedication to human rights and human dignity, a man truly deserving of the honor the Annual Freedom Dinner bestows, Fred Schwartz.

BOY SCOUT TROOP 26

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. MINETA. Mr. Speaker, I would like to ask you and my distinguished colleagues to join me in saluting the accomplishments of an exemplary group of over 500 young men, past and present members of Boy Scout Troop 26, sponsored by the Berkeley United Methodist Church. On Saturday, March 15, 1986, Troop 26 will celebrate their 35th anniversary as a chartered unit of the Boy Scouts of America.

In the fall of 1949, during the resettlement period following the internment of Americans of Japanese ancestry from the west coast during World War II, a group of community leaders met to form a Boy Scout troop in Berkeley, CA. Nine Americans—the late Hajime Inoue, Don Iwahashi, the late Dick Sakamoto, Sue Nakamura, the late Thomas Hayashida, Rev. Lloyd Wake, the late Steve Narimatsu, John Nakayama, and the late Frank Takefuji—became the founding committee members of Troop 26.

Starting with 10 boys in January 1950, Troop 26 quickly became an important part of Berkeley's Japanese-American community. Under the leadership of Scoutmasters Jordan Hiratzka, Roy Kurahara, Tad Hayashi, and David Kakayama, Troop 26 has provided a special Scouting experience for 500 young men during their last 35 years. Regardless of race, religious faith, or financial ability, Troop 26 has accepted all young men who wished to participate and experience the Scouting program.

The unit has garnered a reputation that has become a tradition in the San Francisco Bay area. They serve as role models for other Boy Scout troops. Their Scouting excellence has been demonstrated at Camporees, Scout-O-Rama, and other Scouting events with a record number of Scouting Presidential Awards. In 1975, Troop 26 became a founding member of the Berkeley-Sakai Sister City Scout Exchange. This international friendship program provides an opportunity for young men and women to travel to Japan, and to host Japanese Boy and Girl Scouts in their homes here in the United States on a biennial basis.

Troop 26 has also contributed countless hours of public service for a number of local community organizations—from assisting senior citizens to mentoring new Boy Scout troops in their development. The U.S. Forest Service and the State of California Parks and Recreation Department has noted many contributions over the years by Troop 26 in maintaining our country's valuable natural resources.

Troop 26 of the Boy Scouts of America represents all that is good about the Scouting program and of our great Nation. The young men who have advanced through Troop 26 are prepared to be future leaders of our Nation and many have already assumed responsible positions in their local communities.

Therefore, I ask you, Mr. Speaker, and my colleagues to join me in honoring and celebrating the 35th anniversary of Troop 26, Boy Scouts of America.

Thank you.

STATEMENT OF SCOTT WILLIAM STUDIES ON POSTSECONDARY EDUCATION CUTS

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. FORD of Michigan. Mr. Speaker, today my Subcommittee on Postsecondary Education concluded a series of four hearings on the impact of the President's proposed fiscal year 1987 budget on postsecondary education programs. Witnesses arrived from as far away as the populous coastal State of California and from the outer reaches of rural Montana to warn us of the very real problems that the administration's proposed cuts would pose for students, States, and postsecondary education institutions. One of the most poignant testimonies was presented by a student—Mr. Scott William Studier—who could not have even considered attending the University of Michigan, from which he will graduate this August, or a similar institution, without the help of Federal grants and loans. He is a

model of the hard-working serious, diligent student who has taken time out to work full-time to earn money for his education. Yet even he could not have made it without Federal aid.

I am reprinting Mr. Studier's prepared statement in the CONGRESSIONAL RECORD so that my colleagues will have the opportunity to see in very real terms just who these proposed cuts would hurt.

STATEMENT OF SCOTT WILLIAM STUDIER, STUDENT, THE UNIVERSITY OF MICHIGAN

Mr. Chairman, distinguished members of the Committee, I would like to thank Subcommittee Chairman Ford for inviting me to speak today, and allowing me this opportunity to present to you a student's view of the impact of the Administration's fiscal year 1987 budget proposals regarding cuts in federal student aid programs. My name is Scott Studier, and I am currently a senior, majoring in psychology, at The University of Michigan. In August I will receive my bachelor of arts degree and then hopefully enter into a business administration program to complete a master's degree in either organizational behavior or human resource management. To date, my college education has been a long and arduous struggle with finances to remain in school, and turning to the future and graduate school, the picture does not look any brighter, or the road any smoother. My college education past, present, and future would not have been, and will not be possible if it were not for the financial aid that I receive.

Mr. Chairman, and fellow Committee members, I believe that the issue of equality in educational opportunity is an extremely important one. I appreciate the effort you have extended to obtain reactions from all components of the educational community, especially those of students like myself, regarding how this issue of equal opportunity may be affected by proposed budget cuts to financial aid programs. Because I am still a student, and hope to further my education following graduation, my concerns are very real and my views are based on personal experience before and during my attendance.

The University of Michigan has a long tradition of academic excellence, international prestige and a brilliant reputation as a forerunner in research. These factors, making The University of Michigan an obvious choice as an institution of quality conferring upon it graduates the advantage of having attended a "name" university, however, produce a reason for turning away applicants—prohibitive college costs. It presently costs a Michigan resident more than $7,000 per year to attend The University of Michigan—a state university—and with cuts proposed to higher education funding, I can only feel that academic fees (tuition, room, board, etc.) may have to increase to cover lost monies. This indeed stresses even further the already overburdened financial aid programs in existence and cuts the ability to successfully help all needy students support their educations. If proposed cuts in these federal aid programs are enacted, needy students will probably not even have the chance to be "stressed" because they will be "priced-out" of The University of Michigan.

When I enrolled at The University of Michigan in 1983, I realized what a tremendous financial strain there would be, but I felt it important that I pursue the highest quality of education for which I might be qualified and try to cope with its financial consequences. Prior to attending The University of Michigan I had found it necessary to attend a local community college on a part-time basis while working full-time because my family was unable, financially, to send me to a four-year college after my high school graduation in 1979.

I was the first child of four to graduate from high school and consider college, but my parents, not having been college educated themselves were unprepared financially and unknowledgeable about programs then in existence. My high school counselors were reluctant to suggest financial programs because my parents' income of about $34,000 at that time "probably would not qualify for financial assistance". Due to the perception of very limited funds, I was repeatedly informed that only the very needy should consider applying. This uncertainty dampened my search for quality schools and it became necessary to "shop around" for affordable colleges if I wanted to attend at all.

I can only too grimly imagine how next year's graduating high school students will be hindered in their search for quality postsecondary education, and how reluctant administrators and counselors will be to suggest financial aid options, if the proposed cuts to financial programs become a reality.

I learned a lot about the value of an education during the time I received my associate's degree at a local community college, and I knew that it was important for me to continue my education and earn a bachelor's degree and, hopefully, a master's degree from a quality institution so that I could embark upon a challenging career and make an impression in society as a useful and economically responsible citizen.

Community college was invaluable in allowing me to bridge the gap in my postsecondary education, without overburdening me financially. The limitations of an associate's degree program, however, despite its important role in the community, made me realize the importance of expanding my personal experience and increasing my capacity for knowledge.

I was much wiser when I decided to enroll in The University of Michigan in 1983. My family was still unable to offer much financial support because my parents' income had increased very little due to contract concessions and wage freezes, and my sister had begun her college education, but financial aid programs I explored opened the previously closed avenue to quality postsecondary education, increasing my access and choice to develop my personal and academic potential to the fullest.

I feel fortunate that I was able to take advantage of these programs to help me complete a seven-year goal of a degree from The University of Michigan, of which I will be very proud. I cannot help but be sympathetic though to other students, and my younger brothers when I ponder their futures and hopes for quality postsecondary education.

Do the proposed cuts in financial aid mean they will be denied access to the college or university of their choice? Or worse yet, will the lack of federal financial assistance mean they will have to forgo the completion, or the start of their college education?

Reflecting on my own financial situation and the proposed cuts, I realize that if I were not graduating, the possibility that I might not be able to return to the University next year is very real, and I certainly would not be back for the 1987 school year. In fact, in so much as I would like to begin graduate school after graduation, the financial prospect is bleak at this time. With the proposed cuts in financial aid disrupting all existing programs, nothing is for sure when trying to calculate how one is going to "pay the bills."

In my three years at The University of Michigan I have been the recipient of nearly every financial assistance program the University has available including College Work Study, Supplemental Education Opportunity Grant (this was given to make up for lost parental contribution when my father's company struck in 1984) and Emergency Student Loans.

This year I have received a University Grant, a Pell Grant, a National Direct Student Loan, and a Guaranteed Student Loan. Some proponents of budget cuts may review my award and feel that the student budget outlined by The University of Michigan Financial Aid Office is more extravagant than it has to be for a student to survive at college. But, it is funny that even receiving what appears to be a good deal of support I still find myself feasting on peanut butter sandwiches and macaroni and cheese most of the time.

I cannot even begin to fathom how a student receiving financial aid will survive if the proposed 1987 cuts are allowed. With every program at The University of Michigan forecast to be slashed drastically (such as a 27 percent cut in College Work Study and a 48 percent cut in National Direct Student Loans), or perhaps even eliminated (such Supplemental Educational Opportunity Grants and State Student Incentive Grants) the possibility of affording the quality of education The University of Michigan has to offer will go to only those with checkbooks fat enough to pay the price.

What do proponents of budget cuts to financial aid programs suggest as means for making ends meet for students with lower and middle-income backgrounds, who want to have a quality postsecondary education? Work more perhaps? From my own personal experience I can tell you, Mr. Chairman, that too many hours of work outside the academic arena can only obstruct a productive learning process. At a university such as The University of Michigan where competition is keen continued distractions from one's studies is academic suicide. In the fall term of my second year on campus, it was necessary for me to work an outrageous number of hours (I was averaging 50 hours per week and carrying 14 credit hours) to make up for financial deficits created by a financial disaster at home when my father's company went out on strike. Needless to say, my grade-point average took the brunt of the assault. I am not using this to gain sympathy for myself in this situation, but to exemplify the need for attentiveness to one's studies at a competitive university. Any distractions, especially those brought on by financial anxiety, can cloud thinking.

At The University of Michigan, as well as all institutions participating in federal financial aid programs, the effects of the proposed 1987 budget cuts will be deeply felt by all financial aid receipients, yet pass lightly noticed by those privileged enough to afford whatever it takes. This can only serve to reaffirm beliefs that only the privileged may have privileges and deny lower and middle-income students the opportunity to prove themselves equally worthy with the same advancement potential. In a day and age when we are continually trying to abolish all forms of discrimination, how can we allow a new form of discrimination to be created?

As urgent as the need for formulating a solution to reducing our national debt is, I believe that reducing funds in the area of financial aid programs is detrimental to a constitutional belief that everyone should have an opportunty to advance themselves. How can it be fair for anyone possessing the knowledge, the potential, or the desire to achieve, be limited in access to their choice of postsecondary institutions? Why should anyone have to settle for an adequate postsecondary education, because of economic restraints, if access and choice to develop one's potential to the fullest, both culturally and academically, is available to them?

I would be pleased, Mr. Chairman, to respond to any questions that you or the members of the Committee may have.

SALUTE TO PRUDENCE CRANDALL

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mrs. JOHNSON. Mr. Speaker, before "Women's History Week" ends, and the subjects of its commemoration fade into obscurity for 51 more weeks, I want to reflect briefly on the civil rights work of Prudence Crandall, who, if her life had not spanned the previous century, would have been a constituent of mine.

Prudence Crandall began as a Quaker schoolteacher in Plainville, CT, until she was invited in 1831 by the citizens of Canterbury—a town in the far northwest corner of my district—to establish a school for girls. According to the Connecticut Permanent Commission on the Status of Women, Miss Crandall's school taught science, history, moral philosophy, mathematics, and French—an impressive load for any student.

Prudence Crandall's commitment to education extended to everyone, not just the white daughters of the townspeople. She accepted Sandra Harris as a student, who was black. At this time perhaps as many as 3,000 free and economically independent black families were residents of Connecticut, and the State provided elementary education to both races. But the decision to open her school to a black was the source of notoriety for Prudence Crandall.

She became a symbol of resistance to the New England Anti-Slavery Society, and an international figure, but all of her white students withdrew from her school. She established a school for black women, which lasted only a year and a half. She was publicly vilified, local merchants would not sell to her, and eventually she was arrested for the crime of teaching young black ladies without the permission of the local authorities.

Prudence Crandall was tried, and when the case ended in a hung jury, she was rearrested, tried, and found guilty. Only an appeal to the Connecticut Supreme Court of Errors was successful, and only in that it was dismissed on a technicality.

After a career of teaching and lecturing on the social issues of the day—antislavery, temperance, and women's suffrage—she was discovered, in her eighties, living in poverty in Kansas. The permanent commission quotes her remarks to a newspaper reporter in this period:

My life has been one of opposition. I never could find anyone near me to agree with me. Even my husband opposed me more than anyone. He would not let me read the books that he himself read, but I did read them. I read all sides and searched for the truth, whether it was in science, religion, or humanity.

Arguments in Prudence Crandall's trials later were used in the landmark school desegregation case, Brown versus Board of Education. But elements of her legacy are even closer to home. In New Britain, CT, there is a shelter for battered women known as the Prudence Crandall Center. Its goals are as lofty as those of its namesake. It promises sustenance and self-respect for all women, the same work for which the original Prudence Crandall dedicated her life.

I am pleased that Women's History Week has given me the opportunity to remember Prudence Crandall. She is a bona fide American heroine whose life should represent a lesson to us all.

GOLD AND THE DUTIES OF GOVERNMENT

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 6, 1986

Mr. DANNEMEYER. Mr. Speaker, Flora Lewis' philippic on the gold standard—New York Times, January 28—injects ideology into what ought to be a scientific and juridical debate. She dismisses the gold standard outright as a "dangerous gimmick", designed only "to dismantle what has been achieved over several generations of social and economic reform," in order "to restore the fang and the claw of social Darwinism," and to deliver the unsuspecting American public to the tender mercies of "Puritan morals" and "jungle economics."

Paradoxically, it is none other than Miss Lewis and her ideological bedfellows who advocate social Darwinism, by endorsing monetary instability and the destructive speculation in its wake. Like Lord Keynes, she poses as the guardian angel of free society and its pluralistic institutions, as she trims capitalism's more unseemly outgrowths. But in defending the sovietization of the American currency she unwittingly paves the way to the sovietization of all American institutions, including free press and pluralistic elections. To be sure, there were floating currencies even before Lenin's government appeared on the scene, but all of them were striving hard to qualify for the gold standard. The Paris commune of 1871 took great pains to instruct the Bank of France to meet its gold obligations punctiliously. Lenin was the first man in history who boldly and without any hesitation sovietized the currency; that is, vested the right of issue in the government and abolished any prospect of future redemption. There was little doubt in Lenin's mind that the success for sovietizing other institutions such as the electoral process, the trade union movement, the universities, the press, and so forth, depended entirely upon prior sovietization of the currency. It is a dubious distinction, to put it mildly, that our currency today is patterned on the Soviet ruble. We have come a long way, demonstrated by the fact that the fundamental method of Soviet statecraft is openly advocated in our press and at our universities, in most cases, unchallenged.

According to Miss Lewis, "the attraction of gold-based currency for the ultra-conservatives is that it removes from government both the obligation and the tools for keeping stability in the economy, without cataclysmic booms and busts." This is a travesty of truth and fact. Without accepting the label "ultra-conservative" for my colleagues and for myself, I can state that all the people I know who favor a resumption of the gold standard are motivated by the ideal of monetary stability, and by the desire to prevent the cataclysmic price and interest rate fluctuations of the past 15 years from recurring. We want to prevent the price of sugar from going from 3¢ to 60¢ and back to 3¢ per pound, as it did; the price of oil from going from $3 to $40 and back to $15 per barrel, as it did; and comparable fluctuations in the price of wheat, corn, soybeans, not to mention copper and tin. We want to prevent the prime rate from going from 6 percent to 24 percent and back to 9 percent, as it did. We want to prevent the dollar from losing more than two-thirds of its purchasing power, as it did during the past 15 years, eroding the value of wages and the value of savings. Miss Lewis, while she takes pride in having "domesticated the beast that lurks in unrestrained capitalism," appears to be completely oblivious of the Moloch of ever greater price and interest-rate fluctuations, the Moloch that has set out to devour our free economic institutions.

As a Member of Congress, I consider the obligation of the Government to furnish the basis for economic stability sacrosanct, but I consider stable currency the main tool for maintaining stability in the economy. The Constitution has charged the Congress with the task of defining what a dollar is. This is a trust and responsibility that cannot be delegated to unelected bureaucrats who are wont to send prices and interest rates up and down in their wild goose chase of M1, M2, M3, and all the other M's that they may care to invent in the future. The call for a return to the gold standard by this Congressman is not a rejection of the duties of the Government, as Miss Lewis has falsely charged—it is the exact opposite,

Fifteen years ago Congress abdicated its constitutional powers and prerogatives to coin money and regulate the value thereof. As a result, usurpers took over and started coining their own kind of money. They introduced the floating dollar without the advice and consent of the Congress, and without regard to the requirements of elementary honesty which demands that promises be met upon maturity. Today, the Federal Reserve banks can issue bills of credit which they have neither the willingness nor the means to redeem. The suggestion that this process is innocuous as long as it is subjected to a quantity rule is preposterous. There is nothing in our Constitution that authorizes or condones this practice.

The market, having noticed this constitutional nihilism, took the commodity, bond, stock, and real estate prices on a wild roller coaster ride. Speculators in and out, mostly out, of this country have made unconscionable profits at the expense of widows and orphans who put their faith in the promises of this Government. Farmers, small businessmen, and people engaged in the export industries have also been victimized, as President Reagan noted in his State of the Union Address. They are all at the mercy of the floating dollar and its masters. Their plight will not come to an end unless Congress asserts its responsibility in the realm of money, and puts an end to the usurpation of its constitutional powers. By defining the value of the dollar once more as a fixed weight of gold, the unconstitutional floating can be stopped.

I introduced bill H.R. 3794 in the House of Representatives on November 20, 1985, to provide for a resumption of the gold standard. The bill calls for refinancing the entire public debt as long term debt at 2½ percent interest. This means that businesses, small and large, will once more be able to finance production and inventory at a low and stable rate of interest, and we shall see a great resurgence of production and trade replacing short term speculation. It also means eliminating three-quarters of the budget deficit without tax increases and without cuts in domestic or defense spending.

Miss Lewis would be loath to give the windfall profits to the Soviet Union and to South Africa, which a gold standard were supposed to bestow upon them as the largest gold producers in the world. I find it hard to treat this objection with respect. When you make your home fire resistant, you indirectly help your neighbors, too; but this is no reason to forgo the benefits and expose your home to greater fire hazards. When the dollar was set afloat in 1973, the great French economist Jaques Rueff warned that it should be stabilized without delay with gold at $70 per ounce, or twice the old official gold price. Rueff was rebuffed by the windfall profit argument. Thereupon Rueff predicted that the U.S. Government, having followed the wrong course, will be forced later to yield much higher windfall profits to its enemies. Today the payoff to the Soviet Union and South Africa is 10:1, but it has been as high as 23:1, as opposed to Rueff's 2:1. So much for yielding windfall profits to your opponents.

In reality, there would be no windfall. Every ounce of gold leaving the Soviet Union for the United States would be their loss and our gain, whatever the official gold price is. Under the international gold standard gold flows to the place where it can do the greatest economic good. As long as the Soviet Union and South Africa are losing gold, they suffer a capital outflow suggesting that their potential resources, natural as well as human, remain undeveloped to the same extent. The trick, under the gold standard, is keeping the stuff, or better still, attracting it; and not getting rid of it.

In conclusion, Miss Lewis misses the point when she says that "gold is the symbol of the idea that rights are based on wealth and that government has no business interfering in the ways that wealth is distributed." As a better understanding of the gold standard shows, gold can be the greatest emancipator of labor and capital, opening the way from rags to riches to everyone who is willing to put in an honest day's work for an honest day's wage.

SENATE—*Friday, March 7, 1986*

(Legislative day of Monday, February 24, 1986)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Our prayer this morning will be offered by the Reverend Chris Halverson, pastor of Chesterbrook Presbyterian Church, Falls Church, VA.

PRAYER

The Reverend Richard C. Halverson, Jr., pastor, Chesterbrook Presbyterian Church, Falls Church, VA, offered the following prayer:

Let us pray.

Father in Heaven, on behalf of the people of the Senate, who experience great trials, burdens, and disappointments, we recall the words of a well-known hymn:

"What a friend we have in Jesus, all our sins and griefs to bear! What a privilege to carry everything to God in prayer! Oh, what peace we often forfeit, Oh what needless pain we bear, all because we do not carry everything to God in prayer."

Lord, this is a prayer for prayer. By Your spirit assist all the adorations, intercessions, and petitions that come to You from here. May they be sincere not sermonic, effectual rather than ritualistic.

We ask this that You might become known and glorified throughout the country as a God Who is, Who hears, and Who answers prayer.

In Christ's name. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order the leaders have 10 minutes each, and I will reserve the time of the distinguished minority leader and the remainder of any time I do not use; then special orders for Senators MCCONNELL and PROXMIRE for not to exceed 15 minutes each, with routine morning business not to extend beyond 10:45 a.m., with statements limited therein to not more than 5 minutes each. Then we go back to the balanced budget constitutional amendment. Pending is the amendment in the nature of a substitute, amendment No. 1652.

As I understand the distinguished chairman of the Judiciary Committee, Senator THURMOND, they are ready to do business, amendments can be offered, votes can be taken. I hope that we would push ahead until 3 or 4 o'clock this afternoon on this matter and then again on Monday. We would like to conclude action on the balanced budget amendment not later than Thursday of next week because we have a number of other items that we need to consider in the next 2 or 3 weeks.

Mr. President, I have been advised that the Fed has dropped the discount rate to 7 percent, which ought to be good news for most Americans, particularly the American farmer. There was some indication that there was a glitch in the farm bill that we passed, one word—instead of "shall" it should have been "should." I hope it is not necessary to delay that bill any longer. It was with reference to the Harkin amendment, which everyone understood. The record is clear that it was discretionary, that it was a sense-of-the-Senate resolution, but we are now in consultation with lawyers all over town on both sides trying to determine if in effect what we passed was mandatory, although it was intended only as a sense-of-the-Senate resolution urging the Secretary to make advanced loan payments.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF SENATOR MCCONNELL

The PRESIDING OFFICER. Under the previous order, the Senator from Kentucky is recognized for not to exceed 15 minutes.

WALKING HAND IN HAND

Mr. MCCONNELL. Mr. President, one of the principal tasks we have as U.S. Senators is to do our very best to make the world a safer place for generations to come. I was recently reminded of this awesome responsibility when reading a poem written by a very bright little 10-year-old girl in Louisville, KY, who just happens to be my daughter Claire. Mr. President, I should like to share this message with all of my colleagues and all those who read the CONGRESSIONAL RECORD. I ask unanimous consent that it appear in the RECORD.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

Reply to me, leader of this land
Shall these nations ne'er walk hand in hand.
And shall the Union and the States,
Ne'er walk peacefully through each others gates.
Will you not hear your children's plea,
To live in peace and comfort with thee.
Should I, (in this war), be the first to perish,
In this land that we all cherish.
Reply to me, leader of this land,
Shall these nations ne'er walk hand in hand.

THE BUSINESS OF CONFLICT AND THE LIABILITY LOTTERY

Mr. MCCONNELL. Mr. President, the liability insurance crisis has been exerting growing pressure on our ability to cope with the costs of litigation, and to ensure against risks in a wide variety of fields. It is a crisis of the highest order, for it threatens both our economic well-being and our sense of community and cooperation. When the threat of being sued is foremost in one's mind, a subtle but insidious change in one's attitude about society takes place.

In the past 2 days, both daily newspapers in Washington devoted editorial space to this crisis. The Washington Post published a piece entitled "The Business of Conflict," by Robert J. Samuelson, while the Washington Times published a commentary by Raymond Price entitled "The Liability Lottery." I ask unanimous consent that the text of both articles be published in full in today's RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 1.]

Mr. MCCONNELL. Mr. President, the Samuelson piece correctly noted that we need to come to grips with the reality that the business of law is an economic business. Consequently, Mr. Samuelson noted, "We need legal rules with proper economic incentives. In damage suits, the losing side should always pay the other side's legal fees. This would deter weak suits by reducing the pressure for expedient settlements that are less than the cost of litigation. And a losing defense ultimately would pay if its delays ran up the other side's costs."

In essence, this is an argument for adoption of what the legal profession calls the English rule—having the losing party in litigation pay all of the costs, including the other party's attorney fees. Currently, in this country, we follow the American rule, with

each side paying its own attorney fees. If you sue and lose, you pay the filing fees and other expenses, but these are usually minimal compared to the attorney fees involved. Remarkably, almost no other country in the world takes such an approach. They all use the English rule and, not surprisingly, they have been spared the liability crisis that we now face.

I believe Mr. Samuelson may be correct, and I have been for some time considering the need for American courts to abandon the incentive to sue, which the American rule represents. The bill I have introduced to deal with the liability crisis, S. 2046, currently takes a different approach, limiting contingency fees for attorneys and imposing sanctions for frivolous litigation. But shifting attorney fees to the losing party may be an appropriate complement to that proposal, and I intend to explore that issue in connection with S. 2046 at the hearing the Judiciary Committee holds on my bill on March 26, 1986.

EXHIBIT 1

[From the Washington Post, Mar. 5, 1986]

THE BUSINESS OF CONFLICT

(By Robert J. Samuelson)

We now are seeing the glimmers of a new legal crisis in America. It arises from the clamor over liability insurance and a vague unease that lawyers are exercising too much influence. The United States has more lawyers (an estimated 675,000 of them in 1985) per capita than any other major nation. Since 1950, their numbers have grown twice as fast as the population. But our sense that lawyers are meddling too much sits awkwardly with the great American faith in law as a remedy for almost any ill. Or, as the title of a recent book put it, "Sue the B*st*rds."

The key to understanding this confusion—if not entirely dispelling it—is to grasp a basic truth. Lawyers and law firms are businesses, and their business is conflict. Creative lawyering often means exploiting or creating conflicts. Just as companies develop new products, so lawyers search for new legal theories on which to sue. Rights of action are lawyers' markets. But their economic self-interest—their legal innovations—may subvert their social usefulness. The civil-justice system's essential purpose is to resolve conflict, not to excite it.

It's often a pretense that lawyers represent other people's grievances rather than their own economic interests. In thousands of cases, lawyers, not their supposed clients, are the main aggressors. In the early 1980s, for example, many new "high-technology" companies sold stock to the public. Many of these admittedly speculative stocks subsequently collapsed. Now there are dozens of suits against these companies, their officers, accountants and insurance companies alleging that investors were misled. But the suits have been brought by a few law firms on a contingency-fee basis. The lawyers—who typically take 30 percent or more of a settlement or damages—stand to win the most.

Of course, a rising tide of lawsuits is not the only reason for more lawyers. Greater government regulation, complicated tax rules and expanding international business all have contributed. But the growth of lawsuits also has a big multiplier effect. It requires defense lawyers and lawyers to advise people and companies how to avoid being sued. Consider the evidence of more litigation:

Since 1970, membership of the Association of Trial Lawyers of America has nearly tripled, to 60,000. (In the same period, the number of lawyers rose 90 percent.) To belong, half a lawyer's work must be representing people in personal-injury cases.

The number of product-liability cases filed in federal courts has risen from 1,579 in 1975 to 10,745 in 1984. Although most cases are settled before trial, the volume of jury awards in product-liability and medical-malpractice suits roughly tripled between 1975 and 1984, says Jury Verdict Research Inc.

Since the mid-1970s, suits against officers and directors of public corporations—from shareholders, employes, customers and others—have more than doubled, according to The Wyatt Co., a Chicago actuarial firm. Many of these cases are contingency-fee cases.

To be fair, the liability-insurance mess—complaints from doctors, cities, consulting engineers, day-care centers and others that insurance is too costly or unavailable—is not entirely the doing of lawyers. The insurance industry bears much of the blame. A few years ago, companies lowered premiums to compete for business. They expected to earn lush profits by investing premium income at high interest rates. Declining interest rates wrecked that gamble and, combined with steep insurance losses, triggered premium increases and coverage cutbacks. But the insurers' blunder only mitigates the role of lawyers.

If courts adopt expansive liability doctrines, then the costs—not just insurance—will be huge. The gravest danger is becoming a precautionary society. Unintended side effects already are emerging. The threat of suits has driven some drug companies from manufacturing vaccines; consulting engineers refuse to work on hazardous sites for fear of suits. Companies are losing outside directors for lack of liability coverage. As attorney Peter Huber argues, courts deal poorly with the full effects of products whose public benefits overwhelm the risks. Courts see only mistakes. "Beneficiaries of risk-reducing products . . . do not litigate," he writes.

Stating the problem is easier than solving it. Lawsuits are an important discipline on corporate and individual irresponsibility. They do compensate victims. There is no neat dividing line between too much or too little liability. But we can impose self-restraint on the legal system by treating lawyers for what they are—businesses. We need legal rules with proper economic incentives. In damage suits, the losing side should always pay the other side's legal fees. This would deter weak suits by reducing the pressure for expedient settlements that are less than the cost of litigation. And a losing defense ultimately would pay if its delays ran up the other side's costs.

These common-sense ideas strike many lawyers as radical. They aren't. One inevitable complaint is that having losers pay would make it tougher for people of modest means to bring legitimate cases to court. This is nonsense. The reality is that the contingency-fee lawyer already is financing these cases. Strong cases would be more attractive under this system, because aside from the contingency fee, the lawyer also would recover costs. But weak cases would be less attractive (the losing contingency-fee lawyer would pay the other side's legal fees), and they should be. The system exists to settle conflicts, not to generate lawyer caseloads. In a subtle way, commercial interests of lawyers corrupt the law.

So let the lawyers grumble. If the current insurance mess leads to any good, it will be renewed political interest in our legal system. And that is as it should be. To paraphrase an old cliché: Law sometimes is too important to be left to lawyers.

[From the Washington Times, Mar. 6, 1986]

THE LIABILITY LOTTERY

(By Raymond Price)

Suddenly, the great American liability lottery isn't as much fun as it used to be. Its costs are coming home.

Sure, people still dream of striking it rich in the courts. Newspaper readers still are entranced by stories about $50 million damage suits, though the competition is such that a publicity-seeking plaintiff may soon have to demand $50 billion to get a real headline. Fathers still want their daughters to become lawyers so they can get on the gravy train. But it's dawning on people that there is, after all, no free lunch. The $55 billion that America's lawyers got last year in legal fees had to come from somewhere. Someone had to pay for all those multimillion-dollar damage settlements. The insurance business is not a public charity.

In some of the high-risk medical specialities—notably obstetrics, neurosurgery, and anesthesiology—individual premiums for malpractice coverage now reach $100,000 a year and more. Manufacturers have been plunged into a legal jungle of often bizarre product-liability cases. In the last decade, while the number of medical malpractice suits doubled, the number of product-liability suits increased tenfold.

One result is that major pharmaceutical companies are pulling back from vaccine development; the legal risks are too great. And G.D. Searle & Co. recently stopped offering its widely used intrauterine contraceptive device, not because the product was unsafe—it wasn't—but because it was costing the company too much to defend itself against lawsuits.

Now, cities and towns are finding their liability insurance premiums tripled and quadrupled. This means increased taxes and decreased municipal services. Ski operators are being driven to the wall by insurance costs. So are bar and restaurant owners, and even commercial fishermen.

The nationwide explosion of insurance rates is partly the fault of the insurance industry's own fierce competition for new business during the period of high interest rates a few years ago. In order to get premium income for high-interest investments, insurers wrote risky policies and kept premiums too low. But this is a cyclical phenomenon, which would right itself in time.

More fundamentally, the insurance crisis is one that we've brought on ourselves.

One of the more endearing American traits is the habit of siding with the underdog. But underdogs are not always right, and the habit can become downright larcenous—especially when coupled with the popular notion that deep pockets are there to be picked.

We have to restore, somehow, the old sense of individual responsibility: the notion, however quaint, that if I slip on the sidewalk and break my arm, it's my problem. I should have looked where I was going. The first thing the typical American

does today when he slips on a sidewalk is to call a lawyer, in the hope that he can make a killing. It's the next best thing to winning the lottery and not that much difference. It's the promise of something for nothing, of riches from nowhere.

The costs of the litigation explosion go far beyond soaring insurance premiums and bloated costs of everything we buy. It has changed the nature of our society, and changed it for the worse.

We've gone from a presumption of good faith to a presumption of bad faith, from cooperation to exploitation. And we've been led there by tort lawyers and consumer activists, telling us there's a scapegoat for everything and there's a pot of gold in the courtroom.

If you're my age, you remember the days when the natural reaction to finding someone injured and bleeding beside the road was to render first aid. Now it's to call an ambulance and not touch the injured person without a lawyer present. If the patient dies before the ambulance gets there, too bad—but at least you won't be wiped out by a damage suit.

In the real world, accidents happen. Behind the litigation explosion also lies an assumption that life is meant to be risk-free and painless, and anything that causes pain is somebody else's fault and entitles us to compensation. This is the most insidious doctrine of all, and it's no wonder that young people raised on it fall into the escapism of drugs and the bleakness of despair. Life is not risk-free. It never has been, it never will be, and those who ultimately triumph over its challenges are those who don't expect it to be.

The nation's lunge into litigiousness is costing us heavily in our pocketbooks. But its greater harm may be to our spirit.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

HOW SERIOUS IS SOVIET ARMS CONTROL CHEATING?

Mr. PROXMIRE. Mr. President, has the Soviet record of compliance with arms control treaties destroyed the value of those treaties as a means of limiting nuclear arms competition between the two superpowers? Would this country's national security be better served if we stopped compliance with the SALT II Treaty which expired December 31, 1985? Should the United States continue to comply with the Limited Test Ban Treaty and especially with the 150-kiloton limitation on underground nuclear weapon tests? In view of the alleged Soviet violation of the Anti-Ballistic Missile Treaty and the President's determination to develop a missile defense that would sooner or later clash directly with the ABM Treaty, should the United States attempt to limit ABM research, testing, production and deployment to continue to comply with the ABM treaty?

Mr. President, to its great credit the U.S. Defense Department, working through the Air Force as its executive agency, has published an excellent, carefully documented, and detailed examination of these questions by a distinguished Harvard scholar, James A. Schear. This study appeared in a special edition published by the Defense Department on December 4. The article reflects the judgment of Mr. Schear, not of the Defense Department. But Mr. President, the examination is so comprehensive, the objectivity and balance in the presentation so consistent, that Mr. Schear's conclusions merit our respect.

This is a very critical issue. What I am talking about is the significance of the alleged violations by the Soviet Union of our arms control treaties. This is what the scholar, who speaks in a Defense Department publication, says:

> From the strategic standpoint, the present compliance problems are greatly outweighed by the beneficial effects of existing restraints on Soviet forces. The array of SALT limitations that both sides have observed since 1980—including the aggregate limits on strategic launchers, the limits on the numbers of missile-carrying submarines, and the warhead ceilings for land-based ballistic missiles—are strategically far more important than the treaty provisions presently in dispute.

But Mr. Schear sees arms control in trouble, not because present arms control treaties have failed to work to advance the security of both the United States and the Soviet Union. They have done that. He believes that erosion of the treaties is certain, unless both sides take steps to remedy the erosion and soon. Where are the compliance problems and what do we do about them?

KRASNOYARSK RADAR

First, the well-known Krasnoyarsk radar. Both the location of this large phased array radar and its alleged capabilities appear to be prima facie violations of the ABM Treaty. The treaty specifically confines such radars in numbers, size, and locations. The Krasnoyarsk facility certainly violates the location requirement of the treaty which confined LPAR's to each country's perimeter. Krasnoyarsk is hundreds of miles inside the Soviet perimeter in central Siberia. The Soviets claim that its purpose is for space tracking of satellites, which is permitted by the treaty. The United States claims that its purpose is to give early warning of incoming missiles, which is expressly prohibited by the ABM Treaty. From a strategic standpoint the radar gives virtually no advantage to the Soviets. It could only work in ABM defense if it operated with nearby engagement radars and interceptor squadrons. Are there any? No. It would take years to make such hardware available. The radar would also have to be hardened and protected with air defenses. Any evidence of this? Again, no. But the Krasnoyarsk facility is troublesome anyway because it does represent an explicit treaty violation. If construction is not stopped, the integrity of the treaty suffers. If this violation does not stop by ending construction of the large phased array radar, other violations of genuine military significance could develop on either or both sides. The United States could proceed in this case with its announced policy of proportional response. The Soviets could push their exploitation of this violation with other violations.

Second, there is the issue of ABM component mobility and concurrent testing. The treaty prohibits mobile or transportable radars. Reason: Either side could stockpile mobile radars and deploy them rapidly to break out suddenly into an effective ABM system. The Russians claim these radars cannot be moved around or hidden. They can be disassembled, transported, and moved around in a matter of months. But to do so there would have to be extensive advance preparation of the deployment site. This scholar, who is analyzing the compliance with the treaties, Schear of Harvard, concludes:

> Certainly they are not capable of being relocated within the rapid time frame from several days up to a week—that would establish them unambiguously as mobile rather than fixed systems.

This United States charge of Soviet violation has less force.

Third, we have the most serious immediate military problem of the alleged violations of arms control treaties by the Soviets. That is what is called by that complicated term the encryption of telemetry. Why is this so critical? Here is why: Telemetry is the only certain way to make firm estimates of the launchweight, and throwweight for lifting power of ICBM's. Without it, it is impossible to reliably monitor the quality improvements in Soviet missiles. That makes it impossible to determine the degree of compliance or violation of treaties limiting missile capabilities. Encryption means that the information is concealed by using a code that is not available to the other side. In the case of "encryption of telemetry" the violations are necessarily alleged, not clear or patent. Why? Because the SALT II Treaty's language can easily be interpreted as not prohibiting telemetry. Here it is from article XV:

> Each party is free to use various methods of transmitting telemetric information during testing, including its encryption, except that, in accordance with the provisions of paragraph 3 of Article XV (the general prohibition on general concealment) . . . neither party shall engage in deliberate denial of telemetric information such as through the use of telemetry encryption, whenever such denial impedes ver-

ification of compliance with the provisions of the Treaty.

When SALT II was negotiated it was expected that after it was ratified, compliance standards could be developed in the Standing Consultative Commission. But the U.S. Senate did not ratify SALT II. And the Soviets announced that they would not engage in any SCC discussions to implement the unratified agreement. Here is a serious compliance problem that could have military significance. But we have a remedy. A remedy is to ratify the SALT II Treaty, then press for compliance standards in the Standing Consultative Commission.

Fourth, there are the strategic offensive programs. The United States claims the Soviets have violated the SALT II Treaty with respect to the Soviet SS-25 missile and the SS-16 mobile missile. Are these new missiles and therefore violations as defined by SALT II? The United States says yes. The Soviets say no. SALT II defines a new missile by whether it involved changes in the missile's fuel type, number of stages, variations of 5 percent or more in its length, largest diameter, launchweight and throwweight. Change in any one of these factors would classify a missile as a "new type." On the basis of throwweight the SS-25 certainly appears to be a new missile. The Soviets deny this. They say that it is simply a modification of a missile of the 1960's, the SS-13. They argue that the United States understates the throwweight of the SS-13, so it exaggerates the difference between the SS-25 and the SS-13. The United States counters that even if this were true the missile would be illegal because the weight of the warhead is less than 50 percent of the overall throwweight of the missile. Encryption of the necessary data makes this one a hard one to assess, but it appears that the Soviets are wrong. This is a violation. As a violation of the treaty, this is a serious action by the Soviets. From a strategic or military standpoint it is not. It is true that its mobility and single warhead mode could cause problems for intelligence monitoring and verification. But the deployment of a single warhead on a mobile launcher increases strategic stability. It is precisely what the United States is wisely doing with the Midgetman missile. Now how about the SS-16? The SS-16 alleged violation comes down to whether or not U.S. intelligence is on target. No question about it. Both sides would agree that SALT II bans the SS-16. The Soviets say they are not producing or deploying the SS-16. The United States argues that a certain number of stockpiled SS-16 boosters—30 to 80—were built during the missile's testing program and are being kept on the ready as operationally tested force. As a technical objection the United States has a good point. From a substantive standpoint there is not much to worry about with this particular missile. The missile has not been fired in more than 8 years. Its last reported test was a failure. Mr. Schear, the Harvard scholar, concludes:

> The SS-16 issue is negligible in strategic and political terms, and in the absence of further information to indicate that the SS-16 is an active program, the administration protest is extremely weak.

50 KILOTON LIMIT

Mr. Schear does not discuss United States allegations of Soviet violations of the 150-kiloton limit on underground nuclear weapon explosions. The recent letter from President Reagan to Secretary Gorbachev proposing a meeting of United States and Soviet expects to examine these charges is the most constructive arms control action so far by the Reagan administration. It may establish the basis for future compliance. The Soviets have claimed that the difference in United States and Soviet geologic formations explain the apparent seismic measurement of Soviet weapons explosions that have appeared to violate the limits by as much as 20 percent. Some American experts agree. The Reagan initiative indicates that the superpowers are on their way toward reconciling these particular alleged Soviet violations.

In summary, of all these violations certainly the encryption of telemetry carries the one, significant, military threat. And there we have an available remedy. What is it? It is to ratify SALT II in this body, the Senate, and proceed to the Standing Consultative Commission to develop compliance standards.

STAR WARS AND PROPORTIONAL RESPONSE

On the side of U.S. violations, certainly by all odds the most serious is the U.S. vigorous proceeding with SDI, or star wars. Here is an activity that will bluntly and directly repudiate the Anti-Ballistic Missile [ABM] Treaty. The Senate ratified that treaty by an overwhelming 87-to-2 vote in 1972. The other serious U.S. policy threat to arms control is in the President's announced "proportional response" reaction to allegations of Soviet cheating. What does that mean? It means when we think they cheat, we cheat. Our cheating is based on our allegation. Obviously we invite the Soviet Union to do the same. The allegations as we have seen from the careful review by James Schear may or may not be sound or accurate. Proportional response means we act on the basis of suspicion as well as fact. It is a sure and certain formula for destroying arms control.

MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, my myth of the day is that an alternative definition of the Federal budget deficit has been found which shows we do not have a serious fiscal crisis and therefore no painful budget cuts are required.

As a drowning person reaches for any slender reed, the fiscal "I'm all right Jack" crowd has begun to frantically cling to the alternative budget approach suggested by the widely respected Northwestern University economist, Robert Eisner.

On February 7, I discussed why I believe Dr. Eisner's approach is seriously flawed. Today, I want to point out that even Eisner's own data shows the unique and serious nature of the current budget deficits.

Dr. Eisner produces what he calls an adjusted high employment budget measure and calculates its surplus or deficit since 1955.

Between 1955 and 1981 Dr. Eisner's measure of the budget yields deficits in only 5 years. According to Dr. Eisner's measure, the largest deficit in that period equalled 0.64 percent of GNP.

Between 1981 and 1982 there is a dramatic shift in Dr. Eisner's measure of the budget position. The surplus of 1.45 percent of GNP in 1981 becomes a record deficit of 2.01 percent of GNP in 1982. The change of 3.46 percentage points is the largest movement from surplus to deficit in Eisner's study. The 2.01 percent of GNP deficit in 1982 is more than three times greater than the previous largest deficit. Even worse, Eisner's calculations find that the 1984 deficit reaches 2.37 percent of GNP a result far outside the range of all previous data.

Clearly, the fiscal "I'm all right, Jack" crowd has found a reed that is simply too slim and short.

Mr. President, the truth is that the deficit by any other measure is still too large and serious to be merely defined away. We cannot avoid the painful choices necessary to restore fiscal sanity.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond 10:45 a.m. with statements therein limited to 5 minutes each.

TAX AMNESTY LEGISLATION

Mr. DIXON. Mr. President, I am glad to see a cosponsor of my tax amnesty legislation in the Chair in the person of the distinguished Senator from New York State, and I wanted to take this opportunity this morning to

say that the Washington Post had an editorial in its Wednesday, March 15, edition which I take exception to. I have written the Washington Post a letter which is being hand-delivered this morning. I wanted to read the letter into the CONGRESSIONAL RECORD because I think it expresses the view of many other like-minded Senators concerning the question of tax amnesty.

My letter of March 7 to the editor of the Washington Post says:

DEAR EDITOR: The Washington Post's March 5, 1986 editorial, "Flaws in Tax Amnesty" reflects a fundamental misunderstanding of the kind of program I and other advocates of this idea are proposing.

Let me start by stating that I agree that we should go after uncollected taxes by giving the Internal Revenue Service the tools it needs to do its job. The IRS has been inadequately funded for years. My bill, S. 203, the Federal Tax Delinquency Amnesty Act, and the other bills that have since been introduced, all provide substantial additional resources for the Service.

My bill and the others are not simply amnesty bills; they all propose amnesties followed by tougher enforcement efforts by an expanded IRS. It is this kind of balanced approach that will help make a federal amnesty a success without undermining the kind of voluntary compliance on which our tax laws ultimately depend.

Tougher enforcement, however, does not substitute for amnesty; it complements it. Tougher enforcement provides an incentive for tax delinquents to take advantage of the one-time amnesty opportunity being offered. The idea is very simple: take advantage of the opportunity to come forward voluntarily or take a much increased risk of being caught, with greatly increased penalties if you are caught, after the amnesty.

The experience of states like Illinois, Massachusetts, California and New York provides an indication that a federal amnesty can be successful. What's more, given the size of the federal compliance problem, a federal amnesty would not have to be as successful as some of the state amnesties to produce billions of dollars, perhaps as much as $20 billion or more. The IRS itself estimates that the 1985 "tax gap"—the amount legally owed and due that was not collected—is approximately $100 billion. It estimates overall tax compliance at only about 81 percent.

A poll conducted for the Service provides additional support for those figures. It found that 20 percent of taxpayers admitted cheating on their taxes. All the evidence, therefore, points to an enormous amount of uncollected taxes that an amnesty could help collect, and not, as the Post argues, to "money that does not exist".

The evidence also argues against the Post's assertion that a federal amnesty would lead people to "naturally expect others to follow", and therefore cheat on their taxes in anticipation of it. Tax cheating in Massachusetts didn't rise after the amnesty; it fell. People understood that amnesty was a one-time event, and highly-publicized enforcement activities reinforced the point.

Finally, I have to disagree with the editorial's argument that tax amnesty constitutes an inequitable benefit for cheaters at the expense of honest taxpayers. In town meetings around my state, in meetings before chambers of commerce, and before literally hundreds of groups of Illinoisans, I have asked whether those in attendance would support a tax amnesty/tougher enforcement plan. Virtually all of the hands always go up, because they know that an amnesty will bring in revenue that would probably otherwise not be collected—revenue that will help reduce the risk of legislation being enacted that raises their taxes.

You don't have to rely on my word, though. State Legislatures didn't enact amnesties over the opposition of honest taxpayers. They were enacted because honest taxpayers recognized the benefits of an amnesty/tougher enforcement program.

A federal tax amnesty/tougher enforcement plan will work. The rapidly growing level of support for amnesty legislation in Congress demonstrates the strength of the arguments for this idea. In an era dominated by $200 billion budget deficits and the need to comply with Gramm-Rudman-Hollings deficit reduction targets, there is no reason to forego the substantial revenue an amnesty/tougher enforcement program can provide.

Mr. President, first of all, is there a need for revenue this year? That is question one.

I believe that the $144 billion deficit threshold requirement of Gramm-Rudman-Hollings indicates that we have to either cut or find $38 billion.

At our conference this past week, our distinguished ranking member of the Budget Committee, Senator LAWTON CHILES, the distinguished senior Senator from Florida, said that figure is approximately correct, $38 billion.

A lot of different numbers have been used about tax amnesty, but I am here to say once again on the floor of this Senate Mr. President, that tax amnesty will bring in $20 to $25 billion. If you have to find $38 billion, with the President saying to the Congress, "Make my day," and if people like the Presiding Officer and this Senator do not want to make the President's day, then you cannot have any kind of a substantial tax bill. The only way to get some money, if you do not want to go into $38 billion worth of draconian cuts, is a tax amnesty program.

So let us face it. With all this business about "I like it or I do not like it," or "I want it or I do not want it," let me tell you something: We all have to get some revenue. The question is, What are the alternatives?

There is a proposed oil import fee. Some like it and some do not. The Senator from New York now in the Chair does not want it. The Northeast quadrant of the country does not want it. The President has changed his mind as of the other day and says he does not want it. So you will not have an oil import fee.

If you want to raise cigarette taxes and taxes on booze, it is OK with this Senator for Illinois. But I suspect there are Senators from States like North Carolina, Kentucky, and some others, that will not like the idea of a cigarette tax. Those fellows have pretty good lung power and I suspect they might talk a bit on that.

There are some other possibilities concerning the corporate tax and the individual tax that we talk about, but we talk about it a lot more than we get it on line.

So I say the bottom line is tax amnesty and we ought to get shaking on that question.

I do not need to convince the present Presiding Officer, but I want to answer some of the arguments against tax amnesty.

First of all, there are those who say if you have a tax amnesty, folks will wait around for the next one and it will reduce compliance.

No. 1, I am only for one tax amnesty in this century, for the remainder of this century—one.

When I talked to the President at the White House, I made that clear. Every person who has talked about tax amnesty, every sponsor that I know of, has indicated there will be just one. So we are not talking about more tax amnesties. We are talking about one single, solitary, isolated instance of a tax amnesty in this fiscal year to meet our problems under Gramm-Rudman-Hollings this year.

From the standpoint of compliance, when people say that compliance will go down, that is not true. The evidence has been that in every State that has had a tax amnesty—Illinois, Massachusetts, and New York being the most successful ones—compliance has gone up, not down. Why? Because you put more people on the rolls when they come in and "fess up" and pay up. You increase the penalties and you put on additional agents to enforce the law. All those things together increase compliance, not reduce compliance. So that argument is specious. That argument is without any value.

Some would argue that there are all kinds of citizens out there who would say, "This would not be right. I am an honest taxpayer. It is not fair to the honest taxpayers to give amnesty to some who have not paid."

Mr. President, I want the record to show that this Senator from Illinois has made over 100 speeches in his State on tax amnesty to town hall meetings, chamber of commerce groups, Kiwanis meetings, Rotary meetings, labor union groups, and others. Every time I say, "Here is a different alternative."

I talk about taxes, I talk about draconian cuts in the budget, and I talk about tax amnesty. "What do you want?"

Everybody says, "We want tax amnesty. Give us tax amnesty. Why will they not do it?"

I am not talking about 80- or 90-percent support. I am talking about the closest thing to 100-percent support you will ever see in a room. I want to

say that for those who look at this from the political standpoint who say, "I do not know whether it will sell back home," it sells.

So I would say we have here a thing, Mr. President, that will work. It has worked in the States. It will increase, not decrease, compliance. It is only a one-shot deal, but it will bring in a lot of money on a one-shot deal and answer the problems of Gramm-Rudman in this particular year. It will increase compliance for the future. I say it is an idea whose time has come.

I want to thank the Presiding Officer and others who have joined me. I have no pride of authorship, Mr. President. There are a number of bills around here. One is by my distinguished friend from New Jersey, Senator LAUTENBERG; one by my distinguished friend from Montana, Senator BAUCUS. I believe my distinguished friend from Minnesota, Senator BOSCHWITZ, has a bill. There are others.

It is an idea whose time has come. I have no pride of authorship in it. My bill is S. 203. If the majority leader wants to take it over tomorrow and be the principal sponsor, I will join him. We ought to pass this legislation. We ought to figure it into the mix when we deal with Gramm-Rudman-Hollings this year. I think it is a partial solution to a major problem in the country.

I yield the floor.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

The PRESIDING OFFICER (Mr. PRESSLER). The clerk will report Senate Joint Resolution 225.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 225) proposing an amendment to the Constitution relating to a Federal balanced budget.

The Senate resumed consideration of the joint resolution.

Pending: Thurmond amendment No. 1652, in the nature of a substitute.

Mr. WEICKER. Mr. President, I rise in opposition to the amendment. All I can say is, here we go again. Unable to utilize the powers that have been given to each one of us individually in the Constitution, we attack the Constitution itself.

There may be many things wrong in this Nation. Certainly, we consider the deficit wrong. It may be that there are problems in the farm communities; there are problems among the poor in our urban areas. I can go down the whole checklist.

Indeed, those matters are troublesome and they are wrong. But there is nothing wrong with the Constitution of the United States. No, we cannot improve upon it when it comes to guaranteeing the independence of our judiciary.

No, we cannot improve upon it insofar as the religious liberty that it gives to each one of us as Americans. And, no, we cannot improve upon it in the sense of Congress and the Executive effectively discharging their duties under that Constitution. The problem is not the Constitution of the United States; the problem exists with each individual Member in the U.S. Senate and in the House of Representatives and in the White House of the United States.

If we want to balance the budget, we can balance the budget right now. Whom are we kidding? All the authority that is needed is here to balance the budget. All the authority is in the White House to balance the budget.

Mind you, when the President of the United States comes to the people of the United States and to the Congress with his budget in hand, he does not even advocate a balanced budget. He wants a balance-the-budget constitutional amendment but he does not advocate a balanced budget.

Many of my colleagues who advocate a balance-the-budget constitutional amendment, when it comes time for specific votes to balance the budget, will not do it.

I want to go back just a few minutes to the time when Gramm-Rudman was passed. I ask anybody to look at the record immediately after passing Gramm-Rudman here, in the Senate of the United States. The first three votes called for the following measures. One was to reduce defense spending by 5 percent. There were seven of us who voted for that. The next one was to increase the gasoline tax by 18 cents a gallon and apply the proceeds to the deficit. There were nine of us who voted for that. And finally, it was proposed to include Social Security and the other entitlements in the budget reform process. There were 27 of us who voted for that. So having made this grandiose statement about balancing the budget, given the opportunity to balance it, nobody wanted to do it.

The political system of this Nation, which has served us well over the centuries depends on one key factor: accountability; accountability of the individual Senator and Representative. Specifically, when any one of us stands on this floor and votes on an issue, we know that that vote will be held up for review come election time. It may be good, it may be bad; but it is out there for evaluation by the electorate. In effect, what Gramm-Rudman tries to do and now this constitutional amendment definitely does is so to fog the scenery that nobody will know who voted on what. So nobody will be accountable.

The American people are as much involved in this debate as are the Senators on this floor. The American people have not exercised their right to achieve a balanced budget by virtue of either electing or defeating Congressmen or Senators who either spend too much or do not raise enough revenue or have their priorities mixed up.

I have already heard the term used in this debate, "Government," as if this were something separate and apart from the people. "Government can do this, Government cannot do this." Well, to put it in Ben Franklin's words, in this Nation, the people rule. The Government and the people are not something separate and apart. These are the words politically thrown about.

"Washington cannot do this; Government cannot do this."

Washington is the people. This is a representative democracy. There is no such thing as "Government." There are individual Senators, Congressmen, and a President, no such thing as Government in terms of this accountability factor.

I have sat here over the last few years and I have seen exactly what it is we have done. It is not very hard to fathom. None of the Republicans want to cut defense spending, none of the Democrats wants to in any way cut the entitlements, and neither the Republicans nor the Democrats want to raise taxes. And everyone wonders why we have a deficit.

Do you think there is anything wrong with the Constitution? I say there is something wrong with the reasoning of the people who act like that. And there is a lot wrong with the people who elect those types of people. If they cannot see through it, they deserve this mess as much as any one of us in this Chamber.

Did anybody not find it ironic when the President of the United States, in his State of the Union speech, comes with a speech which in effect guarantees a deficit but he asks for a balance-the-budget constitutional amendment? Everybody applauds. That to me is very much like the quarterback leading the team on the field going up in the stands and saying, "We want a touchdown." If the President wants a balanced budget, let him balance it.

If my good friends here want to balance the budget, balance it. Do not come in here with a broad statement saying we want a constitutional amendment to balance it.

Is there one Senator who will stand up in his place and say we do not have the power to balance the budget right now? Is there anybody who would say that? No. The statement is made

"Government can't do its job." What that means is we cannot do our job.

I submit there is a very simple remedy for it in this country: If they do not do the job, kick them out.

I enjoy being a U.S. Senator. I enjoy seeing myself on television and in print. I think it is great. I enjoy all the amenities of the Capitol. But there also come those very tough moments which also relate to this job. Those are the disagreeable moments when, yes, you have to go ahead and raise taxes; and yes, you have to cut some popular programs.

The chicanery that has been going on in terms of perception on this floor in the past several years is beyond belief—and also in the other body. Let me give a good example. As most of my colleagues know. I Chair the Senate Subcommittee on Appropriations that handles all the health, education, science funding and the entitlements—Medicare, Medicaid. I found it incredible—anybody who knows the operations of the Government would—when under Gramm-Rudman, Social Security was exempted. The explanation was, to the elderly of America, "If we exempt Social Security, you are fine, you are in great shape." Doing that has resulted in the fact that we have had to cut back on funding for the National Institute on Aging; we have had to cut back on funding for the National Institutes of Health in their research into the aging process and maladies like Alzheimer's disease and so on.

Do you think people just live for Social Security rather than a quality of life? We know the population of those over 65 is going to double by the year 2020. The population over 85 is going to double by the year 2010. Are we going to say, "You are all on Social Security so we will take care of you, even though you will not have any quality of life when you get to those ages?"

Exempting Social Security required a cut in housing for the elderly. Do you think the elderly are being served if there is no housing for the elderly in this country? Now they have no roof over their heads and no health care, but we have taken care of them because Social Security is equated with the fact that if we do that, we are taking care of the elderly.

I say to the ladies and gentlemen on this floor, it seems to me our job is to deal with those things with a great deal more precision than that.

That is the type of legerdemain which has been going on here vis-a-vis the budget process, and when all else fails—and "all else" being when we fail—then let us screw up the Constitution. And if we change the Constitution, everybody out there is going to say, "Hey, hey, they want to go ahead and balance the budget. That Congressman or Senator must be OK."

Do you know why this thing is even going to come close to passage this time? Because there are 34 Senators up for reelection and it is going to take a lot of courage for a Senator who is up for reelection to vote against this because at election time his opponent is going to say, "Hey, you are against a balanced budget."

Well, I would suggest to the voters, if they want to find out who is for and against a balanced budget, take a look at the record of that Senator and see what it is that that Senator has voted for, what he has voted to cut, what revenues has he raised. That is what he should be doing in the course of his job, not just making some broad statement, again I repeat, "Let us have a constitutional amendment to balance the budget."

The budget is going to be balanced by human beings, deficits are going to be incurred by human beings, not just some words on a piece of paper. And I again repeat the example of Gramm-Rudman. Take a look at that CONGRESSIONAL RECORD and see what happened within 2 hours after the Senate-passed Gramm-Rudman calling for a balanced budget. Within 2 hours three amendments with a direct opportunity to do just that and not one of them got more than 27 votes. As I say, one of them got seven votes and one nine votes.

This amendment is going to balance nothing. And in the process, what you are going to do is take this great treasure, which has lasted throughout the years, the Constitution of the United States, and our generation will have trashed its broad and its great principles to achieve a particular political or philosophical end or to try to remedy a problem that we ourselves have created within our generation.

Now, maybe we have to leave our children deficits. I think that is wrong, but at least we do not have to go ahead and leave them a deficit when it comes to the principles of the Constitution of the United States.

The very people who brought you this disastrous economic plan now want to change the Constitution. The very people who could not force their will upon the courts of this Nation so that independent justice is to be guaranteed for every American wanted to change the Constitution so that the judiciary came under the power of Congress and their remedies. The very people who cannot force their religion on me or my children want to change the Constitution so they can. Oh, no if there is anything that has been magnificent in terms of what it gives to us, as to our ideals, as to how we view each other as citizens, as to what our rights are, it is that great document. Our economic policies have failed in the last several years. That is what has produced the deficit. What did the Constitution have to do with this deficit? Nothing. It was conceived of in the White House, on the floor of the Senate and the floor of the House, and it was created in the White House, on the floor of the Senate, and this House. If there is to be a remedy, it has to be in the White House, the floor of the Senate, and this House and not in that document.

My God, this place does not even have the courage to go ahead by simple majority and vote taxes, and what does this amendment call for? A constitutional majority? We cannot even do it by simple majority? Are we going to have a constitutional majority? I think the American people had best come to grips as to what the issue is, and very simply it is, to use the trite expression, "You cannot have your cake and eat it, too."

We did not earn those tax cuts of several years ago. We had bigger and bigger defense spending. We had yet to get on top of our discretionary spending, and we were giving out tax cuts. If you want tax cuts, then you cut your spending. There is absolutely no difference in the policies of Ronald Reagan and Lyndon Johnson, absolutely none. One was an active war, which you could see. The other is this imaginary conflict of the future for which we have to prepare. But in both instances neither would raise taxes to pay for either the imaginary conflict or the real one. And so we went into economic disaster under Johnson and that is exactly what has happened under Reagan as far as the deficit is concerned.

If you want to have the opportunity for your children to go on to college in this Nation under Pell grants or student loans, you have to pay for it. If you do not want to pay for it, fine, say we should not have that opportunity available to all Americans. Do you want to know what the great strength of this Nation is today? It is what is up here, what is in the minds of millions of kids across this country, which was not the case when the only reason that you went to college was that you were rich. That is not security. That is what makes us preeminent in technology around the world, be it in the field of biotechnology, be it in the field of nuclear physics, be it in computers, whatever. But, yes, people had to pay for that. The beneficiaries did not. But those who did realized the value to the Nation.

Do you want to make sure that people have a roof over their heads, whether it is middle America, which is subsidized by virtue of the tax deduction on interest payments? Is that a good policy? Have we paid for it? Yes. And the net result is we have a middle class in this Nation, unlike that of any other world, which has a stake, something in their hand, in the economic success of the United States. That is

what has given us a great political stability. I think that was well worth spending the money on.

Likewise we are hopeful that even though we are confronted with the most baffling disease of all time, AIDS, in the shortest possible time the virus was identified, has been cloned, and because of that we will be able to successfully, within the next couple of years, confront this deadliest of all diseases ever known to mankind. Do you like that? Well, we paid for it in the sense of the National Institutes of Health and the money that went into biomedical research. No disease in the history of man has been identified so fast and, considering the complexity, no disease has ever had such early promise of its defeat by the forces of medical science. It did not come cheap. The National Institutes of Health take some money. But I think that was money well spent. I would be willing to have my taxes pay for that.

Do you like the idea that today's retarded child enjoys a state of the art vis-a-vis education that almost guarantees that child a place in the mainstream of our society by the end of its high school years? Something absolutely unheard of 30 or 40 years ago. Unheard of. Yes, and the American people paid for it through Public Law 94-142, the Education of All Handicapped Children's Act.

The economic benefit, of course, is tremendous. More and more, the physically and mentally disabled are never going to the institutions in the first instance. So it was not just a matter of having dealt with it as a matter of the heart but fiscally it made a lot of sense, but we had to pay for it.

I could go down a whole checklist of achievements by this Nation. This is not in any manner, shape, or form a filibuster. I will get to that.

The fact is that however we spent our money—and there have been some failures along the way—the success of the United States in terms of a quality of life for its people is unparalleled in the history of the world. And men and women on this floor had to make some pretty gutsy choices, first to devise the opportunities in terms of legislation but then to ask for the money to pay for it. And now, all of a sudden, our society is turning inward and everybody who has crossed the line is shutting the door behind them on the other fellow.

There is never going to be an easy way to balance the budget—never. Choices will have to be made by individual men and women, not by a mechanism such as Gramm-Rudman or a constitutional amendment.

Yes, they will have to take the unpopular stand of asking for the money to pay for these programs. It is this type of choice which is involved in the process I referred to earlier as one of accountability.

If the individual Members of the U.S. Senate and the House of Representatives care to cloak themselves in a fog, then rest assured that the United States of America itself will be in a fog; because there is no difference between these representatives and the corporate body known as the United States of America, any more than there is a difference between these Members and the 250 million people of the United States.

If we do not have a balanced budget and we have a deficit, in the final analysis you can put it right at the doorstep of every American—not 100 Senators or 435 Representatives or one President, but 250 million people who did not want a balanced budget, who did not want to pay for their obligations or to create the opportunities for their fellow Americans.

I remember, as I was growing up—I was not in the Senate, but I followed politics closely—that the favorite sport was the finger pointing that we in the Northeastern United States used to engage in as to the lack of civil rights legislation. We used to say that the reason why there was no civil rights legislation was that a few Southern Senators were blocking it. Well, I think history now shows that it was not a few Southern Senators blocking it. The bigotry and the prejudice in Connecticut was as great as in any other part of the country, and the same could be said of all 50 States in the Union. So it was the United States that did not want civil rights legislation.

When the United States, in the main urged on by the sacrifice of Dr. King, wanted civil rights, we rolled it through here—we rolled it through here—and no Southern Senator or anybody else could stand in the way.

Now, when the American people want a balanced budget, it will roll through here, and you will not need to modify the Constitution or pass Gramm-Rudman. But the American people have to get out and vote, and they have to kick out the Congressmen and Senators who refuse to balance that budget. I apologize if they have to spend 5 minutes of their busy days, 1 day every 2, 4, or 6 years, to do that. So, indeed, if the laziness is sometimes great on the Senate floor, it is even greater among the American people.

I large part, all of us, as I say, have denied much of the future and the heritage of our own children. Certainly, we have done it fiscally. At least, conceptually and in terms of ideals, let us not do it so far as the Constitution is concerned. There is nothing wrong with the Constitution of the United States. Indeed, if you want to be inspired sometimes, just pick up a copy and start to read it.

Every recent constitutional amendment I have seen come on the floor of the U.S. Senate—and, believe me, there are a lot of them—only dilutes the rights that we have as Americans and demenas us as a nation—every one of them, this included.

Do you know how many of these things we have now? One hundred fourteen constitutional amendments. Here is a computer list. It goes go and on. One hundred fourteen constitutional amendments.

Mr. President, I am almost through speaking, and I will make a few comments relative to the course of events in this debate. Briefly, I want the record to again show that I am prepared to have an up-and-down vote on this right now—on the amendment. The reason why I said that yesterday and the reason why I am saying it again today is that I have a feeling that, come the middle of next week, we are going to hear: "We want a vote on this, and this has been filibustered, and so forth; cloture might be filed."

I want to make it clear that I intend to speak no longer on this matter than what I have said here today. I might speak again next week, but no longer today. I am quite prepared to have an up-and-down vote on the issue today. But when I hear rumors that we have to vote on this finally by the end of next week, we have sat here week after week after week with little debate and very little to show for it.

Here we have an amendment to the Constitution of the United States, and we are going to rush this thing through. Believe me, the minute I see that we are going to rush it through, at that point in the game, yes, I am going to start to talk.

I gather that my friend from Illinois, who is one of the cosponsors of this legislation, will have something to say. If no one else has something to say, let us get on with the vote. I think we all understand that is going to be decided by one or two votes, one way or the other, and I do not think that is going to change.

Again, I make the parliamentary scenario clear to everybody: I would rather have a vote on the issue than on cloture, because, frankly, that requires more to pass it. But I do insist that we have an intelligent debate here as to the merits of this matter and the American people are fully apprised of what they are trading, what they are giving up.

Right now, this is not under the proprietorship—I am talking about the Constitution—of the U.S. Senate or the House of Representatives or the President or the Republican or Democratic leadership. It belongs to the American people. Do not let them take that away. Once that process starts, there is no end to it.

I think it is the ultimate hypocrisy that the Senate of the United States, unable to balance this budget over the

years, now wants to change the Constitution—just as I said the same thing about the President of the United States when he delivered his State of the Union Message. If we want to balance it balance it.

Mr. SIMON. Mr. President, I should like to make a few comments on the speech of my friend from Connecticut.

He has talked about the need for intelligent debate, and he has added to that intelligent debate. I have great respect for him, as he knows. Frequently, we vote together.

I agree with one of the things he mentioned, we have to face up to this deficit and part of that solution is revenue increase.

And I am not just saying this after the election. During my election I said the same thing and one of my opponent's ads was "If you like Walter Mondale's tax increase you will love PAUL SIMON's tax increase."

But the reality is we have a serious problem. We agree on that. There has been—and there are references to this going all the way back to John Adams—an unwritten constitutional amendment that we balance the budget.

So from the beginning of this country until the end of 1917 people were astonished because we had a Federal indebtedness of $3 billion and it seemed to violate all our traditions, and it did violate our traditions.

The Senator from Connecticut says no one will be accountable under the balanced budget amendment. The reality is no one is accountable right now. We need to put some discipline into the budget.

Over the last 3 years we have increased the indebtedness of this country $600 billion. I mentioned this yesterday and I repeat it again today. That means in just the last 3 years we have added $50 billion in interest in perpetuity. As a result, we cannot do the very things that the Senator from Connecticut has been talking about.

I hate to see a budget that comes down here requesting $58 million less in cancer research. I happen to be interested in cystic fibrosis for personal reasons. I want research done in this area. The Senator from Connecticut and I share a great interest in doing more for the handicapped of this country. With $50 billion that we are going to waste on interest in perpetuity, we could be doing all kinds of great things in this country.

The Senator from Connecticut says we have the power to move now on the budget deficit. He is correct. We have the power. We do not have the willpower and we need something to give us more backbone.

In theory, we do not need this. In practice, it is all too evident that we do. We now have an indebtedness of $2 trillion.

I agree with the Senator from Connecticut that we should not be changing the Constitution on a whim. I assume he is opposed to the constitutional amendment to require prayer in the schools. I know that amendment is well motivated. It is not the kind of thing we should be doing. I will be joining him in that fight.

But I point out to the Senator from Connecticut and to my colleagues who fear the change in the Constitution that 32 States have now had a call for a constitutional convention. Those who favor a balanced budget say that four more may join in this call. I do not know if they will or not. But I do not want to have a constitutional convention. I think it would be bad for this country. We do not know what they would come up with.

What we have here before us is a sensibly, carefully crafted constitutional amendment.

Let me address two other points the Senator from Connecticut made. The original constitutional amendment proposed by the White House tied spending to a percentage of the GNP. I voted against that. If that were here, I would vote against it again. Only once in all the years since 1945 has there been a tax increase that has not passed by more than a constitutional majority. So section 2 of this amendment is really not a major impediment.

Then, the Senator makes one other point that I partially agree with and partially disagree with. He says when the American people want a balanced budget amendment, we are going to get it. The difficulty is the American people want a balanced budget. They also want cuts in taxes, and they want more spending. We have given them two out of the three.

What we have done, and the Senator from Connecticut is an exception to this rule, and I commend him for being an exception to this rule, we have elected too many people to this body and the other body who hold their finger to the winds and say, "What is popular today." We had better say what is the right thing to do for our children and our grandchildren, and we better be willing to do not just what the American people want, but to do some unpopular things. The Senator from Connecticut has been willing to do that; I commend him. I commend him for his contribution. I disagree with his conclusion.

I look forward to joining him in opposition to the prayer-in-school amendment and/or constitutional amendments.

But this one I think is needed.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. First of all, before beginning my remarks, Mr. President, let me say how deeply I regret being on the opposite side of this issue from my good friend from Illinois for whom I have the highest regard and respect. I served with him in the other body, and we were elected to Congress in the same year. It is a very rare occasion indeed when I find myself in disagreement with the distinguished Senator from Illinois.

Mr. President, I do rise to join with my colleague from Connecticut, Senator WEICKER, and others, to voice my very strong opposition to this balanced budgt constitutional amendment, Senate Joint Resolution 225.

The committee report states that this proposed amendment represents both responsible economic and constitutional policy. In my view, Mr. President, it represents neither.

First, let me make clear what I do not oppose. I believe, as I believe do the overwhelming majority of our colleagues in this body and the other body, that there is no question we need to clearly reduce the present runaway Federal deficit. We must alter our present course of deficit financing before it is too late. Under the current situation, business as usual simply is no longer acceptable.

We all know that. We all understand that. And certainly that was the reason this Congress, in just the last session, took an extraordinary step in the form of the Gramm-Rudman-Hollings amendment.

Indeed, I was one of the original cosponsors of that effort, one which was ultimately supported by an overwhelming majority of this and the other body. I cosponsored the Gramm-Rudman-Hollings legislation because I thought it represented a serious attempt to provide a clear method for reducing the intolerable Federal deficit and a timetable for achieving that reduction. Creating a fair and humane Federal spending plan which complies with Gramm-Rudman-Hollings is certainly one of the greatest challenges we face in this Congress or ever.

Mr. President, we will be forced to make choices—all of us. Even the President of the United States will have to make choices, and no doubt we will be fighting over those choices in an effort to determine what the priorities of this country ought to be.

But a tough political struggle were real, hard choices are made certainly is the only way to address the disastrous deficit situation facing this country today.

But let us be clear, Mr. President, about what we are considering today. The balanced budget constitutional amendment is not, like the Gramm-Rudman-Hollings legislation, simply an attempt to reduce the crippling Federal deficit. The proposed amendment, dangerous and deceptive in its simplicity, goes much further than that. With one quick stroke, it mandates that, year after year, total out-

lays shall not exceed total receipts. Once Gramm-Rudman-Hollings gets us back on track, as I hope it does, to an economy free from the burden of adding to the existing $2 trillion deficit, the constitutional amendment would kick in to mandate that this Congress operate on a balanced budget each and every fiscal year thereafter.

If not in design, Mr. President, then certainly in effect, this amendment would serve to bind the hands of Congress to the grave detriment of the American people. If not in design, Mr. President, then in effect, Senate Joint Resolution 225 will do nothing less than straitjacket all future congresses as they attempt to mold our national policy through the years and implement that policy through vital spending and budgeting decisions.

The proponents argue that a constitutional amendment is necessary most of all to ensure that Members of Congress are ultimately accountable for those spending and taxing decisions.

I am all for fiscal accountability. We all are. Indeed, in 1982, I sponsored a piece of legislation called "Pay-As-You-Go," introduced in the House as well, which provided an alternative to the balanced budget constitutional amendment offered at that time. That legislation would have mandated that increased spending be accompanied by a commensurate increase in revenues or a corresponding reduction. I was offering a statute, Mr. President, not a substitute constitutional amendment.

As desirable as fiscal accountability may be, however, it takes a back seat to the health and welfare of the American people. This amendment, if ratified, stands ready, I believe, to jeopardize that same health and welfare.

The proposed amendment simply does not, as its proponents suggest, represent responsible economic policy. In fact, adhering rigidly to a balanced budget policy for any given year may operate only to destabilize our economy. For instance, in a period of recession when tax revenues are low and a budgetary deficit appears likely, this amendment would demand that we either reduce expenditures or raise taxes. Both of those alternatives would further reduce economic activity and thereby destabilize the economy.

Economists, like politicians, do not always agree. But both conservative and liberal economists agree on this: Balancing the budget in hard times could very well be a grave and serious mistake.

What Congress should strive to achieve each year is a balanced economy, which may or may not call for a balanced budget for that year. Over the past half century, we have developed a system to cushion the Nation's fall when times are hard, and to modestly restrain the economy when the boom is on. The system has taken much of the pain out of the vicious boom-and-bust cycles so common in our history. This amendment would inject that pain back in again. Remember—when Herbert Hoover tried to balance the budget in response to the cash of 1929, it brought ruinous financial depression upon our people. I do not want to see—nor do I believe anyone else here would want to see—that pain inflicted upon the American people ever again.

Senate Resolution 225 itself implicitly recognizes the need for deficit financing in certain situations since it provides for a waiver of the balanced-budget requirement upon a three-fifths vote of both Houses. Proponents who say that this waiver provision adequately ensures the flexibility needed for budget policy are only deluding themselves: This "escape hatch" gives enormous power to a minority to block appropriations, complicating and retarding a process which is already too slow and much too vulnerable to delaying tactics.

This same escape-hatch provision is a telltale sign that the amendment is not only bad economic policy, but bad constitutional policy as well, which is far more threatening than the short-term economic policies may be. The notion of allowing Congress to suspend the Constitution by a 60-to-40 vote is nothing less than farcical. Suppose the Founders had seized upon this idea. "We shall have free speech, unless Congress votes 60 to 40 against. We shall have due process, unless 60 Members decide not. We shall have trial by jury, equal rights, income taxes, popular election of Senators, unless 60 percent of congressional Members, in their infinite wisdom, think it not best." The Founders were interested in controlling the power of Congress, not expanding it.

Embodying—entombing—a balanced budget principle in the Constitution of the United States is a very, very dangerous precedent. The Constitution was intended and should continue to be an honored blueprint of representative Government and a guarantee of individual freedom. It should not be used as a vehicle for social and economic theories or policies. To freight the Constitution with social and economic theories trivializes that vital document and runs the risk of distorting its true nature and purpose. Trying to use the Constitution as a tool to achieve some budgetary goal neither produces the kind of result we all want, nor does any service to our great law of the land.

Even if this proposed amendment represented good economic and constitutional policy, which it does not, it is still crippled by severe practical problems. The balanced budget amendment tells us where to go but does not give us even a slight idea or clue as to how to get there or stay there. Nor does it provide how to enforce its mandate should Congress be unable or unwilling to operate on a balanced budget. The committee report makes clear that the courts should not be involved with enforcing its provisions. That leaves us with one thing: an unworkable and unenforceable constitutional amendment.

In addition, the proposed amendment completely ignores the responsibility of its most vociferous supporter, President Reagan. Under the amendment, there is no requirement that the President submit to Congress a balanced budget. But Congress does not legislate in a vacuum: The budget process is, or perhaps more accurately should be, a shared function of the legislative and executive branches. It is time we recognize the fundamental principle that both Congress and the President—and the President, I would emphasize—have important roles to play in formulating and implementing a national budget.

It is high time that the President himself comes to grips with that reality as well. Since assuming office, President Reagan has not once submitted to Congress a budget which has been balanced. I, for one, am growing quite weary, as I know others are, of the administration's bumper-sticker mentality in this particular arena. Bumper stickers, ones like "Balance the Budget Now," may catch the eye and garner attention for the driver of the car, but they do very little either to explain the underlying causes or to help constructively to achieve a solution. It is time to pull off the bumper stickers and start drawing up and following the roadmap.

This Congress will have its hands full, as we all know, following the roadmap it developed last session. Gramm-Rudman-Hollings is not going to be an easy piece of legislation to implement, but it is a statute and only a statute. It can be corrected. Making the difficult choices that Gramm-Rudman-Hollings will entail requires all of the energy and commitment this honorable body collectively can muster. Reducing the enormous Federal deficit should be our focus this year and in the years ahead. We should not be distracted from that vital effort by the proposed constitutional amendment before us. We should give Gramm-Rudman-Hollings all the time, attention, and commitment it will need to work.

I conclude, Mr. President, with several questions: Why are we debating this proposed constitutional amendment at this time? Why is the President centering focus on the amendment at this juncture? Why are we spending time on this proposal which would not even take effect for years to come—precious time which could be better spent making the vital choices

under the law as it exists today? I suspect, Mr. President, that the answer to these questions has a lot to do with the fact that this administration wants to keep the debate and the energy focused at a "bumper sticker," severely superficial level.

Today, the people of our Nation need and deserve less rhetoric and more commitment to action. They need and deserve fewer gestures devoid of meaning and more displays of resolve. They need and deserve deeds, not daydreams. This particular resolution is nothing more than a daydream.

I would add, Mr. President, that the very amendment which is before this body at this juncture may make the case on its own better than any statement or argument from those of us expressing opposition to the underlying proposition—this amendment which concerns matters of how we would deal with raising taxes, and whether or not there would be a rollcall vote, and which percentage of the body would be involved.

I would ask my colleagues to think for a second about what we are doing here. Look at the language of this amendment, as meritorious as it may be. Certainly it is a sound idea if one were trying to fashion something to answer the various questions being raised about how this particular amendment would work. But, do we really want to write this language, as intelligent as it may be, do we really want these words included in the Constitution of the United States—to trivialize that document with whether or not there ought to be a rollcall vote in the U.S. Senate on a particular proposition? What a disservice, what an insult it is to the powerful, simple, direct language of the Constitution, to add specific language to deal with the details of whether or not this body ought to have 50 Members present, and whether or not there ought to be a rollcall vote—as if the Constitution were some regulation, or as if somehow this were a city council meeting.

That is not what the Founding Fathers were doing when they wrote the Constitution. They were setting out that road map of broad, basic principles which has guided this country well for almost 200 years. In 3 years we will celebrate 200 years of that document. And here we are, just prior to that anniversary, about to make the Constitution nothing more than a statute or a regulation.

Again, I emphasize, no matter how intelligent or well-meaning this particular amendment may be: just think about this particular language. Take a look at the Constitution. I urge my colleagues—as I know they do with great frequency in looking over the Constitution—to read those amendments, read those original articles, and then read this proposed amendment.

I imagine that, 200 years from now, people reading the Constitution will look at this particular language, and ask themselves: How could a Congress of the United States, which had inherited a great document with simple, direct, forceful language which has served the country through great trial and tribulation, a great Civil War, a great depression, great conflicts internationally, a great civil rights debate, add this kind of language to the Constitution? Is that going to be the legacy of this Congress when we are judged by history as to what we did on our watch over the Constitution of the United States? Do we really want our legacy to read as this amendment would suggest? I think not.

So, Mr. President, I urge my colleagues, despite whatever other disagreements we may have about whether or not we ought to have a balanced budget in any particular year or strive to it, to move away from this proposed amendment. I know my good friend from Connecticut, who I see on the floor here, was disappointed in my vote on Gramm-Rudman-Hollings. But my argument to him at the time was that at least Gramm-Rudman-Hollings is something we can work with. If it does not work well, then we can change it. It only takes a simple majority vote. But I would never support writing Gramm-Rudman-Hollings into the Constitution of the United States. We went through that process last year.

Let us give Gramm-Rudman-Hollings the chance it needs to work.

Mr. President, I join with my colleague from Connecticut and others, with all due respect to the proponents of this proposition, and urge my colleagues in the days ahead, as we consider this constitutional amendment, to think hard, to think long, to think about that responsibility, and to think what the cold eye of history will say about this Congress if this is our contribution to the Constitution of the United States.

Mr. President, I yield the floor.

Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. As usual, the distinguished Senator from Connecticut is most eloquent in his presentation. The Senator from Connecticut points out that the constitutional amendment is permanent—indeed, it is—as the supreme law of the land. The Gramm-Rudman-Hollings legislation is just legislation and subject to ready change.

I think that is where the Senator from Connecticut and the Senator from Arizona have tough, differences of opinion here as to what is needed. I respect the strong belief of the Senator from Connecticut that all we need is a piece of legislation. Some may believe that we do not have to worry about long-time concerns of the deficit because, after all, we have had a 200 year history, and we have only had the last 25 years where we have had badly unbalanced budgets. Maybe that is not, in the mind of the Senator from Connecticut, strong enough evidence that we need to amend the Constitution. And I take responsibility, as the Senator from Connecticut does. We have not been able to balance the budget more than once in the last 25 years.

I was not here in 1969. I believe that was when it last not balanced. There are a lot of reasons why the budget has been in imbalance. But the facts are we have not balanced it. So along comes "a bad idea whose time has come," to quote Senator RUDMAN. The Gramm-Rudman-Hollings proposal is supposed to change all this. Though this Senator did not vote for its final passage, certainly, I can see why it passed. It passed because Congress and the President are not willing to bite the bullet, and do what is necessary.

What makes us think, No. 1, that it is going to be held constitutional? That is debatable.

No. 2, what makes us think we will not change it by a majority vote; No. 3, that we will not change it or walk away from it after 1991 assuming that we did comply with the intent of that legislation?

Well, those are certainly unknown. Certainly based on the recent history of this body we are very likely to abandon it.

I was here in 1978 when we passed the Harry Byrd amendment to an appropriations bill which mandated a balanced budget in 1979. That was the law. It was the law of this land. It was signed into law by the President, and passed by both Houses. Nobody thought about vetoing that.

What happened? The next year we had an unbalanced budget. If my recollection is correct, there were about 50-some billion dollars that we went ahead and spent. I do not think the Gramm-Rudman-Hollings is anything but a preliminary leading up to the need for a constitutional amendment.

I do not fault anybody who voted for it. That was their judgment. They must have concluded that we had to do something severe. And we did. The severity of the implementing process of Gramm-Rudman is going to be much more unfair than the goal of this constitutional amendment that would require the Congress to balance its receipts and its expenditures.

The importance of the argument here, it seems to me, is, Can we do it in a different way? If I concluded from the Senator from Connecticut that we could—and obviously he thinks we could, we will through Gramm-

Rudman-Hollings, and we should not impose this on us in a constitutional manner in the future—I would say fine. But in the short 9 years that I have been here—and the Senator from Connecticut has witnessed this—it is not going to happen. It has not happened.

I certainly do not blame him. He has stood on this floor offering cuts in areas which he felt were unnecessary, as this Senator has. What happens? At the end of the year the deficit has grown. That is nothing for any of us to be proud of.

But I do agree with the Senator from Connecticut, that the President has not been a helpful player in this process. There may be some merit to the Senator's one criticism of this amendment that it does not require that the President submit a balanced budget. I think that should be part of this amendment, but in the effort to reach a consensus on this amendment. I have yielded to those who do not want an added role for the President in the budget process.

So we all have our own approaches to even the constitutional amendment. The Senator from Alabama just walked in. He has some excellent ideas on when we should waive this amendment such as in time of military crises or confrontations that the United States is involved in.

The first time I introduced a balanced budget constitutional amendment it was relatively simple. It stated that if there was a deficit at the end of the year, all taxes be raised proportionately to pick up that deficit. That did not go over very well, I must admit.

I remember the finance chairman at that time, the Senator from Louisiana, thought that was not anything that would be too popular—to have an automatic tax under the constitution.

But it would have certainly confronted every year the fact that those of us in Congress who let the expenditures exceed receipts have to go home and answer, "Why did you raise our taxes?"

As I know the Senator from Connecticut knows so well, you never get thanked for raising taxes. People do not come up and say, "Thank you for raising my taxes." That is not done.

But they do expect us to bring about a balanced budget. We have a real crisis in this country. That is the answer to the question of the Senator from Connecticut as to why we are doing this now. We are doing this now because in 25 years only once did we have a balanced budget. Only once.

To me, that is more than a crisis. It is a catastrophe. It is one that in the early 1980's nearly led us to financial disaster.

We cannot wait any longer. We need the help of the Senator from Connecticut to suggest proposals or amendments—they will be considered here—to make this workable. We need more Senators to stand up and debate this issue and to come forward with ideas. But ultimately, we need to pass a constitutional amendment that is going to no longer permit Congress to just pass legislation that will permit this country to go into debt deeper and deeper.

It is my hope, as this debate is laid out for the next few days that we will certainly see the need, which is very clear to this Senator. Perhaps others feel it is not so clear, that we do not want to get into constitutional mandates. It is this Senator's observation and opinion that we really have no alternative.

Mr. President, there is one other item I wanted to call to the attention of the body, and particularly the Senator from Connecticut, who again I compliment on his outstanding presentation, though we are in disagreement.

He asked whether it was wise to have a three-fifths vote required in a constitutional amendment to permit a deficit. This is done, of course, to give Congress a degree of flexibility in fiscal matters and to avoid pro-cyclical effects.

I think it is important to note that there are eight times listed in the Gramm-Rudman-Hollings legislation where a three-fifths vote is necessary.

One of the times is under 302(f), which prohibits consideration of legislation providing budget authority or outlays in excess of the committee's section 302(b) reports.

There are several other sections. Section 305(b)(2) prohibits nongermane amendments to budget resolutions, and by reference to reconciliation bills.

Certainly, by statute, apparently it is OK to impose a three-fifths vote. I have no quarrel with placing the same discipline on the Congress of the United States if they want to spend deficit dollars.

I can quite frankly see times when the Congress would need to spend deficit dollars but it would take a supermajority.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, the distinguished Senator from Illinois has some questions and I will do my best to answer them.

Mr. SIMON. I thank my colleague from Utah.

Yesterday, several questions were asked concerning how the amendment would be enforced. To clarify this subject, I wish to discuss with the Senator from Utah how this amendment realistically will be implemented and enforced in his opinion.

Mr. HATCH. In the first place, we should note that this amendment will not go into effect until 1991 or the second year after ratification, whichever is later. This means that Senate Joint Resolution 225 will not be a binding part of the Constitution until after Gramm-Rudman is targeted to have achieved a balanced budget. In any event, Congress will have ample lead time to bring the budget into balance before the provisions of Senate Joint Resolution 225 take effect.

Mr. SIMON. I thank my colleague, and I agree with what he has had to say.

The real difficulty of the amendment is in the mind of some people not adequate lead time. If Senate Joint Resolution 225 were ratified as the 27th amendment to the Constitution, it would require that outlays not exceed receipts for any fiscal year. What happens, however, if suddenly near the end of a fiscal year in August or September, the economy turns sharply downward? Outlays would rise as more people qualify for entitlement programs and receipts would fall. A deficit would be likely with only a month to change course. How could Congress comply with the amendment?

Mr. HATCH. That is a very good question. Senate Joint Resolution 225 is flexible enough to allow Congress and the President several options to deal with this situation. For example, Congress could employ an option used by many States, namely a contingency fund. A contingency fund would be essentially a national "rainy day" savings program. Congress could set aside a certain portion of receipts in an interest bearing account until needed to offset outlay overruns or revenue shortfalls. Then as the economy recycled back toward prosperity, the fund could again be replenished. This would have beneficial countercyclical effects.

Mr. SIMON. I like the idea of the contingency fund.

But isn't it a bit unrealistic to think Congress will set aside a contingency fund when it currently runs such outlandish deficits?

Mr. HATCH. Under current circumstances, it sounds unrealistic, but remember this will all take place under a new order. Gramm-Rudman will presumably have balanced the budget and Congress will have the binding obligation to maintain that balance. Under those circumstances, it is certainly more feasible. In any event, a rainy day fund is only one option. Let me list others: For instance: First, Congress could have automatic provisions to trigger spending cuts in less essen-

tial programs when outlays threaten to exceed receipts. Second, Congress may have automatic provisions to trigger a surtax when certain events transpire. Third, Congress may rescind some spending it had earlier obligated. This may sound difficult, but businesses and families must make cuts in difficult times and Congress may see the wisdom of applying the same business and family principles to Government.

Mr. SIMON. I agree with my colleague and particularly since we are not a State legislative body. We are meeting almost year round. It seems to me it is very possible to work that out.

But the Senator from Utah has mentioned only Congress. Does the President have any role in this process?

Mr. HATCH. As the Senator's question appropriately suggests, the President is equally bound by the Constitution to use his authority to comply with Senate Joint Resolution 225. The Executive would check and balance Congress to ensure compliance with the balanced budget norm. For instance: first, the President would have the responsibility to recommend spending cuts and rescissions to Congress. Second, the President could also call for a tax increase. Third, another option would be to use the deferral power granted by the 1974 Budget Act to postpone spending until a later fiscal year. If the President did not feel that Congress was responsive to his recommendations, he could use his "bully pulpit." If Congress, on the other hand, did not like the priorities used by the President in deferring spending, it could pass a bill setting its own priorities for deferral or rescission or tax increases.

So you have all of these aspects or all of these alternatives or options, and the President is not befelt of options here.

Mr. SIMON. And as the Senator points out, this does apply to the President. There are those who are suggesting that we should amend this proposed amendment to require the President to report a balanced budget but, in fact, we can do that statutorily, or that is clearly the implication of the amendment already.

Mr. HATCH. That is right.

Mr. SIMON. Let us say that this is all transpiring in a recession. Some of those options are not feasible. After all, unemployment would theoretically be on the rise, increasing outlays and depleting receipts.

A contingency fund might be an answer in some events. But what if Congress has not done this? What do we then?

Mr. HATCH. The Senator is describing perfectly the circumstances that justify the authorization by three-fifths vote of a specific excess of outlays over receipts to cope with the recession. Once again, the amendment has the flexibility to respond to the circumstance. Congress is made more responsible under this amendment, but no one said the job of Congressman would be an easy one. In fact, it has been a little to easy in the past to duck the hard choices suggested by the Senator's question by simply borrowing from the future for every new spending need or emergency without ever a promise to repay. Senate Joint Resolution 225 requires Congress to choose amongst its options or, with full justification, to waive the balanced budget norm during genuine emergencies. The three-fifths vote requirement will ensure that the circumstances justifying a specific excess of outlays over receipts is in fact a genuine emergency.

Mr. SIMON. I agree with my colleague that Congress has taken the easy out. I hope this amendment will force us not to take this easy out. I believe it will.

What if Congress does not produce the three-fifths vote or take any of the corrective options the Senator mentioned earlier?

Mr. HATCH. The first part of the answer is that the President checks Congress with his deferral authority or by appealing directly to the people to request a three-fifths waiver. But the Senator's question goes further. He seems to be suggesting that Congress, which as I have pointed out has several options, would choose not to carry out the mandate of the Constitution. On that point, I am confident that Members of Congress as well as the President, who are required by article VI to take an oath to uphold the Constitution, will uphold that oath.

Mr. SIMON. I concur in that answer. Incidentally, I have never heard anyone stand up on the floor of the House or Senate and say the heck with the Constitution. We do hold the Constitution sacred.

Mr. HATCH. Even State legislators uphold their State constitutions, even under the toughest of circumstances. In Utah we have had some real possible deficit situations and Democrats and Republicans both consider it an absolute obligation to balance the budget under the Utah State constitution and statute.

I think that is true of most States in the Union.

Mr. SIMON. And the Senator thinks it will be true, as he suggests here.

This seems to suggest that the proposed article 27 of the Constitution would ultimately rest alone on the good faith of Members of Congress?

Mr. HATCH. Not entirely. Remember that the President and ultimately the people will require compliance with the Constitution. One of the virtues of this amendment is that it provides to the people readily understandable political information, in the form of just few votes, about just who are the Members of Congress who choose not to uphold the balanced budget norm. Thus political accountability is a powerful tool. One other point relevant to the Senator's question. The Founding Fathers of our Nation apparently thought that several hundred legislators are no more likely than five Justices or one President to either violate or evade their oaths of office because the framers made many provisions of the Constitution depend for their implementation solely upon Congress or another constitutional entity.

Mr. SIMON. Is the Senator suggesting that the judiciary will have no role in enforcing this amendment?

Mr. HATCH. Certainly the case or controversy requirements of article III, under the standing, political question, and justiciability doctrines, will preclude the judiciary from reviewing any budget determinations. The judiciary could, however, under article III become involved in reviewing compliance with the procedures of the amendment. For example, if Congress tried to waive the balanced budget amendment for 10 years with one three-fifths vote, this would violate the specific language that a waiver take place for each fiscal year. Thus a Congressman would have standing and the Court would have an available remedy to strike down the last 9 years of the waiver as unconstitutional. Most important, however, the courts could not allocate resources or otherwise involve itself in appropriating or making spending cuts because of the article III doctrines and because article I commits that task solely to Congress.

So other than isolated, very unique circumstances where a Member of Congress may have standing and other justiciability doctrines permit, article III is likely to bar judicial decisions concerning budgetary priorities.

Mr. SIMON. I would add, I do not think we can expect the courts to get involved because we will enact implementing legislation. In addition, there clearly will be a powerful moral force here with the Constitution.

Mr. HATCH. I agree with that.

Mr. SIMON. But is it not unusual to expect the courts to stay out of this matter?

Mr. HATCH. Not at all. After all, the limitations on judicial review are found in the "case or controversy" requirements of article III. Moreover, many provisions of the Constitution are beyond judicial review. The framers envisioned that Congressmen and the President would be bound to uphold the Constitution just as well as judges. Accordingly, some of the provisions of the Constitution going to the heart of the democratic process are not judicially enforceable. For example, article I, section 5, states that "each house shall be the judge of elec-

tions." Article VI, section 4, guarantees each State a "republican government." The courts have no role in enforcing those provisions.

Moreover, the courts have declined to review the validity of State ratifications of constitutional amendments and have denied standing to enforce whether a Member of Congress may hold an office of the United States—article I, section 6. In fact, the courts have no role in enforcing the requirement, directly relevent to this process, that a "regular statement and account of the receipts and expenditures of all public money shall be published." Ultimately the framers of the Constitution relied on the theory that the people's representatives will not violate their trust.

Mr. SIMON. Mr. President, I would add that this is an area where there may be some disagreement. The Senator from Utah and I had a little informal discussion before on this subject. I do not know precisely who would have standing if we get to the point of getting the courts involved. But I think the reality is we can avoid that. And if we pass this, and if we pass proper implementing legislation, which I am confident we would, then I do not think there would be a problem.

Mr. HATCH. I might mention, not only are there standing problems, and I believe I stated them pretty carefully, but there are also justiciability problems and political question problems. So it is very unlikely that the courts, except in isolated circumstances like the one instance I mentioned, would get involved in this matter.

Mr. SIMON. I concur with my colleague on that. I thank him for yielding.

Mr. HATCH. I understand the distinguished Senator from Nebraska has some questions he would like to ask.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I was listening to the discussion, as opposed to debate, I think, on the matter before us in my office and heard the discussion that I thought was very enlightening between my two colleagues who have just finished a colloquy.

I was in the middle of going over a suggested colloquy that had been submitted to our office by one of the drafters of this amendment. As I understood it, that colloquy was to at least partially take care of some corrections to the answers to some questions that this Senator raised on the floor yesterday. And while I was in the middle of approving or trying to approve the colloquy, I heard the colloquy taking place on the floor of the Senate without this Senator being involved.

Now, it is not particularly important except that I would like to make the record straight and very clear and have some understandings once again on the matter that is under discussion.

As I understand it, a colloquy pretty much along the general line of the written colloquy that this Senator was to be involved in has just taken place. I congratulate and thank the Senator from Utah and the Senator from Illinois for clarifying some of the impressions that may have been erroneous in answers to questions that this Senator raised in debate on the floor last night.

I would emphasize once again, Mr. President, that this Senator is in support of this constitutional amendment to balance the budget, as he has been in support of every type of similar amendment that has been offered since I have been here. But I would like to become involved in this now, since I brought up some of these matters yesterday, and maybe get an answer specifically to two or three questions that originally indicated that I would be involved in the colloquy that has just taken place.

My first question is: Is the amendment self-enforcing? And, if possible, I would like to have a yes or no answer from the proponents of the amendment that I am trying very hard, and intend, to support.

Mr. HATCH. I would be happy to respond to the Senator's question. I apologize for going ahead with the colloquy without the Senator being here.

Mr. EXON. I could not hear the Senator.

Mr. HATCH. I say, I apologize for going ahead without the Senator being here. I did not realize he was asked to be here, so please forgive us for that.

But the answer is that the amendment is intended to be self-executing in the sense that the judiciary will not have any implementation role, but instead Congress and the President will implement the amendment.

Mr. EXON. Is it intended to be self-executing?

Mr. HATCH. Yes. We do not comtemplate that the courts will be utilized in executing this amendment, with a few narrow exceptions like the one I cited. If, for instance, the Congress decides, say, to waive the balanced-budget provision by one three-fifths vote for the next 10 years, then I think any Member of Congress would have standing to sue to enforce the explicit provision of the amendment itself which says the votes have to occur in a year. There may be some isolated instance like that where standing may be imposed.

Mr. EXON. Well, the question then comes——

Mr. SIMON. If my colleague will yield on the last question.

Mr. EXON. Yes; I am glad to yield to my friend.

Mr. SIMON. It is not self-enforcing, as Gramm-Rudman is. We do not do something and there is going to be across-the-board cuts. So the amendment is not self-enforcing in that way.

Mr. EXON. I think the amendment is not self-enforcing from the usual understanding of that phrase; stating it another way, I suspect that if this becomes law, as I hope it will, that we are going to have to take some additional legislative action to make it enforced. Is that correct?

Mr. HATCH. Yes. As far as implementation, there is no question that Congress would have to pass implementing legislation to make it effective.

In that sense, it is not self-executing. We do have a form of implementing legislation in the form of Gramm-Rudman, not specifically passed to implement this amendment. It would be the obligation of Congress, after the amendment is passed by both Houses and ratified by three-quarters of the States to, of course, enact legislation that would cause this to come about. Gramm-Rudman might serve as a pattern for that legislation to implement Senate Joint Resolution 225.

I might mention that that is a very important point that the distinguished Senator from Nebraska has brought up. I would also like to say, for the record, that I know that Senator SIMON, Senator THURMOND, Senator DECONCINI and I, and others who have had to carry these matters through the Judiciary Committee, have always appreciated the support and the help and the intelligent support of the distinguished Senator from Nebraska. It means a lot to us to have him, as a former Governor of a very important State, stand up on the floor of the U.S. Senate and realize the efficacy of having a balanced budget constitutional amendment. I would feel remiss if I did not make that clear in this RECORD today. He supported us the last time, and we are grateful to have his support this time.

Mr. SIMON. And, if this Senator could add, I appreciate it particularly because he has a record of fiscal restraint and soundness and so his support of this constitutional amendment is particularly appreciated.

Mr. EXON. I thank both of my friends.

Now, the second question, because I think it is very important that we have not only the language of this matter but also what the intent, the legislative intent, is, in case, as I suspect, this is going to come before the courts in some form or another at some time in the future if it ever becomes law.

Question No. 2: Does the amendment expand the role of the President beyond his current powers?

Mr. HATCH. The answer to that is simply, no. It does not expand the role beyond the President's current powers.

I would suggest this amendment to Senate Joint Resolution 225 does not mention the President at all. This should not suggest in the slightest that the President will not be expected to comply with the amendment. The President will certainly be expected to help insure that the outlays shall not exceed receipts in any fiscal year.

It is clearly not the intent of the amendment, however, to establish any new authority of the President absent congressional action, or implementation, or to imply any reordering of the separation of powers balance between the branches of the National Government.

This amendment clearly does not invest in the President any new authority over the impoundment of the appropriated funds. Congress, however, may choose in its wisdom, if it wants to, to amend existing impoundment statutes consistent with the Constitution and establish greater authority in the President to carry out his section 1 obligations by impounding funds. But I doubt that is going to be the case. This is left to future Congresses. This Congress would not confer that authority in this constitutional amendment. We choose not to require that in this particular amendment.

In the absence of such legislation, it is still expected that the President will exercise his budget proposing authority, his veto authority, and any other authority presently available to him to carry out the mandate of the section 1 provision.

The same of course is expected of Congress. The President is invested with no new substantive authorities—impoundment, line-item vetoes, and so forth—but is obligated to exercise his excising authority in light of new constitutional directions.

He is charged by this amendment with exercising the veto authority, his proposal authority, his executive or administrative authority generally in behalf of the new obligations set forth in this amendment. In other words, he is given new standards by which to exercise his present authority, but is given no new substantive authority.

I hope that makes it clear to my distinguished colleague and friend, and I share his concern about the matter.

Mr. SIMON. If I can add, I concur completely with my colleague from Utah. I would add it neither expands the role of the President nor restricts the role of the President.

Mr. HATCH. That is right.

Mr. SIMON. Neither one.

Mr. HATCH. His present authority will continue. He has new responsibilities because of the amendment.

Mr. SIMON. That is correct.

Mr. EXON. I thank my friends.

So I guess the answer to question No. 2: Does the amendment expand the role of the President beyond his current power is no. But the statement that has just been given by my colleague from Utah with regard to the President has joint responsibilities with the Congress in this is the heart and soul of the amendment that I have tried to offer in the past almost successfully I believe 2 years ago, and therefore it is incorporated by intent at least, and so established in debate here today that we expect the President to be involved in the process.

Mr. HATCH. If I can say one other thing, one reason we are making sure of that is because of the leadership of the Senator from Nebraska. We appreciate his leadership in this area. I hope we have made it abundantly and finally clear.

Mr. EXON. Question No. 3: Will the courts gain new authority over the budget issue and priorities if this amendment becomes a part of the Constitution?

Mr. HATCH. The answer is a definite no. The court will not need new authority.

HOW IS AMENDMENT TO BE ENFORCED? IS THE JUDICIARY TO BE THE ENFORCING AGENT?

Mr. HATCH. I share the concern about judicial activism in the courts of this land. I think the courts have increasingly abused their proper authority. On the other hand, what we do not want to do is interfere with the truly legitimate functions of the courts in our system of government. I believe that Senate Joint Resolution 225 has established the correct balance in refusing to establish constitutional sanctions for the Federal courts to involve themselves in fundamental macroeconomic questions, while not undermining their equally fundamental obligation to say what the law is." *Marbury* v. *Madison*, 1 cranch 137, 177 (1803).

While there are a number of Members in this body whose confidence in the idea of judicial self-restraint has been badly undermined through the years, nevertheless it is the view of the Judiciary Committee that traditional judicial and constitutional conceptions of justiciability, and standing, as well as the idea of what constitutes a political question best reserved to nonjudicial branches of the Government, suffice to insure that the courts will not involve themselves, as a normal matter, in reviewing the operations of the budget process. This, certainly, is the clear intent and expectation of the authors of Senate Joint Resolution 225.

I might say in summary that, while the authors have chosen consciously not to prohibit judicial review altogether of cases and controversies arising in the context of the proposed amendment in the belief that the most serious and unambiguous violations of its provisions ought to be subject to external check. First, Congress and the President each are expected to establish appropriate provisions for complying with the amendment. Second, Congress and the President each are expected to monitor the actions of the other branch and to the extent of their existing authority enforce the provisions of the amendment against that branch.

Finally, the public is expected to be, and I think will be, in a superior position to monitor the actions of both of these branches of Government, and where they fall short of complying adequately with the provisions of the amendment by enforcing it through the electoral process. Only as a final resort and only under the most compelling circumstances as, for example, when the practices of either the Congress or the Executive undermines the ability of the amendment to be self-enforcing is there anticipated to be a significant or effective role for the judicial branch. It is a highly limited, but I believe, a desirable role.

I believe the Senator has again raised an important constitutional question. We have tried to answer it in the committee report as best as we can. We have tried to establish an extremely difficult balance in this area. I think the Senator's concerns are serious and thoughtful ones.

Article III limits Federal courts to the adjudication of cases or controversies. The case or controversy requirement has several aspects which preclude judicial involvement in budget decisions. In the first place, we should consider justiciability. This constitutional requirement poses the questions, Is this dispute appropriate for judicial resolution? and, Is there a remedy that a judge can order? and, Is this committed to other branches of Government? Since article 1, sections 8 and 9, state that appropriations and borrowing are the exclusive province of the legislative and executive branches, the Federal courts have no apparent judicial remedy for a process committed to other branches. The court cannot appropriate, neither can it order Congress to do so because of the breadth of the speech and debate clause of article 1, section 6.

Another article III doctrine involves political question. This constitutional requirement poses the questions, Is there a judicially discoverable and manageable standard for resolution of this dispute? and, Has this dispute been committed by the Constitution to another branch? and, Is there a prospect of embarrassment and irresolvable conflict arising from differing answers by different branches to the same question? and, Can the court resolve the dispute without expressing a

lack of respect for coordinate branches of Government? The constitutional commitment of spending decisions to Congress, the absence of any standard to govern judicial budget decisions, and the potential for irresolvable clashes with equal branches of government make judicial enforcement of budget allocations a clear political question.

Finally we have the barrier of standing. This constitutional requirement poses the question, Does this party have personal stake in the outcome beyond the generalized grievance common to other members of the public? Any alleged breach of the amendment could only be for violation of some budget aggregate, not from wrongful appropriation for some specific purpose. Thus, no taxpayer or Congressman is likely to show that a particular program or single appropriation caused the aggregate deficit. Moreover, his interest in the aggregates would be no different from any other citizen. Standing is extremely unlikely for the purpose of allocating spending.

The judiciary would have a role, unlikely to be impeded by the case or controversy doctrine, in enforcing the procedures of Senate Joint Resolution 225. If, for example, Congress tried to vote by three-fifths to waive the balanced budget for the next 10 years, a Congressman would have standing to complain that he is being denied the opportunity to do his constitutional duty of voting for each fiscal year on a waiver. Moreover, there would be a justiciable remedy not involving allocation of funds—the Court could simply strike down the last 9 years of the 10-year waiver as unconstitutional. Similarly, the Court could decide the validity of the claim by some future President that this amendment granted him line-item veto authority.

Mr. EXON. I concur completely with my friend from Utah, and my friend from Illinois. I assume the Senator agrees with that.

Mr. SIMON. I do. I think the earlier outline of the Senator from Utah with some rare exceptions indicates there could be some involvement but those exceptions will be rare indeed.

Mr. EXON. I thank the Senator very much for the direct and forward answer to my questions. That clears it up as far as this Senator is concerned. I hope it might clear it up for the record sometime in the future when as I suspect it will come up in future discussions.

Mr. HATCH. I thank the Senator. He has done the United States and this amendment a great service in raising these questions, and allowing us to set the record straight because I think this record will govern the implementation of this amendment once it is ratified by the States, assuming it is passed by the Congress this year.

With that, if the distinguished Senator from Illinois has nothing more to say, I will suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GORTON). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMON. Mr. President, this morning's Washington Post has a column by Roy Ash, who served this Nation with great distinction as Director of the Office of Management and Budget in past administrations. Mr. Ash is questioning the wisdom of going ahead with the balanced budget amendment. He basically has two points.

One is what do we do at the end of the fiscal year if we suddenly find ourselves with a $20 billion deficit.

I think that has been answered by my colleague from Utah, Senator HATCH, and answered very effectively.

The other point he raises is that our defense capability has the most to lose under the proposed amendment.

I would argue precisely the opposite. First of all, if there is if it a real emergency, there has never been a difficulty in passing things through Congress. On the Gulf of Tonkin resolution, there was a question of its wisdom in retrospect, but it passed 88 to 2. There has never been a problem of passing legislation if it is a real emergency.

Second, defense is going to lose as much as anything, including Boeing in the State of Washington, Mr. President, will lose as much as anything, if we have a weakened economy.

Defense, along with education, health care, and everything else loses when our economy is weakened.

I would point out, finally, that the purpose of defense is not only to resist an aggressor who may attack us suddenly. The purpose of defense is also to deter an aggressor from moving quietly, in the case of a possible aggression by the Soviet Union, moving quietly into other countries, in underdeveloped lands. The best way we deter that kind of aggression is by maintaining a sound economy; by discouraging people from moving in the direction of Marxism because of the difficulties they face.

The appeal of Marxism has never been what it stands for but what it is opposed to. Desperate, hungry people sometimes move in that direction.

If we maintain a sound economy, we are going to provide an example that will help the United States politically. A sound economy will help our defense capability and will, in those quite ways that are so extremely important, deter and discourage any possible aggressor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER (Mr. EAST). Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

Mr. President, in listening to the discussion of the proposed constitutional amendment to balance the Federal budget, it has occurred to me that it is not a matter of our not having been warned about the profligacy and the irresponsibility of Congress and others over the past generation. For example, in 1802 Thomas Jefferson wrote:

> If we can prevent the government from wasting the labors of the people, under the pretense of taking care of them, they must become happy.

Then, in 1816, about 14 years later, Mr. Jefferson wrote:

> I place economy among the first and most important of republican virtues, and public debt as the greatest of the dangers to be feared.

Then, a couple of years after that, Mr. Jefferson wrote:

> To preserve our independence, we must not let our rulers load us with perpetual debt. We must make our election between economy and liberty, or profusion and servitude.

So, very plainly, Mr. President, Thomas Jefferson tried to warn us. What has happened in the past generation? We have chosen, as Mr. Jefferson put it, "profusion and servitude."

According to the estimates of the Office of Management and Budget, our gross Federal debt at the end of this fiscal year will be $2,112,000,000,000. I read an estimate just the other day by a distinguished economist who said that if the Federal Government did its bookeeping just as businesses are required to do theirs, the Federal debt total would be in excess of $3.5 trillion. But let us use the $2.112 trillion estimated debt at the end of this fiscal year. This amounts to more than half on the projected U.S. gross national product.

The interest alone on the national debt for this year is estimated to be over $142 billion—meaning, of course, that the taxpayers will shell out more in interest payments this year, by far, than it cost to operate the entire Federal Government about 20 year ago.

As a matter of fact, some of us may remember when President Lyndon Johnson became distressed when he learned that he was to be the sitting President when the first Federal

budget that exceeded $100 billion was to be proposed.

Mr. President, there would be no economic crisis today if we were not obliged to include in the budget the $142 billion that will have to be paid in interest on the Federal debt. The Federal Government would not be skimming $142 billion off the top of the taxpayers' money. Obviously, that money would be left in the private sector: Homebuilding could proceed and expand. Citizens could buy homes and cars and other consumer goods they need. Businesses could afford to expand. Jobs would be created. Unemployment would be minimal.

Mr. President, I recall very well, prior to my seeking election to the Senate in 1972, wondering if the picture, even of that day, did not constitute a national disgrace in terms of the proliferation of the Federal Government, its powers, and its spending. But if I had that feeling then, 14 years ago or more, how much greater is the feeling today! It is indeed a national disgrace, a symbol of profligacy and even cowardice, a matter of political ambition run amuck, and the timidity of Congress and—let us put it like it is—the recklessness of Congress, the inclination to play politics with the public purse. All this has brought us to where we are today, to a Federal debt of more than $2 trillion.

When I look at those figures, which boggle the mind, I wonder what Thomas Jefferson would say could he walk on this floor today, having given us fair warning. I suspect he would say, "I told you so;" and I suspect that he would be telling us in the Senate and in the House of Representatives, "You are making the American people pay the price for your profligacy, for your recklessness."

In any case, after looking at the figures I have just recited, I find it difficult to understand how anyone in this Chamber can stand up and object to a constitutional limitation on Federal spending. How in the world can they say that we do not need a constitutional amendment? Certainly we need it, because Congress has demonstrated over and over again that it will not voluntarily discipline itself.

I listen to the hue and cry about the so-called Gramm-Rudman-Hollings legislation, and I find myself in wonder, not only at the misrepresentations, but also at the objections to Congress even making a gesture to discipline itself. That is all Gramm-Rudman-Hollings is—a gesture, an effort, to discipline ourselves at long last.

I had a conversation with a distinguished constituent the other day on the telephone. He said: "Jesse, there is a strong belief among the people with whom I associate that the folks in Congress feel that the Federal Government is entitled to all the money that the taxpayer earns, while you fellows sit up there and decide how much you're going to let the taxpayers keep out of their earnings."

There is something to what he said. But I must exclude myself from that characterization, because I have voted against so many excessive spending proposals in this Chamber that my liberal editor friends in North Carolina—who never saw a spending bill they didn't like—have sarcastically called me "Senator No."

I recall that in my 1978 campaign, some of my advisers were saying, "We have to tone down this image of your voting against all these Federal programs."

I said: "I don't want to tone it down, because I believe the people of North Carolina sent me to Washington to vote no when excessive spending proposals are presented to the Senate."

I recall that on one occasion I was to address a group of people in Raleigh, NC. I had just come from one of these meetings, where I was advised to soften my image as a Senator who voted "no" so frequently on these spending bills.

As I was walking to the podium, I wondered how I should begin. I looked out on the audience and hestitated. Then I said, "I am Senator No, and I am glad to be here."

To my great satisfaction, the audience was on its feet and waving napkins and cheering.

That was the end of the "Senator No" business. I have not heard that epithet since.

So it is not unpopular politically or otherwise to have concern for the taxpayers of this country, let alone the solvency of America.

I am always fascinated to hear political outcries against what are called "the Reagan deficits."

These outcries almost always come from politicians, editors, columnists, and television commentators, who down through the years have advocated more and more Federal spending.

Not only do they have the cart before the horse, they have the Constitution all mixed up, because the last time I checked no President, Ronald Reagan included, is empowered to spend a dime that is not first appropriated by the Congress of the United States.

And the last time I checked, Mr. President, spending measures must originate in the House of Representatives, and I do not want to be unkind to the distinguished Speaker of the House of Representatives, but all that being so, perhaps we should hereafter refer to the deficit as the "Tip O'Neill deficit". But I really do not want to do that. Mr. President, I do not care which party straightens out this country just so one of them does.

I think it is high time that we laid aside politics, faced the reality of the situation, and moved to discipline ourselves and thereby ensure some hope for the young people of this country who are coming along and who are entitled to have the heritage of freedom that we in this body inherited.

But the fact remains, Mr. President, that when the Federal Government imposes taxes equal to the amount of expenditures, the citizens know to what degree they are being burdened to pay for Federal spending. Congress is supposed to be required to justify expenditures, which are popular or necessary, with equal taxes, which are never popular. But that has not been the case for a generation or more. We now stand in confrontation with the reality that when the Government spends more than it receives in taxes, Congress is hiding from the American people the true cost of what it is that we are doing here.

So it has been a game of political charades. Everyone in this body has been aware of what has been going on. This busiess of buying special interest groups with Federal money is the old shell game of something for nothing. It has all of the straightforwardness of a con game. It is a classic free lunch, with everyone knowing that there is no such thing.

As the debate proceeds on this proposal for a constitutional amendment to require a balanced Federal budget, I, for one, believe we should examine the voting records of Senators. Let us find out who has been where and who has been doing what down through the years. Let us find out what has been the voting practice of those Senators who today are so adamant in their opposition to a balanced Federal budget constitutional amendment.

But let us examine all Senators and their voting records, and let us have it spread on the record how Senators have voted down through the years on the appropriation bills that have exceeded the Federal budget—or, to put it bluntly, who are the budget-busting Senators?

The point is this, Mr. President: There is not a single Member of the Senate who would go out and throw away his or her own money. Senators have a right to do that, but they don't do it. They vote to throw away someone else's money, to wit, the taxpayers' money.

I recall the story of Davy Crockett. When Davy was a Member of the House of Representatives, there was a legislative proposal, as I recall it, to give a sum of the taxpayers' money to the widow of a distinguished naval officer who had died. The widow had already received her late husband's pension. There was a rush to pass the proposal and to give the lady additional money.

I cannot quote Davy Crockett precisely. I read the story a long time ago.

But in effect, Davy got up and said, "I respect the late admiral as much as anybody in this Chamber I regret his death as much as anybody in this Chamber. But, gentlemen, it is not our money to give."

Then he made a proposition to his fellow Members of the House of Representatives. He said, "I am the poorest Member of this body but I will make this bargain with my colleagues. If you will give a month's pay to the widow of this distinguished naval officer, I will give a month's pay. And we have a right to do that. What we don't have a right to do is to give away somebody else's money."

He had no takers. Everyone was sorry for the lady until it came to the spending of his own money.

There is not a Member of the Senate who, as a successful man or woman, would throw away the profits or assets of his or her business. A successful business person knows that he or she has a legal obligation to the stockholders and employees of the business and they also know that if they do waste the assets and profit of the business, that business will not survive very long.

How is it, then, Mr. President, that when these same individuals come together to sit in the Senate or in the House of Representatives they abandon the very concept and practices that were perfectly natural and instinctive before they entered the legislative arena?

Let me give you an example; a small example, but an example nonetheless.

During the past several weeks, this Senate debated at great length the question of whether to test TV coverage of Senate activities. Not once in the debate—not once, Mr. President—did I hear one of the proponents of this bill express the slightest concern as to where the $3.5 million will come from to pay for TV in the Senate. Not once did I hear one of the proponents of the bill question whether this money could be better spent. Why? I do not know, maybe it is because $3.5 million is a trival amount these days in terms of a trillion dollar Federal budget. Maybe $3.5 million is so trivial that we do not even bother to think about it anymore.

Now, I have no heartburn one way or the other about TV in the Senate. I did object to the use of that legislative umbrella to try to ram down the throats of the minority rule changes in the Senate that I considered to be not only unwise, but dangerous, in terms of the meaning and purpose of the U.S. Senate.

But, in any event, Mr. President, we managed without TV in the Senate for almost 200 years, and I would have thought that somewhere along the line one of the proponents of TV in the Senate would have said, "Well, we are talking about $3.5 million that we do not have to spend right now."

I thought that the passage of Gramm-Rudman-Hollings was a sign that the Senate had finally recognized its obligation to the American taxpayer to reduce the level of Federal spending. And I hope that that is indeed the case; as a matter of fact, I pray that that will prove to be the case.

But what do we hear? Scarcely a day passes that we do not have great debates in this Senate from Senators who want to exempt various spending proposals from the effects of Gramm-Rudman-Hollings.

Mr. President, I still hope that we can make responsible and difficult decisions prescribed by the Balanced Budget and Emergency Deficit Reduction Act to reduce the deficit to zero by 1991. I think we ought to do it more quickly than that. But surely there is enough intestinal fortitude and good sense in this body to do it by 1991. We have a perfect opportunity with the proposal now before this Senate to create the political environment for the future in which a zero deficit can be achieved and maintained.

Mr. President, I shall conclude in a moment, and I appreciate the Chair's indulging me with this recitation of thoughts that have occurred to me throughout the weeks preceding this day. I am obliged to recall for the record a statement that Ronald Reagan made in 1980. He said:

> Excessive Federal spending and deficits have become so engrained in Government today that a constitutional amendment is necessary to limit this spending.

And I suggest, Mr. President, that Ronald Reagan was right then—and he is right this day in insisting that there be a constitutional amendment to require a balanced Federal budget, because the size of the current deficit proves beyond any doubt that Mr. Reagan was correct in 1980.

Some of our colleagues will argue that a constitutional amendment is not the correct approach to balancing the budget. Mr. President, again let me say, with all respect to any of my colleagues who make that claim: That is a cop-out. These voices will say, "All that is needed is for Congress to exercise the political courage to vote against unnecessary spending."

Oh, yes, that is correct. But we have not had that courage. We have not had that sense of responsibility. And the arithmetic is evident for all to see that this Congress has been derelict. And I hope I will never hear again a description of the Federal deficit as being a Reagan deficit. Look at the cost of paying the interest on the Federal debt. I recited the figures earlier.

Most of the deficit—most of the deficit, Mr. President—can be charged to the profligacy, the irresponsibility, the apathy of years gone by when there was no hesitation about spending vastly more than the Federal Government took in in revenue.

Mr. President, I certainly do not suggest that the ratification of this constitutional amendment requiring a balanced budget will solve all of the economic problems facing our Nation, but it will surely do one thing. It will bring a degree of honesty and discipline that is long overdue around this place. This discipline is imperative. And the other side of the coin is clear: The cost of not balancing the Federal budget is just too high.

Maybe what I am saying is, we are now at put-up or shut-up time. We can manufacture all grades of excuses for what we do or fail to do, but I do not believe we will fool the American people if we renege on this opportunity. If we are unwilling at this crucial time to accept a discipline that admittedly will be difficult—some will even say it is impossible—then we are saying that there is no remedy. And that simply is not true.

Mr. President, I hope that the Senate will move rapidly to approve this proposed constitutional amendment to balance the Federal budget. Remembering, as we do, that Jefferson warned us in the first place of the consequences of not being prudent, of not being responsible.

I shall conclude, as I began, by quoting Thomas Jefferson in 1802 when he said "If we can prevent the Government from wasting the labors of the people under the pretense of taking care of them, they must become happy." And he also said, "I place the economy as being the first and most important of republican virtues, and public debt as the greatest of the dangers to be feared."

With the testimony of Thomas Jefferson, Mr. President, I rest my case.

I thank the Chair and I yield the floor.

Mr. MATHIAS addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. MATHIAS. Mr. President, today the Senate considers the most recent effort to achieve through legislative fiat what we have failed to achieve through the constitutional process of representative government, which is a balanced Federal budget. This latest cure of our deficit ills would amend the Constitution of the United States to make deficit spending unconstitutional, except in times of war, or when a supermajority of the Congress voted in favor of it.

Mr. President, let me make clear that I am for efficiency and economy in Government. I am for prudence, even for frugality in Government, and, if necessary, Mr. President, for austerity in Government. But I think we have to take some philosophical note of the fact that today we are being

asked to do something a little different than being efficient, economic, prudent, frugal, or austere. We are being asked to take the first step in the path of enshrining in the Constitution a significant economic hypothesis. And that hypothesis is the desirability of a Federal budget that is precisely in balance.

God forbid. It could be in surplus. That is historically not impossible. This country has sometimes had a budget surplus, unhappily not in our generation. But it has occurred.

As far as I can tell, economists are far from unanimous about the accuracy of this particular hypothesis—especially, if it is applied at all times and under all conditions. But it does seem to raise the question whether or not an economic theory—however much it has been touted and revered—belongs in the fundamental charter of rights and liberties of the United States of America. I think the confusion that could be engendered by enshrining a particular economic theory in the Constitution is very amply demonstrated by the deliberations which we enjoyed in the Committee on the Judiciary. The committee, after a lot of discussion and thoughtful, eloquent debate came up with the rather remarkable result that we approved two—not one, but two—amendments to the Constitution of the United States. Well, this is rather extraordinary. I cannot recall, Mr. President, in the quarter century that I have served in Congress that we have gotten to the situation where we could not make up our minds on what to do about a subject so we just pass out two bills, report two bills.

It is like the old story that I remember Governor Tuck, of Virginia, used to tell in the other body. Governor Tuck represented a congressional district down near South Boston, VA, which is sheep country. He used to say that when they introduced a bill in the general assembly in Richmond about dogs killing sheep, that some of his friends were for it and some of his friends were against it, and he was going to stick firmly with his friends.

That is what the Judiciary Committee has done on the subject of this balanced budget amendment. We are sticking firmly with our friends, and we have several different ideas of what it ought to be so we passed out both of them with the imprimatur of approval of the Committee on the Judiciary. Despite the long hours of hearings, and the members of the committee worked very hard on this, despite the tireless work of the chairman of the committee, the Senator from South Carolina [Mr. THURMOND], and of the chairman of the Subcommittee on the Constitution, the Senator from Utah [Mr. HATCH], the committee was unable to agree on a single formulation for the amendment.

Now, lo and behold, here on the floor of the Senate we have a third version which is a hybrid, which has sprung forth.

I think that an objective observer would feel that the committee's inability to propound a single text for the proposed amendment would be a signal, a warning, that the particular wording of a balanced budget amendment may be out of date before it ever goes into effect. This is especially true since the ratification process is very lengthy, and usually takes several years to accomplish.

I find it very difficult to conceive of any formulation, or any combination of words that will achieve the goal of mandating a balanced budget. At best, any of these proposed amendments will raise false expectations. At worst, they could lead to concerted efforts to circumvent the provisions. And, of course, the latter result would have an effect beyond the mere question of a balanced budget because it would go to respect for constitutional provisions and enforcement of the organic law.

It is a curious thing that many of those who are supporting this constitutional amendment are among those who are against judicial activism, those who are against the intervention of Federal judges into the political and social life of this country, those who question the President's nominees for the Federal bench say, "Are you a judicial activist? If you are, we may not want to confirm you." Yet, this balanced budget amendment is an invitation to judicial activism.

For myself, I think the Federal judges have done very important and useful things in this country.

But for those who do not agree with that judgment, I would suggest that they think twice about supporting a balanced-budget amendment to the Constitution.

One of the Senators who has spoken on the subject this week, a very energetic evangelist of the balanced-budget gospel, was very candid in describing what he felt was a major problem, and he asked, "How in the world are we going to enforce it?"

Well, none of the three balanced-budget amendments to the Constitution that I assume are now pending—you can take your choice—includes a specific enforcement mechanism.

The Judiciary Committee rejected an amendment which would have granted explicit standing for citizen suits to enforce both the balanced budget and the tax limitation sections of the resolutions reported by the committee. The majority report of the committee indicates that judicial involvement would be rare.

I think, if we ever heard of it, that that is wishful thinking. That is the people who object to judicial activism saying that, "Well, judicial involvement will be rare because citizens will lack standing to bring suit on violations."

But if people cannot go to court to enforce the amendment, then it has to be self-enforcing or we have to admit that it is not enforceable. Therefore, it may or may not achieve the goal of a balanced budget. Failure could erode respect for other provisions of the Constitution.

Passage of an amendment that may not be enforceable is an exercise in public relations, not in constitutional law. If the Judiciary Committee was correct that citizens do not have the right to come to court, I think we have to question whether we are providing an adequate redress for grievances as contemplated by the Constitution.

But if the Judiciary Committee is incorrect, if the committee was wrong and citizens do have standing to sue to enforce the amendment, then I would submit to those who do not like judicial activism that Federal judges could become intimately involved in every facet of spending; intimately involved in every tax decision.

The Judiciary could be called on to determine the constitutionality of virtually every spending bill passed by the Congress and signed by the President. How is that for judicial activism?

Every Member of the Senate, I am sure, acts in obedience to his oath to support and defend the Constitution. If no other enforcement is possible, only the Congress, itself, through its own rules and decisions, can police adherence to the Constitution. But, with respect to deficit reduction, the goal of a balanced budget constitutional amendment, we have already bound ourselves by statute, which we are equally sworn to obey.

We did it 3 months ago, when we adopted the Gramm-Rudman-Hollings amendment to the debt-ceiling legislation. Somewhat paradoxically, we boosted the national debt to $2 trillion and then said we were going to reduce the deficit. That is a little like bringing two forms of a budget-balancing amendment to the Senate floor. We can go both ways at once.

The Gramm-Rudman-Hollings amendment includes a series of statutory and rule changes that require more than a simple majority to approve budgets that do not meet the deficit target levels. As we all know, under Gramm-Rudman-Hollings these deficit target levels decrease until 1991 when theoretically a balanced budget will be achieved.

The proposed constitutional amendment would probably be enforced against Congress in essentially the same way that Gramm-Rudman-Hollings is enforced. The question has to occur as the whether or not we should allow time to see how well the statutory mechanism works before taking the dramatic step of amending the Consti-

tution to achieve the same goal in the same way.

I would also suggest that before prescribing any additional balanced budget medication, we might evaluate the effects on the economy and on the interests of the United States, both at home and abroad, of the Gramm-Rudman-Hollings cure. Our experience over the next 4 years will probably teach us a lot about the benefits and shortcomings of the drive for a precisely balanced budget.

But if we now adopt and send to the States a constitutional amendment on the subject, then that wisdom will come too late because the long road back from the constitutional-amending process is just as long as the road through the process. It is just as time-consuming and lengthy to repeal a constitutional amendment as it is to adopt it.

Why is the Senate being asked at this moment to embark on a path that seems, at least to me, to have so many pitfalls?

In my view, the support for a constitutional amendment on a balanced budget is based on a false premise. The premise that the Constitution, itself, is somehow flawed, and that but for this error in the original drafting of the document our fiscal house might be in order. We might not owe to the world $2 trillion.

I have trouble with this assumption. The Constitution, without any further amendment, grants ample power to the Congress and to the President to adopt a balanced budget now, today. We have lived under the Constitution for almost 200 years. The deficit dilemma is of much more recent vintage. As I said earlier, we have gone through periods in which we have had a budget surplus. We have had modest deficits. But a national debt of over $2 trillion is a very recent phenomenon.

The deficit problem is not the fault of any inadequacies of the Constitution. It is the fault of Presidents of the United States, Presidents of both parties, who have proposed spending measures in excess of Federal revenues without proposing adequate taxes to finance those spendings priorities.

It is the fault of the Congress, the Congress in different periods with majorities from both parties, which, although it has consistently reduced the spending demands of all recent Presidents—and I would repeat that, the Congress has consistently reduced the spending demands of all recent Presidents; we have not voted as much as Presidents have wanted us to appropriate—but in spite of that, we have just as consistently been unwilling to deny any President his wish to increase spending without increasing taxes.

We ought to remember before we proceed to graft one of these amendments, or a hybridization of these amendments, on to the Constitution, that any President, any year, even this year, can submit a balanced budget. We do not need a change in the Constitution to have that happen.

In fact, there is no constitutional amendment that can substitute for Executive responsibility, and no constitutional amendment that can substitute for congressional responsibility. We cannot assert that with a constitutional amendment, we can balance the budget unless we are prepared to concede that without one, we cannot do it. I am not prepared to make that concession.

I must confess that it is unthinkable to me that the 75 Members of the Senate who voted for Gramm-Rudman-Hollings are now ready, 3 months later, to throw in the towel. They are ready to throw in the towel before the fight has even begun. For these reasons, Mr. President, I shall oppose the constitutional amendments, all three of them; individually and collectively, I shall oppose them. I think they are untimely, I think they are unnecessary, and I think they are unwise.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I want first to commend my colleague from Maryland even as I take just a few minutes to disagree with him. He has, by all odds, been one of the finest Members of this body or the other body in my not quite 11½ years of observing him. He has made tremendous contributions and I am honored to serve with him.

Mr. MATHIAS. Mr. President, if the Senator from Illinois will yield——

Mr. SIMON. I shall be pleased to yield.

Mr. MATHIAS. Regardless of what errors of judgment he may hereafter correct, I am grateful for his kind and generous words.

Mr. SIMON. I thank the Senator.

If I may take just a few minutes to counter what the Senator from Maryland has said. He talked about the sanctity of the Constitution. I agree with him on the sanctity of the Constitution. But there has been an unwritten part of the Constitution and if I may have his attention on just this one item, the Senator from Maryland——

Mr. MATHIAS. The Senator has my undivided and total attention.

Mr. SIMON. There is one item that I think concerns him more than any other. That is the sanctity of the Constitution. I point out two things here. One is an unwritten part of the Constitution and the unwritten amendment—the phrase goes back to John Adams—is that we are going to balance the budget. It was just taken for granted.

The first time in our history that we had any significant debt was in 1917, since the beginning of this country. In 1917, we accumulated a total indebtedness of $3 billion. So that unwritten amendment, in a sense, has been part of the Constitution, except that all of a sudden, that unwritten amendment we started to violate.

The second point I think is an extremely important point. Thirty-two States have called for a constitutional convention. I know the Senator from Maryland joins me in believing it would be very unwise to have a constitutional convention. Some of those who favor this believe they are going to get four additional States to have that call this year. If two additional States provide that call, we shall have a constitutional convention that could come up with a budget amendment that will not be as carefully crafted as this one. Or the convention could come up with who knows what in the way of amendments—abortion, getting rid of part of the Bill of Rights—who knows what? Having a carefully crafted amendment—and I think this is—really would be helpful. I think this amendment is in the spirit of the thinking of the Senator from Maryland, if I may say so.

Mr. MATHIAS. The Senator from Illinois, of course, does pose a very real problem. He talks about the sanctity of the Constitution. I agree with that and I have pointed out that we got along for nearly 200 years without serious deficits. I am not sure it was an unwritten amendment to the Contitution or unwritten provision of the Constitution more than it was the simple common sense of our predecessors. But to do one unwise thing to avoid another is a heavy price to pay. I admit that there are times in human experience that we are tempted to do that. It is a little like the fellow who hit his thumb with a hammer because he wanted to forget his toothache. I am not sure that that is the most desirable way to handle one deficit problem.

I regret—more than regret, I fear—the size of the deficit. I agree that something serious has to be done with it. But I think the serious things that have to be done do not involve lengthening the Constitution. They involve a little more spending restraint—here, on the floor, and enacting a tax bill to raise some revenue—here, on the Senate floor.

If we spent one-tenth the time dealing with the arithmetic that we are spending on constitutional language, we would be way down the road to solving the problem. The arithmetic is that we need to have some more revenue and we need to cut out some of the spending. And I am prepared to do both.

Mr. SIMON. Let me add that I could not concur more with the Senator on those two points. I am ready to do both also.

Let me take just a few minutes to respond to a few other points; then I shall yield to my friend from the State of Washington [Mr. GORTON].

The question of judicial involvement was brought up again. There is some disagreement among members of the Committee on the Judiciary as to who might have standing to sue. But I think there is general agreement among those of us who favor this resolution that it would be a rarity for the courts to get involved.

Members do not purposely violate the Constitution of the United States. We do hold the Constitution sacred. Further if this resolution passes, Congress will set up a mechanism to implement.

My colleague from Maryland says that if Gramm-Rudman-Hollings works, the constitutional amendment is not going to be needed. No. 1, if it works than it can do no harm. It is there and it is a safety for the future.

No. 2, unfortunately, as the Senator from North Carolina who is presiding right now—my friend, Senator EAST—and Senator GORTON and others here know, the same simple majority that passed Gramm-Rudman-Hollings can repeal Gramm-Rudman-Hollings. I voted for Gramm-Rudman-Hollings. I think we need serious medicine. But it is too easy to get rid of.

The Senator from Maryland says why, at this moment, do it? It is very interesting that the first person to lead in Congresss, in the Senate, on the whole question of a balanced budget was a predecessor from the State of Maryland, Senator Millard Tydings, back in 1954.

The Senator from Maryland says we owe to the world $2 trillion. He is correct. We owe the world. That is one of the problems. That is one of the reasons we have to do something. Sixty percent of the deficit that we will create this year is going to be purchased by people outside of this country.

As I said earlier, he said we have the power to balance the budget now. We do. We do not have the willpower to do it. That is why we need the restraint of the Constitution. I have great respect for our colleague from Maryland, as I do for others who oppose this measure. But I think, on balance, we have to face the reality. We have a group of very talented men and women in this body and in the other body across the Capitol. But we have held our finger to the wind and the public has said, "Spend more and cut taxes." Congress has done both and we have done it at the peril of the future. We cannot continually spend one-fifth or one-fourth more than we take in, year after year, without jeopardizing our whole economy.

That is where we are. I think we are in a more serious economic situation than many of my colleagues realize and I think this constitutional amendment can be a step in the right direction.

Mr. President, I yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, at this stage of the debate over Senate Joint Resolution 225, I can state my position simply and I hope rather briefly.

As was the case in 1982 when we dealt with this subject in a slightly different form, I feel the proposal to represent extremely bad policy and a threat to the nature of the Constitution of the United States, which has not historically included precise restrictions of this sort on the way in which the Congress of the United States and the President set substantive public policy.

In one major respect, however, Mr. President, it seems to me that the argument against a constitutional amendment on this subject is far stronger in 1986 than it was in 1982. In 1982, we dealt with abstractions. We had not dealt precisely with the process for getting to a balanced budget, or to the extent that we did in 1985, even with its urgency.

It would seem to me that the debate which consumed the majority of the time and the effort and the attention of Members of both Houses of Congress between September and December of 1985 should illustrate graphically the lack of wisdom of this proposal. During that period of time we debated at length and ultimately passed what is now known as the Gramm-Rudman-Hollings balanced budget amendments of 1985. Of course, the sponsors of that proposal had a goal identical to that of the sponsors of this constitutional amendment. It was in their view, as it is that of the sponsors of this amendment, that budget deficits are gravely injurious to the economic and fiscal health of the United States of America, and that that burden on our economy should be removed.

The success of Gramm-Rudman-Hollings in the political sense of having had it pass the Congress of the United States and having been signed into law by the President of the United States, it seems to me, has been graphically and affirmatively illustrated by increasing signs of strength in our economy since the passage of the bill. That bill, after all, in its original form was only a promise. We have seen strengthening in the economy in a number of areas—in a lower rate of unemployment, in continuing low inflation, but most particularly in a dramatic drop in interest rates. So the goal of reaching a balanced budget is one which is shared by almost every Member, if not every Member, of this body.

On the other hand, that debate was lengthy, and the length and seriousness of that debate, the questions which were raised by particular kinds of Federal programs, hundreds of which are not normal or standard brand spending programs, or for that matter taxing programs, which involve appropriations or specific tax bills year after year, have led us to be very cautious about dealing simplistically with an extremely complex Federal Government organization. We eventually decided in our wisdom that we would exempt certain programs from the strictures of Gramm-Rudman-Hollings. In some cases at least we have decided to determine that receipts and expenditures are not in fact receipts and expenditures by putting them off budget and by making the statement that until at least some time in the future, but before the earliest possible effective date of this constitutional amendment, we will ignore them entirely as we look at whether or not we have balanced the budget of the United States. Some of these decisions may have been unwise. Some of those decisions are ones which I personally would not have made had I written that proposal on my own.

The important point, however, Mr. President, is that they were made in the wisdom of the Congress of the United States that the Gramm-Rudman-Hollings amendments eventually became a very complicated text, probably several hundred pages in length, dealing in quite different ways with different kinds of Federal programs.

Perhaps even more significant than that, Mr. President, is the fact that Gramm-Rudman-Hollings, which is now widely denounced by individuals and groups throughout the United States—and I may say widely praised by many other groups—nonetheless seeks only to balance the budget of the United States by fiscal year 1991, a period of more than 4 years from the time of its original passage.

That is considered by many to be an extremely drastic prescription. Some hold the proposition that it will create a serious recession in the United States. I do not agree with that argument, but it is nonetheless made.

This proposal, which hopes I guess to come after Gramm-Rudman-Hollings has in fact solved all the fiscal problems of the United States, nonetheless requires the budget to be balanced within a couple of years after it becomes an effective part of the policy of the United States. Should Gramm-Rudman-Hollings fail and should we have budget deficits (of the size that we had last year when this amendment becomes a part of our Constitu-

tion) the pains of Gramm-Rudman-Hollings would pale to insignificance when compared with the drastic changes in policy which would be required almost overnight.

On the other hand, should Gramm-Rudman-Hollings succeed, what is the point of a constitutional amendment? I submit that there is none. If it succeeds in reaching that goal of a balanced budget by 1991, it can be extended. It can be extended indefinitely. It can be extended until a combination of a majority of Members of both Houses of Congress and the President of the United States determine that it is no longer valid public policy. I do not know when that date would be. It might be in 1995. It might be in the year 2000, or 2010. Nevertheless, it will be a decision under Gramm-Rudman-Hollings which the Congress of the people of the United States can make. Should this appear in the Constitution by definition, we are removing the right of the elected Members of Congress by their normal political procedures to make that decision.

Gramm-Rudman-Hollings is very, very complex. This constitutional amendment is exceedingly simple. We face a complex problem. It is very unlikely that a solution as simple as this is likely to work.

Reflect on the fact, Mr. President, that we might well have passed every word except for the effective date in this constitutional amendment as a statute last fall and entitled that Gramm-Rudman-Hollings. We know what the results would be today under those circumstances. In the first place, by putting a 2-year effective date on it, we would have made our task absolutely impossible, and we would have in effect turned over the proposition, the duty to see to it that its strictures were met to the courts of the United States and thus had unelected officials making decisions which elected officials should in fact make.

I submit, Mr. President, that we now have the balance of this year most particularly and from now until 1991 to determine whether or not creating major incentives for fiscal responsibility in the form of Gramm-Rudman-Hollings, first, will work and, second, is as good policy as those of us who voted for it—and I did, happily and firmly—think in fact that it is. This is the way with which to deal with these problems.

When we find, as we certainly will, that there are minor defects or major defects in Gramm-Rudman-Hollings, this Congress and the President of the United States may make such changes as are necessary for it to work more effectively—an avenue of change which is not available when we have enshrined a particular economic and fiscal doctrine in the Constitution of the United States.

Mr. President, that is a summary. I intend to speak at greater length and on a couple of other subjects related to this constitutional amendment before it comes to a vote. But because we have one of its leading proponents on the floor at the present time, my distinguished colleague from Illinois, I wonder if he would agree to answer a few questions as to the way in which it will work—factual questions. One relates to judicial review which he alluded to, at least in the remarks which immediately preceded my own. If he is willing to do so, I should like to ask him this, starting with the heart of the amendment:

Section 1 states that outlays of the United States for any fiscal year shall not exceed receipts to the United States for that period. I ask him whether or not those two terms, outlays and receipts, are, in his view, crystal clear and include every kind of transfer of money to and from the Government of the United States, or even any Government-owned corporation, or whether there are or should be some exceptions to that proposition.

Mr. SIMON. I thank my colleague. I have great respect for both his ability and what he contributes to this body.

The answer is that the committee report outlines in some detail the answer and that is the congressional intent. The answer is that we intend both budget and off-budget items to be included here.

Mr. GORTON. As a consequence, the decision made by Congress late last year to take Social Security off budget sometime beginning about 1990, literally not to count receipts into Social Security as receipts or expenditures as outlays, would not be possible if this constitutional amendment were part of the fundamental proposal.

Mr. SIMON. In my opinion, we can take it off the budget. We cannot take it away from the provisions of this amendment. I think we ought to take it off the budget. I favor taking it off the budget. But what we are talking about is including all receipts, all outlays.

Mr. GORTON. In other words, in the early 1990's, if we do not change the Social Security laws, receipts from the payroll tax will greatly exceed payments or benefits to Social Security beneficiaries, those receipts will be considered as receipts under section 1, and therefore could be spent against, even if those receipts were all put into a trust fund, so that other accounts could run over by the amount of the excess of those Social Security receipts over Social Security expenditures.

Mr. SIMON. The Senator from Washington is correct, but it would be imprudent, and that is the reason why I think we should take Social Security separately. I think we should look at the rest of the budget and ask are we paying for it or not paying for it, whether it is education or health research or to take care of an area in the State of Washington.

Mr. GORTON. I could not agree more with the Senator from Illinois, that to spend that money under this constitutional amendment would in fact be imprudent. It would be highly imprudent. But it is exactly that kind of imprudence over the past 40 or 50 years which has caused this constitutional amendment to be proposed in the first place.

Mr. SIMON. But our imprudence has been much greater than that. In the last 5 years, we have moved from a $1 trillion indebtedness to a $2 trillion indebtedness. From 1917, we have moved from a $3 billion total indebtedness to $2 trillion. It is absolutely amazing.

Mr. GORTON. The Senator from Illinois has certainly answered my question on that subject adequately.

On another subject, perhaps at the other extreme: If the United States were to borrow $10 billion from the International Monetary Fund, take that money and place it in the Treasury of the United States, would that $10 billion count as a receipt in the year in which it was received?

Mr. SIMON. No, that is conceptually what we do now. But I am not the chief sponsor of the amendment. I will be happy to consult with my colleagues who are cosponsors.

Mr. GORTON. I hope the Senator from Illinois will do so because if that did constitute a receipt pursuant to this definition—and at least in the normal sense of the word "receipt" it would—you have created in your constitutional amendment a loophole which is as wide as the present budget deficit and present national indebtedness.

Mr. SIMON. When you borrow money from any source, whether from John Q. Citizen or the International Monetary Fund, that is not a receipt. But I do not want to speak for my colleagues.

Mr. GORTON. I thank the Senator for the candor of his response.

While he looks at that answer, perhaps he will look at one which seems to me to be a little more difficult. That is the ability of the Government of the United States, should this resolution become a part of our Constitution, to create what all of us know is the normal practice not only of private corporations but of State and local governments, and to create a capital budget with which to pay for capital assets and, in effect, to charge the cost of those capital assets off as outlays only over an extended period of time lasting perhaps as long as the useful life of the capital asset itself.

Would it be possible for the Congress of the United States to say that, for capital expenditures, we will count as outlays in a given year only the amount of money by which that capital asset depreciates during the course of that year?

Mr. SIMON. I would oppose any such policy vigorously. It is something that has great appeal, because a family has to buy a car or a house and pay for it over a period of years. That is because a family earning $20,000 cannot pay for an $80,000 house in 1 year. If we buy something that we cannot pay for in 1 year, we imprudently pile up debts. We should not create some accounting subterfuge and fool ourselves into thinking that we are really balancing the budget. I would vigorously oppose such a move.

Mr. GORTON. I thank the Senator. I assume that by that answer the Senator, who is one of the authors of this proposal, means that it would not be permitted.

Mr. SIMON. In my view. Again, I do not want to speak for my colleagues. But in my view that would not be permitted.

Mr. GORTON. Would that view apply even to capital assets which were designed for the production of income?

Let us take the petroleum reserves, which this administration, perhaps unwisely, wishes to sell this year in order to balance the budget.

If we were to invest in petroleum reserves, for example, against their immediate use and their immediate sale, 10 percent per year of the original cost, the Senator's answer would still apply—that purchase price would have to be charged as an outlay in full in the year in which that was paid? It could not be charged off against receipts during the course of the next 10 years?

Mr. SIMON. Absolutely. If you buy the petroleum reserve this year, it should be charged against outlays for this year.

Mr. GORTON. What about governmental or quasi-governmental corporations? Would the sale of stamps by the U.S. Postal Service constitute receipts in the course of each year pursuant to this constitutional provision?

Mr. SIMON. Again, in my opinion, this would be net against the expenses. There may be some entities where Congress, at some future point, would make a different decision. The amendment does not provide a precise solution for every detail. What we are saying is that there must be a solution; we have to move this problem. We cannot delay and pretend it does not exist.

Mr. GORTON. I understand that, and I would still like an answer to the question. I will go beyond the Postal Service.

Would both the income and the outgo of a corporation, even a corporation organized to engage in what we might normally consider to be a private enterprise, but wholly owned by the Federal Government, be considered to be receipts and outlays of the Federal Government pursuant to the terms contained in this constitutional amendment?

Mr. SIMON. If an entity is wholly owned by the Federal Government, yes.

Mr. GORTON. To take and make a very parochial question on this from the perspective of the Senator from Washington, the receipts from the sale of electric power by the Bonneville Power Administration would be receipts and even the Bonneville Power Administration's own maintenance of the dams which it owns and the powerlines which it owns, not to mention the construction of new ones, would be outlays of the United States.

Mr. SIMON. There are a number of areas where I think Congress will have to make decisions, and I think the Senator from Washington mentioned one. I think the REA's would be another.

But there is no question in general when the U.S. Government takes in money we have to count it as receipts; when we pay out money we have to count it as outlays. We cannot use accounting subterfuge to avoid a balanced budget. We cannot say: "Sorry. We have used a different accounting method now. We have a $200 billion deficit."

Mr. GORTON. I take it my answer to the question is, those receipts and outlays of Bonneville Power Administration would be receipts and outlays of the United States pursuant to the Constitution.

Mr. SIMON. I really think a future session of Congress probably has to answer that.

Mr. GORTON. If I may go on to another subject, and I note the presence in the Chamber of the distinguished Senator from Utah, if the Senator from Illinois will permit me, I must say that the debate and the exchange between myself and the distinguished Senator from Utah in 1982 from the point of view at least of intellectual stimulation to this Senator may well represent the high point of my career in the Senate to this point.

I disagreed rather profoundly with the Senator from Utah at that point, but his brilliance in expounding his point of view and his skill at debate and outlining what it was he was trying to do have rarely been matched, at least in the 5½ years in which I have found myself here.

I did not mean to have the Senator from Illinois sit down because he can answer this question as can the Senator from Utah. I wanted to go on to the centerpiece of this amendment.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. GORTON. I yield.

Mr. HATCH. Mr. President, I am very humbled by the statement of the distinguished Senator. As I recall that debate I think the distinguished Senator took me over the coals at that time. It was a stimulating debate and I appreciated it.

I wish and hope we can get the distinguished Senator from Washington to help us with this amendment.

Mr. GORTON. That does bring me to the next subject which was the primary subject of discussion between myself and the distinguished Senator from Utah almost 4 years ago, and that subject is the degree to which we are inviting into the field of fiscal policy the unelected Federal court system of the United States.

I do not wish to misstate a position taken 4 years ago by the Senator from Utah, so he can certainly interrupt me if I am in error.

But it is my understanding that his position in connection with the precise language of the 1982 constitutional amendment was that there was no right of review, that it was not necessary specifically by amendment to prohibit the right of review by the courts of the United States. At the same time, I am quite certain I heard the Senator from Illinois, in speaking to this amendment, indicate that the appropriateness of judicial review both to determine the definition of the words "outlays" and "receipts" and, for that matter, to make a determination as to whether the constitutional amendment had been complied with could be decided by the Federal court system.

Mr. HATCH. Mr. President, if the Senator will yield, the distinguished Senator and I basically agree there might be certain circumstances where the courts can decide some narrow procedural questions pertaining to this amendment or which might arise if this amendment is ratified.

We cited in particularity one illustration where if Congress decided to authorize 5 years of unbalanced budgets by having one three-fifths vote, then every Member of Congress would have standing immediately to bring a suit before the courts and ultimately the Supreme Court, I presume, to knock out the 4 additional years, because the amendment is pretty clear on its face that you have to specifically authorize an excess of outlays over receipts for each fiscal year.

Article III limits the Federal courts to the adjudication of cases or controversies, as the distinguished Senator from Illinios knows, and the case-or-controversy requirement has several aspects which preclude judicial involvement in budget decisions.

I think we went into them fairly extensively in the prior debate.

Mr. GORTON. Quite clearly, the Congressman from Oklahoma brought himself within the case-or-controversy language of the court in his challenge to Gramm-Rudman-Hollings.

Mr. HATCH. That is true. The Gramm-Rudman bill specifically provided a means for him to do that and the court accepted that particular means.

As the Senator knows, to obtain standing before a Federal court, you have to examine the cases that we discussed back then. Even beyond standing, however, a plaintiff's case must satisfy justiciability and political question requirements.

There is nothing in this constitutional amendment that gives standing as a general rule to any individuals who are Members of Congress except under certain circumstances which I think everyone will agree with.

The constitutional requisite of standing poses the question, does this party have a personal stake in the outcome beyond the generalized grievance common to other members of the public? Any alleged breach of the amendment can only allege violation of some budget aggregate, not that a single appropriation for some specific purpose was responsible for the excess of outlay over receipts in the entire budget.

Mr. GORTON. I would certainly agree with the Senator from Utah on that observation.

Mr. HATCH. Then I would suggest that no taxpayer or Congressman is likely to show that a particular program that he or she may be interested in or any single appropriation caused the aggregate deficit. And since his interest in the budget aggregates will be no different from the interest of any other citizen, he will not make a case for standing.

Mr. GORTON. I agree with the Senator from Utah in that observation, but it is cold comfort to me, when the standing would not exist until in some aggregate the amount of an outlay exceeded the amount of receipts without a three-fifths vote having taken place to authorize it, because it seems to me that very many judges, perhaps a great majority of the judges, when faced with the proof of that statement would themselves interpose in their own judgment as to how to bring the two into court and have the entire Federal budget with which to deal in making that decision.

I would like the comment of the Senator from Utah on at least one more question if I may. Is it safe to——

Mr. HATCH. Will the Senator yield for one other comment about the Gramm-Rudman versus Synar case?

Mr. GORTON. I yield.

Mr. HATCH. In the case of Synar versus United States, Congressman SYNAR contended that he had the right to vote on spending cuts. Under the law of the D.C. Circuit, he made the case that his personal interest in the exercise of his governmental powers, namely his constitutional duty of voting on appropriations was violated by Gramm-Rudman, which, of course, provided for automatic cuts without votes.

If the Congressman was denied a right to vote to waive section 1 under the balanced-budget amendment, I think he, too, could assert a claim for standing in the District of Columbia, but political question and justiciability would still be hurdles, but I still have——

Mr. GORTON. If I may interrupt, Congressman SYNAR's plea on that ground was turned down. It was rejected. The court did not determine that he was deprived of his constitutional rights because he was deprived of voting on spending budget cuts.

Mr. SIMON. Mr. President, if my colleague will yield, in the case of Gramm-Rudman-Hollings, we are dealing with something we knew was fuzzy in the constitutional area. So we provided that there could be on immediate appeal. We knew we were in a very gray area.

Where the Constitution is clear, I do not recall ever experiencing any Member of the House of Representatives or Senate getting up and saying, "Let's violate the Constitution," not in so many words but even indirectly suggesting it.

My strong feeling is that there will be a moral imperative to uphold the Constitution. In addition, obviously, we have taken an oath to support the Constitution. It is going to be tough to comply, but we are going to do it.

I think the case of the courts entering the situation will be rare, indeed.

(Mr. EVANS assumed the chair.)

Mr. GORTON. Well, the Senator from Illinois makes a very good point. Of course, we do not wish to violate the Constitution where the Constitution is clear and Members do not attempt to violate the Constitution where it is unclear. They do as they properly should—make their own interpretations as to what the Constitution means and they act accordingly and they are subject to review on those actions by the court.

But, in the course of the last 20 minutes, the Senator from Illinois has been unclear on his answer to a handful of specifics which I have asked him as to whether or not particular actions do or do not constitute receipts or outlays. We certainly do not have a clarity in the 12 or 14 lines of this constitutional amendment which will settle in everybody's mind every question which will come before the Congress of the United States during the course of the next 200 years.

So that does lead me, without interruption, to another question, perhaps my last question for the day, to my two distinguished colleagues, and that is, Is it not fair to say, to assert in the course of this debate, that we are causing a certain shift in authority over the fiscal policy of the United States from the Congress to the Federal court system by the enactment of this constitutional amendment?

Each of you, if seems to me, has defined that as being narrow, in one sense, and the kind of litigation that would be brought rarely as the Senator from Illinois states. But, nonetheless, by putting the terms "receipts" and "outlays" into the Constitution of the United States, a concept that with which we deal everyday, we are, it seems to me, am I not correct, clearly transferring some of our authority, however large or small we may define it to be, to the courts of the United States?

Mr. HATCH. Well, as the distinguished Senator from Washington knows, article I, sections 8 and 9, I believe, provided the Congress has the decisionmaking power over the budgetary matters themselves. There is no question that on procedural matters there may be, under certain circumstances, and I cited one illustration, situations where the courts may have a role to play, but not on budgetary matters. And I do not believe a case can be made, constitutional or otherwise, for judicial review of budgetary priorities, even going back to the Synar case. Under that particular case, which is now before the Supreme Court, I think most constitutional authorities believe that standing may be more narrowly restricted as a final outcome and result of that particular case. That may be one outcome, and that will be one of the landmark decisions on standing. Now, I may be wrong, because it is a political hot potato and sometimes even the Supreme Court has been known to do some very strange things with political hot potatoes.

But there is no question that there may be some instances that ingenious minds can think of that mainly involve procedural aspects of the amendment where the court may choose to exercise jurisdiction.

Mr. GORTON. Mr. President, I hope fervently that the distinguished Senator from Utah is correct in his prediction of what might at least be the decision of the Supreme Court in the case involving Gramm-Rudman-Hollings. I find it faintly unpleasant that we have so constantly, not just in this area, but in areas relating to foreign policy and many other domestic policy areas had Members of Congress, who are on the losing side of a particular vote, immediately run to the court system of the United States to get that vote over-

turned. I think that, to a very measurable degree, demeans the position of a Member of Congress.

I have not engaged in that kind of activity myself when I have been on the losing side here and I do not intend to do so. Perhaps this illustrates best of all that the two distinguished floor leaders on this proposal and this Senator certainly agree on what ought to be the fiscal policy of the United States at the present time on the urgent desirability of moving promptly toward a balanced budget.

I regret to tell them that we do not agree that it is appropriate to include in the Constitution this kind of policy, no matter how dearly and how greatly we may prize it. In fact, here at 3:15 on a Friday afternoon, I would be tempted to take a vote. I notice there are just four of us here, and my colleague from the State of Washington is in the chair. I believe we could beat you right now on a 2-to-2 tie, but I suspect that this is an issue important enough that it should be discussed at greater length and with more Members present here.

With that, and thanking each of you for his contribution to this debate and promising, if I am at all able to do so, to return to it once again, perhaps with additional questions, certainly with additional comments, I yield the floor.

Mr. SIMON. If the Senator will yield for one additional comment. In response to the last question, I want to agree with my colleague from Utah that there is no additional power given to the courts here. The court intervention will be a rare thing, indeed. What we are really saying to the executive branch and Congress is, get ahold of this budget.

Mr. HATCH. If I might just also add to my colleague's comments, again, my appreciation and respect for the distinguished Senator from Washington who, I believe, is one of the finest lawyers this body has ever had within it. He has raised important issues, there is no question about it. I think they are easily answered with regard to the substance of the amendment. With regard to the procedural side, I listed one illustration. I will list another.

Let us assume that a President, on his own, decides that this amendment gives him the right to exercise the line-item veto. I think that that would be an issue that would definitely be tested and I think there would be standing granted on that issue and I think it would be justiciable and I think courts would not fail to review that case under the political question doctrine.

So there is no question, as in all matters, that there may be some ways that the courts may have a role to play. But, as to budgetary substance and decisions under Senate Joint Resolution 225, I believe it is going to have to be left up to Congress, as the Constitution provides.

I hope the distinguished Senator from Washington will consider helping us on this amendment, because we think, without something in the basic document, literally, deficit spending is going to continue on forever and ever because it is too easy to spend compared to the difficult burden of trying to conserve funds in this area. We get a lot more credit for spending than we do for conserving.

My colleague and I share the view that the Federal judiciary should not become involved in the day-to-day controversies involved in deciding the budget. Neither of us wants the Federal courts to begin writing the budgets or deciding legislative procedures as a result of Senate Joint Resolution 225.

This is an extremely important issue and one on which the authors have focused in great detail. It is perhaps the most difficult issue involved in this constitutional amendment.

The committee has chosen to say nothing explicit about this issue in Senate Joint Resolution 225—not because it is an insignificant issue but because we believe this treatment to be appropriate. On the one hand, this treatment insures that the Federal courts will not involve themselves in fundamental budget decisions including "writing the budget," while not undermining their fundamental obligation under our system of Government to "say what the law is," *Marbury* v. *Madison* (1 Cranch 137177 (1803). We have concluded that, to make any more explicit statement, is probably to upset this balance, as well as to upset the equally delicate political balance that has been achieved in this amendment.

The role of the judiciary in enforcing the proposed constitutional amendment will be sharply limited under Senate Joint Resolution 225—by both the Constitution and by well-established judicial practices—for the following reasons.

First, it is highly questionable that the courts would find most of the issues arising under the amendment to be "justiciable" in the sense of presenting the kind of "case or controversy" to which the judicial power attaches under article III of the Constitution.

Second, there would rarely, if ever, be standing on the part of any individual or organization to challenge alleged breaches of the amendment. Although standing cases have expanded and contracted, I know of no standing case that would allow a deleterious suit to be brought under the Senate Joint Resolution 225. I suppose it is always a possibility that the court could find some fictional standing device to justify any suit it wants to, but it is only a possibility, not a probability, especially in light of the more than extensive legislative history we are making on this matter.

Third, even if standing were conferred—the courts would normally treat issues raised under the amendment as "political questions" to be decided in the discretion of other branches of the National Government. It is explicit in the Constitution that these matters lie within the hands of the Congress of the United States. Courts would normally treat issues raised under the amendment as "political questions" to be decided in the discretion of other branches of the National Government.

Let me discuss these very briefly, and refer my colleagues to the more elaborate discussion in the committee report. First, there is the question of the justiciability of actions arising under the proposed amendment. "Justiciability" is a term that refers generally to the propriety of judicial involvement in a dispute. It is a "term of art employed to give expression to the dual limitation placed upon Federal courts by the case or controversy doctrine" (*Flast* v. *Cohen*, 329 U.S. 83, 94-5 (1968)), and arises out of the limitations of the role of the judiciary within our system of government.

I believe that it is extremely unlikely that the Federal courts would relish involvement in the kind of cases or controversies developing from the proposed amendment. In short, such cases or controversies would not normally be those appropriate for judicial determination. *Aetna Life Insurance* v. *Haworth*, 300 U.S. 227, 240 (1937). Rather, they would be cases or controversies arising out of an appropriation and taxation process that is expressly committed to the legislative and executive branches under the Constitution. They would be cases or controversies arising from the allocation of public funds, matters that are clearly within the discretion of the elected representative branches of government. They would be cases or controversies where judicial involvement would lead the courts into areas which are principally reserved to other branches of the National Government, and in which conflict among the branches of government would invariably be created. They are cases or controversies in which the possibility of effective and sure remedies would, effectively, depend upon the determination of the judicial branch to maintain a continuing oversight role over the actions of the legislative and executive branches. I believe that it is clear that the Federal courts would, properly, be extremely reluctant to involve themselves in cases or controversies arising under the present amendment.

The second barrier is the "standing" barrier limitation upon the judicial branch. The gist of the question of standing is whether the party seeking

relief has "alleged such a personal stake in the outcome of the controversy as to assure the concrete adverseness which sharpens the presentation of issues upon which the court so largely depends for illumination of difficult issues." *Baker* v. *Carr*, 396 U.S. 186, 204 (1962). The personal stake or personal injury must be a direct and specific one, not a "generalized grievance" whose impact would be "plainly undifferentiated and common to all members of the public." *United States* v. *Richardson*, 418 U.S. 166, 177, 179–80 (1974). A plaintiff must allege some "particularized injury that sets him apart from the man on the street." Richardson at 194.

Since the gravamen of the proposed constitutional amendment is that Congress develop certain aggregate budget figures and abide by those figures, I believe that it would be exceptionally difficult for an individual or organization to claim "standing" under it. An alleged breach of the amendment would arise, not from the failure to appropriate funds for some individual program purpose, not from the wrongful appropriation for some individual program purpose, not from the wrongful appropriation for some individual program purpose, but from the violation of aggregate budet figures. Under this circumstance, I believe that it would be highly unlikely that an individual could demonstrate the sort of individualized or particularized injury that would justify standing. His interest, in this circumstance, would be the same as any other individual or any other taxpayer, the same as the average "man on the street" in the words of the Supreme Court in Richardson.

Even if the justifiability and standing barriers are overcome to judicial involvement in this amendment, there is a third barrier—the "political question" barrier. "Political questions" are those in which the courts forego their normal function of judicial review of constitutionality for a variety of reasons that make such review inappropriate. The basic factors considered by the Supreme Court in determining "political questions" have been laid out as follows:

First, is there a textually demonstrable commitment of the issue to a coordinate political department?

Second, is there a lack of a judicially discoverable and manageable standard involved in the issue?

Third, can the issue be decided without a policy determination of a kind clearly for nonjudicial discretion?

Fourth, can the Court resolve the issue without expressing lack of respect for coordinate branches of government?

Fifth, is there an unusual need to abide by political decisions already made?

Sixth, is there a potential for the embarrassment of Government arising from differing responses by different departments to a single question.

It was the view of the full Judiciary Committee that the clear constitutional commitment to Congress to control Federal spending under article I, sections 8 and 9, is sufficient to ensure that the courts will exercise maximum caution in interfering with congressional determinations under the proposed amendment. The process of developing a budget involves precisely the kinds of determinations for which legislatures are most capable and the courts least capable. The need to respond to public sediment, the need to negotiate the demands of various and competing spending interests, and the need to make difficult policy determinations about public spending and revenue priorities are clearly factors that mitigate in behalf of legislative branch rather than judicial branch determinations. Further, it is extremely questionable that there are adequate standards for judicial manageability of the class of cases most likely to arise under the proposed amendment. Any examination of aggregate spending, taxing, and deficit figures produced by Congress would run up against the problem of uncovering differentiated injury to some party, while any deeper, more probing analysis, necessitating judicial inquiry into the process by which such numbers were produced, almost certainly would involve the courts in matters beyond their expertise—matters the determination for which are placed clearly and indisputably within a coordinate branch of government.

Mr. President, my point here then is that, whatever the intent of Congress, it is virtually certain that the judiciary would not be involved in writing the budget under this amendment. My second point—and one that is at least as important—is that the intent of Congress is utterly clear here. Congress does not want the courts to be involved in writing the budget. We have made that clear in the committee report, and we are making that even clearer as we discuss this issue. Whatever the merits of committee predictions on how this issue is likely to be treated by the courts, the Judiciary Committee and this body, as well, have made it unambiguous that it is not the intent of this amendment to involve the judicial branch in writing the budget.

Apart then from its superfluous nature, let me briefly summarize why I believe this amendment should not be accepted. I do not believe that it is appropriate to exclude the judicial branch from its legitimate role in this amendment. It is not appropriate to set the precedent and preclude an independent branch of the National Government from performing even its proper function. While there is no one in this body who has been more concerned about so-called judicial activism than myself, that is a far different thing from saying that the courts do not have an essential role within our constitutional system of government.

In fact, our Founding Fathers set up this Government on three coequal branches of Government and if this should pass we would have two coequal branches and one not quite as equal as the others.

The proposed amendment would totally prohibit the Federal courts from exercising their proper functions, except in two vaguely defined circumstances.

Let me cite an example of how the involvement of the judiciary might be important. What if, at some distant future time, the leadership in Congress decide to ignore the Constitution? What if they refuse to permit Congress to develop a statement of outlays and receipts? In that circumstance Members of Congress may well have standing in the courts because they are being denied the opportunity to perform their constitutional duty. In a similar fashion, what if a future President, contrary to the language and intent of Senate Joint Resolution 225, decides to claim impoundment authority or line-item veto authority?

While the amendment is too broad in important constitutional respects in eliminating judicial review, it is—ironically—too narrow in other areas. The amendment would seem to establish the right to judicial review in all cases arising out of the implementation provisions of this amendment. In other words, the mere inclusion of an issue within the implementating legislation that Congress will have to pass serves to trigger the right of judicial review. Given the broad, expected scope of this legislation, it is unclear to me whether or not this provision would exclude many matters. To the extent that this amendment has to be fleshed out in its details by enacting legislation, the proposed floor amendment would not really exclude many matters from judicial review. It might, however, chill Congress from passing effective implementation legislation since the policy of this amendment seems to be: If the controversy arises from the Constitution, there is no judicial review; if, however, it arises from statute, it is subject to such review.

What kind of policy is that—where the courts are implicitly granted extensive authority over congressional enactment pursuant to a constitutional amendment but no authority with respect to the amendment itself? In other words, an issue is immune from judicial review until it is incorporated into a statute by Congress? What is the coherent policy involved here? Is this even a narrowing of the scope of judicial review permitted under this

amendment? It is totally unclear to me.

Mr. President, I raise one other equally serious concern. Under the Constitution, the Federal courts, in particular the Supreme Court, frequently review cases or controversies arising out of legislative appropriations. For example, the Court will review the constitutionality of a school busing rider, or it will review the constitutionality of a severance tax or a tuition tax credit. There are countless issues of this sort.

To the extent that these cases can be said to arise under this amendment, since they each involve the development of outlays and receipts under this amendment, a serious argument is raised as far as whether or not the courts will continue to possess judicial review authority. Suppose, for example, that Congress decided that it wanted to impose some form of severance tax on the States. Suppose that the States wished to challenge this and were met with the response by Congress that their authority to set levels of taxes and outlays was unreviewable. How would this be resolved? Suppose Congress said that its authority under the amendment made its legislative riders unreviewable, the Hyde amendment and school busing, and so forth. Can anyone say with absolute assurance that his amendment would not require such a result?

Mr. President, in summary, I oppose this amendment because this amendment would upset the carefully drawn balance developed by the Judiciary Committee on the difficult issue of judicial review. No one to my knowledge wants the courts to intrude into the budget process, and "write the budget." Under the present language of Senate Joint Resolution 225 they will not. On the one hand, go far beyond that policy by prohibiting judicial review over even such matters as impoundment while, on the other hand, allow greater judicial review by permitting such review the moment an issue was contained in congressional enactment legislation. The proposed amendment also raises serious questions about the continued ability of the Court to perform its proper functions in reviewing the constitutionality of issues arising in the context of controversies involving outlays or receipts.

I think really, in conclusion, one of the biggest worries I have if this amendment passes is: Will it be the amendment that really kills the constitutional amendment that so many of us want?

It very well may be even though the thoughts behind it are sincere and well-intentioned. I believe it would be better to make the historical record, the intent of Congress, as solidly as it has been made than to take a chance of adding this amendment to Senate Joint Resolution 225 with respect to the constitutional amendment. I also believe that is what the Court wanted too, it could go through this language and do whatever it wanted to do anyway. So why take a chance of risking passage of Senate Joint Resolution 13 by insisting that this amendment come in with serious questions and issues it raised?

Senate Joint Resolution 225 strikes a fine balance. On the one hand judicial review is carefully limited to prevent courts from meddling with the budget process. Yet the courts are still available to prevent gross circumvention of the amendment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILLS REFERRED SEQUENTIALLY

Mr. DOLE. Mr. President, I ask unanimous consent that when S. 1813, a bill to amend and extend the Atlantic Striped Bass Conservation Act and for other purposes, is reported by the Committee on Environment and Public Works, it be sequentially referred to the Committee on Commerce, Science, and Transportation for a period not to extend beyond 14 calendar days and that, if S. 1813 is not reported by the Committee on Commerce, Science, and Transportation within said time, the Committee on Commerce, Science and Transportation shall immediately be discharged from further consideration of S. 1813 and the bill shall be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I ask unanimous consent that the bill introduced by Senator THURMOND today, entitled "A bill to amend the Trade Act of 1974, to provide alternative relief for industries adjusting to increased imports," be referred to the Committee on the Judiciary; that upon its being reported by the Committee on the Judiciary it shall be referred to the Committee on Finance for its consideration of the bill and any amendments proposed by the Committee on the Judiciary thereto; and that any amendments thereto reported by the Committee on Finance shall be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go into executive session to consider certain nominations on the Executive Calandar.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

Mr. DOLE. Mr. President, I ask unanimous consent that the following items be considered en bloc: Calendar Nos. 681, 685, 686, 687, 688, 689, 690, and 691.

Mr. BYRD. Mr. President, those nominations have been cleared on this side of the aisle and we are ready to proceed.

Mr. DOLE. I thank the distinguished minority leader.

I ask unanimous consent that the nominations just identified be considered en bloc and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

U.S. INTERNATIONAL TRADE COMMISSION

David B. Rohr, of Maryland, to be a member of the U.S. International Trade Commission.

DEPARTMENT OF JUSTICE

Robert O. Whitwell, of Mississippi, to be U.S. attorney for the northern district of Mississippi.

P.A. Mangini, of Connecticut, to be U.S. Marshal for the district of Connecticut.

J. Jerome Perkins, of Indiana, to be U.S. Marshal for the northern district of Indiana.

Lee Koury, of Missouri, to be U.S. Marshal for the western district of Missouri.

Ralph L. Boling, of Kentucky, to be U.S. Marshal for the western district of Kentucky.

Wayne D. Beaman, of Virginia, to be U.S. Marshal for the western district of Virginia.

William I. Berryhill, Jr., of North Carolina, to be U.S. Marshal for the eastern district of North Carolina.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nominations were considered and confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOOD SECURITY IMPROVEMENTS ACT OF 1986

Mr. DOLE. Mr. President, it had been my hope that we could have passed a very simple resolution today to direct the Clerk of the House to make minor corrections in the enrollment of H.R. 1614, the Food Security Improvements Act of 1986. The changes make it clear that section 13 of the bill, expressing the sense of Congress regarding implementation by the Secretary of Agriculture of the advanced resources loan program, is not mandatory. A sense-of-the-Congress provision is discretionary whether it is phrased in the term "shall" or "should." However a question has been raised, and therefore I believe we might as well make the intention of the Congress abundantly clear in the statutory language itself.

Mr. President, I had hoped we might be able to take care of this. I have just discussed this matter with Secretary of Agriculture Lyng, who was sworn in earlier today. We have had a number of lawyers looking over this proposition, and as anyone might guess, when you get four or five lawyers together, you get four or five opinions. But those who are advising the Department and those who are advising the President say that unless we pass this amendment that in effect changes the word "shall" to "should" both times it appears, it will increase the outlays in the little farm correction bill we passed by billions of dollars and that the President will veto it.

I know the distinguished Senator from Iowa [Mr. HARKIN] does not want to make the change. He wants to send it down there. If they veto it, that is all right with him. It is my view—and I think the view of the Senator from Iowa—that any reading of the RECORD would lead to a conclusion it is discretionary. Senators on both sides talked about not mandating this; it is discretionary. We urge the Secretary to use this authority. The vote was 65 to 18, a broad bipartisan vote.

I discussed this with the distinguished Member of Congress from the State of Washington, Congressman FOLEY, who believes that if we could have passed this today, he might be able to take care of it in a pro forma session of the House on Monday. If we do not pass it today, then it is going to be delayed until sometime next week.

We do not want to send the bill down to the President until we are certain he is going to sign it. The longer we delay—and the signup period has already been delayed—the more adverse impact it has on farmers across the country.

I agree with the Senator from Iowa that a clear reading of the RECORD, including statements by the chairman of the Budget Committee, by the Senator from Iowa who offered the amendment, by the Senator from Kansas, and by other Senators, shows that everyone was saying: "Well, we know we can't mandate the program, but we believe this will send a strong message to the Secretary." So it was my belief, when all these lawyers were meeting this morning, that the answer was fairly obvious. It was also pointed out that, had it been a mandatory interpretation, it would have been subject to a point of order under Gramm-Rudman-Hollings. We made that argument.

But the administration's lawyers insisted and, being a lawyer, I know how confusing we can be.

I said to Secretary Lyng. "Well, you can overrule your lawyers." He said, "Oh no, I can't do that."

So it seems to me we have sort of a tempest in a teapot here. The only ones who are really going to be hurt are not Members of the Senate or the lawyers or anybody in the White House or anybody in the House of Representatives; they are going to be the farmers.

I hope there is some way we can resolve this. I intend to offer the resolution so the RECORD will reflect that we attempted to make the change at the earliest possible time in the Senate. I hope the Senator from Iowa will not interpose an objection. I have talked to the Senator from Iowa. I have talked to a number of people trying to determine whether or not we could resolve this. In my view, it does not amount to anything.

It is unnecessary. We should not have to do it. But we are not advising the President. If I were advising the President, if I were his counselor, I would say: "It's obviously in the discretion of the Secretary whether or not he implements the advance loan program." But that is not my role. It is the role of the executive branch and those who counsel the President and those who counsel the Office of Management and Budget.

It may be that this could be an excuse—that they are looking for some reason to veto the bill we passed. I do not make that allegation, but there are always some who may believe that they have some other agenda, that this is an excuse to raise an objection to the bill and veto it. They may have some other reason for doing it.

In any event, it seems to me that it is nothing of any major consequence. I do not really believe it is in the interests of the farmer to have to wait for the President to veto this bill and then make the word change.

We are talking about some time at the end of the next week. Farmers have already been delayed in the signup. By the time all this information gets to the appropriate ASC office on the program changes, it is going to be very difficult. Plus, when the farmer goes in to sign up in the ASC office, he is not going to get any advance payments because he will not know what the program is.

I hope we can stay in session a while this afternoon and clear up this minor matter. I share the same view as the Senator from Iowa, but that does not make any difference. We can say that we are going to play hard ball and make some lawyer down there change his mind, but he will not change his mind.

As I indicated earlier, if we can do it today, it would be available to the Hosue. They will not be in pro forma session very long on Monday. But the majority whip, Representative FOLEY, indicated that he would try to pass this on Monday, so that they can instruct the enrolling clerk, make the necessary change, and send the bill to the President.

Before we leave today, if we cannot resolve it, I intend to send the resolution to the desk and ask for its consideration. I will not do that now. If there is an objection, we will try to do it again on Monday.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, appoints the following Senators to the Board of Visitors of the U.S. Merchant Marine Academy: Mr. INOUYE (Committee on Commerce, Science, and Transportation), Mr. MOYNIHAN (at large).

The Chair, on behalf of the Vice President, appoints the following Senators to the Board of Visitors of the U.S. Miltiary Academy: Mr. JOHNSTON (Committee on Appropriations), Mr. LEVIN (Armed Services Committee).

The Chair, on behalf of the Vice President, appoints the following Senators to the Board of Visitors of the U.S. Air Force Academy: Mr. DECONCINI (at large), Mr. CHILES (Committee on Appropriations).

The Chair, on behalf of the Vice President, appoints the following Senators to the Board of Visitors of the U.S. Coast Guard Academy: Mr HOLLINGS (Committee on Commerce, Science, and Transportation), Mr. DODD (at large).

The Chair, on behalf of the Vice President, appoints the following Senators to the Board of Visitors of the U.S. Naval Academy: Mr. HOLLINGS (Committee on Appropriations), Mr. SARBANES (at large).

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there now be

71-059 O-87-33 (Pt. 3)

a period for the transaction of routine morning business not to extend beyond the hour of 5 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECONCILIATION

Mr. DOLE. Mr. President, let me also indicate that we had a meeting today with the Office of Management and Budget with the Director, Jim Miller, on reconciliation.

The meeting was attended by Senators DOMENICI, PACKWOOD, MCCLURE, myself, and Congressman CHENEY.

There is still hope that we can reach some agreement on the reconciliation package.

There will be some work done at the staff level over the weekend. Hopefully there will be another meeting of Members and the Director of OMB on Monday to see if we might be able to work out some proposal to resubmit to the House of Representatives. There is no certainty that can be done.

To my understanding, the President would veto the package that the House of Representatives passed yesterday morning by a lopsided margin because it contains a number of new spending programs and very little savings, and the savings it does achieve are in the 1987 budget of the President. It also contains about $7 billion in revenues. So out of the savings of $18 billion to $21 billion, $6 billion to $7 billion is in revenues. Very little savings are achieved, and to get that small amount of savings you have to agree to go along with a lot of changes in programs that in effect take the lid off and increase spending in outyears.

The big hangup, I must say, is probably the Outer Continental Shelf; how those payments should be divided between a number of States and the Federal Government. That seems to be the big bone of contention.

But in any event, it is still our hope we can resolve that. If not, we will make a judgment sometime this next week on whether to bring up the pending bill, depending on what happens, send it to the President or send back an amended version to the House of Representatives and hopefully get the White House to agree that with certain changes they would support the version the House of Representatives last passed, and if we could send that back with some agreement, then we might be able to get the President to sign it.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ABDNOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WARNER). Without objection, it is so ordered.

FOOD SECURITY IMPROVEMENTS ACT OF 1986

Mr. ABDNOR. Mr. President, there are very few Senators who are still here this afternoon. I have been doing some other things away from the building. I returned just a few moments ago and discovered that the majority leader had no choice but to leave. He asked me to fill in for him.

We are on a subject that I am quite familiar with and am very, very concerned about.

Obviously, all this has come up on very short notice. It is important to all of us who have had any association whatsoever with this matter that it be cleared up, and that we have the situation stated properly. I am sure we are all in agreement.

The news that this legislation had passed the Senate and the House and would soon be in effect brought a grateful response from the farmers in South Dakota, and I say in most other States. It is very important and necessary that it go into effect just as soon as possible. I had hoped that it would go into effect today for farmers to take advantage of on Monday.

There is some difficulty now, apparently, with interpreting what we did with regard to the provision relating to advance recourse loans. If there is any problem, I do not know exactly what it is. If it will just take a slight, technical change, I hope for the sake of the farmers of this country we would have no problem in making that change.

I wonder if I can ask the minority leader or the Senator from Iowa if they would have any objection to taking up the clarification of this provision on Monday morning. It is something we would like to take up as early as 11 o'clock, so we can clear it in both the House and the Senate. We have reason to think that the people on the House side, especially Mr. FOLEY, would move to bring this up by 12 o'clock in the House when they return. Then we can get this moving to the President and there would be no question whatsoever. I still wonder why the problem, but if there is any question that must be cleared up to get this piece of legislation moving, I hope we can proceed with it on Monday.

Is there any objection to that, speaking of taking it up Monday morning at 11 o'clock?

Mr. HARKIN. Mr. President, will the distinguished Senator from South Dakota yield?

Mr. ABDNOR. I yield.

Mr. HARKIN. Mr. President, it became quite clear today that in no way was this going to be sent down to the White House for the President's signature today. That is not for any reason of any Senator who is here or anybody in the other body, but because somebody in the executive branch of Government was blocking it.

I want to make it clear, Mr. President, that if this legislation is so important, it could be sent down to the President right now. It could be enrolled and sent to the President right now.

It could be enrolled and sent to the President right now and he could sign it into law this afternoon. There is no one here stopping that. Yet it seems that some lawyers in OMB and maybe the Department of Agriculture have come up with some legalistic twist that they say they want changed before it can go to the White House. As I understand it, the distinguished majority leader, with whom I have had numerous discussions today, indicated they might want to bring up a concurrent resolution that would modify the bill passed, H.R. 1614.

Even if the concurrent resolution came up and were passed here today, it could not be taken up in the House until, at the earliest, Monday at noon.

Mr. ABDNOR. That is correct.

Mr. HARKIN. And this cannot be acted on and sent to the President until late on Monday. Because there is a difference of opinion among the lawyers here and those who are down in OMB and the Department of Agriculture as to what is involved in the sense-of-the-Congress resolution regarding the advance CCC loans, I think the lawyers ought to get together, if not this afternoon—it is Friday—but at least Monday morning, early on, and see if they cannot reach some consensus of agreement on this issue.

Mr. President, I can only speak as a lawyer myself, as one who has spent, now, 12 years in Congress, having worked on many pieces of legislation, including many sense-of-the-Congress resolutions. It is clear from the face of this that it is a sense-of-the-Congress resolution, regardless of what the language may say within the body of the resolution. The opening sentence of section 13 of said bill says it quite clearly:

> It is the sense of Congress that the Secretray of Agriculture shall carry out a program authorized by section 424 of the Agriculture Act of 1949.

I repeat: "It is the sense of Congress." That is nonbinding. Not only is it clear on the face of it, it is clear from the legislative history surrounding the passage of the bill a couple of days ago. Remarks that I made, that the majority leader made, that others have made said it is a sense-of-the-Congress resolution. It is a strong sense-of-the-Congress resolution, strong in terms of the language that is in there and strong in terms of the

vote it got—I think the majority leader said it right, 65 to 15. And, of course, the House passed it overwhelmingly. So it is strong, I believe, in terms of the support it has on both sides of the aisle. I believe it has good strong, bipartisan support, that this President ought to advance some portion of the CCC loans to the farmers right now so they could have some low-interest money at this time.

The language in it is strong also. If they are objecting to strong language in a sense-of-the-Congress resolution, I do not think that is any reason to stall it as is being done right now—stalling it—and to threaten a Presidential veto simply because it has some strong language in it.

Again, I just make my point, Mr. President, that we are not holding up the bill. The bill could go to the President this afternoon for his signature.

I also make the point that it is clear on the face of the resolution and from the legislative history surrounding it that it is a sense-of-Congress resolution—strong in language, but nonetheless a sense-of-Congress resolution. Therefore, the onus is not on this body or this Senator or anybody up here for not having it down for the President to sign today. Since it would take a concurrent resolution to modify it and the House could not act on it until Monday, then I think it is important that we have the lawyers look at it again on Monday morning. We could come in here—I guess the majority leader wanted to come in between 11 and 12 and work on this and see if we cannot do something about it Monday.

Mr. President, I thank the Senator from South Dakota for yielding. I just wanted to make those points and make it clear that no one here is blocking it from going to the President for his signature this afternoon.

Mr. ABDNOR. Mr. President, let me say this: I do not happen to be one of the Philadelphia lawyers. I am not even a country lawyer. I took my degree in Agriculture school. I have been a farmer all my life, although I was a teacher for awhile. Things have to be kept pretty simple when it comes to legal things if you want most people to understand it. One thing that we all understand is that the advance recourse loan provision could not go in this legislation as any kind of mandatory requirement.

I do not know who was putting this together, but I recall very well standing around here for well over an hour while, apparently, this amendment was put together so that it would satisfy all concerned. But it was, without question, as the Senator from Iowa just said—it was stated on numerous occasions during the discussion of the advance loan amendment, that this was simply a sense of Congress resolution, not a compulsory requirement on the part of the Secretary. That would have brought a veto of the bill. At least, it was questionable enough so that we certainly did not want to jeopardize or cause any harm to this bill or in any way delay it. I just assumed myself that the amendment was probably satisfactory.

However, some attorney down in the Department of Agriculture obviously has serious questions about it. Maybe everything the Sentor says is correct; I do not know. Maybe it simply is a strong statement. Words mean great things in law, I guess.

When we say "should," to me, it is almost like we want you to: it is pretty strong language. But it is as we all understood it to be that night, that it was just expressing the sense of the Congress that the Secretary of Agriculture should carry out such a program. And if this question and these words stood in the way of getting the bill enrolled and signed into law, I cannot believe that any of us would jeopardize agriculture and not give the farmers the information that they so badly need when they go to sign up.

I think the Senator himself admitted the amendment was not a command, that it was a strong statement and that is what we want. I think that is clear in all the dialogs and colloquys that took place on the floor the other night. Our intent—although we knew we were not making it mandatory, certainly was to state the strong feeling of this Congress that the Secretary should do this. I do not know why somebody did not put the word "should" in in the first place. It certainly should have been in.

I hope that, having said what the Senator from Iowa did say, it would mean that he will give us consent to turn to the concurrent resolution on Monday at 11 a.m. so we can get this settled once and for all. If he feels so strongly on it that the word "shall" should be in there, so be it. I guess we could not or should not change it. If that is how the majority would feel—I mean those who were present, those who had voted—if that is what they felt, fine.

I might say I would not like it, but I would have to say, so be it, the majority has ruled.

I hate to think that instead of clarifying this provision, we are going to let this thing hang fire, not even take it up on Monday, not even give it consideration.

Maybe the bill will be vetoed if the word is not changed. I do not know. But I hope we would at least have an opportunity to talk about it, bring it up for discussion, take a vote on it, and if we agree that for the good of the farmers of the country, we cannot take any more chances on delay, we should change the word from "shall" to "should." We can do it here and have it in the hands of the House by 12 o'clock. There is some question as to how long the House will be around on Monday, and how long we will have the opportunity to change the bill.

I just want to say to the Senator from Iowa that—not on behalf of JIM ABDNOR, the Senator from South Dakota, but on behalf of the farmers from my State and the many, many other farmers throughout the United States for which this means so much—I hope the Senator from Iowa will give us the opportunity to bring this resolution up and take it under consideration and that he will give us the consent that is required to do so.

I ask the Senator, would he allow us to have unanimous consent to bring the bill up at 11 o'clock on Monday?

Mr. HARKIN. Mr. President, if the distinguished Senator will yield for a response, I point out one more time that this Senator is not stopping the bill from going to the President to be signed today. As I pointed out before, even if they wanted to bring up the concurrent resolution today, it could not be acted on until Monday.

Now, if the overwhelming opinion of the lawyers by Monday is that in fact this is mandatory, is not a sense of the Congress, then this Senator does not want to stand in the way of it. I did not at any time intend to slip anything through. We did it with our eyes open. It was cleared with both sides. I think the language, as I said, is clear on the face of it. I do not know why they are making such a fuss of it downtown. I think there may be some other reasons, but I am not going to speculate on that right now.

I thank the distinguished Senator for yielding.

Mr. ABDNOR. May I ask the Senator from Iowa at least one question for my benefit. The Senator agrees that in no way is this mandatory upon the Secretary of Agriculture?

Mr. HARKIN. Absolutely. I have so stated many times.

Mr. ABDNOR. But as far as the Senator is concerned—he is the lawyer, I am not—the way in which the legislation was put together in no way tells the Secretary, other than to communicate a strong feeling on the part of the U.S. Senate, that we would very much like him to take action to implement this discretionary provision that is in the law, which he has the right to do?

Mr. President, I guess that is as far as we can go on this tonight. Believe me, I have not made many pleas on this floor, but I am making one right now. We need to proceed with whatever it takes to put this into law, to get the provisions that are so necessary for the farmers of South Dakota and all parts of the Nation for the Secretary to implement it if he so desires, and that we go ahead and complete action on Monday.

What a crime it would be to hold the farmers hostage to anything other

than what would have to come from politics. I hope that does not happen because we cannot afford to play politics with the farmers of this Nation. All of us on both sides of the aisle have many times stated the economic plight of the farmer. Their existence is border line in many cases. This will make it possible for many to stay in business this year. It is a big item for them. Hopefully, when we come back on Monday, that is what we will have uppermost in our mind as we take up consideration of this resolution.

MESSAGES FROM THE HOUSE

At 11:38 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendments of the Senate to the following bill:

H.R. 1614. An act to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986.

REPORTS OF COMMITTEES

The following reports of committees were submitted.

By Mr. ROTH, from the Committee on Governmental Affairs, with amendments and an amendment to the title:

S. 209. A bill to amend chapter 37 of title 31, United States Code, to authorize contracts retaining private counsel to furnish collection services in the case of indebtedness owed the United States (Rept. No. 99-256).

H.R. 1349. A bill to reduce the costs of operating Presidential libraries, and for other purposes (Rept. No. 99-257).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GORE:

S. 2154. A bill to establish the Food and Drug Administration by law, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. ARMSTRONG:

S. 2155. A bill to modernize certain provisions of subchapter M of the Internal Revenue Code of 1954; to the Committee on Finance.

By Mr. MOYNIHAN:

S. 2156. A bill to amend the Federal Deposit Insurance Act to prohibit the acquisition of insured banks by certain foreign nationals, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SIMON:

S. 2157. A bill to prohibit the importation into the United States of coal, steel, and fluorspar mined or produced in South Africa; to the Committee on Finance.

By Mr. HECHT (for himself and Mr. LAXALT):

S. 2158. A bill to withdraw and reserve for the Department of the Navy certain public lands within the Bravo-20 Bombing Range, Churchill County, NV, for use as a training and weapons testing area, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. WILSON (for himself and Mr. CRANSTON):

S. 2159. A bill to designate the Big Sur National Forest Scenic Area; to the Committee on Energy and Natural Resources.

By Mr. THURMOND (for himself, Mr. LAXALT, Mr. HATCH, Mr. EAST, Mr. MCCONNELL, and Mr. MURKOWSKI) (by request):

S. 2160. A bill to clarify and improve the analysis of mergers under the antitrust laws; to the Committee on the Judiciary.

S. 2161. A bill to provide alternative relief for industries adjusting to increased imports; to the Committee on the Judiciary, by unanimous consent with instructions that when reported, the bill be referred to the Committee on Finance for consideration of the bill and any amendments reported by the Committee on the Judiciary; ordered, that any amendments reported by the Committee on Finance be in order.

S. 2162. A bill to promote and improve efficient and effective enforcement of the antitrust laws; to the Committee on the Judiciary.

S. 2163. A bill to make necessary and appropriate amendments to the antitrust laws governing service as a director of competing corporations; to the Committee on the Judiciary.

S. 2164. A bill to amend the Sherman and the Clayton Acts to improve and clarify the application of such acts to international commerce; to the Committee on the Judiciary.

By Mr. GORTON:

S. 2165. A bill to authorize States to determine the level of funds allotted to a State under the Low-Income Home Energy Assistance Act of 1981 to be available for low-cost residential weatherization and other energy-related home repair projects for low income households; to the Committee on Labor and Human Resources.

By Mr. DECONCINI:

S.J. Res. 290. Joint resolution to designate July 4, 1986, as "National Immigrants Day"; to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself, Mr. HELMS and Mr. EAST):

S.J. Res. 291. Joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life; to the Committee on the Judiciary.

S.J. Res. 292. Joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GORE:

S. 2154. A bill to establish the Food and Drug Administration by law, and for other purposes; to the Committee on Labor and Human Resources.

TO ESTABLISH FOOD AND DRUG ADMINISTRATION BY LAW

Mr. GORE. Mr. President, for more than a century, the Food and Drug Administration has stood for solid protection of our food supply and medicines. But in recent years, outside meddling and bureaucratic infighting have paralyzed the agency. Today I am introducing legislation to save the FDA before the health of the American people is needlessly endangered.

From the Pure Food and Drugs Act of 1906 to the Infant Formula Act of 1980, Congress has always turned to the FDA to ensure and enhance the public health. The agency developed a worldwide reputation for professionalism and expertise.

Now that hard-earned reputation is in jeopardy. The current administration has launched a quiet assault on one of the finest health protection organizations in the world. High ranking bureaucrats in other agencies have reversed prudent decisions made by FDA scientists. At the same time, the Office of Management and Budget wants to cripple the FDA by cutting funds for enforcement and research.

Morale among FDA professionals is at an all-time low. Worse still, special interests and partisan politics have replaced sound scientific policy. The administration has hampered the FDA's ability to safeguard the public health.

Consider the case of Reyes' syndrome, a rare but deadly childhood disease that has long been linked to aspirin. In 1982, the FDA proposed a label for aspirin bottles to warn parents to consult a doctor before administering the drug to children with chickenpox or flu. But the office of Management and Budget blocked that proposal until just last month, not on the basis of any medical information or scientific studies, but simply on the basis of their concern that it might cost a few more dollars to the companies that made aspirin. In the meantime, several drug companies began to print the label voluntarily, and the number of deaths from Reyes' syndrome dropped dramatically. But many others did not. Yet we will never know how many children's lives were lost in the bureaucratic shuffle.

Federal approval of over-the-counter drugs has also become bogged down in the bureaucracy. One of the FDA's principal responsibilities is to provide a prompt review of new drugs to make sure they are safe and effective. In an unsuccessful effort to accelerate approval, the current administration has included the Office of Management and Budget and the Department of Human Services in the process—even though those agencies lack the expertise to make sound scientific judgments. Instead of getting drugs onto the market more quickly, the administration has actually slowed things down. Drug manufacturers and the American people both suffer when the administration plays politics instead of sticking to science.

In an effort to break this logjam, I am introducing legislation to protect the FDA from the taint of bureaucratic infighting.

The legislation would give the FDA an independent commissioner, ap-

pointed by the President. An independent commissioner will answer to Congress and the American people, not to several other agencies in the administration. While the FDA would remain part of the Department of Health and Human Services, its head would no longer be subject to the political pressure now exerted by HHS and OMB.

The bill would also clarify the FDA's place in the executive process, by restoring most authority over FDA matters to the commissioner. The Secretary of HHS would maintain the right to be notified on "significant issues."

We cannot afford to let redtape stand in the way of public safety. It is time to protect the FDA from petty politics, so that it can get back to the business of protecting the health of the American people.

I urge all of my colleagues to support this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2154

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress finds that—

(1) the public health has been effectively protected by the presence of the Food and Drug Administration during the last eighty years;

(2) the presence and importance of the Food and Drug Administration must be guaranteed; and

(3) the independence and integrity of the Food and Drug Administration need to be enhanced in order to ensure the continuing protection of the public health.

SEC. 2. ESTABLISHMENT OF FOOD AND DRUG ADMINISTRATION.

(a) ESTABLISHMENT.—There is established in the Department of Health and Human Services the Food and Drug Administration (hereinafter in this subsection referred to as the "Administration"). The Administration shall be headed by a single Commissioner of Food and Drugs (hereinafter in this Act referred to as the "Commissioner") who shall be appointed by the President by and with the advice and consent of the Senate and who shall serve at the pleasure of the President. The Commissioner shall be compensated at the rate provided for in Level IV of the Executive Schedule under section 5315 of title 5, United States Code. The Administration shall be administered under the supervision and direction of the Commissioner. The Commissioner shall, in consultation with the Secretary of Health and Human Services (hereinafter in this Act referred to as the "Secretary") appoint a Deputy Commissioner and such Associate Commissioners and Directors of functional centers, bureaus, and other administrative units as shall be needed for the effective and efficient discharge of the authorities and functions administered by the Commissioner.

(b) AUTHORITIES AND FUNCTIONS.—(1) Except as otherwise provided in this subsection, there are transferred to, and vested in, the Commissioner all of the authorities and functions delegated to the Commissioner or to the Assistant General Counsel of the Food and Drug Division by section 5.10 of title 21, Code of Federal Regulations, as of the date of enactment of this Act, without regard to any reservation prescribed by section 5.11 of title 21, Code of Federal Regulations. The Office of the Assistant General Counsel of the Food and Drug Division of the Office of General Counsel within the Office of the Secretary is transferred to the Food and Drug Administration and redesignated the Office of Chief Counsel. The Secretary may delegate to the Commissioner such additional authorities and functions as the Secretary deems appropriate.

(2) The Secretary of Health and Human Services may require the Commissioner to notify the Secretary of any decisions of the Commissioner which—

(A) establish procedural rules applicable to a general class of foods, drugs, cosmetics, medical devices, or other subjects of regulation; or

(B) present highly significant public issues involving the quality, availability, marketability, or cost of one or more foods, drugs, cosmetics, medical devices, or other subjects of regulations.

By Mr. ARMSTRONG:

S. 2155. A bill to modernize certain provisions of subchapter M of the Internal Revenue Code of 1954; to the Committee on Finance.

SUBCHAPTER M AMENDMENTS

Mr. ARMSTRONG. Mr. President, today I am introducing legislation that will modernize certain provisions of subchapter M of the Internal Revenue Code of 1954 dealing with the taxation of mutual funds, technically known as regulated investment companies or RIC's. The bill will provide clarity, consistency, and flexibility to the code sections that govern the mutual fund industry and the millions of investors it serves.

The need for change is obvious after reviewing the origins of the current law. Not changed in nearly 50 years, this section of the code was drafted at a time when it was difficult to envision the financial possibilities of today. The failure to review the law periodically make it necessary for this body to enact this bill, the results of which will afford mutual fund managers the opportunity to make investment decisions that accommodate today's marketplace to act in the best interest of the mutual fund shareholder, and to provide the shareholder, typically a middle-income American, the same investment opportunities that are available to the direct investor.

This bill is similar to H.R. 3997, which was introduced last September in the House by Representative RONNIE G. FLIPPO, of Alabama, and several cosponsors. There are a few minor changes in this version of the bill, which were made in order to comply with recommendations of the Treasury Department, which has given its support for the bill.

BACKGROUND—WHAT IS A MUTUAL FUND?

A mutual fund is a company organized in corporate or trust form that receives money from shareholders, invests it, earns returns on it, attempts to make it grow, and agrees to pay the shareholders cash on demand for the current value of the investment.

The industry offers investors a broad array of mutual fund products, each of which is based on different investment objectives. These products include such diverse types as stock, corporate and municipal bond funds, and money market funds. Shareholders can often move within a family of funds and, thus, shift their investment goals in accordance with changes in economic or financial conditions. The mutual fund provides its shareholders the advantages of diversification and professional management.

The mutual fund industry has grown markedly since the enactment of the Investment Company Act of 1940. In 1940, there were 68 mutual funds with $448 million in assets and 296,000 shareholder accounts. At yearend 1985, there were over 1,500 funds with $495 billion in assets and more than 30 million shareholder accounts. This tremendous growth has demonstrated the industry's ability to adapt to changes in investors' needs and market conditions.

The growth in the industry has been fueled by a dramatic increase in the number of people investing in mutual funds. A Wall Street survey found that the stock market has recently added 5 million new shareholders, a number directly attributable to mutual fund investors.

The median income level of households owning mutual fund shares is about $29,000. It is these investors of modest means, working Americans, who benefit the most from mutual funds, because they are afforded the opportunity to have professional investment guidance, portfolio diversification, access to the investment community, and other benefits typically available to direct and, generally, more sophisticated investors.

TAXATION OF MUTUAL FUNDS

The Federal income tax provisions applicable to mutual fund were first enacted in 1936. The basic structure and principle of these provisions, which are found in subchapter M of the Internal Revenue Code, have remained unchanged.

As long as the mutual fund complies with certain specified requirements under subchapter M of the code, it will be considered a regulated investment company for tax purposes. The tax treatment of mutual funds is based on the "conduit" theory. In other words, the fund serves as a pipeline through which its net income (dividends, interest, and capital gains) earned from the securities held in the fund's portfolio

flows to the fund's shareholders. The distributed income is taxed at the shareholder level, not at the corporate level. Failure to satisfy the stringent "conduit" requirements subject a mutual fund to the full corporate tax imposed under subchapter C of the code.

This conduit treatment is premised on the notion that mutual funds can and should provide a mechanism by which investors of more modest means may obtain the same professional investment management, the same diversification of risk, and roughly the same tax treatment available to the direct investor who more typically can afford direct investment guidance.

NEED FOR CHANGE

In spite of the recent explosive growth in the mutual fund industry, the rules governing its regulation were drafted in 1936 and are so inflexible that they prevent the use of many modern financial techniques. And even though this bill addresses its problems which have a direct impact on how a mutual fund conducts its business, the ultimate beneficiary will be the typical middle-income investor who relies on his or her mutual fund account to gain the direct access to the stock or bond market which has traditionally dominated by only the more affluent. The sophisticated investor has another distinct advantage—the ability to hedge against the risks of fluctuations in interest rates, stock values, and currency exchange rates. The outmoded provisions of the code prevent mutual funds from providing the same protections and services to its shareholders.

This bill not only clarifies those sections of the code which are relevant to the use of new financial products, but it also addresses problems associated with foreign currency gains, a major source of revenue and investment in today's market.

PROPOSED LEGISLATION

The bill proposes five changes in subchapter M of the Internal Revenue Code. The first of these changes proposed by the bill is the repeal of the 3-month holding period requirement of section 851(b)(3), or the "short-short" rule, which currently denies conduit tax treatment to a mutual fund if 30 percent or more of its gross revenues are derived from the sale or other disposition of stock or securities held for less than 3 months.

The existing short-short rule may force a fund manager to act in a manner which is contrary to prudent investment principles. For example, holding an investment for 3 months or more may not be in the best interest of fund shareholders. Similarly, a stock market surge, like the one we just experienced, might make certain security sales advisable, but if the securities have not been held for 3 months, section 851(b)(3) might preclude such sales.

The short-short rule operates particularly unfairly against newer funds, of which there are many. These funds do not have appreciated securities that can be sold at a long-term gain to prevent a violation of that rule.

Finally, compliance with the short-short rule presents a difficult, complex monitoring problem for fund managers. In recent years, the increased use of financial instruments, such as options, futures, and options on futures, has given rise to a number of complex questions regarding the circumstances under which the holding period of an investment may be suspended or terminated for purposes of the short-short rule. The burden of this monitoring process imposes a substantial cost on mutual funds and their shareholders.

The second key provision of the bill expands the definition of permitted income under section 851 (b)(2) of the code to include "securities" gains from most options and futures contracts, and gains from investment in foreign currency. The latter has become especially important with the advent of substantial investment in foreign stocks and securities.

With respect to gains from investment in foreign currency, the Treasury Department recently commented:

We believe that investment in foreign-currency denominated securities are the type of passive investments that should be permissible for RIC's. Moreover, foreign currency investments that are made to hedge investments in foreign-currency denominated securities also appear to be an appropriate part of the passive investment activity of RIC's. Accordingly, we believe that foreign currency gains from investments in foreign-currency denominated securities and from hedging activities with respect to such securities should be treated as qualifying income under section 851 (b)(2) . . . Consequently, we suggest that foreign currency gains be added to the list of qualifying income under section 851 (b)(2) . . .

The third key provision of the legislation would make changes resulting in consistency in the tax treatment of series mutual funds. Current tax law treats most series funds organized as corporations as single corporations for Federal income tax purposes. The IRS, however, has recently issued a number of private letter rulings which allow a series fund to treat each of its separate portfolios as separate corporations if organized as a separate business trust. By amending section 851 (g) of the code, this bill would codify recent IRS private letter rulings, thus providing clarity and consistency in the treatment of series mutual funds. In addition, the separate treatment of each portfolio in a series fund is a more prudent business practice.

This bill also recognizes, upon Treasury's recommendation, the need for a transition rule for existing series funds. This provision is not intended to disturb the tax treatment of a particular series fund prior to the effective date of this provision.

Mr. President, I ask unanimous consent that the Treasury Department's letter concerning the bill and a section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION BY SECTION—SUBCHAPTER M AMENDMENTS OF 1986

SECTION 1

Clarification of intent.

SECTION 2

(1) *Short-Short Test.* Under current law, if a Registered Investment Company (RIC) receives more than 30% of it's income from sale or disposition of stock or securities held for less than 3 months, then it loses the conduit treatment and is taxed at the corporate level.

The bill would repeal this limitation. This test was placed in the law in 1942 to distinguish between "active traders" and "passive traders" (like RIC's). Little legislative history has been found to elaborate on this distinction but the presumption is that it was meant to parallel Real Estate Investment Trusts (REIT's) to separate "active" from "passive" investors. It is Treasury's opinion that the *volume* of business in the above products does not cause a MMMF to be an "active" business and therefore they support the repeal of this provision.

(2) *Types of Income a MMMF can receive; 90% Test:* Current law specifies that a RIC must receive 90% of it's gross income from, dividends, interest, payments with respect to securities loans and gains from the sale or disposition of stock or securities. As stock options, futures contracts and options on stock indices, options and futures on foreign currencies become more prevalent in the marketplace with income from the above source are included as income but must not exceed 10% of gross income.

The second amendment would allow earnings from the above new products to fall within the permissible category. The 90% test is otherwise preserved.

Treasury suggested one qualification in the area of foreign currency transactions. They believe earnings from foreign currency transactions used as a hedge on securities is appropriate, but that MMMF should not be buying and selling futures on foreign currencies. This recognizes that concern and gives to the Secretary of Treasury authority to establish limitations in this area.

SECTION 3

Tax Treatment of Series Funds: Series funds are several separate MMMF's that specialize in certain types of investments all under a common name. Under current law they are taxed as one corporation. For purposes of the Short-Short test and the 90% rules any one fund could fall out of compliance, but as a group they remain in compliance. This amendment would, for tax purposes, treat each separate series as a corportion—thus each fund must remain in compliance with the above limitations.

Furthermore this amendment provides certainty of tax treatment. One MMMF organized as a trust obtained a private letter ruling stating they would not be taxed as a single corporation but as a series of corporations. This provision codifies that revenue ruling and a transition rule is provided in Section 7.

SECTION 4

Current law requires MMMF's to mail certain dividend, income and capital gains information to shareholders within 45 days after the close of the find's taxable year.

This section would extend it to 60 days which would make it consistent with current Security and Exchange Commission reporting rules.

SECTION 5

Current law protects attorney's, accountants, commercial banks thrifts and brokers from suits if they have provided information to the IRS after being summoned by the IRS to do so. This section extends those same protections to RIC's and their agents.

SECTION 6

Effective dates for each section.

SECTION 7

This section establishes a transition rule for series funds that, prior to the effective date of Section 3 of the bill, had been treated for tax purposes as a single corporation.

DEPARTMENT OF THE TREASURY,
Washington, DC, February 5, 1986.

Hon. RONNIE G. FLIPPO,
House of Representatives,
Washington, DC.

DEAR MR. FLIPPO: Thank you for your September 25, 1985, letter to former Assistant Secretary Pearlman requesting the Treasury Department's views on H.R. 3397. I apologize for the delay in responding.

H.R. 3397 would amend the provisions of the Internal Revenue Code relating to regulated investment companies ("RICs"). The amendments would remove a limitation on the short-term trading activities of RICs, expand and clarify the types of income that may be earned by RIC's revise and clarify the treatment of RICs organized in series form, and make other minor changes. In general, the Treasury Department supports H.R. 3397. We believe, however, that revisions are needed to narrow the amendment of the income source rules and to provide certain transition rules. Our comments on the specific provisions of H.R. 3397 are described below.

SHORT-TERM TRADING ACTIVITIES OF RIC'S

H.R. 3397 would repeal section 851(b)(3) of the Internal Revenue Code, which requires that a RIC derive less than 30 percent of its gross income from the sale of stock or securities held for less than three months. This requirement is intended to restrict the favorable RIC tax provisions to "passive" investment entities that are not engaged in an active business.

Some have questioned the need for any restriction on the activities of RICs. The principal difference between the tax treatment of RICs and other corporations is that a RIC is allowed a deduction for divdends paid to shareholders, and thereby avoids the corporate-level tax on any income distributed to shareholders. As a theoretical matter, the single tax imposed on RICs and their shareholders may be preferable to the system of double taxation that applies generally to corporations and their shareholders. Nonetheless, in a system in which the double taxation of corporate earnings is standard, we believe it is important to restrict the types of activities that can be carried on by a RIC without being subject to double taxation. For this reason, we believe that RIC treatment should be available only to entities that are not engaged in an active business. We do not believe, however, that the restriction imposed by section 851(b)(3) is essential to this policy or is justified on other grounds.

Our support for the repeal of section 851(b)(3) is, in large part, based on the fact that the trading of portfolio securities is treated for federal income tax purposes as less "active" than other comparable business activities. This difference in treatment is evident in a number of areas.

First, the standard for determining whether property is held for investment (and will produce capital gain or loss upon sale) or is held for sale to customers in the ordinary course of business (and will produce ordinary income or loss upon sale) differs depending on whether the property is stock or securities or other property. Among the most important factors that determine whether other property, such as real estate, is held for sale to customers in the ordinary course of business are the number, frequency, and continuity of sales of the property by the taxpayer. By contrast, these factors are not relevant in determining whether securities are held for sale to customers in the ordinary course of business. Instead, securities generally are treated as held for investment unless the seller performs a merchandising function comparable to buying the securities in the wholesale market and selling them in the retail market.

Second, among the requirements that must be satisfied in order for a distribution of securities of a controlled corporation to be tax-free under section 355 of the Code is that both the distributing and the controlled corporation be engaged in the active conduct of a trade or business. The trading by a corporation of stocks and securities held for its own account, regardless of the size of the portfolio or the amount of activity involved in the management of the portfolio, is not treated as the active conduct of a trade or business for purposes of section 355. See Rev. Rul. 66-204, 1966-2 C.B. 113.

Third, certain "S corporation" (i.e., corporations taxed under Subchapter S of the Code) may be penalized, or lose their status as S corporations, if they have excessive amounts of "passive investment income." For this purpose, passive investment income is defined in section 1362(d)(3)(D)(i) of the Code to include all gains from sales or exchanges of stock or securities.

Finally, tax exempt organizations generally are subject to tax on any "unrelated business taxable income." Gains or losses from the sale or exchange of property (other than property held for sale to customers in the ordinary course of business) are excluded from the definition of unrelated business taxable income. One of the reasons for this exclusion was the view of Congress that such gains and losses are "passive" in character. H.R. Rep. No. 2319, 81st Cong. 2d Sess. 38 (1950).

The distinctions drawn in these other areas of tax law are between sales of securities and sales of other property and between sales of property held for investment and sales of property held for sale to customers in the ordinary course of business. These areas do not draw a distinction between sales of securities held for investment for a short period and sales of securities held for investment for a longer period. Likewise, we do not believe that such a distinction should be drawn for purposes of determining whether a RIC is engaged in active business.

We also note that an independent limitation on the permissible activities of a RIC is imposed by the requirement that a RIC register as an "investment company" (or qualify as a common trust fund or similar fund exempt from registration) as defined in the Investment Company Act of 1940. This requirement did not exist when the predecessor of section 851(b)(3) was first enacted. Registration with, and regulation by, the Securities and Exchange Commission under the Investment Company Act of 1940 both limits the ability of active business corporations to qualify as RICs and makes applicable numerous rules designed to protect the shareholders of investment companies. Some have argued that section 851(b)(3) also serves to protect shareholders of RICs by limiting speculative trading or portfolio "churning." We question whether section 851(b)(3) provides any meaningful protection to RIC shareholders. More importantly, however, we believe that regulation of the relationship between corporations and their shareholders should be achieved through the securities laws, rather than the tax system.

While section 851(b)(3) does not serve a pressing tax policy goal, it does impose substantial costs on RICs and their shareholders, both by requiring investment decisions to be made on nonecomomic grounds and by forcing RICs to monitor their compliance with the rule. In order to comply with section 851(b)(3), RICs may be forced to forgo realizing gains on securities held for less than three months or to reduce such gains as a percentage of gross income by selling securities held for a long period. The costs of complying with section 851(b)(3) have grown in recent years as the volatility of investment markets has increased and the rules for determining the holding period of securities have become more complex. For example, it may be prudent for a RIC to hedge a portfolio of securities against price fluctuations. Hedging activities may, however, produce less-than-three-month gains with respect to securities that have been held for more than three months if gain is realized on the hedging side of the transaction or if the holding period of the underlying securities is affected by rules (such as the short sale and straddle transaction rules) that suspend the running of, or create new, holding periods for securities. Additional uncertainty concerning the application of section 851(b)(3) has resulted from the rule requiring that unrealized gains and losses on regulated futures contracts be recognized at the end of each taxable year.

In sum, because we believe that the cost of section 851(b)(3) exceed the benefits of the section, we support the proposal in H.R. 3397 to repeal the section.

SOURCES OF INCOME OF RIC'S

Section 851(b)(2) of the Code requires a RIC to derive at least 90 percent of its gross income from dividends, interest, payments with respect to securities loans, and gains from the sale or other disposition of stock or securities. This listing of qualifying income fails to include many types of investment-related income commonly received by RICs.

The Internal Revenue Service has often gone beyond the literal terms of the statute in order to give a reasonable interpretation to section 851(b)(2). For example, the IRS has ruled privately that certain investment products will be treated as securities, gains from the sale or disposition of which will be qualifying income under section 851(b)(2). See G.C.M. 37233 (August 25, 1977) (options on securities); G.C.M. 38994 (January 21, 1983) (futures contracts on securities); and G.C.M. 39316 (July 31, 1984) (stock index

futures, options on stock indexes, and options on stock index futures). In addition, the IRS has ruled both publicly and privately that the receipt of certain other kinds of income, although not qualifying under section 851(b)(2), will not result in loss of RIC status. See Rev. Rul. 64-247, 1964-2 C.B. 179 (recovery of excess management fees); Rev. Rul. 74-248, 1974-1 C.B. 167 (recovery of damages from investment advisor for breach of fiduciary duty); Ltr. Rul. 8530016 (April 24, 1985) (recovery of state taxes). Despite the flexibility that has been shown by the IRS, RICs often can be certain of the treatment of various income items only by obtaining a private ruling from the IRS.

H.R. 3397 would amend section 851(b)(2) to expand the list of qualifying income of a RIC to include gains from the disposition of "foreign currency, and other income (including but not limited to gains from options or futures contracts) derived with respect to its business of investing in such stock, securities, or currencies." If section 851(b)(3) is repealed, additional pressure is placed on section 851(b)(2) to limit the types of activities in which RICs may engage. We believe it is essential that two limits on the activities of RICs be retained. First, income qualifying under section 851(b)(2) should be limited to income from property held for investment, as opposed to property held for sale to customers in the ordinary course of business. Second, income qualifying under section 851(b)(2) should be limited to income from stocks and securities, as opposed to other property. (The reimbursement or recovery of expenses and similar items should be treated as falling within these limits since they generally represent amounts that were offset against such income in past years.) For example, under the second limit, we would generally not treat as qualifying income gains from trading in commodities, even if the purpose of that trading is to hedge a related stock investment.

H.R. 3397 would treat foreign currency gains as income qualifying under section 851(b)(2). Foreign currency is a commodity and not a security. The purchase and sale of a stock or security denominated in a foreign currency cannot be accomplished, however, without the purchase and sale of foreign currency. Hence, foreign currency gains and losses are an inherent part of any investment in foreign-currency denominated securities.

We believe that investments in foreign-currency denominated securities are the type of passive investments that should be permissible for RICs. Moreover, foreign currency investments that are made to hedge investments in foreign-currency denominated securities also appear to be an appropriate, part of the passive investment activity of RICs. Accordingly, we believe that foreign currency gains from investments in foreign-currency denominated securities and from hedging activities with respect to such securities should be treated as qualifying income under section 851(b)(2).

We question whether other foreign currency gains should be treated as qualifying income under section 851(b)(3). We recognize, however, that attempting to distinguish between qualifying and nonqualifying foreign currency gains would be difficult. We are not prepared at this time to propose statutory rules that would draw the appropriate distinction. Consequently, we suggest that foreign currency gains be added to the list of qualifying income under section 851(b)(2), but that Treasury be provided with regulatory authority to exclude from qualifying income any foreign currency gains that are not derived with respect to investment in a foreign-currency denominated security or from hedging activity with respect to such a security.

SERIES FUNDS

Many RICs are organized as "series" funds. A series fund is a single legal entity (either a corporation or a business trust) that is made up of several investment funds, each of which issues a separate class of stock of the entity. The owners of each separate class of stock have an interest only in the assets and income of the separate fund. In *Union Trusteed Funds* v. *Commissioner*, 8 T.C. 1133 (1947), *acq.*, 1947-2 C.B. 4, the Tax Court held that a series fund organized as a corporation was a single corporation for federal income tax purposes. In Rev. Rul. 56-246, 1956-1 C.B. 316, the Internal Revenue Service reached the same conclusion. The IRS has consistently followed this case and ruling with respect to series funds organized as corporations, but has issued a number of private rulings holding that each series of a series fund organized as a business trust would be taxed as a separate corporation. Recently, the IRS has been studying the issue of whether to continue to issue such rulings.

H.R. 3397 would treat each separate series of a series fund (regardless of whether organized as a corporation or as a business trust) as a separate corporation. We support this provision. Treating each series as a separate corporation reflects the economic substance of the series fund form of organization. Moreover, a contrary rule may permit avoidance of many of the requirements that are imposed on RICs. For example, within a series RIC organized as a corporation it may be possible to have a series that does not meet the diversification requirement of section 851(b)(4), a series that does not meet the income source requirement of section 851(b)(2), or a series that does not meet the income distribution requirement of section 852(a)(1), so long as, in the aggregate, all of the series meet these requirements. In addition, treatment of a series fund as a single corporation creates several technical problems. For example, the capital losses of one series offset the capital gains of another series, thereby providing an unintended shift of tax benefits between the shareholders of the different series. Similarly, the straddle transaction and wash sale rules may prevent the deduction of losses by one series because of investments made by another series.

If H.R. 3397 is enacted, a transition rule will be needed for existing series funds. As discussed above, under current law, a series fund that is organized as a corporation is treated as a single corporation. H.R. 3397 should clarify the tax consequences of the "deemed reorganization" resulting from the bill's treatment of such a corporation as more than one corporation.

SHAREHOLDER NOTICE REQUIREMENTS

The current tax rules require RICs to send various notices to their shareholders within 45 days following the end of the RIC's taxable year. Usually, these notices are included as part of the RIC's annual report. The SEC has recently extended the time for mailing annual reports to shareholders from 45 days to 60 days after the end of the RIC's taxable year. H.R. 3397 would make a conforming change in the notice requirements for tax purposes to permit information contained in a timely annual report to satisfy the notice requirements. We do not object to this proposal.

THIRD-PARTY RECORDKEEPER SUMMONS

Section 7609 of the Code provides certain procedural rules applicable to summons served on "third-party recordkeepers." This term is defined to include various types of financial institutions such as banks, savings institutions, and brokers. H.R. 3397 would expand the definition of "third-party recordkeepers" to include RICs. We do not object to this proposal.

We appreciate the opportunity to comment on the provisions of H.R. 3397 and look forward to working with Congress toward legislative improvements in this area.

Sincerely,

J. ROGER MENTZ,
Acting Assistant Secretary (Tax Policy).

By Mr. MOYNIHAN:

S. 2156. A bill to amend the Federal Deposit Insurance Act to prohibit the acquisition of insured banks by certain foreign nations, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

ACQUISITION OF INSURED BANKS BY CERTAIN FOREIGN NATIONALS

● Mr. MOYNIHAN. Mr. President, I rise today to introduce legislation addressing an extremely troublesome problem: Efforts by the Soviet Union and other Eastern bloc countries to acquire U.S. banks.

We hear much about the problem of the Soviets trying to steal our high technology goods. Yet insufficient attention is given, I believe, to a more sophisticated form of espionage: Obtaining access to such goods by owning the bank that finances the company that makes them. They do not have to steal blueprints if they own them.

Perhaps some of my colleagues read recent accounts of the Soviet effort to acquire three banks in northern California's silicon valley. These banks financed numerous companies making the same high technology goods that we will not permit to be exported to the Soviet Union.

For those that did not have the opportunity, I ask unanimous consent that an article by Martin Tolchin in the February 16 New York Times be included in the RECORD at the conclusion of my remarks.

It took some fine investigative work and some luck in order for the true principal in the acquisition to come to light. That is troubling.

But perhaps even more disturbing, existing law does not per se proscribe Soviet ownership of U.S. banks. Federal banking authorities could stop such an acquisition, but they are not required to.

How can this be?

Under current law—essentially the Change in Bank Control Act of 1978 (12 U.S.C. 1817 (j))—the acquisition of a controlling interest in practically all banks—with the exception of small un-

insured State banks—must be approved by either the Comptroller of the Currency, the Federal Reserve Board, or the Federal Deposit Insurance Corporation. The appropriate Federal banking agency is determined by the type of bank; however, each agency applies the same statutory criteria for approving a proposed bank acquisition.

Information that must be submitted by the purchaser includes: The identity, history, business experience, assets, and liabilities of the purchaser; terms and conditions of the proposed acquisition; and the identity, source, and amount of funds or other consideration that will be used to acquire the bank. The Federal banking agency is also authorized to ask for any other relevant information it may require.

Those who willfully fail to provide this information are subject to a civil penalty of up to $10,000 per day.

The Federal banking agency may, but does not have to, disapprove a proposed acquisition in three basic situations. First, if the acquisition would monopolize or substantially lessen competition. Second, if the purchaser is not fiscally sound. And third, if "the competence, experience or integrity" of the purchaser "indicates" that it would not be in the depositors' or the public interest to allow the acquisition.

There are three problems with existing law, Mr. President, and the bill I am introducing today would remedy them.

First, my bill would require information on the nationality of the purchaser. Perhaps this is implicit in existing law; my bill would leave no doubt that we want to know.

Second, my bill would make it a criminal offense—subject to a fine of up to $100,000 and to a sentence of up to 10 years—for failing to provide the information.

Finally, my bill would prohibit ownership or control of a bank—the acquisition of which is subject to Federal review—by the Soviet Union or any other country to which we severely restrict exports under the Export Administration Act; that is, those countries which are listed by the Department of Commerce in country groups Q, S, W, Y, and Z. These countries are Romania, Libya, Hungary, Poland, Albania, Bulgaria, Czechoslovakia, Estonia, German Democratic Republic, Laos, Latvia, Lithuania, Mongolian People's Republic, Union of Soviet Socialist Republics, Cuba, Kampuchea, North Korea, and Vietnam.

The bill would prohibit ownership by those countries as well as any national, agency, or instrumentality or other person of such country.

Mr. President, by statute and regulation we have decided that these countries should not have access to certain goods. We need to ensure that they do not slip into our economy clandestinely.

Why do we care?

According to the Department of Defense, the success of the U.S.S.R. in acquiring technology from the West is largely responsible for the recent Soviet progress in microelectronics, progress that has reduced the overall Western lead in this area from 10 to 12 years in the mid-1970's to 4 to 6 years today. Soviet efforts at gaining computer technology have been equally concerted, ranging from attempts to buy powerful United States computers through dummy firms and falsified licenses, to much more brazen efforts to acquire useful technical data.

These efforts are intensifying. The Soviets are faced with the challenge posed by the strategic defense initiative, United States advances in electronic warfare, and other programs at the cutting edge of microelectronics and computer technology. In response, the U.S.S.R. has stepped up its attempts to steal the components and know-how it finds so difficult to develop on its own. Our failure to block this effort would be tantamount to subsidizing the Soviet military buildup.

But increased export license scrutiny, and greater efforts by Customs officials in the field, will be useless if the Soviets and others are permitted to scrutinize that technology in a banker's guise.

Mr. President, I hope my colleagues will join me in supporting this legislation and I ask unanimous consent that the text of the bill appear in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2156

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7(j) of the Federal Deposit Insurance Act (12 U.S.C. 1817(j)) is amended—

(1) in paragraph (6)(A), by inserting "nationality," after "personal history,";

(2) by inserting "(A)" after "(15)" at the beginning of paragraph (15);

(3) by inserting at the end of paragraph (15) the following:

"(B) Any person who willfully violates any provision of this subsection, or any regulation or order issued by the appropriate Federal banking agency pursuant to this subsection, shall upon conviction be fined not more than $100,000, or imprisoned for not more than 10 years, or both."; and

(4) by adding at the end thereof the following:

"(17) The appropriate Federal banking agency shall disapprove any proposed acquisition under this subsection which would result in the ownership or control of an insured bank by a country listed in country group Q, S, W, Y, or Z under section 5 of the Export Administration Act of 1979 or a national, agency, or instrumentality of any such country.".

[From the New York Times, Feb. 16, 1986]

RUSSIANS SOUGHT U.S. BANKS TO GAIN HIGH-TECH SECRETS

[By Martin Tolchin)

WASHINGTON, February 15.—The Soviet Union secretly tried to acquire three banks in northern California and an interest in a fourth to gain access to advanced American technology, United States intelligence and military officials say.

The attempt, which was foiled by United States intelligence agents in the mid-1970's, was part of what American officials have described as a broad Soviet effort to acquire Western technology for military and commercial purposes.

United States officials and private lawyers familiar with the case said Soviet agents wove a pattern of international intrigue using disguised principals and large sums of money that traveled a circuitous route.

C.I.A. AGENT SAW PATTERN

The scheme failed when an agent of the Central Intelligence Agency noticed a peculiar lending pattern by the Singapore branch of a Soviet bank. The case attracted little attention in the United States, and officials and lawyers familiar with it provided details that have not been previously disclosed.

American intelligence, military and banking officials, along with some members of Congress, said the scheme raised questions about whether banking statutes, even those that have been strengthened since then, are adequate to cope with a threat to national security.

If the Soviet Union had managed to take over a bank, the officials said, it could have learned about the confidential finances of American high-technology companies, perhaps enabling it to put pressure on executives and companies or even take one over.

TAKEOVER PLAN WAS LEGAL

The plan, which did not violate any laws, was aborted after a $1.8 million down payment was made on the banks: the Peninsula National Bank in Burlingame, the First National Bank of Fresno, and the Tahoe National Bank in South Lake Tahoe. In addition, the Soviet Union sought partial interest in the Camino California bank in San Francisco. Peninsula National had made numerous loans to high-technology companies and, along with the other banks, counted employees and executives of high-technology companies among its clients.

"I always viewed it as a deliberate penetration by the K.G.B. of the American banking system," said Bartholomew Lee, a San Francisco lawyer involved in a civil case resolving the effort.

Senator Daniel Patrick Moynihan, Democrat of New York, an intelligence specialist, was one of the few on Capitol Hill in the late 1970's aware of the Soviet effort. "It's a new form of industrial espionage," he said. "It doesn't involve people stealing blueprints; they own the blueprints."

M. Meinikuv, deputy trade representative at the Soviet Embassy here, said he was not familiar with the takeover attempt. "I never heard this story, and I don't know anyone who has," he said. "Our relations in the financial field in the United States are practically nonexistent."

Similarly, officials of the Moscow Norodny Bank, which financed the attempt to buy interests in the banks, have insisted that its loans were strictly business transactions.

FOREIGN INVESTMENT PROBLEMS

To intelligence, military and banking officials, and some members of Congress, the Soviet scheme underscored one of the problems in a society that welcomes foreign investment, in which the highest bidder can acquire institutions that have access to sensitive information. They said the incident also highlighted the difficulty of learning the true principals in some financial transactions and of tracking money whose source has been under layers of transactions.

"There is sometimes a real conflict between free trade and national security," said Richard N. Perle, Assistant Secretary of Defense for international security policy. "It seems to me in our national security interests not to give the Soviets any leverage."

Mr. Perle also noted the problems of disguised ownership and said the laws should be strengthened to provide information on the true nature of these transactions. "It seems to me that at the very least we ought to have a continuing audit of what is being acquired and by whom," he said. "We ought to look behind the immediate purchaser, and satisfy ourselves that we know who we're really dealing with."

"NOT A PRIVATE AFFAIR"

Senator Moynihan said: "The ownership of banks is not a private affair. If you have to go two or three layers into the system to find out what's happening, go two or three layers into the system."

Banks can be an important source of valuable intelligence, said Representative Charles E. Schumer, a New York Democrat who is a member of the Banking Committee. "If you wanted to find out about any aspect of American industry, one of the most effective and relatively cheap ways to do it is to get inside a bank," he said. "They give unfriendly foreign powers a window into things they ought not to see."

Frederick R. Dahl, associate director of the Federal Reserve Board's division of Banking Supervision and Regulation, said: "We're really in a public dilemma. We've always had a tradition in this country that anyone could start a bank, with the proviso that he had some money and was reputable. Then you come to the question of undesirables getting in. You try to keep them out, but it's easier said than done."

The Soviet attempt may not be an isolated one. Amos Dawe, a Singapore businessman who served as the Russians' major intermediary in the bank scheme, told Federal officials that the Soviet Union had succeeded in carrying out similar acquisitions in other parts of the country, but he declined to specify where or when, his lawyers said.

Mr. Perle agreed. "If the Moscow Norodny bank attempted to acquire banks in Silicon Valley, you can be sure that they made other efforts elsewhere," he said.

PLAN TO BUY BANKS: HIDING MONEY'S SOURCE

A detailed account of the Soviet scheme was pieced together from interviews when intelligence and military officials, private lawyers familiar with the case, court records and a statement by Mr. Dawe.

According to court records, the Moscow Norodny bank's Singapore branch used Mr. Dawe to acquire the three California banks and used another intermediary, Y.T. Chou, a business associate of Mr. Dawe's, to acquire a half interest in the Camino California bank in San Francisco.

The scheme was aborted by United States intelligence officials, who released the story to an Asian financial newsletter. Mr. Dawe has acknowledged through his lawyers his role as an intermediary. Efforts to reach Mr. Chou, who is believed to be living in Southeast Asia, were unavailing.

Moscow Norodny selected the banks to be acquired, and supervised their acquisition, according to Mr. Dawe's statements.

Ephraim Margolin, one of Mr. Dawe's attorneys in San Francisco, said of his client, "There is no doubt in my mind that he was working for the Russians."

Cliff Palefsky, another of Mr. Dawe's San Francisco attorneys, said his client hoped to make money on the deal. But he added: "There's no question that he was reporting to the Russians. It was Mr. Dawe's belief that the Soviets were interested in gaining some access to computer technology."

Mr. Dawe, now 51 years old, rose from postal clerk to become one of the richest men in Southeast Asia. He was the principal owner of the Mosbert Group, a holding company with interests in hotels, real estate, plantations, finance companies, and other properties. The Mosbert Group controlled some 200 companies with $160 million in assets in Southeast Asia.

SINGAPORE TO SAN FRANCISCO

According to papers filed in Federal District Court in San Francisco, Mr. Dawe obtained a $50 million line of credit in late 1974 from the Moscow Norodny bank's Singapore branch for the purpose of purchasing several banks in northern California.

The first installment of funds to Mr. Dawe, $3 million, traveled a circuitous route from Moscow Norodny in Singapore to the Pacific Atlantic Bank in Panama, to the Commerce Union Bank in Nashville, Tenn., and, finally, by letters of credit, to Mr. Dawe in San Francisco.

In a brief interview with the British Broadcasting Corporation in 1983, Mr. Dawe recalled that Moscow Norodny had sent him to San Francisco to study various banks.

Upon his return to Singapore, Mr. Dawe said in the interview, he was surprised by how much Moscow Norodny already knew about the American banks. "I have details, they have already more details," Mr. Dawe said. "They have more details than I could imagine. They have done their homework. They have all the details of all the banks in the big area."

Mr. Dawe negotiated the sale of the Fresno, Tahoe and Burlingame banks, which were owned by the Central Bank of California.

"We had no reason to suspect that he was not the principal," Robert L. Haggen, the bank's vice president and counsel, said in an interview. "He was a very wealthy man with operations all over the world."

Court records reveal that Mr. Dawe purchased the Burlingame bank in December 1974, for $3.05 million, placed $300,050 in an escrow account and financed the remainder through a letter of credit issued by the Commerce Union Bank of Nashville.

Mr. Dawe purchased the Fresno and Tahoe banks in June 1975, for $7.9 million. He placed $808,300 in escrow and paid an installment of $685,266 in October 1975. He also put the stock in the Fresno and Tahoe banks up as collateral for the sale.

It is not clear how much Mr. Chou, who was also backed by Moscow Norodny, paid for the half interest in Camino California in October 1975.

"ONE SMART C.I.A. GUY:" THE PLAN FALLS APART

United States officials said that an American intelligence officer with a banking background based in Singapore learned of the transactions. "It was one smart C.I.A. guy who noticed a peculiar lending pattern," Mr. Perle said. "It didn't smell right."

American intelligence officers then disclosed the purchases to Raymond Sacklyn, publisher of a Hong Kong financial newsletter, Target, according to United States officials. Mr. Sacklyn refused to identify the source of the article.

The bank deal collapsed upon publication of the article. Moscow Norodny withdrew its funds, leaving Mr. Dawe financially vulnerable.

Mr. Haggen said Central bank foreclosed on its collateral and acquired the stock to the three banks.

In July 1977, Mr. Dawe was indicted by a Federal grand jury in San Francisco on charges of improper transfer of funds in connection with his purchase of the three banks as well as the use of collateral that was previously pledged to other creditors.

In addition, a tangle of lawsuits ensued as the Soviet bank tried to get back its money from Mr. Dawe after the bank purchases were scuttled.

"The Russians wanted him," Mr. Palefsky said: "Through the Moscow Norodny bank, they were able to get him indicted in Hong Kong."

HONG KONG EXTRADITION

Mr. Dawe, who was fighting extradition to Hong Kong on the fraud charges, returned to San Francisco from Taiwan to face the United States charges. "Amos came to the United States voluntarily, with certain promises by the Government," Mr. Margolin, another of his attorneys, said, "They promised that if he stood trial, he would be protected and not extradited. The promises were not kept."

Federal prosecutors denied that any such deal had been made, although Mr. Dawe had cooperated with the C.I.A. The United States charges were dismissed in February 1979, at the request of the Justice Department, and he was subsequently extradited to Hong Kong. Robert Mueller, an assistant United States attorney who prosecuted the case, would not comment on whether charges had been dismissed at the request of the C.I.A.

In Hong Kong, Mr. Dawe was ultimately convicted of fraud in connection with the bank scheme. He began serving a five-year prison sentence in 1984.

"A number of different people have told us that there is a basis for suspicion that Hong Kong is really doing the bidding of somebody else, perhaps knowingly, perhaps not, the bidding of the Soviet Union," Mr. Margolin told a Federal judge at Mr. Dawe's extradition hearing in 1979.

William Dorward, Commissioner for Hong Kong and its senior representative in the United States, responded through a spokesman, "It is so bizarre that I could not even begin to comment."

Mr. Chou sold his interest in the Camino California bank to Jack Johansen, the president. Mr. Chou is now living in Southeast Asia, Mr. Johansen said.

FEDERAL BANKING LAWS: NEW MEASURES PROPOSED

Intelligence and military officials say the Soviet effort fit into a broader scheme referred to last September by Defense Secretary Caspar W. Weinberger.

"By their own estimate," Mr. Weinberger said, "more than 5,000 Soviet military research projects each year are benefiting significantly from Western-acquired technology."

Athough the Federal banking laws were toughened in 1978, as a result of several cases of domestic fraud, intelligence, military and banking officials contend that they remain inadequate to block the kind of takeover attempted by Moscow Norodny bank.

There is no law, for example, prohibiting the Russians from acquiring United States banks, and intelligence officials believe that there are inadequate efforts to discover the true principals of some bank transactions.

"As long as we have an adequate statutory base, we're going to be vulnerable," Mr. Perle said.

Steven J. Weiss, Deputy Comptroller of the Currency, said that under Federal laws, "it's tightened up a great deal, but there are still some problems."

Mr. Weiss noted that his agency had 60 days to approve or reject a proposed bank sale. Such sales can be rejected on three grounds: if the purchaser fails to provide the necessary information, lacks financial capability or is judged to lack integrity or competence.

"That's where we get a lot of murky stuff," Mr. Weiss said. "We have a standard procedure of checking with the C.I.A., F.B.I., and Interpol. Those checks frequently produce nothing." At best, he said, they produce gut reactions or information that cannot provide the basis for rejecting a sale.

"There have been cases where the proposal stinks, but we don't have the statutory grounds to turn them down," Mr. Weiss said.

BANKING TIMIDITY CHARGED

But a 1984 report by the House Committee on Government Operations accused the banking agencies of timidity. "Even when confronted with evidence of prior misconduct or questionable integrity, the agencies rarely deny change of control applications," the report said.

Representative Fernand J. St Germain, the Rhode Island Democrat who is chairman of the House Banking Committee, noted the problems of ascertaining the principals of some transactions. "There are many subterfuges used to disguise ownership," he said.

But he said that many of these problems could be solved by strict enforcement of existing laws. "The controller's office is wearing blinders." Mr. St Germain said.

The problem of money laundering has led the Reagan Administration and members of Congress to introduce legislation to make the process a crime.

But some believe that there is no defense against a determined, well-financed effort. "If you're willing to spend enough time, money and effort, you can get away with anything," said Quentin Breen, another of Mr. Dawe's San Francisco lawyers.

"When you live in an open society, you have to accept the consequences," Mr. Breen continued. "The question is, can we afford to continue to be an open society?"●

By Mr. SIMON:

S. 2157. A bill to prohibit the importation into the United States of coal, steel, and fluorspar mined or produced in South Africa; to the Committee on Finance.

BANNING IMPORTS OF SOUTH AFRICAN STEEL, COAL, AND FLUORSPAR

Mr. SIMON. Mr. President, the bill that I am sending to the desk to prohibit the import of steel, coal, and fluorspar from South Africa into the United States is designed to send a signal to the Government of South Africa that it should modify its racial policies or face further economic isolation. It is clear that South Africa's unjust and immoral system of apartheid must end. The only question is whether it will end peacefully or with more and more violence. The United States should continue to make clear that we disapprove of that policy and push toward its peaceful termination. This bill can be part of that push.

Today in South Africa 4½ million whites maintain their rule over 21 million blacks by denying them the right to vote, denying them educational opportunities, denying them economic and social opportunities, and by requiring them to live in separate segregated areas.

It is our to responsibility to speak out and act against the system of apartheid. Our historic values and institutions place Americans squarely on the side of those who seek political freedom and civil liberties throughout the world. We have seen recently in the Philippines that it helps strengthen our national security interests when our relations with other countries are based not on accommodating repressive regimes but rather on the enhancement of democratic values.

The issue of racial discrimination also poses a real and present danger for our country and the world. Unfortunately at the outset of the Nazi regime in Germany far too few spoke out to condemn Hitler's persecution of the Jews. History showed that the division and violence bred by the insidious policy of racial discrimination could not be contained within the boundaries of a single nation. It resulted in a global war. We need to speak out against racial discrimination now so that it does not result in further bloodshed, bloodshed that if it continued will not be contained within the borders of that one country.

Racial polarization in South Africa has reached dangerous proportions, and distrust among blacks is deep and now almost impossible to overcome. The situation is deteriorating, and the escalating level of violence in that society which in the past year has taken the lives of more than a thousand black people may now be reaching the point of no return. Last year the general secretary of the South African Council of Churches, Rev. Beyers Naude, predicted:

> This year will bring more polarization between the white ruling classes and the majority of the people, more clashes between the police and striking students and workers, more injuries and deaths.

Sadly, his prediction has come true.

The recent statements by the South African Government, including the lifting of the state of emergency, do not fundamentally alter the systematic discrimination, disenfranchisement, and oppression practiced against blacks in South Africa. South African blacks are still barred from any significant role in the economic, political, and social life of the country for no reason other than the color of their skin; they still cannot vote; the system of migratory labor where black families are forced to live in the inhospitable, economically unproductive homelands while the male workers live for 49 weeks a year in single-sex, barracks-style hostels, is still in effect; forced resettlement is still taking place; the pass laws still operate and are enforced notwithstanding President Botha'a recent speech; blacks are still constitutionally deprived of meaningful political participation; and black poverty under the apartheid system has grown worse in recent years according to the Carnegie Foundation's second inquiry into poverty in South Africa.

We must recognize that the United States cannot impose a solution to South Africa's problems from the outside. The future of South Africa will be decided by black and white South Africans. But we should take steps to discourage the active complicity of Americans in the apartheid system. We must continue to distance ourselves from apartheid, align ourselves more clearly with the will of the majority, and support pressure for peaceful change. That is why I am introducing this measure to ban the future imports of South African coal, steel, and fluorspar.

Contracts that exist now can be fulfilled, but no contract will be considered valid if entered into after the date of enactment.

The need to increase and intensify the message to the people of South Africa is clear.

This bill is part of that message.

By Mr. HECHT (for himself and Mr. LAXALT):

S. 2158. A bill to withdraw and reserve for the Department of the Navy certain public lands within the Bravo-20 Bombing Range, Churchill County, NV, for use as a training and weapons testing area, and for other purposes; to the Committee on Energy and Natural Resources.

RESERVING CERTAIN PUBLIC LANDS FOR TRAINING AND WEAPONS TESTING

Mr. HECHT. Mr. President, today, along with my colleague, Senator LAXALT, I am introducing legislation for the purpose of withdrawing the public lands contained within the Bravo-20 Bombing Range at the Naval Air Station, Fallon, NV. For over 40 years, Bravo-20 has been utilized by the U.S. Navy for pilot training and weapons testing. Recently, however, questions have surfaced as to the Navy's authority to use the portion it does not own outright. Bravo-20 lies in

a very remote part of Nevada and it would seem these questions could be resolved easily. Unfortunately, this has not been the case, as I will explain in a moment.

The subject of Bravo-20 is not a new one, Mr. President, as well over 1 year ago, I had the opportunity to participate in a meeting of the Senate Subcommittee on Public Lands and Reserved Water, of which I am a member. During that hearing, testimony was given on various military land withdrawals throughout the United States, including Bravo-20. I am sorry to say that, as a result of the limited time available to Congress in 1984, we were unable to pass the Bravo-20 bill.

Mr. President, as I mentioned, the Navy has utilized Bravo-20 for training with live ammunition for over 40 years. It is permanently contaminated with live, unexploded ordnance. Frankly, it is unsafe and it is for this reason that Congress must act to withdraw it from public use. I would like to illustrate to the Members of the Senate, Mr. President, the seriousness of the problem.

In July of this past summer, citizens from Churchill County, NV, began camping on Bravo-20 in protest to an action by the Secretary of the Navy which implemented a supersonic operating area—an action totally unrelated to Bravo-20. Mr. President, no one in this room, or in this country, would deny an individual the right to express his or her opinion, whether it be for or against an issue. I should point out, however, that these people were jeopardizing their very lives by walking, driving and camping within the target, surrounded by live, unexploded ordnance. By doing this, they were subjecting themselves to the very real possibility of serious injury or even death should an unexploded bomb accidentally detonate. Mr. President, Bravo-20 is so contaminated with old, unexploded munitions that even after exploding over 500 pieces of ordnance on Bravo-20 this past summer, the Navy estimates that they removed only 2 percent of the live ordnance in the target area. In light of this potential threat to the public safety, the Navy has stopped using Bravo-20 completely.

Mr. President, as the situation now stands, Nevadans have every right to be on the public land within Bravo-20. But, Mr. President, what of the Navy's right to be there? We, the Congress, have authorized them to buy the alternate parcels in the target area once owned by Southern Pacific Railroad. We have authorized the expenditure of funds for improvement projects directly related to the bombing targets on both Navy and public lands. And, through the annual appropriation of funds, Congress continues to give tacit approval for the Navy to carry out training at Fallon, which of course includes the use of Bravo-20.

Bravo-20, Mr. President, is one of four bombing ranges used for aircraft training at NAS, Fallon. Along with the bombing ranges and an associated electronic warfare range, the air station serves as a training complex for naval air crews flying fighter and attack aircraft—the only such Navy training complex in the continental United States. NAS, Fallon, has been in use for this purpose since World War II, during which time aircraft and air operations have evolved toward the scenario of high-speed and low-level flight, with a commensurate increase in the use of target ranges and electronic warfare training areas. Of these, Bravo-20, which is located in the Carson Sink, a dry lake bed, is the only one on which MK-84, 2,000-pound bombs, can be dropped and which can accommodate a major live ordnance strike while being attacked from all directions.

Mr. President, the issue before us here is not a matter of prohibiting citizens the right to use public land. The issue is protecting the people of Nevada from serious physical harm while allowing the Navy to carry on with its vital mission. Coexistence on this land, which is acknowledged by all parties to be unsafe for surface occupancy, is not an option. It never has been. But the confusion must be cleared up, Mr. President, before someone is seriously injured or worse yet, killed.

Mr. President, as a representative of the people of Nevada, I believe the present situation must not be allowed to continue. We must withdraw this land for the safety of the people of the State of Nevada and of this Nation, and for the continued use of the Navy in the vital training needed for defense of our Nation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2158

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) Subject to valid existing rights, approximately 21,576.40 acres of public land in Churchill County, Nevada, as generally depicted on a map entitled "Bravo-20 Bombing Range Withdrawal—Proposed" dated January 1985, and all other lands within the boundaries of the Bravo-20 Bombing Range, as depicted on such map, that are now or may hereafter become subject to the operation of the public land laws are hereby withdrawn from all forms of appropriations under the public land laws, and are reserved for use of the Department of the Navy as a testing and training area for aerial bombing, missile firing, tactical maneuvering and air support, and for other defense-related uses consistent therewith.

(b) This Act does not affect the withdrawals of July 2, 1901, and August 4, 1904, under which the Bureau of Reclamation utilizes for flooding, overflow, and seepage purposes approximately 14,750 acres of the lands withdrawn reserved by this Act.

SEC. 2. (a) As soon as practicable after the date of enactment of this Act, the Secretary of the Interior shall:

(1) publish in the Federal Register a notice containing the legal description of the lands withdrawn and reserved by this Act; and

(2) file maps and the legal description of the lands withdrawn and reserved by this Act with the Committee on Energy and Natural Resources of the United States Senate and with the Committee on Interior and Insular Affairs of the United States House of Representatives.

(b) Such maps and legal descriptions shall have the same force and effect as if they were included in this Act: *Provided*, That the Secretary of the Interior may correct clerical and typographical errors in such maps and legal descriptions.

(c) Copies of the maps and legal descriptions that are filed with the Committees shall be available for public inspection in the Office of the Director, Bureau of Land Management, Washington, D.C.; the Office of the Director, Nevada State Office of the Bureau of Land Management, Reno, Nevada; and in the Office of the Commanding Officer, Naval Air Station, Fallon, Nevada.

SEC. 3. The responsibilities of the Secretary of the Interior for management of the lands withdrawn and reserved by this Act are established as follows:

(a) The Secretary of the Interior shall manage the lands and their resources, to the extent possible in accordance with the provisions of the Federal Land Policy and Management Act of 1976 (90 Stat. 2743, as amended; 43 U.S.C. 1701 et seq.), and other applicable laws, for uses which may include, but are not limited to, grazing, management of wildlife habitat, control of predatory animals, and the prevention and suppression of brush and range fires resulting from nonmilitary activities. Except as set forth in section 4(a) of this Act, the Secretary of the Interior shall also be responsible for the issuance of all easements and rights-of-way over the lands withdrawn and reserved by this Act. All such uses, and the issuance of all easements and rights-of-way, shall be secondary to the military use of the lands and shall be authorized only with the concurrence of the Secretary of the Navy.

(b) Within 5 years after the date of the enactment of this Act, the Secretary of the Interior and the Secretary of the Navy shall develop a land use plan and management program for the use and management of the lands withdrawn and reserved by this Act. All nonmilitary use and management shall be secondary to the military use of such lands for the purposes specified in section 1.

SEC. 4. The responsibilities of the Secretary of the Navy (hereinafter referred to as the Secretary) for management of the lands withdrawn and reserved by this Act are established as follows:

(a) The Secretary shall have the authority to control the military use of the lands and may authorize use of the lands by other military departments and agencies of the Department of Defense and the Department of Energy, as appropriate.

(b) When military operations, public safety or national security, as determined by the Secretary, require the closure of

roads, trails and areas commonly in public use, the Secretary is authorized to take such action: *Provided*, That such closures shall be limited to the minimum areas and periods required for the purposes specified in this subsection. Appropriate warning notices shall be kept posted during closure.

(c) The Secretary shall take necessary precautions to prevent and suppress brush and range fires occurring within and outside the lands as a result of military activities and may seek assistance from the Bureau of Land Management in the suppression of such fires. The memorandum of understanding required by Section 6 of this Act shall provide for Bureau of Land Management assistance in the suppression of such fires, and for a transfer of funds from the Department of the Navy to the Bureau of Land Management as compensation for such assistance.

SEC. 5. All hunting, fishing, and trapping on the lands withdrawn by this Act shall be conducted in accordance with the provisions of title 10, U.S.C. 2671.

SEC. 6. The Secretary of the Interior and the Secretary shall enter in a memorandum of understanding to implement the program developed in accordance with Section 3(b) of this Act. The term of the memorandum of understanding shall be the same as the term of the withdrawal and reservation established by this Act; however, the provisions of the memorandum of understanding may be amended upon mutual consent by the Secretaries.

SEC. 7. (a) Except as provided otherwise in this Section, the withdrawal and reservation established by this Act shall terminate 25 years from the effective date of this Act.

(b) At least 3 years prior to the termination of the withdrawal and reservation established by this Act, the Secretary shall advise the Secretary of the Interior as to whether or not the Department of the Navy will have a continuing military need for any of the lands after the termination date.

(1) If the Secretary concludes that there will be a continuing military need for any of the lands after the termination date, he shall file an application for extension of the withdrawal and reservation of such lands in accordance with the regulations and procedures of the Department of the Interior applicable to the extension of withdrawals. Upon the filing of an application for extension, the withdrawal and reservation established by this Act shall remain in full force and effect pending processing of the application and a decision and action on the proposed withdrawal and reservation by the Secretary of the Interior, and , if the application for extension is subject to the requirement of Section 2 of the Act of February 28, 1958 (72 Stat. 27; 43 U.S.C. 156), by the Congress.

(2) If the Secretary concludes that, after the termination date established by Subsection (a) of this Section, there will be no military need for all or any of the lands withdrawn and reserved by this Act, or if, during the period of withdrawal and reservation, the Secretary decides to relinquish all or any of the lands withdrawn and reserved by this Act, the Secretary shall file a notice of intention to relinquish with the Secretary of the Interior.

(3) Prior to the filing of a notice of intention to relinquish pursuant to Paragraph (2) of this Subsection, the Secretary shall prepare a written determination as to whether and to what extent the lands are contaminated with explosive, toxic, or other hazardous materials. A copy of the determination made by the Secretary shall be supplied with the notice of intention to relinquish.

Copies of both the notice of intention to relinquish and the determination concerning the contaminated state of the lands shall be published in the Federal Register by the Secretary of the Interior.

(A) If the lands are contaminated, and the Secretary, in coordination with the Secretary of Interior, determines that decontamination is practicable and economically feasible, taking into consideration the potential future use and value of the lands, and that upon decontamination the lands could be opened to operation of the public land laws, including the mining laws, the Secretary shall decontaminate the lands, unless Congress declines to appropriate funds for the project.

(B) If the Secretary and the Secretary of the Interior conclude that decontamination of any or all of the lands proposed for relinquishment is not practicable or economically feasible, or that the lands cannot be decontaminated sufficiently to allow them to be opened to operation of the public land laws, or if Congress declines to appropriate funds for the decontamination of the lands, the Secretary of the Interior shall not be required to accept the lands proposed for relinquishment.

(c) If, because of their contaminated state, the Secretary of the Interior declines to accept jurisdiction over the lands proposed for relinquishment, the withdrawal and reservation established by this Act shall continue indefinitely and the lands shall be retained and managed in accordance with the provisions of this Act. In such case, beginning with the fifth anniversary of the termination date of the withdrawal and reservation established by this Act, and every 5 years thereafter, the Secretary, in coordination with the Secretary of the Interior, shall determine whether decontamination of any or all of the lands is both practicable and If the Secretaries conclude that decontamination is both practicable and economically feasible, taking into consideration the potential future use and value of the lands, and that upon decontamination the lands could be opened to operation of the public land laws, including the mining laws, the Secretary shall decontaminate the land, unless Congress declines to appropriate funds for the project. Following decontamination and upon certification by the Secretary that the lands are safe for all nonmilitary uses, the Secretary of the Interior shall reconsider accepting jurisdiction over the lands.

(d) Notwithstanding any other provisions of law, the Secretary of the Interior, upon deciding that it is in the public interest to accept jursidcition over the lands proposed for relinquishment, is authorized to revoke the withdrawal and reservation established by this Act, as it applies to the lands proposed for relinquishment. Should the decision be made to revoke the withdrawal, the Secretary of the Interior shall publish in the Federal Register an appropriate order which shall terminate the withdrawal and reservation; constitute official acceptance of full jurisdiction over the lands by the Secretary of the Interior; and state the date upon which the lands will be opened to the operation of the public land laws, including the mining laws.

SEC. 8. (a) The functions of the Secretary under this Act may be delegated.

(b) The functions of the Secretary of the Interior under this Act may be delegated, except that the order referred to in Section 7(d) of this Act, may be approved and signed only by the Secretary of the Interior, the Under Secretary of the Interior, or an assistant Secretary of the Department of the Interior.

By Mr. WILSON (for himself and Mr. CRANSTON):

S. 2159. A bill to designate the Big Sur National Forest Scenic Area; to the Committee on Energy and Natural Resources.

BIG SUR NATIONAL FOREST SCENIC AREA ACT

Mr. WILSON. Mr. President, I am today introducing a bill aimed at achieving preservation of one of America's most important land treasures. This bill creates a new 140,000-acre National Forest Scenic Area and places under its protection one of the most breath-taking and awe-inspiring land forms of the entire United States—the Big Sur coast of California.

Enjoyed by over 3 million visitors a year, the Big Sur is certainly one of the most spectacular meetings of land and sea anywhere. Its majestic cliffs and pounding surf have been captured in thousands of photographs, most notably by the magical lens of the late Ansel Adams.

In fact, the protection and preservation of Big Sur was one of Ansel Adams' most fervently held life-long goals. Although he is no longer with us, I am certain that he would heartily endorse the legislation I am introducing today.

This bill centers upon and is geared to the action of local and State officials—members of the Monterey County Board of Supervisors and the California Coastal Commission—who are charged by State law with responsibility for adoption of the plan governing land use within the Big Sur area.

Responsible local stewardship of this precious and vulnerable national treasure is not new to Monterey County. Dating back to the 1930's, the county has a proud history of protecting Big Sur from inappropriate development. The land use plan adopted by the county board last November represents the culmination of years of extensive planning, exhaustive hearings and carefully crafted compromise.

It is a plan that has been widely praised as fairly permitting appropriate development compatible with essential protection of the scenic beauty of Big Sur. This plan—once approved by the State coastal commission as the Local Coastal Program for the county—is the legal blueprint governing what can and cannot be done in Big Sur. The fairness, thoroughness and care exercised by these thoughtful and far-sighted Monterey County officials has produced a document which provides the protection essential to safeguard Big Sur against California's

virtually certain future of continued, unrelenting population growth.

It is a plan reflecting God's plan, and local commitment to preserve the unique beauty which our Creator lavished on this special place. As pressures inevitably grow to develop California's coastal areas, their careful plan deserves more than our thanks: it must be honored in its observance, rather than its breach.

I congratulate the county board for its high achievement and in grateful response propose that we confer upon the abutting Federal lands in Big Sur the protection which the county has so wisely given to the private lands.

Well over half of the 140,000 acres in Big Sur is part of the Los Padres National Forest. This bill withdraws these Federal lands from, mining—subject to valid existing claims—commercial timber harvest, oil and gas development, geothermal development, hydroelectric development of the area's rivers and streams, the opening of new grazing areas—although existing grazing uses of the Federal lands will be allowed to continue—and authorizes the Forest Service to control off-road recreational vehicle use and access.

Additionally, this bill would prohibit oil and gas development in the Big Sur coastal waters 20 miles out to sea. This prohibition is intended to preserve the visual esthetics of the coast as well as to protect the area from the onshore impact of offshore oil and gas production. Permanent protection of the Big Sur coastal water is a necessary complement to permanent protection of this uniquely beautiful land area. This special need is explicitly recognized in Secretary Hodel's announced intention to exclude Big Sur waters from Outer Continental Shelf development.

Finally, the bill gives aid to the county in its implementation of the local coastal plan. It authorizes creation of the Big Sur coast trust fund, a charitable nonprofit fund designed to encourage, accept, and administer gifts for the protection and preservation of Big Sur. The Secretary is authorized by this bill to expend moneys from the trust fund to acquire lands within the boundaries of the scenic area from the owners wishing to sell.

Acquisition of privately held properties is contemplated where a landowner would be entitled under State law to compensation or where a sale or exchange is agreed upon by the Secretary and the owner. The Secretary is granted limited powers of eminent domain, to be exercised only to prevent development threatening violation of the local coastal plan.

The language for this trigger mechanism was modeled after similar authority given the Secretary of Interior to administer the Cape Cod National Seashore and the Fire Island National Seashore. Any lands acquired by the Secretary would be conveyed, with deed restrictions, to the county to be held and administered in accordance with the local coastal plan.

The bill creates a nine-member board to be appointed by the Secretary of Agriculture to assist him in raising moneys for the Big Sur Coast trust fund. This board is patterned after the successful Statue of Liberty/Ellis Island Foundation. In this time of severe Federal budget constraints, the bill authorizes only $500,000 of public funds as seed money to get the board started on a fund raising campaign for the Big Sur coast trust fund.

The purpose of this bill is to protect for future generations the unparalleled scenic vistas of the Big Sur coast. By securing the provisions of the local coastal program, this legislation will accomplish this purpose. Scenic area status has been conferred only once before by Congress, 2 years ago, for another national treasure in California—Mono Lake.

Big Sur deserves the same special recognition and protection. I urge my colleagues to join with me in moving this bill to a prompt enactment.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2159

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Big Sur National Forest Scenic Area Act".

SEC. 2. The Congress finds and declares that—

(a) the Big Sur coast is a unique national treasure that represents the most spectacular meeting of underveloped land and sea in the coterminous United States; and

(b) over three million visitors annually travel California State Highway Route Numbered 1 along the Big Sur Coast to view the unparalleled scenic vistas available along the seventy mile stretch of coast; and

(c) the unique beauty of the Big Sur coast is enhanced by the unobstructed view of the Pacific Ocean and its horizon; and

(d) the existing character of the Big Sur Coast and the existing rural communities which have contributed to the maintenance of the natural environment should be protected and preserved; and

(e) the State of California and its local units of government have authority to prevent or minimize adverse uses of the Big Sur coast and adjacent inland areas and can, to a great extent, protect the health, safety, and general welfare by the use of such authority and have done so in the adoption of Big Sur Coast Land Use Plan (dated November 5, 1985); and

(f) in addition to the land-use controls reference in the preceding paragraph, effective protection of the existing character of the Big Sur coast and of the nationally significant natural and scenic resources, and enjoyment of these resources, can be accomplished by appropriate management of Federal lands and interests in the Big Sur coast area.

SEC. 3. The purposes of this Act are—

(a) to protect, preserve, and enhance the unique and significant natural resources and scenic qualities of the Big Sur coast, including, but not limited to, sensitive habitats and habitat for rare and endangered species, redwood canyons, beaches, fresh and marine waters, and the view from California State Highway Route Numbered 1, the Old Coast Road, and other significant public vista points; and

(b) to provide for and manage public use and enjoyment of the area in a manner consistent with natural resource protection and maintenance of the existing rural landscape; and

(c) to define the Federal role in the management of the Big Sur coast in a manner which maximizes coordination with the State and local units of government and private landowners, utilizes existing levels of jurisdiction and establishes appropriate governmental coordination and authority where necessary to accomplish the purposes of this Act.

SEC. 4. The Big Sur coastal area within and adjacent to the Los Padres National Forest in the State of California is hereby designated as the Big Sur National Forest Scenic Area (hereafter in this Act referred to as the "Scenic Area") as depicted on a map entitled "Big Sur National Forest Scenic Area" number ——— and dated March ——, 1986. Such map shall be on file and available for public inspection in the office of the Forest Supervisor, Los Padres National Forest and in the Office of the Chief of the Forest Service, Department of Agriculture. The Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary") may make minor revisions in the boundary of the Scenic Area after publication of notice to that effect in the Federal Register and submission of notice thereof to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives. Such notice shall be published and submitted at least sixty days before the revision is made.

SEC. 5. (a) The Secretary, acting through the Chief of the Forest Service, shall administer all Federal lands located in the Scenic Area as a separate unit within the boundary of the Los Padres National Forest in accordance with the laws, rules, and regulations applicable to the National Forest System, except as hereinafter provided.

(b) Subject to the provisions of subsection (h) of this section, the Secretary shall provide for recreational use of all Federal lands within the Scenic Area and shall provide recreational and interpretive facilities (including trails and campgrounds) for the use of the public which are compatible with the purposes of this Act, and may assist adjacent affected local governmental agencies in the development of related interpretive programs. The Secretary shall permit the full use of the Scenic Area for scientific study and research study and research in accordance with such rules and regulations as he may prescribe.

(c) The Secretary shall promulgate such rules and regulations as necessary regarding the use of motorized equipment for recreational purposes for the protection of the motorized equipment for recreational purposes for the protection of the Scenic Area's natural and cultural resources, *Provided;* existing motorized recreational uses, as of the date of enactment of this Act, shall be per-

mitted at the levels and locations customarily exercised.

(d) Except as specifically provided in this subsection, no commercial timber harvesting shall be permitted on Federal lands within the Scenic Area, but the Secretary shall permit the utilization of wood material such as firewood, posts, poles, and Christmas trees by individuals for their domestic purposes under such regulations as he may prescribe to protect the scenic, natural and cultural resources of the Scenic Area. The Secretary may take action including the use of commercial timber harvest to the minimum extent necessary to control fires, insects and diseases that might (1) endanger irreplaceable features within the Scenic Area, or (2) cause substantial damage to significant resources adjacent to the Scenic Area.

(e) The Secretary shall permit grazing on Federal lands within the boundary of the Scenic Area on such lands as currently under permit, consistent with other applicable law.

(f)(1) Subject to valid existing rights, federally owned lands and interests therein within the Scenic Area are withdrawn from entry or appropriation under the mining laws of the United States, from the operation of the mineral leasing laws of the United States, and from operation of the Geothermal Steam Act of 1970.

(2) Subject to valid existing rights, all valid mining claims located on Federal lands within the Scenic Area shall be subject to such reasonable regulations as the Secretary may prescribe to assure that mining will, to the maximum extent practicable, be consistent with protection of the scenic, scientific, cultural and other resources of the Scenic Area, and any patent which may be issued after the date of enactment of this Act shall convey title only to the minerals together with the rights to use the surface of lands for mining purposes subject to such reasonable regulations.

(g) The Secretary shall permit hunting and fishing on federal lands and waters within the Scenic Area in accordance with applicable Federal and State law, except that the Secretary may designate zones within the Scenic Area where, and establish periods when, no hunting or fishing shall be permitted for reasons of public health and safety, the protection of resources, or public use and enjoyment.

(h) The lands within the Scenic Area designated as the Ventana Wilderness Area by Public Law 91-58 and Public Law 98-425 shall be administered in accordance with the provisions of the Wilderness Act (78 Stat. 890).

(i) Within three years after the date of enactment of this Act, the Secretary shall submit to the committees referred to in section 4(b) a detailed and comprehensive management plan for the Scenic Area. The plan shall include but not be limited to—

(1) indications of types, locations, and general intensities of development and access routes associated with the public understanding, use, and enjoyment of the Scenic Area; and

(2) identification of, and implementation plans for, visitor carrying capacities of the Scenic Area; and

(3) identification of, and implementation plans for protection of, natural, historic, and culture resources in the Scenic Area; and

(4) implementation plans for providing public information on and interpretation of the Scenic Area, including a program to educate the public about the appropriate uses of the area; and

(5) implementation plans for protection of the historic agriculture uses of existing agriculture lands.

SEC. 6. (a) There is hereby established the Scenic Area Advisory Board (hereinafter referred to as the "Board"). The Secretary shall consult with and seek the advice and recommendations of the Board with respect to—

(1) the administration of the Scenic Area with respect to policies, programs, and activities in accordance with this Act; and

(2) the preparation and implementation of the comprehensive management plan; and

(3) the acquisition of lands and interests therein pursuant to the provisions of this Act.

(b) The Board shall be composed of nine members appointed by the Secretary as follows:

(1) one representative of the United States Forest Service;

(2) one representative from the California Resources Agency, appointed from among individuals recommended by the Governor of California;

(3) one representative from the California Coastal Commission appointed from among individuals recommended by the Chairman of the California Coastal Commission;

(4) three representatives appointed from among individuals recommended by the Monterey County Board of Supervisors;

(5) one representative appointed from among individuals recommended by the San Luis Obispo County Board of Supervisors;

(6) one representative who resides in the Scenic Area; and

(7) one representative at large from the State of California.

(c) The terms of the representatives serving on the Board shall be for three years, except that the initial terms for the representatives shall be established by the nominating authority in accordance with the following:

(1) One of the representatives nominated by the Monterey County Board of Supervisors shall serve for a term of two years, and two of such representatives shall serve for terms of three years.

(2) The representative nominated by the San Luis Obispo County Board of Supervisors shall serve for a term of three years;

(3) One representative nominated by the Governor of the State of California shall serve for a term of two years and one shall serve for a term of three years;

(4) Two representatives nominated by the Secretary shall serve for a term of two years and one shall serve for a term of three years.

(d) The members of the Board shall be appointed within ninety days of the date of enactment of this Act. The representative of the United States Forest Service shall serve as Chairman of the Board.

(e) The Secretary, or a designee, shall from time to time, but at least annually, meet and consult with the Board on matters relating to the administration of the Scenic Area. To the maximum extent practicable, all meetings of the Board shall take place within the Scenic Area.

(f) Members of the Board shall serve without compensation as such, but the Secretary is authorized to pay, upon vouchers signed by the Chairman, the expenses reasonably incurred by the Board and its members in carrying out their duties under this Act.

(g) Any vacancy in the Board shall be filled in the same manner in which the original appointment was made.

(h) A majority of those members appointed shall constitute a quorum for the conduct of all business of the Board.

SEC. 7. (a) The Secretary is hereby authorized to acquire all lands and interests therein within the boundary of the Scenic Area by donation, exchange, or purchase with donated funds obtained pursuant to the provisions of this Act, except that any lands or interests therein owned by the State of California or any political subdivision thereof may be acquired only by donation or exchange.

(b) lands or interests therein within the boundary of the Scenic Area which are not owned by the State of California or any political subdivision thereof may be acquired only with the consent of the owner thereof or by condemnation, subject to the provisions of subsection (c).

(c)(1) The Secretary's authority to acquire property by condemnation shall be suspended with respect to all non-Federal property within the Scenic Area during all times when the State of California or any political subdivision thereof (including the County of Monterey) shall have in force and applicable to such property a duly adopted, valid land use plan which the Secretary determines to be consistent with the purposes of this Act (hereinafter referred to in this Act as Plan): *Provided*, That the Big Sur Coast Land Use Plan, as approved by the California Coastal Commission on January 9, 1986, shall be considered to be such a Plan consistent with the purposes of this Act; *Provided however*, That such suspension shall not apply—

(A) to any lands which become subject of a variance under, or become for any reason an exception to, such Plan; or

(B) any lands which are specifically identified by the County of Monterey in writing to the Secretary requesting the Secretary to acquire such land; or

(C) in the event that a change in the Plan is determined by the Secretary to be inconsistent with the Plan. In the event of such determination, lands or interests therein within the boundary of the Scenic Area which are not owned by the State of California or any political subdivision thereof may be acquired without the consent of the owner if the Secretary determines, after written notice to the owner and after opportunity for comment, that the property is being developed, or proposed to be developed, in a manner which is inconsistent with the Plan.

(2) In order to carry out the provisions of this subsection, the Secretary shall issue regulations, which may be amended from time to time, specifying standards by which the Secretary shall determine what changes in the Plan will be considered to be inconsistent with the purposes of this Act. The standards specified in such regulations shall have the object of preserving the scenic, natural and cultural resources of the Scenic Area, including the critical viewshed as defined in the Plan.

(d) The owner of any property on the date of its acquisition, as a condition of such acquisition, may retain for herself or himself, her or his heirs and assigns, a right of use and occupancy of the improved property for noncommercial residential or agriculture purposes, as the case may be, for a definite term of note more than twenty-five years, or, in lieu thereof, for a term ending at the death of the owner or the death of her or his spouse, whichever is later. The owner shall elect the term to be reserved. Unless the property is wholly or partially donated,

the Secretary shall pay to the owner the fair market value of the property on the date of acquisition, less the fair market value on that date of the right retained by the owner. A right retained by the owner pursuant to this section shall be subject to termination by the Secretary upon his determination that it is being exercised in a manner inconsistent with the purposes of this section, and it shall terminate by operation of law upon notification by the Secretary to the holder of the right of such determination and tendering to him the amount equal to the fair market value of that portion which remains unexpired.

(e) In exercising his authority to acquire property by exchange, the Secretary may accept title to any non-Federal property, or any interest therein, located within the Scenic Area, and in exchange for such property or interest, may convey to the grantor any federally owned property under the jurisdiction of the Secretary within the State of California which the Secretary classifies as suitable for exchange or disposal. The values of the properties so exchanged shall be equal, or, if not equal, shall be equalized by the payment of cash to the grantor or to the United States, as the circumstances require. In the exercise of the authority to exchange property, the Secretary may utilize authorities and procedures generally available to him in connection with the exchange of lands.

(f) The Secretary shall give priority to the acquisition of lands and interests therein within the boundary of the Scenic Area on the basis of—

(1) Any offer made by an individual owning property within the Scenic Area to sell such property, if such property is located within the critical viewshed as defined in the Plan; and

(2) Any offer made by an individual owning property within the Scenic Area to sell such property, if such individual notifies the Secretary that the continued ownership of such property is causing, or would result in, undue hardship.

SEC. 8. During all times that a Plan is in effect, the Secretary shall convey without consideration all lands acquired within the boundaries of the Scenic Area, but outside of the Los Padres National Forest boundary, to the County of Monterey unless the Secretary determines that these lands can more efficiently be managed by the Los Padres National Forest. Any such conveyances shall remain in public ownership and shall be subject to such terms and restrictions as the Secretary deems necessary to be consistent with the purposes of this Act, and shall retain an appropriate reversionary interest in the event that the property, in the judgment of the Secretary, is threatened with development, or is being developed, in a manner inconsistent with the Plan.

SEC. 9. (a) There is established the Big Sur Coast Trust (hereinafter in this Act referred to as the "Trust"). The Trust is a charitable and nonprofit corporation and is not an agency or establishment of the United States.

(b) The purposes of the Trust are to encourage, accept, and administer private gifts of real and personal property or any income therefrom or other interest therein for the purpose of acquiring lands or interests therein within the boundaries of the Big Sur National Forest Scenic Area pursuant to the provisions of this Act.

(c) The Trust shall have a governing Board of Directors (hereinafter referred to in this Act as the "Board") which shall consist of nine Directors, each of whom shall be a United States citizen. The Chief of the Forest Service shall be an ex officio nonvoting member of the Board. Appointment to the Board shall not constitute employment for the purposes of any Federal law.

(d) Within one year of enactment of this Act, the Secretary shall appoint the Directors of the Board. The Directors shall be appointed for terms of six years; except that the Secretary, in making the initial appointments to the Board, shall appoint three Directors to a term of two years, three Directors to a term of four years, and three Directors to a term of six years. A vacancy on the Board shall be filled within sixty days of said vacancy in the manner in which the original appointment was made.

(e) The Chairman shall be elected by the Board from its members for a two year term.

(f) A majority of the current membership of the Board shall constitute a quorum for the transaction of business.

(g) The Board shall meet at the call of the Chairman at least once a year. If a Director misses three consecutive regularly scheduled meetings, that individual may be removed from the Board and that vacancy filled in accordance with subsection (d).

(h) Members of the Board shall serve without pay, but may be reimbursed from the resources of the Trust for the actual and necessary traveling and subsistence expenses incurred by them in the performance of the duties of the Trust.

(i) The Board may complete the organization of the Trust by—

(1) appointing officers and employees;

(2) adopting by-laws, rules and regulations consistent with the purposes of the Trust and the provisions of this Act;

(3) undertaking of other such acts as may be necessary to carry out the provisions of this Act.

(j) Officers and employees may not be appointed until the Trust has sufficient funds to pay them for their service. Officers and employees of the Trust shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individuals so appointed may receive pay in excess of the annual rate of basic pay in effect for grade GS-18 of the General Schedule.

(k) The Secretary may provide personnel, facilities, and other administrative services to the Trust, including reimbursement of expenses under subsection (h), not to exceed then current Federal Government per diem rates, for a period of up to five years from the date of enactment of this Act, and may accept reimbursement therefor, to be deposited in the Treasury to the credit of the appropriations then current and chargeable for the cost of providing such services.

(l) The Secretary may accept, without regard to the civil service classification laws, rules, or regulations, the services of the Trust, the Board, and the officers and employees of the Board, without compensation from the Department of Agriculture, as volunteers in the performance of the functions authorized herein.

(m) The rights and responsibilities of the Trust shall be as follows—

(1) The Trust shall have perpetual succession.

(2) The Trust may conduct business throughout the several States, territories, and possessions of the United States.

(3) The Trust shall have, in addition to the powers otherwise given it under this Act, the usual powers of a corporation acting as a trustee, including the power—

(A) to accept, receive, solicit, hold, administer and use any gift, devise, or bequest, either absolutely or in trust, of real or personal property or any income therefrom or other interest therein;

(B) to acquire by purchase or exchange any real or personal property or interest therein;

(C) unless otherwise required by the instrument of transfer, to sell, donate, lease, invest, reinvest, retain or otherwise dispose of any property or income therefrom;

(D) to borrow money and issue bonds, debentures, or other debt instruments;

(E) to sue and be sued, and complain and defend itself in any court of competent jurisdiction, except that the Directors of the Board shall not be personally liable, except for gross negligence;

(F) to enter into contracts or other arrangements with public agencies and private organizations and persons and to make such payments as may be necessary to carry out its function.

(n) The Trust shall, as soon as practicable after the end of each fiscal year, transmit to Congress an annual report of its proceedings and activities, including a full and complete statement of its receipts, expenditures, and investments.

(o) As soon as may be practicable after the enactment of this Act, the Secretary shall enter into a Memorandum of Agreement with the Trust (hereinafter in this Act referred to as the "MOA"). The MOA shall serve to define the relationship between the Trust and the Secretary, and shall include the following provisions—

(1) Subject to requirements for the daily operation of the Trust, the Trust shall convey to the Secretary all funds, materials and services for land acquisition by the Secretary in the Big Sur National Forest Scenic Area pursuant to provisions of this Act. The Secretary, or his designee, shall have sole and exclusive authority over the expenditure of all funds raised and made available to him by the Trust, *Provided*, that in the Secretary's discretion to use funds from the Trust, any encumberances on any donation to the Trust shall be recognized by the Secretary.

(2) The Trust shall convey title to the Secretary upon receipt of all donations of land and interests therein received by the Trust.

(p) The Trust and any income or property or interest therein received or owned by it, and all transactions relating to such income or property, shall be exempt from all Federal, State, and local taxation with respect thereto. Contributions, gifts, and other transfers made to or for the use of the Trust shall be regarded as contributions, gifts, or transfers to or for the use of the United States.

(q) The United States shall not be liable for any debts, defaults, acts, or omissions of the Trust.

(r) There is hereby authorized to be appropriated to the Secretary not more than $500,000 for the establishment of the Trust.

SEC. 10. (a) Submerged lands of the California Outer Continental Shelf described in subsection (b) are hereby withdrawn from oil and gas leasing and development.

(b) Lands to which this section shall apply are within an area of the Department of the

Interior Central California Planning Area bounded by the following line on the California (Lambert) Plane Coordinate System: From the point of intersection of the line between the row of blocks numbered N 825 and N 826 and the seaward boundary of the California State Tidelands west along said line to the point of intersection with the line between the row of blocks numbered E 122 and E 123; thence northwest to the point of intersection with the line between N 837 and N 838 and the line between the row of blocks numbered E 112 and E 113; thence north to the point of intersection with the line between the row of blocks numbered N 845 and N 846 and the line between the row of blocks numbered E 111 and E 112; thence east along the line between the row of blocks numberd N 845 and N 846 to the point of intersection with the seaward boundary of the California State Tidelands; thence southerly along the seaward boundary of the California State Tidelands to the point of beginning.

By Mr. THURMOND (for himself, Mr. LAXALT, Mr. HATCH, Mr. EAST, Mr. MCCONNELL, and Mr. MURKOWSKI) (by request):

S. 2160. A bill to clarify and improve the analysis of mergers under the antitrust laws; to the Committee on the Judiciary.

S. 2161. A bill to provide alternative relief for industries adjusting to increased imports; referred to the Committee on the Judiciary, upon being reported by the Committee on the Judiciary, to the Committee on Finance for consideration of the bill and any amendments proposed by the Committee on the Judiciary; and that any amendments thereto reported by the Committee on Finance shall be in order.

S. 2162. A bill to promote and improve efficient and effective enforcement of the antitrust; to the Committee on the Judiciary.

S. 2163. A bill to make necessary and appropriate amendments to the antitrust laws governing service as a director of competing corporations; to the Committee on the Judiciary.

S. 2164. A bill to amend the Sherman and Clayton Acts to improve and clarify the application of such Acts to international commerce; to the Committee on the Judiciary.

REFORM OF ANTITRUST LAWS AND PROCEDURES

Mr. THURMOND. Mr. President, from time to time in the evolution of our commerce and economy, it becomes appropriate to adjust our laws and policies governing competition so that competition is enhanced, not impeded. In my view, this is one of those periods in which certain adjustments are warranted. For some time, for example, I have favored a sensible and equitable reform of the system of private antitrust remedies.

Mr. President, today I am pleased to introduce, at the request of the administration, five bills constituting a thoughtful and comprehensive proposal for reforming various antitrust laws and procedures. I am joined in introducing these bills by Senators LAXALT, HATCH, EAST, MCCONNELL, and MURKOWSKI. I understand that there may be a number of Senators who will want to sponsor and support some, if not all, of the bills in this package.

Mr. President, these proposals are the products of a long-year review of the current state of this Nation's competition policy and of the effects of several antitrust laws on the competitive position of American industries in the world marketplace. That review has been accomplished through a working group formed by the Domestic Policy Council and the Economic Policy Council of the Cabinet. After considering and debating a large number of problems and developments in antitrust enforcement, the Cabinet councils selected the provisions contained in these five bills for legislative action. These proposals were adopted by the Cabinet councils, approved by the President and offered on behalf of the President by the Attorney General and the Secretary of Commerce.

Mr. President, I would like to describe these bills very briefly. These bills propose revisions in five areas of antitrust enforcement and trade regulation: antitrust remedies; merger law standards; foreign trade and import competition; extraterritoral application of U.S. antitrust law; and interlocking directorates. With each bill, the administration has provided analytical comments that explain the purposes and effects of the proposals, and because of the importance of this initiative I ask unanimous consent that those comments be printed in the RECORD with the bills I am introducing.

Because these bills affect the antitrust laws, Mr. President, they will be considered by the Judiciary Committee. Under an agreement between the chairman of the Finance Committee and myself, one of the bills will be referred sequentially to the Judiciary and Finance Committees since it would amend the Trade Act of 1974 as well as antitrust law. As chairman of the Judiciary Committee, I will begin hearings on these significant proposals very soon, and I look forward to working with the administration to achieve antitrust reform that will benefit consumers.

There being no objection, the bill and amendments were ordered to be printed in the RECORD, as follows:

S. 2160

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Merger Modernization Act of 1986".

SEC. 2. Section 7 of the Clayton Act (15 U.S.C. 18) is amended by—

(a) in the first paragraph—

(1) striking out "the effect of" and inserting in lieu thereof "there is a significant probability that";

(2) striking out "may be" and inserting in lieu thereof "will"; and

(3) striking out "to lessen competition, or to tend to create a monopoly" and inserting in lieu thereof "increase the ability to exercise market power";

(b) in the second paragraph—

(1) striking out "the effect of" and inserting in lieu thereof "there is a significant probability that";

(2) striking out "may be" and inserting in lieu thereof "will"; and

(3) striking out "to lessen competition, or to tend to create a monopoly" and inserting in lieu thereof "increase the ability to exercise market power"; and

(c) in the third paragraph—

(1) striking out "the substantial lessening of competition" in the first sentence and inserting in lieu thereof "a substantial increase in the ability to exercise market power"; and

(2) striking ouit "lessen competition" in the second sentence and inserting in lieu thereof "increase the ability to exercise market power"; and

(d) inserting immediately after the third paragraph the following new paragraph:

"For purposes of this section, the ability to exercise market power is defined as the ability of one or more firms profitably to maintain prices above competitive levels for a significant period of time. In determining whether there is a significant probability that any acquisition will substantially increase the ability to exercise market power, the court shall duly consider all economic factors relevant to the effect of the acquisition in the affected markets, including (i) the number and size distribution of firms and the effect of the acquisition thereon; (ii) ease or difficulty of entry by foreign or domestic firms; (iii) the ability of smaller firms in the market to increase production in response to an attempt to exercise market power; (iv) the nature of the product and terms of sale; (v) conduct of firms in the market; (vi) efficiencies deriving from the acquisition; and (vii) any other evidence indicating whether the acquisition will or will not substantially increase the ability, unilaterally or collectively, to exercise market power.".

MERGER MODERNIZATION ACT OF 1986—ANALYSIS

It is widely recognized that mergers, in general, have important procompetitive and efficiency-enhancing effects. On occasion, however, particular mergers can be anticompetitive. While such mergers should be prevented before they occur, it is extremely important that the effort to interdict anticompetitive mergers not interfere with the ability of American firms freely to reorganize through mergers and acquisitions that enhance productivity, innovation, and worldwide competitiveness. Inappropriate restraints on efficiency-enhancing mergers impose heavy costs on society. Businesses and consumers suffer alike when companies are unable to combine to better meet competitive challenges, both foreign and domestic.

Today, United States industries face increasing competition from their foreign counterparts. If American firms are to compete vigorously in world markets, they must be free to restructure their operations to take advantage of opportunities to increase their efficiency and respond to changing market conditions and technology. Thus, it is vital that merger law today be as clear as

possible in distinguishing procompetitive from anticompetitive mergers.

As our understanding of the economics of free markets grows, it sometimes becomes necessary to fine-tune the antitrust laws to ensure that they remain properly focused on enhancing competition. Thus, for example, the Foreign Trade Antitrust Improvements Act of 1982 clarified the application of the antitrust laws to export commerce and the National Cooperative Research Act of 1984 guaranteed the application of the antitrust rule-of-reason standard to the analysis of competition-enhancing research and development joint ventures.

In the more than 70 years since section 7 of the Clayton Act was enacted in 1914, the body of economic learning upon which antitrust enforcement policy and judicial doctrine regarding mergers is based has changed substantially. The uncertainty surrounding merger analysis in 1914, and even in 1950 when section 7 was last revised substantially, can be seen in the vague wording of section 7 itself, which prohibits mergers the effect of which "may be substantially to lessen competition, or to tend to create a monopoly." Up through the late 1960s, courts lacked a sophisticated analytical framework for merger analysis. They therefore relied primarily on the size of merging firms and crude measures of concentration in the affected markets to gauge the competitive effects of mergers, giving little, if any, consideration to equally relevant factors.

Modern merger analysis, exemplified by the 1984 Department of Justice Merger Guidelines, is more refined and takes into full consideration foreign competition, entry conditions, and efficiencies. This more refined analysis is increasingly being adopted by the federal courts in Clayton Act § 7 cases.

Unfortunately, refining and modernizing outdated merger standards and analysis through the issuance of enforcement guidelines and case-by-case adjudication is slow and can result in an inconsistent body of case law. Efforts to establish a modern and consistent merger standard are complicated by the fact that the current language of section 7 carries the baggage of decades of inconsistent and economically unsophisticated merger analysis. Both Congress and the Supreme Court have construed this language to mean that before a merger may be condemned, a reasonable probability or reasonable likelihood that it will substantially lessen competition must be shown. Notwithstanding this construction, however, and explicit acknowledgment that section 7 is not concerned with ephemeral possibilities, section 7 has been applied in the past in an overly restrictive manner that is patently inconsistent with proper merger enforcement policy. In consequence, the confusion surrounding the existing language in section 7 is slowing the pace at which the modernization of merger analysis under the antitrust laws can proceed.

In an economy facing ever-increasing competitive pressures from foreign firms, unnecessary delay in the modernization of merger analysis should not be countenanced. Revising the language of section 7 to incorporate the advances in merger learning that have been made during the last 20 years will provide a new, state-of-the-art foundation upon which future refinement and improvements can be built, while at the same time finally laying to rest outmoded economic and legal analysis of mergers that can be found in older court decisions. This is the purpose of the Merger Modernization Act of 1986.

The Merger Modernization Act ("the Act") achieves its goals in three basic ways. First, the Act amends the first two paragraphs of section 7 to state more precisely the degree of certainty regarding anticompetitive effects that is legally required to prohibit a merger. The Act replaces the "may be" and "tend to" language in section 7 with the requirement that there be a "significant probability" that a merger will be harmful before it will be prohibited. This new standard more accurately reflects current case law and enforcement policy interpreting section 7. In particular, it makes clear that section 7 is not intended to prohibit mergers on the mere possibility, rather than the significant probability, that anticompetitive effects will follow.

Second, the Act makes clear that section 7 is directed against mergers that threaten to increase consumer prices. Specifically, it replaces the existing "lessen competition" or "create a monopoly" language with a more precisely defined standard that is in keeping with modern economic analysis, namely, that anticompetitive mergers are those that "substantially increase the ability to exercise market power." Market power is defined in the Act as "the ability of one or more firms profitably to maintain prices above competitive levels for a significant period of time." The Act thus affirms that section 7 is intended to preserve competition, rather than competitors per se. It does so by focusing merger analysis on the increased ability of firms to raise prices to consumers as a consequence of a merger and away from the mere fact that one or more firms will be eliminated from the market by acquisition. While this principle is increasingly accepted by courts interpreting section 7, the new language is clearer and less likely to be misapplied.

Third, the Act establishes a sound framework for determining the likely effects of mergers by clearly directing courts to consider the important economic factors that bear on that analysis. It thus assures that no one factor will be determinative of a merger's legality, to the exclusion of other probative economic evidence.

Whether a proposed merger will give rise to an increased ability to exercise market power within clearly defined product and geographic markets is the central issue under section 7. Section 7 has always required and will continue to require that the anticompetitive effects of a merger of acquisition be evaluated "in any line of commerce . . . in any section of the country." Thus, the first step in any merger analysis is to determine relevant product and geographic markets, because it is only within the confines of meaningful economic markets that the competitive effects of a proposed merger can be accurately evaluated.

In order to define relevant markets, it is necessary to evaluate the probable future responses of both purchasers and foreign and domestic producers to an attempt to exercise market power. Market power is the ability profitably to institute and sustain a price increase above the competitive level. The availability of close substitutes for the product in question and the ability of other firms to enter into or expand production are the major constraints on market power. Thus a market can be defined as a product or group of products and a geographic area such that a profit-maximizing firm that was the only seller of those products in the area would impose a significant and nontransitory price increase above prevailing or likely future levels. Relevant markets can only be determined in the context of specific mergers, but accuracy in their definition is crucial.

Once the relevant market (or markets) has been correctly defined, it is possible to evaluate the probable effect of a merger on the ability of one or more firms in the market profitably to maintain prices above competitive levels. The Act identifies six specific factors that courts should consider in assessing that effect. It also directs the courts to consider any other relevant evidence.

The first of the six factors is "the number and size distribution of firms and the effect of the acquisition thereon." The more concentrated the market, the greater is the likelihood that one dominant firm, or two or more firms acting collectively, could exercise market power. The greater the percentage of the market supplied by a dominant firm, the easier it would be for that firm profitably to restrict output sufficiently to effect a price increase. Where collective action is needed to restrict output and raise prices, the costs of achieving and maintaining such action will be less, and the chances for success greater, the smaller the number of firms that must cooperate to do so. Of course, it is not the number of firms in the market alone that must be considered. The relative size of the firms in the market is also relevant to the likelihood that collusion would be successful. For this reason, a concentration measure such as the Herfindahl-Hirschman Index ("HHI"), which takes into account both the number and size distribution of firms in the market, is generally the starting point for merger analysis. Factors indicating that future concentration in the relevant market is not accurately reflected by current circumstances—for example, changing market conditions or the weakness of particular firms—also must be taken into account in the analysis.

Second, the Act requires courts to consider the "ease or difficulty of entry by foreign or domestic firms" into the market. If firms not presently in the market could profitably enter in response to a price increase, it is less likely that firms presently in the market could profitably maintain prices above competitive levels for a significant period of time. Conversely, if entry into the market is unlikely, significant market concentration more accurately reflects the risk of a price increase following a merger.

The third factor to be considered is "the ability of smaller firms in the market to increase production in response to an attempt to exercise market power." The effect of this factor is similar to ease of entry. An attempt by larger firms acting alone or in concert to exercise market power would be undercut if smaller firms in the market had the ability to increase their output significantly in response to a price increase.

Fourth, the Act requires courts to consider "the nature of the product and terms of sale." First, the homogeneity/heterogeneity of the product is relevant in assessing the likelihood of collusion. When the product in the market being analyzed is relatively undifferentiated, agreements among producers to raise prices should generally be easier to reach than they are with respect to products that are more complex, heterogeneous, and subject to options. Also relevant is the degree of difference between the products and sellers considered to be in the market and the next-best substitutes. The larger the gap at the edge of the product and geographic markets, the more likely are effects that can be predicted on the basis of market

concentration data. Finally, some sellers may be more effective rivals of particular firms than other sellers, as a result of proximity or the public perception that they produce a superior product, or for some other reason. If such rivals merge, there is a greater chance for the exercise of market power.

The fifth factor identified in the Act as relevant to the analysis of a merger is the "conduct of firms in the market." If the firms in the market have a history of violating the antitrust laws, and market characteristics basically have not changed, increasing the degree of concentration in the market will be of greater concern than it would be if the firms had no such history. If the relevant market has not been operating competitively in recent years, increased concentration resulting from a merger could further strengthen any existing potential for the exercise of market power.

Sixth, the Act directs courts to consider "efficiencies deriving from the acquisition." In cases where the factors discussed above indicate that the merger would result in a significant risk of market power, the courts should consider probative evidence of efficiencies achievable by the merger. Such efficiencies might derive from economies of scale, better integration of production facilities, plant specialization, lower transportation costs, and similar savings relating to specific manufacturing, servicing, or distribution operations of the merging firms. Other efficiencies also can be considered where they can be sufficiently demonstrated to be achievable.

It should not be the burden of firms to establish an affirmative case for the existence of efficiencies when the analysis does not indicate that the merger otherwise would result in a significant probability that market power could be exercised. Where it is necessary to consider efficiencies, however, the courts should also consider whether similar efficiencies could be achieved by the firms without merging.

Finally, the Act requires the consideration of "any other evidence indicating whether the acquisition will or will not substantially increase the ability, unilaterally or collectively, to exercise market power." This "catch-all" provision ensures that the courts will not ignore any significant economic evidence regarding the likely effects of a merger. This provision also builds into section 7 additional flexibility to take proper account of further advances in economic learning with respect to the effects of mergers and acquisitions in a market economy.

S. 2161

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Promoting Competition in Distressed Industries Act".

SEC. 2. (a) Section 202 of the Trade Act of 1974 (19 U.S.C. 2252) is amended by—

(1) inserting immediately after "period)" in subsection (b) the following: "or 30 days after receiving information or advice submitted under subsection (e)";

(2) striking out "and" at the end of subsection (c)(8);

(3) striking out the period at the end of subsection (c)(9) and inserting in lieu thereof "; and";

(4) inserting immediately after subsection (c)(9) the following new paragraph:

"(10) the probable effectiveness of antitrust relief as a means to enhance the competitiveness of firms in the industry."; and

(5) adding at the end thereof the following:

"(e) The President may, within 15 days after the date on which he receives an affirmative finding of the Commission, request information and advice from the Secretary of Commerce, the Attorney General, and such other government officials as he deems appropriate on the probable effectiveness of antitrust relief as a means to enhance the competitiveness of firms in the industry. Such information and advice shall be submitted as soon as practicable, but in no event more than 30 days after the date on which the request is received.".

(b) Section 203 of the Trade Act of 1974 (19 U.S.C. 2253) is amended by—

(1) striking out "or" at the end of subsection (a)(4);

(2) striking out "such actions." in subsection (a)(5) and inserting in lieu thereof "the actions listed in paragraphs (1) through (4) of this subsection; or";

(3) inserting immediately after subsection (a)(5) the following:

"(6) as an alternative to, and in lieu of, any of the actions listed in paragraphs (1) through (5) of this subsection, issue an order providing for antitrust relief pursuant to section 204 of this Act;

provided, that no relief under paragraphs (1) through (5) of this subsection shall be provided to an industry that has received antitrust relief under paragraph (6) of this subsection in any other proceeding under this chapter for a period of ten years after expiration of the order providing such antitrust relief."; and

(4) striking out "this section" the first place it appears in subsection (h)(1) and each place it appears in subsections (e)(1), (h)(2) and (h)(3) and inserting in lieu thereof in each instance "paragraphs (1) through (5) of subsection (a)".

SEC. 3. Chapter 1 of Title II of the Trade Act of 1974 (19 U.S.C. 2251 et seq.) is amended by adding immediately after section 203 the following new section:

"SEC. 204. ANTITRUST RELIEF.

"(a) DEFINITIONS.—For purposes of this section—

"(1) The term antitrust laws has the meaning given it in subsection (a) of the first section of the Clayton Act (15 U.S.C. 12(a)), except that the term includes Section 5 of the Federal Trade Commission Act to the extent that Section 5 applies to unfair methods of competition;

"(2) The term industry means any domestic industry as to which the International Trade Commission has made an affirmative finding pursuant to section 201(b)(1) of this Act and as to which the President has issued an order pursuant to section 203(a)(6) of this Act; and

"(3) The term merger or acquisition means the acquisition of the whole or any part of the assets, stock, or other share capital of one or more firms in the industry by another firm in the industry.

"(b) CERTIFICATES OF EXEMPTION FOR MERGERS AND ACQUISITIONS.—

"(1) If the President issues an order under section 203(a)(6) of this Act granting antitrust relief, members of the industry may, during the time period designated in the President's order, apply for a certificate of exemption for a proposed merger or acquisition.

"(2) To apply for a certificate of exemption under this subsection, the parties to a proposed merger or acquisition shall file a notification describing their proposed merger or acquisition, identifying all parties thereto, and containing information sufficient to identify the parties as members of the industry, to the Attorney General and the Secretary of Commerce.

"(3) Information and documentary material filed pursuant to this subsection shall be exempt from disclosure under section 552 of title 5 of the United States Code, and no such information or documentary material may be made public except as may be relevant to any administrative or judicial proceeding. Nothing in this paragraph is intended to prevent disclosure to either body of Congress or to any duly authorized committee or subcommittee of Congress.

"(4) Within thirty days of receipt of an application under this subsection, the Attorney General, with the concurrence of the Secretary of Commerce, shall determine whether the proposed merger or acquisition is limited to members of the industry. If the Attorney General determines that the proposed merger or acquisition is so limited, the Attorney General shall issue a certificate of exemption. The certificate shall specify:

"(A) the firms to which it is issued, and

"(B) the merger or acquisition to which it applies.

If the Attorney General determines that the proposed merger or acquisition is not so limited, the Attorney General shall notify the applicant of that determination and the reasons for it.

"(5) An application may, within thirty days of the issuance of a notification of denial, request the Attorney General to reconsider the determination. The Attorney General, with the concurrence of the Secretary of Commerce, shall notify the applicant of the determination upon reconsideration within thirty days of receipt of the request.

"(6) No action of the Attorney General or the Secretary of Commerce under this section shall be subject to judicial review.

"(7) A certificate of exemption issued under this subsection shall be effective as of the date of its issuance. The certificate shall convey the antitrust exemption set forth in subsection (c) permanently only if the certificated merger or acquisition is consummated during the period in which the President's order under section 203(a)(6) is in effect.

"(c) ANTITRUST EXEMPTION.—

"(1) No criminal or civil action may be brought under any of the antitrust laws against any merger or acquisition which is the subject of a certificate of exemption under this section on the ground that such merger or acquisition would adversely affect competition in any relevant market including or included within the industry unless there is a significant probability that such merger or acquisition would substantially increase the ability of the resulting firm profitably to maintain prices above competitive levels in such market for a significant period of time.

"(2) No person shall have standing under section 4 or section 16 of the Clayton Act (15 U.S.C. 15, 26) to challenge any merger or acquisition which is the subject of a certificate of exemption under this section on the ground that such merger or acquisition would adversely affect competition in any relevant market including or included within the industry.

"(d) Nothing in this section shall in any way alter the requirements, application, or operation of Section 7A of the Clayton Act or any regulations under that section.".

PROMOTING COMPETITION IN DISTRESSED INDUSTRIES ACT—ANALYSIS

The Promoting Competition in Distressed Industries Act ("the Act") amends the Trade Act of 1974 (19 U.S.C. 2201 et seq.) to provide a new form of relief for domestic industries injured by increased imports. The Trade Act currently authorizes the President to provide certain types of import relief to a domestic industry when the International Trade Commission ("Commission") finds that an increase in imports is the substantial cause of actual or threatened serious injury to that domestic industry. The Promoting Competition in Distressed Industries Act would give the President authority to grant limited antitrust exemption to mergers and acquisitions among members of the injured industry. The exemption would be available only as an alternative to other import relief, which could not be obtained concurrently or for a period of ten years thereafter. Specific transactions would qualify for the exemption through application to the Attorney General.

Sections 201-203 of the Trade Act of 1974 currently authorize the provision of restrictive measures—duties, tariff-rate quotas, quantitative restrictions, and orderly marketing agreements. Duties increase the cost of imported goods to domestic consumers and industrial users. Quantitative restrictions increase the prices which must be paid for domestic replacements. These measures may invite retaliation by trading partners and may close foreign markets to American goods, imposing additional costs on the American economy.

Existing restrictive remedies provide no means to adjust to import competition. They merely afford the industry time in which to adjust. A limited antitrust exemption, on the other hand, will create a means for a distressed industry to regain competitive strength and its appropriate share of domestic markets. Economists now recognize that mergers and acquisitions can create economies of scale and efficiencies. Business may, in turn, translate resulting cost savings into lower prices or better quality products or services in order to regain market share or profitability lost to imports.

Limited antitrust exemption avoids the costs of existing competitive measures. At the same time, it does not increase the risk of illegal collusive price increases by members of the distressed industry. Merger enforcement under section 7 of the Clayton Act is based, in part, on the theory that a substantial increase in concentration in an industry may, in some circumstances, lead to collusion, that is, cooperative efforts to keep prices higher than competitive levels. For a distressed industry, however, the Commission's finding of serious injury indicates that import competition has become sufficiently strong that the domestic industry cannot maintain price levels without losing market share. Such successful import competition sharply reduces, and may eliminate, the risks of harm from collusion in a distressed industry.

The new alternative antitrust relief that will be available under the Act to facilitate mergers and acquisitions that enhance U.S. competitiveness should greatly assist U.S. firms' adjustment to import competition that has injured them. Mergers and acquisition are not the only possible responses to such competition, however. Collaboration among the members of injured industries in joint ventures short of complete consolidation may be attractive in many circumstances, and offers the opportunity to achieve research, production, or other efficiencies without eliminating firms that wish to remain independent. Consideration of any possible antitrust issues joint ventures raise—by the antitrust enforcement agencies and the courts—will take appropriate account of the significant extent to which import competition reduces any possible antitrust risk and of the fact that the industry has been granted a limited exemption from the antitrust laws.

Joint ventures among the members of an injured industry might take many forms: building and operating new facilities, sharing the operation and output of existing facilities, asset swaps, tolling or other long-term supply arrangements, and others that may be peculiarly attractive to particular industries. In analyzing such ventures the courts should continue their trend toward turning away from simplistic *per se* characterizations. They will examine the true competitive picture, including the efficiency rationales underlying various collaborative activities. Recent important precedents in this regard include the landmark *GTE-Sylvania* case, in which the Supreme Court emphasized that any departure from the rule of reason standard must be based on demonstrable economic effects rather than upon formalistic line drawing; *Broadcast Music*, in which the Court stressed that a joint selling arrangement may be efficient and procompetitive to the extent that it increases output or provides a new product, and *NCAA*, where the court recognized the need for certain horizontal restraints if the product was to be made available at all. Thus, the actual effects of joint ventures, short of naked horizontal restraints whose real purpose is to restrain output and raise price, will determine their legitimacy under the antitrust laws. And while in general, the procompetitive efficiency-enhancing effects of joint ventures are comparable to those that can be achieved by mergers, it is important to recognize that joint ventures represent only a partial integration of productive facilities, and thus present even fewer antitrust risks.

The strength of international competition should play a significant role in the antitrust analysis of collaborative activity among the members of any industry that has been seriously injured by import competition. In the face of such competition, the risk that a domestic joint venture will adversely affect consumers by creating or facilitating the exercise of market power diminishes significantly. Evaluating such joint ventures in the context of the real structure of the affected industry, including import competition, is mandated by the antitrust rule of reason, as well as the sound economics that underlie it. Emphasized by Congress in its recent passage of the National Cooperative Research Act, the rule of reason protects not only procompetitive R&D joint ventures, but also other production or distribution ventures that may be particularly important to U.S. firms in their crucial efforts to compete in markets increasingly being penetrated by their overseas rivals.

The first (unnumbered) section of the Act provides that it may be cited as the "Promoting Competition in Distressed Industries Act".

Section 2 of the Act amends sections 202 and 203 of the Trade Act of 1974 to add a limited antitrust merger exemption as an alternative to the import relief measures already provided in those sections.

Section 2(a) amends section 202 of the Trade Act, which concerns the President's review of the Commission's findings regarding an injured industry. As amended by this legislation, the factors for the President's consideration would include the likelihood that a limited antitrust merger exemption would be effective to enhance the competitiveness of the domestic industry. To aid in the assessment of the likelihood, section 2(a) gives the President time to request and consider information and advice from the Secretary of Commerce and the Attorney General as well as other appropriate government officials.

Section 2(b) amends section 203 of the Trade Act to authorize the President to select an antitrust relief alternative when he has determined that some form of import relief is warranted. The President may choose antitrust relief even though the Commission has recommended another form of relief. The Act does not authorize the Commission to recommend antitrust relief. Such a judgment is better left to Presidential discretion.

Section 203(a) of the Trade Act presently gives the President five options. Four impose various restrictions on imports—duties, tariff-rate quotas, quantitative import restrictions, and orderly marketing agreements; the fifth is any combination of those actions. Section 2(b) adds antitrust relief as a sixth option pursuant to new section 204 of the Trade Act (as added by section 3 of this legislation). By the terms of section 203(a) of the Trade Act, an order for antitrust relief would have a maximum duration of five years.

Section 2(b) provides that antitrust relief is in lieu of, and not in addition to, restrictive measures, and also that such restrictive measures may not be imposed for a period of ten years after the antitrust relief alternative expires. This is a necessary feature of the legislation. The exclusivity of the antitrust relief alternative ensures that as the industry is restructured to enhance the competitiveness of domestic firms, the general level of competition in the market remains strong. Additional relief in the form of duties, quotas, quantitative restrictions, or marketing agreements, or voluntary restraint agreements that sometimes resolve section 201 proceedings, would distort the market and prevent the kind of permanent adjustment that will allow U.S. firms to hold their own against foreign imports in the long run. The artificial support supplied by these restrictive measures could permit firms to misdirect their efforts to match the competition. In addition, since the antitrust exemption is predicated on strong import competition, restrictions on imports in conjunction with antitrust relief could reduce overall competition in the industry to the detriment of consumers. The additional ten year prohibition on import restrictions recognizes the long term effects of mergers, and the need to preserve the import competition that has led to special antitrust treatment of mergers in a distressed industry during that time.

Section 2(b) also makes conforming amendments to sections 203 (e) and (h) to eliminate possible confusion with respect to the effective dates of relief and termination of relief. While restrictive measures may require some period of implementation, the antitrust relief alternative becomes effective as specified in the order signed by the President.

Section 3 of the Act adds a new section 204 to the Trade Act of 1974. New section 204 contains the basic provisions of the new, limited antitrust merger exemption and the

procedures for obtaining it. New section 204(a) defines terms for purposes of the antitrust relief provisions. "Antitrust laws" is given the same meaning as that contained in section 1 of the Clayton Act, with the addition of section 5 of the Federal Trade Commission Act to the extent that such section applies to unfair methods of competition. This definition includes all federal provisions under which antitrust challenges to mergers may be brought. "Industry" is defined to mean any domestic industry which the International Trade Commission has designated as entitled to relief under the criteria of section 201(b) of the Trade Act and as to which the President has issued an order under the Trade Act granting antitrust relief. "Merger or acquisition" is defined to cover the same scope of transactions within the industry as are covered by section 7 of the Clayton Act, the primary federal merger law.

Subsection (b) of new section 204 sets out the procedures under which the parties to a proposed merger or acquisition may obtain a limited antitrust merger exemption. Parties with a present intention to consummate a merger or acquisition may apply for a certificate of exemption. The application shall consist of a notification filed with the Attorney General and the Secretary of Commerce which identifies each party to the transaction. describes the proposed merger or acquisition, and provides information sufficient to identify the parties as members of the industry.

Except as may be relevant to any administrative or judicial proceeding, the information and documentary material supplied in connection with an application for a determination under new section 204 shall not be made public and shall be exempt from disclosure under the Freedom of Information Act (5 U.S.C. 552). The confidentiality provision does not, however, act to prevent disclosure to Congress.

A determination regarding the application shall be made within thirty days. If the Attorney General, with the concurrence of the Secretary of Commerce, determines that the proposed merger or acquisition is limited to members of the industry, a certificate of exemption identifying the firms and the transaction to which it applies shall be issued. The certificate shall be effective as of the date it is issued and the exemption shall be permanent with respect to mergers consummated while the President's order is in effect. When it is determined that the merger or acquisition is not limited to members of the industry, the Attorney General shall give the applicants the reasons for that decision. In such circumstances, the applicants may request the Attorney General to reconsider the determination.

New Section 204(b)(6) provides that the Attorney General's grant or denial of a certificate will not be subject to judicial review. The Attorney General administers the President's decision to grant relief by determining eligibility. Only mergers and acquisitions within the distressed industry, as the industry is described by the Commission, will be eligible. The applicant's right to request reconsideration of the denial of a certificate, pursuant to new Section 204(b)(5), will provide adequate protection regarding these relatively straightforward criteria. Judicial review is not necessary and would only delay relief.

New section 204(c) sets out the limited antitrust exemption to which certificate-of-exemption holders are entitled. With such a certificate, the transaction may not be challenged under any provision of the antitrust laws on the ground that it adversely affects competition in any relevant market including or included within the injured industry unless there is a significant probability that the transaction would substantially increase the ability of the resulting firm profitably to maintain prices above competitive levels for a significant period of time.

Section 204(c) further prohibits all antitrust suits by private parties against certificated mergers and acquisitions in the industry. Importers in particular may have anticompetitive incentives to bring spurious antitrust challenges to domestic mergers that would promote U.S. competitiveness.

New section 204(d) provides that the new certification procedure has no effect on premerger notification obligations under the Hart-Scott-Rodino Act (section 7A of the Clayton Act). In view of the possible urgency of mergers and acquisitions in distressed industries, however, the antitrust enforcement agencies should expedite their review of such transactions.

S. 2162

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Antitrust Remedies Improvements Act of 1986".

TITLE II—TREBLE DAMAGE REFORM

SEC. 201. Subsection (a) of section 4 of the Clayton Act (15 U.S.C. 15(a)) is amended to read as follows:

"(a) Any person who shall be injured in his business or property by reason of anything forbidden in the antitrust laws may sue therefor in any district court of the United States in the district in which the defendant resides or is found or has an agent, without respect to the amount in controversy, and shall recover actual damages by him sustained, interest calculated at the rate specified in section 1961 of title 28, United States Code, or at such other rate as the court finds to be fair to fully compensate such person for the injury sustained, on such actual damages for the period beginning on the earliest date for which injury can be established and ending on the date of judgment, unless the court finds that the award of all or part of such interest is unjust in the circumstances, and the cost of suit, including a reasonable attorney's fee: *Provided,* That except as provided in subsection (b), damages sustained by reason of such person having been overcharged or underpaid by any person subject to liability under the antitrust laws for such damages shall be trebled: *And provided further,* That prejudgment interest under this section on actual damages that are trebled shall be recovered only if, pursuant to a motion by the injured person promptly made, the court finds that the award of all or part of such interest is just in the circumstances, taking into consideration only—

(1) whether such person or the opposing party, or either party's representative, made motions or asserted claims or defenses so lacking in merit as to show that such party or representative acted intentionally for delay, or otherwise acted in bad faith;

(2) whether, in the course of the action involved, such person or the opposing party, or either party's representative, violated any applicable rule, statute, or court order providing for sanctions for dilatory behavior or otherwise providing for expeditious proceedings; and

(3) whether such person or the opposing party, or either party's representative, engaged in conduct primarily for the purpose of delaying the litigation or increasing the cost thereof.".

SEC. 202. Section 4A of the Clayton Act (15 U.S.C. 15a) is amended to read as follows:

"SEC. 4A. Whenever the United States is injured in its business or property by reason of anything forbidden in the antitrust laws it may sue therefor in the United States district court for the district in which the defendant resides or is found or has an agent, without respect to the amount in controversy, and shall recover actual damages by it sustained, interest calculated at the rate specified in section 1961 of title 28, United States Code, or at such other rate as the court finds to be fair to fully compensate the United States for the injury sustained, on such actual damages for the period beginning on the earliest date for which injury can be established and ending on the date of judgment, unless the court finds that the award of all or part of such interest is unjust in the circumstances, and the cost of suit; *provided,* that damages sustained by reason of the United States having been overcharged or underpaid by any person subject to liability under the antitrust laws for such damages shall be trebled; and provided further, that prejudgment interest under this section on actual damages that are trebled shall be recovered only if, pursuant to a motion by the United States promptly made, the court finds that the award of all or part of such interest is just in the circumstances, taking into consideration only—

(1) whether the United States or the opposing party, or either party's representative, made motions or asserted claims or defenses so lacking in merit as to show that such party or representative acted intentionally for delay, or otherwise acted in bad faith;

(2) whether, in the course of the action involved, the United States or the opposing party, or either party's representative, violated any applicable rule, statute, or court order providing for sanctions for dilatory behavior or otherwise providing for expeditious proceedings; and

(3) whether the United States or the opposing party, or either party's representative, engaged in conduct primarily for the purpose of delaying the litigation or increasing the cost thereof.".

SEC. 203. Paragraph (a)(2) of section 4C of the Clayton Act (15 U.S.C. 15c(a)(2)) is amended by striking the second sentence and inserting in lieu thereof the following:

"The court may award under this paragraph, pursuant to a motion by such State promptly made, interest calculated at the rate specified in section 1961 of title 28, United States Code, or at such other rate as the court finds to be fair to compensate natural persons in such State for the injury sustained, on such total damage for the period beginning on the earliest date for which injury can be established and ending on the date of judgment, if the court finds that the award of all or part of such interest is just in the circumstances.".

TITLE III—DEFENDANTS' ATTORNEYS' FEES

SEC. 301. Section 4 of the Clayton Act (15 U.S.C. 15) is amended by adding after subsection (c) the following new subsection:

"(d) In any action under this section, the court shall award the cost of suit, including a reasonable attorney's fee, to a substantially prevailing defendant upon a finding that

the plaintiff's conduct was frivolous, unreasonable, without foundation, or in bad faith.".

SEC. 302. Section 16 of the Clayton Act (15 U.S.C. 26) is amended by adding at the end thereof the following:

"In any action under this section in which the defendant substantially prevails, the court shall award to such defendant the cost of suit, including a reasonable attorney's fee, upon a finding that the plaintiff's conduct was frivolous, unreasonable, without foundation, or in bad faith.".

TITLE IV—CLAIM REDUCTION

SEC. 401. The Clayton Act (15 U.S.C. 12 et seq.) is amended by inserting immediately after section 4H the following new section:

"SEC. 4I. (a) The court shall reduce the claim under section 4, 4A, or 4C of this Act of any claimant releasing any person from liability or potential liability for such claim by the greatest of: (1) any amount stipulated for this purpose; (2) the consideration paid for the release; or (3) the actual damages fairly allocable to the person being released from liability or potential liability (or treble such actual damages to the extent such claim is for treble damages) and any interest on such actual damages under section 4, 4A, or 4C of this Act.

(b) For purposes of subsection (a):

(1) Where the claim is based upon a contract, combination, or conspiracy among competitors and damages are sustained by reason of overcharges or underpayments resulting from such contract, combination, or conspiracy, damages shall be allocated on the basis of each such competitor's proportionate share of the total of all such competitors' overcharges or underpayments in the market affected, unless the court determines that a more equitable result would be achieved by allocating damages according to paragraph (b)(2).

(2) With respect to all other claims, damages shall be allocated on the basis of relative responsibility for the origination or perpetration of the violation for which damages are being awarded and the benefits derived therefrom, unless the court determines that a more equitable result would be achieved by allocating damages according to paragraph (b)(1).

(c) Nothing in this section shall affect the joint and several liability of any person for any claim under the antitrust laws.".

TITLE V—EFECTIVE DATE

SEC. 501. The provisions of this Act shall apply to all actions commenced after the date of enactment of this Act.

ANTITRUST REMEDIES IMPROVEMENTS ACT OF 1986—ANALYSIS

The first (unnumbered) section of the bill provides that the Act may be cited as the "Antitrust Remedies Improvements Act of 1986."

Title II—Treble Damage Reform

Title II amends sections 4, 4A and 4C of the Clayton Act to make timely and important reforms in the recovery of antitrust damages by private parties, the United States, and state attorneys general as *parens patria*. Congress has recently addressed treble damages and other remedies issues in connection with particular activities in the Export Trading Company Act of 1982 and the National Cooperative Research Act of 1984. Title II recognizes and endorses the rationale of such reforms by making necessary changes in antitrust remedies as they apply across-the-board.

Section 201 amends section 4 of the Clayton Act, which governs recoveries by private parties, to provide for the recovery of treble damages only for those injuries sustained by reason of the plaintiff "having been overcharged or underpaid by any person subject to liability under the antitrust laws for such damages." Actual damages would be recoverable in all other cases.

With few exceptions plaintiffs' recoveries in all private antitrust damage actions are currently trebled automatically. Trebling is intended to provide potential plaintiffs with additional incentives to complement public enforcement with private actions, and to help deter anticompetitive conduct. Where clearly harmful conduct such as unlawful horizontal price fixing or bid rigging is involved, trebling is entirely appropriate. Such conduct is unquestionably deterimental to the economy and cannot be overdeterred. Suits to challenge price fixing or bid rigging are usually brought by the victims of overcharges or underpayments caused by these practices.

Where potentially procompetitive practices such as aggressive low pricing or innovative distributional practices are involved, however, trebling can have serious anticompetitive side effects. Overdeterrence is a major concern here—trebling can cause firms to shy away from such conduct, even through it may have significant economic benefits. Moreover, competitively beneficial practices often are challenged by competitors or potential competitors with perverse motivations to sue. Competitors may use the threat of treble damages to coerce a successful rival into abandoning or restricting conduct or arrangements that enhance efficiency and lower prices to consumers.

An optimal antitrust penalty would take into account the likely harm to society from the conduct and the probability that the conduct will be detected, prosecuted, and punished. Where such harm is obvious, and the chance of its discovery relatively low, the penalty must be high to deter violations. Conversely, where harm is uncertain, and the conduct is open and notorious, the penalty must be high to deter violations. conversely, where harm is uncertain, and the conduct is open and notorious, the penalty should be low. The risks of mistakenly classifying beneficial conduct as anticompetitive must also be recognized in constructing an optimal penalty system. Unfortunately, the current universal treble-damage rule in antitrust cases bears little resemblance to such a system.

Increasingly recognized by courts, Congress, and legal and economic scholars in recent years, these problems now warrant a general modification of the automatic trebling rule in antitrust cases. Section 201 responds to these concerns by modifying the treble-damage rule in private antitrust damage actions under section 4 of the Clayton Act to obtain a closer approximation of an optimal penalty. It first establishes a fully compensatory, actual-damages remedy, and then provides for the trebling of damages sustained "by reason of [the plaintiff] having been overcharged or underpaid by any person subject to liability under the antitrust laws for such damages." As thus amended, section 4 would continue strongly to deter anticompetitive conduct, while avoiding overdeterrence of conduct that may actually benefit consumers and the economy.

Practices like price fixing or bid rigging that result in overcharges to customers or underpayments to suppliers are unequivocally anticompetitive and are likely to be concealed. Section 201 continues to award treble damages to persons who have been injured by reason of such overcharges or underpayments, and thus properly focuses the full deterrent force of private treble-damage enforcement on unambiguously anticompetitive practices. Under section 201, victims of these practices, often consumers or small businesses, will retain the needed incentive to discover and challenge clearly harmful behavior.

Under section 201, however, antitrust claims brought by competitors or would-be competitors of the defendants usually will be limited to full compensation—actual damages plus prejudgment interest (discussed infra), costs, and attorneys' fees. These plaintiffs generally seek lost profits rather than recoupment of overcharges. Limiting such recoveries to full compensation (including attorneys' fees) is appropriate for several reasons. First, such damages are less clearly related to the social cost of a violation and may actually overstate the harm. Second, business competitors are likely to be in a position to observe the conduct that is the basis for such claims. Third, and perhaps most importantly, claims brought by competitors are precisely those that often challenge potentially procompetitive behavior. These cases frequently are brought to frustrate hard competition rather than promote it. Limiting recovery to full compensation addresses the overdeterrence problem created by such cases, but does not deprive a plaintiff with a just cause of a complete recovery. Thus, section 201 would continue strongly to deter covert cartel behavior, while avoiding deterrence, i.e. inhibition, of business conduct that benefits consumers and the economy generally.

In order to establish a fully compensatory, actual-damages remedy, section 201 provides for automatic prejudgment interest in actual damage cases under section 4 of the Clayton Act. The rationale for awarding prejudgment interest to a plaintiff is that the plaintiff's injury is suffered long before the damages are recovered. In addition to receiving its damages, the plaintiff should be paid interest for the lost use of its money during the period from commencement of the injury to entry of judgment.

Prejudgment interest on antitrust damages is available under existing law, but omly in very limited circumstances. In 1980, Congress authorized limited prejudgment interest in response to concerns that the court's inability to award such interest created incentives for defendants to delay resolution of antitrust cases. The 1980 legislation provided that, in general, prejudgment interest is to be awarded in antitrust cases only where the opposing party has litigated in bad faith, has violated a rule or order providing for sanctions for dilatory behavior, or has engaged in conduct intended to delay the litigation or increase its cost.

Whatever the justification for the limitations on the award of prejudgment interest in present law, where antitrust recoveries have been limited recently to actual damages, as in the National Cooperative Research Act of 1984 (NCRA), it has been deemed necessary to award prejudgment interest on such damages as a matter of course if the plaintiff is to be made whole. Thus, amendments to 'detreble" antitrust damages should also provide automatic prejudgment interest on actual damages to plaintiffs.

Under section 201, prejudgment interest on actual damages is to be calculated at the

rate specified in section 1961 of title 28 of the United States Code, or at such other rate as the court finds to be fair to compensate injured persons for the injury they have sustained, and covers the period from the earliest date for which injury can be established through the date of judgment. This rate of interest and the period for which interest is to be granted are similar to those provided in the NCRA.

Recovery of interest from the date of injury will provide full compensation for victims of antitrust violations. In connection with passage of the NCRA, it was recognized that it may be difficult or inequitable in certain circumstances to provide interest in accordance with this rule. Where the date of the onset of injury cannot be precisely determined, the plaintiff may prove that the injury began prior to a date certain and receive interest from the date. Where prejudgment interest would result in duplicative damages (e.g., where loss of use of lost profits has already been factored into the damage award) or where litigation has been unreasonably delayed by the plaintiff, section 201, like the NCRA, gives the court flexibility to limit or without prejudgment interest. The ability of the court to vary the rate of interest from that set forth in 28 U.S.C. § 1961 (the coupon yield equivalent of the average accepted auction price for the last auction of fifty-two week United States Treasury bills settled immediately prior to the date of judgment) is a new feature of this legislation, and reflects the fact that, in antitrust cases, damages may be recovered for injuries sustained many years prior to the date of judgment, during which interest rates may have been substantially lower (or higher) than current Treasury bill yields.

Section 201 does not change the circumstances in which prejudgment interest may be awarded in cases in which damages are trebled, as established by Congress in 1980. Where such interest is awarded, however, it will be calculated as set forth above.

Section 201's reform of the treble-damage remedy does not affect the current rules for determining standing, injury, or liability in private antitrust damage actions under section 4 of the Clayton Act. The phrase "damages sustained by reason of" added to section 4 by section 201 uses key language already contained in section 4 to clearly signal this intent.

Section 202 of the bill amends section 4A of the Clayton Act to permit the United States to recover treble damages when it is injured by reason of having been overcharged or underpaid by an antitrust violator. Under existing law, the United States can never recover more than actual damages under the antitrust laws. Section 202 would provide the United States, as an overcharged purchaser, with a treble-damage remedy against price fixers and bid riggers. This change would result in increased deterrence of particularly onerous violations that constitute theft from taxpayers and would put the United States in the same position as private plaintiffs with respect to damages. Section 202 also provides for prejudgment interest on actual damages in actions by the United States under section 4A, under the same terms as such interest may be awarded to private plaintiffs under section 4 as it would be amended by section 201.

Section 203 amends section 4C of the Clayton Act, under which state attorneys general as *parens patriae* may recover treble damages for antitrust injuries sustained by natural persons residing within their states. Section 203 does not change the current rule under which all such recoveries are trebled, because damages sought on behalf of consumers in *parens* cases are always the kind of damages that would be trebled under section 4 of the Clayton Act as it would be amended by section 201. Thus, section 203 only conforms the provisions governing prejudgment interest awards in *parens* cases under section 4C of the Clayton Act to the provisions governing such awards under sections 4 and 4A as those sections would be amended by sections 201 and 202.

Title III—Defendants' Attorneys' Fees

Title III addresses concerns that the current imbalance in antitrust law regarding the award of attorneys' fees facilitates the potential abuse of antitrust remedies. Section 301 adds a new paragraph (d) to section 4 of the Clayton Act to provide for the award of costs, including a reasonable attorney's fee, to a substantially prevailing antitrust defendant upon a finding that the plaintiff's conduct was "frivolous, unreasonable, without foundation, or in bad faith." Section 302 provides the same relief for defendants in injunction actions under section 16 of the Clayton Act.

Currently, sections 4 and 16 of the Clayton Act entitle only prevailing plaintiffs to reasonable attorneys' fees. With certain exceptions, including cases governed by two recent antitrust-related statutes, the NCRA and the Export Trading Company Act of 1982, the general rule is to deny attorneys' fees to prevailing defendants.

Private enforcement of the antitrust laws is an important supplement to government prosecution. Some plaintiffs may abuse the process, however. This abuse may take the form of "strike suits" filed primarily to extract a settlement from a defendant for something less than the defendant's anticipated litigation costs. It may also arise where a competitor, fearing innovative procompetitive conduct by a rival, flies a potentially lengthy injunctive action to convince the defendant to abandon its plans rather than bear high litigation costs. This type of conduct undermines the purposes of private enforcement and increases the costs that litigation imposes on society generally.

Title III recognizes the possibility of such abuse by awarding costs, including attorneys' fees, to substantially prevailing defendants if the plaintiff's conduct has been "frivolous, unreasonable, without foundation or in bad faith." This standard, used as the model for the defendants' attorneys' fees provision in the NCRA, derives from the Supreme Court's decision in *Christiansburg Garment* v. *EEOC*, 434 U.S. 412 (1978), a case involving prevailing parties' attorneys' fees under § 706(k) of Title VII of the Civil Rights Act of 1964.

As was recognized during consideration of the NCRA, each element of this standard has an independent meaning and is to be analyzed and applied separately. The determination of whether a plaintiff's conduct has been "unreasonable" must be based upon an evaluation of the factual and legal merits of the case. Conduct may be judged to be unreasonable even though it might not be considered frivolous, without foundation, or in bad faith. Also, the standards are to be applied to conduct throughout the litigation of a case. While the initial filing of an action may be warranted, discovery can bring to light information that makes continued prosecution of that action unreasonable. Attorneys' fees incurred by a prevailing defendant subsequent to such discovery should be recovered.

The defendants' attorneys' fees provisions of Title III complement other provisions of federal law that seek to prevent abuse of the judicial system. But because there is a strong public interest in preventing groundless antitrust actions that may harm the economy by deterring procompetitive conduct, these provisions for defendants' attorneys' fees are to be given broader interpretation than comparable provisions applied to civil actions in general (e.g., Rule 11, Federal Rules of Civil Procedure).

It may be noted that the standard under which defendants may seek attorneys' fees in *parens patriae* cases under section 4C of the Clayton Act—that the state attorney general has acted "in bad faith, vexatiously, wantonly, or for oppressive reasons"—differs somewhat from the *Christiansburg Garment* standard to be incorporated in section 4. Because the incentives of state attorneys general differ from those of purely private plaintiffs, however, Title III does not modify the defendants' attorneys' fees provision in section 4C. Nor does it modify the attorneys' fees rules in antitrust damage cases brought by the United States under section 4A. The United States is not entitled to attorneys' fees as plaintiff in such cases, but may be liable for defendants' attorneys' fees under the standards of the recently reenacted Equal Access to Justice Act and under rules of general application in civil cases. These provisions appropriately address the conduct of actions by the United States and should continue to govern in government antitrust cases.

Title VI—Claim Reduction

Section 401 creates a new section of the Clayton Act—section 4I. New section 4I provides that when a plaintiff settles with one or more defendants in an action under section 4, 4A or 4C of the Clayton Act, or releases in any way a potential defendant from liability without filing a suit, that plaintiff's claim against the remaining defendants shall be appropriately reduced.

Under current law, all defendants found liable for damages in antitrust cases are jointly and severally responsible for the plaintiff's entire, trebled recovery. Under the joint and several liability system, defendants typically expect to share that liability among themselves, perhaps through formal agreements, perhaps through seriatim or universal settlements with plaintiffs. Should the plaintiff settle with any liable or potentially liable party, however, the plaintiff's remaining claim is reduced only by the amount the plaintiff receives for the settlement. Thus, a nonsettling defendant facing what is already very substantial real liability can see that liability magnified if the plaintiff settles with other liable persons for nominal or relatively small amounts, particularly if such settlements are with those responsible for a major portion of the plaintiff's damages. This "whipsaw" effect may force a defendant to abandon its factual claims and legal defenses, whatever their merits.

New section 4I addresses this problem directly. Paragraph (a) reduces the plaintiff's claim (chich, under other proposed amendments, will include all damages and interest on actual damages from the date of injury to the date of judgment) by at least the proportionate share of that claim fairly allocable to any person being released from liability. Such proportionate share would include a fair share of the plaintiff's actual (or,

where appropriate, trebled) damages plus interest on such actual damages form the date of injury to the date of judgment, as will be provided in amended sections 4, 4A, and 4C. Thus the effect of claim reduction will be to relieve nonsettling defendants from all liability arising from the conduct of persons receiving releases.

Paragraph (b) provides the method for determining fair shares of damages for the purpose of claim reduction. Where proscribed concerted conduct has resulted in overcharges or underpayments, the amount of damages allocable to a person receiving a release from liability is that person's proportionate share of all the participants' overcharges or underpayments in the market affected. For all other claims, the damages allocable to the settling person shall be determined by its relative responsibility for the violation and by the benefits it derived from the violation. Appropriate discretion is reserved to courts to adjust these rules where necessary to achieve a more equitable result. For example, in a bid/rigging case, market shares may not be an appropriate measure of either culpability or the benefits derived from the conspiracy. In the manner of claim reduction legislation previously reported by the Senate Judiciary Committee (S. 995, 97th Cong., 2nd Sess.), paragraph (c) of new section 4I makes clear that claim reduction for settlements does not affect the joint and several liability of the remaining defendants.

Under new section 4I, whipsaw settlement tactics will no longer be possible since no defendant will see its potential real liability increased by another person's settlement. Therefore, defendants are not likely to be denied the opportunity to test their liability in court. Furthermore, plaintiffs will no longer have any incentive to release the most culpable persons for nominal amounts. Since the amounts the plaintiff can recover from the remaining defendants will be reduced by the share of the plaintiff's claim attributable to settling persons' conduct, the amount a plaintiff would accept from a person being released from liability will be correlated to that person's culpability. Larger, more culpable persons will be less likely to receive early and attractive settlements with claim reduction than under the current system. In sum, claim reduction should preserve incentives for plaintiffs to challenge anticompetitive conduct and thus will maintain deterrence while providing a more equitable system for the settlement of claims.

Title V—Effective Date

Section 501 makes the provisions of Title II through Title IV effective in all actions commenced after the date of enactment of the Act.

S. 2163

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Interlocking Directorate Act of 1986".

SEC. 2 The fourth paragraph of section 8 of the Clayton Act (15 U.S.C. 19) is amended by—

(a) striking out "any one" and inserting in lieu thereof "each";

(b) striking out "$1,000,000" and inserting in lieu thereof "$10,000,000";

(c) striking out the period after "laws" and inserting in lieu thereof the following: "; *provided,* that service as a director in two or more corporations shall not be prohibited by this section if the sales, determined on the basis of annual average gross revenues over the preceding two completed calendar or fiscal years, as may be appropriate in the circumstances, of each such corporation of each product or service sold by such corporations in competition with one another (1) are less than 5 percent of such corporation's total sales, unless the sales of all such products or services by such corporation exceed 25 percent of such corporation's total sales; (2) together with such corporation's sales of all other such products or services are less than $1,000,000; or (3) are less than 3 percent of the total sales in each line of commerce in each section of the country in which such corporations compete."; and

(d) adding at the end the following: "For each fiscal year commencing after September 30, 1986, the $10,000,000 and $1,000,000 thresholds in this paragraph shall be increased as of October 1 each year by an amount equal to the percentage increase in the Gross National Product, as published by the Department of Commerce or its successor, for the year then ended over the level so established for the year ending September 30, 1985.".

INTERLOCKING DIRECTORATE ACT OF 1986—ANALYSIS

The Interlocking Directorate Act of 1986 ("the Act") makes several important and timely changes in section 8 of the Clayton Act, which generally prohibits service by any person as a director of two or more competing corporations engaged in interstate commerce if any one of those corporations has capital, surplus, and undivided profits of more than $1,000,000. The Act provides exceptions to section 8's prohibition where competition between two or more firms is *de minimis,* and thus where their sharing of a common director poses no threat to competition generally. The Act also amends and updates section 8's jurisdictional threshold to confine its coverage to larger firms.

Section 2 of the Act makes four amendments to section 8. First, section 2 requires each corporation sharing a common director to exceed section 8's capital, surplus, and undivided profits jurisdictional threshold in order for the prohibition of that section to be applicable. This requirement will confine section 8's application to interlocks among large firms, thus freeing smaller businesses of federal antitrust oversight of the makeup of their boards. Competitive concerns raised by interlocks involving smaller businesses are not significant, and do not warrant such oversight.

Second, section 2 of the Act raises the $1,000,000 capital, surplus, and undivided profits threshold in section 8 to $10,000,000. This dollar threshold, established in 1914 and never changed, is badly out of date.

Third, section 2 of the Act establishes explicit *de minimis* exceptions to section 8's prohibition of interlocks among competing corporations. Courts interpreting section 8 strictly have declined to recognize any implicit *de minimis* exception. Thus, minor competitive overlaps that raise no significant competitive concerns are hindering the selection of the best-qualified directors, especially by diversified firms.

There is little competitive risk presented by an interlocking directorate where competition between the affected firms is no more than *de minimis.* Where the competitive overlap is a very small part of each firm's business, active consideration of the details of the overlapping business by the boards of directors is most unlikely. Where the competitive overlap affects no more than a very small part of any relevant market, it is no cause for concern about harm to competition. In these situations, and where the competitive overlap involves commercial activities very small in absolute dollar amounts, the prophylactic rule of section 8 clearly is overly restrictive.

Section 2 addresses this problem by defining three "safe harbors" that would exempt certain interlocks between competitors from the coverage of section 8. The first safe harbor generally protects interlocks between firms each of whose sales of any competing product are less than 5 percent of its total sales—a fact within the certain knowledge of the firms themselves. The second safe harbor protects interlocks where the total competitive overlap amounts to less than $1,000,000 of each firm's business—again a simple fact known to the firms. The third safe harbor protects interlocks between firms each of whose sales of any competing product are less than 3 percent of any relevant market in which they compete. These safe harbors will make it much easier for corporations to select qualified directors with no real possibility of competitive harm and no uncertainty regarding the lawfulness of their decisions.

Finally, section 2 indexes the new $10,000,000 jurisdictional threshold and the new $1,000,000 *de minimis* "safe harbor" to the Gross National Product, in order to prevent distortion of their effects by the passage of time.

S. 2164

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Foreign Trade Antitrust Improvements Act of 1986".

SEC. 2. Section 7 of the Sherman Act (15 U.S.C. 6a) is amended by—

(1) inserting "(a)" before "This Act"; and

(2) adding at the end thereof the following new subsection:

"(b) Whenever a motion to dismiss for lack of subject matter jurisdiction under this section shall be made, the court shall, except for good cause shown, hear and determine such motion, after such discovery or other proceedings directly related to the motion as the court deems appropriate, before conducting or permitting the parties to conduct any further proceedings in the action.".

SEC. 3. The Clayton Act (15 U.S.C. 12 et seq.) is amended by adding after section 20 the following new section:

"SEC. 21. (a) Notwithstanding any other provision of the antitrust laws of any provision of any State laws similar to the antitrust laws, in any action brought by any person or State under the antitrust laws or similar State laws which involves trade or commerce with a foreign nation, the court shall enter a judgment dismissing the action as to all parties whenever it determines that the exercise of jurisdiction would be unreasonable in light of the following factors, which shall be exclusive:

(1) the relative significance, to the violation alleged, of conduct within the United States as compared to conduct abroad;

(2) the nationality of the parties and the principal place of business of corporations;

(3) the presence or absence of a purpose to affect United States consumers or competitors;

(4) the relative significance and foreseeability of the effects of the conduct on the United States as compared with the effects abroad;

(5) the existence of reasonable expectations that would be furthered or defeated by the action; and

(6) the degree of conflict with foreign law.

(b) Whenever a motion to dismiss on the ground that the exercise of jurisdiction would be unreasonable under this section shall be made, the court shall, except for good cause shown, hear and determine such motion, after such discovery or other proceedings directly related to the motion as the court deems appropriate, before conducting or permitting the parties to conduct any further proceedings in the action.".

SEC. 4. Section 12 of the Clayton Act (15 U.S.C. 22) is amended by—

(1) inserting "(a)" before "That suit"; and

(2) adding at the end thereof the following new subsection:

"(b) The doctrine of *forum non conveniens* shall be applicable in any suit, action, or proceeding under the antitrust laws that involves trade or commerce with a foreign nation, and nothing contained in this section or any other venue provision applicable to such suits, actions, or proceedings shall be construed to prevent dismissal of such a suit, action, or proceeding on the ground of *forum non conveniens*.".

FOREIGN TRADE ANTITRUST IMPROVEMENTS ACT OF 1986—ANALYSIS

The "Foreign Trade Antitrust Improvements Act of 1986" ("the Act") improves and clarifies the application of the antitrust laws in cases involving trade or commerce with foreign nations. The Act amends the Sherman and Clayton Acts generally to direct courts to hear and determine jurisdictional motions in such cases prior to conducting proceedings on the merits, to clarify the factors courts should consider in deciding whether the exercise of U.S. antitrust jurisdiction in such cases would be reasonable, and to affirm the applicability of the doctrine of *forum non conveniens* in such cases. The Act carries the same name and is in substantial part a refinement of similar legislation introduced in the 1st session of the 99th Congress.

Section 2 of the Act amends section 7 of the Sherman Act, which provides that the substantive provisions of that Act apply to conduct involving trade or commerce (other than import trade or commerce) with foreign nations only if such conduct has a "direct, substantial, or reasonably foreseeable effect" on trade or commerce that is not trade or commerce with foreign nations, on import trade or commerce, or on export trade or commerce with foreign nations of a person engaged in such trade or commerce in the United States. Section 2 adds a new subsection (b) to section 7, generally requiring the court to hear and determine the merits of a motion to dismiss an action under section 7 prior to conducting or permitting the parties to conduct any further proceedings in the action. Notwithstanding its general rule, new section 7(b) permits discovery on the merits or other proceedings "for good cause shown" while motions under subsection (a) are under consideration. While early decisions on jurisdictional issues generally should help minimize international conflicts in such cases, discovery on the merits may nonetheless be appropriate in some situations. Indeed, in some cases facts relating to jurisdiction may be intertwined with those relating to the merits.

Section 3 of the Act adds a new section 21 to the Clayton Act, clarifying the factors courts are to consider in deciding whether the exercise of U.S. antitrust jurisdiction in private antitrust cases involving trade or commerce with foreign nations is reasonable. Designed to lessen uncertainty over jurisdiction in private antitrust cases involving foreign commerce, new section 21(a) instructs the courts to dismiss such a case when the exercise of jurisdiction would be unreasonable, taking into account six specified, exclusive factors. By designating the specified factors as the exclusive factors to be considered in determining the reasonableness of U.S. jurisdiction, new section 21(a) makes clear that courts are not to base their judgments on an open-ended interest balancing test or make the foreign policy determinations that are properly within the sphere of the Executive Branch. On the other hand, by instructing courts to take into account the extent of the challenged conduct's connections with the United States as compared with its connections with foreign jurisdictions, the new provision lessens the likelihood of unnecessary conflict with foreign governments arising from private antitrust challenges.

The first factor specified by new section 21(a) is "the relative significance, to the violation alleged, of conduct within the United States as compared to conduct abroad." This criterion, in conjunction with the other specified factors, will assist the courts in determining the relative strength of the alleged violation's connection with the United States. In the antitrust context, the conduct that is relevant to this determination includes not only meetings and agreements, but also the whole range of economic activity that is involved in an alleged violation. For example, an agreement to fix U.S. prices that was reached in a meeting held abroad and implemented by charging the agreed-upon prices in the United States would constitute substantial conduct within the United States. Inclusion of this factor is not intended to give individuals or firms an opportunity to evade U.S. antitrust laws simply by moving some or all of their activities offshore.

The second factor the courts are to consider is "the nationality of the parties and the principal place of business of corporations" involved in and affected by the challenged conduct. This criterion is not intended as a departure from the general principle that United States antitrust laws are applied in a nationality-blind way that neither favors nor discriminates against parties of foreign nationality. But in some cases consideration of the parties' nationality may assist the courts in determining the relative strength of the United States' interest in regulating the challenged conduct and, accordingly, the reasonableness of an assertion of U.S. jurisdiction. In particular, this factor may be significant in a merger case in which the merging parties and the relevant productive facilities are located abroad.

The third factor specified in new section 21(a) is "the presence or absence of a purpose to affect United States consumers or competitors." In considering this factor, courts should apply their usual construction of purpose—that people intend the ordinary consequences of their acts. Thus, courts should consider not only whether there were overt declarations of intention to affect United States markets, but also whether the facts make it apparent that an effect on United States markets was expected.

The fourth factor courts are to consider is "the relative significance and foreseeability of the effects of the conduct on the United States as compared with the effects abroad." The United States' antitrust laws are basically designed to protect U.S. markets against anticompetitive restraints. They are not designed to interfere with the prerogative of foreign governments to shape their own economies. There are, however, circumstances in an economically interdependent world in which the effects of conduct will be felt both in the U.S. and in other nations' economies. Consideration by the courts of this factor and the previous factor will assist in identifying circumstances in which U.S. jurisdiction is appropriately asserted because of the significance of actual or intended effects in our economy. At the same time, it will weigh against the exercise of jurisdiction where the actual or intended domestic effects are insignificant as compared with those abroad and where regulation of the conduct may be more appropriately exercised by other governments.

The fifth factor specified in new section 21(a) is "the existence of reasonable expectations that would be furthered or defeated by the action." This factor recognizes the desirability of predictability regarding the rules applicable to international business transactions.

The final factor courts are to consider under new section 21(a) in deciding whether the exercise of jurisdiction in antitrust cases would be reasonable is "the degree of conflict with foreign law." Under this criterion, the courts will consider the extent to which application of U.S. antitrust law to the challenger conduct would require action or inaction inconsistent with relevant foreign laws, or would otherwise clearly frustrate the implementation of the laws of other countries. If the challenged conduct were also unlawful under foreign law, or if foreign law were neutral or merely permissive with respect to the conduct, there likely would be little or no conflict between U.S. and foreign law of a kind that would weigh heavily against the assertion of jurisdiction. On the other hand, if the challenged conduct were affirmatively mandated by foreign law, or if the application of U.S. antitrust law would frustrate the enforcement or implementation of the laws of a foreign sovereign, those facts would weigh against the exercise of U.S. jurisdiction. The presence of such a conflict would not necessarily mean that United States law would always have to yield to foreign law, but consideration of such a conflict should help courts to determine the reasonableness of the exercise of U.S. antitrust jurisdiction.

In most cases, no single factor among the six the courts are directed to consider by new section 21(a) is likely to be dispositive, nor is it possible to instruct the courts in advance on how to weigh the factors to determine the reasonableness of asserting jurisdiction. Nonetheless, considered in conjunction with one another, these factors will provide a basis for accommodating the United States' interests in applying its antitrust laws to protect against harm from anticompetitive restraints with the legitimate interests of foreign governments in regulating their own economic affairs.

New section 21(b) generally requires the court to hear and determine the merits of a motion to dismiss an action under new section 21(a) prior to other proceedings in the action, in the manner of new section 7(b) of the Sherman Act, as added by section 2 above. As is the case with new Sherman Act section 7(b), exceptions to this general rule may be made "for good cause shown."

Section 4 of the Act adds a new subsection (b) to section 12 of the Clayton Act, which provides venue in antitrust cases in any district which a corporate defendant inhabits, or in which it may be found or transacts business. New section 12(b) clarifies the applicability of the doctrine of *forum non conveniens* in antitrust cases involving trade or commerce with foreign nations. This provision makes clear to the courts that they are not foreclosed from concluding, in appropriate cases, that a foreign court would be a preferable forum for litigating the claims asserted in a U.S. antitrust case, consistent with applicable legal standards as set out in the Supreme Court's 1981 decision in *Piper Aircraft Co. v Reyno*, 454 U.S. 235.

● Mr. MURKOWSKI. Mr. President, I am pleased to join Senator THURMOND in introducing legislation to modernize our antitrust laws. This legislation holds out promise for the strengthening of American firms, by improving their competitiveness while protecting the consumer.

American antitrust laws were enacted when America's foreign trade was miniscule, and when the major threat to consumers came from trusts and corporations in the domestic marketplace. Conditions now in the U.S. economy are much different. Nearly 75 percent of American products face foreign competition, and in recent years a surge of imports has flooded the American market. We are a debtor nation for the first time in memory, and the 1985 trade deficit of $148.50 billion was the largest in our history.

These changed economic circumstances necessitate a change in our laws affecting business competition. Particularly, they make necessary changes in American antitrust law. I strongly endorse the five proposed changes in antitrust law developed by the administration's Working Group on Antitrust Review, because I believe these changes would enhance U.S. competitiveness in trade without affecting adversely consumers' rights at home.

The first proposal amends section 7 of the Clayton Act and permits mergers of firms unless there is a "significant probability" that higher prices would result. Currently, our laws bar mergers that would be legal if they occurred in Japan, Korea, Germany, or England. As a result, American firms are at a disadvantage globally when compared to such giants as Toyota, Hyundai, Hoechst, and Unilever. Amendment of the Clayton Act would remove this impediment.

The second proposal amends sections 201-203 of the Trade Act of 1974. It would exempt mergers and acquisitions in industries seriously injured by foreign imports. Application of such a remedy will permit merger of firms that have lost market shares to imports, thus putting them in a more competitive posture with respect to foreign firms. For example, small textile or semiconductor firms that have lost sales to foreign competitors could merge to form economies of scale and gain other cost savings.

The third proposal reforms the antitrust litigation process. The effect of current law is to penalize business behavior that is aggressive and enhances competition, because successful private litigants receive treble damages plus attorney's fees for injuries. A detrebling of damages in certain cases would avoid penalizing vigorous competitive conduct, without loss of protection to consumers from price fixing.

The fourth proposal changes rules on interlocking directorates by raising the level of exemption from $1 million to $10 million. The original limit was established in 1914 and obviously should be raised, given the inflation over intervening years. The benefit of this proposal is that it will ease the search of diversified companies and small firms for well-qualified persons to serve on their boards of directors.

The final proposal limits the application of U.S. antitrust laws in international commerce cases. Our major trading partners and allies frequently have expressed concern about international extension of U.S. antitrust litigation, especially private treble damage suits. Application of our antitrust laws abroad interferes with the domestic policies of trading partners and allies; it is an unwarranted intrusion on their national sovereignty. Changes in law that would make the application of antitrust law subject to a test of reasonableness would correct this problem.

Today's business competition is no longer in the American market alone. It is global, and it requires a response that is in tune with global realities. Modernization of antitrust law as is proposed in these five amendments will stimulate the competitiveness of U.S. firms, and it will do so without sacrificing protection for American consumers.●

By Mr. GORTON:

S. 2165. A bill to authorize States to determine the level of funds allotted to a State under the Low-Income Home Energy Assistance Act of 1981 to be available for low-cost residential weatherization and other energy-related home repair projects for low-income households; to the Committee on Labor and Human Resources.

LOW-INCOME HOME ENERGY ASSISTANCE ACT AMENDMENTS

● Mr. GORTON. Mr. President, the bill I am introducing today amends the Low-Income Home Energy Assistance Act [LIHEAP] to provide State governments with the flexibility needed to make the best use of Federal energy assistance dollars. This bill would lift the existing 15-percent cap on State expenditures for residential weatherization and other energy-related home repair projects.

The bill simply gives the States the ability to respond to current energy and economic conditions. There can be no doubt that this Nation's energy situation is going through a period of dramatic change. We have seen the price of oil plummet in the last few months. The $27 a barrel paid by refiners in December for their average barrel of oil has fallen to somewhere between $15 and $16 a barrel. Spot prices approaching $12 a barrel suggest that we have not seen the last of the rollback in prices. This price change will mean lower home heating bills in many parts of the country.

The drop in energy prices presents States with a unique opportunity to make weatherization improvements to the low-income housing stock without reducing the number of people served under LIHEAP. Weathering low-income homes would enable future assistance grants to provide more assistance to a client, coverage of more clients, or a combination of both. Unfortunately, States' flexibility presently is limited by the 15-percent cap on weatherization projects contained in LIHEAP.

Mr. President, the optimum mix between direct assistance payments and weatherization will vary from year to year because of factors other than the amount of Federal assistance received under LIHEAP. Accordingly, States should not be proscribed in most effectively meeting low-income needs by an arbitrary lid. I urge my colleagues to join me in providing States with the flexibility they need to meet the home energy needs of low-income Americans.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2165

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2605(k) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(k)) is amended to read as follows:

"(k) A State may use so much of the funds allotted to a State under this subchapter for any fiscal year as the State determines to be necessary for low-cost residential weatherization or other energy-related home repair for low-income households.".●

By Mr. DECONCINI:

S.J. Res. 290. Joint resolution to designate July 4, 1986, as "National Immigrants Day"; to the Committee on the Judiciary.

NATIONAL IMMIGRANTS DAY

Mr. DECONCINI. Mr. President, I am pleased to introduce today a joint resolution that authorizes and requests the President of the United States to designate July 4, 1986, as "National Immigrants Day."

Honoring 100 years of American independence, the people of France dedicated to the people of America the Statue of Liberty. From the base of her pedestal to the tip of her flame, the Lady of Liberty has represented freedom, hope, and opportunity to millions entering New York harbor and to millions throughout the world. She has personally welcomed many of our ancestors and is a lasting memorial to the immigrants who have made this country great.

Through the efforts of the citizens of our great Nation, the Statue of Liberty is being restored. The values she represents are precious to us. She belongs to each of us. She, herself, is an immigrant who came to us in the name of liberty. It is only fitting that July 4, 1986, when her torch is relit, also be a time to honor the immigrants she welcomed to our shores.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 290

Whereas on July 4, 1986, the restored Statue of Liberty will be unveiled at the centennial celebration of the erection and dedication of the Statue;

Whereas the Statue of Liberty has been the symbol of freedom, hope, and opportunity for millions of immigrants over the past 100 years;

Whereas the Statue of Liberty serves as a reminder to all that the United States is a Nation of immigrants, a Nation of nations;

Whereas the Statue of Liberty is a lasting memorial to the immigrants who have made America great;

Whereas millions of immigrants settled throughout the vast territory of the United States, and supported the ideals of independence and liberty;

Whereas the torch held by the Statue of Liberty serves as a beacon of freedom that lives in the soul of every American; and

Whereas it is only fitting that when the torch is relit also be a time to honor the immigrants welcomed by the burning torch of the Lady of Liberty to a land of freedom where any dream was and is achievable: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 4, 1986, the centennial celebration of the Statue of Liberty, is designated as "National Immigrants Day", and the President is authorized and requested to issue a proclamation encouraging the people of the United States to join the President and the Congress in observance of National Immigrants Day with appropriate programs, ceremonies, and activities.

By Mr. HUMPHREY (for himself, Mr. HELMS, and Mr. EAST):

S.J. Res. 291. Joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life; to the Committee on the Judiciary.

S.J. Res. 292. Joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life; to the Committee on the Judiciary.

CONSTITUTIONAL AMENDMENTS WITH RESPECT TO THE RIGHTS TO LIFE

● Mr. HUMPHREY. Mr. President, today, I am introducing two of the better-known bills proposing constitutional amendments that will protect all human life at all stages of development, especially preborn human life. My distinguished colleagues from North Carolina, Mr. HELMS and Mr. EAST, have joined me to cosponsor the unity human life amendment; and my distinguished colleague from North Carolina, Mr. HELMS, has also joined me to cosponsor the paramount human life amendment.

For over 13 years, the unconscionable and abominable "law of the land" in these United States has granted license to abortion on demand—the legalized destruction of 18 million unborn American children. For 13 years many of us have mourned the loss of these children, many of us have worked tirelessly and ceaselessly to correct the injustice of legalized abortion on demand. And each and every one of us has been profoundly, if unconsciously, affected by this policy.

We are all intimately connected to the very young, unborn human beings being aborted at the rate of 4,500 every day. There is no question that the offspring of human beings are human beings. Commonsense verifies this. And science has demonstrated time and again that the tiny human being in the mother's womb is very much alive. A young fetus moves, hiccups, sucks its thumb, and responds to sound, touch, and variations in the sweetness of the amniotic fluid.

Abortion, then, is the deliberate killing of a living human being without regard for the right to life all human beings enjoy. Abortion is the greatest human rights issue of our time, and perhaps all time.

As I have suggested, none of us remain unaffected when human rights, the fundamental rights of humans, are violated. I believe this is particularly true in the case of the unborn children who lose their very lives. A wise author admonished a good number of years ago: ask not for whom the bell tolls * * * it tolls for thee. How true this is for us who have lived under the abortion reich that has dominated the American political and ethical scene for these last 13 years. With each violation of the right to life of the unborn, with each abortion, with each killing of a preborn child, we are all diminished to some extent, not only because another member of the human race has died, but because that individual was denied life by the very mother who nature intended would nurture and cherish the child.

But beyond this each and every one of us is diminished by the death of an unborn baby, because each death represents the increasingly diminished value our society places on life. With each death, society's esteem for the sanctity of life fades, and it becomes easier and easier for our society to perpetrate additional human rights violations on other human beings whose lives seem relatively less worthy, less wanted, less important, less necessary, less economical. I assure each of my colleagues: When the killing of a small, dependent, defenseless human being becomes relatively painless—to us only, of course; to the unborn child it is far from painless—when the killing becomes easy to execute, then those who are the next most vulnerable and the next most burdensome must fear greatly for their own lives and human rights.

Today unwanted children are considered society's greatest problem. The almost gross popularity of population control programs, and the sickening million and a half abortions a year in this country alone, testify to this. Handicapped newborns are increasingly looked on as burdens, as more and more defective children are given conservative treatment options and are left to dehydrate and waste away. And I fear the elderly are next in line. The frightening push for living wills, leniency for mercy killers, legalized suicide, and euthanasia are evidence here.

It is this slippery slide toward almost total disregard for the dignity and sanctity of human life that originally prompted the writing of these constitutional amendments, and now inspires me to offer these proposals.

The first resolution, the unity human life amendment, grants paramount status to the right to life relative to all other rights found in the Constitution. The amendment declares that all persons, regardless of their condition or stage of development, are protected under the 5th and 14th amendments of the Constitution. Furthermore, the amendment provides that no unborn child can be deprived of life by any person, unless it can be shown that a medical procedure is necessary to prevent the death of the mother—in which case efforts are required to protect both the life of the mother and the life of the child.

The second, the paramount human life amendment, is a single-sentence amendment granting paramount status to the right to life. It simply states, "the paramount right to life is vested in each human being at the moment of fertilization, without regard to age, health, or condition of dependency."

Mr. President, these amendments are familiar to all who have followed with any interest at all the abortion

debate and the constitutional remedies that have been proposed. There is no question that a grave injustice was thrust on the preborn when the Supreme Court in its 1973 Roe versus Wade and Doe versus Bolton abortion decisions determined that a woman has the right to an abortion throughout the 9 months of her pregnancy. It is these decisions, and the resulting flood of antilife court opinions that we hope to combat with the two human life amendments I have introduced today.

We continue to see and experience the effects Roe and Doe have on our lives today. We see that Roe and Doe set the bell tolling for preborn children, and we see that as the peals have reached ear-shattering levels, the bells have begun to toll for others too—newborn children, the handicapped, the elderly. Unless one of these amendments is enacted soon, the bell may well toll for thee.●

ADDITIONAL COSPONSORS

S. 419

At the request of Mr. GRASSLEY, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 419, a bill to amend the Internal Revenue Code of 1954 to allow a deduction for one-half of the expenses paid by a self-employed taxpayer for individual health insurance premiums.

S. 524

At the request of Mr. ARMSTRONG, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of S. 524, a bill to recognize the organization known as the Retired Enlisted Association, Inc.

S. 1793

At the request of Mr. D'AMATO, his name was added as a cosponsor of S. 1793, a bill to amend the Public Health Service Act to establish a grant program to develop improved systems for caring for medical technology dependent children in the home, and for other purposes.

S. 1801

At the request of Mr. EAST, the names of the Senator from Georgia [Mr. MATTINGLY] and the Senator from Michigan [Mr. RIEGEL] were added as cosponsors of S. 1801, a bill to amend the Trade Act of 1974 to promote expansion of international trade in furniture with Canada, and for other purposes.

S. 1848.

At the request of Mr. D'AMATO, his name was added as a cosponsor of S. 1848, a bill to amend the Federal Food, Drug, and Cosmetic Act to establish conditions for the export of drugs.

At the request of Mr. HATCH, the name of the Senator from Illinois [Mr. SIMON] was withdrawn as a cosponsor of S. 1848, supra.

S. 1888

At the request of Mr. BUMPERS, the name of the Senator from Washington [Mr. EVANS] was added as a cosponsor of S. 1888, a bill to provide for a program of cleanup and maintenance on Federal public lands, national parks, recreation areas, and for other purposes.

S. 1906

At the request of Mr. BOSCHWITZ, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 1906, a bill to provide an opportunity for agricultural borrowers to restructure loans from commercial lenders and Farm Credit System institutions in order to maintain the viability of their farming operations and thus preserve the family farm system as the backbone of American agriculture.

S. 1979

At the request of Mrs. KASSEBAUM, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 1979, a bill to fulfill the purposes of the Airport and Airway Improvement Act of 1982, promote air passenger safety, and provide equity to airway users.

S. 2037

At the request of Mr. DURENBERGER, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 2037, a bill to create a fiscal safety net program for needy communities.

S. 2041

At the request of Mr. MOYNIHAN, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 2041, a bill to repeal the Balanced Budget and Emergency Deficit Control Act of 1985.

S. 2052

At the request of Mr. CRANSTON, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 2052, a bill to establish, for the purpose of implementing any order issued by the President for fiscal year 1986 under any law providing for sequestration of new loan guarantee commitments, a guaranteed loan limitation amount applicable to chapter 37 of title 38, United States Code, for fiscal year 1986.

S. 2070

At the request of Mr. THURMOND, the name of the Senator from Georgia [Mr. MATTINGLY] was added as a cosponsor of S. 2070, a bill to require U.S. representatives to international financial institutions to oppose assistance by such institutions for the production for export to the United States of any fiber, textile, or article of apparel, and for other purposes.

S. 2090

At the request of Mr. WALLOP, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 2090, a bill to provide that the Internal Revenue Service may not before July 1, 1987, enforce its regulations relating to the tax treatment of the personal use of vehicles, and for other purposes.

S. 2144

At the request of Mr. NICKLES, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 2144, a bill to amend the Farm Credit Act of 1971 to provide credit assistance to certain borrowers of loans by institutions of the Farm Credit System, and for other purposes.

SENATE JOINT RESOLUTION 199

At the request of Mr. MURKOWSKI, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of Senate Joint Resolution 199, a joint resolution to designate the month of November 1985 as "National Elks Veterans Rememberance Month."

SENATE JOINT RESOLUTION 267

At the request of Mr. HEINZ, the names of the Senator from California [Mr. CRANSTON], the Senator from Alabama [Mr. DENTON], and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of Senate Joint Resolution 267, a joint resolution designating the week of May 26, 1986, through June 1, 1986, as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week."

SENATE JOINT RESOLUTION 273

At the request of Mr. HATCH, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of Senate Joint Resolution 273, a joint resolution to designate the week of March 9, 1986, as "National Developmental Disabilities Awareness Week."

SENATE JOINT RESOLUTION 275

At the request of Mr. D'AMATO, the name of the Senator from Oregon [Mr. PACKWOOD] was added as a cosponsor of Senate Joint Resolution 275, a joint resolution designating May 11 through May 17, 1986, as "Jewish Heritage Week."

SENATE CONCURRENT RESOLUTION 97

At the request of Mr. BAUCUS, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of Senate Concurrent Resolution 97, a concurrent resolution to request the President to negotiate a North American Treaty on Air Pollution.

SENATE CONCURRENT RESOLUTION 103

At the request of Mr. HART, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of Senate Concurrent Resolution 103, a concurrent resolution to commend Bishop Desmond Tutu for his courageous work for peace and equality in South Africa.

SENATE CONCURRENT RESOLUTION 106

At the request of Mr. SPECTER, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor

of Senate Concurrent Resolution 106, a concurrent resolution expressing the sense of the Congress with respect to certain amounts proposed by the President to be rescinded.

SENATE CONCURRENT RESOLUTION 109

At the request of Mr. BUMPERS, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from Illinois [Mr. SIMON], and the Senator from Maryland [Mr. MATHIAS] were added as cosponsors of Senate Concurrent Resolution 109, a resolution expressing the sense of the Congress that February 28, 1986, should be designated "National Trio Day."

SENATE RESOLUTION 82

At the request of Mr. D'AMATO, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of Senate Resolution 82, a resolution to preserve the deduction for State and local taxes.

SENATE RESOLUTION 105

At the request of Mr. MATTINGLY, the names of the Senator from South Carolina [Mr. THURMOND] and the Senator from Maryland [Mr. MATHIAS] were added as cosponsors of Senate Resolution 105, a resolution to designate March 21, 1986 as "Henry Ossian Flipper Day."

SENATE RESOLUTION 335

At the request of Mr. PELL, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of Senate Resolution 335, a resolution expressing the Senate's opposition to the imposition of a fee on imported oil and refined petroleum products.

SENATE RESOLUTION 339

At the request of Mr. BYRD, the names of the Senator from Michigan [Mr. LEVIN] and the Senator from Montana [Mr. BAUCUS] were added as cosponsors of Senate Resolution 339, a resolution to express the sense of the Senate with respect to proposals currently before the Congress to tax certain employer-paid benefits and other life-support benefits.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON IMMIGRATION AND REFUGEE POLICY

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Immigration and Refugee Policy of the Committee on the Judiciary be authorized to meet during the session of the Senate on Friday, March 7, in order to hear testimony regarding the case of Mirslav Medvid.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MILITARY CONSTRUCTION

Mr. DOLE. Mr. President, I ask unanimous consent that the Subcommittee on Military Construction, of the Committee on Armed Services be authorized to meet during the session of the Senate on Friday, March 7, 1986, in order to conduct a hearing on S. 2132, the fiscal year 1987 military construction authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

WHITE HOUSE CONFERENCE RECOMMENDATIONS ON THE SMALL BUSINESS ADMINISTRATION

● Mr. WEICKER. Mr. President, the White House Conference on Small Business, scheduled to conclude in Washington, DC, on August 23-27, 1986, is currently conducting its requisite conferences across the country in each of our 50 States. Participants in 32 of those meetings that have already been held called for the preservation and continuation of SBA as an independent agency, in light of the administration's recent attempts to eliminate it. Small business owners have proposed creative ideas for strengthening, streamlining and improving SBA's programs and services, while unanimously proclaiming the need to preserve the only agency in the executive branch whose sole mission is to counsel and assist the 14 million small businesses driving America's economy.

Mr. President, I would like to insert, for the record, the following specific list of recommendations formulated by the key small business participants from each State which clearly reflect their strong desire and need for the lending, management assistance and disaster loan services provided for over 30 years by the SBA.

WHITE HOUSE CONFERENCE ON SMALL BUSINESS—FINAL RECOMMENDATIONS ON THE SMALL BUSINESS ADMINISTRATION

WISCONSIN: SEPTEMBER 5, 1985

1. Retain the SBA and it's Office of Advocacy as an independent agency in the Federal Government to continue the important small business services, including, but not limited to: guaranteed loans (with a shorter approval process), management assistance, data compilation and distribution.

2. Create a communication letter through the SBA to small business owners to provide two-way communication on topics of small business interest.

3. Future reductions in the SBA budget should be proportionally matched by reductions in the budgets of other Federal agencies.

ILLINOIS/SPRINGFIELD: SEPTEMBER 13, 1985

1. Continue the Small Business Administration as an independent agency.

2. Cooperative agreements between banks and the SBA with banks assuming responsibility should be developed. The SBA should assess the need for a business and its economic impact before loans are approved. The Preferred Lending Program should be expanded with banks taking 25 percent of the risk. Special efforts to educate and train banks and their employees on SBA financial programs should be made.

3. A redefinition of small business should be made by broadening the scope to include businesses within geographic areas. Guarantor of a small business obligation should be classified as an owner and classification of a small business should include both the number of employees and the amount of assets.

MINNESOTA: SEPTEMBER 17, 1985

1. The existing guaranteed loan program to fund small businesses and new business start-ups should be continued.

2. A new cabinet position should be created especially for the SBA.

3. Existing resources should be allocated and emphasized by placing more emphasis on management and counseling tools versus the financial resources and allocations, resulting in improved quality of SBA programs.

MICHIGAN: SEPTEMBER 20, 1985

1. The SBA should be retained as an independent agency.

2. At least a 90-percent guarantee should be retained on guaranteed loans.

3. Funding for the MESBIC and SBIC programs should be increased.

WYOMING: OCTOBER 1, 1985

1. The SBA should be continued with a sunset provision and an improved communication network to let the public know of programs and services, and the agency should be placed on a self-funding basis.

2. The SBA should be more responsive after the business start-up by providing an account manager; future working capital needs and lender participation should be increased.

3. The SBA should consider new standards for labor-intensive financing in addition to fixed-asset financing.

UTAH: OCTOBER 4, 1985

1. The SBA should establish simplified procedures and reallocate resources to businesses with fewer than 50 employees.

2. The SBA should become an advocate for small businesses at the educational level, at the IRS and at the Department of Labor.

3. The SBA should be expanded to include a short-term guarantee program and a revolving line of credit for domestic originated accounts receivable.

COLORADO: OCTOBER 8, 1985

1. The role of the SBA should be redefined by examining its mission, including local input, emphasizing education, reexaminating priorities, and reducing the bureaucracy.

2. SBA direct loans should be eliminated.

3. The SBA Office of Advocacy should be continued, its role strengthened, utilized as an information source on the effect of legislation on small business and to examine the relationship between large and small business.

CONNECTICUT: OCTOBER 11, 1985

1. The SBA should be maintained as an independent agency.

2. SBA spending should be increased to take a more aggressive marketing stance and to improve the training of new business people.

3. There should be mandatory training in the areas of finance and business operations for all new persons receiving SBA loans.

RHODE ISLAND: OCTOBER 16, 1985

1. The SBA should be retained with a direction and philosophy established by a committee of small business people. Small business criteria should be redefined.

2. A line of credit should be made available through an SBA program to accommodate smaller business loans.

3. Resources available through the Small Business Development Centers (SBDC) should be expanded.

ILLINOIS/CHICAGO: OCTOBER 24, 1985

1. The Small Business Administration should be continued.

2. The SBA should be maintained and strengthened at the Federal level by creating a cabinet level position for small business.

3. Small businesses should be redefined into a multi-tiered system.

NEBRASKA: OCTOBER 28, 1985

1. Congress, the SBA, universities and local development groups should develop a small business training package to assist small business start-ups.

2. There should be a partnership of the public and private sector with the SBA to increase the entrepreneurial knowledge flowing from other states into start-ups in Nebraska.

3. Congress and the SBA should continue the Women, Minority and Advocacy programs.

NORTH DAKOTA: NOVEMBER 1, 1985

1. The Administration and Congress should act on the future of an agency for small business. The agency should have a strong advocacy role rather than financial. The agency should be continued as is, and be accountable to cost effectiveness and the agency's worth.

SOUTH DAKOTA: NOVEMBER 6, 1985

1. An advocacy committee should be created which can represent small business and control increases in line items costs which should be held to no more than 2 percent over the rate of inflation.

VERMONT: NOVEMBER 15, 1985

1. The SBA should be maintained as an independent agency with greater emphasis on the use of private sector services and avoidance of duplication of services provided by state and local governments and non-profit organizations.

MAINE: NOVEMBER 19, 1985

1. The SBA should be continued as an independent agency. In particular, the SBDC program should be expanded with an emphasis on micro businesses (100 or less employees). The SBIC minimum size should be increased to $3,000,000 and the debt to net worth ratio should be adjusted to reflect true investment. The guaranteed loan program should also be continued.

NEW HAMPSHIRE: NOVEMBER 22, 1985

1. The continuation of an independent SBA to serve all businesses from sole proprietorships up to 150 persons is supported. The agency should represent small business at all decision-making levels of government.

2. The charter of the SBA should emphasize the training needs of small business, particularly the information and market research needs of very small businesses.

3. The SBA should focus its marketing, communications and resources on its largest constituency: very small businesses, self-employed people, women and minorities.

MASSACHUSETTS: NOVEMBER 26, 1985

1. Congress should strengthen and preserve the SBA as an independent agency.

2. The SBA should become a cabinet-level agency.

3. The SBA should have a board of directors comprised of and chosen from the private sector to develop policy for the SBA.

OHIO: DECEMBER 5, 1985

1. The SBA should be continued as an independent agency.

2. The SBA size standards should be revised so the agency can focus its resources on smaller businesses. Resource delivery should be segmented so assistance is available to small businesses.

3. Approval of SBA loans should be local, wherever possible, so the agency has flexibility in dealing with the problems of its clients.

PENNSYLVANIA: DECEMBER 11, 1985

1. There should be an agency that acts as the voice of small business in the Federal establishment.

2. The SBA should serve as a clearinghouse for ideas from the small business community (i.e. toll-free telephone number, and a computerized data base that can be accessed by modem). This would reinforce the need to change the programs and chain of command to more effectively work for small business (i.e. creative uses of equity, identify sources of skill and talent within an agency to help business).

3. More marketing of small business programs and services should be conducted, especially advocacy and management assistance (particularly for those businesses with loans). SCORE is a good program but many businesses need more continuous help.

WEST VIRGINIA: DECEMBER 17, 1985

1. The SBA should be retained as an independent agency of the Federal Government to continue servicing small business by increasing the availability of guaranteed loans and expanding management services.

MARYLAND: DECEMBER 19, 1985

1. The role of the SBA should be redefined to recognize two classes of small business; micro businesses and small businesses. The agency's functions should be divided accordingly.

2. The SBA should be retained and its services expanded.

3. The Office of Chief Counsel for Advocacy should be placed solely under Congress.

CALIFORNIA/ANAHEIM: JANUARY 7, 1986

1. The SBA and the Office of Advocacy should be maintained as an independent agency, reporting to the President and responsible to small businesses of America.

2. The SBA 7(a) guaranteed loan program limit should be increased to $1 million.

3. An annual SBA national conference for small business should be established.

CALIFORNIA/SAN FRANCISCO: JANUARY 10, 1986

1. The President and Congress should establish the SBA as a cabinet-level position.

2. The SBA should undertake a program to educate the American people regarding the value and role of small business using effective modern techniques.

3. The SBA should establish subcategories and programs for businesses with incomes of (a) $1 million or less, and (b) $100,000 or less, and (c) subcategories and programs based upon the number of employees, with special emphasis on smaller small businesses.

HAWAII: JANUARY 14, 1986

1. Reductions in the following SBA programs should be avoided: guaranteed loans, management assistance programs, SBICs, procurement assistance, disaster loans, SBDCs, and surety bond guarantees. Also, the SBA should advocate private sector contracting of government provides services.

WASHINGTON: JANUARY 17, 1986

1. Congress should enact laws to lower size qualifications for SBA aid to 150 employees or less.

2. Local community organizations should be created to advise and train the SBA on the local direction of the agency.

3. The SBA should be retained in a modified form.

PUERTO RICO: JANUARY 24, 1986

1. The SBA should stay as it is and its programs and services should be expanded.

NORTH CAROLINA: JANUARY 28, 1986

1. The SBA should be retained, in particular, the loan and bond guarantee programs, the advocacy role, and education and training programs.

2. The paperwork and certification procedures of the 8(a) program and other programs, where appropriate, should be streamlined.

3. The size standards in the SBA's small business definition should be reduced to 20 full-time equivalent employees or less.

SOUTH CAROLINA: JANUARY 31, 1986

1. The current purposes and programs of the SBA should be periodically evaluated in order to restructure the SBA for the needs of small business people. A commission of small business people should be formed to oversee this restructuring from the elected board of delegates.

2. Due to a non-responsive SBA, an annual state conference of, and for, small business people should be established.

3. Small business in relationship to size standards should be redefined. Specifically, 500 employees is too large.

FLORIDA/ORLANDO: FEBRUARY 5, 1986

1. The SBA should be maintained as an independent agency with special emphasis on the data base and advocacy programs.

2. The Surety Bond program should be retained.

3. Small business programs should be tailored to sizes of businesses.

NEW YORK/RYE: FEBRUARY 10, 1986

1. Congress should retain and expand the SBA with more direct involvement with local organizations. The current roles of advocacy, procurement, counseling and lending should be enhanced. The SBA should be elevated to cabinet-level status, and Congress should create a commission to study SBA lending practices.

2. Small businesses should be redefined to 100 or fewer employees.

3. The SBA should be charged with lobbying and implementing the White House Conference on Small Business recommendations.

FLORIDA/MIAMI: FEBRUARY 14, 1986

1. Federal funding for the SBA should be continued. However, conference delegates must establish a list of priorities of the SBA and eliminate non-essentials to lower and administrative costs of the agency.

2. The definition of a "small business" should be modified by lowering the number of employees and sales revenues allowed so that more funds and programs are available for the truly "small business."

3. The Federal Government should increase the budgets for the financial assistance programs sponsored by the SBA.

MISSISSIPPI: FEBRUARY 19, 1986

1. A cabinet-level position should be established for small business, separate from the SBA.

2. In terms of the future of the SBA, all direct loans should be eliminated, the secondary loan market should be continued, Minority Small Business and Capital Ownership Development programs should be continued and Government set-aside should be strictly enforced.●

THE EFFECT OF BUDGET CUTS ON THE LIBRARY OF CONGRESS

● Mr. SARBANES. Mr. President, few Americans would disagree with the recent observation of Daniel J. Boorstin, the Librarian of Congress, that "free government is based on free, copious and current access to knowledge." We must all therefore share Librarian Boorstin's concern over the situation currently confronting the Library, for that situation—an $18.3 million reduction in funds for the current fiscal year—means an imminent, drastic curtailment of the whole range of services provided by the Library.

Beginning next week, the hours of the Library's reading rooms will be reduced by one-third, from 77.5 to 54.5 hours weekly. The reading rooms will no longer be open to the public in the evenings or on Sundays. Services for the blind and handicapped will be cut back dramatically. Acquisitions will be reduced. Preservation activities will be sharply restricted. Library staff will be reduced by several hundred.

Mr. President, these changes do not constitute marginal adjustments involving minor inconvenience to Library users; on the contrary, they represent a major shift, undertaken with extreme reluctance, in Library policy. It is now almost 90 years since the decision was carefully taken to extend Library of Congress hours into the evening. In 1897 the Joint Committee on the Library raised the possibility of "such further appropriations as may be necessary for the employment of an additional force in order that the Library may be opened at night for the general public," a proposal vigorously endorsed by the Librarian of Congress at that time, John Russell Young. Evening hours began October 1, 1897, and within the month the Library could formally report that "the results affirm the wisdom of its (Congress') decree." The congressional action, he declared, "throws open to the people the opportunity of a university education." The commitment to Library services for the blind was actually undertaken more than a century ago, in 1879, and quickly served as a model for similar libraries in cities around the Nation.

Anyone who has worked in the Library of Congress, or benefited from any of the extraordinary services it offers, or come to that magnificent edifice simply as a visitor or a citizen of this free Nation, understands at once that the Library is more than Congress' Library. It is the Nation's Library: more precisely, it is the people's Library. With essential services about to be so drastically and unhappily reduced, we should reflect soberly on the dubious values and priorities which such a step reflects.

Mr. President, the restrictions about to be imposed on the Library of Congress' services to the public have provoked widespread comment and criticism. I ask that articles reporting the public reaction to the new policy be printed in the RECORD.

The articles follow:

[From the Baltimore Sun, Feb. 28, 1986]

DRYING UP AN OASIS

(By Paul Dickson)

WASHINGTON.—On October 1, 1898, the Library of Congress began to keep its doors open in the evenings in a move to make the place more useful to the general public. With its own electric plant powering a table lamp for each reader (no small thing in those days) it became an immediate public oasis. As the Librarian of Congress at the time saw it, the library was now on its way to becoming "a bureau of information consulted by people from all sections".

Through two world wars and the Great Depression the Library of Congress stayed open until at least 9:30 at night and was open every Sunday. Over time a large off-hour clientele grew up. A recent tally showed that some 650 patrons used the place on a typical evening and that 1,000 were likely to show up on a Sunday.

On Sunday, March 9, though, the Library of Congress will be closed and from then on will be closed every Sunday, holiday and evening, except for Wednesday. In other words, the hours during which the Nation's, and perhaps the world's, most important library will be open will be slashed by a third, from 77½ a week down to 54½.

In effect, the democratic era at the Library of Congress is about to draw to a close, for the simple reason that most people are not free during working hours and they have now been cut off from our great El Dorado of information.

Anyone who has not used the majestic main reading room of the Library of Congress during the evening or on the weekends has missed seeing the thirst for knowledge being slaked in a most vivid manner.

There are still professional scholars and Congressional staffers here after the sun goes down, but they join a motlier crew of students, bibliophiles, amateur genealogists, and plain working stiffs of all types who have come to this place because there is something here that they need which cannot be found in a municipal library.

They come here for everything: recipes, obscure biographies, poetry, laws and almost anything else one can imagine, including the right bit of historic or artistic insight to inspire the great American novel.

A few years back, while doing some research on the violent uprisings of railroad workers in 1877, I became fascinated with a man in a blue blazer seated next to me who was diligently transcribing the inning-by-inning box scores of baseball games that had been played when Woodrow Wilson was in the White House. I spotted him again a year so later and he was still at work re-recording all those hits, runs and errors. Was he replaying the games in his mind? Was he trying to unlock some long-lost statistical secret? Who knows? But whatever his mission, it is somehow representative of the fact that this is where the public can come to do what is privately important.

You will still be able to see this ever-changing odd lot of people, but only on Wednesday nights and Saturdays. The reason for this is the budget cut which is trimming some $18.3 million out of the library's budget.

Besides reducing hours, the library is, among other things, being forced to cut its staff by 300, buy many fewer books, and cut $1.2 million from the funds spent on the National Library Service for the Blind and Physically Handicapped.

Lest there be any question, the people who run the library see all this in disastrous terms and are, if anything, more burned up about the curtailed hours than the people who are about to be shut out. Their only hope is that somehow by the beginning of the next fiscal year which comes on October 1—88 years to the day from the first day of extended hours—Congress will come around to finding a way of reinstating funds, a very difficult trick in the Gramm-Rudman era. Odds are, however, that the ball game is over for the man in the blue blazer, at least until that time when some idealist revives the idea that the public should have access to this great national treasure.

(Paul Dickson is a freelance writer and the author of 15 books, of which the most recent is "On Our Own: A Declaration of Independence for the Self-Employed." He is presently compiling an anthology about libraries.)

[From the Washington Post, Mar. 3, 1986]

LIBRARY OF CONGRESS USERS ARE UNHAPPY ABOUT CURTAILED HOURS

(By Barbara Carton)

Pamela Montez is 16, a student at Banneker High School. Often, she goes to the Library of Congress to do research. Yesterday, she worked on a science paper on dreams. She sat in the soft yellow light of a desk lamp, amid the marble columns and stained glass of the Main Reading Room, upset about federal budget cuts that will end her Sunday library hours.

To meet the requirement of Gramm-Rudman-Hollings, the deficit reduction law, the library has announced that it will reduce its 5,200-member work force by 300 and slash expenses for acquisitions and preservation. But the library is also drastically cutting the hours its general reading rooms are open to the public. Yesterday was the last Sunday that the library's 20 reading rooms will be available to visitors such as Montez.

"I'm pretty disturbed about that fact, because the library has been very instrumental in helping me with my research papers," said Montez, of Washington, who has a strong interest in chemistry (her next paper is on the reduction cycle of carbon dioxide and photosynthesis), but who hopes to become an architect. "Our teachers often assign us reports and studies where I can only find the information in the Library of Congress, because the Martin Luther King Library [the District's main library] is not that extensive."

Seated next to Montez was her mother Frances, a 44-year-old elementary school teacher in the District. Frances Montez takes night graduate courses in early childhood education at the University of the District of Columbia, and weekends are the only times she has to study.

She spent all of Saturday in the library, across the street from the U.S. Capitol, and

was back yesterday, working on school lesson plans and awaiting a science book on mammals from the reading room's collection of 45,000 reference books. "I'll just have to squeeze the time in on Saturday," she said.

"I am upset," said Andrei Brezianu, 51, a Romanian citizen who works for the Voice of America and who spent his last Sunday among the mosaics and murals, researching the poems of Robert Penn Warren for an upcoming broadcast.

"I'm going to try to come here weekdays after work, and I'm not sure it's going to be very functional because one is tired then. It's not the best time to be fresh for a new round of work."

Cindy Read, a 27-year-old student at Gallaudet College in Northeast Washington, went to the Library of Congress for the first time yesterday. She had read about the budget cuts and wanted to visit the reading room, with its 212 desks, on the final Sunday. Also, she hoped to find a place of great silence to study her book on the Daniel Ling method of teaching speech to hearing-impaired children.

"I wasn't sure whether this was going to be a good study place or not, but it has been great so far," said Read. "Just looking around, I've been thinking a lot about it. There have been a lot of people in and out. There has been a lot of traffic, and I am disappointed it's going to close on Sundays.

Robert Popper was there, too. He is 26, a lobbyist for the National Tax Limitation Committee. Yesterday, Popper sat under the room's 160-foot domed ceiling, examining the outlines of congressional districts for a study on gerrymandering. He found some jagged map lines that looked suspect, including one in Illinois. But he said the new library hours will not bother him much. Popper visits only about once every two months.

"Also, you should know that I'm personally and professionally in favor of Gramm-Rudman," he said.

[From the Washington Post, Feb. 12, 1986]

[Letters to the Editor]

THE LIBRARY OF CONGRESS: KEEP IT OPEN

If Gramm-Rudman forces the Library of Congress to shorten its hours, why not cut morning hours rather than evening?

Surely the working person is entitled to as much access to this library as are those who can afford time during the day—Thomas H. Wolf, Gaithersburg.

The budget cutting at the Library of Congress is a false economy that will result in major cost escalation throughout government and industry for years to come.

By closing the Library of Congress on evenings and Sundays, researchers will be obliged to go to the library during ordinary office hours. The staff cuts at the library will also make any effort to get library materials much more time-consuming. The result will be that everyone using the library will almost certainly have to leave their regular jobs in order to use the library.

In many instances this will result in absenteeism, and in other instances it will impair ordinary working schedules. Currently, people from across the country visit Washington on weekends to use the library on Saturdays and Sundays: without Sunday operations these people will be obliged to spend more money to visit the library during the week or to stay in the city an extra day to complete their projects.

In every instance the cut in library service will raise the costs of research, and that increase will be passed on to the consumers over and over again. In the end, it will cost the taxpayers more than if the library had been allowed to keep its services at their optimum level.—Bernard J. Sussman, Washington.

On Feb. 4 The Post published in the Style section a story about cuts at the Library of Congress. This is not a matter of "style." The gutting of the nation's library should be front-page news. It is not "a la mode" or "chic" to whittle away at the foundations of traditional and unique American institutions, such as the Library of Congress, which have given our country's citizens access to freedom of information and learning and have kept us the strong democracy that we are.—Martha Grosse, Washington.

[From the Washington Post, Mar. 2, 1986]

[Letters to the Editor]

MY HOME IS DESK 131

Last Wednesday, while I waited for a cab at the entrance of the Library of Congress, my eyes caught a bronze plaque mounted on the archway: "Library of Congress/Hours of Public Service/Main Reading Room: Monday thru Friday 8:30 a.m. to 9:30 p.m.; Saturday 8:30 to 5 p.m.; Sunday 1 to 5 p.m.

Despite two decades of using the library, I had never really noticed that plaque. But this night, the words "hours of public service" took on a sad irony. Beginning March 9, the library will close its reading rooms on Sundays and after 5:30 p.m. every week except Wednesdays.

I grew up in my father's professional library of history, law and political science books. My idea of amusement was to sneak old copies of Life magazine out of the attic, curl up in his big armchair and read for hours by the fire. When these were exhausted, there were biographies, histories, diaries, encyclopedias and stacks of newspapers to be explored, to say nothing of back issues of The New Republic, Atlantic Monthly and The Nation.

When I grew up and returned to this area after college, the Library of Congress became my place, my hearth away from home. Regardless of the turns my career has taken—in politics and out, on the Hill and off—something always brings me back to Desk 131 in the Main Reading Room.

Research is now my first love. I spent seven years gathering material for Catherine Marshall's novel "Julie," set in Johnstown after the flood of 1889. What questions the author would throw at me! "When did Bethlehem Steel take over the Johnstown plant?" "Find a Penn Railroad timetable showing the schedules between Johnstown and Pittsburgh." "Where would California red wine have been bottled on the East Coast in the '30s?" And, zaniest of all, how to capture the noises of angry chickens! Solving that ultimately led me to an experiment by a prize-winning poultry geneticist at Virginia Polytechnic Institute.

Over the years I have met an amazing collection of people at the library. We come as seekers. Who were my compatriots last Wednesday?

A Cardozo High girl writing an English paper on careers. Her choice? Pediatrics.

A third-year law student from the University of Virginia. Her subject: the status of women in 17th-century England.

A Canadian professor of music, researching a book on Felix Mendelssohn.

A young woman finishing her master's thesis on the "evolution of the sculptural ceramic menorah form." Taking 11 credits at two universities, she has no time to research it during the day.

A former Cuban refugee, now a secretary at the World Bank, working toward a degree in English. Evenings are all she has.

What will happen to that plaque now? How many years has it been there, the "hours of public service" taken for granted? Will it be taped over? Taken down? What will happen when the doors close at night and on Sundays?

No, people won't die, nations won't fall, fortunes won't be lost. But it will be a great loss, a silent tragedy.—Margaret Shannon.

DOWN TO BASICS

Soon after I got out of college, I went to work for a magazine in New York, which was my home. I worked a 9-to-5 day as a fact-checker and editorial assistant, and I soon learned that I wanted to write articles. Well, the only time I had to use the library—the New York Public Library—was 6 to 10 at night and Saturdays and Sundays. If there had been no library available weekday nights and weekends, I'm not sure I could have become a writer.

If the Library of Congress closes nights as of March 9, someone getting out of college now might never have the chance that I had.

The Library of Congress is a basic place, and it does what it does on a modest budget—about $200 million. It's not lavishly furnished. You sit on a wooden chair and file a slip for a book, and you get the book in 50 minutes. That's incredible service.

I've been going there since 1968. There's no waste that I've seen. You don't see people hanging around chatting on the phones; there seems to be the right number of people in the stacks, the right number of reference librarians. There's very little to trim.

If you care about preserving knowledge, you can't stop acquiring books, you can't give up your preservation service, you can't want to trim the hours back. It's a national treasure, and we're going to restrict its use?

I now work for The New Yorker magazine, but I don't have an office in Washington. The Library of Congress has become my office. I use the resources that only the Library of Congress has—the rare book room, the manuscripts collection, the newspaper reading room, the map section. I just finished a book I could only have written at the Library of Congress, about an incident in New Guinea during World War II. The library had everything I needed.

I've become friendly with scholars there, and there's a far greater diversity than I would have guessed. I've been privileged to have a desk there, just a plain desk, but it's mine. I can keep a typewriter there, I can keep books there. The library is my community—the scholars, the reference librarians and the police officers who inspect the bags every night.

The Library of Congress is incomparable. It should stay the way it is.—Susan Sheehan.

THE WOMAN IN PLAID

While I was sitting in the Social Science Reading Room the other night, a young woman in a green plaid skirt and a dark blue sweater and running shoes came over to my desk. She needed a volume I had. We chatted. She is a graduate student at a university in West Virginia and she's doing research at night for her master's thesis in

social science. She has an internship in the city during the day. The library provides a shelf for her books—a service lacking at most other local university libraries. "This shelf has been a tremendous help," she said. And it's so inspirational to be here. What am I going to do after they close the library at night?"

I remember what it was like to be a student at the Library of Congress at night. I, too, was working on my master's degree, in English. I was an "editorial assistant"—a typist, really—by day. I looked forward to my nights in the Main Reading Room.

Entering that room was like being transported. I felt warm and alive. The columns stretched tens of feet high. The magnificent dome soared overhead. Adorning the upper reaches of the alcoves were statues of poets and philosophers. A huge clock, overhung with a figure of Father Time with his scyhe, checked off the minutes for the visitors at their desks below.

I always had a sense that the riches of scholarship were at my fingertips. Unlimited numbers of books could be ordered, and the service was fast. Time flew on those magical weekday nights. It always shocked me to see the clock pointed to 15 minutes before closing. When I finally got my mater's degree, I qualified for a good rating in the federal government.

I didn't abandon the library. Later on, I began to write free-lance articles in my spare time, and the library was invaluable. I was never alone. I saw elderly people, young people, black and white people. Most of the men wore business suits, and I imagined they had come directly from the office.

But it was the women who interested me most. They reminded me of myself two decades before, stuck in an entry-level, low-paying job. Were they also using the library to find opportunity?

I feel sorry for that young woman in the plaid skirt and blue sweater and running shoes. What will happen to her when the doors close at night?—Carol Lee Morgan.

A "PARADISE"

One might expect to find a music historian in a music library, poring over scores and blissfully listening to recordings. Well, yes—but that's not the whole picture. The study of music requires a great deal of research outside the music collections, and consequently, I find myself about half the time using materials in the general collection at the Library of Congress.

As a scholar lucky enough to have a study desk at LC, many of my hours are spent above, rather than in, the Main Reading Room—that magnificent, domed, ornate 1890s space that is one of the most beautiful in all of Washington. The gallery isn't a silent study area, but it is serene. The sound in the huge open room below is rather like that of a cathedral: an ever-present background hum of low murmurings, punctuated by the scraping of a chair, the major third ring-aling of the telephone, and the percussive click that reverberates through the room each time a librarian at the main desk shoves a call slip into the time clock.

There are lots of "regulars" at the library: academics, governments officials, think-tank types, writers. We regulars tend to develop a kinship. Scholars begin to look familiar; we stop to chat and compare progress reports and take coffee breaks together. We get to know the reference librarians and they us. We know where to look for what we need, which alcoves hold which reference books, which books are in the general stacks and which in the special reading rooms or special collections, when to use the computer and when to use the card catalogue, when to concede defeat and enlist the help of a librarian. We also learn how to find something when the library doesn't have it. Contrary to folk wisdom, the Library of Congress doesn't have everything.

Ah, but it does have a lot, and in many ways it is a scholar's paradise. If I'm reading a book on the 19th century and find a reference to a memoir published in New York in 1842, chances are good that I can put my hands on that very memoir without leaving the building. If I come across a mention of a letter written by a major historical figure in 1795, I might find the original in the manuscript division.

I rarely stay until closing, but when I do, I sense a change in the library's patrons. They may not be more dedicated, but they seem to be burning the midnight oil.

I've always been amazed that in New York scholars manage to do their research given the limited hours of the New York Public Library. Now I reckon scholars in Washington will have to learn to manage too.—Katherine K. Preston.

[From the Washington Post, Feb. 5, 1986]

GRAMM-RUDMAN: AN EARLY CASUALTY

One of the saddest casualties of the Gramm-Rudman-Hollings law, I'm afraid, is going to be the Library of Congress. The library annnounced its decision to curtail evening hours in the Main Reading Room and exhibit halls from five nights a week to only Wednesday nights. The library budget-cutters consider the new hours necessary to meet requirements of the Gramm-Rudman-Hollings law. The new hours are expected to go into effect in March.

Over the years, the library has been cutting back in various ways. No longer is it open on such holidays as Martin Luther King Day and Washington's Birthday. But the loss of most of the evening service will work even greater greater hardship on residents of this area. Although I can point only to my own situation as an example, I'm certain that others will be similarly affected. I could not have obtained my master's degree in English without working at a job during the day and going to class and the library at night. The library has exhaustive holdings in subjects of literary interest.

Also, I could not have enjoyed a second income from free-lance writing for several years unless I had visited the library at night to do research. Library hours one night a week and on weekends would never have sufficed.—Carol Lee Morgan, Washington.

[From the Washington Post, Feb. 25, 1986]

FISCAL BOOK-BURNING

(By Richard Cohen)

The first time I went to Britain I was shocked. I had been reading stories about high estate taxes, about how the wealthy had gone the way of the colonies, about a society so bereft of luxury that, aside from the quaint way of speaking, you would have thought, ducky, you were in bloody Russia itself. I was, I soon found, misinformed.

And so someone would be if he came here after reading about our fiscal crisis. This person would have been reading about deficits and about government programs being curtailed for lack of money. But just as I encountered Jaguars galore on the streets of London and crowds three deep at the gaming tables, you would find little evidence that the United States is in the midst of an economic crisis—one so profound that it cannot fund necessary programs. Now, though, it is the Library of Congress that is being put on Depression rations.

If there is a hierarchy of government services and programs, then it's hard to argue that a library should be at the top. We are, after all, not talking milk for babies, cancer research, a lawyer for a poor person or anything about life and death. Instead, we're talking about a curtailment of existing services. The hours in which the reading rooms will be opened to the public will be reduced by one third. Services to the blind and the handicapped will be cut back; 300 of the library's 5,200 staff will be eliminated, and aquisitions and preservation of books and other materials will be reduced.

But why? On the streets near the library there is prosperity. All around are the signs of it. Inside, though, books that should be bought will not be. Blind people will be turned away. Scholars will be told to come back in the morning. A rich, prosperous nation has decided that some things are more important than learning, than scholarship and—maybe even more disturbing—more important than respect for them. What ought to be untouchable, what represents the corpus of knowledge, is being mauled as if it were a boondoggle of a water project.

There is a question here of values—like the family that would rather buy a new car than pay for college tuition. In the case of the Reagan administration, it is not just that its priority is the military and that, for the sake of more guns, everything else must suffer. It's more than that. The reduction in the library's budget is a rebuff to the notion of community, to the idea that we owe one another and that knowledge is jointly held—both a heritage from the past and a resource for the future. Now the emphasis is on the individual and the present. The lonesome entrepreneur riding a horse of conservative claptrap is somehow supposed to invent a whole new future. He owes nothing and is owed nothing.

Pure politics is not the issue here. No one says that the library, like public radio, should be of no concern to the government. No one is arguing that the government should not provide the poor with lawyers, support ballet or teach suburbanites how to clip rose bushes. No. The Library of Congress is as old as the nation itself. Its seeds came from Jefferson's own library at Monticello. What is being said, instead, is that we won't support it. We simply choose not to. We prefer to keep the money for ourselves.

That is the stark truth of it. This is a fiscal crisis of our own concoction. Libraries may have closed in the Great Depression, but there is no depression—great or otherwise—now. Other governments may be forced, because of debt or plummeting oil prices, to abolish programs, but this one does it because it chooses to. After all, no one accused the Library of Congress of doing too much, of wasting its money—of serving too many blind people, of purchasing too many books. We are simply saying we choose not to support it.

Now, like me on my first trip to Britain, a visitor here would see immediately that something is out of joint. The country is prosperous, its public institutions not. The stock market booms, the streets are full of Mercedeses and Cadillacs, but the Library of Congress is going to be closed when it used to be open. What started when it used to be open. What started as a fiscal crisis is

now one of values. We are poorer than we think.

[From the Philadelphia Inquirer, Feb. 15, 1986]

LIBRARY SUFFERS: BUDGET CUTS HINDER QUEST FOR KNOWLEDGE

(By Colman McCarthy)

WASHINGTON.—Some were lost in thought and books, others in time. In the main reading room of the Library of Congress, the afternoon's collection of scholars, researchers and amateur wisdom-seekers sat at the circular desks that are part of the world's largest library.

More than 80 million items are here on 535 miles of shelves. At a rate of one minute per item, eight hours a day for five days a week, 648 years would be needed to examine all that the library holds.

The citizens in the reading room were trying to reach "the instant of knowing," a phrase that Josephine Jacobsen, a former consultant in poetry to the library, used in her farewell lecture in 1973.

The citizens had better hurry. Effective March 9, reading rooms in the library will close at 5:30 p.m. every day except Wednesdays. Previously the hours for closing were 9:30 p.m. Reading-room hours will drop from 77½ hours to 54½ hours a week. All buildings and services will be closed on Sundays.

No assault like this has happened since the library's first day in 1897 when gas lights brightened the reading room.

The coming year's budget cuts—from the new Gramm-Rudman-Hollings law and earlier reductions imposed by Congress—total $18.3 million. All sanctuaries within this temple of knowledge are to be profaned: Funds to buy books, periodicals, microfilms, maps and recordings are to be reduced by 13 percent. About 300 staff members are being dropped from a work force of 5,200.

Next to book-burning, no worse desecration to the Library of Congress can be imagined. Going dark at 5:30 symbolizes a dimming of the nation's intellectual lights. College students who need evening hours are shut out. Working people with 9-to-5 jobs are barred.

For the fifth year, the Reagan administration is recommending elimination of the federal library-grant programs. Last year they totaled $125 million. In their 1984 platform, Republicans pledged to "wipe out" illiteracy. Instead they are wiping out libraries.

The foolishness and fiscal waste of the assault emerges graphically in the story of Christopher Murphy of the Library of Congress. He is one of 70 staff workers losing jobs in the research-services department. With a salary of $37,000, Murphy has had sole responsibility for the last eight months for more than 40,000 books in the Turkish, Turkic and Armenian collections.

A year ago, the library thought the job was important enough to recruit nationally. Murphy, 35, married with one child, was a Near East specialist at the library of the University of Washington in Seattle. His position was tenured.

Twenty-eight applied for the Library of Congress job with four selected as qualified finalists, Murphy, a former Fulbright scholar who studied at the University of Istanbul and earned a doctorate in Turkic languages and literature from the University of Washington, was selected.

After transplanting himself and his family from Seattle—and with the federal government paying the Mayflower moving company approximately $15,000 to transport his belongings cross-country—Murphy went to work at the library in June 1985. Six months later, after being awarded a positive evaluation, he was recommended for retention as a permanent employee. Two weeks ago, his superiors told him that no money was available for his job.

Murphy, who understands budgets, is not upset at anyone at the library. He has questions for those outside the library who, either in ignorance or lack of interest, devalue the kind of work to which he has committed his professional life.

"I'm happy that I came here," Murphy says. "I enjoyed the work and I performed well. The Turkish collection began with a gift from the Ottoman government in the late 1800s. It has been built up from those several hundred books into a major collection, one of the three largest in the United States. Millions of dollars have been invested in the program. Collections must be closely maintained, otherwise they run the risk of physical deterioration. Qualitatively, larger and larger gaps will appear in the collection."

A library official, as disheartened as Murphy, says that the collection will be added to the duties of another employee.

It won't be the same. The books and services to which Murphy devotes full-time attention will receive at best only part-time attention. In addition, no one on the current library staff has Murphy's knowledge or qualifications.

The loss of this specialist will be severe. Every other employee to be dropped and every visitor and user denied access have similar stories of deprivation. A government can trifle with many national assets, but the undermining of knowledge and the search for it violates a nation's only enduring strength, access to ideas.

Close the doors of a library and you close the eyes of the public. Instead of flying high, we fly blind.

[From the Washington Post, Feb. 23, 1986]

THREAT TO THE LIBRARY

(By Mary McGrory)

Are books essential? Are they even important in the age of the videocassette, the news in pictures and the Gramm-Rudman Amendment?

We will presently know at least Congress's answer to these grave questions, because the Library of Congress is up against the wall. Eighteen million dollars has been cut from its budget.

Books don't bleed when you cut them, but librarians do. Librarian of Congress Daniel J. Boorstin made a most powerful lament before the House subcommittee on legislation about the cutbacks from his previous year's budget of $238.6 million: $8.4 million by Congress and $9.9 million by the mindless Gramm-Rudman process.

The Library's plight, Boorstin said, "could become tragic for our nation, the Congress and the whole world of learning. . . . It would be a historic irony—the only analogy I can think of is the burning of the ancient Library of Alexandria in Egypt—if the Congress should choose . . . to direct and promote the disintegration of this great institution."

He had always told the truth about the library's needs, Boorstin said, and Congress had believed him. They can't afford not to believe him now, he said.

"These are the times that try men's minds, that tax our consciousness, our resources of wisdom, knowledge and information. Threats from without and problems within demand every shred of the most ancient wisdom and the most recent information. . . . We, the greatest library on earth, serving the greatest republic, are needed as never before by an imprisoned humanity."

To Boorstin, it is obviously unthinkable that members of Congress, under what one of them called "the automatic buzz-saw of Gramm-Rudman", would wilfully tamper with the great treasure under his watch. He is a scholar of the American scene, a prolific author on the American character, and it is plain that he cannot credit a triumph for know-nothingism or a confession that Congress cannot decide for itself what is important.

The cuts will curb the library's collecting, curtail its services to the blind and shorten its hours.

"Historians will not fail to note that a people who could spend $300 billion on their defense would not spend $18 million on their knowledge—and could not even keep their libraries open in the evening."

"These," said Boorstin, "are not the priorities of civilization and freedom. . . Dare we say, simply, that our nation, perhaps the first nation on earth explicitly founded on knowledge, is now ready to disintegrate and destroy its own foundations?"

Chairman Vic Fazio (D-Calif.) said he shared the librarian's alarm but could not "dilute the reality of the atmosphere in the Congress."

"I am glad to hear you be so aggressive" was the most comfort he could offer.

And Rep. Lindy Boggs (D-La.) told Boorstin she was "very very pleased that you have given such an impassioned plea."

No one had any idea of what to do. Perhaps private contributions? As a matter of fact, one anguished reader wrote a letter to The Washington Post expressing a willingness to pay a dollar to enter the library, if only its doors could be kept open in the evening, the only time she was free to use its splendid reading-room.

Boorstin said he thinks it is "dangerous" to rely on private contributions because "this is a national library and can continue to provide its services only if the nation supports its activities.

Nor would it do for him to roam the country rattling a tin cup for the jewel in the crown of the country's public library system. Local libraries need money, too.

Fazio asked if we could acquire the books we "need" with the deep cuts.

"It is a most interesting question," said Boorstin. "It is a problem to decide what knowledge may be useful. Who would have thought that a book about the rainfall in Burma would be important? But we had it and during World War II we were the only place which had information which was a matter of life and death."

The cuts in the programs for the blind do not mean life or death, merely a narrower access to the joys of reading. Last year the library circulated 21 million books and magazines to its 646,300 talking-book patrons and 18,300 Braille readers. They will be deprived of 80,000 new books by Gramm-Rudman, or rather by a Congress which has abdicated its powers.

Congress doesn't see the Library of Congress as a symbol of our nation. The last time it intervened in the library's affairs was when it banned Playboy magazine from the reading material supplied the blind.

It's a little hard to see a body with that mentality throwing off the shackles of Gramm-Rudman to strike a blow for knowl-

ege. Congress seems to think that the less it knows, the better off it is. It's obviously up to the rest of us to tell them that the country will be no stronger than its information.

[From the Wall Street Journal, Feb. 21, 1986]

LIBRARY OF CONGRESS BACKERS SAY REDUCED BUDGET MAY CLOSE THE BOOKS ON SOME NATIONAL TREASURES

(By David Shribman)

WASHINGTON.—The chamber was much like a seminar room, a tiny, out-of-the-way recess on the third floor of the Capitol. There, far from the din of congressional debate, a small man in a gray suit and a crimson bow tie made his somber presentation. Twice he used the word "beg."

"The greatest of republics has been served by the greatest of the world's libraries," said Daniel Boorstin, the Librarian of Congress. "But this will not continue to be possible, unless the Congress takes measures to repair the damage done and to be done by the vast and unprecedented cuts in the library's budget."

A block away scores of scholars walked out of the midmorning drizzle, passing two 15th-century testaments of learning, the Giant Bible of Mainz and the Gutenberg Bible, on the way to the slightly musty reading room of the Library of Congress. In the reading room they sat amid statues of Beethoven, Newton, Herodotus and Gibbon.

In the chamber of the House legislative appropriations subcommittee, however, the talk was of Phil Gramm and Warren Rudman—and of the verdict of historians yet unborn.

"They will recall the last epoch of the Roman Empire," said Mr. Boorstin, "when Romans were so fearful of the barbarians that they imitated the barbarians."

"INTELLECTUAL PAUL REVERE"

Mr. Boorstin had come to appeal for help—"an intellectual Paul Revere," in the words of Rep. Vic Fazio (D., Calif.), who presided at the appropriations hearing—for what he described as nothing less than the survival of the Library of Congress. The budget of the library, with 81 million objects the largest in the world, was cut by $8.4 million this year, and the automatic reductions required by the Gramm-Rudman deficit-reduction law added another $10 million in cuts, shrinking the budget total to $220.3 million.

"Dare we say, simply, that our nation, perhaps the first nation on earth explicitly founded on knowledge, is now ready to disintegrate and destroy its own foundations?" Mr. Boorstin asked. "It is my sworn duty under the Constitution," he added, "to alert the Congress to what it is doing, and use all my efforts to save the Congress and all of us from a historic disaster."

To accommodate the cuts, the library is trimming its budget for the purchase of books and materials by 13%, reducing its book preservation work by 16%, closing the library's reading room on Sundays, holidays and all evenings but Wednesdays, and cutting its preservation work so drastically that 80,000 fine prints, hundreds of priceless photographs and thousands of books will be in danger of becoming brittle and, eventually, turning to dust.

Moreover, the library, the principal source of Braille and audio-cassette books for the blind and handicapped, will cut back its production substantially.

Mr. Boorstin says the budget cuts, which he is seeking to have reversed, "promote the disintegration" of the library and are causing "irreparable" damage to the library and its collections. "It has taken two centuries to build this institution," he says. "It can be disintegrated in a decade and destroyed in two decades."

CRIES OF OUTRAGE

The prospect of substantial changes in the operation of the library has prompted cries of outrage from scholars and writers. "The whole quality of life in America is being lowered by these cuts," says William L. Shirer, who spent many stretches of hours in the library while working on his chronicle of life under Germany's Third Reich. "We're going to end up like Sparta. We're going to have a big military machine and nothing else. We're cutting the cultural foundation that means so much to this country."

Barbara Tuchman, the Pulitzer-winning historian, used the library to examine dozens of medieval books in the course of preparing "A Distant Mirror." Robert Donovan, who has written 10 books, discovered in the library's collections a two-volume transcript of the trial of Charles Guiteau, the assassin of President James Garfield, and an account of how Richard Lawrence, a house painter, nearly killed President Andrew Jackson on the Capitol steps more than a century ago.

"Security is really based on the willingness of people to uphold their country, and the library is part of that sense of national security," says Mrs. Tuchman. "Not valuing these aspects of civilized life erodes our freedom."

Mr. Boorstin knows the library is a peculiar sort of Washington "special interest, one that serves and chronicles the activities of—myriad special interests. He hopes that the deep reserves of affection that members of Congress have for their own library established in large measure by a gift from Thomas Jefferson will help him avoid substantial damage to the library's collections and activities.

MOMENTS OF CONTEMPLATION

The library is valued highly on Capitol Hill, not only for its resources but for the moments of contemplation and the sparkles of perspective it offers the nation's lawmakers. It is an immensely civilized corner of the capital where, far from the battles of the day, one can sit and read a poem by Czeslaw Milosz, the Pole who won the 1980 Nobel Prize for literature, or better yet, hear him read his work aloud.

The other day, one scholar was lingering on the history of the architecture of the modern opera house, another was exploring the styles of the Americans who painted in Brittany and a third was dipping into an account of a conspiracy of Confederate soldiers to capture the U.S. steamship Michigan on Lake Erie in 1864 and to release prisoners of war in Sandusky Bay.

But these scholars are learning another lesson, too, that even in the deepest recesses of the library, amid the paintings of Audubon and the scraps of papyrus and rows of microfiches, the realities of the budget crisis—and the burden of the automatic, across-the-board budget cuts designed to eliminate the deficit by 1991—intrude. "President Kennedy used to say that to govern was to choose," says Sen. Daniel Moynihan (D., N.Y.). "We are abdicating the principle of choice. The Library of Congress is a very good symbol for us."

[From the Washington Post, Feb. 21, 1986]

BOORSTIN PLEADS FOR LIBRARY—PANEL URGED TO VOTE 18% BUDGET INCREASE

(By Phil McCombs)

Attacking what he called "antidemocratic and antiknowledge" budget reductions, Librarian of Congress Daniel J. Boorstin yesterday proposed a 1987 budget that would restore most funding cuts that the library suffered this year.

"It has taken two centuries to build this institution. It can be disintegrated in a decade and destroyed in two decades," Boorstin testified before the House appropriations subcommittee on the legislative branch. He asked for $248.6 million for fiscal 1987, an 18 percent increase.

Boorstin spoke of "a nation in terror and decline," of "an incompletely informed Congress," and he said: "The disaster which I describe [at the library], the shame which will come on this nation if the Congress pursues a policy of disintegrating its library, can be averted only if this committee restores" the budget cuts.

To meet this year's cuts, which total $18.3 million, library officials have slashed the hours that its general reading rooms are open to the pubic by one third, have begun reducing the 5,200-member staff by 300, and have sharply curtailed expenses for acquisitions, preservation, services for the blind and handicapped, and other activities.

"I share your alarm," said the subcommittee chairman, Rep. Vic Fazio (D-Calif.) "You're playing the role of intellectual Paul Revere this morning."

Fazio said this subcommittee will "try to reach a figure that will allow the library to continue to flourish," but he added that the Gramm-Rudman-Hollings budget reduction act is a "buzz saw," and "I cannot in any way dilute . . . what the reality is in the Congress."

The ranking minority member of the subcommittee, Rep. Jerry Lewis (R.-Calif.), said the nation faces "an exploding deficit," and he challenged Boorstin "to help us to look again and again" for ways to save money.

"Frankly, you're on the table [and] we're going to need your help," Lewis said to the scholarly Boorstin, who, wearing a red bow tie, sat listening with knotted brows.

Boorstin responded, "I cannot believe that the Congress of the United States cannot establish priorities." He said defense is a priority and "I don't know why knowledge can't be."

Continuing to press, Lewis said he was recently near San Diego where he saw "holes in the mountains there and people are living there . . . Their not starving to death is a very high priority of mine."

Rep. Lindy Boggs (D-La.) praised Boorstin for his "impassioned plea" and added, "We share your distress because it's our distress." A key function of the library is to serve members of Congress.

In this regard, Fazio said congressional staffers were upset because sometimes no one answered the special "quick reference" phone number at the library's Congressional Research Service. Joseph E. Ross, acting director of CRS, testified he would move some personnel around to solve this problem.

Frank Kurt Cylke, director of the library's services for the blind and physically handicapped, testified that he has not been able to provide magazines for many blind people who have requested them—another result of the budget cutting.

"We're facing a very serious, severe, detrimental cut . . . We are at rock bottom," he said.

Deputy Librarian of Congress William J. Welsh testified that as of yesterday, the staff had been reduced by 111, most through the reduction-in-force procedure. Associate Librarian Donald C. Curran testified that 70 persons have been riffed, but that "probably 55 or 60" of them will "retain" positions at the library.

Fazio said the riffing process may have an adverse effect on recent minority hires, and he asked for a report on the impact. Library officials said they would provide it.

In other testimony yesterday, Peter G. Sparks, the library's director of preservation, disclosed that a fire and an explosion took place last Friday at Goddard Space Flight Center, where the library's scientists are experimenting on a book preservation process.

A building was damaged, but no books were lost and no one was injured, Sparks testified. But the incident and an earlier fire have cast a shadow over plans to construct a multimillion-dollar preservation facility near Frederick, Md.

This "mass book deacidification facility" would use a new gas process, patented by the Library of Congress, to remove acid from most of the library's 13 million books, which could extend the life of a book from 25 to 600 years.

Sparks testified that bids for the plant construction were to be opened in six weeks, but that this may be delayed as the library's scientists seek to discover what caused the fires and explosion.

[From the New York Times, Feb. 21, 1986]

LIBRARY OF CONGRESS CHIEF WARNS OF A "DISASTER" FROM BUDGET CUTS

WASHINGTON, February 20.—The head of the Library of Congress told Congress today that cuts in the library's budget were having "disastrous consequences for the Congress, the nation and the world of learning."

Daniel J. Boorstin, the Librarian of Congress, told the House Appropriations Subcommittee on the Legislative Branch that cuts had already been made in the hours the library was open and that it would face other rigors never encountered in peacetime: forced reductions in collecting of needed current material, materials already acquired remaining uncatalogued and therefore inaccessible, and deterioration of collections because of lack of preservative treatment.

The library is not only a source of information for members of Congress but also one of the nation's leading repositories of material for scholars.

Dr. Boorstin said future historians would wonder why a nation that was spending $300 billion for the military had decided to cut $18 million from the library's current budget of $238 million. The cuts are a consequence of the recent law calling for deficit reduction and a balanced budget by 1991.

WARNING OF "HISTORIC DISASTER"

"Historians," he said, "will look with amazement and incredulity at a nation that could once afford to build grand structures bearing the names of Thomas Jefferson, John Adams and James Madison—all lovers and champions of knowledge—yet decided it could no longer afford to acquire as effectively and abundantly as possible the current sources of knowledge." The three Presidents' names are on the main library building.

Dr. Boorstin said that he was not an alarmist but that it was his duty to warn Congress away from "a historic disaster." He said, "The only analogy I can think of is the burning of the Ancient library in Alexandria in Egypt" in the third century A.D.

Representative Vic Fazio, Democrat of California, the subcommittee chairman, told Dr. Boorstin he was acting as "an intellectual Paul Revere" in "alarming the countryside as to what might happen to the nation's library," and that his "strong, passionate statement" was especially effective because it was not of character for the soft-spoken scholar.

The chairman said he supported the librarian but, asked where money could be found to restore cuts in the current year, Mr. Fazio replied, "I don't know."●

MACHINE TOOL 232 PETITION'S 2-YEAR "ANNIVERSARY"

● Mr. GRASSLEY. Mr. President, last week marked the passing of an anniversary that I took no pleasure in observing. Two years ago, Commerce Secretary Malcolm Baldrige, in response to the U.S. machine tool industry's request for import relief under the national security clause, submitted a recommendation to the White House which reportedly called for temporary import restraints. His recommendation stemmed from a finding that then-current levels of high-technology, defense-sensitive machine tool imports threatened to impair the national security of the United States. Yet despite the gravity of that finding and the urgent need for remedial action, despite the fact that those Government agencies responsible for ensuring mobilization readiness concur with the finding that import adjustments are necessary, despite overwhelming bipartisan support from the Congress, despite the perceptible—and potentially irreversible—erosion of U.S. manufacturing capability, despite the fact that machine tool imports have increased to the point where they now account for more than 44 percent of domestic consumption, the White House still has not acted on Secretary Baldrige's recommendation.

A decision is, at long last however, reportedly imminent. Mr. President, I ask that a copy of a Washington Post article dated March 5, 1986, be printed at this point in the RECORD.

The article follows:

REAGAN MAY ASK JAPAN TO RESTRICT MACHINE-TOOL SHIPMENTS TO U.S.—PRESIDENT SAID WEIGHING USE OF QUOTAS BASED ON NATIONAL SECURITY

(By Stuart Auerbach)

President Reagan is considering asking Japan to voluntarily cut its sales of machine tools in the United States, threatening to set quotas otherwise under national-security provisions of U.S. trade laws that haven't been used before, administration officials said yesterday.

The import limits could last for as long as five years to preserve the ability of the import-battered domestic tool industry to produce machines needed to make weapons, the sources said.

"The decision is going to be made by President Reagan within the next couple of weeks," said one administration official, who has been pushing for action on a three-year-old petition by American machine-tool makers to win trade protection on national-security grounds.

Although several countries supply machine tools to the American market, any import restraints are likely to fall on Japan, which is the largest supplier of general-use machine tools to the United States.

European machine tools, which come largely from West Germany and Switzerland, are such specialized products that they do not compete directly with U.S. products. Japanese newspapers are speculating that the Ministry of International Trade and Industry is preparing for the restraints by seeking estimates from major machine-tool makers in that country of their export projections for this year.

U.S. machine-tool makers and their congressional allies have argued that foreign manufacturers produce about three-fourths of the state-of-the-art, computer-controlled lathes and machinery centers, necessary for manufacturing weapons ranging from missiles to rifles.

"The very foundation of our national security and economic well-being depend upon the skill and capacity of the machine-tool industry," 27 House Republicans, including Minority Leader Robert H. Michel (Ill.), said in a January letter to President Reagan. There is a "serious threat to the national security posed by our growing dependence on imports for high-technology defense-sensitive machinery," they added.

Commerce Secretary Malcolm Baldrige, who two years ago this week recommended that sharp limits be placed on imports of machine tools on national-security grounds, is pressing for the voluntary restraints on Japanese imports.

His original proposal, which never went to the full cabinet, was far stronger. It called for banning 90 percent of all imports, and effectively would have eliminated Japanese products from the United States.

That recommendation ran into sharp opposition from free-trade advocates within the administration, who sought to bury the issue by keeping it from a presidential decision.

"You had stalling because people thought it was a bad issue that could be stalled away," said an official who favors the import curbs.

The machine-tool industry's petition was brought forcefully to the attention of White House Chief of Staff Donald T. Regan in December, when he was seeking support for tax overhaul from House Republicians.

They quickly reminded him of the buried recommendation to help U.S. machine-tool makers, and he promised to resurrect the issue.

Since then, it has moved toward the front burner of administration trade issues.

Secretary of State George P. Shultz met last week with three Republican House members—Nancy Johnson (Conn.), Henry Hyde (Ill.) and Lynn Martin (Ill.)—on the issue, and U.S. Trade Representative Clayton Yeutter publicly criticized the National Security Council for delaying a resolution of the industry petition.

Under questioning by Rep. Barbara B. Kennelly (D-Conn.) at a House Ways and Means Committee hearing last month, Yeutter said, "True to form, the National Security Council has not yet given me a

date [for a meeting on machine tools], and I cannot defend that at all.

"But I can be a little more optimistic than that because I really think we will do this within the next two to three weeks. I think we are finally nearing the conclusion of this process, which has been indefensively procrastinated."

He was scheduled to meet last week with the president's national security adviser, Rear Adm. John M. Poindexter, but the meeting was postponed because of developments in the Philippines.

The idea of so-called voluntary restraints on the part of the Japanese is considered more palatable to the free-trade ideology of the Reagan administration than Baldrige's original recommendation of sharp limits on imports through quotas and tariffs.

Rep. Johnson said Defense Secretary Caspar Weinberger told her he opposed import limits, but appeared more sympathetic to voluntary restraints, even if they are agreed to under the threat of imposed quotas.

Nose-counters within the administration and on Capitol Hill are unsure what the NSC will recommend to the president. "It's still up in the air," said one administration official.

In the three years since the National Machine Tool Builders Association filed its petition for import restraints, sales of foreign machine tools have increased steadily, going from 26.4 percent of the U.S. market in 1982 to about 43 percent last year.

The value of Japanese imports tripled in the same period, jumping from $535 million in 1982 to about $1.5 billion last year.

Mr. President, the very foundation of our national security and economic well-being depend upon the skill and capacity of the machine tool industry. Having supported the "Houdaille petition" in 1981, and the current section 232 petition, as well as having introduced legislation (S. 1679), it would be my fond hope that the President provide some much needed relief to this industry.

Recently Soviet leader Mikhail Gorbachev indicated that, in connection with his proposed reform of the Soviet economy, he intends to invest $270 billion into the machine-building industry from now until 1990. Clearly the Soviets recognize the strategic importance of maintaining a vital machine tool industry. Why can't we?●

CONGRESSIONAL PAY

● Mr. BINGAMAN. Mr. President, the New Mexico State Legislature took significant action on February 14, 1986, when it passed "A Joint Resolution Ratifying a Proposed Amendment to the Constitution of the United States Relating to the Compensation of Members of the United States Congress and the Time When Any Increase Shall Take Effect."

At the request of the legislature, I ask that the text of New Mexico Senate Joint Resolution 10, as well as the secretary of state's notice of certification of this resolution, appear in the RECORD in full.

The material follows:

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE

I, Clara Jones, Secretary of State of the State of New Mexico, do hereby certify that the attached document is a true and exact reproduction of Senate Joint Resolution 10, approved by the 37th Legislature, Second Regular Session, State of New Mexico, on February 14, 1986, entitled "A Joint Resolution Ratifying a Proposed Amendment to the Constitution of the United States Relating to the Compensation of Members of the United States Congress and the Time When Any Increase Shall Take Effect."

Given under my hand and the Great Seal of the State of New Mexico, in the City of Santa Fe, the Capital on this 17th day of February, A.D. 1986.

CLARA JONES,
Secretary of State.

Senate Joint Resolution 10

Whereas, the First Congress of the United States, on September 25, 1789, at a session held in New York, New York, duly adopted a resolution proposing an amendment to the constitution of the United States; and

Whereas, the legislature of the state of New Mexico acknowledges that the article of amendment to the constitution of the United States proposed by resolution of the First Congress on September 25, 1789 may still be ratified by states' legislatures as a result of the ruling by the United States supreme court in the landmark case of *Coleman v. Miller*, 307 U.S. 433 (1939); and

Whereas, the amendment proposed by the First Congress on September 25, 1789 has already been ratified by the legislatures of the following states on the dates indicated, to wit: Maryland on December 19, 1789; North Carolina on December 22, 1789; South Carolina on January 19, 1790; Delaware on January 28, 1790; Vermont on November 3, 1791; Virginia on December 15, 1791; Ohio on May 6, 1873 (70 Ohio Laws 409-10); Wyoming on March 3, 1978 (124 Cong. Rec. 7910); Maine on April 27, 1983; (130 Cong. Rec. H9097, S11017); Colorado on April 18, 1984; South Dakota on February 21, 1985 (131 Cong. Rec. H971, S3306); New Hampshire on March 7, 1985 (131 Cong. Rec. H1378, S3597); Arizona on April 3, 1985 (131 Cong. Rec. H2060, S4750); Tennessee on May 23, 1985 (131 Cong. Rec. H6672, S10797, S13504); and Oklahoma on July 10, 1985 (131 Cong. Rec. H7263, S13504); as well as by the Senate of the State of Georgia on February 2, 1984 and on January 21, 1985 and by the House of Representatives of the State of Indiana on February 4, 1985; and

Whereas, the proposal that has been submitted to the several states for ratification reads:

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, two-thirds of both Houses concurring, that the following [Article] be proposed to the Legislatures of the several States. . . . which [Article], when ratified by three-fourths of the said Legislatures, to be valid to all intents and purposes, as part of the said Constitution, viz.:

"[An ARTICLE] in addition to and Amendment of the Constitution of the United States of America, proposed by Congress, and ratified by the Legislatures of the several States, pursuant to the fifth Article of the original Constitution.

"Article the second. . . No law, verying the compensation for the services of the Senators and Representatives, shall take effect, until an election of Representatives shall have intervened.";

Now, therefore, be it resolved by the Legislature of the State of New Mexico that, pursuant to Article V of the Constitution of the United States, the amendment proposed by the First Congress on September 25, 1789 is hereby ratified by the State of New Mexico; and

Be it further resolved that a certified copy of this resolution, under the great seal of the State of New Mexico, be immediately forwarded to the administrator of general services, Washington, D.C., to each member of the New Mexico delegation to the Congress of the United Staes and to the President Pro Tempore of the Senate and the Speaker of the House of Representatives of the Congress of the United States with the request that this resolution be printed in full in the Congressional Record.●

TAX REFORM AND AGRICULTURE

● Mr. BAUCUS. Mr. President, the Senate Finance Committee is about to begin debating comprehensive tax reform. During this debate, we must pay particular attention to the impact tax reform may have on agriculture.

Tax reform presents an opportunity to make some significant positive changes in the way the tax system affects agriculture. But we must proceed carefully. As everyone in this Chamber knows, American agriculture is terribly depressed: My own State of Montana suffered the sharpest decline in wheat production of any State last year, and our cattle production is at an all-time low level.

Given this situation, we must proceed carefully.

Agricultural tax reform must have two basic objectives. The first is to reduce abusive tax shelters that distort the agricultural economy and enable high-income outside investors to avoid paying their fair share of taxes. The second is to simplify the tax system for ordinary agricultural producers, and make it more fair.

To achieve these goals, we must make several changes in the Tax Code, some of which were included in the House-passed tax bill, H.R. 3838.

LAND-CLEARING, FERTILIZATION, AND CONSERVATION

Under current law, taxpayers can take immediate deductions for expenses incurred to break land and otherwise prepare it for farming. When the land is sold, the proceeds can be taxed at favorable capital gains rates. These provisions, as the Montana State University Cooperative Extension Service has found, "provide a major economic incentive for investors who do not plan to retain ownership of converted land to convert rangeland to cropland." As a result, fragile rangeland can be converted to farmland, then quickly sold, with little consideration of the underlying economics of the conversion. Such "sodbusting" contradicts our national farm policies and environmental policies. As the

Center for Rural Affairs has concluded:

While the government pays farmers to reduce production and take erodible land out of production, the tax code subsidizes development of . . . highly erodible land for more production of surplus crops. The results include higher farm program costs, lower farm income due to over production . . . [and] high erosion rates which reduce food security for future generations.

To address this problem, we should make two major changes to current law. First, we should repeal the section 182 expensing of land-clearing expenditures. Second, we should deny section 1231 capital gains treatment to proceeds from the disposition of "highly erodible cropland"—as defined under the provisions of the new farm bill. Similar provisions are included in sections 921 and 922 of the House bill. However, unlike the House bill, we should not repeal the section 180 provision permitting fertilizer expenses to be deducted immediately: these expenses are common, recurring ones distinguishable from major land clearing.

The same goes for soil and water conservation expenditures. Under current law, they can be deducted as current expenses. This treatment, unlike the expensing of land-clearing expenses, is fully justified. Expenditures for soil and water conservation—for example, constructing soil-saving terraces—generate long-term social benefits for which farmers and ranchers are not fully compensated. In other areas, such as research and development, we have recognized that the existence of such "externalities" justifies the provision of tax incentives to achieve the optimal level of expenditures. Similar reasoning justifies retaining soil and water conservation expensing.

TREATMENT OF PREPRODUCTIVE EXPENSES FOR BREEDING STOCK

Under current law, ranchers can immediately deduct the preproductive expenses of managing their breeding herd, then receive favorable capital gains treatment of the proceeds when the breeding stock is sold. In some cases, this creates a substantial deferral/conversion that attracts outside tax-shelter investors, thereby stimulating overproduction and distorting the agricultural economy. For this reason, some agricultural groups have proposed revising the tax treatment of preproductive expenses. For example, the American Farm Bureau Federation has proposed that "all gains on the sale of breeding, draft, and sporting livestock and dairy animals * * * be treated as ordinary income, not capital gains."

The President's tax reform proposal attempted to address this problem both by requiring that preproductive period expenses be capitalized rather than deducted immediate—if the preproductive period exceeds 2 years—and by denying capital gains treatment to proceeds from the sale of breeding stock and all other "section 1231 assets." The House tax bill addresses the problem somewhat differently. It gives ranchers an election: they can either capitalize their preproductive period expenses or instead deduct them immediately but be limited to straight-line—rather than accelerated—depreciation and full recapture or previous depreciation deductions as ordinary income rather than capital gain. As a result, this House proposal would introduce major new complexities for ranchers, in the form of the separate depreciation schedule—which also discriminates against diversified operations—and in the recapture or previously expensed amounts, which would impose major new recordkeeping burdens.

The House bill could be improved upon by replacing the recapture provision with a simple requirement that ranchers electing to expense preproductive expenses recapture a set amount per unit: either a flat percentage or an amount regulatorily determined to approximate preproductive costs. In addition, the calculation of the breeding period should be revised to make clear that the preproductive period of breeding stock begins—in the case of cattle—when a cow is born and ends when it is placed in the breeding herd.

DEPRECIATION OF SINGLE-PURPOSE AGRICULTURAL STRUCTURES

Under current law, single-purpose agricultural structures—like chicken coops and hog confinement pens—are treated as equipment, which is depreciable over 5 years, rather than as structures, which are depreciable over 19. Some agriculture experts argue that this short depreciation period makes an investment in single-purpose agricultural structures much more attractive than economics warrants, thereby stimulating overproduction by large, tax-motivated chicken, hog, and dairy producers. Responding to this argument, in 1984 the Senate adopted an amendment, offered by Senator GRASSLEY, increasing the depreciation period for single-purpose agricultural structures from 5 to 18 years—and using the revenue thus generated for a new soil and water conservation credit; however, the amendment was deleted in conference. We should include a provision lengthening the depreciation period for single-purpose agriculture structures in our bill.

LIMITATION ON ARTIFICAL AGRICULTURAL LOSSES

The above provisions, along with rate reduction and general base-broadening measures, should eliminate most agricultural tax shelter abuses. However, there may continue to be situations in which clever promoters design elaborate agricultural tax shelters that are not economically motivated and that distort the agricultural economy.

To address this problem, we should impose a minimum tax "backstop," which limits the extent to which agricultural losses can be used to offset nonagricultural income. One approach would be to include "excess farm losses"—losses exceeding twice the taxpayer's cash basis—from tax shelter farming activities as a preference item under the individual and corporate minimum taxes. This provision is similar to section 58 of the House tax bill.

CASH METHOD OF ACCOUNTING

Under current law, various methods of accounting are allowed, including the "cash receipts and disbursements method," which recognizes income when actually or constructively received and recognizes items of expense when actually paid. Because of its simplicity, most farmers and ranchers currently use the cash method.

The House bill requires many taxpayers that now use the cash method to shift to the accrual method. However, the committee report acknowledges that "farming businesses—other than certain corporate farming businesses required to use the accrual method under present law—should be able to continue to use the cash method in order to avoid the complexities required to account for growing crops and livestock under any other acceptable method of accounting." Similarly, our bill should permit farmers and ranchers who currently are permitted to use cash accounting to continue to do so.

INCOME AVERAGING

Given the vagaries of weather, crop prices, and other factors beyond their control, farmers' and ranchers' incomes can fluctuate wildly. Under a strict annual income-reporting system, these fluctuations can unfairly exaggerate tax liability because, during good years, agricultural taxpayers will be forced into higher tax brackets than their long-term earning power warrants; for example, the Center for Rural Affairs estimates that a family of four with income alternating between zero and $60,000 would pay 76 percent more tax over a 6-year period than a family of four earning precisely the same total income in six $30,000 increments. In recognition of this, current law permits taxpayers to average their income over a 4-year period.

The House tax bill repeals income averaging, on the ground that it is complex and is rendered unnecessary by replacing the current system of 11 narrow tax brackets with 4 wider ones.

This proposal is unfair and is bad tax policy. Tax bracket changes may reduce the need for averaging, but they certainly do not eliminate it. A strict annual income-reporting system

will push farmers and ranchers into higher tax brackets during good years, without fully offsetting this effect during bad; as a result, their income tax liability will be exaggerated unless they remain able to income average.

While we should retain income averaging, we also can tighten the averaging rules, to target taxpayers whose income fluctuates rather than "upwardly mobile" taxpayers whose incomes are steadily rising. This could be done by denying income averaging to former full-time students—as under section 781 of the Senate reconciliation bill. In addition, we could cap the amount by which income averaging can reduce tax liability in any 1 year to $10,000 or institute a system of "two bracket averaging" whereby taxpayers could get relief if income fluctuations shifted them across two brackets, but not one.

CAPITAL EXPENSING

Under current law, taxpayers receive a 10-percent investment tax credit when they purchase most farm equipment and can deduct the cost of that equipment's depreciation on an accelerated basis. To make these capital cost recovery provisions simpler for farmers, ranchers, and other small businesses, taxpayers can elect to deduct up to $5,000 in capital costs immediately rather than under the ITC/depreciation system—the amount is scheduled to increase to $10,000 by 1989.

The House bill repeals the ITC and lengthens the depreciation period for most equipment, primarily because "individuals and corporations who have considerable amounts of economic income are permitted to pay little or no tax by using the credit and ACRS, while others with equal or lesser incomes are left fully exposed to high tax rates."

The House bill aslo doubles the amount of immediately deductible capital costs from $5,000 to $10,000 for taxpayers whose annual capital costs do not exceed $200,000. However, this provision does not adequately offset the effect of the House bill's ITC/depreciation provisions on farmers, ranchers, and other small businesses who must make substantial equipment purchases in order to modernize their operations—for example, a new combine can easily cost $80,000. Consequently, we should retain some form of targetted capital incentive for farmers and ranchers, perhaps by raising the section 179 expensing amount higher than the House bill.

MEDICAL INSURANCE

Under current law, employees whose employers provide them with medical insurance can exclude the cost of that insurance from their gross income, but self-employed farmers and ranchers who purchase their own insurance cannot deduct it. As the American Farm Bureau points out, "the inequity that exists for self-employed farmers who are paying several thousand dollars per year for health insurance adds significantly to our cost of doing business."

To conform the treatment of farmers, ranchers, and other self-employed persons to that of taxpayers receiving employer-provided health insurance, we should permit self-employed taxpayers to deduct one-half the cost of their health insurance premiums as a business expense, as Senator GRASSLEY has proposed in legislation.

Mr. President, I ask that a letter from representatives of the National Cattlemen's Association and the National Association of Wheat Growers, about the effect of tax reform on agriculture, be included in the RECORD.

The letter follows:

DEAR SENATOR BAUCUS: The Agricultural Tax Study Group met this week to further discuss specific provisions of tax reform that affect agriculture. As we noted in an earlier letter to you and members of the Committee, we are extremely interested in working with you as your staff prepares a draft for mark-up.

Listed below are some areas we would like you to address in a staff proposal:

1. *Cash Accounting*—We support retaining the availability for farmers and ranchers as found in H.R. 3838.

2. *Preproductive Expensing*—There are two technical problems that need to be addressed in this area:

First, the preproductive period should begin at birth and end when the animal is placed in the breeding herd. A producer makes a managerial decision to treat this animal differently when it is placed with a breeding herd and therefore that should end the preproductive period. The House bill begins the period at conception and doesn't clearly define when it ends.

Secondly, if a farmer/rancher is producing an animal/plant whose preproductive period exceeds two years, the House bill provides an election of straight-line on all farm assets if he wants to continue deducting. We would prefer that taxpayers who are producing capital gains property (such as breeding livestock) be given the option of electing either straight-line depreciation on farm assets or electing to treat 20% of the income received when the animal is sold as ordinary income and the remaining 80% as capital gains income.

3. *Alternative Minimum Tax*—The House bill establishes a 2:1 minimum tax for term losses incurred by passive investors. As you know, H.R. 3838 also establishes an across the board 1:1 minimum tax. We do not feel a separate minimum tax should be included specifically for agriculture. In addition, the definition of a passive investor needs to be clarified. The House bill defines it in terms of Section 464 farm syndicates and taxpayers who do not materially participate in the business. It uses the material participation test in 2032A which is too restrictive. The test should be active participation. Furthermore, the definition of cash invested for determining losses should include cash personally committed by the taxpayer *and* all full recourse personal loans. Whereas H.R. 3838 does not include such capital if the loans dur secured by livestock, crops,or land used in the farm/ranch business.

4. *Relief for Insolvent Producers*—We support H.R. 3838 language allowing these insolvent producers to escape minimum taxes when selling capital gains property. However, we feel the 90% sale rule in one tax year is too restrictive and should be broadened to increase the intended benefits in this section.

5. *Sodbuster Provisions*—The House bill eliminates capital gains on land that is put into production if it is marginal and not fit for crop production. We support this concept, but feel that land currently under crop production that fits into this category should be grandfathered.

6. *Conservation Expensing*—H.R. 3838 allows producers to deduct expenses only if the conservation work is done under an approved Soil Conservation Service (SCS) plan. Due to budget cutbacks and other restraints, it is not always possible to get SCS approval in order to perform conservation work in a timely manner. We would prefer that SCS approval be required only if the deductibility of a project is questioned by IRS and then in an arbitrator capacity.

7. *Fertilizer Expensing*—The House bill removes Section 180. This section was placed in the I.R.C. to ensure that producers could annually expense fertilizer. We urge you to retain this section as found in current law.

8. *Capital Expensing*—The removal of investment tax credit leaves farmer/ranchers with only capital expensing to offset the impact. We support the House bill which raises the level to $10,000 for farmers and small businessmen. The group supports increasing this amount to $25,000, which equals an investment tax credit between $5,000 and $8,000, depending on the tax bracket.

9. *Depreciation of Single-Purpose Facilities*—The House bill places nsingle purpose structures in the thirteen (13) year category. We strongly urge you to shorten this period to a time frame that more accurately reflects useful economic life.

There are two additional areas that were not included in H.R. 3838, but we feel need to be addressed.

1. *Deductibility of Health Insurance Premiums*—This is basically a fairness issue. Self employed people (farmers/ranchers) are treated unfairly. Current law allows employees in most cases to receive health insurance benefits paid for by employers with before-tax dollars, while self employed people must pay for health insurance with after-tax dollars. It should be all or none. If this tax reform is truly an attempt to make the code simple and fair, then you should address this issue. We recognize the revenue considerations, but feel this should be looked at in the whole context of fringe benefits and revenue balancing.

2. *Income Averaging*—Agriculture is a business that is subject to changes in weather, prices, production cycles and a host of other variables which contribute to large fluctuation in levels of income. The group encourages the Committee to seriously consider a form of income averaging that is possibly scaled down from current law, but still reduces tax burden where necessary and fair. Two approaches which seem worth consideration include a requirement of jumping two income brackets to qualify or capping the level of taxes one can offset at $10,000/year.

We recognize some of the difficulties you face in addressing the many interests. The group has committed its efforts to work with you in a positive manner. The next few weeks will certainly be a busy time and we look forward to being a part of the process.

We trust these suggestions warrant consideration and will be viewed carefully.

Very truly yours,

ALAN SOBBA,
National Cattlemen's Association.
MARJORIE WILLIAMS,
National Wheat Growers Association.●

THE PLIGHT OF NAUM AND INNA MEIMAN

● Mr. SIMON. Mr. President, I want to call the attention of my colleagues to the case of Naum and Inna Meiman, a Soviet couple who has applied to emigrate and has been in refusal for over 10 years. I intend to speak about the Meimans every day until the Soviets grant them permission to leave the Soviet Union.

The Meimans have done nothing which is illegal under Soviet law, yet they are treated like criminals. Inna, a woman in her fifties, has had four operations to remove cancerous tumors. Another tumor has appeared. The doctors say it would be too dangerous to remove. They tell her that there is nothing more that can be done for her. Medical authorities in the West, however, have offered to treat her with updated technology not available to most Soviets. What do the Soviets gain by keeping her inside the Soviet Union, in pain, to die?

I urge the Soviets to let the Miemans, and all of the others in refusal, emigrate.●

WILLIAM BENNETT: GOD, MAN, AND SCHOOL

● Mr. ARMSTRONG. Mr. President, in less than 1 year on the job, Secretary of Education William Bennett has made a remarkable impact upon public policy. He has advanced ideas rather than programs and has stressed values as the basis for successful schooling. His emphasis upon what he calls the three C's—character, content, and choice—has established a new reform agenda for parents, teachers, administrators, and public officials who deal with education.

Secretary Bennett was the subject of a remarkable interview by John Lofton in the Washington Times of January 2, 1986. Their widely ranging discussion was not the customary banter of such occasions. It rang with the clash of ideas. Like the best teaching, their discussion forces readers to stop and think. It is provocative and challenging, and it directs our attention to some of the major issues facing all of us who care about the future of education and of our children.

I ask that the Bennett-Lofton interview be printed in the RECORD and recommend it to the careful consideration of my colleagues.

The material follows:

[From the Washington Times, Jan. 2, 1986]

WILLIAM BENNETT: GOD, MAN, AND SCHOOL

(Editor's note: Columnist John Lofton of the Washington Times recently interviewed Secretary of Education William Bennett on life, liberty and the pursuit of learning.)

Q: What is a nice man like you doing in a job like this, a job and a department Ronald Reagan promised repeatedly he would abolish? But, instead, the president has increased your department's budget by over 50 percent since 1983, from $10 billion to $15.5 billion in 1986. Why isn't this joint abolished?

A: Can't be. Politically, it can't be. The president came in in the 1980 election, everybody with him. Big Reagan election. Votes on the Hill for the abolition of the department, in the Senate, numbered something like eight to 10. There'd be fewer votes today.

It's good question whether we need a Department of Education. In fact, this department is not necessary. But it's here. And there doesn't seem any likely prospect of getting rid of it. As long as it's here, let's make the best use of it.

Q: Would you urge the president to try again to abolish your department?

A: Yes, if it looked like that was a political possibility. If not, I wouldn't waste my time on it. I would rather suggest that the department be used to further the president's goals and aims, as we're trying to do.

Q: Would you urge the president to go all out to abolish your department?

A: I don't think so because it wouldn't be worth it in terms of priorities, time and energy. There are some things that we are doing that are reasonably effective in furthering the president's goals. And balancing that against the likelihood of abolition, I think we shouldn't waste energy on that right now.

Q: What should the purpose of education be?

A: Education, not this department? Education generally?

Q: That's an interesting distinction. But, yes, education generally.

A: I think it is pretty much as Thomas Jefferson said, and others, to nurture and enhance the wit and character of the young.

Q: In his book "Heretics," G.K. Chesterton said the most practical and important thing about a man is his view of the universe. What is your view of the universe?

A: Which part? Can I disaggregate that question a little bit?

Q: Far be it from me to limit your answer.

A: If we reframe it as [former Supreme Court Justice Benjamin] Cardozo's point, he said the most important thing about a judge is his philosophy. I don't think much about the universe. It's just not something that occupies me so much. If you reframe the question to what about life, or what is your philosophy of life, I'd be more comfortable with it.

Q: You don't understand what Chesterton was saying?

A: Oh, I think I do.

Q: Then why not take a swing at it?

A: Give it to me again.

The question is repeated.

A: [After five-second pause.] I can't get my arms around it [the question]. I guess the part of the universe I tend to focus most attention on is human beings and their aspirations. And I think, with Aristotle and Thomas Aquinas, that life has a purpose. And one of the purposes for human beings, as I've said, is the development of their intellectual and moral capacities. And society should further that as best as it can.

Q: In a recent talk at the Library of Congress about adult literacy you noted that we are a people of the word and that we cherish a heritage that includes the book of books which, I assume, was an allusion to the Bible.

A: Yes.

Q: But, in fact, in our public schools we don't cherish this heritage at all. Unlike what was done throughout most of our educational history, the Bible is no longer taught as the truth, the source of all wisdom, ethics, right and wrong. And woe unto the public school teacher who uses the Lord's name in a context other than in vain. Question: Can a child really be considered educated if he doesn't know God or God's word? What, in your judgment, has been the impact of removing God and His word as the center of education in this country? And what can, indeed must, be done about this, if anything, in your judgment?

A: I don't think we can say a child has been well-educated unless a child has been presented—usually be parents but it can be by others—with religious ideas and ideals.

Q: But I'm not talking about 'religion' or 'religious ideas.' I'm talking about God, the God of the Bible, His word.

A: Can a student be educated without knowing God? What do you mean by knowing God? That he must declare himself a believer? He must say: I do believe in God?

Q: Yes.

A: I guess I think, because of my own views, my own religious beliefs, that evidence of the universe, to use Chesterton's word, the experience of mankind makes a very strong case for God. I don't think that's the final way a human being comes to religious commitment. I think it's a matter of the heart, the will. A person can be educated without so acknowledging God as the center of the universe. But a person who is not at least introduced—either through the ideas of philosophers, theologicans or through the simple faith of others—has been denied an important educational opportunity.

Q: What in your judgment, has been the impact of removing God as the center of public education in America?

A: Well, in many cases it is not true that God has been removed as the center of education in public schools. There is the kind of official view that there shall be no mention of God, that things having to with God or particular religious beliefs will not be talked about in the classroom. But as you visit classrooms, you find that this isn't the case.

I visited schools this year, taught a lot of classes. In one of the first schools we visited, in Shreveport [La.], we went into the public high school. I was welcomed. And then the superintendent called on a member of the community for a prayer. And just about everyone prayed. The press was there. No one stood up and screamed and objected. This was obviously something that was done fairly frequently. I don't think this school is unusual. I think this takes place in lots of community gatherings, including school gatherings. . . . Arguably, what some of these people are doing is in violation of the holdings of the Supreme Court, but it goes on anyway. I just can't take the conclusion that there is no acknowledgment of God in the public school classrooms, because there is.

Q: But there is no God-centered education. You're not telling me you know the name of a public school in America where

education is God-centered, where it is taught that God is the beginning of all wisdom and knowledge, are you?

A: No, I don't. But on the other hand, there are many classrooms in America where teachers and principals talk unabashedly about their belief in God and how this belief sustains them. And they bear witness to that for all the children to see.

Q: But you're not contesting, are you, that for a majority of our history, public education in America—although it was different in the past—was God-centered and biblically based and this is no longer the case?

A: That's right.

Q: So, what in your judgment has been the impact on removing this godly foundation from American public education? Has there been an impact?

A: Yes. Let me put it this way. I think the undue squeamishness about things religious—what I have called the fastidious disdain for religion—has hurt the public schools and teaching in the public schools. And where I think the impact is centered is in the whole question of values.

The American people do expect their children to become better, in a moral sense, as a result of education. When a school decides that it will not, or should not, foster doctrinal adherence, and moves from that to saying that all questions of values having to do with personal behavior are related to religion and therefore, must be avoided, it shoots itself in the foot. And what it does is encourage parents to take their children elsewhere.

I've said a number of times that consistent with a concern for religious freedom, the schools do not have to be so squeamish and fastidious about avoiding things religious.

Q: Can you list one or two things you think have happended a a result of God being removed from the center of education, as I described it earlier?

A: There's no such thing as a moral vacuum in this sense: If you do not present children with notions of right or wrong that are either religiously based or based on tradition derived from religion, you're going to have a notion of values that comes from somewhere else. So, instead of a theory and practice of morality—which informs pedagogy and curriculum—that is derived from the traditions of this society, what you have in a lot of cases is moral relativism and ethical relativism which is a disaster.

Q: Don't we really have an established religion in the public schools, and isn't it atheism?

A: No, I don't think it is. Again, I have trouble saying 'in the public schools.' If you take the pronuncements of some groups like American United and generalize from what they say is a description of the public schools, that would be right. But you can't generalize.

Q: Well, you either teach God or no God, don't you?

A: No.

Q: You have a kid who, on the average, is in a public school for about 15,000 hours. And if he's hearing not one word about God being true, real and the center of all knowledge, how does this differ from atheism? The atheists don't want God or Christ taught as the center of education. And they aren't, in the public schools. Isn't this the de facto atheist position?

A: Well, the question is: Is it simply one way or the other? Look, I think there are people in the schools who are hostile to religious belief. But I think, again, in most of the schools I know—although there have been serious intellectual mistakes made about what we can and cannot teach and what the First Amendment allows—no, I can't say this is atheism in the schools.

Q: Then what is it? How does it differ from atheism?

A: It's a kind of—I'd have to know the situation. I see very different situations in different schools.

Q: Really? I thought we already agreed that you know of no public school in America where God or Christ is taught as the center of truth.

A: Right. I don't see that. But after that, I see . . .

Q: But, from a Christian perspective, this is atheism.

A: No, I think atheism is to deny God, to deny His existence.

Q: But isn't it a denial of God when you don't teach Him as the source of all truth during 15,000 hours of class time?

A: I don't think it is. It may be a backing off, a certain agnosticism which is unnecessary, but I don't think it's astheism.

Q: Well, yes, I would say that not mentioning God for 15,000 hours would be a certain backing off.

A: I would say that in most schools, for 15,000 hours, you would not find very many where God is not mentioned.

Q: But I'm not talking about not mentioning God. I'm talking about His not being taught as the center of all wisdom and knowledge, which is what the Scripture says He is.

A: Well, that is not done in the public schools.

Q: One occasionally hears, although less so, the question: Can the private school survive? But Dr. R.J. Rushdoony asks in his book "Intellectual Schizophrenia: Culture, Crisis and Education" what he calls the more basic question: Has the statist school any right to survive? And if so, why? Because, as he points out, the statist school gives no image of man which gives function and structure to society. And since the statist school depends on taxes, it is dedicated for the most part, to self-advantage rather than function?

A: It [the statist school] has a right to survive if it is good, if it does its job to nurture and enhance the wit and character of the Young. Some do, some don't.

Q: But under the present system the statist school is not subject to any sort of survival market mechanism.

A: Oh yes it is.

Q: Baloney! The statist school if supported by tax dollars that continue to flow. Do you know of any public school that went out of business because it was a lousy school? I don't.

A: Yeah, yeah. There are some. That magnet school in Shreveport.

Q: But it was an exception rather than the rule, wasn't it?

A: Well, probably, sure.

Q: But my question is not about the right of individual statist schools to survive, but the right of statist school, per se, to survive?

A: A right? It's not a Constitutional right. An absolute right? I can't see any constitutional protection here. Should it survive is the question, and my answer is: It should survive if it does the job.

Q: But my question is: Do statist schools have a right to exist at all?

A: Rights, rights, rights. Where's the right laid down anywhere? I don't think it gets you anywhere to say it doesn't have a right. The question is: Is this an efficient and sound way to educate people? When the common school was set up, it wasn't set up as something following from the Constitution.

Q: It sure as hell wasn't. And common schools weren't set up as statist schools either.

A: Right.

Q: And this is the point. As Sam Blumenfeld, author of "N.E.A.: The Trojan Horse in American Education," has noted, public education, as we know it today, did not begin until the mid-part of the last century. And the idea of state-owned and controlled educational systems did not originate in the United States but was imported from Prussia, where an authoritarian monarchy used centralized statist schools for its own political and social purposes. This being the case, why do statist schools have any right to survive?

A: Right to exist, again, doesn't get us anywhere. Should it exist? Is it an efficient way of educating young people?

Q: But we know the answer to these questions and it is: No, it isn't.

A: Some of them are, some of them aren't.

Q: But, on balance, it isn't.

A: We aren't doing as good a job as we should. But do I think we should have public schools? Yes.

Q: Why?

A: Because I believe in the public school and most Americans believe . . .

Q: But why? Obviously, you believe in it. But why?

A: Because it's a way for us to do a number of things. First, it should be an effective and efficient way to educate the young. Second, we believe in the old idea of the common school, where all our children go from various communities and families and we have an education in common principles, common beliefs.

Q: But you say "we." Speak for yourself. I don't believe in this. And millions of other Americans also don't believe in this, which is why they are getting out of the public schools.

A: About 90 percent of Americans do. And the 12 percent who send their children to private schools—many will tell you they would prefer to send their children to a public school, but they're not happy with the public schools. I think that if the public schools come back in the way they should, you will see the number of people who send their kids to private schools going down, not up.

Q: In his book "Compelling Belief: The Culture of American Schooling," Stephen Arons, director of the Department of Legal Studies at the University of Massachusetts, writes that "the present structure of education in America is broadly inconsistent with First Amendment principles" because government is imposing the content of schooling, and this is "the same threatening agent of repression for which the framers of the Constitution sought to free themselves." He suggests that the only solution to the growing conflict in the public schools about values and beliefs is "a complete separation of school and state." Why don't you favor this?

A: I don't think it's possible.

Q: But we once had it!

A: I know, but we don't have it now.

It's a different world. And you can't take something that's been around for a long time now, which is believed in by most Americans very strongly, and simply say throw it out. That's why I'm not part of that movement. I'm part of that movement that says restore our public schools to the

position they once held. And to do that means many of them will have to do things a little differently.

And one of the reasons you can't separate state and schooling is that local communities have to be involved in the governance and running of the school. And local communities often manifest their will through governmental channels such as school boards and other things.

Q: But we did this before without having statist schools.

A: That's fine.

Q: But why are you so defeatist as regards the idea of restoring and reconstructing the kind of educational system we had for the majority of the history of our country?

A: I'm not defeatist. I think you can reconstruct and restore a lot of it. But, we cannot do it with the goal of saying let's separate state power (from schooling). We can't do it that way. What we're saying . . .

Q: But why not, if we once did it that way?

A: Well, you know, I just don't think it's feasible.

Q: I know. But why don't you think it's feasible?

A: Because people now have expectations that the local community, local government, will be involved, and state government. People do set up their own schools, and when they're happy with them, that's fine. But I think the general disposition of the American people is not to get rid of state involvement and local communities, but to use those as a way of reforming.

Q: Well, that certainly seems to be your general disposition, and I'm sorry it is. Let me ask you about Christian schools and home schools. What right do you think the state has to regulate these schools?

A: I think in either of those cases the state does have a minimal interest in assuring that (a) the institution is an educational institution, that something that calls itself educational really is—and that cuts a lot of ways, putting a great burden on all sorts of schools—and (b) that the so-called school is not being used as something else—that is, that you draw a distinction between the home schooler and the parent who wants to keep a kid out of school to do something that doesn't have anything to do with the child's education.

Q: But we know that what the state calls a "minimal interest" has a way of growing into a larger interest. Are you saying the state has a right to test those who go to Christian and home schools, and if the kids don't meet the state's testing qualifications, then the state can shut these schools down?

A: The reading test and the math test, yes. If enough of the kids are doing fine—reading at a level that is at least as good as the average in the rest of the state, however it is set up—that's fine. Then you leave them alone.

Q: But you support the right of the state to set these testing standards?

A: Yeah.

Q: And if the Christian or home school falls beneath the state's testing standards, then the state has the right to close these schools down?

A: I would say if you have a private school, in the home or under the auspices of a church, and your failure rate for students falls below the average in the state, I think the state could close them down, yeah. It's not educating. Close it down.

Q: Does the state also have a right to pick the books to be used in and the subjects to be taught in these private schools?

A: Nope.

Q: Where does the state acquire this "minimal interest" you assert? Education is not mentioned in our Constitution.

A: I can't cite you the cases, but I remember studying it. The courts are involved and common law, too. Our own Supreme Court and some states. And it also comes from human experience. Most parents have the interest of their children foremost in mind. Some parents do not. Some parents abuse their children. The state has a right to protect those children from those parents.

Q: Who do you think the children belong to?

A: They don't belong to anybody but themselves, really. But, in terms of the interest of the child, parents must be heeded unless it can be demonstrated that parents are acting in such ways that they are harming their children.

Q: But why would you defend the right of the state to set testing standards when one reason a lot of parents want to send their kids to private school is because they reject the state's standards?

A: For the same reason that I send in the cops when I find out a kid has been locked in the closet for three months.

Q: But that's a criminal act. Why do you liken home schools or Christian schools that are not state-tested to a criminal act?

A: No, educational abuse of children—if you're not teaching your children what they need to know to survive in this world . . .

Q: Oh, you mean like in the public schools? Isn't it child abuse when the public schools don't educate our kids?

A: Well, that's when it cuts both ways. That's right.

Q: Do you want to send the cops into the public schools?

A: Sometimes I do.

Q: Have you done it since you've been secretary of education?

A: No, I don't have the authority to do that. But, if a governor or state commissioner of education sees that a school is systematically disserving its students, the place should be closed down.

Q: But the threshold question is: Who is to judge? Why do you want to put Caesar over the right of parents to choose their own form of education?

A: No, no. I didn't say that. Parents should choose the form of education they want for their children.

Q: But the state should ultimately set the standards.

A: Minimal standards—such as you can read and you can count. And that's it.

Q: Have you ever tried to tell the state that's it?

A: Some states are more self-restrained than others. You can say: Give the state a little bit of power and it will want more . . .

Q: Yes, I would definitely say that.

A: But, this is one of the difficulties we have living in a democratic society. If you say the state can set no standards, then you've got worse problems.

Q: But we see what has happened to education when the state is setting all the standards, and it has been a disaster. But, obviously, you still have a great deal of faith in the state.

A: No, no. I don't agree with the premise. The general story of public education in the United States is a success. It is, if you look at the whole story, not the last 20 years.

Q: In a talk to Phyllis Schlafly's Eagle Forum this past September, you called for a restoration of "a coherent moral vision" to our public schools, but you said our schools "should not attempt to . . . support any one religion over another." But, this view, in fact, lacks coherence. Morals and ethics are, ultimately, based on religious views. Thus, to attempt to restore a coherent moral vision to anything means, inescapably, to teach that some morals and ethics are right, some wrong, some are true, some are false, and therefore one religion must be supported over another. No?

A: No. You've got to make some distinctions here. That the values, beliefs and morals we hold as a people are derived from one religious tradition is a fact. We can say that without embarrassment and we should.

Q: This used to be the case, but not any longer.

A: No, it's still true. Don't exaggerate the impact of the moral relativists.

Q: We still have the same morals and ethics of those who came over on the Mayflower?

A: Essentially, not so different, if you look at the American people.

Q: Oh, I do. I do. I go to a lot of shopping malls. And I don't see a lot of Puritans there.

A: Don't pay attention to the elites. And don't pay attention to everything you read about the Puritans and the Pilgrims. They were sinners, too. We all are.

Q: True, but they didn't make a career out of sin.

A: I bet a few did. . . . But don't say the American people are in crisis about this. Some of the elites are. But, for the most part, the American people aren't.

Q: But what about my point. If morals and ethics come from religion—and right and wrong ought to be taught, as you say—then it must be taught that one religion is right and what conflicts with it, is wrong. So, you have to support one religion over another.

A: What do you teach in the public school? Methodism? Presbyterianism? Which do you teach?

Q: You teach what's true. And I'd like to know what you think that is?

A: I don't think you advocate Methodism, Presbyterianism, Catholicism, or Judaism to students in public school. What you do advocate, however, is a theory and practice of values that is based on the Judaeo-Christian ethic and tradition. Sure.

Q: Well, good luck in trying that in a public school. Do you have a school in mind where you might want to try this out?

A: It's done in a lot of places in lots of public schools, even though people say it's not allowed.

Q: I don't think it is. And I think the problem we face was summed up in a recent headline in the New York Times which read: "Ethics Classes Avoid Teaching Right and Wrong."

A: But some do. I've been in classes where teachers teach right and wrong in ways I think you would find very compatible. I talked to several groups of students about the Declaration of Independence, and those children believe it. These public school students believe that we are endowed by our Creator with certain inalienable rights.

Q: But, unfortunately, you can't tell them anything about our Creator in a public school.

A: I saw a couple of teachers do it.

Q: But I'm not denying that, at great peril to their careers, some public school teachers still defend the faith. My point is that this is the rule rather than the exception however. Do you believe that something that's not true should be taught as truth?

A: No.

Q: Do you believe evolution is true, that everything just happened, that life came from no-life, that we evolved from lower forms of animals?

A: I believe there is good scientific evidence for evolution.

Q: You do? So, you have no trouble with evolution being taught as truth in the public schools?

A: I have no trouble with it being taught as a scientific hypothesis which . . .

Q: But I'm talking about it being taught as being true.

A: Well, scientific truth is all hypothesis and experiment. There are no capital T's here in science. There is strong evidence and claims for it. It should be taught based on what evidence there is for it. And it should also be taught with a view toward what it doesn't explain.

Q: I thought you are a Christian.

A: I'm a Catholic, yes, a Christian.

Q: But how is the evolutionary view compatible with the Christian faith?

A: The church doesn't have any problem with evolution as long as you don't make any theological claims for it.

Q: But it can't be said that something is God-created and also just happened. You can't have purpose and meaninglessness.

A: That's right, provided your claims are at the same level. That is, you cannot both claim, at the same time, that creation—sorry, begged the question—that the world went up in a big bang or that God created it. But, you have different modes of inquiry here. I don't have any problem with it, with biologists.

Q: But you either believe that God created man, or that he evolved from some lower form of life. Which is it?

A: I believe both.

Q: But it can't be both. Either God created man whole and mature, from dust, and breathed life into him, or he evolved from a lower form of life.

A: Nope. Even your theology isn't very good here.

Q: You're saying Darwin is compatible with the Bible?

A: Oh sure, I think so. Sure, I do. You bet. The Catholic Church hasn't had any problem with this. What order of claim are you making? Are you making theological claims? See, I think people who teach evolution in school should be cautioned not to make metaphysical claims. That's the problem.

Q: But either life was created by God, or it came from no life through randomness and happenstance. These are not the same thing.

A: Those are not mutually exclusive.

Q: The idea of God-created life and the evolutionary view that life came about through randomness and happenstance are the same thing? They are synonymous?

A: No, it depends on what order of claim you are making.

Q: What does this mean? Either God created life, or it just happened.

A: Is it true that human beings, homo sapiens, are a collection of fluids and chemicals and molecules? Sure, it is. Is that all there is? No, that's not all there is.

Q: But we're talking about origins. Either things happened originally, ex nihilo,—out of nothing—because God created them. Or, a bunch of glop swirled around and things just happened. But both of these things can't be true.

A: Sorry, but your theology is deficient. What do we mean by creation?

Q: But you've read the Genesis account, haven't you?

A: Yes, but I don't know what a day is in Genesis.

Q: But whatever we know about Genesis, we know that what happened wasn't randomness or happenstance or chaos or meaninglessness, was it? God did it, right? That's the Genesis account. And the Darwin acoount is that it all just happened.

A: We didn't get all the blueprints, all the specifications. We didn't get how all the mechanisms . . .

Q: But you're ignoring the threshold question.

A: I don't think I am.

Q: And I'm trying to get you out what are wild assertions that the God-created, bibical Genesis account, is the same as saying that it all just happened. How could they be the same? They are not the same thing.

A: That's right. They're not the same thing.

Q: Well, which do you believe?

A: I believe in God.

Q: Did He do anything?

A: Yes, yes. How He did it, I'm not sure. I don't know and you don't either.

Q: Well, you speak for yourself.

A: No, you don't know, John. You may tell me what you believe, but you don't really know.

Q: So, you can't know through believing?

A: You can know some things through believing.

Q: Do you believe in the Holy Spirit?

A: Yes, I do.

Q: Do you believe people can know things through the Holy Spirit?

A: Yes.

Q: Why do you think the 10th point of Karl Marx's "Communist Manifesto" was a demand for state schools, for "free education for all children in public schools?"

A: Is that the 10th point of the "Communist Manifesto?"

Q: Yes, it is.

A: If it was, clearly for Marx and his fellow travelers, the greatest degree of control possible to the state of not only modes of production, but also modes of dissemination of information.

Q: I agree. But doesn't this idea scare you?

A: Sure, There's always a worry about state power. However, we've managed to deal with it much more effectively than have those who followed Marx.

Q: But, in principle, our public schools are exactly like Soviet public schools, aren't they?

A: Don't ever confuse our public schools with their public schools.

Q: But, in principle, they are identical: no God . . .

A: That just shows you the bluntness and insufficiency of your categories, if you equate our schools with their schools.

Q: In principle, I said. Don't take it out of context.

A: This is the last, best hope of earth, John. And even our public schools are part of that.

Q: I remember when the Polish communist government tried to ban all crucifixes from being displayed in their public schools. And I thought: This is identical to what's happened in our public schools!

A: But we have not extirpated religion from the life of this community.

Q: I'm talking about from our public schools only.

A: That's right . . . . But don't confuse the United States with Poland.

Q: In principle, we have all too much in common.

A: We've got the First Amendment. We respect and honor it. And we are a religious people. We are a religious people and we manifest our religious beliefs.

Q: Ah, and so were the Romans and the Greeks! And that's what St. Paul said on Mars Hill [after touring Athens]. He told his audience that they were a religious people. The only problem was they didn't know the real God. Don't forget, this is a nation where it is now legal to murder millions of unborn babies. So, don't ever think that our country can do no wrong.

A: I didn't say we don't do any wrong.

Q: Then don't give me this moral relativism bit about how we are better compared to Russia.

A: We are better!

Q: But how are we compared to God?

A: The heck, that's moral relativism. That's objectively demonstrable. If your categories are such that you can't see that distinction any more—between us and the Soviet Union—you've got to spend less time in theology . . .

Q: But what scares me are our similarities, the growing similarities! Literacy is something you are interested in. In reading, are you for the "look-say" method or phonics?

A: I'm no expert, but the research tells us pretty persuasively that phonics has to be used early on, that it's the most effective way.

Q: Would you recommend, as Sam Blumenfeld has, the mandating of the teaching of intensive phonics in the public schools?

A: We're going to have our report out soon and . . .

Q: A report? You mean we don't know enough about phonics now?

A: Reports are very important for the secretary of education. They give me a microphone, a megaphone.

Q: Why in the world would you call the formation of Accuracy in Academia a bad idea, particularly since Howard Phillips, head of the Conservative Caucus, says that in a conversation with him and Reed Irvine [head of AIA] you were critical of those in academia who have criticized AIA, noting that those who express support for free inquiry and expression ought to tolerate critical evaluations of their own ideas?

A: Critical evaluations of their own ideas is fine. And that should be the ongoing life of the university. But hiring students as stoolies is silly, a bad idea.

Q: So, you think these academics will reform themselves?

A: No, no, they need to be reformed by . . .

Q: But who's going to watch them, to pick them up on their lies and distortions?

A: Presidents, deans, provosts.

Q: How will they know?

A: Well, they should know. That's their job.

Q: But what's wrong with students monitoring professors and checking out their facts? And why do you call them stoolies?

A: Because it's a silly idea. And I'm not the only conservative who thinks this. Midge Decter and Bob Tyrrell agree. The main reason it is silly is that it's the sort of thing that I hear from liberals when they try to caricature conservatives. This is the kind of thing that discredits responsible conservatives.

Q: Well, I hope that one of the things conservatives do is to try and find out if their professors lie and distort history. Certainly you agree there are professors who do this?

A: Absolutely. And I spent a good part of my academic career doing intellectual battle with these people, but I didn't hire students . . .

Q: What do you mean "hire?" Some of these monitors will already be in the classrooms.

A: I didn't hire them. I didn't set up an outside group. What I did was to teach many of the same students who were in a class taught by a radical professor. We argued the ideas. And then I would argue with the professor. . . . The rise of conservative intellectuals in and around the academy has had a great effect on American thought.

Q: In a recent talk in New York you lamented the fact that a student can get a bachelor's degree from 86 percent of our colleges without having studied the civilizations of classical Greece and Rome. And you included this area among the most important things a student should study in college. But why? What's so great about these so-called civilizations? In his book, "The Ancient City: A Study on Religion, Laws and Institutions of Greece and Rome," Fustel de Coulanges said of these so-called civilizations:

"The citizen was subordinate in everything, without any reserve, to the city. He belonged to it body and soul. The religion, pagan, which produced the state, and the state which supported the religion, sustained each other. There two powers formed a power almost superhuman to which the body and soul were equally enslaved. There was nothing independent in man. His body belonged to the state and was devoted to its defense." Why are you so high on these so-called civilizations? They were terrible!

A: In some ways they were. But, nevertheless, many of the ideas which came out of Greece and Rome are the ideas which sustained through the Middle Ages and the Renaissance and are seminal to our own political institutions. I can read Aristotle and have my students read Aristotle without condoning slavery. In fact, I don't know anybody who teaches Aristotle who condones slavery. He did. But. . .

Q: Well, we all make mistakes.

A: Yes, we do make mistakes. And he made a big one on that one. Nevertheless, these are the ideas which—if you want to understand the United States, our principles of government and what our founders are talking about, you've got to read the Greeks.

Q: But about this statistic: 100 percent of our students can get a bachelor's degree without studying Christianity, much less having to believe in Christ. Does this bother you?

A: Oh, I don't think you should require a course in Christianity. But if you study the humanities, you'll study Christianity.

Q: But you're bothered that students can get a bachelor's degree without knowing about the Greeks and the Romans.

A: The fact that they don't have to know about Christianity bothers me. And that they don't have to know about Judasim bothers me. You bet, it bothers me. But, should they have a course that requires the acknowledgement of Christ to graduate? No, they shouldn't have that.

Q: In this same talk in New York you referred to the need for college students to grapple with what you called life's relentless questions: What should be loved and defended, what should be noble and base? What is your answer? What is the standard by which you arrive at your answer to these questions?

A: By thought, reflection, experience and faith. My own experience and the experience of others who are fellow travelers on this planet with me, and those who have gone before.

Q: Truth is determined by your own experience?

A: No, but that's the vehicle we have to sort it out. All we have are our own minds and hearts when it comes to weighing and assessing and deciding. We have the experience of the entire human race to assess.

Q: But we have millions of experiences. How do you know which ones are right? For example, what does your experience tell you about the Resurrection? And the answer is: nothing.

A: That's right, except it is a matter of faith in my church and personal beleif on my part.

Q: Do you have one truth standard?

A: When it's pertinent, sure.

Q: What is it?

A: In areas such as religious belief and mathematics, there are single truths. In other areas there can be scientific truths, other kinds of truths and so on. What is man? He's a lot of things. The biologist tells us one kind of thing . . .

Q: But you say you are a Christian. There is a Christian answer to the question: What is man, and it's the answer.

A: Yes. For purposes of religious belief, yes indeed, that's right. And action and behavior, sure. But that doesn't mean I can't read a good book in biology to find out how cells work. That's interesting and worth knowing.

Q: A question-and-answer fact sheet about your department's TEACH voucher programs says that parents have the option to attend private schools that are "eligible." What does this mean? Who decides this eligibility? And what are the restrictions put on private schools?

A: In this case, since this is a federal program, we can have a fair amount to say about it. And we say that any private school that wants to welcome these Chapter I students may, but they may not discriminate on the basis of race. [At this point, a Bennett aide notes that eligible private schools are ones currently recognized as such by the Internal Revenue Service.]

Q: In other words, the state (in this case the IRS, the federal government) sets the eligibility requirements for private schools. But why? Even the bill establishing your Department of Education says parents will have the primary responsibility for their kids. So, why can't they determine which private schools are eligible?

A: They can.

Q: Baloney! The state, the IRS, sets the eligibility requirement!

Why?

A: It's another check.

Q: But you say you value parental choice. Then you give them the list of schools they have to choose from.

A: Hey, I talked to a lady the other day who told me she was keeping her kids home to play cards with her. And she was calling it a school, a poker school. That's not right. You can't have our money to do that.

Q: Look, you can ridicule, if you like, the idea of parental choice, but . . .

A: I'm not ridiculing parental choice.

Q: But when I mention it, you mention some stupid example of this woman . . .

A: That's because people err in those ways that . . .

Q: That you have to have the state deciding for them, right? But if you believe in parental choice, why aren't you letting parents decide which schools are eligible?

A: We are, but it's not absolute.

Q: A recent article in the Texas Law Review suggested holding public schools legally accountable for failure to educate kids in reading, writing and arithmetic. How does that sound to you?

A: I need to think about that. They certainly should be held responsible. But legally responsible? I'd like to pause on that because I don't know that we need more litigation. Schools that fail to do the job should be closed and boarded up. Those that do the job should be rewarded.

Q: Then why didn't you write this into your voucher plan? Why didn't you say that public schools that don't meet certain requirements cannot get the vouchers? You didn't do this, did you?

A: No. What we've done, in effect, is say that the parent can make that decision.

Q: But you've already set some eligibility (by letting the IRS determine which schools are eligible schools). Why not say that schools that don't meet certain testing requirements don't get your vouchers?

A: Why do you want to give more power to the state on that?

Q: But you're the one who defends the right of the state to define which schools are eligible schools.

A: States, I suppose, could do that.

Q: But why haven't you said it—that any school that doesn't pass a certain test level will not get our vouchers?

A: I don't think I should be setting that sort of rule. It's redundant. Because when you give parents the choice, as we're doing, and the school fails, the parent will pull the kid out.

Q: Then do you think it would be a good idea for the states to set a test level which, if a school falls below it, it cannot get your voucher?

A: It's an idea worth considering. You've got to take into account all the differing factors. You're dealing with some schools where you can't expect the kids' scores to be as high as in other areas. But it's not a bad idea. . . .

Q: But part of the voucher idea is to encourage competition and incentives.

A: Right.

Q: So, why not—since you didn't shrink from proposing the voucher idea from Washington—set standards which, if state schools fall below them, they don't get your voucher?

A: The states can do that.

Q: But why didn't you propose it?

A: I don't have any schools.

Q: Last year, I learned that the National Education Association's Professional Library in Westhaven, Conn., was distributing a booklet for use in the classroom titled "Homophobia in Education: How to Deal With Name Calling." The point of this booklet, which I am happy to say was withdrawn after I wrote a column about it, was that the real sin is homophobia—that is the intolerance toward homosexuals—not homosexuality, which was likened to being lefthanded or black or white or a man or a woman. Do you think this is a proper document to use in the classroom?

A: If I were on a school board or a curriculum committee, I wouldn't advocate it for use in the classroom, no.

Q: Do you think being a homosexual is like being lefthanded?

A: Is this a riddle? No, it's different.

Q: Should homosexuals be allowed to teach in public schools?

A: Yeah, some should. I was taught by some. It shouldn't be prohibited.

Q: So, being a homosexual shouldn't be grounds for dismissal?

A: If they proselytize, sure.

Q: Do you think being a homosexual says anything about a person's character?

A: Sometimes.

Q: I thought you are a Christian, a Catholic.

A: I am.

Q: What is Catholic teaching on homosexuality?

A: It's a sin.

Q: So, it doesn't bother you if homosexuals teach our kids?

A: Should sinners be allowed to teach? Yeah.

Q: I'm talking about practicing sinners.

A: Well, most of us are practicing sinners, too.

Q: No, no, no, no. You can't be a practicing sinner and be a Christian.

A: Oh yes you can.

TRIBUTE TO THE LATE GEORGIA O'KEEFFE

● Mr. BINGAMAN. Mr. President, I rise to pay tribute to one of the preeminent American artists of the 20th century, Georgia O'Keeffe. New Mexico was fortunate to have her as a citizen and as a resident. It was a compliment to her artistic sense and to New Mexico that she chose our State to live and work for almost her entire career.

Besides being remembered as one of America's first great women artists, Georgia O'Keeffe and her photographer husband, Alfred Stieglitz, fostered the development and dissemination of American modernism.

New Mexico and the Nation will miss Georgia O'Keeffe. Fortunately she has left us the fruit of a lifetime to help us remember and celebrate her genius.

Mr. President, I ask that a copy of the article that appeared in today's New York Times on Ms. O'Keeffe appear in the RECORD.

The article follows:

[From the New York Times, Mar. 7, 1986]

GEORGIA O'KEEFFE DEAD AT 98; SHAPER OF MODERN ART IN U.S.

(By Edith Evans Asbury)

Georgia O'Keeffe, the undisputed doyenne of American painting and a leader, with her husband, Alfred Stieglitz, of a crucial phase in the development and dissemination of American modernism, died yesterday at St. Vincent Hospital in Santa Fe, NM. She was 98 years old, and had lived in Santa Fe since 1984, when she moved from her longtime home and studio in Abiquiu, NM.

As an artist, as a reclusive but overwhelming personality and as a woman in what was for a long time a man's world, Georgia O'Keeffe was a key figure in the American 20th century. As much as anyone since Mary Cassatt, she raised the awareness of the American public to the fact that a woman could be the equal to any man in her chosen field.

As an interpreter and manipulator of natural forms, as a strong and individual colorist and as the lyric poet of her beloved New Mexico landscape, she left her mark on the history of American art and made it possible for other women to explore a new gamut of symbolic and ambiguous imagery.

Miss O'Keeffe was strong-willed, hard-working and whimsical. She would wrap herself in a blanket and wait, shivering, in the cold dark for a sunrise to paint; would climb a ladder to see the stars from a roof, and hop around in her stockings on an enormous canvas to add final touches before all the paint dried.

Miss O'Keeffe burst upon the art world in 1916, under auspices most likely to attract attention at the time in a one-woman show of her paintings at the famous "291" gallery of Alfred Stieglitz, the world-renowned pioneer in photography and sponsor of newly emerging modern art.

From then on, Miss O'Keeffe was in the spotlight, shifting from one audacious way of presenting a subject to another, and usually succeeding with each new experiment. Her colors dazzled, her erotic implications provoked and stimulated, her subjects astonished and amused.

She painted the skull of a horse with a bright pink Mexican artificial flower stuck in the eye socket. She painted other animal skulls, horns, pelvises and leg bones that gleamed white against brilliant skies, spanned valleys and touched mountain tops, all with serene disdain for conventional notions of perspective. She also painted New York skyscrapers, Canadian barns and crosses and oversized flowers and rocks.

The artist painted as she pleased, and sold virtually as often as she liked, for very good prices. She joined the elite, avant-garde, inner circle of modern American artists around Stieglitz, whom she married in 1924. Stieglitz took more than 500 photographs of her.

"He photographed me until I was crazy," Miss O'Keeffe said in later years. Others have called the pictures Stieglitz took of her the greatest love poem in the history of photography.

Her beauty aged well to another kind—weather-beaten, leathery skin wrinkled over high cheekbones and around a firm mouth that spoke fearlessly and tolerated no bores. And long after Stieglitz had died, in 1946, after Miss O'Keeffe forsook New York for the mountains and deserts of New Mexico, she was discovered all over again and proclaimed a pioneering artist of great individuality, power and historic significance.

Miss O'Keeffe had never stopped painting, never stopped winning critical acclaim, never stopped being written about as an interesting "character." But her paintings were so diverse, so uniquely her own and so unrelated to trends or schools that they had not attracted much close attention from New York critics.

RETROSPECTIVE AT AGE 83

Then, in 1970, when she was 83 years old, a retrospective exhibition of her work was held at the Whitney Museum of American Art. The New York critics and collectors and a new generation of students, artists and aficionados made an astonishing discovery. The artist who had been joyously painting as she pleased had been a step ahead of everyone, all the time.

Strolling through the Whitney show one could think Miss O'Keeffe had made some "very neat adaptations of various successful styles of the 1950's and 1960's in her own highly refined and slightly removed manner," wrote John Canaday, art critic of The New York Times. He described apparent similarities to Clyfford Still, Helen Frankenthaler, Barnett Newman, Ad Reinhardt and Andrew Wyeth.

But the paintings that seemed to reflect those styles were done by Miss O'Keeffe in 1920 or earlier, Mr. Canaday pointed out, "when her seeming models were either not yet born or were delighting their mothers with their first childish scrawls."

With no thought of resting on her laurels, the indomitable octogenarian went right on working. She painted new pictures, wrote an autobiography illustrated with her paintings that sold out immediately at $75 a copy and cooperated in the production of a film about herself and her work that won an award from the Directors Guild of America for Perry Miller Adato, who produced it for WNET-TV in 1977.

LITTLE EUROPEAN INFLUENCE

Despite the affinity of Miss O'Keeffe's work to paintings of other modern American artists, her paintings show surprisingly little evidence of the European influence seen in other American art. "She escaped the fate of remaining thrall to a European model by taking possession of her American experience and making that the core of her artistic vision," Hilton Kramer wrote in The Times in 1976 in his review of her book. Nevertheless, he declared, "her painting, though filled with vivid images of the places where she has lived, was anything but a product of the provinces."

Miss O'Keeffe's career, Mr. Kramer wrote, "is unlike almost any other in the history of modern art in America." It embraced virtually the whole history of modern art, from the early years of the century when Stieglitz exhibited the new art to a shocked New York, to its eventual acceptance as part of our culture, according to Mr. Kramer. At the age of 89, when her book was published, Miss O'Keeffe remained "a vital figure first of all as a painter or remarkable originality and power but also as a precious link with the first generation of American modernists," he wrote.

BORN ON WISCONSIN FARM

Georgia O'Keeffe was born on a wheat farm near Sun Prairie, Wis., on Nov. 15, 1887. Her father, Francis Calixtus O'Keeffe, was Irish; her mother was the former Ida Totto. Georgia was named for her maternal grandfather, Giorgio Totto, who came to the United States from Hungary, where he had gone from Italy.

When Miss O'Keeffe was 14 years old, the family moved to Williamsburg, Va. Three years later whe graduated from Chatham Protestant Episcopal Institute in Virginia. She went immediately to Chicago, where she studied for a year at the Art Institute with John Vanderpoel. Both of her grandmothers had dabbled at painting, two of her four sisters painted and one taught art. The elder of her two brothers was an architect.

Miss O'Keeffe had decided in Sun Prairie that she was going to be an artist when she grew up although, she wrote in her book, "I hadn't a desire to make anything like the pictures I had seen" and she did not have a very clear idea of what an artist would be.

For 10 discouraging years, she studied and painted, supporting herself by doing commercial art for advertising agencies and by teaching. She attended art classes at the Art Students League in New York in 1907-08, the University of Virginia Summer School in 1912 and Teachers College of Columbia University in 1916.

She was supervisor of art in the public schools of Amarillo, Tex., from 1912 to 1916, and taught summer classes at Columbia College in South Carolina and the University of Virginia. In 1916 she became head of the art department of West Texas Normal College.

Miss O'Keeffe's early pictures were imitative, but as she developed her technique, a ruggedly individual style began to assert itself. The results were out of step with the popular taste and accepted style of the early 1900's, but they encouraged her to concentrate boldly on expressing her own ideas.

"One day," Miss O'Keeffe recalled in later years, "I found myself saying to myself, 'I can't live where I want to. I can't even say what I want to.' I decided I was a very stupid fool not to at least paint as I wanted to."

A friend Anita Pollitzer, showed a group of Miss O'Keeffe's drawings and watercolors to Stieglitz in 1916. Miss Pollitzer, later to become a champion of equal rights for women and chairman of the National Woman's Party, had been a classmate of Miss O'Keeffe's at Columbia.

"At last, a woman on paper!" Stieglitz exclaimed when he saw the pictures. He hung them in his gallery, and the unknown Miss O'Keeffe created an immediate stir in the art world.

Mabel Dodge Luhan brought strings of psychiatrists to look at them," Stieglitz recalled later. "The critics came. There was talk, talk, talk." Some of the talk hinted at erotic symbolism.

Miss O'Keeffe stormed up from Texas and upbraided Stieglitz for showing her work without her permission. His answer was to persuade her to move to New York, abandon her teaching and devote herself to painting. He presented one-woman shows of her work almost annually thereafter until 1946, the year of his death. He and Miss O'Keeffe had been married 21 years.

After moving to New York, Miss O'Keeffe divided her time between New York City and Lake George, N.Y. After 1929, she also spent a great deal of time in New Mexico. She made her permanent residence at Abiquiu after the death of her husband.

Stieglitz's vigilant and canny management was a major factor in her rise to fame and fortune. Miss O'Keeffe continued to wear the clothes she pleased and to paint as she pleased.

Spare and dark-skinned, she had dark hair drawn severly back and knotted into a bun in those years. No makeup softened the angularity of her face with its high cheekbones, but here large, luminous eyes betrayed inner fires. Her clothes were usually black, loose-fitting and shapeless, functional rather than fashionable.

Miss O'Keeffe's paintings hang in museums all over the United States—including, in New York, the Metropolitan, the Whitney and the Museum of Modern Art—and in most major private collections. But she retained a great deal of her prolific production.

Miss O'Keeffe was elected to membership in the National Institute of Arts and Letters, the American Academy of Arts and Letters and the American Academy of Arts and Sciences. She was awarded honorary degrees by several colleges and universities, including Mount Holyoke and Columbia in 1971 and Harvard in 1973.

Miss O'Keeffe interrupted the cherished tranquility of her life in Abiquiu to come East to receive the honors from Mount Holyoke, Columbia and Harvard. She donned the required cap and gown, marched with the faculty members and sat with them on the platform hearing herself extolled as a kind of artistic monument.

Back in Abiquiu, the "monument" resumed a daily routine of work, now with the help of a young protégé, Juan Hamilton, a potter. He had knocked at her kitchen door asking for work and made his way up from man Friday to secretary. He supervised production of her book, and assisted with and appeared in the television film about her in 1977. He traveled with her to New York and California and managed her business affairs. There companionship was so close there were rumors of marriage.

In 1978 Mr. Hamilton, then 33 years old, came to New York alone on two missions. One was to put the finishing touches on the Metropolitan's exhibition of Stieglitz photographs of Miss O'Keeffe. Mr. Hamilton had helped her select the pictures and had assisted in the preparation of the book containing reproductions published by the museum in conjunction with Viking Press.

INTERRUPTED BY PROCESS SERVER

Mr. Hamilton's other mission was to mount his own exhibition of the sensuously sculptured pots, evocative of the desert, that Miss O'Keeffe had prodded him into producing. A gala party celebrating the opening of the show, at the Fifth Avenue Gallery of Robert Miller, was interrupted by a process server with notice that Mr. Hamilton was going to be sued for "malicious interference" with the business relationships of Doris Bry.

Miss Bry, the longtime New York representative of Miss O'Keeffe, had been dismissed about the time Mr. Hamilton had come on the scene, and Miss Bry tried to fight that dismissal with a Federal Court suit for $13.25 million against Mr. Hamilton charging that he induced Miss O'Keeffe to oust her.

"I don't know why she is suing him," Miss O'Keeffe snapped when she learned of it. "I don't know of anything wrong he has done!" The suit was later settled out of court.

She traveled to New York to visit friends and see art exhibitions until recent years, when poor eyesight and failing health kept her at home.

Miss O'Keeffe won numerous awards, including the Medal of Freedom, the nation's highest civilian award, in 1977, an award from Radcliffe College for lifetime achievements by women, in 1983, and the National Medal of Arts in 1985.

She is survived by a sister, Catherine Klenert.●

DRUG EXPORTATION

● Mr. D'AMATO. Mr. President, I rise today in support of S. 1848, legislation to permit the export of pharmaceutical products manufactured in the United States which currently cannot be exported because they have not been approved by the Secretary of Health and Human Services or the Secretary of Agriculture.

S. 1848, introduced by my colleagues Mr. HATCH and Mr. KENNEDY, addresses a serious issue which affects the health and economy of many nations around the world. Currently, the United States is the only country in the world to impose an approval related ban on pharmaceutical exports. The effect of this regulation is simple and straightforward: Either other nations are denied needed medications or U.S. pharmaceutical companies take their business overseas. In the latter instance, U.S. businesses, jobs, and dollars march into other economies. The pharmaceutical industry becomes like so many other industries that we have seen disappear from the United States.

I do not want to see this happen to the pharmaceutical industry or to the economy of the United States. The pharmaceutical companies of this Nation provide research, innovation, and jobs that are invaluable to the health and well-being of this Nation. We should offer incentives for innovation and production, not disincentives.

Losing the U.S. hold on pharmaceutical manufacturing also means losing the U.S. leadership position in biotechnology, particularly in the research to product-development stage. Currently, the process for approving pharmaceuticals in most foreign countries is significantly faster than that of the FDA. Therefore, drugs often are approved overseas long before they are approved in this country.

Small biotechnological companies which have entered into foreign licensing are usually required to, first, supply the foreign partner with commercial quantities of the drug from the U.S. production facility, or second, transfer the technology of the U.S. firm to the foreign partner, enabling the foreign partner to produce the drug in commercial quantities. Under current law, biotechnological companies in the United States are unable to ship commercial quantities of the unapproved drugs to foreign partners and are faced with the risks of exporting valuable technology. This is not a positive direction for the United States to be taking.

S. 1848 also provides for important new safeguards to assure that drugs are properly manufactured and labeled when sold abroad. It is my belief that the sponsors of this legislation have addressed seriously the problems that could arise from poor or improper labeling. In addition, a number of Third World service organizations support this legislation, with the primary belief that S. 1848 will promote increased access to health care in the Third World.

I commend Senators HATCH and KENNEDY for introducing this worthy legislation. I ask my colleagues to join this effort to promote productive and safe drug exportation.●

FRAUD HOTLINE

● Mr. SASSER. Mr. President, the General Accounting Office has issued a review of its fraud hotline operations covering the 7 years since the inception of this service. As one who was instrumental in setting up the GAO hotline, I take great pride in reading this impressive record.

The report reveals that the free hotline receives more than 10,000 telephone complaints every year—74,000 in the past 7 years. Of this number,

some 11,828 were calls warranting further review by other affected agencies.

Some 9,000 of the reviewed cases have now been closed, and 1,349 of them were substantiated. Nearly 400 cases were referred for criminal prosecution, leading to 41 convictions and civil remedies in 279 cases.

I note from the data that my own State of Tennessee is a relatively heavy user of the GAO hotline, confirming my view that Tennesseans are extraordinarily careful with the Government's money.

The largest category of complaints concerns allegations of improper receipt of Federal financial assistance, usually welfare, disability, or Social Security. Interestingly, the GAO received as many complaints about abuse of Federal work hours as about improper expenditures to contractors.

Mr. President, the General Accounting Office reports that its hotline staff works closely with inspectors general in those agencies having such an official. Through highlighting problems of fraud and waste, the GAO has brought about changes in systems and procedures not directly quantifiable. Thus, it is difficult to provide a precise dollar amount of saving through fraud reporting. However, the GAO, known for its careful numbers, is confident that millions of dollars in waste, fraud, abuse, and mismanagement have been identified through its hotline. I call that a victory of the first order.

Mr. President, I believe my colleagues would benefit greatly from knowing how the GAO hotline is helping us win the war against waste, fraud, abuse, and mismanagement. Therefore, I ask that the GAO fraud hotline report be printed in the RECORD.

The report follows:

FRAUD HOTLINE—7-YEAR GAO FRAUD HOTLINE SUMMARY

U.S. GENERAL ACCOUNTING OFFICE, ACCOUNTING AND FINANCIAL MANAGEMENT DIVISION

Washington, DC, February 20, 1986.

Hon. JIM SASSER,
U.S. Senate.

DEAR SENATOR SASSER: In response to your request to be kept apprised of the GAO Fraud Hotline progress, we are providing a fact sheet summarizing our 7 years of operation. This updates information provided to you in our last formal report on the Hotline dated September 25, 1984. This fact sheet is a brief overview which concentrates on Hotline statistics and examples of substantiated cases.

This formally transmits the data we provided to you on February 14, 1986. We hope this will be helpful to you in your efforts to assist the Congress and the public in combating fraud, waste, and mismanagement in the federal government.

As you requested, unless you publicly announce its contents earlier, we will not distribute this document until 10 days from its date. After 10 days, we will make copies available to interested parties. If you have any questions on this report or on the operation of the GAO Hotline, please contact Gary Carbone of my staff on (202) 275-9342.

Sincerely yours,

JOHN J. ADAIR,
Associate Director.

7-YEAR GAO FRAUD HOTLINE SUMMARY

(January 18, 1979–January 17, 1986)

I. CONTINUING OBJECTIVES, GOALS, AND PROCEDURES

Since our last formal report (GAO/AFMD-84-70, September 25, 1984) on the General Accounting Office (GAO) Fraud Hotline operation, the Hotline structure as well as the interviewing, screening, referral and follow-up procedures have not changed. Likewise, our objectives and goals have not changed significantly during the past 7 years. These are to:

Maintain a nationwide, toll-free hotline for receiving information on fraud, waste, and mismanagement in the federal government and refer cases to the federal agencies involved for their own audits or investigations;

Conduct investigations of alleged fraud, waste, and abuse involving agencies that do not have an inspector general (IG) or agencies with which GAO has not established referral procedures;

Respond to congressional requests and inquiries involving fraud, waste, and mismanagement of federal funds;

Follow up on certain allegations referred to offices of inspectors general (OIGs) to ensure all issues are investigated and corrective actions are taken;

Provide advisement letters (audit leads) to GAO divisions and the OIGs based on our review of allegations and agency responses; and

Provide information and assistance to federal, state, and local organizations establishing their own hotlines.

II. STATISTICAL OVERVIEW

In the 7-year period, over 74,000 calls have been received on the toll free hotlines, resulting in 11,828 cases warranting further review. The nationwide hotline phone number is 800-424-5454 and in the Washington, D.C., area, the number is 633-6987. Of the calls warranting further review, 71 percent were received from anonymous sources. Part of these anonymous calls were from federal employees. Altogether, calls from federal employees totaled 26 percent of those warranting further review.

Calls not written up were for reasons such as the caller lacked specific information or the allegations did not involve a federal program. Those callers who had information on nonfederal matters were directed to the appropriate state or local agency.

Geographic breakdown

The 11,828 cases were reported to have taken place in the following geographic areas:

Washington, DC	840
Alabama	202
Alaska	40
Arizona	136
Arkansas	134
California	1,508
Colorado	177
Connecticut	61
Delaware	15
Florida	504
Georgia	486
Hawaii	44
Idaho	46
Illinois	320
Indiana	101
Iowa	137
Kansas	89
Kentucky	221
Louisiana	137
Maine	44
Maryland	348
Massachusetts	172
Michigan	353
Minnesota	86
Mississippi	120
Missouri	267
Montana	56
Nebraska	52
Nevada	52
New Hampshire	29
New Jersey	202
New Mexico	103
New York	525
North Carolina	228
North Dakota	45
Ohio	559
Oklahoma	129
Oregon	96
Pennsylvania	493
Rhode Island	28
South Carolina	118
South Dakota	40
Tennessee	434
Texas	662
Utah	50
Vermont	16
Virginia	522
Washington	280
West Virginia	95
Wisconsin	102
Wyoming	16
Overseas	104
Missing codes	204

Referral to agencies

These 11,828 cases were subsequently referred to the following agencies for further review:

Department of Health and Human Services	3,344
Department of Defense	1,954
Internal Revenue Service	1,207
Department of Housing and Urban Development	774
Department of Labor	662
Department of Agriculture	644
Veterans Administration	582
General Accounting Office	376
General Services Administration	374
Department of Justice	343
Postal Service	279
Department of the Interior	274
Department of Transportation	250
Department of Education	196
Department of the Treasury	183
Environmental Protection Agency	130
Department of Energy	124
Department of Commerce	123
Office of Personnel Management	104
Small Business Administration	99
Community Services Administration	90
Federal Emergency Management Agency	49
National Aeronautics and Space Administration	44
Tennessee Valley Authority	39
Agency for International Development	19
Department of State	19
Other agencies	62
Total referrals	[1] 12,344

[1] Total cases referred is greater than the number of cases warranting further review because some cases were referred to more than one agency.

Participants

Allegations referred for further review have also been categorized according to the

participant in the alleged improper activity. We have established five such categories: (1) federal employees only, (2) federal employees in conjunction with others, (3) federal contractors or grantees, (4) individual recipients of federal financial assistance, and (5) other individuals or corporations. Of the 11,828 cases of wrongdoing and/or mismanagement, the highest proportion, 36.7 percent, was in the category "federal employees only."

The following chart shows the percentage for each participant category of the 11,828 cases referred for further review.

Not reproducible in the RECORD.

In the largest category, "federal employees only," we found 741 reports of employee work-hour abuse, 518 allegations of private use of government property, 486 reports of improper financial transactions, 303 allegations of theft, 270 allegations of noncompliance with established agency procedures or policies, 143 reports of purchasing unnecessary equipment, 128 allegations of awarding unneeded contracts, and 1,749 other allegations of fraud and mismanagement.

In the second largest category, "individual recipients of federal financial assistance," we found 1,031 allegations of improper receipt of welfare benefits and 733 of improper receipt of disability benefits. There were also 559 cases of improper receipt of social security benefits, 218 instances of improper receipt of food stamps, 161 reports of housing subsidy abuse, 151 instances of improper receipt of veterans benefits, and 465 miscellaneous allegations.

The "federal contractors or grantee organizations" category was responsible for 759 allegations of improper expenditure of government funds, 318 reports of non- or partial performance of contractor/grantee services, 192 allegations of medical personnel overbilling medicare/medicaid, 123 reports of the theft of government funds or property, 119 allegations of noncompliance with established procedures, and 787 other allegations of fraud and mismanagement.

In the category "other individuals or corporate entities," there were 945 allegations of income tax cheating and 403 other allegations of improper activities.

In the final category, "federal employees in conjunction with others," there were 224 allegations involving bribery or kickbacks, 119 allegations of conflict of interest, and 183 miscellaneous allegations.

Action taken on referrals

Of the 11,828 cases referred for further review, 9,199 have been closed. Of these closed cases, 1,349 were substantiated and in another 493, the reported allegations were not substantiated, but the agencies acted to prevent or minimize the possibility of an improper activity from occurring in the future.

The following chart shows the percentage for each participant category of the 1,842 cases in which allegations were substantiated or preventive action was taken.

Not reproducible in the RECORD.

The most common substantiated cases were private use of government property, work-hour abuse by federal employees, fraud by recipients of such benefits as welfare, social security, disability and housing, and lack of compliance with agency procedures.

Legal and administrative action

If an investigation discloses a violation of criminal law, the allegation is forwarded to the Justice Department or state prosecutor by the agency involved for review and possible prosecution. In the 7 years, 396 hotline cases were referred in this manner. The agencies told us that 117 of these cases had been prosecuted. Defendants were convicted in 41 cases. Civil remedies or other legal actions were pursued in 76 cases. The remaining 279 cases were declined for prosecution for such reasons as insufficient evidence, insignificant loss of federal money or the case would be more appropriately handled administratively by the agency.

In numerous instances, the agency took administrative action against federal employees, contractors, and other individuals. These actions included employee dismissals, suspensions, demotions, or transfers. In addition, contractors and grantees were suspended or debarred, had contracts or grants canceled, or were issued warnings about their work.

The Hotline has also provided numerous advisement letters identifying potential audit leads to GAO operating divisions and, on occasion, to appropriate agency officials. These leads have benefited GAO by providing the basis to initiate audits of agency programs or supporting ongoing audits with additional information.

Misspent funds/savings

In our September 1984 report, we identified approximately $20 million in misspent funds and estimated an additional $24 million in projected savings. However, this was done using only 20 percent of our substantiated cases.

Due to the nature of some of our hotline allegations and the fact that inspector general offices do not always have records of dollar savings in their hotline case files, we have found it very difficult to estimate dollar savings attributable to the Hotline. A number of these substantiated allegations do not lend themselves to estimating dollars saved, but do provide another type of savings. This involves actions taken by the agencies to prevent or deter activities in which the possibility for waste, abuse, and mismanagement exists. Based on the few substantiated cases that follow, we believe it is reasonable to conclude that millions of dollars in waste, fraud, abuse, and mismanagement have been identified as a result of calls to the GAO Hotline.

Examples of substantiated hotline cases closed in the last year are:

An anonymous caller alleged that a government contractor substituted plastic containers for the metal ones specified in the contract. General Services Administration (GSA) investigators substantiated the allegation that plastic containers were being used. However, the investigation also disclosed that the contract specifications writer inadvertently omitted the word "metal" in describing the containers. GSA submitted a claim to the contractor for $91,697 representing an estimate of the savings which were not passed on to the government by the contractor's substitution.

A caller to the hotline alleged that Metal Service Center of Georgia, Inc., was selling substandard metal to several government contractors including some with Department of Defense (DOD) contracts. The caller said that when the company lacked the type of metal needed to satisfy orders within a specified time frame, it substituted substandard metal which was readily available. To cover this substitution, quality certifications and test results were being falsified. Based on GAO's referral to the DOD IG, a joint investigation by the Naval Investigative Service and the FBI found the allegation to be substantiated. During the investigation, it was discovered that some of the defective metal had been intended for use in the U.S. Space Shuttle Program and for armor plating in the battleship New Jersey. As a result, the operations manager, the sales manager, and the salesman in charge of DOD contracts for the company were prosecuted and found guilty of fraud. The operations manager was sentenced to 3 years in prison. The other two individuals were each sentenced to 10 years in prison to be followed by 5 years probation. The DOD inspector general also conducted a separate investigation of a second company, Certified Products, Inc., which was operated by one of the individuals involved in the above case. This investigation disclosed violations similar to those in the Metal Service Center case. The two investigations were combined as part of the above guilty pleas. As a result of the investigations, both companies were debarred from doing business with the government for 10 years.

An anonymous caller alleged an air traffic controller had admitted smoking marijuana while on duty at an airport. According to the caller, this information was overheard at a party at which the controller was observed smoking the drug. As a result of a Department of Transportation OIG investigation, three controllers at the airport admitted drug use during nonduty hours. One controller resigned. The other two completed a drug rehabilitation program and returned to work—subject to post rehabilitation follow-up and drug screening at their own expense.

An anonymous informant alleged that a civilian Air Force contracting official and a contractor the official was doing business with lived together. Also, the official had instructed employees in the office not to report contract violations by this contractor. As a result of the investigation by the Air Force Office of Special Investigations, the official and immediate supervisor were formally notified that their employment was being terminated for violations of, and gross indifference to, Air Force regulations. The supervisor, because of her long and distinguished career, was allowed to retire. The other official's employment is being terminated.

An anonymous caller reported to the Hotline that he had often seen a chauffeur-driven government car transporting a woman to and from a neighborhood grocery store. The caller provided the license number of the car which showed it to be assigned to the Department of Justice. Investigation by the Department revealed that the car was assigned to the Attorney General and that it had been improperly used more than 300 times by his wife for personal errands between 1981 and 1984. The former Attorney General reimbursed the government $11,207 for the unauthorized use of the car.

An anonymous caller alleged that he and other nongovernment employees were able to walk in off the street and obtain government office supplies (pens, pencils, staplers, etc.) from the supply store located in a Veterans Administration (VA) facility. The caller claimed this was happening because the government employees were not asking anyone to show identification or sign for the supplies. The informant also indicated that the store was much busier around September because children were returning to school. Upon investigation by the agency, it was found that supplies were being dispensed without requiring identification, resulting in nonemployees receiving government supplies. The store now requires pres-

entation of an appropriate ID badge, and a formal system of controls was implemented to ensure against further losses.

A Federal Aviation Administration (FAA) employee called to report that the FAA was buying batteries for use in runway lights at a cost of $23 per battery when the same battery could be bought elsewhere for under $10. FAA substantiated the charges, and paid $6.75 per battery on a recent procurement. FAA buys about 250 to 300 of these batteries each year. The cost reduction will save about $4,500 a year. In response to this case, the FAA center acting on this matter has set up its own hotline to identify overpriced items in its $200 million dollar inventory.

An anonymous informant alleged that a junior college had been awarded a $7.7 million construction grant from the Department of Energy (DOE) but only a portion of the construction would be completed. The contractors involved were allegedly friends of the college's program director, and the informant alleged that illegal bidding, favoritism, and kickbacks were involved. A DOE IG investigation resulted in a subsequent referral to the FBI and the Department of Justice. The program director was indicted on 19 counts for submission of false claims. He plea bargained and pleaded guilty on one count but failed to appear for sentencing. Warrants were issued for his arrest. In addition, he and his affiliate corporations were debarred from doing business with the government for 5 years. In January 1986, he was apprehended upon his return from Libya and is currently being held for sentencing.

An informant alleged that a wealthy individual had falsified statements to a VA Medical Center that he did not have sufficient money to pay for his treatment. The VA IG investigated and proved the individual did have the ability to pay for his treatment and had falsely signed VA statements. The U.S. Attorney, however, declined to prosecute because the form VA was using was ambiguous. The VA is in the process of collecting over $16,000 from this individual for the treatment he received and is clarifying the forms used to apply for free VA care.

An anonymous informant alleged that a contractor had not given credit to the Bureau of Printing and Engraving, Department of the Treasury, for the return of defective supplies, even though the supplies had been returned approximately 1 year earlier. A review of Treasury records revealed that the Bureau's Office of Financial Management (OFM) had never received the forms documenting the return of the supplies. Actions were taken to record a credit of $130,000 against the next payment to the contractor. In addition, procedural changes were instituted to ensure that OFM received notification of any future returns.

An anonymous caller alleged a U.S. Coast Guard employee was collecting a rental subsidy of about $450 a month in Hawaii, while actually living with his parents rent free. Investigation by the DOT OIG substantiated that the subsidy was improper and it was terminated. In addition, the case prompted a study by the OIG resulting in five criminal convictions and recommendations to tighten rent subsidy program controls in Hawaii, Alaska, and Puerto Rico.

A hotline caller alleged that a surgical supply center was billing Medicare in his name for equipment he had not received. An investigation of the billing procedure indicated that the supply center was billing for services not rendered, resulting in an overpayment in excess of $1,900 to be repaid to Medicare.

An anonymous caller alleged that the Department of Commerce was violating federal law by paying the full share of health benefits for part-time Commerce employees instead of prorating the costs. Office of Personnel Management officials discussed the allegation with Commerce officials who acknowledged the violation and took corrective action.

An anonymous caller alleged that two employees of the National Oceanic and Atmospheric Administration were using a government computer to prepare documents associated with a private business venture. This was substantiated and both were admonished and counseled by their supervisor who obtained a commitment that there would be no further misuse of government equipment. They were also directed to attend a Standards of Conduct briefing.

An anonymous caller alleged that a woman was receiving Aid to Families with Dependent Children (AFDC) and food stamps while receiving unreported income under an assumed name. The state's department of social services investigated and found that she had improperly received $2,084 in AFDC and $921 in food stamps. The woman was indicted by the Grand Jury for welfare fraud.

An anonymous informant alleged that a Navy shipyard employee had hired five relatives and had unfairly assigned them overtime and preferential jobs. The Navy investigated and found that, while the employee had not been responsible for hiring his relatives (brother-in-law, son-in-law, and nephews), a number of them were working for him. As a result, the Navy IG recommended that the relatives be transferred to other jobs in the organization where they would not be under his supervision and that procedures be initiated to prevent recurrence.

Although the shipyard commander disagreed with some of the conclusions, he agreed to reassign one of the relatives and institute procedures to ensure that new supervisors are aware of prohibitions on nepotism.

An informant alleged that a former Marine Corp sergeant had received government travel payments for trips he had taken with a woman posing as his dependent wife. Naval Investigative Service investigated and the sergeant admitted to owing over $3,800 for unauthorized travel payments. The government is recovering this overpayment from his monthly retirement check.

A caller alleged that an Illinois contractor added false labor charges to a Department of Housing and Urban Development (HUD) contract for renovating a low income housing project. The caller had copies of documents substantiating his allegations. HUD's investigation verified the allegations and the contractor entered a guilty plea to the charge of submitting false statements to HUD. He was sentenced to 30 days in a work release program, placed on probation for 5 years, and debarred from further participation in HUD programs for 3 years.

An informant alleged that a company's advertisement might be a mail fraud scheme because the company was disguising itself as a federal government agency and requesting payment for its services. An investigation by the Postal Inspection Service resulted in a cease and desist order against the company, the owner, and his representatives and employees. Furthermore, the delivery of mail connected with the activity covered by the order and the payment of money orders to the company were forbidden.

An anonymous informant made 12 allegations that the commanding officer of a major Army base was spending government money on unnecessary projects. The Army IG investigated each of these allegations and found that only one was substantiated. The IG found that the base golf course was improperly maintaining a putting green behind the general's house at a cost of $750 to $1,000 a year. This maintenance was stopped.

An anonymous caller alleged that certain National Railroad Passenger Corporation (Amtrak) employees in Texas were not at work during their assigned hours. The GAO hotline coordinated this allegation with Amtrak officials. Amtrak's police investigation verified the allegation. Five employees were reprimanded and advised that a recurrence would result in dismissal. Their supervisor, who had condoned their absences, was given 20 days leave without pay and will now report to a different manager. Two other managers involved were reprimanded for not reviewing the operation over an 18-month period.●

HOME CARE FOR MEDICAL TECHNOLOGY DEPENDENT CHILDREN

● Mr. D'AMATO. Mr. President, I rise today in support of worthy legislation for children in this country. S. 1793, introduced by my distinguished colleagues, Mr. HATCH and Mr. KENNEDY, provides alternatives to hospitalization for children who are dependent on medical technology. I thank my colleagues for addressing this serious issue, and I commend their promotion of an innovative and sound solution to this problem.

S. 1793, the Alternatives to Hospitalization for Medical Dependent Children Act of 1985, is designed to create greater access and alternative services in our health care system. Currently, children who are dependent on high-tech medical equipment, such as those who are dependent upon respirators, are given very little choice in selecting their health care service. Many families have health benefit plans that mandate that such services be provided only in a hospital. Only three insurance companies in the country, however, cover home health care for those children in need of technologically advanced medical equipment.

Home health care has been proven to be cost effective and more desirable than hospitalization, but some insurance companies have been slow to change regardless of the acknowledged cost savings. One explanation for the slow response of insurance companies to offer home health benefits is the difficulty involved in developing new benefit plans to include home health coverage. S. 1793 addresses this issue by requesting the Office of Technology Assessment to develop a model home health plan for employer-sponsored health plans. The plan will

insure that the home health plan will not be more expensive than hospital care coverage. In addition, the model plan will cover all in-hospital services as a minimum requirement. Insurance companies will have the option of using this plan as a model for designing company-specific benefit packages, which includes home health coverage for children whose lives depend upon our medical technology.

S. 1793 also designates $20 million annually to be used to improve and maintain home health and community-based health care systems to support the in-home care for these children. This money will assist in the training and supervision of the required home health services personnel, because there currently are too few adequately trained health care personnel to help serve this population in their homes.

A final provision in the legislation is an insurance mandate. This provision is intended to serve as a catalyst, not as a punishment, to insurance companies. The legislation requires the Secretary of Health and Human Services to survey health benefit plans 30 months after the enactment of S. 1793. If 80 percent of such plans have not voluntarily adopted in-home coverage, the Secretary may mandate such coverage.

I believe this legislation will help decrease health care costs and allow children dependent on highly sophisticated medical equipment more humane health care service. Again, I commend Mr. HATCH and Mr. KENNEDY for addressing this issue. I encourage my colleagues to join me in supporting S. 1793.●

A FRESH AND HONEST PERSPECTIVE HONORING GEORGIA O'KEEFFE, 1887-1986

● Mr. DOMENICI. Mr. President, Georgia O'Keeffe has done what few are able to do. She has captured and communicated the special enchantment of life in the "Land of Enchantment"—New Mexico. She taught us to see our own State with new eyes. Nature's elements have taken on a new aspect in our consciousness thanks to her prolific career. Old bones, purple hillsides, adobe walls, vivid blossoms, and intense sunlight all add to our visual appreciation of the Southwest. In addition to the obvious geographic setting, her work creates a special glow and new understanding of life's stark beauty. Our innermost being learns to feel a new reality.

Like all great artists she eluded categorization. Her work bursts forth on canvas with an energy and a harmony truly unique and truly New Mexican. Her insights speak for themselves. It is ironic that our Nation's Capitol will be treated to a display of her works that opens the day after her death. These pictures are part of this morning's opening at the Smithsonian Institution's National Museum of American Art: "Art in New Mexico, 1900-45: Paths to Taos and Santa Fe."

I had the distinct pleasure of working personally with Georgia O'Keeffe to designate her home in Abiquiu, NM, as a national historic site. Upon approval, she noted that a new commercialism started to spring up around her beloved home. Rather than change the area so dear to her heart and her work, she asked that we withdraw the official designation. We did.

As she herself might recommend, I invite my colleagues and friends to experience her art directly. She preferred silence to long discussions. I will honor her by commending her work to those who would learn to see in a new light and with a fresh and honest perspective.

The following editorial, which I ask be printed in the RECORD, from today's Albuquerque Journal expresses the high regard and love New Mexico has for this woman of high vision and extraordinary ability.

The article follows:

[From the Albuquerque Journal, Mar. 7, 1986]

GEORGIA O'KEEFFE

"Where I was born and where and how I have lived is unimportant. It is what I have done with where I have been that should be of interest."—Georgia O'Keeffe, 1976

To us in New Mexico, it is of course important that an artist of Georgia O'Keeffe's ability and stature selected our state as her home, and as the source of much of her inspiration. Her choice and the visions she saw confirm our own wisdom in living here.

As for what O'Keeffe has done with New Mexico, along with other subjects of her canvas, that is not only of interest. It is strong evidence of the creative spirit and independence of the human being. At her death in Santa Fe Thursday, at the age of 98, she was the dean of American painters. She was, if not the best, certainly among the best of American painters.

O'Keeffe's art had gained an international reputation by the 1930s—a decade before she moved to New Mexico—when critics were calling her the foremost woman painter in the world and a pioneer in modernism. Newsweek magazine later called her "a serene mistress of the desert, a survivor of the American modernist revolution of the 1920s and '30s." Last year, her "White Rose, New Mexico," fetched a purchase price of $1,265,000 from an anonymous buyer. It was nearly four times the highest price previously paid for her work at an auction. Also last year, she was one of 12 internationally known artists and patrons to be awarded the first National Medal of the Arts, presented by President Reagan.

Her immediate environment was her art—the trees, hills and bones that filled the landscape of her home in Abiquiu. Among her influences were Gaugin and Oriental art, as introduced to her by Alon Bement, a disciple of educator Arthur Wesley Dow, at the University of Virginia. Both instructors were credited with inspiring O'Keeffe early in her career.

But beyond inspiration and education, no outside influence can create the vision an artist sees, the drive that compels the artist to transmit that vision onto canvas. For that, O'Keeffe needed her own inner eye, her own belief in her vision and ability.

This quiet, reclusive woman leaves behind her ghosts, her haunting images of sand, flowers and bones.●

A NEW TURN IN TURKEY

● Mr. D'AMATO. Mr. President, I want to bring to the attention of my colleagues an article by Jeri Laber, entitled, "A New Turn in Turkey" which recently appeared in the New York Review of Books. It is not a book review at all, but a review of the current state of human rights in Turkey. There are some disturbing reports contained in the article.

I commend the article to the attention of the Senate, and I ask that it be printed in the RECORD.

The article follows:

[From the New York Review of Books, Feb. 27, 1986]

A NEW TURN IN TURKEY

(By Jeri Laber)

The atmosphere in Turkey today is very different from what it was when I was there two and a half years ago. There is a new, almost inexplicable, sense of freedom in the country, a freedom that seems to exist in spite of continuing repression. There are still terrible problems—political prisoners, torture, and repressive legislation, but people are speaking openly about them now, seeking ways to correct them, and the press seems to have shed its inhibitions. In Istanbul and Ankara last December almost eveyone I talked to agreed that things are better, that the climate, at the very least, had improved.

In 1983, when I began planning the first Helinski Watch human-rights mission to Turkey, both the Turkish government and the U.S. State Department did virtually everything they could to discourage me. I was advised to postpone my trip until after the Turkish parliamentary elections. Eveyone would be too busy to see me, and I was told my visit could be a "disadvantage to U.S. foreign-policy interests." What I found in Turkey in 1983 was appalling—tens of thousands of political prisoners jailed since the 1980 military coup, many still awaiting trial; routine torture; the destruction or tight control of practically all active civilian institutions including the universities, the unions, and the press; and a pervasive fear among Turkish citizens. The U.S. embassy strongly defended the actions of the military leadership.

When I wrote about these matters after my return, I became the target of angry attacks from both Turkish and US officials. Yet some two years later, last December, I found all doors were open to me. In meetings that were reported daily in the Turkish press, I discussed human-rights abuses with the prime minister, the chief of police, the chairmen of all the major political parties in Turkey, and well over one hundred other people, both government officials and private citizens. The US ambassador to Turkey could not have been more cooperative—he invited Turkish officials to a special lunch for me in Ankara at which he gave the Helsinki Watch mission strong endorsement.

Some people told me that the recent changes in Turkey are the result both of

international pressure from human-rights groups and some Western European governments, and of the recent lifting of martial law in all but nine of Turkey's sixty-seven provinces. Others trace the change back to the November 1983 parliamentary elections, the first to be held after the military takeover in 1980.

If the parliament has become a stage where human-rights issues are discussed, the perfomers so far appear merely to be playacting. The real human-rights drama, virtually unchanged, is being enacted far from the public eye. Thousands of political prisoners, some broken, some rebellious, are hidden away in military prisons, many of them still awaiting the outcome of trials that have dragged on for years. Most of these prisoners are young people, often students, who were arrested in 1980 or 1981 and charged with some form of terrorist activity. Many of them were badly tortured when they were arrested, and they continue to be treated harshly in prison. Some will eventually be acquitted through drawn-out appeals in the courts, and will leave prison with bitter memories of torture and of lost youth. Others face the prospect of long prison terms or even the death penalty.

Prison visits are harrowing. The prisoners face their relatives and lawyers from behind two thicknesses of glass partition. Conversations are conducted by telephone, while the guards listen in, ready to cut off the talk at any moment or, still worse, to record it to be used as evidence against the prisoner. For these reasons, many prisoners refuse to meet with their families. I met mothers who said they had not seen their imprisoned children for three years or more.

What will happen to these young people who are becoming more rebellious and embittered with each passing year? Estimates to their numbers vary, but the Turkish government acknowledges some ten thousand, a number that includes those sentenced for crimes of thought as well as for crimes of violence. In prison, for example, are members of the Turkish Peace Association, including prominent lawyers, doctors, and other professionals, who have been charged and sentenced for their beliefs and not for any violent acts. The Turkish constitution does not distinguish between the two categories of crime. It stipulates that no political prisoners can be given amnesty. Yet nearly everyone agrees that an amnesty is sorely needed. Prime Minister Ozal, in an effort to circumvent the constitutional prohibition, has suggested a one-time parole for good behavior. There have been other suggestions as well, but President Evren has so far opposed all of them.

The fate of this youthful, politicized prison population, a major problem in Turkey, is overshadowed only by the problem of torture. Dispite all the protests to the contrary, it has not yet been brought under control. Torture was practiced in Turkey before 1980 as well, but it became more widespread and routine after the 1980 coup when tens of thousands of people were arrested. If there is less torture in Turkey today, it is mainly because there are fewer arrests, since torture usually takes place immediately after arrest, during police detention. The detenton period, once as long as ninety days, has now been reduced to somewhere between forty-eight hours and fifteen days, still much too long to be reassuring. Some Turkish authorities deny that suspects are kept incommunicado during this period, but the torture victims and the lawyers I met insist that this is invariably the practice.

Turkey has a restrictive constitution, a harsh penal code, a cumbersome court system, and much repressive legislation. Although many of these laws are now being disregarded, at least some of the time, there are no guarantees that current practices will continue. Nevertheless, there are courageous people in Turkey who are willing to take chances, and each time they do so the momentum for freedom becomes stronger. As former prime minister Bulent Ecevit said to me, "The difference between de jure and de facto continues to grow."

A dramatic recent example involves Mr. Ecevit himself, as well as another former prime minister, Suleyman Demirel. Both are restricted by law from any political activity or public statements, yet they have been speaking out in recent months and their remarks are being published in the press. Prime Minister Ozal acknowledged that although the two men "should not be involved," they are making speeches, traveling throughout Turkey, criticizing the budget, and indeed criticizing him. "I find it better to proceed on this basis," he told me, somewhat proudly. He also pointed out that in the March 1984 municipal elections he "disregarded the law" by allowing parties that reflect the positions of the banned political tendencies to participate. In Turkey today, even the prime minister boasts of disregarding the law.

Turkey is the third largest recipient of US aid and a major NATO outpost. The US government, seeking stability in Turkey, strongly supported the 1980 military takeover and the martial law regime, and now backs the government of Prime Minister Ozal. A visitor quickly has cause to worry about the US image there. Not one of the dozens of people I talked to, except for the prime minister, had anything favorable to say about the policies of the United States. Victims of human-rights abuses hold the US government responsible for their sufferings, they are convinced that the US is in a position to stop torture if it would only take a strong stand. The opposition leaders in the parliament are also angry with the United States. Mr. Husamettin Cindoruk, the chairman of the conservative Correct Way party, who describes himself as pro-American, says that the Reagan administration is not "truly democratic." He claims that "the US administration is as responsible as the military for the suspension of human rights in Turkey."

Mr. Aydin Gurkan, chairman of the Social Democratic People's party, the left-of-center party currently favored to win in a new election, criticized the Reagan administration for its unqualified support of Prime Minister Ozal. "Everyone knows about the conditions in the prisons and about torture, but no one does anything about it," he said. "Reagan and Ozal come together very often. Why don't they solve this problem?" If the United States is committed to establishing a democratic proccess in Turkey, is it appropriate or wise for it to be estranging the politicians who seem likely to be its future leaders and to give all its support to one political party and its leader?

More than five years since the 1980 military takeover, Turkey seems at the threshold of a new phase of its political history. It is not the democracy that some suggest it has become—nor will it be so long as people are imprisoned for their views or tortured in police stations and there are restrictions on universities, unions, and civil associations of all kinds. It will not be a democracy until there are legal safeguards for the civil liberties that are beginning to be exercised there. And yet I found good reason to be hopeful. The sensitivity of the authorities to international criticism and their recognition of the need for improvements seem to me indisputable. So is the vitality of many of the political leaders and potential leaders in Turkey today. Turkish society is in the midst of dynamic changes, and the forces favoring freedom, democracy, and human rights are growing stronger.●

PROCEDURAL RULES OF THE SELECT COMMITTEE ON ETHICS

● Mr. RUDMAN. Mr. President, in accordance with the requirement to publish the rules of each Senate committee in the RECORD each year, I submit the procedural rules of the select committee and ask that they be printed in the RECORD.

The material follows:

RULES OF THE SELECT COMMITTEE ON ETHICS

(Adopted February 23, 1978)

PART I:—ORGANIC AUTHORITY

Subpart A—S. Res. 338 as amended

Resolved, That (a) there is hereby established a permanent select committee of the Senate to be known as the Select Committee on Ethics [1] (referred to hereinafter as the "Select Committee") consisting of six Members of the Senate, of whom three shall be selected from members of the majority party and three shall be selected from members of the minority party. Members thereof shall be appointed by the Senate in accordance with the provisions of Paragraph 1 of Rule XXIV of the standing rules of the Senate at the beginning of each Congress.[1] For purposes of paragraph 4 of rule XXV of the Standing Rules of the Senate, service of a Senator as a member or chairman of the Select Committee shall not be taken into account.

(b) Vacancies in the membership of the Select Committee shall not affect the authority of the remaining members to execute the functions of the committee, and shall be filled in the same manner as original appointments thereto are made.

(c)(1) A majority of the Members of the Select Committee shall constitute a quorum for the transaction of business involving complaints and allegations of misconduct, including the consideration of matters involving sworn complaints, unsworn allegations or information, resultant preliminary inquiries, initial reviews, investigations, hearings, recommendations or reports and matters relating to Senate Resolution 400, agreed to May 19, 1976.

(2) Three Members shall constitute a quorum for the transaction of routine business of the Select Committee not covered by the first paragraph of this subparagraph, including requests for opinions and interpretations concerning the Code of Official Conduct or any other statute or regulation under the jurisdiction of the Select Committee, if one Member of the quorum is a Member of the Majority Party and one Member of the quorum is a Member of the Minority Party. During the transaction of routine business any Member of the Select Committee constituting the quorum shall have the right to postpone further discus-

[1] Changed by Section 102 of S. Res. 4 (February 4, 1977).

sion of a pending matter until such time as a majority of the Members of the Select Committee are present.

(3) The Select Committee may fix a lesser number as a quorum for the purpose of taking sworn testimony.[2]

"(d)(1)[3] A member of the Select Committee shall be ineligible to participate in any initial review or investigation relating to his own conduct, the conduct of any officer or employee he supervises, or the conduct of any employee of any officer he supervises, or relating to any complaint filed by him, and the determinations and recommendations of the Select Committee with respect thereto. For purposes of this subparagraph, a Member of the Select Committee and an officer of the Senate shall be deemed to supervise any officer or employee consistent with the provision of paragraph 12 of rule XXXVII of the Standing Rules of the Senate.

"(2) A Member of the Select Committee may, at his discretion, disqualify himself from participating in any initial review or investigation pending before the Select Committee and the determinations and recommendations of the Select Committee with respect thereto. Notice of such disqualification shall be given in writing to the President of the Senate.

"(3) Whenever any member of the Select Committee is ineligible under paragraph (1) to participate in any initial review or investigation or disqualfies himself under paragraph (2) from participating in any initial review or investigation, another Member of the Senate shall, subject to the provisions of subsection (d), be appointed to serve as a member of the Select Committee solely for purposes of such initial review or investigation and the determinations and recommendations of the Select Committee with respect thereto. Any Member of the Senate appointed for such purposes shall be of the same party as the Member who is ineligible or disqualifies himself."

SEC. 2. (a) It shall be the duty of the Select Committee to—

(1) receive complaints and investigate allegations of improper conduct which may reflect upon the Senate, violations of law, violations of the Senate Code of Official Conduct[4] and violations of rules and regulations of the Senate, relating to the conduct of individuals in the performance of their duties as Member of the Senate, or as officers or employees of the Senate, and to make appropriate findings of fact and conclusions with respect thereto;

(2) recommend to the Senate by report or resolution by a majority vote of the full committee disciplinary action (including, but not limited to, in the case of a Member: censure, expulsion, or recommendation to the appropriate party conference regarding such Member's seniority or positions of responsibility; and, in the case of an officer or employee: suspension or dismissal)"[5] to be taken with respect to such violations which the Select Committee shall determine, after according to the individuals concerned due notice and opportunity for hearing, to have occurred;

(3) recommend to the Senate, by report or resolution, such additional rules or regulations as the Select Committee shall determine to be necessary or desirable to insure proper standards of conduct by Members of the Senate, and by officers or employees of the Senate, in the performance of their duties and the discharge of their responsibilities; and

(4) report violations by a majority vote of the full committee of any law to the proper Federal and State authorities.

"(b)(1) Each sworn complaint filed with the Select Committee shall be in writing, shall be in such form as the Select Committee may prescribe by regulation, and shall be under oath.

"(2) For purposes of this section, 'sworn complaint' means a statement of facts within the personal knowledge of the complainant alleging a violation of law, the Senate Code of Official Conduct, or any other rule or regulation of the Senate relating to the conduct of individuals in the performance of their duties as Members, officers, or employees of the Senate.

"(3) Any person who knowingly and willfully swears falsely to a sworn complaint does so under penalty of perjury, and the Select Committee may refer any such case to the Attorney General for prosecution.

"(4) For the purposes of this section, 'investigation' is a proceeding undertaken by the Select Committee after a finding, on the basis of an initial review, that there is substantial credible evidence which provides substantial cause for the Select Committee to conclude that a violation within the jurisdiction of the Select Committee has occurred.

"(c)(1) No investigation of conduct of a Member or officer of the Senate, and no report, resolution, or recommendation relating thereto, may be made unless approved by the affirmative recorded vote of not less than four members of the Select Committee.

"(2) No other resolution, report, recommendation, interpretative ruling, or advisory opinion may be made without an affirmative vote of a majority of the members of the Select Committee voting.

"(d)(1) When the Select Committee receives a sworn complaint against a Member or officer of the Senate, it shall promptly conduct an initial review of that complaint. The initial review shall be of duration and scope necessary to determine whether there is substantial credible evidence which provides substantial cause for the Select Committee to conclude that a violation within the jurisdiction of the Select Committee has occurred.

"(2) If as a result of an initial review under paragraph (1), the Select Committee determines by a recorded vote that there is no such substantial credible evidence, the Select Committee shall report such determination to the complainant and to the party charged together with an explanation of the basis of such determination.

"(3) If as a result of an initial review under paragraph (1), the Select Committee determines that a violation is inadvertent, technical or otherwise of a *de minimus* nature, the Select Committee may attempt to correct or prevent such a violation by informal methods.

"(4) If as a result of an initial review under paragraph (1), the Select Committee determines that there is such substantial credible evidence but that the violation, if proven is neither of a *de minimus* nature nor sufficiently serious to justify any of the penalties expressly referred to in subsection (a)(2), the Select Committee may propose a remedy it deems appropriate. If the matter is thereby resolved, a summary of the Select Committee's conclusions and the remedy proposed shall be filed as a public record with the Secretary of the Senate and a notice of such filing shall be printed in the Congressional Record.

"(5) If as the result of an initial review under paragraph (1), the Select Committee determines that there is such substantial credible evidence, the Select Committee shall promptly conduct an investigation if (A) the violation, if proven, would be sufficiently serious, in the judgment of the Select Committee, to warrant imposition of one or more of the penalties expressly referred to in subsection (a)(2), or (B) the violation, if proven, is less serious, but was not resolved pursuant to paragraph (4) above. Upon the conclusion of such investigation, the Select Committee shall report to the Senate, as soon as practicable, the results of such investigation together with its recommendations (if any) pursuant to subsection (a)(2).

"(6) Upon the conclusion of any other investigation respecting the conduct of a Member or officer undertaken by the Select Committee, the Select Committee shall report to the Senate, as soon as practicable, the results of such investigation together with its recommendations (if any) pursuant to subsection (a)(2).

"(e) When the Select Committee receives a sworn complaint against an employee of the Senate, it shall consider the complaint according to procedures it deems appropriate. If the Select Committee determines that the complaint is without substantial merit, it shall notify the complainant and the accused of its determination, together with an explanation of the basis of such determination.

"(f) The Select Committee may, in its discretion, employ hearing examiners to hear testimony and make findings of fact and/or recommendations to the Select Committee concerning the disposition of complaints.

"(g) Notwithstanding any other provision of this section, no initial review or investigation shall be made of any alleged violation of any law, the Senate Code of Official Conduct, rule, or regulation which was not in effect at the time the alleged violation occurred. No provisions of the Senate Code of Official Conduct shall apply to or require disclosure of any act, relationship, or transaction which occurred prior to the effective date of the applicable provision of the Code. The Select Committee may conduct an initial review or investigation of any alleged violation of a rule or law which was in effect prior to the enactment of the Senate Code of Official Conduct if the alleged violation occurred while such rule or law was in effect and the violation was not a matter resolved on the merits by the predecessor Select Committee.

"(h) The Select Committee shall adopt written rules setting forth procedures to be used in conducting investigations of complaints."[6]

(i)[7] The Select Committee from time to time shall transmit to the Senate its recommendation as to any legislative measures which it may consider to be necessary for the effective discharge of its duties.

SEC. 3. (a) The Select Committee is authorized to (1) make such expenditures; (2)

[2] Changed by S. Res. 78 (February 24, 1981).
[3] Added by S. Res. 110 (April 2, 1977).
[4] Added by Section 201 of S. Res. 110 (April 2, 1977).
[5] Added by Section 205 of S. Res. 110 (April 2, 1977).
[6] Added by Section 202 of S. Res. 110 (April 2, 1977).
[7] Changed by Section 202 of S. Res. 110 (April 2, 1977).

hold such hearings; (3) sit and act at such times and places during the sessions, recesses, and adjournment periods of the Senate; (4) require by subpoena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents; (5) administer such oaths; (6) take such testimony orally or by deposition; (7) employ and fix the compensation of *a staff director, a counsel, an assistant counsel, one or more investigators, one or more hearing examiners,*[8] and such technical, clerical, and other assistants and consultants as it deems advisable; and (8) to procure the temporary services (not in excess of one year) or intermittent services of individual consultants, or organizations thereof, by contract as independent contractors or, in the case of individuals, by employment at daily rates of compensation not in excess of the per diem equivalent of the highest rate of compensation which may be paid to a regular employee of the Select Committee.[9]

(b)(1)[10] The Select Committee is authorized to retain and compensate counsel not employed by the Senate (or by any department or agency of the executive branch of the Government) whenever the Select Committee determines that the retention of outside counsel is necessary or appropriate for any action regarding any complaint or allegation, which, in the determination of the Select Committee is more appropriately conducted by counsel not employed by the Government of the United States as a regular employee.

"(2) Any investigation conducted under section 2 shall be conducted by outside counsel as authorized in paragraph (1), unless the Select Committee determines not to use outside counsel."; and

"(c)[11] With the prior consent of the department or agency concerned, the Select Committee may (1) utilize the services, information and facilities of any such department or agency of the Government," and (2) employ on a reimbursable basis or otherwise the services of such personnel of any such department or agency as it deems advisable.

With the consent of any other committee of the Senate, or any subcommittee thereof, the Select Committee may utilize the facilities and the services of the staff of such other committee or subcommitte whenever the chairman of the Select Committee determines that such action is necessary and appropriate.

"(d) Subpoenas may be issued (1) by the Select Committee or (2) by the chairman and vice chairman, acting jointly. Any such subpoena shall be signed by the chairman or the vice chairman and may be served by any person designated by such chairman or vice chairman. The chairman of the Select Committee or any member thereof may administer oaths to witnesses."[12]

"(e)(1)[13] The Select Committee shall prescribe and publish such regulations as it feels are necessary to implement the Senate Code of Official Conduct.

"(2) The Select Committee is authorized to issue interpretative rulings explaining and clarifying the application of any law, the Code of Official Conduct, or any rule or regulations of the Senate within its jurisdiction.

"(3) The Select Committee shall render an advisory opinion, in writing within a reasonable time, in response to a written request by a Member or officer of the Senate or a candidate for nomination for election, or election to the Senate, concerning the application of any law, the Senate Code of Official Conduct, or any rule or regulation of the Senate within its jurisdiction to a specific factual situation pertinent to the conduct or proposed conduct of the person seeking the advisory opinion.

"(4) The Select Committee may in its discretion render an advisory opinion in writing within a reasonable time in response to a written request by any employee of the Senate concerning the application of any law, the Senate Code of Official Conduct, or any rule or regulation of the Senate within its jurisdiction to a specific factual situation pertinent to the conduct or proposed conduct of the person seeking the advisory opinion.

"(5) Notwithstanding any provision of the Senate Code of Official Conduct or any rule or regulation of the Senate, any person who relies upon any provision or finding of an advisory opinion in accordance with the provisions of paragraphs (3) and (4) and who acts in good faith in accordance with the provisions and findings of such advisory opinion shall not, as a result of any such act, be subject to any sanction by the Senate.

"(6) Any advisory opinion rendered by the Select Committee under paragraphs (3) and (4) may be relied upon by (A) any person involved in the specific transaction or activity with respect to which such advisory opinion is rendered: *Provided, however,* That the request for such advisory opinion included a complete and accurate statement of the specific factual situation; and, (B) any person involved in any specific transaction or activity which is indistinguishable in all its material aspects from the transaction or activity with respect to which such advisory opinion is rendered.

"(7) Any advisory opinion issued in response to a request under paragraph (3) or (4) shall be printed in the Congressional Record with appropriate deletions to assure the privacy of the individual concerned. The Select Committee shall, to the extent practicable, before rendering an advisory opinion, provide any interested party with an opportunity to transmit written comments to the Select Committee with respect to the request for such advisory opinion. The advisory opinions issued by the Select Committee shall be compiled, indexed, reproduced, and made available on a periodic basis.

"(8) A brief description of a waiver granted under paragraph 2(c) of rule XXXIV or paragraph 1 of rule XXXV of the Standing Rules of the Senate shall be made available upon request in the Select Committee office with appropriate deletions to assure the privacy of the individual concerned."

SEC. 4. The expenses of the Select Committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the Select Committee.

SEC. 5. As used in this resolution, the term "officer or employee of the Senate" means—

(1) an elected officer of the Senate who is not a Member of the Senate;

(2) an employee of the Senate, any committee or subcommittee of the Senate, or any Member of the Senate;

(3) the Legislative Counsel of the Senate or any employee of his office;

(4) an Official Reporter of Debates of the Senate and any person employed by the Official Reporters of Debates of the Senate in connection with the performance of their official duties;

(5) a member of the Capitol Police force whose compensation is disbursed by the Secretary of the Senate;

(6) and employee of the Vice President if such employee's compensation is disbursed by the Secretary of the Senate; and

(7) an employee of a joint committee of the Congress whose compensation is disbursed by the Secretary of the Senate.

Subpart B—Public Law 93-191—Franked Mail, Provisions Relating to the Select Committee

SEC. 6. (a) The Select Committee on Standards and Conduct of the Senate shall provide guidance, assistance, advice and counsel, through advisory opinions or consultations, in connection with the mailing or contemplated mailing of franked mail under section 3210, 3211, 3212, 3218(2) or 3218, and in connection with the operation of section 3215, of title 39, United States Code, upon the request of any Member of the Senate or Member-elect, surviving spouse of any of the foregoing, or other Senate official, entitled to send mail as franked mail under any of those sections. The select committee shall prescribe regulations governing the proper use of the franking privilege under those sections by such persons.

(b) Any complaint filed by any person with the select committee that a violation of any section of title 39, United States Code, referred to in subsection (a) of this section is about to occur or has occurred within the immediately preceding period of 1 year, by any person referred to in such subsection (a), shall contain pertinent factual material and shall conform to regulations prescribed by the select committee. The select committee, if it determines there is reasonable justification for the complaint, shall conduct an investigation of the matter, including an investigation of reports and statements filed by that complainant with respect to the matter which is the subject of the complaint. The committee shall afford to the person who is the subject of the complaint due notice and, if it determines that there is substantial reason to believe that such violation has occurred or is about to occur, opportunity for all parties to participate in a hearing before the select committee. The select committee shall issue a written decision on each complaint under this subsection not later than thirty days after such a complaint has been filed or, if a hearing is held, not later than thirty days after the conclusion of such hearing. Such decision shall be based on written findings of fact in the case by the select committee. If the select committee finds, in its written decision, that a violation has occurred or is about to occur, the committee may take such action and enforcement as it considers appropriate in accordance with applicable rules, precedents, and standing orders of the Senate, and such other standards as may be prescribed by such committee.

(c) Notwithstanding any other provision of law, no court or administrative body in the United States or in any territory thereof

[8] Added by Section 204 of S. Res. 110 (April 2, 1977).

[9] Added by S. Res. 230 (July 25, 1977).

[10] Added by Section 204 of S. Res. 110 (April 2, 1977).

[11] Changed by Section 204 of S. Res. 110 (April 2, 1977).

[12] Section added by S. Res. 312 (Nov. 1, 1977).

[13] Section added by Section 206 of S. Res. 110 (April 2, 1977).

shall have jurisdiction to entertain any civil action of any character concerning or related to a violation of the franking laws or an abuse of the franking privlege by any person listed under subsection (a) of this section as entitled to send mail as franked mail, until a complaint has rendered a decision under subsection (b) of this section.

(d) The select committee shall prescribe regulations for the holding of investigations and hearings, the conduct of proceedings, and the rendering of decisions under this subsection providing for equitable procedures and the protection of individual, public, and Government interests. The regulations shall, insofar as practicable, contain the substance of the administrative procedure provisions of sections 551-559 and 701-706, of title 5 United States Code. These regulations shall govern matters under this subsection subject to judicial review thereof.

(e) The select committee shall keep a complete record of all its actions, including a record of the votes on any question on which a record vote is demanded. All records, data and files of the select committee shall be the property of the Senate and shall be kept in the offices of the select committee or such other places as the committee may direct.

Subpart C—Standing Orders of the Senate Regarding Unauthorized Disclosure of Intelligence Information, S. Res. 400, 94th Congress, Provisions Relating to the Select Committee

SEC. 8. * * *

(c)(1) No information in the possession of the select committee relating to the lawful intelligence activities of any department or agency of the United States which has been classified under established security procedures and which the select committee, pursuant to subsection (a) or (b) of this section, has determined should not be disclosed, shall be made available to any person by a Member, officer, or employee of the Senate except in a closed session of the Senate or as provided in paragraph (2).

(2) The select committee may, under such regulations as the committee shall prescribe to protect the confidentiality of such information, make any information described in paragraph (1) available to any other committee or any other Member of the Senate. Whenever the select committee makes such information available, the committee shall keep a written record showing, in the case of any particular information, which committee or which Members of the Senate received such information. No Member of the Senate who, and no committee which, receives any information under this subsection, shall disclose such information except in a closed session of the Senate.

(d) It shall be the duty of the Select Committee on Standards and Conduct to investigate any unauthorized disclosure of intelligence information by a Member, officer or employee of the Senate in violation of subsection (c) and to report to the Senate concerning any allegation which it finds to be substantiated.

(e) Upon the request of any person who is subject to any such investigation, the Select Committee on Standards and Conduct shall release to such individual at the conclusion of its investigation a summary of its investigation together with its findings. If, at the conclusion of its investigation, the Select Committee on Standards and Conduct determines that there has been a significant breach of confidentiality or unauthorized disclosure by a Member, officer, or employee of the Senate, it shall report its findings to the Senate and recommend appropriate action such as censure, removal from committee membership, or expulsion from the Senate, in the case of a Member, or removal from office or employment or punishment for contempt, in the case of an officer or employee.

Subpart D—Public Law 95-105, Section 515, Relating to Receipt and Disposition of Foreign Gifts and Decorations Received by Members, Officers and Employees of the Senate or Their Spouses or Dependents, Provisions Relating to the Select Committee on Ethics

SEC. 515. (a)(1) Section 7342 of title 5, United States Code, is amended to read as follows:

§ 7342. Receipt and disposition of foreign gifts and decorations.

"(a) For the purposes of this section—

* * * * *

"(6) 'employing agency' means—

"(A) the Committee on Standards of Official Conduct of the House of Representatives, for Members and employees of the House of Representatives, except that those responsibilities specified in subsections (c)(2)(A), (e), and (g)(2)(B) shall be carried out by the Clerk of the House;

"(B) the Select Committee on Ethics of the Senate, for Senators and employees of the Senate;

"(C) the Administrative Office of the United States Courts, for judges and judicial branch employees; and

"(D) the department, agency office, or other entity in which an employee is employed, for other legislative branch employees and for all executive branch employees.

"(b) An employee may not—

"(1) request or otherwise encourage the tender of a gift or decoration; or

"(2) accept a gift or decoration, other than in accordance with the provisions of subsections (c) and (d).

"(c)(1) The Congress consents to—

"(A) the accepting and retaining by an employee of a gift of minimal value tendered and received as a souvenir or mark of courtesy; and

"(B) the accepting by an employee of a gift of more than minimal value when such gift is in the nature of an educational scholarship or medical treatment or when it appears that to refuse the gift would likely cause offense or embarrassment or otherwise adversely affect the foreign relations of the United States, except that—

"(i) a tangible gift of more than minimal value is deemed to have been accepted on behalf of the United States and, upon acceptance, shall become the property of the United States; and

"(ii) an employee may accept gifts of travel or expenses for travel taking place entirely outside the United States (such as transportation, food, and lodging) of more than minimal value if such acceptance is appropriate, consistent with the interests of the United States, and permitted by the employing agency and any regulations which may be prescribed by the employing agency.

"(2) Within 60 days after accepting a tangible gift of more than minimal value (other than a gift described in paragraph (1)(B)(ii), an employee shall—

"(A) deposit the gift for disposal with his or her employing agency; or

"(B) subject to the approval of the employing agency, deposit the gift with that agency for official use. Within 30 days after terminating the official use of a gift under subparagraph (B), the employing agency shall forward the gift to the Administrator of General Services in accordance with subsection (e).

"(3) When an employee deposits a gift of more than minimal value for disposal or for official use pursuant to paragraph (2), or within 30 days after accepting travel or travel expenses as provided in paragraph (1)(B)(ii) unless such travel or travel expenses are accepted in accordance with specific instructions of his or her employing agency, the employee shall file a statement with his or her employing agency or its delegate containing the information prescribed in subsection (f) for that gift.

"(d) The Congress consents to the accepting, retaining, and wearing by an employee of a decoration tendered in recognition of active field service in time of combat operations or awarded for other outstanding or unusually meritorious performance, subject to the approval of the employing agency of such employee. Without this approval, the decoration is deemed to have been accepted on behalf of the United States, shall become the property of the United States, and shall be deposited by the employee, within sixty days of acceptance, with the employing agency for official use or forwarding to the Administrator of General Services for disposal in accordance with subsection (e).

"(e) Gifts and decorations that have been deposited with an employing agency for disposal shall be (1) returned to the donor, or (2) frowarded to the Administrator of General Services for transfer, donation, or other disposal in accordance with the provisions of the Federal Property and Administrative Services Act of 1949. However, no gift or decoration that has been deposited for disposal may be sold without the approval of the Secretary of State, upon a determination that the sale will not adversely affect the foreign relations of the United States. Gifts and decorations may be sold by negotiated sale.

"(f)(1) Not later than January 31 of each year, each employing agency or its delegate shall compile a listing of all statements filed during the preceding year by the employees of that agency pursuant to subsection (c)(3) and shall transmit such listing to the Secretary of State who shall publish a comprehensive listing of all such statements in the Federal Register.

"(2) Such listings shall include for each tangible gift reported—

"(A) the name and position of the employee;

"(B) a brief description of the gift and the circumstances justifying acceptance;

"(C) the identity, if known, of the foreign government and the name and position of the individual who presented the gift;

"(D) the date of acceptance of the gift;

"(E) the estimated value in the United States of the gift at the time of acceptance; and

"(F) disposition or current location of the gift.

"(3) Such listings shall include for each gift of travel or travel expenses—

"(A) the name and position of the employee;

"(B) a brief description of the gift and the circumstances justifying acceptance; and

"(C) the identity, if known, of the foreign government and the name and position of the individual who presented the gift.

"(4) In transmitting such listing for the Central Intelligence Agency, the Director of Central Intelligence may delete the information described in subparagraphs (A) and (C) of paragraphs (2) and (3) if the Director

certifies in writing to the Secretary of State that the publication of such information could adversely affect United States intelligence sources.

"(g)(1) Each employing agency shall prescribe such regulations as may be necessary to carry out the purpose of this section. For all employing agencies in the executive branch, such regulations shall be prescribed pursuant to guidance provided by the Secretary of State. These regulations shall be implemented by each employing agency for its employees.

"(2) Each employing agency shall—

"(A) report to the Attorney General cases in which there is reason to believe that an employee has violated this section;

"(B) establish a procedure for obtaining an appraisal, when necessary, of the value of gifts; and

"(C) take any other actions necessary to carry out the purpose of this section.

"(h) The Attorney General may bring a civil action in any district court of the United States against any employee who knowingly solicits or accepts a gift from a foreign government not consented to by this section or who fails to deposit or report such gift as required by this section. The court in which such action is brought may assess a penalty against such employee in any amount not to exceed the retail value of the gift improperly solicited or received plus $5,000.

"(i) The President shall direct all Chiefs of a United States Diplomatic Mission to inform their host governments that it is a general policy of the United States Government to prohibit United States Government employees from receiving gifts or decorations of more than minimal value.

"(j) Nothing in this section shall be construed to derogate any regulation prescribed by any employing agency which provides for more stringent limitations on the receipt of gifts and decorations by its employees.

"(k) The provisions of this section do not apply to grants and other forms of assistance to which section 108A of the Mutual Educational and Cultural Exchange Act of 1961 applies."

(2) The amendment made by paragraph (1) of this subsection shall take effect on January 1, 1978.

RULE 1. GENERAL PROCEDURES

(a) Officers: The Committee shall select a Chairman and a Vice Chairman from among its members. In the absence of the Chairman, the duties of the Chair shall be filled by the Vice Chairman or, in the Vice Chairman's absence, a Committee member designated by the Chairman.

(b) Procedural Rules: The basic procedural rules of the Committee are stated as a part of the Standing Orders of the Senate in Senate Resolution 338, 88th Congress, as amended, as well as other resolutions and laws. Supplementary Procedural Rules are stated herein and are hereinafter referred to as the Rules. The Rules shall be published in the Congressional Record not later than thirty days after adoption, and copies shall be made available by the Committee office upon request.

(c) Meetings:

(1) The regular meeting of the Committee shall be the first Thursday of each month while the Congress is in session.

(2) Special meetings may be held at the call of the Chairman or Vice Chairman if at least forty-eight hours notice is furnished to all members. If all members agree, a special meeting may be held on less than forty-eight hours notice.

(3)(A) If any members of the Committee desires that a special meeting of the Committee be called, the member may file in the office of the Committee a written request to the Chairman or Vice Chairman for that special meeting.

(B) Immediately upon the filing of the request the Clerk of the Committee shall notify the Chairman and Vice Chairman of the filing of the request. If, within three calendar days after the filing of the request, the Chairman or the Vice Chairman does not call the requested special meeting, to be held within seven calendar days after the filing of the request, any three of the members of the Committee may file their written notice in the office of the Committee that a special meeting of the Committee will be held at a specified date and hour; such special meeting may not occur until forty-eight hours after the meeting may not occur until forty-eight hours after the notice is filed. The Clerk shall immediately notify all members of the Committee of the date and hour of the special meeting. The Committee shall meet at the specified date and hour.

(d) Quorum:

(1) A majority of the members of the Select Committee shall constitute a quorum for the transaction of business involving complaints and allegations of misconduct, including the consideration of matters involving sworn complaints, unsworn allegations or information, resultant preliminary inquires, initial reviews, investigations, hearings, recommendations or reports and matters relating to Senate Resolution 400, agreed to May 19, 1976.

(2) Three members shall constitute a quorum for the transaction of the routine business of the Select Committee not covered by the first subparagraph of this paragraph, including requests for opinions and interpretations concerning the Code of Official Conduct or any other statute or regulation under the jurisdiction of the Select Committee, if one member of the quorum is a Member of the Majority Party and one member of the quorum is a Member of the Minority party. During the transaction of routine business any member of the Select Committee, constituting the quorum shall have the right to postpone further discussion of a pending matter until such time as a majority of the members of the Select Committee are present.

(3) The Select Committee may fix a lesser number as a quorum for the purpose of taking sworn testimony.

(e) Order of Business: Questions as to the order of business and the procedure of the Committee shall in the first instance be decided by the Chairman and Vice Chairman, subject to reversal by a vote by a majority of the Committee.

(f) Hearings Announcements: The Committee shall make public announcement of the date, place and subject matter of any hearing to be conducted by it at least one week before the commencement of that hearing, and shall publish such announcement in the Congressional Record. If the Committee determines that there is good cause to commence a hearing at an earlier date, such notice will be given at the earliest possible time.

(g) Open and Closed Committee Meetings: Meetings of the Committee shall be open to the public or closed to the public (executive session), as determined under the provisions of paragraphs 5(b) to (d) of Rule XXVI of the Standing Rules of the Senate. Executive session meetings of the Committee shall be closed except to the members and the staff of the Committee. On the motion of any member, and with the approval of a majority of the Committee members present, other individuals may be admitted to an executive session meeting for a specified period or purpose.

(h) Record of Testimony and Committee Action: An accurate stenographic or transcribed electronic record shall be kept of all Committee proceedings, whether in executive or public session. Such record shall include Senators' votes on any question on which a recorded vote is held. The record of a witness' testimony, whether in public or executive session, shall be made available for inspection to the witness or his counsel under Committee supervision; a copy of any testimony given by that witness in public session, or that part of the testimony given by the witness in executive session and subsequently quoted or made part of the record in a public session, shall be made available to any witness if he so requests. (See Rule 6 on Procedures for Conducting Hearings.)

(i) Secrecy of Executive Testimony and Action and of Complaint Proceedings:

(1) All testimony and action taken in executive session shall be kept secret and shall not be released outside the Committee to any individual or group, whether governmental or private, without the approval of a majority of the Committee.

(2) All testimony and action relating to a sworn complaint shall be kept secret and shall not be released by the Committee to any individual or group, whether governmental or private, except the respondent, without the approval of a majority of the Committee, until such time as a report to the Senate is required under Senate Resolution 338, 88th Congress, as amended, or unless otherwise permitted under these Rules. (See Rule 9 on Procedures for Handling Committee Sensitive and Classified Materials.)

(j) Release of Reports to Public: No information pertaining to, or copies of any Committee report, study, or other document which purports to express the view, findings, conclusions or recommendations of the Committee in connection with any of its activities or proceedings may be released to any individual or group whether governmental or private, without the authorization of the Committee. Whenever the Chairman or Vice Chairman is authorized to make any determination, then the determination may be released at his or her discretion. Each member of the Committee shall be given a reasonable opportunity to have separate views included as part of any Committee report. (See Rule 9 on Procedures for Handling Committee Sensitive and Classified Materials.)

(k) Ineligibility or Disqualification of Members and Staff:

(1) A member of the Committee shall be ineligible to participate in any Committee proceeding that relates specifically to any of the following:

(A) The member's own conduct;

(B) The conduct of any employee or officer that the member supervises, as defined in paragraph 11 of Rule XXXVII of the Standing Rules of the Senate;

(C) The conduct of any employee or any officer that the member supervises; or

(D) A complaint, sworn or unsworn, that was filed by a member, or by any employee or officer that the member supervises.

(2) If any Committee proceeding appears to relate to a member of the Committee in a manner described in subparagraph (1) of this paragraph, the staff shall prepare a

report to the Chairman and Vice Chairman. If either the Chairman or the Vice Chairman concludes from the report that it appears that the member may be ineligible, the member shall be notified in writing of the nature of the particular proceeding and the reason that it appears that the member may be ineligible to participate in it. If the member agrees that he or she is ineligible, the member shall so notify the Chairman or Vice Chairman. If the member believes that he or she is not ineligible, he or she may explain the reasons to the Chairman and Vice Chairman, and if they both agree that the member is not ineligible, the member shall continue to serve. But if either the Chairman or Vice Chairman continues to believe that the member is ineligible, while the member believes that he or she is not ineligible, the matter shall be promptly referred to the Committee. The member shall present his or her arguments to the Committee in executive session. Any contested questions concerning a member's eligibility shall be decided by a majority vote of the Committee, meeting in executive session, with the member in question not participating.

(3) A member may also disqualify himself from participating in a Committee proceeding in other circumstances not listed in subparagraph (k)(1).

(4) The President of the Senate shall be given written notice of the ineligiblity or disqualification of any member from any initial review, investigation or other proceeding requiring the appointment of another member in accordance with subparagraph (k)(5).

(5) Whenever a member of the Committee is ineligible to participate in or disqualifies himself from participating in any initial review, investigation, or other substantial Committee proceeding, another Member of the Senate who is of the same party shall be appointed by the Senate in accordance with the provisions of paragraph 1 of Rule XXIV of the Standing Rules of the Senate of the Senate, to serve as member of the Committee solely for the purposes of that proceeding.

(6) A member of the Committee staff shall be ineligible to participate in any Committee proceeding that the staff director or outside counsel determines relates specifically to any of the following.

(A) the staff member's own conduct;

(B) The conduct of any employee that the staff member supervises;

(C) the conduct of any Member, officer or employee for whom the staff member has worked for any substantial period; or

(D) a compliant, sworn or unsworn, that was filed by the staff member. At the direction or with the consent of the staff director or outside counsel, a staff member may also be disqualified from participating in a Committee proceeding in other circumstances not listed above.

(l) Recorded Votes: Any member may require a recorded vote on any matter.

(m) Proxies; Recording Votes of Absent Members:

(1) Proxy voting shall not be allowed when the question before the Committee is the initiation or continuation of an initial review or an investigation, or the issuance of a report or recommendation related thereto concerning a Member or officer of the Senate. In any such case an absent member's vote may be announced solely for purpose of recording the member's position and such announced votes shall not be counted for or against the motion.

(2) On matters other than matters listed in paragraph (m)(1) above, the Committee may order that the record be held open for the vote of absentees or recorded proxy votes if the absent Committee member has been informed of the matter on which the vote occurs and has affirmatively requested of the Chairman or Vice Chairman in writing that he be so recorded.

(3) All proxies shall be in writing, and shall be delivered to the Chairman or Vice Chairman to be recorded.

(4) Proxies shall not be considered for the purpose of establishing a quorum.

(n) Approval of Blind Trusts and Foreign Travel Requests Between Sessions and During Extended Recesses:

During any period in which the Senate stands in adjournment between sessions of the Congress or stands in a recess scheduled to extend beyond fourteen days, the Chairman and Vice Chairman, or their designees, acting jointly, are authorized to approve or disapprove blind trusts under the provision of Rule XXXIV, and to approve or disapprove foreign travel requests which require immediate resolution.

(o) Committee Use of Services or Employees of Other Agencies and Departments:

With the prior consent of the department or agency involved, the Committee may (1) utilize the services, information, or facilities of any such department or agency of the Government, and (2) employ on a reimbursable basis or otherwise the services of such personnel of any such department or agency as it deems advisable. With the consent of any other committee of the Senate, or any subcommittee, the Committee may utilize the facilities and the services of the staff of such other committee or subcommittee whenever the Chairman and Vice Chairman of the Committee, acting jointly, determine that such action is necessary and appropriate.

RULE 2: PROCEDURES FOR SWORN COMPLAINTS

(a) Sworn Complaints: Any person may file a sworn complaint with the Committee, alleging that any Senator, or officer, or employee of the Senate has violated a law, the Senate Code of Official Conduct, or any rule or regulation of the Senate relating to the conduct of any individual in the performance of his or her duty as a Member, officer, or employee of the Senate, or has engaged in improper conduct which may reflect upon the Senate.

(b) Form and Content of Complaints: A complaint filed under paragraph (a) shall be in writing and under oath, and shall set forth in simple, concise and direct statements:

(1) The name and legal address of the party filing the complaint (hereinafter, the complainant);

(2) The name and position or title of each Member, officer, or employee of the Senate who is specifically alleged to have engaged in the improper conduct or committed the violation (hereinafter, the respondent);

(3) The nature of the alleged improper conduct or violation, including if possible, the specific provision of the Senate Code of Official Conduct or other law, rule, or regulation alleged to have been violated.

(4)(A) A statement of the facts within the personal knowledge of the complainant that are alleged to constitute the improper conduct or violation.

(B) The term "personal knowledge" is not intended to and does not limit the complainant's statement to situations that he or she personally witnessed or to activities in which the complainant was a participant.

(C) Where allegations in the sworn complaint are made upon the information and belief of the complainant, the complaint shall so state, and shall set forth the basis for such information and belief.

(5) The complainant must swear that all of the information contained in the complaint either (a) is true, or (b) was obtained under circumstances such that the complainant has sufficient personal knowledge of the source of the information reasonably to believe that it is true. The complainant may so swear either by oath or by solemn affirmation before a notary public or other authorized official.

(6) All documents in the possession of the complainant relevant to or in support of his or her allegations may be appended to the complaint.

(c) Processing of Sworn Complaints:

(1) When the Committee receives a sworn complaint against a Member, officer or employee of the Senate, it shall determine by majority vote whether the complaint is in substantial compliance with paragraph (b) of this rule.

(2) If it is determined by the Committee that a sworn complaint does not substantially comply with the requirements of paragraph (b), the complaint shall be returned promptly to the complainant, with a statement explaining how the complaint fails to comply and a copy of the rules for filing sworn complaints. The complainant may resubmit the complaint in the proper form. If the complaint is not revised so that it substantially complies with the stated requirements, the Committee may in its discretion process the complaint in accordance with Rule 3.

(3) A sworn complaint against any Member, officer, or employee of the Senate that is determined by the Committee to be in substantial compliance shall be transmitted to the respondent within five days of that determination. The transmittal notice shall include the date upon which the complaint was received, a statement that the complaint conforms to the applicable rules, a statement that the Committee will immediately begin an initial review of the complaint, and a statement inviting the respondent to provide any information relevant to the complaint to the Committee. A copy of the Rules of the Committee shall be supplied with the notice.

RULE 3: PROCEDURES ON RECEIPT OF ALLEGATIONS OTHER THAN A SWORN COMPLAINT; PRELIMINARY INQUIRY

(a) Unsworn Allegations or Information: Any member or staff member of the Committee shall report to the Committee, and any other person may report to the Committee, any credible information available to him or her that indicates that any named or unnamed Member, officer or employee of the Senate may have—

(1) violated the Senate Code of Official Conduct;

(2) violated a law;

(3) violated any rule or regulation of the Senate relating to the conduct of individuals in the performance of their duties as Members, officers, or employees of the Senate; or

(4) engaged in improper conduct which may reflect upon the Senate. Such allegations or information may be reported to the Chairman, the Vice Chairman, a Committee member, or a Committee staff member.

(b) Sources of Unsworn Allegations or Information: The information to be reported to the Committee under paragraph (a), may

be obtained from a variety of sources, including but not limited to the following:

(1) sworn complaints that do not satisfy all of the requirements of Rule 2;

(2) anonymous or informal complaints, whether or not satisfying the requirements of Rule 2;

(3) information developed during a study or inquiry by the Committee or other committees or subcommittees of the Senate, including information obtained in connection with legislative or general oversight hearings;

(4) information reported by the news media; or

(5) information obtained from any individual, agency or department of the executive branch of the Federal Government.

(c) Preliminary Inquiry:

(1) When information is presented to the Committee pursuant to paragraph (a), it shall immediately be transmitted to the Chairman and the Vice Chairman, for one of the following actions.

(A) The Chairman and Vice Chairman, acting jointly, may conduct or may direct the Committee staff to conduct, a preliminary inquiry.

(B) The Chairman and Vice Chairman, acting jointly, may present the allegations or information received directly to the Committee for it to determine whether an initial review should be undertaken. (See paragraph (d).)

(2) A preliminary inquiry may include any inquiries or interviews that the Chairman and the Vice Chairman deem necessary or appropriate. In particular, the preliminary inquiry may seek independent credible evidence that tends to corroborate the information received and may also include discussions or correspondence with the complainant, if any, and the respondent, if any.

(3) At the conclusion of a preliminary inquiry, the Chairman and Vice Chairman shall receive a full report of its findings. The Chairman and Vice Chairman, acting jointly, shall then determine what further action, if any, is appropriate in the particular case, including any of the following:

(A) No further action is appropriate, because the alleged improper conduct or violation is clearly not within the jurisdiction of the Committee;

(B) No further action is appropriate, because there is no reason to believe that the alleged improper conduct or violation may have occurred; or

(C) The unsworn allegations or information, and a report on the preliminary inquiry, should be referred to the Committee, to determine whether an initial review should be undertaken. (See paragraph (d).)

(4) If the Chairman and Vice Chairman are unable to agree on a determination at the conclusion of a preliminary inquiry, then they shall refer the allegations or information to the Committee, with a report on the preliminary inquiry, for the Committee to determine whether an initial review should be undertaken. (See paragraph (d).)

(5) A preliminary inquiry shall be completed within sixty days after the unsworn allegations or information were received by the Chairman and Vice Chairman. The sixty day period may be extended for a specified period by the Chairman and Vice Chairman, acting jointly. A preliminary inquiry is completed when the Chairman and the Vice Chairman have made the determination required by subparagraphs (3) and (4) of this paragraph.

(d) Determination Whether to Conduct an Initial Review: When information or allegations are presented to the Committee by the Chairman and the Vice Chairman, the Committee shall determine whether an initial review should be undertaken.

(1) An initial review shall be undertaken when—

(A) there is reason to believe on the basis of the information before the Committee that the possible improper conduct or violation may be within the jurisdiction of the Committee; and

(B) there is reason to believe on the basis of the information before the Committee that the improper conduct or violation may have occurred.

(2) The determination whether to undertake an initial review shall be made by recorded vote within thirty days following the Committee's receipt of the unsworn allegations or information from the Chairman or Vice Chairman, or at the first meeting of the Committee thereafter if none occurs within thirty days, unless this time is extended for a specified period by the Committee.

(3) The Committee may determine that an initial review is not warranted because (a) there is no reason to believe on the basis of the information before the Committee that the improper conduct or violation may have occurred, or (b) the improper conduct or violation, even if proven, is not within the jurisdiction of the Committee.

(A) If the Committee determines that an initial review is not warranted, it shall promptly notify the complainant, if any, and any known respondent.

(B) If there is a complainant, he or she may also be invited to submit additional information, and notified of the procedures for filing a sworn complaint. If the complainant later provides additional information, not in the form of a sworn complaint, it shall be handled as a new allegation in accordance with the procedures of Rule 3. If he or she submits a sworn complaint, it shall be handled in accordance with Rule 2.

(4)(A) The Committee may determine that there is reason to believe on the basis of the information before it that the improper conduct or violation may have occurred and may be within the jurisdiction of the Committee, and that an initial review must therefore be conducted.

(B) If the Committee determines that an initial review will be conducted, it shall promptly notify the complainant, if any, and the respondent, if any.

(C) The notice required under subparagraph (B) shall include a general statement of the information or allegations before the Committee, and a statement that the Committee will immediately begin an initial review of the complaint. A copy of the Rules of the Committee shall be supplied with the notice.

(5) If a member of the Committee believes that the preliminary inquiry has provided sufficient information for the Committee to determine whether there is substantial credible evidence which provides substantial cause for the Committee to conclude that a violation within the jurisdiction of the Committee has occurred, the member may move that the Committee dispense with the initial review and move directly to the determinations described in Rule 4(f). The Committee may adopt such a motion by majority vote of the full Committee.

RULE 4: PROCEDURES FOR CONDUCTING AN INITIAL REVIEW

(a) Basis for Initial Review: The Committee shall promptly commence an initial review whenever it has received either (1) a sworn complaint that the Committee has determined is in substantial compliance with the requirements of Rule 2, or (2) unsworn allegations or information that have caused the Committee to determine in accordance with Rule 3 that an initial review must be conducted.

(b) Scope of Initial Review:

(1) The initial review shall be of such duration and scope as may be necessary to determine whether there is substantial credible evidence which provides substantial cause for the Committee to conclude that a violation within the jurisdiction of the Committee has occurred.

(2) The initial review may include any inquiries or interviews that the Committee deems appropriate to obtain the evidence upon which to make the determination required by subparagraph (1), including the taking of sworn statements and the use of subpoenas.

(c) Opportunity for Response: An initial review may include an opportunity for any known respondent or his designated representative, to present either a written or oral statement, or to respond orally to questions from the Committee. Such an oral statement or answers shall be transcribed and signed by the person providing the statement or answers.

(d) Status Reports: The Committee staff or outside counsel shall periodically report to the Committee in the form and according to the schedule prescribed by the Committee. The reports shall be confidential.

(e) Final Report: When the initial review is completed, the staff or outside counsel shall make a confidential report to the Committee on findings and recommendations.

(f) Committee Action: As soon as practicable following submission of the report on the initial review, the Committee shall determine by a recorded vote whether there is substantial credible evidence which provides substantial cause for the Committee to conclude that a violation within the jurisdiction of the Committee has occurred. The Committee may make any of the following determinations:

(1) The Committee may determine that there is not such substantial credible evidence. In this case, the Committee shall report its determination to the complainant, if any, and to the respondent, together with an explanation of the basis for the determination. The explanation may be as detailed as the Committee desires, but it is not required to include a complete discussion of the evidence collected in the initial review.

(2) The Committee may determine that there is such substantial credible evidence, but that the alleged violation is inadvertent, technical, or otherwise of a de minimis nature. In this case, the Committee may attempt to correct or to prevent such violation by informal methods. The Committee's final determination in this matter shall be reported to the complainant, if any, and to the respondent, if any.

(3) The Committee may determine that there is such substantial credible evidence, but that the alleged violation, if proven, although not of a de minimis nature, would not be sufficiently serious to justify the severe disciplinary actions specified in Senate Resolution 338, 88th Congress, as amended (i.e., for a Member, censure, expulsion, or recommendation to the appropriate party conference regarding the Member's seniority or positions of responsibility; or for an officer or employee, suspension or dismissal). In this case, the Committee, by

the recorded affirmative vote of at least four members, may propose a remedy that it deems appropriate. If the respondent agrees to the proposed remedy, a summary of the Committee's conclusions and the remedy proposed and agreed to shall be filed as a public record with the Secretary of the Senate and a notice of the filing shall be printed in the Congressional Record.

(4) The Committee may determine, by recorded affirmative vote of at least four members, that there is such substantial credible evidence, and also either:

(A) that the violation, if proved, would be sufficiently serious to warrant imposition of one of the severe disciplinary actions listed in paragraph (3); or

(B) that the violation, if proven, is less serious, but was not resolved pursuant to the procedure in paragraph (3). In either case, the Committee shall order that an investigation promptly be conducted in accordance with Rule 5.

RULE 5: PROCEDURES FOR CONDUCTING AN INVESTIGATION

(a) Definition of Investigation: An "investigation" is a proceeding undertaken by the Committee, by recorded affirmative vote of at least four members, after a finding on the basis of an initial review that there is substantial credible evidence which provides substantial cause for the Committee to conclude that a violation within its jurisdiction has occurred.

(b) Scope of Investigation: When the Committee decides to conduct an investigation, it shall be of such duration and scope as is necessary for the Committee to determine whether a violation within its jurisdiction has occurred. In the course of the investigation, designated outside counsel, or if the Committee determines not to use outside counsel, the Committee or its staff, may conduct inquires or interviews, take sworn statements, use compulsory process as described in Rule 7, or take any other actions that the Committee deems appropriate to secure the evidence necessary to make this determination.

(c) Notice to Respondent: The Committee shall give written notice to any known respondent who is the subject of an investigation. The notice shall be sent to the respondent no later than five working days after the Committee has voted to conduct an investigation. The notice shall include a statement of the nature of the possible violation, and a description of the evidence indicating that a possible violation occurred. The Committee shall offer the respondent an opportunity to present a statement or to respond to questions from members of the Committee, the Committee staff, or outside counsel.

(d) Right to a Hearing: The Committee shall accord a respondent an opportunity for a hearing before it recommends disciplinary action against that respondent to the Senate.

(e) Progress Reports to Committee: The Committee staff or outside counsel shall periodically report to the Committee concerning the progress of the investigation. Such reports shall be delivered to the Committee in the form and according to the schedule prescribed by the Committee, and shall be confidential.

(f) Report of Investigation:

(1) Upon completion of an investigation, including any hearings held pursuant to Rule 6, the outside counsel or the staff shall submit a confidential written report to the Committee, which shall detail the factual findings of the investigations and which may recommend disciplinary action, if appropriate. Findings of fact of the investigation shall be detailed in this report whether or not disciplinary action is recommended.

(2) The Committee shall consider the report of the staff or outside counsel promptly following its submission. The Committee shall prepare and submit a report to the Senate, including a recommendation to the Senate concerning disciplinary action, if appropriate. A report shall be issued, stating in detail the Committee's findings of fact, whether or not disciplinary action is recommended. The report shall also explain fully the reasons underlying the Committee's recommendation concerning disciplinary action, if any. No recommendation or resolution of the Committee concerning the investigation of a Member, officer or employee of the Senate may be approved except by the affirmative recorded vote of not less than four members of the Committee.

(3) Promptly after the conclusion of the investigation, the Committee's report and recommendation shall be forwarded to the Secretary of the Senate, and a copy shall be provided to the complainant and the respondent. The full report and recommendation shall be printed and made public, unless the Committee determines by majority vote that it should remain confidential.

RULE 6: PROCEDURES FOR HEARINGS

(a) Right to a Hearing: The Committee may hold a public or executive hearing in any inquiry, initial review, investigation, or other proceeding. The Committee shall accord a respondent an opportunity for a hearing before it recommends disciplinary action against that respondent to the Senate. (See Rule 5(e).)

(b) Non-public Hearings: The Committee may at any time during a hearing determine in accordance with paragraph 5(b) of Rule XXVI of the Standing Rules of the Senate whether to receive the testimony of specific witnesses in executive session. If a witness desires to express a preference for testifying in public or in executive session, he or she shall so notify the Committee at least five days before he or she is scheduled to testify.

(c) Adjudicatory Hearings: The Committee may, by majority vote, designate any public or executive hearing as an adjudicatory hearing; and, any hearing which is concerned with possible disciplinary action against a respondent or respondents designated by the Committee shall be an adjudicatory hearing. In any adjudicatory hearing, the procedures described in paragraph (j) shall apply.

(d) Subpoena Power: The Committee may require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such correspondence, books, papers, documents or other articles as it deems advisable. (See Rule 7.)

(e) Notice of Hearings: The Committee shall make public an announcement of the date, place, and subject matter of any hearing to be conducted by it, in accordance with Rule 1(f).

(f) Presiding Officer: The Chairman shall preside over the hearings, or in his absence the Vice Chairman. If the Vice Chairman is also absent, a Committee member designated by the Chairman shall preside. If an oath or affirmation is required, it shall be administered to a witness by the Presiding Officer, or in his absence, by any Committee member.

(g) Witnesses:

(1) A subpoena or other request to testify shall be served on a witness sufficiently in advance of his or her scheduled appearance to allow the witness a reasonable period of time, as determined by the Committee, to prepare for the hearing and to employ counsel if desired.

(2) The Committee may, by majority vote, rule that no member of the Committee or staff or outside counsel shall make public the name of any witness subpoenaed by the Committee before the date of that witness' scheduled appearance, except as specifically authorized by the Chairman and Vice Chairman, acting jointly.

(3) Any witness desiring to read a prepared or written statement in executive or public hearings shall file a copy of such statement with the Committee at least two working days in advance of the hearing at which the statement is to be presented. The Chairman and Vice Chairman shall determine whether such statements may be read or placed in the record of the hearing.

(4) Insofar as practicable, each witness shall be permitted to present a brief oral opening statement, if he or she desires to do so.

(h) Right to Testify: Any person whose name is mentioned or who is specifically identified or otherwise referred to in testimony or in statements made by a Committee member, staff member or outside counsel, or any witness, and who reasonably believes that the statement tends to adversely affect his or her reputation may—

(1) Request to appear personally before the Committee to testify in his or her own behalf; or

(2) File a sworn statement of facts relevant to the testimony or other evidence or statement of which he or she complained.

Such request and such statement shall be submitted to the Committee for its consideration and action.

(i) Conduct of Witnesses and Other Attendees: The Presiding Officer may punish any breaches of order and decorum by censure and exclusion from the hearings. The Committee, by majority vote, may recommend to the Senate that the offender be cited for contempt of Congress.

(j) Adjudicatory Hearing Procedures:

(1) Notice of Hearings: A copy of the public announcement of an adjudicatory hearing, required by paragraph (e), shall be furnished together with a copy of these Rules to all witnesses at the time that they are subpoenaed or otherwise summoned to testify.

(2) Preparation for Adjudicatory Hearings:

(A) At least five working days prior to the commencement of an adjudicatory hearing, the Committee shall provide the following information and documents to the respondent, if any:

(i) a list of proposed witnesses to be called at the hearing;

(ii) copies of all documents expected to be introduced as exhibits at the hearing; and

(iii) a brief statement as to the nature of the testimony expected to be given by each witness to be called at the hearing.

(B) At least two working days prior to the commencement of an adjudicatory hearing, the respondent, if any, shall provide the information and documents described in divisions (i), (ii) and (iii) of subparagraph (A) to the Committee.

(C) At the discretion of the Committee, the information and documents to be exchanged under this paragraph shall be subject to an appropriate agreement limiting access and disclosure.

(D) If a respondent refuses to provide the information and documents to the Committee (see (A) and (B) of this subparagraph), or if a respondent or other individual violates an agreement limiting access and disclosure, the Committee, by majority vote, may recommend to the Senate that the offender be cited for contempt of Congress.

(3) Swearing of Witnesses: All witnesses who testify at adjudicatory hearings shall be sworn unless the Presiding Officer, for good cause, decides that a witness does not have to be sworn.

(4) Right to Counsel: Any witness at an adjudicatory hearing may be accompanied by counsel of his or her own choosing, who shall be permitted to advise the witness of his or her legal rights during the testimony.

(5) Right to Cross-Examine and Call Witnesses:

(A) In adjudicatory hearings, any respondent who is the subject of an investigation, and any other person who obtains the permission of the Committee, may personally or through counsel cross-examine witnesses called by the Committee and may call witnesses in his or her own behalf.

(B) A respondent may apply to the Committee for the issuance of subopenas for the appearance of witnesses or the production of documents on his or her behalf. An application shall be approved upon a concise showing by the respondent that the proposed testimony or evidence is relevant and appropriate, as determined by the Chairman and Vice Chairman.

(C) With respect to witnesses called by a respondent, or other individual given permission by the Committee, each such witness shall first be examined by the party who called the witness or by that party's counsel.

(D) At least one working day before a witness' scheduled appearance, a witness or a witness counsel may submit to the Committee written questions proposed to be asked of that witness. If the Committee determines that it is necessary, such questions may be asked by any member of the Committee, or by any Committee staff member if directed by a Committee member. The witness or witness' counsel may also submit additional sworn testimony for the record within twenty-four hours after the last day that the witness has testified. The insertion of such testimony in that days' record is subject to the approval of the Chairman and Vice Chairman acting jointly within five days after the testimony is received.

(6) Admissibility of Evidence:

(A) The object of the hearing shall be to ascertain the truth. Any evidence that may be relevant and probative shall be admissible, unless privileged under the Federal Rules of Evidence. Rules of evidence shall not be applied strictly, but the Presiding Officer shall exclude irrelevant or unduly repetitious testimony. Objections going only to the weight that should be given evidence will not justify its exclusion.

(B) The Presiding Officer shall rule upon any question of the admissibility of testimony or other evidence presented to the Committee. Such rulings shall be final unless reversed or modified by a majority vote of the Committee before the recess of that day's hearings.

(7) Supplementary Hearing Procedures: The Committee may adopt any additional special hearing procedures that it deems necessary or appropriate to a particular adjudicatory hearing. Copies of such supplementary procedures shall be furnished to witnesses and respondents, and shall be made available upon request to any member of the public.

(k) Transcripts:

(1) An accurate stenographic or recorded transcript shall be made of all public and executive hearings. Any member of the Committee, Committee staff member, outside counsel retained by the Committee, or witness may examine a copy of the transcript retained by the Committee of his or her own remarks and may suggest to the official reporter any typographical or transcription errors. If the reporter declines to make the requested corretions, the member, staff member, outside counsel or witness may request a ruling by the Chairman and Vice Chairman, acting jointly. Any member or witness shall return the transcript with suggested corrections to the Committee offices within five working days after receipt of the transcript, or as soon thereafter as is practicable. If the testimony was given in executive session, the member or witness may only inspect the transcript at a location determined by the Chairman and Vice Chairman, acting jointly. Any questions arising with respect to the processing and correction of transcripts shall be decided by the Chairman and Vice Chairman, acting jointly.

(2) Except for the record of a hearing which is closed to the public, each transcript shall be printed as soon as is practicable after receipt of the corrected version. The Chairman and Vice Chairman, acting jointly, may order the transcript of a hearing to be printed without the corrections of a member or witness if they determine that such member or witness has been afforded a reasonable time to correct such transcript and such transcript has not been returned within such time.

(3) The Committee shall furnish each witness, at no cost, one transcript copy of that witness' testimony given at a public hearing. If the testimony was given in executive session, then a transcript copy shall be provided upon request, subject to appropriate conditions and restrictions prescribed by the Chairman and Vice Chairman. If any individual violates such conditions and restrictions, the Committee may recommend by majority vote that he or she be cited for contempt of Congress.

RULE 7: SUBPOENAS

(a) Procedure: Subpoenas may be issued either—

(1) by majority vote of the Committee, or

(2) by the Chairman and Vice Chairman, acting jointly.

All subpoenas shall be signed by the Chairman or the Vice Chairman and may be served by any person eighteen years of age or older, who is designated by the Chairman or Vice Chairman. Each subpoena shall be served with a copy of the Rules of the Committee and a brief statement of the purpose of the initial review, investigation, or other proceeding.

(b) Subpoena Power: Pursuant to Federal law (2 U.S.C. 190(b)), the Committee is authorized to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate as it deems advisable. The Committee is similarly authorized to require by subpoena or otherwise the attendance of such witnesses or the production of such correspondence, books, papers, documents, or other articles as it deems advisable.

(c) Withdrawal of Subpoena: The Committee may, by majority vote, withdraw any subpoena issued by it or issued by the Chairman and Vice Chairman, acting jointly.

The Chairman and Vice Chairman, acting jointly, may withdraw any subpoena issued by them.

RULE 8: VIOLATIONS OF LAW; PERJURY; LEGISLATIVE RECOMMENDATIONS; AND APPLICABLE RULES AND STANDARDS OF CONDUCT

(a) Violations of Law: Whenever the Committee determines by majority vote that there is reason to believe that a violation of law may have occurred, it shall report such possible violation to the proper state and federal authorities.

(b) Perjury: Any person who knowingly and willfully swears falsely to a sworn complaint or any other sworn statement to the Committee does so under penalty of perjury. The Committee may refer any such case to the Attorney General for prosecution.

(c) Legislative Recommendations: The Committee shall recommend to the Senate by report or resolution such additional rules, regulations, or other legislative measures as it determines to be necessary or desirable to ensure proper standards of conduct by Members, officers, or employees of the Senate. The Committee may conduct such inquiries as it deems necessary to prepare such a report or resolution, including the holding of hearings in public or executive session and the use of subpoenas to compel the attendance of witnesses or the production of materials. The Committee may make legislative recommendations as a result of its findings in an initial review, investigation, or other proceeding.

(d) Applicable Rules and Standards of Conduct:

(1) No initial review or investigation shall be made of an alleged violation of any law, rule, regulation, or provision of the Senate Code of Official Conduct which was not in effect at the time the alleged violation occurred. No provision of the Senate Code of Official Conduct shall apply to, or require disclosure of any act, relationship, or transaction which occurred prior to the effective date of the applicable provision of the Code.

(2) The Committee may conduct an initial review or investigation of an alleged violation of a rule or law which was in effect prior to the enactment of the Senate Code of Official Conduct if the alleged violation occurred while such rule or law was in effect and the violation was not a matter resolved on the merits by the predecessor Committee.

RULE 9: PROCEDURES FOR HANDLING COMMITTEE SENSITIVE AND CLASSIFIED MATERIALS

(a) Procedures for Handling Committee Sensitive Materials:

(1) Committee Sensitive information or material is information or material in the possession of the Select Committee on Ethics which pertains to illegal or improper conduct by a present or former Member, officer, or employee of the Senate; to allegations or acquisition of such conduct; to any resulting preliminary inquiry, initial review, or investigation by the Select Committee on Ethics into such allegations or conduct; to the investigative techniques and procedures of the Select Committee on Ethics; or to other information or material designated by the staff director, or outside counsel designed by the Chairman and Vice Chairman.

(2) The Chairman and Vice Chairman of the Committee shall establish such procedures as may be necessary to prevent the unauthorized disclosure of Committee Sensitive information in the possession of the Committee or its staff. Procedures for pro-

tecting Committee Sensitive materials shall be in writing and shall be given to each Committee staff member.

(b) Procedures for Handling Classified Materials:

(1) Classified information or material is information or material which is specifically designated as classified under the authority of Executive Order 11652 requiring protection of such information or material from unauthorized disclosure in order to prevent damage to the United States.

(2) The Chairman and Vice Chairman of the Committee shall establish such procedures as may be necessary to prevent the unauthorized disclosure of classified information in the possession of the Committee or its staff. Procedures for handling such information shall be in writing and a copy of the procedures shall be given to each staff member cleared for access to classified information.

(3) Each member of the Committee shall have access to classified material in the Committee's possession. Only Committee staff members with appropriate security clearances and a need-to-know, as approved by the Chairman and Vice Chairman, acting jointly, shall have access to classified information in the Committee's possession.

(c) Procedures for Handling Committee Sensitive and Classified Documents:

(1) Committee Sensitive and classified documents and materials shall be segregated in secure filing safes. Removal from the Committee offices of such documents or materials is prohibited except as necessary for use in, or preparation for, interviews or Committee meetings, including the taking of testimony, or as otherwise specifically approved by the staff director or by outside counsel designated by the Chairman and Vice Chairman.

(2) Each member of the Committee shall have access to all materials in the Committee's possession. The staffs of members shall not have access to Committee Sensitive or classified documents and materials without the specific approval in each instance of the Chairman, and Vice Chairman, acting jointly. Members may examine such materials in the Committee's offices. If necessary, requested materials may be taken by a member of the Committee staff to the office of a member of the Committee for his or her examination, but the Committee staff member shall remain with the Committee Sensitive or classified documents or materials at all times except as specifically authorized by The Chairman or Vice Chairman.

(3) Any Member of the Senate who is not a member of the Committee and who seeks access to any Committee Sensitive or classified documents or materials, other than documents or materials which are matters of public record, shall request access in writing. The Committee shall decide by majority vote whether to make documents or materials available. If access is granted, the Member shall not disclose the information except as authorized by the Committee.

(4) Whenever the Committee makes Committee Sensitive or classified documents or materials available to any Member of the Senate who is not a member of the Committee, or to a staff person of a Committee member in response to a specific request to the Chairman and Vice Chairman, a written record shall be made identifying the Member of the Senate requesting such documents or materials and describing what was made available and to whom.

(d) Non-disclosure Policy and agreement:

(1) Except as provided in the last sentence of this paragraph, no member of the Select Committee on Ethics, its staff, or any person engaged by contract or otherwise to perform services for the Select Committee on Ethics shall release, divulge, publish, reveal by writing, word, conduct, or disclose in any way, in whole, or in part, or by way of summary, during tenure with the Select Committee on Ethics or anytime thereafter, any testimony given before the Select Committee on Ethics in executive session (including the name of any witness who appeared or was called to appear in executive session), any classified or Committee Sensitive information, document or material, received or generated by the Select Committee on Ethics or any classified or Committee Sensitive information which may come into the possession of such person during tenure with the Select Committee on Ethics or its staff. Such information, documents, or material may be released to an official of the executive branch properly cleared for access with a need-to-know, for any purpose or in connection with any proceeding, judicial or otherwise, as authorized by the Select Committee on Ethics, or in the event of termination of the Select Committee on Ethics, in such a manner as may be determined by its successor or by the Senate.

(2) No member of the Select Committee on Ethics staff or any person engaged by contract or otherwise to perform services for the Select Committee on Ethics, shall be granted access to classified or Committee Sensitive information or material in the possession of the Select Committee on Ethics unless and until such person agrees in writing, as a condition of employment, to the non-disclosure policy. The agreement shall become effective when signed by the Chairman and Vice Chairman on behalf of the Committee.

RULE 10: BROADCASTING AND NEWS COVERAGE OF COMMITTEE PROCEEDINGS

(a) Whenever any hearing or meeting of the Committee is open to the public, the Committee shall permit that hearing or meeting to be covered in whole or in part, by television broadcast, radio broadcast, still photography, or by any other methods of coverage, unless the Committee decides by majority vote that such coverage is not appropriate at a particular hearing or meeting.

(b) Any witness served with a subpoena by the Committee may request not to be photographed at any hearing or to give evidence or testimony while the broadcasting, reproduction, or coverage of that hearing, by radio, television, still photography, or other methods is occurring. At the request of any such witness who does not wish to be subjected to radio, television, still photography, or other methods of coverage, and subject to the approval of the Committee, all lenses shall be covered and all microphones used for coverage turned off.

(c) If coverage is permitted, it shall be in accordance with the following requirements:

(1) Photographers and reporters using mechanical recording, filming, or broadcasting apparatus shall position their equipment so as not to interfere with the seating, vision, and hearing of the Committee members and staff, or with the orderly process of the meeting or hearing.

(2) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(3) Personnel providing coverage by the television and radio media shall be currently accredited to the Radio and Television Correspondents' Galleries.

(4) Personnel providing coverage by still photography shall be currently accredited to the Press Photographers' Gallery Committee of Press Photographers.

(5) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and the coverage activities in an orderly and unobtrusive manner.

RULE 11: PROCEDURES FOR ADVISORY OPINIONS

(a) When Advisory Opinions are Rendered:

(1) The Committee shall render an advisory opinion, in writing within a reasonable time, in response to a written request by a Member or officer of the Senate or a candidate for nomination for election, or election to the Senate, concerning the application of any law, the Senate Code of Official Conduct, or any rule or regulation of the Senate within the Committee's jurisdiction, to a specific factual situation pertinent to the conduct or proposed conduct of the person seeking the advisory opinion.

(2) The Committee may issue an advisory opinion in writing within a reasonable time in response to a written request by any employee of the Senate concerning the application of any law, the Senate Code of Official Conduct, or any rule or regulation of the Senate within the Committee's jurisdiction, to a specific factual situation pertinent to the conduct or proposed conduct of the person seeking the advisory opinion.

(b) Form of Request: A request for an advisory opinion shall be directed in writing to the Chairman of the Committee and shall include a complete and accurate statement of the specific factual situation with respect to which the request is made as well as the specific question or questions which the requestor wishes the Committee to address.

(c) Opportunity for Comment:

(1) The Committee will provide an opportunity for any interested party to comment on a request for an advisory opinion—

(A) which requires an interpretation on a significant question of first impression that will affect more than a few individuals; or

(B) when the Committee determines that comments from interested parties would be of assistance.

(2) Notice of any such request for an advisory opinion shall be published in the CONGRESSIONAL RECORD, with appropriate deletions to insure confidentiality, and interested parties will be asked to submit their comments in writing to the Committee within ten days.

(3) All relevant comments received on a timely basis will be considered.

(d) Issuance of an Advisory Opinion:

(1) The Committee staff shall prepare a proposed advisory opinion in draft form which will first be reviewed and approved by the Chairman and Vice Chairman, acting jointly, and will be presented to the Committee for final action. If (A) the Chairman and Vice Chairman cannot agree, or (B) either the Chairman or Vice Chairman requests that it be taken directly to the Committee, then the proposed advisory opinion shall be referred to the Committee for its decision.

(2) An advisory opinion shall be issued only by the affirmative recorded vote of a majority of the members voting.

(3) Each advisory opinion issued by the Committee shall be promptly transmitted for publication in the CONGRESSIONAL RECORD after appropriate deletions are

made to insure confidentiality. The Committee may at any time revise, withdraw, or elaborate on any advisory opinion.

(e) Reliance on Advisory Opinions:

(1) Any advisory opinion issued by the Committee under Senate Resolution 338, 88th Congress, as amended, and the rules may be relied upon by—

(A) Any person involved in the specific transaction or activity with respect to which such advisory opinion is rendered if the request for such advisory opinion included a complete and accurate statement of the specific factual situation; and

(B) any person involved in any specific transaction or activity which is indistinguishable in all its material aspects from the transaction or activity with respect to which such advisory opinion is rendered.

(2) Any person who relies upon any provision or finding of an advisory opinion in accordance with the provisions of Senate Resolution 338, 88th Congress, as amended, and of the rules, and who acts in good faith in accordance with the provisions and findings of such advisory opinion shall not, as a result of any such act, be subject to any sanction by the Senate.

RULE 12: PROCEDURES FOR INTERPRETATIVE RULINGS

(a) Basis for Interpretative Rulings: Senate Resolution 338, 88th Congress, as amended, authorizes the Committee to issue interpretative rulings explaining and clarifying the application of any law, the Code of Official Conduct, or any rule or regulation of the Senate within its jurisdiction. The Committee also may issue such rulings clarifying or explaining any rule or regulation of the Select Committee on Ethics.

(b) Request for Ruling: A request for such a ruling must be directed in writing to the Chairman or Vice Chairman of the Committee.

(c) Adoption of Ruling:

(1) The Chairman and Vice Chairman, acting jointly, shall issue a written interpretative ruling in response to any such request, unless—

(A) they cannot agree,

(B) it requires an interpretation of a significant question of first impression, or

(C) either requests that it be taken to the Committee, in which event the request shall be directed to the Committee for a ruling.

(2) A ruling on any request taken to the Committee under subparagraph (1) shall be adopted by a majority of the members voting and the ruling shall then be issued by the Chairman and Vice Chairman.

(d) Publication of Rulings: The Committee will publish in the CONGRESSIONAL RECORD, after making appropriate deletions to ensure confidentiality, any interpretative rulings issued under this Rule which the Committee determines may be of assistance or guidance to other Members, officers or employees. The Committee may at any time revise, withdraw, or elaborate on interpretative rulings.

(e) Reliance on Rulings: Whenever an individual can demonstrate to the Committee's satisfaction that his or her conduct was in good faith reliance on an interpretative ruling issued in accordance with this Rule, the Committee will not recommend sanctions to the Senate as a result of such conduct.

(f) Rulings by Committee Staff: The Committee staff is not authorized to make rulings or give advice, orally or in writing, which binds the Committee in any way.

RULE 13: PROCEDURES FOR COMPLAINTS INVOLVING IMPROPER USE OF THE MAILING FRANK

(a) Authority to Receive Complaints: The Committee is directed by section 6(b) of Public Law 93-191 to receive and dispose of complaints that a violation of the use of the mailing frank has occurred or is about to occur by a Member or officer of the Senate or by a surviving spouse of a Member. All such complaints will be processed in accordance with the provisions of these Rules, except as provided in paragraph (b).

(b) Disposition of Complaints:

(1) The Committee may dispose of any such complaint by requiring restitution of the cost of the mailing if it finds that the franking violation was the result of a mistake.

(2) Any complaint disposed of by restitution that is made after the Committee has formally commenced an initial review or investigation, must be summarized, together with the disposition, in a notice promptly transmitted for publication in the CONGRESSIONAL RECORD.

(3) If a complaint is disposed of by restitution, the complainant, if any shall be notified of the disposition in writing.

(c) Advisory Opinions and Interpretative Rulings: Requests for advisory opinions or interpretative rulings involving franking questions shall be processed in accordance with Rules 11 and 12.

RULE 14: PROCEDURES FOR WAIVERS

(a) Authority for Waivers: The Committee is authorized to grant a waiver under the following provisions of the Standing Rules of the Senate:

(1) Section 101(h) of the Ethics in Government Act of 1978, as amended, (Rule XXXIV) relating to the filing of financial disclosure reports by individuals who are expected to perform or who have performed the duties of their offices or positions for less than one hundred and thirty days in a calendar year;

(2) Section 102(a)(2)(D) of the Ethics in Government Act, as amended, (Rule XXXIV) relating to the reporting of gifts;

(3) Paragraph 1 of Rule XXXV relating to acceptance of gifts; or

(4) Paragraph 5 of Rule XLI relating to applicability of any of the provisions of the Code of Official Conduct to an employee of the Senate hired on a per diem basis.

(b) Requests for Waivers: A request for a waiver under paragraph (a) must be directed to the Chairman or Vice Chairman in writing and must specify the nature of the waiver being sought and explain in detail the facts alleged to justify a waiver. In the case of a request submitted by an employee, the views of his or her supervisor (as determined under paragraph 11 of Rule XXXVII of the Standing Rules of the Senate) should be included with the waiver request.

(c) Ruling: The Committee shall rule on a waiver request by recorded vote, with a majority of those voting affirming the decision.

(d) Availability of Waiver Determinations: A brief description of any waiver granted by the Committee, with appropriate deletions to ensure confidentiality, shall be made available for review upon request in the Committee office. Waivers granted by the Committee pursuant to the Ethics in Government Act of 1978, as amended, may only be granted pursuant to a publicly available request as required by the Act.

RULE 15: DEFINITION OF "OFFICER OR EMPLOYEE"

(a) As used in the applicable resolutions and in these rules and procedures, the term "officer or employee of the Senate" means:

(1) An elected officer of the Senate who is not a Member of the Senate;

(2) An employee of the Senate, any committee or subcommittee of the Senate, or any Member of the Senate;

(3) The Legislative Counsel of the Senate or any employee of his office;

(4) An Official Reporter of Debates of the Senate and any person employed by the Official Reporters of Debates of the Senate in connection with the performance of their official duties;

(5) A member of the capitol Police force whose compensation is disbursed by the Secretary of the Senate;

(6) An employee of the Vice President, if such employee's compensation is disbursed by the Secretary of the Senate;

(7) An employee of a joint committee of the Congress whose compensation is disbursed by the Secretary of the Senate;

(8) An officer or employee of any department or agency of the Federal Government whose services are being utilized on a full-time and continuing basis by a Member, officer, employee, or committee of the Senate in accordance with Rule XLI(3) of the Standing Rules of the Senate; and

(9) Any other individual whose full-time services are utilized for more than ninety days in a calendar year by a Member, officer, employee, or committee of the Senate in the conduct of official duties in accordance with Rule XLI(4) of the Standing Rules of the Senate.

RULE 16: COMMITTEE STAFF

(a) Committee Policy:

(1) The staff is to be assembled and retained as a permanent, professional, nonpartisan staff.

(2) Each member of the staff shall be professional and demonstrably qualified for the position for which he or she is hired.

(3) The staff as a whole and each member of the staff shall perform all official duties in a nonpartisan manner.

(4) No member of the staff shall engage in any partisan political activity directly affecting any congressional or presidential election.

(5) No member of the staff or outside counsel may accept public speaking engagements or write for publication on any subject that is in any way related to his or her employment or duties with the Committee without specific advance permission from the Chairman and Vice Chairman.

(6) No member of the staff may make public, without Committee approval, any Committee Sensitive or classified information, documents, or other material obtained during the course of his or her employment with the Committee.

(b) Appointment of Staff:

(1) The appointment of all staff members shall be approved by the Chairman and Vice Chairman, acting jointly.

(2) The Committee may determine by majority vote that it is necessary to retain staff members, including a staff recommended by a special counsel, for the purpose of a particular initial review, investigation, or other proceeding. Such staff shall be retained only for the duration of that particular undertaking.

(3) The Committee is authorized to retain and compensate counsel not employed by the Senate (or by any department or agency

of the Executive Branch of the Government) whenever the Committee determines that the retention of outside counsel if necessary or appropriate for any action regarding any complaint or allegation, initial review, investigation, or other proceeding, which in the determination of the Committee, is more appropriately conducted by counsel not employed by the Government of the United States as a regular employee. The Committee shall retain and compensate outside counsel to conduct any investigation undertaken after an initial review of a sworn complaint, unless the Committee determines that the use of outside counsel is not appropriate in the particular case.

(c) Dismissal of Staff: A staff member may not be removed for partisan, political reasons, or merely as a consequence of the rotation of the Committee membership. The Chairman and Vice Chairman, acting jointly, shall approve the dismissal of any staff member.

(d) Staff Works for Committee as Whole: All staff employed by the Committee or housed in Committee offices shall work for the Committee as a whole, under the general direction of the Chairman and Vice Chairman, and the immediate direction of the staff director or outside counsel.

(e) Notice of Summons to Testify: Each member of the Committee staff shall immediately notify the Committee in the event that he or she is called upon by a properly constituted authority to testify or provide confidential information obtained as a result of and during his or her employment with the Committee.

RULE 17: CHANGES IN SUPPLEMENTARY PROCEDURAL RULES

(a) Adoption of Changes in Supplementary Rules: The Rules of the Committee, other than rules established by statute, or by the Standing Rules and Standing Orders of the Senate, may be modified, amended, or suspended at any time, pursuant to a majority vote of the entire membership taken at a meeting called with due notice when prior written notice of the proposed change has been provided each member of the Committee.

(b) Publication: Any amendments adopted to the Rules of the Committee shall be published in the CONGRESSIONAL RECORD not later than thirty days after adoption.●

PROGRAM

Mr. ABDNOR. Mr. President, on behalf of the majority leader, I say to the minority leader, I ask unanimous consent that when the Senate convenes on Monday, March 10, 1986, at 11 a.m., the reading of the Journal be dispensed with, no resolutions come over under the rule, the call of the calendar be dispensed with, and following the recognition of the two leaders under the standing order there be special orders in favor of Senators PROXMIRE and SIMON for not to exceed 15 minutes each, to be followed by a period for the transaction of routine morning business not to extend beyond 12 noon, with Senators permitted to speak therein for not more than 5 minutes each, provided further that the morning hour be deemed to have expired.

Mr. BYRD. Mr. President, is the distinguished acting majority leader planning to adjourn until Monday or to recess until Monday?

Mr. ABDNOR. Adjourn.

Mr. BYRD. I thank the distinguished Senator. There is no objection.

Mr. ABDNOR. I thank the minority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL 11 A.M. MONDAY, MARCH 10, 1986

Mr. ABDNOR. Mr. President, I move that the Senate stand in adjournment until 11 a.m. on Monday, March 10, 1986.

The motion was agreed to, and at 5:04 p.m., the Senate adjourned until Monday, March 10, 1986, at 11 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 7, 1986:

U.S. INTERNATIONAL TRADE COMMISSION

David B. Rohr, of Maryland, to be a member of the U.S. International Trade Commission for the term expiring December 16, 1994.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

DEPARTMENT OF JUSTICE

Robert Q. Whitwell, of Mississippi, to be U.S. attorney for the northern district of Mississippi for the term of 4 years.

P.A. Mangini, of Connecticut, to be U.S. Marshal for the district of Connecticut for the term of 4 years.

J. Jerome Perkins, of Indiana, to be U.S. Marshal for the northern district of Indiana for the term of 4 years.

Lee Koury, of Missouri, to be U.S. Marshal for the western district of Missouri for the term of 4 years.

Ralph L. Boling, of Kentucky, to be U.S. Marshal for the western district of Kentucky for the term of 4 years.

Wayne D. Beaman, of Virginia, to be U.S. Marshal for the western district of Virginia for the term of 4 years.

William I. Berryhill, Jr., of North Carolina, to be U.S. Marshal for the eastern district of North Carolina for the term of 4 years.

HOUSE OF REPRESENTATIVES—*Monday, March 10, 1986*

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore [Mr. FOLEY].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
March 6, 1986.

I hereby designate the Honorable THOMAS S. FOLEY to act as Speaker pro tempore on Monday, March 10, 1986.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Breathe into our souls, O gracious God, the breath of life and fill our hearts with understanding that in all things we will acknowledge the majesty of Your creation and look to You for guidance and direction. Forgive us when we stray from the path of righteousness and give us the power to amend our lives. That we walk the way of justice, of mercy, and of peace. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

CONFERENCE REPORT ON H.R. 2453, OLDER AMERICANS ACT AMENDMENTS OF 1986

Mr. KILDEE submitted the following conference report and statement on the bill (H.R. 2453) to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, and for other purposes:

CONFERENCE REPORT (H. REPT. 99-487)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2453) to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act may be cited as the "Older Americans Act Amendments of 1986".

COMMODITY DISTRIBUTION LEVEL OF ASSISTANCE PER MEAL

SEC. 2. Section 311(a)(4) of the Older Americans Act of 1965 (42 U.S.C. 3030a (a)(4)) is amended—

(1) by striking out "15 cents" and all that follows through "30 cents per meal for", and inserting in lieu thereof "56.76 cents per meal during fiscal year 1986 and during", and

(2) by striking out "June 30, 1975" and inserting in lieu thereof "September 30, 1986".

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. (a) There is authorized to be appropriated $127,800,000 for fiscal year 1985, in order to provide reimbursement at the level of 56.76 cents per meal during fiscal year 1985, determined under section 311(a)(4) of the Older Americans Act of 1965 (42 U.S.C. 3030a(a)(4)), for meals served under section 311 of such Act in such fiscal year. For purposes of subsections (a) and (b) of section 311 of such Act, the sum authorized to be appropriated by this subsection shall be deemed to have been authorized to be appropriated for fiscal year 1985 by section 311(c)(1) of such Act. For purposes of section 311(c)(1)(B) of such Act, the date of the enactment of this Act shall be deemed to be the last day of each quarter of fiscal year 1985 for which reimbursement is claimed.

(b) Subparagraph (A) of section 311(c)(1) of the Older Americans Act of 1965 (42 U.S.C. 3030a(c)(1)(A)) is amended to read as follows:

"(A)(i) There are authorized to be appropriated $144,000,000 for fiscal year 1986 and $144,000,000 for fiscal year 1987 to carry out this section (other than subsection (a)(1)).

"(ii) The provisions of the second and third sentences of subsection (a)(4) shall not apply for fiscal years 1986 and 1987.".

INFORMATION REGARDING FEDERAL FOOD PROCESSING PROGRAMS

SEC. 4. Section 311 of the Older Americans Act of 1965 (42 U.S.C. 3030a) is amended by adding at the end thereof the following new subsection:

"(d) In each fiscal year, the Secretary of Agriculture and the Secretary of Health and Human Services shall jointly disseminate to State agencies, area agencies on aging, and providers of nutrition services assisted under this title, information concerning—

"(1) the existence of any Federal commodity processing program in which such State agencies, area agencies, and providers may be eligible to participate; and

"(2) the procedures to be followed to participate in the program.".

EFFECTIVE DATE

SEC. 5. This Act and the amendments made by this Act shall take effect on October 1, 1985.

And the Senate agree to the same.

AUGUSTUS F. HAWKINS,
DALE E. KILDEE,
MAJOR R. OWENS,
CARL C. PERKINS,
TERRY L. BRUCE,
DENNIS E. ECKART,
JAMES M. JEFFORDS,
TOM COLEMAN,
TOM PETRI,
TOM TAUKE,
Managers on the Part of the House.

ORRIN HATCH,
CHUCK GRASSLEY,
PAULA HAWKINS,
EDWARD M. KENNEDY,
SPARK MATSUNAGA,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2453) to amend the Older Americans Act of 1965 to increase the amounts authorized to be appropriated for fiscal years 1985, 1986, and 1987 for commodity distribution, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

EARLY NOTIFICATION TO THE STATES

Senate amendment

The Senate bill requires the Secretary of Agriculture to notify states early (at the beginning of the 2nd and 3rd quarter of each fiscal year) when appropriated amounts are insufficient, and reductions are required in the cents per meal reimbursement as established.

House bill

No provision.

Conference agreement

The Senate recedes.

The conferees are aware that the Secretary of Agriculture has been providing such notification through the Federal Register in approximatley this time frame, and strongly urge that this practice be continued. However, the conferees determined that placing this requirement in the statute was not necessary at this time.

AUTHORIZATION OF APPROPRIATIONS

House bill

The House bill provides authorization for such sums as may be necessary to provide reimbursement at the level of 56.76 cents per meal for fiscal year 1985.

Senate amendment

The Senate amendment authorizes $127.8 million for this purpose.

Conference agreement

The House recedes.

House bill

The House bill provides authorization for such sums as may be necessary to carry out provisions of section.

Senate amendment

The Senate amendment authorizes $144 million for each of fiscal years 1986 and 1987.

Conference agreement

The House recedes.

ADJUSTMENT OF REIMBURSEMENT RATE IN FY 1987

House bill

The House bill provides for an adjustment in the reimbursement rate for fiscal year 1987 based on the Consumer Price Index for meals away from home.

Senate amendment

The Senate amendment would maintain the reimbursement rate at 56.76 cents per meal through fiscal year 1987.

Conference agreement

The House recedes.

FEDERAL FOOD PROCESSING PROGRAM

House bill

The House bill requires dissemination of information on programs "from time to time".

Senate amendment

The Senate amendment requires dissemination of information and participation procedures "each fiscal year".

Conference agreement

The House recedes.

AUGUSTUS F. HAWKINS,
DALE E. KILDEE,
MAJOR R. OWENS,
CARL C. PERKINS,
TERRY L. BRUCE,
DENNIS E. ECKART,
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Managers on the Part of the House.

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CHUCK GRASSLEY,
PAULA HAWKINS,
EDWARD M. KENNEDY,
SPARK MATSUNAGA,
Managers on the Part of the Senate.

UNITED STATES SHOULD HAVE THE SAME ACCESS TO BASIC RESEARCH AND TECHNOLOGY DEVELOPED IN OTHER COUNTRIES AS OVERSEAS COMPETITORS HAVE IN OURS

(Mr. WYDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYDEN. Mr. Speaker, today I am introducing legislation that is designed to ensure that the United States has the same access to basic research and technology developed in other countries as our overseas competitors have to technology that is developed in this country.

The ability of the Japanese to copy United States technology and incorporate that technology into commercial applications and market the resulting new products in this country is now legendary.

Mr. Speaker, technology transfer, like free trade, ought to be a two-way street. According to a recent Office of Technology Assessment study, the Japanese have a nearly 5-to-1 overall advantage in technology exchange with this country and imbalances of up to 10 to 1 exist on technology exchanges applicable to specific industries such as machine tools.

My legislation is a nonprotectionist way in which we can address this technology imbalance by amending title I of the Trade Act of 1974 to designate reciprocal access to technology as one of the country's formal priority negotiating objectives in the next round of multilateral trade negotiations.

AVOIDING THE COMMITMENT OF AMERICAN BOYS FIGHTING ON CENTRAL AMERICAN SOIL

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. LIVINGSTON. Mr. Speaker, one of the phony crutches so often used by opponents to President Reagan's policies in Nicaragua is that deep down in his heart, he yearns to commit American troops to fight in Nicaragua.

The truth is that if we supply the Nicaraguan freedom fighters with the wherewithal to fight for their own freedom in their own country, that will never be necessary.

Opponents know this full well, but they'll use any argument they can muster to avoid facing up to the Communist threat below our southern borders.

The fact is their policies, not Reagan's, are more likely to result in the ultimate commitment of American boys to fight on Central American soil.

Proof of this seeped out in a statement by one of our "moderate" colleagues to the Washington Post yesterday—Sunday, March 9, 1986.

"If it is this important," he said of the Contra cause, "what are we doing messing around with an untrained, disorganized peasant army when we have our own forces?"

Mr. Speaker, let us support the freedom fighters and avoid this specter.

[From the Washington Post, Mar. 9, 1986]

WHITE HOUSE RAISES STAKES AS CONTRA VOTE LOOMS—KEY HOUSE MEMBERS STILL UNPERSUADED

(By Milton Coleman and Edward Walsh)

With the House scheduled to vote next week on his request for $100 million in aid to the rebels in Nicaragua, President Reagan has yet to win the support of many key Democrats and Republicans whose votes produced his turnaround victory on the issue last year.

Even Reagan's strongest supporters in the Democratic-controlled House acknowledge that he faces an uphill fight on what many have termed the most important foreign policy issue of this election-year session.

"It's very tough," said Rep. Trent Lott (R-Mass.), the House minority whip, anticipating the scheduled March 19 vote.

To win approval of the proposal, which includes $30 million in nonlethal "humanitarian" aid and $70 million in covert military assistance to the anti-Sandinista rebels, Reagan must make substantial inroads among about 65 House members, divided almost evenly between Republicans and Democrats.

These legislators helped vote down his request last year for military assistance to the counterrevolutionaries, or contras, but later voted for $27 million in nonlethal aid.

House committee votes and interviews last week indicate that Reagan has persuaded several Republicans in the swing group to go along with his latest request—although it calls for covert military assistance and nearly four times as much money.

The president faces strong resistance, however, among Democrats in the group, many from the South and the Southwest, a region considered in tune with the staunch anticommunist rhetoric that has been the hallmark of Reagan's campaign for this year's package.

Several other factors complicate the president's task:

The House Democratic leadership scheduled the floor vote to occur before the two-week Easter recess, giving the president little time to mobilize public opinion.

The proposal will come to the House floor as a single package, not subject to amendment or other legislative tinkering that is often crucial in building a winning coalition among lawmakers who are looking for ways to defend a controversial vote.

Church and peace groups who adamantly oppose aid to the contras have been the dominant activists on the issue so far, with the public seemingly detached and unconcerned, Democrats and Republicans say.

The debate centers on foreign policy, but the House measure is in essence a money bill, calling for the expenditure of $100 million in a foreign country—not an easy proposal to sell in the current budget and political climate.

The net result, many of the Democrats said, is a president pitching an all-or-nothing proposal with far less credibility than he enjoyed last year to a more skeptical audience—both on Capitol Hill and in the nation.

"The mania is not there that anything you want for defense, let's do it," said Rep. W.G. (Bill) Hefner (D-N.C.). "That's where the climate has changed—not only in the South, but all across the nation."

As a result, many Democrats and Republicans said that the March 19 vote is likely to be the beginning rather than the end of this year's battle over aid to the contras.

Ultimately, some said, there is likely to be a compromise, most likely framed in the Senate, that would grant some nonlethal assistance tied to strong incentives for increased diplomatic efforts.

"The administration will be dragged, perhaps kicking and screaming, into another position," predicted Rep. Dave McCurdy (D-Okla.), a key moderate involved in compromise efforts.

Much of the current opposition among Democrats stems from assurances they said Reagan made when the House, after earlier rejecting military aid, approved the $27 million nonlethal aid package last June 12 by a vote of 248 to 184.

Chief among those assurances were pledges of diplomatic efforts, both directly with the Sandinista government in Managua and through the four-nation Contadora group, to find a peaceful solution.

Rep. William B. Richardson (D-N.M.), who now characterizes his vote for the aid package last year as "a mistake," said the administration said then that it was "committed to the Contadora process. [But] the secretary of state told the Contadora ministers to take a walk."

Some Democrats complain that Reagan, rather than making a good faith effort to find peaceful solutions, seems bent on a military campaign. They say he bills the campaign as essential to curbing communism before it reaches America's doorstep but that it has little guarantee of success—no matter how much money is appropriated—and no endorsement from the leaders of other Central American nations, including the democracies.

"I wouldn't have a bit of trouble with whatever [amount of military aid] it's going to take to win," said Rep. Charles W. Stenholm (D-Tex.), who voted for military and nonlethal assistance last year but says he is a reluctant supporter of the current aid plan. "I want to be reassured that somebody else agrees with our game plan," he said.

"If it is this important," McCurdy said of the contra cause, "what are we doing messing around with an untrained, disorganized peasant army when we have our own forces?"

A General Accounting Office report suggesting that much of last year's aid may never have reached the contras is further fueling skepticism about additional assistance.

Some Democrats said they could support a request for more nonlethal aid, but so far Reagan has steadfastly refused to compromise on the current proposal, which McCurdy likened in part to "a $70 million blank check" for military operations.

On the Republican side, Reagan enjoys strong support among southern and most western conservatives. But most of the GOP swing voters are moderates from the Midwest and Northeast, and here the results so far are mixed. Even some who say they will vote for military aid appear to be less than enthusiastic.

One is Rep. Lynn M. Martin (R-Ill.), a member of of the GOP House leadership. She said she has become convinced by a series of White House briefings that the administration now has a "serious" plan to combat communism in Central America, which was not her feeling a year ago.

Martin, reflecting the strong isolationist sentiment of her northwest Illinois district, remains a skeptic who is looking for results. But she will vote with Reagan on March 19—"once," she said, holding up a single finger.

Rep. Steven Gunderson (R-Wis.) is still not convinced, but is open to persuasion. "You gotta show me," he said, demanding more evidence that the Sandinista government lacks popular support and is exporting violence throughout Central America.

Gunderson is also among those lawmakers who are troubled by the thought of voting $100 million to rebel military forces in a foreign country while his constituents face cutbacks in domestic programs.

"One problem is the president has made the issue $100 million," he said. "Every one of my constituents understands that if you get the same amount in 1987 as you did in 1986, you're doing well. This is not the year to ask for an increase."

Others among last year's swing voters are clearly lost to Reagan.

Rep. Thomas J. Tauke (R-Iowa), a leader of the so-called "92 Group" of House Republican moderates, said he is more convinced than ever that the Sandinistas are "establishing a totalitarian government" in Nicaragua and are "intent on spreading Marxism" in Central America.

But Tauke added that he is now equally convinced that military aid to the contras is not the answer to these developments.

"I don't believe that military assistance will be helpful in resolving that problem and I suspect it could drive the people of Central America toward the Sandinistas," he said.

Lott, whose job as GOP whip is to count the votes, said that to win, Reagan must pick up 12 to 20 of the 40 House Republicans who defected in last year's vote on military aid and enjoy the support of at least 50 Democrats, 10 more than last year.

If the administration is defeated on March 19, he said, "My recommendation will be that we walk away from it and say that [House Speaker] Tip O'Neill and the Democrats lost Nicaragua."

That, however, is unlikely, no matter what the outcome of next week's scheduled floor vote.

"This is the beginning, not the end," said Rep. Daniel A. Mica (D-Fla.).

THIS ADMINISTRATION DOES NOT LISTEN, THEY JUMP TO CONCLUSIONS

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. VENTO. Mr. Speaker, do words have any meaning or not?

The fact is with regard to the administration's $100 million program request almost every Central and South American leader including Mexico has spoken out in opposition to this. But the fact of the matter is the administration does not listen, they jump to conclusions. In fact they ask the entire country for a belief of faith in terms of supporting that these leaders in these countries really do not mean what they are saying, in fact they mean something the opposite. In other words privately they are telling us something else but publicly, supposedly the statements we should not listen to, we should not pay any attention.

In other words, anything that disagrees with what the administration's position is on this should not be heeded. We should only listen to the remarks and comments that they have had to say which I think all too often impugn the motives of those who share a different view, a different policy. The fact of the matter is for 5 or 6 years we have pursued a policy in Central America in which we have put not millions but hundreds of millions of dollars. We call them training exercises. We do have American troops there. Yet the fact of the matter is that our goal remains one that is, I think, cloudy, that is murky. We started out trying to limit weapons into El Salvador but today I think the motive of this administration in supporting the Contras is one that we should not endorse and that this country does not share.

[From the Washington Post, Mar. 10, 1986]

CONTRA AID "WRONG," COLOMBIAN DECLARES—BETANCUR URGES REAGAN TO TALK, NOT FIGHT

(By Bradley Graham)

BOGOTA, COLOMBIA, March 9.—President Belisario Betancur, a leading opponent of military intervention in Central America, says the Reagan administration's request for $100 million in aid to anti-Sandinista Nicaraguan rebels is "wrong" and "will not produce good results."

In an interview, the Colombian leader, a founder of the Contadora group of eight Latin American states proposing a negotiated peace in Central America, said "all of Latin America doesn't like the Reagan proposal" and urged the U.S. president to talk with, not fight the Sandinistas in Nicaragua.

"I think that an initiative such as the request for $100 million taken by President Reagan is wrong," said Betancur. "I know we can get more through negotiation. I know that the Reagan administration is aware of the fact that Latin America has its own language, and that language is expressed through Contadora."

The extent of Latin American support for the aid request has been a point of controversy in Washington. Administration officials contend that some Latin American leaders do not want to endorse the plan publicly for domestic political reasons but that privately they are sympathetic with the U.S. anti-Sandinista campaign.

Betancur's firm opposition was expressed during a 45-minute interview Friday assessing his four-year term in office, which ends in August. Colombians went to the polls today to elect a new Congress in a vote that foreshadows presidential elections in May. The Colombian constitution prevents presidents from seeking a second consecutive term.

A man of peasant background and populist political skills, Betancur, 63, was elected on a platform of achieving peace at home with leftist guerrillas and abroad between warring groups in Central America. Although the peace agreements he sought are far from being realized fully, Betancur said he has established a legacy of negotiation on both fronts. He is constitutionally prohibited from running for a second consecutive term.

The silver-haired leader calmly rejected the claims of critics on both the right and the left who regard his peace policies as

having disintegrated in the face of mounting guerrilla warfare in Colombia and heightened tensions between the United States and Nicaragua. He said he had established an "anti-Vietnam approach" to armed conflict in the region, an approach of "dialogue and agreement" that, he added, is now irreversible, at least in Columbia.

"It is also the philosophy of the Contadora group," he said. "It consists in telling the guerrilla groups in Central America: Why not talk, why not search for diplomatic solutions and negotiate?"

The Contadora process is stalled at the moment over the refusal of the Sandinistas to talk with the rebels known as contras—short for counterrevolutionaries—and U.S. refusal to resume conversations with the Nicaraguan government under existing circumstances.

Despite Betancur's emphasis on negotiated solutions, his own room to maneuver with guerrilla groups in Colombia was dramatically called into question last November, when security forces stormed Bogota's main courthouse, which had been seized by April 19 Movement (M19) guerrillas, killing not only the terrorists but also 11 of 24 Supreme Court members and more than 50 other hostages held inside.

A number of Colombians and foreign analysts suspect that military leaders, who were never comfortable with the peace process, moved against the guerrillas without consulting Betancur, leaving the president to assume responsibility for the massacre to uphold the image of civilian authority. Since then, the Army has increased operations against M19 and other smaller guerrilla groups concentrated in southern Colombia.

Defending the institutional integrity of his government, Betancur reiterated that he had been in full charge during the 27-hour siege at the Palace of Justice. He said military forces had been permitted to continue advancing on the building to prevent the guerrillas from consolidating their position inside.

He blamed the M19 attackers for the carnage, saying they had refused to drop their guns and accept his nonnegotiable offer of a fair civilian court trial if the hostages were released. He said he had been willing to "converse" with the guerrillas, "offer them a way out, a solution," but not "negotiate" with them after they had taken over the building, killing guards and others.

Asked why, several hours after the midday attack began, he had declined to take a frantic telephone call from a trapped Supreme Court president pleading for a cease-fire that might have permitted a dialogue, Betancur said he had passed the call to police Gen. Victor Alberto Delgado "because the operation taking place was a military operation, directed by the police chief."

The president was reluctant to discuss other details of the incident. He noted that a special judiciary commission was due to report this month on the siege.

Countering public perceptions that full-scale guerrilla warfare has resumed, Betancur said that a two-year-old cease-fire with the Revolutionary Armed Forces of Colombia, or FARC, the country's oldest and largest rebel movement, remains in effect. Government and FARC representatives signed an agreement a week ago extending the truce indefinitely, and FARC has set up a political front, the Patriotic Union, which is running candidates in this year's elections.

Betancur said dealing with Colombian guerrillas has been complicated by the contrasting nature of various groups. FARC, for instance, which Betancur said represents 90 percent of the insurgents, is linked to the Communist Party, while the M19 is a nationalist force with no clear international ideological connections.

Moreover, said Betancur, violence has been chronic in Colombia. "We are trying to solve a problem 40 years old," said the president. "That not possible overnight. What I'm satisfied with is having brought the peace process to a point of no return."

Betancur said investment in poor regions where guerrillas recruit will be the government's best defense against subversion. He said legislation passed last year authorizing the election instead of appointment of mayors starting in 1988, and facilitating the formation of new parties, will widen participation in politics.

THE HONORABLE JACOB JAVITS

(Mr. HORTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HORTON. Mr. Speaker, it was with deep remorse and sadness that I learned of the passing of my good friend Senator Jacob Javits. Jack lost his 5-year battle with Lou Gehrig's disease last Friday, March 6, at the age of 81.

For many of us, Jack Javits' name became synonymous with hard work and courage. During his 24-year tenure in the Senate, he led the charge for civil rights, authored the Pension Reform Act and the War Powers Act, and shaped the face of nearly every labor bill which came before the Senate. After his defeat in 1981, and despite the debilitation brought about by Lou Gehrig's disease, Jack remained politically active and worked hard to increase public awareness about neurological diseases. He loved life and refused to allow adversity to stand between he and his goals.

Jack Javits began his congressional career in 1947 when he was elected to represent a traditionally democratic congressional district. In 1955, he left Washington to become New York State attorney general. His reputation grew statewide and 2 years later he became the junior Senator from New York.

Jack Javits quickly earned accolades for fair play and hard work. He helped to develop both the 1957 and 1964 civil rights bills. Later, drawing upon his family experience and his deep concern for the poor and oppressed, he authored the legislation which created the Legal Services Corporation. His mark in history was assured when he secured passage of both the Pension Reform Act and the War Powers Act. The War Powers Act is now considered one of the most important pieces of legislation considered during this century.

Jack Javits was considered a "Senate man." He believed in the institution and was committed to giving his utmost to fulfill his obligations to his constituents and the American people. Once, when asked about his intense energy, he responded:

You must remember, my own philosophy is that you don't belong only to yourself. You have an obligation to the society which protected you when you were brought into the world, which taught you, which supported and nurtured you. You have an obligation to repay it.

Mr. Speaker, I knew Senator Javits well. During most of my service in the House of Representatives, Senator Javits served in the Senate. It was my pleasure and honor to work closely with him over those years. He was truly a giant among those who have served in the Senate.

New York has a proud tradition of sending to Washington some of this Nation's most important leaders. But Senator Javits does not belong to New York. Senator Jacob Javits, his courage and his accomplishments, belong to all Americans. He will be sorely missed.

Mr. Speaker, an article appeared in the Sunday edition of the Rochester Democrat and Chronicle which clearly states Senator Javits' accomplishments, which I am including for the RECORD.

JAVITS—HIS LIFE TAUGHT US THAT HANDICAPS ARE NO MATCH FOR STYLE, INTELLECT, COMPASSION

(By Myron S. Waldman)

"He served our country with tremendous insight and skill, proving a staunch advocate of freedom around the world."—President Reagan

"He has taught us all a lesson in the value of life that will stay with us forever."—Gov. Mario Cuomo

"There was not his like ever in the Senate. He was admired so because he loved his country so. He loved life and he lived it to the end. He will be missed."—Sen. Daniel Patrick Moynihan

"He taught us with his own inspiring example to care about those less fortunate than ourselves. He was a real fighter—for peace, for justice, for a better world."—Sen. Edward Kennedy

"Without doubt he'll be remembered as one of America's all-time great U.S. senators. He was a man of integrity and compassion and he'll be missed."—Sen. Robert Dole

He was a man of the wrong party at the wrong time. He was too liberal to be elected a leader of that party and too brusque to be admitted to the cozy inner circle to which so many of his colleagues belonged.

But Jacob Koppel Javits, a lonely politician who made his work his life, is sure to be remembered as a giant of the U.S. Senate.

Javits died Friday. He will be buried in a noon ceremony tomorrow at Central Synagogue in midtown Manhattan. Speakers will include Sens. Daniel P. Moynihan, D-N.Y., Edward M. Kennedy, D-Mass., and Charles Mathias, R-Md.

Blackballing by a senior Southern senator cheated him of power when he was a freshman; electoral defeat cheated him of power

when he was on the verge of becoming chairman of the Foreign Relations Committee.

Yet despite this, despite his being a Republican in the midst of a Democratic majority, it was his voice and his brain that helped lead the fight for civil-rights legislation, his bills that assured private pensions for millions of American workers, that provided jobs for the unemployed and heat for the elderly, that became the War Powers Act limiting the authority of any president to send troops into combat without the consent of Congress.

He kept his Republican credentials by helping the financial community with tax legislation and other bills.

For 24 years Javits served in the Senate, longer than any other New York senator. It wasn't his charm that made him a power there.

To some senators, he appeared to be a loud know-it-all, and he more or less was. "My father-in-law, Everett Dirksen (the late Illinois senator), was never one to give me much advice," former Senate Majority Leader Howard Baker, R-Tenn., once said. "But one piece of advice he did give me, and he was right, was that Jack Javits has the best legal mind in the Senate."

Jacob Javits was born at 85 Stanton St., a tenement on the Lower East Side of Manhattan, on May 1, 1904. His father, Morris Jawetz, had emigrated from Austria-Hungary and changed the spelling of his last name. His mother, Ida Littman, went from Palestine to Russia and then came to the United States.

His father was the janitor for three tenaments, among them 85 Stanton St., and the local ward heeler for Tammany Hall.

Javits would recount how his father, who died when Javits was 15, used to distribute $2 and $3 to his tenants so that they would vote Democratic.

Javits' late brother, Benjamin, took up the job of rearing him. Jacob took courses at night at Columbia University while working in a pipe factory. He graduated from New York University Law School in 1926 and passed the bar after clerking in his brother's law firm.

When he was 28, Javits joined a local Republican club. Watching his father work for Tammany Hall had turned him away from the Democrats.

A year later, in 1933, he married a 21-year-old Catholic socialite, Marjorie Joan Ringling. The marriage ended in divorce in 1936.

The law practice did so well that, in 1942, Javits went to Washington for the first time as a volunteer civilian for the Army. He got a commission as major and helped organize the chemical warfare branch. By 1945, leaving the service a lieutenant colonel, Javits was back in politics.

The next year, he entered politics as a candidate, successfully running for Congress in a traditionally Democratic district. There was another important milestone in 1946, his marriage to Marion Ann Borris, 21 years his junior.

For eight years, he served in the House, departing in 1954 only because he was awarded the Republican nomination for state attorney general. He won again. In 1956 he was given the GOP nomination for the Senate. And again he triumphed.

There was only one other Jew in the Senate when he arrived in 1957, Richard Neuberger, an Oregon Democrat. It was an institution largely dominated by conservative Southerners, who, at the least, had no love for liberal Republicans. One of them, the late Richard Russell of Georgia, managed to strip Javits of his seat on the Appropriations Committee in 1959 by insisting there were too many Republicans on the panel.

Javits always refused to ascribe anti-Semitic motives to this act.

His wife, Marion, had no love for Washington. She remained in New York. When their three children, Joy, 36, Joshua, 35, and Carla, 29, were all small, Javits made a special effort to return home on weekends.

Even Javits' friends said he lacked a sense of humor. Southerners in the Senate bitterly opposed his civil-rights stand. The inner circle of senators known as the Club would not admit him. But loneliness did not stop him.

He set about gaining membership on as many Senate committees as he could.

As his memberships multiplied to a half-dozen committees, so did his staff. He had at his command nearly 100 aides. With them, he forged the bill that created the Legal Services Corp., fathered the landmark Pensions Act, inserted key provisions in the now-defunct Comprehensive Employment and Training Act, was a leader in the creation of the National Endowment for the Arts and, when the Carter administration balked at providing funds so that the elderly could heat their homes, he embarked on "an education program" that made the White House change its mind.

Yet despite such innovations, despite his powers of analysis and his quick learning of the rules of the Senate, Javits was a cautious man.

He came late in his opposition to the Vietnam War, and he never, until the very end, called for the resignation of President Richard Nixon.

Because of his lack of action on Vietnam, his staff came up with the basis of what would become the War Powers Act, a landmark piece of legislation for the nation.

Javits made gestures toward the cause of women's rights. He appointed the first woman page ever to serve in the Senate.

With his work on the Foreign Relations Committee, he became the Senate's most-traveled lawmaker. He took journeys to every part of the globe to see leaders, to evaluate foreign policy.

But even as he became a power in the Senate, he began to lose his clout with the voters. His last two re-election victories were accomplished by his gaining less than half the vote in three-candidate fields. His liberal ways made him the target of Republican hisses and boos.

Then, in 1980, came the startling announcement.

Jacob Javits was suffering from a degenerative nerve disease called amyotrophic lateral sclerosis. It was a form of the disease that killed Lou Gehrig.

For months, Javits had refused to say whether he would seek another term. On the eve of his scheduled announcement, he confided to friends that he would not run. But then, at the age of 76 and ailing, he suddenly switched. The Senate was his whole life. Once again, he announced he would enter the fray.

He entered and lost the Republican nomination to a young conservative unknown, Hempstead Town Presiding Supervisor Alfonse D'Amato. Still the candidate of the Liberal Party, Jacob Javits pressed on with a hopeless quest. He became an active supporter of his old enemy, Ronald Reagan, stumping for him in Jewish areas of Florida and appearing with him in New Jersey. In return, never once did Reagan campaign for D'Amato in New York state.

He didn't have to. Javits split the liberal vote with Democratic candidate Elizabeth Holtzman, giving D'Amato the Senate seat.

But in the Senate, after his defeat, Jacob Javits was admitted to the Club at last. The Republicans had finally won control of the institution. But just before the defeated senators made way for the victors, the soon-to-be-ousted Foreign Relations Committee chairman, the late Frank Church, D-Idaho, stepped down. The committee, for one day, voted to make Jacob Javits its chairman.

The intense energy that had been expended on the Senate floor and in committee hearings was confined to a body in a wheelchair equipped with a portable respirator, but his mind remained as active as ever.

Although his illness subdued his voice to a whisper at times, he would still speak at commencements and other ceremonies, give private counsel to his former colleagues and go to the Capitol to testify on amendments to some of the laws he had created.

In 1983, he went to Good Samaritan Hospital in Los Angeles so that doctors there could use him in research on a disease that had cripped him.

And in his final years, there came at last a great outpouring of affection for him.

The president awarded him the Medal of Freedom, the nation's highest civilian award. The federal office building at Foley Square is the Jacob K. Javits Office Building. There is the Jacob K. Javits Lecture Center at Stony Brook, and the New York State Convention Center in Manhattan, scheduled to be completed next year, will also bear his name.

TRANSFER MONEY FROM FOREIGN ASSISTANCE TO RELIEF OF DISASTERS IN THIS COUNTRY

(Mr. STAGGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STAGGERS. Mr. Speaker, last November West Virginia suffered through killer floods. Recently California suffered through similar floods.

Yesterday I attended a meeting which remembered the heroes of the West Virginia floods. We remembered the frustrations of the victims filling out those long forms, while the State Department has been sending millions overseas with no strings attached.

We remembered the downtowns which used to be while watching small businesses trying to rebuild. Today I will introduce two bills. One bill would raise the SBA disaster loan from $500,000 to $1.5 million. Those are loans which are repaid. They will be essential for jobs in my district.

The second bill that I will introduce will restore the Department of Education's impact aid disaster assistance programs. We were told that although we are obligated to do this, there is no money. What I will do is take the money from the foreign assistance which goes to disasters and give it to domestic uses.

Mr. Speaker, I urge support of my two bills.

NO MORE "NATIONAL MUFFIN WEEKS"

(Mr. WHITEHURST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHITEHURST. Mr. Speaker, once again I would like to direct my colleague's attention to that aspect of our daily chores that has brought new meaning to the phrase "paper shuffling."

Every week we find dozens of pieces of paper, congressional correspondence we call Dear Colleague letters, in our mailboxes. I am not raising issue with Members communicating with Members, but I am taking to task the expenditure of time and money related to some of these letters.

I am speaking here of requests for cosponsors for commemorative holidays. "What will it take to make your day?" a headline in the Wall Street Journal asked. "Not a lot, it seems," was its answer. And as the New York Times noted, "Every day can be a holiday on Capitol Hill."

I am not taking exception with any particular request, but I am challenging the way Congress does business and chooses to spend some of its money.

It costs about $500 per page to print the CONGRESSIONAL RECORD. Bills cost about $80 per page. When you consider that about 400 such bills are submitted annually, and many run in excess of three pages and are often printed several times, it does not take a math major to see that printing and staff costs easily exceed $1 million.

The legislation I have introduced, which now has 187 cosponsors, would establish a commission to handle these matters at a cost of about one-twentieth of the current level. What's more, those who are seeking these designations have told me that they would welcome a more streamlined process that would be fair to every group.

I would also like to mention that this subject has received a lot of attention by the media, and, as a result, from our constituents. They want to know why so much time and energy is spent on "National Muffin Week," when we have farmers going broke and workers losing jobs to foreign competition? It's hard to defend this practice, especially when 88 of the 240 bills signed into law last year were commemoratives.

We have a perception problem here, and we need to do something about it. I urge you to join me in cosponsoring H.R. 479, and allow Congress to return to the business of legislating.

A WAY TO INCREASE AIR SAFETY

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, the public is clearly and properly concerned about air safety. While air travel is still safer than other forms of travel, the effects of airline deregulation and the lack of air traffic controllers and FAA inspectors has clearly reduced the safety of the air system in this country.

I will be introducing legislation this week which will increase criminal penalties for falsifications of airline records such as maintenance records making them felonies instead of misdemeanors and that legislation will also increase the civil penalty for violation of aviation safety regulations.

Mr. Speaker, similar legislation to increase the civil penalty has been introduced in the Senate with the support of the administration. There is no corresponding legislation to increase the criminal penalties. I urge my colleagues to join with me in sponsoring this bill which is designed to enhance the safety of our skies.

Our constituents need to know that we are responding to the increasing number of headline stories concerning the declining safety of air travel. While we are working to improve technical factors impacting air safety and the air traffic control system itself, we cannot ignore the need to ensure compliance with safety standards by those who use that system. This bill, which is aimed at forcing those in the top management positions to keep a sharp eye on their safety procedures or suffer substantial fines, both civil and criminal, is another important step in achieving the goal we all share of safe and efficient air travel.

ETHIOPIA

(Mr. ROTH asked and was given permission to address the House for 1 minute.)

Mr. ROTH. Mr. Speaker, this morning's Washington Post contains this headline: "Ethiopians Risk Lives Fleeing Resettlement." Finally, Ethiopia's holocaust is front-page news.

We find a story of an Ethiopian woman lured by the promise of free food, transported at gunpoint hundreds of miles south, forced by Ethiopian soldiers to abandon her children, and tortured as she watched her husband slowly die in a so-called resettlement transit camp. Her story echoes those of thousands of Ethiopians fortunate enough to have escaped the clutches of a present-day holocaust. For hundreds and thousands of others, their stories of suffering will die with them.

Six hundred thousand men, women, and children are today held prisoner in concentration camps by the Ethiopian regime. One million more Ethiopians are slated for capture this year.

We have to speak out and we have to take action. I have introduced legislation (H.R. 4076) calling for sanctions against the Ethiopian Government. Next week, the Foreign Affairs Africa Subcommittee will take up my bill for consideration. I urge my colleagues to join in cosponsoring this legislation and to send a clear and immediate message to the Ethiopian Government. The U.S. Congress will hopefully not remain silent any more.

REORGANIZATION OF THE JOINT CHIEFS OF STAFF

(Mr. NICHOLS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. NICHOLS. Mr. Speaker, over the past 5 years, our Investigations Subcommittee of the House Armed Services Committee has been actively involved in efforts to reorganize the operations of the Joint Chiefs of Staff.

Last November, this body passed H.R. 3622 by an overwhelming vote, and the Senate Armed Services Committee have completed their markup on a similar bill last week. Chairman ASPIN, Mr. SKELTON and I have introduced several bills which will go beyond H.R. 3622 in making additional changes addressing the CINC's, the military departments, and Defense agencies, and our subcommittee is hopeful that we may have the bill ready for consideration by the full House Armed Services Committee for their markup session tentatively scheduled for March 20.

One of my strong supporters in this effort has been my colleague and good friend, from Missouri, IKE SKELTON. Recently, Mr. Speaker, Defense News, an important new weekly newspaper devoted exclusively to defense issues, published an article written by Congressman SKELTON that describes H.R. 3622. The article also indicates where the reorganization effort will proceed in this and coming years. For those who would like a summary of where we have come and where we are going, I commend the article to them.

CHANCES GOOD FOR JCS REFORM—NEW LEGISLATION STRENGTHENS ROLE OF CHAIRMAN

(By Ike Skelton)

The House of Representatives passed the Joint Chiefs of Staff Reorganization Act of 1985 (HR 3622) in late November by the overwhelming margin of 383-27. The vote capped a three-year effort in the House to reform the operations of the Joint Chiefs of Staff.

Gen. David Jones, USAF (Ret.), chairman of the JCS (member 1974-1982), and Gen. Edward C. Meyer, USA (Ret.), Army chief

of staff (1979-1982), triggered this latest effort in 1982 while still on active duty. Each wrote separate articles describing the problems of bad advice, poor staff procedures and interservice rivalry that have been the hallmark of the JCS system.

Those of us who have worked together in this effort—members of Congress, former high-ranking Defense civilian officials and retired military flag officers who have worked at the JCS level—want to improve the quality of military advice and planning offered to civilian leaders.

Until now the chairman of the Joint Chiefs has officially been the only spokesman of the corporate views of the four service chiefs. As a result, the chairman has been stuck with positions written by a committee that protects the institutional interests of each of the four services.

The 1985 JCS bill strengthens the role of the chairman by making him the "principal military adviser" to the President and secretary of defense. As the only member of the JCS with no service responsibilities (unlike the four service chiefs), the chairman is uniquely positioned to speak for the broader military viewpoint. This change will undoubtedly strengthen his voice and help check the parochial interests of the four services.

In addition, the Joint Staff, those officers from the four services who assist the chiefs in the performance of their duties, will now work directly for the chairman rather than for the Joint Chiefs as a whole. For a third of a century the Joint Staff has not been working for a national or unified strategy but rather for three separate strategies—those of the Army, Navy and Air Force. Giving the chairman complete control of the Joint Staff will improve the "joint," multi-service perspective that has been lacking since 1947.

Another important provision contained in the 1985 bill creates a new position of deputy JCS chairman. At the present time, the secretary of defense, the three service secretaries and each of the four service chiefs have deputies, people who can assist them in their duties and carry on when they are not in Washington.

The chairman needs an alter ego; the deputy chairman will be that man. He will become the second-ranking officer in the armed forces and director of the Joint Staff. Such a change will ensure continuity of a "joint" viewpoint whenever the chairman (or deputy) is traveling and visiting senior commanders in the United States and overseas.

After a series of very thorough hearings, the House passed JCS reform bills in 1982 and 1983, with broad bipartisan support. On both occasions, the Senate did not address the issue.

On the second occasion, somewhat out of frustration with the Senate, the House included its bill as an amendment to the 1985 defense authorization bill. This maneuver allowed the issue to be raised as part of the defense authorization conference between the House and Senate, and we managed to salvage a few provisions from the House bill.

During this session, the chances are very good that the Senate will finally address this important matter. Last October Sen. Barry Goldwater (R-Ariz.), who replaced John Tower (D-Texas) as chairman of the Senate Armed Services Committee, and Sen. Sam Nunn (D-Ga.), ranking minority member on the committee, gave a series of speeches about the very serious organizational problems within the defense establishment.

Now that the committee has issued its staff report, "Defense Organization: The Need for Change," I am even more confident that Congress will finally make the changes needed in the operation of the JCS.

Correcting the deficiencies in the JCS will go a long way toward improving the performance of our defense establishment. Other important changes, however, are needed.

Both the House and Senate Armed Services Committees are considering significant measures that will alter the structure and functions of the office of the secretary of defense, the defense agencies, the three military departments and the 10 unified and specific commands responsible for maintaining and employing U.S. forces throughout the world. In addition, both chambers are looking at ways to improve "jointness" among the four services. What this comes down to is improving the incentives for serving in joint duty assignments.

Congress can help the Defense Department do its job better by adopting a two-year defense budget. Today, the yearly budget cycle results in a work schedule that is overloaded, review procedures that are redundant and a focus on issues that is shortsighted. Congress is becoming increasingly overwhelmed by the details of the defense budget process.

DoD has also suffered from this process. Since 1970 it has responded to an ever-increasing number of congressionally mandated reports and studies plus an ever-increasing number of hours of testimony, briefings and answers provided for the record in support of the defense budget.

Last year, I introduced a bill that would enable Congress to authorize and appropriate money in odd-numbered years and allow relevant committees to review, evaluate and oversee existing programs in even-numbered years. Adopting a biennial defense budget would benefit both Congress and the Defense Department.

There is a growing consensus among members of Congress, defense specialists and the American people that our present defense establishment has to be reformed. The time has finally come. We will see real changes enacted over the next year that will address fundamental problems, and not just the symptoms.

□ 1215

CENTRAL AMERICA

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, I take the well today as much a father as I am a Member of Congress. I have a 12-year-old son, I have an 11-year-old daughter who has indicated to me that she might like to go to one of the military academies or attend college on a ROTC Program. I do not want them to at some point in time have to worry about fighting in Central America or anywhere else. I come from a part of this country, southern California, in which my constituents are closer to Central America geographically than they are to Washington, DC. It is oftentimes easier to travel down to parts of Central America than it is to come back to Washington, DC.

The immediacy of the problem is apparent to many of us in southern California as we see refugees and we see illegal aliens coming to the United States across our southern border. The impact of Central and South America on our portion of the country is very evident to us. And I do not question the patriotism of anyone who might disagree with the President of the United States. I just question their judgment. It seems to me the way that I can ensure my children that they will not be fighting in uniform on battlefields in Central America is for me to assist the freedom fighters in Central America to fight themselves. They are willing to put their lives on the line. They are willing to try and strike a blow for freedom to create democratic processes there. If we do not assist them, Mr. Speaker, I feel that at some time in the future we will be sending American boys to Central and South America.

H.R. 4231, ALLOWING NASA TO ACCEPT GIFTS AND DONATIONS TO BUILD A NEW SHUTTLE ORBITER

(Mr. NELSON of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NELSON of Florida. Mr. Speaker, I have recently introduced legislation, H.R. 4231, to provide that the Administrator of NASA be permitted to accept donations for a replacement space shuttle orbiter for *Challenger.* To date, NASA has received contributions totaling $20,000.

Under current law, NASA is authorized to accept unconditional gifts or donations of services, money or property, real, personal, or mixed, tangible, or intangible.

In the wake of the *Challenger* tragedy, NASA has been inundated with contributions from all over the Nation for the purpose of constructing a new shuttle orbiter. Under current law, NASA would not be allowed to accept these designated donations. H.R. 4231 would change that, and authorize NASA to accept these designated gifts, so long as they are for the purpose of constructing a space shuttle orbiter.

The bill contains a sunset provision 5 years after enactment of this legislation. Further, the bill provides that all gifts and donations not needed for orbiter construction shall be used by the Administrator for an appropriate purpose in tribute to the dedicated crew of the space shuttle *Challenger* and in furtherance of the exploration of space.

NASA has also provided an address to which donations authorized by this legislation can be sent: Director of Financial Management, Code BF, Na-

tional Aeronautics and Space Administration, Washington, DC 20546.

I ask Members to join me in cosponsoring H.R. 4231.

A POLICY THAT IS DESTINED TO FAIL

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, we have a deep disagreement among various Members of this House about what ought to be done in Central America.

I think we all understand that we have an interest in that region, we are all concerned about what happens in Central America, all of us want to make certain we do not have another Cuba in this hemisphere.

But the President and his cheering squad, NCPAC, seem to be working themselves into a frenzy about whether or not this House, this Congress, will send $100 million in additional aid to the Contra soldiers.

Let me say that I have been to the hills of Nicaragua and Honduras, I have been to a Contra soldier camp, I have studied that region. I think our policies there are fundamentally flawed. I think throwing money and wasting money with that kind of a policy does not make any sense at all.

Now, if we are so anxious to spend $100 million—and I question that, with the deficit we have—I have got a Central America, Mr. President, you might want to invest it in: Kansas, Iowa, North Dakota, South Dakota. We have farmers failing because of failed farm policies. Maybe you want to consider the real Central America. But if you want to talk about Nicaragua and Honduras and El Salvador and Costa Rica, and so on, it seems to me you ought to pursue a policy that works. The Contadora process, by which neighbors attempt to determine how they can get together and sign peace treaties guaranteeing the sovereignty of each other's borders, makes much more sense than funding the secret army which is destined to fail in the hills between Nicaragua and Honduras. We all want the same thing, but it seems to me this President wants to throw $100 million of the taxpayers' money away on a policy that is destined to fail. I would like to see peace in Central America and I would like to see our interests in that area furthered. It will not happen if we agree to the President's strategy.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore (Mr. FOLEY). Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, I believe that it is very necessary to speak out now, more than ever, in light of the remarks in the press attributed to the President, Mr. Reagan, and to the actions that were taken by three of the committees of the House last week on Thursday and reported in Friday's newspapers.

Two of the committees, one, the Select Committee on Intelligence, flatly turned down the President's request for the approval of $100 million to the rebels, as they are called, or the Contras, as they are called, or what the President says is a motley crew that is the moral equivalent of our Founding Fathers.

Mr. President, being an actor, resorts to exaggerated language, to say the least—quite a bit an insult to the moral quality and the tremendous valor of the Founding Fathers of this great Nation of ours.

Nevertheless, the other Committee on Foreign Affairs also rejected.

However, the Armed Services Committee, by a voice vote, seemed to have approved at least some kind of full House consideration, and it is anticipated we will be discussing this in the House this week. And that is good, because every one of us will have to face the record as to just what it is we really stand for in the way of analyzing the seriousness of the developments south of the border.

As I have said repeatedly and from the outset, President Reagan has set course irrevocably, irreversibly, steadfastly, that is catastrophic and ultimately will lead to great loss in treasury and in blood.

When my colleagues talk about how they do not want their children involved in wars in the New World, when they support the requests unquestionably, such as President Reagan is now asking of us, that is exactly what they are prescribing for their children and grandchildren and great-grandchildren.

I have said repeatedly that the reason why I am so sternly against this mistaken policy is that it is based on a falsified or a misperception of the world that is in reality existing south of the border, beginning with the Republic of Mexico which is in the middle of turmoil that hardly gets reported in our own presses.

But I think it is significant that we look at it from a realistic point of view. The President, by invoking his emergency powers, delegated ever since the approval of the Espionage Act in 1917 and 1918 during time of war, last year declared an embargo on the country of Nicaragua.

Before the President could do that, he had to, under the law, find that a state of grave emergency exists because of Nicaragua to our national security. He has not defined that other than to say, as he did over the weekend, that if he did not get the aid that he wanted for the so-called Contras, ultimately there would be a Red sea that would finally be lapping at our shores. Earlier last week he said that, in meeting with three of the so-called rebel leaders, who do not get along among themselves, and did not see the fourth, who was also in Washington at this time and who has decided not to get help from the CIA so, therefore, the CIA cut him off, because he did not want to subordinate himself to the majority of the Contras who are ex-Somacistas, against whom he fought when the revolution in Nicaragua succeeded.

But I think the question we ought to ask is a question of the President: Mr. President, you invoke your emergency powers. You first had to declare categorically that there is an emergency situation that has led you to invoke an embargo, trade and otherwise, commercial, against Nicaragua, at the same time you maintain an ambassador in Managua, Nicaragua, in other words, attesting to the world that you are at peace with that regime, that you recognize it as legitimate and that you have your duly-qualified-with-portfolio representative duly accepted by the Managua regime as a gesture of friendliness and approval from our country. Now, Mr. President, since you are now asking us to give you $100 million without accounting for the $40 million that was given in the guise of humanitarian aid last year, you have failed to come to the Congress to account just what was sent, how much of it was received, how much of it has ever been unloaded. If you want to come to the Congress, you have to tell the truth if you saw fit to do it, and that is that over 50 percent of that materiel is still unloaded because the Government of Honduras has problems that we have imposed on it. We are occupying Honduras without its consent or will. Mr. President, what has been the result of your economic embargo?

□ 1230

RACKETEERING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LUNGREN] is recognized for 60 minutes.

Mr. LUNGREN. Mr. Speaker, last Tuesday evening, CBS television broadcast "A Deadly Business," a film which profiled the control of parts of the toxic waste disposal industry by organized crime. The film provided a graphic picture of the brutality and danger to society inherent in this sort of Mafia activity. But it only hinted at

the peril to America posed by the integration of the mob into the legitimate sectors of our society.

Next to narcotics, racketeering remains the most insidious of Mafia operations. Experts in law enforcement and empirical evidence confirm that the manipulation of businesses and unions by mobsters has assumed huge proportions, both from a geographical standpoint and in terms of its cost to the average citizen. Further, a new generation of racketeers now seems poised to continue mob exploitation into the next century. The dimensions of this problem make the investigation of new ways to combat it an inescapable responsibility.

My comments this afternoon constitute the second installment of my review of the findings of the President's Commission on Organized Crime. They do not form an attempt to criticize revision of the RICO statutes, or to stand in judgment of organized labor. I myself believe that some curtailment of the civil RICO provisions is necessary to insure that the law is used in accord with its original intent—to attack racketeering enterprises—and not as an element in run of the mill civil cases. As for unions, an evaluation of racketeering reveals three critical facts: First, unions and their members are the victims of racketeers; second, mobsters do not distinguish between extortion from unions and extortion from business; third, the vast majority of union locals are guided by men of integrity.

On another point, Mr. Speaker, I should say that talking about the Mafia or La Cosa Nostra is not to be taken as a criticism of Italian-Americans. There has been some sensitivity expressed by some, even to the extent of denying there exists organized crime structure known as the Mafia or La Cosa Nostra.

I think that the last 20 years' investigation and prosecution by administration after administration, whether Democrat or Republican, has revealed that La Cosa Nostra does exist. The testimony taken publicly, under oath, by those informants who have left La Cosa Nostra indicates without one doubt that in fact that criminal enterprise does exist.

The other point that I would like to make, Mr. Speaker, is that many of the toughest prosecutors that we have, on both the local and the Federal level, happen themselves to be Italian-Americans. So it seems to me to criticize any suggestions that La Cosa Nostra or the Mafia exists, and that somehow it is a criticism of Italian-Americans in general or specifically is, I think, unfounded.

I think we do a bad service to those prosecutors, whatever their ethnic background, but particularly those prosecutors who happen to be Italian-Americans, who are every day putting their jobs, and yes, in some cases, their lives, on the line to try and root out this most corrupt enterprise that has existed for generations and against which we must take a fresh attack.

On February 10, 1983, Mr. Ken Eto, an associate of organized crime figures in the Chicago area, drove to a local Italian restaurant with two fellow Mafia personnel. When he parked his car at the restaurant, his comrades, Johnny Gattuso and Jay Campise, shot him three times in the head. Miraculously, Eto survived. His former friends, however, were not so fortunate. Authorities discovered their bodies in a trunk on July 14, 1983. Gattuso and Campise had been strangled and repeatedly stabbed. Every major organ in their bodies had been slashed.

These grisly incidents induced Mr. Eto to join a growing number of former Mafiosos who have turned away from a life of cruelty, and turned toward assisting Federal and State investigations. This assistance has enabled law enforcement officials to gain indictments and a new understanding of how the higher echelons of the Mafia operate their rackets.

Based on these connections, the use of electronic surveillance and other methods of investigation, Federal and State officials have now painted a portrait of racketeering that is shocking in its dimensions. The President's Commission on Organized Crime conducted a poll last year of some 750 local police agencies and 50 field offices of the FBI. Their nationwide survey revealed that law enforcement officials most frequently encounter organized crime not through prostitution, gambling, or narcotics, but through labor racketeering and the infiltration of legitimate businesses.

The implications of these statistics appear very grave. According to the December 19 edition of the Christian Science Monitor:

> The grip of organized crime extends beyond * * * corrupt politicians, bribed union officials, and unscrupulous businessmen. It extends right into the pockets of practically every American citizen.
>
> Anyone who has had garbage picked up in certain areas of the Northeast, bought a candy bar in a vending machine, tried to construct a building in New York City, or dined on filet of sole in Manhattan restaurants has, to some extent, made a contribution to the coffers of the underworld bosses.

New York City provides a particularly instructive window on racketeering, in large part because law enforcement officials there have been so energetic. Criminal investigations have exposed a wide range of racketeering activities, notably in the construction and carting industries. John L. Hogan, until recently the chief of the FBI's New York office, described the situation in this way:

> The aggregate cost of organized crime to the average citizen is astronomical * * *. It hits our pocketbooks, hits us on the job, hits us in stores, hits the houses we live in, on the roads we drive on. It accelerates our costs.

New York State Attorney General Robert Abrams recently elaborated on the latter statement. In filing an antitrust suit against eight concrete companies—three of which may have connections with organized crime, Abrams contended that the concrete industry was overcharging builders in New York by as much as $50 million each year. Rudolph Giulani, U.S. attorney for the southern district of New York, has stated that extortion in the construction industry has driven up building costs by about 20 percent. Naturally, higher construction prices translate into higher rents, higher costs for the goods sold by companies using the buildings, and higher Government taxes to pay for expensive public works projects.

The President's Commission on Organized Crime has confirmed this information. One New York City construction manager told the panel that the Mafia exercises influence over all construction contracts valued between $500,000 and $100 million. The Commission's executive director, James Harmon, also believes that Mafia connections are presently unavoidable.

> In New York City, a builder cannot construct a building from the ground up without dealing with a union that is controlled by organized crime * * *. I can even take it a step further. A builder cannot even tear down an existing building before constructing a new building without dealing with a union that is controlled by organized crime.

La Cosa Nostra, therefore, extorts not only from business and unions, but from ordinary New Yorkers ranging from the entrepreneur building a condominium to the secretary living in an apartment.

Unfortunately, the carting industry provides a second arena for victimization. Ronald Goldstock, who heads the New York State Organized Crime Strike Force, has stated that the Lucchese organization, allegedly one of the five Mafia families of New York, dominated carting businesses in Long Island. They obtained this hegemony through, in Mr. Goldstock's words, "threats of physical injury, economic injury, property damage" and the manipulation of the key unions in the field, the Employees' Association. Mr. Goldstock has observed that the mob's monopoly costs consumers roughly $10 million per year. And commercial establishments may be paying the mobsters a 400-percent premium to have their garbage picked up.

Federal and State officials are thus convinced that the same men who profit from prostitution and poisonous drugs are now exploiting vital sectors of our economy—at the expense of the American people. Their generalizations, however, pale in comparison

with actual cases presented before Federal courts and the President's Commission. These cases reveal not only the extortionate profits gained by the mob, but the almost dictatorial power they have acquired over individuals and organizations.

The besieged construction industry provides the framework for one of the most disturbing cases, the trial of purported Colombo crime family members that began in December 1985. Mr. Ralph Scopo played an essential role in the development of the Federal prosecutor's argument.

□ 1240

Scopo had served for many years as the president of the New York district council of the Cement & Concrete Workers Union. He was also alleged to be an associate of the Colombo "family." The prosecution contended that, in his capacity as a union leader, Scopo required payoffs from concrete contractors for the benefit of his Mafia superiors. Concrete contractors testified to this effect, but the most damaging evidence came from tape recordings.

One tape recorded a conversation between Scopi, Gennaro Langella, Dominic Montemarano, and Louis Foceri. According to the prosecution, Langella had functioned as "acting boss" for the Colombo family; Montemarano was a Colombo "captain"; and union official Foceri was a "soldier" for the Lucchese family. At one point, Scopo tells his friends that he wants $50,000 from contractor Peter DeGaetano within a few days. Referring to the merger of two construction companies, Foceri states that "Paullie wants his money and Tony wants his money." He did not identify which Tony he was referring to, but "Paullie" was apparently Paul Castellano, head of the Gambino family until his assassination in December. Foceri later added that an obstinate contractor had been compelled to "pay money" and that he had been "taught a lesson." Mr. Foceri, however, had also taught the jury a lesson—about the association of major union officials with the most ruthless criminals.

During an earlier round of testimony, the prosecution had played a tape involving Scopo and contractor David Assalti. The tape provided an astonishing record of Mr. Scopo's opinions on extortion. Assalti had testified that, in exchange for labor peace, he had paid Scopo $600 during the building of LaGuardia Community College and $2,000 during the construction of St. Albans Parish Hall in Queens. In the tapes, Scopo tells Assalti, "You gotta pay, there's no two ways about it * * *. Money ain't everything." He adds that he wishes that he himself paid off people: "You know, it gives you peace of mind." Finally Scopo recounts the difficulty he had with one union official over his extortionate actions. Joseph Paradiso, he says, was "from the old days," and "honest as the day was long." When Mr. Paradiso questioned Scopo's activities, Scopo told Assalti, "I had to talk my way out of it and lie like a son of a gun to get out of it." The sad implications of Scopo's conversations are clear: Racketeers not only hold sway over parts of the construction industry, but their secure authority has acquired an arrogant swagger.

The misadventures of Matthew (Matty the Horse) Ianiello suggest that the mob may be gloating over much more than concrete. Federal prosecutors allege that Ianiello, purportedly a captain in the Genovese crime family, worked with a Mr. Benjamin Cohen to operate bars and restaurants in "a pattern of racketeering." The two men supposedly skimmed $2 million from these businesses. They concealed their control of the facilities, at one point acquiring fraudulent liquor licenses. Then they failed to report the taxable income they gained from the establishments. The industrious Mr. Ianiello may have also secretly controlled carting companies that handled millions of dollars in waste-removal contracts for the Consolidated Edison Co. He faces Federal charges on these grounds as well.

Unfortunately, the threats, violence and thefts employed by racketeers extend far beyond the world of Matty the Horse and the boroughs of New York City. The Kansas City trial of reputed mobsters from Kansas City, Chicago, and Milwaukee revealed racketeering activites that grasp across State boundaries for millions of dollars in profits.

Former Las Vegas casino proprietor Allen Glick provided frightening testimony to this effect in November 1985. In 1974, Glick purchased the Stardust and Fremont hotels on the Las Vegas strip. He did so with a $62.75 million loan from the Teamsters, an arrangement made in concert with purported Milwaukee Mafia boss Frank Balistrieri. Balistrieri soon insisted that Glick hire Frank Rosenthal, reputedly a mob enforcer, as the chief of his Nevada operations. To Glick's distress, Rosenthal soon began hiring and firing people on his own authority. He even ordered Glick's secretaries to spy on him. Glick protested, but Rosenthal, Glick recalls, gave him an icy response. "I think it's about time we had a discussion, Glick. You're not my boss. And when I say you're not my boss, I'm talking not just from an administrative position, but healthwise. If you interfere with what's going on here, you will never leave this corporation alive. Test me." Amazingly, Glick continued to quarrel with Rosenthal, The latter finally demanded that Glick fly to Kansas City, where he met with another alleged Mafia chieftain, Nick Civella, Civella, not a subtle individual, decided to give Glick an easy clue as to his identity: "You don't know me, but if it would be my choice, you wouldn't leave this room alive." Civella then stated that he too had played a role in the Teamsters loan. He assured Glick that he would not receive the new loan from that organization which Glick was then seeking. Glick in fact received no further assistance from the Teamsters, and eventually sold his casinos.

Obviously, the implications of Glick's testimony present severe dilemmas for law enforcement. Government officials must combat an enemy with the financial resources of large corporations. They must confront a criminal organization with the flexibility that interstate connections provide. And they must seek to apprehend individuals with a medieval tradition of ruthlessness.

Of course, one might dismiss such anxiety, perhaps contending that the information presented in the Kansas City trial constitutes only one instance of the abuse of union funds. But testimony before the President's Commission strongly suggests otherwise. David Williams, an official of the Department of Labor and an investigator for the President's Commission, testified that labor racketeers have manipulated union financial resources to pay for their attorneys:

> The fact that labor racketeers are capable of forcing their victims to pay their legal fees is a dramatic demonstration of the level of control and domination racketeers hold over these captive unions. A number of methods are employed for extracting these legal fees.
>
> In some instances, labor racketeers' legal fees are paid directly by the union or pension fund that they are convicted of plundering. Frequently, sham authorization is obtained from puppet-like trustees installed by the racketeers.
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> A second method frequently employed is for union officials under investigation or indictment to receive legal representation from attorneys on retainer by the victim union. Upon closer inspection, the substantive duties of such attorneys appear to have been solely to keep union mobsters out of prison and to protect them from the legal recourses of their own membership.

Williams revealed that these practices, obscene as they might be, are only the tip of the proverbial iceberg.

> When the Government sometimes steps in to prevent these blatantly abusive practices, the racketeers force the unions' insurance companies to pay for their improper expenditures. Those insurance companies merely recoup these losses by raising their fiduciary insurance rates to the union, and the victimized membership continues to pay indirectly for the legal fees of the men who have been charged with plundering their treasuries.
>
> If these methods fail, the racketeer recoups his legal expenses by collecting "voluntary contributionsd" from his membership, who are often dependent upon him for work assignments. These collections most

commonly take the form of defense funds and testimonial dinners.

All of these methods are structured and designed to provide racketeers with free legal services, typically at astronomical costs to the membership.

Possibly the most offensive aspect of these practices are schemes designed to pay legal expenses for mobsters not connected in any way with the union. Frequently, this scheme is employed when union racketeers are brought to justice with their associates in organized crime groups, including the La Costa Nostra. When joint defense fees are incurred on behalf of a number of defendants, such as those related to private detective work and accounting services, the defendant whose fees are paid by a union entity claims the entire joint costs of such services rather than pro rating them among all defendants. The defendants who have plundered the unions but are not eligible for legal fee reimbursement, have many of their costs transferred to eligible union racketeer defendants.

These legal fees do far more than cover labor racketeers' expenses during trials. Increasingly, union monies are expended to combat and head off ongoing government investigations aimed at cleaning up these mob-dominated unions. Private investigators are engaged to follow the actions of federal investigators. Attorneys with important influence are hired to plead with high level Justice Department [officials] to halt or abandon union probes.

Williams provided an important empirical foundation for these contentions.

A case study has been selected by the staff to illustrate the abuses outlined in this statement. The information was obtained through Commission subpoenas and interviews. The study centers upon the legal fees paid by various Teamster labor entities in the government investigation of attempts to bribe former U.S. Senator Howard Cannon of Nevada. In the subsequent trial, United States vs. Dorfman, all defendants were found guilty of all charges. Yet Teamster organizations paid over $2,385,000 in legal fees for these defendants. An additional $1.7 million was paid by a service provider firm whose sole source of income was Teamster fees. One of the Teamster organizations, the Central States Southeast and Southwest Areas Pension and Health and Welfare Fund, known as the Central States, actually changed its requisitions during the case to retroactively allow such legal fees to be paid. The defense payments not only benefitted IBT President Roy Williams, Trustees Advisor Andrew Massa and Thomas O'Malley, but aided in the defense of reputed mobsters Allen Dorfman and Joey Lombardo. Roy Williams' million-dollar defense was paid by Central States, the Central Conference of Teamsters and the International Brotherhood of Teamsters. Central States Trustees Massa and O'Malley had $1.3 million paid by the Central States for their defense expenses. Reputed mobster Allen Dorfman's $1.7 million defense fees were paid for by his insurance and claims processing firms whose sole customers were Teamster entities. Both Dorfman and Lombardo received the considerable benefit of private investigators and transcription services paid for by the Central States Pension Fund, Dorfman, a reputed affiliate of La Cosa Nostra, and Joey Lombardo, a reputed La Cosa Nostra leader, were used to such treatment by the Central States' Funds. In 1975, the Central States paid $160,000 to the Arthur Young accounting firm to defend Alley Dorfman and Joey Lombardo along with other defendants in United States verses Weiner.

In the end, the elderly Teamster pensioners paid for the extravagant defense of the racketeers who have held their unions captive during their entire lives.

As the legal fees were being authorized by the Central States Trustees to benefit criminal elements and the Fund, Atlanta Teamster Glenn Hall was struggling desperately and unsuccessfully to obtain his pension from the same Trustees. Mr. Hall, unlike Dorfman and Lombardo, had been a Teamster for 28 years. While the Teamsters unquestionably paid millions for the defense fees of other, Mr. Hall had to wait five long years before U.S. courts compelled the Trustees to give Mr. Hall his well earned pension benefit.

In a sense, Mr. Williams' statement demonstrates the acute unfairness of broadly whitewashing unions as the residences of the mob. Such characterizations bypass the fact that certain corrupt individuals in the organization have extorted money not just from the pension and health funds, but from the hard-working union members whose money comprises those funds. Racketeers are thieves on the grandest of scales, stealing from the retirement and medical needs of unionists.

In this context, it is encouraging to mention the testimony of Mr. George Lehr, executive director of the Teamster's central states, southeast and southwest areas health and welfare and pension funds. Mr. Lehr told the President's Commission that since his appointment in 1981, his unit has instituted professional management practices and hired a staff of professional accountants and financial experts. He also stated that under the leadership of Morgan Stanley, the fiduciary for the funds, investments in Nevada gambling establishments have dwindled from $260.6 million to $34.7 million.

In contrast, the Commission's final conclusions about other key unions was very discouraging indeed. Two locals of the New York Harbor union, it says, are "firmly under the control of the Gambino and Genovese" organizations. Locals in New York and New Jersey of HERE—the Hotel Employees and Restaurant Employees Union—which contains some 400,000 members, may be heavily infiltrated by organized crime, and the final report asserted that the Mafia exercises an "almost unfettered control" over the New York-New Jersey waterfront through the International Longshoremen's Association. The latter organization numbers some 200,000 members.

Statements before the Commission regarding the Laborers' International Union proved equally disheartening. Ken Eto, the victim of the attempted assassination I reported above, discussed the identity of key officials in that union. He stated that Vince Solano, president of local 1 in Chicago, is a territorial boss of the Mafia on that city's north side. As a territorial boss, Eto maintained, Solano controls gambling, poker games, horse bookmaking, sport bookmaking, extortion of topless clubs, strip joints, massage parlors, adult bookstores, gay bars, vending machines and even jukeboxes. Eto added that Al Pilotto, president of local 5, functions as another territorial boss in Chicago. And John Fecarotta, who holds a position on the union's central States board, reportedly acts as an enforcer for the Chicago Mafia.

If Commission testimony is correct, the résumés of some Laborers' officials in New York are equally grim. A New York labor official, who asked to remain anonymous out of fear for his life, identified the following individuals: Vincent "Vinnie the Chin" Giganti, purportedly of the Genovese family, who dominates local 95; Paul Varo, reputedly a captain in the Lucchese family, who dominates local 1298, Christopher Fornari, Allegedly a counselor of the Lucchese family, who governs local 731; Samuel Cavalieri, possibly a member of the Lucchese organization, who "owns" Blasters Local 29; Vinnie DiNapoli, another reported member of the Lucchese unit, who "controls" local 18-A. These connections would certainly appear to confirm the view that high construction costs in New York do not arise from inflation alone.

Judge Irving Kaufman, chairman of the President's Commission, observed in an opening statement before the first hearing that mob influence in particularly strategic locals translates into mob influence over the national level of the union. He believed this to be the case with the Laborers' Union. The testimony of Robert Powell, while lacking in direct references to Mafia ties, may be interpreted as support for these views. Mr. Powell rose from a ditch-digger to the first vice-presidency of the Laborers Union. He participated actively in the civil rights movement of the 1960's, working with the NAACP, the Urban League and the Southern Christian Leadership Conference. He also encouraged efforts to eliminate criminal corruption from selected locals of the union. Mr. Powell's background, however, did not make him impervious to fear of his superiors in the union. During his testimony, Powell listed three reasons for his anxiety about the union leadership. In 1981, rumors had circulated that Mr. Powell would seek the presidency of his union, then held by Mr. Angelo Fosco. At a July dinner at the Hay-Adams hotel, Mr. Powell recalled, Fosco commented: "I understand that you are running against me and you got certain people on the staff as your campaign manager * * * Powell, you're dead, you're dead." Since Powell believed that Fosco may have been

linked to the Chicago Mafia, he took this threat seriously. He also took seriously the comments of Arthur Coia, the union's secretary-treasurer, regarding his potential candidacy for the presidency. In Mr. Powell's words, "We had a conversation one time * * * he told me that the Italians had organized the laborers and that nobody black or anyone else was going to ever take control." Following the convention that reelected Fosco, Powell discovered that Coia was not just speaking for himself. He found a dead rat and then a dead pigeon in his car, and then received threatening phone calls, asking him if he had adequate insurance and if he was breathing comfortably. The sum of these events have lead Mr. Powell, in presenting his testimony, to strongly urge the Government to take action against criminal elements in unions. According to Mr. Powell, the responsible union members are often too frightened to do so.

During a later session of the Commission's hearings, Acting Chairman Samuel Skinner asked why the Government had for so long been unable to fully respond to those fears. Ronald Goldstock, director of the New York State Organized Crime Task Force, offered an explanation. First, the Mafia code of silence ruled the "family" members without question into the 1960's. Second, although the Mafia had been in existence since at least 1930, the FBI did not recognize its full dimensions until the late 1950's. Third, key statutes such at the RICO legislation, permission of electronic eavesdropping and provisions for testimonial immunity did not pass the Congress until 1968 and 1970. Fourth, Mr. Goldstock believes that Federal prosecutors did not make adequate use of the RICO statutes until the mid-1970's. Clearly, the Mafia's web, at once so pervasive and so intricate, requires the most painstaking of efforts to understand, let alone disentangle.

The Federal investigation of Teamsters Local 560 in New Jersey provides exceptional verification of this statement. It constituted the first civil action ever against labor racketeers under the RICO statutes. Robert Stewart, chief of the Organized Crime Strike Force in Newark, reported on the case for the President's Commission last April.

By way of background, Local 560 had gained national notoriety as far back as June of 1963, when Life magazine ran a cover story about the murder of Walter Glockner, a prominent 560 dissident. Some twelve years later, the local and Anthony Provenzano were again in the national limelight following the disappearance of former Teamster Union President James R. Hoffa. The publicity was such that one Executive Board Member was later constrained to admit on the witness stand that the public perception of local 560 was that of a "racket-ridden" union.

The Government noted this perception and, on March 9, 1982, filed the first civil RICO complaint of its kind in the 14-year history of the RICO statute. This complaint alleged that local 560 was a "captive labor organization", which the Provenzano Crime Group had dominated through fear and intimidation and had exploited through fraud and corruption. There followed a 15-week trial during early 1983; and on February 8, 1984, Federal District Judge Harold A. Ackerman granted injunctive relief—holding, inter alia, that the Provenzano Group had been a well-disciplined conspiratorial organization in substantially continual existence throughout the past 30 years; that it had utilized a "climate of fear and intimidation" to capture and exploit Local 560; and that the racketeering violations which had victimized both the membership of the local and the affected portions of the trucking industry were likely to recur unless the conditions within the local which had created that situation were alleviated. To that end, Judge Ackerman ordered the removal of the entire Executive Board and placed the local under trusteeship. In addition, he permanently enjoined those defendants who were members of the Provenzano Crime Group from any future dealings, direct or indirect, with any labor organization or employee benefit plan.

Mr. Stewart outlined four cornerstones of the Government's case against the Provenzano crime group. First, former associates of Mr. Provenzano provided testimony that showed: The group had engaged in racketeering activities; the group engaged in a range of activities far beyond any one conspiratorial act; the group would remain viable regardless of the deaths of some of its principal leaders. Second, the prosecution provided evidence pertaining to what Judge Ackerman called "a multifaceted orgy of criminal activity." This "orgy," which had previously lead to nine criminal convictions, included two murders, three incidents of payoffs for "labor peace," one episode of a loansharking conspiracy and one of a counterfeiting conspiracy. The Provenzano associates could not at that time be charged with any criminal actions, but thanks to the civil application of the RICO statute, they could be cited for violations of the Hobbs Act's protection of union democracy. Judge Ackerman's decision that the "climate of intimidation" present in the local did apply to the Hobbs Act provided the third cornerstone of the prosecution's case. Interestingly, the defendants provided the fourth cornerstone. In the context of a criminal case, a prosecutor would have to be unstable to believe that organized crime defendants would provide useful evidence. But Stewart observed that in civil litigation, "silence can be probative of deliberate concealment and can support the commonsense inference that a truhtful answer would be detrimental to one's position."

□ 1255

I might just defer for a second here and say that essentially that means, in other words, that in a criminal case when you take the fifth, the jury is instructed not to take anything from that fact. They cannot impute anything from that fact. They cannot impute any sort of proof from the fact that a defendant has taken the fifth.

In a civil action, however, when something comes up which could be answered by an individual, that is, an individual defendant has information on that question and yet does not come forward with information on that question, his or her silence can be taken as a commonsense inference that a truthful answer would be detrimental to his particular cause or his particular case.

To return to the quote:

To avoid this consequence, the defendant must explain his conduct. Thus, when business agent Andrew Reynolds refused during the deposition process to answer a series of questions about meetings which he had had with members of the Genovese family concerning the affairs of local 560, the court drew the adverse inference.

Subsequently, a series of transparent lies by other defendants also damaged their situation, making clear that the Provenzano crime group remained viable.

In sum, the civil application of the RICO statute provided an exceptional avenue—the only one available—to a potential containment of labor racketeers in New Jersey. But Mr. Stewart's description of the case makes clear the difficulty in grappling with a multifaceted creature like the Mafia. To bolster this impression, we need only to learn that the final version of the complaint consisted of some 347 pages, including 77 exhibits; that the trial lasted 15 weeks; and that historical research over a 20-year period was necessary. It is more disturbing to discover that Mr. Stewart feels that the "jury is still out" on the question of the cleansing of local 560. The Mafia is infamous for its capacity to periodically surge out of an ostensible containment.

Sadly, recent court cases confirm this contention. Six years ago, prosecutors in southern California scored a major victory over organized crime in that area through convictions of its key leaders. But James Henderson, until recently the chief of the Federal Organized Crime Task Force, believes that Mafia leaders from other parts of the country have moved to southern California to fill the mob vacuum left by those convictions. In June 1985, Federal prosecutors charged Vito Spillone, allegedly a member of the Chicago syndicate, with loan sharking in Bell, CA. Spillone, who spent 5 years in Federal prison before moving to California, purportedly conspired to supplant local loan sharks and bookmakers at Los Angeles-area poker clubs.

In December, Michael J. Franzese, reputedly a member of the New York Colombo crime organization, was in-

dicted on racketeering and embezzlement charges. Prosecutors said that Franzese owned or operated 18 companies for the explicit purpose of embezzling funds. To conduct this operation, the accused individuals allegedly persuaded employees of legitimate firms to lie and cover up illegal operations. On other occasions, they used dummy corporations. In a number of other instances, the defendants purportedly threatened or assaulted individuals to compel acquiescence in the schemes. Prosecutor Edward McDonald stated:

The Franzese group operated a criminal enterprise not through common street crimes, but through fraudulent schemes for which they infiltrated some of this country's most respected and established industries and businesses.

Reports in the December 20 edition of the New York Times detailed the indictment. In one instance:

The defendants financed two automobile dealerships on Long Island—Lynn Mazda and Rumplik Chevrolet—by extorting more than $1 million from the Beneficial Commerce Corp. * * * The indictment said the group, using counterfeit loans as collateral, entered into an agreement with Beneficial under which the company made a series of loans so that the dealers could buy cars from the manufacturers. The manufacturers supplied the new cars and the documents needed to register and obtain the titles to each new car.

But the defendants, according to the indictment, failed to pay Beneficial for the cars sold and withheld the proper documents from customers.

The prosecutors identified one defendant, Gerard R. Moore, 59, of Wyckoff, NJ, as a vice president of Beneficial who assisted the group in carrying out the fraud.

Another defendant, Walter Doner, 53, of Ronkonkoma, Long Island, was identified as the president of Rumplik Chevrolet. The prosecutors said Mr. Doner made false statements to obtain a $500,000 loan for the dealership from the Small Business Administration. Both dealerships have filed for bankruptcy.

According to the Times:

Mr. Franzese is also charged with transferring $2.5 million from various businesses to his private movie production company, and to his wife, so they could purchase a home on Long Island.

The racketeers of organized crime, therefore, remain incipient corrupters of our society. Within their bastions, whether they be bookmaking centers or exploited unions, they can obtain an almost autocratic rule. They have demonstrated the ability to command huge financial resources. From New York to Kansas City to Bell, CA, they have proven their geographic mobility. And, if the Franzese case is not atypical, they may be adapting to the economic sophistication of the 1980's.

In confronting this formidable enemy, the leaders of our society may easily fall prey to despair and defeatism. This is a reprehensible alternative. As Thomas McBride, a member of the President's Commission, stated at the end of its hearings on this subject:

There are simply too many human tragedies in these [acts of] violence and threats, too much economic loss, and really a very fundamental assault on our democratic fabric. The notion that these mob outfits with [the] dominating [of] unions can have government of their own, operating by their own rules and seemingly untouchable by the agencies of the government is simply something that I cannot abide.

Neither can I. Instead of accepting these afflictions, we need to evaluate new methods for combating the racketeers. New methods can be effective, as the innovative efforts of Rudolph Giulani have shown. As a starting point, we might evaluate the feasibility of planning future commissions every 5 or 10 years, in order to continually expose an industry that thrives in secrecy. We might consider revisions in the procedures of the National Labor Relations Board, in order that union democracy might have a more vigorous voice. National leaders may wish to follow two of President Reagan's suggestions in this area, as outlined in the January 12 edition of the New York Times Magazine. First, they might encourage States to enact legislation authorizing law enforcement agencies to conduct court supervised electronic surveillance. Second, they might promote the passage of RICO statutes on the State level—since 27 States have yet to do so.

As for the imposition of trusteeships on locals that are particularly menaced by the mob, I can only state that the manipulation of hundreds of thousands of hard-working unionists is too grave a situation for Government decisionmakers either to blindly accept or casually dismiss such a tactic. Before a verdict is reached on such measures, Congress, the courts, and the executive branch must evaluate internal union efforts at reform and the effectiveness of actions like those taken in New Jersey by Judge Ackerman.

Finally, there is one potential response that I am convinced is absolutely necessary. We in the Congress must certainly and immediately pass money laundering legislation, in order to cripple the other leg upon which the Mafia stands. Money is the lifeblood of organized crime and the lack of it hit the mob where it hurts the most. After all, the Mafia is not invincible. Its members are just as human as the people they prey upon.

□ 1305

Mr. Speaker, I am happy that the chairman of the Crime Subcommittee, the gentleman from New Jersey [Mr. HUGHES], has indicated that we will be moving on money-laundering legislation in the very near future. I expect that we will get the same cooperation from the chairman of the Judiciary Committee so that we might enact that legislation and bring a bill to the floor of the House of Representatives so that we might work in concert with the U.S. Senate in providing this necessary tool so that we might be able to fight the mob even more effectively.

Racketeering, that is, that type of activity involved in by major organized crime organizations, and also major drug activities, some of it involved with major organized organizations, some other of it independent, those types of activities thrive on and, in fact, must be sustained by money laundering.

Money laundering, as I said in previous special orders, is basically the process by which dirty money becomes clean. Money that is obtained in these types of illegal activities somehow is cleansed. It is either through a bank, sometimes going to places such as horseracing facilities, sometimes going to small and large businesses, in one case using a string or chain of pizza houses in order to do it. We need legislation to make illegal the activity of money laundering.

□ 1315

ARE NICARAGUA'S TROOPS REALLY POISED TO TAKE OVER THE HEMISPHERE, MR. PRESIDENT?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Dakota [Mr. DORGAN] is recognized for 30 minutes.

Mr. DORGAN of North Dakota. Mr. Speaker, I would like to today speak on the subject of our Central America Policy. The President seems bent now on a very aggressive and tenacious campaign to convince this country, and especially convince this Congress, to send $100 million in military aid to Central America.

Attendant to that effort is a suggestion that those who do not agree with the President's strategy of sending $100 million to Central America for the Contra Soldiers, who are attempting to overthrow the Sandinista government in Nicaragua, somehow do not care about what happens in Central America. They somehow are not interested in the problems that exist in Nicaragua. They somehow will not accept that there are difficulties in that region of the world.

Let me say that those of us who happen to believe the President's strategy is bankrupt, wrong, will lead to the improper result in Central America—and in my judgment will lead to disaster—we nonetheless believe that we have a vital interest in Central America, and nonetheless believe that we ought to do some things in Central America to provide a solution to the difficulties that that region is now experiencing.

So I think it is important for everyone to understand that those of us who oppose the President do not do so because we do not believe there are

problems in Central America; there are problems in Central America, they exist. We need to respond to them, but it would be foolish for us to respond in the wrong way. That would not be in our interest and it would not be in the interests of those who live in that region of the world.

Many of us in Congress, myself included, have been to Central America. I have been in the hills between Honduras and Nicaragua; I have visited a Contra soldier camp; I have visited with the leaders of most of the governments of Central America, and I can tell you that in my judgment there is a problem there.

I also believe that sending guns to hired soldiers in the hills between Nicaragua and Honduras is counterproductive. It seems to me that our policies in recent years have attempted to drive the Nicaraguan people, or at least have had the effect of driving the Nicaraguan people, away rather than toward the policies of this country.

In fact, I think that what we have done particularly with respect to the Contra soldiers and particularly with respect to Nicaragua, has been very counterproductive. It has given the Sandinista government every excuse to suspend civil liberties, every excuse to provide strict censorship of the press, every excuse to create the kind of a country internally that we say we are opposed to.

Now I am not suggesting that we should not put pressure on the Sandinista government; we should. There are many ways to do that; but I am saying that funding a secret army to try to overthrow the Sandinists government does not make any sense because it does not work, No. 1; and No. 2, it supports everything this country is against. It is not the American way to take a look at a government in Central America and say "Well, we oppose that government, therefore, we want to overthrow it." If that is the case, if that were what we were about, I have got a couple of candidates: I do not particularly like the human rights record of Chile, Argentina, Guatemala. That does not mean that this country ought to try to overthrow the governments in those countries—especially in light of promising changes in the latter two nations.

Let us talk briefly about Nicaragua and the Sandinistas. Senate Frank Church, who was I think one of the cogent thinkers on foreign policy, who died recently, served as chairman of the Senate Foreign Relations Committee. He said something in an editorial piece that he had written just before he passed away that I think needs to be repeated.

He said: In countries where most of the people have nothing and a few people have most of everything, particularly countries like those in Central America where you have incredible wealth for the few and squalid poverty for the many, there will always be revolutions in that kind of country. The question is, When will we ever learn to live with them and respond to them correctly?

I suppose it is probably understandable that countries who shut off a despot dictator that presides over that kind of a situation in which a few people are incredibly wealthy and live in great splendor and the rest of the people live in abject poverty, when the people rise up and throw out those kinds of rulers I suppose it is inevitable that those new governments will probably move farther to the left than makes us comfortable.

It seems to me the question for us is, How do we respond to that in a way that represents our best interests and the best interests of the people in those regions?

The administration says Nicaragua is poised to threaten this hemisphere; it says 130,000 soldiers, the biggest army in the hemisphere south of this country, are poised to threaten the hemisphere.

So I go to Nicaragua and I start asking around: "Where are these 130,000 soldiers?" Well, they are hard to find. I suppose you can count them if you count most every living, breathing soul down there that could conceivably carry a gun.

I recall going into a farm cooperative, and there was a young fellow sitting on a fencepost out in front of the cooperative. He was holding a gun, which was about a 35-year-old gun of European make. I asked this young fellow: How many people were in the cooperative? "There are about 25 males." I said, "What are you doing up here holding this gun?" Well, he said it was his day to hold the gun, his day to keep watch.

I said, "How much ammunition do you have?" "Oh, not very much."

"How much training do you get?" "Well, every second weekend or so, someone comes out from the central area to talk to us about the revolution."

"Do you shoot? Do you target practice?" "Oh, no, not very much. Seldom, if ever. They just talk about the revolution, because we don't have much ammunition."

So you have got 25, 26 people in that farm cooperative, about 4 or 5 guns, 35 years old, almost no ammunition, very little training. But those 25 people are part of that 130,000-man force allegedly poised to take over the Central American region of this hemisphere.

Well, I think the only way you can respond to a threat is to assess it appropriately. If the Secretary of State and the President really believe that we face the kind of a threat they suggest in Central America, then what on Earth are they doing fooling around with a few Contra soldiers? It seems to me you had better gas everything up we have and run on down there and deal with the problem—if the problem exists as they describe it.

The fact is, it does not exist that way. It simply does not. I was on the Gulf of Fonseca, between El Salvador and Nicaragua and Honduras. I had a briefing from a Honduran colonel who has been patrolling with fast boats for 18 months the Gulf of Fonseca where most of the gun running is supposed to take place between Nicaragua and El Salvador.

I went out in his boat and saw what he was doing and then I had the briefing in his office and he talked about all of the work they had done on gun interdiction for the last 18 months. I said, "Well, how many arms have you really interdicted? How many arms shipments have you interdicted between Nicaragua and El Salvador?"

"Oh, well, we really haven't interdicted any," he said. I said, "None?" "No, not any, but we think we've stopped it."

It seems to me that if the kind of export of terrorism existed to the degree that we have been told it does, you would interdict some arms with the kind of program we have had in the Gulf of Fonseca.

Well, the Sandinistas govern Nicaragua. I do not like them; I find them a bunch of bores. I also find them very insensitive. I came away from a meeting with Daniel Ortega, the President of Nicaragua, and other leaders of the Government down there, and I was very unimpressed; did not like them at all. Oh, they have improved some health clinics around the rural areas; they have done some things that I suppose you could describe as improvements over the Somoza regime. But the fact is I didn't like what I saw.

Yet, because I did not like what I see does not mean that we ought to try and overthrow the government. If I felt that they represented a genuine threat to this country or a threat to the hemisphere, I suppose I would feel differently about that.

□ 1325

But a threat to whom at this point? I guess I feel that if the Sandinistas build airstrips and try to introduce Soviet MIG fighters, I feel I would support the President in a blockade, knocking out those airstrips, doing what is necessary to prevent the development of another Cuba in this hemisphere. But in responding to the problems we perceive in that region and the problems, I admit, with Nicaragua, what we need to do is describe the problems correctly and then craft a proper solution.

What is that?

Well I mentioned I was up in the hills to meet some Contra soldiers: 11-

year-olds, 13-year-olds, 15-year-olds, machine guns, bayonets, canteens, uniforms, many of them paid for with American taxpayers' money. All of them told me of atrocities that had been committed against their families by the Sandinistas. One young fellow, 11 years old, carrying a gun, told me the reason he was in the hills was because the Sandinistas had killed his father. I said. "Tell me about that." He described it in vivid detail.

But you go down into Nicaragua and then go back up in the hills on the other side where the Contras are attacking and you will discover exactly the same stories, atrocities not by the Sandinistas—they have committed atrocities—but atrocities also committed by Contra soldiers, firing our ammunition from our weapons. Recent reports by Amnesty International and America's Watch show there is plenty of blame on both sides.

Now I think that is fundamentally wrong.

What should we do? Well, I think what we ought to do is develop cooperatively with the neighboring countries a strategy to solve the problem in the region. Mexico, Panama, Venezuela, Colombia, and others forming the Contadora group oppose this administration's plan to send more arms. They do not support it. The newly elected President of Costa Rica said:

> You know, if you've got $100 million to send, send it down here to people who are hungry in the form of food assistance, medicine to the sick, food to the hungry, education to the illiterate, send something that helps people.

Archbishop Romero, who was assassinated in El Salvador, just before he died a number of years ago said to this country: "For God's sake, if you are going to send things down here, don't send any more guns." We, the Soviets, the Cubans, the East Germans, and others have turned that region into an armed camp. There are plenty of guns. And we have sent our share, believe me.

But there is one thing that the Soviets cannot send. That is food. They do not have enough food to feed themselves. This country has food in great abundance, in fact in such great abundance that the prices are so low and the farmers are going broke. Why not convert aid that we are willing to send around this world in the interest of people and in our own Government's self-interest, why not convert that aid into aid that those people need and aid that the Soviets cannot provide? Why not compete in areas where we are destined to win and the Soviets are destined to lose?

Such aid becomes part of the solution instead of a source of the problem.

Let me give you an example about Nicaragua with respect to Castro: None of us like what Castro is doing in this hemisphere and around the world. In Nicaragua when I was there there were about 7,000 Cubans, at least those were the estimates that I had.

But they were not all troops. About 900 of them were physicians, treating people, men, women, and children out of neighborhood health clinics. Nearly 2,000 were teachers, educating people, though admittedly teaching people a militaristic view of arithmetic: "Two grenades plus two grenades equals four grenades." The point is, how do you advance your interests in an impoverished area of the world where the people are hungry, illiterate, sick, when you send guns and more guns and more explosives and at the same time someone else is sending doctors and teachers?

It seems to me once again we ought to compete where we are destined to win. In Central America we do have a vital self-interest, including the Panama Canal, Mexican resources, and longstanding friendships. We ought to be concerned about our neighbors and the interests and concerns of the humans who live in that part of the world. And if we were to be thinking straight about both of those interests and how they converge in a way that we can meet those interests, we would understand that President Reagan is absolutely wrong in his approach to solving the problem.

President Reagan's solution in Central America will make things worse, not better. But we do have the opportunity, by spending less money but sending the right kind of aid, to extend our influence in that region in a way that is good for us and good for the people who live there. One of the things that seems unusual to me is that in a town where the President is supposed to be a conservative and where he believes anyone to his left is a liberal, that we have the spectacle of a President now saying, "I insist that you spend $100 million on this and if you don't I am going to go into your districts and complain to your constituents that you are not willing to support me to throw $100 million down south in the form of guns."

Well, that is fine. I guess I would invite him into the district I represent. I was there on Saturday and had meetings in Bowman, ND, in Dickinson, ND, and Williston, ND. Mr. President, I hate to inform you that at those meetings—a couple of hundred people at one, 100 or 150 at the others—there were precious few people who supported your position. Ninety, ninety-five percent of the people at the town meetings I held this weekend raised their hands to say "we are opposed to what you are doing. Not because we do not care about Central America; we do. Not because we don't care about communism getting a foothold south of our borders; we do. But because we think what you are doing is wrong, it will not solve the problem, it will make it worse."

The Contadora countries have been involved in negotiations leading to a peace treaty for some long while now. It seems to me that we ought to invest our efforts in the Contadora process and be as helpful as we can with our neighbors, Mexico, Panama, Colombia, Venezuela. As we engage in a much more vigorous support of the Contadora peace process to guarantee the sovereignties of the borders of those countries, we also ought to open unconditional bilateral talks with the Nicaraguan Government.

I just think we ought to start talking. Again let me emphasize I do not like the Nicaraguan Government very much. But I do not think it is right to hire an army in the hills of Central America to try to overthrow it. If genuine peace talks fail, let's reexamine our position.

I do not think it is right to misstate and overstate the threat that exists in that region in order to pave the way for sending American boys to fight in Nicaragua.

Everyone in this town who thinks very much about it will agree that the kind of money that is being requested will not materially help the Contras overthrow the Sandinista government. So then what is it for? It is to help the Contras continue to fight and keep them making the case, I guess, that will lead up probably at some point to the introduction of U.S. troops in that region.

I would much much sooner see a negotiated peace treaty through the Contadora process and see meaningful bilateral talks between us and the Nicaraguans that lead to peace in that region.

I think we ought to keep pressure on the Nicaraguans. I support economic pressure, especially if it is coordinated with our allies. I supported President Reagan's economic pressure. I support the kind of pressure that tells the Nicaraguans "we will not permit you to become another Cuba in our hemisphere and we are prepared to take dramatic action to prevent it." I think the Nicaraguans will understand that. But by the same token I would guess that there are a good many of us in this Chamber who, when we sit down to start voting on this $100 million package, will have heard from the folks back home who have said that what we are trying to do in that region of the world is wrong. I am a little confused also I must admit by the administration's notion of Marxism and the Communists.

I noted that we sent our highest level officials over to China. China is a Communist nation. It is on another continent but it is a Communist nation. We said to China we would like to share with you nuclear technology

for the purpose of building nuclear plants.

Why is it that we can share nuclear technology with the second strongest Marxist nation but fear and tremble over a small Central American government with Marxist leanings.

Now that is confusing to those of us who hear President Reagan's rhetoric about good guys and bad guys, white hats and black hats. It is real confusing to us that when President Reagan and his friends say that if there are Marxists in some places we have to get rid of them somehow; but in other cases, we will sell the nuclear technology. We have to export democracy—incidentally which is something that I think is useful and wise, exporting democracy, the values and principles of democracy. That makes sense to me. But we also ought to understand that there might be some governments elsewhere who choose to adopt a different system. If that system does not threaten our interests, if they do not threaten our existence, if they do not threaten our hemisphere, I hardly think it befits us as a democratic government to decide we have got to overthrow them because they are not democratic.

So I guess, Mr. Speaker, I would like to summarize by saying that we are going to have quite a debate in the next couple of weeks. The President says, "You've got to give me $100 million so I can send some more guns down south." The policy he is pursuing is just dead wrong. It is going to waste our money, it is going to injure our interests in that region, it is not going to bring the Nicaraguans closer to a settlement; it is going to drive them further away.

What I urge this President to do is to understand that there are Central Americas both in this country and in this hemisphere. We have Iowa, Kansas, North Dakota, South Dakota, and if he wants to invest some money, if he thinks he has some extra money, this President of ours, let us have him send some money to our own Central America breadbasket, Kansas, Iowa, Nebraska, where farmers are going broke. Let us invest it where it really counts.

But instead he says, "No, I want to throw money down there in the other Central America in the form of guns to Nicaragua and El Salvador." I am just saying I think that is wrong. And those of us who are going to oppose him, and I hope win when we do oppose him, would like to urge him to enter real bilateral negotiations with the Nicaraguans, to enter vigorously the Contadora peace talks. Let us create conditions for peace that will work for all of us, for the people in that region and also work to the interests of the United States.

Mr. Speaker, I yield to the gentleman from Kansas.

Mr. GLICKMAN. I thank my colleague from North Dakota for yielding, for talking about this issue during this time period. I have not been in the Chamber and I have not been able to hear everything that the gentleman has had to say, but I would like to make about three comments which I think might be instructive to the American people who are listening or watching this. In the first place, Nicaragua is an important issue for this country. It is close to us. It is nothing that we can say does not concern us; it does.

All of Central America and Latin America concern us and ought to be a greater part of our foreign policy deliberations, certainly greater than it has been in the last 5 or 6 years. But the question here is not whether Central America is important to us, the question is not whether we want a Communist government in Nicaragua; it is important to us, Central America, and we do not want a Communist government in Nicaragua.

The question is specifically what is the best policy, what is the most effective way we can contain communism and at the same time protect U.S. interests, instill democracy and prevent our troops from going to war and acting responsibly?

I was in El Salvador and Nicaragua 1½ years ago. I saw a situation which convinced me that direct military aid to Nicaragua is unsatisfactory, would push the Sandinista regime closer and closer to the Cuban and Soviet position in that part of the world, and ultimately would probably bring American troops into action, military action, direct military action in that part of the world.

What should our response be? Well, it seems a couple of fold. No. 1, we do have military presence in Central America, Guatemala, Honduras, El Salvador. So the Nicaraguans know that if they began an extraordinarily aggressive campaign into other countries that the United States would be there and should be there if they made their military presence known in a threatening way to us. But it seems as if negotiation with a little bit of carrot-and-stick approach is a better way to go than just throwing $100 million of aid, particularly in a time period when folks at home are just desperately hurting for Federal help in a variety of areas as we cut back.

When I was in Nicaragua I remember I went to a school in a town called Matagalpa and one of the teachers there said, told me quietly, "We are not happy with the Sandinista regime. Why don't you Americans offer us a carrot? Offer us for example food aid, offer us constructive bilateral relationships and then let us know that if we in fact abridge that relationship wrongfully, interfere in our neighbors' sovereignty, not only would that affirmative aid be withdrawn but then the American Government would have to reconsider its position on what sort of military position we might want to take in the future."

That seems to be much better leverage than this kind of heavyhanded club approach which has the United States going in there and fitting a historical pattern of looking like it is imposing and interfering on the livelihood and sovereignty of people in that region of the world.

Mr. DORGAN of North Dakota. The point the gentleman is making is a point that I was trying to make. The gentleman made it much more effectively and quickly. We are concerned about what works. It is not a question of whether we are involved in Central America; we have an interest there. It is not just a vital interest for us, but also for the people who live there in abject poverty.

The question is not whether, it is how? How do we solve the problem in our interest and in theirs? And I was saying before the gentleman came to the Chamber that the President, I think, has proposed and I am sure with good intent, policies that have not worked, policies that have in fact provided the shield behind which the Sandinistas have been able to restrict civil liberties, have been able to impose censorship. And I think that inasmuch as it has not worked, we ought to try something different.

Mr. GLICKMAN. That goes to an even more significant thing. The policies have not worked because I do not think the administration has been clear on what its goals are.

We recently met with the Secretary of State who I think is a very fine man, George Shultz. In fact I am thankful that he is in this administration because I think he is a tempering influence and he is an intelligent, loyal American.

□ 1340

But we asked him: What do you want to accomplish?

Here we are, we have an ambassador in Managua, we have diplomatic relations with this country, and we are debating right now whether to send $100 million to overthrow the Government there. The whole thing is almost ludicrous, it could be in a "Saturday Night Live" routine, if we were not so serious and the potentiality of American troop involvement were not so great.

But the fact of the matter is that our goals are obviously more than just making life a little bit rough on them. They seem to be more like overthrowing the government. And I think that is an inappropriate goal for us to be pursuing in this period of time. On the other hand, it is an appropriate goal for us to try to prevent Nicaraguan involvement in the internal affairs of

other countries. But the methods we are using to deal with that, sending in $100 million of military aid, I do not think are going to accomplish that at all. In fact, I think they are going to cause the reverse to happen.

Mr. DORGAN of North Dakota. Well, I agree with what the gentleman is saying. And we are interested in trying to accomplish something down there that works for all of us. And what I was saying earlier is that I think, No. 1, that the administration grossly distorts the threat. They are talking about armies that do not exist. Clearly Nicaragua does have a significant army but not a 130,000-man army posed to strike at the rest of the hemisphere. I also would like for us to have a constructive policy in the region that I think will cost less and accomplish more.

Unfortunately, the President and NCPAC and some others, for example, seem to be creating a debate here that suggests: Those who follow me, those who believe in what I am talking about, are intent on opposing communism in Central America. Those who do not are soft on communism, they do not care about communism in Central America.

That is the most outrageous kind of distortion of what should be a very sensible debate here on policies that would work for us and for them.

I would hope that in the coming weeks that groups like NCPAC, even people from the White House, like Buchanan, and others, would back away from that kind of nonsense. This debate ought to be better than that. This debate ought to be what works for us and for them.

Mr. GLICKMAN. If the gentleman will yield further, it would be wonderful if we could reach consensus where we would not have this bitter partisan fighting over this issue, which is an important issue for America. It strikes me that we bring this matter to a vote, and let us assume, for a moment, that the President wins by five votes, or the President loses by five votes, and the image to the rest of the world is that the United States of America does not have a focused position in Central America—which is true, we do not have a focused position in Central America, and the vote reflects the great internal split we are having right now. But to accomplish that requires some consensus building, it requires some people to give.

I recall, for example, in the El Salvador issue, I ultimately decided to vote for military aid to El Salvador. Why? Because I thought we had a democratic, with a small "d," leader in that country who was not only trying to resist communism but was trying to build a society with democratic reforms.

But in this particular country, I see that what we are actually trying to do is to overthrow a government, and that is a very difficult matter to achieve, and it probably will lead to the imposition of troops in that part of the world. I do not want to see that happen.

Mr. DORGAN of North Dakota. Well, if you have been up in the hills and have seen the machineguns and the equipment and the uniforms that the taxpayers have paid for—and some of us have seen those in those camps—it is interesting to see that and then analyze what our policies were. We were told that we recruited this group of soldiers because we wanted to use them in those hills to interdict arms shipments. That was about 4 years ago.

Well, clearly, things have changed since then, and now we have decided that we are going to build it up and strengthen it, and everybody pretty much openly admits that what we are trying to do is fund an army that will overthrow the Sandinistas. I do not think anyone has a particular goal in mind down there in this administration except to make some trouble and create a condition by which ultimately they could probably send some American troops in and clean it out.

And I am just saying that I think there is a better approach. I think we can, with the Contadora process, we can, with bilateral negotiations, and we can, by providing aid the Soviets cannot provide, the aid that they need so badly food, medicine, education, we can prevail in Central America without sending American troops to Central America. I am talking about American troops to fight. Clearly, we have got a lot of American troops in the region already.

Mr. GLICKMAN. And we can prevail with both the carrot and the stick approach, but it is very difficult for us to prevail with just the stick approach. And the carrot and the stick approach requires risk on the part of this President and this country. It requires us to say: We will in fact provide you the benefits of our relationship. That could be food aid, it could be educational assistance, whatever. And if we see you interverning in Guatemala or Honduras, folks, you have problems coming down the road.

But until we give that carrot approach, I do not think that we are going to find any success in this current policy.

Mr. DORGAN of North Dakota. I thank the gentleman from Kansas for participating in this special order.

LET'S NOT TOY WITH PUBLIC HEALTH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. WYDEN] is recognized for 10 minutes.

Mr. WYDEN. Mr. Speaker, on February 27 the Department of Energy released a group of newly declassified documents describing activities at the Hanford Nuclear Reservation. These documents revealed that on December 2, 1949, there was a planned release of 5,500 curies of radioactive iodine from the reservation. This may be as much as 366 times the amount of iodine-131 that was released during the 1979 incident at Three Mile Island.

The disclosure of this release has understandably shocked and angered the people of the Pacific Northwest. Radioactive iodine can accumulate in the human body, particularly in the thyroid gland, where it may cause abnormalities, nodules, and even cancer. Wheat farmers, dairy owners, and others living near the reservation predictably have expressed their outrage about being made guinea pigs in this bizarre experiment without their consent or knowledge.

Mr. Speaker, a few minutes ago I spoke with Michael Lawrence, manager of DOE operations at Hanford, and he has agreed to cooperate with the Northwest congressional delegation and the House Energy and Commerce Committee in investigating this incident. First, he has agreed to provide the committee with the declassified documents describing the release. Second, he has agreed to brief the members of the Northwest delegation on the aspects of the incident that remain classified. Third, he has agreed to cooperate in epidemiological studies of the potential health impacts of this release.

Mr. Speaker, matters of human health cut across party lines. This is an incident that concerns all citizens of the Northwest. I have spoken with the majority whip, Mr. FOLEY, and Representative BOB SMITH of eastern Oregon, and they share my feelings. And I know that Congressman MORRISON, in whose district Hanford lies, is also concerned. I am confident that we can fully explore this incident, learn from it, and prevent similar toying with the public health from ever again happening.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. WYDEN, for 10 minutes, today.

(The following Members (at the request of Mr. ROBERT F. SMITH) to revise and extend their remarks and include extraneous material:)

Mr. PARRIS, for 10 minutes, today.

Mr. PARRIS, for 10 minutes, on March 11.

Mr. MOLINARI, for 5 minutes, on March 11.

Mr. ROTH, for 60 minutes, on March 11.

(The following Members (at the request of Mr. GONZALEZ), to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 5 minutes.

Mr. ANNUNZIO, for 5 minutes.

Mr. DORGAN of North Dakota, for 30 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. ROBERT F. SMITH) and to include extraneous matter:)

Mr. COURTER.

Mr. SENSENBRENNER.

Mr. ROTH.

Mr. LEWIS of Florida.

Mr. DAUB.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. FRANK.

Mr. DORGAN of North Dakota.

Mr. ANDERSON in 10 instances.

Mr. MONTGOMERY.

Mr. GONZALEZ in 10 instances.

Mr. ANNUNZIO.

Mr. BROWN of California in 10 instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in five instances.

Mr. VENTO.

Mr. NATCHER.

Mr. FASCELL.

Mr. LIPINSKI.

Mr. WYDEN in two instances.

Mr. BIAGGI.

Mr. LEVINE of California.

ADJOURNMENT

Mr. WYDEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 53 minutes p.m.) the House adjourned until tomorrow, Tuesday, March 11, 1986, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2947. A letter from the Administrator, Office of Juvenile Justice and Delinquency Prevention, Department of Justice, transmitting a copy of the "Report and Recommendations of the U.S. Attorney General's Advisory Board on Missing Children," pursuant to 42 U.S.C. 5774(c)(3); to the Committee on Education and Labor.

2948. A letter from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

2949. A letter from the Acting Chairman, Federal Energy Regulatory Commission, transmitting a report on the Commission's administration of the Freedom of Information Act during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2950. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the Small Reclamation Project Act of 1956, as amended; to the Committee on Interior and Insular Affairs.

2951. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a Corps of Engineers report on the Sowashee Creek, Meridian, MS, pursuant to Public Law 94-587, section 171 (H. Doc. No. 99-176); to the Committee on Public Works and Transportation and ordered to be printed.

2952. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a Corps of Engineers report on the Hilo Harbor, HI, in partial response to Public Law 94-587, section 144 (H. Doc. No. 99-177); to the Committee on Public Works and Transportation and ordered to be printed.

2953. A letter from the Deputy Administrator, General Services Administration, transmitting a copy of the General Services Administration's Public Buildings Service Capital Improvement Program for fiscal year 1987, pursuant to Public Law 86-249, section 7(a) (86 Stat. 217); to the Committee on Public Works and Transportation.

2954. A letter from the Administrator, Environmental Protection Agency, transmitting a report on the discharge of hazardous wastes to publicly owned treatment works, pursuant to 42 U.S.C. 6939(a); jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

2955. A letter from the General Counsel, Department of Transportation, transmitting copies of the fiscal year 1987 budget requests of the Federal Aviation Administration to the Department, including requests for facilities and equipment and research, engineering, and development, pursuant to Public Law 97-248, section 506(f); jointly, to the Committees on Public Works and Transportation and Science and Technology.

2956. A letter from the Secretary of Energy, transmitting the 1986 annual report on the high-level radioactive waste management demonstration project at the Western New York Service Center, West Valley, NY, pursuant to 42 U.S.C. 2021a nt; jointly, to the Committees on Energy and Commerce, Interior and Insular Affairs, and Science and Technology.

2957. A letter from the Secretary of Energy, transmitting a report on the research and development effort for improving the safety of nuclear powerplants, pursuant to 42 U.S.C. 9707(c); jointly, to the Committees on Energy and Commerce, Interior and Insular Affairs, and Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAWKINS: Committee of Conference. Conference report on H.R. 2453 (Rept. 99-487). Ordered to be printed.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1920. A bill to establish Federal standards and regulations for the conduct of gaming activities on Indian reservations and lands, and for other purposes; with an amendment (Rept. 99-488). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. S. 1396. A bill to settle unresolved claims relating to certain allotted Indian lands on the White Earth Indian Reservation, to remove clouds from the titles to certain lands, and for other purposes (Rept. 99-489). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DAUB:

H.R. 4352. A bill to amend title 28 of the United States Code to authorize the appointment of one additional bankruptcy judge for the district of Nebraska; to the Committee on the Judiciary.

By Mr. BREAUX (for himself and Mr. YOUNG of Alaska):

H.R. 4353. A bill to authorize appropriations for the operations of the Office of Environmental Quality and the Council on Environmental Quality during fiscal years 1987, 1988, and 1989; to the Committee on Merchant Marine and Fisheries.

By Mr. FUQUA (by request):

H.R. 4354. A bill to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1987, and for other purposes; to the Committee on Science and Technology.

By Mr. MOAKLEY:

H.R. 4355. A bill to amend title 5, United States Code, to permit collective bargaining with respect to the subject of the attire to be worn by certain civilian employees of the National Guard; to the Committee on Post Office and Civil Service.

By Mr. RODINO:

H.R. 4356. A bill to authorize appropriations to carry out the activities of the Department of Justice for fiscal year 1987, and for other purposes; to the Committee on the Judiciary.

By Mr. ROEMER (for himself, Mr. DAUB, and Mr. ROWLAND of Georgia):

H.R. 4357. A bill to provide that the Internal Revenue Service may not before July 1, 1987, enforce its regulations relating to substantiation requirements for the deductions attributable to the business use of vehicles; to the Committee on Ways and Means.

By Mr. STAGGERS:

H.R. 4358. A bill to rescind certain funds for international disaster assistance and to make supplemental appropriations for impact aid disaster assistance for the Department of Education; to the Committee on Appropriations.

H.R. 4359. A bill to raise the cap on disaster loans made available under section 7(b) of the Small Business Act; to the Committee on Small Business.

By Mr. WYDEN:

H.R. 4360. A bill to establish U.S. trade negotiating objectives regarding equitable access to technology; to the Committee on Ways and Means.

By Mr. BIAGGI (for himself, Mr. GILMAN, Mrs. COLLINS, Mr. SAVAGE, Mr. FOGLIETTA, Mr. MANTON, Mr. MURPHY, Mr. HORTON, Mr. PERKINS, Mr. RODINO, Mr. UDALL, Mr. COYNE, Mr. CONYERS, Mr. MARTINEZ, Mr. FUSTER, Mrs. KENNELLY, Mr. BRYANT, Mr. PANETTA, Mr. LUNDINE, Mrs. BOXER, Mr. PEPPER, Mrs. LLOYD, Ms. OAKAR, Mr. SKELTON, Mr. ERDREICH, Mr. RICHARDSON, Mr. OWENS, Mr. ORTIZ, Mr. HAYES, Mr. SMITH of Florida, Mr. LAGOMARSINO, Mr. MARKEY, Mr. SAXTON, Mr. BOUCHER, Mr. RANGEL, Mr. WORTLEY, Mr. MCGRATH, Mr. NEAL, Mr. PASHAYAN, Mr. LUKEN, Mr. DARDEN, Mr. SOLARZ, Mr. TRAFICANT, Mr. BROOKS, Mr. SCHUMER, Mr. FAUNTROY, Mr. TALLON, Mr. ROE, Mr. SUNIA, Mr. DWYER of New Jersey, Mr. HERTEL of Michigan, Mr. DE LUGO, Mr. HOWARD, and Mr. FRANK):

H.J. Res. 556. Joint resolution declaring the week of March 16 to 22, 1986, as "National Congregate and Meals on Wheels Week"; to the Committee on Post Office and Civil Service.

By Mr. DORGAN of North Dakota:

H.J. Res. 557. Joint resolution proposing an amendment to the Constitution of the United States to establish terms of 15 years for justices of the Supreme Court of the United States; to the Committee on the Judiciary.

By Mr. HERTEL of Michigan:

H.J. Res. 558. Joint resolution to designate October 5, 1986, as "National Stepparents Day"; to the Committee on Post Office and Civil Service.

By Mr. LEWIS of Florida:

H.J. Res. 559. Joint resolution to provide that if construction of an additional space shuttle orbiter is authorized the name of such orbiter shall be selected from among suggestions submitted by students in elementary and secondary schools; and for other purposes; to the Committee on Science and Technology.

By Mr. GRAY of Pennsylvania (by request):

H. Con. Res. 296. Concurrent resolution setting forth the congressional budget for the U.S. Government for the fiscal years 1987, 1988, and 1989; to the Committee on the Budget.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII.

Mr. PEPPER introduced a bill (H.R. 4361) for the relief of Elliott Roosevelt; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 997: Mr. HAWKINS and Mr. OBERSTAR.

H.R. 1398: Mr. COYNE.

H.R. 2568: Mr. PEASE.

H.R. 2887: Ms. OAKAR.

H.R. 3000: Mr. SPRATT and Mr. GLICKMAN.

H.R. 3646: Mr. CRAIG.

H.R. 3647: Mr. CRAIG.

H.R. 3712: Mr. BARTON of Texas, Mr. DARDEN, and Mr. BARNES.

H.R. 3799: Mr. WIRTH, Mr. GUARINI, Mr. EDGAR, Mr. SEIBERLING, Mr. RICHARDSON, Mr. FOGLIETTA, Mr. MACKAY, Mr. MCKINNEY, and Mr. EVANS of Illinois.

H.R. 3894: Mr. GEJDENSON, Mr. FEIGHAN, Mr. VENTO, Mr. APPLEGATE, Mr. DEWINE, Mr. WAXMAN, Mr. STOKES, Mr. DORNAN of California, Mr. BONKER, Mr. TRAXLER, Mr. STUDDS, Mr. SHAW, Mr. BATES, Mr. LEVINE of California, Mr. YATRON, Mr. KOLBE, and Ms. KAPTUR.

H.R. 4057: Mr. YOUNG of Alaska, Mr. NELSON of Florida, Mr. CHAPPELL, and Mr. COYNE.

H.R. 4079: Mr. BATEMAN and Mr. WEBER.

H.R. 4299: Mr. LIGHTFOOT, Mr. BROWN of Colorado, Mr. DORNAN of California, Mr. HORTON, Mr. WILSON, Mr. KINDNESS, and Mr. WORTLEY.

H.J. Res. 381: Mr. GREGG, Mr. ROWLAND of Connecticut, Mr. MILLER of California, Mr. BROOMFIELD, and Mr. RANGEL.

H.J. Res. 421: Mr. BARTON of Texas.

H.J. Res. 451: Mr. MCDADE, Mr. ANDERSON, Mr. BLAZ, Mr. WOLPE, Mr. MCGRATH, Mr. WEAVER, Mrs. VUCANOVICH, Mr. KRAMER, Mr. OBERSTAR, Mr. ORTIZ, Mr. HANSEN, Mr. MINETA, Mr. TOWNS, Mr. LENT, Mr. FAUNTROY, Mr. GEJDENSON, Mr. GREGG, Mrs. BENTLEY, Mr. HAYES, Mr. GUNDERSON, Mr. VOLKMER, Mr. JACOBS, Mr. LUKEN, Mr. HORTON, Mr. NEAL, Mrs. MEYERS of Kansas, Mr. MCEWEN, Mr. CARR, Mr. ACKERMAN, and Mr. DINGELL.

H.J. Res. 480: Mr. SUNIA, Mr. STUMP, Mr. CONYERS, and Mr. JACOBS.

H.J. Res. 529: Mr. LIGHTFOOT, Mr. MARTINEZ, and Mr. DE LA GARZA.

H. Con. Res. 233: Mr. PETRI.

H. Res. 388: Mr. OWENS, Mr. STOKES, Mr. RANGEL, Mr. GRAY of Pennsylvania, Mr. WHEAT, Mr. CONYERS, and Mr. LEHMAN of Florida.

PETITIONS, ETC.

Under clause 1 of rule XXII,

284. The SPEAKER presented a petition of the Municipal Council, City of Clifton, NJ, relative to Federal and State tax reductions; which was referred to the Committee on Ways and Means.

SENATE—*Monday, March 10, 1986*

The Senate met at 11 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

* * * *a wise man's heart discerneth both time and judgment.*—Ecclesiastes 8:5.

Eternal God of order, justice and truth, in praise to You and with profound gratitude, we celebrate the long life and meritorious public service of Senator Jacob Javits. We rejoice in his 24 years as a Senator—his integrity, his brilliant mind and great heart, his respect for the Senate, his compassion and fairness in legislation, the dignity with which he served and the legacy he has left us as a model of statesmanship. May his memory infuse us all with the incentive to honor public trust. We pray in the name of Him who was all powerful and lived as a servant. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order the leaders have 10 minutes each, then the special orders by Senators PROXMIRE and SIMON, and routine morning business not to extend beyond the hour of 12 noon, with Senators permitted to speak therein for not more than 5 minutes each.

It will be the intention of the majority leader to recess from 12 noon to 1 o'clock in respect to the memory of our late distinguished former colleague, Senator Javits.

Then, we will at 1 o'clock return to Senate Joint Resolution 225, Calendar No. 358, a joint resolution proposing an amendment to the Constitution relating to the balanced budget. Pending is the Thurmond substitute No. 1652.

I would hope that we could have debate today. We had a good debate on Friday. It would be my hope we can complete action on this matter by midweek of this week and then turn to other matters that are pending on the calendar. We are just a bit behind the schedule we had hoped to follow until the scheduled Easter recess. I hope that we can take care of two or three matters between now and then.

One matter we hope to dispose of before noon today would be the technical change to correct the farm bill we passed last week, to change the word "shall" where it appears to "should," and another minor correction the Senator from Illinois, Senator DIXON, wished to make in the enrolling.

We believe that with one exception we are prepared to complete that. My understanding is the distinguished Senator from Iowa, Senator HARKIN, is on his way to the floor. If he agrees, we can move that.

I have been in discussion with the majority whip on the House side, Congressman FOLEY. They are in pro forma session. They are willing. They go in at noon. If we could complete action and have this bill on the House side by noon, he thinks they can probably take it up and pass it; otherwise, they will only be in session 15 or 20 seconds today.

So it would be my hope that we could take care of that between now and at 11:30 a.m.

I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. PRESSLER). Under the previous order, the minority leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

SENATOR JACOB K. JAVITS

Mr. BYRD. Mr. President, on November 13, 1980, when this Chamber passed S. 3193 naming the largest Federal building in the State of New York after Senator Jacob K. Javits, I stated: "I cannot find words that I feel would appropriately describe my admiration for the distinguished Senator from New York."

Now with his passing, I repeat that statement. Senator Javits was the type of person everyone admired. He was the type of Senator with whom one might not always agree, but one always respected. He was the type of man about whom it can be said: You know that the world is a better place, and mankind is better off, because he lived and served the people.

When the Senate passed the measure to name 26 Federal Plaza after Senator Jacob Javits, his distinguished colleague from the State of New York, Senator MOYNIHAN, said:

> I have thought of this building named for him, as in no sense a memorial to his work—his work is the memorial. Rather, I hope that it (the Jacob K. Javits Federal Building) will forever be a reminder to the people of New York of what greatness and wisdom has come forth from our State—a public career without equal in its duration and its achievement.

How accurately the now senior Senator from New York spoke. Senator Javits graced this Chamber for 24 years, longer than any other Senator from his State. He represented both his State and the United States in the finest of spirit and with the best of deeds.

Serving in the Senate from January 1957, until January 1981, he possessed expert knowledge on every major issue of that period, whether in foreign affairs or in the field of human rights and welfare.

He devoted great attention to, and helped to build and create in, areas including civil rights, projects for the handicapped, job training, urban development, and occupational safety.

He was a major force behind the creation of the National Endowment for the Arts and Humanities and was the author of the Employee Retirement Income Security Act [ERISA] which protects the pension funds of millions of working people.

These interests and his accomplishments in these areas would have been more than enough to satisfy and fulfill the public service careers of most mortal men—but not Senator Javits.

He was also active and creative in foreign policy. As a member of the Foreign Relations Committee he worked for the economic development of the Third World and helped to shape the peace proposals that would become the Camp David accords. Concerned with the increasing willingness of American Presidents to order military operations abroad without congressional approval, and the threat this posed not only to peace but also to the constitutional authority of Congress, Senator Javits was instrumental in the passage of the War Powers Act.

His accomplishments were even more remarkable in that, during his entire career in the Senate, he was in the minority and thus never chaired a committee. But, as the Almanac of American Politics notes, with "no great titles" and "nothing going for him but brains and hard work," Senator Javits was a "power on issues ranging from civil rights to labor law to the regulation of Wall Street."

That was certainly true. But the many and varied feats of Senator Javits were also possible because of his respect for the powers, the privileges, and the traditions of this institution, his love for it, and his knowledge of

what it could accomplish. He was, as he liked to refer to himself, "A Senate man."

During his tenure in the Senate, he served on the Banking and Judiciary Committees, was the ranking member of his party on the Foreign Relations and Labor and Human Resources Committees, and was a senior member of the Joint Economic and Government Operations Committees.

"For 24 years the U.S. Senate was my home," he once wrote. "I knew its rules and traditions and moods * * *. My seat on the aisle in the Senate Chamber became as agreeable to me as a favorite living-room easy chair."

After leaving the Senate following his election defeat in 1980, and suffering from a crippling, terminal illness, he never became bitter and he never gave up on life. He kept a busy schedule including lecturing to college students and other speaking engagements, serving as counsel to a law firm he had founded, advising Government officials, testifying before congressional committees, and compiling his papers and records.

And he constantly praised the Chamber he had served, and the people with whom he had served. In an interview in U.S. News & World Report less than 2 years ago, Senator Javits highly complimented the U.S. Senate and its legislators whom he recognized as having become "specialists in different fields." This made the congressional process "far more sophisticated," he said, and led to better debate which is the "heart of the legislative process."

He was the son of an immigrant janitor, who grew up in a tenement on the Lower East Side of New York and helped support his family by working with his mother to sell dry goods from a pushcart, and became one of the best, most effective, and most influential Senators in the history of this country. He touched us all with his work, his dignity, and his belief in the goodness of man.

Said Senator Javits:

My own philosophy is that you don't really belong to yourself. You have an obligation to the society which protected you when you were brought into the world, which taught you, which supported you and nurtured you. You have an obligation to repay it.

Senator Jacob K. Javits certainly more than repaid whatever debt he owed society.

We will miss him. But his work will forever stand as a memorial to the fine deeds that he accomplished, to the timeless and lofty values for which he stood, and to the selfless devotion to the well-being of the public which he served so capably and honorably.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. BYRD. I thank the Chair.

Mr. President, I ask unanimous consent that I may retain control over the 3 minutes throughout the rest of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

JACOB JAVITS: A SUPERB SENATOR

Mr. PROXMIRE. Mr. President. Senator Jacob Javits was everything a Senator should be. He was blessed with an astonishing, quick, deep intelligence. That intelligence was buttressed by day-after-day, night-after-night plain hard work. It was driven by an extraordinary discipline and concentration that kept that remarkable mind and energy focused on the problems of this country with unusual intensity. Jacob Javits gave that talent to this U.S. Senate as only he could.

In an obituary in the New York Times on Saturday, Senator Javits was quoted as expressing concern that he devoted too little attention to his marriage. He said he was married to the Senate and the work of the Senate and he was. And, oh, how he served this body! More than the elected leaders of the Senate, Javits gave the U.S. Senate in the 1960's and 1970's greater intellectual distinction, greater compassion and a series of practical workable solutions to this country's problems. Not very often can we honestly say that one Senator really made a difference in the Senate. Javits did. He made a difference in this country, not just on one issue but in many areas. In our foreign policy he was a critical leader. In labor policy, Javits showed the way. In Federal housing policy Senator Javits was out in front. Who played the big Senate role in advancing civil rights during those two vital decades? Javits. A few days ago this body finally ratified the Genocide Convention. I wish to say, as one who was closely identified with the ratification, that Jacob Javits, throughout his 24-year career in this body, did more to keep that treaty on the front burner in the Foreign Relations Committee than anyone else. Again and again he won support in the committee to bring the treaty to the floor.

The Senate works by committees. Each of us, as Members of the Senate, become specialists in our particular committee jurisdiction. We sit through hours of hearings. We work with our staffs to write committee reports. When legislation emerges from our particular committee, we, as committee members, lead the floor debate. Almost without exception Senators serving on the committee that has had jurisdiction on legislation dominates the floor consideration of that legislation. There are few exceptions. Once in a while a Senator will speak with authority and effect on legislation outside the jurisdiction of his committee.

Senator Javits intelligence and diligence was so great that he spoke with authority and influence on virtually everything that came before the Senate from all committees. He was literally a walking, talking expert on just about everything. For instance, Senator Javits left the Banking Committee in 1964. This Senator has stayed on the committee throughout my 28 years in the Senate. But even in 1978, when Javits had had no direct exposure for 14 years to our hearings on housing, he was still the Senate authority on housing, the true expert. This was the case on regulatory legislation, on military programs, on environmental matters, all of which were outside the jurisdiction of committees Javits ever served on; but his surprising capacity as a quick study, his willingness to work long hours and his intense commitment made him the respected expert over and over again.

There is another astonishing fact about Senator Javits' impressive achievements as a Senator. For most Senators, particularly those of us who build up seniority in the Senate, we accomplish our biggest achievements as members of the majority party. As a committee chairman, your name goes on legislation easily and quickly, in fact, automatically. But Senator Javits, in all his 24 years in the Senate, never served a day in the majority. He did serve precisely 1 day as a ceremonial committee chairman. And yet he was a Senate leader, year after year, in legislative accomplishments.

What was the rarest and most remarkable quality of Senator Javits? It was the tough, stubborn integrity of his commitment. Here was a man who had a lot going against him. He vigorously and bluntly championed civil rights in a body that, at the beginning of Javits' Senate career, represented the last bulwark of power against civil rights. Dominant Senators in both parties deeply resented this smart, aggressive new Member who could argue circles around them. They did not like his cause. They did not like his manner. They did not like him. Javits was not gifted with the breezy, humorous wit of his colleague in the civil rights battles, Herbert Humphrey. Humphrey made friends of the southern Senators who dominated the leadership in crucial Senate committees. Javits did not. It is natural in this body to try to win support and commitment to your cause by friendship—

mutual affection. That is the way of winning politics everywhere. Dale Carnegie had more than a title when he wrote: "How to Win Friends and Influence People." But Javits followed a different course. He was always civil, always fair, never vindictive. But Senator Javits never gave a single inch on principle in return for a legislative favor. He won with reason and the merits of his case, never on friendship or trading votes. The Javits career is not just a record of great achievement, not just a record of remarkable success. It is a hard lesson in what can be done in this body by sheer force of intellect and will.

Not many Senators start life in a tenement, in a family so poor that you shared a bed with a brother. Not many Senators are born of a mother who worked long days selling from a pushcart, a mother who did not learn to read until she was 55 years old. Not many Senators are nominated by the Republicans in their State when they are all-out dedicated, deeply compassionate liberals. And how many Republicans get elected, let alone reelected three times from New York State? And not many Republicans go on to build a career solidly based on compassion and concern for minorities and the poor. Javits did all these things. He did more.

Not many Senators have a legacy that carries on after their death. A number of our colleagues in this body represent the same remarkable qualities that featured the life of Jack Javits. Two stand out. They are LOWELL WEICKER, a Republican Senator who carried on the Javits fight for the poor, the handicapped, for all those who cannot help themselves. We also have right now in this body that other tireless and brilliant champion of truly equal economic opportunity in this country, HOWARD METZENBAUM. The good that Jack Javits did in this body in his life lives after him.

One more observation, I must make Mr. President. If the Senate career of Jack Javits was an inspiring success story—and it was—the last few years of the Javits life represented an example this Senator will never forget. Here was a man whose life had been bubbling with energy and physical health. He was struck down in the last 5 years of his life with a debilitating disease that confined him to a wheelchair, and made every breath an agony. Uttering even a single sentence demanded a painful effort of will. But Javits never quit. He would often come to Washington to appear before congressional committees. There this superb former Senator would sit, propped up in his wheelchair, struggling to voice in slow, halting words the necessity for congressional funding to help overcome diseases that so cruelly strike older Americans. What a glorious example of the human spirit at its brave best.

The Senate is a far better body because this man served in it. Indeed, those of us who had the privilege of serving with Senator Jacob Javits are better people because we did.

WHY ARMS CONTROL IS IN VERY SERIOUS TROUBLE

Mr. PROXMIRE. Mr. President, why is arms control in such serious trouble? Here is a program that every human being on Earth has every reason to enthusiastically support. Today the need of all mankind for arms control is far greater than it has ever been in all human history. Why? Because a nuclear war today could end much of human life and all of human civilization. The stakes in peace have never been so high.

Until 6 years ago arms control had made erratic, uncertain progress, but progress nevertheless. Now that has stopped. what has happened to arms control since 1979? For 6 years it has not advanced at all. In fact it has lost some of the halting progress it had made. The Anti-ballistic Missile Treaty ratified by this body by an 89 to 2 vote in 1972 will perish if the strategic defense initiative achieves its ultimate deployment purpose. The Strategic Arms Limitation Treaty—SALT II—has had its successes in requiring both super powers to eliminate some of their nuclear arsenal. But SALT II technically expired on December 31, 1985. It only continues temporarily with the sufferance of President Reagan and Secretary Gorbachev. It is, however, likely to die with the proportional response policy adopted by the administration. The President has announced that we will match alleged violations of the treaty by the Soviet Union with our own violations. Obviously, this policy, if pursued, will destroy the treaty.

Meanwhile superpower, arms-control negotiators in Geneva have been at it for many months without the slightest indication of any significant progress. At the summit meeting late last year the President and Secretary Gorbachev exchanged good wishes and jovial generalities. Both spoke warmly of arms control. Hopes for peace throughout the world rose. But then what specific arms control initiatives have the superpowers leaders advanced? The answer: None. Zero. President Reagan has repeatedly said that the ultimate objective of his trillion dollar strategic defense initiative is to eliminate nuclear weapons for all time from the face of the Earth. Secretary Gorbachev has announced the most far reaching and comprehensive arms control proposal ever issued. Gorbachev did not stop at proposing the end of nuclear weapons. He proposed to remove all nuclear weapons from the face of the Earth in the next 14 years. By the end of the year 1999, under the Gorbachev plan all nuclear weapons on Earth will have been destroyed. And that was not all. He called for a drastic reduction in conventional arms. He asked for the end of chemical weapons.

So the superpower leaders have talked up a storm on arms control. Many people throughout the world feel better about peace. There is a widespread conviction that the top leaders of the superpowers are on the right track. That conviction is wrong. Gorbachev and Reagan are both marching in the wrong direction. This talk of abolishing nuclear weapons and the starry-eyed dreams of eliminating nuclear weapons from the face of the Earth forever in the next 14 years are totally unrealistic leaps into unreality. It is a way of avoiding the painful give and take of arms control negotiations. Not only do these two top leaders avoid the onus of being recognized as anti-arms control, but many people everywhere on Earth must esteem Reagan and Gorbachev as champions of their own yearning for peace. And why not? Have not Gorbachev and Reagan climbed aboard the arms control express and taken credit throughout the world as fast friends of arms control? After all, what more could the most fervent peace advocate ask than a statement that the two most powerful men on Earth favor the abolition of all nuclear arms forever? The answer is that arms control advocates should insist not on pie-in-the-sky statements about the total abolition of nuclear arms forever, but on specific agreement on nuclear arms limitation at Geneva.

Arms control faces a rough obstacle course under any circumstances. Prof. Stephen Walt of the Woodrow Wilson School at Princeton University recently set forth some of the obstacles facing arms control. Walt wrote in the winter 1986 issue of Science and Technology a summation of some of these barriers. Here they are:

First, for many die-hard anti-Communists any arms control agreement that the Soviets accept will be a mistake just because the Soviets will accept it. To sign an arms control agreement with the evil empire gives the Soviets a legitimacy that hard liners, will not accept.

Second, on the other hand, the most enthusiastic and optimistic arms control advocates are turned off by the limited nature of most arms control efforts. They see them as simply ratifying the arms race.

Third, liberals who hold elective office are concerned that any arms control compromise they favor with the Soviet Union will endanger their political career. Presidents like Richard Nixon and Ronald Reagan who

have impeccable anti-Communist credentials can far more effectively make the essential compromises without political risk. but how often does a hard line anti-Communist have any interest in making such compromises. Nixon did. So far, Reagan does not.

Fourth, military support is usually essential to secure public support for an arms control agreement. That often means the agreement must not seriously reduce military spending.

Fifth, successful arms control requires simultaneous negotiations on three fronts. First, contending factions within the United Stats must be reconciled. Second, the same reconciliation must take place within the Soviet Union. Third, the two superpowers must finally compromise their already compromised differences and reach agreement.

Professor Walt rightly argues that "most of the political barriers to arms control rest on the mistaken conviction that mutual assured destruction can be escaped either through the naive pursuit of radical disarmament or the extravagant effort to make nuclear war appear winnable."

Both President Reagan and Secretary Gorbachev contend that we can escape from the strategy of deterrence by abolishing nuclear arms from the face of the Earth forever. They are both wrong. And this Senator believes they or certainly their most competent advisers know they are wrong. True, both the superpower leaders deny that a nuclear war is winnable. This Senator of course hopes and prays they mean it. But their failure to achieve even the most modest advance in arms control in spite of their high flown rhetoric about abolishing nuclear weapons everywhere forever must raise questions about whether they really do mean it.

MYTH OF THE DAY: FEDERAL GRAZING FEES STABILIZE THE WESTERN LIVESTOCK INDUSTRY

Mr. PROXMIRE. Mr. President, the myth of the day is that the current user-fee system for Federal grazing lands in the West is required for maintaining the stability of the Western livestock industry. Nothing could be further from the truth. In fact, the system is an unfair subsidy for just 2 percent of the livestock industry.

What is worse, this past Valentine's Day, President Reagan signed a sweetheart deal for this select group of ranchers, extending the below-cost fees charged for grazing on Federal Bureau of Land Management and Forest Service land in 16 Western States, instead of increasing the fees to the market levels recommended by his own Federal agencies.

The Public Rangelands Improvement Act [PRIA], adopted by Congress in 1978, establishes grazing fees for Federal lands according to a complicated formula linking the fees to the costs of producing beef and the market price of beef. In practice, since 1978, fees for using these Federal lands have tumbled while private fees have maintained a steady level, so that, by 1985, the PRIA rate for grazing a cow on public land for 1 month was just $1.35, while the market rate for equivalent land charged by private landowners was $6.35.

This bargain-basement Federal fee is unsupportable in light of the Nation's current budgetary problems. Since 1978, the Federal Government has forfeited an average revenue of $75 million from the difference between PRIA fees and the market value of rangeland. The system looks just as bad when revenues from BLM and Forest Service lands are compared with the cost of managing these same lands. In 1984, revenues totaled just $29 million, but management costs were a whopping $47 million.

Many cattlemen argue that the maintenance work they contribute to public range management justifies the law fees they pay, but PRIA allots half of its revenues to arange-betterment fund, which provides money for land upkeep, so that lower fees mean less maintenance.

Adding insult to injury, almost 900 permittees are known to sublet Federal land for up to nine times what they pay. Ironically, by abusing a U.S. privilege, they get the real value of grazing rights while the U.S. taxpayer gets a bum steer.

The problem with PRIA is the attempt to link its fees to fluctuations in production costs and beef prices. This formula encourages inefficient production methods by offering a disincentive to ranchers to minimize costs. Further, this system offers an unfair advantage to ranchers who happen to have access to Federal lands. The end result is that private fees are now six times greater than PRIA fees, representing a subsidy that is costing the Federal Government millions of dollars. I suggest that Congress put PRIA out to pasture, and replace it with a formula linking Federal grazing fees directly with private rates.

While we must do everything possible to respond to the agricultural crisis, heavily subsidized grazing fees for a select few ranchers are not the answer.

S. 2167—DEVELOPING AN EFFECTIVE HEALTH CARE COST-CONTAINMENT STRATEGY FOR THE NINETIES

Mr. PROXMIRE. Mr. President, I can think of no other time when there has been a greater need for solid, accurate, up-to-date health care data.

The health care industry has virtually turned upside down in the first half of this decade. Competitive forces have taken hold in a way virtually undreamt of just a few short years ago.

The Federal Government has been partially responsible for this revolution with the implementation of prospective payment for inpatient hospital procedures—the DRG system—in the last few years and now with the development of Medicare reimbursement for health maintenance organizations [HMO's].

And the States have begun to experiment with competitive bidding for coverage of their Medicaid population in California and Arizona and, in my home State of Wisconsin, the State has used a capitation approach by requiring AFDC beneficiaries to enroll in HMO's, and a number of States are now copying the Federal DRG approach for payment of Medicaid inpatient hospital care.

But the private sector has been just as active and innovative. The rise, for good or ill, of nationwide for-profit hospital chains, the development of new payment mechanisms and organizational structures, such as preferred provider organizations [PPO's], the huge growth in for-profit health maintenance organizations [HMO's], new ambulatory surgery centers, neighborhood walk-in physicians, offices—"doc in a box" operations—and a strong trend toward elimination of first-dollar coverage by major corporate employers have all contributed to the health care revolution taking place.

All of these developments have radically altered the patterns by which health care is being delivered in this country and the payment mechanisms by which that care is being purchased. The amount of care being provided is also changing as incentives for administrative and clinical efficiency are becoming stronger and the amount of out-of-pocket costs, that patients of all income levels are facing, continue to rise.

Yet, we have virtually no up-to-date information regarding these changes on which to base future Federal policy. Even more immediate, the Congressional Budget Office [CBO] and the President's Office of Management and Budget [OMB] are dependent upon data from 1977—long before any of these changes took place—in attempting to develop the cost or savings estimates on which the Congress and the executive branch depend. It is inconceivable that 1977 data trended forward, can accurately predict the costs or savings of any new Federal initiatives, nor can such old data accurately assess the cost-shifting implications or out-of-pocket impacts of those policies.

How penny wise and pound foolish can we be? While our cost-cutting and

cost-containment policies have been very successful in the first half of the eighties, we need to keep in mind why they have been so effective. In part, because efforts such as DRG's capitation, competitive bidding represented creative approaches to the marketplace. But a large part of our efforts—payment freezes, across-the-board cuts—have not been creative or particularly insightful responses to the problem, but they have succeeded because the system had grown fat and wasteful over two decades of cost-based reimbursement.

How long can such blunt approaches work? We do not know, but we do know that diminishing returns will soon set in. Payment freezes and across-the-board cuts do not differentiate between efficient and inefficient providers of health care. And the risk—that these types of efforts will inadvertently reduce quality as well as the fat in the sytem—grows with each round of budget cuts.

But continued cost containment, continued cost-cutting measures, are here to stay in the health care field. We cannot avoid them in our efforts to get the Federal Government's bloated budget under control. And the private sector shows every sign of stepping up its efforts to control its own spiraling health care costs.

Under these circumstances, the question is: How do we proceed responsibly? In my view we need to develop more selective and sophisticated cost-containment approaches for the decade ahead and the only way we can do that is to make the investment today in developing the necessary national data base. Without it, Federal policy will continue to be based upon data over a decade old, developed when the system was radically different from the dynamic enterprise it is today. And our assumptions and estimates of costs and savings and cost shifting will undoubtedly be far from the mark.

THE PROXMIRE PROPOSAL

Mr. President, that is why I am introducing legislation today to require that the Department of Health and Human Services conduct a nationwide medical expenditure survey at least once a decade, beginning in fiscal year 1987. My bill would provide no new money for this survey, but require that the Department fund the survey from its existing 1-percent setaside for evaluation projects. From those existing funds, my bill earmarks $16 million for fiscal year 1987, $12 million for fiscal year 1988, and $6 million for fiscal year 1989.

This survey would update the first national medical care expenditure survey conducted in 1977. The data from that survey has served as the foundation for most of the cost and savings estimates developed by the Congressional Budget Office and the Office of Management and Budget.

In fact, plans for the survey have received the endorsement of OMB and are contained in the President's budget justification.

Why, then, is my proposal necessary? For several reasons:

First, while the administration has endorsed the survey, the President's budget does not include sufficient funding to begin field work in fiscal year 1987. Since the cost of the survey work itself—which lasts 2 years—is nearly as large as the entire budget of the National Center for Health Services Research, the agency that will administer the survey contract, it is essential to specify the source of funding. And my proposal will assure that the funding comes out of the department's existing resources.

Second, unless we assure that funding is available, there is the very real possibility that this survey may be delayed several years. It will require 2 full years of field work in fiscal years 1987 and 1988. If the survey is delayed at all, it will overlap with the 1990 census, which begins its pretesting in 1989. The census has priority over all other data-collection efforts of the Federal Government, a priority rooted in the Constitution, and would undoubtedly postpone this undertaking several years if there is any delay at all.

Third, even if we begin this survey on time, the first data will only begin to be available as the new administration takes office in 1989. By not moving ahead now, and establishing a permanent commitment to update that information once a decade, future administrations and future Congresses will be making health care policy in the dark. No corporation could survive following such a policy. And the Federal Government's impact on the health care sector—for hospitals and physicians, for beneficiaries and even corporations—is too great to run that risk.

WHAT WILL THE NATIONAL MEDICAL EXPENDITURE SURVEY TELL US?

Mr. President, the national medical expenditure survey involves the surveying of 14,000 households across the country over a 2-year period. That sample size is large enough to permit us to make statistically valid judgments regarding the entire population's health-care utilization, spending, and sources of payment. Thanks to oversampling of blacks, Hispanics, the elderly, the functionally impaired, and low-income Americans, the survey will permit valid generalizations regarding the impact of Federal policy on a range of vulnerable populations for which the Federal Government retains a special trust.

What will the survey tell us?

First, it will tell us what Americans spend for the whole range of health care services: hospitals, physicians, dentists, nursing homes, prescription drugs, and eyeglasses as well as insurance premiums.

We will know the source of payment for those services, the number of individuals who are uninsured, the degree to which disability or employment status affects utilization of services or insurability and will provide the only source of information regarding out-of-pocket costs for the elderly and other Americans by income group, geographic area, age, or ethnicity.

But the array of data available from this survey, as impressive as it will be, is not the point. The case for this survey rests with its policy applications. Let us look at how this data is essential for key public policy issues.

Medicare's payments to HMO's are based on the adjusted average per capita cost for Medicare enrollees [AAPCC]. In just a few short years, the administration is projecting that between 25 percent and 50 percent of Medicare beneficiaries will be enrolled in Medicare HMO's. But the data on which Medicare's payment to HMO's is constructed—95 percent of the AAPCC—is based on the current Medicare survey, which was discontinued in 1977. This survey will provide the first opportunity to update the weighting of those factors—a key cost item for Medicare in the nineties.

Care for the mentally retarded is one of the fastest growing cost items for Medicaid, yet the Federal Government has virtually no data regarding the number and characteristics of these individuals, variations in service utilization by type of facility (for-profit/non-profit/Government ownership), or degree of impairment; the nature of treatment, method of placement or alternative insurance. This survey will provide that so we can get a handle on these exploding costs.

Catastrophic care insurance will be proposed by the President before the end of 1986. Where will the data come from, to estimate the costs of this program? The old 1977 survey, the only data now available, trended forward. Will that data give us an accurate picture of the costs involved in this undertaking?

For the first time, we will have a statistically valid national sample on the services available in the community for the functionally impaired: informal no-cost services from relatives and friends, the medical and social service costs, the points at which nursing home placements are triggered. Meeting the bill for long-term care, with an aging population, threatens to swamp the Medicaid Program, and this data will assist the States as well as the Federal Government in tailoring programs to encourage community-based care where it will lower Government expenditures and promote the welfare of the patient.

CONCLUSION

Mr. President, the list of policy issues for which this data will be invaluable goes on and on—catastrophic

health insurance, health-care coverage for the uninsured, financing long-term care for the elderly, cost and financing of care for the mentally retarded, use of services and insurance coverage of veterans, the poor, blacks, Hispanics, and other minorities. The data will provide the means to examine many controversial issues which require the kinds of factual underpinnings this survey will provide.

The national medical expenditure survey will provide the Federal Government with an opportunity to develop more sophisticated approaches to health-care cost containment for the nineties by providing us with a data base that reflects the dynamic changes of the last 5 years. It must begin on time if it is to conclude its field work before the 1990 census begins its work.

I urge my colleagues to join with me in assuring that this important survey will move ahead on schedule.

Mr. President, I ask unanimous consent that a summary of the key questions that the national Medicare expenditure survey will address be reprinted at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE NATIONAL MEDICAL EXPENDITURE SURVEY [NMES] AND ITS POLICY APPLICATIONS

NMES is unique in the depth, breadth, and quality of the information that will be obtained on matters that have been or are likely to be the focus of public policy. In combination with secondary surveys of medical providers and health insurers and with HCFA administrative records, it will provide national estimates of health expenditures and the sources of payment for these expenditures from a national sample survey of households and of persons residing in long-term care facilities.

In contrast to information available from program statistics only, NMES will thus permit comprehensive analyses of data on all public and private sources of financing and health care coverage, including public programs, private health insurance, and out-of-pocket payments by families and individuals. The data base will, therefore, permit assessment of the multiple implications of changes in public and private health care benefits, in methods of financing both health care and insurance coverage, and in various public and private subsidies, income tax exemptions, and employee compensation arrangements.

The NMES panel design of several rounds of interviewing over a full calendar year makes it possible to detect the effect of changes in health status, income, employment, and eligibility for public and private insurance coverage on use of services and public and private expenditures for care. Because data from NMES will be comparable to those from earlier surveys, it will be possible to relate long-term trends to structural change and modifications of public policy.

The analytical power of the data will be enhanced by oversampling groups of particular health policy interest. Use of the 1986 National Health Interview Survey as a sample frame will allow oversampling without adding substantially to the costs of the survey, and permit detailed analyses of the effects on the provision and financing of care of demographic changes, such as the increasing proportion of the elderly in the population.

The balance of this attachment described NMES research foci in more detail. Areas of analysis are described under the major headings "Overview of National Health Expenditures," which refer to wide-ranging analyses of basic national health care financing issues, and "Private Health Insurance," "Public Financing Programs," and "Long-Term Care," which represent more closely defined sets of issues of particular policy concern. Across these categories, analyses will cover a variety of population groups, such as the poor, the elderly or the mentally retarded in institutions, as well as examine issues that overlap categories, so as to provide a comprehensive picture of populations and services of interest, relevant financing sources, and issues of general and specific policy concern. Also, the comprehensiveness and flexibility of the NMES data base will permit analysts and policy makers to address new policy issues which will undoubtedly emerge by the end of this decade and the beginning of the next.

A. OVERVIEW OF NATIONAL HEALTH EXPENDITURES

Because of its large and nationally representative sample, and the range and detail of its data base, NMES can provide a full overview of national health care and health expenditures. The data will be used to analyze:

1. The composition and distribution of national health expenditures with regard to—

General patterns of health expenditures, types of services consumed, sources of care, and variations in expenditures by individuals and families.

Sources of payment, including public programs such as Medicare, Medicaid, and CHAMPUS; private insurance; and out-of-pocket payments.

Direct and indirect expenditures for episodes of illness related to certain common conditions such heart disease, diabetes, and arthritis, and, for the institutionalized elderly, Alzheimer's disease.

2. Trends in the nature and distribution of national health expenditures in the noninstitutionalized population, using data from the 1977 NMCES and the 1980 NMCUES to analyze shifts in the pattern of expenditures, sources of care, and services consumed.

3. Determinants of the use of services and expenditures with regard to

Social and demographic factors such as the increasing number of elderly Americans with chronic diseases, and changes in employment, marital status, and income.

Methods of financing health care and health insurance.

The availability, characteristics, and organization arrangements of both institutional and ambulatory care providers.

The health habits, life styles, and behavioral patterns of individuals and families.

4. Specific population groups whose health care use or expenditures are now or can be expected to be of policy interest, especially the elderly, with regard to

The relationship between levels of disability and functional dependency in the population over 65 years, the sociodemographic and economic characteristics of this population, and their use of health services and expenditures.

The effects on the Medicare program, expenditures for long-term care, and the health system more generally of the increasing proportion of elderly in the population.

B. PRIVATE HEALTH INSURANCE

A major feature of NMES will be the quantity and quality of information on the source, premiums, and benefits of private health insurance in the United States. This information will reflect the restructuring of private insurance now occurring, such as self-insurance, the introduction of multiple options, and a redesign of benefits. The data will be used to analyze:

1. Enrollment and benefit provisions with regard to

The number and characteristics of persons covered by single or multiple plans and changes in coverage during the year attributable to changes in employment and in marital and dependent status.

The number and characteristics of privately insured individuals and families who are also eligible for Federal health benefits, such as the elderly, veterans, and dependents of those on active duty with the military.

The number, characteristics, and benefits of those with individual or group coverage, commercial and nonprofit coverage, and coverage through HMO or other alternative delivery systems.

The number and characteristics of working and retired Medicare beneficiaries covered by employment-related and/or other private heath insurance.

2. Trends in the structure and financing of private health insurance for both the elderly and the younger adult populations, using data from the 1977 NMCES to analyze changes in employer and employee premium contributions, in benefits and options available from employers, and in policy provisions. For the working population, particular emphasis will be given to analyses of how changes in employer premium contributions affect the choice of health insurance benefits (i.e., high or low option plans, individual or family coverage).

3. Factors affecting the purchase, comprehensiveness, cost, and continuity of private insurance coverage with regard to

Employee wage level, occupation, industry, collective bargaining, and employment status.

Family structure, family income, and changes in household composition and marital status.

The overall design of employee fringe benefits and their treatment under the tax code.

The extent to which continuation and conversion provisions in private health insurance policies limit the loss of coverage during periods of unemployment.

4. The effect of different benefit programs and insurance provisions on use of services, out-of-pocket payments, and total expenditures for health care.

5. Existing or proposed public policies with regard to mandatory or minimum benefits requirements and taxation of employer-paid premiums.

C. PUBLIC FINANCING PROGRAMS

A major feature of the 1977 and 1980 expenditures surveys was the data on expenditures and use of services under various public financing programs such as Medicare, Medicaid, CHAMPUS, and the Veterans Administration. NMES data will be even more valuable in this regard because of the decision to include the institutionalized population and oversample particular groups of beneficiaries. The following describes some of the general analyses with regard to all public programs, and then more specific analyses of Medicare and Medicaid.

1. General analyses

a. The characteristics and behavior of the populations eligible for each of the public programs, including the number, composition, use of services, and expenditures of the

population eligible for benefits under Medicare, Medicaid, CHAMPUS/CHAMPVA, the Veterans Administration, and the Indian Health Service. These estimates will encompass all eligible persons, whether served by the program or not, and all expenditures, whether covered by the program or not.

b. Trends with respect to the number, composition, use, and expenditures of persons eligible for public programs.

c. The impact on expenditures and use of services and sources of care that would result from new policy initiatives. The flexible nature of the NMES data will allow modeling of a variety of proposed changes in eligibility requirements, benefit structure, and reimbursement policies. Among the policy issues that could be addressed are:

Changes in the structure of Medicare benefits, including possible changes in deductibles and coinsurance as well as changes in coverage for catastrophic illness.

The implications of gradually increasing the age of Medicare eligibility.

CHAMPUS copayments and benefits and their effects, such as increased deductibles and changes in benefits for dental care and for catastrophic illness.

The implications of various alternative eligibility criteria for care in V.A. facilities.

d. The impact on expenditures and use of public programs of changes in population structure such as an increase in the proportion of the elderly; in organizational arrangements such as alternatives to nursing home care; and in the structure of the health industry.

2. Medicaid

Both the 1977 NMCES and 1980 NMCUES provided important and unique data on the behavior of the Medicaid population. NMES will permit even closer analysis of this group because it will provide information on Medicaid beneficiaries who reside in institutions. The data will be used to analyze:

a. The characteristics, use, and expenditures of all Medicaid beneficiaries in the institutionalized and noninstitutionalized population with regard to differences between the institutionalized and noninstitutionalized and their relative impact on the amount and composition of Medicaid expenditures, including changes in eligibility status over the course of the year.

b. The interrelationships between Medicaid and Medicare coverage for the poor elderly and those in nursing homes.

c. Eligibility for the medically needy category, and spend-down of personal and family assets.

d. Analyzing how proposed changes in Medicare or Medicaid might affect coverage, costs, and use in the other programs, such as CHAMPUS or V.A. facilities.

3. Medicare

NMES will provide information on the characteristics of Medicare enrollees, supplementary private insurance, and expenses not reimbursed by Medicare that is unavailable from payment and enrollment records. It will be used for analyses of reimbursement of HMOs for care rendered to Medicare beneficiaries based on the adjusted average per capita cost for Medicare enrollees (AAPCC). The current factors in the AAPCC have been used since 1975 and are based on the Current Medicare Survey, discontinued after 1977.

NMES will provide the first opportunity since the CMS to update the weighting of the AAPCC factors, since the survey collects data for both institutionalized and noninstitutionalized populations. The data will be used to analyze the cost and adequacy of private insurance supplements to Medicare, and the extension of employer-sponsored private plans to retirees with regard to:

Trends in access to care, usual source of care, patterns of use of institutional and noninstitutional services, and total expenditures in relation to payment by Medicare and other sources.

Patterns of use and expenditures for health care services of persons covered by both Medicare and Medicaid in comparison with Medicare enrollees not covered by Medicaid. This group is of interest because they are disproportionately likely to be institutionalized and hence disproportionately expensive to care for.

D. LONG-TERM CARE

1. The recipients of long-term care

In contrast to earlier surveys, NMES will contain an institutional long-term care component permitting comparison with data from the noninstitutionalized sample on community based long-term care services. The institutional component will also be population based; information will be obtained on a sample of residents in nursing homes, psychiatric hospitals, and facilities for the mentally retarded. These data will complement those from the household sample, where stratification on functional limitation will yield sufficient numbers to analyze community based services. Together, these data will be used to analyze:

a. The number, characteristics, use and expenditures of the entire population that is functionally impaired and/or receiving long-term care, including

The population in each type of facility by sociodemographic and economic characteristics, length of stay, and functional health status.

The population receiving services in the community.

The likelihood of admission to nursing homes by age, population characteristics, functional health status, and coverage by private insurance or public programs such as Medicare and Medicaid.

Patterns of nursing home utilization, including readmission from acute care hospitals or other nursing facilities.

b. The range of services used by the institutionalized population with regard to

The relationship between the use of services and age, functional health status, length of stay, and source of payment.

Expenditures and sources of payment (including out-of-pocket and private insurance) for all services to the institutionalized, including care by physicians and hospitals outside the institution.

c. Differences between nursing home and community based populations with regard to

Use of physician and acute hospital services.

The impact of changes in Federal and State Medicaid policy on institutional and community based care and expenditures.

The consequences of Medicare prospective payment on the use of nursing homes, and on community based support systems and expenditures.

The burden of financing the care of institutionalized persons and how the distribution of this burden would change as policies such as subsidies to encourage use of community-based care are used to discourage institutionalization.

The effects on institutionalization of changes in federal and, state Medicaid polices.

2. Persons in facilities for the mentally retarded

Of particular concern to the Health Care Financing Administration is the rapid growth of Medicaid expenditures for persons in facilities for the mentally retarded. NMES will provide the following information and estimates:

a. The number and characteristics of residents in facilities for the mentally retarded, including levels of retardation and functional status, facility characteristics such as type of ownership, size, and certification.

b. The nature of treatment being provided, method of placement, and all sources of payment for medical and custodial care.

c. The costs of providing care in facilities for the mentally retarded and the nature and source of variations between facilities.

d. Expenditures for direct patient care and the use of services by facility and patient characteristics, in particular with regard to

Personal health expenditures, including physician, hospital, and rehabilitation services and drugs not included in facility reimbursement.

Factors responsible for the increase in expenditures and use of services by the Medicaid population residing in facilities for the mentally retarded.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the text of the bill which I am introducing to achieve this end be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2167

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part A of title III of the Public Health Service Act is amended by adding at the end thereof the following new section:

"NATIONAL MEDICAL CARE EXPENDITURE SURVEY

"SEC. 310A. (a) Commencing in fiscal year 1987, and commencing every tenth fiscal year thereafter, the Secretary, through the National Center for Health Services Research and Health Care Technology Assessment, shall conduct a survey to evaluate the impact, during the ten fiscal year period immediately preceding the fiscal year in which the survey is commenced, of expenditures for health care under programs carried out by the Public Health Service and other entities of the Department of Health and Human Services on the costs, financing, and utilization of health care services in the United States. The survey shall include information on such impact for all groups within the United States population, including individuals receiving long-term care services.

"(b)(1) To carry out this section, there shall be made available—

"(A) for fiscal year 1987, $16,000,000,

"(B) for fiscal year 1988, $12,000,000, and

"(C) for fiscal year 1989, $6,000,000,

from amounts available for such fiscal year under section 2113.

"(2) The provisions of paragraph (1) shall not be construed as reducing or affecting any amount required, under any other provision of this Act, to be made available for any fiscal year from amounts available for such fiscal year under section 2113.".

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR SIMON

The PRESIDING OFFICER. Under the previous order, the Senator from Illinois [Mr. SIMON] is recognized for not to exceed 15 minutes.

JUDGING JUDGES: THE SENATE'S ROLE IN JUDICIAL APPOINTMENTS

Mr. SIMON. Mr. President, the Senate's role in the appointment of Federal judges is receiving more attention. Since the Senate has been involved in these appointments from the beginning of the Republic, this is obviously not a new question, but it presses today with special urgency. We are witnessing an enormous turnover on the Federal bench, frankly, too much of a turnover. A majority of the Federal judiciary will have changed membership during President Reagan's service in office—and on our most important court, the U.S. Supreme Court, a substantial turnover in membership is possible. Since Federal judges are lifetime appointments, what is at stake in all these changes is the character of our judicial branch for a generation, and the real-world meaning of our Constitution and Federal law.

I have concerns about the judicial nominations that have been made since I joined the Senate: I am concerned about their quality and I am concerned about their ideological bent, and we in the Senate must think harder about how we can try to assure that judicial appointments are the best possible. I am specially concerned that we lay the groundwork now for considering future nominees to the Supreme Court—that we think about our standards and processes before people are nominated and before the debate turns to specific personalities. I hope that these remarks will begin to lay that groundwork.

I start with the general view that the Senate should play an active role in the appointment of Federal judges. In contrast to Presidential nominations to executive departments, there should be no automatic presumption that the President gets the judges he wants.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. SIMON. I am pleased to yield.

Mr. PROXMIRE. Mr. President, the Senator is speaking on the Senate's responsibility in advising and consenting to the nominations of Supreme Court Justices and other justices.

Mr. President, I have been here a long time, 28 years, and I think the Senate has done a deplorable job. We have not lived up to our responsibility. We have ignored our responsibility, in fact, under the Constitution. Very rarely have we said no to a nominee. There have been a number of nominees nominated by the President who should have been denied access to the courts.

Mr. President, I am just delighted that my good friend from Illinois, a very distinguished Senator who is on the Judiciary Committee but who is not a lawyer, which makes him the best qualified member of that committee, in my view, is speaking out as he is on this subject. It is about time. Hopefully, we will recognize that we have not only a power but a responsibility that we have ignored much too long. I congratulate my friend.

Mr. SIMON. I thank my distinguished colleague from Wisconsin. I will add, too, as I will make clear in my remarks, that at the Constitutional Convention up to the very end they were going to leave the appointment of Federal judges solely up to the Senate. It was only at the end that they decided they would get the President in the process at all.

I think we have to be much more diligent, much more careful. I am criticizing myself also, not only applying it to my colleagues. Well, I guess I am criticizing all of us. I think we have to pay more attention to this than we have. I thank the Senator for his comments.

The Constitution provides that the President shall "nominate" people for the Federal courts, but it also provides that the Senate must give its "advice and consent" to any appointment. I have recently reread the relevant records surrounding the adoption of this provision at the Constitutional Convention, and they are instructive. Far from supporting any idea that the President essentially controls judicial appointments, they clearly establish that the framers expected the Senate to be an active partner in the appointment process. The Convention records establish that the current provision was a compromise between those who wanted judicial appointments solely in the hands of the Senate—the prevailing position, as I said, until the end of the Convention—and those who thought the President should have a greater role. By tradition the Senate has played a prominent role in the district court nominations when the Senator or Senators are of the same political party as the President. But nominees for the circuit court of appeals have by recent tradition had significantly less Senate input.

There is a reason judicial nominees should receive the special scrutiny of the Senate. In contrast to the President's nominations to positions within his own executive branch, appointments to the judiciary are to a branch of government that is supposed to be independent of the President and for a duration exceeding his own term of office. For the President to control such appointments unilaterally would be inappropriate, especially in a political system where checks and balances are so important. The Senate is an institution in some ways not as broadly representative as it should be; we have only two women; there are no blacks, no Hispanics.

Taken as a whole, the Federal courts are another institution that is not as broadly representative as it should be. Under the Reagan administration the representation of women and minorities in the judicial branch has worsened. In my first year on the Judiciary Committee, we reviewed 92 nominees; 70 for district courts and 22 for the appellate level. Of the 70 district nominees, 5 were women, 2 were black, 3 were Hispanic and none were Asian. Among the 22 circuit nominees, 3 were women. Not a single circuit judge nominee was either black, Hispanic, or Asian.

But the Senate is broadly representative of the country's political diversity. It does not defer to the President when it thinks his proposed budget or legislation will be bad for the country, and the same should be true with respect to his judicial nominees. While the law is more likely to have national impact than most judicial nominees, the law usually can be changed with greater ease than you can change judges.

The impact of Federal judges is so enduring that we cannot view approval of these appointees as a clerical or routine duty of the Senate.

Given that basic perspective, what criteria should the Senate use in evaluating judicial nominees as part of its advise and consent rule? A central feature of the Senate's role must be to evaluate the nominees' quality. By "quality" I mean several things. First, we must be concerned about a nominee's professional competence, which includes intellectual capacity and legal skills, as well as the nominee's experience—a factor which bears on the nominee's practical wisdom about people and the world as well as more narrow professional skills. Second, we must be concerned about the nominee's integrity and moral character. Third, we must be concerned about the nominee's temperament: His or her openmindedness, judgment, even-handed consistency, and sense of fair play.

Few if any of my Senate colleagues would disagree in the abstract with the notion that the Senate should evaluate quality factors. But we need to be more demanding than we have been in insisting that nominees be of high quality. The American Bar Association's Standing Committee on the Federal Judiciary uses four categories to rate nominees: exceptionally well qualified, well qualified, qualified, and not qualified. The next-to-the-bottom rating, qualified, in fact applies to nominees with only minimal acceptable qualifications. Since I have been on the Senate Judiciary Committee, a full 50 percent of U.S. Court of Appeals nominees—controlled entirely by the administration—have received only this qualified rating. About three-fourths of these were found not qualified by a minority of the ABA committee. During this same period, 48.6 percent of the District Court nominees—for which Senators often play a key role—also received only a qualified rating, of whom approximately 20 percent were found not qualified by a minority of the ABA committee.

These numbers are disturbing. For years, my image of Federal judges was of those who are really stellar members of the bar. That image, unfortunately, is changing, for me and many others. Those appointed to our Federal bench for life should be the best the legal profession has to offer. Too many clearly are not. Federal judges resolve matters that are of extraordinary importance not only to individual litigants but to the country as a whole. Their work is complex, and, as we are so often reminded, court dockets are extremely heavy. Competence and efficiency, along with wisdom, are essential job requirements.

I know the contending political forces that can surround judicial nominations, but the plain fact is that the job of a Federal judge is so important today that our country cannot afford nominees of borderline qualifications; we need the best. When we lower standards, we lower the prestige of the bench, and when that is lowered, the desirability to serve for the really fine minds and experienced barristers wanes. It is a downward spiral we are on and we must inaugurate an upward spiral.

Having said that, it is still true that Federal judgeships remain among the most honored and sought-after positions in American life. We need not settle for borderline qualifications. We can have the best, if only we have the will to insist upon it. This we have not done.

A more difficult question is whether Senators should limit themselves to these matters of professional quality or should also consider nominees' substantive legal views, particularly their views about the meaning of the Constitution and the role of Federal courts. This may be the most significant issue about the confirmation process facing a Senator today—and it has broad implications for the Judiciary and for the country. President Reagan has candidly stated his intention to try to shape the substantive direction of our constitutional law by nominating judges who share his constitutional views, and who seem likely to decide cases in accordance with them. Like many others, I have become troubled by the ideological bent of the President's nominees; so it becomes important to know in what situations, if any, a Senator should withhold "consent" to a judicial nomination because of disagreement with the nominee's legal views.

My thoughts on this difficult issue, I acknowledge, are still evolving, and I am not here today to announce definitive answers. What I want to do instead is offer some comments and raise some questions, with the goal of inviting the broader debate on this subject that is needed.

I see three separate aspects to this issue that should be kept somewhat distinct.

(1) Are a nominee's substantive legal views altogether irrelevant to the Senate's confirmation decision?

(2) If not, what standard should a Senator use in evaluating a nominee's views?

(3) In light of the standard, how should a Senator go about finding out what a nominee's views are—in particular, what can a Senator properly ask a nominee?

We often see reference to the supposedly conventional wisdom that a nominee's legal views should be altogether irrelevant to the Senate's confirmation decision. In actuality, though, it is hard to believes that many people really believe this as an absolute, since most Senators would probably vote against a nominee who believes that racial apartheid would be constitutional or who held similarly outlandish views. In fact, the so-called conventional wisdom has not actually been the convention. Time and again over the past two centuries, Senators have voted against judicial nominees whose views they deemed unacceptable. Examples of this span as far back as the Senate's rejection of John Rutledge's nomination by George Washington as Chief Justice in 1795, and include such recent examples as the Senate's rejection of G. Harold Carswell's nomination to the Supreme Court in 1969, a rejection based on "quality" grounds and on the fact that his segregationist views on civil rights matters were deemed unacceptable.

But there are two fundamental reasons that nominees' legal views should not be altogether off-limits to the Senate. One is that just as we know that a nominee's competence and integrity will affect his views as a judge, we know that the nominee's individual views about legal matters will in some measure affect decisions the nominee makes as a judge. The reason is that judges inevitably have leeway. They must fill in gaps in the law and must resolve ambiguities about what the law is, and in doing so, a judge inevitably draws upon his or her starting point views and outlook. This is true of all judges and it is especially true of Supreme Court justices, whose leeway in giving meaning to the majestic general commands of the Constitution is particularly great, and who must resolve conflicts among lower courts on a daily basis. A Senator who considers only whether a judicial nominee will "follow the law" is ignoring the fact that the law to be followed is often not clear, and that judicial decisions are often affected by a judge's individual legal views. To contend that a Senator may not properly consider those views amounts to a contention that things highly relevant to the job—things that make a good or bad judge—may not be considered. Here we must remind ourselves that the constitutional mandate for the Senate is to "advise and consent," not merely to consent. How should we fulfill that advising role in the case of Federal judicial nominees?

A second reason a nominee's views may be relevant to the current Senate is that they were relevant to the President's own decision to nominate. As an active partner in the judicial appointment process, as the authority that must "advise and consent" to nominations in our system of checks and balances, should not the Senate evaluate any factor the President does? And if the President is trying to shape future judicial decisions by self-consciously nominating people with particular legal views, should the Senate—at least to some extent—consider whether those views are appropriate ones and good for the country?

If a nominee's legal views should not be altogether irrelevant to the Senate, what standard should a Senator use in evaluating a nominee's views? This, for me, is the harder question. The choice, as I see it, is between two basic possibilities.

One is for a Senator only to determine whether the nominee's views are within the outer boundaries of reasonableness. Under this standard, a Senator would disapprove only those nominees holding unreasonably extreme views—for example, nominees who think Brown versus Board of Education was wrongly decided. Different Senators, of course, would place the boundary of reasonableness at different places. But, under this standard, the Senator would be willing to approve any nominee holding views within some broadly defined "reasonable" range, even if the Senator thought those views to be wrong and bad for the country. And this suggests a problem with this standard: It allows

this President or any President, to systematically appoint people whose views fall at one end within the broadly tolerable range, even though that unilateral Presidential action could have serious consequences for the country. Why should the Senate acquiesce in this deliberate skewing of our judges and our fundamental law?

An alternative standard is more comprehensive and demanding: Are the nominee's views about the meaning of the Constitution and the role of Federal courts views which, at least in their broad outlines, the Senator believes are correct ones? What are the nominee's views on key elements: Majority and minority rights, Presidential and congressional authority, Federal power and State and local authority and the meaning of the first amendment? This is a difficult area.

These standards, of course, should not mean that a Senator would vote against every nominee with whom the Senator disagrees. If a President tries to appoint too many judges whose ideological slant a Senator opposes, political compromise on both sides would be necessary to avoid deadlock. Moreover, a Senator might choose to apply this standard only in limited situations—for example, where the nominee's other qualifications are borderline. The danger in applying a more ideological standard is that the Senate should not be the abuser of ideological rigidities any more than the President should be. Some of those who criticize the rigidities of right-wing ideology would impose rigidities of the left. Both rigidities should be rejected.

Whatever standard is used, each Senator has to decide for himself or herself which particular matters are most relevant in deciding whether the nominee's views are acceptable. The question of what is relevant to each Senator is related to the final issue: How should a Senator go about learning what the nominee's relevant views really are?

The easiest sources are those in the public record: The nominee's prior judicial opinions, articles, speeches and statements. The more difficult issue is the questions a Senator may properly ask nominees about their views.

Asking a nominee's general views about the Constitution and constitutional interpretation is clearly appropriate. Judicial nominees should all demonstrate their understanding that our constitutional system not only gives scope to majority rule but also guarantees minority and individual rights; that Federal courts have traditionally played a critical role in protecting those rights. Middle range questions—for example, asking the nominee "how do you assess the legacy of the Warren court?"—can also uncover relevant information without being objectionable. And the same is true of general questions concerning particular provisions of the Constitution—for example, asking the nominee "what do you think the establishment clause means?"

The problem with these relatively general questions is that they can easily generate responses that are unhelpfully fuzzy or cliched. To get answers that provide more useful information, a Senator may be inclined to ask more specific questions. But specific questions can pose more sensitive problems. For example, asking how a nominee would decide some pending or future issue improperly puts the nominee in a compromised position, even though it may well seek relevant information. These future-oriented questions ask the nominee to prejudge a matter that might come before him or her as a judge and to give an "advisory opinion" abstracted from concrete facts. These questions also create the unseemly appearance that a binding commitment about certain future cases is a quid pro quo for Senate confirmation. Such questions should be avoided.

Specific questions about prior cases or about specific issues already decided by the courts do not necessarily pose these problems, but they suggest difficulties of their own. For example, to use a nominee's views on any other single issue as a "litmus test" ordinarily would be unfair and inappropriate, and is an unreliable way to predict the nominee's overall future performance. Specifics should be probed to provide illustrations of the nominee's views about the enduring great themes of American law—federalism, free speech, equal protection, separation of powers—but not as a checklist for special interest groups. It does not seem inappropriate to question a nominee as to his or her understanding and commitment to the first amendment. Or what does the phrase "cruel and unusual punishment" mean to the nominee. Or what is there in the nominee's background to suggest that there is some sensitivity to minorities so that the equal protection clause will have real meaning to that person.

There is much to be said for a rather comprehensive Senate consideration of nominee's views when the President is considering them, particularly the views of nominees to the Supreme Court and the U.S. Circuit Court of Appeals. But we should have a fuller public debate, addressing the full range of possible objections and concerns, including those that I can mention here only briefly. I hope these remarks will help inaugurate this fuller public discussion.

Some have already objected to questioning nominees about issues, because, they say, this path would be a new one for the Senate, and they are uneasy for that reason. Even if that objection were factually true, it needs to be evaluated in light of the way the President is systemically making ideological nominations, more so than any President since Franklin D. Roosevelt.

Another concern is that a more active Senate role will produce confrontation and deadlock. But this body, which is accustomed to working out practical compromises, can work out compromises with the President in such a way that the quality of the Federal judiciary will not be reduced.

Another possible objection, this one from members of my own party, is that Democrats will be hurt by an active Senate role when we recapture the White House. It is true a Senate that restrains a Republican President from making appointments that are too ideological or lacking in quality will also restrain a Democrat President from doing that. But we should welcome that restraint. It will improve the quality of the judiciary and keep the law from being some huge pendulum, swinging whichever way the current political winds blow. There should be a stability and certitude in the law, and ideological swings erode that. In the Federalist Papers, Alexander Hamilton describes the Senate's role as being "an efficacious source of stablity." A President will be thwarted only when he holds significantly more extreme views than the Senate, and seeks to use judicial appointments to impose those views.

Finally, we need to consider whether an active Senate role will make the appointments process more political and ideological, thereby undercutting the courts' authority and stature. The Senate's willingness to play a more active role may, in fact, be the best strategy for ultimately reducing the role of ideology in the process. Again, that is particularly needed for nominees to the circuit court and the Supreme Court. Senate passivity itself can allow the law to become that pendulum swinging back and forth, simply following ideological changes at the White House. The Senate's willingness to counter the President's nominations that are too ideological could well induce the President to propose fewer such nominees. The Senate's failure to play that role leaves today's appointments process ideological, but solely on the President's terms.

To more effectively evaluate all of this, I have discussed with Senator JOSEPH BIDEN, the ranking Democrat on the Judiciary Committee, the possibility of asking our distinguished colleague from South Carolina who heads the Judiciary Committee, Senator STROM THURMOND, that hearings be held on the fundamental question: What should the role of the Senate be in judicial nominations? There is an implied subsidiary question: How can we through this process improve the quality of the nominations? And we should ask: What is the role of this ad-

ministration in the nomination process, and how does that compare to previous administrations? If we should make such a request and it is not granted, we could hold our own independent ad hoc hearings on this important issue.

Congress plays another role in the quality of the judiciary. The pay for Federal judges is not adequate. It is good enough for mediocre judges, and if that is our goal, the pay scale helps achieve it. Our goal obviously should be significantly different. But within the present pay framework, there still could be a marked improvement in the quality of appointments to the Federal bench.

I have spoken mostly of the Senate's role in the appointment process, but the Senate is only the final step. Excellence in judicial appointments requires that every institution involved in the process play its role as well as possible. So before closing, I want to comment on two other institutions in particular.

The first is the American Bar Association. The standing committee on the Federal judiciary of the American Bar Association has been consulted with respect to most Federal judicial appointments since 1952. All who have worked with the committee are appreciative of the service it performs in evaluating the qualifications of potential appointees, frequently on relatively short notice. I recognize the concerns that some have expressed about a private entity playing a consulting role in the appointments process, but long experience has shown the ABA committee to be a valuable and constructive force. But, the ABA's screening should be strengthened and the standards raised. The ABA committee should take pains to consult a broad range of groups, reflecting the full diversity of outlook within the legal profession, but that will be a less than completely useful gesture if something else does not happen.

Politicians are not known for their courage, and unfortunately neither are lawyers. When asked their opinions of Joe Smith, a nominee for a district judgeship, I am told the prevailing practice is to be generous, not to a fault, but to all faults. The lawyer thinks, "Joe may sit on one of my cases. I'll play it safe." What the lawyer should be thinking is, "Joe may sit on one of my cases. I ought to make sure that the presiding judge in that case is a really superior legal mind with a great sense of balance and perspective." It has often been said but it bears repeating: Lawyers owe more to the law than simply using it as a tool to make a living. The ABA committee is approving too many judges it should not be approving. The bar needs more backbone and higher standards.

Screening by the bar association should apply to the question of quality, ordinarily not to the views of the nominee. Leave that judgment to an administration and the Senate. Modifications in the ABA committee's rating system would be helpful. For a nominee to carry the ABA committee with two more votes as "qualified" than "not qualified," and then come with a favorable rating to the Judiciary Committee is for the bar association to participate in creating more and more mediocre judges. That is neither desirable nor necessary. But it is happening. A gradual lowering of the quality of the Federal judiciary is in no one's interest.

The ABA also should give us a specific recommendation that a judge should be approved or not approved. It could be argued that when the ABA tells us that a person received a "qualified" rating but that there were votes for "not qualified," that is what we are being told. Those of us who are Senators need more than oblique hints about what we should do. The ABA should tell us bluntly. That removes partisan taint from actions of the committee. And I should add that other organizations, such as the American Civil Liberties Union and Common Cause that express great interest and concern in the quality of the judiciary might soil their hands a little by taking the most simple, fundamental step of telling Members of the Senate whether they believe a nominee should be approved or not approved. But the ABA should lead the way on this.

The other institution I am concerned about is the Department of Justice, which plays such a major role in recommending nominations to the President. There is an old saying at the Department of Justice that the Department wins a case whenever justice is done. That wonderful saying reminds us that the cause of justice requires a commitment to values that transcend mere partisan advantage. I wish that a similar attitude always governed the Department's approach to judicial nominations. When Edward Levi was Attorney General under President Gerald Ford, we saw an approach worth emulating: A Department of Justice that recommended judicial nominees based primarily on professional excellence rather than ideological purity or partisan advantage. That is the best route for the Justice Department and President to follow. And if they follow this "advice," at least one Senator would "consent" to their nominations enthusiastically.

Mr. President, these are difficult areas. I have stated that I think it is important that the American Bar Association provide greater leadership in this area. The American Bar Association now gives us these four general categories. As I indicated, we are getting too many nominees who simply do not meet the standards that we ought to have. I do not think it should become a partisan thing and I do not suggest that the bar association should look into the views of nominees. I think that is a judgment for the President and for the Senate. I do think it is important for the bar association to be tougher, to be more firm in what they are doing, to raise higher standards.

And as I stated, I think that others who have been critical of the Senate—the American Civil Liberties Union, Common Cause—might also deign to say they think people should be approved or not approved. I think this is one other function that the bar association should also provide.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business to not extend beyond 12 noon, with statements therein limited to 5 minutes each.

Mr. DOLE. Mr. President, I believe I have leader's time remaining, too. Is that correct?

The PRESIDING OFFICER. There are 8 minutes remaining.

FOOD SECURITY IMPROVEMENTS ACT OF 1986

CORRECTIONS IN THE ENROLLMENT OF H.R. 1614

Mr. DOLE. Mr. President, I am soon going to send a resolution to the desk to correct two words that have been bandied about here for 3 or 4 days on the farm improvements bill. I never thought it would be so difficult to correct two words. I am beginning to understand why it is so difficult to do a lot of things around here.

What we have is a difference of opinion between lawyers. Some on the Senate Agriculture Committee staff have one view, some have another view, some do not have another view at all. Some at USDA have a view; some at OMB have a view. We are advised that unless we change the word "shall" to the word "should ," we may make a program mandatory that we thought was discretionary and that the President may veto the bill, or at least that a veto will be recommended.

Now, we can argue here for the rest of the week, but the farmers are the ones who are going to be suffering. And I think the only way to bring this to a head is to offer the resolution and let somebody object. As far as I am concerned, we will let the President decide whether or not it ought to be vetoed.

I think this is unfortunate. This is a very minor matter that the Senator from Iowa is now trying to make into a much larger issue because he is ad-

vised that he is right. I tend to agree with the Senator from Iowa, but I do not make the legal recommendation to the President. There are Democrats and Republicans on both sides, the House and the Senate, who would like to pass this bill, who would like to have done it last Friday, or even earlier. And now we are going to fritter away another day today. The House is going to be in session for only a few minutes at noon.

I have asked the House if they could initiate a resolution to correct this error and let it come over here. And if we object to that, we will see what happens.

But every day we delay is another day of inconvenience for the farmers. I really do not believe the farmers care what Senator DOLE or Senator HARKIN or what some lawyer may think. They would like to have this bill signed by the President, and they would like to get on with their work. They would like to go to their ASC office. They would like to sign up for the program. But we are saying, "Oh, we can't do that. We have to spend 4 or 5 days arguing whether or not this lawyer is right or that lawyer is right or some Attorney General's interpretation is relevant, or whether we ought to force the administration to veto the bill."

I would call that confrontation. Frankly, it is exasperating that the Senate of the United States cannot take care of a minor detail without a lot of fuss.

I must say in my years in the Senate I have never known this to happen. But I want to make one last plea for the American farmer, who is not any party to this, who could care less about the lawyers, who could care less about the Senators, who only want to have these corrections made. These farmers are represented by Members of both parties.

We believe the President will sign the bill. There was a meeting of lawyers on Saturday with Senate and House Agriculture committee staff. They could not reach a conclusion. It just seems to be that we are making a big deal out of nothing. I want the American farmer to know precisely what has happened. This should have been corrected last Friday. It should have been corrected then. We have been negotiating in good faith with everybody concerned, on the House side and on the Senate side. I have been on the telephone with Congressman FOLEY probably four or five times, most recently 30 minutes ago. I think he finds it rather hard to believe that we cannot pass a little resolution that says where the word "shall" appears, it will be changed to "should."

We also correct an error in the section offered by the distinguished Senator from Illinois [Mr. DIXON] regarding the liability of warehousemen in the transfer of commodities under loan.

Mr. President, I do not know the answer. I guess there are some who think we should just put pressure on the President so he will not veto it. I hope the President will veto it, if that is the recommendation from his attorney. And I am not his attorney. But it has come to the point now where it is flatout politics, and I think it is fairly clear where that effort is coming from.

Mr. President, I send a concurrent resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 113) to correct the enrollment of H.R. 1614.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. Reserving the right to object, could we have a reading of the concurrent resolution.

The PRESIDING OFFICER. The clerk will read.

The legislative clerk read as follows:

S. CON. RES. 113

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of the bill H.R. 1614, an Act entitled "The Food Security Improvements Act of 1986", the Clerk of the House shall make the following corrections:

(1) In section 13(a), strike out the matter preceding paragraph (1), and insert in lieu thereof the following:

"(a) It is the sense of Congress that the Secretary of Agriculture should carry out a program authorized by section 424 of the Agricultural Act of 1949. Such program, if implemented, should provide for the following:".

(2) In section 13(c) , strike out "shall" both times it appears and insert in lieu thereof "should".

(3) In section 17(b)(2) of the United States Warehouse Act (as added by section 14 of the bill), strike out "warehouse to which" and insert in lieu thereof "warehouse from which".

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. Mr. President, I reserve the right to object.

Mr. DOLE. Regular order.

The PRESIDING OFFICER. Regular order is called. The Senator must either object or not.

Mr. HARKIN. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard. The resolution will go over under the rule.

IN MEMORY OF FORMER SENATOR JACOB JAVITS

Mr. DOLE. Mr President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 363) in memory of Senator Jacob Javits.

S. RES. 363

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable Jacob Javits, late a Senator from the state of New York.

Resolved, That the Secretary of the Senate communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of Senator Javits.

Resolved, That as a further mark of respect to the memory of Senator Javits, the Senate stand in recess from 12:00 noon until 1:00 post meridiem.

Mr. DOLE. Mr. President, last weekend brought with it the sad news that Jacob Javits had died at the age of 81 years. Senator Javits served in this body for 24 years, and during that time, he compiled a record of legislative accomplishments which few in the history of this body could match. He was a true statesman who used his awesome legislative skills to help the poor and vulnerable. A man of conscience and voice of compassion, Senator Javits' death represents a great loss.

Senator Javits had courage. He had the kind of courage that comes from deep moral conviction and committing your life to what you think is right. He never shied away from a debate and reveled in taking up the cause of the underdog. But I don't think any of us who served with Jack in the Senate really appreciated the depth of his courage until he left this body and was stricken by amytrophic lateral scleriosis, a disease which incapacitated and finally killed another great American hero, Lou Gehrig. Even as this dreadful illness ravaged his body, leaving his active mind in a useless, immobile shell, Jack kept going, giving speeches, attending benefits, and still practicing the art of legislating—this time, on the outside, as a lobbyist for issues he believed important. No one who talked to Jake or heard him speak during those last few years, could fail to be touched by his strength and indomitable spirit.

Perhaps his courage came from his roots in a poor section of New York city. His father was a tenement janitor and Tamany Hall worker; his mother was an immigrant from what was then Palestine. Growing up in poverty, Jake had to work hard to overcome the barriers of the inner-city ghetto. He made it, but he never forgot those he left behind. Throughout his public life, he maintained an empathy for the people who struggle all their lives but never quite make it. Indeed, as a Member of the Senate, he made his mark as the chief advocate for social programs and labor reforms to help the unemployed and working poor.

Senator Javits did not always walk in lock step with the mainstream of

his party, but that made him a great asset. He spoke to segments of the population which traditionally viewed the GOP as hostile to their interests and concerns. He helped dispel the notion that Republicanism was something only the rich and privileged could embrace. My party still has a way to go in convincing all Americans that its door is open. But Senator Javits can take a large share of credit for the inroads that have been made.

There are many dedicated and thoughtful men who have served in the Senate. But there is probably no man in modern American history who was so much a creature of the Senate than Jake Javits.

This dedication to the Senate continued long after he left Washington. Last February, Senator Javits came back to speak at a Republican policy luncheon. He told us that the one legacy he wished to leave was a fellowship program designed to promote the ideals of excellence in public service.

And last summer the Senate approved a resolution (S. Res. 197) pledging its cooperation with this privately funded fellowship program so that young women and men can pursue graduate study and then come to work here in the Senate.

Mr. President, Senator Javits and I didn't always agree on the issues. But I respected and admired him as a man who shaped his positions to fit his conscience, and as a legislator who accomplished his goals with uncanny instinct and ability. We in the Senate have lost a beloved former colleague, but the Nation has lost much more. He is gone, but his memory will live on in the annals of history as a legendary guardian of fairness and justice.

Mr. EXON. Mr. President, I ask unanimous consent that my name be added as a cosponsor of the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMON. Mr. President, will the Senator yield?

Mr. DOLE. The Senate is to recess at noon in memory of Senator Javits.

Mr. SIMON. Will the Senator yield for 1 minute?

Mr. DOLE. I yield.

Mr. SIMON. Mr. President, I did not have an opportunity to serve with Senator Javits in the Senate, but I was on many conference committees with him.

About 2 months ago he came to my office to talk about something, and he had to plug in the machine so that he could talk. He discussed an issue about which he was concerned.

When he finished, I turned to him and I said, "Jack, it's really incredible. You're an inspiration."

He said, "Paul, you have to have a mission in life."

He was a man who really had a mission in life. He was an inspiration to all of us.

I ask unanimous consent that my name be added as a cosponsor of the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I thank the Senator.

Mr. COCHRAN. Mr. President, I feel very fortunate to have had the opportunity of serving in the U.S. Senate with our departed colleague from New York, Jacob Javits.

My first 2 years in the Senate were his last 2 years here. He was such an impressive Senator, knowledgeable on so many subjects, an eloquent and very persuasive speaker. I remember being on the floor several times when he would join in a debate without notes or any apparent preparation for speaking and change the course of the proceedings. He could make a difference on the floor, and he often did.

Another thing I recall with pleasure is that he would offer words of encouragement and praise to the younger, newer Senators when he thought they presented a thoughtful or helpful speech to the Senate. Coming from him, words of approval were appreciated all the more because one knew they were genuine, that he really meant them.

Others knew him longer than I, but none could hold him in higher esteem.

Mr. McCLURE. Mr. President, along with the entire U.S. Congress, today I want to pay tribute to Jacob Javits. So much has been said and written about this great American, that it is hard to find new words to describe him.

Jack Javits was, above all else, a true statesman. He embodied what all Members of Congress strive to achieve. A tireless worker, dedicated to his ideals, few Senators can lay claim to as many accomplishments or to the respect he earned. Jack will be remembered as one of the brightest Members of the Senate—an expert on a myriad of issues, a master of Senate rules, and an absolute bulldog when it came to supporting the causes he believed in.

But even more than this, Jack was an example of all that is good in this country. Born in a poor family, in a poor neighborhood, this son of immigrants rose above all limitations to attend college, law school, serve in the military, and eventually enter public life. I have never known anyone who was better suited for public service than Jack Javits.

Even after retirement, and faced with a devastating illness, Jack continued to work. We would have expected nothing less from him. When Jack died last Friday evening the Nation lost a great leader. But Senator Jacob Javits left his mark on America and after all the written and spoken tributes, his lifework will serve as the final, fitting, and lasting memorial to a truly great man.

Mr. THURMOND. Mr. President, I rise today to pay tribute to an able servant of the people, former Senator Jacob Javits, who passed away March 7, 1986, after a long bout with amyotrophic lateral sclerosis. To his fine, charming and beautiful wife, Marion, and his family, I extend my deepest sympathy.

Mr. President, Jacob Javits represented the people of New York for over 24 years as a U.S. Senator. He served as a ranking minority member on the Labor and Human Resources Committee. His tenure also included membership on the Joint Economic Committee, Foreign Relations Committee, and Governmental Affairs Committee.

Senator Javits was a man of true grit. After his retirement from the Senate, he waged a tough and very public battle against amyotrophic lateral sclerosis. It was a battle he ultimately lost, but his courage, strength and sheer will were an inspiration not only to all who knew him, but to the thousands of Americans who also are afflicted with this dreaded disease.

The same courage and conviction he exhibited during his long illness was evident throughout his public service career. He was a strong and articulate champion for the causes in which he so firmly believed. Today, after his unfortunate death, I join my colleagues in saluting him for the distinguished and gentlemanly way in which he conducted himself as a Member of this body and as a man.

While we mourn Senator Javits' death, we can take comfort that he leaves behind a distinguished legacy as a U.S. Senator.

RECESS UNTIL 1 P.M., IN MEMORY OF FORMER SENATOR JACOB JAVITS

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate stand in recess until 1 p.m.

The PRESIDING OFFICER (Mr. WARNER). Without objection, it is so ordered.

Thereupon, at 12:01 p.m., the Senate recessed, in memory of former Senator Jacob Javits, until 1 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. WILSON).

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. I thank the Chair.

AIRLINE TRAFFIC SAFETY

Mr. EXON. I am delighted to see the majority leader on the floor. There is something that I wanted to discuss with him. I think it is wise if we bring this up in public because I think that a mistake is about to be made with regard to air safety. I speak as a ranking minority member on air safety in the Commerce Committee. I have been

long seeking more detailed hearings on the matter of safety, complicated by the massive number of aircraft that are in the skies today as a part of deregulation. Thursday last the RECORD shows that I brought up the matter again on the floor. I have asked questions all the way from a matter of overworking traffic controllers down to basic maintenance of the ever-aging fleet.

I and some of my Democratic colleagues found out this morning that for the first time, strangely enough, there will be a hearing supposedly to start at 2 o'clock, as I understand it, sponsored by the Republican caucus, that meeting scheduled for 138 Dirksen Building.

There was no prior notice of this. There are those of us who have some responsibilities for this on the Commerce Committee, let alone those who serve and have responsibility on the Democratic side with regard to the Aviation Subcommittee of the Commerce Committee.

Now, as I understand it, Director Engen from the FAA and people from the GAO are to be there in front of this Republican caucus conference this afternoon. It is not under the auspices of the Commerce Committee directly or the Aviation Subcommittee thereof.

I think we are all very much concerned about aviation safety in general and the extreme stress that the overall system is under today as evidenced by the fact that we had the worst record in history in air safety last year.

I for one feel this is a matter that has no partisan overtones whatsoever. I think it legitimately is a matter for the full Commerce Committee or the Aviation Subcommittee thereof, and to have a Republican-sponsored caucus meeting on something as nonpartisan as air safety is a step in the wrong direction if we want to get on with attacking it directly. I suggest that this meeting should not be held. Hopefully, this would spur early formal hearings by either the full Commerce Committee or the Aviation Subcommittee thereof.

So, for what it is worth, I would like to go on record suggesting that this is an ill-timed, not well thought-out proposition. Airline safety is so important that I, as one member of the committee, would be able to start hearings tomorrow if necessary to carry on what possibly the Republican caucus is concerned about and therefore bringing out some of the matters to decide what, if any, legislation we need. But I think it is not properly done by either a Republican or a Democratic caucus if we are seriously concerned about airline safety, which I think my colleagues on that side of the aisle and on this side of the aisle share in interest and share in the responsibility for any corrective action that should be taken by the Senate.

Therefore, I suggest it is not proper, it is out of line and will set us back in our efforts rather than to have Democrats or Republicans holding informal, nonofficial sanctioned Senate action.

I would like very much, since I believe the majority leader knows about it, if I might have his comments to see how he feels about this matter and if he does not agree it might be better to put those hearings off until it could be an official meeting of the Commerce Committee. I understand that both the chairman of the Commerce Committee and the ranking member on the Aviation Subcommittee thereof are not here this afternoon and therefore could not attend the hearing. Those certainly are two key players. If the hearing is held and if I am welcome as a Member from this side of the aisle intimately involved, I will go there and listen. But if I do that, I will express the same objections, if I have a chance, in that Republican-sponsored caucus I am now expressing on the floor of the Senate.

Mr. DOLE. Mr. President, I thank the distinguished Senator from Nebraska, Senator EXON. I received a call this morning from the ranking Democratic member of the Commerce Committee, Senator HOLLINGS, and I tried to call the chairman, Senator DANFORTH, who is in New York attending the services for our colleague, Senator Javits. Senator KASSEBAUM is there also. And then I placed a call to Senator KASTEN and have not had a return of that call. So I am not fully apprised of the facts, but I can say this. As far as I know, air safety should not be partisan; it is not partisan, but I will try to obtain the details and be in touch with the distinguished Senator from Nebraska.

Mr. EXON. I thank my friend and colleague from Kansas, the majority leader.

FOOD SECURITY IMPROVEMENTS ACT OF 1986

Mr. DOLE. Mr. President, earlier today we tried to approve a little resolution to change a couple words in H.R. 1614. We did not have much success. I am advised that the House had hoped to do the same today, but they have now decided to wait until tomorrow. The point is that the only ones suffering are the American farmers.

The House was prepared to act today on our resolution had we been able to send it to them. But since we were not able to achieve that monumental objective, they have decided to postpone it until tomorrow. They are not certain they can take it up tomorrow. So sooner or later we are going to have to make a judgment around here on whether or not we can correct this mistake or lack of understanding on the part of the lawyers. I tend to agree that it is a lack of understanding, but I am not the lawyer advising OMB or USDA, who will advise the President on whether or not the effect of the language without change amounts to a mandatory program.

Some may suggest, "Well, that's OK, just veto it. The President can veto it and we will override the veto."

But I do not know whether an override is a certainty. And if we do not override the veto, then the farmers are still in the soup and we start all over again to undo what we could correct here in a matter of seconds.

It would seem to me that this has become absurd, and the longer we wait the more absurd it becomes. The longer we wait, the more angry the American farmer should become. I am here to indicate that I am prepared at any moment to bring up the resolution, pass it, and the House will take it. I have made every effort, as I hope the record will reflect. I have discussed this with the ranking Democrat on the Senate Agriculture Committee, the new Secretary of Agriculture, the Director of the Office of Management and Budget, and Democrats and Republicans on the House side and on this side. It is something this Senator cannot resolve. I do not quarrel with those who have a different view except this is a rather de minimis matter and we ought to be able to take care of those matters in the Senate.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD and Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Democratic leader.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. DOLE. Objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I object.

The PRESIDING OFFICER. Objection is heard. The clerk will call the roll.

The legislative clerk continued to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE RECONCILIATION BILL

Mr. BYRD. Mr. President, while in the midst of discussing a constitutional requirement for a balanced Federal budget, we should not become so wrapped up in rhetoric that we lose sight of its purpose. And that purpose

is to reduce the deficit and hopefully to provide the road to balanced budgets in the future. A few moments ago, a messenger came into the Senate Chamber bearing a message from the House that would take real steps, today, to reduce the deficit. I speak, of course, of the reconciliation bill, which the House has passed and sent to the Senate.

The House message will reduce spending by about $12 billion over the next 3 years and raise about $6 billion in revenues over the same period, for a total deficit reduction of $18 billion over the fiscal year 1986-88 period.

This bill represents real deficit reduction, today, not a promise to do better in the future. There was a good deal of debate last year on this bill. Eventually, the two Houses were unable to agree on a single version that could be sent to the President. Democrats voted to send the House-passed bill to the President last December. It is my hope that the entire Senate will do so promptly so that we may achieve at least some deficit reduction now. Support for the bill was overwhelming, and bipartisan, in the House, which passed it by a vote of 314 to 86. I hope for similar support in the Senate.

The bill contains numerous changes in authorizing statutes. While I do not necessarily agree with all of these changes, for the most part they represent the kind of actions we must take to get deficits under control.

Mr. President, this reconciliation bill alone will not solve the deficit problems that the Nation faces. But it does show that Congress is capable of taking the necessary actions. Indeed the spending reductions contained in this bill were required by the reconciliation instructions issued to committees in both bodies last year.

This reconciliation bill is not the end of the road, it is merely one more milestone in reducing the deficit. But without it, the road will be much longer and harder.

Mr. President, there are a number of specific issues in the reconciliation bill which are of particular concern to the people of West Virginia. In general, these issues have been resolved in ways that will benefit the people of my State.

One of those provisions pertains to the Employee Retirement Income Security Act [ERISA]. Several loopholes in the current law are closed and additional, needed resources are provided to the pension insurance system, specifically the Pension Benefit Guaranty Corporation, to care for pension beneficiaries whose plans are assumed by the PBGC due to distress of the companies for which they work or have worked.

Most important to West Virginia, the ERISA amendments are crafted in such a way that they will not disrupt the delicate steps now being taken by the Wheeling-Pittsburgh Steel Corp. to reorganize and emerge from bankruptcy. Over 4,000 jobs in West Virginia hang in the balance. I am relieved, as are those 4,000 workers, their families, and their communities, that this situation was resolved satisfactorily.

I again wish to thank the conferees who were part of resolving this issue, especially the distinguished junior Senator from Ohio, Mr. METZENBAUM, the senior Senator from Pennsylvania, Mr. HEINZ, and my colleague from West Virginia, Mr. ROCKEFELLER, for helping to assure this outcome.

The conferees also adopted a provision that is a fair, reasonable, and workable solution to restore solvency to the black lung trust fund.

This compromise was developed by the Joint BCOA-UMWA Industry Committee—composed of representatives of the major coal industry companies and the United Mine Workers of America—as an alternative to the original House and Senate proposals. It provides for a 10-percent increase in the coal excise tax coupled with a 5-year moratorium on the trust fund's interest payments.

This legislation is a responsible approach to achieving solvency of the black lung trust fund in light of the changes made in the program in 1981. The consensus legislation adopted in 1981 tightened the eligibility criteria for claims and doubled the excise tax on coal. Those amendments resulted in the rate of claims being approved dropping from 40 percent to just 3.3 percent in 1985.

It is imperative to return the black lung trust fund to solvency with an increase in the coal excise tax which will not significantly and seriously harm an already depressed domestic coal industry and further erode its ability to compete in the world market.

The language contained in the conference report will enable the trust fund to be solvent by 1997 and the debt to be retired by 2007. The Congressional Budget Office has scored the 5-year interest payment forgiveness as having no budget impact and the 10-percent tax as increasing revenues.

I wish to commend the Senate and House conferees for their fine work on this issue. In particular, I wish to commend Congressman SAM GIBBONS. I also wish to commend Senator ROCKEFELLER for his fine work in pursuit of this compromise. It is imperative to return the black lung trust fund to solvency and I am pleased that we have taken the steps to do this in a fair and reasonable manner.

Mr. President, the bill also contains language I sponsored which would help to eliminate extraneous material from future reconciliation bills. Since 1981, some committees have sought to use reconciliation bills as vehicles to achieve purposes other than deficit reduction. Deficit reduction is the purpose of reconciliation. I hope the language contained in this bill will help Congress adhere to the intent of the Budget Act when it comes to future reconciliation bills.

In summary, this bill reduces the deficit now. It is important, as we face the prospect of another $200 billion-plus deficit this year—and possibly further sequestration under Gramm-Rudman—that the Senate pass this bill and send it to the President.

I hope the majority leader will call the House message up very soon—which he can do because it is a privileged matter—so the Senate can act on this legislation and send it to the President for his signature.

FOOD SECURITY IMPROVEMENTS ACT OF 1986

Mr. BYRD. Mr. President, I hope that the majority leader will let the Senator from Iowa speak. He plans to take no action that I know of that would obstruct the distinguished majority leader from doing whatever he feels he has to do about the program today.

I thought it was a little out of keeping with the spirit of comity a little while ago when the distinguished Senator from Iowa sought the floor and the distinguished majority leader suggested the absence of a quorum, which he has a right to do any time he wants to do it. I then sought to call off the quorum. I felt that the Senator from Iowa had a right to speak. He may not say exactly what I or some other Senator may want to hear, but I can certainly walk off the floor if I do not want to listen to him. Incidentally, I will have to walk off the floor for a while because I have an appointment.

But I hope that, in the spirit of comity, goodwill, and cooperation, that the distinguished majority leader would not take the position that the Senator from Iowa cannot speak on this floor. I think it was very, very much out of the norm for the distinguished majority leader to object to the calling off of the quorum by the Senator from Iowa and to do so when the minority leader sought to call off the quorum.

Perhaps the Senator from Iowa will not get to speak today. But there will be other times, and other pieces of business that will have to be advanced. And the distinguished majority leader will want to advance those pieces of business when the time comes.

We are doing our best to cooperate over here on this side. That is what we want to do. But what I have seen today does not augur well for comity, the spirit of good will and cooperation, and working together in the future in

the best interests of all the people of this country.

I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I do not have any quarrel with the Senator from Iowa speaking. I do not think I asked the quorum call to be called off. But, in any event, we have taken about 4 days here to satisfy the Senator from Iowa. This Senator has made every effort to do that, including asking the Secretary of Agriculture to call the Senator from Iowa, the OMB Director, Congressman FOLEY on the House side, and a number of others. And I do not think it is a quarrel between me and the Senator from Iowa. It is a quarrel between lawyers.

As I have told the Senator from Iowa, I am not the lawyer who advises the President. As far as I am concerned, whatever we did over here last week was purely discretionary. We all said it was. We were willing to write letters that it was.

But we do not give the President legal advice, nor do we give it to OMB or the USDA. Therein lies the problem.

My problem is that farmers are going to be adversely impacted while we are quarreling about a couple of words. If we are advised that we could be inviting a veto, whether rightly or wrongly, then I think most of us agree, including the majority whip on the House side, that we ought to correct it. This change does not amount to anything. In the process, we are also correcting a problem discovered in the amendment offered by the Senator from Illinois, Senator DIXON. Nobody is objecting to that change on this side. We are prepared to do that because it will help someone in rural America.

I do not think we are going to be able to resolve the difference among the lawyers. It seems to me that is not going to fade away. Now we are being told by the Senator from Iowa: "Do not worry about it. We will make the President veto it. If he really believes those lawyers, he will veto it and we will override the veto."

Let us assume we do not override the veto. Then what happens to provisions that affect farmers in every State—nearly every State—and farmers who are represented by Democrats as well as Republicans in this body?

It seems to me it is worth the risk just to demonstrate that we can hold up the Senate, or hold up this monumental legislation which changes the word "shall" to the word "should," and clarify Senator DIXON's intent on the amendment he offered. That is really what it is all about.

The time we have spent on this is a bit frustrating. The distinguished Senator from West Virginia may be correct. But he has not devoted the time to it this Senator has—hours and hours and hours, and phone call after phone call after phone call. It seems to me that we have reached the point where further discussion is not going to solve the problem either.

So I offered the resolution. It was objected to. The Senator from Iowa has that right. That is the end of it. The House had hoped to initiate action on their own behalf today. But they decided it could not be done today. So the net result is we will now wait until tomorrow. Another day, the farmer loses. Then tomorrow something else will happen. We will wait another day. If we go through the veto and the override process, it will be next week. But we are supposed to put the American farmer through that to demonstrate or to prove somehow that the lawyer is wrong. And this Senator does not even know the lawyer's name or names—I guess there is more than one. I am prepared to go along with our lawyers, and with the interpretation of the Senator from Iowa.

It is a little ludicrous that we are even engaged in this discussion. It seems to me that when we reach the point we cannot correct what we intended in the first place, then we have pretty much gone beyond the norm in every sense of the word.

I have no quarrel with anybody discussing it. We have discussed it. It has been discussed and rediscussed during meetings in my office, and I had hoped it would not come to this. The Department lawyers and OMB lawyers in my view should have said it is discretionary, and it is not going to stand in the way. And I have even suggested on this floor that there may be hidden reasons why they are raising the question on the legal question. Maybe there are other reasons that somebody would like to have this bill vetoed. Maybe it is because of the changes we made in the export program, or maybe it is because of changes we made in the dairy program.

I note a rather caustic editorial about the dairy change in one of this morning's papers. But the change was made. It was made on a bipartisan basis. The House is still in session. If we act quickly, we can still act today. We should have acted last Thursday.

There is Friday, Saturday, Sunday, Monday, and now it will be Tuesday. If the House acts tomorrow and sends us the same resolution, it can be objected to again by the Senator from Iowa or anyone else. My view is that sooner or later we have to face up to the fact that we are either going to try to accommodate the farmer or not.

I do not believe the farmer gives a hoot about whether something is beyond the norm or whether two lawyers disagree or two Senators disagree, and one is a Republican and one is a Democrat. They could care less.

We are talking about money in their pocket. We are talking about the right to go into the ASCS office and sign up for the program. We can argue until the cows come home about which lawyer is right, and we can cite cases and others can cite cases. Lawyers are pretty good people. But they do have different views.

So I do not have any problem. But I thought it might be well to have just a little delay to indicate that is the same frustration that farmer went through today when he walked into the ASCS office and said, "I would like to know what the program is." They said, "You will have to wait 30 or 45 minutes because we do not know what the program is."

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. BYRD. Mr. President, I am not going to belabor the point. The distinguished Senator said that I have not spent the time on this measure that he has. Of course I have not. That is true. But I have been accustomed to spending time over the years on matters which are frustrating.

I am sorry for that. Nor do I think that the prolonged quorum calls are going to help the farmers. Nothing is being done during these quorum calls on sense of the Senate resolutions.

Mr. President, I yield the floor.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I first of all want to thank my distinguished minority leader for his efforts to secure for me at least the opportunity to speak on the floor this afternoon regarding some comments that have been made earlier by the distinguished majority leader, and about some contentions that have been made here regarding the present situation we find ourselves in with regard to a proposed unanimous consent request to take up a concurrent resolution to make further changes in House Resolution 1614, the so-called technical corrections to the farm bill.

A lot of words have been thrown out by the distinguished majority leader, words like escalation, confrontation, holding up. I believe even the word childish was used at one time.

I just respond, Mr. President, that if this Senator wanted to escalate things, this Senator would have escalated them last week by holding up the unanimous-consent request to even bring up the so-called technical corrections.

This Senator along with others did hold up a week ago Friday the unanimous-consent request to consider these technical corrections because we felt there should be some additions in the bill. Those additions were made

71-059 O-87-36 (Pt. 3)

and finally the bill was brought up in the middle of last week.

I worked with the other side of the aisle to draft a sense-of-the-Senate resolution regarding the advancement of the CCC loans. Of course, it was adopted by an overwhelming vote on the Senate floor.

So in no way is this Senator trying to escalate anything at all. If there has been any escalation that has been done, it has been done by OMB or perhaps the Department of Agriculture. I cannot say which. But this Senator has not sought to escalate anything other than in the initial stages to make some very important changes in those technical corrections, which were made and both sides agreed to.

Likewise, in no way do I seek in any way a confrontation. This bill was agreed upon here on the floor and sent to the House. They voted overwhelmingly. It was 283 to 97. So, again, in no way did I seek to make any kind of a confrontation.

Then we hear a plea made for farmers, that we have to get this thing down to the President because the farmers are waiting. They are waiting to sign up for the program.

Well, Mr. President, I will say it again for the umpteenth time, that it is not this body nor is it this Senator who has held up the signup program for the farmers of this country.

The administration first held it up until after the Gramm-Rudman went into effect on March 1. Now the administration is holding it up for other reasons. But there is no one here holding up the signup period. The farmers can sign up.

The distinguished majority leader said he spent 4 days trying to satisfy the Senator from Iowa. I do not need to be satisfied. That is not the point of this. I have not sought to be satisfied on this.

What I did last Friday, just before the weekend, when it became known that there was going to be a unanimous-consent request to bring up a concurrent resolution, was to find out what was in it. When I found out what was behind it, the distinguished majority leader set up some phone calls for me with the Department of Agriculture, with Secretary Lyng, and with the Director of OMB, Mr. Miller, and in both of those conversations I said to them, as I said on the record on Friday, "Let us have the lawyers get together and if the overwhelming weight of the evidence is on your side, that the language in the sense-of-the-Congress resolution makes it mandatory rather than precatory, then, fine, we will go ahead and change it." It is clear on the record from what I said in the evening of the debate when it was passed, and what my colleague said, that it was a sense-of-the-Congress resolution, albeit a strong sense-of-the-Congress resolution, with the very strongest language. But none-the-less it was a sense-of-the-Congress resolution.

I said if the attorneys decided that it was a drafting error, if it could be construed to be mandatory, then we should change it.

The fact is, Mr. President, that in a meeting of the various attorneys on Saturday, it is clear that there is not one shred of evidence, there is not one case, there is not one precedent, there is not any Attorney General's opinion that will back up the contention of OMB that this language is other than precatory and advisory in nature.

I reviewed section 13 of this bill which expresses the sense-of-the-Congress, and, quite frankly, the language in it is entirely advisory. This is not a case of first impression.

There are two opinions of Attorneys General that construe a sense of Congress provision that uses language similar to this.

The first is from a ruling by Attorney General Katzenback upholding a prior decision by Attorney General Cummings.

The pertinent part, and I will ask unanimous consent that the entire opinion be printed in the RECORD. Attorney General Katzenbach's opinion says:

> While the use of the word "shall" rather than "should" in the body of the resolution may carry a contrary implication, imprecise use of "shall" is not uncommon and is hardly sufficient to overcome the significance of the explicit limitation of the resolution to an expression only of the "sense of Congress."

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

CARRIAGE IN UNITED STATES VESSELS OF EXPORTS FINANCED BY A GOVERNMENT AGENCY

(Public Resolution No. 17 of March 26, 1934 (48 Stat. 500, 15 U.S.C. 616a), expressing the "sense of Congress" that Government agencies making loans to finance exports "shall" require the exports to be carried exclusively in United States vessels, is not mandatory and does not preclude the Maritime Administration from permitting 50 percent of the cargoes to be carried in vessels of the recipient country if the recipient country adopts similarly nondiscriminatory shipping practices. 37 Op. A.G. 546 reaffirmed.)

APRIL 26, 1965.

THE SECRETARY OF COMMERCE.

MY DEAR MR. SECRETARY. Your predecessor, Secretary Luther H. Hodges, requested in a letter of December 7, 1964, that I reexamine Attorney General Homer Cummings' opinion dated June 5, 1934 (37 Op. A.G. 546), interpreting Public Resolution 17 of March 26, 1934 c. 90, 48 Stat. 500, 15 U.S.C. 616a, and advise him whether it is reaffirmed.

Public Resolution 17 resolved that "it is the sense of Congress that in any loans made by * * * any * * * instrumentality of the Government to foster the exporting of agricultural or other products, provision shall be made that such products shall be carried exclusively in vessels of the United States, unless * * * vessels of the United States are not available in sufficient numbers, or in sufficient tonnage capacity, or on necessary sailing schedule, or at reasonable rates."

Shortly after the approval of Public Resolution 17, President Franklin D. Roosevelt requested Attorney General Cummings' opinion "as to what obligations are imposed by Public Resolution No. 17 of March 26, 1934, upon agencies of the Government engaged in making loans to finance the exporting of agricultural and other products." The Attorney General concluded that, as an expression only of "the sense of Congress," the resolution was not intended to impose a mandatory requirement on the executive branch.

The departments and agencies concerned with the administration of Public Resolution 17 have relied upon Attorney General Cummings' option for more than thirty years. On the basis of that opinion, the Maritime Administration has for many years granted "waivers" to recipient countries to permit them to carry up to 50 percent of the cargo in their own ships. The granting of waivers has been conditioned upon the adoption or continuance of nondiscriminatory shipping practices by the recipient countries and is thought to benefit the American merchant marine generally through the resulting elimination of discriminatory shipping practices by other countries.[1]

At recent meetings of the Grievance Committee on Cargo Preference Administration, a joint government-industry group of which the Maritime Administrator is chairman,[2] some of the advisers of the Committee have protested that the waiver practice is neither beneficial to the American merchant marine not legally authorized. Other advisers have defended both the wisdom and the legality of the practice. Your General Counsel has informed you that the practice is lawful, but because of the importance of the matter the question has been referred to me for an opinion.

I conclude that Public Resolution 17 does not impose a mandatory requirement and is therefore not violated by the granting of waivers. That conclusion is required not only by the language of the resolution but also by the weight to be given to Attorney General Cummings' opinion and the long-standing administrative practice derived from it.

A resolution expressing "the sense of Congress" is literally a statement of opinion and not a command; it expresses Congress' judgment of the policies which it believes ought

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[1] The policies followed by the Maritime Administration in granting waivers and the objects sought to be achieved by the policies arte set out in the following documents, copies of which have been furnished to me: Letter dated September 25, 1945, from Admiral E. S. Land, Chairman, United States Maritime Commission, to Mr. Wayne C. Taylor, President, Export-Import Bank of Washington; Maritime Administrator, Office of Ship Operations, "Administration of Public Resolution 17, 73d Congress," November 25, 1958: and Maritime Administration, "Statement of Policy on Public Resolution 17, 73d Congress," July 24, 1959.

[2] I have been advised that this Committee was formed in the Spring of 1964 by the joint action of the Secretaries of Labor and Commerce; that it is composed of the Maritime Administrator and Assistant Secretaries of State, Agriculture, and Labor, and that it has as advisers representatives from the National Maritime Union, the Seafarers' International Union, the Internaional Longshoremen's Association, the American Maritime Association, the American Merchant Marine Institute, and the Pacific American Steamship Association.

to be followed but which, for various reasons, it does not wish to make mandatory. Had Congress wanted to impose a mandatory requirement that government-financed exports [3] be shipped exclusively in American ships, it could readily have done so by adopting a statute in the usual form, In adopting instead only a resolution expressing "the sense of Congress," Congress presumably made a deliberate choice not to make compliance with the policy mandatory and to leave to the executive branch the ultimate judgment whether, under the particular circumstances existing from time to time, some modification of the policy would better serve the interests of the American merchant marine.[4] While the use of the word "shall" rather than "should" in the body of the resolution may carry a contrary implication, imprecise use of "shall" is not uncommon and is hardly sufficient to overcome the significance of the explicit limitation of the resolution to an expression only of the "sense of Congress." [5]

Even if the question were more doubtful as an original matter, I would nevertheless adhere to the opinion rendered by Attorney General Cummings. That opinion has been outstanding for over thirty years, and the waiver policy developed in reliance on it has had a significant impact on worldwide shipping practices. The consistent practice of the Attorneys General has been not to reexamine questions definitively answered by their predecessors, at least unless exceptional circumstances are present or it is demonstrated that the earlier ruling was clearly erroneous.[6] In addition, the interpretation of Public Resolution 17 as not imposing a mandatory requirement has in effect been ratified by Congress. The waiver practice was brought to the attention of Congress during the hearings which led to the enactment of the Cargo Preference Act of August 26, 1954, c. 936, 68 Stat. 832, 46 U.S.C. 1241(b).[7] That act, in turn, included a specific proviso that "Nothing herein shall repeal or otherwise modify the provisions of Public Resolution Numbered 17, Seventy-third Congress (48 Stat. 500) as amended." The adoption of that proviso with full knowledge of the administrative practice amounts to a congressional ratification of the longstanding interpretation of the resolution as not being mandatory. See *Boesche* v. *Udall*, 373 U.S. 472, 483 (1963); *Power Reactor Co.* v. *Electricians*, 367 U.S. 396, 409 (1961); *Ivanhoe Irrigation District* v. *McCracken*, 357 U.S. 275, 293-294 (1958).

For the foregoing reasons, I adhere to the interpretation of Public Resolution 17 adopted in the opinion of Attorney General Cummings dated June 5, 1934, and conclude that the resolution does not impose a mandatory requirement.

Sincerely,

NICHOLAS DEB. KATZENBACH.

Mr. HARKIN. So, again we have two Attorneys General opinions, that of Attorney General Cummings and Attorney General Katzenbach, right on point with this. There is no case that they can cite that is to the contrary.

Representatives of OMB and USDA cite the case of State Highway Commission of Missouri against Volpe, a 1973 case. But, again, the opinion of the court did not hinge on this aspect of the case at all. The opinion of the court hinged upon whether prior legislation passed by the Congress mandated that the Secretary of the Department of Transportation release funds and that the subsequent sense of the Congress was only advisory in that the Secretary had to carry out what the Congress had previously mandated him to do in not impounding funds.

Mr. President, section 424 of the Agricultural Act of 1949, amended by the Food Security Act of 1985, provides as follows:

Notwithstanding any other provision of this act, the Secretary may make advance recourse loans.

I repeat for emphasis:

* * * may make advance recourse loans available to producers of the commodities of the 1986 to 1990 crops.

And so forth.

Such recourse loans may be made available under such reasonable terms and conditions as the Secretary may prescribe, except that the Secretary shall require that a producer obtain crop insurance for the crop as a condition of eligibility for the loan.

So the sense-of-Congress resolution applies to section 424, which is advisory in itself and allows the Secretary discretion.

I am sorry, it is not mandatory. Section 424 allows the Secretary to use his discretion whether or not he will make advance CCC loans, so entirely unlike the case cited by the attorneys from OMB and USDA.

There has been no legislation passed by this body mandating that the Secretary of Agriculture make advance CCC loans. Therefore, an advisory sense-of-the-Congress opinion can only apply to what is discretionary in the first case.

The argument that section 13 requires corrections in its enrollment prior to being sent to the President is, in my judgment, without any real merit.

The language of section 13 of H.R. 1614 is totally consistent with its legislative history, including my remarks when I submitted the language to the Senate as an amendment.

Section 13 is a strong, forceful statement of congressional intent that the Secretary of Agriculture implement an advance recourse loan program. But section 13 does not mandate an advance recourse loan program.

Any recommendations to the President that he veto H.R. 1614 on the basis that section 13 mandates an advance recourse loan program would be ludicrous.

As lawyers are wont to say, this is hardly a case of first impression. There are two opinions of the Attorney General construing a "sense of Congress" provision that uses language—insofar as the use of "shall" is concerned—similar to that contained in section 13 of H.R. 1614.

Attorney General Nicholas Katzenbach, in reaffirming an opinion of Attorney General Homer Cummings, stated that a "sense of Congress" provision is literally a statement of opinion and not a command; it expresses Congress' judgment of the policies that it believes ought to be followed but which, for various reasons, Congress does not wish to make mandatory.

Further, Attorney General Katzenbach noted that while the use of the word "shall" rather than "should" may carry a contrary implication, the use of "shall" in "sense of Congress" provisions is not uncommon and is hardly sufficient to overcome the significance of the explicit limitation of the legislation to an expression only of the "sense of Congress."

In short, section 13 of H.R. 1614 does not require any corrections in its enrollment. There is no need for further delay in getting the bill to the President's desk.

So, Mr. President, while the distinguished majority leader may say that while attorneys can argue and there may be differences of opinion, it would be like every attorney in the United States and every court in the United States deciding that the law was A plus B and some one attorney out of the middle of nowhere saying, no, it is C. Do we then throw everything in a turmoil because some attorney disagrees with the overwhelming opinion of courts, of Attorneys General, and of Congress? I do not think so. I do not

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[3] No question has been presented to me as to what kinds of financing arrangements constitute "loans" within the meaning of Public Resolution 17, and I accordingly express no opinion on that question.

[4] Compare 42 Op. A.G. 229, ruling that a declaration of the "policy of Congress" (§ 2(c), Agricultural Act of 1961, P.L. 87-128, 75 Stat. 294, 7 U.S.C. 1282 note), was not intended to have binding legal effect but was merely to be given consideration by the executive branch in making its decisions. The legislative history of that act indicated that the phrase "policy of Congress" was intended to be synonymous with "sense of Congress." 107 Cong. Rec. 1746.

[5] The legislative history, although sparse, tends to confirm the hortatory nature of the resolution. The resolution originated in the House Committee on Merchant Marine, Radio, and Fisheries. In the House debates, Congressman Bland explained that the committee had originally adopted "a committee resolution which we sent to the Reconstruction Finance Corporation expressing the wish of the committee that the Reconstruction Finance Corporation should use its agencies and powers to secure shipment in American buttoms" and that it was later proposed to introduce a congressional resolution because "the members of the committee thought it would be an opportune time to express the sense of Congress that these shipments should go in American vessels." 77 Cong. Rec. 6163, 6164. The comments in the Senate debates went only to the substance of the policy to be expressed and shed little light on the intended force of the resolution. See 78 Cong. Rec. 3398.

[6] 21 Op. A.G. 23, 24; *id*, 264, 266; 24 Op. 53, 55; 27 Op. 520, 529.

[7] *Cargo Preference Bill*, Hearings before a Subcommittee of the Senate Committee on Interstate and Foreign Commerce on S. 3233, 83d Cong., 2d sess., pp. 101-102, 134-135, *Waterborne Cargoes in United States-Flag Vessels*, Hearings before the House Committee on Merchant Marine and Fisheries on S. 3233, 83d Cong., 2d sess., pp. 93-94. For a more recent instance of congressional awareness of this administrative practice, see S. Rept. 871, 88th Cong., 2d sess., pp. 6, 29-31.

think there is an argument here. The law is clear, the precedents are clear, the Attorneys General opinions are clear, and what we have done here in the Senate and the House is abundantly clear by the language itself and by the legislative history surrounding it.

The distinguished majority leader says the farmers are impacted if we hold this up. I want to make it clear again, Mr. President, that this Senator is not keeping the bill from going to the President. The bill has been passed by both bodies in identical form. It is waiting to go to the enrolling clerk to be enrolled and sent to the President. I have no power whatsoever to thwart that. I am not preventing the bill from going to the President. What is keeping the bill from going to the President is some inane opinion by some attorney in OMB or USDA that somehow, this is not a sense-of-the-Congress resolution.

The question might be asked then, "Senator, why object to changing it? Why not just go ahead and let them change the word 'shall' to 'should' and let it go that way and on to the President for his signature?"

That would be an entirely reasonable question to ask, but I think there is something more at stake here than that. There is something at stake here that goes to the very nature of our representative form of government and whether we are indeed lawmakers and whether, indeed, we have the powers vested in us by the Constitution or whether, in fact, we have to do the will and the bidding of some attorney from OMB or the USDA. It is clear, as even the distinguished majority leader says himself, that it is a sense-of-the-Congress resolution. Everyone else feels that way and knows it is that way. So why should the Senate, elected by the people of this country, and the House of Representatives the same, then undo something which we have done just to satisfy an unelected bureaucrat somewhere in the bowels of OMB?

I think it sets a precedent, a very terrible precedent, if we are to do this. Then everything we do up here will be held hostage by the opinion—not by the weight of the courts or law or precedent or anything like that, but only by the opinion—of one or two attorneys or perhaps even of the Director of the OMB himself. I think it sets a very terrible precedent for this body to succumb to that kind of almost blackmail, that if in fact we do not make this change, they are going to hold it up and not send it to the President.

I think they are being very childish. I think they are being extremely childish in what they are attempting to do.

One might ask the question, "Well, if they are being childish, aren't you responding in like kind by holding it up?"

Mr. President, as the parent of two young children, I can tell you that there are many times when children will do "childish" things, and I am sure any parent who is listening to me can sympathize with this. When the parent tells his children to do something, perhaps they cannot have a cookie or a couple of cookies before a meal and then a child comes back and says, "But I really want one," then is the parent being childish by holding firm and not giving the cookie to the child, No. I think that there is more at stake than whether the parent is then acting childish.

I think what we have to do is adhere to a certain structure, form, and discipline in those relationships as we do in these relationships that we have with the executive branch of the Government.

I am not trying to blow this out of proportion and make it something that it is not, but I do see the beginning of a terrible precedent here, that if we do this, then in fact, we have given into the children and the children, none of whom have been elected by the people of this country, those children who are so childish in this matter, will then begin to exercise an undue influence and control over this body not envisioned by the framers of the Constitution.

So I want to make it clear that this Senator is not holding up this bill. It could go to the enrolling clerk to be enrolled and then the President today, it could have gone last Friday. Under our Constitution, if the President deems it necessary to veto it, he can veto it. I do not believe the President of the United States would be so childish as to veto this bill on the basis of what a few attorneys from OMB or USDA said. I do not believe he would veto it. I believe he would sign it because I believe cooler heads would prevail.

So, Mr. President, I think it is time again to stop playing games. It is time for the enrolling clerk to enroll the bill and send it to the President and have the President sign it. I also think it is time for this body to say "enough," that we are not going to be on the end of this whip that is being brandished by OMB, that we have to do whatever they say; if they say a word has to be changed, that we have to change it; and that like a little lapdog, we have to do exactly what they say.

Again, Mr. President, I point out, as I said on Friday:

> Now, if the overwhelming opinion of the lawyers by Monday is that in fact this is mandatory, is not a sense of the Congress, then this Senator does not want to stand in the way of it. I did not at any time intend to slip anything through. * * * It was cleared with both sides.

That is what I said on the floor of the Senate on Friday and I say it again. It is clear from my objective reading of the precedents, of the Attorney General's opinion, of the case law, of the legislative history surrounding passage of this bill on the floor of the Senate that this is indeed a sense-of-the-Congress resolution. I believe that those who are responsible for not sending this to the President are the ones who are holding it up and not this Senator from Iowa. The enrolling clerk could sign it and send it to the President this afternoon, the President could enact it into law and we could go on with our business. So if farmers in the countryside are upset, if in fact they find that they cannot find out what the farm program is, then they ought to look at whoever is holding this from going to the enrolling clerk so it can be sent to the President, and not to the Senator from Iowa.

Mr. President, this Senator will continue to object because I believe it sets a terrible precedent. I believe the Senate and the House have spoken clearly on this issue, and I do not think anything more needs to be done. To do otherwise, I believe, is to shirk—even more than shirk; I believe it is to abdicate—the responsibilities and duties that we took in our oath of office to uphold and defend the Constitution of the United States. So I think the bill ought to be sent to the President and should not be held up any longer.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. RUDMAN). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, the regular order.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is now closed.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

The PRESIDING OFFICER. Under the previous rule, Senate Joint Resolution 225 is before the Senate, which the clerk will state.

The assistant legislative clerk read as follows:

> A joint resolution (S.J. Res. 225) proposing an amendment to the Constitution relating to a Federal balanced budget.

The Senate resumed consideration of the joint resolution.

Pending: Thurmond amendment No. 1652, in the nature of a substitute.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. DECONCINI. Mr. President, regarding the constitutional amendment, now that we are on it, we are hopeful that we can get some Members to offer their amendments. I know it is the majority leader's desire to get on with this as it is the Senator from Utah and certainly this Senator.

We are prepared, I believe, to take up amendments today and certainly tomorrow. We need to have some amendments.

I have talked to the staff of the Senator from Ohio [Mr. METZENBAUM] and they have indicated that tomorrow sometime the Senator from Ohio would be prepared to offer some of his amendments, maybe all of them.

In the meantime, Mr. President, I wish to discuss a little bit about the economic policies as it relates to this constitutional amendment.

It is my view and the view of the committee that Senate Joint Resolution 225 reads into the Constitution a political principle of enduring basic value rather than a transient economic policy. It is still worth addressing the objections of those who find difficulty with the concept of placing a balanced budget provision or taxing limitation in the Constitution.

It is first worth noting that, with the single exception, maintenance of equal State representation in the Senate, there is no extant limitation upon the subject matter of constitutional amendments. Although efforts were made at the Constitutional Convention to place substantive limitations in the article V amendment clause, they were largely unsuccessful. Periodic amendments during the 19th century to place substantive limitations upon the amending authority were also unsuccessful. Later challenges to both the 18th and 19th amendments on the grounds of "unconstitutionality" failed as well. A couple of citations on that subject matter are *National Prohibition Cases,* 253 U.S. 350 a 1920 case, and *Leser* v. *Garnett,* 258, U.S. 130, a 1922 case.

While there is no formal limitation in the Constitution regarding the subject matter of amendments, it may be fair, nevertheless, to suggest that: First, a proposed amendment may be inconsistent with the purpose and spirit of that document; second, the object of the proposed amendment is an inappropriate object to be addressed by the Constitution; or third, the form or structure of the amendment is inconsistent with the Constitution.

As has been discussed previously, what Senate Joint Resolution 225 seeks to achieve is the elimination of a structural bias within our political system that has arisen through the confluence of growing interest group power and the abolition of the historical balanced budget constraint upon national fiscal policy.

Beyond that fact, however, it must be stated that the growth in the Federal Government in recent decades—a growth that never could have been anticipated by our Founding Fathers—does have implications for the freedom and well-being of the citizenry. As John Mayard Keynes has observed:

> There is no subtler, no surer, means of overturning the existing basis of society than to debauch the currency. The process engages all of the hidden forces of economic law on the side of destruction and does it in a manner in which not one man in a million is able to diagnose.

In short, national solvency, the ability to pay one's debts, is a fundamental value of any nation. As Prof. Robert Bork has observed:

> The long-term growth of government's share of national wealth is a serious near-term threat to the vitality of the economy * * * less obviously perhaps rising government spending is a long-term threat to American political freedom.

He goes on to conclude:

> Any systemic malfunction of government serious enough to threaten prosperity and freedom may properly be addressed by the Constitution.

The amendment does not read a particular economic theory into the Constitution; it does not read precise spending or taxing levels permanently into the Constitution; it does not preempt the day-to-day legislative decisions of the representative branch of the National Government; and it is a sufficiently flexible provision to permit the Government to respond to economic circumstances of a widely varying nature.

The Federal Government has run a budget deficit in 24 of the past 25 years, and in 47 of the past 55 years.

It is clear that this cannot continue if our country is going to continue to operate in the free enterprise system that we are accustomed to and all desire so much.

Deficit spending has come to occur during good economic conditions and during bad economic conditions. We have already accepted it on a routine basis. While the past decade has seen little change in the frequency of these deficits, it has seen, however, significant change in the size of deficits.

Since 1970, the United States has incurred the 11 largest peacetime deficits in the history of the Nation with 9 deficits over the past decade in excess of $50 billion. Following fiscal year 1970, the total national debt of the Nation stood at $383 billion; following fiscal year 1985 just 15 years later, this figure stands at approximately $2 trillion—$2,000,000,000,000. Nearly half of this total debt has been incurred during the past 8 years alone, with well over two-thirds having been incurred in the past two decades alone. For fiscal year 1986, the picture is even more gloomy. Estimates on the gross interest on the Federal debt will reach $196 billion. This is more than the 1970 budget. It is the third largest item in the budget. It represents 98 percent of all OASDI payments. It is almost two-thirds of the Defense budget. It represents a charge of $3,290 for a family of four. It represents 59 percent of all individual tax revenue.

FEDERAL SPENDING AND TAXING: AN INCREASING SHARE

Prior to World War I, Federal spending represented a minor share of the Nation's economic output of goods and services. Other than in times of war, the relatively small amounts of Federal spending were financed primarily by import duties. Government spending at all levels represented less than 9 percent of the gross national product [GNP]. Oh, how we can yearn for those good old days, some might say.

Beginning with ratification of the 16th amendment in 1913, providing Federal access to taxation of incomes, and with the onset of World War I, the Federal sector has demonstrated a continuing propensity for growth, whatever the economic circumstances. Over the next 20 years, Government spending nearly doubled as a percentage of the economy. Since that period, however, spending has accelerated at an even more rapid pace, particularly Federal Government spending. In 1929, Federal expenditures of $3 billion represented just 3 percent of the total GNP. By 1950, the peacetime share had risen to 15 percent of GNP or $43 billion. For fiscal year 1984, Federal Government spending of $852 billion commanded nearly 24 percent of GNP—the highest in the peacetime history of the United States.

To illustrate this growth in another way, the first $100 billion budget in the history of the Nation occurred as recently as fiscal year 1962, more than 170 years after the founding of the Republic. The first $200 billion budget, however, followed 9 years later in fiscal year 1971. The first $300 billion budget occurred 4 years later in fiscal year 1975; the first $400 billion budget 2 years late in fiscal year 1977; the first $500 billion budget in fiscal year 1980; the first $600 billion budget in fiscal year 1981; the first $700 billion budget in fiscal year 1982; the first $800 billion budget in fiscal year 1984.

Despite the fact that an increasing share of this spending has been accounted for through deficit financing, Federal tax burdens have had to increase enormously in recent years to pay for these expenditures. Per capita receipts have nearly doubled in the past 8 years alone, while the number of individual taxpayers paying more than 20 percent of their income to the

Federal Government has more than tripled in the past 15 years. Approximately 75 percent of all American families, through a combination of taxes and inflation, now have fewer real, after-tax dollars currently than 15 years ago.

Mr. President, this just underlines some of the needs for use to proceed with this amendment. And it is not only necessary today—just think if it had been passed 3 or 4 years ago—it is important to the competitiveness of the United States in world markets, as well, that we do something about our deficits and that we implement a constitutional amendment to insist that this country put its financial house in order.

U.S. COMPETITIVENESS IN WORLD MARKETS

Experience with persistent large deficits in the 1980's has focused attention on another problem associated with excessive Government borrowing: undermining the Nation's trade position in world markets.

The huge borrowing needs of the Federal Government, coupled with the credit demands of businesses and consumers, have required a huge influx of capital into the United States, making the United States attractive to foreign investment. This has helped avoid any severe effects from "crowding out" private credit needs and has helped keep inflation and interest rates lower than they might otherwise be. But clearly the day of reckoning cannot be postponed for long when the Federal Government incurs massive deficits year after year.

I am quite amazed, as one layman not professing to be an economist, as to how we have avoided this catastrophe so far. It used to be, when I attended a university, that deficits were a bad thing. When I came to the Senate, I came on the platform of a constitutional amendment to balance the budget, and here we are finally addressing it only for the second time. And this is supposed to be very, very damaging to this country to continue down this road, yet we have to battle, as the Senator in the chair today had to battle for his beliefs in the legislation we passed most recently with his name on it, Senator RUDMAN. These things seem to be a big battle. Everybody talks about reducing the deficits and, when it comes down to it, for some reason, they do not go down, they go up.

America's need for foreign capital has had a major—some would say disastrous—impact on the balance of trade. A strong dollar makes it more difficult for U.S. producers to sell their goods overseas, and easier for foreign producers to market their goods in the United States. At least in the short run, that means slower growth and fewer jobs in those sectors of the American economy that depend heavily on export markets. The decline in our manufacturing sector, the loss of markets for our agricultural products, and our record trade deficit with Japan are bringing calls for new measures to protect American industries from foreign competition: Measures which could threaten the prospects for healthy economic growth around the globe, ultimately destroying jobs and economic opportunity for Americans.

It is clear, in any event, that continuing massive budget deficits will have an enormous cost for American economy. As economic growth accelerates in other developed countries, they will become more attractive to investment. The foreign investment that sustains our debt-ridden economy could dry up, and we would face the prospect of massive inflation or of skyrocketing interest rates that would bring the economy to a halt. The dangers of persistent deficits have never been clearer than they are today.

So it is this Senator's hope, Mr. President, that we will proceed on with this process and, hopefully, get some Members to come forward and offer amendments. I realize it is Monday and that is kind of a holiday around here for some reason, and I have certainly availed myself of that many times. But it is important that we proceed with this this week; that we do not dilly-dally around; and that we get the amendments that will be offered by our colleagues, all of them in good faith to improving this matter, and it is my hope that we can proceed this afternoon.

I hope Senators who have amendments might be listening and could mosey over to the floor and offer their amendments today. We are in a mood to take amendments, at least to discuss them. We are not in a mood to take them without a vote, but there will be some time for debate, and I think it would be in the best interest of this constitutional amendment to get these issues out on the floor as soon as possible.

Mr. President, I suggest the absense of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. COCHRAN). Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I urge my colleagues who have amendments to come to the floor and offer those amendments. We would like to complete action on this legislation by the close of business this Wednesday; then, on Thursday and Friday of this week, take up the water bill, S. 1567, begin it on Thursday and finish it on Friday. I think it is fair to indicate that there probably will be votes on Friday. I hope this will be enough to alter Members on each side.

Then, early next week, we may have the Contra aid resolution. It is hoped that later in the week we might start the budget resolution under a statutory 50-hour time limitation agreement passing work on it the 19th, 20th, 21st, 24th, 25th, 26th and we hope, start the Easter recess at the close of business on Wednesday, the 26th, if not then, on Thursday.

I understand from some of my colleagues that they are prepared to let us vote on the constitutional amendment so it will not be necessary to file a cloture motion, the theory being that it takes more votes—67—on the amendment and only 60 on the cloture, so there is not much to be gained by invoking cloture.

I commend my colleagues on both sides for their debate on the balanced budget amendment. I understand there are a number of amendments to be offered by Senators METZENBAUM, ARMSTRONG, HELFIN, DENTON, GORTON, posssibly Senator CHILES. So there are really not that many amendments if we will get an early start tomorrow and perhaps we can dispose of amendments and the passage and, on Wednesday, move to clean water, finish that on Friday, as I have indicated, then go to Contra aid early next week.

If there are Members in their offices with amendments, we certainly encourage them to come to the floor and offer the amendments.

A number of our colleagues are attending the services for our former colleague, Senator Jacob Javits, but they will be back in the Capitol in about 45 minutes. I urge my colleagues who may have amendments to accommodate the managers of the bill by offering the amendments this afternoon and getting a vote before 6. There will be no votes after 6 p.m.

DECONCINI. Mr. President, while we are waiting for amendments, I shall talk a little more about the approach of the Senate Joint Resolution 225, unless the Senator from Kansas wants to talk about the dairy program.

Mr. DOLE. No, Mr. President.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

APPROACH OF SENATE JOINT RESOLUTION 225

Mr. DECONCINI. Mr. President, in seeking to reduce the spending bias in our present system—that is, the unlimited availability of deficit spending—the major purpose of Senate Joint Resolution 225 is to ensure that, under normal circumstances, votes by Congress for increased spending will be accompanied either by votes: First, to reduce other spending programs or,

second, to increase taxes to pay for such programs. For the first time since the abandonment of the traditional balanced budget requirement, Congress will be required to cast a politically difficult vote as a precondition for a politically attractive vote to increase spending.

Section 1 of the proposed amendment would address the spending bias—unlimited access by Members of Congress to deficit spending bias—by requiring a three-fifths vote of each House of Congress before the Federal Government could engage in such spending. Such a procedure would not permit deficit spending, but would simply reestablish, as a norm, a budget in balance rather than one in deficit. A consensus greater than a normal majority would be required to violate this norm. Unless such a consensus existed, Congress would be bound in its spending by its available revenues and would be forced to account for new spending in one program area by either reduced spending in another program area or by increased taxes. The political advantages resulting from support for new spending then would be matched, at least to some degree, by countervailing political disadvantages.

Section 2 is an "accountability/tax" limitation provision in that it permits an increase in revenues only with the approval of a majority of the whole number of both Houses of Congress, and by rollcall vote. This would mean 51 actual votes cast in the Senate or 218 actual votes cast in the House.

As a result, Senate Joint Resolution 225 effects a subtle, but important, change in the psychology of the budget process. Under the present system, each spending interest, in effect, competes to raise the total ante in the Federal Treasury. Under a system, however, in which some form of spending ceiling is in effect, these same interests suddenly will be competing with one another in order to ensure themselves a certain proportion of a fixed ante in the Federal Treasury. Not only will spending interests have to convince Congress that their favored programs merit funding at a certain level, but they will, in addition, have to establish the priority of their programs. A spending ceiling comprised of something beyond mere congressional self-restraint will force Members of Congress to view spending requests in terms of relative desirability, not simply in terms of whether or not a program is desirable at all. An element of competition among the spending interests will be introduced into the budget process, undoubtedly to the long-term interests of those who finance the spending programs favored by these interests.

Thus, the proposed amendment would make it easier for wellmeaning, but beleaguered, Members of Congress to exercise fiscal responsibility in making their policy decision. There would be an external constraint, something beyond their own ability to resist the importunities of the spending interests, upon which they could rely.

Mr. HATCH. Mr. President, I appreciate my distinguished colleague from Arizona and his continual leadership in this debate on the issue of the balanced budget amendment.

It is indeed a privilege to address the Senate again on the necessity of proposing in the States an amendment to the Constitution to check the current systemic bias in favor of deficit spending.

Congress has recently approved a bill to authorize raising the debt ceiling to more than $2 trillion. Only 5 years ago, we were required to acknowledge that for the first time in the 204 years of our Republic's history the public debt had risen above $1 trillion. Now we have amassed the second trillion in a mere 5 years. We seem to have abandoned completely the unwritten constitutional rule that America should operate on a "pay-as-you-go" basis.

I hesitate in burden the Senate with another description of the magnitude of $2 trillion, but it is valuable to realize what this incomprehensible figure means to American families. Money, like everything else, is not free; taxpayers have to pay interest on the principal of $2 trillion that the Federal Government has borrowed. Each week, a taxpaying family of four will pay nearly $43.50 out of their income to pay interest on this exorbitant debt. More than $43 a week is a family's tax burden simply to carry this debt forward, without a penny devoted to retiring the debtor financing worthy Government objectives.

In addition to a rising tax burden, nearly every other economic malady can be traced to chronic deficits. Interest rates climb either because the Federal Government soaks up so much of the available capital to satisfy its own insatiable borrowing thirst or because debt management practices have spurred inflation. Inflation grows out of deficits when the debt is monetized—purchased by the Federal Reserve—faster than the economy's ability to absorb the increased money supply. In any event, either of the two ways, of managing the budget—borrowing or monetization—exerts upward pressure on interest rates or inflation which discourages job creation and leads to umemployment. Unemployment and sagging economic growth, in turn, decrease the flow of revenues back to the U.S. Treasury and exacerbate the deficit problem.

The root of these economic woes is, in simple terms, a powerful bias in favor of unbridled Federal spending. Congress is more willing and able to vote for popular spending programs than it is willing and able to vote for unpopular taxes to fund those benefits.

In 25 of the last 26 and 47 of the last 55 years, the Federal Government has run a budget deficit. This is not consonant with the genuine will of the people. This will is defeated, however, because each specific spending program offers concentrated benefits to a small class of beneficiaries, while the costs are dispersed amongst all taxpayers who have little or no incentive to organize to defeat any specific proposal. We all understand why the bias in favor of spending is practically insurmountable.

With an economic crisis of unfathomable proportions lurking on the horizon, we would be irresponsible to dismiss any attempt to restore some self-discipline to the spending mechanisms of Congress. For this reason, I have welcomed the innovative effort of Senators GRAMM, RUDMAN, and HOLLINGS which would attempt to reduce the allowable deficit over a period of several years.

For several reasons, this is not, however, a lasting solution. In the first place, Congress has not been very amenable to self-discipline. Despite deficit pressure in the last 5 years, 1980–84, Congress has still spent an average of $28 billion a year over its own first budget resolution. In the absence of some stronger incentive, Congress is not likely to persevere on a course of self-discipline. We have enacted statutory prescriptions before—with no success.

Moreover, Senator GRAMM calls his amendment an emergency procedure and specifies that it will expire in 5 years. He recognizes that one Congress cannot bind a successor. A long-term solution to this long-term problem will need the full prestige and weight of the Constitution.

President Reagan probably expressed best the shortcomings of statutory reform:

> Excessive Federal spending and deficits have become so engrained in Government today that a constitutional amendment is necessary to limit this spending.

Accordingly, while the Gramm-Rudman plan is worthy of all endeavors to make it work, it does not supplant the requirement that we act for a permanent solution to a chronic problem.

Senate Joint Resolution 225 acknowledges that statutory procedures would be needed to make a balanced budget amendment effective. In fact, Senate Joint Resolution 225 presupposes that Congress will enact legislation to carry out its responsibilities under the constitutional amendment. Thus, the Gramm-Rudman plan may be the appropriate procedural device to achieve a balanced budget, but

those procedures will need to be backed by the force of the Constitution in order to be effective.

The Senate has already once proposed such an amendment. The Senate approved the balanced budget and tax limitation amendment on August 4, 1982 by a vote of 69 to 31. Although a substantial majority voted for this amendment in the House of Representatives, it fell short of the necessary two-thirds approval by a 236 to 187 margin. Senate Joint Resolution 225 is before the Senate today after securing approval earlier this year in the Judiciary Committee under the able administration of Chairman THURMOND by a vote of 14 to 4.

This constitutional amendment proposal, Senate Joint Resolution 225, proposes to overcome the spending bias by restoring linkage between Federal spending and taxing decisions. It does not propose to read any specific level of spending or taxing forever into the Constitution, nor does it propose to intrude into the day-to-day spending and taxing decisions of Congress. It merely proposes to create a fiscal environment in which the competition between the tax-spenders and the taxpayers is more equal.

This proposal simply mandates that Federal expenditures shall not exceed revenues without the consent of three-fifths of each House of Congress. Section 2 specifies that bills to increase revenue will be enacted only by a constitutional majority. This proposal would rely heavily on statutory implementation, such as the Gramm amendment would put in place.

In summary, it is time to give the people in the States a chance to express their opinion on this issue by submitting a proposed amendment to the States for ratification. Nearly two-thirds of the States have already petitioned Congress to convene a Constitutional Convention to draft a balanced budget amendment. The people deserve the opportunity to participate directly in this question by acting on a proposed constitutional remedy.

A balanced budget amendment would clearly be in the spirit of the bill of rights. The first 10 amendments to the Constitution were drafted to limit the Government and thus protect the liberties of the people. Similarly a balanced budget amendment would limit the Government and protect freedom—in this case, freedom from excessive taxation in one form or another.

Now I would like to make a comparison of Gramm-Rudman-Hollings to Senate Joint Resolution 225.

The enactment of Gramm-Rudman does not diminish the need for a constitutional amendment requiring a balanced budget. Gramm-Rudman does not purport to correct the structural bias in favor of deficit spending that has caused the Nation to incur debt in 26 of the last 27 years. Indeed over that period of 27 years, the national debt has risen from $291 billion to over $2 trillion. Even if every line and paragraph of Gramm-Rudman is carried out, however, it will still only bring us our second balanced budget in 32 years. And at that point, it will expire leaving the inexorable forces favoring spending to start another deficit spending cycle. In the absence of some constitutional restraint, Congress will return to "pork-barrelling," "log-rolling," "loading year-end funding resolutions with special interest bail-outs," and other forms of spending largess soon after Gramm-Rudman has expired. Gramm-Rudman, a beneficial and necessary starting point, still treats symptoms, not causes.

The failure of Gramm-Rudman to address the institutional bias is not the only way in which this statute differs from the approach of the Senate Joint Resolution 225. Senate Joint Resolution 225 is designed to restore abandoned constitutional principles, rather than to depart from established constitutional principles. Senate Joint Resolution 225 institutes new limits on governmental authority, no deficits without a three-fifths consensus, to address the crisis of overspending by Government. Gramm-Rudman employs new exercises of governmental authority, automatic sequestration at the direction of the comptroller general, to solve problems created by Government. The framers of the Constitution responded to the crises and potential threats to self-government in their day by limiting governmental authority. Articles I through VII carefully dispersed governmental authority to preclude concentration of power in any single official—like the Comptroller General; the Bill of Rights specifically forbade Congress from undertaking certain legislative activities. Two centuries later, we have a tendency to view crises and emergencies as excuses to justify new exercises of governmental authority when they could just as logically justify new limits on such authority. The balanced budget constitutional amendment is, accordingly, more in tune with the vision of the framers of our Constitution by undertaking to restore implicit limits on governmental authority to spend beyond national means, rather that endowing new officers with untested and suspect powers to address a problem they have helped create.

The recent district court decision in Synar versus United States suggests another sense in which Gramm-Rudman threatens, rather than employs, our constitutional separation of powers doctrines. In that decision, the three-judge panel held that the Comptroller General exercises executive authority under Gramm-Rudman and that no officer performing executive functions may be subject to removal only at the discretion of Congress. Thus, the district court invalidated the sequestration trigger mechanism which depended on the Comptroller General's executive activities. Gramm-Rudman's blurring of executive and legislative functions and officers is still subject to final review by the Supreme Court. In any event, it is hard to conclude that the deficit crisis has been caused by failure of the separation of powers principle that makes it imperative to endow legislative officers with executive functions or vice versa. Senate Joint Resolution 225, on the other hand, appropriately indentifies the deficit spending crisis as caused not by an inbalance in the separation of powers, but by the erosion of restraints the framers considered implicit in the Constitution. Accordingly, it restores those restraints by requiring an extraordinary consensus to spend beyond our national resources in any fiscal year.

In accord with these principles, Senate Joint Resolution 225—unlike Gramm-Rudman—does not specify in advance any particular level of Federal expenditures or deficits, nor does it presume to dictate how resources or spending cuts are to be apportioned, nor does it suggest how revenues to meet targets are to be raised. Senate Joint Resolution 225 says only that whatever the level of expenditures for whatever purposes, those expenditures shall not exceed, in ordinary times, the level of receipts.

In one other important respect, the substitute version of Senate Joint Resolution 225 differs from Gramm-Rudman. Gramm-Rudman contains no guidance concerning tax increases. Many have conjectured that the statute invites some kind of tax increase in its latter stages as it becomes more difficult to accomodate the deficit targets by spending cuts. Senate Joint Resolution 225 contains a policy that makes Congress accountable for any decision to balance the budget by increasing taxes. Section 2 of Senate Joint Resolution 225 states that a bill to increase revenues shall become law only if approved by a constitutional majority of both Houses of Congress by rollcall vote. The constitutional majority contains some mild tax limitation medicine which is further strengthened by the requirement of a rollcall vote to make every Member of Congress politically accountable for the decision to balance the budget on the backs of the taxpayers.

Ultimately, no Congress can bind a succeeding Congress by simple statute. Already press accounts and some of our colleagues have suggested that spending and taxing pressures could cause Gramm-Rudman to be circumvented or changed. The success of deficit reduction over the next 5 years

and beyond may well depend on stronger medicine than a statute can supply. Put another way, no statutory measure can contain provisions requiring a greater or more onerous voting rule for its repeal than for its adoption. Any balanced budget statute can be repealed, in whole or in part, by the simple expedient of adopting a new statute. Statutory limitations can only remain effective as long as no majority coalition forms to overcome those statutory constraints. The virtue of a constitutional amendment proposal, like Senate Joint Resolution 225, is that it can invoke a stronger rule to overcome the spending bias. At length, the success of Gramm-Rudman as well as deficit control beyond 1991 may depend on Congress' willingness to adopt a constitutional amendment.

Despite these differences in the theory and application of Gramm-Rudman and Senate Joint Resolution 225, I would like to pause once again to salute the authors of the Balanced Budget and Emergency Deficit Control Act of 1985. Gramm-Rudman has laid a foundation for implementation of a ratified Senate Joint Resolution 225. For instance, this statute has put in place and enhanced the accuracy of the budget scorekeepers that would be necessary to monitor compliance.

CONSTITUTIONAL LANGUAGE AND INTENT

The Constitution, by its nature, uses general terms to convey to governments their powers and to limit the scope of those powers. Thus, the immortal terms "Congress shall make no law * * * bridging the freedom of speech" guarantee us the freedoms to speak and think without governmental constraint. This is not an absolute protection; it has its limits. It also has needed congressional clarification of the limits of that prohibition. The effectiveness of our Constitution lies in its enunciation of broad principles to limit Government intrusions upon our lives and to disperse governmental powers amongst various entities to preclude centralization of corrupting power.

As we embark on the enunciation of a new limitation on Government authority to intrude upon our lives and the lives of our children by deficit spending and unrestrained borrowing, we should exercise caution and remember the essence of constitutional langauge and theory. The Constitution is not meant to spell out every detail of how this limit on governmental abuse of power might operate. That task is left to statutes like Gramm-Rudman. It is by statute that we clarify implementation of this amendment, the specific obligations of the President, the means to ensure compliance under differing circumstances, and so forth.

Imagine how the first amendment would read if we tried to specify in the Constitution when clear and present dangers justify limits on the amendment or how libel laws would interface with the prohibition. Wisely our framers avoided cluttering the Constitution with anything beyond the basic limit on Government. It is my hope that their wisdom will counsel our consideration of this amendment. We should reconsider any amendments lacking constitutional character.

STATEMENT OF MARTIN ANDERSON

The economist Martin Anderson testified on the wisdom of a balanced budget amendment before the Constitution Subcommittee in May of last year. His testimony clarifies the nature of the bias in favor of deficit spending that must be corrected by constitutional mandate. In summary he states:

The only real alternatives to a balanced budget amendment seem to be paths that would surely lead us to economic disaster. The balanced budget amendment may not be perfect, but, in my judgment, it is far better than the alternatives.

I ask unanimous consent to have his remarks printed in the RECORD.

There being no objection, the statement was order to be printed in the RECORD, as follows:

STATEMENT ON THE BALANCED BUDGET AMENDMENT

(By Martin Anderson)

I think everyone here will probably agree that a sound economy, with a solid rate of real economic growth, is vital to the United States—and to much of the rest of the world. Yet we all know that the powerful prosperity that we have been enjoying for several years is endangered by the unconscionably large deficits that stretch in front of us as far as the imaginations of economic forecasters will allow. We know that if we moved swiftly and surely to reduce that deficit to nothing over the period of a few years it would have a very positive beneficial impact on the personal lives of all Americans. And we also know that if we don't, the consequences will be harsh, especially for those among us who are the least financially nimble. We know all this, but we seem to do virtually nothing about it.

What I would like to suggest today is that the reason why we seem to be immobilized and frozen in the path on the onrushing deficit disaster is that our governmental institutions are not able to cope with the increased power and scope of economic interest groups in our society. The deficit can only be reduced by cutting projected increases in federal spending for defense or social welfare programs or by raising taxes. And many of the same people who strongly support moving toward a balanced budget as soon as possible are often the first ones to vehemently oppose actions necessary to achieve this when their particular interests are at stake.

The usual motive attributed to this kind of behavior is hypocrisy, but I am not sure I agree with that assessment. In fact, I think it is possible to be sincerely and honestly in favor of an overall balanced budget and yet—given the current rules of the economic games—to oppose cuts in particular areas without being inconsistent with one's principles. The problem is that while we all might agree that it would be in everyone's best interest to slow defense spending and social welfare spending increases a bit, and even raise taxes some—if the result of these actions was a substantial increase in the real rate of economic growth, a further lowering of interest rates, inflation and unemployment—we have no way of insuring that all areas will in fact be acted upon in a fair, equitable manner.

Those who are rightfully concerned about the growing military power of the Soviet Union are fearful that the lion's share of any spending cuts will come out of defense and that by leaving social welfare programs and tax rates virtually untouched, the amount of real deficit reduction will not materially affect the course of the economy.

Those who are rightfully concerned about the ability of our social welfare programs to fulfill their goals adequately and comprehensively are fearful that the lion's share of any spending cuts will come out of social welfare programs and that by leaving defense spending and taxes virtually untouched, there will be little positive effect on the economy.

And then there are many who firmly believe that any move to reduce the deficit will avoid any serious look at either defense spending or social welfare spending, and will eventually rely on raising taxes—raising them not enough to reduce the deficit much, but high enough to throttle back the economy and actually make the deficit worse.

They all believe that the lion's share of the cost of reducing the deficit will be borne primarily by them. Now, of course this is logically impossible, but in the absence of some overriding general rule that would ensure a balanced budget the uncertainty of what will happen is a powerful and rational justification for letting the deficit continue. Large, continuing deficits, they will agree, are bound to cause serious damage, but attempting to reduce the deficit without going all the way to a balanced budget, could, in their judgment, be worse.

I wish there were an easier way, but I'm afraid the only way to overcome this is to amend the Constitution of the United States to require a balanced budget. All of the special economic interest groups concerned will continue to worry about what portion of the deficit reduction will fall on them, but that concern would be greatly lessened by two things that would occur if a balanced budget amendment were to be added to our Constitution.

First, the magnitude of the deficit reduction would necessitate a political balancing that would be seen as fair and equitable by the public. There is simply no way that a disproportionate share of a full deficit reduction plan would fall on defense spending or social welfare spending or a tax increase. Political pressures would demand that each one of these areas bear a substantial share of the deficit reduction.

Second, the certain prospects of moving to a balanced budget as of a certain date would have enormous psychological effects on the economy. Something that economists have a very difficult time incorporating in the mathematical models they build to try to forecast the economy is uncertainty about the future, or confidence about the future. Those large projected deficits hang like a black cloud over investment decisions that individuals and businesses must make. A lot of what passes for Keynesian economics today is not very good economics, but on some things John Maynard Keynes was right on target. He emphasized in "The General Theory" that, "economic prosperi-

ty is excessively dependent on a political and social atmosphere which is congenial to the average businessman." That was written fifty years ago and it is still right. If people were absolutely convinced that the budget was going to be balanced within a reasonable period of time, just knowing that it really was going to happen would have a powerful, positive effect that would be translated quickly into lower interest rates, more jobs, less inflation, and higher real economic growth.

I'd like to mention one other point. During the last couple of years I have discussed this issue with many people and often the discussion will get to the point where they say, "O.K. I agree. If we had a balanced budget our economy would be much stronger. And the only way we probably can achieve that is by a constitutional amendment. But the problem is that if you really did do it and reduced the deficit by two hunderd plus billion dollars it would have a devastating impact on our national security, it would gut social security and medicare, and you would still need to impose a draconian tax increase. It just isn't worth it. Better to suffer the pains of the deficit."

They would have a vaild concern, but it is a concern based on something that need not be. Many assume that the constitutional amendment would force the federal government to eliminate the entire deficit in one budget year. In fact, there is nothing to prevent a balanced budget amendment from including a specific phase-in period. Five years would probably be a reasonable time. Once the amendment was ratified by the necessary three-fourths of the states, we could take the existing deficit at the time of ratification, divide it by five, and proceed to take a 20 percent bite out of it each year for the next five years.

If that kind of balanced budget amendment were in place today, the amount of deficit reduction we would be looking at next year would be approximately $46 billion. That is about 4.5 percent of total spending. A deficit reduction of that magnitude could be managed without damaging our national security, ravaging our social programs, or sharply raising our tax rates. But we would achieve something that is precious to the functioning of a free economy—the people's confidence in a sound fiscal policy in the future.

One final point. Some Democrats I have discussed this with have at this point thrown up their hands and said, "Well, fine for President Reagan. We pass this and by the time the amendment gets ratified he will be out of office, and the full burden for making the hard choices that will be necessary will fall on the Democrats." I'm not sure I'm willing to concede 1988 yet, but even so, I think that fear is largely unfounded. Most of our knowledge of the ratification process is based on our recent experience with the proposed Equal Rights Amendment, which dragged on for many years. This is not the usual experience.

The last amendment added to our Constitution—Voting for 18 years olds—took just 3 months to ratify. It was submitted on March 23, 1971 and became part of the Constitution on July 1, 1971. The amendment before that—Succession of the Vice President to Presidency—took 19 months. The one before that—on the poll tax—took 17 months. And the one before that on electors for Washington, D.C. took 10 months.

A properly drafted amendment could go out to the states and be part of the Constitution in a matter of months. And then President Reagan could have for the last two years of his second term what he has been asking for so long.

Adding a balanced budget amendment to the Constitution would have a profound impact on economic policy in the United States. There are some uncertainties and unknowns that we would have to deal with as the amendment was implemented, but that is true of any great, worthwhile policy venture. On the other hand, the only real alternatives to a balanced budget amendment seem to be paths that would surely lead us to economic disaster. The balanced budget amendment may not be perfect, but, in my judgment, it is far better than the alternatives.

Mr. DECONCINI. Mr. President, an amendment to the Constitution, no question about it, is a very serious step, one to be taken if and only if no other response is perceived as likely to prove effective. Alternatives to constitutional change deserve serious consideration. The major alternatives to a constitutional amendment of the kind proposed in this resolution are: First, some measure of statutory restraint; second, new resolve by Members of Congress to restrain levels of Federal spending, taxation and deficit; or third, the election to Congress of new Members who possess such resolve.

I do not believe that these alternatives are effective alternatives. In one form or another, each of these alternatives has been employed in the past, with unsatisfactory results. There is little reason to believe that these alternatives will be any more effective in the future.

The first alternative is for Congress to resort to some form of statutory constraint. A number of such constraints have been proposed over the years, with several of these having been enacted into law. None, however, has succeeded in constraining the congressional propensity to spend, tax, and engage in deficit financing. The most obvious reason for this, ultimately, is that no Congress can bind a succeeding Congress by a simple statute.

Put another way, no statutory measure can contain provisions requiring a greater or more onerous voting rule for its repeal than for its adoption. Any balanced budget or tax limitation statute can be repealed, in whole or in part, by the simple expedient of adopting a new statute or a new budget which is in conflict with the earlier measure. The existence of the Byrd-Grassley amendment, for example, requiring a balanced Federal budget for fiscal year 1981 (Public Law 95-435) has provided no deterrent whatsoever to Congress engaging in "business as usual" and adopting a budget with a deficit in excess of $50 billion for that fiscal year. Statutory limitations remain effective only as long as no majority coalition forms to overcome such statutory constraints.

It is the premise of the proposed amendment that some greater rule is required if Congress is to overcome the spending bias existing within our political system. So long as simple majorities are able to engage in the same scope of fiscal practices as under present law—and they will always be able to do so if they are limited by nothing more than a simple statutory constraint—this spending bias will continue to exist. Congress will continue to have unlimited access to deficit spending and it will continue to have available automatic tax increases.

Since the adoption of the congressional budget reforms in 1974, for example, it is worth noting, Congress has achieved regular budget deficits of unprecedented proportions.

It is the existence of this fundamental bias that also mitigates against the effectiveness of the other alternatives: increased resolve to exercise fiscal restraint by Members of Congress or the election of Members who will demonstrate such restraint.

The premise of Senate Joint Resolution 225 is that there is a structural bias within our political system that causes higher levels of spending than fiscal prudence dictates, not that a majority of Members of Congress are determined to engage in fiscally irresponsible policies. Senate Joint Resolution 225 is designed to enable Members of Congress to overcome this bias by establishing an external constraint upon the ambit of their fiscal activities. If this analysis is correct, the spending bias can be overcome only by an external constraint—something upon which Members of Congress can rely when spending interest pressures become excessive.

The alternatives to a constitutional amendment are not viable precisely because the fiscal history that Congress has written over recent decades reflects a serious defect in the institutional setting within which it operates. Only a constitutional amendment can correct this. Periodic efforts by Congress during times of economic crisis to exercise unusual fiscal restraint are simply insufficient. Rather, there must be continuing efforts in this regard in order to prevent such crisis in the first place.

In a democracy, constitutions establish the structure of government by imposing restraints on the behavior of those who represent them. For years, the body politic has suffered from the removal of constraints upon the Congress imposed explicitly or assumed implicitly by the framers of the Constitution. The present amendment would reimpose, explicitly, those constraints as only a constitutional amendment can.

Mr. President, the question of enforcement continuously arises here. I know on Friday there was considerable colloquy between the Senator from Illinois [Mr. SIMON], and the Senator

from Utah [Mr. HATCH]. I know the Senator from Nebraska [Mr. EXON], has raised the issue. I think it is one that we have to continue to address to satisfy people the best we can.

While earlier versions of proposed balanced budget amendments contained language to the effect that, "The Congress shall have the power to enforce this article by appropriate legislation," this was not included in the proposed amendment because it was believed to be unnecessary language. I realize there may be such an amendment offered, and we welcome discussing that further, of course. Unlike earlier amendments to the Constitution that contained similar enforcement provisions; for example, the 19th, 23d, 24th, and 26th amendments, Senate Joint Resolution 225 imposes no limitation upon State actions; it limits only the authority of the National Government. Thus, the committee felt that the language of the "necessary and proper" clause in article I, section 8, would clearly effect the same results as an independent enforcement provision in the proposed amendment. Article I, section 8, clause 17, reads as follows:

> The Congress shall have the power * * * to make all laws which shall be necessary and proper for carrying into execution the foregoing powers and all other powers vested by the Constitution in the government of the United States or in any department or officer thereof.

It is anticipated by the committee that Congress will enact legislation in a timely manner that will establish the process through which the proposed amendment will be implemented. Congress' power in this regard will be as broad as its power under the "necessary and proper" clause to carry into effect any other authority or power granted to it by the Constitution. See *Marbury* v. *Madison*, 1 Cranch 137 (1803).

The committee expects the Congress and the President to carry out their responsibilities under the proposed amendment through both (a) the authority presently available to Congress and the President to affect and influence the fiscal process; and (b) any new authority created by Congress under its article I enforcement authority, and otherwise consistent with the Constitution by which the Congress and the President can affect and influence the fiscal process.

It is not the intent of this amendment, then, to establish any new authority in the President, absent congressional action, or to imply any reordering of the separation of powers balance between these branches of the National Government. The amendment, for example, does not invest in the President any new authority to impound appropriated funds. It is not mandated that Congress implement any particular enforcement provision; it is expected only that the Congress ensure that there be some effective means by which the Congress and the President may each exercise authority to enforce the amendment.

In the absence of such legislation, it is still expected that the President will exercise his budget-proposing authority, his veto authority, and any other authority presently available to him to carry out the mandate of the proposed amendment. The same would be expected of Congress, of course.

While there may be no sanctions expressly contained in Senate Joint Resolution 225 for the violation of any particular provision, it must first be recognized that Congress and the President are expected to act in accordance with the Constitution. Both Members of Congress and the President are obligated to take oaths of office that require compliance with the Constitution. Thus, in summary, it is the committee's view that: First, the language and the intent of Senate Joint Resolution 225 are clear; second, Congress and the President are to abide by this language and intent; and third, where necessary, Congress is to enact legislation that will better enable the Congress and the President to comply with the language and intent of the amendment.

In addition, Senate Joint Resolution 225 is designed to promote its own enforcement through the political processes. By requiring a three-fifths vote to approve deficit spending in any fiscal year, and by requiring a majority of the whole number to vote on revenue increases, Senate Joint Resolution 225 is designed to enable the electorate to better identify those Members of Congress most responsible for higher levels of spending, taxing, and deficits. To the extent that the amendment succeeds in creating a more useful flow of political information to the electorate, and this is a major objective of the amendment, it will be enforced most effectively at the polls every other November.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HUMPHREY). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that further proceedings under the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEAVE OF ABSENCE

Mr. MATHIAS. Mr. President, in conformity with rule VI, section 2 of the Standing Rules of the Senate, I ask unanimous consent of the Senate that I may be absent on March 13 and thereafter until March 20 in order to perform the duties of the office of President of the North Atlantic Assembly.

The PRESIDING OFFICER. Without objection, it is so ordered.

CANADIAN TIMBER IMPORTS

Mr. STENNIS. Mr. President, on February 26, I joined with many of my colleagues in a series of special orders designed to bring attention to the unfair practices of the Canadian Government with regard to the production of lumber and other timber products. At that time I committed to doing all that I could to help remedy the situation. I am pleased today to join as a cosponsor of S. 1292, a bill which will provide the means for our Government to determine if the Canadian governments are unfairly subsidizing their timber producers, at the expense of our own producers.

I commend Senator BAUCUS for introducing this much needed legislation and for all his efforts to bring attention to this problem which is causing great strains on the economy of my State. I hope that all of my colleagues will see the necessity of acting quickly on this issue and that it can win our approval soon.

It is simply unfair to our own people to continue to allow Canadians to ship lumber products into the United States which are priced extremely low because Canada allows timber producers to cut timber off of public land at little or no cost. Something is seriously wrong when Canadian lumber can be shipped and sold in Mississippi at prices lower than lumber from timber grown in our own State.

Unless we do something quickly to relieve American timber producers, we are going to see many more of our timber-related industries in serious decline. They cannot withstand current conditions much longer. The workers who have been employed in the timber industries are hardhit by unemployment related to cheap Canadian timber imports.

This legislation would make a start toward setting things right and I hope all of my colleagues will join in an effort to bring it up for floor action soon.

Thank you.

THE 34TH ANNUAL NATIONAL PRAYER BREAKFAST

Mr. CHILES. Mr. President, on February 6, 1986, I was honored to chair the 34th annual National Prayer Breakfast at the Washington Hilton. Over 3,500 people gathered from all parts of the world and all walks of life to collectively turn our eyes upon the Living God, to worship and share fellowship in a spirit of unity, and to remind ourselves, as well as acknowl-

edge the fact, that we are a Nation under God.

The success of this event can be attributed to the efforts of both the House and Senate committee members, as well as the untiring work of our many volunteers.

Mr. President, I ask unanimous consent that a transcript of the 34th National Prayer Breakfast be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

NATIONAL PRAYER BREAKFAST PROGRAM,
FEBRUARY 6, 1986

Grace: The Honorable Dan Coats, U.S. Representative, Indiana.

Opening Song: The Children of the World, Miami, Florida.

Presiding: The Honorable Lawton Chiles, U.S. Senator, Florida.

Statement of Fellowship and Purpose: Dr. Billy Graham.

Opening Prayer: General Paul X. Kelly, Commandant of the U.S. Marine Corps.

Breakfast.

Welcome: The Honorable Lawton Chiles.

Message from the U.S. House Prayer Breakfast Group: The Honorable Wes Watkins, U.S. Representative, Oklahoma.

Old Testament Reading: Dr. Arthur F. Burns, Former U.S. Ambassador to the Federal Republic of Germany.

Solo: Mary Beth Kissee.

Message from the U.S. Senate: Mr. William H. Ashton, Member, U.S. Capitol Police.

New Testament Reading: Ms. Trudi Michelle Morrison, Deputy Sergeant at Arms, U.S. Senate.

Prayer for National Leaders: Ambassador L. Bruce Laingen, Vice President, National Defense University.

Message: The Honorable John Stennis, U.S. Senator, Mississippi.

Special Moment: The Vice President.

The President of the United States.

Closing Song: Mr. Wintley A. Phipps.

Closing Prayer: Mrs. Susan Baker.

TRANSCRIPT OF PROGRAM

Senator Lawton Chiles

Good morning. I'm Senator Lawton Chiles, and I want to begin by thanking The Children of the World Choir from Miami for a beautiful beginning to this fine day.

I want to welcome you all to the 34th Annual National Prayer Breakfast. This gathering is hosted by the House and Senate of the United States. The Chairmanship is rotated, and it's my honor to be this year's Chairman.

We are blessed with a fine array of special guests. Our first speaker this morning is well known to all of us. It has been said that prayer does not change God, but it changes those who pray. That's simple wisdom, but getting people to see it can take a long time. In *his* lifetime, he has searched the world, teaching people the worth of prayer. We welcome him today as a teacher, a traveler, and a voice of hope. To offer us the statement of purpose, let me present the Reverend Billy Graham. (applause)

Billy Graham

President Reagan, Mrs. Reagan, Vice President Bush, Mrs. Bush and ladies and gentleman. Today we have gathered for the 34th Annual National Prayer Breakfast. This is a time for the past 34 years that we set aside to remind ourselves that we are a Nation under God; and to be reminded of our dependence on Him and of our spiritual needs; our need for repentence and forgiveness; for Divine Wisdom and for the spiritual renewal as a Nation and as individuals. During the past few days we have been reminded over and over again of our dependence upon God. And I'm going to pause and put a parenthesis and say I think that our President has acted as a pastor to all of us during these days. (Applause.) It is a time for us to be confronted with God's Plan for our lives. It is a time as well for us to turn to God in humility and faith. You will note from the program that we gather in the Spirit of Jesus who transcends all nations, races and political, economic and social boundaries. We do this because we believe He alone is able to change our hearts and give us hope for the future. Most would agree that the greatest Russian who ever produced novels was Dostoyevsky. Dostoyevsky had been arrested under the Czars for trying to improve the welfare of the peasants in Russia. He spent several years in exile suffering terribly. When he entered the prison camp, a woman handed him a New Testament. He memorized most of it. And in nearly all of his writings you will find that spiritual and Biblical strain. God never changes. And neither does our need for Him change. Today may each of us discover with Dostoyevsky who knelt down in that prison, received Christ into his heart, it changed his life and he made this statement as his creed: He said, "We will never find, I believe that there is nothing lovelier, deeper, more sympathetic, more rational, more manly, more perfect than the Saviour. I say to myself with jealous love, not only is there no one else like Him, but there can never be anyone like Him." And Dostoyevsky found in Christ the fulfillment of his life, for peace and a satisfaction he had never known. And today it is our prayer that we will find here this morning with Dostoyevsky that there is nothing lovelier, deeper, more sympathetic, more rational, more manly, more perfect than the Saviour. God Bless you all. (Applause.)

Lawton Chiles

In the aftermath of the tragic bombing of our Marine Headquarters in Beirut, a man from Boston asked his Nation to get down "on bended knee, and thank God for the young Americans willing to lay down their lives for free men everywhere." He had seen both the cruelty and the courage of this world. He has felt the touch of faith in his life. For our opening prayer, ladies and gentlemen, the Commandant of the United States Marine Corps, General Paul X. Kelley. (Applause.)

General Paul X. Kelley

At another time in our history, one of our greatest of all patriots felt a need to address the leadership of his newborn Nation as they struggled for survival. At the conclusion of his circular letter of June 8, 1783, General George Washington invited the Governors of the 13 United States to join him in a prayer asking Almighty God to watch over them and guide them through the internal struggles which lay ahead. While times and circumstances have changed since General Washington dispatched his letter, our great Nation still faces struggles both at home and abroad. And let me share with all Americans, and also our very special friends from over 120 nations, the remarkable words of this very extraordinary prayer by the Father of Our Country, "Almighty God, we make our earnest prayer that Thou will keep the United States in His Holy Protection. That Thou will incline the hearts of the citizens to cultivate a spirit of subordination and obedience to government; to entertain a brotherly affection for one another for their fellow citizens at large and particularly for their brethren who have served in the field. And finally, that Thou wilt most graciously be pleased to dispose us all to do Justice and love Mercy and to demean ourselves with that Charity, Humility and Pacific Temper of Mind which are characteristics of the Divine Author. Without a humble imitation of these things, we can never hope to become a happy Nation. Grant our supplications, we beseech Thee, Lord God of the Universe. Amen." (Applause.)

Senator Lawton Chiles

Please Enjoy your breakfast.

Breakfast

Senator Lawton Chiles

With us this morning, we are privileged to have a number of people, who while not playing a part in the official program, are people that we want to welcome warmly. Let me begin on my left with Mrs. Paul Kelley, the wife of General Kelley. Mrs. Kelley. (Applause.) Next, Mrs. William Ashton, wife of Bill Ashton. (Applause.) Mr. Dale Saunders, the husband of Trudi Morrison. (Applause.) Next we have the distinguished Secretary of the Treasury, the Honorable James Baker, today the lovely husband of Susan Baker. (Applause.) Also with us this morning is Mrs. Wes Watkins, the wife of Congressman Watkins. (Applause.) And on my right, Mrs. Wintley Phipps, the wife of Mr. Wintley Phipps. (Applause.) And we want to welcome Mrs. Arthur Burns, the wife of Ambassador Burns. (Applause.) Next to me is Rhea Chiles, whose husband I am. (Laughter.) (Applause.) I also want to introduce to you Barbara Bush, the wife of our Vice President. (Applause.) And finally, please greet our First Lady, Nancy Reagan. (Resounding applause and standing ovation.)

Our next spokesman is the Chairman of the House Prayer Breakfast. He is a leader in the House of Representatives, and—like the rest of us—a man willing to follow in search of God's works here on earth. With a message from the U.S. House of Representatives, the Honorable Wes Watkins. (Applause.)

Congressman Wes Watkins

Thank you Lawton, very much.

In the Spirit of God's Love I have the honor to represent and to bring you greetings from the House Prayer Breakfast Group. When the Congress is in session, each Thursday morning at 8:00 A.M., approximately 40 to 45 (about a tenth of the Members of the U.S. House of Representatives) meet in spiritual fellowship. The highlight of the breakfast is a talk by one of our House colleagues. The House Member usually provides a more personal insight to the purpose and true meaning to his or her role in life, which a member does not receive or give in the formalities of the hustle and bustle of official Congressional duties. It is always obvious. We struggle with the differences between constituent demands and God's Commands. The conflict in political life, while seeking eternal life. We know the Scripture requires each of us to do that which is just, to provide justice for all. But sometimes we find justice for some is considered injustice by others. We recognize there is open conflict many times between

how our constituents judge us and how God judges us. We confess our decisions many times fall short. And in the final judgment chapter, God will cast His Ballot by separating us according to how we have treated those who are less fortunate of His Children—the least of our brothers and sisters. In the House Prayer Breakfast Group, we find fellowship in God's Love; we find refuge in His unbelievable and unlimited Mercy and Forgiveness; and we're humbled by His amazing Grace that allows us to continue day to day in our struggles and allows us the opportunity to be here today. (Applause.)

Senator Lawton Chiles

We're about to hear from one of this country's most distinguished statesmen. He has served this Nation both as an Ambassador, as Chairman of the Federal Reserve Board. During his career he has been the friend and confidant of many Presidents. More than that, he is a man of great faith. For the reading from the Old testament I present to you the Honorable Arthur Burns. (Applause.)

Honorable Arthur Burns

I shall read this morning from the First Book of Kings, chapter 3, starting with verse 5:

"In Gibeon the Lord appeared to Solomon in a dream by night; and God said, Ask what I shall give thee.

"And Solomon said, Thou hast shewed unto thy servant David my father great mercy, according as he walked before thee in truth, and in righteousness, and in uprightness of heart with thee; and thou has kept for him this great kindness, that thou hast given him a son to sit on his throne, as it is this day.

"And now, O Lord my God, thou hast made thy servant king instead of David my father: and I am but a little child: I know not how to go out or come in.

"And thy servant is in the midst of thy people which thou hast chosen, a great people, that cannot be numbered or counted for multitude.

"Give therefore thy servant an understanding heart to judge thy people, that I may discern between good and bad: for who is able to judge this thy so great a people?

"And the speach pleased the Lord, that Solomon had asked this thing.

"And God said unto him, Because thou hast asked this thing, and hast not asked for thyself long life; neither hast asked riches for thyself, nor hast asked the life of thine enemies; but hast asked for thyself understanding to discern judgment;

"Behold, I have done according to thy words: lo, I have given thee a wise and understanding heart; so that there was none like thee before thee, neither after thee shall any arise like unto thee.

"And I have also given thee that which thou hast not asked, both riches and honour: so that there shall not be any among the kings like unto thee all thy days.

"And if thou wilt walk in my ways, to keep my statutes and my commandments, as thy father David did walk, then I will lengthen thy days.

"And Solomon awoke."

Senator Lawton Chiles

Our next guest holds a Master of Divinity Degree from Southwestern Baptist Theological Seminary. She also has a beautiful voice, a gift she has dedicated to the service of Jesus Christ. Please welcome this morning's soloist, Mary Beth Kissee. (Applause.)

(She sings) "We Shall Behold Him."

Senator Lawton Chiles

(Applause.) Thank you Mary Beth. I hope the roof stays on. (Laughter.) That's wonderful, beautiful!

Like the House, the Senate has a Prayer Breakfast every week and many of our Senators attend. For more than 12 years, a Capitol Policeman has been outside the Capitol greeting us when we went to that Breakfast. He always knows if one of us has been sick, if something is wrong with any of our families, and he always holds us up in prayer. A hundred Members of the Senate do not make up the power of the Senate. We decided we should ask one of the many who also faithfully serve to speak for us. So to bring greetings from the Senate, Bill Ashton, Member of the U.S. Capitol Police Force. (Applause.)

William Ashton

Thank you Senator Chiles for that warm welcome. President and Mrs. Reagan, Vice President and Mrs. Bush, honored guests, ladies and gentleman. I've been asked to come here this morning and in a few minutes just tell you what the Lord means in my life. Well, I can condense that into one word and that is "everything." Now He has given me four gifts that I use everyday in my life, especially through my working day. And they are love and understanding, compassion and prayer. And I use these mostly on what I call my unhappy people. (Laughter.) Because I do get a few of them. (Laughter.) I'm very understanding with them. I love the men because they're lucky they're God's Children. But I also have to be understanding with them, because I, too, walked that road at one time. And then I have compassion for them, because I know somewhere through our conversation I realized to them that Jesus Christ is nothing more than a word. And I have a compassion for them because I know deep in their heart they're missing the most important thing in their life. And then I pray to God that through some way He'll open their hearts and turn his eyes unto Him, so that they, too, can know what happiness is. And when I say I pray, I mean I pray. I'll pray for you on a heartbeat if you have a need for a prayer. And this morning, if you would, I'd like to ask everyone in this room—if they would first just ask two of their friends to pray. Then have them ask two of their friends to pray for just two minutes a day, which is a very easy task. And I would ask you first to pray for not only the continuing good health of our President and Vice President, but for great success in our President's upcoming talks with Chairman Gorbachev of the Soviet Union so that they may bear the fruits of Peace. And then I would ask you to please pray for both the Members of the United States Senate and the House of Representatives, because they do need your prayers, because their job is not an easy one. And ask God to please guide them so that they can successfully minister to the needs of the peoples of this nation. And then, my dear brothers and sisters, if we can get this great outpouring of prayer from all over this Nation, then I truly believe that this will indeed be one Nation under God. God Bless you and I thank you. (Applause.)

Senator Lawton Chiles

You see how we're blessed with Bill Ashton and have been all of these years.

We have with us today the Deputy-Sergeant-At-Arms of the United States Senate. When the Washington Post ran a story about her, this is the piece that most struck me. She said, "the Lord has a plan for me, and I am just an instrumentality." Please let me present to you Trudi Michelle Morrison, another one of those who faithfully serve the Senate, with a reading from the New Testament.

Trudi Michelle Morrison

I shall read from Matthew, chapter 6, verses 25 through 34, and also from Matthew, chapter 7, verses 7 through 12.

"Therefore I say unto you, Take no thought for your life, what ye shall eat, or what ye shall drink; nor yet for your body, what ye shall put on. Is not the life more than meat, and the body than raiment?

"Behold the fowls of the air: for they sow not, neither do they reap, nor gather into barns; yet your heavenly Father feedeth them. Are ye not much better than they?

"Which of you by taking thought can add one cubit unto his stature?

"And why take ye thought for raiment? Consider the lilies of the field, how they grow; they toil not, neither do they spin:

"And yet I say unto you, That even Solomon in all his glory was not arrayed like one of these.

"Wherefore, if God so clothe the grass of the field, which to day is, and tomorrow is cast into the oven, shall he not much more clothe you, O ye of little faith?

"Therefore take no thought, saying, What shall we eat? or, What shall we drink? or, Wherewithal shall we be clothed?

"(For after all these things do the Gentiles seek:) for your heavenly Father knoweth that ye have need of all these things.

"But seek ye first the kingdom of God, and his righteousness; and all these things shall be added unto you.

"Take therefore no thought for the morrow: for the morrow shall take thought for the things of itself. Sufficient unto the day is the evil thereof."

And,

"Ask, and it shall be given you; seek, and ye shall find; knock, and it shall be opened unto you:

"For every one that asketh receiveth; and he that seeketh findeth; and to him that knocketh it shall be opened.

"Or what man is there of you, whom if his son ask bread, will he give him a stone?

"Or if he ask a fish, will he give him a serpent?

"If ye then, being evil, know how to give good gifts unto your children, how much more shall your Father which is in heaven give good things to them that ask him?

"Therefore all things whatsoever ye would that men should do to you, do ye even so to them: for this is the law and the prophets."

May the Lord add a Blessing to the reading of His Word.

(From the King James Text, Washburn College Bible, with modern phrasing designed by Bradbury Thompson.)

Senator Lawton Chiles

Each of us has known loneliness and despair in our lives. Those of us who find inner strength from faith in God somehow always find a way to pull through those times. For more than 400 days, our next speaker was a hostage in Iran. He came home. He helped others come home. He knows the power of faith. With a prayer for our National leaders, ladies and gentlemen, Ambassador Bruce Laingen. (Applause.)

Ambassador L. Bruce Laingen

Good morning.

General Kelley reminded us this morning in the prayer of George Washington of the

faith that strengthened the first of our Presidents in a time of trial.

Another President, President Lincoln, in proclaiming a day of prayer in 1863, spoke then of the duty of nations, as well as of men, to . . ." own their dependence upon the overruling power of God . . . and to recognize the sublime truth . . . that those nations only are blessed whose God is the Lord."

In that spirit I ask you now to join in a prayer for the President of the United States, for the Vice President, and for all those who today exercise authority in leadership, throughout our land and in those countries beyond our shores. Join with me in prayer.

Oh Lord, our Governor in all things, both in Heaven and Earth. We pray this morning that you will so guide the hearts and minds of those to whom the people entrust their leadership, as to give them:

The humility to know that thou art God.

The Grace to know thy will.

The wisdom to see things clearly.

The courage to seek and to defend justice.

The compassion to seek charity for all who suffer.

And the will to persevere.

Born of that quietness of soul and confidence of mind that rests on true faith in thee.

And this morning, Dear Lord, we pause as well to ask that you will keep in thy care six Americans held hostage in Beriut. Deepen their faith and that of their families here at home.

Sanctify us all, Oh God, in what we are and order what we shall be, so that together we may contribute further to the glory of your creation and to the promise of thy salvation; making us all instruments of thy peace.

In thy name we pray. Amen.

Senator Lawton Chiles

It's my privilege to call today's principal speaker both friend and mentor. He has borne hardship and good fortune equally—and with equal measures of faith, grace, and dignity. He has given his life to the service of us all and those of us in the Senate who know him, aspire to his example as a gentleman, a man of deep belief, and a man of honor. He epitomises what each of us in the Senate would someday like to aspire to. For today's message, please greet the Honorable John Stennis. (Applause.)

Senator John Stennis

Mr. President and Mrs. Reagan, Mr. Vice President and Mrs. Bush, Mr. Chairman, Mrs. Chiles, friends all.

I feel very humble, I should, about being called on by our Committee to say this special word. We are approaching the actual day, my friends, of the end of our first 200 consecutive years under our present Constitution of the United States. And I especially emphasize here in these few minutes—let's take a stop, look, listen and see something about where we have been and where we are going.

One hundred and ninety eight years ago, or near thereto, our forebearers were just emerging from the very difficult task of putting together our present Constitution of the United States. Their intention was, and by and large they carried out that mission, to give the people genuine self-government, self-rule, self-control; one also that would give each person a freedom of choice, but moreover, everyone, everyone, a freedom of worship for all individuals in spiritual and religious affairs.

Since that time the way has been long and hard. The original thirteen far flung struggling states have become fifty states. During this period, once small in both area and population, we've grown from a surface area of only 891,000 square miles to a present area of 3.6 million square miles. The population of less than 4 million people in 1790 has grown to an estimated population this year of 238 million people. And we're still following the intent of those original provisions and largely living up to them, so far.

But these things did not happen by chance. These foundations instilled into this Constitution include the spiritual principles and values. In sheer power and resources we've grown, as I've said, to this position where now we are called the most powerful nation in the world—with a gross national product exceeding that of any other nation. And in our own individual and personal rights, we are a free people.

We are confronted by many real problems. We are now gravely and widely challenged at the end of these two centuries in the field of world trade and world commerce and in our own government finances. We are challenged in the field of nuclear power, and in the field of nuclear military power. We are plagued and challenged by a near worldwide spread of terrorists and terrorism. The subject itself breeds doubt and uncertainty and creates problems of the gravest and most far-reaching kind.

Now, what are we going to do? What can we do? What are we going to do with this next century that's coming just around the corner? The increasing problems of self-government in our time I think must be explained over and over to every child and to every adult. And I was delighted to know that the President had appointed and the Chief Justice of the United States had accepted, the Honorable Warren Burger, the position of Chairman of our Commission to commemorate the 200th birthday of our Constitution. And he has already taken action and assumed leadership on this assignment that could be the turning point in American history.

I think that we are challenged, perhaps in a different way, but we are challenged as gravely as we have ever been. The figures speak for themselves. Trends speak for themselves. These are major problems that I have just touched on quite briefly, that we're already confronted with—and I am sitting in reach of the man that has the last say on most of these problems. And certainly he doesn't throw away any moments of his time nor does his wonderful wife and those that are close to him.

But what are we as a people going to do about this problem that we're confronted with—the next century? I say with emphasis that I have faith, I'm not weakened one bit. And I've seen a lot of life come and go while I was in public life. And we're not giving up, we're not weakening, we're not surrendering, we're going to come through. But we have a new problem here that I call generally bigness and we've got to find a way to meet that situation. That's why I emphasize the significance of men like the Chief Justice of the United States being willing, with all else that he has, being willing to take a lead, to show an example, to show an effort, to show the importance and emphasis of history, the Constitution and the future of our Nation.

Now I briefly want to quote him without his permission particularly, but Mr. Burger said this:

"We have survived and prospered for 200 years because the strength of the Nation was not simply in the words of the Declaration and the Constitution—great as they are—but because of the strength of the people, of personal integrity, of individual responsibility, of the traditions of home and family, and our religious beliefs."

That sums up, in his very fine way, the key to the opening of this third century under the Constitution. And I think to ignore that is to miss the boat and get off on the wrong step in this third century.

I believe myself that tremendous emphasis absolutely must be placed upon the problem of bringing every citizen within the field—men, women and children, as we used to say, come aware of their privileges and their responsibilities under this charter of freedom, the Constitution of the United States. They must feel a responsibility, not in order to get some kind of a prize, not to win some kind of a contest or get some favorite role of some kind that the government is building up—not those purposes—but we must teach them the fundamentals that to continue with freedom and self-government and the things that go to make it worthwhile for the average person—that's what's going to require the attention and activity. They must have an understanding of our system of government.

So we are blessed to have a chance to renew our understanding, our obligtations, and a chance to express some strong purposes here where we are—together in this great group of people and with visitors from all over and from many nations. In a more serious climate, you might say, in our history, we are met here together this morning. May that become typical of meetings elsewhere, many times over throughout the Nation with the emphasis on this question, "What are we going to do about the next century?"

Now I have absolute confidence and faith in the future of our Nation but I'm emphasizing here I believe we're going to have to actually reach for a higher power, even a greater power than that which we have as our own. We're going to have to look to the spiritual powers after all, that control eventually. I refer here to a quotation, the famed book, "Jesus Through The Centuries" by the author Jaroslav Pelikan.

"Regardless of what anyone may personally think or believe about him, Jesus of Nazareth has been the dominant figure in the history of Western culture for almost twenty centuries."

Further quoting,

"It is from his birth that most of the human race dates its calendar. And it is by his Name that millions curse; and in his name that millions pray."

End quotation. Now that is a higher power. That is the higher power to which I refer. The way is open and help will come, but frankly, I think we have to make the first move—as individuals, yes, and as a Nation. Now, I'm no calamity hound. I'm not overcome with pride nor with fear either. But I'm thinking in terms as I understand human nature and what I believe is ahead of us there is the higher power.

I don't like to make predictions, but I do believe that we're standing here on the middle ground, the decisive ground, faced with these conditions. We know that our system is the one that brings us in—every citizen—with compassion and interest and concern about every fellow citizen of other nations. I've been here long enough to be able to say that with some certainty and pride. So this higher power is what I believe that we're going to have to have, and it's

with this higher power that we can attain and we can use and benefit from the assistance that will be brought to us.

I've been here these years, and I want to say a word of appreciation for those that have made possible the Prayer Breakfast Group, House of Representatives and in the Senate. Not showplaces, this Presidential Breakfast, tremendous, tremendous influence, far reaching effect I think in other nations. So we join in gratitudes for that. But the main thing is to make our plans for this next century and with His Help, with His Guidance and with His Power, Christ himself, I believe that we can find our way, sustain our government, protect our freedom, and go on to even greater things and greater glory. Let me thank every, every American, every officer in power now or previously in power, and those of past years, that have made terrific sacrifices. And it's a hard go at times, that made these sacrifices and made the ends meet and made this Constitution a practical affair so that it can be recommended by our continuation in the midst of the turmoil and trouble that we have over time and endure another century of uncertainty. And with His Help, and with that power from on high, we can and we shall find our way. God Bless you. Bless our country and all countries here. Thank you very much. (Applause.)

Senator Lawton Chiles

Edmund Muskie once said the only thing worse than losing the Vice Presidency would be to win it. So I introduce our next guest—not as the Vice President of the United States with all its hardships—but as President of the United States Senate which can sometimes be a hardship all of its own. And my understanding is he kind of likes the term President without the Vice on it. (Laughter.) For a "Special Moment," let me welcome the Honorable George Bush, our Vice President. (Applause.)

Vice President George Bush

Thank you. Thank you ladies and gentlemen, Mr. President, Nancy, Senator Chiles, distinguished guests from both home and abroad. As we all know, today is special not only because it is this National, I'd say international, Prayer Breakfast, it is also our President's birthday and we have a little surprise Mr. President. (Applause.) In this box are letters of greetings with birthday wishes from the leaders of more than 100 countries. And I've been asked to read excerpts from a few of them. First,

"It is indeed a great pleasure for me to present to you my heartfelt congratulations on your 75th Birthday. The Government and people of Switzerland wish that health, happiness and success will also be with you throughout the coming year.

I remember well the talks we had in Geneva last November when you came to my country to meet with Secretary General Gorbachev. The eyes of all the world were watching you with trust and expectation. As a statesman with the sense of responsibility for mankind you gave new hope to people and nations, hope for peace and freedom. You also strengthened their will to continue the endeavours to protect human rights.

All my good wishes and thoughts are with you. May God bless you!"—Kurt Furgler, President of the Swiss Confederation.

And then . . .

"It gives me great pleasure to extend to you my warmest congratulations and good wishes on the occasion of your 75th birthday. I also congratulate you on your strong leadership and invincible spirit. By your example and resolve, you have helped to restore the vigor and vitality of the United States."—We Kim Wee, President of the Republic of Singapore.

Then from another corner of the world,

"Britain has no greater friend and the free world no greater leader. I send my heartfelt congratulations and best wishes."—from Margaret Thatcher, Prime Minister of the United Kingdom.

And then,

"Those of us that share with you the grave responsibility of guiding our respective people under democratic principles, rejoice in the knowledge that you reach yet another year not only in good health, but with the support, admiration and the goodwishes of the American Nation and of all the people of good faith that inhabit the world."—That from Salvador Jorge Blanco, President of the Dominican Republic.

And,

"Although I've never met you personally . . . I have followed your very distinguished career and your great contribution to public service with utmost interest and admiration. As you celebrate your 75th Birthday, please remember that you have a colleague in the State House, Dar es Salaam, who wishes you and all our American friends, peace and prosperity and above all, your continued personal good health and a long life. It is my sincere hope that we shall work closely together in order to promote peace, justice, human equality and economic well-being for all mankind."—Ali Hassan Mwinyi, President of Tanzania.

"From our state visit in 1984, we learned first hand why all those who know Mrs. Reagan and you personally hold you in such high esteem, and feel so affectionate toward both of you. Our age is one of great achievement. Your nation has provided much of the leadership, including a leadership of ideals, which made human achievement possible."—That's from J. R. Jayewardene, President of Sri Lanka.

And,

"On this happy occasion of your 75th birthday, Mrs. Chun and I would like to extend, on behalf of the Government and the people of the Republic of Korea, our heartiest felicitations and best wishes for many happy returns of the day.

There is an old oriental saying, 'No-ik-jang' in Korean pronounciation meaning 'the older one gets, the more vigorous one becomes'." (Laughter and applause.) He goes on, "I believe you are the most approporiate example of 'No-ik-jang'." (Laughter.) "Admiring your distinguished and courageous leadership as the leader of the Free World, we wish you a continued good health and success in your noble and steadfast endeavors for world peace and prosperity in the years to come."—That's from Chun Doo Hwan, President of the Republic of Korea.

And then lastly,

"Rarely in history is one able to celebrate his 75th anniversary with a record as magnificant as yours. You represent the most valuable traits that are characteristic of your great Nation, foremost among which is faith in God. I wish you many happy returns on your birthday."—Mohamed Hosni Mubarak, President of the Arab Republic of Egypt.

Happy Birthday Mr. President. (Applause.)

Senator Lawton Chiles

Will you join with the Vice President and I in a little song?

(All sing) "Happy Birthday to you. Happy Birthday to you. Happy Birthday Mr. President, Happy Birthday to you." (Applause.) [End of cassette tape.]

Senator Lawton Chiles

Last week in the time of our great national tragedy, the Lord raised up a man who could give the words that we so desperately needed. Compassion, comfort, encouragement, hope—given with a great spirit of healing. Ladies and gentlemen, I give you the President of the United States. (Applause.)

The President of the United States

In all the 36 anniversaries of my 39th birthday, this certainly has been—(Laughter.)—the most memorable. George, Barbara, all of you up here on the top shelf together with me and all of you, ladies and gentlemen, I am enormously touched.

Yes, today is my birthday. Seventy-five years ago, I was born in Tampico, Illinois, in a little flat above the bank building. We didn't have any other contact with the bank than that. (Laughter.) Now, here I am, sort of living above the store again. (Laughter.) (Applause.)

I'm very happy to be here. And I'd like to begin the remarks that I have with something that I did mention last year, so those of you who were here forgive me, because I'd like to touch on it again. It has to do with the history of this breakfast and the groups associated with it. The story begins in 1942, at the height of World War II. And in those days there were a handful of Senators and Congressmen who'd get together now and then to talk about their lives and their jobs and how things were going for them. And one day they talked about how they might be of greater personal and spiritual support to one another. They decided it would be a real help if they could occasionally gather and pray together. And so they began to pray together.

In time, in both the House group and the Senate group, some very important informal rules evolved. The members would meet in the spirit of peace and in the spirit of Christ. All members would be welcome, regardless of their political or religious affiliation. There was room enough for sincere seekers and the deeply devout. They'd never publicize the meetings and they'd never use them for political gain. But more important, the members would be able to talk about any problems on which they needed guidance, any sadness for which they needed prayers. And everything would be off the record, so no one would have to worry about the betrayal of a confidence.

Well, the two groups, one in the House and one in the Senate, met quietly like this for 10 years. And then President Eisenhower came into the story. One night in 1952 during the Presidential campaign Dwight Eisenhower confided something to one of his advisors, a close friend, Senator Frank Carlson. And Eisenhower told him that during the war when he was commanding the allied forces in Europe, he'd had a startling and vivid spiritual experience—he had actually felt the hand of God guiding him, and felt the presence of God.

And the General told the Senator that this experience and the support of his friends had given him real spiritual strength in the hard days before D-Day. Senator Carlson said he understood. He, himself, was getting spiritual help from the members of a little prayer group in the Senate.

And a few months later, the General, who was now the President asked Frank Carlson over to the White House. And he told Frank, "this is the loneliest house I've ever

been in." Carlson said, "Mr. President, I think this may be the right time for you to come and meet with our prayer group." And Eisenhower did just that.

In 1953, he attended the first combined prayer breakfast. And ever since, Presidents have been coming here for help and assistance—and here I am. The prayer meetings continue, as I'm sure you know, in the Senate and in the House. Other prayer meetings have sprung up throughout the government in every branch. And other fellowships have spread throughout the capitals of the world and Parliaments and Congresses far away.

This is good news, isn't it? A cause for joy. And every year when I come here I think, isn't it something that this good, strong thing came out of a war? Out of a tragedy came a triumph. That's a saving grace about sadness. Sometimes the very tears you shed can moisten the soil from which great things will grow.

I think the playwright, Eugene O'Neill was touching on this when he said, "The impulse of tragedy is on to life and more life."

Last week, when the shuttle exploded, we hadn't as a nation, had a tragedy like that that we actually witnessed as it happened. And as I watched the coverage on television, I thought of a poem that came out of a war. And it became quite literally the creed of America's flyers all over the world. I quoted a line from that poem when I spoke on TV the night of the tragedy. That poem was written by a young man named McGee. He was nineteen years old, a volunteer in the Canadian Air Force. He was an American, but he'd gone there before our country was in the war. He was killed four days after Pearl Harbor, but he left something that does live on—that poem. It says:

"Oh, I've slipped the surly bonds of earth
and danced the skies on laughter-silvered wings.
Sunward I've climbed and joined the tumbling north
Of sun-split clouds and done a hundred things you have not dreamed of.
Wheeled and soared and swung high in the sunlit silence,
Hovering there I've chased the shouting wind along
And flung my eager craft through footless halls of air—
Up, up to the ling, delirious burning blue
I've topped the windswept heights with easy grace,
Where never lark or even eagle flew.
And while with silent lifting mind,
I've trod high untrespassed sanctity of space,
Put out my hand and touched the face of God."

I used to think it was a poem about the joy of escaping gravity, but even more, it's a poem about joy. And God gave us joy. That was His gift to us. We've all been sad the past week, and yet there was something good about the way we wept together as we said good-bye and suddenly re-remembered that we are a family. And now the time has come to remember the words of the Bible, "Weeping may endure for a night, but joy cometh in the morning."

A minister who spoke at the memorial service the other day said he hoped we all remembered not just the grief but the grandeur and the grace of life. Much of that grandeur comes from the joy that God gave us.

All of us know that wonderful individual, Mother Theresa, that living saint. If you've ever met Mother Theresa, you know what I mean. She'd probably thrust into your hand a pamphlet telling you to love Christ. She wouldn't mind my saying that she's no longer young. If she were here she'd say, "Look who's talking." (Laughter.) But she is no longer young and she's not always well. But she's inexhaustible.

You may have heard of her trip to Ethiopia at the height of the famine. She got there after a terribly long journey, but went without pause straight to a food distribution center. Thousands of those people crowded around her trying to touch her. She stood there and shook hands, ten thousand of them. And later she was asked, "How could you do that? Weren't you exhausted?" And she said, "It's my faith that feeds me."

Well, some time back, a Senator approached her when she was visiting Washington and said, "Mother, the problems of the world are so terrible and things look so bad, what can we do?" She said, "Love God." Different things impel different people. Mother Theresa is impelled by joy. She sings like a woman in love and she is—in love with God.

She's a great example of the truth of a great paradox: that mankind can find freedom only in surrender, joy only in submission, wealth only in what we give away, and safety only in a promise. God's promise of life everlasting.

Mother Theresa shines with joy in spite of the fact that she spends so much of her time in the unhappiest places on this Earth. If you look at the world stage, you don't see a lot to make you glad, but in the midst of hellish circumstances—in Mexico after the earthquake, in Ethiopia during a famine, in South Africa, and Angola and Nicaragua—in all those painful places we still see joy, God's gift, and the energy that it gives.

There are perhaps 3,000 of us here in this room. The wealthy and the powerful, those who've known neither wealth nor power. We have teachers here and diplomats, inmates from a local reformatory, captains of industry are here and so are just moms and dads and insurance salesmen and people who do things like that—such diverse lives. And, yet, we all have in common the usual problems of life, the usual difficulties, and we're trying to achieve some kind of happiness while, in the process, causing as little pain to others as possible.

We have so much in common—we share an anchor that roots us in the heavy seas and that anchor is the joy that God gave us. Let our thoughts today be of how man harnesses his sadness and turns it into triumphant work. And that's what I wish for all of us in this room—that in our individual work this year, we will fight on for what's right and good and resist the badness that is in us and that we'll do it with joy, because God gave that as a gift to be used.

If I had a prayer for you today, among those that have all been uttered, it is that one we're all so familiar with: The Lord bless and keep you; the Lord make his face to shine upon you and give you peace.

Thank you and God Bless you all. (Applause.)

Senator Lawton Chiles

For our closing song today, we have a man whom the Lord gave a special talent to move people through song. In turn, he has given this talent for the glory of the Lord. We are pleased to have with us Mr. Wintley Phipps.

He sings, "The King is coming." (Applause.)

Senator Lawton Chiles

Our closing prayer is offered by one of the most effective women in our city, reflecting the love of Christ and the cause of the needy. Ladies and Gentlemen, Mrs Susan Baker.

Susan Baker

Using the words spoken by David in the First Book of Chronicles, chapter 29, I pray:

"Yours, O Lord, is the greatness and the power and the glory and the majesty and the splendor, for everything in heaven and earth is yours. Yours, O Lord, is the kingdom; you are exalted as head overall. Wealth and honor come from you; you are the ruler of all things. In your hands are strength and power to exalt and give strength to all. Now, our God, we give you thanks, and praise your glorious name."

As we leave this place. O Lord, we thank you for this morning and for the opportunity to be with your children from all across the earth.

We ask special wisdom and courage for all the men and women you have appointed to leadership.

How we pray that we may all go forth to pass on your love and your light to a desperately hurting world.

We ask this in the name of Jesus Christ, Your Son. Amen.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 1:07 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House recedes from its disagreement to the amendment of the Senate to the amendment of the House to the amendment of the Senate to the bill (H.R. 3128) to make changes in spending and revenue provisions for purposes of deficit reduction and program improvement consistent with the budget process, and agrees thereto, with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4331. An act to authorize the Secretary of Agriculture to make grants for the

purpose of establishing institutes of rural technology development.

ENROLLED BILL SIGNED

At 3:53 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker pro tempore (Mr. FOLEY) had signed the following enrolled bill:

H.R. 1614. An act entitled the "Food Security Improvements Act of 1986".

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 4331. An act to authorize the Secretary of Agriculture to make grants for the purpose of establishing institutes of rural technology development; to the Committee on Agriculture, Nutrition, and Forestry.

The following joint resolution, which had previously been read the first time, was read the second time and referred as indicated:

H.J. Res. 3. Joint resolution to prevent nuclear explosive testing; to the Committee on Foreign Relations.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2656. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on a refund of two excess oil and gas lease royalties; to the Committee on Energy and Natural Resources.

EC-2657. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on 15 refunds of excess oil and gas royalty payments; to the Committee on Energy and Natural Resources..

EC-2658. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on five refunds of excess oil and gas lease royalty revenues; to the Committee on Energy and Natural Resources.

EC-2659. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on 31 refunds of excess oil and gas lease royalty revenues; to the Committee on Energy and Natural Resources.

EC-2660. A communication from the Administrator of the Energy Information Administration transmitting, pursuant to law, a report entitled "Annual Energy Outlook 1985"; to the Committee on Energy and Natural Resources.

EC-2661. A communication from the Chairman of the Navajo and Hopi Indian Relocation Commission transmitting, pursuant to law, a report evaluating the system of internal accounting and administrative control in effect for the Commission; to the Committee on Governmental Affairs.

EC-2662. A communication from the Director of the U.S. Army Community and Family Support Center transmitting, pursuant to law, the fy 1984 report on the Army nonappropriated fund employee retirement plan; to the Committee on Government Affairs.

EC-2663. A communication from the Chairman of the Board of Directors of the Tennessee Valley Authority transmitting, pursuant to law, the annual Freedom of Information report; to the Committee on the Judiciary.

EC-2664. A communication from the Secretary of the Federal Trade Commission transmitting, pursuant to law, the Freedom of Information report for 1985; to the Committee on the Judiciary.

EC-2665. A communication from the Chairman of the Board of Governors of the Federal Reserve System transmitting, pursuant to law, the annual Freedom of Information report; to the Committee on the Judiciary.

EC-2666. A communication from the Chairman of the Federal Mine Safety and Health Review Commission transmitting, pursuant to law, the 1985 Freedom of Information report; to the Committee on the Judiciary.

EC-2667. A communication from the General Counsel of the Department of Defense transmitting, pursuant to law, amendments to the Manual for Courts-Martial; to the Committee on the Armed Services.

EC-2668. A communication from the Secretary of Commerce transmitting a draft of proposed legislation to authorize appropriations for the National Oceanic and Atmospheric Administration Marine Fisheries Program for 1987 and 1988; to the Committee on Commerce, Science, and Transportation.

EC-2669. A communication from the Assistant Secretary of the Interior transmitting a draft of proposed legislation to amend the Small Reclamation Projects Act; to the Committee on Energy and Natural Resources.

EC-2670. A communication from the Executive Assistant to the Assistant Secretary of the Treasury transmitting, pursuant to law, a report analyzing the impact of IMF-supported economic adjustment programs; to the Committee on Foreign Relations.

EC-2671. A communication from the Acting Archivist of the U.S. transmitting, pursuant to law, the 1985 Freedom of Information report; to the Committee on the Judiciary.

EC-2672. A communication from the Administrator of the Small Business Administration transmitting, pursuant to law, the 1985 Freedom of Information annual report; to the Committee on the Judiciary.

EC-2673. A communication from the Secretary of Labor transmitting, pursuant to law, the 1985 Freedom of Information annual report; to the Committee on the Judiciary.

EC-2674. A communication from the Director of the Human Resources Division of GAO transmitting, pursuant to law, a report entitled "Medical Malpractice—No Agreement on the Problems or Solutions"; to the Committee on Labor and Human Resources.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DURENBERGER (for himself, Mr. DOMENICI, Mr. WILSON, Mr. DODD, Mr. DIXON, Mr. MATTINGLY, Mrs. HAWKINS, Mr. HATCH, Mr. SASSER, Mr. SIMON, Mr. CRANSTON, Mr. NUNN, Mr. RIEGLE, Mr. DENTON and Mr. HEFLIN):

S. 2166. A bill to amend the Internal Revenue Code of 1954 to modify the tax treatment of tax-exempt municipal bonds, and for other purposes; to the Committee on Finance.

By Mr. PROXMIRE:

S. 2167. A bill to amend the Public Health Act to require the Secretary of Health and Human Services to conduct, once every 10 years, a national survey on the impact of Federal health care expenditures; to the Committee on Labor and Human Resources.

By Mr. THURMOND (for himself and Mr. HEINZ):

S. 2168. A bill to amend title 38, United States Code, to improve veterans' benefits for former prisoners of war; to the Committee on Veterans Affairs.

By Mr. LUGAR (by request):

S. 2169. A bill to provide for membership for the United States in the Multilateral Investment Guarantee Agency, and for United States acceptance of the merger of the capital resources of the Inter-American Development Bank, and for other purposes; to the Committee on Foreign Relations.

By Mr. GLENN:

S. 2170. A bill to establish labor productivity assistance loans to provide financial assistance to certain individuals, to increase job skills and productivity, and for other purposes; to the Committee on Labor and Human Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOLE (for himself, Mr. BYRD, Mr. D'AMATO, Mr. MOYNIHAN, Mr. EXON and Mr. SIMON):

S. Res. 363. Resolution in memory of Senator Jacob Javits; considered and agreed to.

By Mr. DOLE:

S. Con. Res. 113. Concurrent resolution to correct the enrollment of H.R. 1614; ordered to lie over, under the rule.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DURENBERGER (for himself, Mr. DOMENICI, Mr. WILSON, Mr. DODD, Mr. DIXON, Mr. MATTINGLY, Mrs. HAWKINS, Mr. HATCH, Mr. SASSER, Mr. SIMON, Mr. CRANSTON, Mr. NUNN, Mr. RIEGLE, Mr. DENTON, and Mr. HEFLIN):

S. 2166. A bill to amend the Internal Revenue Code of 1954 to modify the tax treatment of tax-exempt municipal bonds, and for other purposes; to the Committee on Finance.

TAX EXEMPT BOND REFORM ACT

Mr. DURENBERGER. Mr. President, today, along with Senators DOMENICI, WILSON, DODD, DIXON, MATTINGLY, HAWKINS, HATCH, SASSER, SIMON, CRANSTON, NUNN, RIEGLE, DENTON, and HEFLIN, I am pleased to introduce a comprehensive alternative to the House tax bill provisions which deal with tax-exempt bonds.

Because there has long been controversy over State and local use of these bonds, Congress has taken action in the past to curb abuses. In the Tax Equity and Fiscal Responsibility Act of 1982—TEFRA—Congress enacted a number of reforms designed to increase public accountability and limit the commercial use of IDB's. In the Deficit Reduction Act of 1984, Congress made additional changes and set a volume cap to restrict the growth of new issuance.

At the same time we were dealing with problems, we were careful to recognize and preserve the use of tax-exempt bonds for appropriate public purposes. Bonds play an essential role in the financing of infrastructure development at the State and local levels—and that role is likely to increase in the coming years.

Just last month, the President proposed cuts ranging from 13 to 100 percent in Federal infrastructure programs. These cuts compound a problem that has already begun to threaten our partners in the federal system: massive infrastructure needs. Before the end of the century, this Nation will have to spend well over a trillion dollars to meet its infrastructure requirements. As Federal aid drops off State and local governments will have to pick up the bill.

How are they going to do this? Since they can't print money and they can't raise enough tax revenue to cover the bill, they will have to borrow it. That's where tax-exempt financing comes in. State and local governments will rely on bonds to do the things they need to do to meet the needs of their citizens.

That's why I am concerned about the House tax "reform" bill—H.R. 3838. That bill would make it more difficult for States and localities to meet the legitimate needs of their citizens. Though we have yet to see the full effects of DEFRA and TEFRA, H.R. 3838 would go even further. Let me outline some of my concerns with the Ways and Means proposal.

First, it is bad intergovernmental relations. The provisions contained in the bill would distort State and local choices among projects that might merit tax-exempt financing. The size and structure of the proposed volume cap places severe restrictions on many States at a time when two previous tax bills have already limited new issuances. I understand that the volume cap could curtail new issuance by 40 percent across the Nation.

Second, the proposal would run roughshod over nearly all the public/private partnerships that Governors and mayors have been working so hard to build. The 10-percent use and security tests and the inclusion of the private portion of a general obligation bond under the cap would preclude many public/private partnerships—partnerships which have proven to be effective and efficient methods of delivering services and building infrastructure.

Third, H.R. 3838 would sharply curtail the demand for tax-exempt bonds. Under the minimum tax provisions, tax-exempt interest on "nonessential function" bonds would be subject to the alternative minimum tax. Both individuals and corporations would face a decreased incentive to purchase the bonds.

A final criticism is that H.R. 3838 would be extremely difficult to administer. Despite attempts to clarify distinctions between "essential" and "nonessential" uses, many questions remain unresolved. For example, would extended day care in a school be counted in the 10-percent test?

The terms "essential" and "nonessential" are simply inappropriate. These concepts ignore the fact that public purposes are often served by private users. H.R. 3838 also imposes a major new reporting requirement which increases paperwork and time requirements associated with the issuance of bonds.

If we must reform tax-exempt financing to cut down abuse and restrict the rate of issuance, then let it be by principles, not politics. I believe a reasoned approach to the tax treatment of bonds must rest on four fundamental principles:

One, comity in the intergovernmental system should be maintained. Any alternative to H.R. 3838 should follow basic principles of comity between the Federal Government and the States while contributing a fair share to the principle of a revenue neutral tax bill.

Two, tax-exempt financing is vital to State and local governments. The Tax Code must empower, not impoverish State and local governments, otherwise the renaissance of independent action will be cut short. When we reform tax-exempt bonds we must safeguard the authority of State and local governments to issue bonds for worthy public purposes such as multifamily housing, student loans, and hospitals.

Public purposes should be defined according to who receives the benefit rather than who provides the service. Therefore, we must also preserve bonds which stimulate local spending for projects which are important to both the Nation and the States but which could not be financed without some sort of private-public partnership. These include pollution control facilities, convention centers, urban redevelopment programs, sewage, and waste treatment.

Three, the demand for bonds should not be curtailed arbitrarily. In setting volume caps, we must take into account the rapid and accelerating decline of direct Federal assistance for most domestic programs and the continuation of nearly all Federal mandates on State and local governments.

Four, there should be reciprocal immunity in tax systems. Like State and local governments—the Federal Government issues securities to finance debt which is not subject to taxation. In 1985, approximately $80 billion in interest income earned by private investors will be exempt from State and local income taxes, amounting to $4 billion in revenue forgone.

If additional modifications are to be made in the area of tax-exempt financing, then those modifications should adhere to the principles I have listed. While I would prefer to let current law remain unchanged in the area of tax-exempt bonds, realistically, I know that is just not an option.

Therefore, my colleagues and I have developed a comprehensive response to H.R. 3838. This proposal has taken a lot of hard work and I think it provides the reasoned alternative to which this body can surely agree. Let me cover some of the principle features.

THE DURENBERGER ALTERNATIVE

The alternative eliminates the pejorative terminology of "essential" versus "nonessential." It uses present law concepts which are workable, familiar and not subject to abuse. It redefines bonds to distinguish between governmental and quasi-governmental.

It provides that no portion of a governmental bond shall be subject to a volume cap.

It calls for an effective date after the date of enactment.

It distinguishes between governmental and quasi-governmental bonds when applying restrictions on arbitrage, refunding and reporting requirements.

It permits States and localities to define their own priorities and grants them discretionary authority in determining which quasi-governmental activities merit funding under the cap.

Finally, it imposes a reasonable volume cap on single family housing, student loan bonds, 501(c)(3) organizations, small-issue industrial development bonds, and other IDB's that finance facilities for private parties and industrial parks.

I believe that the alternative is reasonable, fair and fiscally sound. I hope that other Members of the Senate will recognize its inherent strengths and lend their support to our efforts to provide an alternative to the House bill. Let us use principles to guide us in our efforts to restructure the tax system and let us beware of the implications these changes may have for State and local governments. In an age of shrinking resources, we must be careful to empower these governments, not impoverish them. That is the message that our bill sends and I urge my colleagues to support us.

I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2166

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1954 CODE.

(a) SHORT TITLE.—This act may be cited as the "Tax Exempt Bond Reform Act of 1986".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this title an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 2. QUASI-GOVERNMENTAL BONDS.

(a) CHANGE OF TERMINOLOGY.—Section 103 is amended by striking "INDUSTRIAL DEVELOPMENT" or "industrial development" wherever it appears in any title or subtitle or in the text and substituting "QUASI-GOVERNMENTAL" or "quasi-governmental", as appropriate.

(b) DEFINITION.—Paragraphs (2), (3) and (4) of subsection 103(b) are amended to read as follows:

"(2) QUASI-GOVERNMENTAL BOND.—For purposes of this section, except as provided in paragraph (3), the term "quasi-governmental bond" means any obligation—

"(A) which is issued as part of an issue more than 25 percent of the net proceeds of which are to be used directly or indirectly in any trade or business carried on by any person other than a governmental unit, and

"(B) the payment of the principal or interest on which (under the terms of such obligation or any underlying arrangement) is, to the extent of more than 25 percent—

"(i) secured by any interest in property used or to be used in a trade or business or in payments in respect to such property, or

"(ii) to be derived from payments in respect of property, or borrowed money, used or to be used in a trade or business.

The term "quasi-governmental bond" also includes any qualified mortgage bond, qualified veterans' mortgage bond, or qualified student loan bond, or any qualified tax-increment bond that would be a private loan bond but for the provision of subsection (o)(2)(B)(i). For purposes of paragraph (A), any activity carried on by a person other than a natural person shall be treated as a trade or business but use as a member of the general public shall not be taken into account.

"(3) SPECIAL RULES.—

"(A) For purposes of this subsection, the following shall not be treated as a use of proceeds described in paragraph (2)(A)—

"(i) the use of proceeds to provide facilities for the furnishing of sewage disposal or water service for any purpose if—

(I) the service is or will be made available to members of the general public (including governmental, electric utility, industrial, agricultural, commercial, or institutional users), and

(II) either the facilities are operated by a governmental unit or the rates for the furnishing or sale of the service have been established or approved by a State or political subdivision thereof, by an agency or instrumentality of the United States, or by a public service or public utility commission or other similar body of any State or political subdivision thereof,

"(ii) the use of proceeds to pay the current expenses of providing sewage disposal or water service for any purpose from facilities owned by a governmental unit if the service is or will be made available to members of the general public (including governmental, electric utility, industrial, agricultural, commercial, or institutional users) and the facilities are either operated by a governmental unit or subject to its control over rates and service,

"(iii) the use of proceeds to provide facilities for the disposal of solid waste if the facilities are or will be made available to members of the general public (including governmental, electric utility, industrial, agricultural, commercial, or institutional users), either directly or through haulers,

"(iv) the use of proceeds to pay the current expenses of providing solid waste disposal service from facilities owned by a governmental unit if the service is or will be made available to members of the general public (including governmental, electric utility, industrial, agricultural, commercial, or institutional users, either directly or through haulers, and the facilities are either operated by a governmental unit or subject to its control over rates and service,

"(v) the use of proceeds to provide facilities described in clause (B) of paragraph (4) if the facilities are owned by a governmental unit and either subject to its operational control or are part of a larger facility or system subject to its general supervisory control, or the use of proceeds to operate such facilities if they are not leased to any nongovernmental person or managed or operated under a contract that substantially transfers the benefits and burdens of ownership to any nongovernmental person,

"(vi) the use of proceeds to operate or provide facilities described in clause (C) of paragraph (4) if the facilities are owned by a governmental unit and are not leased to any nongovernmental person or managed or operated under a contract that substantially transfers the benefits and burdens of ownership to any nongovernmental person, and

"(vii) the use of proceeds to operate or provide facilities described in clause (D) of paragraph (4) if the facilities are owned by a governmental unit and are not leased to any nongovernmental person, the service is or will be made available to members of the general public (including governmental, industrial, agricultural, commercial, or institutional users) and the benefits and burdens of ownership of the particular facility are not substantially transferred to any nongovernmental person by any management, operating or output contract.

A facility described in paragraph (4) that is leased by a governmental unit (as lessor) to a person other than a governmental unit (as lessee) for a term not exceeding 80 percent of its economic life, with no option to purchase or with an option to purchase at not less than fair market value, shall be deemed owned by the lessor and no depreciation or investment tax credit may be taken by the lessee under this chapter.

"(B) RENTAL OR LIMITED-EQUITY COOPERATIVE HOUSING PROJECTS.—An issue of obligations shall not be treated as quasi-governmental if 95 percent or more of the net proceeds are to be used to provide projects for residential rental or limited-equity cooperative property if, at all times during the qualified project period, either,

"(i) 20 percent or more of the units in the project are occupied by individuals whose income is 70 percent or less of median gross income, or

"(ii) 25 percent or more of the units in the project are occupied by individuals whose income is 80 percent or less of median gross income.

whichever is elected by the issuer for the project when the bonds are issued. Property shall not be treated as failing to be residential rental or limited-equity cooperative property merely because part of the building in which such property is located is used for purposes other than residential rental purposes. A cooperative housing project shall be deemed a limited-equity cooperative if it limits the resale prices of membership shares to the initial membership amount plus a cost-of-living adjustment, the value of improvements, the unit's share of the principal amortized on the project mortgage, and the unit's share of project reserves.

"(C) For purposes of this section, the term 'governmental unit' does not include the United States or any agency or instrumentality thereof.

"(4) CERTAIN EXEMPT ACTIVITIES.—Paragraph (1) shall not apply to any obligation which is issued as part of an issue 95 percent or more of the net proceeds of which are to be used to provide—

(A) convention or trade show facilities,

(B) airport docks, wharves, or storage or training facilities directly related to any of the foregoing,

(C) mass commuting facilities, or storage or training facilities directly related thereto,

(D) facilities for the local furnishing of electric energy or gas,

(E) air or water pollution control facilities,

(F) qualified hydroelectric generating facilities,

(G) local district heating or cooling facilities, and

(H) hazardous waste disposal facilities.

For purposes of subparagraph (D), the local furnishing of electric energy or gas from a facility shall include furnishing solely within the area consisting of a city and 1 contiguous county. For purposes of this section, the term "facilities" includes both real and personal tangible property. Facilities described in this paragraph may include land, buildings or other property functionally related and subordinate to such facilities, including incidental commercial facilities serving employees and visitors, but not including hotels, facilities for the preparation of food to be consumed in flight or at sea, or shopping malls or arcades.

(c) 95 PERCENT.—Paragraph (5) and subparagraph (6)(A) of section 103(b) are amended by striking "substantially all of the" and substituting "95 percent or more of the net".

(d) REPEAL OF SUNSET. DEFINITION OF PRINCIPAL USER.—Subparagraph (N) of section 103(b)(6) is amended to read as follows:

"(N) COGENERATION AND ALTERNATIVE ENERGY.—A person shall not be treated as a principal user of a facility for purposes of subparagraphs (D) and (E) of this paragraph and subparagraph (D) of paragraph (15) if such person purchases the output of the facility pursuant to a power sales agreement in accordance with the Public Utility Regulatory Policies Act of 1978 and the agreement under which such purchase is made would be treated as a service contract under section 7701(e) (3) and (4).

"(7) NONPROFIT INSTITUTIONS.—Paragraph (7) is inserted in section 103(b), reading as follows:

"(7) BONDS FOR NONPROFIT INSTITUTIONS.—Paragraph (1) shall not apply to any obligation which is issued as part of an issue 95

percent or more of the net proceeds of which are to be used by one or more 501(c)(3) organizations in activities which do not constitute unrelated trades or businesses, determined by applying section 513(a), provided that any property so financed is to be owned by or on behalf of governmental units or 501(c)(3) organizations. For purposes of this paragraph, '501(c)(3) organizations" means organizations described in section 501(c)(3) and exempt from tax under section 501(a). For purposes of this paragraph, facilities which are to be primarily used by a 501(c)(3) organization other than in an unrelated trade or business shall be deemed eligible for financing under this paragraph notwithstanding their off-season or occasional use for other purposes or by other persons. Eligible facilities may include incidental commercial facilities serving visitors, users and personnel which are reasonably related in function and scope to the purposes of the 501(c)(3) organization. Doctors' office buildings shall not be eligible facilities.

(f) OTHER QUASI-GOVERNMENTAL BONDS.—Paragraph (9) of section 103(b) is amended to read as follows:

"(9) QUALIFIED BONDS.—Paragraph (1) shall not apply to qualified mortgage bonds, qualified veterans' mortgage bonds, qualified student loan bonds and qualified tax-increment bonds."

(g) LOW-INCOME HOUSING.—Paragraph (12) of section 103(b) is amended to read as follows:

"(12) PROJECTS FOR RESIDENTIAL RENTAL OR LIMITED-EQUITY COOPERATIVE PROPERTY.—For purposes of paragraph (3)(B).

: "(A) QUALIFIED PROJECT PERIOD.—The term 'qualified project period' means the period beginning on the first day on which 10 percent of the units in the project are occupied (or the date of issuance of the bonds, if later) and ending on the later of—

"(i) the date which is 12 years after the date on which at least 50 percent of the units in the project are first occupied, or

"(ii) the 1st day on which no tax-exempt bond issued with respect to the project is outstanding.

"(B) INCOME OF INDIVIDUALS; MEDIAN GROSS INCOME.—The income of individuals and median gross income shall be determined by the Secretary in a manner consistent with determinations of lower income families and median gross income under section 8 of the United States Housing Act of 1937 (or, if such program is terminated, under such program as in effect immediately before such termination). Determinations under the preceding sentence shall include adjustments for family size but such adjustments shall not be applicable to projects for the elderly. For this purpose, "projects for the elderly" are projects in which at least 95 percent of the units are made available solely to any of the following—

(i) any family of two or more persons the head of which (or his or her spouse) is 62 years of age or over,

(ii) the surviving member of any family described in clause (i) living in a tax-exempt bond financed unit with the deceased member of the family at the time of his or her death,

(iii) any single person who is 62 years of age or over, or

(iv) two or more persons 62 years of age or over living together or one or more such persons living with another person who is determined by the issuer, based upon a licensed physician's certification to be essential to their care or well being.

"(C) CURRENT INCOME DETERMINATIONS.—

"(i) IN GENERAL.—The determination of whether a resident meets the income requirements of clause (i) or (ii) of paragraph (3)(B) (whichever applies to the project) shall be made at least annually on the basis of the current income of the resident. The income limit shall be deemed satisfied with respect to any occupant if the party responsible for the determination or redetermination reasonably believes on the basis of information furnished by the occupant that the occupant's income is within the applicable limitation.

"(ii) CONTINUING RESIDENT'S INCOME MAY INCREASE TO 120 PERCENT OF APPLICABLE CEILING.—A resident of a project whose income met the requirement of clause (i) or (ii) of paragraph (3)(B) (whichever applies to such project) as of the beginning of such resident's occupancy of a unit in such project shall cease to be treated as meeting such requirement only if such resident's income exceeds 120 percent of such requirement, and after such event any like-sized and comparable vacant unit in the project is rented to a new occupant (or, in the case of a limited-equity cooperative, sold to a new member) whose income does not meet the applicable requirement of such clause (i) or (ii).

"(D) CERTIFICATION TO SECRETARY.—The operator of any qualified residential rental project shall submit to the Secretary (at such time and in such manner as the Secretary shall prescribe) an annual certification that such project continues to meet the requirements of paragraph (3)(B). Any failure to comply with the provisions of the preceding sentence shall not affect the tax-exempt status of any bond but shall subject the operator to penalty, as provided in section 6652(k)."

(h) SUBSTANTIAL USER AND MATURITY LIMIT.—Paragraphs (13) and (14) of section 103(b) are amended by inserting "(3A) (insofar as it relates to facilities not owned by governmental units), (3B),", before "(4)" and by inserting "of this subsection and the reference to qualified tax-increment bonds in subsection (o)(2)(B)(i)" after "(7)".

(i) MATURITY LIMIT.—Subparagraph (C) of section 103(b)(14) is amended by adding the following clause:

"(ii) REFUNDING.—In the case of a refunding issue, this paragraph shall be applied to the average maturity of the refunding issue and of any retired or unrefunded portions of the prior issue, taken together, from the date of the original issue."

(j) LAND ACQUISITION.—Subparagraph (A) of section 103(b)(16) is amended by striking "(4)," and the comma after "(5)".

(k) FIRST TIME FARMERS.—

(1) ACQUISITION OF LAND OR EXISTING PROPERTY.—Subparagraph (B) of section 103(b)(16) is amended by striking clauses (i) and (ii) and substituting the following:

"(i) Subparagraph (A) and paragraph (17) shall not apply to land or existing property to be used for farming purposes if such land or property is to be acquired by a first-time farmer who will be the principal user of such land or property and will materially and substantially participate in the operation of the farm of which such land is a part or on which the existing property will be used. This exception shall apply only to the extent of expenditures (financed with the proceeds of the issue) not in excess of $250,000.

(2) SUBSTANTIAL FARMLAND.—Subclause (I) of section 103(b)(16)(B) is amended by striking "15" and substituting "30".

(l) ACQUISITION OF EXISTING FACILITIES.—Subparagraph (A) of section 103(b)(17) is amended by striking "(4), (5), (6) and (7)" and substituting "(5) and (6)".

(m) SMALL ISSUE TARGETING.—Paragraph (190) is inserted after paragraph (18) of section 103(b), reading as follows:

"(19) SMALL ISSUE TARGETING.—Paragraph (6) shall not apply to any obligation issued as part of an issue unless—

"(A) the principal user and its related persons employ no more than 500 persons (including any additional employment reasonably expected to result from the financing), or

"(B) the land or depreciable property referred to in subparagraph (6)(A) is located in a revitalization area.

For purposes of this paragraph, a "revitalization area" means an area designated pursuant to a State targeting plan that is designed to assist economically distressed areas, using the following as minimum criteria:

"(A) an unemployment rate above the State average,

"(B) personal income below the State median, and

"(C) an aggregate population for all revitalization areas within the State not exceeding 15 percent of the State's total population.

A revitalization area may (but need not) be smaller than a municipality. A State targeting plan shall be adopted by a board or officer designated by State law or by the Governor.

(n) 501(c)(3) CEILING.—Paragraph (20) is inserted at the end of section 103(b), reading as follows:

"(20) $150,000,000 CEILING ON NON-HEALTH CARE 501(C)(3) BONDS.—Paragraph (7) shall not apply to any obligation issued as part of an issue if the face amount of the issue allocable to a 501(c)(3) organization (when increased by the outstanding obligations that are tax-exempt by reason of paragraph (7) (or would have been tax-exempt by reason of paragraph (b)(7) had it been in force at the time of issuance) and are allocable to the organization as a test-period beneficiary) exceed $150,000,000. This paragraph shall not apply to obligations issued for health care purposes. For purposes of this paragraph—

"(A) EXCLUSION OF REFUNDING OBLIGATIONS.—This paragraph shall not apply to refunding obligations to the extent of the outstanding amount of the prior obligations.

"(B) AGGREGATION RULE.—Two or more organizations under common management and control shall be treated as 1 organization.

"(C) ALLOCATION.—In the case of a pooled financing for more than 1 501(c)(3) organization, the amount of the issue shall be allocated among them in proportion to the net proceeds used by them.

"(D) TEST-PERIOD BENEFICIARY.—The term "test-period beneficiary" shall have the same meaning as in paragraph (15)(D)."

SEC. 3. ARBITRAGE

(a) IN GENERAL.—Paragraph (2) of section 103(c) is amended to read as follows:

"(2) DEFINITIONS.—For purposes of this subsection—

"(A) ARBITRAGE BOND.—'Arbitrage bond' means any obligation issued as part of an issue more than a minor portion of the proceeds of which are reasonably expected at the time of issuance to be used directly or indirectly—

"(i) to acquire higher yielding investments, or

"(ii) to replace funds which were used directly or indirectly to acquire higher yielding investments.

If proceeds of an issue of obligations are used in fact in a manner that would, if reasonably expected at the time of issuance, cause the obligations to be arbitrage bonds, the issue shall be subject to paragraph (7). For purposes of this subparagraph, "minor" means 1 percent (or, if higher, $10,000) in the case of refunding proceeds and 10 percent (or, if higher, $10,000) in the case of new issue proceeds, provided that the amount of proceeds invested as a minor portion in higher yielding investments, when added to the amount of proceeds invested in higher yielding investments as part of a reasonably required reserve or replacement fund, shall not exceed the limit prescribed in paragraph (4)(B). Eight months after the termination of the temporary period under paragraph (4)(A)(i), either by expiration or pursuant to paragraph (4)(A)(ii), the minor portion for new issue proceeds shall be reduced to 1 percent (or $10,000 if higher).

"(B) HIGHER YIELDING INVESTMENTS.—'Higher yielding investments' means any investment property which can reasonably be expected, at the time of issuance of the bond, to produce a yield over the term of the issue which is materially higher (taking into account any discount or premium) than the yield on the bonds of such issue.

"(C) INVESTMENT PROPERTY.—'Investment property' means—

"(A) any security (within the meaning of section 165(g)(2)(A) or (B)),

"(B) any obligation,

"(C) any annuity contract, or

"(D) any investment-type property.

Such term shall not include any tax-exempt obligation.

(b) CERTAIN EDUCATIONAL INSTITUTIONS.—Paragraph (3) of Section 103(c) is repealed.

(c) TEMPORARY PERIOD AND RESERVES.—Paragraph (4) of section 103(c) is amended to read as follows:

"(4) SPECIAL RULES.—

"(A) TEMPORARY PERIOD.—

"(i) IN GENERAL.—An obligation shall not be treated as an arbitrage bond by reason of the fact that the proceeds of the issue of which such obligation is a part are reasonably expected to be invested for a reasonable temporary period until such proceeds are needed for the purposes for which such issue was issued. Where applicable law permits proceeds to be transferred and spent for other purposes, proceeds so expended shall be deemed expended for the purposes of the issue.

"(ii) LIMITATION OF TEMPORARY PERIOD.—In the case of an issue of obligations other than quasi-governmental bonds (and other than a refunding issue), the temporary period shall terminate 1 year from the date of issue provided, however, that, in the case of moneys borrowed for construction, reconstruction or rehabilitation (including the acquisition of land, equipment and furnishings in connection therewith), if at least 20 percent of the net proceeds have been spent for the purposes of the issue within 1 year, the temporary period may be extended for an additional year, and provided further, in such case, that, if at least 50 percent of the net proceeds have been spent for the purposes of the issue within 2 years, the temporary period may be extended for a second additional year. For purposes of this clause, qualified veterans' mortgage bonds and obligations described in paragraph (b)(7) that are issued for health care facilities shall not be deemed quasi-governmental.

"(iii) QUALIFIED STUDENT LOAN BONDS.—The temporary period for qualified student loan bonds shall be 1 year, provided that it is reasonably expected on the date of issuance that at least 85 percent of the net proceeds will be expended for the purposes of the issue within 1 year. The 1-year temporary period may be extended (to not more than 3 years) to the extent necessary to permit the recovery of issuance and underwriting costs and any upfront or non-recurring costs of bond insurance, letter-of-credit and other credit-enhancement or liquidity-facility fees incurred to reduce interest. Any costs so recovered from arbitrage earnings after 1 year shall not be taken into account in computing yield under paragraph (6)(H)(iii).

"(B) REASONABLY REQUIRED RESERVE OR REPLACEMENT FUND.—A bond shall not be treated as an arbitrage bond by reason of the fact that an amount of the proceeds of the issue of which such bond is a part is reasonably expected to be invested in higher yielding investments which are part of a reasonably required reserve or replacement fund. This amount shall not exceed 15 percent of the proceeds of the issue unless the issuer establishes that a higher amount is necessary."

(d) INVESTMENT IN NONPURPOSE OBLIGATIONS.—Subparagraph (A) and (B) of section 103(c)(6) is amended to read as follows:

"(A) IN GENERAL.—An issue of quasigovernmental bonds which does not meet the requirements of subparagrahs (C) and (D) shall be subject to paragraph (7)."

"(B) MORTGAGE AND STUDENT LOAN BONDS.—Subparagraph (D) shall not apply to any issue of qualified student loan bonds, qualified mortgage bonds, or qualified veterans' mortgage bonds or to an issue of obligations described in paragraph (b)(7) that is issued for health care facilities".

(e) DEFINITIONS.—Paragraph (H) of section 103(c)(6) is amended by striking "paragraph" and substituting "subsection".

(f) INVESTMENT PROPERTY.—Clause (i) of section 103(c)(6)(H) is amended by striking "security (within the meaning of subparagraph (A) or (B) of section 165(g)(2)) or any obligation not described in subsection (a)" and substituting "investment property".

(g) GROSS PROCEEDS.—Clause (ii) of section 103(c)(6)(H) is amended by adding the following after subclause (II): "Gross proceeds do not include amounts paid to issuers as administrative or issuer fees."

(h) YIELD.—Clause (iii) of section 103(c)(6)(H) is amended to read as follows:

"(iii) YIELD.—The yield on the issue shall be determined on the basis of the issue price (within the meaning of section 1273 or 1274) as adjusted by bond insurance, letter-of-credit and other credit-enhancement or liquidity-facility fees incurred to reduce interest."

(i) DISGORGEMENT AND PENALTIES.—Subsection (c) of section 103 is further amended by renumbering paragraph (7) as (8) and by inserting a new paragraph (7), reading as follows:

"(7) DISGORGEMENT AND PENALTIES.—If an issuer is subject to this paragraph by reason of a failure to pay a rebate as provided in paragraph (6), or to restrict yield provided in paragraph (2) or (6), the issuer shall be liable for payment of the rebate when due or, in the case of a failure to restrict yield, shall be liable to disgorge the excess yield to the United States within 90 days from the close of each fiscal year, with interest from the close of the fiscal year at the underpayment rate established under section 6621(a) and (b), after first recovering any unrecovered negative arbitrage from prior periods to which yield restriction applied. If the rebate or excess yield is not paid or disgorged when required, the issuer shall have a 90-day period of grace within which to pay the rebate, or disgorge the excess yield, with interest. If the issuer fails to do so within the grace period, it shall remain liable to the United States for the amount so paid or disgorged plus a 100 percent penalty. The Secretary may waive or reduce any such penalty upon determining that the failure was not due to intentional disregard of the requirement. If obligations are issued for the benefit of one or a limited number of persons other than the issuer, the issuer may discharge its obligations under this paragraph by obtaining convenants of the benefitted persons to disgorge any excess yield, or pay the rebate, and, to the extent it does so, the benefitted persons shall be substituted for the issuer for the purposes of this paragraph. The liability of a governmental unit to disgorge excess yield or pay a rebate or penalty under this paragraph shall be limited to the sources from which it was empowered at the time of issue to make the obligations payable without satisfying substantial additional requirements of State law (including home rule charter provisions that have the force of a legislative charter), such as approval by the voters or by a super-majority of the legislative or governing body or a limit on the amount of general obligation indebtedness."

SEC. 4. CERTAIN IRRIGATION DAMS.—Subsection (d) of section 103 is amended by striking "(b)(4)(G)" and substituting "(b)(4)(F)".

SEC. 5. QUALIFIED SCHOLARSHIP FUNDING BONDS.—Section 103(e) is amended by adding the following after paragraph (2): "For purposes of this section, a qualified scholarship funding bond shall be treated as issued on behalf of a State or local government unit (whichever is appropriate).

SEC. 6. CERTAIN FEDERALLY GUARANTEED OBLIGATIONS.—Subsection (f) of section 103 is repealed.

SEC. 7. QUALIFIED STEAM GENERATING OR ALCOHOL-PRODUCING FACILITIES.—Paragraph (1) of section 103(g) is amended by striking "(b)(4)(E)" and substituting "(b)(3)(B)".

SEC. 8. FEDERAL GUARANTEES.—

(a) SIGNIFICANT PORTION.—Clause (B) of section 103(h)(2) is amended by striking "a significant portion of the " and substituting "more than 5 percent of the net".

(b) CROSS-REFERENCES.—Subclause (I) of section 103(h)(3)(C)(i) is amended by striking "(b)(4)(A)" and inserting "(b)(3)(B)".

(c) CHANGE OF TERMINOLOGY.—Subparagraph (A) of section 103(h)(4) is amended by striking "(as defined in subsection (n)(7))".

SEC. 9. PUBLIC APPROVAL REQUIREMENT.—

(a) CERTAIN GOVERNMENTAL BONDS.—Paragraph (1) of section 103(k) is amended by inserting a comma after "bond" and inserting "or an obligation that would be a quasi-governmental bond but for subsection (b)(3)(A) (insofar as it relates to facilities not owned by governmental units) or (b)(3)(B)," after the comma.

(b) POOLED FINANCING.—Paragraph (2)(A) of section 103(k) is amended by adding after clause (ii): "Clause (ii) shall not apply to qualified mortgage bonds, qualified veterans' mortgage bonds, or qualified student loan bonds, or to pooled financings for 501(c)(3) organizations, as described in subsection (b)(7), where the identity of the facilities to be financed has not been established on the date of issuance."

(c) PLAN OF FINANCING.—Paragraph (2)(C) of section 103(k) is amended by inserting "(or purpose") after "facility" in two places.

SEC. 10. INFORMATION REPORTING.—

(a) OBLIGATIONS SUBJECT TO REQUIREMENT.—Paragraph (1) of section 103(l) is amended to read as follows:

"(1) IN GENERAL.—Notwithstanding subsection (b), a quasi-governmental bond, or an obligation that would be a quasi-governmental bond but for subsection (b)(3)(A) (insofar as it relates to facilities not owned by governmental units) or (b)(3)(B), shall be treated as an obligation not described in paragraph (1) or (2) of subsection (a) unless such bond satisfies the requirements of paragraph (2)."

(b) CONTENT OF REPORT.—Subparagraph (B) of section 103(l)(2) is amended to read as follows:

"(B) the date of issue, the amount of net proceeds of the issue, the stated interest rate, term and face amount of each bond which is part of the issue, and the costs of issuance and amount of reserves of the issue,"

(c) ADDITIONAL PROVISIONS.—Paragraph (2) of section 103(l) is further amended by striking "and" at the end of subparagraph (D), changing the period at the end of subparagraph (E) to a comma, and adding the following;

"(F) in the case of qualified mortgage bond or qualified veterans' mortgage bond, such information as the Secretary requires in order to determine whether such bond met the requirements of section 103A and the extent to which proceeds of such bond have been made available to low-income individuals, and

"(G) a certification by a State official designated by State law (or, where there is no such designation, by the Governor) that the bond meets the requirements of subsection (n) (relating to the volume limitation on quasi-governmental bonds)."

Subparagraph (D) and (E) shall not apply to qualified mortgage bonds, qualified veterans' mortgage bonds, or qualified student loan bonds, or to pooled financings for 501(c)(3) organizations, as described in subsection (b)(7), where the identity of the facilities to be financed has not been established on the date of issuance."

SEC. 11. OBLIGATIONS EXEMPT UNDER OTHER LAWS.—Paragraph (1) of subsection 103(m) is amended by striking "and (n)", substituting "(n), (o), (p), and (r)" and adding the following sentence: "The provisions of subsection (q) shall also be applicable."

SEC. 12. VOLUME LIMITATION.—

(a) CHANGE OF TERMINOLOGY.—Section 103 is amended by striking "PRIVATE ACTIVITY" or "private activity" wherever it appears in any title or subtitle or in any text and substituting "QUASI-GOVERNMENTAL" or "quasi-governmental", as appropriate.

(b) OVERLAPPLING TERRITORY.—Subparagraph (B) of section 103(n)(3) is amended to read as follows:

"(B) OVERLAPPING JURISDICTIONS.—For purposes of clause (A)(i), if an area is within the jurisdiction of 2 or more governmental units, such area shall be treated as only within the jurisdiction of the unit having jurisdiction over the smallest geographical area unless such unit agrees to surrender all or part of such jurisdiction for such calendar year to the unit with overlapping jurisdiction which has the next smallest geographical area."

(c) STATE CEILING.—Clause (i) of section 103(n)(4)(A) is amended by striking "$150" and substituting "$225" and by striking "$200,000,000" and substituting "260,000,000".

(d) OBSOLETE PROVISIONS.—Subparagraphs (B) and (C) of section 103(n)(4) are repealed.

(e) CONSTITUTIONAL HOME RULE.—Paragraph (5) of section 103(n) is amended to read as follows:

(5) SPECIAL RULE FOR STATES WITH CONSTITUTIONAL HOME RULE CITIES.—For purposes of this subsection—

(A) IN GENERAL.—The applicable limit for any constitutional home rule city for any calendar year shall be determined under subparagraph (A) of paragraph (3) by substituting "100 percent" for "50 percent".

(B) COORDINATION WITH PARAGRAPHS (2) AND (3).—In the case of any State which contains 1 or more constitutional home rule cities, for purposes of applying paragraphs (2) and (3) with respect to issuing authorities in such State other than constitutional home rule cities, the State ceiling for any calendar year shall be reduced by the aggregate applicable limits determined for such year for all constitutional home rule cities in such State.

(C) CONSTITUTIONAL HOME RULE CITY.—For purposes of this subsection, the term "constitutional home rule city" means, with respect to any calendar year, any political subdivision of a State which, under a State constitution which was adopted in 1970 and effective on July 1, 1971, had home rule powers on the first day of the calendar year.

(f) OTHER ISSUING AUTHORITIES.—Subparagraphs (A) and (B)(i) of section 103(n)(6) are amended by inserting "(or other authorities)" after "governmental units".

(G) TERMINATION OF GOVERNOR'S INTERIM AUTHORITY.—Subclause (I) of section 103(n)(6)(B)(ii) is amended to read:

"(I) the 1st day of the 1st calendar year after 1986 during which the legislature of the State met in regular session, or"

(h) HOME RULE.—Subparagraph (C) of section 103(n)(6) is amended to read as follows:

(C) STATE MAY NOT ALTER ALLOCATION TO CONSTITUTIONAL HOME RULE CITIES.—Except as otherwise provided in a State constitutional amendment (or law changing the home rule provision adopted in the manner provided by the State constitution), the authority provided in this paragraph shall not apply to that portion of the State ceiling which is allocated to any constitutional home rule city in the State unless such city agrees to such different allocation.

(i) REFUNDING.—Paragraph (7) of section 103(n) is amended to read as follows:

"(7) TREATMENT OF REFUNDING ISSUES.—For purposes of the volume limitation imposed by this subsection—

"(A) IN GENERAL.—The term 'quasi-governmental bond' shall not include any bond which is issued to refund another bond to the extent that the amount of refunding bond does not exceed the outstanding amount of the refunded bond.

"(B) SPECIAL RULE FOR STUDENT LOAN BONDS.—In the case of any qualified student loan bond, subparagraph (A) shall apply only if the maturity date of the refunding bond is not later than the later of—

"(i) the maturity of the bond to be refunded, or

"(ii) the date 17 years after the date on which the refunded bond was issued (or in the case of a series of refundings, the date on which the original bond was issued).

"(C) SPECIAL RULE FOR QUALIFIED MORTGAGE BONDS AND QUALIFIED VETERANS' MORTGAGE BONDS.—In the case of any qualified mortgage bond or qualified veterans' mortgage bond, subparagraph (A) shall apply only if the maturity date of the refunding bond is not later than the later of—

"(A) the maturity of the bond to be refunded, or

"(B) the date 32 years after the date on which the refunded bond was issued (or in the case of a series of refundings, the date on which the original bond was issued)."

(j) OBSOLETE PROVISION.—Paragraph (8) of section 103(n) is repealed.

(k) UPDATING.—Clause (i) of section 103(n)(10)(A) is amended by striking "1983" and substituting "1985".

(l) CARRYFORWARD PROJECTS.—Clauses (i) and (ii) of section 103(n)(10)(E) are amended to read as follows:

"(i) any project or purpose described in paragraph (4), (5) or (7) of subsection (b), and

"(ii) the purpose of issuing qualified student loan bonds, qualified tax-increment bonds, qualified mortgage bonds, qualified veterans' mortgage bonds, or mortgage credit certificates."

(m) MORTGAGE CREDIT CERTIFICATES.—Paragraph (12) of section 103(n) is amended to read as follows:

"(13) REDUCTION FOR MORTGAGE CREDIT CERTIFICATES.—The applicable limit of any authority issuing qualified mortgage bonds for any calendar year shall be reduced by the amount of qualified mortgage bonds which such authority elects not to issue under section 25(c)(2)(A)(ii) during such year."

SEC. 13. PRIVATE LOAN BONDS.—

(a) CHANGE OF TERMINOLOGY.—Subsection (o) of section 103 is amended by striking "CONSUMER" or "consumer" wherever it appears in the title or in any subtitle or in the text and substituting "PRIVATE" or "private", as appropriate.

(b) DEFINITION.—Subparagraph (A) of section 103(o)(2) is amended by striking "a significant portion of the" and substituting "more than 5 percent of the net" and by striking "who are not exempt persons (within the meaning of subsection (b)(3))" and substituting "other than governmental units".

(c) EXCLUDED OBLIGATIONS.—Clauses (i) and (ii) of section 103(o)(2)(B) are amended to read as follows:

"(i) qualified student loan bond or qualified tax-increment bond,

"(ii) bonds described in paragraphs (3)(A), (3)(B), (4), (5), (6), and (7) of subsection (b), or"

(d) EXCLUDED LOANS.—Clause (ii) of section 103(o)(2)(C) is amended by striking "subsection (c)(6)(G)(i)" and substituting "subsection (c)(6)(H)(i)"

SEC. 14. STUDENT LOAN BONDS.—Paragraph (3) of section 103(o) is amended to read as follows:

"(3) QUALIFIED STUDENT LOAN BONDS.—For purposes of this section, the term 'qualified student loan bond' means any obligation which is issued as part of an issue 95 percent or more of the net proceeds of which are reasonably expected to be used directly or indirectly to make or finance student loans (including start-up costs) under—

(A) a program to which the Higher Education Act of 1965 applies if—

(i) limitations are imposed under the program on—

(I) the maximum amount of loans outstanding to any student, and

(II) the maximum rate of interest payable on any loan,

(ii) the loans are directly or indirectly guaranteed by the Federal Government,

(iii) the financing of loans under the program is not limited by Federal law to the proceeds of obligations the interest on which is exempt from taxation under this title, and

(iv) special allowance payments under section 438 of the Higher Education Act of 1965—

(I) are authorized to be paid with respect to loans made under the program, or

(II) would be authorized to be made with respect to loans under the program if such loans were not financed with the proceeds of obligations the interest on which is exempt from taxation under this title, or

"(B) the program of insured loans to graduate students in health profession schools authorized by subpart 1 of the part C of title 17 of the Public Health Service Act (42 U.S.C. § 294 et. seq.), or

"(C) a program approved by the State to which part B of title IV of the Higher Education Act of 1965 (relating to guaranteed student loans) does not apply if the program requires that a loan under such program does not exceed the difference between the total cost of attendance and other forms of student assistance (not including loans pursuant to section 428(a)(1) of such Act (relating to parent loans) or subpart I of part C of title VII of the Public Health Service Act (relating to student assistance)) for which the student borrower may be eligible.

A program shall not be treated as described in subparagraph (A) if, with respect to legal residents of the State such program discriminates on the basis of the location (in the United States) at which the educational institution is located. For purposes of this subsection, the term start-up costs means interest and administrative expenses and other program costs incurred pending the development of sufficient revenues from loan repayments."

SEC. 15. TAX-INCREMENT BONDS.—Section 103(o) is further amended by inserting the following paragraph after paragraph (3):

"(4) QUALIFIED TAX-INCREMENT BONDS.—For purposes of this section—

"(A) IN GENERAL.—The term 'qualified tax-increment bond' means any obligation that is issued as part of an issue if—

"(i) 95 percent or more of the net proceeds of the issue are to be used for 1 or more redevelopment purposes in a designated blighted area.

"(ii) any increase in real property tax revenues from the area by reason of the carrying out of such purposes is reserved (subject to any prior reservation) for debt service on the issue (or on the issue and other similar issues with respect to the same area) to the extent necessary for such debt service, and

"(iii) the issue is issued pursuant to—

"(I) a State law which authorizes the issuance of such bonds for 1 or more redevelopment purposes in blighted areas, and

"(II) a redevelopment plan which is adopted before such issuance by the governing body described in subparagraph (c)(i) with respect to such area.

"(B) REDEVELOPMENT PURPOSES.—For purposes of subparagraph (A), the term "redevelopment purposes" means, with respect to any designated blighted area—

"(i) the acquisition (pursuant to the power of eminent domain or the threat thereof) of real property located in the area,

"(ii) the clearing and preparation of land in the area for redevelopment and the transfer of interests in real property located in the area to nongovernmental persons for fair market value,

"(iii) the rehabilitation of real property in the area acquired as provided in subparagraph (I), and

"(iv) the relocation of occupants of the real property so acquired.

"(C) DESIGNATED BLIGHTED AREA.—

"(i) IN GENERAL.—The term 'designated blighted area' means any blighted area designated by the governing body of a local general purpose governmental unit in the jurisdiction of which the area is located.

"(ii) BLIGHTED AREA.—The following characteristics shall be taken into account by the governmental unit in determining whether an area is a blighted area: excessive vacant land on which structures were previously located, abandoned or vacant buildings, old buildings, excessive vacancies, substandard structures, and delinquency in payment of real property taxes.

"(iii) MAXIMUM AREA WHICH MAY BE DESIGNATED.—An area may be designated by a governmental unit for purposes of this paragraph only if the assessed value of real property located in the area, when increased by the assessed value of real property located in all designated blighted areas within the jurisdiction of the governmental unit, does not exceed 25 percent of the total assessed value of all real property located within such jurisdiction.

SEC. 16. ADVANCE REFUNDINGS.—Section 103 is amended by redesignating subsection (o) [p] (relating to cross references) as subsection (s) and by inserting the following new subsection after subsection (o):

"(p) ADVANCE REFUNDING.—

"(1) NO ADVANCE REFUNDINGS OF QUASI-GOVERNMENTAL BONDS.—Section 103(a) shall not apply to any obligation issued to advance refund a tax-exempt quasi-governmental bond, or an obligation that would be a quasi-governmental bond but for subsection (b)(3). Notwithstanding the foregoing, a quasi-governmental bond described in paragraph (b)(7) that is issued for health care facilities may be advance refunded under the rules set forth in paragraph (2) of this subsection.

"(2) ADVANCE REFUNDING OF GOVERNMENTAL BONDS.—Section 103(a) shall not apply to any obligation (hereinafter in this paragraph referred to as the 'refunding bond') issued to advance refund a tax-exempt obligation other than a quasi-governmental bond unless—

"(A) the refunding bond is only the first or second advance refunding of the original bond, and

"(B) the refunded bond is required to be redeemed not later than the earliest date on which such bond could be redeemed at par. If an obligation is advance refunded, the temporary period under subparagraph (c)(4)(A) for the refunding proceeds and for the proceeds of the refunded obligation shall end 7 days after the date of issue of the refunding bonds.

"(3) ADVANCE REFUNDING.—For purposes of this subsection, an obligation shall be treated as issued to advance refund another obligation if it is issued more than 180 days before the redemption of the refunded obligation.

"SEC. 17. CHANGES IN USE OR OWNERSHIP.—Section 103 is further amended by inserting the following new subsection:

"(q) EFFECT OF CHANGES IN USE OR OWNERSHIP.—

"(1) FACILITIES FINANCED UNDER PARAGRAPH (b)(7).—

"(A) USE IN UNRELATED TRADE OR BUSINESS.—If any portion of a facility (other than a health care facility) financed by obligations exempt by reason of paragraph (b)(7) continues to be owned by a 501(c)(3) organization, but is used by it during any period in an unrelated trade or business, the interest accrued on the obligations attributable to such portion for such period shall be nondeductible against the income derived from the unrelated trade or business.

"(B) USE BY A PERSON OTHER THAN GOVERNMENTAL UNIT OR A 501(C)(3) ORGANIZATION.—

"(i) If any portion of a facility (other than a health care facility) financed by obligations exempt by reason of paragraph (b)(7) continues to be owned by a 501(c)(3) organization, but ceases for any period to be used by it and is made available during any period, by lease or otherwise, for use by a person other than a governmental unit or another 501(c)(3) organization (or for use by another 501(c)(3) organization in its unrelated trade or business), an amount equal to the interest accrued on the obligations attributable to such portion for such period shall be treated as an item of unrelated business income to the owner with no offsetting deduction for the interest so accrued.

(ii) If any portion of a facility (other than a health care facility) financed by obligations exempt by reason or paragraph (b)(7) continues to be owned by a governmental unit but ceases to be used by any 501(c)(3) organization for a purpose other than an unrelated trade or business and is made available, by lease or otherwise, for use for any period by any person in a trade or business, then no deduction shall be allowed under this chapter for any amount paid or incurred for the use of such portion except to the extent such amount exceeds the interest accrued for such period on the tax-exempt obligations attributable to such portion.

"(C) CHANGE OF OWNERSHIP.—If the ownership of any portion of a facility (other than a health care facility) financed by obligations exempt by reason of paragraph (b)(7) is transferred by a governmental unit or 501(c)(3) organization to a person other than a governmental unit or 501(c)(3) organization (or to a 501(c)(3) organization for use in an unrelated trade or business), no deduction shall thereafter be allowed under this chapter for any interest accrued for any period on obligations incurred by the new owner for the acquisition except to the extent such interest exceeds the interest accrued for such period on the tax-exempt obligations attributable to such portion.

"(2) OTHER FACILITIES FINANCED BY QUASI-GOVERNMENTAL BONDS.—

"(A) If any portion of any facility not owned by a governmental unit and financed by obligations exempt by reason of paragraph (b)(3)(A) or (4) ceases to be used for a purpose for which tax-exempt obligations could be issued under paragraph (b)(3)(A) or (4) on the date of issue, and is used during a period for a purpose for which tax-exempt obligations could not be so issued, no deduction shall be allowed under this chapter for interest accrued on the obligations attributable to such portion for such period.

"(3) RESIDENTIAL RENTAL OR LIMITED-EQUITY COOPERATIVE PROPERTY.—If a project financed by obligations exempt by reason of paragraph (b)(3)(B) ceases to satisfy the requirements of paragraph (b)(3)(B) for a period of more than 6 months no deduction shall be allowed under this chapter for interest on the obligations attributable to such project for the period of non-qualification after the 6 months.

SEC. 18. NET PROCEEDS.—Section 103 is further amended by inserting the following new subsection:

"(r) NET PROCEEDS.—For purposes of this section and section 103A, the term 'net proceeds' means the proceeds of the issue reduced by issuance costs and a reasonably required reserve and replacement fund."

SEC. 19. QUALIFIED MORTGAGE BONDS.—

(a) SIGNIFICANT PORTION.—Paragraph (1) of section 103A(b) is amended by striking "a significant portion of the" and substituting "more than 5 percent of the net".

(b) REPEAL OF SUNSET.—Clause (B) of section 103A(c)(1) is repealed.

(c) 95 PERCENT.—Clause (i) of section 104A(c)(2)(A) is amended to read as follows:

"(i) 95 percent or more of the net proceeds of such issue are to be used to make or finance loans for owner-occupied residences, and"

(d) CROSS-REFERENCE.—Paragraph (3) of section 103A(c) is amended by inserting "and section 103" after "section".

(e) 95 PERCENT.—Subparagraph (A) of section 103A(c)(3) is amended by striking "substantially all of the" and substituting "95 percent or more of the net".

(f) CROSS-REFERENCE.—Subparagraph (C) of section 103A(c)(3) is amended by striking "paragraphs (1) and (3) of subsection (j)" and substituting "subsection (j)(1)".

(g) FIRST-TIME BUYERS.—Paragraph (1) of section 103A(e) is amended by striking "90 percent or more of the lendable" and substituting "95 percent or more of the net" and by adding the following: "This requirement shall be deemed satisifed with respect to any mortgagor if the party administering the program reasonably believes on the basis of representations by the mortgagor that the mortgagor had no such interest. For purposes of this paragraph, a previous interest of a divorced person as a co-owner or joint owner with such person's spouse shall be disregarded.

(h) TARGETING.—Paragraph (2) of section 103A(e) is amended to read as follows:

"(2) EXCEPTIONS.—For purposes of paragraph (1)—

"(A) 50 percent of the proceeds of an issue which are used to provide financing with respect to targeted area residences, and

"(B) the proceeds of an issue which are used to provide qualified home improvement loans and qualified rehabilitation loans,

shall not be taken into account.

(i) PURCHASE PRICE.—Paragraph (1) of section 103A(f) is amended by striking "110" and substituting "90".

(j) TARGETED AREAS.—Paragraph (5) of section 103A(f) is amended by striking "120" and substituting "110" and by striking "110" and substituting "90".

(k) INCOME LIMITS AND PRIORITY.—Subsection (g) of section 103A is amended to read as follows:

"(g) INCOME LIMITS AND PRIORITY TO LOWER INCOME LIMIT PERSONS.—An issue meets the requirements of this subsection only if the issuer adopts maximum income limits and procedures for giving access to persons of lower income in priority to persons of higher income."

(l) CROSS-REFERENCES.—Paragraph (1) of section 103A(i) is amended by striking the comma after "2" and striking "(3)", and by inserting "(D)" after "103(c)(6)".

(m) OBSOLETE PROVISION.—Paragraph (3) of section 103A(i) is repealed.

(n) OBSOLETE PROVISIONS AND POLICY STATEMENT.—Paragraphs (3), (4) and (5) of section 103A(j) are repealed.

(o) STATISTICAL AREA.—Subparagraph (A) of section 103A(l)(4) is amended by striking "standard" in two places.

(p) METROPOLITAN STATISTICAL AREA.—Subparagraph (B) of Section 103A(l)(4) is amended to read as follows:

"(B) METROPOLITAN STATISTICAL AREA.—The term 'metropolitan statistical area' means the area defined as such by the Secretary of Commerce."

"(g) REHABILITATION.—Clause (ii) of section 103A(l)(7)(B) is amended to read as follows:

"(ii) in the case of any building other than a certified historic structure, in the rehabilitation process—

"(I) 50 percent or more of the existing external walls of such building are retained in place as external walls,

"(II) 75 percent or more of the existing external walls of such building are retained in place as internal or external walls, and

"(III) 75 percent or more of the existing internal structural framework of such building is retained in place, and"

(r) CROSS-REFERENCES.—Paragraph (9) of section 103(a)(1) is amended by striking "subsection (g) and" and substituting "paragraph".

(s) CROSS-REFERENCE.—Subsection (m) of section 103A is amended by striking "103(b)(4)(A)" and substituting "103(b)(3)(B)."

(t) OBSOLETE PROVISION.—Subsection (n) of section 103A is repealed.

(u) OBSOLETE PROVISION.—Paragraph (3) of section 103A(o) is repealed.

(v) QUALIFIED VETERAN.—Subparagraph (B) of section 103A(o)(4) is amended by striking out "January 1, 1985" and inserting in lieu thereof "January 31, 1985".

(w) CROSS-REFERENCE.—Paragraph (6) of section 103A(o) is amended by striking "this subsection" and substituting "section 103(n)".

(x) CHANGE OF USE.—Section 103A is further amended by adding the following subsection after subsection (o):

"(p) CHANGE OF USE.—

"(1) IN GENERAL.—In the case of any residence with respect to which financing is provided from the proceeds of a qualified mortgage bond or qualified veterans' bond, if there is a continuous period of at least 1 year in which such residence is not the principal residence of 1 of the mortgagors with respect to such residence, then no deduction shall be allowed under this chapter for interest on such financing which accrues on or after the date such period began.

"(2) EXCEPTION.—Paragraph (1) shall not apply to the extent, under regulations prescribed by the Secretary, its application would violate equity and good conscience.

SEC. 20. AMENDMENTS RELATING TO MORTGAGE CREDIT CERTIFICATE PROGRAMS.—

(a) INCOME LIMITS AND PRIORITY.—Clause (iii) of subsection 25(c)(2)(A) is amended by renumbering subclauses (IV) and (V) as (V) and (VI) and inserting a new subclause (IV) reading as follows:

"(IV) subsection (g) (relating to income limits and priority for lower income persons),"

(b) GOOD FAITH COMPLIANCE.—Subparagraph (A) of section 25(c)(2) is amended by adding the following sentence after clause (vii): "Under regulations prescribed by the Secretary, rules similar to the rules of subparagraphs (B) and (C) of section 103A(c)(2) shall apply to the requirements of this subparagraph."

(c) TECHNICAL AMENDMENT AND CROSS-REFERENCES.—Subparagraph (B) of section 25(c)(2) is amended—

(A) by striking out "(II) and (IV)" and substituting (IV) and (V)", and

(B) by striking out all that follows clause (ii) and by striking out ", and" at the end of clause (ii) and substituting a period.

(d) TECHNICAL AMENDMENT.—Subsection 25(d) (relating to determination of certificate credit rate) is amended by striking paragraph (3).

(e) TECHNICAL AMENDMENT.—Subparagraph (B) of section 25(e)(1) is amended to read as follows:

"(B) LIMITATION.—The amount of the unused credit which may be taken into account under subparagraph (A) for any taxable year shall not exceed the amount (if any) by which the applicable tax limit for such taxable year exceeds the sum of—

"(i) the credit allowable under subsection (a) for such taxable year determined without regard to this paragraph, and

"(ii) the amounts which, by reason of this paragraph, are carried to such taxable year and are attributable to taxable years before the unused credit year."

(f) REPEAL OF SUNSET AND PROVISION FOR REDUCTION OF VOLUME LIMITATION.—Subsections (f) and (h) of section 15 are repealed.

SEC. 21. AMENDMENTS TO ARBITRAGE REGULATIONS.—

(a) MATERIALLY HIGHER YIELD.—Not later than 60 days after the date of enactment of this Act, the Secretary of Treasury or his delegate shall amend the regulations relating to the arbitrage requirements to eliminate the provision which permits a higher yield on purpose obligations if the issuer elects to waive the benefits of the temporary period provisions. If such provision is not eliminated before January 1, 1987 is shall cease to apply to obligations issued on or after that date.

(b) STUDENT LOAN BONDS.—The authority of the Secretary to prescribe arbitrage regulations relating to student loan bonds pursuant to Section 625(a) of the Tax Reform Act of 1984 is continued.

SEC. 22. PENALTY FOR FAILURE TO FILE REPORT ON COMPLIANCE WITH QUALIFIED RESIDENTIAL PROJECT RULES.—Section 6652 (relating to failure to file certain information returns, registration statements, etc.) as amended by title XIII of this Act is amended by redesignating subsection (k) as subsection (l) and by inserting after subsection (j) the following new subsection:

"(k) FAILURE TO FILE CERTIFICATION WITH RESPECT TO CERTAIN RENTAL PROJECTS.—In the case of each failure to provide a certification as required by section 103(b)(12)(D) at the time prescribed therefor, unless it is shown that such failure is due to reasonable cause and not willful neglect, there shall be paid, on notice and demand of the Secretary and in the same manner as a tax, by the person failing to provide such certification, an amount equal to $100 for each such failure".

SEC. 23. TECHNICAL AND CONFORMING AMENDMENT.—Paragraph (2) of section 7871(c) (relating to no exemption for certain private activity bonds) is amended to read as follows:

"(2) NO EXEMPTION FOR QUASI-GOVERNMENTAL BONDS.—Subsection (a) of section 103 shall not apply to any quasi-governmental bond (as defined in section 103(b)(2)) other than bonds described in section 103(b)(7) issued by an Indian tribal government (or subdivision thereof)."

SEC. 24. CONFORMING AMENDMENTS OF SECURITIES LAWS.—

(a) SECURITIES ACT OF 1933.—Section 3(a)(2) of the Securities Act of 1933 (15

U.S.C. §77c(a)(2)) is amended by striking out "or any security which is an industrial development bond" and all that follows through "paragraph (1) of such section 103(c) does not apply to such security" and inserting in lieu thereof "or any interest-bearing security the interest on which is excludable from gross income under section 103(a)(1) of Title 26 if, by reason of the application of paragraph (3), (4) or (6) of section 103(b), paragraph (1) of section 103(b) does not apply to such security."

(b) SECURITIES EXCHANGE ACT OF 1934.—Section 3(a)(29) of the Securities Exchange Act of 1934 (15 U.S.C. §78c(a)(29)) is amended by striking out "or any security which is an industrial development bond" and all that follows to the end of the paragraph and inserting in lieu thereof "or any interest-bearing security the interest on which is excludable from gross income under section 103(a)(1) of Title 26 if, by reason of the application of paragraph (3), (4), or (6) of section 103(b) of Title 26, paragraph (1) of such section 103(b) does not apply to such security."

(c) TRUST INDENTURE ACT OF 1939.—Section 304(a)(4)(B) of the Trust Indenture Act of 1939 (15 U.S.C. §77ddd(a)(4)(B)) is amended to read as follows: "any security exempted from the provisions of the Securities Act of 1933, as amended, by paragraph 2 of subsection 3(a) thereof, as amended by the Tax Reform Act of 1985."

SEC. 25. EFFECTIVE DATES.—

(a) IN GENERAL.—Except as otherwise provided in this title, the amendments made by sections 2 through 20 and 22 through 24 shall apply to obligations issued after the date of enactment of this act. Section 21 shall take effect on the date of the enactment of this Act.

(b) EXCEPTION FOR CONSTRUCTION OR BINDING AGREEMENTS.—

(1) IN GENERAL.—The amendments made by sections 2 through 20 and 22 through 24 shall not apply to obligations with respect to a facility—

(A)(i) the original use of which commences with the taxpayer, and the construction, reconstruction, or rehabilitation of which began before September 26, 1985, and was completed on or after such date,

(ii) with respect to which a binding contract to incur significant expenditures for construction, reconstruction, or rehabilitation was entered into before September 26, 1985 whether or not it was amended on or after that date in respects not fundamentally altering the scope or purpose of the project, and some of such expenditures are incurred on or after such date, or

(iii) acquired on or after September 26, 1985, whether or not it was amended on or after that date in respects not fundamentally altering the scope or purpose of the project, pursuant to a binding contract entered into before such date, and

(B) described in an inducement resolution or other comparable preliminary approval adopted by the issuing authority (or by a voter referendum) before September 26, 1985.

(2) SIGNIFICANT EXPENDITURES.—For purposes of paragraph (1)(A), the term "significant expenditures" means expenditures greater than 10 percent of the reasonably anticipated cost of the construction, reconstruction, or rehabilitation of the facility involved.

(c) CERTAIN AMENDMENTS TO APPLY TO OBLIGATIONS UNDER SUBSECTION (b) TRANSITIONAL RULE.—In the case of an obligation issued after the date of enactment of this Act, and to which subsection (b) of this section applies, the requirements of the following provisions of the Internal Revenue Code of 1954 as amended by this Act shall be treated as included in section 103 and section 103A (as appropriate) of such Code in effect before the date of the enactment of this Act:

(1) The requirement that 95% or more of the proceeds of an issue be used for a purpose described in section 103(b)(3)(B), (4), (5), or (7) in order for section 103(b)(1) of such Code not to apply.

(2) The requirement that 95% or more of the proceeds of an issue be used for a purpose described in section 103(b)(6)(A) in order for section 103(b)(1) of such Code not to apply.

(3) The requirements of section 103(b)(14) (relating to maturity may not exceed 120 percent of economic life).

(4) The requirements of section 103(i) (relating to advance refundings).

(5) The requirements of section 103(l) (relating to information reporting).

(d) REFUNDING ISSUES.—

(1) IN GENERAL.—Except as provided in paragraph (3), the amendments made by sections 710 through 716 and 718 through 720 shall not apply to any obligation the proceeds of which are used exclusively to refund a qualified obligation (or an obligation which is part of a series of refundings of a qualified obligation) if—

(A) the amount of the refunding obligation does not exceed the amount of the refunded obligation, and

(B)(i) except as provided in clause (ii), the refunding obligation has a maturity date not later than the later of—

(I) the last day of the period equal to 120 percent of the average reasonably expected economic life of the facilities (as of the date such facilities were placed in service) financed with the proceeds of the qualified obligation, or

(II) the date which is 17 years after the date on which the qualified obligation was issued, or

(ii) in the case of a qualified obligation which was (when issued) a qualified mortgage bond or a qualified veterans' mortgage bond, the refunding obligation has a maturity date not later than the date which is 32 years after the date on which the qualified obligation was issued.

For the purposes of subparagraph (B)(i), the average reasonably expected economic life of a facility shall be determined under section 146(b) of the Internal Revenue Code of 1954 (as added by section 701) as of the date the facility was placed in service.

(2) QUALIFIED OBLIGATION.—For purposes of paragraph (1), the term "qualified obligation" means any obligation (other than a refunding obligation) issued on or before the date of enactment of this Act, if the interest on such obligation is exempt for tax under section 103 of such Code, but only if, were such obligation issued after the date of enactment of this Act, the interest on such obligation would not be exempt from tax under such section.

(e) CERTAIN BONDS FOR CARRYFORWARD PROJECTS OUTSIDE OF VOLUME CAP.—Obligations issued pursuant to an election under section 103(n)(10) of the Internal Revenue Code of 1954 (as in effect before the enactment of this Act) (relating to elective carryforward of unused limitation for specified projects) made before January 1, 1986, shall not be taken into account under section 103(n) of the Internal Revenue Code of 1954 (as amended by this Act) to the extent they would not have been taken into account under said section 103(n) (as in effect before enactment of this Act).

(f) ARBITRAGE RESTRICTION ON INVESTMENTS IN ANNUITIES.—In the case of obligations issued after September 25, 1985, section 103(c) of the Internal Revenue Code of 1954 (as in effect before the date of the enactment of this Act) shall be applied by treating the reference to securities in paragraph (2) thereof as including a reference to any annuity contract.

(g) STUDY OF COMPLIANCE WITH QUALIFIED RESIDENTIAL PROJECT RULES.—The Secretary of the Treasury or his delegate shall prepare a report on the qualitative and quantitative impact of subparagraph 103(b)(3)(B) of the Internal Revenue Code of 1954 (as added by this Act) and on compliance with such subparagraph. Such a report shall be prepared at least annually and submitted to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

(h) ADJUSTMENT OF VOLUME LIMITATION TO EFFECT TRANSITION.—In applying the volume limitation of section 103(n) of the Internal Revenue Code of 1954 (as amended by this Act) to obligations issued after the date of enactment of this Act and before January 1, 1987, there shall be taken into account those tax-exempt obligations previously issued in 1986 that would have been subject to the volume limitation if the amendments made by sections 2 through 20 and 23 through 24 had generally applied to obligations issued after December 31, 1985.

(i) TREATMENT OF CERTAIN REFUNDINGS.—

(1) For purposes of section 103(p), an obligation issued on or before the date of enactment of this Act that would be an industrial development bond but for the fact that the user was an exempt person under section 103(b)(3) of the Internal Revenue Code (prior to its amendment by this act) shall be treated as a quasi-governmental bond described in section 103(b)(7).

(2)(A) Section 103(p)(1) of such Code shall not apply to any obligation issued for the advance refunding of any obligation which when issued was not described in paragraph (B) if—

(i) the refunded obligation is issued on or before the date of enactment of this Act, and

(ii) such refunding meets the requirements of section 103(p)(2) of such Code.

(B) An obligation is described in this subparagraph if such obligation as an industrial development bond, a qualified mortgage bond, a qualified veterans' mortgage bond, a consumer loan bond, or any obligation described in section 103(m) of such Code (including paragraph (3) thereof), as in effect before the enactment of this Act, if the use of the proceeds of the refunded bond was comparable to the use of proceeds of any other bond described in this subparagraph.

SEC. 26. TAX PREFERENCES.—Section 57 is amended by adding the following subsection:

"(f) TAX-EXEMPT INTEREST.—Tax-exempt interest shall not be treated as an item of tax preference."

SEC. 27. DEPRECIATION.—Section 168 is amended by redesignating subsection (k) as (l) and inserting a new subsection (k) reading as follows:

"(k) TAX-EXEMPT BOND FINANCED PROPERTY.—The depreciation of low income housing, or of water, sewer and solid waste facilities described in section 103(b)(3)(A) (i) and (iii), shall not be affected by reason of their financing by tax-exempt obligations."

SEC. 28. INTEREST INCURRED TO CARRY TAX-EXEMPT BONDS.—

(a) GENERAL RULE.—Section 265 is amended by adding at the end thereof the following new subsection:

"(b) PRO RATA ALLOCATION OF INTEREST EXPENSE OF FINANCIAL INSTITUTIONS TO TAX-EXEMPT INTEREST.—

"(1) IN GENERAL.—In the case of a financial institution, no deduction shall be allowed for that portion of the taxpayer's interest expense which is allocable to tax-exempt interest.

"(2) ALLOCATION.—For purposes of paragraph (1), the portion of the taxpayer's interest expense which is allocable to tax-exempt interest is an amount which bears the same ratio to such interest expense as—

"(A) the taxpayer's average adjusted bases (within the meaning of section 1016) of tax-exempt obligations acquired after the date of enactment of this subsection, bears to

"(B) such average adjusted bases for all assets of the taxpayer.

"(3) DEFINITIONS.—For purposes of this subsection—

"(A) INTEREST EXPENSES.—The term 'interest expense' means the aggregate amount allowable to the taxpayer as a deduction for interest for the taxable year (determined without regard to this subsection and section 291). For purposes of the preceding sentence, the term 'interest' includes amounts (whether or not designated as interest) paid in respect of deposits, investment certificates, or withdrawable or repurchasable share.

"(B) TAX-EXEMPT OBLIGATION.—

(i) The term 'tax-exempt obligation' means any obligation the interest on which is wholly exempt from taxes imposed by this subtitle. Such term includes shares of stock of a regulated investment company which during the taxable year of the holder thereof distributes exempt-interest dividends. Such term does not include obligations exempt from taxation by reason of section 103(b)(6) or small issuer governmental obligations.

(ii) In determining whether an obligation is exempt by reason of section 103(b)(6) for the purposes of this subparagraph, the limit set forth in section 103(b)(15) shall be applied as if it were $10,000,000 instead of $40,000,000 but events occurring after the date of acquisition of the obligation shall not be taken into account in determining whether the obligation satisfies the limit as so modified.

(iii) For purposes of this subparagraph, "small issuer governmental obligation" means a tax-exempt obligation, other than a quasi-governmental bond (as defined in section 103(b)) which is designated for this purpose by the issuer. The issuer may designate obligations only if it is reasonably expected that it will not issue more than $10,000,000 of obligations eligible to be designated in any calendar year and may not designate more than $10,000,000 of such obligations in any calendar year in the aggregate. For purposes of the foregoing sentence, the issuance of obligations to retire prior obligations within 30 days shall not be counted to the extent of the amount of the prior obligations being directly or indirectly refunded that were counted in the same year."

"(4) FINANCIAL INSTITUTION.—For purposes of this subsection, the term 'financial institution' means any person who—

"(A) accepts deposits from the public in the ordinary course of such person's trade or business and is subject to Federal or State supervision as a financial institution, or

"(B) is a corporation described in section 585(a)(2).

"(5) COORDINATION WITH SUBSECTION (a).—If interest on any indebtedness is disallowed under subsection (a) with respect to any tax-exempt obligation—

"(i) such disallowed interest shall not be taken into account for purposes of applying this subsection, and

"(ii) for purpose of applying paragraph (2), the adjusted basis of such tax-exempt obligation shall be reduced (but not below zero) by the amount of such indebtedness."

(b) REPEAL OF SPECIAL TREATMENT FOR CERTAIN FINANCIAL INSTITUTIONS.—Paragraph (2) of section 265 (as in effect on the day before the date of the enactment of this Act) is amended by striking out the second sentence.

(c) TERMINATION OF REDUCTION IN DEDUCTION FOR INTEREST ALLOCABLE TO TAX-EXEMPT OBLIGATIONS UNDER SECTION 291.—

(1) IN GENERAL.—Clause (i) of section 291(e)(1)(B) (relating to interest on debt to carry tax-exempt obligations acquired after December 31, 1982) is amended by changing the period at the end thereof to a comma and adding the following: "excluding, however, obligations that are subject to section 265(b)."

(2) TECHNICAL AMENDMENT.—Subparagraph (B) of section 291(e)(1) is amended by striking out "without regard to this section" in clause (ii) and inserting in lieu thereof "without regard to this section and section 265(b)."

(d) CLERICAL AMENDMENT.—Section 265 is amended by striking out "No deduction shall be allowed for—" and inserting in lieu thereof the following:

"(a) GENERAL RULE.—No deduction shall be allowed for—".

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in this subsection, the amendments made by this section shall apply to obligations acquired after the date of enactment of this section in taxable years ending after such date.

(2) OBLIGATIONS ACQUIRED PURSUANT TO CERTAIN COMMITMENTS.—For purposes of paragraph (1), any tax-exempt obligation which is acquired after the date of enactment of this section pursuant to a direct or indirect written commitment—

(A) to purchase or repurchase such obligation, and

(B) entered into before September 25, 1985, shall be treated as an obligation acquired before the date of enactment of this section.

SEC. 29. TREATMENT OF TAX-EXEMPT INTEREST RECEIVED BY INSURANCE COMPANIES.—

(a) IN GENERAL.—Section 832 is amended by adding the following subsections:

"(f) TAX-EXEMPT INTEREST.—The amount which would (but for this subsection) be taken into account under subsection (b)(5) shall be reduced by an amount equal to the applicable percentage of the tax-exempt interest received or accrued during the taxable year. The applicable percentage shall be 10 percent for taxable years beginning before January 1, 1988, and 15 percent for taxable years beginning after December 31, 1987. This subsection shall not apply to any interest received or accrued on any obligation acquired on or before the date of enactment of this subsection.

"(g) ALTERNATIVE MEASURE OF TAXABLE INCOME.—Tax-exempt interest shall not be included in any alternative minimum measure of the taxable income of an insurance company to which is part II or III applies."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1985.

SEC. 30. NON-REPORTING OF TAX-EXEMPT INTEREST ON RETURNS.—Section 6012 is amended by redesignating subsection (d) as (e) and inserting a new subsection (d):

"(d) Tax-exempt interest shall not be required to be reported on income tax returns."

SEC. 31. NON-REPORTING OF STATE OR LOCAL TAX RECEIPTS.—Section 6050E(a) is amended by adding the following sentence: "Such reporting shall not be required with respect to the receipt of State or local tax payments."

Mr. WILSON. Mr. President, I join my colleagues, Mr. DURENBERGER and Mr. DOMENICI, in sponsoring this important tax-exempt bond legislation because the well-intended "reforms" included in H.R. 3838 unjustly impair the ability of State and local governments to meet their inherent responsibilities.

This legislation is necessary because it offers a responsive and constructive alternative to the tax-exempt bond provisions in both H.R. 3838 and present law.

Effective tax-exempt bond reform legislation must keep tax-exempt financing in check to prevent misuse, but must also be sensitive to the realities of today's State and local governments. Thus, successful reform will enable these entities to meet their essential capital construction needs and at the same time eliminate the potential for misuse.

Mr. President, I speak today as a former mayor, and I can tell you that the tax-exempt bond provisions of H.R. 3838 will indeed undermine the essential capital construction programs of local governments.

As New Federalism continues to evolve and State and local governments shoulder greater responsibilities and costs, Congress must not eliminate the very tools that our local governments and States have relied upon to finance not their new, but their traditional responsibilities—particularly when other congressional actions threaten to significantly increase State and local responsibilities and costs for both operating and capital programs.

Mr. President, it is clear that State and local governments should and will bear their share of the deficit reduction burden. Budget deficits have required reductions in Federal funds to cities and New Federalism has brought shifting roles. Thus, as our localities now assume almost exclusive responsibility for the Nation's overwhelming infrastructure and redevelopment needs, it is unconscionable that Congress would at the same time restrict and effectively "gut" the most effective and viable financing tools available to State and local governments. The good intentions may which have inspired the House reforms, would be

memorialized in the unaddressed decay of America's cities.

Eliminating or severely restricting the tax-exempt status of bonds, as H.R. 3838 proposes, would be shortsighted in the extreme. Particularly when the Joint Economic Committee recently identified capital financing needs nationwide of $1.1 trillion through the year 2000, or $73 billion annually for the extension and renewal of America's vital infrastructure—much of which can be achieved through State and local efforts even unaided by Federal community development grant funds formerly available.

I am an original sponsor of this legislation because it strengthens the present tax-exempt bond system to prevent misuse and yet it enables communities throughout the country to responsibly help themselves to meet their specific and individual needs.

Mr. President, effective tax-reform will both address the abuses in the system and recognize that tax-exempt bonds are the only cost-effective way for State and local governments to meet their capital needs. Tax reform legislation must focus on the root of the problem and not eliminate the program. This proposal offers a real opportunity to meet our Federal objectives of responsible tax reform to protect against potential misuse and exponential bond growth, and at the same time meet local objectives of providing essential financing mechanisms for infrastructure needs.

Budget deficits necessitate innovative financing alternatives. Responsible tax-exempt financing will foster public-private partnershps to meet public purpose objectives. For these reasons, I am sponsoring this legislation and urge its timely consideration.

Mr. SASSER. Mr. President, I am pleased to join as an original cosponsor of this important legislation. This legislation is a good first step in addressing some of the shortcomings in the tax-exempt bond provisions of the House-passed tax reform bill. I believe more needs to be done in some specific areas, but this bill marks a beginning.

As my colleagues know, the House bill contains far-reaching changes in the tax treatment of all tax-exempt bonds. Under the House bill's terms, traditional sources of tax-exempt finance such as general obligation bonds are threatened, as are bonds used by nonprofit organizations and others. The bill imposes new, restrictive volume caps while we are still deciphering the impact of the latest round of changes in bond tax laws. Partnerships between public and private parties would come to a jarring halt under the House bill. Attempting to abide by the new guidelines called for will prove an administrative nightmare. And, the bill contains an effective date which has already brought chaos to bond markets.

Conversations with community leaders in Tennessee and with my colleagues indicate that many worthy projects are now in jeopardy due to the changes in the House bill. Indeed, rather than devoting resources to planning beneficial projects in their areas, community leaders are using their energy to find innovative ways to safeguard the use of tax-exempt bonds. In my home State of Tennessee, for example, the Tennessee Municipal League is pulling together a municipal bond pool in response to the uncertainty which has followed passage of the House tax reform bill.

Clamping down on what has traditionally been an important source of capital financing for local communities makes little sense in light of the budget cuts proposed in other aid programs. As the Federal Government continues to cut existing capital aid programs, State and local governments must be able to fill in the void in capital finance needs. Tax-exempt financing is one way that local community leaders can meet this need. Yet, the provisions of the House tax reform bill are likely to reduce total bond issuance by as much as $51 billion according to the Joint Tax Committee.

Mr. President, the bill we introduce today will help safeguard this important capital financing tool. This is not to say that I do not have reservations about some of the bill's provisions. I believe the sections dealing with users of industrial development bonds can be improved upon. In Tennessee, we used roughly $623 million in small issue IDB's in 1983 and $675 million in 1984. These bonds are proving central to the continued economic growth and development of Tennessee and I am concerned about the protection accorded small issue IDB's in this package.

In addition, the treatment of nonprofit users of tax-exempt bonds in this package warrants further attention. These bonds help provide critical public needs such as health care and education and I believe are worthy of special attention.

In the weeks ahead, Mr. President, I will be working with my colleagues on these and other points, such as housing needs, to guarantee that any tax reform package passed by the Senate fully addresses major tax-exempt bond issues. The legislation we introduce today provides us with a solid base for such efforts. I urge my colleagues to join in our efforts to safeguard this important financing tool.

By Mr. PROXMIRE:

S. 2167. A bill to amend the Public Health Service Act to require the Secretary of Health and Human Services to conduct, once every 10 years, a survey on the impact of Federal health care expenditures; to the Committe on Labor and Human Resources.

(The remarks of Mr. PROXMIRE and the text of the legislation appear earlier in today's RECORD.)

By Mr. THURMOND (for himself and Mr. HEINZ):

S. 2168. A bill to amend title 38, United States Code, to improve veterans' benefits for former prisoners of war; to the Committee on Veterans' Affairs.

IMPROVED VETERANS BENEFITS FOR FORMER PRISONERS OF WAR

Mr. THURMOND. Mr. President, today I am introducing, for myself and my distinguished colleague Senator HEINZ, legislation to improve the medical benefits provided through the Veterans' Administration to our former prisoners of war.

Under current law it is presumed that if a former prisoner of war is suffering from 1 of the 10 medical disorders listed in section 312(b) of title 38, then that disorder is the result of his internment as a prisoner, and he will receive special priority for treatment in Veteran's Administration medical facilities. The legislation we are introducing would add 2 medical disorders to the existing list of 10.

During the first session of this Congress, legislation was introduced which would add eight medical disorders to the current list. Most of the disorders referred to in S. 1446 are far reaching and extremely common amongst the elderly within our society. The problem with adding them to the existing list is that it is difficult for the medical community to show causation between the disorder and the individual's POW experience.

After discussion with the American Ex-Prisoners of War and medical officials at the Veterans' Administration, we determined that two medical disorders, however, should be included with the existing list of presumptions. They are organic residuals of frostbite, particularly "frozen hands and feet," and arthritis resulting from trauma incurred while interned as a prisoner of war.

There are very few Americans, comparativley speaking, who are fully aware of the horrors associated with being a prioner of war. American service personnel unlucky enough to have been captured during the various conflicts this country has particitated in, have had to endure torture, starvation, and disease to a degree far beyond most of our imaginations. Many of them suffer today from the hardships which were inflicted upon them years ago.

During World War II and the Korean conflict many American prisoners were forced to march through harsh winter weather or were detained in camps which lacked the proper fa-

cilities to shield them from the bitter cold. As a result of their exposure, many of them developed frostbite, the lasting effects of which can be severe. If the veteran is fortunate enough not to have lost the hand or foot or other portion of the body which was exposed, he may still suffer from irreparable nerve or tissue damage. The first provision of this bill would ensure that proper care is afforded to those individuals who are today hampered by the residual effects of frostbite they suffered years ago.

The second provision of this bill would include within the law, for purposes of treatment, the presumption for arthritis resulting from trauma endured while in captivity as a prisoner of war. We have all heard the stories of men who were severly beaten and tortured. Today, those same men may suffer from certain arthritic conditions due to their torture and should be entitled to the proper medical attention for those conditions.

Mr. President, for many of the nearly 85,000 former prisoners of war this bill is long overdue. We can never makeup for the time and livelihood which was lost during their captivity, but we can ensure that they are provided adequate medical attention for their infirmities resulting from that captivity. I urge my colleagues to support swift and favorable consideration of this bill.

● Mr. HEINZ. Mr. President, there are 90,000 living former prisoners of war. For decades we have known that these former servicemen face great health risks, and yet the Veterans' Administration does not provide adequate assistance to them. In 1965 the National Academy of Sciences stated that former prisoners of war suffer disproportionately from physical and anxiety-related disorders. It took until 1981 for Congress to act. Public Law 97-37 established a presumption of service-connected disability for former prisoners of war who suffered from anxiety-related disorders.

I am pleased to join my friend and colleague, the distinguished Senator from South Carolina, in bringing before the Senate legislation which would provide additional presumptions of service connection to former prisoners of war. My colleagues must understand why this presumption is so very important to ex-prisoners of war. You see, Mr. President, our Nation's enemies were not kind enough to keep health and medical records for our POW's. When hundreds of thousands of GI's were freed from Hitler's Germany in 1945, they did not return with detailed records of their medical care during incarceration. As a result, when these valorous servicemen present themselves at the VA, in desperate need of care, they are unable to prove that their injury is service related and unable to receive priority care in the VA hospital system.

This is a true injustice, and one which the bill Senator THURMOND and I have introduced will help to correct. Under our legislation former prisoners of war will be presumed to have service-connected disability for residuals of frostbite and bodily damage which resulted from trauma. These are very limited presumptions, Mr. President, which cover some of the most basic injuries that these outstanding citizens sustained overseas. Residuals of frostbite include primarily frozen hands and feet, which so many European theater prisoners of war sustained. To not treat the resulting damage of the mistreatment these men sustained is intolerable as a policy and unacceptable to me personally. Our bill will complete the work which we undertook in Public Law 97-37.

I urge my colleagues to strongly support this bill, and act quickly upon it. Twenty-one years have passed since the National Academy of Sciences study, and we have not completed action on its findings.●

By Mr. LUGAR (by request):

S. 2169. A bill to provide for membership for the United States in the Multilateral Investment Guarantee Agency, and for United States acceptance of the merger of the capital resources of the Inter-American Development Bank, and for other purposes; to the Committee on Foreign Relations.

MULTILATERAL INVESTMENT GUARANTEE AGENCY ACT

● Mr. LUGAR. Mr. President, by request, I introduce for appropriate reference a bill to provide for membership for the United States in the Multilateral Investment Guarantee Agency, and for United States acceptance of the merger of the capital resources of the Inter-American Development Bank, and for other purposes.

This proposed legislation has been requested by the Department of the Treasury and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with a section-by-section analysis of the bill and the letter from the General Counsel of the Department of the Treasury to the President of the Senate dated March 5, 1986.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2169

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—MULTILATERAL INVESTMENT GUARANTEE AGENCY

SEC. 101. This title may be cited as the "Multilateral Investment Guarantee Agency Act.";

ACCEPTANCE OF MEMBERSHIP

SEC. 102. The President is hereby authorized to accept membership for the United States in the Multilateral Investment Guarantee Agency (hereinafter the "Agency") provided for by the Convention Establishing the Multilateral Investment Guarantee Agency (hereinafter the "Convention") deposited in the archives of the International Bank for Reconstruction and Development (hereinafter the "Bank").

GOVERNOR AND ALTERNATE GOVERNOR

SEC. 103. The Governor and Alternate Governor of the Bank, appointed under section 3 of the Bretton Woods Agreements Act, as amended (59 Stat. 512, 22 U.S.C. 286, *et seq.*), shall serve as Governor and Alternate Governor, respectively, of the Agency.

APPLICABILITY OF BRETTON WOODS AGREEMENTS ACT

SEC. 104. The provisions of section 4 of the Bretton Woods Agreements Act, as amended, shall apply with respect to the Agency to the same extent as with respect to the Bank and the International Monetary Fund. Reports with respect to the Agency under sections 4(b) (5) and (6) of that Act shall be included in the reports made thereunder after the United States accepts membership in the Agency.

RESTRICTIONS

SEC. 105. Unless authorized by law, neither the President nor any person or agency shall, on behalf of the United States—

(a) subscribe to additional shares of stock of the Agency;

(b) vote for or agree to any amendment of the Convention which increases the obligations of the United States, or which changes the purpose or functions of the Agency; or

(c) make a loan or provide other financing to the Agency.

FEDERAL RESERVE BANKS AS DEPOSITORIES

SEC. 106. Any Federal Reserve bank which is requested to do so by the Agency shall act as its depository or as its fiscal agent, and the Board of Governors of the Federal Reserve System shall supervise and direct the carrying out of these functions by the Federal Reserve banks.

SUBSCRIPTION OF STOCK

SEC. 107. (a) The Secretary of the Treasury is authorized to subscribe on behalf of the United States to twenty thousand five hundred and nineteen shares of the capital stock of the Agency: *Provided*, That the subscription shall be effective only to such extent or in such amounts as are provided in advance in appropriations Acts.

(b) There is authorized to be appropriated, without fiscal year limitation, for payment by the Secretary of the Treasury of the subscription of the United States for those shares, $222,015,580.

(c) Any payment of dividends made to the United States by the Agency shall be deposited into the Treasury as a miscellaneous receipt.

JURISDICTION OF UNITED STATES COURTS AND ENFORCEMENT OF ARBITRAL AWARDS

SEC. 108. For the purposes of any civil action which may be brought within the United States, its territories or possessions, or the Commonwealth of Puerto Rico, by or against the Agency in accordance with the Convention, including an action brought to enforce an arbitral award against the Agency, the Agency shall be deemed to be an inhabitant of the Federal judicial district in which its principal office within the United States or its agent appointed for the purpose of accepting service or notice of service is located, and any such action to which the Agency shall be party shall be deemed to arise under the laws of the United States, and the district courts of the United States, including the courts enumerated in section 460 of title 28, United States Code, shall have original jurisdiction of any such action. When the Agency is a defendant in any action in a State court, it may at any time before the trial thereof remove the action into the appropriate district court of the United States by following the procedure for removal provided in section 1446 of title 28, United States Code.

SEC. 109. Articles 43 through 48, inclusive, of the Convention shall have full force and effect in the United States, its territories and possessions, and the Commonwealth of Puerto Rico, upon the entry into force of the Convention for the United States.

SEC. 110. (a) An award of an arbitral tribunal resolving a dispute arising under Article 57 or Article 58 of the Convention shall create a right arising under a treaty of the United States. The pecuniary obligations imposed by such an award shall be enforced and shall be given the same full faith and credit as if the award were a final judgment of a court of general jurisdiction of one of the several States. The Federal Arbitration Act (9 U.S.C. 1 *et seq.*) shall not apply to enforcement of awards rendered pursuant to the Convention.

(b) The district courts of the United States (including the courts enumerated in section 460 of title 28, United States Code) shall have exclusive jurisdiction over actions and proceedings under subsection (a) of this section, regardless of the amount in controversy.

TITLE II—INTER-AMERICAN DEVELOPMENT BANK

SEC. 201. The Inter-American Development Bank Act (73 Stat. 299, 22 U.S.C. 238) is amended by adding at the end thereof the following new section:

"SEC. 31. The United States Governor of the Inter-American Development Bank is hereby authorized to agree to and to accept the amendments to the Articles of Agreement in the proposed resolution entitled "Merger of Inter-regional and Ordinary Capital Resources'.".

SECTION-BY-SECTION ANALYSIS

TITLE I—MULTILATERAL INVESTMENT GUARANTEE AGENCY ACT

Section 101 provides that title I may be cited as "Multilateral Investment Guarantee Agency Act."

Section 102 authorizes the President to accept membership for the United States in the Multilateral Investment Guarantee Agency (the "MIGA"). Under the Convention Establishing the Multilateral Investment Guarantee Agency (the "Convention"), the President (or his designee) will accept membership by depositing an instrument of acceptance or ratification with the International Bank for Reconstruction and Development (the "Bank"), which will act as depository for the Convention. (Articles 61, 63)

Section 103 provides that the United States Governor and Alternate Governor for the Bank will serve as Governor and Alternate Governor in the MIGA. Under the Convention, the United States has the right to appoint a Governor and alternate (Art. 31(b)). As long as it is one of the largest shareholders, the United States also has the right to elect separately a Director (Arts. 32, 41; Commentary, para. 58), who may appoint an Alternate (Art. 32).

Section 104 through 107 are similar to provisions contained in legislation for the multilateral development banks. Section 104, for example, provides for oversight, inter-agency coordination, and reporting to the Congress by the National Advisory Council on International Monetary and Financial Policies. Sections 105 (requiring prior Congressional approval for certain acts) and 106 (authorizing any Federal reserve bank to be depository for the Agency) also parallel provisions in development bank legislation.

Section 107 authorizes the Secretary of the Treasury to subscribe to the 20,519 shares allocated to the U.S. by the Convention. $222,015,580 is authorized to be appropriated to that end. Of that amount, 10% will be paid in cash, and an additional 10% will be paid by letter of credit or similar instrument, to be encashed by the Board to meet the MIGA's obligations. The Administration will seek appropriations for that 20% portion of the price of shares as part of the FY 1987 budget. The balance of the share price will be subject to call by the MIGA when required to meet its obligations; the Administration will seek program limitations for the 80% portion for FY 1987.

Section 108 contains provisions like those in legislation for the multilateral development banks regarding the Agency's amenability to suit on the United States. In general the Agency is not subject to suit on actions within the scope of Articles 57 and 58 of the Convention prior to a final arbitral award. Those Articles provide mechanisms (notably arbitration) for resolving disputes between the Agency and members, and disputes arising under a contract of guarantee or reinsurance between the parties thereto. The Agency is also not subject to suit by members or persons acting for or deriving claims from members, or (reflecting current law) on personnel matters.

However, the Convention recognizes the remote possibility that suits may be brought against the Agency in the courts of the United States. An investor holding a MIGA guarantee, for example, may go to arbitration to resolve a dispute arising under a contract of guarantee or reinsurance with the MIGA, and then seek to enforce a final arbitral award against the Agency in the courts of the United States. Section 108 establishes the jurisdiction of U.S. courts in such a situation.

Section 109 is also like provisions in development bank legislation, and gives full force and effect, within the United States, its territories, possessions and Puerto Rico, to defined privileges and immunities accorded under the Convention to enable the Agency to fulfill its functions. Those privileges and immunities will take effect upon the entry into force of the Convention for the United States. The Convention will enter into force for the United States when a prescribed number of members (including the United States) have deposited ratifications (Article 61), or, if the Convention has already entered into force, when the United States deposits its instrument of ratification.

The privileges and immunities in the Convention, among other things, provide that:

1. The property and the assets of the Agency, wherever located or by whomsoever held, shall be immune from expropriation or any other form of seizure by executive or legislative action. (This provision would not affect the judicial execution of a final arbitral award, as noted above.) That property and those assets are also to be immune from all taxes. Assets are defined as including "other assets administered by the Agency in furtherance of its objective". Those assets could include assets contributed by public agencies and held by the Agency in trust as an insurance fund to promote direct investment in developing countries consistent with the Agency's purposes, but would not include other assets held in trust for reasons unrelated to the Agency's purposes, but would not include other assets held in trust for reasons unrelated to the Agency's objective to "encourage the flow of investments for productive purposes among member countries, and in particular to developing member countries. . . ."

2. Taxes are not to be levied on expense allowances, salaries or other emoluments paid by the Agency to its officials or staff, except in the case of local nationals. The provisions in the Convention on this point parallel those in the Articles of Agreement of the Bank, and, in similar fashion, Agency staff and officials who are U.S. citizens or nationals will not be exempted by the Convention from tax in the U.S. on salary income and other emoluments paid by the Agency.

Section 110 follows the language of the Convention on the Settlement of the Investment Disputes Act of 1966 (80 Stat. 344), to assure the enforceability within the United States of arbitral awards rendered to resolve disputes arising under Articles 57 and 58 of the Convention. The exemption from the Federal Arbitration Act aims at avoiding some of the questions associated with enforcing awards under that Act. (See e.g., S. Rept. 1374, 89th Cong., 2d Sess.)

TITLE II—INTER-AMERICAN DEVELOPMENT BANK

Section 5 of the Inter-American Development Bank Act, as amended (73 Stat. 299, 22 U.S.C. 283) provides that, unless Congress by law authorizes such action, neither the President, nor any person or Agency, may "accept any amendment under article XII of the" Agreement Establishing the Inter-American Development Bank.

The Committee on the Board of Governors of the Inter-American Development Bank (the "IDB") has agreed to a proposed resolution entitled "Merger of Inter-Regional and Ordinary Capital Resources", which amends many of the articles of Agreement of the Bank in order to strengthen the financial structure of the IDB.

Section 201 of the proposed legislation authorizes the United States Governor to the IDB to agree to the proposed resolution.

DEPARTMENT OF THE TREASURY,
Washington, DC, March 15, 1986.

Hon. GEORGE BUSH,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: Transmitted herewith is a draft bill, "To provide for membership in the United States in the Multilateral Investment Guarantee Agency, and for United States acceptance of the merger of the capital resources of the Inter-American

Development Bank, and for other purposes."

MULTILATERAL INVESTMENT GUARANTEE AGENCY

Title I of the draft bill authorizes the President to accept membership for the United States in the Multilateral Investment Guarantee Agency (the "MIGA"), and to subscribe to 20,519 shares of the capital stock of the MIGA. The title also contains provisions, similar to those in legislation for the multilateral development banks, essential for United States participation in the MIGA.

The MIGA is an international institution designed to encourage the flow of direct investment to developing countries. It will issue guarantees against non-commercial risks, carry out a wide range of activities to promote direct investments, and encourage sound investment policies in member countries. It will play a key role in strengthening the private sector in developing countries, in promoting development at a faster pace, and in helping to meet the debt problems of medium and low income developing countries. In each of these ways the MIGA will advance the national interests of the United States.

The MIGA is of particular importance in the present budgetary environment. A relatively small budgetary outlay by the United States can help generate significant flows of direct investment to developing countries. That foreign investment will bring with it not only additional financial resources, but also transfers of technology and managerial skills so critical to development.

In its operations MIGA will write insurance (called "guarantees") against such political risks as expropriation, war and civil disturbance, and certain breaches of contract; it will also cover currency transfer risks. Its expropriation insurance will cover not only outright expropriations, but also "creeping expropriations," such as regulatory measures which are in fact "expropriatory". MIGA's insurance programs may thus help to overcome perceptions which have retarded flows of foreign direct investment to date.

More importantly, MIGA will be the first multilateral institution with a clear mandate to persuade developing countries to accept the fundamental principles of an open investment climate. MIGA is specifically authorized to undertake activities to promote investment flows to developing countries, and to remove impediments to those flows. MIGA thus should help strengthen the market-oriented framework for international investment sought by President Reagan in his investment policy statement of September 9, 1983.

In its financial operation and organizational structure the MIGA will be similar to the multilateral development banks. It will operate on sound financial principles, and insure only economically sound projects. Reasonable limits are set on its capacity to insure. If it pays an investor's claim, the MIGA will be subrogated to the investor, and will have rights to recover (notably through automatic arbitration) against a member country. Developing countries as shareholders will have a significant financial stake in the success of the MIGA, a fact which should help assure that MIGA will operate in a financially sound manner. Voting in the MIGA will be linked to subscribed shares, with developing countries having a specified percentage of the votes during a three-year transition period.

Under the current proposal, the United States is to purchase approximately 20.5% of MIGA's shares, which will involve budgetary authority of $44.4 million, and program limitations (to permit subscription to callable capital) of $177.6 million.

At the Annual Meetings of the World Bank and the International Monetary Fund this past October, I supported the MIGA. Several countries, including Turkey, Ecuador, Korea, Senegal, Sierra Leone, Jordan, St. Lucia, and the Netherlands, have already signed the agreement. A preparatory conference of the signatories will be held to prepare the draft documents necessary for the initiation of MIGA operations. We would anticipate attending after consulting with the Congress, although we could not commit the United States to membership in the MIGA without enactment of the proposed bill.

INTER-AMERICAN DEVELOPMENT BANK

Section 5 of the Inter-American Development Bank Act, as amended (73 Stat. 229, 22 U.S.C. 283) provides that, unless Congress by law authorizes such action, neither the President, nor any person or Agency, may "accept any amendment under article XII of the" Agreement Establishing the Inter-American Development Bank.

The Committee of the Board of Governors of the Inter-American Development Bank (the "IDB") has agreed to a proposed resolution entitled "Merger of Inter-Regional and Ordinary Capital Resources", which amends many of the Articles of Agreement of the Bank in order to strengthen the financial structure of the IDB.

Prior to 1976, the IDB had only an ordinary capital window, and covenants in certain long-term borrowings prevented total IDB borrowings from exceeding the callable capital of the United States. When the IDB's Articles were amended in 1976 to permit entry of non-regional countries, IDB members decided to create a new capital window—inter-regional capital—to permit the IDB to borrow against the capital of these new members, without contravening these limitations in the existing bond covenants. The long-term ordinary capital borrowings are expected to be retired by the end of 1986. The IDB has therefore proposed merger of ordinary and inter-regional capital. Merger will mean a single capital window backed by consolidated resources (with better financial ratios) and perhaps easier access to financial markets on better terms.

Section 201 of the proposed legislation therefore authorizes the United States Governor to the IDB to agree to the proposed resolution.

It would be appreciated if you would lay the proposed bill before the Senate. An identical proposal has been transmitted to the Speaker of the House.

The Office of Management and Budget had advised that there is no objection from the standpoint of the Administration's program to the submission of this proposed bill to the Congress and that its enactment would be in accord with the program of the President.

Sincerely,

ROBERT M. KIMMITT,
General Counsel.●

By Mr. GLENN:

S. 2170. A bill to establish labor productivity assistance loans to provide financial assistance to certain individuals, to increase job skills and productivity, and for other purposes; to the Committee on Labor and Human Resources.

LABOR PRODUCTIVITY ASSISTANCE ACT

Mr. GLENN. Mr. President, I rise to discuss a problem, a solution, and the money to provide that solution. The problem is this, you're unemployed in steel, it doesn't look as though you'll ever get the old job back, the unemployment benefits have run out, payments are overdue on the house, and the kids need clothes. You're really up against it, out of money, and almost out of hope. You'd be glad to do something else, if there was just some way to do it. How?

Perhaps you've been a homemaker, just wanted to raise the family, take care of your husband, and manage the house—one of the biggest and most important jobs you can do. But your husband got cancer and it couldn't be stopped. Almost all your savings went to treat his illness, and you're left with only a tiny pension, two small kids, and mounting bills. You'd be more than glad to train and get a job, if there was just some way to do it. How?

I could go on and on with examples of the need, but you get the picture. Unemployed persons, displaced homemakers, dislocated workers, or workers employed now but facing prospective unemployment in declining industries, all have a need to upgrade or change their job skills in order to secure productive, stable employment.

The Congressional Budget Office has estimated only 15 to 25 percent of dislocated workers under the Job Training Partnership Act [JTPA] will be helped. Furthermore, displaced homemakers, the underemployed, and workers employed in declining industries are not identified as JTPA target groups.

I see the solution to this problem in the bill which I am introducing today. This bill would establish a trust fund for loans up to $10,000 to be used for retraining, subsistence during retraining, job search, and relocation. The loans will be financed through the Federal Financing Bank and administered through the existing JTPA Private Industry Councils [PIC's]—no new bureaucracy.

Nothing is free, but I believe this comes as close to it as possible with a novel repayment plan. Past programs—student loans, et cetera—had a payback difficulty because loan payback requirements started just as the average borrower—just out of school—was faced with huge other expenses: Starting a business, getting married, or buying a home.

Under my bill, the Labor Productivity Assistance Act, we take a different approach. We realize there will be difficult times facing users of this hand-up, so we require no repayment of the loan and interest until income is reestablished at 150 percent above the

poverty level; but then repayment will be certain by IRS withholding and repayment. In other words, the hand-up help is now repaid, with certainty, and becomes available again for others to use if needed.

Due to the nature of the financing mechanism, the program will not impact the Federal deficit. Should the program be terminated, repayment of the outstanding loans would restore the full amount of the obligations incurred by the Federal Financing Bank.

Mr. President, America's promise of opportunity can only be met through investments in training and education—investments that enable all workers to obtain the skills they need to rise as high and go as far as their ambitions and talents can take them. This legislation will help meet that promise, and enable working men and women realize their full potential. The self-sustaining nature of the trust fund, combined with the additional tax revenue that participants will generate through better, more productive jobs make this program cost effective. It will have the additional advantage of providing individuals with the broadest possible choice of training programs, allowing them an added measure of self-esteem in knowing that they are receiving a loan and not a handout.

I urge my colleagues to give full consideration to this measure and I ask unanimous consent that this bill, and supporting materials, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2170

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Labor Productivity Assistance Act".

PURPOSES

SEC. 2. The purpose of this Act is to provide financial assistance through a low interest loan program that supplements existing job training programs for individuals who are unemployed, underemployed, displaced homemakers, or dislocated workers to upgrade job skills, learn new job skills, better their employment opportunities, and increase overall labor productivity.

DEFINITIONS

SEC. 3. As used in this Act—

(1) the term "declining industry" means an industry which has experienced net employment declines over the most recent ten-year period for which data is available;

(2) the term "dislocated worker" means an individual who—

(A)(i) has been terminated or laid-off or has received a notice of termination or layoff from employment; and

(ii) is eligible for or has exhausted any unemployment compensation and is unlikely to return to his previous industry or occupation;

(B) has been terminated, or has received notice of termination of employment, as a result of the permanent closure of a plant or facility; or

(C)(i) is long-term unemployed;

(ii) is eligible for or has exhausted any unemployment compensation; and

(iii) has limited opportunities for employment (including those caused by substantial barriers to employment by reason of age) in the same or a similar occupation in which such individual was formerly employed, in the area in which such individual resides;

(3) the term "displaced homemaker" means an individual who—

(A) has not been employed for a substantial number of years, but has worked in the home providing unpaid services for family members during such years;

(B) has been dependent on the income of another family member, but is no longer supported by such income; and

(C) is unemployed or underemployed and experiencing difficulty in obtaining or upgrading employment;

(4) the term "loan" means a labor productivity assistance loan received pursuant to this Act;

(5) the term "Secretary" means the Secretary of Labor;

(6) the term "Trust Fund" means the Labor Productivity Trust Fund established pursuant to section 4;

(7) the term "Trustee" means the Secretary of the Treasury; and

(8) the term "underemployed individual" means an individual who—

(A) is employed part-time, but is seeking full-time employment; or

(B) is employed full-time, but has an income below the poverty line established in accordance with section 673(c) of the Community Services Block Grant Act.

LABOR PRODUCTIVITY TRUST FUND

SEC. 4. (a) There is established on the books of the Treasury of the United States a trust fund to be known as the "Labor Productivity Trust Fund". The Trust Fund shall consist of such amounts as may be deposited in it pursuant to subsections (b) and (d) and such amounts as may be received pursuant to section 11(b)(1)(B). Amounts in the Trust Fund may be used only to carry out the provisions of this Act. The Secretary of the Treasury shall be the Trustee of the Trust Fund and shall report to the Congress not later than March 1 of each year on the operation and status of the Trust Fund during the preceding fiscal year.

(b)(1) The Trustee is authorized to issue to the Federal Financing Bank notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Federal Financing Bank, in an amount not to exceed $5,000,000,000 in total, and not to exceed $500,000,000 in any fiscal year. The proceeds from the issue of such obligations shall be deposited in the Trust Fund.

(2) Such notes or other obligations shall bear interest at a rate determined by the Federal Financing Bank, taking into consideration the current average market yield on outstanding marketable obligations of the Federal Financing Bank of comparable maturities during the month preceding the issuance of the notes or other obligations.

(3) The Federal Financing Bank is authorized and directed to purchase any notes and other obligations issued hereunder and may at any time sell any of the notes or other obligations acquired under this subsection. The receipts and disbursements of the Trust Fund shall not be included in the totals of the budget of the United States Government as submitted by the President or of the congressional budget and shall be exempt from any general budget limitation imposed by statute on expenditures and net lending (budget outlays) of the United States Government.

(c) It shall be the duty of the Trustee to invest such portion of the fund as is not, in his judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired on original issue at the issue price, or by purchase of outstanding obligations at the market price.

(d) Any obligation acquired by the Trust Fund may be sold by the Trustee at the market price. The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

EXPENDITURES FROM THE TRUST FUND

SEC. 5. (a) The Trustee shall transfer funds in each fiscal year out of the Trust Fund to the Secretary in such amounts as are necessary to carry out the functions of this Act, subject to the limitations of section 4(b). The funds so transferred shall be available for making loans and for the payment of administrative expenses under this Act.

(b) The Trustee shall make such expenditures from the Trust Fund as he determines necessary for the redemption of such notes and obligations issued pursuant to section 4.

ALLOCATION OF FUNDS FROM THE TRUST FUND

SEC. 6. To the maximum extent possible, the Secretary shall allocate funds from the Trust Fund among States based upon the allocation set forth in section 301(b) of the Job-Training Partnership Act relating to the allocation of assistance for dislocated workers.

ELIGIBILITY REQUIREMENTS FOR LOANS

SEC. 7. (a) The Secretary shall promulgate regulations for the certification of eligible individuals identified pursuant to subsections (b) and (e).

(b) The Secretary may use the local offices of the United States Employment Service in each State or the private industry councils established pursuant to section 102 of the Job Partnership Training Act to identify and certify any individual eligible to receive a loan.

(c) An individual is eligible to receive a loan if the individual is—

(1)(A) a dislocated worker;

(B) a displaced homemaker;

(C) employed in declining industry; or

(D) underemployed; and

(2) at least twenty-five years of age.

(d) Each certified individual shall comply with the provisions of section 8 before a private industry council may approve a loan for such individual.

(e) Notwithstanding subsection (c) the private industry councils in reviewing loan applications pursuant to section 8, may modify the eligibility requirements and certify individuals in 5 per centum of the loan applications.

LABOR PRODUCTIVITY ASSISTANCE LOANS

SEC. 8. (a) Each certified individual desiring to receive a loan shall—

(1) receive counseling from the appropriate private industry council regarding the loan program;

(2) develop a written plan, with the assistance of the appropriate private industry council, for the use of a loan designed for

the individualized needs of such individual which shall include—

(A) the employment goal of the individual;

(B) the specific training, counseling service, or other activities for which assistance is sought, consistent with section 10;

(C) the amount to be borrowed;

(D) the specific starting and completion date of the training or counseling sought, which shall not exceed a duration of two years;

(E) the repayment schedule of a loan; and

(F) the specific use of a loan for any authorized activity under section 10; and

(3) submit an application which fully discloses the household income and assets, in accordance with uniform criteria established by the Secretary.

(b) A private industry council shall—

(1) approve the loan application and written plan of any certified individual if it determines—

(A) such application and written plan are in compliance with subsection (a); and

(B) approval of such loan application and written plan would further the purposes of this Act;

(2) monitor the progress of an individual receiving a loan in accordance with the written plan developed under subsection (a)(2) on at least a semiannual basis; and

(c) Any individual who is receiving unemployment benefits, shall not have such benefits reduced or suspended because such individual receives a loan under this Act.

TERMS OF LABOR PRODUCTIVITY ASSISTANCE LOANS

SEC. 9. (a) A loan shall not exceed $10,000 in aggregate per household, whether received as a single loan or as an additional loan to any other loan made under this act.

(b) Each loan under this Act shall—

(1) be made only if a certified individual has complied with the provisions of section 8 and such loan has been approved by the appropriate private industry council; and

(2) be evidenced by a note or other written agreement which—

(A) provides for repayment of the principal amount of the loan in installments over a period of not more than twelve years. beginning the later of—

(i) one year after the date of the completion of the authorized activity approved in a recipient's plan pursuant to section 8(b)(1), unless such recipient requests repayment to begin on an earlier date; or

(ii) one month after the date which such individual has an income in an amount that is equal to or exceeds 150 per centum of the poverty line established in accordance with section 673(c) of the Community Services Block Grant Act;

(B) provides for interest on the unpaid principal balance of the loan at a yearly rate, not exceeding the average rate of return established for fifty-two week Treasury bills, in the most recent calendar quarter ended preceding the date of the loan, plus 2 per centum, which interest shall be payable in installents over the period of the loan except that, if provided in the note or other written agreement, and interest payable by the recipient may be deferred until not later than the date upon which repayment of the first installment of principal falls due, in which case interest that has so accrued during that period may be added on that date to the principal;

(C) provides that in the event of death or permanent and total disability of the recipient, as determined in accordance with regulations promulgated by the Secretary, the Secretary may modify the terms of a loan or discharge the debt of such a recipient; and

(D) entitles the recipient to accelerate without penalty repayment of the whole or any part of the loan.

(c) The Secretary shall discharge a debt on a loan pursuant to section 523(a)(10)(B) of title 11, United States Code, in the event of the death of the debtor and—

(1) a determination by the Secretary that an undue hardship exists; or

(2) the estate of the debtor has a net worth less than $50,000.

(d) Section 523(a) of title 11, United States Code, is amended by—

(1) striking out "or" at the end of paragraph (8);

(2) striking out the period at the end of paragraph (9) and inserting in lieu thereof "; or"; and

(3) adding at the end thereof the following:

"(10) for a labor productivity assistance loan made, insured, or guaranteed by a governmental unit pursuant to section 8 of the Labor Productivity Assistance Act of 1983, unless—

"(A) such loan first became due before five years (exclusive of any applicable suspension of the repayment period) before the date of the filing of the petition; or

"(B) excepting such debt from discharge under this paragraph will impose an undue hardship on the debtor and the debtor's dependents.".

AUTHORIZED ACTIVITIES

SEC. 10. A certified individual may be approved for a loan pursuant to section 8 for—

(1) employment search assistance;

(2) training in job skills, including any two year college program;

(3) relocation assistance;

(4) a subsistence allowance; and

(5) participation in any program, approved by a private industry council, which is conducted by, or in cooperation with, an employer or labor organization to provide early assistance to any individual who is adversely affected in employment because of plant closures or labor force reductions by an employer.

ADMINISTRATIVE PROVISIONS

SEC. 11. (a) The Secretary shall enter into agreements with the private industry councils, established pursuant to section 102 of the Job Training Partnership Act to administer the labor productivity assistance loan program authorized by this Act. Such agreements shall provide for the protection of the financial interest of the United States regarding such loan program.

(b)

(1) The Secretary may—

(A) prescribe such regulations as may be necessary to carry out the provisions of this Act;

(B) modify any term, condition, or covenant of any loan to protect the financial interest of the United States; or

(C) consent to modification, with respect to rate of interest, time of payment of any installment of principal and interest or any portion thereof, or any other provision of any note or other instrument evidencing a loan;

(D) enforce, pay, compromise, waive, or release any right, title, claim, lien, or demand, however acquired, including any equity or any right of redemption, subject to section 9(c);

(E) enter into a contract or other arrangement with State or nonprofit agencies and, on a competitive basis, with collection agencies for servicing and collection of loans under this Act; and

(F) sue and be sued in any court of record of a State having general jurisdiction or in any district court of the United States, and such district courts shall have jurisdiction of civil actions arising under this part without regard to the amount in controversy, and action instituted under this subsection by or against the Secretary shall survive notwithstanding any change in the person occupying the office of Secretary or any vacancy in that office; but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Secretary or property under his control and nothing herein shall be construed to except litigation arising out of activities under this Act from the application of sections 509, 517, 547, and 2679 of title 28 of the United States Code.

(c) Collection of loan repayments shall be made in accordance with procedures established by the Secretary of the Treasury, utilizing the IRS.

LABOR PRODUCTIVITY ASSISTANCE ACT

The Labor Productivity Assistance Act creates a trust fund to provide low interest loans to participants for the purpose of upgrading their job skills in order to secure productive, stable employment.

PARTICIPANTS

Participation is limited to persons age 25 and over who are (1) dislocated workers, (2) displaced homemakers, (3) underemployed individuals, or (4) individuals employed in declining industries.

PROGRAM BENEFITS

Participants may borrow a maximum of $10,000 to finance up to two years of training activities. Authorized activities include employment search, skill training (including two-year college programs), relocation assistance, subsistence payments, and training provided by employers or labor organizations for individuals who will be affected by layoffs or plant closures.

Repayment of the loan will commence one year after completion of an individual's training plan, and will be amortized over a maximum of 12 years. No repayment will be required by participants until their household income is at least 150 percent of the poverty level.

PROGRAM ADMINISTRATION

At the federal level, the Secretary of Labor will be responsible for program oversight and regulation. Collection will be made through IRS withholding in order to minimize defaults.

TRUST FUND ADMINISTRATION

The Trust Fund will be created under the auspices of the Federal Financing Bank. A yearly limit on the total new loan obligations will be set ($500 million), as well as a limit on the total amount of outstanding loans ($5 billion). These restrictions will ensure a smooth flow of funds and create a self-sustaining loan trust fund.

Due to the nature of the financing mechanism the program will not impact the federal deficit. Should the program be terminated, repayment of the outstanding loans would restore the full amount of the obligations incurred by the Federal Financing Bank.

COMPARISON OF LABOR PRODUCTIVITY ASSISTANCE ACT THE JTPA AND THE TRADE ADJUSTMENT ASSISTANCE ACT

Labor Productivity Assistance Act	JTPA	Trade Adjustment Assistance Act
Available to all persons 25 or over who are under employed, displaced homemakers, and dislocated workers.	Limited to target groups and the unemployed and dislocated workers.	Available to all workers dislocated due to foreign imports.
Provides cash assistance for relocation, training, and subsistence.	Emphasis on training; cash assistance only in limited circumstances.	Provides cash assistance to all eligible.
Off-budget item	Budgeted item subject to Gramm-Rudman.	Budgeted item subject to Gramm-Rudman.
Provides subsistence payments.	No subsistence payments unless emergency.	Provides subsistence payments.
Assistance for a 2-yr period.	Assistance for a 1-yr period.	Assistance for a 26-week period.
Loans of up to $10,000 per individual from revolving trust fund.	15 to 25 percent of those eligible will not get assistance.	Future of this program uncertain at this time.
Paid back once income reaches 150 percent of the poverty level.	No pay back provision	No pay back provision.

QUESTIONS AND ANSWERS

Q: What are the goals of the Labor Productivity Assistance Act?

A: The LPAA is intended to provide low-cost loans to individuals who need retraining or eduction in order to upgrade their job skills and secure productive, stable employment.

Q: Who is eligible for an LPAA loan?

A: Persons who are at least 25 years of age and who are either dislocated workers, displaced homemakers, underemployed individuals, or individuals employed in declining industries will be eligible for LPAA loans.

Q: What are the terms of LPAA loans?

A: LPAA loans may be as much as $10,000 to finance up to two years of training or educational activities. The term of the loan will be negotiated on an individual basis, but may be amortized over a maximum of 12 years. Repayment of the loan will normally commence one year after completion of the training, but no repayment will be required until household income is at least 150% of the poverty level.

Q: What kind of education and training activities may the loan be used to finance?

A: Among the authorized activities are skill training, vocational training, two-year college programs, employment search, relocation assistance, subsistance payments during training, and training provided by employers or labor organizations for individuals who will be affected by layoffs or plant closures.

Q: Who will decide who receives a loan?

A: At the federal level, the Secretary of Labor will be responsible for program oversight and regulation. At the local level, loans will be administered by either the Employment Service or the Job Training Partnership Act Private Industry Council.

Q: How will loans be collected?

A: Loan repayment will be made through IRS withholding in order to minimize defaults.

Q: How much money will be available for loans each year?

A: A yearly limit on the total new loan obligations will be set at $500 million, as well as a $500 billion limit on the total amount of outstanding loans. These restrictions should ensure that the program remains self-sustaining, as people repay their loans to the trust fund.

Q: Won't this add a lot to the federal budget deficit?

A: Because the loan trust fund will be created under the auspices of the Federal Financing Bank and because it is a program which requires repayment, the program will not impact the federal deficit.

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. CRANSTON, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America, Inc.

S. 1917

At the request of Mr. BRADLEY, the names of the Senator from Michigan [Mr. LEVIN], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of S. 1917, a bill to amend the Foreign Assistance Act of 1961 to provide assistance to promote immunization and oral rehydration, and for other purposes.

S. 2049

At the request of Mr. PROXMIRE, the names of the Senator from Arkansas [Mr. BUMPERS], the Senator from Alabama [Mr. DENTON], and the Senator from Colorado [Mr. ARMSTRONG] were added as cosponsors of S. 2049, a bill to prohibit Export-Import Bank loans to Angola.

S. 2067

At the request of Mr. LAUTENBERG, the name of the Senator from West Virginia [Mr. BYRD] was added as a cosponsor of S. 2067, a bill to overturn the deferral of the fiscal year 1986 Urban Development Action Grant and Community Development Block Grant Program.

S. 2074

At the request of Mr. RIEGLE, the names of the Senator from Arkansas [Mr. BUMPERS], and the Senator from Iowa [Mr. HARKIN] were added as cosponsors of S. 2074, a bill disapproving the proposed deferral of budget authority for community development block programs.

S. 2075

At the request of Mr. LAUTENBERG, the name of the Senator from West Virginia [Mr. BYRD] was added as a cosponsor of S. 2075, a bill to overturn the deferral of Urban Development Action Grant funds.

S. 2130

At the request of Mr. DURENBERGER, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 2130, a bill to preserve, protect, and revitalize the National Park System.

SENATE JOINT RESOLUTION 251

At the request of Mr. HATCH, the names of the Senator from Illinois [Mr. SIMON], the Senator from Mississippi [Mr. STENNIS], the Senator from Alabama [Mr. HEFLIN], the Senator from Arizona [Mr. DECONCINI], the Senator from Florida [Mr. CHILES], and the Senator from Vermont [Mr. STAFFORD] were added as cosponsors of Senate Joint Resolution 251, a joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Science Week, 1986".

SENATE JOINT RESOLUTION 264

At the request of Mr. PRYOR, the names of the Senator from North Dakota [Mr. ANDREWS] and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 264, a joint resolution designating April 28, 1986, as "National Nursing Home Residents Day."

SENATE JOINT RESOLUTION 267

At the request of Mr. HEINZ, the names of the Senator from Idaho [Mr. SYMMS], the Senator from Illinois [Mr. DIXON], the Senator from Nebraska [Mr. EXON], and the Senator from Georgia [Mr. MATTINGLY] were added as cosponsors of Senate Joint Resolution 267, a joint resolution designating the week of May 26, 1986, through June 1, 1986, as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week".

SENATE JOINT RESOLUTION 272

At the request of Mr. HUMPHREY, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of Senate Joint Resolution 272, a joint resolution to authorize and request the President to issue a proclamation designating March 21, 1986, as Afghanistan Day, a day to commemorate the struggle of the people of Afghanistan against the occupation of their country by Soviet forces.

SENATE JOINT RESOLUTION 273

At the request of Mr. HATCH, the name of the Senator from Nevada [Mr. LAXALT] was added as a cosponsor of Senate Joint Resolution 273, a joint resolution to designate the week of March 9, 1986, as "National Developmental Disabilities Awareness Week."

SENATE JOINT RESOLUTION 275

At the request of Mr. D'AMATO, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of Senate Joint Resolution 275, a joint resolution designating May 11 through May 17, 1986, as "Jewish Heritage Week,"

SENATE JOINT RESOLUTION 280

At the request of Mr. HEINZ, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of Senate Joint Resolution 280, a joint resolution designating the month of November 1986, as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 281

At the request of Mr. NUNN, the names of the Senator from Texas [Mr. BENTSEN], the Senator from New Jersey [Mr. BRADLEY], the Senator from North Dakota [Mr. BURDICK], the Senator from Kansas [Mr. DOLE], the Senator from Louisiana [Mr. LONG], the Senator from Maryland [Mr. SARBANES], and the Senator from

California [Mr. WILSON] were added as cosponsors of Senate Joint Resolution 281, a joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "Senior Center Week."

SENATE JOINT RESOLUTION 287

At the request of Mr. BOREN, the names of the Senator from Georgia [Mr. NUNN], the Senator from Michigan [Mr. RIEGLE], the Senator from Illinois [Mr. SIMON] and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of Senate Joint Resolution 287, a joint resolution designating September 29, 1986, as "National Teachers Day."

SENATE RESOLUTION 82

At the request of Mr. D'AMATO, the names of the Senator from Illinois [Mr. SIMON] and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of Senate Resolution 82, a resolution to preserve the deduction for State and local taxes.

SENATE RESOLUTION 267

At the request of Mr. HUMPHREY, the names of the Senator from Virginia [Mr. TRIBLE] and the Senator from New Hampshire [Mr. RUDMAN] were added as cosponsors of Senate Resolution 267, a resolution establishing a special panel on asylum.

SENATE RESOLUTION 298

At the request of Mr. WEICKER, the name of the Senator from Missouri [Mr. DANFORTH] was added as a cosponsor of Senate Resolution 298, a resolution expressing support and encouragement of the Senate for the United States Disabled Ski Team at the 1986 World Disabled Ski Championships to be held in Salem, Sweden, on April 6 through April 17, 1986.

SENATE RESOLUTION 303

At the request of Mr. HEINZ, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of Senate Resolution 303, a resolution to express the sense of the Senate with respect to proposals currently before the Congress to tax certain employer-paid benefits and other life-support benefits.

SENATE RESOLUTION 339

At the request of Mr. BYRD, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of Senate Resolution 339, a resolution to express the sense of the Senate with respect to proposals currently before the Congress to tax certain employer-paid benefits and other life-support benefits.

SENATE CONCURRENT RESOLUTION 113—CORRECTING THE ENROLLMENT OF H.R. 1614

Mr. DOLE submitted the following concurrent resolution; which was ordered to lie over under the rule:

S. CON. RES. 113

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of the bill H.R. 1614, an Act entitled "The Food Security Improvements Act of 1986", the Clerk of the House shall make the following corrections:

(1) In section 13(a), strike out the matter preceding paragraph (1), and insert in lieu thereof the following:

"(a) It is the sense of Congress that the Secretary of Agriculture should carry out a program authorized by section 424 of the Agricultural Act of 1949. Such program, if implemented, should provide for the following:".

(2) In section 13(c), strike out "shall" both times it appears and insert in lieu thereof "should".

(3) In section 17(b)(2) of the United States Warehouse Act (as added by section 14 of the bill), strike out "warehouse to which" and insert in lieu thereof "warehouse from which".

SENATE RESOLUTION 363—RESOLUTION IN MEMORY OF FORMER SENATOR JACOB K. JAVITS

Mr. DOLE (for himself, Mr. BYRD, Mr. D'AMATO, Mr. MOYNIHAN, Mr. EXON, and Mr. SIMON) submitted the following resolution; which was considered and agreed to:

S. RES. 363

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable Jacob Javits, late a Senator from the State of New York.

Resolved, That the Secretary of the Senate communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of Senator Javits.

Resolved, That as a further mark of respect to the memory of Senator Javits, the Senate stand in recess from 12:00 noon until 1:00 p.m.

AMENDMENTS SUBMITTED

AGRICULTURAL CREDIT AVAILABILITY

MELCHER AMENDMENT NO. 1653

(Ordered referred to the Committee on Banking, Housing, and Urban Affairs.)

Mr. MELCHER submitted an amendment intended to be proposed by him to the bill (S. 2116) to require the Board of Governors of the Federal Reserve System to make credit available for agricultural purposes; as follows:

S. 2116 is to be amended as follows:

A. At the beginning of line 3 insert: "Section 13a of the Federal Reserve Act (12 U.S.C. paragraph 352) is amended by adding at the end thereof the following new paragraph:";

B. At the beginning of line 3 delete "That";

C. In line 7, after "bills of exchange" insert "of any maturity";

D. In line 8 delete "section 13a of"; and

E. At the end of line 10, add: "; which may be offered as collateral security for the issuance of Federal Reserve notes under Section 16 of this Act. A Federal Reserve Bank may make advances to any person obligated under any such notes or bills of exchange."

Mr. MELCHER. Mr. President, I was pleased to hear the majority leader's statement recently on attempting to get over this little tempest in a kettle, on whether the word is "should" or "shall" in the concurrent resolution that dealt with Senator HARKIN's amendment. It was his amendment, and it was in the form of a concurrent resolution, which we all know is not binding on the President.

I have not spoken on this matter earlier today, but I want to express my basic problem with this threat from some anonymous lawyers downtown in the White House, who say, "Unless this is changed, we are going to have the President veto the bill."

That bothers me, and I think it bothers others on both sides of the aisle, in that the President somehow would veto a bill based on some rather nebulous arguments that a word in a concurrent resolution should be "should" or "shall."

I have not gone into this too deeply, only deep enough to bring to the attention of the Senate the Attorney General's opinion, one in 1934 and one in 1965, both of which state that a resolution of this type is not mandatory that the President must follow. It expresses an opinion of Congress in a rather firm way but it does not have the force and effect of law mandating the President follow it through as stated.

The reason it gravels me, and I think others, is that surely the idle statement, if it is idle, that the President should veto a bill containing one of these concurrent resolutions, advisory in nature, seems to me to place a minimal value on the bill itself.

What the administration wanted in that bill has to do with cutting back on some of the mandatory requirements of the export programs that were in the 1985 farm bill. So that has been worked out with them. They are cut back. I rather regret that, because I think if there is any hope for getting farm prices on a better level than they are now, the major portion of that hope rests this year in turning around the decline in agriculture exports.

But we have gone along with that and there are some other features in the bill which I will not go into at all this evening, but the cutbacks in two of the export enhancement programs were exactly what the administration required, and requested, and described as being very essential to them. So that is in the bill.

So the President lightly makes a request on legislation up here and then lightly his people throw out threats of veto over a nonbinding resolution in the package. It seems to me, that

cheapens the whole effort that we have.

I was pleased to hear what the majority leader had to say on this matter and will review his recommendations very quickly and hopefully we will get beyond this very soon in the morning.

Mr. President, the whole argument that was being made in the Harkin amendment was that we are attempting to provide a mechanism for providing some loan money to farm cooperators in the wheat, feed grain, cotton, and rice programs as well as the soybean program, at a cheaper rate of interest. We can get it to them immediately and interest would be at 7½ percent, and that is an attractive rate of interest for these farm producers because they are paying somewhere between 12 and 13 percent right now.

Obviously that would be of real benefit to farm producers who are strapped now with high operating costs and one of the major factors in that high operating costs package is the rate of interest they pay on their operating loans.

There has to be some method of reducing the interest rates for these agricultural borrowers now. One of those methods is contained as a proposal in S. 2116, the bill that was introduced a few days ago by myself, Senator FORD and Senator BURDICK. We are in hopes that through the Federal Reserve Board discount window agricultural banks, the Farm Credit System, and perhaps even the Farmers Home Administration could be receiving assistance from the Federal Reserve System at the rediscount rate which is now 7 percent and that would provide a workable mechanism for getting agricultural loans down to decent interest rate levels.

So, we are going to discuss that bill in the Banking Committee tomorrow and perhaps get some ideas from that committee which has jurisdiction over the bill. The number on the bill is S. 2116, but in discussing it with the banking interests, we were advised that some amendments are in order.

I am now sending to the desk to be printed in the RECORD amendments to that bill.

Mr. President, I hope that we can have action. I know it is a bipartisan effort here in the Senate, those who are representing agriculture States, to try to get a bill to the Senate floor quickly that will result in interest savings for agricultural borrowers.

The bill that I mentioned is just one of those bills that is available to use as a vehicle, but there are others available by other Senators. My firm hope is that the Senate Banking Committee will quickly report out a bill.

Mr. President, I ask unanimous consent that an explanation of the amendment be printed in the RECORD.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

EXPLANATION OF AMENDMENT TO S. 2116

The first amendment to S. 2116 changes the bill so that it is drafted to the Federal Reserve Act.

The second amendment waives the 9 month limitation on maturities of notes, drafts and bills of exchange to be discounted or rediscounted under this bill. Most agricultural paper has a maturity in excess of 9 months.

The third amendment deletes the requirement that the paper be endorsed by the originating bank, which would severely limit the value of Federal Reserve Bank purchase of agricultural paper.

The fourth and fifth amendments permit the Federal Reserve banks to restructure the notes they acquire. Restructuring is necessary in order to sell the agricultural paper in a secondary market.

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS. Mr. President, I would like to announce for the information of the public that the Select Committee on Indian Affairs will hold a hearing on S. 2095, a bill to reauthorize the Tribally Controlled Community College Assistance Act of 1978 and the Navajo Community College Act, in Senate Russell 428-A, beginning at 2 p.m.

Those wishing additional information should contact Mary Jane Wrenn of the committee at 224-2251.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources has scheduled a hearing on the Department of Energy's Fossil Energy Programs and Conservation and Renewable Energy Programs.

The hearing is scheduled for Monday, March 17, 1986, beginning at 2 p.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

Those wishing to testify or who wish to submit written statements for the record should write to the Subcommittee on Energy Research and Development, Committee on Energy and Natural Resources, Washington, DC 20510.

For additional information regarding this hearing, you may contact K.P. Lau or Marilyn Meigs on the subcommittee staff at (202) 224-4431.

ADDITIONAL STATEMENTS

THE PRESIDENT'S HIGHER EDUCATION BUDGET

● Mr. SIMON. Mr. President, the Committee on the Budget in the other body recently held hearings in Chicago on the President's fiscal year 1987 budget. Among those who appeared and testified were a number of Chicago educators, including Dr. Salvatore Rotella, chancellor of the City Colleges of Chicago, Dr. Manford Byrd, superintendent of the Chicago Public Schools, Ted Sanders, superintendent of Public Instruction in Illinois and Father John T. Richardson, president of De Paul University. Each of them spoke eloquently about the importance of education to a free society, and more importantly about the need to make investments in our human resources through elementary, secondary, and higher education. Father Richardson, who heads one of Illinois' proudest private institutions of higher education, described in his testimony the major steps that De Paul is taking to provide access to higher education for low-income, Hispanic and black American students and those who need a hand and not a hand-out to improve their status in life.

I think Father Richardson's testimony is worthy of consideration by all Members of this body and particularly in connection with the Senate's consideration of reauthorization of the Higher Education Act. The administration has proposed draconian cuts in the Federal student assistance programs—in effect repealing the Middle-Income Student Assistance Act, reversing our longstanding commitment to access and choice in higher education and disinvestment in America's human resources, its people.

I ask that Father Richardson's testimony, which was included in an op ed article in the February 26 Chicago Tribune be included in the RECORD.

The article follows:

[From the Chicago Tribune, Feb. 26, 1986]

DRACONIAN STUDENT-AID CUTS

(By John T. Richardson)

Congress should reject President Reagan's patently unrealistic budget proposals and should develop its own budget, including the sections on student financial aid.

In the last five years, federal support of student aid has increased by 35 percent while overall federal spending has increased by 43 percent.

I agree with the purpose and the monetary targets of the Gramm-Rudman-Hollings law, but I suggest that Congress shape a more discriminating method for reducing expenditures. In the national interest, I would support congressional action to maintain the higher education budget at its present overall level. This would place a heavier burden on the states and private sources to pick up the slack caused by the increasing costs of higher education, but I am confident the American people will not permit much of the human potential of our country to remain largely underdeveloped.

Financial support of students in higher education extends far beyond the students' own interests. The nation's future is inseparably connected with the development of the talents of its young people. The strength of our economy depends directly on a highly educated and motivated popu-

lace, and on such specific contributions of higher education as basic research, technological developments, consumer sophistication and marketing skills.

The Draconian cuts in student aid proposed by President Reagan undermine the national investment in higher education and fail to give us a rational way to reduce the deficit. Compounding their potentially devastating effects, these cuts hit students who most need financial help. Thus the need-based Pell Grants would be reduced $366 million from the actual appropriation of fiscal year 1986, and 858,000 fewer students, almost 29 percent, would receive these grants.

Students from middle- and lower-middle-income families would suffer from the Presidents proposal. Families with incomes above $14,000 could probably no longer look to Pell Grants. Students dependent on guaranteed student loans would face tougher repayment obligations. Lending institutions would be discouraged from making loans because they would be forced to assume greater risks.

States have worked very effectively with the federal government to provide access and choice to college students. By undermining federal aid to students, the President would create an intolerable burden for the states, frustrating the struggle to offer students access and choice to both public and independent colleges and universities.

The elimination of the State Student Incentive Grants would reduce Illinois monetary awards. There is real danger in Illinois that only students in the lowest economic category can expect the maximum awards previously shared by students in the lower-middle-income bracket.

Another likely outcome would be a further shift of students from independent to public colleges. As the gap between the cost at independent and public institutions has grown faster than the availability of student financial aid, Illinois experienced a notable shift of middle-income students to public universities.

Of De Paul University's freshman class of 1985, 17.1 percent were from families with incomes of less than $15,000, compared with 6.5 percent among freshmen from independent colleges nationally. De Paul's Pell recipients were 20.5 percent, compared with 12.3 percent at independent colleges nationally. The percentage of Hispanic freshmen increased from 5.8 in 1984 to 8.8 in 1985. Between fiscal 1981 and fiscal 1985, De Paul increased its own institutional funding of student grants by $1.9 million, or 118 percent. During the same period, it increased funds for student employment by $732,000, or 131 percent.

In his presentation to a joint session of Congress, the President was at his dramatic best in praising the accomplishments of four young people. Ironically, however, the substance of his budget will make it ever more difficult for the sisters and brothers of those young people to attend college. I am confident that the people and the Congress of the United States recognize the difference between the ingredients of a Hollywood scenario and the basis of a sound federal budget.●

POPULATION TRENDS

● Mr. SIMON. Mr. President, Albert Shanker, president of the American Federation of Teachers, recently had a column on population trends in the New York Times, quoting from a book written by Harold L. Hodgkinson. These are trends that more Americans ought to know about.

I urge my colleagues to read his column, and I ask that it be inserted in the RECORD.

The column follows:

POPULATION TRENDS SEND SOS FOR FUTURE

The social sciences are not very exact, and we still don't have answers to many important problems. Predictions of economic upturns and downturns, changes in interest rates, and unemployment figures are unreliable. We continue to debate on what to do to reduce welfare dependency, drop out rates and teenage pregnancy. There's much that we do not know yet. But what is surprising is how little we make use of the wealth of accurate information we have at our disposal.

Unlike predictions in economics, on long range weather forescasting, accurate demographic information is readily available. We know how many children will be entering school for the next five years, who they are and where they are. The information we have is important and fascinating—and ominous. Much of it is assembled in *All One System* by Harold L. Hodgkinson, published by the Institute for Educational Leadership.

According to Hodgkinson, "Changes in the composition of the group moving through the educational system will change the system faster than anything else except nuclear war. . . . By knowing the nature of those coming into first grade in the U.S., one can forecast with some precision what the cohort of graduating high school seniors will be like 12 years later, and can reveal with very little error what the entering college class will look like in the 13th year."

The full report deserves reading, but here are some of the interesting facts presented. The birth rate of whites and Cubans is below the stay-even point, that of Puerto Ricans is at the stay-even point, while that of blacks and Mexican-Americans is well above. The latter 2 groups "will be a larger part of our population in the future. All these young people have to do is grow older and we have the future." According to Hodgkinson, we are very nearly at the point where one third of our school population will consist of minority students.

The children who come through the system will be different in other ways too. "In 1955, 60% of the households in the U.S. consisted of a working father, a housewife mother and 2 or more school-age children. In 1980, that family unit was only 11% of our homes, and in 1985 it is 7%, an astonishing change. . . . The census tells us that 59% of the children born in 1983 will live with only one parent before reaching age 18—this now becomes the normal childhood experience. Of every 100 children born today:

12 will be born out of wedlock

40 will be born to parents who divorce before the child is 18

5 will be born to parents who separate

2 will be born to parents, of whom one will die before the child reaches 18

41 will reach age 18 'normally.'"

The schools will certainly be affected by the huge increase in children born out of wedlock, half of them born to teenage mothers.

Indeed, Hodgkinson points out, every day in America, 40 teenage girls give birth to their third child. "To be the third child of a child is to be very much 'at risk' in terms of one's future. . . . There is a particular aspect of this situation that is vital—teenage mothers tend to give birth to children who are premature, due mostly to lack of physical examinations and to their very poor diet while pregnant. Prematurity leads to low birth weight, which increases these infants' chances of major health problems due to the lack of development of the child's immune system. Low birth weight is a good predictor of major learning difficulties whem a child gets to school. This means that about 700,000 babies of the annual cohort of around 3.3 million births are almost assured of being either educationally retarded or 'difficult to teach.'"

Down the road no one will be able to escape the impact of these problems. Back in 1950, when Americans retired on Social Security, there were 17 people in the work force contributing to each person's pension. But, in 1992, there will be only 3 working-age people to pay for each retiree's benefits, and one of those will be black or Hispanic. And, unless we do a better job preparing children to be productive members of society, the chances are that 1 of the 3 will be receiving some form of public assistance.

Clearly, without a serious national effort to address the problems of our emerging population, we have the scenario for economic disaster and a major erosion of our standard of living. Everyone has a stake in making sure that all children get the best education possible. Self-interest dictates nothing less.●

BUDGET SCOREKEEPING REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate the budget scorekeeping report for this week, prepared by the Congressional Budget Office in response to section 5 of the first budget resolution for fiscal year 1986. This report also serves as the scorekeeping report for the purposes of section 311 of the Congressional Budget Act, as amended.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 10, 1986.

HON. PETE V. DOMENICI,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1986. The estimated totals of budget authority, outlays, and revenues are compared to the appropriate or recommended levels contained in the most recent budget resolution, S. Con. Res. 32. This report meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32 and is current through March 7, 1986. The report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended.

Technical changes have been made since my last report.

With best wishes,
Sincerely,

RUDOLPH G. PENNER.

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 99TH CONGRESS, 2D SESSION, AS OF MARCH 7, 1986

[Fiscal year 1986—In billions of dollars]

	Budget authority	Outlays	Revenues	Debt subject to limit
Current level [1]	1,061.4	986.7	777.8	1,976.1
Budget resolution, Senate Concurrent Resolution 32	1,069.7	967.6	795.7	[2] 2,078.7
Current level is:				
Over resolution by		19.1		
Under resolution by	8.3		17.9	102.6

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level excludes the revenue and direct spending effects of legislation that is in earlier stages of completion, such as reported from a Senate committee or passed by the Senate. Thus, savings from reconciliation action assumed in Senate Concurrent Resolution 32 will not be included until Congress sends the legislation to the President for his approval. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $2,078.7 billion.

FISCAL YEAR 1986, SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99TH CONGRESS, 2D SESSION, AS OF MARCH 7, 1986

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			777,832
Permanent appropriations and trust funds.	723,462	629,773	
Other appropriations	525,789	544,958	
Offsetting receipts	−188,561	−188,561	
Total enacted in previous sessions.	1,060,415	986,085	777,832
II. Enacted this session:			
Commodity Credit Corporation urgent supplemental appropriation, 1986 (Public Law 99–243).			
Federal Employees Benefits Improvement Act of 1986 (Public Law 99–251).		4	
Total		4	
III. Continuing resolution authority.			
IV. Conference agreements ratified by both Houses: VA home loan guarantee amendments (H.R. 4130).		−51	
Total		−51	
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Veterans compensation.	272	185	
Veterans readjustment benefits.	91	91	
Compact of free association.	205	205	
Family social services	100	75	
Guaranteed student loans.	6		
Payment to the civil service retirement.	(37)	(37)	
Total entitlements	674	555	
Total current level as of March 7, 1986.	1,061,364	986,678	777,832
1986 budget resolution (S. Con. Res. 32).	1,069,700	967,600	795,700

FISCAL YEAR 1986, SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 99TH CONGRESS, 2D SESSION, AS OF MARCH 7, 1986—Continued

[In millions of dollars]

	Budget authority	Outlays	Revenues
Amount remaining:			
Over budget resolution.		19,078	
Under budget resolution.	8,336		17,868

Note: Numbers may not add due to rounding.●

VIETNAM VETERANS OF AMERICAN FEDERAL CHARTER

● Mr. D'AMATO Mr. President, I rise today in support of legislation to grant a Federal charter to the Vietnam Veterans of America, Inc. This Nation owes a great deal to its veterans, and I commend my colleague from California, Mr. CRANSTON, for introducing S. 8.

The Vietnam Veterans of America, Inc., has clearly demonstrated its credibility and ableness as a veterans organization. In 1980, the VVA had 2,000 national members and 15 chapters. Six years later, that membership has expanded to 28,000 members and 215 chapters.

The VVA also has an outstanding service record. Since 1981, the VVA has been recognized by the Veterans Administration for representation of veterans claims. In addition, the organization has trained and accredited 90 service representatives in the past 2 years. The VVA has five attorneys on its permanent national staff.

The Vietnam Veterans of America is significantly involved in veterans issues. The VVA agenda includes the Veterans Administration's budget, health care service, employment, housing, education, and small business. The Vietnam Veterans of America, Inc., has shown a great deal of responsibility this past year. Its constitution clearly reveals its intensity and mission of addressing the broad array of veterans concerns as they relate to all veterans. I am impressed with this mission, and I support the VVA's efforts to work in this direction.

The Vietnam Veterans of America, Inc., is a group worthy of recognition. Through the strong dedication of its members, it has helped many deserving veterans.

I am pleased to support this legislation. I encourage my colleagues to take note of the accomplishments of the Vietnam Veterans of America, Inc., and to join me in supporting S. 8.●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. DANFORTH. Mr. President, Grigory Lederman and his family first applied for permission to emigrate from the Soviet Union to Israel in 1976. They have been waiting ever since.

In the meantime, his wife has been forced from her job as a piano teacher at a children's club. He has been arrested, along with two other refuseniks, while attempting to transmit an appeal to President Reagan and Premier Gorbachev during their January summit. Last month, he and his wife joined in a hunger strike to call attention to the plight of Soviet Jews during the 27th Communist Party Congress.

The case of Grigory and Elizaveta Lederman is but one of the thousands that compel us to continue our appeals to the Soviet Union to restore the most basic religious and political freedoms to its people. The systematic denial of these rights is abhorrent.

This oppression, however, is increasing. Jewish emigration from the Soviet Union has fallen dramatically since its 1979 peak of 51,320. Last year, just 1,140 Jews were allowed to leave, while hundreds of thousands would take the opportunity if it were available. Some 250 families have been waiting to leave for 10 years or more. We have seen no sign of any change in this abysmal performance.

We are pleased by the release of Anatoly Shcharansky. The emigration of one well-known intellectual, however, does nothing for the thousands like Grigory Lederman who still suffer.

We must recognize that conditions for Soviet Jewry in general continue to deteriorate. Officially sanctioned restrictions on the practice of Judaism and Jewish culture abound. There are only 60 synagogues in all of the Soviet Union. Attempts to study or teach Hebrew are vigorously repressed. Harassment, beatings, and arrests have become commonplace not just for Jewish intellectuals, but for cultural activists as well.

America must strongly and publicly condemn such intolerable conditions. Religious persecution cannot go unanswered by the democracies fo the world. Blind acceptance of these conditions would be the death knell of our own hard-won freedoms.

It is because of this conviction that I am pleased to join in the congressional call to conscience today. Those who suffer under the cruelties of the Soviet system must know that we will not abandon their cause. They must know that the world remembers and supports their struggle. The leaders of the Soviet Union must know it as well.●

BUSINESS DEDUCTIBILITY OF FEDERAL EXCISE TAXES

● Mr. DURENBERGER. Mr. President, I rise today to address an issue

that is of great concern to me. In recent days, there have been reports that tax reform legislation may include a provision that would deny businesses the right to deduct Federal excise taxes. Such an idea, especially in the context of reforming the Federal Tax Code, suggests how far we have strayed from the concept of making the Tax Code fairer and more equitable.

I strongly oppose any efforts to repeal the deductibility of any legitimate business expenses including Federal excise taxes. Federal excise taxes paid by businesses for such items as tires and fuel, are as much a necessary cost of doing business as are labor costs. Would anyone suggest that executive salaries and workers' wages not be deductible? There is just no rational reason why certain costs of doing business should be allowed as deductions, while other equally legitimate expenses are disallowed.

Any attempt to end the deductibility of Federal excise taxes will have a significantly negative impact on every sector of the U.S. economy and will surely increase inflationary pressures. The transportation industry, especially the trucking and inland waterway industries, would bear the brunt of excise tax nondeductibility. And since nearly every product produced in this country is transported by trucks, the increased costs resulting from this idea will be passed on to wholesalers and, ultimately to consumers.

If there is one thing American business does not need from the Federal Government, it is another arbitrary rule that increases the cost of doing business in a highly competitive international environment. And that is exactly what would happen if businesses could not deduct all legitimate operating costs, including Federal excise taxes. Moreover, the American consumer cannot afford the higher costs and increased inflation that will surely result from this ill-conceived idea.

Eliminating the deductibility of Federal excise taxes is not my idea of tax reform. Indeed, it is quite the opposite, for it represents a step in the direction of taxing the gross income of American business. I sincerely hope this idea will quicky fade from the tax reform debate, for it is bad tax policy, bad trade policy, and bad consumer policy.●

REDUCTIONS PROPOSED FOR THE AGRICULTURE EXTENSION SERVICE

● Mr. GORE. Mr. President, I want to address the subject of the reductions proposed for the Agriculture Extension Service in the 1987 budget submitted by the administration.

The proposed budget calls for a 59-percent cut nationwide in the funding for the Extension Service, from $328 million to $140 million. Mr. President, I submit that a reduction of this magnitude will effectively put the Agriculture Extension Service out of business. It goes far beyond the trimming of the fat that may exist in the agency; it guts it. Nationally, it could well result in the elimination of 8,000 extension jobs and the closing of up to 1,000 county extension offices. Specifically, it eliminates funding for the Expanded Food and Nutrition Program, the pest management, farm safety pesticide assessment, urban gardening and financial management programs and the Renewable Resources Extension Act. Additionally, these draconian cuts could mean the end for the 4-H programs, many of which are designed to provided basic training in agricultural skills for the farmers of the future.

The Agriculture Extension Service plays a critical role in the lives of the rural farmers of Tennessee. Just this weekend, at a town meeting in White Pine, TN, many of my constituents expressed their dismay at these prospective reductions. In Rogersville, TN, I was presented with a petition reflecting, again, a very real concern on the part of Tennessee farmers. The Farm Family Counseling Program, to cite but one effort, is extremely successful in my State. To severely reduce it at a time when farm families find themselves buffeted by the most serious economic conditions since the Great Depression is, simply, cruel and unusual punishment. It is time that we remember that the backbone of our economy is agriculture. It is time that we stop punishing that sector for problems that the Government, through misguided policies, embargoes and the like, not the farmers, created.

Mr. President, I urge my colleagues to reject the administration's ill considered proposals.●

TWO HUNDRED AND FIFTIETH ANNIVERSARY OF GEORGIA HUSSARS

● Mr. MATTINGLY. Mr. President, I rise today to bring to the attention of my colleagues the fact that February 13 was the 250th anniversary of the Georgia Hussars. The Hussars are the oldest military organization in the State of Georgia and are one of the Nation's most historic military commands. Since their founding by Gen. James Edward Oglethorpe in 1736, the Georgia Hussars have brought honor and glory to themselves and the State of Georgia, in times of peace as well as in times of war. I ask that a resolution passed by the Georgia State Senate commending this outstanding organization be printed in the RECORD.

The resolution follows:

RESOLUTION

Recognizing and commending the Georgia Hussars of Savannah, Georgia, on the two hundred fiftieth anniversity of its establishment, on February 13, 1736, by General James Edward Oglethorpe; and for other purposes.

Whereas, the Georgia Hussars of Savannah, Georgia, is celebrating the two hundred fiftieth anniversary of its establishment on February 13, 1736, by General James Edward Oglethorpe; and

Whereas, the Colony of Georgia was founded on February 12, 1733, as a military buffer for the English colonies north of the Savannah River and the Spanish Territory of Florida; and

Whereas, when Governor Oglethorpe found it necessary to have mounted troops, he organized a troop of mounted Rangers on February 13, 1736, and appointed Hugh MacKay Captain; and

Whereas, this was Georgia's first Troop of Horse (later Dragoons and then Cavalry), consisting of militia and volunteers from other Georgia military command; and

Whereas, this Troop fought many battles against the Spanish and their Indian allies, including the Battle of Bloody Marsh on St. Simons Island; and

Whereas, this Troop fought valiantly during the American Revolution at the first Battle of Savannah and throughout the war in Georgia, Florida, and South Carolina, including the Battle of Savannah on October 9, 1779, where the Troop was part of the Georgia Legion led by Brigadier General Casimir Pulaski, who was mortally wounded during the battle; and

Whereas, the Georgia Hussars, one of our nation's most historic military commands, was specially recognized for service in the American Revolution and was given Battle Honors at ceremonies in Washington, D.C., on August 29, 1976, by then Secretary of the Army, Martin R. Hoffman; and

Whereas, the Georgia Hussars has participated, as a unit or by its members, in every war America has fought since the Troop was founded, bringing honor and glory to Georgia and the nation, its Battle Honors being a continuing legend of gallantry above and beyond the call of duty; and

Whereas, the Georgia Hussars continues its service to Georgia in the Army National Guard.

Now, therefore, be it resolved by the senate that this body recognizes the service and the many sacrifices and the gallant actions of the citizen-soldiers of the Georgia Hussars, in peace as well as war, which have brought honor and glory to the State of Georgia as well as to themselves.

Be it further resolved that the Secretary of the Senate is authorized and directed to transmit appropriate copies of this resolution to Honorable Joe Frank Harris, Governor of Georgia; to Honorable Ronald Reagan, President of the United States; to each member of the Georgia delegation to the United States Congress; to Colonel (Ret.) Lindsey P. Henderson, Jr., Hussar Veterans Chairman, and to Honorable Marion C. Vause, President of the Georgia Hussars.●

SATELLITE SCRAMBLING

● Mr. D'AMATO. Mr. President, I rise today in support of legislation to promote equal access to television programming. My colleague, Mr. GORE, the distinguished Senator from Tennessee, has introduced S. 1618 to address the problems resulting from rapid change within the television pro-

gramming industry. I am pleased to be a supporter of such worthy legislation.

The past few years have been ones of rapid change within television programming. Cable companies have expanded, and the backyard satellite dish industry has gained a substantial share of the programming market.

Although the satellite scrambling issue was addressed in the 1984 Communications Act, no one had foreseen the complexities that would result from scrambling. The 1984 Communications Act allowed home dish viewing, primarily to provide television programming for those individuals living in rural areas who did not have access to a cable market. Many of these individuals bought satellite dish equipment costing as much as $5,000.

Now, satellite signals are being scrambled. Decoding equipment has been developed, but is far from available. Payment for the programming is undefined and, perhaps, uncompetitive. Some individuals are facing inaccessibility to certain television programming a second time around.

S. 1618 amends the Communications Act of 1934 to prohibit any person from denying availability of satellite cable programming for private viewing, and from substantially restricting such availability through pricing or other terms or conditions. I support the intent of this legislation because I believe that individuals should have the choice to receive services that are paid for based on a reasonable cost for those services.

The current dilemma with satellite scrambling implies that some television signals will not be accessible to viewers—that viewers will not have the choice to view certain programs until a unified decoder, which decodes all signals, not just one, is developed. In addition, the price for receiving an unscrambled signal does not appear to be based on a competitive market price in many areas. Instead, one organization seems to channel programming to dish owners for an entire area. This lack of competition has a direct impact on the price of services for satellite dish owners. Competition should be encouraged, not discouraged.

Again, I thank my colleague, Mr. GORE, for bringing this issue to the attention of the Senate. I am a strong believer in affordable access to information. I ask my colleagues to support this legislation in an effort to insure that all individuals have that access.●

BIRTHDAY WISHES FOR HYMAN BOOKBINDER

● Mr. BOSCHWITZ. Mr. President, today I should like to wish a special happy birthday to a warm, passionate, and committed man who has more energy than anyone I have ever known. He is the type of man who spends tireless hours working for the Jewish community, meeting with key public officials, writing articles, and responding to letters from regular citizens. In addition to his full days at work, he enjoys speaking with groups large and small, prestigious and common.

I think I speak for many when I say, "Happy 70th Birthday, Hyman "Bookie" Bookbinder."

Bookie's service to the Jewish community has been legendary for more years than he cares to count. So it's nice to have an opportunity to give him a small thank you in return. I look forward to Bookie's untiring commitment and zeal continuing for many, many more years.●

INNA AND NAUM MEIMAN: INHUMANE TREATMENT BY THE SOVIET UNION

● Mr. SIMON. Mr. President, Naum Meiman, a physics academician trained in the Soviet Union, cannot work in his field. His lack of meaningful employment results not from a lack of jobs or a lack of desire. Naum Meiman cannot work as a physicist because the Soviet state does not want him to.

The Meimans applied to leave the Soviet Union over 10 years ago. They have been refused too many times to count. As a member of the Helsinki Watch Committee in the Soviet Union, Naum has been persecuted for wanting to leave. He is one of the very few Watch Committee members who has not been arrested, imprisoned, or given permission to leave. Keeping Naum in the Soviet Union does no good for anyone.

I strongly urge the Soviets to let Naum and Inna emigrate.●

NATIONAL DEVELOPMENTAL DISABILITIES AWARENESS WEEK

● Mr. HATCH. Mr. President, today, I am joined by 28 other Senators, including both the chairman and the ranking minority member of the Subcommittee on the Handicapped and the chairman of the Judiciary Committee, in considering Senate Joint Resolution 273, a bill to establish March 9-15, 1986 as "National Developmental Disabilities Awareness Week." In order to facilitate passage of S. 273 in time for its commemoration next week, I urge the rest of my colleagues in the Senate to support passage of Senate Joint Resolution 273.

Developmental disabilities affect nearly 4 million children and adults in the United States. These disabilities result in substantial lifelong limitations of major activities including self-care, mobility, as well as independent living and economic self-sufficiency. Developmental disabilities are attributed to chronic mental and/or physical impairments manifested before the age of 22.

Persons with developmental disabilities require a combination of special health and educational services often for their entire lives. For example, Brett Ibrahim, a 14-year-old boy from Ogden, UT with multiple handicaps must gradually learn basic functional skills if he is to live as a member of society rather than in an institution. Right now he is learning to shop for groceries, use public transportation, and interact appropriately socially, in addition to learning vocational skills. Due to the severity of Brett's handicaps and that of other developmentally disabled people, they must have individual help and training. We are introducing this resolution in an effort to educate the general public about the special needs and the potential of the individual with development disabilities.

In a similar manner, the professionals, including teachers, therapists, counselors, physicians; and, of course, the families of developmentally disabled citizens deserve special recognition for their inestimable service. It is through the dedication and love of these people that the needs as well as the ability of these unique members of society has been made known. People like Brett's mother, Lois Ibrahim, and Brett's teachers deserve much credit.

It is our hope that this commemoration of a "National Developmental Disabilities Awareness Week" will achieve this purpose.●

NUCLEAR EXPLOSIVE TESTING

The PRESIDING OFFICER. The clerk will read House Joint Resolution 3 for the second time.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 3) to prevent nuclear explosive testing.

The PRESIDING OFFICER. The resolution having been given a second reading, it will be referred to committee.

ORDER OF BUSINESS

Mr. DOLE. Mr. President, we are going to recess very quickly, but I wanted to indicate that there was debate today on the balanced budget constitutional amendment. The managers were on the floor prepared to debate amendments. There were no amendments offered.

Again, I want to repeat what I indicated earlier, and that is that tomorrow it is my hope that we could dispose of a number of the amendments to the balanced budget amendment. I am not certain just how many there are—four, five, or six. It would seem to me that many of those can be disposed of tomorrow. We could still have the

vote, hopefully a successful vote, on the amendment on Wednesday and avoid cloture. It takes 67 votes for the amendment, 60 for cloture, so I think there has been some indication from opponents of the balanced budget amendment approach that it is better to have a vote on the amendment itself.

It is my hope that is the case and that we can reach an agreement to vote on Wednesday. It is my hope that on tomorrow we can take up the confirmation of Mr. Fitzwater to be a circuit judge, State of Texas. We had hoped we would have an agreement to at least do some of that debate today, but I understand the Senator from Ohio could not be reached by phone or any other way, so we do not have that agreement. But I hope we would have that agreement so we could take that up tomorrow morning and vote on it either ahead of the policy luncheon or immediately following the policy luncheon—hopefully before the policy luncheon so we could start immediately after the policy luncheon on the balanced budget amendment.

It is still my hope that we can resolve yet today the little technical error in the farm bill. We have another proposal that I hope will satisfy those who still find some problem with it.

It is my understanding the distinguished Senator from Montana [Mr. MELCHER] may be on his way to the floor. We may be able to at least dispose of that hopefully very quickly, because I intend to recess at no later than 5 or 6.

Mr. President, let me insert in the RECORD the concurrent resolution for which I will attempt to get unanimous consent either later day or tomorrow with reference to the monumental debate over the word "should" or "shall." What we have done in attempt to reach some great compromise is just drop the world "shall," so there is not any "shall" or "should" at all. It simply would state that it is a sense of the Congress the Secretary of Agriculture "carry out a program." It does not say "shall." It does not say "should." And the other area was "if implemented, shall provide for the following."

I have to believe that we are getting near pay dirt, and it would seem to me that there is not really much more about which to quarrel. I might say that we had the enrolled bill delivered to the Senate for signature by Senator THURMOND.

I have indicated that we would hold that for a while in hopes that we can accept this concurrent resolution, send it to the House, where I am certain they will take quick action, direct the enrolling clerk to take quick action and then it would be signed and returned.

Mr. President, I ask unanimous consent that the resolution and an explanation be printed in the RECORD, so that it will be available to Members on both sides who may have questions about it.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. CON. RES. 113

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of the bill H.R. 1614, an Act entitled "The Food Security Improvements Act of 1986", the Clerk of the House shall make the following corrections:

(1) In section 13(a), strike out the matter preceding paragraph (1) and insert in lieu thereof the following:

"(a) It is the sense of Congress that the Secretary of Agriculture carry out a program authorized by section 424 of the Agricultural Act of 1949. Such program, if implemented, shall provide for the following:".

(2) In the first sentence of section 13(c)—

(a) strike out "shall"; and

(b) strike out "the program provided for" and insert in lieu thereof "any program established".

(3) In section 17(b)(2) of the United States Warehouse Act (as added by section 14 of the bill), strike out "warehouse to which" and insert in lieu thereof "warehouse from which".

EXPLANATION OF S. CON. RES. 113

This resolution directs the Clerk of the House of Representatives to make minor corrections in the enrollment of H.R. 1614, the Food Security Improvements Act of 1986. This resolution is slightly different from the version that was sought to be considered by the Senate previously. These changes were made to accommodate the concerns of the Senator from Iowa (Mr. HARKIN).

The first two changes make only minor modifications in section 13 of the bill expressing the sense of Congress regarding implementation by the Secretary of Agriculture of an advance recourse loan program for the 1986 crops.

The resolution retains the strong expressions of the sense of Congress that the Secretary seriously consider carrying out an advance recourse loan program for the 1986 crops. The resolution also deletes the word "shall" in two place, thus eliminating any question that implementation of any advance recourse loan program is mandatory.

This resolution is designed to meet the conccerns of both the Administration and the Senator from Iowa.

The third change made by the resolution makes it clear that under the warehouse transfer provision added by section 14 of the bill, the responsibility for delivery of the stored products to the rightful owner, on request, remains with the warehouseman of the licensed warehouse from which the products were transferred under this provision.

Mr. DOLE. Mr. President, again I indicate that I think I speak for all Senators, that there was never any intent to have this anything but discretionary. It never was intended to be mandatory. The Senator from Iowa did not intend it to be mandatory. The Senator from Kansas did not intend it to be mandatory.

As I also have indicated, though some of us may be lawyers, we are not the ones advising the President. We have been in touch with OMB lawyers and USDA lawyers, and they believe that this version could satisfy their concerns—just dropping the word "shall" and saying, in effect, that the Secretary of Agriculture carry out a program—should carry, instead of shall carry.

It is my understanding that we may be able to do this the first thing tomorrow morning. The Senator from Iowa is now reviewing it. The Senator from Montana is now reviewing it. Counsel for the Democratic side, Mr. Rose, is reviewing it. It has been reviewed by Bob Franks, counsel for the Republican side on the Ag Committee. So I hope we may be able to do this early in the morning.

I have been in contact with the distinguished majority whip in the House, Representative FOLEY. He believes that the House will act rather quickly.

It also includes a change requested by the Senator from Illinois [Mr. DIXON]. Apparently there was a drafting error, not made by Senator DIXON, but by whoever drafted it, one of the USDA drafters.

ORDER FOR TUESDAY

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9:30 a.m., on Tuesday, March 11, 1986.

The PRESIDING OFFICER. Without objection, it is ordered.

RECOGNITION OF SENATOR PROXMIRE

Mr. DOLE. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order, there be a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that following the special order for Mr. PROXMIRE, there be a period for the transaction of routine morning business, not to extend beyond 10 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS TOMORROW BETWEEN 12 NOON AND 2 P.M.

Mr. DOLE. Mr. President, I ask unanimous consent that on tomorrow, the Senate stand in recess between 12 noon and 2 p.m., in order for the weekly party caucuses to meet.

The PRESIDING OFFICER. Without objection, it is so order.

PROGRAM

Mr. DOLE. Mr. President, on tomorrow, at 10 a.m., it will be the intention of the majority leader to go into executive session to consider the nomination of Sidney Fitzwater to be a district judge. I hope we can have a time agreement on that.

It is hoped that before the 12 o'clock recess we will be able to vote on the Fitzwater nomination, if a record vote is requested. If not, it would follow the luncheon at 2 o'clock. I hope we can do it before that time, so that when we return from the policy luncheon, we can be back on the balanced budget resolution.

It is our hope to dispose of as many amendments as possible, and I certainly expect a number of rollcall votes tomorrow afternoon and early evening. We will not stay in late, but it will be early evening tomorrow. We hope to complete action on that matter on Wednesday.

Then, on Thursday and Friday, we would take up the water bill, S. 1567.

I alert my colleagues on both sides that it is very likely that this will be a week of a Friday session with votes and a late session on Wednesday or Thursday.

I also indicate, as I did earlier, that if we complete the water bill on Friday, it is likely that the Contra aid resolution will be before the Senate on Monday, the 17th, and Tuesday, the 18th. That is under a statutory 10-hour time agreement.

On the 19th, Wednesday, it is our hope to begin the budget resolution, under a statutory time limitation of 50 hours. That would be Wednesday, Thursday, and Friday, the 19th, 20th, and 21st; and again on the 24th and 25th. We hope to finish the budget resolution on the 25th and clean up any other matters that need to be done before the Easter recess, which is scheduled to begin on Thursday, March 27.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move that the Senate stand in recess until the hour of 9:30 a.m. on Tuesday, March 11.

The motion was agreed to; and, at 6:01 p.m., the Senate recessed until Tuesday, March 11, 1986, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate March 10, 1986:

DEPARTMENT OF COMMERCE

Robert Ortner, of New Jersey, to be Under Secretary of Commerce for Economic Affairs, vice Sidney Lewis Jones, resigned.

Donald W. Peterson, of Missouri, to be Deputy Commissioner of Patents and Trademarks, vice Donald James Quigg, resigned.

BOARD FOR INTERNATIONAL BROADCASTING

Clair W. Burgener, of California, to be a member of the Board for International Broadcasting for a term expiring April 28, 1988, reappointment.

FEDERAL DEPOSIT INSURANCE CORPORATION

C.C. Hope, Jr., of North Carolina, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation for a term of 6 years, vice Irvine Henry Sprague, term expired.

VETERANS' ADMINISTRATION

Thomas K. Turnage, of California, to be Administrator of Veterans' Affairs, vice Harry N. Walters, resigned.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provision of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Willard W. Scott, Jr., xxx-xx-xxxx [redacted] age 59, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenanct general

Maj. Gen. Dave R. Palmer, xxx-xx-xxxx, U.S. Army.

IN THE NAVY

The following-named rear admirals, lower half, of the U.S. Navy for promotion to the permanent grade of rear admiral, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

SUPPLY CORPS

Daniel Wayne McKinnon, Jr.
Robert Burke Abele.

IN THE MARINE CORPS

The following-named brigadier general of the Marine Corps Reserve for promotion to the permanent grade of major general, under title 10, United States Code, section 5912:

Charles S. Bishop, Jr.

The following-named colonel of the Marine Corps Reserve for promotion to the permanent grade of brigadier general, under title 10, United States Code, section 5912:

Mitchell J. Waters.

IN THE NAVY

The following-named officer for promotion to the grade of captain of the line of the U.S. Navy on the retired list under the provisions of article II, section 2, clause 2 of the Constitution of the United States of America:

Cmdr. Edward White Rawlins, U.S. Navy, retired.

EXTENSIONS OF REMARKS

DRUG TESTING OF FEDERAL EMPLOYEES IS FOOLISH

HON. PATRICIA SCHROEDER
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mrs. SCHROEDER. Mr. Speaker, it is rare when I agree with the editorial board of the Wall Street Journal on anything. Its rarer still when the editorial boards of the Washington Times, the New York Times, and the Philadelphia Inquirer, agree with the Wall Street Journal. The issue on which we all agree is that mandatory drug testing of all Federal employees is foolish.

The views of these newspapers follow:

[From the Wall Street Journal, Mar. 6, 1986]

DRAGNET FOR DRUGGIES

The President's Commission on Organized Crime has just turned in a massive final report on drug-law enforcement and the press has zeroed in on one recommendation: that federal agencies and federal contractors start testing employees for the presence of drugs in their bodies. The press attention is warranted, for this sweeping proposal is an example of enforcement mentality run amok. If you can't catch the crooks, at least make things tough for the innocent.

On the commission's behalf let it be said that battling organized crime, and the drug trade in particular, is a formidable task. It is easy to see why anyone tackling it would be drawn toward drastic solutions. The American system of justice has become ineffectual at putting crooks in jail and keeping them there (an effort that won't be aided much by yesterday's Supreme Court ruling that a Rhode Island state trooper can be sued for wrongful arrest in a marijuana case even though he obtained an arrest warrant from a magistrate). So anyone looking at the problem of organized crime is apt to start thinking up ways to dry up the stream of money on which organized crime lives and thrives. A big part of the cash comes from drug trafficking.

The U.S. has gone after drug trafficking in all kinds of ways. One, of course, has been to try to shut off the flow of drugs into the country from outside, even to the point of going to the sources of the drugs and attempting to close them down with source-country cooperation. But after 75 years of this, it is most charitable indeed to say that successes have been limited. From all indications, imports of illicit drugs keep rising. The potential sources are unlimited and the U.S. border is very long relative to the size of the hole needed to smuggle in a shoe box full of herion worth a fortune.

If you cannot interdict supply, the logic of the problem tells you that you must reduce demand. "Since reducing demand is the single policy option pursuable entirely within our own borders, it deserves greater attention," said the commission report.

You can strike at users through police and courts, but the cost per user deterred is high. You can try drug education with limited results. But there is one concrete, wide-ranging action that you can take: Have employers test their employees or prospective employees for the presence of drugs. A TV commercial can merely urge you to "Just Say No" to drugs. The prospect of drug tests can be considerably more persuasive.

So the commission has urged that the president order all federal agency heads to formulate stiff anti-drug policies, "including suitable drug-testing programs." What is more, "Government contracts should not be awarded to companies that fail to implement drug programs, including suitable drug testing."

What about civil liberties, critics quickly asked, and what about invasion of privacy? The commission had answers. Many private firms, the report noted, were already doing drug tests on their employees. They were not violating a civil right belonging to each American. On the contrary, the tests were a condition of employment, and to escape it an employee had only to walk out the office door. The commission's chairman, Judge Irving R. Kaufman, used another analogy: Drug tests were no more invasive than requiring people to walk through airport metal detectors.

In fact, drug tests are considerably more invasive than metal detectors. As with routine use of lie-detector tests, they "invade" in the most basic sense: They extract information from unwilling subjects and they might yield unreliable findings, given the limitations of scientific analysis. That is not at all like walking through an airport metal detector, something that travelers willingly do for their own safety and with full knowledge that guilt or innocence can be settled on the spot.

When a private company does this sort of thing, an employee may in fact be able to vote with his feet. By contrast, if federal agencies do it and force their contractors to do it, the government is behaving the way it did with affirmative action—not just changing its own employment practices but trying to change the practices of others as well. When this starts to happen, the phrase "condition of employment" becomes hollow.

That is the way a devotion to the logic of a social problem pushes toward the edge of what is permissible in a free society. The commission should turn back from that edge and focus its energies on finding out why more crooks aren't going to jail.

[From the New York Times, Mar. 6, 1986]

TESTING FOR DRUGS; TESTED BY DRUGS

Representative Patricia Schroeder calls the proposal "idiotic," and the House Judiciary Committee chairman, Peter Rodino, describes it as "unwarranted." Representative Charles Schumer frets about creating "a police state in government office buildings," and the American Civil Liberties Union thunders about a Government "war against innocent American citizens."

The source of all the outrage is a report on drugs from the President's Commission on Organized Crime—or rather, a single paragraph that sticks out from the rest of the conscientious, if rambling, 455-page compilation of drug history and statistics.

The offending proposal calls on all Federal agencies to declare the "utter unacceptability" of drug use, backed up by "suitable drug testing" of employees. And it asks that Federal contracts be withheld from any private company that does not similarly test its workers.

Startled by the reaction, Judge Irving Kaufman, chairman of the commission, now explains that he thinks testing should only be done "very selectively," and in a context of safeguards for privacy and individual rights. And Attorney General Edwin Meese, while supporting the concept, says its usefulness must be balanced against its "acceptance by employees."

The debate reflects the deeper drug question, for the commission and for all of American society: the limits of the law enforcement approach are clear; what else to do is not.

The heart of the problem is that millions of Americans want drugs. Nearly a fourth of the population has tried marijuana, and some 20 million use it regularly. Between five and six million are regular cocaine users. A half-million others are addicted to heroin. Supplying this huge market accounts for 40 percent of America's organized crime business and brings mobsters as much as $110 billion in revenue a year. Law enforcement agencies can't hope to keep up.

Washington spends heavily on stings, sweeps and task forces. Yet even with the help of intelligence abroad, the Feds snag only 10 percent of the illicit drugs headed this way. Imprisoning the bosses and breaking up the gangs is essential, but new ones promptly appear. When one foreign connection is broken, new ones are promptly made. "Law enforcement has been tested to its utmost," says Judge Kaufman. "But let's face it. It hasn't succeeded."

Thus arises the conviction that the problem can only be controlled by reducing demand—thus the leap to drug testing of workers. But such testing is hardly the clearest answer to the question of what could work if law enforcement isn't enough.

What are the real possibilities, for instance, for a sustained campaign of public education? The commission's report touches vaguely on the subject. Could a well-funded, well-coordinated effort make Americans as intolerant of drug use as they are of drunk driving or tobacco? The question is worth exploring with precision.

Or why not sharpen priorities by legalizing or at least decriminalizing marijuana, as some jurisdictions have done, while mounting an all-out attack on the far more dangerous cocaine and heroin?

Such questions have to be faced. The drug problem raises painful issues of American values, as Prohibition did 60 years ago. Small wonder political leaders prefer to respond with vivid oratory and yet another five-, six- or seven-point program. Beyond the hasty call for drug testing, the Organized Crime Commission report dramatizes the need for real answers to the real questions.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

[From the Washington Times, Mar. 5, 1986]

JUDGE KAUFMAN GOES TO WAR

For all our exertions on behalf of eradicating illicit drugs, the problem gets worse, with 20 million Americans now thought to be smoking marijuana and as many as 6 million snorting cocaine. Will it really help to do as the president's crime commission suggests, enlarging the list of criminal suspects to include, willy-nilly, all employees of the government and of firms that do government work?

In addition to wanting regular urinalysis exams for these millions of Americans, the commission, headed by Judge Irving R. Kaufman, has several other interesting ideas as well:

1. It wants to reinstitute the practice of prosecuting persons found in possession of small amounts of marijuana. This folly for the most part was abandoned in the 1970s, prior to which time the criminal justice system was swamped and drug abuse flourished. One reads the Kaufman recommendation and shudders at the prospect of all the new judges and jails it would require.

2. The commission wants drug experience to dictate U.S. foreign policy on occasion, with the State Department, often overwhelmed even when it sticks to familiar turf and doesn't play private detective, tracking the origin of narcotics and devising "a specific formula for triggering the cutoff of foreign aid."

3. It wants to convert military personnel, already helping civilian drug authorities at the margin, into narcs in uniform, with a greatly expanded role in law enforcement, as if the drug trade constituted the sort of threat to which a battalion of Marines is the indicated response.

Judge Kaufman's labors did produce one sensible idea. The commission urges more publicity about the devastating effects of drugs, with the advertising being financed out of the seized assets of drug dealers. But it is not for this sound suggestion that the Kaufman study will be remembered, but for wanting to scrap constitutional protections against unreasonable search and seizure and for offering to convert the armed services into a kind of posse comitatus.

A substantial price, and for what? A nation purged of drugs, or nearly purged? Or a nation whose criminal justice system is grid-locked by penny-ante arrests and prosecutions, whose foreign policy is impaired by domestic obsessions, and whose harried military is on constabulary duty? A grateful nation will thank the commission for its recommendations, and a wise nation will pay them no heed.

[From the Philadelphia Inquirer, Mar. 5, 1986]

BALANCE LAW AND LIBERTIES IN FIGHT AGAINST DRUGS

America is a society of rampant drug use, and the illegal drugs among the multitude used are marketed largely by organized criminals. After almost three years of study, the President's Commission on Organized Crime delivered a 455-page report Monday on what should be done about it.

Both the problem and the commission's proposals are gravely serious. Drug trafficking, the commission says, is "the most widespread and lucrative organized crime activity in the United States," generating annual income estimated as great as $110 billion. The money finances mobsters, a commission spokesman stresses—finances mob murders, vice and corruption "$20, $50, $100 at a time out of the pockets of teachers, lawyers, doctors, journalists. . . . If American demand were ended, the whole problem would dry up."

That's an essential truth and it contains implications that vastly complicate this problem, which while undeniably serious also is enmeshed inseparably throughout the fabric of American life. In its concentrated focus on the organized-crime aspect of American drug abuse, the commission has fallen victim to an understandable tunnel vision blinding it to the dangers of some remedies it advocates.

First the commission urges drug tests for virtually all American workers. If the only concern were deterring drug abuse, this recommendation's appeal would be clear. But that concern must be balanced against a far higher priority—the preservation of every American's rights of privacy, due process and presumption of innocence. Drug tests require lab tests of urine. Requiring employees to pass surprise urine inspections is exactly equivalent to requiring clearance by lie detector—a degrading assault upon individual dignity, as Secretary of State George Shultz made so clear not long ago.

There is room for compromise: If an employee's job performance is faulty or suspect, then management may have probable cause to intervene. Testing for drugs then could be permissible, especially if coordinated with treatment programs. But Americans must be entitled to a presumption of dignity and innocence so long as they perform their jobs satisfactorily.

Equally worrisome is the panel's call to employ the Army, the Navy, and intelligence agencies as full partners in policing society's drug problems. As Defense Secretary Caspar Weinberger has observed, "Reliance on military forces to accomplish civilian tasks is detrimental to both military readiness and the democratic process." Assumptions that military excesses can't happen here are naive.

The commission urges state governments to build more prisons, to "immediately enact" laws permitting electronic surveillance of suspects and to prosecute possessors of even small quantities of drugs. Building more prisons is no way to change behavior indulged by millions of Americans. Creating a more powerful high-tech spy state poses obvious threats to liberty. Forty-six states have reduced criminal penalties for marijuana possession in recent years. That strongly suggests that the political culture in most states reflects quite different public attitudes than the one dominating the presidential commission.

TRIBUTE TO EDWARD J. CARLOUGH

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mr. COURTER. Mr. Speaker, I rise to honor Mr. Edward J. Carlough, general president of the Sheet Metal Workers' International Association.

Mr. Carlough has been reelected to the office of general president every 4 years since 1970. This overwhelming support is a tribute to his unique leadership, loyalty, and dedication to the association and its members.

Beyond his significant achievements on behalf of organized labor, Edward Carlough has been extremely active in charity work, and, in particular, he has championed the rights of the sightless. Because of his longstanding involvement in this area, Edward has earned the respect and appreciation of the blind community.

One significant focus of his efforts has been International Guiding Eyes. This program maintains an exceptional facility at Sylmar, CA, near Los Angeles, where dogs are bred for the demanding job of guiding the sightless. Blind people are trained to use the dogs at this facility, and are charged nothing for them. I would also make note of the fact that International Guiding Eyes is fortunate to have the backing of a labor advisory council comprised of visible labor leaders, including AFL-CIO president, Lane Kirkland. M.E. Melvin, president of International Guiding Eyes, Inc., is also a member of the council.

Mr. Carlough will receive the distinguished "Gift of Sight Award" on May 1, 1986. In view of his past achievements and tireless work on behalf of this cause, he is certainly a worthy honoree. I join Edward's friends and admirers in applauding him on this important occasion.

THE FAIR ACCESS TO TECHNOLOGY ACT OF 1986

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mr. WYDEN. Mr. Speaker, I am introducing legislation today that is designed to ensure that the United States has the same access to basic research and technology developed in other countries as our overseas competitors have to technology developed in this country. To help us achieve reciprocity in this increasingly important aspect of international competition, the Fair Access to Technology Act of 1986 would amend title I of the Trade Act of 1974 to designate reciprocal access to technology as one of this country's formal priority negotiating objectives in the next round of multilateral trade negotiations.

The ability of the Japanese to copy United States technology, incorporate that technology into commercial applications and market the resulting new products in this country is now legendary. That ability and the calculated implementation of that strategy has led to a modern Japanese economy that is on the verge of dominating the globe.

Today, the Japanese are continuing to use United States technology to compete with United States manufacturers in our own backyard. Now, however, the Japanese are no longer just highly successful imitators and copiers. They have become innovators as well. They have developed a significant capacity to develop their own basic research and technology. Japanese research expenditures grew 400 percent in the past two decades and more than doubled between 1979 and 1984 alone. We must dissuade ourselves of any lingering notion that foreign technology is inferior—because that is simply no longer true. The Japanese fully recognize that tech-

nology and knowledge are the keys to economic success in the future, and they are now directing more and more of their resources toward developing new processes—in computer technology, robotics, biotechnology, and other areas—as well as new products.

Market access is the dominant trade issue today, but I am convinced that technology access will be the dominant trade and competitiveness issues of tomorrow. Basic research and technology is in itself becoming an important and valuable commodity in an information-based and knowledge-based global economy.

What we need and ought to receive is fair access to government-owned or government-sponsored basic research and technology in Japan and other countries. It is not my intent to interfere in any way with the technological fruits of private business arrangements or to force dissemination of proprietary information. As a matter of fact, the private sector has an important role to play in closing the technology access gap, and Government should not interfere in any way with U.S. industry's efforts to do just that. Our focus in the Congress and at the negotiating table should be directed toward removing institutional barriers that block access to Japanese technology, and toward ensuring full participation by United States firms in government-supported research programs and research laboratories in Japan. These efforts are by no means mutually exclusive. In fact, if we are to compete on the cutting edge of new technology, the efforts of Government and industry must be fully coordinated. It is essential that we work together to correct this ominous trend in the worldwide development of new technology.

Technology transfer—like free trade—ought to be a two way street. But—because of barriers like the historically tight technology access controls exercised by Japan's Ministry of International Trade and Technology, the prohibition on licensing of government-held patents to American companies, the denial of United States participation in Japanese joint research and development ventures and the refusal to grant United States researchers access to government-funded laboratories—the reciprocal flow of technology between the United States and Japan is seriously out of whack.

According to a recent Office of Technology Assessment study, the Japanese have a nearly 5 to 1 overall advantage in technology exchange with this country, and imbalances of up to 10 to 1 exist on technology exchanges applicable to specific industries like machine tools. The present plight of the U.S. machine tool industry is a stark example of what can happen when a competing country becomes dominant in the development of new technology that can be applied to a specific industry.

The dangers to the U.S. economy and U.S. competitiveness of allowing this imbalance to continue are obvious—and the warning signs are everywhere. A Commerce Department official recently noted that:

We have not taken advantage of the high technology information that is available in Japan. If we fail to act, we are condemning ourselves to fall further and further behind the Japanese.

A professor of Japanese science at MIT warns that:

What's at stake may well be the competitiveness of American industry. If you can't pay attention to and assimilate technological information beyond your borders, you're playing the game with one arm tied behind your back.

The U.S. Chamber of Commerce in Japan agrees:

It is the ability to monitor and understand technological events taking place in Japan that is of vital importance to our continued competitiveness as a society.

And the authors of a recent book on the Japanese economy point out that:

The competitive strength of Japanese companies has been based on price and on quality of product. Added now, very rapidly, is a highly competitive level of research and development expenditure, with technological innovation becoming the center of competitive capability.

I fully agree with these assessments and that's why I'm convinced that reciprocal access to technology should be a top negotiating priority in all future multilateral trade talks and bilateral negotiations with the Japanese. We've had informal negotiations with the Japanese on this subject in the past—the 1983 United States-Japan High Technology Working Group, for example—but nothing has come of them. That's why I think it's imperative that a more formal and a more direct process be put into place in this area. However, as opposed to hard line approaches that could, for example, lead to a finding that Japanese reluctance to provide equitable access to technology is an unfair trade practice, I believe that designating access to technology as a formal United States negotiating objective is a responsible and constructive approach because it will allow negotiators on both sides to determine the most effective and most flexible means of achieving this goal in good faith. Mr. Speaker, I urge my colleagues to support this bill.

LABOR SUPPORT FOR PEACEFUL CHANGE IN THE PHILIPPINES

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mr. FASCELL. Mr. Speaker, because of the swiftness of the change of government in the Philippines, many worthy efforts of individuals and organizations have not been given the credit they deserve. Clearly thousands of Philippines citizens should receive praise for attempting to make the election process as open as it was—even though ultimately fraud and manipulation were overwhelming. Similarly, after the election and during the tension of the past few weeks, many helped ease a peaceful transition and prevented bloodshed that could have occurred.

Lane Kirkland, president of the AFL-CIO, has drawn particular attention to the role played by the Philippine labor movement during the events of the past few weeks in the Philippines. So that other Members can have a better understanding of the significant contribution of the working people in the Philippines, I ask that a report of the AFL-CIO News of March 1 be included in the RECORD at this point.

KIRKLAND HAILS LABOR'S ROLE IN AQUINO OUSTER OF MARCOS

The installation of Corazon Aquino as president of the Philippines on the abdication of Ferdinand Marcos was hailed by the AFL-CIO as "democracy's success and a moving testament to the courage of the Filipino people."

In a telegram to Mrs. Aquino, Federation President Lane Kirkland pledged American labor's full support to generate economic assistance that would "respond to their needs and strengthen their democratic institutions."

Kirkland noted the AFL-CIO's long and close working relationship with the Trade Union Congress of the Philippines and paid tribute to such labor leaders as Democrito Mendoza and Ernesto Herrera, recipient of the AFL-CIO's 1985 George Meany Human Rights Award.

He expressed pride in the role that the Filipino labor movement played in "promoting fair elections," despite efforts by Marcos and his cohorts to manipulate the ballots in a desperate, last-ditch attempt to remain in power.

The collapse of the Marcos regime came with stunning swiftness. Despite overwhelming evidence that the people had chosen Aquino and her running mate, Salvador Laurel, the Marcos-dominated National Assembly awarded the victory to the man who had ruled the Philippines with an iron hand for two decades.

But a popular uprising, in which leaders and members of the TUCP played an active role, accompanied by the defections of two of Marco's top generals, wrote the final—and almost bloodless—chapter to the story.

When Gen. Fidel Ramos and troops under his command seized control of a key military base, TUCP members threw up a barricade around the installation to prevent soldiers loyal to Marcos from storming the base.

Later, when a contingent of anti-Marcos soldiers stormed and captured the government-run television station—Marco's last remaining link to the world outside the presidential palace—unionists took to the streets to block military vehicles from approaching the broadcasting facility.

Although Marcos was sworn in for another term, he stepped down within a matter of hours, seeking sanctuary at the American military base in the Philippines, flying on the next day to Hawaii.

Acquino, who took the oath of office in a rival ceremony, was promptly installed as president setting off a massive celebration in the capital.

In his telegram to the new president of the Philippines, Kirkland pledged American labor's "warm support" in her efforts to renew democracy and reconstruct the Filipino economy.

Earlier, the Executive Council denounced the "intimidation and fraud" perpetrated by the Marcos forces in the election and assailed Marcos for his 20 years of "corruption, economic mismanagement, ineptitude and brutality."

The council also saluted the TUCP for providing 7,000 volunteers to monitor the election process and for its "unprecedented and successful nonpartisan campaign to encourage workers to exercise their franchise despite threats to their safety."

ETHIOPIANS HELD PRISONERS BY THEIR GOVERNMENT

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mr. ROTH. Mr. Speaker, 600,000 Ethiopians today are held prisoners of their government, sentenced to a slave's existence, and likely to die a slow and painful death of disease, exposure, and starvation. One million more men, women, and children are slated for incarceration this year. Walking skeletons revive our images of past holocausts that have decimated mankind.

We must take action. For every day that passes, another 1,000 Ethiopians will die. I have introduced legislation (H.R. 4076) calling for a halt to this massacre and requiring tough sanctions to be taken against the perpetrators of this holocaust.

As in past cases, the West has been slow to realize that such a horror is possible or that it could happen again. But as more and more refugees have escaped to tell their stories, we are faced with the truth. In today's Washington Post, reporter Blaine Harden tells the story of Letehawaria Gebre Yessus, a young women who has survived the efforts to end her life. And she is one of the fortunate. There are still thousands of others whose stories will die with them.

I ask that the entire text of the article be reprinted:

[From the Washington Post, Mar. 10, 1986]

ETHIOPIANS RISK LIVES FLEEING RESETTLEMENT—ESCAPEES TO SUDAN TELL OF DEATHS, DEGRADATION IN TWO COUNTRIES.

(By Blaine Harden)

ED DAMAZIN, SUDAN.—The dismal odyssey of the young Ethiopian mother began last spring with a false promise of free food.

That promise lured Letehawaria Gebre Yessus into a trip that took her from the highlands of northern Ethiopia to a swampy resettlement camp in its southwestern corner. Late in February, after an escape journey of three months, she found her way here to a refugee camp in the thorn-tree badlands of eastern Sudan.

En route, she said, she was forced by Ethiopian soldiers to abandon her two children, and she watched her husband die of disease in a crowded transit camp. After fleeing Ethiopia, she said, she was robbed, beaten, raped and held as a slave by Sudanese rebels.

The woman's story, which she quietly told in the shade of a refugee tent, echoes those of many of the nearly 1,000 Ethiopian refugees here who have fled the resettlement program that the Ethiopian government insists is the only possible long-term solution to chronic famine in the country.

Nearly 600,000 northern Ethiopians have been moved south by the program since November 1984. When it began, Tamrat Kebede, the Ethiopian official responsible for designing the program, said in an interview in Addis Ababa that the resettlement would be voluntary, that families would not be split and that each family would be given about five acres of land to farm privately.

Tamrat said then that these conditions would guarantee the human rights and self-respect of resettled famine victims, and would ensure needed grass-roots support.

But interviews here with escapees from resettlement camps, along with the reports of researchers and relief workers who have conducted random surveys among refugees, indicate that the Ethiopian government has widely violated and ignored its preset conditions.

As Ethiopia's famine abates, the resettlement program continues, with a goal of moving 1.5 million people by the end of this year. The program has become by far the most contentious issue between Marxist Ethiopia and the western governments and private relief organizations that supply most of its famine assistance.

The Ethiopian government temporarily suspended the resettlement program at the end of last month in response to criticism from western aid donors. The suspension, to last an indefinite period, was ordered "for a period of consolidation and to digest what they have already done," a senior western aid official in Addis Ababa told United Press International last weekend.

According to western aid officials in the Ethiopian capital, the final 1,000 resettlers arrived in Asosa from Welo Province in the last week of February. Ethiopian government officials, while not officially announcing the suspension, said last week that internal and external criticism has forced a government review of resettlement. But western aid officials say that it was primarily outside donor criticism that forced the suspension.

While Italy and Canada have given money specifically to support resettlement, most other donors have expressed reservations. The United States, by far the largest food donor, has condemned the program as a diversion of resources better spent in the famine-affected north. A French-based relief agency, Doctors Without Borders, was expelled from Ethiopia last fall for charging that up to 100,000 persons had died as a result of resettlement.

Most critics of resettlement contend that it has a political, not a humanitarian, aim: to depopulate the rebel-dominated north, where the government has been unable for nearly a quarter century to impose military control.

The Ethiopian government has admitted to some abuses in the program by "overzealous local officials." But it maintains that the idea of moving famine victims from the drought-razed northern highlands to the fertile southwestern lowlands is sound. The Soviet-supported rulers have dismissed most criticism of resettlement as motivated by western, anti-Marxist ideology disguised as humanitarian concern. At the same time, the Ethiopian government strictly restricts outside access to resettlement areas.

The stories told here in this two-month-old refugee camp come not from outsiders but from peasant farmers from the Welo and Tigray regions of northern Ethiopia. In 13 separate interviews here, they told a consistent story, details of which are supported by earlier interviews in Ethiopia with relief officals.

Most of the refugees said they were "tricked" into gathering in northern villages by government-circulated promises that the "Red Cross" would be distributing free food. Many left their children behind, thinking that they would soon be coming back home. However, they were surrounded by Ethiopian soliders and loaded onto buses or helicopters bound for transit camps. Several refugees said they saw soldiers shoot and kill farmers who tried to run away.

The settlers described several weeks in transit camps, with shortages of food, water and medical care, as well as many deaths from illness. They then were packed into Soviet Antonov transport planes or buses for the 600- to 700-mile journey south to resettlement sites near Asosa and Gambela. Several said that people who became critically ill during the bus ride south were hauled out of the buses and abandoned at roadsides.

In Gambela and Asosa, lowland areas where more than 145,000 people have been resettled in scores of new villages in the past 16 months, the refugees said there were chronic shortages of food, clothes and shelter. Many said they became ill with malaria, a disease they had no experience with in the northern highlands.

Party cadre and soldiers, the refugees said, forced the settlers to clear land and build houses, enforcing discipline by beating and imprisoning those who refused to work. In Asosa and Gambela, refugees said they were forced to work on cooperative farms and were allowed little time to tend their small gardens.

Gebre Selassie, 24, a political refugee here who said he worked in Asosa for the Ethiopian government as a medical assistant, supported the accounts of many refugees by saying that the major health problem in the camps was malnutrition.

"Most of the people in the camps were sick because of hunger. They were not given enough food," said Gebre Selassie. He said most settlers were given about a pound of corn a day at Asosa, an amount nutritionists say is insufficient to maintain body weight while doing heavy work.

Refugees here said they were warned frequently by party cadre against trying to escape from the camps. In weekly "political education" meetings, the cadre warned settlers of Ethiopian soldiers who would shoot them, of wild animals in nearby jungles and of allegedly cannibalistic tribesmen across the nearby Sudanese border.

Yet, between last November and the first of this year, the refugees estimate that about 3,000 Ethiopians tried to escape from Gambela and Asosa. They said many were captured inside the border and that some drowned trying to cross rivers into Sudan.

Letehawaria, the 27-year-old mother of two whose husband died in transit before reaching Gambela, was one of several hundred women captured by Sudanese rebel soldiers, believed by relief officials here to belong to the Sudanese People's Liberation Army (SPLA), which controls nearby areas of southern Sudan.

According to several of these women who arrived here last month, the Sudanese rebel soldiers raped them and forced them to live for a month as slaves in Sudanese villages. Relief officials believe these men were members of the Dinka tribe, which dominates that region of Sudan.

The SPLA, which receives arms and funding from the Ethiopian government, also extorted money from many of the fleeing Ethiopians, stole their clothes and forced some of them back to resettlement camps, the refugees said.

Those who eluded or later escaped the rebel soldiers have been brought here to Ed Damazin by the Sudanese military. They are temporarily under the care of the Fellowship for African Relief, a small Canadian relief agency. The U.N. refugee commission in Khartoum says many of them soon will be transported north and allowed to return across the border into rebel-held areas of Ethiopia.

Like many of his fellow resettlement escapees, Yibran Alemayeh, 54, said he wants to find his wife and six children. He said soldiers rounded him up a year ago in the Tigrayan city of Adua. If he cannot find his family, Yibran says he will join the Tigray People's Liberation Front, which has been fighting the Ethiopian government for more than a decade.

SUPPORT OF U.S. ECONOMIC AID TO NORTHERN IRELAND

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mr. BIAGGI. Mr. Speaker, tomorrow the House will cast an historic and important vote on H.R. 4329, the Anglo-Irish Peace Agreement for Ireland and Northern Ireland. As chairman of the 113 member bipartisan Ad Hoc Congressional Committee for Irish Affairs, I support this bill. It is a vast improvement over the original proposal submitted by the administration last Wednesday.

Last Wednesday in the CONGRESSIONAL RECORD, I placed a copy of the text of the original administration proposal. Today, I wish to insert this again together with the text of H.R. 4329 as supplied to me by the staff of the House Foreign Affairs Committee. I do this to eliminate any confusion that may exist relative to the two proposals. H.R. 4329 is a bill that is supported by leading Irish American organizations including the Irish National Caucus and the Ancient Order of Hibernians. It is the bill that will be voted on tomorrow in the House.

The administration proposal will appear first followed by the text of H.R. 4329:

H.R. —

A bill to provide economic support for the Agreement Between the Government of Ireland and the Government of the United Kingdom, and for other purposes

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Northern Ireland and Ireland Assistance Act of 1986".

STATEMENT OF PURPOSE

SEC. 2. The Congress finds that the Agreement Between the Government of Ireland and the Government of the United Kingdom dated November 15, 1985, is a clear demonstration of British and Irish determination to make progress concerning the complex situation in Northern Ireland. The Congress strongly supports the Agreement reached by these two governments and is particularly encouraged that these two neighbors, faithful friends of the United States of America, have joined together to rebuild a land that has too often been the scene of economic and human misery. In recognition of our ties of kinship, history, and commitment to democratic values, the Congress believes that the United States should participate in this renewed commitment to social and economic progress in Northern Ireland and affected areas of the Republic of Ireland. To that end, the Congress finds that through the end of fiscal year 1990, $250,000,000 of development and economic resources and authority available under the Foreign Assistance Act of 1961 should be used to provide support to carry out the purposes of the Agreement, which will be implemented through the Intergovernmental Conference of the Anglo-Irish Intergovernmental Council and other appropriate agencies.

PROVISION OF ASSISTANCE

SEC. 3. (a) In addition to other authorities contained in the Foreign Assistance Act of 1961 or any other Act, the following authorities may be used to provide support and assistance to carry out the purposes of section 2 of this Act:

(1) Section 108 of the Foreign Assistance Act of 1961 (regarding the Private Sector Revolving Fund);

(2) Section 221 through 223 of the Foreign Assistance Act of 1961 (regarding the Housing Guaranty Program);

(3) Title IV of Chapter 2 of Part I of the Foreign Assistance Act of 1961 (regarding the Overseas Private Investment Corporation) without regard to the limitation contained in clause (2) of section 231 of that Act; and

(4) Section 661 of the Foreign Assistance Act of 1961 (regarding the Trade and Development Program).

(b) Assistance made available to carry out the purposes of this Act may be provided, for the purpose of implementing this Act, notwithstanding any other provision of law.

SEC. 4. In addition to amounts otherwise authorized to be appropriated for the fiscal year 1987 to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, there are authorized to be appropriated $20,000,000 to carry out such provisions with respect to Northern Ireland and affected areas in the Republic of Ireland.

H.R. 4329

A bill to authorize United States contributions to the International Fund established pursuant to the November 15, 1985, agreement between the United Kingdom and Ireland

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION. 1. SHORT TITLE.

This Act may be cited as the "Peace, Stability, and Reconciliation in Ireland and Northern Ireland Act of 1986".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress—

(1) finds that the agreement signed by the United Kingdom and Ireland on November 15, 1985, is a clear demonstration of British and Irish determination to make progress concerning the complex situation in Northern Ireland;

(2) reaffirms the support for the Anglo-Irish Agreement which it expressed through the adoption of House Concurrent Resolution 239 in December 1985;

(3) is particularly encouraged that these two neighbors, longstanding friends of the United States, have joined together to promote the economic and social development of those areas in Ireland and Northern Ireland which have suffered most severely from the consequences of violence in recent years; and

(4) believes that, in recognition of our ties of kinship, history, and commitment to democratic values, the United States should participate in this renewed commitment to social and economic progress in Northern Ireland and affected areas of the Ireland.

(b) PURPOSES.—It is, therefore, the purpose of this Act to provide for United States contributions in support of the Anglo-Irish Agreement, such contributions to consist of not less than $250,000,000 in economic support fund assistance for payment to the International Fund established pursuant to the Ango-Irish Agreement, as well as other assistance to serve as an incentive for economic development and reconciliation in Ireland and Northern Ireland. The purpose of these United States contributions shall be to support the Ango-Irish Agreement in promoting reconciliation in Northern Ireland and the establishment of a society in Northern Ireland in which all may live in peace, free from discrimination, terrorism, and intolerance, and with the opportunity for both communities to participate fully in the structures and processes of government.

SEC. 3. UNITED STATES CONTRIBUTIONS.

(a) ECONOMIC SUPPORT FUND ASSISTANCE.—Of the amounts authorized to be appropriated for each of the fiscal years 1986 through 1990 to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $50,000,000 shall be used for a United States contribution to the International Fund. For the fiscal years 1986 and 1987 funds previously authorized to be appropriated to carry out that chapter for those years shall be used for this contribution. To carry out this subsection, there are authorized to be appropriated to carry out that chapter (in addition to amounts otherwise authorized to be appropriated) $50,000,000 for each of the fiscal years 1988 through 1990, which amounts are authorized to remain available until expended.

(b) OTHER ASSISTANCE.—The following authorities may also be used for United States programs in Ireland and Northern Ireland in support of the Anglo-Irish Agreement:

(1) Section 108 of the Foreign Assistance Act of 1961 (relating to the Private Sector Revolving Fund).

(2) Title IV of chapter 2 of part I of that Act (relating to the Overseas Private Investment Corporation), without regard to paragraph (2) of the second undesignated paragraph of section 231 of that Act.

(3) Section 661 of that Act (relating to the Trade and Development Program).

SEC. 4. CONDITIONS AND UNDERSTANDINGS RELATING TO THE UNITED STATES CONTRIBUTIONS.

(a) PROMOTING ECONOMIC AND SOCIAL RECONSTRUCTION AND DEVELOPMENT.—The United States contributions provided for in this Act may be used only to support and promote economic and social reconstruction and redevelopment in Ireland and Northern Ireland. The restrictions contained in sections 531(e) and 660(a) of the Foreign Assistance Act of 1961 apply with respect to any such contributions.

(b) UNITED STATES REPRESENTATION ON THE BOARD OF THE FUND.—The President shall make every effort, in consultation with the Government of the United Kingdom and the Government of Ireland, to ensure that there is United States representation on the Board of the International Fund.

(c) PRIOR CERTIFICATIONS.—Each fiscal year, the United States may make contributions to the International Fund only if the President certifies to the Congress that he is satisfied that—

(1) the Board of the Fund, as a whole, is broadly representative of the interests of the communities in Ireland and Northern Ireland; and

(2) disbursements from the Fund—

(A) will be distributed in accordance with the principle of equality of opportunity and nondiscrimination in employment, without regard to religious affiliation; and

(B) will address the needs of both communities in Northern Ireland.

Each such certification shall include a detailed explanation of the basis for the President's decision.

SEC. 5. ANNUAL REPORTS.

At the end of each fiscal year in which the United States Government makes contributions to the International Fund, the President shall report to the Congress on the degree to which—

(1) the Fund has contributed to reconciliation between the communities in Northern Ireland;

(2) the United States contribution to the Fund is meeting its objectives of encouraging new investment, job creation, and economic reconstruction on the basis of strict equality of opportunity; and

(3) the Fund has increased respect for the human rights and fundamental freedoms of all people in Ireland and Northern Ireland.

SEC. 6. REQUIREMENTS RELATING TO FUNDS FOR "INTERNATIONAL ORGANIZATIONS AND CONFERENCES".

(a) DISBURSEMENTS, AUDITS, AND REPORTS.—The provisions relating to disbursement on vouchers, audits, and submission of reports with respect to expenditures pursuant to the Joint Resolution of July 11, 1956 (Public Law 689), shall also apply with respect to expenditures pursuant to section 109(c) of the Act of November 22, 1983 (Public Law 98-164).

(b) FUNDS SUBJECT TO REQUIREMENTS.—That section is amended—

(1) by striking out "In addition to" and inserting in lieu thereof "of";

(2) by striking out "by section 102(2)" and all that follows through "1985" and inserting in lieu thereof "for each fiscal year";

(3) by inserting "may be used" before "for expenses"; and

(4) by striking out all that follows "participation in" through "such as".

SEC. 7. DEFINITIONS.

As used in this Act—

(1) the term "Anglo-Irish Agreement" means the Agreement Between the Government of Ireland and the Government of the United Kingdom dated November 15, 1985; and

(2) the term "International Fund" means the international fund for economic development projects in Northern Ireland and Ireland, established pursuant to Article 10 of the Anglo-Irish Agreement.

WALTER HELLER

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mr. VENTO. Mr. Speaker, Walter Wolfgang Heller's change to an emeritus status would hardly be noticed based on the activity and influence that he has maintained in contemporary economic thought and public affairs. We owe a great debt to Walter Heller because of the vital role he assumed as Chairman of President Kennedy's Council of Economic Advisers.

Walter Heller, a respected and innovative academic, was able to communicate economic expertise in the most meaningful and effective manner. His creative success elevated the status of economics and the national positions that he filled.

Many public officials—Presidents, Vice Presidents, Members of Congress, State and local officials—owe a debt to the good efforts, and success of Walter Heller. He is leaving a high mark of public service and he will continue to serve the American people through his writing, teaching, and consulting work. As Minnesota's Fourth District Congressman, I'm proud to represent the community and people that have sustained and fostered the talents of this man.

At this time, I would like to bring to my colleagues' attention, a recent Minneapolis Star and Tribune article by Dick Youngblood which explores in greater detail Walter Heller's career.

[From the Minneapolis Star and Tribune, Feb. 24, 1986]

WALTER HELLER, NEVER SHY, WILL BE RETIRING (SORT OF)

(By Dick Youngblood)

I began my ad hoc economics training under the redoubtable Walter Wolfgang Heller 17 years ago at a lunch I'd arranged to propose what I hoped would be a productive era of mutual back-scratching.

Heller, who has never been shy about claiming media attention, had accused my editors of faulty news judgment in failing to cover several of his meatier pronouncements. I was the Minneapolis Tribune's highly unqualified new business editor, a man with minimal understanding of checkbook-balancing, much less macro-economics. Maybe, I suggested, we could help each other.

The first words of Heller's reply remain etched in memory: "As I was telling Ted (Kennedy) in Ken's (economist John Kenneth Galbraith's) study last weekend when I was helping him (Kennedy) with his New Hampshire speech . . ." It was my first encounter with the Heller trademark—a world-class talent for name-dropping.

A decade later, while in Washington, D.C., for a conference, I was recounting that story to a friend who had invited me to a party for the economics department at George Washington University. As I finished talking I turned to discover half the staffers at the party gathered around and listening intently.

Amazing! Fifteen years after Heller left his job as chairman of the Council of Economic Advisers, ostensibly to disappear into the mists of Midwestern academia, his name still riveted their attention.

Nothing's changed since then: Heller still shows up regularly on the evening news, or on "Wall Street Week." He remains on Time magazine's Board of Economists as the last original member. He does a biweekly commentary on economic issues for public television. And he's still a logical target whenever a reporter needs a coherent, quotable analysis of the economic scene.

In short, through a combination of skill, chutzpah and a lucidity that often borders on inspiration—I treasure his description of President Reagan as "charming, disarming and sometimes alarming"—Heller endures as one of our most famous economists.

More than that, to hear tell from liberal conservative colleagues alike, his articulate style and the high profile that President John F. Kennedy allowed him as chairman of the Council of Economic Advisers (CEA) enabled Heller to lift the arcane subject of economics to an unprecedented level of public awareness and understanding.

During his four years in Washington, for example, Heller appeared twice on the cover of Time and a half-dozen times on NBC's "Meet The Press." (He's been on that show 13 times in all, grumped a rival who had been counting, more than any other person except Hubert Humphrey, Nelson Rockefeller and Henry Cabot Lodge.)

"He put the economics profession on the map, so to speak," said Rudy Penner, director of the Congressional Budget Office and a conservative economist who often has disagreed with Heller. "He gave economics a presence it never had before."

The key, said George Perry, senior fellow at the liberal Brookings Institution and a forecasting and consulting partner of Heller's: He's a fine analyst and a marvelous communicator who can take complex issues and distill them in a way that is both interesting and understandable to the layman."

Agreed Lawrence Spivak, who originated "Meet the Press" and was its host until he retired in 1982: "I learned more economics from listening to Walter than from all my teachers at Harvard."

More significant, added Alan Greenspan, a conservative economist with a mite of visibility himself, Heller will be remembered as the man who with Kennedy "developed the liberal economic agenda" for the next 20 years and made government activism in economic policy the standard operating procedure for succeeding presidents.

In the process, critics charge, Heller's gospel according to John Maynard Keynes—i.e., that fiscal and monetary policy can be manipulated to steer us to economic redemption—spawned too much government interference in the economy and set the stage for the hyperinflation of the 1970s and early '80s.

Nevertheless, Greenspan said, while you might disagree with Heller's nostrums—as he has many times—you cannot escape the fact that Heller has had enormous impact in the economic policy arena.

He has made that impression, moreover, with graceful language and a keen sense of humor. Consider, for example, his description of the burgeoning federal deficit: "The black hole into which the savings that ought to go into private investment and economic growth are relentlessly siphoned."

Or his thoughts on the likelihood that Reagan will accept a tax increase to trim the deficit: "Like Horatio at the bridge, Mr. Reagan will cut down those Etruscans bearing tax hikes."

Or his description of how Reagan cut inflation: "Wages and prices remained in orbit with no visible means of fiscal-monetary support until (Reagan) administered a dose of sado-masochism, better known as double-dip recession."

We're talking as if this were an obituary. Far from it: Despite having attained the ripeness of 70 years, Heller continues to maintain a pace that would severely cripple your friendly neighborhood business columnist, who is more than 20 years his junior. No, I regale you with these tales because Heller has reached the mandatory retirement age.

That means, come June, Heller will officially retire, 40 years to the month after he joined the university. Then, in the fall, he will unofficially unretire at the request of N.J. Simler, chairman of the economics department, to continue delivering his popular macroeconomics lectures to hundreds of undergraduates for at least one more quarter.

Given Heller's track record, you can understand why Simler might want to take his time weaning the department from its illustrious Regents' professor.

Before we get into that, let's dispose of the ego issue once and for all: I have done some investigative reporting and have discovered that Heller does, indeed, have an ego—a substantial one. It is about the same size, I calculate, as those of most of the nationally prominent economists with whom I've come in contact, a fact that may have something to do with their success.

Nonetheless, few can match our hero in the name-dropping game, a fact that always has puzzled me: Given his stature, I could never figure out why Heller cared that someone like me knew that he's an intimate of Ted Kennedy, or serves on a board with Henry Kissinger, or wrote economic position papers for Adlai Stevenson during the 1956 presidential campaign.

One reason, Perry suggested, is that "Walter is close to many of those people, so it's perfectly natural." During a lengthy interview last week. Heller answered the question initially by suggesting that he does it "in perhaps the mistaken notion that it gives a particular point more currency or clout."

Later he conceded that insecurity might be involved: "Very few people are so totally sure of themselves that they don't have some insecurities," he confessed.

Heller's career might not have glittered so brightly had it not been for the ebullience of the late Hubert Humphrey.

It was October 1960 and Democratic presidential candidate John Kennedy was in town to address a DFL bean feed. Kennedy was running late and had been forced to cancel an appointment to greet several university people, so Heller—a lukewarm Kennedy supporter at the time—decided to head for home.

That's when Humphrey grabbed him in the lobby of the Leamington Hotel, hustled him upstairs to Kennedy's suite and introduced him as "the best economist west of the Mississippi." Heller remembers thinking how fortunate it was they weren't in St. Paul, because he figured Kennedy knew there were some better economists east of the Mississippi.

Kennedy, who was getting ready for a shower, asked: "Well, professor, if you're so good, tell me if we can make good on our promise of five percent GNP growth." It'll be tough, Heller replied, but possible. For the next seven minutes Kennedy shot question after question at Heller—on the multiplier effect of a tax cut, on interest rates, on the difficulty of changing the course of a sluggish, $515 billion economy.

"I was dazzled by the sophistication of his questions," Heller recalled. "Thank goodness he didn't know the answers." Two months later Heller was invited to the President-elect's home in Georgetown, ostensibly to offer suggestions on economic appointments.

When Kennedy offered him the job of CEA chairman, "I was flabbergasted," Heller said. "As a Wisconsinite, I surely was not a member of the Eastern elite," he said, "and with a name like Wolfgang (named after Mozart by his father, a classical music buff) I obviously wasn't part of the Irish Mafia. So when lightning struck, it struck totally unawares."

Heller shaped a brilliant council: Fellow members were James Tobin from Yale, later a Nobel laureate, and Kermit Gordon, later director of the budget. Back in the shadows as staff members were the likes of Kenneth Arrow of Stanford (now Harvard), who also became a Nobel lauerate; Robert Solow, the brilliant econometric theorist from MIT; Joseph Pechman now a senior fellow at the Brookings Institution and one of the nation's leading tax economists, and Gardner Ackley and Arthur Okun, both of whom were to become CEA chairmen.

The prominence that group gave to the economics profession is one reason why Heller remains in such high esteem among liberal and conservative economists alike.

Greenspan offers another reason:

"There are few in our profession who are as objective, or as civilized," he said. "When you're debating with Walter you never have the sense that he's driven by anything but the facts. He's not one to cling to a viewpoint and then look for the facts to support it." That's one reason why Greenspan, when he was President Ford's CEA chairman, signed the liberal Heller as a consultant.

The fact is, Heller was on the way to an impressive career—and equally impressive list of names to drop—even without the Washington connection. As a graduate teaching assistant at the University of Wisconsin in the late 1930s, for example, Heller wound up as the leader of a protest against the school's controversial decision not to give an appointment with tenure to a young Jewish economist.

The protest didn't change anyone's mind, but it made a lifelong friend of the source of the controversy, a chap named Milton Friedman. Despite the fact that "Uncle Miltie," as Heller calls him, became the guru of the economic monetarists, the sworn enemies of Heller's Keynesians. Friedman was talking last week about how he regards Heller's work on fiscal economic policy as "truly significant."

The list of names grew after Heller got his Ph.D. at Wisconsin in 1941 and spent four years working on war finance at the Treasury Department. He attracted enough attention that he was hired for two years in the late 1940s as chief of internal finance for Gen. Lucius Clay's military government.

In the 1950s he commuted from Minnesota to Washington for six months to work on Korean War finance, served as tax adviser to Minnesota Gov. Orville Freeman (later Kennedy's secretary of agriculture) and spent three summers as consultant to the United Nations on the economics of less-developed countries.

He even was hired one summer to advise King Hussein on reform of the Jordanian income tax and well . . . oh, what the heck, let's drop the names anyway: While there, Heller met David Lean and Sam Spiegel, who were there to arrange the filming of "Lawrence of Arabia."

Today Heller continues to work a heavy schedule. In a six-week period after New Year's, for example, he wrote an article for the Wall Street Journal op-ed page, gave the keynote speech at a symposium marking the 40th anniversary of the Congressional Joint Economic Committee, testified before three different congressional committees, put the finishing touches on his economic outlook letter for National City Bank of Minneapolis, taped several commentaries for public television, attended a meeting as trustee of the German Marshall Fund and made a speech to a National City Bank luncheon.

He is "purposely over-booked," Heller conceded, in part as therapy for a crushing loss last summer. Johnny Heller, his elegant, intelligent wife of 47 years, died last July just four weeks after her virulent lymphatic cancer was diagnosed.

Heller still has not managed to edit the "we" out of references to his home life—"I haven't really tried," he conceded. And more out of force of habit than anything else, he went out on Valentine's Day and bought the traditional azalea for the dining room table.

THE GREAT PEACE MARCH BEGINS

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mr. LEVINE. of California. Mr. Speaker, I rise today to share the news of a very special event in our Nation's history which began March 1, 1986, from Los Angeles, CA when approximately 1,500 people left their jobs, families, and friends to embark on a 9-month march across the country to show their commitment for peace. It is called the "Great Peace March" and was organized by People Reaching Out for Peace or PRO-Peace. The group describes itself as "an international citizens movement with a single goal: bilateral nuclear disarmament." PRO-Peace was born from the idea that each individual can make a difference and that great ideas put forth by honest people can alter history.

Leaving from Los Angeles City Hall, the group will head across the Mojave Desert to Las Vegas, then march through Utah and Colorado, and up to the 12,000-foot Loveland Pass. The marchers will continue to climb over the Rocky Mountains and into Denver and then through Nebraska, past missile silos and across the Great Plains. In Iowa it is hoped that thousands of farmers will join the march through the Corn Belt. The march will continue to Chicago, and through the industrial heartland of America, past Three Mile Island near Harrisburg, on across New Jersey, over the George Washington Bridge and down through Manhattan. The march will continue down the east coast to Independence Hall in Philadelphia and then on to Baltimore and the Washington Beltway.

The night before the marchers enter Washington, DC, hundreds of thousands of citizens from across the country will be asked to join the March in an all-night candlelight vigil for peace. The next morning, when the march enters the Nation's Capital to petition our Government and the Soviet Union to take the weapons down, thousands more are expected to join the march to fill the streets of Washington to walk in dignity for peace.

PRO-Peace has been planning and organizing the march for more than a year under the able leadership of David Mixner, the executive director of the group. David has a distinguished history working within the civil rights and peace movements and has organized over 50 campaigns. David is a dear friend of mine and I wish him and his group the best of luck on this inspiring endeavor.

It is an honor to share the great peace march with the Speaker and the other Members of the U.S. House of Representatives. I ask that my colleagues join me in wishing all

of those participating in the march the very best of luck on this most historic and worthwhile cause.

HON. JOHN PAUL HAMMERSCHMIDT SPEAKS OF SPIRIT, COMMITMENT, AND PRIORITIES BEFORE VETERANS OF FOREIGN WARS

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mr. MONTGOMERY. Mr. Speaker, with eloquent and spirited remarks before the Veterans of Foreign Wars Mid-Winter Conference convened recently in Washington, our distinguished colleague from Arkansas, Hon. JOHN PAUL HAMMERSCHMIDT, underlined what is good and right about a comprehensive and responsible system of veterans' benefits and services.

JOHN PAUL has long been one of the Nation's leading and most vocal advocates on behalf of veterans and their families. As ranking minority member of the Committee on Veterans' Affairs, he has been instrumental in carrying out the Nation's intent that its defenders receive benefits commensurate with their service and sacrifices.

I would like to share with my colleagues JOHN PAUL'S moving and informative remarks:

REMARKS OF HON. JOHN PAUL HAMMERSCHMIDT, VFW MID-WINTER LEGISLATIVE COMMITTEE CONFERENCE, SHERATON WASHINGTON

Thank you Al Loehr, chairman of the VFW Legislative Committee for that kind introduction, and thank you for inviting me to participate in your Legislative Conference. It is a distinct pleasure to be among such good friends today.

Just as you need attentive, concerned and active veterans' advocates on Capitol Hill, they in turn need your input and support. We have always received well thought out legislative proposals and strong support from the VFW, and that's just one of the reasons you are such trusted friends.

We're also friends because of the close personal ties that have been developed by the staff of your Washington office with the members of our committee and the Congress. You are ably represented in Washington by your fine Executive Director Cooper Holt, with whom we have always enjoyed a mutually beneficial working relationship.

Your legislative team is excellent. With that, let me make particular reference to the recent appointment of Jim Magill as the director of your national legislative service.

It is vital that any organization trying to establish a close working relationship with Capitol Hill, make its presence known and keep itself visible. Jim does that superbly. He works with the committee staff on a daily basis and stays on top of the issues. Jim is very capably supported by Dennis Cullinan and Gordon Thorson.

Bob Jones, special assistant for employment with your national veterans service has also earned our special thanks for his outstanding work.

My compliments also go to your National Commander John Staum for his able leadership. We look forward to his appearance before the House and Senate Veterans' Affairs Committees on Tuesday. Your annual legislative presentation is of strategic importance, because it helps the committee develop a blueprint for legislative priorities. It is a compass to which we refer as we chart our course for the coming year.

I want to give you a brief progress report this afternoon on the committee's activities and I'll sprinkle it with a few observations of my own. I am very sorry that I will not be able to stay to answer your questions, but I must go directly to the airport for a hearing in New Jersey on an airplane crash there. As the ranking member on the Aviation Subcommittee of the Public Works and Transportation Committee, this falls within my responsibilities.

Kingston Smith, the minority deputy counsel and staff director for the Veterans' Affairs Committee, will stay and will be glad to answer your questions.

You need look no further than the activities of this past week to understand the governing philosophies behind our work on your behalf. We have been, I believe, very successful in our efforts to protect and fine-tune your benefits and, at the same time, we have met our fiscal responsibilities to the Nation.

On Thursday, the committee, in a bipartisan effort, approved what is essentially a current services budget for fiscal year 1987. While our budget recommendation is fiscally responsible, it meets America's obligation to its veterans in a fair and equitable manner.

We are simply seeking to restore the essentials to the budget * * * nothing unreasonable, no increases over last year, no major expansion in programs administered by the VA, no fat * * * just a reasonable and realistic budget to enable the agency to deliver essential services.

We are recommending a $27.2 billion budget for fiscal year 1987, which is $567.1 million over the VA's request. $9.6 billion would be allocated to the medical care budget.

Let me highlight other major provisions of our budget request:

We are recommending that 8,848 full-time employees be restored to the medical care account which, in effect, maintains the same level agreed to for the current fiscal year.

We are seeking $23 million in budget authority and outlays for the construction of nursing homes at Tampa, FL, and Hampton, VA; design funds for a clinical addition at Aspinwall, Medical Center in Pittsburgh; and funds for the site of a new replacement hospital in Palm Beach, FL.

We are recommending against the proposal to discontinue the $150 burial plot allowance now available for eligible non-service-connected veterans.

We are rejecting the proposed doubling of the home loan origination fee, which now stands at one percent.

We enthusiastically endorsed the administrator's proposal for a 3.7-percent cost-of-living adjustment effective December first of this year for veterans drawing VA compensation benefits.

Let me again emphasize that our proposals primarily restore to a no-frills budget what is needed to bring us in line with current service responsibilities * * * in other words the basics.

If critics of a current services budget for the VA are heard to complain that veterans are not doing their fair share to reduce the deficit, I suggest they have been grossly misinformed.

In the past 20 years, increases in Human Resource Program budgets, such as those for health, education, social services, Medicare, Social Security, and income security, have varied anywhere from 250 percent to 500 percent while the VA budget has risen only 56 percent, as measured by constant 1984 dollars.

In the past 8 years, in inflation-adjusted dollars, the VA's medical budget has actually declined slightly. The Veteran's Administration has been frugal yet efficient for a very long time. The agency should not be asked to carry more than its share of the deficit-reduction burden.

The committee's budget recommendation would continue to hold the line on spending and, in doing so, would reaffirm our commitment to coping with the deficit and continue our participation in the effort to reduce Government spending.

I feel, as do my colleagues on the committee, that the cost of veterans' benefits and services is part of the cost of a sound national defense. But more than that, what we do for our defenders speaks loudly and clearly about our integrity as a nation. Veterans' issues are, as they should be, moral and not political. In keeping with this belief, our committee is a nonpartisan panel.

Ours is a proud and precious heritage built upon caring for one another, especially those who have honorably served in our Armed Forces.

Each time a veteran or his widow or child receives a VA check * * * each time a veteran receives medical treatment from the VA * * * each time a veteran turns to us and finds job training or employment assistance or the opportunity to purchase his own home * * * each time a veteran is educated under the GI bill * * * each time a veteran suffering from disability or misfortune is helped by his Government and his fellow citizen * * * we have sustained our heritage and further determined our future.

We did much for the future in our budget recommendations and in other action this past week.

On Tuesday, the House unanimously endorsed, as did the Senate later in the day, legislation to keep the VA Home Loan Guaranty Program alive and well. As a result of this legislation, which is now awaiting the President's signature, approximately 90 thousand additional veterans could receive VA home loans this year.

The legislation would raise the fiscal year 1986 VA home loan guaranty ceiling from $11.5 billion to $18.2 billion and would enable the Veterans' Administration to avert an announced April first shutdown of the program.

As a result of the 4.3-percent reduction under Gramm-Rudman, the VA was required to estimate a ceiling from which the cut could be made. The estimates were too low, as the agency has admitted, and did not take into account the increase in home loan activity that has taken place as a result of the lowest mortgage interest rates in seven years.

I should add here that I think President Reagan's economic program deserves the credit for the very favorable situation for home buyers.

In addition to thousands of veterans being denied their loan guaranty benefit because of the poor estimates, broad sectors of the economy would feel the effect. The mortgage banking, real estate, and residential construction industries and their related support industries would experience a drastic decline in business just because some

people in Washington made an estimate that turned out to be wrong. We don't intend to let that happen.

As you know, the VA had announced that it would scale back the program beginning March 1 by implementing certain restrictions in order to sustain the program for as long as possible. These restrictions included a cap on the maximum loan guaranty amount and no more refinancing. However, the agency has reversed this decision and will allow the program to continue under current policies.

Our legislation corrects the bad estimates and enables the home loan program to continue operating without interruption.

I think it is important to understand that the measure is not an attempt to obtain an exclusion from Gramm-Rudman cuts. We are simply setting a new and more realistic baseline from which the cuts can be made.

Notwithstanding budget restraints and deficit problems, this has been a productive and successful Congress for veterans:

We successfully resisted a draft proposal to tax compensation benefits paid to veterans with service-connected injuries.

We've twice rejected proposals to raise the home loan origination fee, proposals which, if enacted, would shut out many first-time homebuyers.

We've denied the proposal to consolidate the VA's 58 regional offices into three locations. If we allowed that to happen, veterans could not receive the personal counseling and one-on-one assistance they need and deserve.

While we all recognized the need to take a definite step toward deficit reduction, Gramm-Rudman was passed by the Senate with no hearings and little debate. As the Senate passed it, all veterans' programs would have been left open to unrestricted cuts. Paralyzed, blinded, and other disabled veterans would have been denied cost-of-living adjustments in their benefits, while other Federal beneficiaries would have enjoyed full COLA's.

The Senate sent us its version of cuts, but I and many of my colleagues in the House of Representatives—my good friend SONNY MONTGOMERY prominent among them—had a better idea that eventually won out. Veterans' compensation and pension benefits are now fully protected under the new deficit reduction plan, and veterans' health care gets special protection—a maximum 1-percent cut in fiscal 1986 and a maximum 2-percent cut for fiscal 1987 and 1988.

In addition to protecting certain veterans' benefits from cuts under Gramm-Rudman, we insisted on and got a current-services budget of about $27 billion for this fiscal year. In the process, we restored about one-half billion dollars and 2,100 employees.

Veterans drawing compensation for service-connected disabilities got a 3.1-percent COLA effective December 1. The President signed that increase in January and it should show up, along with the retroactive payments, in the checks now in the mail for March 1.

We increased the maximum coverage of servicemen's group life insurance from $35 thousand to $50 thousand. That increase was supposed to become effective January 1, but we rolled it back to December 12 in order to help the families of the 248 servicemen and women killed in the tragic airplane crash at Gander, Newfoundland.

We gave unemployed Vietnam-era and Korean conflict veterans an extra year to apply for the Veterans' Job Training Program, which has already put 38,000 veterans back to work. Plus, we authorized an additional $65 million for the program.

This is an innovative program in which the Federal Government pays employers directly to train and hire veterans. It gets the Government out of the training business, which has seemed to mostly provide jobs for the Federal employees who run the job training programs.

By enabling a veteran to find productive and meaningful employment, we've helped him become a taxpayer, instead of a tax user.

We enacted a comprehensive health care bill that provides counseling for former prisoners of war, extends health care benefits for veterans exposed to agent orange, authorizes a pilot program for chiropractic services for veterans, and authorizes 25 geriatric research clinics.

We have rejected a strict means test for health care eligibility and have instead recommended health care eligibility reforms to make certain health care is there for all service-connected and low-income veterans.

We were required by a House/Senate budget agreement to find $1.2 billion in VA budget cost savings over the next 3 years. Our job was to achieve these savings without cutting essential services.

Some of you might have been surprised to learn that the VA has never been mandated by law to provide health care to anyone, not even the service-connected veteran. Well, we thought it was time to remedy that.

We developed a measure that (1) clearly defines the VA's health care responsibilities, (2) achieves the required savings, and (3) makes the strongest health care commitment ever to the American veteran. You don't very often find legislation that can do all that.

Our reforms assure service-connected and low-income veterans for the first time that, if they need hospital care from the VA, it will be provided with no if's, ands, or buts. It does not preclude any non-service-connected veteran from applying for health care and receiving it should space and resources be available and should higher income veterans be willing to defray a portion of the cost.

Next we concentrated on savings. The House and Senate Veterans' Affairs Committees agreed that most of the mandated savings should come from third-party reimbursement.

Thousands of veterans across the Nation now pay premiums for health insurance policies that don't cover treatment in VA medical facilities. Many private insurance contracts contain clauses that prohibit payment to VA hospitals for treatment of an insured veteran. Under our agreement, the VA would be authorized to bill private insurance companies for payment.

Some seem to think this would drive up costs for all policyholders. According to the Government's General Accounting Office, that just isn't so. If insurance companies passed the administrative costs and benefit payments on to all of their policyholders, it would amount to a premium increase of between 93 cents and $2.69 per year for each of the Nation's 112 million policyholders with comprehensive hospitalization insurance coverage. That is hardly a tremendous impact.

The House and Senate Veterans' Affairs Committees agreed on these reforms in December. They may come before the House and Senate at any time, since there now appears to be a prospect that reconciliation for fiscal 1986 will be revived.

Consider this:

The United States now has 27.8 million veterans and 51.4 million dependents and survivors of veterans. In other words, one-third of the Nation's total population is comprised of potential recipients of veterans' benefits;

2.3 million veterans receive compensation;

705 thousand draw VA pensions;

The VA is providing health care to approximately: 1.4 million hospital patients, 53 thousand nursing home patients, and 13 thousand domiciliary patients.

And there are about 18½ million visits to VA outpatient clinics each year.

The VA administers cost-effective job programs, insurance programs, cemetery, and housing programs.

All of this means one thing—the Veterans' Administration has big responsibilities and deserves a budget that helps it meet those responsibilities. Granted, the VA is going to be called on to manage its resources more efficiently, but we've got to give the agency the resources it needs.

It seems to me that the service-connected veteran, the needy veteran, the aging veteran, the individual who has honorably served or serves in the Nation's military, and each of their beneficiaries deserve some assurances from their Government in these times of fiscal restraint.

What I have attempted to outline this afternoon comprises a continuing commitment to providing the benefits you have so nobly earned. We have a moral obligation to do so, and we look to you to help us set the agenda that addresses that obligation fairly and fervently.

Our biggest challenge and top priority in the coming months and years will be to hold on to what we've got and proceed from there.

If we're going to continue to be successful, we need your support. Veterans and their families must remain active and vocal. That is the only way we can continue to be successful on Capitol Hill. If you become apathetic, the system will erode.

Gen. George Patton once said that "wars may be fought with weapons, but they are won by men. It is the spirit of the men who follow and of the man who leads that gains the victory."

General Patton was right. It is the human spirit and drive and desire that you and others like you have exhibited that keeps our country free and fruitful. It is that same spirit that will keep intact the system of benefits and services with which we show our gratitude for that spirit.

Again, I appreciate your invitation to visit with you this afternoon, and I apologize for having to make a quick exit. Thank you.

R&D JOINT VENTURES

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mr. WYDEN. Mr. Speaker, in 1984, I had the honor of sponsoring, along with my colleagues MIKE SYNAR and DICK GEPHARDT, the National Cooperative Research Act of 1984. That bill, which was enacted into law by the 98th Congress, clarifies the application of our antitrust laws to cooperative research and development ventures in this country. Prior to enactment of this law, fear of possible antitrust violations inhibited U.S. companies from

joining together to pursue expensive basic research and development of new technologies. And, because of the high cost and uncertain return on investment, individual companies often declined to dedicate significant resources to basic research.

Mr. Speaker, there is little the Congress or the Federal Government can do to alter the bottomline judgment of individual companies who decide to defer basic research expenditures. But we could—and did—remove the cloud of antitrust uncertainty in a way that encouraged well as permitted companies to band together to share, and therefore minimize, the costs and risks of basic research and the search for new technological breakthroughs.

The National Cooperative Research Act has achieved spectacular results. More than 35 joint R&D ventures have been filed with the Department of Justice, as required by the act, and are now underway. These include such giant consortiums as the Microelectrics & Computer Technology Corp., in Austin, TX, which is now engaged in a full scale race with the Japanese to develop artificial intelligence capabilities and the next generation of computers. Other joint ventures are working on the cutting edge of technology in steel castings, aluminum metallurgy, molecular biology, advanced computer architecture, fluid hydraulics, plastics recycling, fiber optics, high-speed intergrated circuits, truck transmissions, cancer chemotherapy—and on and on. The enormous growth in joint research ventures since enactment of this law is a tremendously encouraging aspect of our efforts to remain technologically competitive in the global marketplace.

Mr. Speaker, the current list of joint R&D ventures filed with the Justice Department, along with a short description of each, follow:

LIST OF JOINT VENTURE FILINGS UNDER THE NATIONAL COOPERATIVE RESEARCH ACT OF 1984

Adirondack Lake Survey Corp: Improvement of the environmental status of certain waters in the Adirondack Mountains.

Agrigenetics Corp: Improve and differentiate through the application of cellular and molecular genetic techniques as well as traditional plant breeding.

Applied Information Technologies Corp: Engage in advanced long-term R&D activities in artificial intelligence; telecommunications; microelectronics, information processing; software engineering; and systems engineering.

Bell Communications Research, Inc. (Bellcore) and ADC Telecommunications, Inc.: Applications for telecommunication exchange services and telecommunication exchange access services of an electronically controlled, integrated circuit switching matrix for digital interconnection, and developing experimental prototypes and experimental systems.

Bell Communications Research, Inc. (Bellcore) and Avantek, Inc.: Research into the applications for telecommunication exchange services and telecommunication exchange access services of high-speed integrated circuits and to demonstrate feasibility of research concepts by experimental prototypes of such circuits.

Bell Communications Research, Inc. (Bellcore) and Hitachi: Applications of technology and equipments for optical transmission for telecommunications exchange and exchange access services, and demonstrate the feasibility of research concepts by experimental prototypes and experimental systems of such technologies and equipments.

Bell Communications Research, Inc. (Bellcore) and Heinrich-Hertz-Institut Fur Nachrichtentechnik (HHI): Collaborative research in the area of integrated optics and opto-electronic device research; research in high-speed and coherent communication technologies; theoretical and experimental research on image coding and processing; and other research in fields relevant to telecommunications technology.

Bell Communications Research, Inc. (Bellcore) and Honeywell: Conduct R&D in the area of advanced gallium arsenide integrated circuits.

Bell Communications Research, Inc. (Bellcore) and Southern New England Telephone Co. and Cincinnati Bell, Inc.: Telecommunications R&D.

Bethlehem Steel Co. and U.S. Steel: Continuous casting of thin sections of steel.

Center for the Advanced Television Studies: Basic research into television sciences in U.S.

Char-Tech: To design, refine, engineer, develop and test techniques for producing self-piercing metal fasteners.

Computer Aided Manufacturing-International: R&D in the use of computer systems and software to improve the productivity of industry.

Deet Joint Research Venture: To sponsor and conduct research on pesticide ingredient N,N-Diethyl-metatoluamide and related isomers and to submit results to EPA.

Empire State Electronic Energy Research Corp.: Energy technology R&D in fossil fuel; nuclear power and electrical systems and equipment.

Exxon Production Research Co. and Halliburton Services: To conduct a series of experimental studies with the objective of collecting data for improving well cementing practices.

Intel Corporation/Xicor Corporation. To develop nonvolatile computer memory circuits that may be used to store digital information at specified memory locations.

International Partners in Glass Research; Emhart Glass Research, Inc.: To conduct a basic R&D program directed to the development of glass containers that will be stronger and lighter than those currently used by members of the glass container industry and to derive income therefrom through the granting of licenses to third parties.

Kaiser Aluminum & Chemical Corp. and Reynolds Metals Co.: R&D of suitable ingot metallurgy and maufacturing processes for the manufacture of commercially acceptable aluminum-lithium alloy products from ingots, and appropriate aluminum-lithium recycling technology.

Medium Range Truck Transmission Cooperative Project: To design and develop medium range manual change gear synchronized truck transmissions.

Merrell Dow Pharmaceuticals Inc. and Hoffmann-LaRoche Inc.: Cancer chemotherapy.

Microelectronics and Computer Technology Corp.: Long-term R&D activities in the following general areas of microelectronics and computer technology: advanced computer architectures; packaging/interconnect processes; software technology and VLSI/CAD.

Motor Vehicles Manufacturers Association, American Petroleum Institute and Coordinating Research Council Inc.: Fourteen related joint ventures involved in R&D in various aspects of motor vehicle exhaust emissions and engine and vehicle design.

Northwestern States Portland Cement Co.: R&D to improve and extend the uses of cement and concrete.

Oncogen Limited Partnership: R&D of commercial products for the diagnosis or treatment of human cancer.

Optoelectronics Group Project—Battelle Memorial Institute and others: Develop micro-robotic alignment, micro-positioning, and micro-attachment techniques for automated assembly of optical fibers, semiconductor laser, photodiodes, and optical quided-wave circuits.

The Plastics Recycling Foundation, Inc.: To sponsor research into improved recycling of all plastic materials, to disseminate recycling technology, to promote the recyclability of plastics by publicizing the work of the Foundation and to sponsor research into environmentally sound methods of disposing of all plastics materials.

Pump Research and Development Committee (PRADCO): Conduct general research into the reliability and efficiency of centrifugal pumps.

Semiconductor Research Corp.: To plan, promote, coordinate, sponsor and conduct research supportive of the semiconductor industry.

Smart House Project: To develop a coordinated home control and energy distribution system containing integral telecommunications and advanced safety features.

Software Productivity Consortium: R&D in the area of advanced technology relating to computer software tools and techniques.

Southwest Research Institute (SWRI): To develop and evaluate the new technology for particular trap regeneration system.

Subsea Production, Maintenance Joint Industry Program; Brown & Root, Inc.: To develop a system capable of performing downhole maintenance on a subsea completed well from the deck of a workboat class vessel.

Uninet Research and Development Co.: Joint Venture of CDC and Uninet—advanced packet-switching data communications networks.

United Technologies Corp. and Toshiba Corp.: Developing and testing basic techniques, new designs, and manufacturing technologies for the production of fuel cell power plants and fuel cell systems.

West Virginia University/Industry Cooperative Research Center: To conduct research and stimulate industrial innovation in, and otherwise to develop, the field of fluidization and fluid particle science.

RECOGNIZING DR. JAMES I. McCORD

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mr. COURTER. Mr. Speaker, it is my pleasure to recognize Dr. James I. McCord, president of the Princeton Theological Seminary in New Jersey from 1959–82, who was recently awarded the Templeton Prize for Progress in Religion. This prize carries a cash award of about $250,000.

Dr. McCord, a 66-year-old Presbyterian, was chosen for the award because of his work as an educator, particularly the founding in 1982

of the Center of Theological Inquiry, a religious advanced research center modeled on Princeton's Institute for Advanced Studies.

Dr. McCord is the chancellor of the center which invites a few promising or seasoned scholars for periods up to 3 years to spend full time on theological research, enabling them to be away from the distractions of teaching and academic committees.

The Templeton prize, one of the richest in the world, is sponsored by John M. Templeton, a multimillionaire financier from Lyford Cay in the Bahamas. Some previous winners include Mother Teresa, Billy Graham, and Aleksandr Solzhenitsyn. Dr. McCord will be presented the award on May 13 by Princess Alexandra of Britain. He said that a good deal of the money would be used to further endow the center.

On this occasion of his award, I extend my congratulations to James and wish him continued success and best wishes for the future.

LIMIT TERMS OF SUPREME COURT JUSTICES

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mr. DORGAN of North Dakota. Mr. Speaker, today I am introducing a joint resolution calling for a constitutional amendment to limit the term of a Supreme Court Justice to 15 years.

The granting of life terms to the Justices was heatedly debated by the architects of our Constitution. Thomas Jefferson argued that a Federal judiciary which has virtually no accountability to any other branch of Government upsets the delicate system of checks and balances of that Government. In understanding that the impeachment process, the only method of removal of a Justice, is too dramatic and too cumbersome a measure to be effective, Jefferson realized that the consequent complete immunity from review allows the Court "to be effectively independent of the Nation."

I recognize that in order to properly fulfill its responsibilities, the Supreme Court must be independent from political pressures; it must not be subjected to the recurrent philosophical shifts of the polls. But equally important is the need for limited accountability to the public. Without this, we are forced to rely on the diluted principle of judicial restraint to prevent the Court from exceeding its constitutional boundaries.

This joint resolution provides that the Supreme Court Justices would be appointed to terms of 15 years and would be eligible for renomination by the President at the expiration of each term. If not renominated, an individual Justice would continue to serve until a successor had been confirmed. The Justices now serving on the Court would not be subject to the 15-year terms.

Through extensive terms and the opportunity for reappointment, the Supreme Court would continue to be protected from frequent political intervention. Through limited terms, the Court would no longer be allowed to operate with unchecked authority.

INEQUITABLE TAX TREATMENT FOR ADULT FOSTER CARE

HON. F. JAMES SENSENBRENNER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mr. SENSENBRENNER. Mr. Speaker, in recent years we have witnessed growth in a viable option for institutional care-family foster care.

The Adult Family Foster Care Program is not unlike the Child Foster Care Program. The program serves persons 18 and older who, because of emotional, physical, or mental limitations, cannot live independently at the time. The individuals in placement do not require institutional care and funding comes basically from public dollars. The family setting provides structure and the social support needed to maximize the functioning of the adult.

For some adults, it is the highest level of functioning in the community. For others, it is a stepping stone to other community living programs or even independent living. Not only does the length of stay in a family home vary, but so does the age of the residents. For instance, in the Ninth-District of Wisconsin, one of our foster adults is 96 years old.

Under present law, foster care payments made to foster parents by a State or a child-placing agency are excludable from gross income to the extent that they are made to reimburse the expenses of caring for a foster child. If these payments exceed expenses, the excess is to be included as income and taxed.

Unfortunately, there exists an inequity in the tax treatment for those people who provided foster care for children and those who provide care for adults. The difference lies with the "difficulty of care payments"—payments to compensate both child and adult foster parents for providing additonal care required due to physical, mental, or emotional handicap. Under present law, these payments are excluded from gross income for those who provide foster care for children, while they are considered taxable income for those who provide adult foster care.

The tax treatment discrepancy between "difficulty of care" payments for foster children and foster adults deters families from accepting foster adults and in some cases, causes families to release their charges once they become legal adults at age 18.

I have introduced H.R. 4321, The Adult Foster Care Equity Act, to correct this inequity. Under my bill, the tax treatment for foster adults would mirror that of foster children. This means that "difficulty of care payments" which are made for 10 qualified foster care residents or less per home (the same number allowed for foster children) would be excluded from gross income.

I hope you will join me in an attempt to end this discrimination based on age, by supporting H.R. 4321.

JACOB JAVITS

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mr. FORD of Tennessee. Mr. Speaker, it is with sadness that the Congress today marks the passing of one of its own, Senator Jacob Javits. The sympathies of all America go out to the Javits family, particularly his wife, Marion.

Senator Javits was truly a man of the people. He dedicated most of his life to public service. The State of New York was indeed fortunate to be represented in both the House and Senate by such a man.

While he is remembered for his many years of distinguished service to his constituents, I will always recall the incredible courage displayed in the last years of his life. Despite being handicapped by a debilitating disease, the Senator made frequent visits to Washington to fight for causes he believed in, to improve life for others.

In testimony before the Committee on Aging several months ago, Jacob Javits reminded a nation that life is too valued to give up. Even after his body failed him, his mind continued to display the brillance that made him one of the finest Members of Congress.

Long after most would have given up, Jacob Javits waged a personal battle for life in front of a nation. Jacob Javits has left this country a legacy it must not soon forget.

Our young must know that life is to be cherished, lived to its fullest. Our elderly must realize that society needs their input into all aspects of life. Javits met adversity head on when he was healthy, and employed that same style when his health failed him. Everyone can learn a lesson from that.

Mr. Speaker, Senator Javits' voice has stood out for its clarity, commitment, and heartfelt sincerity whenever the subject of social reform has been deliberated in this Nation. His work has touched the core of our Nation's social conscience, and will improve the lives of many for years to come. His contributions will sorely be missed.

INTRODUCTION OF DEPARTMENT OF JUSTICE AUTHORIZATION BILL FISCAL YEAR 1987

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mr. RODINO. Mr. Speaker, I am introducing today a bill to provide authorization for appropriations for fiscal year 1987 for the Department of Justice.

The bill I am introducing today reflects the committee's view that a fiscal year 1986 service level is appropriate for the Department for fiscal year 1987 with certain exceptions. We all realize the fiscal restraints under which we all operate.

The bill authorizes more funds than in fiscal year 1986 for the Immigration and Naturaliza-

tion Service. The bill reflects the committee's view that the fiscal year 1986 appropriation level for INS would be inadequate. The committee has consistently recommended an authorization of funds based on its belief that the agency needs a significant increase in its enforcement capabilities, as well as additional service-related personnel to cope with the increasing adjudications backlogs. The figure contained in the bill will meet these needs.

The bill provides authorization for the Drug Enforcement Administration at a higher level than the fiscal year 1986 appropriation. The Drug Enforcement Administration is the lead agency in the Nation's fight against drug trafficking.

Because the committee is concerned about the positions taken by the Department concerning enforcement of the Sherman Act and its per se prohibition against resale price maintenance, we have included a specific provision in the bill to prohibit the Department from engaging in any activity for the purpose of overturning or altering this doctrine.

The Attorney General will testify this week before the Judiciary Committee concerning the Department's proposed budget. The committee looks forward to receiving his testimony.

GIRL SCOUT ANNIVERSARY WEEK

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mr. NATCHER. Mr. Speaker, it is a pleasure to join with the Girl Scouts of the United States of America as it celebrates its 74th anniversary this week.

Girl Scouts of the United States of America is the largest voluntary organization for girls in the world and is open to all girls ages 5 through 17 (or in kindergarten through grade 12) who subscribe to the ideals as stated in the Girl Scout Promise and Law.

There are 2,247,000 members in the Girl Scouts of the U.S.A. in five program levels—Daisy Girl Scouts (age 5), Brownie Girl Scouts (ages 6–8), Junior Girl Scouts (ages 9–11), Cadette Girl Scouts (ages 12–14) and Senior Girl Scouts (ages 14–17).

The Kentuckiana Girl Scout Council serves the Second Congressional District of Kentucky, which I have the privilege of representing in the Congress of the United States. The girls in this council were active in many programs and activities during the past year. Highlights of the council's activities include: Girl Scout Family Night at Western Kentucky University, Explore Bowling Green on April 20, 1985, Bridging Ceremony at Houchens Program Center for Daisy Girl Scouts, parade walk through the local Corvette car plant, Super Sleep-In VII at the Greenwood Mall for Junior, Cadette, and Senior Girl Scouts, Area 17 Brownie Carnival and Area 16 Brownie Overnight Party, and the Business-Wise Badge Workshop sponsored by Junior Achievement. Highlights of the 1985 Adult Education Program included several enrichment workshops for volunteers and Senior Scouts.

I want to take this opportunity to commend the members of the Girl Scouts of the United States of America for their accomplishments during this past year and to wish them success in their future endeavors.

A FINE EDUCATOR, JAMES L. SMITH

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mr. LIPINSKI. Mr. Speaker, it gives me great pleasure to rise before my colleagues today to bring to their attention an exceptional educator from my district, Mr. James L. Smith. Mr. Smith retired last year after 32½ years in the field of education. I would now like to share with my fellow Members of Congress some of his achievements which, I believe, make him an extraordinary and exemplary citizen.

Mr. Smith has led a busy and productive life since his youth. Upon graduating from high school in 1946, Mr. Smith dutifully served in the U.S. Navy for 2 years. He then decided to further his education by attending the Blackburn College Association of Arts. His commitment at that time to the pursuit of knowledge would continue throughout the remainder of his professional career. Upon receiving his associate of arts degree, he worked in the accounting departments of two large corporations in Chicago. After a few years of this, however, his love for education prevailed and he began teaching for the Stickney School District No. 111 Cook County.

Mr. Smith continued teaching there for 10 years even as he continued his own education by earning is bachelors and masters degrees. His masters of education in library science made him well-equipped to take the job of librarian at the Maddock School in the district. Only a year later his fine qualities were recognized as he was chosen for the position of District Library Consultant of the Cicero Public Schools, District No. 99. He held that position for 21 years until his retirement.

While there Mr. Smith was continually challenged to adapt the library services to meet the new demands of the high technology, multimedia resources available today. His mastery was such that he taught graduate programs for the National College of Education in audiovisual. In addition he was responsible for developing a number of handbooks on the use of media in library research and other topics. His skills, duties, and involvement with his profession continued to increase both within the school district and outside for private organizations. At the time of his retirement, Mr. Smith was the district media coordinator for the Cicero Public School as well as a member of the curriculum committee. The accomplishments in his field alone are worthy enough to mention but he was also a public figure.

From the years 1977 to 1984, Mr. Smith held the office of village trustee of Forest View. In 1984, fellow trustees elected him acting village president when the post was vacated. In 1985, he was elected to the office of village clerk which office he still holds. Throughout the years, Mr. Smith has also been active in the church as well as scouting. In his rare spare time, he enjoys the company of his wife, Vera, and their five children.

In this day and age of budget cutting and program slashing, it is refreshing to take stock of a gentleman like James Smith who helps the rest of us keep our priorities straight as to what is important for the future prosperity of our country. Education is indeed our ticket to continued success in the world and as public servants we should restore our energies to providing quality education as Mr. Smith has done in his own life. I'm sure my fellow Members of Congress join me in commending James L. Smith for a job well done.

NAMING OF A NEW SPACE SHUTTLE ORBITER

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mr. LEWIS of Florida. Mr. Speaker, today I am introducing a resolution which would direct the Administrator of the National Aeronautics and Space Administration [NASA] to allow schoolchildren to name a new space shuttle orbiter.

When the space shuttle *Challenger* exploded on January 28, millions of schoolchildren, who were expectantly waiting for the first lesson from space, witnessed the tragedy on television. These same schoolchildren will be the space explorers of tomorrow.

The resolution I am introducing today seeks to once again include children in the space program, for as unfortunate and tragic as the *Challenger* disaster was, it is not a reason to be hesitant or timid. Rather, it is an opportunity to teach a lasting lesson, that man's progress has never been without cost. As with all great enterprises, there are risks and *Challenger's* crew members were aware of them. However, these brave Americans were undaunted by the everpresent dangers that accompany such endeavors, and we should be profoundly grateful for their courageous spirit.

This resolution directs that in the event a new space shuttle is procured, whether through private donations or the expenditure of Federal funds, the Administrator of NASA should name the orbiter through a selection process or contest whereby schoolchildren throughout the United States could suggest an appropriate and fitting name for a replacement shuttle.

I urge my colleagues to join with me as together we provide for the participation of tomorrow's leaders in one of today's most remarkable achievements.

A CONGRESSIONAL SALUTE TO DR. ROBERT H. SCOTT

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mr. ANDERSON. Mr. Speaker, on March 15, 1986, the Southern California District of

the Church of the Nazarene will honor Dr. Robert H. Scott, who has been their district superintendent for the last decade.

Dr. Scott has served his denomination very well having pastored churches in West Sacramento, CA; Wasco, CA; Fresno, CA; and, Santa Ana, CA. He has been active in all areas of his denomination, locally, and worldwide. He has been involved with Kiwanis International, Santa Ana Chamber of Commerce, and served as vice president of the Santa Ana/Tustin Community Chest. Additionally, he has served on the board of Point Loma College in San Diego and received an honorary doctorate for his work with the college. It should also be noted that Dr. Scott's lecturing and preaching abilities have taken him to American Samoa, New Guinea, New Zealand, and Australia and he has overseen the work of 100 churches as well as administering his district office.

Dr. Scott is a "Nazarene" but, realizing his Christian faith embraces many thoughts and concepts, he has worked willingly and harmoniously with other groups. In so doing, he has gained the respect of many organizations as well as his own. Dr. Scott's preaching has centered around caring and sharing for those who are less fortunate, and has continually urged the Church to do more about the less fortunate.

Dr. Scott preaches a message centered around the Biblical text, "Faith, Hope, and Love, but the greatest of these is Love" (I Cor 13).

Dr. Scott has been elected to serve as the denomination's secretary of World Missions, where he will direct the work of his denomination around the world. He begins his new responsibilities in April, 1986.

For many years, Dr. Scott has been a positive force in the State of California. My wife, Lee, joins me in congratulating Dr. Scott on this special occasion. We wish Dr. Scott and his wife, Carolyn; his daughter, Vikki, and son-in-law, Steve Reese; his son, Steve, and wife, Debbie; and his grandaughters Heather and Holly, all the best in the years to come.

ADDITIONAL BANKRUPTCY JUDGESHIP

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mr. DAUB. Mr. Speaker, the Federal district of Nebraska is in immediate need of an additional bankruptcy judgeship. During the court year, 1985, the district of Nebraska had the highest number of bankruptcy filings on a per judge basis of any district in the circuit—2,754 filings per judge. Only five other districts in the United States had a higher number of filings per judge, as follows: W.D. Tennessee, 3,381 filings per judge; C.D. California, 2,819 filings per judge; E.D. Washington, 2,915 filings per judge; M.D. Florida, 2,878 filings per judge; and C.D. Illinois, 2,805 filings per judge.

The situation is getting worse instead of better. Through February 28 of this year, 573 cases have been filed in Nebraska. This represents 110 more cases than were filed last year at the same time.

Mortgage holders, owners of secured interests, unsecured creditors, and other lien holders deserve prompt resolution of their claims. Commerce and industry is negatively impacted with delays and backlogs like we are currently experiencing. Justice delayed is justice denied.

Thus, it is not just the debtor's interest that has to be protected. It is, moreover, the interests of all those parties directly effected by the debtor's filing that we ought to be considering. The processing of their claims should move expeditiously.

For these reasons, today I have introduced H.R. 4352, a bill which would authorize the appointment of one additional bankruptcy judge for the district of Nebraska. This authorization is critical to the ability of the district of Nebraska to meet the increasing workload and I would urge my colleagues to support the legislation.

WOMEN'S BUREAU REINSTATES JOB-SHARERS UNDER COURT ORDER

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 10, 1986

Mr. FRANK. Mr. Speaker, I am pleased to report that the Women's Bureau of the Department of Labor is about to reinstate two outstanding Federal employees as co-Administrators of the San Francisco Regional Office on a 50–50 job sharing basis. This action, taken as a result of a decision of the Court of Appeals for the Federal Circuit, not only rights a wrong done to these two women; it restores a model of flexible employment which can be singificant to women workers throughout the Nation.

In 1984 the Employment and Housing Subcommittee held an oversight hearing on the Women's Bureau. Among many other problems, we learned that Gay Plair Cobb and Madeline Mixer, who had performed very satisfactorily while sharing the job of Regional Administrator since December 1980, had recently been dismissed by the then-Bureau Director, Dr. Lenore Cole Alexander. Dr. Alexander found no fault with the work of the two women but alleged that it was her management decision to have all of the regional office jobs filled by one full-time Administrator. Cost and inconvenience were extremely minor factors. Women and women's organizations—the constituents of the Women's Bureau—in region IX testified to the benefits derived from the combined talents of the two Administrators.

In a unanimous report the Government Operations Committee found that:

It was eminently appropriate for the Bureau, as the only Federal agency devoted solely to the concerns of working women, to set an example for the rest of the Department of Labor, if not the Federal Government as a whole.

The committee urged the Women's Bureau to exert increased efforts to implement the Federal Employees Part-Time Career Employment Act of 1978, which includes job sharing as an alternative work pattern. Specifically, we recommend:

In view of the "fully satisfactory" performance of Gay Plair Cobb and Madeline Mixer in the post of Regional Administrator in Region IX, the Committee recommends that the Bureau take the initiative and explore options with them which would provide for (1) continued demonstration of some form of job sharing, (2) scheduling and assignments which meet the needs of effective management, and (3) utilization of the expertise of these valuable employees.

Unfortunately the Bureau ignored our recommendation. The two women sought restoration to their jobs through the Merit System Protection Board, which ruled against them. However, Ms. Cobb appealed to the Court of Appeals for the Federal Circuit which reversed the MSPB on October 7, 1985. After the Department decided not to appeal this decision, they moved to reinstate Ms. Cobb and Ms. Mixer in their former positions.

The dramatic increase in the participation of women in the labor force which has occurred in the past 20 years has brought problems and pressures as well as benefits for women workers and their families. Women continue to carry their traditional responsibilities for primary care of children and households. Yet the economic pressures on them to contribute financially to the family force many to search for creative alternative work patterns. Part-time, flexitime, and job sharing are options which can meet the conflicting needs of many working mothers. I am delighted that the Federal agency devoted to the concerns of working women will once again be demonstrating at a visible level the potential of job sharing.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, March 11, 1986, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 12

9:00 a.m.
*Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the St. Lawrence Seaway Development Corporation, Department of Transportation, and the Panama Canal Commission.
SD-138

Armed Services
To continue hearings on the status of the unified commands.
SR-222

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Health Resources and Services Administration and the Office of the Assistant Secretary for Health, both of the Department of Health and Human Services.
SD-116

Labor and Human Resources
To hold hearings on the nomination of Robert E. Rader, Jr., of Texas to be a Member of the Occupational Safety and Health Review Commission.
SD-430

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for defense acquisition policy.
SD-192

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Environmental Protection Agency.
SD-124

Judiciary
Security and Terrorism Subcommittee
To hold oversight hearings on certain activities of the Federal Bureau of Investigations.
SD-226

Joint Economic
Monetary and Fiscal Policy Subcommittee
To hold hearings on U.S./Canada trade policies.
SD-538

Joint Economic
Trade, Productivity, and Economic Growth Subcommittee
To hold hearings on the economic impact of the oil price collapse.
2359 Rayburn Building

11:00 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Commerce, and the International Trade Commission.
S-146, Capitol

1:00 p.m.
Armed Services
To meet in closed session to receive a briefing on the President's request of additional assistance to the Nicaraguan democratic resistance.
SR-222

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of the Treasury, focusing on multilateral development banks.
SD-124

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Administrative Conference of the U.S., U.S. Tax Court, Committee for the Purchase from the Blind and Handicapped, Advisory Commission on Intergovernmental Relations, Merit Systems Protection Board, Office of the Special Counsel, Advisory Committee on Federal Pay, and the Federal Labor Relations Authority.
S-126, Capitol

Energy and Natural Resources
To hold closed oversight hearings on the domestic and international petroleum situation.
SH-219

Judiciary
To hold hearings on pending nominations.
SD-226

4:00 p.m.
Select on Ethics
Closed business meeting, to consider pending committee business.
SH-220

MARCH 13

9:00 a.m.
Office of Technology Assessment
The Board to hold a general business meeting.
S-205, Capitol

9:15 a.m.
Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Centers for Disease Control, Alcohol, Drug Abuse and Mental Health Administration, Office of Inspector General, and Office of Civil Rights, all of the Department of Health and Human Services.
SD-116

Banking, Housing, and Urban Affairs
To resume oversight hearings to review Federal deposit insurance programs.
SD-538

Governmental Affairs
Permanent Subcommittee on Investigations
To resume oversight hearings on airline safety in the United States.
SD-342

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for certain Defense programs, focusing on guard and reserve affairs.
SD-192

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on proposed legislation authorizing funds for low-income energy assistance programs.
SD-430

10:30 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for foreign assistance programs of the Department of State.
SD-124

11:00 a.m.
Foreign Relations
Business meeting, to consider Senate Joint Resolution 283, to approve the President's request [Presidential Message 116] for additional assistance for the democratic resistance in Nicaragua, and the nominations of James L. Malone, of Virginia, to be Ambassador to Belize, Morton I. Abramowitz, of Massachusetts, to be an Assistant Secretary of State, H. Allen Holmes, of the District of Columbia, to be Assistant Secretary of State for Politico-Military Affairs, Otto Reich, of Virginia, to be Ambassador to Venezuela, and Carlos Salman, of Florida, and Henry F. Schickling, of Pennsylvania, each to be Members of the Board of Directors of the Overseas Private Investment Corporation.
SD-419

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Indian Education, Department of Education, and the Institute of Museum Services.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on nuclear fission, uranium enrichment, and nuclear waste management.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Financial Management Service, Bureau of Public Debt, U.S. Mint, the U.S. Savings Bond Division, and the Internal Revenue Service, all of the Department of the Treasury.
SD-124

Judiciary
To hold hearings on the nomination of Jefferson B. Sessions, III, to be United

States District Judge for the Southern District of Alabama.
SD-226

Conferees
On H.R. 2005, to extend and amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (Superfund).
SD-G-50

2:30 p.m.
*Banking, Housing, and Urban Affairs
Business meeting, to consider S. 1763, to clarify U.S. negotiating goals in seeking to eliminate predatory concessional financing in the form of tied-aid and partially untied-aid credits, S. 2058, to authorize funds through fiscal year 1991 for the Export-Import Bank, S. 2076, to authorize funds for export administration and export promotion activities of the Department of Commerce, and pending nominations.
SD-538

4:00 p.m.
Select on Intelligence
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

MARCH 14

9:00 p.m.
Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To hold open and closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the Department of Defense, focusing on the ICBM modernization program.
SR-222

9:30 a.m.
Finance
Health Subcommittee
To hold hearings on S. 2121, to revise the method of payment to hospitals for capital-related costs under the Medicare program.
SD-215

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Navy shipbuilding programs.
SD-192

10:30 a.m.
Energy and Natural Resources
To resume oversight hearings on the domestic and international petroleum situation.
SD-366

MARCH 18

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Health Care Financing Administration, Social Security Administration, Office of Child Support Enforcement, and refugee programs, all of the Department of Health and Human Services.
SD-116

Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on the retirement policy for public safety officials under the Age Discrimination in Employment Act.
SD-430

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Army modernization programs.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Postal Service.
SD-124

Energy and Natural Resources
Public Lands, Reserved Water and Resource Conservation Subcommittee
To hold oversight hearings on memorials and monuments on Federal and District lands in the District of Columbia, including criteria for approval, jurisdiction, placement, design, funding, and maintenance.
SD-366

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for international security assistance programs of the Department of State.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on the Nuclear Regulatory Commission and the Federal Energy Regulatory Commission.
SD-192

MARCH 19

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Human Development Services, Office of Community Services, Departmental Management (salaries and expenses), and Policy Research, all of the Department of Health and Human Services.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, and the Arms Control and Disarmament Agency.
S-146, Capitol

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Defense programs, focusing on force management and personnel.
SD-192

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Veterans' Administration.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Transportation Safety Board, Department of Transportation, and the Architectural and Transportation Barriers Compliance Board.
SD-138

Energy and Natural Resources
Business meeting, to resume consideration of S. 1225, to compensate the public for injuries or damages suffered in the event of an accident involving nuclear activities undertaken by the Nuclear Regulatory Commission licensees or Department of Energy contractors, and the nomination of Jed Dean Christensen, of Virginia, to be Director of the Office of Surface Mining Reclamation and Enforcement, Department of the Interior.
SD-366

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Export-Import Bank.
S-126, Capitol

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the General Services Administration, National Archives and Records Service, Executive Office of the President, and National Park Service, Department of the Interior (regarding White House and Vice President residence).
SD-124

Judiciary
To hold hearings on pending nominations.
SD-226

MARCH 20

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1987 for NASA.
SR-253

Energy and Natural Resources
To hold oversight hearings on the implications of fees on imported oil.
SD-366

Labor and Human Resources
Handicapped Subcommittee
To hold hearings on proposed legislation authorizing funds for rehabilitation programs.
SD-430

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Secret Service, Bureau of Alcohol, Tobacco and Firearms, and the Federal Law Enforcement Training Center, all of the Department of the Treasury.
SD-124

Judiciary
Business meeting, to consider pending calendar business.
SD-226

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on proposed legislation authorizing funds for the Community Services Block Grant programs.
SD-562

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the United States Geological Survey, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on the Power Marketing Administrations.
SD-192

Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on S. 1885, to establish a Military Auxiliary Revolving Fund within the Treasury of the United States for the construction in private U.S. shipyards of merchant vessels capable of serving as naval and military auxiliaries in time of war or national emergency.
SR-253

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold oversight hearings on government nonproliferation activities for 1985.
SD-342

Select on Indian Affairs
To hold hearings on S. 2095, authorizing funds through fiscal year 1990 for the tribally controlled community colleges and the Navajo Community College.
SR-428A

4:00 p.m.
Select on Intelligence
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1987 for the intelligence community.
SH-219

MARCH 21

9:00 a.m.
Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on S. 1992 and S. 1993, bills to preserve the rights of certain parties with an interest in certain vessels or fishing facilities, or with an interest in aircrafts, aircrafts parts, or vessels.
SR-253

MARCH 25

9:30 a.m.
Energy and Natural Resources
To resume oversight hearings on the domestic and international petroleum situation and the implications of fees on imported oil.
SD-366

Labor and Human Resources
Handicapped Subcommittee
To resume hearings on proposed legislation authorizing funds for rehabilitation programs.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Forest Service, Department of Agriculture.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs, focusing on atomic energy defense activities.
SD-116

MARCH 26

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Trade Commission, and the U.S. Commission on Civil Rights.
S-146, Capitol

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for the National Science Foundation.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for Interstate Commerce Commission and the Office of the Secretary of Transportation.
SD-138

MARCH 27

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Customs Service, Department of the Treasury.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Holocaust Memorial, and the Bureau of Mines, Department of the Interior.
SD-138

APRIL 8

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy conservation programs.
SD-138

APRIL 9

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary of Education, Departmental Management (salaries and expenses), Office for Civil Rights, and Office of Inspector General, all of the Department of Education.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Attorney General, Department of Justice.
S-146, Capitol

Labor and Human Resources
To hold hearings on pending nominations.
SD-430

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Railroad Administration, Department of Transportation, and the National Railroad Passenger Corporation (AMTRAK).
SD-138

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Personnel Management, and the Federal Elections Commission.
SD-124

APRIL 10

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including elementary and secondary education, education block grants, and impact aid.
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for National Oceanic and Atmospheric Administration, focusing on funds for satellite and atmospheric programs.
SR-253

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Management and Budget.
S-126, Capitol

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of Inspector General, Agency for International Development, Peace Corps, Inter-American Foundation, and the African Development Foundation.
S-126, Capitol

APRIL 14

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

APRIL 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including education for the handicapped, rehabilitation services and handicapped research, and special institutions (including Howard University).
SD-116

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Agency for International Development.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Endowment for the Arts and National Endowment for the Humanities.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

APRIL 16

9:00 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of AMVETS, Vietnam Veterans of America, World War I Veterans, Jewish War Veterans of the U.S.A., and Atomic Veterans.
SD-106

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including student financial assistance, guaranteed student loans, higher and continuing education, higher education facilities loans and insurance, college housing loans, and educational research and training.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Oceanic and Atmospheric Administration, Department of Commerce, and the Marine Mammal Commission.
SD-146, Capitol

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
To hold hearings on Acquired Immune Deficiency Syndrome.
SD-430

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the National Aeronautics and Space Administration.
SD-124

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Coast Guard, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for energy and water development programs.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of the Treasury, Postal Service, and general government programs.
SD-124

APRIL 17

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Education, including bilingual education, vocational and adult education, education statistics, libraries, and the National Institute of Education.
SD-116

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings with the National Ocean Policy Study on S. 2138 and H.R. 2935, bills to establish a National Marketing Council to enable the United States fishing industry to establish a coordinated program of research, education, and promotion to expand markets for fisheries products.
SR-385

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for foreign assistance programs.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-192

APRIL 22

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad

Retirement Board, National Labor Relations Board, National Mediation Board, Occupational Safety and Health Review Commission, Federal Mediation and Conciliation Service, and the United States Institute of Peace.
SD-116

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on international narcotics control, migration and refugee assistance, and anti-terrorism programs.
S-126, Capitol.

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Navajo-Hopi Indian Relocation Commission, and the Office of Surface Mining, Reclamation and Enforcement, Department of the Interior.
SD-192

APRIL 23

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for ACTION (domestic programs), Corporation for Public Broadcasting, National Council on the Handicapped, Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, and National Center for the Study of Afro-American History and Culture.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Bureau of Investigation and Drug Enforcement Administration, Department of Justice, and the Equal Employment Opportunity Commission.
S-146, Capitol

Labor and Human Resources
To hold hearings on S. 1815, to prohibit any employer from using any lie detector test or examination in the work place, either for pre-employment testing or testing in the course of employment.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the United States Railway Association and Conrail.
SD-138

APRIL 24

9.30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 1018, to clarify the meaning of the term "guard" for the purpose of permitting certain labor organizations to be certified by the National Labor Relations Board as representatives of employees other than plant guards.
SD-430

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of State, focusing on voluntary contributions to international organizations programs, and for the Office of the U.S. Representative to the United Nations.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Energy Information Administration and the Economic Regulatory Administration, Department of Energy.
SD-192

APRIL 29

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Bureau of Indian Affairs, Department of the Interior.
SD-192

APRIL 30

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of U.S. Trade Representative, and the Federal Communications Commission.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on the human resources impact of reentry of women into the labor force.
SD-430

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Housing and Ubran Development and certain independent agencies.
SD-124

MAY 1

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for territorial affairs, Department of the Interior.
SD-192

MAY 6

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

MAY 7

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Supreme Court of the United States, U.S. District Courts/Courts of Appeals, and the Commission on the Bicentennial of the U.S. Constitution.
S-146, Capitol

Labor and Human Resources
To hold oversight hearings on medical malpractice.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Urban Mass Transportation Administration, Department of Transportation, and the Washington Metropolitan Area Transit Authority.
SD-138

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and

Human Services, and Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Federal Aviation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Smithsonian Institution.
SD-192

MAY 13

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

MAY 14

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Legal Services Corporaiton, and the Securities and Exchange Commission.
S-146, Capitol
Labor and Human Resources
To hold hearings to review barriers to health care.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Department of Transportation and certain related agencies.
SD-138
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on S. 525, to provide for the transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of radiation effects.
SD-342

MAY 15

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Labor, Health and Human Services, and Education, and certain related agencies.
SD-116

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for fossil energy and clean coal technology.
SD-192

MAY 20

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Indian Health Service, Department of Health and Human Services.
SD-192

MAY 21

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the U.S. Information Agency, and the National Endowment for Democracy.
S-146, Capitol
Labor and Human Resources
To resume oversight hearings on medical malpractice.
SD-430

MAY 29

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Office of the Secretary and Office of the Solicitor, Department of the Interior.
SD-192

JUNE 3

10:00 a.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold hearings on statistical policy for an aging America.
SD-342

JUNE 4

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1987 for the Departments of Commerce, Justice, and State, the Judiciary, and certain related agencies.
S-146, Capitol
Labor and Human Resources
To hold oversight hearings to review the imposition of user fees in FDA approval procedures for new drugs.
SD-430

JUNE 11

9:30 a.m.
Labor and Human Resources
To hold hearingss on pending nominations to the National Advisory Council on Women's Educational Programs.
SD-430

JUNE 17

9:30 a.m.
Labor and Human Resources
To hold hearings on food safety issues.
SD-430

JUNE 18

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

JUNE 25

9:30 a.m.
Labor and Human Resources
To hold hearings on the administration of the Mine Safety and Health Review Commission.
SD-430

JULY 16

9:30 a.m.
Labor and Human Resources
To hold hearings on the establishment of generic drug procedures and patent term restoration for animal drugs.
SD-430

JULY 30

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

AUGUST 13

9:30 a.m.
Labor and Human Resources
To hold hearings to review the private sector initiatives in human services.
SD-430

SEPTEMBER 10

9:30 a.m.
Labor and Human Resources
To hold hearings to review the human resources impact on drug research and space technology.
SD-430

SEPTEMBER 16

9:30 a.m.
Labor and Human Resources
To hold hearings on pending nominations.
SD-430

SEPTEMBER 24

9:30 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

CANCELLATIONS

MARCH 13

9:00 a.m.
Labor and Human Resources
Employment and Productivity Subcommittee
To resume hearings on S. 2069, to improve the Job Training Partnership program stability and lessen burdensome administrative requirements, improve services to youth and the hard-to-serve, and strengthen enforcement.
SD-430

HOUSE OF REPRESENTATIVES—*Tuesday, March 11, 1986*

The House met at 12 o'clock noon.

The Reverend Robert Watts, Ghent United Methodist Church, Norfolk, VA, offered the following prayer:

Eternal God, our Father, we join with the ancient psalmist in saying "The earth is the Lord's, and the fulness thereof, the world and they that dwell therein." We acknowledge our dependence upon You, and we seek Your guidance in the conduct of our lives each day. As we meet in this assembly today, where decisions affecting the lives of all our citizens are made, may we sense Your presence in this place, Your strength in our bodies, Your wisdom in our minds, and Your spirit of love in our hearts. Guide the leaders of our Nation and all the nations of the world in the pursuit of justice, freedom, and prosperity for all mankind. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate agreed to the following resolution:

S. RES. 363

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable Jacob Javits, late a Senator from the State of New York.

Resolved, That the Secretary of the Senate communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of Senator Javits.

Resolved, That as a further mark of respect to the memory of Senator Javits, the Senate stand in recess from 12:00 noon until 1:00 post meridiem.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3132. An act to amend chapter 44, of title 18, United States Code, to regulate the manufacture, importation, and sale of armor piercing ammunition, and for other purposes.

The message also announced that the Chair on behalf of the Vice President, appoints Mr. HOLLINGS, from the Committee on Appropriations, and Mr. SARBANES, at large, to the Board of Visitors to the U.S. Naval Academy.

The message also announced that the Chair on behalf of the Vice President, appoints Mr. JOHNSTON, from the Committee on Appropriations, and Mr. LEVIN, from the Armed Services Committee, to the Board of Visitors, to the U.S. Military Academy.

The message also announced that the Chair on behalf of the Vice President, appoints Mr. INOUYE, from the Committee on Commerce, Science, and Transportation, and Mr. MOYNIHAN, at large, to the Board of Visitors to the U.S. Merchant Marine Academy.

The message also announced that the Chair on behalf of the Vice President, appoints Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, and Mr. DODD, at large, to the Board of Visitors to the U.S. Coast Guard Academy.

The message also announced that the Chair on behalf of the Vice President, appoints Mr. DECONCINI, at large, and Mr. CHILES, from the Committee on Appropriations, to the Board of Visitors to the U.S. Air Force Academy.

THE REVEREND ROBERT WATTS

(Mr. WHITEHURST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHITEHURST. My colleagues, Mr. Speaker, I am delighted to have the privilege and great pleasure this morning of having my minister, the Reverend Bob Watts, of Ghent United Methodist Church, be the chaplain today.

Bob has served Ghent for the past 5 years. He has been a member of the Methodist Conference for approximately 27 years. He is a much beloved pastor to his flock at Ghent; indeed, having been baptized in that church nearly 60 years ago, I can truthfully say no minister who served us has been more beloved and has served so effectively as Bob Watts has.

One last item I should mention is that Bob grew up in the shadow of the Capitol, over in northern Virginia. He told me he worked in the old Navy Department when it was here in town, buildings long since destroyed.

It occurred to me to say that he might have gotten here on the other side of the dais this morning on his own instead of the capacity that he came here today. But I feel confident that he has a more direct route to Heaven by taking the route that he followed than had he come and been a Member of this body.

I thank the Speaker very much.

THE 125TH ANNIVERSARY OF THE ARMED SERVICES YMCA

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, I am honored to be a member of the Armed Services YMCA's Anniversary Committee, and to announce that the Armed Services YMCA will celebrate its 125th anniversary this year. The highlight will be a dinner on April 22, which will honor the President of the United States and other key Armed Forces leaders.

The Armed Services YMCA is a civilian, volunteer organization for America's young people. Its programs focus on young enlisted men and women, and on family members of those who are married. These programs are designed to supplement other people-oriented programs conducted by the Armed Forces.

It reaches into civilian housing areas where many young military families live, and it provides recreational benefits for young men and women.

I urge my colleagues to join in supporting the Armed Services YMCA in its 125th year of service to the Nation.

TRIBUTE TO THE LATE HONORABLE JACOB K. JAVITS

(Mr. GREEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN. Mr. Speaker, Senator Jacob K. Javits, who died last week, was the epitome of what a legislator should be. He was a towering intellect. He was an eloquent spokesman for the causes in which he believed. He was the author or a principal architect of much of the major legislation enacted during his generation here on the Hill, including the War Powers Act, the civil rights legislation of the 1960's, ERISA, and the creation of the National Endowments on the Arts and the Humanities, to name but a few.

Yet notwithstanding all the great causes in which Senator Javits was engaged, he was also a master of legislative detail. I can, personally, testify from the 3 years in which our respective tenures on the Hill overlapped that Senator Javits was never too busy to take a call about some minor technical amendment that would make a

pending Senate bill work a little better in New York State or in New York City and he would thereafter be at the right place at the right time and do the right thing to get that amendment in the bill.

Senator Javits' career on the Hill stands as an outstanding example against which all who come after him can measure their legislative work.

UNIVERSITY OF ALABAMA ACHIEVES OUTSTANDING RANKING AS ONE OF THE BEST IN MEDICINE

(Mr. ERDREICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ERDREICH. Mr. Speaker, I wanted to share with the House the outstanding ranking recently achieved by my University of Alabama in Birmingham. But this time, it wasn't for the continued successes of our basketball team, which for the sixth year in a row is in the NCAA tournament.

As we in Birmingham have long known, our UAB Medical Center is tops and has now been acknowledged as such in a new book entitled "The Best in Medicine: Where To Get the Finest Health Care for You and Your Family." The book was written by Dr. Herbert J. Dietrich, Jr., a former medical school faculty member at Harvard University and the University of Pennsylvania, and journalist Virginia Biddle, and is based on 2½ years of research including questionnaires answered by 300 doctors from across the country representing 27 different medical specialties, who were asked to pick 10 hospitals where they would seek health care for themselves or their families, excluding hospitals in the locale where they practice medicine.

UAB was the third-highest ranked medical center in the country, second only to the Mayo Medical Center in Minnesota and Massachusetts General in Boston. I must warn my Minnesota and Massachusetts colleagues to watch out, however, because UAB is still moving forward, providing world-class health care at our relatively new medical center, founded in Birmingham in 1945, just 41 years ago.

Recognition of UAB's excellence, and its ranking above such facilities as Johns Hopkins Hospital in Baltimore, Duke University Medical Center, the University of Pennsylvania Hospital, Yale-New Haven Hospital, Stanford University Medical Center, among others, is quite an honor.

Of course, all 25 hospitals which made the list are winners and I would like to congratulate those doctors, researchers, administrators, and health professionals affiliated with those institutions that made the list. You are helping improve the quality of health care for all Americans.

WHERE IS CHAIRMAN GRAY'S BUDGET

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, I have here before me House Concurrent Resolution 296, which is a concurrent resolution setting forth the congressional budget for the United States introduced by Mr. GRAY of Pennsylvania. I am wondering is this Mr. GRAY's budget? It is kind of an interesting document if it is because it is in violation of Gramm-Rudman.

It has a deficit figure in it of $159 billion in violation of Gramm-Rudman. But what I notice is that he did it by request. Whose request? Who requested Mr. GRAY to put this budget in? What I am being told is that this is the President's budget.

Well, the President's budget came up with a deficit of $144 billion in it as calculated by OMB and yet here is $159 billion deficit. Where did this budget come from? Who requested Mr. GRAY to put in this budget? Where is his budget? Why don't we get a budget out here that he has actually worked on?

We are getting a little confused by this political gamesmanship that is going on here. We parade the committee around the country and then we cannot come up with a new budget. Then we introduce this budget, supposedly by request and no one knows who requested it and it has figures in it that would be a violation of Gramm-Rudman. This is one terribly phony process.

The Democratic leadership in this House should be embarrassed the way they are treating the budget and it is high time we get them serious about creating a bipartisan budget that gets this country's deficit problem solved.

CARGO PREFERENCE

(Mr. MANTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MANTON. Mr. Speaker, last year during the reauthorization of the farm bill we struggled to achieve a compromise between the maritime and agriculture industries over cargo preference. Eventually, after months of intense effort, we were successful and a broadly bipartisan compromise was signed into law as part of the Food Security Act of 1985. However, the ink was not even dry when the administration began to dismantle cargo preference by proposing no funds in fiscal year 1987 to implement this new law.

The cargo preference compromise benefits both domestic farmers and shippers. It does so by eliminating preference requirements for commencial farm export programs in exchange for an expansion of the U.S.-flag vessel carriage of USDA concessional cargoes from 50 to 75 percent over the next 3 years. Without this compromise, there undoubtedly would be further delays in food shipments to foreign nations as we continue to debate what would again become an extremely divisive issue. We would, meanwhile, return to the status quo and all commercial export programs would be subject to preference by law. In that situation, both our farmers and our domestic maritime industry would lose.

Mr. Speaker, we must not sit placidly watching the administration ignore the will of the Congress. If we do, the laboriously achieved farm bill package will unravel before us, as the White House selectively pulls apart the cargo preference agreement.

DANIEL ORTEGA HAS NOT CHANGED HIS STRIPES

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, last April, this House rejected aid to the Contras, and the next day Sandinista leader Daniel Ortega went to Moscow. A lot of Members of this body were embarrassed by Ortega's action. I still do not understand why they were surprised. He's been going to Moscow and Havana for years. As a matter of fact, Ortega was in Havana last week when the Foreign Affairs Committee voted on the President's aid request. He must feel confident of how the final vote will turn out.

It's been almost a year since Ortega's trip to Moscow, which for a time, seemed to wake people up around here to the true nature of the Communist Sandinista regime in Nicaragua. Now, we're quickly approaching another decision on aid to the democratic resistance in Nicaragua. The character of the Sandinistas has not changed in the past year, if anything, it's gotten worse. The Sandinistas have increased their repression against their own people, have continued to supply arms to the Salvadoran guerrillas, have used Cuban pilots in combat against the Contras and have supplied weapons to the Colombian guerrillas, which they used in the attack on the Colombian Supreme Court.

Is this House going to reject aid to the Contras once again only to find itself embarrassed once again by Ortega and the Sandinistas? What greater atrocity will the Sandinistas commit only to have some people surprised by their actions? Don't let Daniel Ortega embarrass you again!

□ 1215

THE COOPERATIVE EXTENSION SERVICE

(Mr. VALENTINE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VALENTINE. Mr. Speaker, as a Member of Congress who has made deficit reduction a top priority, I have scrutinized every spending initiative to ensure that the American taxpayer receives maximum value for every tax dollar expended. But I am shocked and dismayed at the Reagan administration's proposal to reduce funding for the Cooperative Extension Service by 59 percent in fiscal year 1987.

The Extension Service is among the most effective Federal agricultural programs—and indeed among the most effective Federal programs of any kind. It has brought the products of our best agricultural research to farm families for more than a half century. Among the results are better farm management and land use, more effective conservation, increased farm safety, and better nutrition. In short, the Extension Service has dramatically altered the rural landscape. It has enabled American farmers to benefit from modern research and technology and farm homemakers to make a more comfortable, satisfying life for their families.

In my State, the proposed cuts would mean a reduction of 340 North Carolina Agricultural Extension Service positions and termination of the entire Expanded Food and Nutrition Education Program, which provides nutritional education to more than 7,310 disadvantaged families. Obviously, the impact would be devastating.

Mr. Speaker, at a time when American farm families are already undergoing their worst crisis in 50 years, I find this callous disregard of their needs unconscionable and this gutting of a cost-effective program irresponsible. For an administration that constantly trumpets its profamily outlook, this proposal would deal a heavy and ironic blow to families on our farms.

We all agree on the need to reduce spending. But the Cooperative Extension Service is no place to cut. I hope all my colleagues will join me in trying to maintain the full scope of extension programs. American farmers deserve no less.

TERRORIST ORGANIZATIONS IN THE MIDDLE EAST

(Mr. COBLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBLE. Mr. Speaker, we are aware of the Americans being held captive in the Middle East, but how many of us are aware that four French citizens have been held against their will in Lebanon for nearly 1 year and another four French hostages were kidnaped just last Saturday in Beirut.

The recent headlines from the Middle East seem to suggest that the various terrorist organizations in the Middle East are stepping up their activities against innocent westerners. In another recent move, the Islamic Jihad terrorist organization last Wednesday claimed to have executed one of their French hostages, and yesterday distributed photographs showing what it said was the body of the slain French hostage. This report serves to highlight the sense of urgency we need to bring to the plight of the American hostages. I fear that the terrorists holding our citizens will decide it is again time to report that they have killed another American, as they did last October 4, in the case of Mr. William Buckley.

Perhaps the French and we can consolidate our efforts in resolving this frightening dilemma that continues to plague us daily.

AN ASSAULT UPON THE CONSTITUTION

(Mr. LUKEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUKEN. Mr. Speaker, the Reagan administration never tires in its assault upon the rights of Social Security recipients. Between 1981 and 1982 Social Security removed half a million people from the disability rolls without notice or hearing. In 1984, Congress restored the rights of these individuals by providing for hearings and requiring, at least, that there be a showing of improvement and the ability to work before these unfortunate Americans who had already proved their disability could be denied their benefits.

A proposal has now been advanced by some in President Reagan's administration which is a bald threat to the independent judiciary, and will deprive hundreds of thousands of the protection of the Federal court system.

The administration has drafted a proposal to establish a separate Social Security Court to take away the authority of the district courts and most appellate courts to review Social Security decisions. Now, this is an assault upon the Constitution.

It is well known that the district courts have been the bulwark in defending the rights of the disabled in the face of administration efforts to remove them wholesale and without benefit of judicial protections guaranteed by our Bill of Rights.

Before it advances very far we should serve notice that there will be no tampering with the independent judiciary, and this Congress will not establish a rubber-stamp court to ride roughshod over defenseless persons who have become disabled, and are only trying to collect the benefits for which they are eligible, because they've paid into the system.

ARMS SALE TO SAUDI ARABIA

(Mr. SCHUMER asked and was given permission to address the House for 2 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, today the President will informally notify us on Capitol Hill that he proposes to sell $350 million of arms to Saudi Arabia.

Mr. President, that sale is a mistake and would reward the Saudis for their behavior inimical to the U.S. interests.

Saudi Arabia has not met the fundamental conditions for arms sales laid out by the administration during the debate over AWAC's in 1981. They have not recognized Israel, they have not worked toward a peaceful solution to the problems that plague the Middle East, they have actively undermined American efforts in Lebanon.

Mr. Speaker, the Saudis are the Dr. Jekyl and Mr. Hyde of the Middle East. When they face America, they talk peace; when they are back in the Middle East, they create trouble.

To reward them with the sale of $350 million of very sophisticated arms would make no sense, from a foreign policy point of view.

In addition, one of the proposed arms sales is for Stinger antiaircraft missiles. If any of those missiles should fall into the hands of a terrorist, literally hundreds of innocent people could die because these Stingers can shoot down civilians as well as military aircraft. They can be concealed and are simply like a bazooka, they can be launched from a hand holder.

So for another reason, the safety of all who travel abroad, as well as foreign policy considerations, the Saudis' intransigence against peace in the Middle East, I urge that the sale be rejected by this House.

DEATH PENALTY PROPOSED FOR TERRORIST WHO KILL AMERICANS ABROAD

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker and Members of the House, we have seen too many incidents occur abroad where terrorists maim, wound and kill Americans traveling in foreign countries. And yet did you know that there is no law in the United States that would permit us to prosecute and bring to justice any one of those terrorists

should we be able to get extradition or otherwise bring them under the jurisdiction of the United States? Therefore, many of us have introduced legislation that would do exactly that, confer jurisdiction upon our courts to deal with terrorists who would kill American citizens abroad.

But there is an anomaly. In most of the legislation, the penalty that is provided for falls short of the ultimate. I have proposed and now the Subcommittee on Crime in the Judiciary Committee has accepted an amendment that I offered that would impose the death penalty in proper cases for terrorists who would kill innocent Americans abroad, and I am glad to see that the public report of the Vice President's Task Force on Combating Terrorism recommends exactly that.

There is no excuse for the U.S. Government not going to the fullest extend to end the threat of terrorism worldwide, and we should begin at home, in our courts, by allowing the imposition of the death penality in those serious cases, especially when innocent people are killed abroad.

MEMBERS URGED TO OPPOSE CDBG DEFERRAL

(Mr. KLECZKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLECZKA. Mr. Speaker, the President has ordered deferral of $500 million in community development block grant funds already appropriated by Congress for this fiscal year.

As a result, many local community development projects, initiated on the reasonable assumption that cities would receive all CDBG funds appropriated by Congress, have been stopped in their tracks.

Unlike other budget reductions, which are effective only when Congress acts, a deferral is effective when the President requests it.

The effect of this arbitrary action is both immediate and direct. Local housing rehabilitation and economic development activities funded by CDBG now face sharp, unanticipated fund reductions. Months of hard work and planning by local officials are rendered meaningless.

This may be what the President desires. I do not believe it is what the American people and their elected representatives desire.

I have introduced a joint resolution of disapproval, which is now cosponsored by 107 Members of this House, which would overturn this unfair deferral.

Unless we act, the President's deferral stands. I urge my colleagues to oppose the CDBG deferral and to join me in adopting this resolution of disapproval.

A TRIBUTE TO THE LATE HONORABLE JACOB JAVITS

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, I rise today in tribute to Jacob Javits—a dedicated and distinguished former colleague who was called from us Friday, March 6 after a long battle with Lou Gehrig's disease.

During his 24 years in Congress, Jacob Javits earned the respect of all who knew him as an outstanding representative of the people of New York and all Americans. This was a man of tremendous courage, a man who fought for civil rights, a man who believed that his place as a Senator was one of supreme importance in the quest for a better world.

We will remember Jacob for authoring the Pension Reform Act, the War Powers Act, his fight for civil rights in the 1950's and 1960's and fair labor laws. But most important, we will remember Jacob for showing us all the trememdous contribution one can make in the face of adversity.

Jacob Javits' contribution to Congress will be heralded as one of historic proportion.

His contribution to the betterment of life for all Americans will outlive us all, and his courage, wit, and inspiring dedication will drive us on to find new and better answers to the questions of our time.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MONTGOMERY). The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker pro tempore signed the following enrolled bill on Monday, March 10, 1986:

H.R. 1614. An act entitled the "Food Security Improvements Act of 1986."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has been concluded on all motions to suspend the rules.

HIGHWAY EMERGENCY RELIEF

Mr. ANDERSON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4240) to amend title 23 of the United States Code to increase the limitation on the amount of obligations from $30 million to $100 million for emergency relief projects in any State resulting from any single natural disaster or catastrophic failure occurring in calendar year 1986, as amended.

□ 1230

The Clerk read as follows:

H.R. 4240

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EMERGENCY RELIEF OBLIGATION CEILING.

Section 125(b) of title 23, United States Code, is amended by inserting after "$30,000,000" the following: "(or $100,000,000 with respect to natural disasters and catastrophic failures occurring in calendar year 1986)".

SEC. 2. EMERGENCY RELIEF FOR THE TERRITORIES.

(a) TERRITORIES TREATED AS STATES.—Section 125 of title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) For purposes of this section, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands shall be considered to be States and parts of the United States, and the chief executive officer of each such territory shall be considered to be a Governor of a State.".

(b) LIMITATION ON OBLIGATIONS BY TERRITORIES.—The first sentence of subsection (b) of such section 125 is amended by inserting "(1)" before "obligations" and by striking out the period at the end of such sentence and inserting in lieu thereof the following: ", and (2) the total obligations for projects under this section in any fiscal year in the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands shall not exceed $5,000,000.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) of this section shall take effect April 15, 1983.

SEC. 3. INCREASE IN THE AMOUNT OF FUNDS AVAILABLE FOR SMALL FLOOD CONTROL PROJECTS.

The first sentence of section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s) is amended by striking out "$30,000,000" and inserting in lieu thereof "$40,000,000".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from California [Mr. ANDERSON] will be recognized for 20 minutes and the gentleman from Minnesota [Mr. STANGELAND] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a very important piece of legislation to the States that may suffer disaster-related damage to their Federal-aid highways during calendar year 1986. The Federal-Aid Highway Emergency Relief Program is designed to provide for the repair or reconstruction of Federal-aid highways that have suffered damage from

natural disasters or catastrophic failures from any external cause. Title 23, United States Code, currently provides $100 million per fiscal year for the Emergency Relief Program. There is also a limitation of $30 million on the amount any State may receive for a particular natural disaster or catastrophic failure.

The primary purpose of H.R. 4240 is to provide for the availability of additional Federal funds to States impacted by severe weather conditions in calendar year 1986. Due to the severity of a recent flood disaster in California and the continuing uncertainty of the number and cost of future storm-related disasters, the Committee on Public Works and Transportation has reported this legislation to increase the limitation of $30 million per disaster for any State to $100 million per disaster for calendar year 1986.

Mr. Speaker, H.R. 4240 permits additional obligations for emergency relief highway projects in an individual State, however, no additional budget authority is provided for this purpose. The current balance in the emergency relief fund should be sufficient to meet the outstanding highway repair needs that may arise throughout the Nation during 1986.

This legislation also provides that the Virgin Islands, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands, which were made eligible for primary system funding under the Surface Transportation Assistance Act of 1982, are also eligible for the receipt of emergency relief funds to repair or reconstruct their damaged roads. However, the territories will be subject to an aggregate limit of $5 million per year.

H.R. 4240 also amends section 205 of the Flood Control Act of 1948, which authorizes the Corps of Engineers to construct small flood control projects with a cost of not more than $4 million without specific congressional authorization. Currently, no more than $30 million may be allotted in any fiscal year for such projects. Recent appropriations for section 205 projects have been near the full $30 million. Because of the recent disaster in certain States, the annual authorization level is not adequate to provide timely funding for additional flood control projects which are necessary and which could mitigate future damages.

Mr. Speaker, this legislation, H.R. 4240, requires and merits immediate action. I urge its immediate approval.

Mr. STANGELAND. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to rise in support of H.R. 4240, the highway emergency relief bill, and urge its prompt passage.

This is a modest measure which would not increase the authorizations for the Emergency Relief Program, but would merely increase to $100 million from $30 million the amount which can be made available to any State in connection with a single disaster in 1986. As such it reflects the continuing congressional policy of keeping the program up to date in terms of the needs placed upon it.

In the same vein, we have extended eligibility for assistance under the program to the territories, with a maximum collective annual cap of $5 million for emergency relief to the Virgin Islands, Guam, American Samoa, and the Commonwealth of Northern Mariana Islands. This provision has long been urged by the delegates from the territories and we agree that it has merit.

Another provision would simply increase to $40 million from $30 million the annual level of funding for small flood control projects undertaken by the Corps of Engineers, at a maximum cost of $4 million each, without specific congressional authorization.

Mr. Speaker, I mentioned that we attempt to keep this program abreast of needs. In fact, the committee report makes clear that we will initiate further legislation as necessary if funds available to the program prove inadequate to meet needs arising from future disasters.

Finally, it is my hope that the other body will take up this bill in a timely manner. I recognize that there is some interest on the other side of Capitol Hill in making modifications to the Emergency Relief Program. I would hope, however, that we could agree on this temporary measure and defer any major modifications until we take up our multiyear authorization bill.

Mr. Speaker, I reserve the balance of my time.

Mr. ANDERSON. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. Bosco].

Mr. BOSCO. I thank the gentleman for yielding me this time.

Mr. Speaker, northern California has been hit by one of the worst storms in its history. Mudslides, flooding, and washed out bridges have caused damages to Federal-aid highways that may approach $75 million, according to the California Department of Transportation.

Virtually every county in the northern half of our State has been impacted. As of this morning, Gov. George Deukmejian has declared a state of emergency in 36 counties, and the White House has approved Federal disaster assistance for 34 of those counties.

Mr. Speaker, H.R. 4240 would remove the existing $30 million per disaster cap on the emergency relief fund, and raise it to $100 million—so that the devastation to roads and bridges can be adequately addressed. The emergency relief fund derives all of its revenue from the highway trust fund, and it was set up specifically to assist States struck with disasters that wreak havoc on the Federal aid system. States are only eligible if there is a Federal disaster declaration, and only if they can prove to the satisfaction of the Federal Highway Administration that the road damage was directly attributable to the disaster.

It is our hope that we can remove unnecessary restraints—at this critical time—so that the emergency relief fund can be used for the purpose for which it was intended.

H.R. 4240 also makes territories eligible for highway relief due to storm damage, and raises from $30 million to $40 million the amount the Army Corps can spend for flood control without congressional authorization.

On behalf of the residents of California, I want to especially thank Chairman HOWARD, Mr. ANDERSON, Mr. SNYDER, and Mr. SHUSTER for their expeditious treatment of this emergency legislation.

Mr. STANGELAND. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. I thank the gentleman for yielding me this time.

Mr. Speaker, I urge my colleagues to support H.R. 4240 that will increase the amount of emergency relief States can receive following a natural disaster. Most of us at one time have experienced the destruction that results from such disasters. The present maximum amount available is $30 million per State. I remember back in 1982 California was struck by severe flood damage. The road repair bill alone was $150 million. At that time, I introduced a bill very similar to the one we are now discussing—fortunately that relief bill was approved by Congress and California was able to reconstruct previously closed roads in over 27 counties statewide. The bill we are debating is very important to help affected States recover from 1986 catastrophies. Already, the estimates from California's transportation agency place the cost of repairing the damages to State roads and highways in the $75 million range. Other States, including Utah, Colorado, Nevada, Oregon, Washington, and Montana were also badly damaged. I hope all of us can remember how difficult it is to recover from any natural disaster without having the added pressure of working with very limited emergency assistance. I urge your support in the way of offering help to these disaster areas.

Mr. STANGELAND. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. I thank the gentleman for yielding me this time.

71-059 O-87-38 (Pt. 3)

Mr. Speaker, I would like to speak in favor of H.R. 4240.

A recent wave of winter storms has made the year 1986 something uncomfortably different for the many people of my State of Nevada, and many of our neighbors throughout the West. Much of today's discussion will pertain to the costly floods California has endured and that is certainly understandable. I would like to emphasize, though, that five counties in Nevada have been declared Presidential disaster areas.

I believe we will all agree that the hardships our people have faced, and are currently dealing with, are our primary consideration. Many individuals, families, and entire municipalities have been impacted by the recent flooding in Nevada. Much of their hope for the future is tied to the Federal assistance available to them. H.R. 4240 seeks to expand that assistance for such projects as rebuilting roads and establishing flood control projects.

We have little control over natural disasters or catastrophic failures, and their occurrences know no borders.

The calender for 1986 has yet to run out and I am personally hesitant to say that all is clear for Nevada in the future. Already, we are examining the snow packs in the Sierra Nevada Mountains in anticipation of the spring thaw. I, as well as the people I represent, would feel more secure knowing that the limits of the funds available to us were increased should we unfortunately need them.

Mr. FAZIO. Mr. Speaker, I rise in strong support of H.R. 4240, legislation introduced by my good friend and colleague from California, DOUG BOSCO. Mr. BOSCO's bill raises the $30 million ceiling on the emergency relief fund to $100 million. He has done this in response to the enormous needs in the State of California to repair and replace highways and bridges that were devastated during the worst series of storms to hit California in its history. I would particularly like to thank Mr. ANDERSON and Mr. STANGELAND for the alacrity with which they have brought this legislation to the floor.

I have received a letter from Leo Trombatore, director of the California Department of Transportation, CALTRANS, which states that the severe damage to the roads and bridges was caused by prolonged flooding, rock slides, avalanches, bridge washouts, roadbed slipouts and more. While a complete assessment of the damage has not been finished, the estimates far exceed the $30 million limitation.

The emergency relief fund was established to help States recover from the ravages of Mother Nature. Currently, the emergency relief fund has adequate dollars to assist California; however, the Department of Transportation is bound by the $30 million cap. This legislation does not require the appropriations of any additional moneys. Rather it allows the emergency relief fund to be used to assist California and the other Western States who suffered similar damage during the February storms.

If we have the dollars available, we should not allow a legislative restriction to impede the wise and necessary expenditure of the funds. This bill lifts that legislative restriction so that the States can get on with putting its roads and bridges back in the condition they were prior to the devastation.

As a cosponsor of this measure, I want to commend my colleague from California for introducing this bill. The preliminary estimates show that there is at least $55.6 million in damage to the States roadways, much of which is in my congressional district.

I urge my colleagues to support this bill.

Mr. ROE. Mr. Speaker, I rise in strong support of H.R. 4240 which will help to alleviate the disaster-related damages which certain States have incurred in recent months. The bill modifies these provisions to provide increased Federal funds for disaster assistance and flood control.

The bill amends section 205 of the Flood Control Act of 1948 which authorizes the Corps of Engineers to construct small flood control projects of not more than $4 million without specific congressional authorization. Currently, no more than $30 million may be allotted from funds otherwise appropriated for flood control in any fiscal year for these projects. This bill would raise that limit to $40 million. In recent years, the allotment has been near the full $30 million available. The recent disasters in California demonstrate the need to expand the corps Small Flood Control Project Program.

The bill also would increase the limitation for emergency relief projects for disaster-related highway needs from $30 million to $100 million for calendar year 1986. All States would be eligible to receive the increased benefits.

Finally, the bill would make the U.S. territories eligible for emergency relief assistance for disaster-related highway needs. A $5 million annual limitation is imposed for the territories collectively.

Mr. Speaker, we are all aware of the severe disaster-related damages which have occurred in this country. This bill would both aid in responding to damage already incurred and aid in reducing future damages. I urge its passage.

□ 1240

Mr. ANDERSON. Mr. Speaker, I would like to mention in addition the efforts of the gentleman from the Virgin Islands [Mr. DE LUGO], the efforts of the gentleman from the American Samoa [Mr. SUNIA] in securing coverage of the territories under the Emergency Relief Program, and once again I urge passage of this bill.

Mr. Speaker, I yield back the balance of my time.

Mr. STANGELAND. Mr. Speaker, I have no further requests for time and yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. ANDERSON] that the House suspend the rules and pass the bill, H.R. 4240, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to amend title 23 of the United States Code to increase the limitation on the amount of obligations from $30,000,000 to $100,000,000 for emergency relief projects in any State resulting from any single natural disaster or catastrophic failure occurring in calendar year 1986, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANDERSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 114. Concurrent resolution to correct the enrollment of H.R. 1614.

CONSERVATION SERVICE REFORM ACT OF 1986

Mr. MARKEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 969) to amend the Energy Security Act and the National Energy Conservation Policy Act to repeal the statutory authorities administered by the Residential Energy Conservation Service and the Commercial and Apartment Conservation Service, as amended.

The Clerk read as follows:

H.R. 969

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Conservation Service Reform Act of 1986".

TITLE I—RESIDENTIAL CONSERVATION SERVICE

SEC. 101. RESTATEMENT OF FINDINGS.

Section 102(a) of the National Energy Conservation Policy Act (42 U.S.C. 8201(a)) (relating to findings) is amended to read as follows:

"(a) FINDINGS.—The Congress finds that—

"(1) the United States has survived a period of energy shortage and has made significant progress toward improving energy efficiency in all sectors of the economy;

"(2) effective measures must continue to be taken by the Federal Government and

other users and suppliers of energy to control the rate of growth of demand for energy and the efficiency of its use;

"(3) the continuation of this effort will permit the United States to become increasingly independent of the world oil market, less vulnerable to interruption of foreign oil supplies, and more able to provide energy to meet future needs; and

"(4) all sectors of the economy of the United States should continue to reduce significantly the demand for nonrenewable energy resources such as oil and natural gas by implementing and maintaining effective conservation measures for the efficient use of these and other energy sources.".

SEC. 102. CHANGES IN CERTAIN PLAN REQUIREMENTS.

(a) INFORMATION REQUIREMENTS MADE APPLICABLE UNTIL JANUARY 1, 1990.—(1) Section 215(a) and section 217(a)(1) of the National Energy Conservation Policy Act (42 U.S.C 8216(a) and 42 U.S.C. 8218(a)(1)) (relating to utility programs and home heating supplier programs) are amended by striking out "January 1, 1985" each place it appears and inserting in lieu thereof "January 1, 1990 (but not more often than once during the period beginning on the date of the enactment of the Conservation Service Reform Act of 1986 and ending on January 1, 1990)".

(2)(A) Section 215(d) of such Act (42 U.S.C. 8216(d)) is amended by striking out "January 1, 1985" and inserting in lieu thereof "January 1, 1990".

(B) The amendment made by subparagraph (A) shall apply only with respect to persons who become customers of a utility after the date of the enactment of this Act.

(b) ELIMINATION OF REQUIREMENTS THAT PUBLIC UTILITIES ARRANGE FOR INSTALLATION OF SUGGESTED MEASURES AND FOR RELATED LOANS; ELIMINATION OF LISTING REQUIREMENTS.—

(1) UTILITY PROGRAMS.—Section 215(b) of such Act (42 U.S.C. 8216(b)) (relating to project manager requirements) is amended—

(A) by striking out "Each utility program shall include" through "procedures" and inserting in lieu thereof "Each utility program shall include procedures";

(B) by striking out "to" through "inspect" and inserting in lieu thereof "to inspect"; and

(C) by striking out "inspection;" and all that follows and inserting in lieu thereof "inspection.".

(2) HOME HEATING SUPPLIER PROGRAMS.—Section 217(a)(2) of such Act (42 U.S.C. 8218(a)(2)) (relating to home heating supplier programs) is amended—

(A) by striking out "will—" through "inspect" and inserting in lieu thereof "will inspect"; and

(B) by striking out "installing, suggested measures;" and all that follows and inserting in lieu thereof "installing, suggested measures.".

(3) STATE PLANS.—Section 213(a) of such Act (42 U.S.C. 8214(a)) (relating to general plan requirements) is amended—

(A) by striking out paragraphs (2) and (3); and

(B) by redesignating paragraphs (4) through (9) as paragraphs (2) through (7), respectively.

(c) RULES.—Section 212(b)(2) of such Act (42 U.S.C. 8213(b)(2)) (relating to rules of the Secretary) is amended—

(1) by striking out subparagraphs (E) and (F), and

(2) by inserting "and" at the end of subparagraph (C).

(d) DEFINITIONS.—(1) Section 210(9) of such Act (42 U.S.C. 8211(9)) (relating to definitions) is amended to read as follows:

"(9) The term 'residential building' means any building used for residential occupancy which is not a new building to which final standards under section 304(a) of the Energy Conservation and Production Act apply and which has a system for heating or cooling, or both.".

(2) Section 212(c)(4) of such Act (42 U.S.C. 8213(c)(4)) is amended to read as follows:

"(4) For purposes of this part, the term 'Governor', the term 'State regulatory authority', the term 'State agency' and the term 'agency or instrumentality of a State' mean the Tennessee Valley Authority in the case of the Tennessee Valley Authority or any public utility with respect to which the Tennessee Valley Authority has ratemaking authority.".

(e) EXEMPTION.—Section 215 of such Act (42 U.S.C. 8216), as amended by subsection (h)(7) of this section, is amended by adding at the end the following new subsection:

"(g) EXEMPTION OF CERTAIN MULTIFAMILY BUILDINGS.—The provisions of this section shall not apply to any building which has five or more dwelling units and which does not contain individual meters for the dwelling units therein.".

(f) EFFECT OF 1986 AMENDMENTS ON APPROVED PLANS FOR PURPOSES OF FEDERAL STANDBY AUTHORITY.—Section 219 of such Act (42 U.S.C. 8220) (relating to Federal standby authority) is amended by adding at the end thereof the following new subsection:

"(e) PLANS APPROVED BEFORE 1986 AMENDMENTS.—For purposes of this section, any residential energy conservation plan which was approved by the Secretary before the effective date of the Conservation Service Reform Act of 1986 shall be treated as an approved plan which is adequately implemented if such plan is adequately implemented in accordance with the requirements of this Act as amended by the Conservation Service Reform Act of 1986.".

(g) TEMPORARY EXEMPTIONS.—Section 218(a) of such Act (42 U.S.C. 8219(a)) (relating to temporary exemptions) is amended by striking out the last sentence and inserting in lieu thereof the following: "Such temporary exemption may be granted or renewed until such date as determined by the Secretary.".

(h) CONFORMING AMENDMENTS.—

(1) Section 210(16) of such Act (42 U.S.C. 8211(16)) is amended by striking out "215(b)(1)(A)" and inserting in lieu thereof "215(b)".

(2) Section 212(b)(2)(C) of such Act (42 U.S.C. 8213(b)(2)(C)) is amended by striking out "213(a)(4)" and inserting in lieu thereof "213(a)(2)".

(3) Section 213(b)(2)(A) of such Act (42 U.S.C. 8214(b)(2)(A)) is amended by striking out "215(b)(1)" and inserting in lieu thereof "215(b)".

(4) Section 214(b) of such Act (42 U.S.C. 8215(b)) is amended by striking out "(8)" and inserting in lieu thereof "(6)".

(5) Section 215(a)(3) of such Act (42 U.S.C. 8216(a)(3)) is amended by striking out "and the lists referred to in section 213(a) (2) and (3)".

(6) Section 215(d) of such Act (42 U.S.C. 8216(d)) is amended by striking out ", the offer required under subsection (b)(1)(A)" and all that follows and by inserting in lieu thereof "and the offer required under subsection (b).".

(7) Section 215 of such Act (42 U.S.C. 8216) is amended by striking out subsection (f) and by redesignating subsection (g) as subsection (f).

(8) Section 216(c)(1) of such Act (42 U.S.C. 8217(c)(1)) is amended by striking out subparagraph (A) and by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively.

(9) Section 216(c)(2)(C) of such Act (42 U.S.C. 8217(c)(2)(C)) is amended by striking out "on the lists referred to in section 213(a)(2)".

(i) STATUTORY CONSTRUCTION.—Nothing in the amendments made by subsections (b), (c), (g), and (h) shall prevent implementation of a plan or program pursuant to the National Energy Conservation Policy Act as in effect before the date of the enactment of this Act.

(j) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect one hundred and eighty days after the date of the enactment of this Act.

(2) RULES.—The Secretary of Energy shall, within the one hundred and eighty-day period referred to in paragraph (1), amend the rules promulgated under section 212 of the National Energy Conservation Policy Act to carry out the amendments made by this Act.

(3) SPECIAL REQUIREMENT FOR PLANS APPROVED BEFORE 1986 AMENDMENTS.—The Secretary of Energy shall, with respect to any residential energy conservation plan approved by the Secretary of Energy before the effective date (as described in paragraph (1)) of the amendments made by this section, require the appropriate official in charge of such plan to notify the Secretary of Energy, within one hundred and twenty days of the date of enactment of this Act, that the amendments made by subsections (a), (d), and (e) of this section shall be implemented for the duration of such plan. The Secretary may not impose any other notice or approval requirement on a Governor or agency or instrumentality of a State with respect to such amendments.

SEC. 103. ALTERNATIVE PLANS FOR RESIDENTIAL BUILDINGS.

(a) IN GENERAL.—The National Energy Conservation Policy Act (42 U.S.C. 8201 et seq.) is amended by inserting the following new sections after section 225:

"SEC. 226. ALTERNATIVE STATE PLANS.

"(a) IN GENERAL.—A Governor of any State, any State regulatory authority, or any agency or instrumentality of a State may elect, to the extent authorized under State law, to formulate and certify an alternative State plan for residential buildings under this section.

"(b) CONSEQUENCES OF CERTIFICATION.—(1) Beginning with the date on which the certification of a plan is made with respect to a State under subsection (e) and ending with the date on which a plan is no longer in effect under this section with respect to such State—

"(A) subsections (a) through (c)(3) of section 212, sections 213 through 215 and sections 217 and 218 shall not apply with respect to—

"(i) regulated utilities in such State, and

"(ii) nonregulated utilities which are included in the plan;

"(B) section 219 shall apply to utilities described in subparagraph (A) only to the extent provided for in subsection (g); and

"(C) sections 212 through 219 shall apply to nonregulated utilities which are not included in the plan and which have not certi-

fied an alternative utility plan under section 227.

"(2) Except as provided in subsection (g), any State for which a plan is certified under subsection (e) shall continue to have such plan in effect until January 1, 1990.

"(c) FORMULATION OF PLAN.—In formulating any plan under this section, the entity in charge of formulating such plan shall—

"(1) examine energy conservation and load management programs and perform a cost benefit analysis of program measures to be included in the plan, including an assessment of the life-cycle benefits of energy conservation measures to be included in the plan;

"(2) provide for advance notice to the public of proposed rulemaking for the purpose of formulating such plan;

"(3) publish a proposed rule on the content and implementation of the plan, including goals for energy conservation;

"(4) afford interested persons an opportunity to present oral and written comments on matters relating to such proposed rule; and

"(5) after making the examination and analysis described in paragraph (1) and after taking into consideration comments made by the public, prescribe and make public a final rule setting forth the content and implementation of such plan.

"(d) CONTENT OF PLAN.—(1) A plan certified pursuant to this section shall—

"(A) be designed to result in annual residential energy conservation savings of 2 percent or more;

"(B) contain the goals established for the plan and an analysis of the data and rationale used by the entity in charge of formulating the plan to determine that the plan is likely to achieve such goals;

"(C) contain adequate procedures to assure that, if a public utility supplies or installs residential energy conservation measures, such actions shall be consistent with section 216 and prices and rates of interest charged shall be fair and reasonable; and

"(D) contain adequate procedures for preventing unfair, deceptive, or anticompetitive acts or practices affecting commerce which relate to the implementation of such plan.

"(2) A plan certified pursuant to this section may—

"(A) be designed to result in the dissemination of general energy conservation suggestions to residential customers of utilities in the State;

"(B) be designed to result in—

"(i) specific energy conservation suggestions to residential customers requesting such suggestions regarding the customer's residential building,

"(ii) energy conservation improvements (which are included in such plan) to the customer's residential building, or

"(iii) load management improvements (which are included in such plan) in the customer's residential building;

"(C) be designed to benefit individuals, including but not limited to individuals with low or moderate incomes;

"(D) be carried out by the State, by utilities within the State, or a combination of both;

"(E) be consistent with the standards referred to in section 212(b)(2)(D);

"(F) contain rules consistent with the requirements of section 215(c);

"(G) contain provisions to assure that any person who alleges any injury resulting from a violation of any plan provision shall be entitled to redress pursuant to State law; and

"(H) contain provisions described in section 213(b)(2)(B).

"(e) CERTIFICATION.—(1) The entity which elects to certify a plan under this section shall certify, pursuant to a form to be prescribed by the Secretary (except as provided by paragraph (2)), to the Secretary that—

"(A) the plan and the formulation of the plan meet the requirements of subsections (c) and (d)(1);

"(B) the plan is likely to achieve the goals established for the plan if it is adequately implemented; and

"(C) the plan will be adequately implemented.

"(2) If a form is not made available by the Secretary within 90 days after the date of the enactment of this section, the entity in charge of certifying the plan may make such certification on a form prescribed by such entity.

"(3) Any certification under this subsection shall include a detailed explanation of the manner in which the contents of the plan will be implemented.

"(f) ANNUAL REPORT.—(1) The entity which certifies a plan under subsection (e) shall submit an annual report to the Secretary, within 60 days after the end of the 1-year period to which the report relates, describing the implementation of the plan and the results thereof.

"(2) Such report shall include—

"(A) a statement of the number of residential buildings receiving benefits under the plan,

"(B) an estimate of the actual energy savings resulting from the plan and a description of the sources of such savings,

"(C) a statement of the percentage of individuals with low and moderate incomes who receive benefits under the plan,

"(D) a detailed description of the benefits provided under the plan and of how the plan is implemented, and

"(E) the names of the entities carrying out the plan.

"(g) ADMINISTRATIVE AND JUDICIAL ENFORCEMENT PROCEEDINGS.—(1) At any time more than 1 year after an alternative State plan has been certified under subsection (e) with respect to a State, any resident of such State may petition the Secretary of Energy to conduct a public hearing to determine if the alternative State plan has been adequately implemented. A copy of such petition shall be transmitted to the entity in charge of the plan on the same date it is transmitted to the Secretary. The Secretary shall have 90 days after the date on which such petition is received to make a determination on the matter.

"(2) Except as provided in paragraph (3), if the Secretary determines that the alternative State plan has not been adequately implemented, the Secretary shall, within the 90-day period described in paragraph (1), initiate standby authority under section 219 with respect to such State. If the Secretary does not initiate the standby authority within the 90-day period, the resident may bring a de novo action in the appropriate United States district court against the Secretary (with the State having the right to intervene) to require the Secretary to implement standby authority under section 219. If an individual prevails in such an action, the court shall award such individual reasonable fees and expenses of attorneys and costs.

"(3) If a State which had an approved plan in effect under section 212 on the day before the date on which certification was made under this section informs the Secretary in writing, within 30 days after receiving a copy of the petition described in paragraph (1), that it will no longer implement a plan certified under this section and that it will implement the approved plan which was in effect in the State on the day before certification of the alternative plan under this section, then—

"(A) the determinations and actions described in paragraph (2) may not be carried out; and

"(B) sections 212 through 219 shall apply in such State except to the extent an alternative utility plan under section 227 is implemented in such State.

"(h) COVERAGE.—A plan certified under this section shall not apply to utilities other than utilities covered under section 211(a).

"(i) INCLUSION OF NONREGULATED UTILITIES.—A nonregulated utility may not be included in a plan under this section unless such inclusion is authorized under State law or the nonregulated utility agrees to such inclusion.

"(j) INCENTIVES.—The entity in charge of a plan under this section, or a State regulatory authority, may, to the extent permitted under State law, provide incentives for utilities to meet the goals contained in the State's alternative plan, including providing such utilities that meet or exceed such goals with a rate of return on expenditures made for the purpose of accomplishing such goals.

"(k) UTILITIES WITH RETAIL SERVICE TERRITORIES IN MORE THAN 1 STATE.—For purposes of this section, any utility with a retail service territory in more than one State shall be considered to be a separate utility with respect to each State in which its retail service territory is located.

"(l) CLASSIFICATION AS LOAD MANAGEMENT IMPROVEMENT OR ENERGY CONSERVATION IMPROVEMENT.—In the case of a technique or installation which may be classified as either a load management improvement or an energy conservation improvement, the entity in charge of carrying out the plan under this section shall determine whether to treat such technique or installation as a load management improvement, an energy conservation improvement, or both, for purposes of this section.

"(m) AMENDMENT OF A PLAN.—(1) Except as provided by paragraph (2), a plan certified under this section may be amended by any amendment—

"(A) formulated in a manner consistent with the requirements applicable to the formulation of a plan under subsection (c); and

"(B) certified to the Secretary of Energy in a manner consistent with the requirements applicable to the certification of a plan under subsection (e).

"(2) A plan certified under this section may not be amended—

"(A) during the first year after it is certified; or

"(B) more than once a year thereafter.

"SEC. 227. ALTERNATIVE UTILITY PLANS.

"(a) IN GENERAL.—(1) Subject to paragraph (2) and after the 6-month period beginning with the date of the enactment of this section, a utility which is in a State in which an alternative State plan is not in effect under section 226 may elect to formulate and certify an alternative utility plan for residential buildings under this section.

"(2) During the 6-month period beginning with the date of the enactment of this section, the Governor, a State regulatory authority, or another agency or instrumentali-

ty of the State concerned (whichever is authorized under State law to submit a plan to the Secretary pursuant to section 212(c)(1)(A) of this Act) may, under State law, prohibit utilities in such State from taking any action under this section.

"(b) CONSEQUENCES OF CERTIFICATION.—(1) Beginning with the date on which the certification of a plan is made with respect to a utility under subsection (e) and ending with the date on which a plan is no longer in effect under this section with respect to such utility—

"(A) subsections (a) through (c)(3) of section 212, sections 213 through 215 and sections 217, 218, and 226 shall not apply with respect to such utility; and

"(B) section 219 shall apply to such utility only to the extent provided for in subsection (g).

"(2) Except as provided in subsection (g), any utility which certifies a plan under subsection (e) shall continue to have such plan in effect until January 1, 1990.

"(c) FORMULATION OF PLAN.—In formulating any plan under this section, the utility shall—

"(1) examine energy conservation and load management programs and perform a cost benefit analysis of program measures to be included in the plan, including an assessment of the life-cycle benefits of energy conservation measures to be included in the plan;

"(2) provide for advance notice to the public of such plan;

"(3) publish a description of the proposed content and implementation of the plan, including goals for energy conservation;

"(4) afford interested persons an opportunity to present oral and written comments on matters relating to such proposed plan; and

"(5) after making the examination and analysis described in paragraph (1) and after taking into consideration comments made by the public, prescribe and make public a final plan setting forth the content and implementation of such plan.

"(d) CONTENT OF PLAN.—(1) A plan certified pursuant to this section shall—

"(A) be designed to result in annual residential energy conservation savings of 2 percent or more;

"(B) contain the goals established for the plan and an analysis of the data and rationale used by the entity in charge of the plan to determine that the plan is likely to achieve such goals;

"(C) contain certification, by the entity authorized under State law to submit a plan to the Secretary pursuant to section 212(c)(1)(A) of this Act, that the plan has adequate procedures to assure that, if a public utility supplies or installs residential energy conservation measures, such actions shall be consistent with section 216 and prices and rates of interest charged shall be fair and reasonable; and

"(D) contain certification, by the entity authorized under State law to submit a plan to the Secretary pursuant to section 212(c)(1)(A) of this Act, that the plan has adequate procedures for preventing unfair, deceptive, or anticompetitive acts or practices affecting commerce which relate to the implementation of such plan.

"(2) A plan certified pursuant to this section may—

"(A) be designed to result in the dissemination of general energy conservation suggestions to residential customers of utilities in the State;

"(B) be designed to result in—

"(i) specific energy conservation suggestions to residential customers requesting such suggestions regarding the customer's residential building,

"(ii) energy conservation improvements (which are included in such plan) to the customer's residential building, or

"(iii) load management improvements (which are included in such plan) in the customer's residential building;

"(C) be designed to benefit individuals, including but not limited to individuals with low or moderate incomes;

"(D) be consistent with the standards referred to in section 212(b)(2)(D);

"(E) contain rules consistent with the requirements of section 215(c); and

"(F) contain provisions described in section 213(b)(2)(B).

"(e) CERTIFICATION.—(1) A utility which elects to certify a plan under this section shall certify, pursuant to a form to be prescribed by the Secretary (except as provided by paragraph (2)), to the Secretary that—

"(A) the plan and the formulation of the plan meet the requirements of subsections (c) and (d)(1);

"(B) the plan is likely to achieve the goals established for the plan if it is adequately implemented; and

"(C) the plan will be adequately implemented.

"(2) If a form is not made available to a utility by the Secretary within 90 days after the date of the enactment of this section, the utility may make such certification on a form prescribed by such utility.

"(3) Any certification under this subsection shall include a detailed explanation of the manner in which the contents of the plan will be implemented.

"(f) ANNUAL REPORT.—(1) The utility shall submit an annual report to the Secretary, within 60 days after the end of the 1-year period to which the report relates, describing the implementation of the plan and the results thereof.

"(2) Such report shall include—

"(A) a statement of the number of buildings receiving benefits under the plan,

"(B) an estimate of the energy savings resulting from the plan and a description of the sources of such savings,

"(C) a statement of the percentage of individuals with low and moderate incomes who receive benefits under the plan, and

"(D) a detailed description of the benefits provided under the plan and of how the plan is implemented.

"(g) ADMINISTRATIVE AND JUDICIAL ENFORCEMENT PROCEEDINGS.—(1) At any time more than 1 year after an alternative utility plan has been certified under subsection (e) under this section, any residential customer of such utility may petition the Secretary of Energy to conduct a public hearing to determine if the alternative utility plan has been adequately implemented. A copy of such petition shall be transmitted to the utility concerned on the same date it is transmitted to the Secretary. The Secretary shall have 90 days after the date on which such petition is received to make a determination on the matter.

"(2) Except as provided in paragraph (3), if the Secretary determines that the alternative utility plan has not been adequately implemented, the Secretary shall, within the 90-day period described in paragraph (1), initiate standby authority under section 219 with respect to such utility. If the Secretary does not initiate the standby authority within the 90-day period, the resident may bring a de novo action in the appropriate United States district court against the Secretary (with the utility having the right to intervene) to require the Secretary to implement standby authority under section 219. If an individual prevails in such an action, the court shall award such individual reasonable fees and expenses of attorneys and costs.

"(3) If a utility which was carrying out an approved plan under this part in effect on the day before the date on which certification was made under this section informs the Secretary in writing, within 30 days after receiving a copy of the petition described in paragraph (1), that it will no longer implement a plan certified under this section and that it will implement the approved plan which it was carrying out on the day before certification of the alternative plan under this section, then—

"(A) the determinations and actions described in paragraph (2) may not be carried out; and

"(B) sections 212 through 219 shall apply to such utility.

"(4) For purposes of implementing section 219(a)(2) to a regulated utility as a result of this subsection, the term 'each regulated utility in the State' in such section shall be deemed to mean only the utility with respect to which action is taken under this subsection.

"(h) COVERAGE.—A plan certified under this section shall not apply to utilities other than utilities covered under section 211(a).

"(i) UTILITIES WITH RETAIL SERVICE TERRITORIES IN MORE THAN 1 STATE.—For purposes of this section, any utility with a retail service territory in more than one State shall be considered to be a separate utility with respect to each State in which its retail service territory is located.

"(j) INCENTIVES.—A State or a State regulatory authority may, to the extent permitted under State law, provide incentives for a utility to meet the goals contained in its alternative plan, including providing such a utility that meets or exceeds it goals with a rate of return on expenditures made for the purpose of accomplishing such goals.

"(k) CLASSIFICATION AS LOAD MANAGEMENT IMPROVEMENT OR ENERGY CONSERVATION IMPROVEMENT.—In the case of a technique or installation which may be classified as either a load management improvement or an energy conservation improvement, the utility shall determine whether to treat such technique or installation as a load management improvement, an energy conservation improvement, or both, for purposes of this section.

"(l) AMENDMENT OF A PLAN.—(1) Except as provided by paragraph (2), a plan certified under this section may be amended by any amendment—

"(A) formulated in a manner consistent with the requirements applicable to the formulation of a plan under subsection (c); and

"(B) certified to the Secretary of Energy in a manner consistent with the requirements applicable to the certification of a plan under subsection (e).

"(2) A plan certified under this section may not be amended—

"(A) during the first year after it is certified; or

"(B) more than once a year thereafter.".

(b) CONFORMING AMENDMENTS.—

(1) Section 218(e) of such Act (42 U.S.C. 8219(e)) is amended by striking out the period at the end of the second sentence and inserting in lieu thereof "or a plan in effect

under section 226 or section 227 which is applicable to such utility.".

(2) Section 219(a) of such Act (42 U.S.C. 8220(a)) is amended by striking out "If" and inserting in lieu thereof "Except as provided in sections 226 and 227, if".

(3) Section 219(b) of such Act (42 U.S.C. 8220(b)) is amended by striking out "If" and inserting in lieu thereof "Except as provided in sections 226 and 227, if".

(c) CLERICAL AMENDMENT.—The table of contents for such Act is amended by inserting after the item relating to section 225 the following new items:

"Sec. 226. Alternative State plans.
"Sec. 227. Alternative Utility plans.".

SEC. 104. REPORTS AND DISSEMINATION OF INFORMATION.

(a) IN GENERAL.—Section 225 of the National Energy Conservation Policy Act (42 U.S.C. 8226) (relating to a Federal Trade Commission study and report submitted before January 1, 1982) is amended to read as follows:

"SEC. 225. REPORTS AND DISSEMINATION OF INFORMATION.

"(a) GENERAL REPORT.—(1) No later than December 31, 1987, and December 31, 1989, the Secretary shall submit a report to the Chairman of the Committee on Energy and Commerce of the House of Representatives and the Chairman of the Committee on Energy and Natural Resources of the Senate relating to the operation of this part.

"(2) Each such report shall include—

"(A) a comparison of estimated actual and predicted energy savings resulting from plans under this part,

"(B) identification of the most effective plans (or portions thereof),

"(C) an analysis, based on completed audits and other relevant data, of the energy saving potential of the installation of additional residential conservation measures, and

"(D) an analysis of economic, technical, behavioral, and other factors considered relevant to energy consumption by the Secretary.

Nothing in this paragraph shall require a survey of each residential building in which a residential energy conservation measure has been installed under this part.

"(b) SUMMARY OF ALTERNATIVE PLAN REPORTS.—No later than December 31, 1987, and December 31, 1989, the Secretary shall submit a report to the Chairman of the Committee on Energy and Commerce of the House of Representatives and the Chairman of the Committee on Energy and Natural Resources of the Senate summarizing the annual reports the Secretary received under section 226(f) and section 227(f).

"(c) DISSEMINATION OF INFORMATION.—(1)(A) The Secretary shall at least annually, in fiscal years beginning after September 30, 1985, disseminate to the States and public utilities information providing technical assistance and relating to the most cost-effective energy conservation procedures and devices (including residential energy conservation measures) and the most successful plans (or portions thereof) under this part.

"(B) The Secretary shall make the information described in subparagraph (A) available to the public.

"(2) The Secretary shall conduct seminars in various regions of the United States to disseminate information described in paragraph (1).".

(b) CLERICAL AMENDMENT.—The table of contents of such Act is amended by striking out the item relating to section 225 and inserting in lieu thereof the following:

"Sec. 225. Reports and dissemination of information.".

SEC. 105. TERMINATION.

(a) IN GENERAL.—Part I of title II of the National Energy Conservation Policy Act (42 U.S.C. 8201 and following), as amended by section 103, is amended by adding at the end the following new section:

"SEC. 228. TERMINATION.

"Effective January 1, 1990, all authority under this part shall terminate, except that—

"(1) the provisions of section 216 shall not terminate and the provisions of sections 215 and 219(d) shall be considered to be in effect to the extent necessary to enforce section 216; and

"(2) such expiration shall not affect any action or proceeding based upon an act committed prior to midnight January 1, 1990, and not finally determined by such date.".

(b) CLERICAL AMENDMENT.—The table of contents of such Act, as amended by section 103(c) of this Act, is amended by inserting after the item relating to section 227 the following new item:

"Sec. 228. Termination.".

SEC. 106. SUPPLY AND INSTALLATION BY PUBLIC UTILITIES.

(a) GENERAL EXEMPTION.—Section 216(d) of the National Energy Conservation Policy Act (42 U.S.C. 8217(d)) (relating to general exemptions from prohibitions on supply and installation) is amended—

(1) by striking out "The" and inserting in lieu thereof:

"(1) Except as provided in paragraph (2), the";

(2) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively; and

(3) by adding at the end thereof the following new paragraph:

"(2) Effective July 1, 1987, subparagraphs (A) and (B) of paragraph (1) shall not apply to the supply or installation of residential energy conservation measures other than measures which the Secretary determines were being installed or supplied by a public utility during the 12-month period ending June 1, 1985.".

(b) WAIVER.—Section 216(e) of such Act (42 U.S.C. 8217(e)) (relating to the waiver of prohibitions on supply and installation) is amended—

(1) by striking out "and" the last time it appears and inserting in lieu thereof a comma; and

(2) by inserting ", and the prevention of unauthorized cross subsidization" before the period at the end thereof.

(c) PROHIBITION; ENFORCEMENT.—(1) Section 216 of such Act (42 U.S.C. 8217) (relating to prohibitions on supply and installations) is amended by striking out subsection (g)(2) and subsection (h) and inserting in lieu thereof the following:

"(2) No public utility which has an exemption or waiver under this section may carry out any activity if the Federal Trade Commission, pursuant to subsection (h), or a State regulatory authority, pursuant to State law, has determined that such activity involves—

"(A) charging unfair or unreasonable prices or rates of interest with respect to the supply and installation of residential energy conservation measures;

"(B) engaging in unfair methods of competition or unfair or deceptive acts or practices with respect to such supply and installation; or

"(C) engaging in unauthorized cross subsidization with respect to such supply and installation.

"(h) ENFORCEMENT.—(1) For the purpose of determining whether a public utility which has an exemption or waiver under this section is engaging in any activity described in subsection (g)(2), an interested resident of a State may request—

"(A) to the extent authorized under State law, a State regulatory authority; or

"(B) in any case described in paragraph (2), the Federal Trade Commission,

to review an activity being carried out by such a public utility in whole or in part in such State.

"(2) The Federal Trade Commission may review an activity of a public utility as a result of a request made under paragraph (1) only if—

"(A) a State regulatory authority has—

"(i) informed the resident making the request that it will not review such activity for the purpose described in paragraph (1); or

"(ii) within the 90-day period beginning on the date on which the request to review such activity was made to the State regulatory authority by the resident, failed to inform the resident that it will review such activity for such purpose; or

"(B) a State regulatory authority has informed the resident that it will review such activity for such purpose but has failed to initiate a proceeding for such purpose during the 6-month period beginning on the date on which the request to review such activity was made to the State regulatory authority by the resident.

"(3) If a request for review is made to the Commission in any case described in subparagraph (A) or (B) of paragraph (2), the Commission shall review the matters specified in the request to determine whether there is reason to believe that the public utility concerned is carrying out an activity described in subsection (g)(2). If the Commission determines that there is reason to believe that the public utility is carrying out such an activity, the Commission shall issue and serve upon such utility a complaint and a notice of hearing and conduct a proceeding in accordance with section 5(b) of the Federal Trade Commission Act to determine if such an activity is being carried out by the utility.

"(4) If the Commission makes a determination pursuant to a proceeding described in paragraph (3) that a public utility is carrying out an activity described in subsection (g)(2) of this section, the Commission shall, utilizing the authority of the Commission to enforce prohibitions made by section 5 of the Federal Trade Commission Act, take appropriate action to enforce the prohibition in subsection (g)(2) of this section.

"(5) Any violation of a prohibition contained in this section other than a violation of subsection (g)(2) shall be treated, for purposes of section 219(d), as a violation of a plan promulgated under section 219(a).".

(d) CONFORMING AMENDMENTS.—(1) Section 216(c)(2)(A) of such Act (42 U.S.C. 8217(c)(2)(A)) (relating to an exemption from the prohibition on supply and installation by a public utility) is amended by inserting the following before the semicolon at the end: "or other activities described in subsection (g)(2)".

(2) Section 216(f) of such Act (42 U.S.C. 8217(f)) (relating to the applicability of section 215) is amended by striking out "(d)(2)", "(d)(1)", and "(d)(3)" and inserting

in lieu thereof "(d)(1)(B)", "(d)(1)(A)", and "(d)(1)(C)", respectively.

(3) The heading of subsection (g) of section 216 is amended to read as follows: "AUTHORITY TO MONITOR AND TERMINATE CERTAIN ACTIVITIES BY UTILITIES.—".

(e) EFFECTIVE DATE.—The amendments made by this section shall become effective one hundred and eighty days after the date of the enactment of this Act.

TITLE II—COMMERCIAL BUILDINGS AND MULTIFAMILY DWELLINGS

SEC. 201. REPEAL OF TITLE VII OF THE NATIONAL ENERGY CONSERVATION POLICY ACT.

(a) IN GENERAL.—Title VII of the National Energy Conservation Policy Act (42 U.S.C. 8281 and following) (relating to energy conservation for commercial buildings and multifamily dwellings) is hereby repealed.

(b) CLERICAL AMENDMENT.—The table of contents for such Act is amended by striking out the items relating to such title VII.

(c) AUTHORITY TO CONTINUE CERTAIN STATE ENERGY CONSERVATION PLANS.—Notwithstanding subsection (a), any State energy conservation plan for commercial buildings and multifamily dwellings approved under section 721 of the National Energy Conservation Policy Act before August 1, 1984, may, with respect to regulated utilities, continue in effect if such plan meets the requirements of section 722 of such Act as in effect on August 1, 1984.

SEC. 202. DEMONSTRATION PROJECTS FOR ENERGY EFFICIENCY IN COMMERCIAL BUILDINGS.

The Secretary of Energy shall, using funds appropriated for energy conservation activities of the Department of Energy, carry out demonstration projects by sharing the cost of the construction and development by nongovernmental entities of facilities which demonstrate innovative technologies for utility applications that increase energy efficiency in commercial buildings.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Massachusetts [Mr. MARKEY] will be recognized for 20 minutes and the gentleman from California [Mr. MOORHEAD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to rise in support of this important legislation, which continues the Federal Government's wise commitment to energy conservation in the residential sector. At the outset, I would like to commend my colleagues on the Energy and Commerce Committee, Chairman JOHN DINGELL, and the subcommittee's ranking minority member CARLOS MOORHEAD. I also want to commend my hard-working colleagues on the subcommittee, the chief sponsor of this legislation Mr. HALL; the gentleman from Washington [Mr. SWIFT]; and the gentleman from Minnesota [Mr. SIKORSKI], for their efforts over many months of drafting, negotiation, revision, and ultimate agreement. Finally, I want to thank the gentleman from Ohio [Mr. LUKEN] for his significant additions to this bill on the subject of fair competition for small businesses. All of these Members were instrumental in bringing this consensus bill to the floor today.

I support the compromise bill before us today. It is a bill which amends the Federal Residential Conservation Service program, known as RCS, and repeals the Commercial and Apartment Conservation Service program, known as CACS. The RCS program, which was enacted as part of the National Energy Conservation Policy Act of 1978, has provided over 3 million inexpensive home energy audits to residential consumers over the past few years, thereby giving people the information they need to make intelligent, cost-effective investments in making their homes more energy efficient. That is a process which has resulted in great savings on those consumers' energy bills, has slowed energy demand and thus postponed the need for utilities to build new capacity, and has reduced the Nation's dependence on brittle foreign supplies of oil.

The CACS program, enacted as part of the Energy Security Act of 1980, mandates a similar energy audit program for apartment buildings and small commercial establishments. The CACS program has been slower in coming up to speed; in fact, only a small handful of States have fully functioning CACS programs as of today. A key element of the compromise bill before the House today is the repeal of the CACS program. However, we have expanded the RCS program to include almost all of the Nation's apartment buildings, thereby ensuring that these inexpensive energy audits will now be offered to a segment of the population that is least able to afford them, with the hope and expectation that the audits will lead to conservation investments in some of the oldest, least energy efficient housing stock in the Nation.

Another key feature of H.R. 969 is to provide new flexibility to the States to implement creative alternatives to the RCS home energy audit program. If a State determines that its specific conservation objectives would be better served by a program of its own design, it may "opt out" of the Federal rules and create its own alternative State plan. The principal requirement for such a State plan is that it be designed to result in energy savings of 2 percent annually, with the details of how to reach that figure being left almost entirely to the State.

I am also proud of our success at setting up a procedure for small contractors who claim that a regulated utility has been competing unfairly against it. We have always realized that the RCS program has within it a structural tension between Congress' attempt to include utilities in energy conservation initiatives, and the justifiable concerns of energy contractors that those utilities not abuse their position to embark upon unregulated ventures in an unfair way. Accordingly, with the wise input of Congressman LUKEN, we have established an administrative procedure where these contractors can raise their claims of unfair competition and, upon a finding of such prohibited practices, have them halted.

This is a difficult time to enact energy conservation legislation. With the recent plunge in oil prices and the substantial energy savings achieved by the price jolts of the 1970's, there is an unfortunate tendency these days to sit back and declare that the battle has been won. I and the other authors of this legislation know that that is not the case, and that a mature energy policy requires that the conservation infrastructure be built in the months, years, and decades before the next crisis, not the morning after. I urge all of my colleagues to join us today in voting for this important contribution to the Nation's energy future.

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as a cosponsor of H.R. 969, the Conservation Service Reform Act. I supported the repeal of both the Residential Conservation Service program and the Commercial and Apartment Conservation Service program. The RCS, and CACS programs have been ineffective and burdensome to consumers.

While I supported the immediate repeal of both programs, I believe that the compromise bill reported out by the Committee on Energy and Commerce achieves, in a reasonable fashion, the goal of terminating these programs. Under this bill, the CACS program will terminate immediately and the RCS program will terminate in 1990.

Moreover, the bill provides for an alternative conservation program that permits the States and utilities to have greater flexibility in acheiving residential energy conservation savings. This flexibility is crucial to the developement of residential conservation plans that will actually diminish energy use.

The compromise bill will help States like my own State of California which has been in the forefront on energy conservation. California not only has a residential conservation program but California and various California utilis have instituted numerous alternative programs including zero interest loans, rebates for installation of certain energy conservation measures, and weatherization of low-income homes. One of our utilities in 1985 alone spent over 90 million dollars on low-interest loans and rebates for installation of energy conservation measures. Under this legislation, similarly innovative and farsighted conser-

vation programs may be undertaken by States and utilities.

The bill also fills a statutory gap left by the 1978 act establishing the residential conservation program. While the 1978 act prohibited anticompetitive acts or practices by utilities against small businesses supplying energy conservation measures, it did not provide a forum in which small businesses could enforce this prohibition. This bill provides that forum. A small business can request review of alleged anticompetitive acts or practices in either the State regulatory authority or the Federal Trade Commission. Thus, the bill encourages energy conservation savings at the same time that it protects small businesses.

In sum, I believe that this bill reasonably achieves the goals of repealing the CACS and RCS programs and of protecting small businesses from anticompetitive practices arising out of the RCS program. Termination of the CACS and RCS programs will allow the marketplace to determine which conservation measures will be undertaken. I urge my colleagues to vote for H.R. 969.

I want to commend the efforts of Mr. MARKEY, Mr. HALL, and Mr. DINGELL in bringing about this legislation.

Mr. MARKEY. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. RALPH M. HALL].

Mr. RALPH M. HALL. Mr. Speaker, with great pleasure as sponsor of the bill, I rise in support of H.R. 969, the Conservation Services Reform Act. Today represents the culmination of a great deal of work by the Energy Conservation and Power Subcommittee and the Committee on Energy and Commerce of which I am a member.

The bill is a true compromise in the best sense. My subcommittee chairman, Mr. MARKEY and I started from opposite ends of the spectrum in addressing this issue, and I believe that the bill achieves both our basic objectives. It preserves the role of the Federal Government in this important energy conservation area, and at the same time, it gives the States the flexibility to design and implement conservation programs tailored to more specifically meet their needs.

Mr. Speaker, there is one other aspect of the bill that I would like to address, and that is the so-called small contractor provisions. The committee worked very hard to provide for a process and remedy to deal with all reasonable allegations of anticompetitive behavior and I believe we have succeeded. Under the bill, the State public utility commissions are urged to deal with these problems under State law. However, if they are unable or unwilling to do so, then we provide for a forum at the Federal Trade Commission. I believe this is a most desirable addition to the bill and it will provide a fair, equitable and relatively uncomplicated means for these types of complaints to be resolved.

In closing, Mr. Speaker, I want to take this opportunity to thank the chairman and subcommittee chairman, Mr. DINGELL and Mr. MARKEY, for their cooperation and assistance in getting this bill to this point and with thanks to their staffs. A special thanks, also, to the ranking minority member of the subcommittee, Mr. MOORHEAD for joining me as the original cosponsor of the bill and for his unwaivering support. Thanks also should go to Mr. SWIFT and Mr. LUKEN for their interest and contributions to make this a better bill.

I yield back the balance of my time.

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Mr. MARKEY. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. LUKEN].

Mr. LUKEN. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in enthusiastic support of H.R. 969, the Conservation Reform Act of 1986. This bill not only streamlines the energy audit programs now being conducted by utilities, but adds important competitive protections for small businesses in the energy conservation industry.

During consideration of the legislation in the Energy and Commerce Committee, we heard complaints from several businesses that some utilities were competing against them unfairly by taking unfair advantage of the audit program and their monopoly status. Similar complaints were lodged during a 1984 hearing of the small business subcommittee I chair.

Current law includes prohibitions against unfair competitive behavior by utilities, but the Department of Energy has failed to adequately enforce those prohibitions. My amendment would provide these businesses with the forum to review their complaints that is so sorely lacking now. The bill, as amended, would give the competitors of utilities the right to make their complaints at the State regulatory authority. If no hearing is held by the State entity, then the complaint would be made to the Federal Trade Commission.

The committee also adopted an important prohibition against "unauthorized cross-subsidies" by the utility. Competitors have argued that in some cases, cross-subsidies from the utility's regulated business to its competitive business have not been prohibited because of their minimal impact on ratepayers. What might be a small cost to the consumer, however, might result in a significant subsidy to the utility's unregulated business because small business may be in no position to match it.

This legislation establishes three alternatives under which conservation plans will be carried out: The Residential Conservation Program, as under current law; alternative state plans; or alternative utility plans. The competitive protections adopted by the committee would apply regardless of which option is used in an individual State.

I want to take a moment to emphasize the extraordinary work that was done by all parties to come to this agreement. Chairmen DINGELL and MARKEY, and Congressmen SWIFT, MOORHEAD, HALL, and SIKORSKI spent a great deal of time working out the details of these competitive protections that are fair to both the utility industry and America's small entrepreneurs.

Mr. MARKEY. Mr. Speaker, I would like to yield 3 minutes to the gentleman from the State of Washington [Mr. SWIFT].

Mr. SWIFT. I thank the gentleman for yielding this time to me.

Mr. Speaker, I am very pleased to rise in support of H.R. 969, which will refine and continue the Residential Conservation Services Program. The fact that we are here today with this bill, on the Suspension Calendar, is testimony to the genuine spirit of cooperation and compromise between members who started with quite different viewpoints, but who ended in agreement and support for a single bill. In particular recognition should be given to Chairman MARKEY to the ranking minority member, Mr. MOORHEAD, and the Representative from Texas, Mr. HALL for their work on this issue.

Energy conservation in our homes is an important national objective. Even in times of falling oil costs, energy conservation is important—because it improves on our ability to respond to the invevitable return to rising oil prices. Homes that have conservation measures put into them today will be prepared for the future.

There has been some criticism of energy conservation within the utility industry. It has always amazed me that conservation should be as controversial as it is. I have never understood why in such a technical area as energy generation and use we should have such holy wars—whether it's over nuclear energy or conservation.

Energy conservation is a wise policy, and we should continue to pursue it. H.R. 969, as reported by the Energy and Commerce Committee, does that, and I urge my colleagues to support it.

Mr. SHELBY. Mr. Speaker, I rise today in support of H.R. 969, a bill to extend the Residential Conservation Service Program and phase out the requirements regarding commercial and apartment buildings. As an original cosponsor of Mr. HALL's legislation, I commend the gentleman from Texas for bringing this bill to the House floor. I also thank the chairmen of the full committee and the subcommittee, Mr. DINGELL and Mr. MARKEY, and

the ranking minority member, Mr. MOORHEAD, for their leadership in crafting this legislation.

Mr. Speaker, along with my interest in the main provisions of H.R. 969 to amend the RCS and CACS programs, I want to bring this body's attention to two other provisions of vital concern to my constituents. First, we have included language to ensure that existing innovative and successful RCS programs can continue unchanged. The Secretary of Energy will retain his authority to exempt certain utility programs, such as that administered by the Tennessee Valley Authority, from burdensome and counterproductive regulation.

The other provision that I consider particularly important would benefit small businesses who supply energy conservation equipment. Our committee has heard from many small businesses, and from the Small Business Administration, who are deeply troubled by some utility activities in the RCS Program. Through Mr. LUKEN's leadership, we have established a forum for small business complaints of unfair competition as well as a mechanism to address this problem. As a small businessman myself, I feel we should be particularly sensitive to those who compete, without a size advantage, in the free market.

In summary, I urge my colleagues to support H.R. 969. It is legislation which represents sound public policy and improves the Residential Conservation Service Program until its sunset in 1990. Thank you, Mr. Speaker.

Mr. MARKEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MOORHEAD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER. pro tempore. The question is on the motion offered by the gentleman from Massachusetts [Mr. MARKEY] that the House suspend the rules and pass the bill, H.R. 969, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "An Act to reform the Residential Conservation Service and to repeal the Commercial and Apartment Conservation Service."

A motion to reconsider was laid on the table.

Mr. MARKEY. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce be discharged from further consideration of the Senate bill (S. 410) to repeal the Commercial and Apartment Conservation Service, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 410

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Conservation Service Reform Act of 1985".

SEC. 2. (a) IN GENERAL.—Title VII of the National Energy Conservation Policy Act (relating to energy conservation for commercial buildings and multifamily dwellings) is hereby repealed.

(b) CLERICAL AMENDMENT.—The table of contents for such Act is amended by striking out the items relating to title VII.

(c) Notwithstanding subsection (a) any State energy conservation plan for commercial buildings and multifamily dwellings approved under section 721 of the National Energy Conservation Policy Act prior to August 1, 1984, may with respect to regulated utilities, continue in effect until one year after the date of enactment of this section if such plan meets the requirements of section 722 of such Act as in effect on August 1, 1984.

SEC. 3. (a) INFORMATION REQUIREMENTS.—Sections 215(a), 215(d), and 217(a)(1) of the National Energy Conservation Policy Act (relating to utility programs and home heating supplier programs) are amended by striking out "January 1, 1985" each place it appears and inserting in lieu thereof "January 1, 1988".

(b) REPORT.—The Comptroller General shall prepare and transmit to Congress before June 30, 1986 a report evaluating the utility and home heating supplier programs of the Residential Conservation Service implemented under part 1 of title II of the National Energy Conservation Policy Act. The Secretary of Energy shall conduct a survey in consultation with the Comptroller General to collect the information the Comptroller General determines is necessary for the preparation of such report. The report shall examine and assess, for the programs under this part:

(1) the potential for achievable energy savings through implementation of residential energy conservation measures in residential dwellings in the United States and the importance of the Residential Conservation Service in achieving these savings;

(2) Residential Conservation Service Program costs from a representative sample of States, taking into account costs to the taxpayer and ratepayers of affected utilities;

(3) Residential Conservation Service Program benefits from a representative sample of States, taking into account the value of energy conservation and the value of deferral of investment in new capacity to provide energy;

(4) efforts of utilities to encourage the implementation of residential energy efficiency measures by their customers and the relationship between these efforts and the observed response rate under Residential Conservation Service Programs;

(5) measured energy savings achieved in residential dwellings in which measures are installed under such programs;

(6) to the extent to which utilities have adopted programs voluntarily or under State law that offer more promise in encouraging energy efficiency than has been the case under the Residential Conservation Service;

(7) to the extent to which modifications in the regulations implementing the Residential Conservation Service could improve the cost effectiveness of the program;

(8) legislative changes that are necessary to improve the cost effectiveness of the program;

(9) the extent of unfair, deceptive or anticompetitive acts or practices affecting commerce that relate to the implementation of such residential energy conservation programs, and the adequacy of procedures which are in effect to prevent such unfair, deceptive or anticompetitive acts or practices; and

(10) such other matters as seem appropriate in order to assist Congress in deciding the future of the Residential Conservation Service.

(c) EXPIRATION.—The provisions of part 1 of title II of the National Energy Conservation Policy Act shall expire on January 1, 1988, but such expiration shall not affect any action or pending proceeding not finally determined on such date of expiration nor any action or proceeding based upon such act committed prior to such date of expiration.

SEC. 4. Section 218(a) of the National Energy Conservation Policy Act is amended by striking the last sentence thereof and inserting "Such temporary exemption may be granted or renewed until such date as determined by the Secretary.".

SEC. 5. (a) Part 1 of title II of the National Energy Conservation Policy Act (42 U.S.C. 8211 et seq.) is amended by adding at the end thereof the following:

"SEC. 226. WAIVER FOR REGULATED AND NONREGULATED UTILITIES.

"(a) WAIVER.—Any utility subject to this part may, upon request, receive a waiver from the Secretary from any provision of this part or from any provision of a State residential energy conservation plan under this part if the utility shows in appropriate State proceedings and the appropriate State officials find that—

"(1) the existing and planned residential energy conservation programs that will be implemented by the utility if a waiver from such provision is approved will result in savings in petroleum, natural gas or electric energy consumed in residential buildings served by the utility that are equal to or greater than the savings that would be achieved if the utility were subject to the provision; and

"(2) adequate procedures are in effect that prevent unfair, deceptive or anticompetitive acts or practices affecting commerce that relate to the implementation of such residential energy conservation programs, including provisions to assure that any person who alleges any injury resulting from unfair, deceptive or anticompetitive acts or practices in connection with such programs shall be entitled to redress under such procedures as may be established by the Governor in the State in which the utility provides utility service.

"(b) DEFINITION.—For purposes of this section the term 'residential energy conservation program' means any program carried out by a utility that has as its purpose—

"(1) increasing the efficiency with which petroleum, natural gas or electric energy is consumed in residential buildings served by

"(2) utilizing solar or other forms of renewable energy in residential buildings served by such utility.

"(c) APPROVAL.—The Secretary shall approve a request of a utility for a waiver under subsection (a) if the Secretary determines that—

"(1) opportunity for a hearing on the request for a waiver has been provided in the State in which the utility provides utility service; and

"(2) in the case of a regulated utility, the Governor of the State in which the utility provides utility service and the State regulatory authority that has ratemaking authority with respect to such utility both—

"(A) find that the showings under subsection (a) (1) and (2) are sufficient; and

"(B) support the request by the utility for the waiver; or

"(3) in the case of a nonregulated utility subject to a State residential energy conservation plan under section 212(c)(2), the Governor of the State in which the utility provides utility service—

"(A) finds that the showings under subsections (a) (1) and (2) are sufficient; and

"(B) supports the request by the utility for the waiver.

"(d) ANNUAL REVIEW AND REVOCATION OF WAIVER.—(1) The provisions of this subsection do not apply to a nonregulated utility unless such utility is subject to a State residential energy conservation plan under section 212(c)(2).

"(2) Any utility that receives a waiver under this section shall provide the Governor of the State in which that utility provides utility service with an annual report describing the performance of its residential energy conservation programs in relation to the showings of such utilities under subsections (a) (1) and (2).

"(3) The Secretary shall revoke any waiver received by a utility under this section upon a request under this subsection by the Governor of the State in which the utility provides utility service. Such a request shall be made upon a finding—

"(A) in the case of a regulated utility, by such Governor with the concurrence of the State regulatory authority that has ratemaking authority with respect to such utility; or

"(B) in the case of a nonregulated utility subject to a State residential energy conservation plan under section 212(c)(2), by such Governor,

that the savings described in subsection (a)(1) on an annual basis are less than the savings in the year prior to the approval of the waver or that the procedures referred to in subsection (a)(2) are no longer adequate.

"(4) A request under paragraph (3) with respect to any utility may be submitted to the Secretary by a Governor only after review and opportunity for a hearing on the performance of the residential energy conservation programs of such utility. In order to facilitate such review and hearing, the utility shall provide to the Governor such information as the Governor requests about such residential energy conservation programs.".

"(b) The table of contents for the National Energy Conservation Policy Act is amended by adding at the end of the table of contents for part 1 of title II the following:

"Sec. 226. Waiver for regulated and nonregulated utilities.".

SEC. 6. Subsection 220(b) of title II of the National Energy Conservation Policy Act (42 U.S.C. 8211 et seq.) is amended by inserting after "Acts,—", "(1)", and by inserting after the words "acts of practices.", the following new paragraph:

"(2) Nothing in this part shall be construed to—

"(A) bar any person from taking an action with respect to any anticompetitive act or practice related to activities conducted under any program established under this part, including activities conducted under subsection 216 (b), (c), (d), or (e); or

"(B) convey to any person immunity from civil or criminal liability, create defenses to actions under antitrust laws, or modify or abridge any private right of action under such laws.".

MOTION OFFERED BY MR. MARKEY

Mr. MARKEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MARKEY moves to strike out all after the enacting clause of the Senate bill, S. 410, and insert in lieu thereof the provisions of H.R. 969, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "An Act to reform the Residential Conservation Service and to repeal the Commercial and Apartment Conservation Service."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 969) was laid on the table.

GENERAL LEAVE

Mr. MARKEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bills just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

WHITE EARTH RESERVATION LAND SETTLEMENT ACT OF 1985

Mr. UDALL. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1396) to settle unresolved claims relating to certain allotted Indian lands on the White Earth Indian Reservation, to remove clouds from the titles to certain lands, and for other purposes.

The Clerk read as follows:

S. 1396

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "White Earth Reservation Land Settlement Act of 1985".

SEC. 2. The Congress finds that—

(1) claims on behalf of Indian allottees or heirs and the White Earth Band involving substantial amounts of land within the White Earth Indian Reservation in Minnesota are the subject of existing and potential lawsuits involving many and diverse interests in Minnesota, and are creating great hardship and uncertainty for government, Indian communities, and non-Indian communities;

(2) the lawsuits and uncertainty will result in great expense and expenditure of time, and could have a profound negative impact on the social and well-being of everyone on the reservation;

(3) the White Earth Band of Chippewa Indians, State of Minnesota, along with its political subdivisions, and other interested parties have made diligent efforts to fashion a settlement to these claims, and the Federal Government, by providing the assistance specified in this Act, will make possible the implementation of a permanent settlement with regard to these claims;

(4) past United States laws and policies have contributed to the uncertainty surrounding the claims;

(5) it is in the long-term interest of the United States, State of Minnesota, White Earth Band, Indians, and non-Indians for the United States to assist in the implementation of a fair and equitable settlement of these claims; and

(6) this Act will settle unresolved legal uncertainties relating to these claims.

SEC. 3. For purposes of this Act:

(a) "Allotment" shall mean an allocation of land on the White Earth Reservation, Minnesota, granted, pursuant to the Act of January 14, 1889 (25 Stat. 642), and the Act of February 8, 1887 (24 Stat. 388), to a Chippewa Indian.

(b) "Allottee" shall mean the recipient of an allotment.

(c) "Full blood" shall mean a Chippewa Indian of the White Earth Reservation, Minnesota, who was designated as a full blood Indian on the roll approved by the United States District Court for the District of Minnesota on October 1, 1920, or who was so designated by a decree of a Federal court of competent jurisdiction; it shall also refer to an individual who is not designated on said roll but who is the biological child of two full blood parents so designated on the roll or of one full blood parent so designated on the roll and one parent who was an Indian enrolled in any other federally recognized Indian tribe, band, or community.

(d) "Inherited" shall mean received as a result of testate or intestate succession or any combination of testate or intestate succession, which succession shall be determined by the Secretary of the Interior or his authorized representative.

(e) "Mixed blood" shall mean a Chippewa Indian of the White Earth Reservation, Minnesota, who was designated as a mixed blood Indian on the roll approved by the United States District Court of Minnesota on October 1, 1920, unless designated a full blood by decree of a Federal court of competent jurisdiction; it shall also refer to any descendants of an individual who was listed on said roll providing the descendant was not a full blood under the definition in subsection (c) of this section. The term "mixed blood" shall not include an Indian enrolled in any federally recognized Indian tribe, band, or community other than the White Earth Band.

(f) "Tax forfeited" shall mean an allotment which, pursuant to State law, was declared forfeited for nonpayment of real property taxes and purportedly transferred directly to the State of Minnesota or to private parties or governmental entities.

(g) "Majority" shall mean the age of twenty-one years or older.

(h) "Secretary" shall mean the Secretary of the Interior or his/or her authorized representative.

(i) "Trust period" shall mean the period during which the United States held an allotment in trust for the allottee or the allottee's heirs. For the purpose of this Act, the Executive Order Numbered 4642 of May 5, 1927, Executive Order Numbered 5768 of December 10, 1931, and Executive Order Numbered 5953 of November 23, 1932, shall be deemed to have extended trust periods

on all allotments or interests therein the trust periods for which would otherwise have expired in 1927, 1932, or 1933, notwithstanding the issuance of any fee patents for which there were no applications, and if such allotments were not specifically exempted from the Executive orders; and the Indian Reorganization Act of June 18, 1934, shall be deemed to have extended indefinitely trust periods on all allotments or interests therein the trust periods for which would otherwise have expired on June 18, 1934, or at any time thereafter. Said Executive orders and Act shall be deemed not to have extended the trust period for allotments or interests which were sold or mortgaged by adult mixed bloods, by non-Indians, or with the approval of the Secretary, or for allotments or interests which were sold or mortgaged by anyone where such sale or mortgage was the subject of litigation in Federal court which proceeded to a judgment on the merits and where the outcome of such litigation did not vacate or void said sale or mortgage.

(j) "Interest", except where such item is used in conjunction with "compound", shall mean a fractional holding, less than the whole, held in an allotment.

(k) "Adult" shall mean having attained the age of majority.

(l) "Heir" shall mean one who received or was entitled to receive an allotment or interest as a result of testate or intestate succession under applicable Federal or Minnesota law.

(m) "Transfer" includes but is not limited to any voluntary or involuntary sale, mortgage, tax forfeiture or conveyance pursuant to State law; any transaction the purpose of which was to effect a sale, mortgage, tax forfeiture or conveyance pursuant to State law; any Act, event, or circumstance that resulted in a change of title to, possession of, dominion over, or control of an allotment or interest therein.

SEC. 4. (a) The provisions of this Act shall apply to the following allotments:

(1) allotments which were never sold or mortgaged by the allottees or by their heirs and which were tax forfeited during the trust period;

(2) allotments which were sold or mortgaged during the trust period, without the approval of the Secretary, by the allottees prior to having attained majority, and were never again sold or mortgaged either by the allottees upon their having attained majority or by heirs of the allottees;

(3) allotments which were sold or mortgaged during the trust period by full blood allottees without the approval of the Secretary, and were never again the subject of a sale or mortgage by heirs of the allottees; and

(4) allotments which were never sold or mortgaged by the allottees, but which subsequent to the deaths of the allottees, purportedly were sold or mortgaged, during the trust period, by administrators, executors, or representatives, operating under authority from State courts, and were never again the subject of a sale or mortgage by heirs of the allottees.

(b) The provisions of this Act shall also apply to the following allotments or interests in allotments:

(1) allotments or interests which were inherited by full or mixed bloods who never sold or mortgaged their allotments or interests or by Indians enrolled in other federally recognized Indian tribes, bands, or communities who never sold or mortgaged their allotments or interests, where the allotments or interests were tax forfeited during the trust period;

(2) allotments or interests which were inherited by mixed bloods under the age of majority and which were sold or mortgaged during the trust period without the approval of the Secretary prior to such mixed bloods having attained majority, but which were never again sold or mortgaged by them upon having attained majority or by their heirs;

(3) allotments or interests which were inherited by full bloods or by Indians enrolled in other federally recognized Indian tribes, bands, or communities, who sold or mortgaged such allotments or interests during the trust period without the approval of the Secretary;

(4) allotments or interests which were inherited by full or mixed bloods who never sold or mortgaged their allotments or interests, but which, subsequent to the deaths of such heirs, were sold or mortgaged during the trust period by administrators, operating under authority from State courts;

(5) allotments or interests which were owned by allottees or which were inherited by full or mixed bloods for whom guardians were appointed by State courts, which guardians sold or mortgaged the allotments or interests during the trust period without the approval of the Secretary;

(6) interests which were inherited by full or mixed bloods who never sold or mortgaged their interests during the trust period, even though other interests in the same allotment were sold by other heirs where the land comprising the allotment has been claimed in full by other parties adversely to the full or mixed bloods who never sold or mortgaged their interests; and

(7) allotments or interests which were inherited by full or mixed bloods or by Indians enrolled in other federally recognized Indian tribes, bands, or communities which were never sold or mortgaged during the trust period but which were purportedly distributed by State court probate proceedings to other individuals.

(c) This Act shall not apply to—

(1) any allotment or interest the sale or mortgage of which was the subject of litigation which proceeded to a judgment on the merits in Federal courts and where the outcome of such litigation was other than vacating and voiding such sale or mortgage;

(2) any allotment or interest which was tax forfeited subsequent to the date on which the tax exemption was declared by a Federal court to have expired;

(3) any allotment or interest which was sold, mortgaged, or tax forfeited after the expiration of the trust period; or

(4) any allotment or interest which was sold or mortgaged at any time by an adult mixed blood Indian.

Nothing in this Act is intended to question the validity of the transactions relating to allotments or interests as described in section 4(c), and such allotments and interests are declared to be outside the scope of this Act.

SEC. 5. (a) Any determination of the heirs of any person holding an allotment or interest, made by the courts of the State of Minnesota, which is filed with the proper county recording officer prior to May 9, 1979, shall be deemed to have effectively transferred the title of the decedent in the allotment or interest to the heirs so determined unless a separate determination of heirs has been made by the Secretary before the effective date of this Act and such determination has been filed with the proper county recording officer within six months after the effective date of this Act. Nothing in this subsection shall be construed to remove any allotment described in section 4 from the compensation provided for in the Act.

(b) The proper county recording officer is the county recorder of the county in which the allotment or interest is located if the title has not been registered pursuant to Minnesota law. If the title has been so registered, the proper county recording officer shall be the registrar of titles in the county in which the allotment or interest is located.

(c) As to any allotment which was granted to an allottee who had died prior to the selection date of the allotment, the granting of such allotment is hereby ratified and confirmed, and shall be of the same effect as if the allotment had been selected by the allottee before the allottee's death: *Provided*, That the White Earth Band of Chippewa Indians shall be compensated for such allotments in the manner provided in sections 6, 7, and 8.

(d) As to any allotment that was made under the provisions of the Treaty of March 19, 1867 (16 Stat. 719), and which was reallotted under the provisions of the Act of January 14, 1889 (25 Stat. 642), such reallotment is hereby ratified and confirmed.

SEC. 6. (a) As soon as the conditions set forth in section 10 of this Act have been met, the Secretary shall publish a certification in the Federal Register that such conditions have been met. After such publication, any allotment or interest which the Secretary, in accordance with this Act, determines falls within the provisions of section 4(a), 4(b), or 5(c), the tax forfeiture, sale, mortgage, or other transfer, as described therein, shall be deemed to have been made in accordance with the Constitution and all laws of the United States specifically applicable to transfers of allotments or interests held by the United States in trust for Indians, and Congress hereby does approve and ratify any such transfer effective as of the date of said transfer, subject to the provisions of section 6(c). Compensation for loss of allotments or interests resulting from this approval and ratification shall be determined and processed according to the provisions of section 8.

(b) By virtue of the approval and ratification of transfers of allotments or interests therein effected by this section, all claims against the United States, the State of Minnesota or any subdivisions thereof, or any other person or entity, by the White Earth Band, its members, or by any other Indian tribe or Indian, or any successors in interest thereof, arising out of, and at the time of or subsequent to, the transfers described in section 4(a), 4(b), or 5(c) and based on any interest in or nontreaty rights involving such allotments or interests therein, shall be deemed never to have existed as of the date of the transfer, subject to the provisions of this Act.

(c) Notwithstanding any provision of law other than the provisions of this section, any action in any court to recover title or damages relating to transactions described in section 4(a), 4(b), 5(a) or 5(c), shall be forever barred unless the complaint is filed not later than one hundred and eighty days following enactment of this Act, or prior to the publication required by section 6(a) whichever occurs later in time: *Provided*, That immediately upon the date of enactment of this Act any such action on behalf of the White Earth Band of Chippewa Indians shall be forever barred, unless the publica-

tion required by section 6(a) does not take place within two years of the date of enactment of this Act in which case the bar of any such action on behalf of the White Earth Band of Chippewa Indians shall be deemed lifted and nullified: *Provided further*, That the Secretary shall not issue to the White Earth Band any report rejecting litigation nor submit to Congress any legislation report pursuant to section 2415 of title 28, United States Code, relating to transactions described in section 4(a), 4(b), 5(a) or 5(c) of this Act, until and unless the bar against actions on behalf of the White Earth Band is lifted and nullified. Any such action filed within the time period allowed by this subsection shall not be barred; however, the filing of any such action by an allottee, heir, or others entitled to compensation under this Act shall bar such allottee, heir, or others from receiving compensation pursuant to the provisions of section 8. The United States District Court for the District of Minnesota shall have exclusive jurisdiction over any such action otherwise properly filed within the time allowed by this subsection.

(d) This section shall not bar an heir, allottee, or any other person entitled to compensation under this Act from maintaining an action, based on the transactions described in section 4(a), 4(b), 5(a), or 5(c), against the United States in the Claims Court pursuant to the Tucker Act, section 1491 of title 28, United States Code, challenging the constitutional adequacy of the compensation provisions of section 8(a) as they apply to a particular allotment or interest: *Provided*, That such action shall be filed with the Claims Court not later than one hundred and eighty days after the issuance of the notice of the Secretary's compensation determination as provided in section 8(c). If such an action is not filed within the one-hundred-and-eighty-day period, it shall be forever barred. The United States hereby waives any sovereign immunity defense it may have to such an action but does not waive any other defenses it may have to such action. The filing of an action by any heir, allottee, or any other person under the provisions of this section shall bar such person forever from receiving compensation pursuant to the provisions of section 8.

SEC. 7. (a) The Secretary is hereby authorized to and shall diligently investigate to the maximum extent practicable all White Earth Band allotments and shall determine which allotments or interest fall within any of the provisions of section 4(a), 4(b), or 5(c). As to all such allotments or interests determined to be within the provisions of section 4(a), 4(b), or 5(c), the Secretary shall prepare lists of such allotments or interests, which shall include allotment number, land description, and allottee's name, in English and Ojibway where available. A first list shall be published within one hundred and eighty days after the date of enactment of this Act in the Federal Register; in a newspaper of general circulation in Mahnomen County, Minnesota; in a newspaper of general circulation in Becker County, Minnesota; in a newspaper of general circulation in Clearwater County, Minnesota; in one newspaper of general circulation in metropolitan Minneapolis-Saint Paul; and, in the Secretary's discretion, in any appropriate band or tribal newspaper. Publication in the required newspapers shall take place no later than thirty days after publication in the Federal Register.

(b) Any tribe, band, or group of Indians, or any individual shall have one year after the date of publication in the Federal Register to submit to the Secretary any additional allotments or interests which the tribe, band, group, or individual believes should fall within any of the provisions of section 4(a), 4(b), or 5(c). The Secretary, without such submissions, may also independently determine that additional allotments or interests fall within such provisions. Any additional allotments or interests submitted to the Secretary shall be accompanied by a statement identifying the allotment or interest and its land description and summarizing the reasons why it should be added to the list required by this section.

(c) The Secretary shall determine which additional allotments or interests fall within the provisions of section 4(a), 4(b), or 5(c), and not later than five hundred and forty days of the date of publication of the Secretary's first list in the Federal Register, the Secretary shall publish a second list in the Federal Register and previously required newspapers of the allotments or interests the Secretary has determined should be added to the first published list.

(d) Any determination made by the Secretary under this section to include an allotment or interest on the first list required by the section to be published in the Federal Register may be judicially reviewed pursuant to the Administrative Procedure Act not later than ninety days of the publication date of the first list of the Federal Register. Any such action not filed within such ninety-day period shall be forever barred. Any determination made by the Secretary to include an allotment or interest on the second list required by this section to be published in the Federal Register, or any determination made by the Secretary not to include an allotment or interest on such list, may be judicially reviewed pursuant to the Administrative Procedure Act within ninety days of the publication date of the second list in the Federal Register. Any such action not filed within such ninety-day period shall be forever barred. Exclusive jurisdiction over actions under this subdivision is hereby vested in the United States District Court for the District of Minnesota.

SEC. 8. (a) Compensation for a loss of an allotment or interest shall be the fair market value of the land interest therein as of the date of tax forfeiture, sale, allotment, mortgage, or other transfer described in section 4(a), 4(b), or 5(c), less any compensation actually received, plus interest compounded annually at 5 per centum from the date of said loss of an allotment or interest until the date of enactment of this Act, and at the general rate of interest earned by United States Department of the Interior funds thereafter. A determination of compensation actually received shall be supported by Federal, State, or local public documents filed contemporaneously with the transaction or by clear and convincing evidence. Compensation actually received shall not be subtracted from the fair market value in any instance where an allotment or interest was sold or mortgaged by a full or mixed blood, under the age of eighteen years, or in any instance where there is prima facie evidence that fraud occurred in a sale or mortgage. No compensation for loss of an allotment or interest relating to transfers described in section 4(b) shall be granted to any person or the heirs of such person where such allotment or interest was received pursuant to State court probate proceedings and where also it has been or is determined by the Secretary that such person or heirs were not entitled to inherit the allotment or interest.

(b) For the purpose of this section, the date of transfer applicable to interests described in section 4(b)(6) shall be the last date on which any interest in the subject allotment was transferred by document of record by any other heir of the allottee; and the date of transfer applicable to allotments described in section 5(c) shall be the selection date. For purposes of this section, the Secretary shall establish the fair market value of various types of land for various years, which shall govern the compensation payable under this section unless a claimant demonstrates that a particular allotment or interest had a value materially different from the value established by the Secretary.

(c) The Secretary shall provide written notice of the Secretary's compensation determination to the allottees or heirs entitled thereto. Such notice shall describe the basis for the Secretary's determination, the applicable time limits for judicial review of the determination, and the process whereby such compensation will be distributed. The Secretary shall proceed to make such heirship determinations as may be necessary to provide the notice required by this section: *Provided*, That the Secretary shall accept as conclusive evidence of heirship any determination of the courts of the State of Minnesota as provided in section 5(a) of this Act: *Provided further*, That the Secretary shall give written notice only to those allottees or heirs whose addresses can be ascertained by reasonable and diligent efforts; otherwise such notice shall be given by publication in the Federal Register.

(d) The Secretary's administrative determination of the appropriate amount of compensation computed pursuant to the provisions of this Act may be judicially reviewed pursuant to the Administrative Procedure Act not later one hundred and eighty days after the issuance of notice as aforesaid; after such time the Secretary's determination shall be conclusive and all judicial review shall be barred. Exclusive jurisdiction over any such action is hereby vested in the United States District Court for the District of Minnesota.

(e) Once a compensation determination has become conclusive according to the provisions of subsection (d), the Secretary shall certify such determination to the Secretary of the Treasury and such conclusive determination shall be treated as a final judgment, award or, compromise settlement under the provisions of title 31, United States Code, section 1304. The Secretary of the Treasury is authorized and directed to pay out of the funds in the Treasury into a separate interest bearing White Earth Settlement Fund account the amount certified by the Secretary of the Interior in each case. The Secretary of the Interior shall then make a diligent effort to locate each allottee or heir; however, if, after two years from the date on which a determination becomes conclusive an allottee or heir cannot be located, the Secretary of the Interior shall declare the amount owing to such allottee or heir forfeited.

(f) Any and all amounts forfeited pursuant to subsection (e) together with the interest accumulated thereon, pursuant to section 8 shall be transferred annually to the fund established under section 12 for the White Earth Band.

SEC. 9. The Secretary shall determine the heirs, if heretofore undetermined, or modify the inventory of an existing heirship determination of any full or mixed blood or Indian enrolled in any other federally recognized Indian tribe, band, or community,

where appropriate for the purposes of this Act: *Provided,* That the Secretary shall accept any determination of heirship by the courts of the State of Minnesota as provided in section 5(a) of this Act.

SEC. 10. (a) The provisions of section 6 of this Act shall take effect upon the publication in the Federal Register by the Secretary of certification that the following conditions have been satisfied:

(1) The State of Minnesota, in accordance with Laws of Minnesota 1984, chapter 539, has entered into an agreement with the Secretary providing for the transfer of ten thousand acres of land within the exterior boundaries of the White Earth Reservation to the United States to hold in trust for the White Earth Band of Chippewa Indians as the State's contribution to the settlement provided for by this Act. The Secretary shall not enter into such an agreement until the Secretary determines, or the authorized governing body of the band certifies to the Secretary in writing, that the agreement will result in the transfer of ten thousand acres which possess reasonable value for the White Earth Band, including but not limited to value for agricultural, recreational, forestry, commercial, residential, industrial, or general land consolidation purposes. The land transferred pursuant to this subsection shall be accepted by the United States subject to all existing accesses, roads, easements, rights of way, or similar uses unless the Governor and Attorney General of the State of Minnesota certify in writing to the Secretary the State's intent to abandon such uses on a particular parcel.

(2) The State, in accordance with the Laws of Minnesota 1984, chapter 539, has appropriated $500,000 for the purpose of providing the United States with technical and computer assistance for implementing the settlement provided for in this Act.

(3) The United States has appropriated $6,600,000 for economic development for the benefit of the White Earth Band of Chippewa Indians.

(b) Upon final acceptance by the Secretary, the land referred to in subsection (a)(1) shall be deemed to have been reserved as of the date of the establishment of the White Earth Reservation and to be part of the trust land of the White Earth Reservation for all purposes.

SEC. 11. Nothing in this Act is intended to alter the jurisdiction currently possessed by the White Earth Band of Chippewa Indians, the State of Minnesota, or the United States over Indians or non-Indians within the exterior boundaries of the White Earth Reservation.

SEC. 12. (a) There is established in the Treasury of the United States a fund to be known as the White Earth Economic Development and Tribal Government Fund. Money in this Fund shall be held in trust by the United States for the White Earth Band of Chippewa Indians, and shall be invested and managed by the Secretary in the same manner as tribal trust funds pursuant to the Act of June 24, 1938 (25 U.S.C. 162a).

(b) The White Earth Economic Development and Tribal Government Fund shall consist of—

(1) money received by the White Earth Band as compensation pursuant to section 8; and

(2) money received by the White Earth Band as a result of amounts forfeited pursuant to section 8(f); and

(3) money received as an appropriation pursuant to section 15; and

(4) income accruing on such sums.

Income accruing to the White Earth Economic Development and Tribal Government Fund shall, without further appropriation, be available for expenditure as provided in subsection (c).

(c) Income from the fund may be used by the authorized governing body of the band for band administration. Principal and income may be used by the authorized governing body of the band for economic development, land acquisition, and investments: *Provided, however,* That under no circumstances shall any portion of the moneys described in subsection (b) be used for per capita payments to any members of the band: *Provided further,* That none of the funds described in subsection (b) shall be expended by the governing body of the band until—

(1) such body has adopted a band financial ordinance and investment plan for the use of such funds; and

(2) such body has submitted to the Secretary a waiver of liability on the part of the United States for any loss resulting from the use of such funds; and

(3) the Secretary has approved the band financial ordinance and investment plan. The Secretary shall approve or reject in writing such ordinance and plan within sixty days of the date it is mailed or otherwise submitted to him: *Provided,* That such ordinance and plan shall be deemed approved if, sixty days after submission, the Secretary has not so approved or rejected it. The Secretary shall approve the ordinance and plan if it adequately contains the element specified in this subsection.

SEC. 13. Notwithstanding any other law to the contrary, the United States grants its permission to the State of Minnesota to transfer land to the White Earth Band as described in section 10(a)(1) which prior to the date of enactment of this Act may have been obtained by the State pursuant to other Federal law or with Federal assistance. Any restrictions or conditions imposed by any other Federal law or regulation on the transfer of such land are hereby waived and removed.

SEC. 14. Not later than five years, or as soon as possible, after the date of enactment of this Act, the Secretary shall make all determinations, provide all notices, and complete the administrative work necessary to accomplish the objectives of this Act. The Secretary shall give priority in making compensation determinations and payments under this Act to original allottees and elderly heirs. The Secretary shall submit a report by January 1 of each year to the chairman of the House of Representatives Committee on Interior and Insular Affairs and the chairman of the Senate Committee on Indian Affairs, which report shall summarize the administrative progress to date and shall estimate the amount and nature of work left to be done.

SEC. 15. There are hereby authorized to be appropriated to the White Earth Band $6,600,000 as a grant to be expended as provided in section 12.

SEC. 16. None of the moneys which are distributed under this Act shall be subject to Federal or State income taxes or be considered as income or resources in determining eligibility for or the amount of assistance under the Social Security Act or any other federally assisted program.

SEC. 17. The Secretary is authorized, if so requested by the authorized governing body of the White Earth Band, to exchange any of the land which is transferred to the United States as described in section 10(a)(1) for any other land within the exterior boundaries of the White Earth Reservation which is owned by the United States, the State of Minnesota, or any of the State's political subdivisions. Nothing in this section shall be deemed to require an exchange not agreed to by all parties to the exchange.

SEC. 18. Any lands acquired by the White Earth Band within the exterior boundaries of the White Earth Reservation with funds referred to in section 12, or by the Secretary pursuant to section 17, shall be held in trust by the United States. Such lands shall be deemed to have been reserved from the date of the establishment of said reservation and to be part of the trust land of the White Earth Band for all purposes.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Arizona [Mr. UDALL] will be recognized for 20 minutes and the gentleman from Colorado [Mr. STRANG] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. Mr. Speaker, I yield myself such time as I may consume.

GENERAL LEAVE

Mr. UDALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 1396.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Speaker, S. 1396 provides for the settlement of numerous individual Indian claims to lands within the boundaries of the White Earth Indian Reservation in the State of Minnesota.

These claims grow out of the allotment of the tribal lands of the White Earth Band of Chippewa to the members of the tribe in the early 1900's. Title to these lands was held by the United States in trust for the individual allottee. Over the years, most of these lands went out of Indian ownership under questionable legal procedures and are now held by non-Indians, the State, or the counties.

These legal claims, asserted by the original allottees or their heirs, have cast a cloud on the title of the non-Indian owners. The uncertainty of the titles on the reservation has caused considerable economic and social disruption. The bill provides for the extinguishment of these claims with compensation being paid to the Indian claimants.

Mr. Speaker, I support passage of this bill, but with some reluctance. In legislation proposing settlement of Indian land claims, it has been my policy to require that all parties involved negotiate a reasonable settlement and that they all consent to the terms of the proposal.

My reluctance stems from the fact that, in this case, the Indian tribe and the tribal council do not, at this time, support this bill. The tribal council, along with the other parties, negotiated and agreed to a settlement of these claims in the spring of 1985. Although the tribal council subsequently withdrew its consent to the terms of the agreement, S. 1396 substantially conforms to that agreement.

Mr. Speaker, these are claims which could be asserted only by the individual Indians who may number in the hundreds and many of whom would be unknown. The negotiation of a general settlement of these claims would be almost impossible. No reasonable counteroffer has been made to the S. 1396 proposal.

For these reasons and because I feel this is about the best deal the Indians can get, I do support passage of the bill.

I want to make clear, Mr. Speaker, that my support of this bill does not mean that my general policy on these matters has changed. I still feel that tribal consent is a prerequisite for legislative settlement of Indian land claims.

□ 1305

Mr. STRANG. Mr. Speaker, I yield myself such time as I may consume, and I rise in support of S. 1396, the White Earth Reservation Land Settlement Act.

Like many other Indian reservations, the White Earth Reservation was divided and allotted to individual Indians, and held in trust by the United States. However, in the case of the White Earth Reservation, Congress in 1907 passed what is referred to as the Clapp amendment. This statute purported to provide that mixed blood adult White Earth allottees took their lands in fee simple and not in trust. The courts have ruled, beginning in 1977, that Congress could not have abrogated that vested trust status of allotment unilaterally. Therefore, many of the allotments that were subsequently lost by Indian allottees through tax sales, fraud, and so forth, were illegal. This has created a cloud on the titles of lands held by innocent bonafide third party purchasers in northern Minnesota.

S. 1396 is the result of bipartisan efforts in Minnesota and here in the Congress to address the problem. The legislation would: provide an administrative remedy to those heirs of the original allottees, whom the Federal Government, as trustee, failed to protect; clear the titles of current innocent land owners; and provide funds to the White Earth Band for economic development.

The bill is controversial. Generally, the Congress attempts to enact legislation which has been negotiated between the parties, and supported by the tribe. The tribe is not a party to these claims and has opposed the bill. However, I believe that this is the only settlement possible. This is a fair compromise which will benefit the individual heirs and the tribe; therefore, I support passage of S. 1396.

Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. STANGELAND].

Mr. STANGELAND. Mr. Speaker, I want to thank the gentleman from Colorado [Mr. STRANG] for yielding me this time. First of all, I would like to express my extreme thanks to the chairman of the Interior and Insular Affairs Committee, the gentleman from Arizona [Mr. UDALL], for his judicious action on this matter and his eminent approach of fairness. I think there is no question that the fairness of the gentleman from Arizona [Mr. UDALL] is above reproach, and I just want to thank him for his efforts on this piece of legislation.

I also want to thank my good friend and colleague from Minnesota, BRUCE VENTO, for chairing the subcommittee that heard this legislation and has worked so diligently in trying to bring this legislation to the floor. This legislation represents the true spirit of bipartisan compromise in what has been described as a very controversial issue, certainly supported by the Minnesota delegation, Democrat and Republican alike, supported by the two senators, supported by the attorney general of the State of Minnesota and the Governor of the State of Minnesota.

This bill will settle three main concerns. First, it will pay the proper amounts of money to those heirs and allottees who are denied that proper amount in land sales that are questionable. All of this arises from the court case in 1977.

It also clears title for 100,000 acres of land for people who bought land in good faith, farmers, resort operators, businessmen, and homeowners, bought land in good faith believing they had clear title. But the action of the court in 1977 brought about this cloudy title situation.

It also gives the band some redress. The White Earth Band has suffered because of the loss of this land from heirs and allottees into non-Indian hands. As a result of that suffering, there is a great deal of unemployment on the White Earth Reservation, there is a great deal of depression on the White Earth Reservation, and this bill will resolve those three issues.

If we were to go to litigation, there is a chance that many of the heirs and allottees would not get anything. First of all, many of their claims would be too small to litigate. Second, the band would get virtually nothing in litigation, and it would take 35 years to clear title.

The owners of that land now cannot borrow money against that land at true value, they cannot sell that land for true value because of the cloudy title. This legislation is the fairest and the most equitable way to go in resolving the problem. I would certainly hope that the House would pass this legislation at this time.

Mr. UDALL. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Speaker, I rise today to speak in opposition to S. 1396. This piece of legislation is just another example of another effort to disavow the legal, hard fought and longtime rights of the people of the Indian nation. But, more importantly, it is an example of the lack of respect that we are demonstrating as a nation to the native Americans.

It is my understanding that S. 1396 was considered by the full committee of the House Committee on Interior and Insular Affairs with only 7 of the 40 members present. It is also my understanding that a point of order was not called, and a piece of legislation as far-reaching as this—a bill which will take away the land of the White Earth Reservation—legislation which violates the treaties between this Nation and the Chippewa Indians—was rushed through this committee and is now before us for consideration.

S. 1396 is a controversial bill. It ratifies the land acquisition of the Chippewa Indians; it takes the land that is provided in treaties; it gives rights to illegal squatters, and fails to compensate the heirs of American Indians who were swindled out of their land years ago.

This bill is also unconstitutional because it deprives American Indians of their property without due process of law.

If a precedent is set by this legislation, then we have opened the door for reversal of all treaties, dismantling the very foundation of our society and our relations with the American Indian people of this Nation, the original owners of the land.

The Government of the United States is acting in bad faith if this legislation is passed. We are violating the founding principles of our Nation.

I strongly call for a "no" vote on this issue and ask that the Members of the U.S. House of Representatives say to the Senate and the Reagan administration that we will not be a party to an illegal seizure of Indian land. We should say in rejecting this legislation that we believe in our Constitution and that the rights of American Indian people will not be violated.

Mr. STRANG. Mr. Speaker, I reserve the balance of my time.

Mr. UDALL. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, the land claims of the White Earth are complicated and an emotional matter, but indeed this measure before us today should not be a controversial measure. The land claims we are dealing with here have their roots in questionable actions which took place 70 or 80 years ago.

Few dispute the misfortune associated with the past of the White Earth, the fact remains that over roughly 100,000 acres of land claims are untested and of unknown legal value. Given these circumstances, I have responded to various proposals over the past 3 years which attempt to reach a solution to this problem. I have participated in 2-day-long committee hearings covering many hours of testimony. I have met with all of the interested groups, citizens, Federal, State, and local officials urging their participation and seeking their input.

□ 1315

Hearing the many diverse voices on this matter has convinced me that no one gains by the present uncertainty at White Earth. In this process, I have not been wedded to any particular solution, but it was obvious a solution had to be found.

The proposal that is before us is a good product; it represents a good faith effort to deal with the mixed blood land transfer and the Department of Interior-BIA lapse of trust responsibility.

This measure has evolved from the initially introduced legislation and is substantially improved for the White Earth Band and their heirs. While it has not won the support of the band, strong support is evident from individual leaders. The measure before us is based on a White Earth Band initiative which at one point they supported, but subsequently reneged on that particular agreement.

In other words, support from the White Earth Band has seesawed back and forth. There has never been a vote on this on the part of the tribe. In fact, the elected tribal leader, is in support of this particular measure, if anything that would reflect that the tribe at least indirectly is supporting through an elected leader.

The Senate measure, S. 1396, addresses the land claims by establishing a formula and setting up a fund to compensate allottees, heirs and the White Earth Band for possible claims they may have to the land in question. Second, it clears the titles of the affected non-Indian landowners, which of course is necessary; and third, it preserves the right of the Indian claimant to file suit for return of the land or judicially challenge a compensation determination.

I want to emphasize that, that the third point, that it preserves the right of the Indian claimant to file suit for return of the land or judicially challenge a compensation determination.

Fourth, it provides, as a condition in the bill, the contribution by the State of Minnesota of 10,000 acres of State-owned land. The legislation before us today is the only attempt at the solution to the White Earth claims issue that has gained any measure of support. I support the legislation with reluctance, but nevertheless, I think it is a solution that is necessary.

Many, Mr. Speaker, would try and solve this problem by expanding it to other issues. The initial reservation in the White Earth area was nearly 800,000 acres, and that is important; because today it has dwindled down to some 50,000 acres.

This legislation deals with 100,000 of that initial 800,000-acre reservation. I am open and I am sure the committee is open to looking at other problems that have occurred which have resulted in the loss of the other lands that the Indians rightfully had in that particular area.

Problems are not solved by expanding them to deal with portions that are not germane. In 1977, the Minnesota Supreme Court determined that there was indeed a clouded title on some of these lands, and it remanded that case back to the district court for consideration.

The fact is that even today, they are just that—they are clouded titles. Indeed, if we were to pursue this, we would find that there are probably in excess of 10,000 heirs with regards to that land which was transferred in terms of title in the early part of this century.

Certainly we could spend a lot of money on litigation that would be of no general benefit to the White Earth Indians in that area.

So I would urge passage of this legislation. Actually, the allottees, heirs, and band in this case gets some $23 million of payment, which I think will do significantly greater good than a prolonged consideration and litigation of an issue, which has caused so much rancor and emotion in these northern Minnesota communities.

Mr. Speaker, I yield back the balance of my time.

Mr. CONYERS. Mr. Speaker, I rise in strong opposition to S. 1396, the White Earth Indian Land Claims Settlement Act. This measure, if approved, will ratify a gross injustice which has been perpetrated against the Chippewa Indians of the White Earth Reservation in northwestern Minnesota. It will extinguish the unresolved claims of thousands of Indians and their heirs to approximately 110,000 acres of reservation land. This bill, which has been characterized by its proponents as an equitable solution to a very complex problem, lacks the support of the White Earth Reservation Tribal Council and the Minnesota Chippewa Tribal Executive Committee, and should, therefore, be rejected by my colleagues as morally wrong and constitutionally suspect.

The White Earth Reservation was established in 1867 by treaty and originally encompassed a total of 837,000 acres of land. Its size has presently dwindled to 56,000 acres as the result of a series of laws passed by Congress designed to break up Indian reservations and destroy tribal relations.

The U.S. General Allotment Act, passed in 1887, parceled out reservation land to individual Indian families, imposing private property ownership in place of traditional communal ownership.

The Nelson Act of 1889 resulted in 160 acre allotments being issued to the Minnesota Chippewas to be held in trust by the United States. This arrangment meant that the land could not be taxed, sold, or transferred without the approval of the Bureau of Indian Affairs.

In 1906, Congress passed the Burke Act which conferred outright ownership to the Indians, removed all restrictions on the sale of the land, and continued the nontaxable nature of the property. That same year, however, the Clapp amendment was approved which removed taxing restrictions from the land held by mixed bloods. As the result, the State and counties began to assess taxes on land owned by mixed bloods and those who failed to pay forfeited their property.

Now, 75 years later, the courts have held that all of the various congressional actions abrogated the Indians' rights without compensation; therefore, the forfeited land, much of which is now held by the State of Minnesota, the three counties in which the reservation is located, and private citizens, is subject to claim.

Mr. Speaker, the White Earth Chippewa Indians have proposed that they be awarded $500 million for compensation to the allottees and their heirs. These funds would be used to purchase the reservation land back from those presently holding clouded title. Private citizens could then lease a life estate from the tribe which would allow them to utilize the property until they are deceased.

I think that this plan deserves consideration. All of the parties involved need to resume their negotiations. Clearly, there is no way to resolve this situation in a manner that will make everyone happy. But I believe this legislation is a step in the wrong direction. I plan to cast my vote against it and urge my colleagues to do the same.

Mr. UDALL. Mr. Speaker, I yield myself 30 seconds to say that this is a

fair compromise of a very complicated and important subject; and I urge the House to pass the Senate bill.

Mr. Speaker, I yield back the balance of my time.

Mr. STRANG. Mr Speaker, I would commend the leader of the House committee, the gentleman from Arizona [Mr. UDALL], for his courageous stand on this issue, in bringing it to a vote.

I support the bill, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona [Mr. UDALL] that the House suspend the rules and pass the Senate bill, S. 1396.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON HOUSE JOINT RESOLUTION 534, URGENT SUPPLEMENTAL APPROPRIATION FOR DEPARTMENT OF AGRICULTURE, 1986

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H.J. Res. 534) making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. LAGOMARSINO. Reserving the right to object, will the gentleman explain what he is doing?

Mr. WHITTEN. If the gentleman will yield, this is the $5 billion urgent supplemental for the Commodity Credit Corporation which we passed in the House on February 26, 1986. We have been waiting for the other body to act. The House had provided that they have until the end of this fiscal year to sign up under the conservation reserve program.

The other body, in turn, struck that provision out. The law currently provides for 2 years in which they can sign up. So this is a request to go to conference on the urgent supplemental that we had up in the House by unanimous consent recently.

Mr. LAGOMARSINO. Further reserving the right to object, has this been cleared with the minority on the committee?

Mr. WHITTEN. Mrs. SMITH represents the minority; yes.

Mrs. SMITH of Nebraska. Yes, it has; we are fully in compliance.

Mr. LAGOMARSINO. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi? The Chair hears none and, without objection, appoints the following conferees: Messrs. WHITTEN, TRAXLER, MCHUGH, NATCHER, AKAKA, WATKINS, DURBIN and SMITH of Iowa, Mrs. SMITH of Nebraska, and Messrs. MYERS of Indiana, ROGERS, SKEEN, and CONTE.

There was no objection.

PERMISSION TO HAVE UNTIL MIDNIGHT TOMORROW, MARCH 12, 1986, TO FILE CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 534, URGENT SUPPLEMENTAL APPROPRIATION FOR THE DEPARTMENT OF AGRICULTURE, 1986

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight Wednesday, March 12, 1986, to file a conference report on the joint resolution (H.J. Res. 534) making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PROVIDING FOR THE EXCHANGE OF LAND FOR THE CAPE HENRY MEMORIAL SITE IN FORT STORY, VA

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3556) to provide for the exchange of land for the Cape Henry Memorial site in Fort Story, VA.

The Clerk read as follows:

H.R. 3556

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior may transfer administrative jurisdiction over approximately 0.23 acres of land within Colonial National Historical Park, Virginia, to the Secretary of the Army, and in exchange therefor, he may accept administrative jurisdiction over a like amount of land from the Secretary of the Army, transfer of which is hereby authorized, for the purpose of relocating the Cape Henry Memorial Cross. Land over which jurisdiction is transferred to the Secretary of the Interior shall become part of Colonial National Historical Park, and land over which jurisdiction is transferred to the Secretary of the Army shall become part of Fort Story Military Reservation.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3556, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the purpose of H.R. 3556 is to authorize the Department of the Interior and the Department of the Army to exchange two small parcels of land needed to facilitate the permanent relocation of the Cape Henry Memorial Cross site.

The Cape Henry Memorial Cross was erected in the early 1930's. In 1938, legislation was enacted authorizing the transfer of the memorial cross and accompanying quarter acre of land from the Department of the Army to the Department of the Interior, to be administered as a part of the Colonial National Historical Park.

Shoreline erosion so damaged the original memorial site that the National Park Service in 1981 arranged with the Department of the Army to move the memorial back from the shore onto nearby Army land. The legislation before us authorizes the necessary exchanges of land to make this relocation permanent.

In correspondence with Representative WHITEHURST, the bill's sponsor, Representative DELLUMS, chairman of the House Armed Services Subcommittee on Military Installations and Facilities noted that the Army already has authority under 10 U.S.C. 2667 to effect the land transfer. H.R. 3556 would give the Secretary of the Interior similar authority, in this instance to complete the land exchange.

Mr. Speaker, I know of no opposition to H.R. 3556. I urge adoption of this small administrative measure.

Mr. Speaker, I reserve the balance of my time.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3556. This minor, noncontroversial bill simply authorizes an exchange of 0.23 acres of land between the Department of the Army and the Department of the Interior on the Fort Story Military Reservation. The exchange is necessary to provide the National Park Service with title to the land on which the Cape Henry Memorial Cross is presently located. The cross was relocated in 1981 due to shoreline erosion.

Mr. Speaker, no costs are involved in ths exchange, it is supported by all parties to the exchange, and is strongly supported by the administration.

Therefore, I urge the immediate adoption of H.R. 3556.

□ 1325

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 3556.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

PEACE, STABILITY, AND RECONCILIATION IN IRELAND AND NORTHERN IRELAND ACT OF 1986

Mr. FASCELL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4329) to authorize United States contributions to the International Fund established pursuant to the November 15, 1985, agreement between the United Kingdom and Ireland.

The Clerk read as follows:

H.R. 4329

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Peace, Stability, and Reconciliation in Ireland and Northern Ireland Act of 1986".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress—

(1) finds that the agreement signed by the United Kingdom and Ireland on November 15, 1985, is a clear demonstration of British and Irish determination to make progress concerning the complex situation in Northern Ireland;

(2) reaffirms the support for the Anglo-Irish Agreement which it expressed through the adoption of House Concurrent Resolution 239 in December 1985;

(3) is particularly encouraged that these two neighbors, longstanding friends of the United States, have joined together to promote the economic and social development of those areas in Ireland and Northern Ireland which have suffered most severely from the consequences of violence in recent years; and

(4) believes that, in recognition of our ties of kinship, history, and commitment to democratic values, the United States should participate in this renewed commitment to social and economic progress in Northern Ireland and affected areas of Ireland.

(b) PURPOSES.—It is, therefore, the purpose of this Act to provide for United States contributions in support of the Anglo-Irish Agreement, such contributions to consist of not less than $250,000,000 in economic support fund assistance for payment to the International Fund established pursuant to the Anglo-Irish Agreement, as well as other assistance to serve as an incentive for economic development and reconciliation in Ireland and Northern Ireland. The purpose of these United States contributions shall be to support the Anglo-Irish Agreement in promoting reconciliation in Northern Ireland and the establishment of a society in Northern Ireland in which all may live in peace, free from discrimination, terrorism, and intolerance, and with the opportunity for both communities to participate fully in the structures and processes of government.

SEC. 3. UNITED STATES CONTRIBUTIONS.

(a) ECONOMIC SUPPORT FUND ASSISTANCE.—Of the amounts authorized to be appropriated for each of the fiscal years 1986 through 1990 to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $50,000,000 shall be used for a United States contribution to the International Fund. For the fiscal years 1986 and 1987 funds previously authorized to be appropriated to carry out that chapter for those years shall be used for this contribution. To carry out this subsection, there are authorized to be appropriated to carry out that chapter (in addition to amounts otherwise authorized to be appropriated) $50,000,000 for each of the fiscal years 1988 through 1990, which amounts are authorized to remain available until expended.

(b) OTHER ASSISTANCE.—The following authorities may also be used for United States programs in Ireland and Northern Ireland in support of the Anglo-Irish Agreement:

(1) Section 108 of the Foreign Assistance Act of 1961 (relating to the Private Sector Revolving Fund).

(2) Title IV of chapter 2 of part I of that Act (relating to the Overseas Private Investment Corporation), without regard to paragraph (2) of the second undesignated paragraph of section 231 of that Act.

(3) Section 661 of that Act (relating to the Trade and Development Program).

SEC. 4. CONDITIONS AND UNDERSTANDINGS RELATING TO THE UNITED STATES CONTRIBUTIONS.

(a) PROMOTING ECONOMIC AND SOCIAL RECONSTRUCTION AND DEVELOPMENT.—The United States contributions provided for in this Act may be used only to support and promote economic and social reconstruction and redevelopment in Ireland and Northern Ireland. The restrictions contained in sections 531(e) and 660(a) of the Foreign Assistance Act of 1961 apply with respect to any such contributions.

(b) UNITED STATES REPRESENTATION ON THE BOARD OF THE FUND.—The President shall make every effort, in consultation with the Government of the United Kingdom and the Government of Ireland, to ensure that there is United States representation on the Board of the International Fund.

(c) PRIOR CERTIFICATIONS.—Each fiscal year, the United States may make contributions to the International Fund only if the President certifies to the Congress that he is satisfied that—

(1) the Board of the Fund, as a whole, is broadly representative of the interests of the communities in Ireland and Northern Ireland; and

(2) disbursements from the Fund—

(A) will be distributed in accordance with the principle of equality of opportunity and nondiscrimination in employment, without regard to religious affiliation; and

(B) will address the needs of both communities in Northern Ireland.

Each such certification shall include a detailed explanation of the basis for the President's decision.

SEC. 5. ANNUAL REPORTS.

At the end of each fiscal year in which the United States Government made contributions to the International Fund, the President shall report to the Congress on the degree to which—

(1) the Fund has contributed to reconciliation between the communities in Northern Ireland;

(2) the United States contribution to the Fund is meeting its objectives of encouraging new investment, job creation, and economic reconstruction on the basis of strict equality of opportunity; and

(3) the Fund has increased respect for the human rights and fundamental freedoms of all people in Northern Ireland.

SEC. 6. REQUIREMENTS RELATING TO FUNDS FOR "INTERNATIONAL ORGANIZATIONS AND CONFERENCES".

(a) DISBURSEMENTS, AUDITS, AND REPORTS.—The provisions relating to disbursement on vouchers, audits, and submission of reports with respect to expenditures pursuant to the Joint Resolution of July 11, 1956 (Public Law 689), shall also apply with respect to expenditures pursuant to section 109(c) of the Act of November 22, 1983 (Public Law 98-164).

(b) FUNDS SUBJECT TO REQUIREMENTS.—That section is amended—

(1) by striking out "In addition to" and inserting in lieu therof "Of";

(2) by striking out "by section 102(2)" and all that follows through "1985" and inserting in lieu thereof "for each fiscal year";

(3) by inserting "may be used" before "for expenses"; and

(4) by striking out all that follows "participation in" through "such as".

SEC. 7. DEFINITIONS.

As used in this Act—

(1) the term "Anglo-Irish Agreement" means the Agreement Between the Government of Ireland and the Government of the United Kingdom dated November 15, 1985; and

(2) the term "International Fund" means the international fund for economic development projects in Northern Ireland and Ireland, estblished pursuant to Article 10 of the Anglo-Irish Agreement.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Florida [Mr. FASCELL] will be recognized for 20 minutes and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

GENERAL LEAVE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 4329.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Speaker, I rise in support of H.R. 4329, a bill to author-

ize United States contributions to support the Anglo-Irish Agreement.

This legislation provides for contributions to the International Fund which was established to support the Anglo-Irish agreement in promoting reconciliation in Northern Ireland and the establishment of a society in Northern Ireland in which all may live in peace, free from discrimination, terrorism and intolerance and with the opportunity for both communities to participate in the structures and processes of government.

Mr. Speaker, this legislation is the result of a great deal of hard work from many of my distinguished colleagues and staff. First, I would like to commend you, our distinguished Speaker of the House for your outstanding and responsible leadership over the years on this issue and for the bipartisan support which this legislation enjoys. In addition, I would like to commend the majority leader, Mr. WRIGHT, the majority whip, Mr. FOLEY, and Mr. MCDADE for their interest in this important legislation. Furthermore, I would like to express my appreciation to the ranking minority member of the Committee on Foreign Affairs, Mr. BROOMFIELD, and the distinguished chairman of the Subcommittee on Europe and the Middle East, LEE HAMILTON, and his ranking minority member, BEN GILMAN for the cooperative spirit in considering this important piece of legislation.

The legislation before the Members today also is very much about combatting international terrorism. Terrorism in Northern Ireland and Great Britain has been increasing and constitutes a real threat to the democratic institutions in the United Kingdom and in Ireland. The Anglo-Irish accord between the Governments of Great Britain and Ireland represents the first real promise for a political solution to the problems in Northern Ireland. In fact, it is an historic commitment by two close friends and democracies to promote an end to civil strife in a creative, fair, and just way. The legislation before the House today gives the United States an opportunity to make a positive contribution to the process of achieving meaningful progress in Northern Ireland that will result in lasting peace and stability.

Briefly, the legislation is similar to the administration's request but shifts the mix of cash and various loan guarantees. The bill provides for $50 million in economic support fund contributions to the International Fund for fiscal year 1986 and $50 million for fiscal year 1987 from existing authorizations. It also authorizes $150 million; that is, $50 million for each of the fiscal years 1988, 1989, and 1990. In addition, it provides for various loan guarantees which the administration requested for use in Ireland.

On the issue of money, I want to be perfectly clear that we are not increasing overall funding levels for fiscal years 1986 and 1987 but instead, we are taking advantage of the unused authorizations already provided for in the foreign aid bill enacted last year. For fiscal year 1986 there is some $253 million in unused authorization which will also apply in fiscal year 1987 assuming an equivalent appropriation.

In addition, H.R. 4329 makes it perfectly clear that U.S. contributions should be used to promote the principal of equality of opportunity and nondiscrimination in employment without regard to religious affiliation and that it should address the needs of both communities in Northern Ireland. Further, this bill expresses our intent that the President should make every effort to provide for U.S. representation on the Board of the International Fund.

Mr. Speaker, I am inserting in the RECORD at the end of my remarks a legislative history of this bill and the text of the Anglo-Irish agreement.

Mr. Speaker, I urge the adoption of H.R. 4239.

LEGISLATIVE HISTORY OF H.R. 4329 TO AUTHORIZE UNITED STATES CONTRIBUTIONS TO THE INTERNATIONAL FUND IN SUPPORT OF THE ANGLO-IRISH AGREEMENT OF NOVEMBER 15, 1985

PURPOSE

H.R. 4329 authorizes United States contributions to the International Fund which is being established to support the Anglo-Irish Agreement to promote peace and reconciliation in Northern Ireland. The legislation reaffirms the congressional support for the Anglo-Irish Agreement as expressed through the adoption of H. Con. Res. 239 on December 9, 1985 by a vote of 380–1 and a unanimous voice vote in the Senate on December 12, 1985.

H.R. 4329 is similar to the administration's request but alters the mix of cash and various loan guarantees. The administration's request provided for a contribution of $250 million over five years of which only $20 million for each of five fiscal years was to be a cash contribution to the international fund. The bill on the other hand, provides for $50 million in economic support fund (ESF) contributions to the International Fund for FY 86 and FY 87 from existing ESF authorization levels in Public Law 99–83. In addition, it authorizes and earmarks an additional $150 million in ESF appropriations i.e. $50 million for each of the fiscal years 1988, 1989, and 1990.

The bill also stipulates that U.S. contributions should be used to promote the principle of equality of opportunity and nondiscrimination in employment without regard to relgious affiliation and that these contributions should be used to address the needs of both communities in Northern Ireland.

Finally, the bill states that the President should make every effort to provide for U.S. representation on the Board of the International Fund.

COMMITTEE ACTION

On March 5, the Subcommittee on Europe and the Middle East held a hearing on the administration's proposal to provide U.S. contributions to support the Anglo-Irish Agreement. The subcommittee heard testimony from the Speaker of the House, The Honorable THOMAS P. O'NEILL, from the House Majority Whip, The Honorable TOM FOLEY, The Honorable MARIO BIAGGI, and representatives of the Department of State and the Agency for International Development.

On March 6, H.R. 4329 was introduced by Mr. FASCELL, Mr. WRIGHT, Mr. FOLEY, Mr. BROOMFIELD, Mr. HAMILTON, Mr. GILMAN, Mr. YATRON, Mr. SOLARZ, Mr. MICA, Mr. LANTOS, Mr. SMITH of Florida, Mr. WEISS, Mr. HYDE, Mr. SOLOMON, and Mr. BEREUTER.

On March 6 the full committee met to mark up H.R. 4329 and ordered the bill reported, without amendment by voice vote.

COMMITTEE COMMENT

The Committee on Foreign Affairs has closely monitored the situation in Northern Ireland. Based on our oversight activities, the committee concluded that the recently signed Anglo-Irish Agreement holds promise for a peaceful reconciliation of the problems in Northern Ireland. The Agreement specifically guarantees the rights of the Catholic minority in Northern Ireland and creates an environment in which democratic institutions will be enhanced and thereby promotes economic and social reconciliation between the two communities.

The committee has been increasingly concerned with the growing threat of terrorism and continued violence in Northern Ireland. In fact, terrorism in Northern Ireland represents a real threat to the democratic institutions in the United Kingdom and Ireland. The Agreement is a recognition by the Governments of Ireland and the United Kingdom that the violence of the last 17 years could only be stopped through a new and invigorated process which clearly represents a firm foundation for peace, reconciliation, cooperation and understanding between the two communities in Northern Ireland.

H.R. 4329 is a clear reaffirmation of statements made by Presidents Carter and Reagan regarding the U.S. Government's concern over the cycle of violence in Northern Ireland and the hope that the Anglo-Irish Agreement holds for a peaceful solution to the problems in Northern Ireland. Furthermore, the legislation clearly states the U.S. Government's interest in safeguarding human rights, providing for equality of opportunity in employment, and ending terrorism by supporting a process for peaceful political dialogue.

BACKGROUND ON THE ANGLO-IRISH AGREEMENT

On November 15, 1985 the Prime Ministers of Ireland and the United Kingdom signed an agreement concerning Northern Ireland. The Anglo-Irish Agreement was subsequently ratified by both parliaments on November 29th, filed with the United Nations, and is in force for three years. The Agreement is an outgrowth of the New ireland Forum report which was completed last May. This report represented an effort by the four principal political parties in Ireland, including the Social Democratic Labour Party (SDLP), to chart a political course which would result in an end to the violence and instability in Northern Ireland. The Anglo-Irish Agreement was built on the foundation of the New Ireland Forum report and the significant commitment by the Prime Ministers of Ireland and Great Britain. This Agreement represents the first major initiative since 1974. There have been numerous British proposals regarding Northern Ireland but all have fallen short of guaranteeing the rights of the minority

Catholics in Northern Ireland until this latest initiative.

THE AGREEMENT

The Anglo-Irish Agreement outlines a new political course for Northern Ireland and reflects a positive "first step" towards ending the violence in Northern Ireland. It is especially significant that the Agreement represents "the Irish dimension" and provides a framework for guaranteeing the Catholic minority interest in Northern Ireland. In addition, the Agreement recognizes and respects the identities in the two communities in Northern Ireland and the right of each to pursue its aspirations through peaceful and constitutional means.

Specifically, Article 1 of the Agreement states that any change in the status of Northern Ireland would only come about with the consent of a majority of the people of Northern Ireland; recognizes that the present wish of a majority of the people in Northern Ireland is for no change in its status and declares that if, in the future a majority of the people of Northern Ireland clearly consent to the establishment of a united Ireland, the two governments will introduce and support in their respective Parliaments legislation to provide for this request.

Furthermore, the Agreement establishes an intergovernmental conference (Article 2) which will concern itself with the daily affairs of Northern Ireland. It provides a structure in which the Irish Republic is given a voice in the affairs of Northern Ireland. The conference will meet on a regular basis to consider political matters, security and related matters, legal matters including the administration of justice, and the promotion of cross-border cooperation.

Finally, the Agreement (Article 10) outlines a framework for economic and social development and reconciliation of both parts of Ireland which have suffered most severely from the consequences of the instability of recent years and provides for the establishment of an International Fund. It is with respect to Article 10 of the Anglo-Irish Agreement which H.R. 4329 authorizes U.S. contributions. U.S. contributions to the International Fund are to support the Anglo-Irish Agreement in promoting reconciliation in Northern Ireland and the establishment of a society in Northern Ireland in which all may live in peace, free from discrimination, terrorism, and intolerance and with the opportunity of both communities to participate fully in the structure and processes of government.

U.S. POLICY ON NORTHERN IRELAND

The United States has had a longstanding interest in Northern Ireland due in part to the strong ties of millions of Americans of Irish heritage as well as our close and longstanding relationship with our friend and ally, the United Kingdom. The U.S. Government policy regarding Northern Ireland has consistently held that the future of Northern Ireland must be decided by the people most directly involved. While there has not been a direct U.S. role with respect to the situation in Northern Ireland, the U.S. Government has strongly condemned the use of violence to achieve political objectives in Northern Ireland and has supported any efforts which would lead to peace and reconciliation between the two traditions in Northern Ireland.

Specifically, President Carter stated on August 30, 1977 that the U.S. Government would pledge assistance to Ireland and Northern Ireland in the event that the Governments of the United Kingdom and Ireland reached an agreement which provided a framework for peace and reconciliation in Northern Ireland. This pledge was reiterated by President Reagan on November 15, 1985 when he stated that "The United States strongly supports this initiative" and that he " . . . will be working closely with Congress in a bipartisan effort to find tangible ways for the United States to lend practical support to this important agreement."

The Anglo-Irish Agreement relies heavily on the good will of both Governments and it is in this context that tangible U.S. Government support for the Anglo-Irish Agreement is so important. The Agreement clearly represents promise for all those who support an alternative to violence and wish to work through a political framework to resolve the problems in Northern Ireland. In fact, in a recent parliamentary election in Northern Ireland, the electorate clearly supported the peace process as indicated by increased support for the Catholic SDLP in contract to reduced support for the Sinn Fein (the political wing of the IRA). In fact, the SDLP picked up an additional seat in that election. This election demonstrated a willingness on the part of the people of Northern Ireland to support a peaceful political process rather than resort to violence and terrorism.

It is in this context that the authorizations contained in H.R. 4329 are being made. The International Fund is intended to provide support from the international community for this historic Agreement. The Governments of Canada, New Zealand, Australia and many in the European Economic Community have indicated their interest and willingness to contribute to this International Fund. The International Fund will have short-term economic benefits and provide a long-term mechanism for the promotion of economic growth and social stability in Northern Ireland.

The text of the Anglo-Irish Agreement follows:

AGREEMENT BETWEEN THE GOVERNMENT OF IRELAND AND THE GOVERNMENT OF THE UNITED KINGDOM

The Government of Ireland and the Government of the United Kingdom:

Wishing further to develop the unique relationship between their peoples and the close co-operation between their countries as friendly neighbours and as partners in the European Community;

Recognizing the major interest of both their countries and, above all, of the people of Northern Ireland in diminishing the divisions there and achieving lasting peace and stability;

Recognizing the need for continuing efforts to reconcile and to acknowledge the rights of the two major traditions that exist in Ireland, represented on the one hand by those who wish for no change in the present status of Northern Ireland and on the other hand by those who aspire to a sovereign united Ireland achieved by peaceful means and through agreement;

Reaffirming their total rejection of any attempt to promote political objectives by violence or the threat of violence and their determination to work together to ensure that those who adopt or support such methods do not succeed;

Recognizing that a condition of genuine reconciliation and dialogue between unionists and nationalists is mutual recognition and acceptance of each other's rights;

Recognising and respecting the identities of the two communities in Northern Ireland, and the right of each to pursue its aspirations by peaceful and constitutional means;

Reaffirming their commitment to a society in Northern Ireland in which all may live in peace, free from discrimination and intolerance, and with the opportunity for both communities to participate fully in the structures and processes of government;

Have accordingly agreed as follows:

A. STATUS OF NORTHERN IRELAND

Article 1

The two Governments

(a) affirm that any change in the status of Northern Ireland would only come about with the consent of a majority of the people of Northern Ireland;

(b) recognise that the present wish of a majority of the people of Northern Ireland is for no change in the status of Northern Ireland;

(c) declare that, if in the future a majority of the people of Northern Ireland clearly wish for and formally consent to the establishment of a united Ireland, they will introduce and support in the respective Parliaments legislation to give effect to that wish.

B. THE INTERGOVERNMENTAL CONFERENCE

Article 2

(a) There is hereby established, within the framework of the Anglo-Irish Intergovernmental Council set up after the meeting between the two Heads of Government on 6 November 1981, an Intergovernmental Conference (hereinafter referred to as "the Conference"), concerned with Northern Ireland and with relations between the two parts of the island of Ireland, to deal, as set out in this Agreement, on a regular basis with

(i) political matters;

(ii) security and related matters;

(iii) legal matters, including the administration of justice;

(iv) the promotion of cross-border co-operation.

(b) The United Kingdom Government accept that the Irish Government will put forward views and proposals on matters relating to Northern Ireland within the field of activity of the Conference in so far as those matters are not the responsibility of a devolved administration in Northern Ireland. In the interest of promoting peace and stability, determined efforts shall be made through the Conference to resolve any differences. The Conference will be mainly concerned with Northern Ireland; but some of the matters under consideration will involve cooperative action in both parts of the island of Ireland, and possibly also in Great Britain. Some of the proposals considered in respect of Northern Ireland may also be found to have application by the Irish Government. There is no derogation from the sovereignty of either the Irish Government or the United Kingdom Government, and each retains responsibility for the decisions and administration of government within its own jurisdiction.

Article 3

The Conference shall meet at Ministerial or official level, as required. The business of the Conference will thus receive attention at the highest level. Regular and frequent Ministerial meetings shall be held; and in particular special meetings shall be convened at the request of either side. Officials may meet in subordinate groups. Membership of the Conference and of sub-groups shall be small and flexible. When the Conference meets at Ministerial level an Irish

Minister designated as the Permanent Irish Ministerial Representative and the Secretary of State for Northern Ireland shall be joint Chairmen. Within the framework of the Conference other Irish and British Ministers may hold or attend meetings as appropriate: when legal matters are under consideration the Attorneys General may attend. Ministers may be accompanied by their officials and their professional advisers: for example, when questions of security policy or security co-operation are being discussed, they may be accompanied by the Commissioner of the Garda Síochána and the Chief Constable of the Royal Ulster Constabulary; or when questions of economic or social policy or cooperation are being discussed, they may be accompanied by officials of the relevant Departments. A secretariat shall be established by the two Governments to service the Conference on a continuing basis in the discharge of its functions as set out in this Agreement.

Article 4

(a) In relation to matters coming within its field of activity, the Conference shall be a framework within which the Irish Government and the United Kingdom Government work together

(i) for the accommodation of the rights and identities of the two traditions which exist in Northern Ireland; and

(ii) for peace, stability and prosperity throughout the island of Ireland by promoting reconciliation, respect for human rights, co-operation against terrorism and the development of economic, social and cultural co-operation.

(b) It is the declared policy of the United Kingdom Government that responsibility in respect of certain matters within the powers of the Secretary of State for Northern Ireland should be devolved within Northern Ireland on a basis which would secure widespread acceptance throughout the community. The Irish Government support that policy.

(c) Both Governments recognise that devolution can be achieved only with the co-operation of constitutional representatives within Northern Irland of both traditions there. The Conference shall be a framework within which the Irish Government may put forward views and proposals on the modalities of bringing about devolution in Northern Ireland, in so far as they relate to the interest of the minority community.

C. POLITICAL MATTERS

Article 5

(a) The Conference shall concern itself with measures to recognize and accommodate the rights and identities of the two traditions in Northern Ireland, to protect human rights and to prevent discrimination. Matters to be considered in this area include measures to foster the cultural heritage of both traditions, changes in electoral arrangements, the use of flags and emblems, the avoidance of economic and social discrimination and the advantages and disadvantages of a Bill of Rights in some form in Northern Ireland.

(b) The discussion of these matters shall be mainly concerned with Northern Ireland, but the possible application of any measures pursuant to this Article by the Irish Government in their jurisdiction shall not be excluded.

(c) If it should prove impossible to achieve and sustain devolution on a basis which secures widespread acceptance in Northern Ireland, the Conference shall be a framework within which the Irish Government may, where the interests of the minority community are significantly or especially affected, put forward views on proposals for major legislation and on major policy issues, which are within the purview of the Northern Ireland Departments and which remain the responsibility of the Secretary of State for Northern Ireland.

Article 6

The Conference shall be a framework within which the Irish Government may put forward views and proposals on the role and composition of bodies appointed by the Secretary of State for Northern Ireland or by Departments subject to his direction and control including

the Standing Advisory Commission on Human Rights;

the Fair Employment Agency;

the Equal Opportunities Commission;

the Police Authority for Northern Ireland;

the Police Complaints Board.

D. SECURITY AND RELATED MATTERS

Article 7

(a) The Conference shall consider

(i) security policy;

(ii) relations between the security forces and the community;

(iii) prisons policy.

(b) The Conference shall consider the security situation at its regular meetings and thus provide an opportunity to address policy issues, serious incidents and forthcoming events.

(c) The two Governments agree that there is a need for a programme of special measures in Northern Ireland to improve relations between the security forces and the community, with the object in particular of making the security forces more readily accepted by the nationalist community. Such a programme shall be developed, for the Conference's consideration, and may include the establishment of local consultative machinery, training in community relations, crime prevention schemes involving the community, improvements in arrangements for handling complaints, and action to increase the proportion of members of the minority in the Royal Ulster Constabulary. Elements of the programme may be considered by the Irish Government suitable for application within their jurisdiction.

(d) The Conference may consider policy issues relating to prisons. Individual cases may be raised as appropriate, so that information can be provided or inquiries instituted.

E. LEGAL MATTERS, INCLUDING THE ADMINISTRATION OF JUSTICE

Article 8

The Conference shall deal with issues of concern to both countries relating to the enforcement of the criminal law. In particular it shall consider whether there are areas of the criminal law applying in the North and in the South respectively which might with benefit be harmonised. The two Governments agree on the importance of public confidence in the administration of justice. The Conference shall seek, with the help of advice from experts as appropriate, measures which would give substantial expression to this aim, considering inter alia the possibility of mixed courts in both jurisdictions for the trial of certain offences. The Conference shall also be concerned with policy aspects of extradition and extra-territorial jurisdiction as between North and South.

F. CROSS-BORDER CO-OPERATION ON SECURITY, ECONOMIC, SOCIAL AND CULTURAL MATTERS

Article 9

(a) With a veiw to enhancing cross-border co-operation on security matters, the Conference shall set in hand a programme of work to be undertaken by the Commissioner of the Garda Síochána and the Chief Constable of the Royal Ulster Constabulary and, where appropriate, groups of officials, in such areas as threat assessments, exchange of information, liaison structures, technical co-operation, training of personnel, and operational resources.

(b) The Conference shall have no operational responsibilities; responsibility for police operations shall remain with the heads of the respective police forces, the Commissioner of the Garda Síochána maintaining his links with the Minister for Justice and the Chief Constable of the Royal Ulster Constabulary his links with the Secretary of State for Northern Ireland.

Article 10

(a) The two Governments shall co-operate to promote the economic and social development of those areas of both parts of Ireland which have suffered most severely from the consequences of the instability of recent years, and shall consider the possibility of securing international support for this work.

(b) If it should prove impossible to achieve and sustain devolution on a basis which secures widespread acceptance in Northern Ireland, the Conference shall be a framework for the promotion of co-operation between the two parts of Ireland concerning cross-border aspects of economic, social and cultural matters in relation to which the Secretary of State for Northern Ireland continues to exercise authority.

(c) If responsibility is devolved in respect of certain matters in the economic, social or cultural areas currently within the responsibility of the Secretary of State for Northern Ireland, machinery will need to be established by the responsible authorities in the North and South for practical co-operation in respect of cross-border aspects of these issues.

G. ARRANGEMENTS FOR REVIEW

Article 11

At the end of three years from signature of this Agreement, or earlier if requested by either Government, the working of the Conference shall be reviewed by the two Governments to see whether any changes in the scope and nature of its activities are desirable.

H. INTERPARLIAMENTARY RELATIONS

Article 12

It will be Parliamentary decision in Dublin and in Westminister whether to establish an Anglo-Irish Parliamentary body of the kind adumbrated in the Anglo-Irish Studies Report of November 1981. The two Governments agree that they would give support as appropriate to such a body, if it were to be established.

I. FINAL CLAUSES

Article 13

This Agreement shall enter into force on the date on which the two Governments exchange notifications of their acceptance of this Agreement.

In witness whereof the undersigned, being duly authorised thereto by their respective Governments, have signed this Agreement.

Done in two originals at Hillsborough on the 15th day of November 1985.

For the Government of Ireland:

GEARÓID MAC GEARAILT.

For the Government of the United Kingdom:

MARGARET THATCHER.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank the chairman of our Committee on Foreign Affairs for bringing this bill to the floor and also the chairman of the subcommittee, Mr. LEE HAMILTON of Indiana, as well as the gentleman from New York, Mr. GILMAN, the ranking member on that subcommittee. I agree with the chairman that when you have the President of the United States teaming up with the Speaker of the House, things seem to happen. I hope there may be many more examples of such cooperation on foreign policy issues.

The United States, Mr. Speaker, has long deplored the violence and discord in Northern Ireland.

Only on rare occasions has a note of hope sounded above the monotonous din of unending violence in that land. One such occasion was the recent Anglo-Irish Agreement signed on November 15, 1985 and welcomed by the Reagan administration as a historic step toward the peace process.

Today the House of Representatives considers legislation authorizing $50 million each year to support economic development and reconciliation in Northern Ireland.

Some may argue that this is not enough. Others, feeling the pinch in the Federal budget, may feel that we are too generous.

I believe that this Anglo-Irish agreement is a solid foundation upon which peace can be built in Northern Ireland. It may not come tomorrow and it may not come next week but it will come more quickly with the tangible assistance of interested friends of those involved in the conflict.

This bill also contains authorization for other United States programs in Ireland and Northern Ireland including the Trade and Development Program, the Overseas Private Investment Corporation, and the Private Sector Revolving Fund.

The U.S. funds provided in the bill will be used only to support and promote economic and social reconstruction and redevelopment in Ireland and Northern Ireland in a fair and equitable manner without regard to religious affiliation.

One of the roots of the conflict in Northern Ireland and, not surprisingly, one of the outcomes of that conflict is economic injustice. The United States has an opportunity to do something about this problem while at the same time encouraging the parties to the conflict to build upon the foundation established last October.

Peace in Northern Ireland will result from a process in which injustice is steadily whittled away and replaced by opportunity.

The United States can and should contribute to this process. I want to join my friend, the chairman of the Committee on Foreign Affairs, Mr. FASCELL of Florida, in urging all my colleagues to support this resolution.

Mr. LAGOMARSINO. Mr. Speaker, will the gentleman yield?

Mr. BROOMFIELD. I am happy to yield to my colleague from California.

Mr. LAGOMARSINO. I thank my colleague for yielding.

Mr. Speaker, I commend the gentlemen from Michigan and the chairman of the committee as well as Mr. GILMAN, ranking minority member on the European and Middle East Subcommittee of which Mr. HAMILTON is chairman, as well as all the others who had a part in bringing this bill before us.

Mr. Speaker, I want to associate myself with the remarks of Mr. BROOMFIELD.

Mr. Speaker, I support the legislation and yield back the balance of my time.

Mr. FASCELL. Mr. Speaker, I yield 1 minute to the distinguished majority whip, the gentleman from Washington [Mr. FOLEY].

Mr. FOLEY. I thank the gentleman for yielding.

Mr. Speaker, I want to congratulate the distinguished chairman of the Committee on Foreign Affairs, Mr. FASCELL, and the distinguished ranking minority member, Mr. BROOMFIELD, for bringing to the floor this resolution which is in support of an historic agreement between Great Britain and the Republic of Ireland, the Anglo-Irish Agreement. This agreement, which was signed in, November 15, 1985, presages a new era in the affairs of Northern Ireland, an era we all hope will be constructive in bringing about the conditions of peace, stability, security, and reconciliation. The action of the Committee on Foreign Affairs in bringing this legislation to the floor is an action in support of commitments that were made by President Carter and more recently by President Reagan. It is also in support of the committment of the combined leadership of both parties in the Congress to support those peaceful and constructive developments in Northern Ireland.

Mr. Speaker, I strongly endorse this legislation. It has, in the fullest tradition of the United States the positive and constructive purpose of helping in the cause of reconciliation and peace, in accordance with the traditions of the two great communities in Northern Ireland.

It has, in the fullest tradition of the United States, the positive and constructive purpose of helping advance the process of peace and of reconciliation between the two great communities and traditions in Northern Ireland.

Mr. HAMILTON. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. BOLAND].

Mr. BOLAND. Mr. Speaker, I strongly support H.R. 4329, which would authorize U.S. contributions to the International Fund created by last year's Anglo-Irish Agreement, and urge its adoption by my colleagues.

Last December, this Congress, following the lead of President Reagan, Speaker O'NEILL and leadership of both parties, endorsed an agreement between the Government of the Republic of Ireland and the Government of Great Britain which established a new framework with which to deal with the troubles in Northern Ireland. We noted at that time that the agreement could not solve all of the problems. A political solution, which renounces violence and acknowledges that the future of Northern Ireland must be determined by the people—all of the people—of Northern Ireland, should be the goal of everyone who professes to care about that land and its citizens. I believe that that goal is clearly furthered by the Anglo-Irish Agreement.

In expressing the support of the United States for the spirit of hope embodied in the agreement, the Congress acknowledged that more than our good wishes would be necessary if that hope were to be realized. We pledged to work with President Reagan to provide the material support so essential to addressing some of the economic problems which have frustrated the search for peace in Northern Ireland. Today, through the passage of H.R. 4329, we can make good on the pledge. H.R. 4329 will authorize $50 million per year for the next 5 fiscal years in economic support fund [ESF] contributions to the international fund created to promote reconciliation in Northern Ireland. By using existing authorizations for fiscal years 1986 and 1987 the bill demonstrates a consciousness of our budget problems, and by stressing that United States contributions should be used to address the needs of both communities in Northern Ireland, the bill highlights our concern that United States assistance be used to address, rather than to perpetuate, the economic and social ills which held to divide the people of the North. In do doing, the bill is consistent with the budgetary realities we face and the principles of equality which must guide our participation in any program of economic aid for Northern Ireland.

Mr. Speaker, neither words nor even prayers alone can heal the economic and social wounds which contribute to the divisions in the north of Ireland.

The people of the United States can, however, provide to the people of Northern Ireland the same type of help we have historically furnished to those working for peace in economies devastated by violence. We can do no less for Ireland, and I therefore urge the passage of H.R. 4329.

Mr. BROOMFIELD. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. I thank the gentleman for yielding.

Mr. Speaker, I am pleased to rise in strong support of H.R. 4329, the Peace, Stability, and Reconciliation in Ireland and Northern Ireland Act of 1986. This legislation will go a long way both to demonstrate America's support for the efforts that have been made to bring peace, stability, and reconciliation to a troubled land, and to bring to bear substantial resources to aid that process concretely.

The problems in Northern Ireland have been vexing the Irish and American people for many years. Since the late 1960's, Americans have become more acutely aware of the troubled situation of the minority Catholic community in the north.

After many false starts, a hopeful sign has emerged, as a first step toward a final, just, and peaceful settlement of the problems of Northern Ireland. The Anglo-Irish Agreement of November, 1985, has resulted in a role for the Republic of Ireland in the governance of the north, to the end that the alienation of the minority community be alleviated by progress in improving the quality of their lives and by increasing their participation in the processes of government.

Early on, the Congress moved to join in the widespread endorsement of the accord with an early expression of its political support. Now, we are pleased to be able to move decisively to back up words with concrete assistance.

While our aid to Ireland should be generous, I contend that it should be conditioned on administering and spending the taxpayers' money in a nondiscriminatory manner, to achieve the aims of the accord—respect for the rights of both communities in Northern Ireland, reconciliation, and opportunity for all to fully participate in the structures and processes of government.

The Irish aid bill before the House meets these objectives. While our distinguished chairman has outlined the provisions of the bill in some detail, I would like to call to the attention of the House certain provisions in which there is a special interest which were not contained in the administration's proposal. The administration's bill did not provide any language prohibiting the use of our assistance for police or for security purposes. The committee bill reassures those concerned about this issue by explicitly reiterating the existing provisions of law forbidding the diversion of economic assistance for security-related purposes. This bill also requires the President to certify, before any funds are committed to assistance, that he be satisfied that the board administering these funds is broadly representative of the communities in Ireland and Northern Ireland. It also requires the President to certify that our taxpayers' funds will be spent in accordance with the principle of equality of opportunity, without regard to religious affiliation, and will address the needs of both communities in Northern Ireland. Each year, the President is required to report to the Congress the degree to which our funds have contributed to the goals of reconciliation, encouraging new investment and development on the basis of equality of opportunity, and have increased respect for human rights and fundamental freedoms in a troubled land.

Mr. Speaker, this bill is much more generous than the administration bill, and much more flexible as well. While both the administration bill and the committee bill provide no new authorization in fiscal years 1986 and 1987, the committee bill provides greater funding in cash—$50 million annually as opposed to $20 million. The especially complex problems of Northern Ireland and the areas of Ireland in the transborder area are best addressed through the Economic Support Fund Program, in my view and the view of my committee colleagues. The committee bill explicitly authorizes $50 million per year in fiscal years 1988 through 1990, while the administration bill only sets a full funding for 5 years as a nonbinding goal.

Mr. Speaker, this happy occasion is the product of the work of many hands. First and foremost, we must salute those courageous statesmen in Great Britain and Northern Ireland and the Republic of Ireland who have worked out and stuck to the Anglo-Irish Accord. Here in Washington, we were inspired by the leadership of President Reagan and Speaker TIP O'NEILL. In our Committee on Foreign Affairs, Chairman FASCELL played the key role in working out a compromise between what might have seemed unyielding demands for flexibility and accountability. I very much appreciate his openness to the concerns I expressed as this bill was being framed; we reached a highly satisfactory compromise. I want to thank the committee staff on both sides of the aisle who were responsible for the legislation, and I appreciate the able assistance of Legislative Counsel's staff during a very hectic period. In our own subcommittee on Europe and the Middle East, our chairman, the gentleman from Indiana [Mr. HAMILTON] was, as always, fair and considerate in arranging for an early and wide-ranging hearing on the issues. The support for the Irish aid program expressed by our witnesses, notably the Speaker, the majority whip, the gentleman from Washington [Mr. FOLEY], and the chairman of the Ad Hoc Congressional Committee for Irish Affairs, the gentleman from New York [Mr. BIAGGI], a tireless fighter for peace and freedom in Ireland, were very helpful. Mr. BIAGGI's input contributed greatly to our consideration, and his support for this compromise committee bill is very welcome. We also had valuable input from Irish-American organizations such as the Irish National Caucus and the American Irish Political Education Committee.

Mr. Speaker, the troubles in Northern Ireland will not be fully resolved by these initial steps, but we can be instrumental in helping to bring about a new beginning. We can and must support those who are truly committed to an Ireland at peace with itself. To be true to the Irish heritage which has been so important to the greatness of our Nation, we must do all we can to help. Accordingly, I urge my colleagues to support this legislation.

□ 1340

Mr. HAMILTON. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. BIAGGI].

Mr. BROOMFIELD. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. BIAGGI].

Mr. BIAGGI. Mr. Speaker, for the past 17 years I have served with great pride as a Member of the House of Representatives. No issue has consumed a greater amount of my time or my energy over these 17 years than the cause of peace and justice in Northern Ireland. During these past 17 years, I have always held out hope that we might see a day when we would consider legislation reflecting a strong and positive interest in Northern Ireland. That day has come in the House; and I am proud to rise in support. I implore my colleagues to both recognize and seize this unique moment in history and to vote for H.R. 4329, a bill to provide first-time United States economic assistance for Northern Ireland and the Republic of Ireland.

I am proud to be the first Member in the Congress to have authored legislation to provide United States economic aid to Northern Ireland. I introduced my first bill in 1983 and called for $50 million. In this Congress, I introduced two bills, H.R. 2597 and 3772, each calling for $500 million over 5 years in economic assistance.

I have always maintained that economic aid to Northern Ireland, provided from the United States, should not be a blank check. I have strongly maintained that if we provide the aid,

we should have a say in its distribution.

The bill before us would provide $250 million over 5 years. It would authorize equal installments of $50 million a year from now through fiscal year 1990 as a United States contribution to the International Economic Support Fund established under the Anglo-Irish agreement. That is the basic feature of this bill, but it does a great deal more, including the establishment of several important conditions.

My colleagues should be aware of the rapid-fire chronology associated with this legislation. Last Tuesday night, the administration submitted its long-awaited economic aid proposal. It was similar to this bill in only one context. The aggregate amount of the aid to be provided, $250 million, was the same. Yet, the similarities between their proposal and this bill ended right there. I would say, without any hesitation to my colleagues concerned with this issue, that H.R. 4329 is a different, but vastly improved, bill over the administration's position.

The strength of this legislation is found in sections 4 and 5. Section 4 is entitled "conditions and understandings relating to the United States contributions." Section 5 provides the requirement for annual reports to be filed by the President. These two sections provide the one distinguishing characteristic between the bill and the administration's proposal—accountability.

I had the privilege of testifying before the subcommittee on Europe and the Middle East last Wednesday. I stated that the "single most important goal of any U.S. economic aid is that it tangibly benefit both Catholic and Protestant communities. To accomplish this, the United States must have a clearly defined role in the aid distribution. Further, we must have language making it U.S. policy that any and all recipients of our aid implement and adhere to strong principles of fair employment and nondiscrimination.

H.R. 4329 responds to each of these concerns. Section 4, part B, calls on the President to make every effort to ensure there is U.S. representation on the board of the international fund.

Section 4, part C, says that before any funds are contributed by the United States, the President must certify that disbursements from the fund "will be distributed in accordance with the principle of equality of opportunity and nondiscrimination in employment without regard to religious affiliation and will address the needs of both communities." I specifically sought linkage between U.S. economic aid and the 9-point Mac Bride principles of fair employment and nondiscrimination. However, I am satisfied that this language captures the spirit and intent of the Mac Bride principles and this measure warrants our support.

I also testified in opposition to any U.S. funds being used for military or security purposes. H.R. 4329 responds to this concern. Section 4, subparagraph A, says clearly "the U.S. contribution provided for in this act may be used only to support and promote economic and social reconstruction and redevelopment in Ireland and Northern Ireland."

I also testified to the point that U.S. aid should work to promote a greater respect for human rights in Northern Ireland. H.R. 4329 responds, section 5, subparagraph 3, says that the President, in his annual report to Congress, must report on the degree to which the international fund and the United States contribution thereto "has increased respect for the human rights and fundamental freedoms of all people in Ireland and Northern Ireland."

Let us make no mistake about this bill. It is making a vitally important political statement. It says two things. First, if there is to be a lasting political solution in Northern Ireland, there must be a strong economic component, and the United States must help. Second, it recognizes the fact that a root cause of the problems in Northern Ireland is raw, sectarian-based discrimination; discrimination tolerated, if not sanctioned, by the British Government; discrimination which our aid must not underwrite. We have applied our moral weight to fighting apartheid in South Africa, we must do the same for a similar policy alive today in Northern Ireland.

There was a time last week when the momentum was moving toward the adoption of an ecomomic aid bill without any conditions. There was formidable support for that position. Fortunately, the legislative product which emerged from committee did not embrace that position. How could we even consider applying a double standard to this aid package by having no protections to fight discrimination or guarantees to protect human rights? How could we accept the idea that we could abdicate our moral responsibility by simply providing carte blanche aid to the British for their use in Northern Ireland?

Thanks to the work of the Subcommittee on Europe and the Middle East and the full Committee on Foreign Affairs, we are not engaging in selective morality with this aid package. The leadership of Chairman FASCELL and Subcommittee Chairman HAMILTON are to be commended. Yet, a special word of praise must also go to my dear friend, BEN GILMAN, whose singular contribution to this legislation is so deeply appreciated.

The bill before us has the strong support of our Nation's leading Irish-American organizations, who I have worked so closely with over the past 9 years, as chairman of the bipartisan Ad Hoc Congressional Committee for Irish Affairs. The Irish National Caucus and the Ancient Order of Hibernians stand united in support of this measure.

This is indeed an historic moment. This is an important, even a dramatic, step forward. It represents a sound where there was only silence; movement where there was apathy; admission where there was only denial. What we are passing today is a type of mini Marshall plan for Northern Ireland. It is the right step, at the right time, for the right reasons. It take us one step closer to the day when Ireland can be like the United States, one nation—indivisible, with liberty and justice for all.

Mr. Speaker, at this point in the RECORD I wish to submit various materials which will provide a complete record and perspective on the evolution of the bill before us today.

First, the text of a letter I together with 20 House Members sent to Chairman FASCELL in February urging consideration of certain conditions to accompany any United States aid package to Northern Ireland;

Second, the text of the administration bill presented to the Subcommittee on Europe and the Middle East on March 5;

Third, testimony I presented to the Subcommittee on Europe and the Middle East concerning the administration bill;

Fourth, statements submitted by the Irish National Caucus to the subcommittee including the full text of the Mac Bride principles;

Fifth, an open letter to Congress by Joseph Roche, national president of the Ancient Order of Hibernians regarding the administration economic aid proposal; and

Sixth, the text of H.R. 4329, the bill before the House today.

HOUSE OF REPRESENTATIVES,
Washington, DC, February 7, 1986.

Hon. DANTE FASCELL,
Chairman, Committee on Foreign Affairs, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: We, the undersigned, are writing to convey our interest in the prospect of future United States economic aid to Ireland. We especially support that aid which makes a strong contribution to the achievement of a lasting political solution in the troubled land of Northern Ireland.

On December 9, we voted for H. Con. Res. 239, which commended the Anglo-Irish agreement on Northern Ireland. In its second resolved clause, the resolution said,

"The Congress declares its willingness to work with the President in supporting the Anglo-Irish agreement through appropriate United States assistance, including economic and financial support, to promote the economic and social development of those areas of both parts of Ireland which have suf-

fered most severely from the consequences of the violence of recent years."

During the debate on the resolution you said:

"I would like to assure all members of this body that the Committee will work closely with everyone who has an interest in Northern Ireland as we consider economic assistance sometime this spring."

We respectfully request that you consider the following issues as you develop any legislation to provide economic aid to Ireland. If United States aid is in fact provided, we would hope it could accomplish several goals related to Northern Ireland.

Specifically, we hope that the aid be provided in such a fashion as to benefit both communities in Northern Ireland. This will best be accomplished if the United States retains control over the distribution of all aid. This will allow the U.S. to work with all parties to identify areas where our assistance is most needed. Equally as important, this will allow the United States to insist that all recipients of our aid adhere to strong principles of fair employment and non-discrimination such as those prescribed in the Mac Bride Principles.

We would expect United States aid controlled and distributed in this fashion can also contribute to the elimination of the cycle of violence, civilian and state, which exists in Northern Ireland today. We would also urge that United States aid not be used for any military or security purpose or for the gathering of intelligence.

We are especially anxious for there to be a definitive degree of accountability with respect to this aid. In this regard, we would expect the assistance would be provided in accordance with the terms and conditions of the Foreign Assistance Act, especially concerning the recipient nation respecting and protecting human rights.

In addition, we would hope that this aid could provide some leverage in our efforts to see certain reforms made in this criminal justice system in Northlern Ireland. The most urgent reform needed is the abolition of the "Diplock Courts" of Northern Ireland. They are the very symbols of the oppressive nature of the system. These courts feature trials without juries and the especially repugnant "supergrass" system. Under this process, persons, are convicted solely on the basis of the uncorroborated testimony of paid informants. It has been used to convict scores of individuals in recent months and was the subject of a recent hunger strike by three such convicted individuals.

We fully recognize the urgent need for future economic aid in Northern Ireland. These six counties suffer from desperate economic conditions including having the highest unemployment rate in all of Western Europe. It would be consistent for the United States to initiate the process that will lead to the economic rehabilitation of Northern Ireland. Yet, unless we insist on certain protections and guarantees, our aid will only be fueling the many problems in Northern Ireland instead of being the catalyst for their solution.

Sincerely,

Mario Biaggi, Thomas Downey, James Traficant, Norman Lent, Robert J. Mrazek, Robert A. Borski, Joseph P. Addabbo, Bob Edgar, Helen Delich Bentley, Marty Russo, Charles Rangel, Joseph P. DioGuardi, Alan B. Mollohan, Thomas Manton, Hamilton Fish, Matthew J. Rinaldo, Peter H. Kostmayer, James Scheuer, Doug Walgren, Edolphus Towns, Albert G. Bustamante.

H.R.—

A bill to provide economic support for the Agreement Between the Government of Ireland and the Government of the United Kingdom, and for other purposes

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled.

SHORT TITLE

SECTION 1. This Act may be cited as the "Northern Ireland and Ireland Assistance Act of 1986".

STATEMENT OF PURPOSE

SEC. 2. The Congress finds that the Agreement Between the Government of Ireland and the Government of the United Kingdom dated November 15, 1985, is a clear demonstration of British and Irish determination to make progress concerning the complex situation in Northern Ireland. The Congress strongly supports the Agreement reached by these two governments and is particularly encouraged that these two neighbors, faithful friends of the United States of America, have joined together to rebuild a land that has too often been the scene of economic and human misery. In recognition of our ties of kinship, history, and commitment to democratic values, the Congress believes that the United States should participate in this renewed commitment to social and economic progress in Northern Ireland and affected areas of the Republic of Ireland. To that end, the Congress finds that through the end of fiscal year 1990, $250,000,000 of development and economic resources and authority available under the Foreign Assistance Act of 1961 should be used to provide support to carry out the purposes of the Agreement, which will be implemented through the Intergovernmental Conference of the Anglo-Irish Intergovernmental Council and other appropriate agencies.

PROVISION OF ASSISTANCE

SEC. 3. (a) In addition to other authorities contained in the Foreign Assistance Act of 1961 or any other Act, the following authorities may be used to provide support and assistance to carry out the purposes of section 2 of this Act;

(1) Section 108 of the Foreign Assistance Act of 1961 (regarding the Private Sector Revolving Fund);

(2) Section 221 through 223 of the Foreign Assistance Act of 1961 (regarding the Housing Guaranty Program);

(3) Title IV of Chapter 2 of Part I of the Foreign Assistance Act of 1961 (regarding the Overseas Private Investment Corporation) without regard to the limitation contained in clause (2) of section 231 of that Act; and

(4) Section 661 of the Foreign Assistance Act of 1961 (regarding the Trade and Development Program).

(b) Assistance made available to carry out the purposes of this Act may be provided, for the purpose of implementing this Act, notwithstanding any other provision of law.

SEC. 4. In addition to amounts otherwise authorized to be appropriated for the fiscal year 1987 to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, there are authorized to be appropriated $20,000,000 to carry out such provisions with respect to Northern Ireland and affected areas in the Republic of Ireland.

STATEMENT OF HON. MARIO BIAGGI BEFORE THE HOUSE SUBCOMMITTEE ON EUROPE AND THE MIDDLE EAST

I am deeply grateful for the opportunity to testify at this morning's historic hearing on the Subcommittee on Europe and the Middle East, as you consider legislation to provide first-time economic assistance to Northern Ireland and the Republic of Ireland.

I am the proud author of the first two bills introduced in the 99th Congress to provide economic assistance to Northern Ireland and Ireland. I have been advocating legislation of this type since 1983, when I introduced a bill to provide $50 million in aid. In the nine years I have served as Chairman of the Ad Hoc Congressional Committee for Irish Affairs, I have recognized the need for, not only a political solution in Northern Ireland, but one which includes economic reform and redevelopment. I know I speak for the 113 members of the Ad Hoc Committee in expressing support to this Subcommittee for initiating House action on an economic development bill for Northern Ireland and Ireland.

My first bill, H.R. 2597, is co-sponsored by 25 of our colleagues. It would authorize $500 million over five years in economic relief, rehabilitation and redevelopment assistance for Northern Ireland and Ireland. Under this bill, the Agency for International Development would maintain control over the distribution of our aid. In addition, my bill conditions the release of this aid, to the British government taking two important steps:

(1) Actively committing itself to discussions with all parties in the Republic of Ireland and Northern Ireland aimed at achieving a political solution.

(2) Declaring its intention to withdraw governmentally, politically, and militarily in a phased and orderly fashion from Northern Ireland.

My second bill, H.R. 3772, provides the same $500 million over 5 years, but drops the conditions for release of the funds. This measure was introduced immediately after the signing of the Anglo-Irish Agreement in the hope that the accord was a fragile first step forward by the British government toward a political solution.

I have been a member of this House since 1969. I believe that I know the legislative process well enough to know that the final product may not be either of my bills. However, I am proud to have pioneered the effort that has led us to this historic point today.

I am also acutely aware of the calendar. We are less than two weeks from the annual celebration of St. Patrick's Day. I would surmise that, whatever the legislative vehicle on economic aid, it is headed for a fast track.

However, I contend, in the strongest possible terms, that the mere providing of economic aid to Northern Ireland, without some specific conditions and assurances relative to its use and beneficiaries—could be a mistake and, indeed, be irresponsible. It will certainly not result in the kind of contribution, we all want our aid to make, to a lasting political solution.

On February 7 of this year, together with 21 of our colleagues, I sent a letter to Chairman Dante Fascell, relative to the issue of economic aid to Northern Ireland. I wish to reiterate the basic points of this letter:

(1) The most important goal of United States economic aid to Northern Ireland

must be that it tangibly benefits both communities. To accomplish this, the United States must have a clearly-defined role in the distribution of our aid. I recommend that this legislation include specific language which makes it United States policy that any and all recipients of our aid implement and adhere to strong principles of fair employment and nondiscrimination.

I, therefore, explicitly call for linkage between American economic aid and the MacBride Principles. Named for Nobel Peace Prize winner, Sean MacBride, his principles call for employers to promote employment opportunities for Catholics and Protestants alike in Northern Ireland and prohibition against harassment in the workplace. The MacBride Principles are modeled after the Sullivan Principles, which continue as a corporate code of conduct for American companies doing business in South Africa.

I would add, Mr. Chairman, that this linkage between aid and the MacBride Principles is supported by the full AFL-CIO. Their distinguished Secretary-Treasurer, Tom Donohue, said in a recent statement, "If we are to provide government help, and I personally support such a system, we must ensure that the affirmative action guidelines provided by the MacBride Principles are made the operating criteria for any U.S. aid package." In addition, the linkage is strongly supported by our Nation's leading Irish American organizations including: the Ancient Order of Hibernians, the Irish National Caucus, and the Irish American Unity Conference. It seems only consistent that we make this linkage the centerpiece of our aid package. Should we fail to, we hold ourselves vulnerable to charges of employing a double standard in our economic aid policies; and we make the people of Northern Ireland and Ireland the victims of this double standard.

Another important goal of U.S. economic aid to Northern Ireland is that it contribute to the elimination of the cycle of violence, civilian and official, which scars so much of daily life in Northern Ireland. To that end, I call on U.S. economic aid to be just that—and not be used in any fashion for security purposes, including intelligence activities.

It is critical that there be a definite degree of accountability associated with American economic aid to Northern Ireland and Ireland. I would urge that no aid be approved unless it is provided in full compliance with the human rights provisions contained in the Foreign Assistance Act. I would also urge that language be included to require regular monitoring, through annual presidential certifications that economic aid is being distributed in compliance with the letter and spirit of our law.

I would also fervently hope that the provisions of U.S. economic aid might provide some leverage in our efforts to get the British government to make some long-overdue reforms in the criminal justice system in Northern Ireland. It is perhaps the most visible symbol of the oppressive nature of British direct rule over the six counties. The most urgently needed reforms are the abolition of the so-called "Diplock Courts" and an end to the so-called "Supergrass" system, which permits the uncorraborated testimony of paid informants to be used to convict individuals.

On a related note, I strongly oppose efforts being made by Members in the other Body to link passage of economic aid to Northern Ireland to ratification of the controversial Supplementary Extradition Treaty between the United States and the United Kingdom. While the economic aid proposal represents a potentially positive United States contribution to the future of Northern Ireland, the Supplementary Treaty is cut from the opposite cloth and should be rejected.

I salute, today, the distinguished Speaker of the House, for his tremendous work on behalf of this issue; he, as well as the Majority Whip, Mr. Foley, and I agree on one basic point. The need for future U.S. economic assistance in Northern Ireland is not in issue. Northern Ireland has the highest unemployment rate in all of Western Europe at 21.3 percent. This burden has fallen the hardest on the Catholic minority in the North. In the city of Newry, unemployment among Catholics is 60 percent. In Strabane, the rate is more than 50 percent. Some families are entering a second and third generation of unemployment, poverty, and despair.

I stress the fact that I have serious problems with any economic aid proposals advanced by Congress which allows the British government, whose policies are responsible for economic misery in Northern Ireland, to have any substantial degree of control over its distribution. As I understand the Administration-backed bill, it would provide $250 million in aid over five years to provide support to carry out the purposes of the Anglo-Irish Agreement. This agreement, and the aid, would be implemented and administered largely through the Intergovernmental Conference of the Anglo-Irish Intergovernmental Council.

Herein lies my greatest concern. It is far too early in the process to invest that type of responsibility in an unproven entity. In our euphoria to embrace the Anglo-Irish Agreement, let us not be naive in our expectations. This Intergovernmental Council is in name only. Unless and until the British government declares its intention to make changes in the existing political status quo in Northern Ireland—make no mistake about it—they will control this Intergovernmental Conference or any agency established under it. They will also control U.S. economic aid. The Dublin government, at this point, "only has a say" in the Intergovernmental Conference structure; and there are no indications that role will, in any way, be enhanced through passage of an American aid package.

The United States has a moral responsibility to help determine the destiny of any first-time commitment of economic aid to Northern Ireland. This Subcommittee has an especially direct role in the outcome of aid legislation. I have spent most of my Congressional career being involved in the Irish question. I feel uniquely privileged to be here today involved in a component of the eventual solution. All I advocate for today is that we do not engage in selective morality in our economic aid to Northern Ireland. Let us recognize the problems of discrimination that exist in Northern Ireland, as we did in South Africa, and allow economic aid to be a catalyst to its elimination.

I genuinely hope that the legislation we are discussing today, and which you report out of your Subcommittee, will be a model of the kind of U.S. assistance which will help bring about a lasting political solution in Northern Ireland—a solution which I hope will be an Ireland which, like the United States of America, will be one nation, indivisible, with liberty and justice for all.

IRISH NATIONAL CAUCUS, INC.,
March 3, 1986.

Re foreign aid to support the Anglo-Irish accord.

Submission by: The Irish National Caucus.
To: The House Foreign Affairs Committee.

The Irish-American Community is deeply concerned that U.S. Foreign Aid to support the Anglo-Irish Accord will not in effect serve to bolster up British oppression and injustice in Northern Ireland or subsidize anti-Catholic discrimination.

That is why we urge that: (1) Foreign Aid should not be used by the British Government for military or security purposes or for the gathering of intelligence; (2) Foreign Aid should be tied to The Mac Bride Principles (please see attached the Irish National Caucus Newsletter "The Irish Lobby" which explains these Principles); (3) Foreign Aid should be tied to the human right's provisions of the Foreign Assistance Act.

Over and above these conditions the Irish National Caucus has a number of questions and concerns that we respectfully request the Foreign Affairs Committee to focus on.

As we understand it, the proposal is to give the aid to a Commission.

Who will select this Commission? Will the U.S. have any say in its selection. Will—most importantly—an American be a member of the Commission?

The Irish National Caucus feels very strongly that there should be an American on this Commission to monitor how the money is spent.

Another question we would like the Committee to look at is: "Where will this Commission sit—in London, Dublin, or Belfast?"

Under the terms of the Anglo-Irish Accord, the Irish Government can only "put forward views and proposals on matters relating to Northern Ireland. . . ." (Article 2(b)). The British Government retains full and exclusive sovereignty. The intergovernmental Conference has no executive role. As British Prime Minister, Mrs. Margaret Thatcher said in the House of Commons: "The Conference will not be a decision-making body."

The question we, therefore, ask the Foreign Affairs Committee to investigate is this: Given the fact that the Irish Government by definition has no executive say, how much influence can it in effect have on how U.S. Foreign Aid is spent in Northern Ireland?

Finally, if the Foreign Aid is to be given over a period of five years, what happens if, say after a year, it is clear that the Anglo-Irish Accord cannot be implemented? Will the Foreign Aid be then discontinued?

We respectfully request your serious consideration of the points raised in this Submission.

We attach for your interest an important article from the Boston Herald (January 21, 1986) by Mayor Raymond Flynn, "Northern Ireland's Future Is On The Line" in which he calls for Foreign Aid to be tied to The Mac Bride Principles.

We further urge the Committee on Foreign Affairs to examine the implications of the work strike by the Protestant Community in Northern Ireland on March 3, 1986 to oppose the Anglo-Irish Accord. According to all reports, Northern Ireland was brought to a virtual stand-still. This shows clearly who controls the jobs in Northern Ireland. This is especially true in the case of Shorts, which has received substantial contracts from the U.S. Air Force in the past few years.

Shorts had pledged to the U.S. Government, Congress and the Air Force that it would cease all anti-Catholic discrimination and sectarianism. Yet, according to B.B.C. World Service: "very few workers showed up at Shorts" during the strike.

Thank you for your attention.

Father SEAN MCMANUS,
National Director.
RITA MULLAN,
Executive Director.

[From the Irish Lobby, Spring, 1985]

THE MAC BRIDE PRINCIPLES: THE CAUCUS' INITIATIVE TO STOP U.S. DOLLARS SUBSIDIZING ANTI-CATHOLIC DISCRIMINATION IN NORTHERN IRELAND

The United States is the single largest investor in Northern Ireland. As such, it is the single largest subsidizer of anti-Catholic discrimination in Northern Ireland.

There are 24 U.S. companies doing business in Northern Ireland and many of them are automatically caught up in the systematic pattern of anti-Catholic discrimination in employment.

Anti-Catholic discrimination in employment is one of the main instruments by which the British Government maintains control of the supremacist and sectarian State of Northern Ireland.

Discrimination on an individual level is rampant and pervasive. But discrimination is, also, geographically institutionalized.

There is a famous strategy in Northern Ireland known as "West of the Bann policy."

The Bann is a river in Northern Ireland which roughly divides Northern Ireland into East and;West. The East is overwhelmingly Protestant (with the exception of West Belfast) and the West is predominantly Catholic.

The "West of the Bann policy" simply refers to the historic policy of keeping factories out of the area West of the Bann and locating them East of the Bann, in the Protestant area.

Out of the 24 companies based in Northern Ireland, only 8 are West of the Bann.

Out of these 8, only 3 are in Catholic sections (United Technologies/Essex Group Inc., Bogside, Derry City; Synthetic Industries in Newry; Warnaco Inc./Warner Bros. Ltd., Keady). The remaining 5 are in mixed areas.

And in the East of the Bann there are only 2 U.S. companies in Catholic sections: The Ford Motor Company and American Monitor Corporation/International Ltd., in West Belfast. (West Belfast has the highest unemployment rate in Western Europe).

So out of the 24 U.S. companies in Northern Ireland only 5 are in Catholic sections. But even in these 5 companies there is still the question as to whether Catholics are fully and portionally represented in top management.

American dollars—savings, consumer, and investment—are directly fueling injustice. These companies are seemingly content to engage in patently discriminatory practices, which if performed in the United States, would be manifestly illegal under Title VII of the Civil Rights Act of 1984. American Law expressly forbids corporations from "perpetuating the present effects of past discrimination" in race, sex and religion.

Because America is the single largest investor in Northern Ireland, Americans have the power to make demands for equality and justice. . . . And they have the absolute right and obligation to demand that American dollars stop subsidizing anti-Catholic discrimination in Northern Ireland.

Just take one example: The five New York City penison funds are major shareholders in 13 of 24 U.S. companies operating in Ireland; owning stock worth almost 250 Million dollars. Here are a few of them:

1,242,000 shares ($84,138,750 value), General Motors/Fisher Body (Dundonald, Belfast)

1,054,101 shares ($40,455,900 value), Ford Motor Company (Belfast)

645,500 shares ($21,844,712 value), United Techonologies/Essex Corporation (Derry)

22,200 shares ($12,262,137 value), American Brands/Gallahers (Belfast)

The combined total U.S. investments by institutional investors (e.g., States, Municipalities, Colleges, Universities, Religious Organizations, Labor Union Pension Funds, etc.) in these 24 companies is over 29 Billion dollars! (Standard and Poors New York Stock Exchange Stock Reports 1985).

These facts illustrate the potential of what we can achieve. *We are not calling for disinvestment.* But we have devised a plan that will force U.S. companies to end discrimination.

The Caucus—with the help of experts here and in Ireland—has formulated a list of (9) Fair Employment/Equal Opportunity principles for American companies in Northern Ireland. These standards are modelled on the famous Sullivan Principles which were formulated as a corporate code of conduct for American companies doing business in South Africa.

We have named the crucial standards the Mac Bride Principles, after Sean Mac Bride, winner of the Nobel Peace Prize and the American Medal of Justice, co-Founder of Amnesty International, and a great friend of and advisor to the Irish National Caucus:

1. Increasing the representation of individuals from under-represented religious groups in the workforce including managerial, supervisory, administrative, clerical and technical jobs.

2. Adequate security for the protection of minority employees both at the workplace and while travelling to and from work.

3. The banning of provocative sectarian or political emblems from the workplace.

4. All job openings should be publicly advertised; and special recruitment efforts should be made to attract applicants from under-represented religious groups.

5. Layoff, recall, and termination procedures should not in practice favor particular religious groupings.

6. The abolition of job reservations, apprenticeship restrictions, and differential employment criteria, which discriminate on the basis of religion or ethnic origin.

7. The development of training programs that will prepare substantial numbers of minority employees for skilled jobs, including the expansion of existing programs and the creation of new programs to train, upgrade, and improve the skills of all categories of minority employees.

8. The establishment of procedures to assess, identify, and actively recruit minority employees with potential for further advancement.

9. The appointment of a senior management staff member to oversee the Company's affirmative action efforts and the setting up of timetables to carry out affirmative action principles.

ANCIENT ORDER OF HIBERNIANS IN AMERICA, INC.

To: Members of Congress.

Re: Anglo-Irish and proposal: (I) Criticisms of March 5 proposal (Greenleaf, Ridgeway, O'Neil); (II) Conditions for aid and their justification.

SUMMARY

The 9 paragraph Anglo-Irish agreement is barely 3 months old and has produced nothing of substance. Despite the lack of any progress or any evidence of Anglo-Irish funds being invested in this pact, a United States aid proposal is sailing through Congress with unseemly haste. Not since the Gulf of Tonkin Resolution would Congress write such a blank check if it adopted this aid proposal without conditions. The bitter fruit of that haste—the escalation of the Vietnam War—should compel Congress to place requirements on any Anglo-Irish assistance so that we do not subsidize the status quo in the North of Ireland or provide a English tax relief program. This *first time* endorsement and financing of partition and England's Irish apartheid policy mandates careful and deliberate scrutiny.

I. Criticisms of March 5 proposal (Ridgeway, Greenleaf, and O'Neil)

(a) *"It is not for the United States to chart a course for the people of Northern Ireland."*

As the leader of the free world we are obliged to do just that. If we can of it for the people of South Africa, Philippines, Angola, Nicaraugua, and Korea, why not for the Irish people?

(b) *"Principal objective of the proposed fund would be to stimulate economic revitalization in order to promote employment and thereby attack an important cause of the historic instability."*

It is naive to think that simply economic incentives are going to be curative of anything. Since 1976, according to Plant Location International Ltd., Northern Ireland has had "the best package of Government incentives in the European Economic Community." It is the garrison atmosphere and government sponsored anti-Catholic discrimination in employment which prevents and will continue to prevent revitalization. The recent 12 hour strike in Ulster is proof positive of this institutional discrimination. England can not be trusted to administer these funds impartially and that should be reflected in any aid bill.

(c) *"The Fund . . . (will be) aimed at the needs of young people particularly job creation.*

A $300 million U.S. Air Force contract was awarded two years ago to Short Bros. Aircraft of Belfast pursuant to the European Distribution Program. In the two years the proportion of Catholics dropped from 17% to 16% and an overall decline in minority employment was experienced at Short Bros.

What is there in this proposal to prevent this money from merely subsidizing the status quo?

(d) *"This process provides the basis for developing ties of cooperation and understanding between the two traditions in Northern Ireland."*

The Unionist tradition can be summed up in Belfast Councilor George Seawright's call for "the incineration of Catholics" and includes official murder, detention without trial, torture, trial without jury, arson pogroms to force Catholics from their homes, economic and social isolation, and electoral fraud. This tradition should be rejected!

The proposal suggests this tradition is worth preserving defending or exalting. Nonsense!

(e) *"Assassinations and attempted murders of elected officials strikes at the heart of the democratic process." "Replace terror . . . with a commitment to political dialogue and constitutional change."*

These current provisions of the Northern Ireland Emergency Provisions Statute of 1973 also strike at the heart of the democratic process not to mention justice: arrest without charge, trial without jury, detention without trial. The current Irish government will not meet or even talk with elected Sinn Fein representatives and bans these elected officials from state-owned televisions. Is that any way to engage in political dialogue? The Unionists interest in change (England has no constitution) was quite clear in the general strike of last week.

The proposal glosses over these facts in platitudes and puff and ignores the route cause of instability, the denial of democracy and the set up of a colonial garrison every bit as committed to the Protestant Ascendancy as South Africa is to White Supremacy.

(f) *"the commitment of the governments of Ireland and the United Kingdoms to implement the accord is unshakeable."*

No where is there a tangible statement of either England or Irish funds to match funds provided by the United States or other countries. One indication of how "unshakable" their commitment is would be for them to match and specify the new funds earmarked for economic revitalization. Absent such a commitment the proposal is proof positive that it is simply a tax relief program to relieve the British taxpayer of Irish apartheid and partition.

(g) *"Congress should not make it (the aid) contingent on a long list of political conditions."*

Why is Ireland the lone exception to a list that has included conditional aid to Nicaragua, the Philippines, Argentina, Turkey, Haiti, South Africa, etc.

England is the only European nation since the Nuremburg trials to be convicted of torture and inhuman treatment. English historian, Peter Ellis, has stated "British security forces in Ulster over ten years have a record of dishonorable conduct, unmatched by any security force in Europe."

England defies the European Parliaments ban on plastic bullets which have killed 155 innocent men, women and children in the last fifteen years.

It would be the height of irresponsibility given the legacy of occupation in Ireland to give assistance without some conditions.

II. Conditions justifications

There are at least five conditions which would significantly improve the liklihood that U.S. funds will genuinely aid revitalization in Ireland in the short term and in the long term contribute to the restoration of democracy and reunification.

These conditions, moreover, place the Anglo-Irish pact in the context of the freedom and human rights struggle of the Irish people and America's support of those who oppose batallioned despotism whether it be in the Soviet Union, Afghanistan, Nicaragua, the Philippines, Argentina, Hati, Pakistan, Korea or Poland.

(a) Statutory Recognition of Irelands Rights To Be Free of English Rule

England ignored the 1918 General Election in Ireland and Parliament adopted the Government of Ireland Act of 1920 for which not one Irish vote was cast.

The English act explicity calls for the reunification of Ireland after this "temporary" partition measure. The aid proposal needs language re-affirming this reunification objective of the English statute, and of the Irish Constitution which was adopted by the Irish people in 1937 and which affirmed the sovereignity of the government throughout the island of Ireland.

(b) Adoption and Implementation of the MacBride Principles of Fair Employment

The English government-owned Harland/Wolfe and Short Bros. are the largest employers in Northern Ireland and are unionist preserves with over 90% Protestant employment profiles in each case. This combined with the hapless Fair Employment Agency efforts are proof positive that England's colonial policy of divide and conquer is still useful. The MacBride Principles are equivalent in design and purpose to the Sullivan Principles currently used by many subsidiaries of American corporations based on South Africa.

(c) Human and Civil Rights

Provisions of federal foreign assistance statute—Chapter 32 of Title 22 of the U.S. Code—contain basic concerns over abuses of human, civil & political rights and prolonged detentions. The statute constrains the use of foreign assistance funds appropriated thereto in accord with these concerns. Virtually every aberration of justice exists to some degree in Northern Ireland. Incorporation of these trigger provisions will enable quick cut-off of funds and participation when violations occur and are documented.

(d) Suspension of Martial Law

Virtually since the creation of the statelet in 1920 it has been under special or emergency laws which constitute dictatorial rule under the guise of statute. These special rules of arrest, seizure, detention, along with juryless trials, coerced confessions, and paid pejurers all have combined for a total lack of respect for the rule of law. Instead these powers are widely viewed by professional observers and international bodies as tools of oppression used to criminalize all dissent, such as has been done in the Philippines and South Africa. The suspension of these laws would have the effect of restoring criminal law protections extant in England. If England can not rule in Ireland without these draconian rules for this long it gives added weight to the argument that its Army acts as an occupational force rather than a peace-keeping force tolerated by a Vichy-like government in Dublin.

(e) Economic Development By Internationally Recognized Body

The imperial English bureaucracy has a dismal track record regarding its fair & timely interest in the prosperity of the Unionist colony called Ulster. For 60 years they concentrated economic development East of the Bann River to insure most of the jobs went to the Protestants. Ireland's tiny government with limited experience in expanding and integrating its economic base is not up for the task. An EEC, UN or special team of Japanese, German and other reconstruction experts could put together and implement a rescue package which would be free of suspicion and not poisoned by duplicitious English civil servants.

These basic objectives would represent a more sincere commitment of American energy, resources and ingenuity while preserving a distinctive role for the U.S. This is preferable than that of simply turning a check over to the British Exchequer for tax relief. There is ample documentation on each of these points which we will be happy to provide you with as soon as possible. Please let us know what your position is and if you require any more information. We will be happy to try and accommodate you.

H.R. 4329

A bill to authorize United States contributions to the International Fund established pursuant to the November 15, 1985, agreement between the United Kingdom and Ireland

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION. 1. SHORT TITLE.

This Act may be cited as the "Peace, Stability, and Reconciliation in Ireland and Northern Ireland Act of 1986".

SEC. 2. FINDINGS AND PURPOSE.

(a) Findings.—The Congress—

(1) finds that the agreement signed by the United Kingdom and Ireland on November 15, 1985, is a clear demonstration of British and Irish determination to make progress concerning the complex situation in Northern Ireland;

(2) reaffirms the support for the Anglo-Irish Agreement which it expressed through the adoption of House Concurrent Resolution 239 in December 1985:

(3) is particularly encouraged that these two neighbors, longstanding friends of the United States, have joined together to promote the economic and social development of those areas in Ireland and Northern Ireland which have suffered most severely from the consequences of violence in recent years; and

(4) believes that, in recognition of our ties of kinship, history, and commitment to democratic values, the United States should participate in this renewed commitment to social and economic progress in Northern Ireland and affected areas of Ireland.

(b) Purposes.—It is, therefore, the purpose of this Act to provide for United States contributions in support of the Anglo-Irish Agreement, such contributions to consist of not less than $250,000,000 in economic support fund assistance for payment to the International Fund established pursuant to the Anglo-Irish Agreement, as well as other assistance to serve as an incentive for economic development and reconciliation in Ireland and Northern Ireland. The purpose of these United States contributions shall be to support the Anglo-Irish Agreement in promoting reconciliation in Northern Ireland and the establishment of a society in Northern Ireland in which all may live in peace, free from discrimination, terrorism, and intolerance, and with the opportunity for both communities to participate fully in the structures and processes of government.

SEC. 3. UNITED STATES CONTRIBUTIONS.

(a) Economic Support Fund Assistance—Of the amounts authorized to be appropriated for each of the fiscal years 1986 through 1990 to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $50,000,000 shall be used for a United States contribution to the International Fund. For the fiscal years 1986 and 1987 funds previously authorized to be appropriated to carry out that chapter for those years shall be used for this contribution. To carry out this subsection, there are authorized to be appropriated to carry out that chapter (in addition to amounts other-

wise authorized to be appropriated) $50,000,000 for each of the fiscal years 1988 through 1990, which amounts are authorized to remain available until expended.

(b) OTHER ASSISTANCE.—The following authorities may also be used for United States programs in Ireland and Northern Ireland in support of the Anglo-Irish Agreement:

(1) Section 108 of the Foreign Assistance Act of 1961 (relating to the Private Sector Revolving Fund).

(2) Title IV of chapter 2 of part I of that Act (relating to the Overseas Private Investment Corporation), without regard to paragraph (2) of the second undesignated paragraph of section 231 of that Act.

(3) Section 661 of that Act (relating to the Trade and Development Program).

SEC. 4. CONDITIONS AND UNDERSTANDINGS RELATING TO THE UNITED STATES CONTRIBUTIONS.

(a) PROMOTING ECONOMIC AND SOCIAL RECONSTRUCTION AND DEVELOPMENT.—The United States contributions provided for in this Act may be used only to support and promote economic and social reconstruction and redevelopment in Ireland and Northern Ireland. The restrictions contained in sections 531(e) and 660(a) of the Foreign Assistance Act of 1961 apply with respect to any such contributions.

(b) UNITED STATES REPRESENTATION ON THE BOARD OF THE FUND.—The President shall make every effort, in consultation with the Government of the United Kingdom and the Government of Ireland, to ensure that there is United States representation on the Board of the International Fund.

(c) PRIOR CERTIFICATIONS.—Each fiscal year, the United States may make contributions to the International Fund only if the President certifies to the Congress that he is satisfied that—

(1) the Board of the Fund, as a whole, is broadly representative of the interests of the communities in Ireland and Northern Ireland; and

(2) disbursements from the Fund—

(A) will be distributed in accordance with the principle of equality of opportunity and nondiscrimination in employment, without regard to religious affiliation; and

(B) will address the needs of both communities in Northern Ireland.

Each such certification shall include a detailed explanation of the basis for the President's decision.

SEC. 5. ANNUAL REPORTS.

At the end of each fiscal year in which the United States Government makes contributions to the International Fund, the President shall report to the Congress on the degree to which—

(1) the Fund has contributed to reconciliation between the communities in Northern Ireland;

(2) the United States contribution to the Fund is meeting its objectives of encouraging new investment, job creation, and economic reconstruction on the basis of strict equality of opportunity; and

(3) the Fund has increased respect for the human rights and fundamental freedoms of all people in Ireland and Northern Ireland.

SEC. 6. REQUIREMENTS RELATING TO FUNDS FOR "INTERNATIONAL ORGANIZATIONS AND CONFERENCES".

(a) DISBURSEMENTS, AUDITS, AND REPORTS.—The provisions relating to disbursement on vouchers, audits, and submission of reports with respect to expenditures pursuant to the Joint Resolution of July 11, 1956 (Public Law 689), shall also apply with respect to expenditures pursuant to section 109(c) of the Act of November 22, 1983 (Public Law 98-164).

(b) FUNDS SUBJECT TO REQUIREMENTS.—That section is amended—

(1) by striking out "In addition to" and inserting in lieu thereof "of";

(2) by striking out "by section 102(2)" and all that follows through "1985" and inserting in lieu thereof "for each fiscal year";

(3) by inserting "may be used" before "for expenses"; and

(4) by striking out all that follows "participation in" through "such as".

SEC. 7. DEFINITIONS.

As used in this Act—

(1) the term "Anglo-Irish Agreement" means the Agreement Between the Government of Ireland and the Government of the United Kingdom dated November 15, 1985; and

(2) the term "International Fund" means the international fund for economic development projects in Northern Ireland and Ireland, established pursuant to Article 10 of the Anglo-Irish Agreement.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. MCDADE].

Mr. MCDADE. Mr. Speaker and my colleagues, I want to begin by expressing my appreciation and praise to my good friends, the gentleman from Florida [Mr. FASCELL], the gentleman from Indiana [Mr. HAMILTON], and to the gentleman from Michigan [Mr. BROOMFIELD] and the gentleman from New York [Mr. GILMAN] for the tremendous way that they have worked to bring this to the floor.

Mr. Speaker, I rise in support of H.R. 4329.

Late last year, this Congress went on record in support of the agreement reached in November between the British and Irish Prime Ministers which would give the Republic of Ireland an official role in governing Northern Ireland. Our resolution praised the agreement as an effort to achieve peace and reconciliation in Northern Ireland. We also declared congressional support for appropriate aid to both sections of Ireland.

Congress recognized then, as we do today, that this agreement is a serious effort to resolve differences and promote peace. The pact is an attempt to arrive at a workable structure for ending years of conflict between the people in Northern Ireland.

I was fortunate to have the opportunity to join a House delegation in traveling to Ireland. We saw firsthand the economic and emotional disruption that plagues this region of the world. Last week, the Speaker testified in support of H.R. 4329, calling the agreement a "promise of peace" for the people.

Today, we have the opportunity to make good on our pledge to provide economic aid.

H.R. 4329 will help us toward an international fund for economic development projects in accordance with the Anglo-Irish agreement.

As a Congress and as a free Nation, we ought to lend our support in whatever reasonable way, to the efforts by Britain and Ireland to ease the tension and end the bloodshed.

I urge my colleagues to support this economic assistance package. In doing so, you will be fostering the peace process in a troubled part of the world. I would also like to commend the members of the House Foreign Affairs Committee for moving expeditiously to bring this important measure to the floor.

Mr. HAMILTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4329, a bill to authorize United States contributions to the International Fund established pursuant to the November 15, 1985, agreement between the United Kingdom and Ireland. This bill authorizes $250 million in economic support fund money over 5 years with $50 million to be provided in fiscal year 1986 and again in fiscal year 1987. The authorizations for fiscal year 1986 and fiscal year 1987 are provided from existing unused authorizations contained in Public Law 99-83 signed in August 1985 by the President.

These funds are intended to serve as an incentive for economic development and reconciliation in Ireland and Northern Ireland. By agreement between Britain and Ireland 75 percent of funds are expected to be spent in Northern Ireland and 25 percent in the cross border areas of Ireland which have been hardest hit by the violence of the last years.

The purpose of these United States contributions to the International Fund is to show strong support for the Anglo-Irish Agreement and its early and full implementation in promoting reconciliation in Northern Ireland and the establishment of a society in Northern Ireland in which all may live in peace, free of discrimination, terrorism, and intolerance, and with the opportunity for both the communities to participate fully in the structures and processes of government.

While there is a determination on the part of both the British and Irish Governments to move ahead and implement this agreement, there are some who may seek to undermine the agreement or subvert its purposes. Only last week, some groups in Northern Ireland sought a general strike to protest the agreement. This tactic did not work. It is encouraging to note the strong will among the vast majority of people in Northern Ireland and the British and Irish Governments to push ahead. In the coming weeks, the British and Irish are expected to reach appropriate arrangements for the framework agreement for the establishment of the proposed International Fund which is expected to be in

place with a small secretariat sometime this summer.

Mr. Speaker, it is important to note that while we are with this legislation showing our strong support for, and commitment to, the implementation of the Anglo-Irish Agreement, there are safeguards in the legislation to insure that United States purposes and interests are served with the funds which will be provided to the International Fund. First, the legislation calls for an annual Presidential certification to the Congress saying that the President is satisfied that the Board of the International Fund is broadly representative of the interests of the communities in Ireland and Northern Ireland and that disbursements from the Fund are addressing the needs of both communities in Northern Ireland and are being distributed in accordance with the principle of equality of opportunity and nondiscrimination in employment, without regard to religious affiliation.

Second, the legislation calls for an annual report to the Congress on the degree to which the Fund has contributed to reconciliation in Northern Ireland and has increased respect for the human rights and fundamental freedoms of all people in Northern Ireland, and the degree to which the United States contribution to the Fund is meeting its objectives of encouraging new investment, job creation, and economic reconstruction on the basis of strict equality of opportunity.

Finally, it is useful to understand how the International Fund is expected to work. The Fund will have a Board composed of six members chosen by the British and Irish Governments. These Board members will not be government officials and will not represent government policy but will be representative of the interests of both communities in Northern Ireland. The Board will meet at regular intervals to set policy guidelines for what types of projects should be funded and what should be the priorities of the Fund. Based on the decisions of the Board, funds will be disbursed out of a joint account held by the two governments involved and established pursuant to arrangements agreed to by Britain and Ireland. U.S. money would be put into the Fund along with the expected contributions from other nations and the activities of the Fund would be audited annually by a private, independent group. The small secretariat created to administer the Fund and carry out the decisions of the Board will be paid by the two respective governments and not by the Fund's money and will most likely be located in Belfast, Northern Ireland. It is also the expectation of both parties to the agreement that the United States should have a close working relationship with the Board and the administrators of the Fund, but that the precise nature of that relationship cannot be worked out until the Board and the Fund are established.

Mr. Speaker, there may still be some questions which exist regarding precisely how the International Fund will work and exactly who will sit on the Board, but there is a consensus on the Committee on Foreign Affairs and among the leadership of the House that there are sufficient safeguards in this legislation and sufficient understandings from the British and Irish Governments that we can and should proceed.

I urge my colleagues to support H.R. 4329 and give their strong support to the Anglo-Irish Agreement. This assistance for promoting economic and social stability in those areas in Ireland and Northern Ireland which have suffered most severely from the consequences of violence and deprivation in recent years is an important investment in peace and reconciliation. There is a clear British and Irish determination to make progress in the complex situation existing in Northern Ireland. We need to stand behind our friends and allies and show our own determination to help them help others. We cannot do less than that.

Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. LANTOS].

Mr. LANTOS. Mr. Speaker, we have a fleeting moment of historic opportunity to do something right for the long-suffering people of Ireland, to end the anguish and the agony and the bloodshed, to turn away from turmoil and tension toward reason and the renaissance in Ireland.

I want to pay deep and sincere tribute to our distinguished Speaker, Speaker O'NEILL; our majority whip, the gentleman from Washington [Mr. FOLEY]; the leader of this whole cause, my friend, the gentleman from New York [Mr. BIAGGI]; the chairman of our committee, the gentleman from Florida [Mr. FASCELL]; the chairman of our subcommittee, the gentleman from Indiana [Mr. HAMILTON]; and, on the Republican side, to the ranking minority member, the gentleman from Michigan [Mr. BROOMFIELD], and my dear friend, the gentleman from New York [Mr. GILMAN], who has done so much to bring us to this point.

We have at this moment an opportunity to pass a joyous piece of legislation. It is a joyous piece of legislation because it will bring to that area of poverty and suffering and dissension a ray of hope so appropriately on the eve of St. Patrick's Day.

I think the Irish-American community now has to begin to do its share, and I call upon the chief executive officers of Irish-American ancestry of our major corporations to come on in the water with us, the water is fine. They should take a big plane, an Aer Lingus plane, to Ireland and go to the areas affected and give some jobs and contracts on both sides of the dividing line to the people, with unemployment at 30 percent and 35 percent and 40 percent.

We have an opportunity to turn a whole country around. It is our privilege to do so, and this Congress, I trust, will act in unison.

Mr. HAMILTON. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. TORRICELLI].

Mr. TORRICELLI. I thank the gentleman for yielding.

Mr. Speaker, it is impossible to appreciate the value of this economic aid without seeing for oneself the terrible economic deprivation in the North of Ireland and the conditions under which people live. For us in America, it is sometimes difficult to understand the strife between Catholics and Protestants. It is important for us to understand and to know that this is not a fight over religious principles. This is a conflict over people who live next to factories that they cannot enter, walk through neighborhoods in which they are not safe.

Well, today America leaves the sidelines. Today we give our assistance. We do the minimum to help end the economic deprivation which has brought strife for so long. But we do so with clear conditions that we will give no assistance to those who would continue discrimination, that we will help only those who believe in equality of opportunity.

Let it be understood that those who would ignore these conditions do so at the risk of destroying the coalition which comes together today to have America work toward a just solution.

We must not lose sight of the reason why we have addressed the problems of Northern Ireland. We will make every attempt to protect this aid from those who would ignore the needs of the population. We must earmark this money specifically to rebuild this wartorn country and provide an equal opportunity for employment to all Irish citizens.

We will not close our eyes to continued discrimination and human rights violations. Congress needs to monitor carefully the use of United States economic assistance, and Dublin and London need to know that any misuse of our assistance will severely jeopardize our commitment.

This measure is designed to assist with the redevelopment of a country that has suffered through years of civil war. Our money can boost the economic growth of Ireland and create many new job opportunities. We want this aid to be used as a vehicle to unify Northern Ireland in a spirit of equality despite religious differences.

I commend my colleagues for introducing this legislation, and I urge sup-

port for it. I particularly want to say again how strongly I believe that by placing these conditions, we have moved American policy forward, because we have done more than guarantee that our money will be used in a just way. We have now given an admission by all parts of our Government and by all of our people that in fact discrimination exists, it is real, it is a problem and that American policy will work to end it.

Mr. FLORIO. Mr. Speaker, I rise to express my support for efforts to promote a resolution to the conflict in Northern Ireland and to seek a peaceful and fair resolution to a problem that has caused tragedy and has spawned tremendous violence in this area. As a member of the ad hoc congressional Committee for Irish Affairs, I have long been concerned about the diminishing prospects for a solution as the years have gone by. I share the dream of all who have worked for peace in Northern Ireland in seeking a solution that would foster the free exercise of political, religious and cultural traditions and that would quell the tragic violence that has permeated Northern Ireland.

In November, the leaders of the United Kingdom and Ireland signed an Anglo-Irish Agreement which set forth a new political framework for Northern Ireland and ensured a role for Ireland in the day to day affairs of Northern Ireland. The agreement's intent is to promote the establishment of a society in Northern Ireland in which all may live in peace, free from discrimination, terrorism and intolerance. Following this development, a commitment was made by our Government to support the implementation of this agreement through economic assistance. Although I am pleased by the movement in promoting a solution to this conflict, I was concerned that the commitment of funds by the United States without assurances that these funds would be used to benefit both communities would be detrimental to the peace process.

As we consider H.R. 4329, a bill to authorize a 5-year $250 million contribution to the International Fund established by the Aglo-Irish Agreement, I would like to voice my support of several key provisions that were included in the bill during consideration by the House Foreign Affairs Committee. I am certain that these provisions address the concerns that have been voiced about this aid authorization by ensuring that the funding be provided to promote the principles of equality of opportunity and nondiscrimination without regard to religion affiliation in keeping with the Mac Bride principles, as well as benefit both communities.

Specifically, I am pleased that section 4 of H.R. 4329 contains Presidential certification requirements stipulating that the President ensure that that Board of the International Fund have a U.S. representative and does not vest too much control in any particular partisan of this conflict. Additionally, the President must certify that discrimination is not being practised and that United States contributions be used for economic and social reconstruction and redevelopment in Northern Ireland and not for military or security related purposes. The bill also calls for an annual report to be submitted to Congress explaining the degree to which United States contributions are contributing to reconciliation, meeting the original objectives of reconstruction and redevelopment, and increasing the respect for human rights and fundamental freedoms of all people in Ireland and Northern Ireland.

I would like to commend the Foreign Affairs Committee for refining this proposal to address these concerns and urge the adoption of H.R. 4329.

Mr. BORSKI. Mr. Speaker, as a member of the Ad Hoc Congressional Committee for Irish Affairs, I rise in support of H.R. 4329, a bill which authorizes American aid in support of the process of reconciliation in Northern Ireland. Our assistance will be an important contribution to the achievement of peace, justice and equality of opportunity in that troubled land.

We are all familiar with the generations of strife that have blighted Northern Ireland, and particularly the climate of alienation, misery and violence which has persisted there over the past 17 years. I have made my concern about the Irish situation one of my highest priorities as a Congressman. In fact, I am a cosponsor of H.R. 2597, a bill that authorizes American aid to Northern Ireland under several important conditions.

Last fall the British and Irish governments came together for the first time to begin a mutual search for reconciliation. The Anglo-Irish Agreement is but a first step in what will be a long and painful process, and it is a very fragile first step indeed. Not only are the six counties of Northern Ireland one of the most divided and violent areas in the world, they are also among the most economically depressed regions of the developed world.

The many years of conflict have contributed to economic decline and privation, and this decline has harmed both the nationalist and unionist communities. Now, with the Anglo-Irish Agreement signalling a new political beginning, it is time for the United States to offer assistance in stimulating economic growth.

It is very important however, to understand that neither the agreement itself nor the aid we offer to support it will assure that peace, prosperity and reconciliation come to the six countries. That process will require a commitment by all the parties to comprehensive political, legal and economic reform. Until now, the system in the north has been used to perpetuate the domination of the unionist majority over the nationalist minority. That domination is reflected in government, the economy, the legal system and the security system. A real peace must address these divisions and the abuses associated with them. A real peace must recognize and satisfy the essential Irish identity of the nationalist minority.

At the same time, Congress must take steps to see that American aid does not simply underwrite the abuses that have occured in Northern Ireland. To underscore my deep concern about this point, I joined several of my colleagues in writing the distinguished chairman of the Foreign Affairs Committee, Mr. FASCELL. Our letter stressed the need for close American supervision over the distribution of our aid. We also sought assurances that our aid would be distributed in accordance with the Mac Bride principles, which ban discrimination in employment, and that the recipients of our assistance will respect the terms of our Foreign Assistance Act regarding the protection of human rights.

I am pleased that the Foreign Affairs Committee has reported legislation that offers aid under terms which will ensure that our contribution furthers the peace process. Under this bill, both communities will share in the benefits of our aid, and the Mac Bride principles will be respected. The bill requires the President to certify to Congress his satisfaction that our assistance will address the needs of both communities and will be distributed fairly. It also provides that the President will seek U.S. representation on the board which distributes our aid.

I would also like to commend the distinguished chairman of the ad hoc congressional Committee for Irish Affairs, Mr. BIAGGI, for his years of leadership on Irish issues and his valuable contributions to this legislation.

H.R. 4329 is an important step for the United States. It marks the beginning of our participation in the achievement of peace in Northern Ireland. This bill is structured in a way that satisfies the concerns of the Irish-American community and guarantees it will be an effective contribution to Irish prosperity and reconciliation. I urge all my colleagues to give it their strong support.

Mr. MAVROULES. Mr. Speaker, I rise today in support of H.R. 4329, legislation to provide for a financial contribution by the United States to the International Economic Support Fund.

Last November 15th, Prime Ministers Margaret Thatcher of Britain and Garret Fitzerald of the Republic of Ireland signed a historic agreement providing Dublin an official voice in governing Northern Ireland. This historic agreement represents an important first step toward ending the violence which has dominated Ulster for over 16 years.

A key component of this accord is the establishment of an internationally supported fund to further the goals of peace and understanding in the region. In addition, this agreement seeks to expand economic and social assistance between the Catholic and Protestant citizens of Northern Ireland.

The legislation before us today will authorize the payment of $50 million annually over the next 5 years by the U.S. Government to this economic support fund.

The November 15 agreement between the two nations has provided the necessary framework for a long-awaited political agreement. However, the fragile economy and the extraordinarily high level of unemployment in Northern Ireland require a further commitment of economic aid. By supporting this legislation, this Congress will reinforce our long standing commitment to economic equality and to human rights in all areas of the world.

I would like to take a moment to commend the sponsors of this legislation. In drafting the bill before us today, they have included a section to ensure that the rights of the United States will be represented on the board of the International Economic Support Fund.

In addition, this legislation addresses a number of key concerns raised during the hearings on this issue. H.R. 4329 also includes language modeled after the Mac Bride

principles and is supported by both the Irish National Caucus and the Ancient Order of Hibernians.

Mr. Speaker, we are less than a week away from the annual celebration of St. Patrick's Day, a time of year we take to recognize the significant contributions made by the Irish people. Our approval of this legislation today will make a significant statement of support by the Government of the United States to our great friend and ally, the Republic of Ireland.

Mr. McGRATH. Mr. Speaker, I rise today in strong support of H.R. 4329 which authorizes U.S. contributions to the internationally supported fund created by the historic Anglo-Irish Agreement of November 1985. This body's passage of the legislation will mean tangible support for cooperation between the two sides of the long and discouraging dispute over Ireland's six Northern counties. I believe our assistance will lay a strong foundation for the resolution of hundreds of years of hardship and suffering for the residents of Northern Ireland.

H.R. 4329 authorizes $50 million annually in fiscal years 1986–90 for the International Economic Support Fund established under the November agreement. The bill specifies that U.S. contributions "may be used only to support and promote economic and social reconstruction and redevelopment in Ireland and Northern Ireland." Additionally, the legislation requires Presidential certification that disbursements from the Fund are appropriated with the careful attention to the goals of equality and justice in employment. Great caution must also be used to make certain that moneys will not be used in a discriminatory manner.

Mr. Speaker, as you are well aware, the strife in Northern Ireland has polarized its citizens, wrought havoc on its economy and robbed its children of a peaceful environment for growth and development. Residents are near prisoners locked into a society of suspicion, fear and anger. H.R. 4329 is an important step for the United States to support the citizens of Northern Ireland in their efforts toward reconciliation. I urge my colleagues to support this legislation.

Mr. BROOMFIELD. Mr. Speaker, I reserve the balance of my time.

Mr. HAMILTON. Mr. Speaker, I yield the balance of my time to the gentleman from Massachusetts [Mr. O'NEILL], the distinguished Speaker of the House of Representatives.

The SPEAKER pro tempore. The Speaker is recognized for 6 minutes.

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Mr. O'NEILL. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of this resolution from the Committee on Foreign Affairs.

Last fall, the Governments of Ireland and the United Kingdom took a dramatic step forward toward building a framework for peace and reconciliation in Northern Ireland. The Anglo-Irish accord is a recognition by the Governments of Great Britain and Ireland that the violence of the last 17 years could only be stopped by bringing an end to the political stalemate in Northern Ireland and providing instead a new political process. This process provides the basis for developing ties of cooperation and understanding between the two traditions in Northern Ireland.

Beginning in 1977, Senators KENNEDY and MOYNIHAN, Governor Carey and I issued a series of St. Patrick's Day statements condemning the violence in Northern Ireland and urging Irish-Americans to withhold their support from the IRA terrorists who were bringing death and destruction to the land of their forebears.

I believe that terrorism in Northern Ireland constitutes a direct threat to democratic institutions in the United Kingdom and Ireland. The assassinations and attempted murders of elected officials strikes at the heart of the democratic process. Furthermore, the senseless murders of more than 2,500 Irishmen and Englishmen, Catholics and Protestants, over the last two decades has brought terrible grief and suffering to one of Europe's oldest and most respected cultures. The time has certainly come to replace terror and religious hatred in Northern Ireland with a commitment to political dialog and constitutional change.

The Anglo-Irish accord is the law of the land in the United Kingdom and Ireland. It is a historic commitment by two Western democracies to promote an end to civil strife in a fair, just, and creative way.

Beginning in 1977 President Carter and later President Reagan pledged the assistance of the United States in the event that the United Kingdom and Ireland reached an agreement that provided a framework for peace and reconciliation in Northern Ireland. Last November, this House passed H.R. 4329 which strongly endorsed the Anglo-Irish accord and held out the prospect of United States assistance.

On November 15, 1985, the day the Anglo-Irish accord was signed in Hillsborough, President Reagan and I joined together in the Oval Office to endorse the agreement. On that occasion the President stated that, "The United States strongly supports this initiative" and that he "* * * will be working closely with Congress in a bipartisan effort to find tangible ways for the United States to lend practical support to this important agreement."

As you know, the President and I have had our differences on many issues over the past 5 years. We have no differences on the need to end the violence in Northern Ireland and bring about political progress there in a peaceful and constitutional fashion. We are unified in our commitment to help our friends in the Parliaments of London and Dublin to move forward in bringing justice and reconciliation to Northern Ireland.

The prospects for the success of that accord depend, in no small way, on having the resources to promote economic growth and social stability in Northern Ireland. The United States has an opportunity to contribute to the process of political progress in Northern Ireland by contributing to the Special International Fund for Rehabilitation and Reconstruction provided for by section 10 of the accord.

This resolution calls for Congress to appropriate $50 million a year for 5 years to this fund. I believe that considering current budget restraints that this is a reasonable sum.

Problems in Ireland have always had an American dimension. Over 40 million Americans are of Irish ancestry. Men and women from the two traditions in Ireland, Protestant and Catholic, were early settlers of America and in later years made enormous contributions to the building of this Nation into the strongest nation on Earth.

Over the centuries, Ireland's greatest contribution to the world has been its people. Today, a corner of that island has serious problems. Its people need help in overcoming the divisions of its history. I have visited Northern Ireland, I have met with its people and its leaders, unionist and nationalist. I have seen the destruction and the suffering. I have no illusions about the challenge that the cause of peace and justice faces there.

But I believe that this accord provides the best chance in the nearly two decades of "troubles" in Northern Ireland to build a bridge of hope and reconciliation in Northern Ireland. We know from our experience in the United States that diversity can be a source of strength and not a source of weakness. And we know in the United States that justice and opportunity are the fruits of democracy and not the rewards of violence and terrorism.

And that is why I support this resolution. I believe we have an obligation to help promote peace and reconciliation in Northern Ireland in a practical and measurable way. The Governments of Ireland and the United Kingdom have done their part. The time has come for the Government of the United States to do its part.

Mr. Speaker, I urge the support of both sides of the aisle for this resolution. I want to thank a member of the minority, the Republican Party, BILL BROOMFIELD, and I want to thank the chairman on our side, LEE HAMILTON, for expediting this matter. I also wish to thank the gentleman from Florida, DANTE FASCELL.

Mr. Speaker, last, I would like to say that I am very grateful to all who have supported this measure.

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that in order to correct a typographical error, the Clerk be directed in the engrossment

of the bill, H.R. 4329, to insert "development" in lieu of "redevelopment" in section 4(a).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HAMILTON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BROOMFIELD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MANTON. Mr. Speaker, I rise in strong support of H.R. 4329, the Peace, Stability, and Reconciliation in Ireland and Northern Ireland Act of 1986. As a member of the Ad Hoc Congressional Committee on Irish Affairs, I want to express my appreciation to the chairman of the Foreign Affairs Committee, Mr. FASCELL, for promptly bringing this important legislation to the floor of the House. I also want to commend my friend and colleague from New York, the chairman of the Ad Hoc Congressional Committee for Irish Affairs, Mr. BIAGGI, for his leadership on this issue.

Mr. Speaker, last year the Republic of Ireland and Great Britain signed a historic agreement giving the Republic of Ireland a role in the day to day operation of Northern Ireland. The Anglo-Irish Agreement of 1985 is an important first step toward ending the blatant disregard for the legal and civil rights of the nationalist community in Ulster.

H.R. 4329 authorizes $250 million in contributions by the United States to the International Fund which was established to support the Anglo-Irish Agreement. This legislation stipulates that the American contributions to the Fund must be used to promote economic and social reconstruction and redevelopment in Ireland and Northern Ireland, while addressing the needs of both the Catholic and Protestant communities in that strife torn nation.

H.R. 4329 will help the process of reconciliation started at Hillsborough last November with the signing of the Anglo-Irish Agreement. However, the Anglo-Irish Agreement is just a cautious first step on the path to peace. The British Government must radically change its treatment of the nationalist community before real peace will ever be possible.

H.R. 4329 provides the motivation for positive and peaceful change because U.S. aid is tied to a certification by the President that the Fund is being used to promote the principle of equality of opportunity and nondiscrimination in employment, without regard to religious affiliation. As a result, Great Britain will no longer be able to rely on its Diplock courts, rubber bullets, supergrass informers, and armed occupation to stifle the cries of freedom and justice in Northern Ireland. H.R. 4329 is consistent with the longstanding commitment of the United States to promote peaceful and positive change in Northern Ireland.

The Anglo-Irish Agreement and the United States contribution to the International Fund is only a beginning. But we must begin now to end the suffering in Northern Ireland which has plagued that nation for far too long.

Mr. HOWARD. Mr. Speaker, I congratulate everyone responsible for bringing this important legislation to the House floor for consideration. The past few months have seen developments in the political situation in Northern Ireland that raise the hopes of so many Irish-Americans that finally our brethren across the ocean will achieve a peaceful and happy life.

A few weeks ago I inserted a statement in the RECORD by John Hume, the leader of the Social Democratic and Labour Party in Northern Ireland. Mr. Hume's commitment to nonviolence, justice, and reconciliation exemplifies the selfless gestures of all those involved thus far in reaching the current high point of negotiation.

These days, so much media attention has focused on the human rights violations against Ethiopians and South Africans, and rightfully so. We must not forget, however, the struggle that has disrupted life in Northern Ireland for so long. If we are to succeed in stemming the current rise in terrorism and violence in the world today, we must channel our resources toward situations in which this Nation can make a difference. H.R. 4329 will do just that.

The most essential aspect of this legislation is that the funds authorized will encourage a peaceful reconciliation and reconstruction process in Ireland. The money will be tied to a commitment that social and economic redevelopment will take place. We are not interested in supporting a military insurgency that would only increase the violence and terror that has already devastated Ireland. Also, I am pleased that the President of the United States will be ensuring that democratic values as applied through the MacBride principles are utilized as a tool of accountability for U.S. economic aid.

I have followed the events in Northern Ireland for many years, often in sorrow and despair. Now I feel hope and confidence, and I extend my gratitude to all who have worked with such perseverance toward a peaceful solution.

Mr. KEMP. Mr. Speaker, it is with pleasure that I rise in support of H.R. 4329, a bill to authorize U.S. contributions to support the Anglo-Irish Agreement. I join my colleagues in saluting the efforts of President Reagan and Speaker O'Neill in bringing this measure before us: bipartisanship at its best.

For too many years of tragedy and suffering, the gentle countryside and historic cities of Northern Ireland have been torn apart by violence. Past efforts to achieve peaceful solutions and political reconciliation have fallen short. And Americans, many of whom are proud to count themselves of Irish descent, have looked on with great sadness at the troubles of our sister land.

It has been said that an Irishman's imagination will never let him rest—he will always be seeking that which is just beyond his grasp. Yet after centuries of seeking peace with dignity and justice, at last the prospect of peace is within his grasp.

Earlier this year, the Governments of Great Britain and the Republic of Ireland formalized an agreement that establishes a new framework to move toward a possible peace. It is in support of that agreement that H.R. 4329 would provide funding to help promote reconciliation in Northern Ireland. Yes we can help, and I believe we should. But as with all our foreign assistance programs, we must be vigilent to ensure that these funds are used wisely, for reconstruction of the northern Irish economy and to lay the foundations for economic growth.

While neither this agreement nor our aid dollars alone can solve all of the problems there, they do represent a strong ray of hope that the future may allow all members of both communities in Northern Ireland to pursue their aspirations through peaceful and constitutional means.

I have a prayer that I know I share with millions of Americans. It is that one day the people of Northern Ireland may know the richness that can derive from unity in diversity, as our own country has grown strong and prosperous because of the multiplicity of culture, and religion, and heritage that make up our great Nation. In that spirit, I urge my colleagues to support this investment in the future of Northern Ireland.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. FASCELL] that the House suspend the rules and pass the bill, H.R. 4329, as modified.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as modified, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PERMISSION FOR COMMITTEE ON FOREIGN AFFAIRS TO FILE REPORT ON HOUSE JOINT RESOLUTION 540, RELATING TO CENTRAL AMERICA PURSUANT TO THE INTERNATIONAL SECURITY AND DEVELOPMENT COOPERATION ACT OF 1985

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs have until midnight tonight to file a report on House Joint Resolution 540, relating to Central America pursuant to the International Security and Development Cooperation Act of 1985.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

COMMENDING INTER-AMERICAN FOUNDATION FOR ITS 15TH ANNIVERSARY AND CONTRIBUTIONS TO U.S. DEVELOPMENT ASSISTANCE IN LATIN AMERICA AND THE CARIBBEAN

Mr. FASCELL. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 389) congratulating the Inter-American Foundation on its 15th anniversary and commending it

for outstanding contributions to U.S. development assistance efforts in Latin America and the Caribbean.

The Clerk read as follows:

H. RES. 389

Whereas the Inter-American Foundation was established by the Congress in 1971 to foster a new direction and a new emphasis for United States development assistance efforts in Latin America;

Whereas the Inter-American Foundation has fulfilled in exemplary fashion its mandate from Congress to strengthen the bonds of friendship and understanding among the peoples of the hemisphere, to support self-help efforts designed to enlarge the opportunities for individual development, to stimulate and assist effective and ever wider participation of the people in the development process, and to encourage the establishment and growth of democratic institutions, private and governmental, appropriate to the requirements of the individual sovereign nations of this hemisphere;

Whereas the Inter-American Foundation has carried out its program in Latin America and the Caribbean since 1971 by making more than 2,100 grants worth more than $215,000,000 and doing so in a cost-effective manner;

Whereas the Inter-American Foundation has made small grants, averaging about $80,000, in rapid response to worthy proposals so that an appropriate level of assistance can reach those in need when it is most needed;

Whereas the Inter-American Foundation has operated through private rather than governmental channels on a "people to people" level;

Whereas the Inter-American Foundation strives to be responsive to the aspirations of poor people by supporting their own efforts to help themselves, their families, and their communities working through locally based and supported institutions;

Whereas the Inter-American Foundation has used its resources on a continuing, long term non-political basis to support ecologically and culturally sound self-help undertakings in agriculture and rural development, urban enterprises, community services, education and training, cultural expression, and research and learning about grassroots development in Latin America and the Caribbean;

Whereas the Inter-American Foundation has fostered immeasurable good will for the United States by reaching out to thousands of Latin American and Caribbean peoples who have never before had any contact with the United States Government;

Whereas the Inter-American Foundation provides development assistance in countries of Latin America and the Caribbean which are not otherwise recipients of United States development assistance; and

Whereas the Inter-American Foundation has provided valuable insights about grassroots development to development assistance agencies such as the Agency for International Development, the Inter-American Development Bank, and the World Bank, and was the model for the creation of the African Development Foundation: Now, therefore, be it

Resolved, That the House of Representatives congratulates the Inter-American Foundation on its fifteenth anniversary and commends it for its outstanding contributions to United States development assitance efforts in Latin America and the Caribbean.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Florida [Mr. FASCELL] will be recognized for 20 minutes and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. FASCELL].

GENERAL LEAVE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida.

There was no objection.

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Resolution 389, congratulating the Inter-American Foundation on its 15th anniversary and commending it for its outstanding contributions to United States development assistance efforts in Latin America and the Caribbean.

House Resolution 389 was considered by the committee on Foreign Affairs last week. I would like to extend my appreciation to my collegues on the committee who joined me in cosponsoring this measure: The ranking minority member the Honorable WILLIAM S. BROOMFIELD, and the chairman of the Western Hemisphere Affairs Subcommittee the Honorable MICHAEL BARNES, and that subcommittee's ranking minority member the Honorable ROBERT J. LAGOMARSINO, along with the Honorable ROBERT GARCIA.

It is with considerable pride that I bring this measure to the floor, congratulating the Inter-American Foundation on its remarkable success and achievement over its 15-year history. I am very pleased to have been one of the principal cosponsors of the legislation which created the Foundation.

The Inter-American Foundation's programs have been a model of excellence for development programs in Latin America and the Caribbean. Its successful activities have served as a benchmark for emulation by other aid organizations throughout the region, such as AID, the World Bank and the Inter-American Development Bank. In addition, hopes that the IAF experience can be replicated in Africa have been the motivating force behind establishment of the African Development Foundation.

The focus of IAF's activities is on small-scale development projects which emphasize a grass-roots orientation. Project grants are made through private channels to indigenous groups which have participated in the project design. The average grant awarded is $80,000. To date, more than 2,100 grants valued at over $215 million have been provided. Various sectors of its recipient countries have benefited from IAF programs, including agriculture and rural development, urban enterprises, community services, and education and training.

In operating through nongovernmental channels, IAF stresses a "people-to-people" approach. IAF programs provide the underpinnings for growth and development in Central America and the Caribbean. In so doing, they promote our long-term interests by laying a solid foundation for the fostering of democratic institutions.

Mr. Speaker, I urge the adoption of House Resolution 389, and express my wish for continued success of the Inter-American Foundation's development efforts in Latin America and the Caribbean.

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Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I rise in support of House Resolution 389, congratulating the Inter-American Foundation on its 15th anniversary.

Mr. Speaker, as a former ranking minority member of the Subcommittee on Latin American Affairs, I am familiar with the excellent work performed by the Inter-American Foundation. The Foundation specializes in providing small grants to innovative projects designed to strengthen the bonds of friendship and understanding among the peoples of the hemisphere. It supports self-help projects designed to encourage individual initiative and community involvement. It encourages the growth of democratic institutions.

The Foundation strives to touch those who have had little past contact with the United States, creating good will toward the United States throughout the hemisphere. Its innovative projects have provided valuable insights to other institutions involved in development assistance.

I am happy to join with the chairman and ranking minority member of the committee, and the chairman and ranking minority member of the Subcommittee on Western Hemisphere Affairs, who sponsored this legislation, in supporting it today, and I urge my colleagues to support it wholeheartedly.

Mr. BROOMFIELD. Mr. Speaker, I am very pleased to offer my congratulations to an organization which has stood the test of time and proven that our Foreign Aid Program, when properly designed and motivated, can work.

Today we are considering legislation which celebrates the 15th anniversary

71-059 O-87-39 (Pt. 3)

of the Inter-American Foundation, an organization which has made an important contribution to economic development in Latin America and the Caribbean region.

Emphasizing self-help, personal initiative, and a respect for the ability of the people of Latin America and the Caribbean to determine their own destiny, the Inter-American Foundation has become the model for other similar foundations such as the African Development Foundation.

In this day and age when Congress and the American people are more concerned than ever that our tax dollars are spent effectively, especially in the area of foreign aid, the Inter-American Foundation represents a solid example of a foreign aid program where we get "our money's worth."

The Inter-American Foundation illustrates how the American tax dollar really can help less fortunate people in the Third World who are prepared to help themselves.

I am very pleased to join my colleague from Florida, Chairman FASCELL, the "father" of this program, in supporting this resolution drawing attention to the contributions of the Inter-American Foundation on its 15th anniversary.

Mr. Speaker, I yield the balance of my time to the gentleman from California [Mr. LAGOMARSINO], the ranking member of the Subcommittee on Western Hemisphere Affairs.

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of House Resolution 389, to commend the Inter-American Foundation on its 15th anniversary. As an original cosponsor of this resolution, I am pleased to join my colleagues in praising the work of the Foundation and its significant contributions to the cause of development in the Western Hemisphere and better relations between the United States and our allies in the region. Special recognition should be given to Chairman FASCELL because this was his idea, one that has worked.

The Inter-American Foundation exemplifies basic American values: Private enterprise, hard work and community spirit. It helps build democratic traditions by supporting local community organizations which carry out their own self-help development programs. It promotes development through the concept of encouraging the poor to find solutions that are appropriate to their own society. It is an organization that is lean on red tape and bureaucracy and heavy on responding to the people in this hemisphere on how to solve their own problems.

The Foundation has enabled its grantees to carry out their projects in a spirit of mutual respect, recognizing that people must have a stake in their own future, willing to commit themselves and their limited resources to the project.

The Foundation's approach has been a unique one for a Government agency, and it has led the way for other institutions like the inter-American development bank's small projects program and the African development foundation.

The experience of the Inter-American Foundation points the way for cost-effective assistance programs where the United States can play an important role in promoting development and can feel confident it is getting significant returns for its investment in the improvement of people's lives and their well-being.

The Inter-American Foundation is a leader and innovator in development, pointing the way that other institutions, public and private, large and small, can learn from and follow.

I salute the leadership of the Foundation and particularly its President Deborah Szekely and join my colleagues in commending the Inter-American Foundation on its 15th anniversary. I urge my collegues to give their strong support to this resolution.

Mr. FAUNTROY. Mr. Speaker, I rise in support of House Resolution 389 sponsored by the distinguished chairman of our Committee on Foreign Affairs, "Congratulating the Inter-American Foundation on its 15th anniversary and commending it for its outstanding contributions to U.S. development assistance efforts in Latin America and the Caribbean."

I have come to know the excellent work of this organization and its dedicated staff firsthand during several factfinding missions to Haiti. It was the Inter-American Foundation through the tireless work of its country representative, Mr. Robert Maguire, that has led in the process of identifying and working with capable Haitian organizations struggling in the most difficult of environments for bottom-up development and development with justice. In Haiti, it was the Inter-American Foundation which led the way in working with courageous leadership in the Catholic church in developing cooperatives and credit organizations accessible to those historically denied. In Haiti, it is the Inter-American Foundation which is leading the way in structuring with the Catholic church an adult literacy program that can begin to address the illiteracy that has been inflicted upon 80 percent of the population by a repressive and stifling social and political system. This promising effort has great potential for helping Haiti and its people to empower themselves and break with a system of social stratification as unjust as it is unsuited for the world of the 1980's. In Haiti, the Inter-American Foundation is realizing its mandate of fostering new directions for development assistance efforts. It is strengthening of friendship and understanding. It is promoting self-help efforts enhancing individual development and assisting in an effective way in the participation of more and more people in the development effort.

The activities of the Inter-American Foundation in Haiti have also provided many important insights on grass roots development which have been invaluable to our Agency for International Development and many other agencies working in that country.

It is with a sense of gratitude that I join my colleagues in congratulating the Inter-American Foundation generally, and specifically for its skillful and dedicated work in Haiti. Let's continue to support this most beneficial organization. Congratulations on a job that is being well done.

Mr. GARCIA. Mr. Speaker, I rise in support of House Resolution 389, introduced by the distinguished chairman of the House Foreign Affairs Committee, DANTE FASCELL. It was his legislation enacted 15 years ago that created the Inter-American Foundation [IAF]. It was a stroke of genius.

Certainly, the Foundation has had its ups and downs, particularly during the past few years. But it has never swayed from its original purpose: To help the people of Latin America to help themselves. Its capable presidents, Peter Bell, William Dyal, and Deborah Szekely have all put their stamp on the Foundation. Each has tried to keep it on course, above the fray of day-to-day politics.

That's what has made the Foundation such a success; its ability to attract and sustain bipartisan support. It has done so largely because it has tried to avoid becoming involved in the politics of the countries it serves. It has, instead, concentrated on grass roots development projects, projects that have directly touched the lives of millions of poor, working people throughout the hemisphere. It has been able to do so because these projects are the creations of the people they serve. The Foundation is only there to help, not to create projects.

The IAF is the jewel of development programs. It has given our brand of capitalism a human face. The success of the IAF, and its most capable staff, has brought this Nation a measure of goodwill among the nations of this hemisphere. Not all of our policies toward the region can claim as much. It is, therefore, only fitting that we pay tribute to the Inter-American Foundation.

Mr. BARNES. Mr. Speaker, I rise in support of House Resolution 389 congratulating the Inter-American Foundation on its 15th anniversary. I would first like to commend Chairman FASCELL not only for bringing this resolution before the House today, but for having had the vision 15 years ago to create this wonderful institution.

The Inter-American Foundation was created by the Congress in 1969 to do something that no U.S. aid program had done before. It was supposed to bypass governments and official institutions in order to deal directly with the poor in Latin America and the Caribbean. This innovative approach was based on the belief by Chairman FASCELL and others in the Congress that the poor could better assess their needs and—given the opportunity and minimal help—could do much to improve their lives.

The Foundation has exceeded congressional expectations. During its first 15 years the Foundation has accumulated an excellent track record by supporting hundreds of projects by the poor and for the poor, and in so doing has promoted a better understanding

of the United States among the poor in Latin America and the Caribbean.

What the Inter-American Foundation has accomplished is a direct reflection of its excellent staff. With less than 80 staff members at any one time, the Foundation has been able to attract experts from different development fields who have a unique understanding of the people, the history, and the culture of Latin America and the Caribbean. As we approve this resolution and praise the Foundation for its achievements, I would urge my colleagues to join me in praising the men and women who during the past 15 years have worked to make the Foundation what it is now, a respected and admired member of the development community.

I would also urge my colleagues to join Chairman FASCELL and myself in our efforts to protect the Foundation from those that during the past 5 years have tried to compromise its independence and autonomy. By approving this resolution our message will be loud and clear: The Congress is proud of its creation and will continue to monitor developments within the Foundation in order to guarantee that the IAF will never depart from its congressional mandate.

Mr. FASCELL. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. FASCELL] that the House suspend the rules and agree to the resolution, House Resolution 389.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

BE WARY OF COMPROMISES AND PROMISES

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RICHARDSON. Mr. Speaker, lately there has been talk about a compromise on the Contra issue. Mr. Speaker, I was one of those Members of Congress who accepted the last compromise on the basis of a letter that the President sent to those of us that switched on humanitarian aid. Here are the promises and here are the results:

The President pledged to support the Contadora progress; 3 weeks ago the administration told the Contadora countries to "take a hike."

The President promised bilateral negotiations with the Sandinistas; the President said, "Forget bilateral negotiations."

The President said he would clean up the horrific human rights record of the Contras; and we asked the CIA to do a human rights report on the Contras. Well the CIA asked the Contras if these human rights atrocities were true, and the Contras said "no." A whitewash report.

The administration promises that they would keep an eye on how the money was spent, the $27 million. The GAO was sent to investigate. This administration said, "We will not tell you how we are spending their money and we will not give you any ability to investigate."

So I say to my colleagues, those that are thinking of accepting a compromise, as somebody who did, and the guarantees were not made, I say beware, beware of compromises and promises made by this administration.

REAGAN LETTER ON AID TO NICARAGUAN REBELS

(Following is the text of the letter sent June 11 by President Reagan to Rep. Dave McCurdy, of Oklahoma, regarding aid to the anti-government rebels in Nicaragua.)

DEAR CONGRESSMAN MCCURDY: I am writing to express my strongest support for your bipartisan proposal to assist the forces of democracy in Nicaragua. It is essential to a peaceful resolution of the conflict in Central America that the House of Representatives pass that proposal, without any weakening amendments.

My Administration is determined to pursue political, not military, solutions in Central America. Our policy for Nicaragua is the same as for El Salvador and all of Central America: to support the democratic center against the extremes of both the right and left, and to secure democracy and lasting peace through national dialogue and regional negotiations. We do not seek the military overthrow of the Sandinista government or to put in its place a government based on supporters of the old Somoza regime.

Just as we support President Duarte in his efforts to achieve reconciliation in El Salvador, we also endorse the unified democratic opposition's March 1, 1985, San Jose Declaration which calls for national reconciliation through a church-mediated dialogue. We oppose a sharing of political power based on military force rather than the will of the people expressed through free and fair elections. That is the position of President Duarte. It is also the position of the Nicaraguan opposition leaders, who have agreed that executive authority in Nicaragua should change only through elections.

It is the guerrillas in El Salvador—and their mentors in Managua, Havana, and Moscow—who demand power-sharing without elections. And it is the Sandinistas in Nicaragua who stridently reject national reconciliation through democratic processes. Our assistance has been crucial to ensuring that democracy has both the strength and will to work in El Salvador. In Nicaragua, our support is also needed to enable the forces of democracy to convince the Sandinistas that real democratic change is necessary. Without the pressure of a viable and democratic resistance, the Sandinistas will continue to impose their will through repression and military force, and a regional settlement based on the Contadora principles will continue to elude us.

I understand that two "perfecting" amendments will be offered that will seek to nullify the intent of your proposal. One, supported by Ed Boland, would prohibit the exchange of information with the democratic resistance and permanently deny even humanitarian assistance because it would "have the effect" of supporting "directly or indirectly" the military efforts of the resistance. The other, supported by Dick Gephardt, would prohibit humanitarian assistance for at least six months and then continue the prohibition until Congress votes yet again.

The Boland Amendment is clearly intended to have the same effect as the Barnes Amendment that was rejected by the House in April. If the Boland prohibitions are enacted, the only way humanitarian assistance could be provided would be for the recipents to abandon their struggle and become refugees. The Gephardt proposal guaranteeing the Sandinistas six additional months without effective pressure, would send a signal of irresolution to friends and adversaries, while denying the democratic resistance help that it so desperately needs. These amendments would prevent us from providing humanitarian assistance and exchanging information to sustain and preserve the democratic resistance. They would effectively remove the resistance as a source of pressure for dialogue and internal reconciliation. If those struggling for democracy are not supported, or worse, forced to become refugees, the Sandinistas will be encouraged to press their military advantage and the prospects for a peaceful resolution will be diminished.

I take very seriously your concern about human rights. The U.S. condemns, in the strongest possible terms, atrocities by either side. We are committed to helping the democratic resistance in applying strict rules regarding proper treatment of prisoners and the civilian population. And we urge their leaders to investigate allegations of past human rights abuses and take appropriate actions to prevent future abuses.

I recognize the importance that you and others attach to bilateral talks between the United States and Nicaragua. It is possible that in the proper circumstances, such discussions could help promote the internal reconciliation called for by Contadora and endorsed by many Latin American leaders. Therefore, I intend to instruct our special Ambassador to consult with the governments of Central America, the Contadora countries, other democratic governments, and the unified Nicaraguan opposition as to how and when the U.S. could resume useful direct talks with Nicaragua. However, such talks cannot be a substitute for a church-mediated dialogue between the contending factions and the achievement of a workable Contadora agreement. Therefore, I will have our representatives meet again with representatives of Nicaragua only when I determine that such a meeting would be helpful in promoting these ends.

Experience has shown that a policy of support for democracy, economic opportunity, and security will best serve the people of Central America and the national interests of the United States. If we show consistency of purpose, if we are firm in our conviction, we can help the democratic center prevail over tyrants of the left or the right. But if we abandon democracy in Nicaragua, if we tolerate the consolidation of a surrogate state in Central America responsive to Cuba and the Soviet Union, we will see the progress that has been achieved in neighboring countries begin to unravel under the strain of continuing conflict, attempts at subversion, and loss of confidence in our support.

There can be a more democratic, more prosperous, and more peaceful Central

America. I will continue to devote my energies toward that end, but I also need the support of the Congress. I hope the House will support your legislation.

Sincerely,

RONALD REAGAN.

CONDEMNING ETHIOPIAN GOVERNMENT'S CALLOUSNESS AND HUMAN RIGHTS ABUSES

(Mrs. ROUKEMA asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous matter.)

Mrs. ROUKEMA. Mr. Speaker, yesterday the Washington Post described in horrifying detail the abuses which have occurred in the Ethiopian Government's resettlement program. For some time, the Ethiopian Government has moved people out of areas of depleted land in the northern provinces to other parts of the country. Mounting evidence, including the eyewitness accounts in the article, indicates that this program is coercive, cruel, and that conditions in the resettlement camps are deplorable.

Today's Washington Post contains an editorial condemning the Ethiopian Government's callousness. The editorial also points out the dilemma for Western donor nations in trying to aid the victims of famine and drought, while pressing the Ethiopian Government for reform.

I have introduced a resolution which calls for a halt to these human rights abuses. One hundred Members of the House have joined in cosponsoring House Concurrent Resolution 285. I would urge all my colleagues to cosponsor this measure, because the time for action is now.

[From the Washington Post, Mar. 11, 1986]

ETHIOPIA'S CRUELTIES

Just when you think you have mentally catalogued the full range of Marxist Ethiopia's abuses of its hapless citizens, a report comes along to remind you of the poverty of the bourgeois imagination. Post reporter Blaine Harden's account of a young Ethiopian mother, lured by a false promise of free food into abandoning her home in the drought-stricken northern highlands, is the latest evidence.

The government of Mengistu Haile Mariam says it is relocating citizens for their own good. But the international relief agencies believe the government is deliberately using a massive relocation scheme to depopulate rebel-dominated northern areas and assert political control. It is, in short, attempting to dry up the "sea" in which the insurgent "fish" swim. It is doing so, it seems, with the active collaboration of its Soviet patrons, themselves no strangers to dealing brutally with peasant unrest.

Caught in the maw are people like the woman interviewed by reporter Harden. Virtually every form of privation that could befall a human—decimation of the family and destruction of a way of life—had befallen her by the time she reached the succor of a refugee camp across the border in Sudan.

No one reading of her ordeal will have difficulty understanding why the Ethiopian government is despised by so many people forced to live under it. For Westerners, however, the situation has long posed a special dilemma. Should the West provide relief for people in distress, even though the providing of relief is a form of assistance to the government that causes and aggravates the distress? The broad response of the international relief community, including that considerable part of it financed by the United States government, has been to attempt to help starving and needy people, but at the same time to try to press the Ethiopian government into less anti-humanitarian ways.

The resettlement question is tricky. The government uses resettlement for its own political purposes. There is doubtless a humane and rational justification for some amount of resettlement—though there can be little or none for the even more massive official effort to herd peasants into villages where they can be kept under tighter control.

Relief agencies cannot solve these conundrums. But they and the Western publics that support them can at least air the dilemma. The Ethiopian government deeply resents this sort of intervention, but it has no standing to protest as long as it generates human suffering on such a massive scale. One can hope that the Ethiopian people are able to distinguish those who cause its misery from those who attempt to lighten it.

[From the Washington Post, Mar. 10, 1986]

ETHIOPIANS RISK LIVES FLEEING RESETTLEMENT

(By Blaine Harden)

ED DAMAZIN, SUDAN.—The dismal odyssey of the young Ethiopian mother began last spring with a false promise of free food.

That promise lured Letehawaria Gebre Yessus into a trip that took her from the highlands of northern Ethiopia to a swampy resettlement camp in its southwestern corner. Late in February, after an escape journey of three months, she found her way here to a refugee camp in the thorn-tree badlands of eastern Sudan.

En route, she said, she was forced by Ethiopian soldiers to abandon her two children, and she watched her husband die of disease in a crowded transit camp. After fleeing Ethiopia, she said, she was robbed, beaten, raped and held as a slave by Sudanese rebels.

The woman's story, which she quietly told in the shade of a refugee tent, echoes those of many of the nearly 1,000 Ethiopian refugees here who have fled the resettlement program that the Ethiopian government insists is the only possible long-term solution to chronic famine in the country.

Nearly 600,000 northern Ethiopians have been moved south by the program since November 1984. When it began, Tamrat Kebede, the Ethiopian official responsible for designing the program, said in an interview in Addis Ababa that the resettlement would be voluntary, that families would not be split and that each family would be given about five acres of land to farm privately.

Tamrat said then that these conditions would guarantee the human rights and self-respect of resettled famine victims, and would ensure needed grass-roots support.

But interviews here with escapees from resettlement camps, along with the reports of researchers and relief workers who have conducted random surveys among refugees, indicate that the Ethiopian government has widely violated and ignored its preset conditions.

As Ethiopia's famine abates, the resettlement program continues, with a goal of moving 1.5 million people by the end of this year. The program has become by far the most contentious issue between Marxist Ethiopia and the western governments and private relief organizations that supply most of its famine assistance.

The Ethiopian government temporarily suspended the resettlement program at the end of last month in response to criticism from western aid donors. The suspension, to last an indefinite period, was ordered "for a period of consolidation and to digest what they have already done," a senior western aid official in Addis Ababa told United Press International last weekend.

According to western aid officials in the Ethiopian capital, the final 1,000 resettlers arrived in Asosa from Welo Province in the last week of February. Ethiopian government officials, while not officially announcing the suspension, said last week that internal and external criticism has forced a government review of resettlement. But western aid officials say that it was primarily outside donor criticism that forced the suspension.

While Italy and Canada have given money specifically to support resettlement, most other donors have expressed reservations. The United States, by far the largest food donor, has condemned the program as a diversion of resources better spent in the famine-affected north. A French-based relief agency, Doctors Without Borders, was expelled from Ethiopia last fall for charging that up to 100,000 persons had died as a result of resettlement.

Most critics of resettlement contend that it has a political, not a humanitarian, aim: to depopulate the rebel-dominated north, where the government has been unable for nearly a quarter century to impose military control.

The Ethiopian government has admitted to some abuses in the program by "overzealous local officials." But it maintains that the idea of moving famine victims from the drought-razed northern highlands to the fertile southwestern lowlands is sound. The Soviet-supported rulers have dismissed most criticism of resettlement as motivated by western, anti-Marxist ideology disguised as humanitarian concern. At the same time, the Ethiopian government strictly restricts outside access to resettlement areas.

The stories told here in this two-month-old refugee camp come not from outsiders but from peasant farmers from the Welo and Tigray regions of northern Ethiopia. In 13 separate interviews here, they told a consistent story, details of which are supported by earlier interviews in Ethiopia with relief officials.

Most of the refugees said they were "tricked" into gathering in northern villages by government-circulated promises that the "Red Cross" would be distributing free food. Many left their children behind, thinking that they would soon be coming back home. However, they were surrounded by Ethiopian soldiers and loaded onto buses or helicopters bound for transit camps. Several refugees said they saw soldiers shoot and kill farmers who tried to run away.

The settlers described several weeks in transit camps, with shortages of food, water and medical care, as well as many deaths from illness. They then were packed into Soviet Antonov transport planes or buses for the 600- to 700-mile journey south to re-

settlement sites near Asosa and Gambela. Several said that people who became critically ill during the bus ride south were hauled out of the buses and abandoned at roadsides.

In Gambela and Asosa, lowland areas where more than 145,000 people have been resettled in scores of new villages in the past 16 months, the refugees said there were chronic shortages of food, clothes and shelter. Many said they became ill with malaria, a disease they had no experience with in the northern highlands.

Party cadre and soldiers, the refugees said, forced the settlers to clear land and build houses, enforcing discipline by beating and imprisoning those who refused to work. In Asosa and Gambela, refugees said they were forced to work on cooperative farms and were allowed little time to tend their small gardens.

Gebre Selassie, 24, a political refugee here who said he worked in Asosa for the Ethiopian government as a medical assistant, supported the accounts of many refugees by saying that the major health problem in the camps was malnutrition.

"Most of the people in the camps were sick because of hunger. They were not given enough food," said Gebre Selassie. He said most settlers were given about a pound of corn a day at Asosa, an amount nutritionists say is insufficient to maintain body weight while doing heavy work.

Refugees here said they were warned frequently by party cadre against trying to escape from the camps. In weekly "political education" meetings, the cadre warned settlers of Ethiopian soldiers who would shoot them, of wild animals in nearby jungles and of allegedly cannibalistic tribesmen across the nearby Sudanese border.

Yet, between last November and the first of this year, the refugees estimate that about 3,000 Ethiopians tried to escape from Gambela and Asosa. They said many were captured inside the border and that some drowned trying to cross rivers in Sudan.

Letehawaria, the 27-year-old mother of two whose husband died in transit before reaching Gambela, was one of several hundred women captured by Sudanese rebel soldiers, believed by relief officials here to belong to the Sudanese People's Liberation Army (SPLA), which controls nearby areas of southern Sudan.

According to several of these women who arrived here last month, the Sudanese rebel soldiers raped them and forced them to live for a month as slaves in Sudanese villages. Relief officials believe these men were members of the Dinka tribe, which dominates that region of Sudan.

The SPLA, which receives arms and funding from the Ethiopian government, also extorted money from many of the fleeing Ethiopians, stole their clothes and forced some of them back to resettlement camps, the refugees said.

Those who eluded or later escaped the rebel soldiers have been brought here to Ed Damazin by the Sudanese military. They are temporarily under the care of the Fellowship for African Relief, a small Canadian relief agency. The U.N. refugee commission in Khartoum says many of them soon will be transported north and allowed to return across the border into rebel-held areas of Ethiopia.

Like many of his fellow resettlement escapees, Yibran Alemayeh, 54, said he wants to find his wife and six children. He said soldiers rounded him up a year ago in the Tigrayan city of Adua. If he cannot find his family, Yibran says he will join the Tigray People's Liberation Front, which has been fighting the Ethiopian government for more than a decade.

MEDICARE PAYMENTS FOR THERAPEUTIC SHOES

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SMITH of New Jersey. Mr. Speaker, I rise today to call the attention of my colleagues to a very important issue—diabetes.

This week, Mr. Speaker, many of the Members of this body will be receiving visits from some of the some 5½ million diabetics in the United States. During those visits, they will be asked to consider legislative initiatives on behalf of our diabetic citizens.

Among the several issues which are being discussed this week by the American Diabetes Association [ADA], is the issue of therapeutic shoes for diabetics. You may know, Mr. Speaker, that diabetics run a greater risk of having a lower extremity amputation than do nondiabetic individuals. In fact, an epidemiological study on the prevalence of amputations in six States in the United States reported that amputations among persons with diabetes accounted for 45 percent of all lower extremity amputations.

That is why last year I introduced legislation, developed in conjunction with the American Diabetes Association to help curb the numbers of amputations brought about by complications of the diabetic condition. My bill, H.R. 2543, would provide Medicare coverage under part B for therapeutic footwear necessitated by conditions resulting from advanced stages of diabetes. According to ADA findings, through early treatment and preventive care, amputations could be significantly decreased.

H.R. 2543 is a cost-effective measure as well. Information compiled by the ADA confirms that provisions of this bill will result in net savings of at least $105 million in the first year. When one compares the cost of shoes with the cost of amputation, the savings become obvious. And then, Mr. Speaker, what price can we affix to the quality of life enjoyed by an individual who has through preventive medical practices been spared an amputation?

AMERICAN DIABETES ASSOCIATION,
Alexandria, VA.

MEDICARE PAYMENT FOR THERAPEUTIC SHOES (H.R. 2543) FACTSHEET

BACKGROUND

Approximately 20 percent of all people with diabetes who enter a hospital are admitted for foot problems, and 7 percent of those hospitalized for vascular disease require surgery or amputation. An epidemiological study on the prevalence of amputations in six states in the United States reported that amputations among persons with diabetes accounted for 45 percent of all lower extremity amputations. The rate of amputations could be substantially diminished if proper foot care including, when appropriate, specifically designed therapeutic shoes were available.

An estimated 18,000 or more Medicare beneficiaries with severe diabetic foot disease have amputations each year. Amputation costs to the Medicare program per patient are approximately $15,000.

Last May, Representative Chris Smith (R-NJ) introduced legislation, H.R. 2543, to provide Medicare coverage for therapeutic shoes for individuals with severe diabetic foot disease. Following introduction of the bill, 66 Representatives signed on as cosponsors. Under this bill, the specialized shoes will be available under Medicare only if a physician certifies that they are needed to reduce the likelihood of further deterioration and amputation and only if a Professional Review Organization approves the request for coverage.

AMERICAN DIABETES ASSOCIATION (ADA) RECOMMENDATION

ADA supports the use of therapeutic shoes, when appropriate, for people with severe diabetic foot disease. In many instances these persons would require amputations if specialized shoes were not available.

ADA believes a substantial savings to Medicare will result from the enactment of H.R. 2543 and urges its prompt passage by the Congress.

CURRENT COSPONSORS OF H.R. 2543 INTRODUCED BY REPRESENTATIVE CHRIS SMITH OF NEW JERSEY

Alaska: Don Young.
California: Beilenson, Berman, Chappie, Dornan, Dymally.
Connecticut: Bruce Morrison.
Florida: Bilirakis, Hutto, Nelson.
Georgia: Barnard, Roy Rowland.
Illinois: Savage.
Indiana: McCloskey.
Iowa: Lightfoot.
Maine: Snowe.
Maryland: Bentley, Holt, Hoyer.
Massachusetts: Mavroules.
Michigan: Conyers, Crockett, Hertel, Siljander.
Minnesota: Frenzel.
Mississippi: Dowdy, Lott.
Nebraska: Daub, Virginia Smith.
New Hampshire: Bob Smith.
New Jersey: Courter, Gallo, Guarini, Rinaldo, Rodino, Roe, Saxton, Torricelli.
New Mexico: Skeen.
New York: Fish, LaFalce, McGrath, Mrazek, Solomon, Towns, Weiss, Wortley.
North Carolina: Cobey, Walter Jones.
North Dakota: Dorgan.
Ohio: DeWine, Feighan, Tony Hall.
Oklahoma: James R. Jones.
Pennsylvania: Borski, Coyne, McDade, Murphy, Ritter.
South Carolina: Hartnett.
Texas: Leland.
Virginia: Bateman, Wolf.
Washington: Swift.
West Virginia: Mollohan.
Wisconsin: Sensenbrenner.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will begin to recognize those

Members for special orders without prejudice to the resumption of legislative business.

BIPARTISAN COMMITMENT TO RID SCHOOLS OF ASBESTOS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. NELSON] is recognized for 5 minutes.

Mr. NELSON of Florida. Mr. Speaker, our Nation, its schoolchildren and employees are being unnecessarily exposed to the deadly diseases caused by exposure to asbestos. I have joined my colleague, Mr. FLORIO, and other Members of the House, in this effort to clean up hazardous asbestos in our Nation's schools.

Two years ago, Congress ordered the U.S. Environmental Protection Agency to provide local school officials with assistance in cleaning up hazardous asbestos. Since that time, EPA has in fact provided very little aid to these school officials, leaving them to fend for themselves in the cleanup of a substance known for its threat to human life.

Despite demands from school officials, teacher and parent organizations, school personnel unions, reputable asbestos contractors, public health associations, environmental groups, former asbestos producers and others, EPA unfortunately appears disinclined to do anything constructive to ease the potentially deadly problem of asbestos in our schools other than requiring school officials simply to inspect for asbestos and then notify parents and school personnel of their findings.

This response from EPA is unacceptable to our Nation's people. Our colleague from New Jersey, JIM FLORIO, has recently introduced legislation, H.R. 4311, of which I am a cosponsor, to help provide a workable mechanism for ending the problem of asbestos in the Nation's public and private elementary and secondary schools.

Mr. Speaker, some 15 million schoolchildren and 1.5 million school employees are, according to EPA's estimates, each day attending classes and working in buildings contaminated by asbestos. It is important that we end the problem of asbestos in our schools now in order to protect our greatest national resource—our Nation's schoolchildren—from deadly diseases caused by exposure to asbestos.

A recent article in the Tampa Tribune outlines JIM FLORIO'S legislation and I commend the article to the attention of our colleagues. I am inserting this article, "Bipartisan Drive Launched To Rid Schools of Asbestos," in the RECORD at this point:

BIPARTISAN DRIVE LAUNCHED TO RID SCHOOLS OF ASBESTOS

WASHINGTON.—A bipartisan drive was launched in Congress on Thursday to force the Reagan administration to set standards for the safe removal of deadly, crumbling asbestos from 31,000 schools across the country.

Bills introduced in the House and Senate would require the Environmental Protection Agency to prescribe steps for identifying, removing and disposing of the cancer-causing substance that the EPA estimates threatens 15 million children and 1.5 million school employees.

The legislation, taking aim at reports of shoddy removal work that increases the dangers of asbestos exposure, also would require the EPA to establish minimum performance standards for abatement contractors.

The principal sponsors, Sen. Robert Stafford, R-Vt., and Rep. James Florio, D-N.J., said the steps are needed because the EPA has refused in do anything beyond adopting a regulation requiring schools to inspect for asbestos and to alert people to its presence.

"No one concerned other than EPA thinks this EPA regulation is sufficient," said Florio, who was joined at a news conference by Stafford, Sen. Frank Lautenberg, D-N.J., and Rep. Billy Tauzin, D-La.

Endorsing their call were 23 education, health, labor and environmental organizations, headed by the National Education Association, the National PTA, American Federation of Teachers and the Service Employees International Union.

Under the plan, the EPA would have six months after enactment to set a variety of standards, such as how local officials should inspect for asbestos and when its presence in a school is considered a health hazard.

If the agency failed to act, the proposal would define hazardous asbestos as any visibly damaged asbestos that has a potential for human exposure and would require its removal from a school.

In order to be eligible for federal cleanup assistance, schools would be required to follow abatement plans approved by the EPA and hire removal contractors certified as competent by the agency.

The legislation would increase federal grants and loans for asbestos abatement to $125 million a year in three years. For the last two years, over Reagan administration objections, Congress has appropriated $100 million to assist states and localities.

The Florio-Stafford bill also contains a provision that could spread the asbestos abatement effort to an estimated 700,000 commercial and public buildings in this country.

Under the proposal the EPA would have to assess asbestos hazards in these buildings and demonstrate to Congress that the standards for schools also should not apply to commercial and public structures.

"EPA estimates that as much as a stunning 75 percent of all school cleanup work is being done improperly by 'rip and skip' firms," Florio said, "Improper abatement work is worse than no abatement work at all because more asbestos fibers are released into the air . . . than if the asbestos was not touched."

Tauzin said the EPA has estimated that "1,200 children will die of (lung) cancer as a result of shoddy work."

Lautenberg, noting that the EPA last month proposed a total ban on asbestos products over the next decade said, "If it is wrong to continue manufacturing asbestos containing products, it is just as wrong to leave asbestos in the schools."

ORDER OF BUSINESS

Mr. PARRIS. Mr. Speaker, I ask unanimous consent that I may be permitted to proceed with my special order prior to the special orders of those persons who have reserved 60 minutes or more.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

THE D.C. PRISON MESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. PARRIS] is recognized for 10 minutes.

Mr. PARRIS. Mr. Speaker, I was less than amused to read in last Thursday's newspaper that the D.C. prison issue has once again reached "critical mass," and an explosion resulting from the continuing inaction of the government of the District of Columbia, would appear to be inescapable.

I would draw a line from Shakespeare in describing the District's inaction on this matter over the past decade:

To build, or not to build [a new prison in D.C.], that is the question.

Allow me to review just a few of the incidents of the past several months and the subsequent actions which the District government has taken in each case to bring about some kind, any kind, of solution to the situation.

In 1985, a civil suit was filed in the U.S. District Court for the District of Columbia, against the D.C. government by attorneys for the inmates of the D.C. jail. The suit sought the imposition of a population ceiling at that facility whose rated capacity is about 1,200 and whose population was, at that time, 2,200—almost twice as much as design capacity. On July 13, U.S. District Court Judge Bryant ruled on that action and placed a maximum prisoner population cap of 1,694 on the D.C. jail—which limitation still applies.

What did the D.C. government do to address that situation? They transferred many of the excess prisoners to the Lorton Prison which happens to be located in my district, and, in addition, relied on the Federal system to absorb all of the District of Columbia's new inmates.

The Department of Justice accepted these prisoners on an interim basis, while the District got its act together and planned and prepared to build their own facility in the District of Columbia. This arrangement continued until, on January 14 of this year, the Justice Department notified the city that it would no longer accept D.C. code violators, citing the city's inactivity in planning and preparation for the construction of new jail facilities in the District.

In addition to the above, the Congress provided $30 million last year for the construction of such facilities within the District.

What has the District's response been? A city-appointed commission

recommended against the building of new prison facilities and, instead, recommended that more prisoners be favored with early release into society or into already overcrowded halfway houses. The city also announced that it would use some of the $30 million approved by Congress specifically for a prison in the District, to build "temporary" modular facilities in Lorton.

The city council presently has under consideration a bill which would accelerate the parole eligibility of convicted criminals who meet certain educational criteria—removing from the sentencing courts any authority in the matter whatsoever. D.C. Superior Court Judge Fred B. Ugast, head of the District's felony trial division, wrote in a letter last week to the city council that the proposed legislation would lead to "virtually unfettered discretion" in the early release of prisoners. It would also, he said, run contrary to court and city goals of uniform sentencing and sentencing predicatability. The fact is that, as Judge Ugast stated:

> The primary problem with the present bill is that it would accomplish unilaterally a reduction of the minimum term of a sentence without even coming back to the sentencing court.

This legislation would apply equally to the rapist, murderer, and petty larcenists. Personally, I would not want any of those individiuals out on the street any earlier than necessary just because he completed a course in remedial english or some rudimentary vocational education program—especially when the court has not made the decision that he's prepared to reenter society.

Last week, the city council announced that they opposed the building of a prison in the District and, instead, would prefer to see it built in Lorton. Still refusing to be held responsible for their own prisoners and continuing to refuse to deal with their own problems.

Why has the city council taken these actions? Because the city has seen fit to vascillate for the past decade on whether, or where, to build a prison in the District. Apparently, they would prefer to have these criminals out on the street endangering the lives of all of our citizens rather than have the courage to face a degree of political pressure by having a prison built in their ward—surely it is not out of concern for society or for penal rehabilitation that they vie for the early release of these violent criminals.

Last Thursday's paper revealed that the D.C. jail has once again reached capacity and that the corrections department has begun holding inmates in buses for hours on end, until after the population count is completed, so that they will not be included. Essentially, these inmates are considered, as George Orwell would put it, "nonpersons."

Also in Thursday's paper was an article outlining yet another case of the District's lack of foresight and responsibility in this matter. It revealed the fact that the District government, as incredulous as it may sound, employs convicted felons at the city police department. Policemen work side by side with inmates they have arrested. Police officials are pointing to those individuals as the probable source of leaks which resulted in the recent total failure of the D.C. police's largest drug and weapon raid ever attempted.

The inmates were employed at the police department by the office of employment services as part of the city's special temporary employment program, in which paroled inmates are placed in city jobs. The program was initiated in March of last year to reduce the D.C. jail population by creating make-work jobs for inmates who could not be paroled unless they were employed. This is how the District deals with the problem of prison overcrowding.

Incredible isn't it? But that is not all of it. The work program placed 15 of these inmates in the D.C. Police Department and gave them master keys and access to nearly all areas of the department. In so doing, the identity of the undercover officers going about their business in the department and the identities of police informers have been compromised. The most irresponsible part of all of this is that, believe it or not, the D.C. government failed to inform the police department of the fact that the cleaning personnel moving freely around the stationhouses were, in fact, convicted felons.

Mr. Speaker, how long can the city expect to continue this little charade? How long do my constituents living near the Lorton facility have to worry 24 hours a day that their families may be joined at any time by a prison escapee—of which there have been two just in the last month or so. How long does the city police officer have to wonder whether or not his cover has been blown—whether he will survive the day? The government of the District of Columbia has clearly lost control of the situation. Although that statement may not be entirely accurate, because you have to have had control in order to lose it.

The District says that it wants to be self-governing; yet, when the Justice Department withdrew its offer to accept their prisoners, they cried that the Federal Government was responsible for them and it wasn't a city problem. We have offered them Federal land and we have given them Federal money to build a prison in their city to house their prisoners. I say it is now time that we offer them a little more incentive in some new and innovative ways.

As it has often been said, "Some people don't see the light until they feel the heat."

I think we may now have reached the point where this Congress has no alternative, consistent with our responsibilities as they relate to the Nation's Capital, but to turn up the heat and to do it soon.

SUPERIOR COURT
OF THE DISTRICT OF COLUMBIA,
Washington, DC, March 7, 1986.

Hon. DAVID CLARKE,
Chairperson, District of Columbia Council, District Building, Washington, DC.

DEAR CHAIRPERSON CLARKE: It recently came to my attention that the Council has under consideration Bill 6-81, the "Prisoners Educational Credit Act of 1985." I was alerted to this legislation by both professional staff at the Court and a number of judges, all of whom have expressed grave concerns about the bill in its prsesent form.

I have read the bill and I share these concerns. I would emphasize at the outset that I have no quarrel with the apparent purpose of this legislation—to create incentives for prisoners to make the maximum use of educational, and vocational opportunities while they are incarcerated, and thus enhance their chances for successful rehabilitation and readjustment in the community.

However, the bill attempts to accomplish this purpose by according to Board of Parole virtually unfettered discretion to advance a prisoner's parole eligibility date, according to a formula the board will establish, upon the prisoner's completion of an academic or vocational program approved by the Mayor and the Board. Thus, in a single stroke, this bill would eviscerate much of the diligent and time-consuming effort that has been devoted by you, Councilwoman Rolark and the other members of our Sentencing Guidelines Commission over the past two years to devise sentencing guidelines that will reduce sentencing disparities and increase sentencing predictability. By not placing any limits on the amount of time which the Parole Board may credit a prisoner for educational attainments, this bill virtually removes from the judiciary the capacity to sentence based upon predictable variables.

Not only would Bill 6-81 seriously undercut our sentencing guidelines effort, but it would appear to be wholly unncessary, inasmuch as the Board of Parole already has authority to move for a reduction of a defendant's sentence at *any* time before his or here initial parole eligibility date. 24 D.C. Code § 201(c) provides that where the Parole Board finds "a reasonable probability" that a defendant "will live and remain at liberty without violating the law", and that his or her immediate release is "not incompatible with the welfare of society", the Board may move before this Court for a reduction of a prisoner's minimum sentence at any time prior to the expiration of the minimum. Obviously, in making a determination whether to seek such relief from the Court, it would appear to be entirely appropriate for the board of Parole to utilize whatever reasonable criteria—including a prisoner's academic or vocational accomplishments—that it deems proper.

As you know, the Court has in the past expressed its disapproval of proposed legislation that would have overriden Criminal

Rule 35 by extending the time in which a sentenced defendant could petition the court for a reduction of sentence. Our position then was based in part on the existence of authority under 24 D.C. Code § 201(c) to review sentences on motion of the Parole Board. Our judges have not been opposed to reviewing sentences of especially deserving prisoners under appropriately screened circumstances. The primary problem with the present bill is that it would accomplish unilaterally a reduction of the minimum term of a sentence without even coming back to the sentencing court.

My understanding is that Bill 6-81 already has passed its First Reading, and is scheduled for its Second Reading on March 11th. I would respectfully recommend that the Council defer approval of the Bill in its present form pending completion of the Sentencing Guidelines Commission's work. I know that you and other Members of the Council share the concerns that prompted Chief Judge Moultrie to establish the Sentencing Guidelines Commission. I hope that you also believe that it is important that meaningful guidelines be established to reduce unfair sentencing disparities and increase the predictability of the sentencing process. I am fearful that at the very time when our Commission's work is coming to fruition, the enactment of Bill 6-81 would undermine at least one of the fundamental goals we are seeking to achieve.

Please understand that I make this request of the Council in my personal capacity as an individual judge and Chairman of the Sentencing Guidelines Commission. While I cannot speak for the Court of the Commission, I am confident that many members of the Court and the Commission share my views.

Sincerely,

FRED B. UGAST,
Chairman, Sentencing Guidelines Commission.

□ 1420

CORRECTING THE ENROLLMENT OF H.R. 1614

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate concurrent resolution (S. Con. Res. 114) to correct the enrollment of H.R. 1614, and ask for its immediate consideration.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 114

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate is requested to return to the House of Representatives the enrolled bill (H.R. 1614). The Clerk of the House is authorized to receive such bill if it is returned when the House is not in session. Upon the return of such bill, the action of the Speaker of the House of Representatives Pro Tempore in signing it shall be deemed rescinded and the Clerk of the House shall reenroll the bill with the following corrections:

(1) In section 13(a), strike out the matter preceding paragraph (1) and insert in lieu thereof the following:

"(a) It is the sense of Congress that the Secretary of Agriculture carry out a program authorized by section 424 of the Agricultural Act of 1949. Such program, if implemented, shall provide for the following:".

(2) In the first sentence of section 13(c)—

(a) strike out "shall"; and

(b) strike out "the program provided for" and insert in lieu thereof "any program established".

(3) In section 17(b)(2) of the United States Warehouse Act (as added by section 14 of the bill), strike out "warehouse to which" and insert in lieu thereof "warehouse from which".

Mr. DE LA GARZA (during the reading). Mr. Speaker, I ask unanimous consent that the Senate concurrent resolution be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. KLECZKA). Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Texas?

Mr. JEFFORDS. Mr. Speaker, reserving the right to object, and I shall not object, but I do so for the purpose of allowing the distinguished chairman of the committee to explain why this is arriving here?

Mr. DE LA GARZA. If the gentleman will yield, Senate Concurrent Resolution 114 will instruct the Clerk of the House to make several corrections in the enrollment of H.R. 1614. H.R. 1614, which was designed to make changes to improve the farm programs, was approved by both Houses last week by rather large margins.

Unfortunately, when the House accepted the Senate amendments to H.R. 1614 last week, a typographical error was left in the bill that needs to be corrected. That has to do with the amendments to the United States Warehouse Act made by section 14 of the bill. The Senate amendment intended to impose responsibility for delivery of grain on warehousemen that are permitted, under the bill, to transfer grain to other warehouses in situations in which they have a shortage of storage space. However, read literally, the Senate amendment imposes that responsibility on the warehouse to which the grain is transferred for temporary storage. Senate Concurrent Resolution 114 will correct this error.

The other corrections in the enrolled bill made by Senate Concurrent Resolution 114 will clarify the sense-of-Congress resolution relating to advance recourse loans, contained in section 13 of the bill. Attorneys for the administration have expressed concern that the language in the bill could be interpreted as requiring the implementation of the objectives spelled out in the resolution. It is my understanding that the corrections contained in Senate Concurrent Resolution 114 will address the administration's concern in this regard.

Because I believe these changes are only technical and do not at all change the intent of Congress, I urge the House to approve this resolution.

Mr. JEFFORDS. I thank the gentleman for his explanation.

Mr. Speaker, I would just inquire as to whether those errors occurred in this body or the other body?

Mr. DE LA GARZA. If the gentleman would yield further, they did not occur in this body.

Mr. JEFFORDS. I thank the gentleman for that explanation.

Mr. Speaker, I would say that the leadership on this side has also cleared this bill and has no objection.

Mr. DASCHLE. Mr. Speaker, many farmers have been contacting my office asking the status of the legislation before us today. This bill corrects two problems associated with the emergency legislation the House passed last week to address a number of problems in the Farm Program, including problems in the Dairy Program and the yields section of the 1986 Farm Program.

Producers throughout the Nation need to understand why this legislation was not sent to the President last Thursday after the House completed action on the Senate bill. The legislation approved by both bodies included a sense-of-Congress resolution that the administration should use the discretionary authority contained in the 1985 farm bill, and provide advance Commodity Credit Corporation loans. As Members of both bodies made perfectly clear, this sense-of-Congress resolution did not have the effect of law, and would not have required the administration to take this course of action.

After both Houses of Congress completed action on this emergency legislation, OMB, that trusted guardian of farm programs, stepped in and threatened to urge a Presidential veto unless the sense-of-Congress resolution was watered down even further. Where was the administration when this bill passed the Senate? Where were they when the bill was considered in the House a day later? Only after both Houses had approved this emergency legislation did OMB offer its infinite wisdom.

As farmers now consider their signup options, and do their calculations on the barebones Farm Program they need to understand the kind of priorities administrative manueuvering that held up this emergency legislation.

A House Agriculture Committee summary of this House-passed legislation follows:

MAJOR PROVISIONS OF THE BILL

The Farm Program Yield section: This will revise a part of the 1985 farm bill which could confront some farmers with cuts in the "farm program yields" used in calculating income support payments for individual grain, cotton and rice producers. Under H.R. 1614, any cuts produced by a new yield formula included in the 1985 farm bill would be limited, in effect, to no more than 3 percent for 1986 crops and no more than 5 percent for 1987. This would be done by giving producers in-kind commodity payments to offset the impact of any yield reductions imposed by the 1985 formula which go beyond the new 3 percent and 5 percent limits. For the purpose of calculating program yield averages in 1988 and beyond, no farmer's 1986 yield could be set more than 10 percent below the 1985 level.

The Dairy Cost-Reduction section: This section will provide full compliance with the Gramm-Rudman deficit reduction requirements for the current fiscal year by increasing a scheduled all-milk price reduction—usually referred to as an assessment on dairy farmers—without requiring a steep, disruptive slash in the prices paid by the Agriculture Department for surplus dairy products purchased under its price support program. The assessment had previously been scheduled to take effect April 1 and to run at a rate of 40 cents per hundred pounds until Dec. 31 to offset costs of a new program under which farmers will reduce surpluses by taking whole herds out of production. Under H.R. 1614, the added assessment will be in effect from April 1 through Sept. 30 and cannot exceed 12 cents per hundred pounds. This will replace a reduction of 55 cents per hundred pounds which the Agriculture Department would otherwise make in support prices for milk used in making butter, cheese and nonfat milk solids.

The Nonprogram Crops section revises a part of the 1985 farm law applying to grain, cotton and rice producers who cut acreage by more than the amount required under surplus control programs for those crops. The 1985 law would have allowed farmers who use the additional idled acres for conservation or other approved uses to collect income support payments on 92 percent of the total acreage eligible for planting to the basic crops (as long as 50 percent of the "permitted acreage" was actually used for the basic crop). That provision was interpreted by the Agriculture Department as allowing farmers to use the additional idled acreage for any nonprogram crops while still collecting income payments on 92 percent of permitted program acreage. H.R. 1614 would, in effect, ban eligibility for support payments on the additional idled acreage if a farmer uses it for crops which have not been specifically approved for this purpose by the Secretary of Agriculture—and that approval could be given only for commodities designated by the bill and only if planting a particular commodity on the additional idled acres would not drive down prices and incomes for existing producers of the commodity involved. (Note: The commodities which the Secretary could allow on additional idled acres, but only if this would not harm existing producers, include specifically designated relatively minor or experimental crops, such as sweet sorghum, guar and kenaf, and do not include commodities such as dry beans, peanuts, tobacco, and potatoes.) Haying and grazing on the additional idled acres will be allowed, at the option of state Agricultural Stabilization and Conservation Committees, unless the Secretary of Agriculture rules this would have a serious adverse economic impact. The new rule on nonprogram crops would not apply to farmers who planted or contracted to plant such crops on additional idled land before Feb. 26, 1986. (Note: For producers who plant nonprogram crops on additional idled acreage without seeking income support payments on the acreage, the bill provides that planting history of the farmer's basic crop will be protected on up to half of his nonprogram crop acres in 1986 and 1987, up to 35 percent in 1988 and 20 percent in 1989, with no protection in 1990.)

The Export Assistance Programs section reduces mandatory funding levels for two export promotion programs. In the Targeted Export Assistance program, which initially required the Agriculture Department to use $325 million annually in cash or commodities for each of five fiscal years beginning with 1986 (to combat unfair trade practices of other exporters), the new bill reduces the mandatory floor to $110 million for the first three years and returns to $325 million for the 1989 and 1990 fiscal years. In an Export Enhancement Program which initially required use of not less than $2 billion in commodities as export "bonuses" during the period ending Sept. 30, 1988, the new law sets the minimum at $1 billion but gives the Secretary of Agriculture discretion to go up to a total of $1.5 billion.

The Advance Commodity Loan provision is a "sense of Congress" provision urging the Secretary of Agriculture to activate a section of the 1985 farm law which gives him discretionary authority to make advance commodity support loans to producers of any crop for which ordinary post-harvest support loans are available. The advance loans, if made, would be on a "recourse" basis, meaning that they must be repaid and cannot be satisfied by forfeiting the commodity collateral to the government. In addition, producers getting any such loans would have to protect their crops with crop insurance. Under H.R. 1614, the Secretary is urged to approve advance loans to producers who cannot otherwise get enough credit to finance planting of 1986 crops.

Other provisions of H.R. 1614 include:

Authority for wheat and feed grain growers to graze or harvest hay during at least five principal growing-season months on acreage held out of 1986 grain production to satisfy acreage reduction program requirements.

A section requiring the Secretary of Agriculture to hold public hearings on—and to implement—a marketwide service payment plan allowing dairy cooperatives to get compensation for processing non-member milk and providing other services such as transporting milk from other areas.

A section reducing the salary level for the post of presidential Special Assistant for Agricultural Trade and Food Assistance which was created by the 1985 farm law. The level would be set at not less than the amount paid to Executive Level III officials (instead of the level I, cabinet Secretary level originally provided), and appointment of the new aide will be required by May 1, 1986.

Discretionary authority for the Agriculture Department's Commodity Credit Corporation to export up to $30 million worth of surplus commodities annually and to use the money to finance research and development on external combustion engines which use non-petroleum fuels.

A directive to the Agency for International Development requiring submission by April 15 of a plan for using reserve funds for African famine relief.

A directive requiring the administration to announce by March 31 the amount of surplus commodities owned by the Agriculture Department's Commodity Credit Corporation which will be available during the current fiscal year for overseas donation under a program (Section 416) provided by existing law.

An extension of time for completing studies of quality control systems used in the food stamp program.

A provision allowing federally licensed operators of grain warehouses to transfer stored commodities to other licensed warehouses under terms to be specified in regulations by the Secretary of Agriculture.

Mr. JEFFORDS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Texas?

There was no objection.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, out of an abundance of care for my colleagues, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate concurrent resolution just concurred in.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

□ 1430

ECONOMIC RECOVERY

The SPEAKER pro tempore (Mr. KLECZKA). Under a previous order of the House, the gentleman from Illinois [Mr. DURBIN] is recognized for 5 minutes.

Mr. DURBIN. Mr. Speaker, on February 4, a historic occasion occurred in this Chamber when President Reagan delivered his State of the Union Address. I was privileged to attend that address, to sit in the audience and listen to the President's message to the American people concerning the state of our economy and the future of our Nation. This Chamber literally rang with applause at the President's words. Early in his address to the Nation, speaking to us an American people, the President said that we are now part of the great American comeback. In his words, "The American people have brought us back."

He thanked the American people, thanked them for 37 straight months of economic growth, and went on to speak from his point of view of the great economic comeback that this Nation has witnessed.

Mr. Speaker, I do not rise today to question the fact that some portions of our great Nation have witnessed that economic comeback. But I would like to address one portion of the Nation, literally the Midwest and my home State of Illinois in terms of the problems that we face today.

I believe the statistics which were recently released by the President's Department of Labor belie his claim that we are part of a great American comeback in the State of Illinois. Last Saturday, the U.S. Department of Labor released figures indicating an extraordinary rise in the Nation's unemployment rate in the month of February. Nearly two-thirds of our Nation's job

losses were attributable to three States: California, Texas, and my home State of Illinois: Many of California's lost jobs are attributed to the flooding disasters which have hit that State, and Texas certainly has its problems due to declining oil prices.

But I am sorry to report that Illinois' problems and our economy are more systemic. Illinois has suffered record losses of 105,000 jobs in the month of February, stemming primarily from the continuing erosion of our Nation's manufacturing base.

Mr. Speaker, in my home district, we witness almost every week the human side of these jobless figures. Last week Caterpillar of Decatur announced that it will be reducing its work force by some 52 percent over the next several years. Wagner Castings of Decatur, a company that is continuing to struggle against unfair foreign competition, needs help from the International Trade Commission in Washington. Similar struggles are taking place in Sangamon County and Adams County. In fact, in areas across central and western Illinois, we face unemployment rates of more than 10 percent higher than the national average year after year after year.

In Sangamon County, more than 600 workers of Fiat Allis lost their jobs last year, and as they struggled to get retrained to find new employment to stay in the community, to continue to contribute, they find this administration calling for a cutoff of trade adjustment assistance funds to feed their families while they seek retraining.

I am afraid these struggles are a cruel sign that the administration's policies have not resulted in the great American comeback. But there is something we can and should do. This Congress, with dedication, should state that during this session, we will pass trade legislation. We will make certain that every country in the world doing business with the United States knows up front what the terms will be, that we will not allow the United States to be the marketplace for every country to sell their products if these countries in return will not buy American goods.

We have to have equality, we have to have fairness. We need reciprocity, and above all, we need a trade policy. With that trade policy, we can help restore not only these industrial jobs, but we can help our American farmers who have been hard hit by the value of the dollar and our inability to export as we should.

The agenda is clear. If we are to experience the great American comeback which the President spoke of on February 4 in this Chamber, then we must dedicate ourselves as a Congress to passing meaningful trade legislation, to establishing retraining programs, to make certain that our Government is responsive to the needs of farmers. Then and only then can we come and say with great pride to the American people, yes, we have come back. America again is on the move.

Mr. GRAY of Illinois. Mr. Speaker, will the gentleman yield?

Mr. DURBIN. I am happy to yield to the gentleman from Illinois.

Mr. GRAY of Illinois. Mr. Speaker, I would like to associate myself with the remarks of the distinguished gentleman from Illinois and to commend him for a brilliant statement. Representing the lower 21 counties in Illinois, I know the gentleman is exactly on target concerning the statistics he has just given. We have as much as 25 percent unemployment in the extreme southern part near Cairo, IL, and we have about 3,000 coal miners out of work.

So I want to commend the gentleman and agree with everything that he had to say.

Mr. DURBIN. I thank the gentleman and I yield back the balance of my time.

ORDER OF BUSINESS

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that I may defer my special order to the gentleman from Indiana [Mr. HILLIS] who wishes to speak in advance for a short period of time in tribute to the former minority leader, Mr. Halleck.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

TRIBUTE TO THE HONORABLE CHARLES A. HALLECK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. HILLIS] is recognized for 60 minutes.

Mr. HILLIS. Mr. Speaker, on the last day of my final campaign for Congress, I spent an hour with Charlie Halleck. That morning and afternoon, I had been in and around Charlie's hometown of Rensselaer working the factory gates, doughnut shops, and grain elevators. But, before heading home, I wanted to chat with the old warrior himself.

Age and illness had slowed his pace but not his heart or mind. Sitting in his living room decorated with the memories of his colorful past, Charlie reminisced at length about the political wars he fought and, more often than not, won.

Then suddenly, he turned to the present. "If you need me," he said forcefully, "I'll go stand out there in the cornfields with you." And I knew he meant it. The fire that always burned in Charlie's belly became, in a campaign, an inferno.

There are few of us in the Chamber who had the pleasure of knowing Charlie during his 34 years in Washington. But those who did, I know, join me in remembering a very special man who rose to power on the strength of ability, honesty, and integrity.

To you younger Members of this House who never heard him snarl, "damn you—the President needs you on this one," I can only say you missed the stuff of which legends are made.

Charlie was as partisan a politican as ever walked these Halls. He was a Republican's Republican, constantly fighting to preserve the principles on which his party was founded. While he often appeared to be inflexible, Charlie was always willing to change his position if it benefited his party or his country.

Maybe I should say and his country because Charlie believed with all his heart that whatever benefited the Republican benefited America.

When Charlie, a long-time conservative, moved to the center in his role as the last Republican House majority leader, his colleagues kidded him unmercifully:

"Hear that sound of ripping and tearing in the back of the room?" One Congressman teased. "That's Charlie getting rid of all his old speeches."

Charlie took the ribbing in stride, understanding that his effectiveness as a leader would be measured by his ability to guide President Eisenhower's legislative program through Congress. That job called for consensus—building and pragmatism—not ideological confrontation.

Charlie Halleck recognized, perhaps better than anyone else, that the Republican Party's greatest asset was Dwight Eisenhower. He went to the wall for him day after day and the President honored him as only Ike could.

He called him simply "the general."

Born into a staunchly Republican Jasper County family on August 22, 1900, Charlie caught the political bug early working for local GOP candidates at the age of 14. But he really honed his campaign skills a few years later while a student at my alma mater—Indiana University.

Despite the opposition of the largest and most influencial fraternity on campus, Charlie rose to the leadership of the nonfraternity political faction and amassed so much clout that he was elected president of the student union—the highest campus political office in the university.

Later, after many terms in Congress, Charlie would remark, "When I think of it, it seems to me that the politics on the university campus were rougher than anything I've encountered since. That's where I really learned about politics."

He earned his law degree and then returned home to Rensselaer where, at

the age of 24, he was elected prosecuting attorney for Jasper and Newton Counties.

He served a little more than a decade in that post and then opportunity knocked. The newly elected Congressman from Indiana's Second District suddenly died and a special election was called to fill the vacancy.

Charlie upset several better known Republicans to win the party nomination on the fifth ballot and, sword drawn, launched a scathing campaign against the New Deal. The Governor of Indiana, an ardent New Dealer, wanted so badly to see Charlie beaten that he offered cash prizes to precinct committeemen who delivered votes for the Democratic candidate.

But Charlie took his case directly to the people, traveling to every town in the district. He won quite handily and, despite the Roosevelt landslides in 1936, 1940 and 1944 and the 1948 Truman victory, no one would come close to laying a glove on him.

In Indiana, Charlie was an institution—a kind of precious treasure. He was a dyed-in-the-wool Hoosier who, despite his power and influence, never forgot his Jasper county roots.

He dined with kings, prime ministers and presidents but he was more at home with the pharmacist in Walton, the postmaster in Morocco or the waitress in Wolcott.

If Charlie personified politics in Washington, he transcended.

I first met Charlie back in 1954 when I was a young attorney running for prosecutor in Howard County. By that time, Charlie was House majority leader but he still took the time to come to my hometown of Kokomo and endorse my candidacy. His appearance meant a lot to me and to the people of Kokomo.

Unfortunately for me, I never had a chance to serve in this House with Charlie. He retired in 1968, 2 years before I was elected to my first term here.

When he announced his retirement at the age of 67, Charlie said simply that he wanted to spend more time with his beloved wife, Blanche. The two of them planned to spend their remaining days doting on their grandchildren, fishing, hunting and playing golf.

Charlie often said, "There's only three ways to leave this House and two of them aren't very good." So he took the only good way out, making a classy, graceful exit from this Chamber he knew so well.

He had known his triumphs.

The upset victory over Joe Martin for minority leader, engineering passage of the highly controversial Eisenhower farm bill, his stirring nominating speeches for fellow Hoosier Wendell Willkie in 1940 and General Eisenhower in 1956 and the creating of the Republican/Dixiecrat coalition were among them.

He had also known disappointment like the day he lost the minority leadership to Gerald Ford in 1965. His biggest disappointment, however, was that history eluded him in his quest to be placed on the national ticket.

The decision by Thomas Dewey in 1948 not to name him as his Vice Presidential running mate angered him. General Eisenhower's identical decision 4 years later hurt him.

Just before the 1960 Republican National Convention, Charlie indicated publicly that he hoped Richard Nixon would consider him as his running mate. When Nixon was asked about Charlie's statement, he only smiled and said, "we've got enough trouble in Indiana already."

Charlie also knew tragedy.

In 1973, he and Blanche, who he affectionately referred to as "Mommy," drove out to Montana to do some fishing. While angling on the Madison River, Blanche suffered a heart attack, fell out of the boat and drowned.

The loss of his wife of 46 years was a terrible blow to Charlie. As he told the Rensselaer Republican 5 years ago, "it all changed when Mommy died." Charlie, though, did not face his grief alone. His children, Charles and Patricia, his friends and the entire community rallied around him, providing the comfort and support he needed.

In my travels through what is now the Fifth District of Indiana, I occassionally dropped by Charlie's house to see how he was doing. He was fond of reflecting upon the days when he prowled these Chambers like a lion tamer, alternately caressing egos and thrashing stubborn legislators into line.

Along the way, he made powerful enemies. Drew Pearson sarcastically labelled him "Two Cadillac Charlie" in referring to his penchant for big cars which he drove as hard as he drove a rebellious freshman Member.

The name stuck mainly because Charlie took it as a compliment. It certainly never changed him. When my wife, Carol, and I dropped by his home 3 years ago for his 82d birthday, there parked in his driveway were two shiny new black Cadillacs.

That was Charlie Halleck—Phi Beta Kappa, World War I infantryman, prosecuting attorney, Congressman for 34 years, minority leader for 6 years and majority leader for 4.

He will always be remembered here as a leader who got things done. He will be remembered as a man who brought influence and strength to this House. He will be remembered as a man of fierce dedication to principle and loyalty to his country.

I will remember him as my friend and I will miss him.

Mr. Speaker, I include for the RECORD an editorial which appeared in the Washington Post on March 5, 1986, on Charles A. Halleck.

[From the Washington Post, Mar. 5, 1986]

CHARLES A. HALLECK

Long before there were supply-side Republicans, populist Republicans, fundamentally religious Republicans, social-issues-only Republicans and opportunity-society Republicans, there was Charles A. Halleck, who described himself simply enough as "a Republican, period."

Mr. Halleck, who died Monday at the age of 85, left Washington 18 years ago, and thus missed out on the intellectual ferment of the current conservative renaissance. But he was not a renowned intellectual anyway, and was probably at his best in those days when it was enough to say you were a Republican, period, and then you could move on to the business of passing bills your president wanted and obstructing those the other guys' president was pushing. At that sort of thing he was quite a master.

He was especially effective as majority leader (under Speaker Joe Martin) in advancing the legislative program of the first Eisenhower term. In 1959, playing the role of conservative Young Turk, he seized leadership of the House Republicans from Mr. Martin, and for most of the next six years made a fairly effective opposition leader, working with a coalition consisting of his fellow Republicans and southern Democrats.

It was during this period that Mr. Halleck and his Senate counterpart, Everett Dirksen of Illinois, appeared regularly before the cameras and microphones in what came to be known as the "Ev and Charlie Show." It was a rousing hamfest, full of cannon blasts at the Democrats and all their works, and was rightly described in a Post editorial as "inimitable."

In 1965 Mr. Halleck lost his leadership post to a Young Turk named Gerald Ford. Mr. Halleck's bulbous nose and combatively partisan manner had made him a regular subject of cartoon caricature here, but when he left the House a few years after being deposed, we printed this editorial comment, which we think bears repeating now:

"Mr. Halleck will be missed by many of his colleagues, for he is a resourceful legislator and a strong party man. Unfortunately, he is best known for his leadership of the conservative Republican-Democratic coalition that has wrecked a vast amount of legislation during his 34 years in the House. Yet there have been many occasions when his skill has been felt on the constructive side, as in the enactment of the civil rights bills of 1957 and 1964. Likewise he gave his support to the Marshall Plan and the aid program to save Greece and Turkey from communism."

Mark especially that part about the civil rights legislation. Mr. Halleck took a lot of heat from his southern Democratic allies for it, but on what was certainly the great moral issue of our times, he did right by the country.

□ 1440

Mr. GONZALEZ. Will the gentleman yield?

Mr. HILLIS. I will be happy to yield.

Mr. GONZALEZ. Mr. Speaker, I cannot help but take this opportunity that the gentleman has provided us to

evoke the memory of Mr. Halleck. I feel compelled to do so out of respect that I have had all along for Mr. Halleck.

When I came to the House almost 25 years ago, he was the minority leader, and as such, I got to know him and I got to meet him mostly because he was an outgoing, very friendly, gregarious individual. On top of that, he was helpful.

The fact that I was a member of the, by that time, majority party did not detract one bit from his being most cooperative, most interested in my welfare, and proffered his help.

I also had occasion to know some members of his family. He had a son who later occupied a judicial position here in the district, and distinguished himself in his own right.

Mr. HILLIS. That is correct.

Mr. GONZALEZ. I recall that period of time vividly; and I cannot help, when I think of that period of time, not thinking at the same time and simultaneously with thinking of Charlie Halleck.

I really believe that that gentleman from Indiana was a true gentleman in the full sense of that word, and that he served with a great distinction and high honor as a Member of this House. He brought honor to the House; he preserved the prestige of the House, and for that, I think that there are no words that I could use to try to invoke that image of Mr. Halleck.

I again thank the gentleman for giving us the opportunity to speak.

Mr. HILLIS. I thank the gentleman very much for his contribution, and I certainly appreciate everything that he has said here.

Charlie Halleck was thought of, I guess on our side, as a conservative. He had to put together a coalition of Republicans and Dixiecrats of the day; but when many of the great issues of that time came forward such as civil rights, Charlie Halleck stood up for what he thought was right in support of civil rights, even though it strained the very coalition that he had forged together.

So he put those things above partisan politics, and matters that he thought were good for the country came first. I think that is one of his legends and memories that will live on beyond him.

Mr. MICHEL. Will the gentleman yield?

Mr. HILLIS. I yield to the gentleman from Illinois.

Mr. MICHEL. Let me thank the gentleman for yielding. I surely would be remiss if I did not join in the tribute to our late departed friend, Charlie Halleck. He was a good friend and a distinguished public servant; having served as both majority and minority leaders in this body, the House of Representatives.

When I first came to Washington as a freshman Member, Charlie Halleck took me under his arm, as he has done so frequently with those Members who were new here; he was a good friend of my next door neighbor, Les Arends for many, many years.

Both of them were good golfers; loved the game. As a matter of fact, Charlie took me for the very first time out to Burning Tree Country Club for my first game of golf out there, and eventually I got to become a member because of that start.

I remember, too, that during the Eisenhower administration, Charlie came to me one day and asked if I would like to go down and visit with the President in his private quarters, and I was just completely taken aback.

Even though being leader, as I am currently, I do not know that there has been any particular setting that just matched that; on the occasion when Charlie and Joe Martin and Les Arends took freshman Member Bob down to meet then-President Eisenhower upstairs in the private quarters of the White House. Normally our meetings, of course, are in the Cabinet room, or in the Oval Office or in the work rooms in the West Wing, but very seldom do even Members of Congress get up to the private quarters of the President. So it was something extra special for me; but that was the way Charlie would take, Charlie Halleck as the leader at that time, would take a younger Member on our side and bring him along and into the stream of things.

Charlie was the consummate insider, known more to his colleagues than to the public. But there was a time when he became something of a celebrity.

During the time he was minority leader he joined with my old mentor, Senator Ev Dirksen, in a weekly news conference known to the media as "The Ev and Charlie Show." No one who saw those shows, with those two distinct personalities, can ever forget it.

Ev Dirksen was almost a caricature of the flamboyant, loquacious Senator given to soaring fights of old-fashioned oratory; Charlie played his opposite role as the gruff, tough insider who tolerated no nonsense. Together they were symbols of the different styles in American politics. They don't make them like that anymore.

I suppose that was the only time when Charlie became well-known to the American public. Although, I must confess that when I was just getting barely interested in politics, way back when Charlie was pushing your fellow Indianan, Wendell Willkie for President—we did not have television in those days; and I can still remember being glued to that little old radio there in the living room and listening to everything that was going on at that convention; how Charlie and his lieutenants had packed the place to get the people stomping and reviving up things like never before, all on behalf of your fellow Indianan, who ultimately then became the candidate for President.

So he had that ability out there in the political hustings to generate the kind of support that was necessary even to the extent of getting a Presidental candidate to come out of a convention that maybe one might never have realized would have been the case.

His skill as a legislative tactician was his real strength, and was known to those of us who worked with him, closely. Charlie would rather work behind the scenes than in the spotlight; but no matter how he served his party and his country, he did so with a combination of political shrewdness, party loyalty, and patriotic dedication.

When we stop to think of it, from 1935 to 1968, serving the people of the State of Indiana and the Nation—think of it, from the Depression days, really, post-Depression until the Vietnam war, amidst great changes in the Nation and the world, Charlie Halleck provided tough-minded leadership based on conservative principles, as the gentleman had just alluded to.

There have been few more dramatic and important eras of American history; and Charlie helped to shape American domestic and foreign policy during that time. It is quite a legacy. I sincerely regret that in my role here as leader, the day of his funeral I was foreclosed from going out there, where I should have been but for so many important duties here on that day.

□ 1450

I shall never forget the kindnesses with which Charlie Halleck treated young BOB MICHEL when he became a fledgling Member of this House of Representatives. And then to take from his life an example, as much as I could possibly get. Oh, we always fall far short of the standards which Charlie set in this House of Representatives. He was a real giant. It is just regrettable I guess that there are all too few of us old enough to remember who he was, how he was, how he operated, perambulating around the floor and well of this House of Representatives, rumpled and frumpled at times, papers sticking out of his pockets, hustling up a vote here and there. He was, as I said, one of those extraordinary characters that we just do not see here anymore. I shall certainly miss him. I appreciate the gentleman taking the time so that we might devote a few moments to the life and service of just an outstanding patriotic American, Charlie Halleck of Indiana.

Mr. HILLIS. I thank the gentleman very much for his contribution and for

the picture which he painted of Charlie Halleck here today.

I remember that 1940 convention. I did the same thing the gentleman did. I listened to it. If I am not mistaken I believe it was Charlie who nominated Wendell Willkie that day. He almost reached the Vice Presidency as a candidate with President Eisenhower, when he was Candidate Eisenhower, General Eisenhower. That was not to be. I remember visiting in his home there was a personally autographed picture on his wall of President Eisenhower to Charlie Halleck, all hand written. When Charlie talked about his time of service here in Washington he talked about General Eisenhower, President Eisenhower, and the good times he had in the House.

Mr. Speaker, I yield to my colleague, JOHN MYERS of Indiana, with whom we attended the funeral of Charlie Halleck.

Mr. MYERS of Indiana. I thank my colleague for yielding and for taking this time this afternoon to remember the service that Charles Abraham Halleck gave this body. For a great many years Charles Abraham, as he used to call himself often, was part of the institution. When one thought of the House of Representatives, you just naturally pictured Charlie Halleck. Charlie, as he was affectionately known by the colleagues who served with him here—and I had the fortune of serving one term when Charlie was still here—but when I got here he was no longer part of the formal leadership. I emphasize formal leadership because anytime Charlie Halleck was present he was part of the leadership.

But I can recall that Charlie Halleck was certainly an institution here when I got here, 20 years ago, even though he was not part of that leadership. And because he was not part of the leadership, Charlie had time back then to give to young Members as the Republican leader has just said he gave him the time. We have an expression back in Indiana: "Take a likin' t'ya'." And when I first came here, I had known Charlie Halleck, had known of him, but I really did not know the real Charlie Halleck. Very early in my early days here in this House, Charlie "took a likin'" to me and I "took a likin'" to Charlie. He often would sit here on the floor and tell me about certain things, what was going to happen, how it was going to happen and why it should or should not happen. He had a lot of insight. So it was a great opportunity to have the experience of serving with Charlie Halleck.

As has been mentioned in the 1940 campaign with Wendell Willkie, after the campaign Charlie told me that as he got on the train with the Hoosier, Wendell Willkie, in Chicago on a whistlestop tour which was to take, I believe, a month clear out to California by train and back. Charlie would tell it this way: "We were not even out of Union Station in Chicago that Wendell lost his voice." He said, "I had to make his speeches for him." And he also said, "They were good speeches," and they certainly were.

Then Charlie told us about the 1948 Republican National Convention in Philadelphia. Charlie was there. I think he made the nominating speech for the second term of Tom Dewey. Wednesday came time for the nominations and Tom Dewey did not have enough votes. The National Committeeman from the State of New York came to Charlie Halleck and said, "Charlie, if you can deliver the State of Indiana delegate votes, that will be enough to put Tom Dewey over." He said, "If I as National Committeeman of the State of New York tell you you will be Tom Dewey's Vice Presidential candidate, is that enough?" Charlie agreed.

Charlie called his family back in Rensselaer, IN. He said, "Mommie, get the kids out of bed, get them all cleaned up, put clean clothes on them, there's going to be a lot of press out there." That Wednesday night the press showed up and took all the pictures and because it was common knowledge at the Philadelphia convention. Thursday came, Indiana delivered its votes, but still Tom Dewey did not have quite enough votes. There were two other candidates, Senator Bob Taft was one candidate, as well as Harold Stassen. They held out until Friday morning. By the time Friday morning came after Halleck's children knew all about his intention to be Vice President, Tom Dewey announced that Halleck was not acceptable to him. This never did quite settle with Charlie Halleck. He never quite forgot it because he had been promised this and the commitment was not kept. He had a certain type of wit that I guess some Hoosiers have. Charlie had a lot of sayings. I remember once talking about a very popular Democrat campaigning for the Presidency of the United States. It was a giveaway campaign. Charlie said, "Why, he has promised everybody, every farmer in the country, 40 acres and a pregnant mule." That was the way Charlie would often get his stories across.

Another one was, "Why, talking like that, he will be sunk without a trace." You could go on all day about the expressions that Charlie often had around this place.

If these walls could only talk, and I have thought often about this. Sam Rayburn had the "board of education" downstairs, a room where he took Democrats, got them back into line. Charlie Halleck had the "clinic" which was another room downstairs. Charlie never quite forgave the Speaker because after Charlie left here the clinic became a restroom and Charlie always had it stuck in his side about the fact that the clinic was not a clinic anymore. There is no place to take Republicans to get them back into line. As has been mentioned here, Charlie was gruff. He was gruff, but he was always fair. I again think about some of the younger Members here who complain about the treatment they receive from the leadership, both from the Democratic side as well as the Republican side.

They ought to have been here when Halleck was here if they think they get rough treatment now.

It has already been mentioned about the "Ev and Charlie" show. That was similar to the Democratic response now on a weekly basis to the Republican President. This was the Republican response to the Democratic President. That was paid for by the national committee, as I recall. But I think the highest compliment that you can pay to any Member of Congress is the treatment that that Member receives from fellow colleagues. I can recall as we still do when Members get up and speak here and the floor is active, people talking all the time; but when Charlie Halleck, even when he was no longer part of the formal leadership, would come to this well and speak, there would be a hush over the entire Chamber. People would stop to listen because they knew that Charlie Halleck had something to say that they wanted to hear. It was something important. He had his own unique way with expletives. A great many of them, too. Harry Truman was remembered for his expletives.

We have a basketball coach back in Indiana who is known worldwide for his expletives.

Charlie had his. It was just his way. The priest who gave the homily at his funeral the other day spoke about Charlie's expletives. I can remember when Charlie announced back in 1968 that he was not going to seek reelection, I asked Charlie, I said "Charlie, why are you not going to run for reelection? You still have your activities here, you are respected here, your mind is active, you are contributing so much here."

Charlie said with an expletive, "It isn't fun around here anymore. Going to leave."

I often kidded Charlie through the years, "If you think it wasn't fun back then, Charlie, back in 1968, you ought to be here now."

He kept an interest, though, in this body in what was going on. The gentleman who has the time here who represents Rensselaer where Charlie is buried now in his hometown, he and I called Charlie frequently. I usually called him every month, every 2 months at most. He always had an interest, always had something to say.

I can recall a conversation when President Carter was President, I called Charlie and Charlie said, "How are you getting along with the White House?" I said, "Charlie, not very well. I don't bother them and they don't bother me. I haven't been there since Jimmy Carter was President."

He used an expletive and he said, "Well, Harry Truman treated me that way, but, expletive, I outlived him. You will outlive President Carter."

Charlie was right. I can recall last year calling Charlie about the problem we had seating a Member in the Eighth Congressional District of Indiana because I knew, I remembered Charlie had been through a similar experience in the 1960 elections in trying to seat a Member from Indiana.

So I called Charlie to ask his advice about how to handle it. In his gruff way, he said, "John, can't you count? You're not going to get your Republican seated. Count the House. They did it before and they are going to do it this time." Charlie was right. Most often Charlie has always been right through the years. He was a very talented person in a unique sort of way, in a way that as the Republican leader said there will never be another Charlie Halleck, and certainly not. He was bright, extremely bright. He was a good legislator. He was an astute politician as everyone has said here today. He certainly was an articulate debater. Anyone who ever engaged Charlie Halleck, once he told me when I was here in the early days, "Don't ever try to snow Members of Congress. Don't try to speak about something you don't know a lot about because someone out there in that 435 is going to know more about it than you do. So don't try blowing anything past them." What great advice Charlie gave.

He was all of these things, he was a great American patriot but most importantly Charlie was a nice guy.

Mr. HILLIS. I thank the gentleman for a very, very fine tribute to Charlie Halleck.

Mr. O'NEILL. Mr. Speaker, the death of our former colleague and friend, Charles A. Halleck of Indiana, marks the passing of one of the great leaders in the history of the Congress.

When I was elected to the 83d Congress in 1952, Charlie Halleck was elected by his party as majority leader. He was tough and effective. He was a great friend and loyal supporter of President Eisenhower and he applied his considerable legislative talents to the enactment of the President's proposals. As a freshman Congressman on the opposite side of the aisle, I was immediately impressed with this man's skill and character.

Charlie Halleck was unquestionably one of the greatest debaters in the history of this body. He was brilliant and he was eloquent. In my 35 years here in the House, I have not seen anyone come close to matching his performances.

I remember the great debates between Halleck and John McCormack in their respective leadership roles. The galleries would be packed and Members would crowd the floor. No one who witnessed these exchanges could ever forget the experience.

Charlie was a gregarious fellow with a quick smile and genuine warmth. Although he became embroiled in the toughest legislative battles, he never held a grudge—no matter the result.

Probably his most significant legislative effort came in 1964 with the passage of the Civil Rights Act. He committed his full energy and might to the enactment of that historic legislation and his contribution was crucial to the outcome.

Charlie was loved and respected by all who served with him or knew him. We are saddened by his passing, but those of us who had the privilege of serving with this great gentleman can treasure that experience for the rest of our lives.

Mr. WHITTEN. Mr. Speaker, I join with my colleagues in expressing my sorrow at the passing of our former colleague, the Honorable Charles A. Halleck of Indiana.

It was my privilege to serve with Charlie for quite a long time. The leader on the Republican side, he was a tireless worker, candid, honest, and able. He contributed greatly to his country and to the Congress itself. May I say that his work here will be long remembered and his contributions to his district, State, and Nation will be lasting.

Mr. ROSTENKOWSKI. Mr. Speaker, I rise in tribute to Charles Abraham Halleck, who served in the House of Representatives for 34 years as the Member from the Second District of Indiana, and who died on March 3, 1986, at the age of 85.

At the time of Charlie's retirement, in 1968, he and I had spent 10 years together in the House. Among the greatest debates I have ever witnessed on the floor were the ones between Charlie Halleck and John McCormack. The walls would ring with their fire, and brimstone, and with their eloquence.

In those days, it was not so usual for Members to go home to their districts every weekend, but Charlie and I did. Many an early morning and many a late night, I would find myself beside him on a flight out of or into National Airport, which was open all hours back then. It was a great chance to learn about the history and traditions of the House, there at the knee of the "Gentleman from Rensselaer," as I liked to call him. I will always think of it as a great privilege and a great pleasure.

Charles A. Halleck poured himself into the representation of his people, his party, and his Presidents. His was a fierce loyalty, and he was an immensely effective champion because of it. The history of the House of Representatives was made the richer by his service, and we honor ourselves by paying tribute to his life's work in these Halls.

Mr. QUILLEN. Mr. Speaker, I wish to join my colleagues in remembering the Honorable Charles A. Halleck who died last week.

Congressman Halleck, by virtue of his intelligence, his personality and his dedication to his beliefs, forged an outstanding career here in the House of Representatives and in the highest leadership circles of the Republican Party.

Charlie Halleck was first elected to the House in a special election in January 1935 and served with great distinction until his retirement in 1968. He advanced rapidly in the House Republican leadership, becoming the House majority leader in 1957, a position in which he is recognized by all to have been especially effective in advancing the legislative program of President Eisenhower.

I came to know Charlie Halleck when he was serving as House Republican leader during my first year as a Member of Congress in 1963. He was a forceful man and a loyal party man. To me, he was an outstanding leader of my party in the House, and to me, he was always a courteous gentleman and source of good, sound advice.

Charlie Halleck was a son of Indiana, of the American Midwest heartland, and his character reflected some of that hard-working, commonsense approach to life that is a hallmark of his region.

Congressman Charles A. Halleck was a fine man and he was my friend. I salute his memory. I shall miss him.

Mr. HORTON. Mr. Speaker, it was with deep sadness that I learned of the death of my good friend and former colleague Charles Halleck. Charlie passed away last Monday at the age of 85.

Students of congressional history will remember Charlie as the only Republican to serve as majority leader during the post-World War II era. Those of us who knew and worked with Charlie remember him as one of the most effective legislative strategists of this century. He engineered the passage of some of the most important legislation of the past 30 years; including the Civil Rights Act and the Marshall Plan.

Charlie Halleck came to Congress in 1935 where his stature grew quickly within party circles. In 1940, after only 5 years, he was elected to nominate Wendell Willie for President at the Republican National Convention. Seven years later, he became the majority leader, a feat no other Republican has achieved since then.

I had the privilege of serving with Charlie for the first 8 years of my own congressional career. He was an extraordinary leader and a dedicated public servant. I will always treasure the memories of our work together.

Mr. ANNUNZIO. Mr. Speaker, I rise to join with my colleagues in the House of Representatives to pay tribute to the Honorable Charles A. Halleck, former majority leader and minority leader of the House of Representatives, who died on March 3, after a long and distinguished life of public service.

During the 33 years that Charlie Halleck served as a Congressman from the Second Congressional District of Indiana, he compiled an outstanding record of achievement on behalf of his constituents he had the honor to serve, and on behalf of all our citizens throughout the Nation. Charlie was my friend during the 4 years we served in Congress together before his retirement in 1968, and he was highly respected by all of us who had the opportunity to work with him.

Charlie Halleck served our country with distinction in the Army during World War I, and was a graduate from Indiana University Law School. He held the office of county prosecutor for 10 years before he was first elected to Congress in 1935 in a special election, and he served twice as majority leader in the House of Representatives in 1947 and 1948, and as minority leader from 1959 until 1965, where he proved himself to be a most skillful and effective legislator.

During his career in Congress, Charlie Halleck was a strong supporter of civil rights, and also worked hard to achieve bipartisan support of such programs as the Marshall Plan and the Truman Doctrine after World War II. He also worked tirelessly on behalf of the Republican Party, and was well known for his ability to gain support for legislation during President Eisenhower's administration.

Mr. Speaker, Charlie Halleck was a dedicated American, and a Congressman with outstanding ability, deep compassion, and courage who devoted his life to public service. Mrs. Annunzio and I extend our deepest sympathy to the members of his family who survive him.

Mr. FUQUA. Mr. Speaker, 18 years ago, it was difficult to see the distinguished Mr. Charles A. Halleck leave Congress, but then he still was readily available to advise and counsel his colleagues remaining on the Hill. This more recent, permanent departure is even more devastating.

Although I worked with the self-proclaimed "100 percent Republican" for only 5 short years—and from the other side of the aisle—I respected Mr. Halleck as an elder statesman with invaluable experience to offer us young legislators. He always put the Nation's welfare before all else and fought diligently for his beliefs.

Mr. Halleck definitely deserved the awe he received. Whether one agreed or disagreed with his views, his speaking abilities and colorful personality were undeniably impressive.

This great man will not only be remembered for his role in the Taft-Hartley Act, the Marshall plan and for nominating the likes of Willkie, Eisenhower, and Nixon, but for his personal dedication to public service, his ability to get to the heart of an issue and his genuine belief in democracy. His influence will live on in the Halls of Congress forever.

My condolences to his family. May they be consoled that he is invariably relaxing somewhere near a deep, blue fishing hole.

Mr. MILLER of Ohio. Mr. Speaker, I join my colleagues in paying tribute to Charlie Halleck. We were all saddened to learn of his death just over a week ago, but now is the time to recall his many achievements and the immeasurable contributions he made to America during the 34 years he served as a Member of the House of Representatives and a leading actor in our national life.

I consider myself fortunate in having had the opportunity to get to know Charlie, who was serving his last term when I was first elected to Congress. By that time his political accomplishments were behind him and he was preparing to retire from active political life. But he was pleasant and friendly to newly elected Members of the House, willing to give advice and counsel if sought, and many of us came to regard him as a personal friend and elder statesman. His knowledge of House rules and parliamentary procedure was legendary, and he had a great ability to quickly analyze an issue and make a determination about both its merit and the degree of political support it might garner.

It was that quick analytical ability, shrewd political insight and mastery of House procedure which made him such an effective House leader. President Eishenhower, under whom Charlie served as both majority leader and minority leader, called Charlie Halleck "the greatest legislator I have ever seen," and said that his "counsel and leadership in his field I found indispensable throughout my service in the Presidency." Ike and Charlie were not only political allies; they were close personal friends as well, and President Eisenhower paid Charlie an even greater tribute when he said "I salute him as one of the finest men I have known in the top councils of Government."

Charles Abraham Halleck came by his strong Republican commitments naturally. His grandparents were Republicans in the formative days of the party. When Charlie's father was born a few days after the election of 1860, he was named Abraham after President-elect Lincoln, and in turn, Abraham became Charlie's middle name. Charles Abraham Halleck lived up to his heritage many years later when he was instrumental in bringing about passage of the 1964 Civil Rights Act. In this effort, as in his support for President Truman's plan for aid to Greece and Turkey—an aid effort which is credited with keeping those nations from falling to the Communists—Charlie Halleck cooperated fully with Democratic administrations and worked hard to get wavering Members of his own party to vote for measures that he believed to be the right course for America. His bipartisanship on these issues was not universally popular within his own party, and his positions entailed some political hazards in his own congressional district. But Charlie Halleck was a man of principle and courage, as well as a patriot, and America is better for it.

Before closing, I want to say one more thing about Charlie Halleck. As I have already indicated, he did not hesitate to exercise leadership on behalf of causes which may have been controversial in his congressional district. And as his role in our national life expanded, he grew accustomed to counseling Presidents and meeting with foreign heads of state. But he never felt estranged from the people he represented, nor they from him. He continued, year after year, to return to the fish fries, county fairs, and other functions in his congressional district—not because he had to do so to keep getting elected, but because he really cared about keeping in close touch with the people who were sending him to Washington to represent their views and values. The genuineness of Charlie Halleck's bond with his district is shown by the fact that when he left Congress, he did not stay here in Washington, but returned to Rensselaer, IN, the small town where he grew up.

Last year, on his 85th birthday, the people of Rensselaer had a birthday party for Charlie. They said they loved him, and they meant it. And America has benefited because those people and their parents and grandparents sent Charlie Halleck to Washington for 34 years.

Mr. GILMAN. Mr. Speaker, I join with my colleagues in paying tribute to a great Republican and an outstanding Member of this House, Charles A. Halleck of Indiana.

I unfortunately was not afforded the privilege of serving with Charlie Halleck in the House, for his retirement took place 4 years prior to my first election to Congress. However, his impact was felt nationally during his sterling career, and for many years thereafter in this Chamber.

Charlie Halleck made a positive impact in the House early in his career, to the point were he was openly touted as a possible candidate for Vice President on the 1948 ticket—a rare tribute in those days to a Member of the House. Although forsaking national office, he went on to serve as majority leader during the first Eisenhower administration, and as minority leader from 1959 to 1965, in which offices he embodied the principles and the ideals of the Republican Party.

There are few Americans over 30 years of age who do not remember "The Ev and Charlie Show," the regular series of televised press conferences conducted by Minority Leader Halleck, and his Senate counterpart, the late Everett McKinley Dirksen. The "Ev and Charlie Show" remains the shining example of articulate, constructive—and often entertaining—alternatives to the program being offered by the majority party. The precedents set by Charlie Halleck and Ev Dirksen remain the model of a loyal opposition.

Despite their partisan leadership of the minority, Charlie Halleck and Ev Dirksen recognized the common good of the Nation as having precedence over partisanship. As just one example, the Civil Rights Acts of 1957 and of 1964 would not have become law were it not for the active and courageous support and leadership afforded by Charlie Halleck in the House and by Ev Dirksen in the other body.

Charlie Halleck's contributions came, however, not from his newsworthy media pronouncements as minority leader, but for the proven durability of his beliefs and his strategy. It is inconceivable that the intellectual and political Republican resurgence taking place today would be happening were it not for the firm foundations laid by Charlie Halleck, Ev Dirksen, and the other great Republican leaders of their era.

It is to Charlie Halleck's everlasting credit that he continued to adhere to these principles in good times and bad—during their popularity under President Eisenhower, but also when they were out of vogue in the Kennedy-Johnson years.

Charlie Halleck, throughout his long distinguished career, always identified his political philosophy as "a Republican, period."

In 1965, after the election losses the year before, the Republican membership turned Charlie Halleck out of his leadership position, and replaced him with a vital young Congressman whose image, it was felt, was more in keeping with the television era. However, that "Young Turk" Congressman, Gerald Ford of Michigan, in subsequent years found himself

as minority leader more dependent upon the advice, the precedents, and the philosophy of Charlie Halleck than any observer could have predicted in 1965.

Mr. Speaker, when the political history of the House during the 20th century is written, the name of Charles A.pHalleck of Indiana will loom large in the annals of those who contributed greatly to this body.

GENERAL LEAVE

Mr. HILLIS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, I thank the Speaker very much.

Mr. Speaker, it is certainly not my intention to use the full hour that has been conceded me on this occasion.

I have asked for time, including those requests for 1-hour periods of special orders, when it is my certainty that in order to convey the full meaning of what I have to say that it will take at least near that amount of time. On this occasion there is no reason why I could not do that in considerably less time and I intend to do so.

But I am impelled to rise because the House this week will be considering what I, in turn, estimate to be a very serious mistake on the part of the President in requesting $100 million in military and other aid for the so-called rebels or Contras that are trying to overturn the Government of the sovereign nation of Nicaragua.

I believe I am impelled to do so because there are things that I wish to place into the RECORD today with the hope that the Members who are sufficiently interested in arriving at a correct answer to their questions and to their decision to vote one way or the other. I think the RECORD also ought to show that last week two other committees rejected the President's request, very important committees that certainly are charged with having the net residue of knowledge with respect to what is going on in this part of the world south of the border. The one committee was the Select Committee on Intelligence. The other committee was the Committee on Foreign Affairs.

Now the only committee that did approve, on Friday, was the Committee on Armed Services and it did so on a voice vote.

□ 1505

Obviously, there were decisions that had to be taken on that level at that time that had to do with the overall defense authorization and, therefore, the issue of this particular request was approved on the committee level of the Armed Services Committee by a voice vote. It was not a recorded vote.

I want to compliment the members of the Foreign Affairs Committee and of the Select Committee on Intelligence for the decision they took, because I believe that the whole sorry record of behavior of this administration and this President, we cannot in any way extricate the President from this accusation that I make. The whole sorry, dismal picture shows one that does not make the United States look good at all, beginning with the early statements that the President made via television with respect to what he then portrayed as a Soviet Russian or Communist buildup in Nicaragua through the ongoing, at that time, construction of an airfield.

Soon after the statement, there were disputations all over the place about the accuracy and the truthfulness of that statement. Certainly the President has made no further allusions to that.

Then the CIA began a very, very sorry and tragic and distressful course of conduct by attempting to, one, have the harbors and the ports of Nicaragua mined or bombed. Attempts were made through contracted would-be assassins to assassinate Nicaraguan leaders, including the present leaders now heading the Nicaraguan Government as a result of the elections of November 1984.

It was pathetic, because the American public has seldom had the opportunity to have full reports in the only sources of information that disseminate information in the United States that could be available to them. But every single other country in the world, including those countries that share the New World with us, are aware of that, in live color.

Then followed the justification for the President's open, up to that point—that is until about 1983, the beginning of 1983—the President had been very indirect. But after 1983, on the basis that Nicaragua was accused of being the source of armaments that were being transported to the Salvadoran rebels. We then embarked on a course of militarizing and occupying the sovereign country of Honduras, in which we still maintain sizable contingents of troops. In fact, in a matter of a few days, we will have in the name of another training exercise over 10,000 of our troops, way over 10,000.

We have militarized Costa Rica, which has boasted of being the one country that never bothered to even have an army. Now, thanks to the United States, it is militarized.

On top of that, there were other very sorry and distressful incidents. For example, with a great deal of ado one day the television and the press of the United States announced that they finally had a live and kicking witness to this Nicaraguan interference and presence in El Salvador. The CIA came out with an individual by the name of Orlando Tardencillas. He was portrayed as a man who was ready to give testimony to show that he personally had come from El Salvador, had been involved where both Nicarguans and Cubans were bringing in arms and being utilized by the rebels in El Salvador.

However, to the shame of the CIA and the United States, and before the eyes of the world—because let me assure you that maybe there was just a glimpse on our TV, but this was very much propagated throughout the country, to our detriment—this same Orlando Tardencillas denied lock, stock, and barrel what the CIA said he was going to say. He denied any such thing as the CIA was trying to say that he been engaged in.

Well, all of a sudden, he just disappeared and nobody has heard from Orlando Tardencillas, even though the CIA had supported him there for a few weeks, paid all of his money and everything else.

This I think is indicative of the whole sorry and very tragic processes that our country is inextricably linked with in the eyes of the public opinion outside of the United States. There is not a country in the New World, or the Old World, that is in harmony with our tactics. I will not redeem it by calling it a policy. There is no policy. What we will accept in one country, we do not in another; for the same basis that we accept it in one country, we do not in another. That certainly shows no policy.

But by now it should be self-evident that the President has reached the end of the rope and that, unless he gets the imprimatur of approval, even if it is just $1, for what he has done and continues to do, that he will be in direct and obvious violation of the War Powers Limitation Act, so that even if the Congress passes a mild resolution and, instead of $100 million, gives him $10, he got what he wants, and that is the approval of the Congress of these bankrupt and fatal practices and policies.

In the New York Times for Thursday, March 6, on page 1, where the lead story on the left-hand side upper column says, "Reagan Steps Up His Drive To Give $100 Million to Nicaragua Rebels," in that story is a quote attributed to Secretary of Defense Caspar Weinberger, in which Weinberger says if you do not give us the money, sooner or later, we are going to have our soldier boys down there, so

unless you want to help the Communists, you better vote for this; but just below that is one of the most significant stories I have seen in the American press. It is headlined "Nicaragua Rebels, in Retreat, Viewed as a Reduced Threat." It is bylined by James LeMoyne.

I place both of these articles in the RECORD at this point.

The articles referred to follow:

NICARAGUA REBELS, IN RETREAT, VIEWED AS A REDUCED THREAT

(By James LeMoyne)

TEGUCIGALPA, HONDURAS, March 4.—The main Nicaraguan rebel force is in its worst military condition since its formation in 1982, according to several Western diplomats and senior guerrilla officials.

The officials, interviewed here in recent days, said the Honduran-based insurgents will need extensive training, new tactics and a possible change of commanders if they are ever again to pose a significant threat to the Sandinista Army.

The guerrillas' mass retreat has raised questions about their fighting ability even if they should receive renewed American military assistance.

FORCED OUT OF NICARAGUA

As many as 10,000 Honduran-based rebels, constituting most of the United States-backed guerrilla force, have been forced out of Nicaragua in recent months by supply shortages and improved Nicaraguan Army tactics and more sophisticated armaments as well as the insurgents' own ineffective strategy, diplomats and rebel officials say.

Many of those who commented on the rebels' decline noted that it comes, paradoxically, when dissatisfaction with the Nicaraguan Government is growing at home and abroad. But the rebels have been unable to take advantage of this discontent to become a broad-based movement capable of challenging the Sandinistas.

"I felt I was looking at a paralyzed army, maybe a defeated army," said a rebel official who visited the largest guerrilla camp last week.

"This is going to take more than $100 million because they are no match for the Sandinistas," added the officer, one of the movement's most senior officials. He was referring to the $70 million in military aid and $30 million in nonlethal help that President Reagan is asking Congress to provide to the rebels.

Interviews with rebel officials, diplomats and political leaders in Honduras and Costa Rica over the last three weeks have left an impression of a poorly led guerrilla force that has stumbled after three years of on again, off again United States backing, internal disputes, inadequate training and a record of human rights abuses, as well as little political direction and faltering public appeal.

Several of the sources had expressed optimistic views of the guerrillas' ability as recently as last year.

In 1984, before Congress cut off military aid, the rebel forces operated in one-third of Nicaragua. Today, all but a very few have retreated into Honduras, and there is only one remaining active front, in Chontales Department southeast of Managua.

Col. Enrique Bermúdez, the top military commander of the main guerrilla group, the Nicaraguan Democratic Force, has blamed a shortage of boots and other supplies for the rebels' retreat. But such explanations have exasperated American officials, who say that in fact the rebels are demonstrating that they cannot fight a guerrilla war.

Several American and rebel officials say they believe the American-backed effort against the Sandinistas could collapse this year.

"1986 is the year of definition," a senior guerrilla official said in an interview. "One way or another, this can't go on as it has before."

SANDINISTAS RELOCATE PEASANTS

Some of the rebels' problems can be traced to the origins of the movement, which was first organized in 1982 with the help of the Central Intelligence Agency and Argentine Army intelligence officers.

Reagan Administration officials said at the time that the rebels' chief objective was as the interdiction of arms supplies from Nicaragua to El Salvador. The Administration later said the rebels' objective was to "pressure" the Nicaraguan Government into introducing democratic reforms and entering into negotiations with the insurgents. But rebel leaders have long made it clear that their aim is the overthrow of the Sandinistas.

The rebels appear to have more support than their harshest critics concede. They have been described as little more than mercenaries, but in fact most combatants are conservative Roman Catholic peasants from northern Nicaragua who reject the Sandinistas' leftist program and who have volunteered to fight against it.

They have been able to win enough support in the countryside to lead the Sandinistas to forcibly relocate tens of thousands of peasants in the last year from mountainous areas of northern Nicaragua to keep them from aiding the guerrillas.

But the rebels have failed to attract the support in urban areas and among the middle class that would enable them to build a political movement, as well as an army, able to reach into the towns and cities.

Instead of growing at the rate of 1,000 men a month, as senior Administration officials repeatedly claimed, the rebels concede that their forces are barely growing at all. Instead of fielding an army of 20,000, as Administration officials also claimed, the rebels probably number fewer than 12,000 combatants, according to several rebel and diplomatic officials.

EX-GUARDSMEN ARE LEADERS

* * * for the rebels and who thinks they should be given American aid. "It's dangerous to confront them."

THE BACKGROUND OF LEADERS

Mr. Calero, the former manager of the Coca-Cola company in Nicaragua, is a businessman who actively opposed Mr. Somoza, but at the same time maintained ties with the C.I.A., according to several Nicaraguan exile sources. Mr. Sánchez is a large landowner who was an avid backer of Mr. Somoza. His brother, Enrique Sánchez, is also a leading rebel civilian official.

The main backers of these civilian leaders are Nicaraguan exiles in Miami, many of whom were loyal supporters of Mr. Somoza or who profited from his Government.

Colonel Bermúdez served in the National Guard, as did the most powerful military field commanders who serve him. The colonel was Mr. Somoza's last military attaché to Washington and, according to rebel sources, had close ties with the C.I.A.

Between 1981 and 1984 he helped oversee a rebel counterintelligence unit commanded by Ricardo Lau, another former National Guardsman, that two American officials say killed dozens of people suspected of being leftists.

Mr. Lau is described by American and Honduran officials as a fanatical rightist and hired killer. The Honduran Army reportedly force him to leave Honduras late in 1984, but Colonel Bermúdez and Mr. Calero have defended him in interviews and say they have no reason to condemn his actions.

In an effort to improve the rebels' political appeal, the Reagan Administration backed the formation of a new rebel front, known as the United Nicaraguan Opposition, last spring. But bickering within the group has left the guerrilla army essentially in the hands of its old leaders.

SANDINISTAS AN EFFICIENT FOE

Besides their many internal problems, the rebels also have been badly set back by the efficiency of the Sandinista security forces. The Sandinista police have arrested many guerrilla supporters, according to both rebel officials and Western diplomats.

And the 100,000-man Sandinista Popular Army and militia, trained and advised in the field by Cuban officers, have learned to deploy veteran counterinsurgency battalions rapidly by helicopter. These have been backed by gunships and mobile rocket batteries in a lethal combination of tactics and firepower.

This materiel, along with automatic weapons, mortars and long-range artillery, have been supplied by the Soviet Union and Soviet bloc countries.

The rebels have been squeezed to a point where, for the first time in three years, they have not even tried to disrupt the economically vital coffee harvest in Nicaragua despite the fact that many coffee farms lie just across the border from guerrilla bases.

Both Western diplomats and rebel * * * to counter Sandinista artillery.

But even more important, they say, will be thorough retraining in how to wage a guerrilla war and new tactics, including a political program that the rebels understand and can explain to Nicaraguans they meet inside the country. Even with such help, diplomats estimate it could take two years for the rebels to become an effective fighting force.

To highlight the Nicaraguan guerrillas' incompetence, several diplomats noted that leftist guerrillas in El Salvador, with probably fewer than 6,000 men and no secure bases or supply lines, have wrecked the economy and badly blooded the Government army. But they are politically committed fighters who have organized public support and waged a war based on genuine grievances.

The Nicaraguan rebels have been handicapped as well by factors beyond their control, especially prolonged cutoffs in their supplies. Congress ended American military aid to the rebels in 1984, forcing them to scrape by on private donations for a year until Congress granted them $27 million in nonlethal aid to be spent by the end of this month, mostly on food, boots, uniforms and medicine.

The help has been slow in coming, the rebels say, and was suspended by the Honduran Government last October in an effort to press the United States to make concessions on a number of economic and political issues, a tactic that Honduras could repeat at anytime.

Despite such difficulties, rebel officials say that they do not lack guns and bullets and that the shortage in other gear is now

being made up in part by supply flights from El Salvador using rented planes. The State Department's insistence on receipts for rebel purchases has kept the guerrillas from taking the easier step of buying directly from the Honduran Army, which would gladly sell to them, according to sources here.

Western diplomats say that American nonlethal assistance has had the unfortunate effect of encouraging the guerrillas to sit in their camps, where they receive American-bought food, instead of marching into Nicaragua to fight. A senior rebel official echoed the criticism, saying nonlethal help that is not matched by military aid is a curse rather than a blessing.

"It gives us enough to hang on, to prolong this so that more Nicaraguans die," he said bitterly. "But it doesn't give us enough to end it. I'd rather have no aid at all than only receive this so-called humanitarian aid."

REAGAN STEPS UP HIS DRIVE TO GIVE $100 MILLION TO NICARAGUA REBELS

(By Bernard Weinraub)

WASHINGTON, March 5.—President Reagan appealed again to Congress today to endorse his request for $100 million in aid to Nicaraguan rebels, saying it was needed so that the United States would not have to send American troops there.

"American troops have not been asked for and are not needed," Mr. Reagan told about 100 representatives of the umbrella group of leading Jewish organizations. "We must make sure they never are needed. We send money and material now so we'll never have to send our own American boys."

Even as Mr. Reagan stepped up his campaign for the $100 million proposal, the White House suffered a setback when two House panels rejected the aid measure. White House aides concede that the aid package will face serious trouble when it reaches the floor, perhaps next week. [Page A9.]

COMMENT FROM WEINBERGER

Meanwhile, Defense Secretary Caspar W. Weinberger told the House Armed Services Committee that failure to grant the aid request could eventually lead to the introduction of American troops in Central America. Asked if American troops would be necessary to halt the spread of communism in the region, Mr. Weinberger replied:

"Ultimately, that would indeed be the case."

Although Mr. Reagan discussed the issue of aid to the Nicaragua "contra" forces at his morning meeting with a group of Washington reporters and columnists, his bluntest comments to date on the issue came this afternoon in remarks to the Conference of Presidents of Major American Jewish Organizations at a White House meeting.

Saying that Congress faced "a historic decision" on the Administration's assistance package for the Nicaraguan contras, Mr. Reagan said that a potential legislative defeat on the issue would prove disastrous.

"But if the members of Congress hide their heads in the sand and pretend the strategic threat in Nicaragua will go away, they are courting disaster and history will hold them accountable," said Mr. Reagan. He added: "If we don't want to see the map of Central America covered in a sea of red, eventually lapping at our own borders, we must act now."

Mr. Reagan's plea came hours before the Democratic-controlled House Intelligence Committee voted 9-7 against giving $70 million in military assistance to the rebels and $30 million in logistical aid. Despite the vote, the measure will still go to the House floor.

Another panel, the Western Hemisphere subcommittee of the Foreign Affairs Committee, voted 8 to 5 against the proposal. The vote was on strict party lines. At this point, overall legislative prospects for the aid proposal are uncertain.

DEFEAT ON HOUSE FLOOR SEEN

Representative Richard Gephardt, Democrat of Missouri, chairman of the House Democratic Caucus, predicted the request would be defeated on the House floor, although leaving open the possibility of an eventual compromise.

The Senate Majority leader, Bob Dole of Kansas, said "it would be very helpful" if Mr. Reagan planned a nationally televised speech on aid to the Nicaraguan rebels because the plan had not stirred broad support. "A lot of people out there just haven't had a chance to focus on" the issue, Mr. Dole said.

Responding to the votes, a White House spokesman, Edward P. Djerejian, said late today: "It was narrower than we expected, but it's not over yet. Quite frankly the old adage applies, 'the opera isn't over until the fat lady sings.' "

Mr. Reagan's remarks to the Jewish leaders were marked by assertions that Nicaragua not only retained close ties to the Palestine Liberation Organization and to Libya, but that the Sandanista Government was actively persecuting the Jewish community.

CALLED "AVOWED COMMUNISTS"

"What is the official Sandanista position on the persecution of the Jewish community," asked Mr. Reagan. "The Jews, they say, have a 'bourgeois mentality that prevented them from adjusting to communism.' " Mr. Reagan said, "I'll buy that bourgeois mentality any time.

Mr. Reagan termed the Nicaraguan leadership "avowed, dedicated Communists," who support terrorism. "If the Sandanistas are allowed to consolidate their hold on Nicaragua," said the President, "we'll have a permanent staging ground for terrorism, a home away from home for Qaddafi, Arafat and the Ayatollah, just three hours by air from the United States border." Mr. Reagan also deplored "the orchestrated campaign to slander the freedom fighters."

Kenneth J. Bialkin, chairman of the conference, told Mr. Reagan that "I would lose my job if I said that the whole Conference of Presidents speaks as one in supporting you." He added, however: "I believe that the overwhelming sympathy and support of the American Jewish community rides with freedom, rides with the defense of those who wish to fight for their freedom, and would support you in your interested and objective and principled effort in that area."

One participant at the meeting said tonight that Mr. Bialkin's supportive comment stirred annoyance among some of the Jewish leaders.

TEMPORARY DUTY IN HONDURAS REVIVES MEMORIES OF 'NAM

(By Steve Walker)

As I stepped off the C-130 Cargo plane in my newly acquired camouflage fatigues onto the airstrip at Palmerola in the mountains of Central Honduras, an overwhelming depression gripped me.

For a fleeting moment—and there were many to come—I was back to Vietnam reliving the war. Having been previously warned by other 'Nam vets that duty here at Joint Task Force Bravo was reminiscent of life in the Vietnam base camps, I was still not prepared to deal with the reality of the uncanny similarities.

It was as if it was 1970 once again and I had never left the Northern I Corps of South Vietnam. In 'Nam, I was stationed in Phu Bai, 50 miles south of what was then called the Demilitarized Zone. Fifty miles north of Da Nang, we were located on Highway One.

Fifteen years later as an army reservist in Honduras, I was walking from the plane to the olive drab tents set up at the end of the airstrip. Fresh faced soldiers (and some of us not so fresh) reported for briefing and in-processing. The blinding sun made me squint.

While it may only have been 80 degrees, it sorely reminded me of my first encounter with 'Nam. Back in 1970, April 14th to be exact, we deplaned into 140 degree heat. The blast of hot air that hit me nearly put me on my backside. I recall the Yankees reacting more violently, since they obviously were not used to such warm spells.

Our group of 20 in Honduras stood in line in the hot tent, waiting to sign in and get to the camp. The Army soldiers with me were going to be here in Honduras for six months while the Air Force personnel would only be required to spend 90 days in country.

Fortunately for me, I was somewhat secure in the knowledge my Honduran tour would only last seven days. I would fill in at the public affairs office, long enough to write some articles for the new base camp editor, who would arrive in country the following week.

With less than two weeks left in country, the current editor, Bill Dunlop, was winding down his tour. He informed me on the phone before I arrived in country, that he was more than ready to depart.

For the next seven days I would crank our articles on everything from the mess hall food to customs regulations for soldiers wanting to take souvenirs back to the states.

As it turned out, there were seven other units assigned to the area, besides JTF Bravo. With a captive readership, Palmerola was none-the-less authorized a bi-weekly tabloid. Ironically enough, I volunteered for this assignment, arriving Friday the 13th of all days.

For the past year I begged my personnel manager at the Army Reserve Personnel Center in St. Louis to send me to Honduras. Now, I was here, interrupting a 54-day active duty reserve tour at the Southern Command public affairs office in Panama.

Surrounded completely by mountains, the base camp was a miniature replica of the base camp I spent 11 months and 10 days living in Nam, near the Ashau Valley in the northern part of what was then South Vietnam.

Arriving in our camp surrounded by concertina wire, I looked at the rows of "hootches," that made up the housing area. Built approximately four feet off the ground, the "hootches" were made of wood. They sported shutters on the sides for protection from the wind. They had roofs of aluminum siding, and were equipped to house eight men comfortably. I realized immediately that although 15 years had passed, some things never change.

During the ensuing week I wrote my girlfriend Pam.

15 Dec. 85

DEAR PAM: Sitting here in the public affairs office on this quiet Sunday afternoon thinking of you. The wind is blowing fairly strong at the moment making it feel somewhat cool. Talk about the Vietnam Syndrome! Except for a few variations, this place is Vietnam. The main difference, fortunately for me, are no incoming rounds, no midnite alerts. I guess I have to experience it to get it out of my system.

The hootch I sleep in could be the same one I lived in from April 14, 1970, to March 21, 1971. We do have some minor comforts, however. We have television that picks up cable from the states.

I can watch CNN, ESPN and even some of the regular network programming. In our hootch we have a VCR, so we can view movies that the wife of one of the sergeants sends him.

Last night I watched "Code of Silence," "Johnny Dangerously," and this morning I watched the Three Stooges!

We have large circus-like tents to take showers, outdoor latrines and even a few flush toilets. Since we have a few female soldiers here, we have designated hours when we can use the showers. With a shortage of water, we also have to be real careful.

I would guestimate there are about 300 troops here from the Army and Air Force in our compound alone. Although with all the Reservists due in for Operation Terrencio Sierra in the next two months. I think this place is going to be filled to capacity in the near future.

Two nights a week soldiers are allowed to go into the nearest town. They have buses to take you there and if you miss the bus coming back at the designated hour, you are in a world of—!

We work six days a week and they even have a sidewalk laying work detail on Saturdays. I met my new boss, Maj. Carl Gidlund, an Air National Guardsman from Alaska. He asked me if I wanted to stay longer than a week. I kindly declined.

While most guys are here for six months, Capt. Searless Hathaway; our commanding officer, told me that very shortly troops will begin pulling year long tours instead of six months, just like we did in 'Nam. There are less than 10 percent of the troops here for these long tours that are reservists, and very few volunteers, period.

From my perspective, it appears that they are trying to build up the military presence in Honduras. The commanding officer of the Airlift Control Element of the 438th Military Wing from McGuire Air Force Base told me C-130's now arrive twice a week; C-141's and L-100 TransAmerica military charter flights, three times a week.

He said his 31-man crew will serve another 30-day tour in February, and continue to rotate with other ALCE's next year. He also informed me, while the ALCE's mission is to transport cargo, troops are flown in on a space-available basis. However, the younger troops appear not to be bothered.

Many of the young troops tease the 'Nam veterans because we constantly compare this place to Southeast Asia. Considering the similarities, can you blame us? One thing I will say, it is extremely pretty countryside. The mountains completely surround us since we are situated in a valley. The Hondurans seem very nice, although I haven't met too many of them. I have seen quite a few of them, however, on their side of the compound.

Their pilots attempt to barnstorm the runways like Japanese Kamikazes, which tends to upset the American personnel. Officially, I have been told we are here to observe, yet their base camp and ours are on the same compound, divided only by concertina wire.

At the moment the wind is beginning to pick up. They burn human waste in big drums here, and you can catch the aroma down wind very easily. As I look out the window of my office, I see the "rows of hootches." It reminds me of many of the homes built in San Antonio. They all have the same floor plan.

Well, I can't think of any more exciting tidbits, except to say I love you and wish I was home in San Antonio.

STEVE.

16 Dec 85

DEAR PAM: Last night I sat up for a while with another sergeant in my hootch playing out the Vietnam scenario. According to him, "We should all come here for awhile to purge our devils." I can understand that.

He says being here can replace some of the ugly memories with new and better ones. I am just recycling my feelings after 15 years.

Well, this was meant only to be a short one, so until I can call you from Panama, keep the faith.—Steve

As the C-130 took off from Palmeroa,. I took a deep breath. And believe me, it was a breath of relief. As we made our way back to Panama, I also recall thinking how I felt when I left Vietnam. Actually I felt the same as I did leaving Honduras, happy as hell, hoping to God I didn't have to return to either one.

Steve Walker, a former local journalist and TV reporter, is a Bexar County employee and a freelance writer.

The sarge related a few war stories, and in turn I told him about the numerous nights in 'Nam I spent sitting on top of my hootch just looking at the stars, praying that my day would come to go home in one piece.

I told him about the incident where our two-ton truck was run off the road by Viet Cong infiltrators and we ran over a 10-year-old Vietnamese kid, breaking every bone in his body. As we were forced off the road we literally crushed his bicycle with him on it.

To this day I still don't know how that kid lived through it. Of course with nine stitches across my forehead, and a weak back, I am grateful that I even survived that calamity. I really hate to see blood, especially when it is mine.

Let me just say it is taking its toll on me. What surprises me is that I thought the 'Nam experience didn't affect me that much. How wrong I was?

STEVE

19 Dec. 85

DEAR PAM: Well, tomorrow I leave Palmerola and head back to civilization in Panama. Once I return I will wash off the dirt and put on some clean clothes. Living in constant dirt does something to the constitution.

Yesterday was very upsetting, I was on assignment to take pictures of little poverty stricken Honduran kids unloading food from a truck provided by the Chaplain's office. The expressions on their faces were indescribable. One little kid was eating cookies with crumbs all over his face.

Besides that, he didn't have any pants on. Completely naked from the waist down. I felt so sorry for them, but such is the way of the world. Fifteen years ago the Vietnamese kids looked the same. We were always warned not to hug them. We were told they could be booby-trapped. Unfortunately many of them were. At least I could hug these kids and not worry except for the possibility of lice.

NEGOTIATED PEACE BETTER THAN FUNDING CONTRAS

In these days of Gramm-Rudman style belt tightening, we know one way the federal government can avoid wasting money: Do not give $100 million in lethal and nonlethal aid to the Contras in Nicaragua.

We have stated before—and restate now—that funding the Contras, a ragtag guerrilla army that has yet to demonstrate it enjoys popular support among the Nicaraguans, is money wasted as long as there is hope of a peaceful solution to what is essentially a regional problem. (Evidently, two of three congressional committees that have considered Contra aid so far agree. These committees have voted aid down.)

No, we are not interested in seeing a Soviet puppet state expand its tentacles across Latin America. And no, we do not want to see Nicaragua turned into an Eastern Bloc beachhead on the mainland of the Americas. We are against a military solution to the crisis in Central America, period, whether it is one imposed by Washington or Moscow.

Both President Reagan and Secretary of State George Shultz have asserted Nicaragua is the launchpad for subversion throughout Latin America. Properly equipped, the Contras could be the bargaining chip we need to force the Sandinistas to the bargaining table, they argue.

If this is so, then why did foreign ministers of eight Latin nations, from Mexico to Argentina, come to Washington last month to lobby for American acceptance of a peace proposal calling for no Contra funding and "simultaneous actions" to reduce foreign military presence in the region? Are the ministers of these nations naive, or do they know something we don't know?

The president also asserts we should "stand for democracy" in Nicaragua as we did in the Philippines. In reality, the two situations couldn't be more different. In the Philippines, you had a not particularly benevolent despot overthrown by a popular groundswell. We supported the despot until his waning days, and then wisely we switched to the groundswell. In Nicaragua, we also supported the despot—dictator Anastasio Somoza—unitl his waning days. The difference was we never got fully involved with the groundswell that overthrew him in 1979, thus abrogating our chance to influence the direction of the "revolution."

Whether the government of Daniel Ortega is the rightful heir to the coalition that beat Somoza is a matter of some debate. Clearly, a lot of the populist spunk has gone out of Sandinismo. Dreary leftist rhetoric and slogans have replaced the genuine promise of '79, when peasant-born Sandinista soldiers were hugging Mercedes-driving businessmen in mutual jubiliation over their common victory.

So it comes down to this: Nicaragua, what is to be done? This is a thorny problem that has vexed experienced diplomats from a wide variety of countries. We can only observe that the diplomatic avenues are still open, that Nicaragua has accepted peace proposals which call for arms reductions and removal of foreign troops (including Cuban and Eastern Bloc "advisers" now in Nicaragua). And who knows what else the Nicaraguans might concede at the bargaining table? This approach has never been fully explored.

Until the diplomatic cards have been played, we can only conclude that giving money to the Contras would be throwing gas on the fire. The Contras do not have the military capacity to win. Their effectiveness as an irritant is debatable, since Nicaragua's willingness to negotiate is not in dispute.

Funding the Contras would only add to the immense suffering already borne by people all over Central America. The alternative—serious diplomacy—has not been given an opportunity. We say give peace a chance.

Mr. GONZALEZ. Also in my hometown paper, the San Antonio Light, the Sunday edition, March 9, in the Viewpoint section, there is also a very, very poignant story. It is headlined "Temporary Duty in Honduras Revives Memories of 'Nam," by Steve Walker. This happens to be a veteran of Vietnam who went down with some of the National Guardsmen, some of the reservist components to the training exercises in the Honduras area. He describes poignantly, and I think very dramatically, what the similarities of failed policies are.

On the inside of the front page of this section, Viewpoint, there is an editorial, the lead editorial in that San Antonio Light edition for Sunday the 9th, and it is entitled "Negotiated Peace Better Than Funding Contras."

Let me point out that both of the newspapers in my town are both conservative and they are both Republican, if you want to label them that way. They have supported the administration almost 100 percent. So obviously, editors are beginning to read.

□ 1515

But I think the thing my colleagues ought to know about, and that is the main impelling reason why I get up, is that in the eyes of the countries to the south of us, including Mexico, we are aggressors, we are militarily provoking war and dissension, civil war, and war between some of these countries unnecessarily. So they have banded together.

As of today I have received a letter from the Nicaraguan Embassy, dated March 5, 1986, in which a copy of an article is enclosed from the Christian Science Monitor, "Nicaragua-Costa Rica Pact Awkward for United States," and an article from the New York Times of February 26, 1986, entitled "Nicaragua and Costa Rica Hope for Pact."

I will include in the RECORD all three of these items, including the letter from the Nicaraguan Embassy, and I will insert the letter prior to these two articles. The reason I do so is because I believe that my colleagues in the House would like to read this letter and see the facts reported there, which are facts; these are events that have happened south of the border involving every one of these countries, including Costa Rica and Honduras, that we are saying are imperiled by Nicaragua. It is addressed to me. There is a reference to the Lima Groups. Now, I have not seen any reference in an American newspaper to the presence or the existence of the Lima Groups.

The letter and the articles are as follows:

EMBAJADA DE NICARAGUA,
Washington, DC, March 5, 1986.

Hon. HENRY GONZALEZ,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE GONZALEZ: As the situation in Central America continues to evolve, the new hopes for peace are jeopardized by the intensification of U.S. military involvement in the region.

The statement issued on January 12, 1986 by eight Latin American Governments belonging to the Contadora and the Lima Groups, Argentina, Brazil, Colombia, Mexico, Panama, Peru, Uruguay and Venezuela, known as the "Caraballeda Message for Peace, Security and Democracy in Central America," has brought new hope for a diplomatic solution to the problems in Central America.

The Caraballeda Message comes at a time when the U.S. Administration is increasing its involvement in Central America. The U.S. Administration, while insisting that the situation in Central America is part of the East-West Conflict, has announced new U.S. military maneuvers to take place in Honduras; they have begun their efforts to obtain more military assistance for the contras, and have rejected Latin American calls for a renewal of bilateral negotiations with Nicaragua. All of these actions are clearly against the Contadora and Lima Groups efforts to achieve a negotiated settlement to the conflicts in Central America.

The Caraballeda Message firmly rejects the U.S. Administration belligerent approach. It clearly states that the problems in Central America are not part of the East-West conflict; "the solution of Latin American problems should spring from and be ensured by the region itself so that the area will not be put into the East-West world strategic conflict."

The Caraballeda Message also called for an end to U.S. support for contra forces, suspension of all international military maneuvers, withdrawal of foreign troops and military advisors in Central America, new actions of national reconciliation in accordance with the current legal system in each of the countries, resumption of talks between the governments of the United States and Nicaragua in order to eliminate differences, as well as other points.

Nicaragua endorsed the Caraballeda Message of January 12 when it joined Costa Rica, El Salvador, Guatemala and Honduras, in the "Declaration of Guatemala" on January 16, 1986, named after the meeting of Heads of State and Foreign Ministers of Central America that took place on the occasion of the inauguration ceremonies of President Vinicio Cerezo of Guatemala.

Nicaragua is willing to act simultaneously on the steps agreed in the Caraballeda Message provided that all other major parties involved in the Central American conflict, including the United States, do the same.

A recent example of Nicaragua's readiness to achieve diplomatic solutions was the agreements reached with Costa Rica to establish a Permanent International Commission to prevent and investigate any further incidents in our common border.

On February 24, with the presence of the Contadora Group, the Costa Rican and Nicaraguan Governments met in Managua and agreed to establish this Commission. The Commission will be made up of civilian personnel from Costa Rica, Nicaragua and the Contadora and Support Groups. A meeting is scheduled for March 12 in San José, to discuss the final aspects of this agreement.

Also, the newly elected President of Guatemala, Vinicio Cerezo, has called on a Summit of Central American Presidents to discuss solutions to the region's crisis. President Daniel Ortega has welcomed the initiative and will participate in this meeting that will take place on May 20th in Guatemala.

Nicaragua has also recently proposed the establishment of a bilateral Commission to solve the problems that exist along our common border with Honduras. My Government believes that we can initiate a process of negotiations and achieve solutions to our problems with Honduras, as we have progressed with Costa Rica.

As Nicaragua has expressed hopes that these efforts with Costa Rica and Honduras can contribute to bring peace and stability, we have to raise our concern with the announcement that the U.S. Administration intends to provide the 100 million dollars more to the contras. This aid would be a serious blow to the ongoing Latin American peace efforts.

The United States has claimed that it has security interests in Central America and Nicaragua has agreed to accommodate these stated security concerns for the achievement of regional peace.

My Government is, and has always been, prepared to sign a binding and enforceable agreement guaranteeing that stated U.S. security interests are met. As part of such an agreement, the Central American nations and Nicaragua would:

1. Have all foreign military advisers withdrawn.

2. Renounce the adquisition of new systems of armaments, and impose strict and verifiable compliance and control mechanisms on these commitments and,

3. Guarantee that Nicaraguan territory will never be used as a base for any foreign power or for subversion of any other government, and allow on-site inspection to assure its full compliance with these obligations.

Let me also state categorically that Nicaragua's Revolution stops at Nicaragua's frontiers. We do not seek to export it and we never shall.

I want to reiterate also a long standing position of my Government: upon cessation of the current U.S. aggression against Nicaragua and ratification of a peace agreement, my government will inmediately proceed to:

1. Terminate the State of Emergency which was made necessary by the U.S. supported war and restore the full panoply of civil liberties to which my Government is committed, including freedom of speech and of the press.

2. Proclaim again General Amnesty for all the contras, permitting them to return to Nicaragua and participate fully and freely in the social and political life of the country. They would have the right to organize political parties and run for all elected offices, including president.

As you can see, Mr. Congressman, the record is clear, Nicaragua has shown its willingness to enter into binding agreements that will meet the stated security concerns of the United States and we remain ready to do so. Further U.S. military involvement in

Central America, however, not only goes against the efforts of Latin America to achieve lasting negotiated solutions to the conflicts in the region, but brings the U.S. closer to sending U.S. troops into combat to Central America. And this would bring unforeseen consequences to U.S. relations with Latin America, not to mention the people of Central America.

Let me thank you again for your consideration and please, feel free to contact me if I can be of further assistance.

Sincerely yours,

CARLOS TUNNERMANN B.,
Ambassador.

[From the Christian Science Monitor, Feb. 27, 1986]

NICARAGUA-COSTA RICA PACT AWKWARD FOR U.S.

(By Peter Ford)

This week's agreement between Nicaragua and Costa Rica to revive efforts to prevent armed clashes along their border could not have come at a more opportune moment for Nicaragua.

With President Reagan asking the United States Congress for $100 million to support the left-wing rebel war against Nicaragua's ruling Sandinistas, any steps taken locally to cool regional conflicts put the U.S. in the role of a "spoiler," say analysts here.

The decision to set up a bilateral "inspection and vigilance commission" for the border suits the goal of Costa Rican President Luis Alberto Monge: To leave his successor with as few problems as possible when Mr. Monge completes his term in May.

But, in the light of past failures to control the border, the vagueness of the terms of Monday's accord leaves room for doubt as to its effectiveness.

The nearly 200-mile Nicaraguan-Costa Rican border, much of it running through inaccessible forests, has been the scene of regular clashes between Sandinista forces and the rebels—known as "contras"—for the past four years. Most of the contras here follow Eden Pastora's "Democratic Revolutionary Alliance." The group is widely believed to have established its base camp on the Costa Rican side of the San Juan River, which marks the frontier. Costa Rica denies this.

An earlier bilateral commission, set up in 1984 to control the border, proved ineffectual because it could only investigate complaints of violations by both sides after a clash occurred.

The commission had collapsed by the time two Costa Rican civil guardsmen were killed last May while patroling near the Nicaraguan border. Costa Rica blamed the incident on Nicaragua. Nicaragua blamed the contras.

The Sandinistas acknowledged earlier this month that the guardsmen had died during a cross-border fire fight between Nicaraguan troops and contras. This proved sufficient to prompt President Monge to reestablish normal diplomatic relations, sending his ambassador back to Managua after an eight-month absence.

That move, followed by Monday's meeting between Nicaraguan Deputy Foreign Minister Victor Tinoco and his Costa Rican counterpart, Gerardo Trejos, clearly smooths the path for incoming Costa Rican President Oscar Arias Sánchez, who will take office on May 8.

Mr. Monge seems determined, Western diplomats in San José say, to leave Mr. Arias a clean slate on which to write his own policy toward the Sandinistas.

The Sandinistas view the accord as "a reminder to the U.S. government that it should accept peace," said Nicaraguan President Daniel Ortega Saavedra after Monday's meeting. "We are showing once again that there is a desire for peace among Central Americans."

As the U.S. Congress prepares to debate Reagan's request for renewed military aid to the contras, Managua sees the deal with Costa Rica as a timely rejoinder that countries in the region can solve their problems on their own. The accord reinforces Managua's attempts to sort out problems individually with its neighbors within an overall bid, led by what is known as the Contadora group, to reach a regional peace treaty.

The presence of deputy foreign ministers from four Contadora members, Mexico, Venezuela, Panama, and Colombia, at the meeting seemed to give a blessing to this approach. While supporting Contadora's initiative, Managua has been frustrated when dealing jointly with Honduras, El Salvador, and Costa Rica, all close U.S. allies that have often opposed Sandinista proposals.

Another meeting has been fixed for March 12 to discuss further the nature of the "inspection commission," which is expected to be made up of civilians and military experts acting as observers at the border. This goes well beyond the mandate given to the last border commission, but falls short of Nicaragua's hopes of creating a demilitarized zone along the frontier. Costa Rica has refused to accept this proposal, arguing that as a country without an army, it does not have sufficient troops to help patrol such a zone.

[From the New York Times, Feb. 26, 1986]

NICARAGUA AND COSTA RICA HOPE FOR PACT

(By Stephen Kinzer)

MANAGUA, NICARAGUA, February 25.—Costa Rica had agreed to work with Nicaragua to establish "a permanent force of inspection and vigilance" charged with keeping peace along their border.

In talks on Monday, the two countries agreed to hold another session on March 12 in San Jose, the Costa Rican capital, to discuss the makeup and financing of a border patrol force.

Relations between Costa Rica and Nicaragua, which neared the breaking point last year, have been improving in recent weeks. The agreement concluded Monday appeared to be the most substantial step yet taken to reduce tensions in the border area.

President Daniel Ortega Saavedra of Nicaragua said he hoped the talks "can advance quickly so we can make concrete steps toward peace in Central America."

ORTEGA HAILS ACTION

"Actions like these, which show that it is possible to achieve peace, should make the Government of the United States stop and think," Mr. Ortega said.

Anti-Sandinista guerrillas are believed to have carried out strikes against Nicaragua from inside Costa Rica.

The Deputy Foreign Ministers of Nicaragua and Costa Rica said in a joint statement that Monday's preliminary accord reflected "a political commitment by the two countries to assure the integrity of their respective territory and prevent it from being used to carry out destabilizing actions in other countries."

The Costa Rican representative, Deputy Foreign Minister Gerardo Trejos, said his country was prepared "to comply with the obligations of neutrality." Costa Rica does not maintain an army, and Mr. Trejos said it seeks "to remain outside the military conflicts which unfortunately afflict some Central American countries."

HINDERING GUERRILLAS

Any serious crackdown along Costa Rica's border with Nicaragua, diplomats said, would probably hinder operations of anti-Sandinista guerrillas who are based in the region. The diplomats said it might also allow Nicaragua to concentrate more of its military resources along its border with Honduras, where the principal rebel force is based.

Relations between Costa Rica and Nicaragua had been deteriorating steadily since soon after the Sandinista Front took power in Nicaragua in 1979. They reached a low point last May, when two Costa Rican civil guardsmen were killed while on patrol near the Nicaraguan border.

Many Costa Rican officials blamed Nicaraguan soldiers for the incident. Costa Rica withdrew its Ambassador to Nicaragua and said normal relations would not be restored until the border incident was clarified.

This month, President Ortega issued a carefully worded statement regretting the incident, and Costa Rican authorities accepted it. New Ambassadors were quickly exchanged.

The new Nicaraguan Ambassador in Costa Rica is Claudia Chamorro Barrios, daughter of the assassinated newspaper publisher Pedro Joaquín Chamorro Cardenal.

The apparent improvement in relations between Costa Rica and Nicaragua comes as Oscar Arias Sánchez prepares to assume the Costa Rican presidency. In recent days, Mr. Arias has publicly questioned United States support for anti-Sandinista guerrillas. He suggested that funds earmarked for rebels might be better used for economic aid to governments in the region.

Mr. Arias will travel to Venezuela and Colombia this weekend to meet with the presidents of both countries, according to aides in San José. They said he will return to Costa Rica next Tuesday to meet with a senior American military official, Deputy Secretary of Defense William Howard Taft 4th.

Monday's meetings in Managua between Nicaraguan and Costa Rican officials were conducted under the auspices of the four so-called Contadora countries, Venezuela, Colombia, Panama and Mexico.

I will conclude by saying that I have not met the Ambassador. I have never visited the Embassy. I was invited, on December 4, 1983, to address the closing session of the then Nicaraguan Parliament as it was comprised at that time, and I did not because, first, I am a poor traveler, and second, I was beginning to compile the information that would make it possible for me to form an opinion and take a position.

Also, I felt, from the outset, that the leaders of the then committee or junta that was ruling Nicaragua were not as had been painted here by some, because they were anxious to come to the United States. I know that I intervened in November 1983, with the State Department and the Secretary of State to allow Daniel Ortega and one of the ruling junta, Mr. Borge, to

visit the United States. They wanted to come. They had been invited by several universities. They wanted to come and face us eye to eye and tell us what they were about, and they certainly had no aggressive intentions toward the United States or would ever have them. All they were seeking was an opportunity. The State Department would not yield. They would not allow any kind of a permission for them to visit, even 1 hour, in the United States, the reason being, as was given to me, that they were not considered acceptable for eligibility to be given any kind of a visitor's visa.

I believe that a person who is really an enemy of this country and wants to do something about it is not about to ask for permission to come to the United States legally, openly, outwardly, and publicly. I also know and have said so from the beginning that the events in these countries are indigenous, they are native, they are civil wars, they have not been imposed, and the regimes that have been born out of any successful revolutionary movement, as in Nicaragua, have not been imposed by any external forces either through direct aid, monetary, financial, armament, or through any kind of military personnel help. This is simply not true. Even our leaders, even the President, admits to that, for he says that, in the beginning, the revolution was OK but that it had been taken over by the Marxist-Leninists or the Communists and that they were becoming a bastion of a Soviet base.

What I said, from the beginning and ever since the beginning of this administration, when Secretary of State Alexander Haig announced that he was drawing the line on the smallest country in the New World, El Salvador, and yet, after $4 billion investment, 50,000-plus Salvadorans having died, we are no closer to any kind of an amenable solution in the smallest country in the world than we were 5 years ago; obviously we must conclude the policy, if such it be, is bankrupted, it has failed, and we ought not to endorse it any longer.

ETHIOPIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. ROTH] is recognized for 60 minutes.

Mr. ROTH. Madam Speaker, an American President said to the American people, "Here on Earth God's work must truly be our own." When we, the American people, speak out against a holocaust committed anywhere in the world, certainly I believe we are doing God's work.

I have once again requested a special order to address the subject of Ethiopia and the regime's sanctioned campaign of terror waged against hundreds of thousands of innocent men, women, and children. As the Wall Street Journal aptly put it, "The word is finally out that the second government-organized group murder in a decade is underway, this time in Ethiopia. The Western public response is showing that the pattern of denial that greeted the first reports of the Nazi Holocaust wasn't a fluke."

Madam Speaker, over the last year, I have heard the concerned Members of this body speak out against the murderous policies of Ethiopia's Chairman, Mengistu Haile-Mariam.

□ 1530

Conscientious reporters such as Blaine Harden of the Washington Post, Clifford May of the New York Times, David Willis of the Christian Science Monitor, freelance writer Peter Niggli, and many others have struggled to keep this issue before their editors and the American people.

ETHIOPIA'S CRUELTIES

Just when you think you have mentally catalogued the full range of Marxist Ethiopia's abuses of its hapless citizens, a report comes along to remind you of the poverty of the bourgeois imagination. Post reporter Blaine Harden's account of a young Ethiopian mother, lured by a false promise of free food into abandoning her home in the drought-stricken northern highlands, is the latest evidence.

The government of Mengistu Haile Mariam says it is relocating citizens for their own good. But the international relief agencies believe the government is deliberately using a massive relocation scheme to depopulate rebel-dominated northern areas and assert political control. It is, in short, attempting to dry up the "sea" in which the insurgent "fish" swim. It is doing so, it seems with the active collaboration of its Soviet patrons, themselves no strangers to dealing brutally with peasant unrest.

Caught in the maw are people like the woman interviewed by reporter Harden. Virtually every form of privation that could befall a human—decimation of the family and destruction of a way of life—had befallen her by the time she reached the succor of a refugee camp across the border in Sudan.

No one reading of her ordeal will have difficulty understanding why the Ethiopian government is despised by so many people forced to live under it. For Westerners, however, the situation has long posed a special dilemma. Should the West provide relief for people in distress, even though the providing of relief is a form of assistance to the government that causes and aggravates the distress? The broad response to the international relief community, including that considerable part of it financed by the United States government, has been to attempt to help starving and needy people, but at the same time to try to press the Ethiopian government into less anti-humanitarian ways.

The resettlement question is tricky. The government uses resettlement for its own political purposes. There is doubtless a humane and rational justification for some amount of resettlement—though there can be little or none for the even more massive official effort to herd peasants into villages where they can be kept under tighter control.

Relief agencies cannot solve these conundrums. But they and the Western publics that support them can at least air the dilemma. The Ethiopian government deeply resents this sort of intervention, but it has no standing to protest as long as it generates human suffering on such a massive scale. One can hope that the Ethiopian people are able to distinguish those who cause its misery from those who attempt to lighten it.

To them, I say your efforts have not been in vain. We, on this floor and in this country have the duty to carry the voice of Ethiopians. And we will speak for those who cannot be heard because they have been silenced. And we will act for those who cannot move because they have been rounded up at gunpoint.

Six hundred thousand Ethiopians today are held prisoners of this regime, sentenced to a slave's existence, and likely to die a slow and painful death of disease, exposure, and starvation. One million more men, women, and children are slated for incarceration this year. Walking skeletons revive our images of past holocausts that have decimated mankind.

As in past cases, the West has been slow to realize that such a horror is possible or that it could happen again. But as more and more refugees have escaped to tell their stories, we are faced with the truth. In yesterday's Washington Post, we read of the story of Letehawaria Gebre Yessus, a young women who has survived the efforts to end her life. And she is one of those who has escaped. There are still thousands of others whose stories will die with them.

ETHIOPIA'S RESETTLEMENT CAMPAIGN

The accounts of this holocaust come from many sources. Doctors Without Borders, a French relief agency, in a report titled "Mass Deportation in Ethiopia," estimates that 300,000 people are likely to die in the resettlement process, a death rate of 20 percent. The organization was expelled from the country in December after making public estimates that already 100,000 people had died as a result of the regime's resettlement scheme.

Peter McPherson, the Administrator of AID, said 2 months ago:

Some of our worst fears have been confirmed * * *. We now have shocking eyewitness accounts of desperate conditions at one of Ethiopia's resettlement sites * * *. Over the next year, as much as one-quarter of the population in the villages visited will die if the present death rate continues * * *. Party cadres with guns were in each village and appeared to be patrolling every possible escape route * * *. Too often, the government is moving starving people instead of food. Resettlement and villagization are government-made disasters. Potentially this is a vast human tragedy of historical proportion.

This is going on today, my friends, the American people. This comes from the Doctors Without Borders, Peter

McPherson, our own Administrator of AID.

Dr. Jason Clay, of Cultural Survival, Inc. a think tank associated with Harvard University, interviewed more than 250 refugees who had escaped from resettlement sites. The majority of those interviewed had not been hard hit from the famine. They possessed an average 22 head of livestock and produced 80 percent of their subsistence cereal needs. None had been resettled voluntarily. All had been deceived or captured when taken. Nearly all had been separated from their families.

World Vision, Save the Children, Oxfam, Irish Concern have all called on the U.N. to press the Ethiopian Government to halt the resettlement program.

Recently, I held a news conference in London, because I was told that the American media has said that Ethiopia is not an issue. We had some 50 people from the press show up. There was Yeonas Duressa, Doctors Without Borders, Jason Clay, and I thought that all the horror stories about Ethiopia had been known. But a living hell, a nightmare is going on in Ethiopia today, and the American people are not speaking out.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. ROTH. I yield to the gentleman.

Mr. WALKER. I thank the gentleman for yielding, because I would just like to go back over a couple of points the gentleman has made and try to reemphasize them, because I think the gentleman is bringing to this House and to the country a very important issue.

Do I understand the gentleman to say that there is mass murder going on in Ethiopia and the Government is responsible for it?

Mr. ROTH. That is exactly what I am saying. I am saying that this does not only come from the Americans who have been there, but this comes from the Doctors Without Borders who have been expelled, that is an agency sanctioned by the French Government that goes into these areas in the Third World to help the people. They could no longer shut their eyes to the holocaust that was taking place, and they spoke out, and the Mengistu regime expelled them from Ethiopia.

This comes from Harvard University; this comes from many international groups who have been there, so it is not only an American speaking. This is known to the world, and yet the world is mum.

Mr. WALKER. If the gentleman would yield further, do I understand that the Government we are talking about there is a Communist tyranny; is that correct?

Mr. ROTH. That is correct. I also want to point out to my friend from Pennsylvania that while it is a stooge government of the Soviets, that we have given them 480 million metric tons of food; the Soviets have given them 3,500 tons. What I am more concerned about is to keep the politics of the situation; just look at the mass murder that is going on today.

Mr. WALKER. I understand, but I think it is well to clarify what we have going on.

We have a tyranny that I do not think anybody, is the gentleman aware of anyone who does not regard Ethiopia as a tyranny at the present time? All of the various groups that monitor these kinds of things regard Ethiopia as a tyranny; is that correct?

Mr. ROTH. I have not heard anyone say that there is not a holocaust going on in Ethiopia. I have not heard anyone say this is not a tyranny; that this is not a murderous regime.

Mr. WALKER. We know that it is a Communist client-state of the Soviet Union? That is given; is that correct?

Mr. ROTH. That is true, but even if it were not a client Soviet state, what is taking place we still have to speak out against.

Mr. WALKER. I think the gentleman makes an important point because what we have then is that Government that is committing mass murder against its own people. I think the gentleman was using the figure that it is a thousand people a day that are being murdered in that country?

Mr. ROTH. That figure does not only come from this gentleman, that comes from Doctors Without Borders, a French group, as I had mentioned before, that have been expelled from Ethiopia and that is considered a conservative figure by the Doctors Without Borders.

Mr. WALKER. Does the gentleman know any other country in the world where 1,000 people are being murdered every day by the government?

Mr. ROTH. Well, I think if you took all the other 171 countries throughout the world and all the murders committed by the governments, and there are many evil governments, it would not come up to 1,000 a day I would hope.

Mr. WALKER. Now, has the United Nations spoken out on this issue at all?

Mr. ROTH. No, the United Nations has not said anything, or has said very little, and that is precisely why I am taking this special order. That is why I flew to London to have a press conference. I was trying to draw a world opinion to the holocaust that is taking place, because so many times on the floor we hear it said, "Well, a holocaust takes place and nobody speaks out."

This is a prime example of a holocaust taking place and no one is speaking out. History is repeating itself again and again. What I am trying to do is to say it is about time we learned from history; not just repeat history.

Mr. WALKER. We have 1,000 people a day being murdered by a tyrannical government in Ethiopia and the United Nations has said absolutely nothing about it. Is that what the gentleman is telling us?

Mr. ROTH. That is what I am saying. There are certain members in the United Nations that have spoken out, but the United Nations as an organization has not spoken out.

Mr. WALKER. Has this country taken any kind of a resolution to the United Nations trying to force the General Assembly to speak out on this issue?

Mr. ROTH. I do not think that we have taken a resolution; I cannot answer that affirmatively because I do not know. We do have people that have expressed their concern to the United Nations, and I have some quotes from some of those people. But if we have offered a resolution, I do not know; I cannot answer that for you.

I would hope we would have, but I do not think so.

Mr. WALKER. But what we have provided, if I understood the gentleman correctly is massive amounts of aid for humanitarian purposes to Ethiopia?

□ 1540

Mr. ROTH. That is correct, 480 million metric tons of food I think last year.

Mr. WALKER. And the gentleman would agree with me that that was a legitimate humanitarian response to the crisis that was partially governmental derived and partially drought derived, but nevertheless a starvation crisis in that country, that the response of this Nation was in fact the kind of response that the American people are always noted for.

Mr. ROTH. Well, let it be to the everlasting credit of the American people that wherever we see deaths and starvation of that magnitude, our hearts go out to these people, no matter what kind of a tyrannical regime they have. I think we want to help those people.

Mr. WALKER. Mr. Speaker, if the gentleman will yield further, is it my impression or is it fact that the Government even in the face of that humanitarian effort from this country tried to make certain that the humanitarian aid did not get to certain starving people with whom they had political differences; is that really what was happening in Ethopia?

Mr. ROTH. That is correct. In the Province of Tigre and a number of other Provinces, food was stymied from going into those Provinces because there were areas that were objecting to the rule of the Mengistu regime, that is correct.

Mr. WALKER. Why does the gentleman suppose that we do not hear anybody in this House spending much time talking about that? We hear, we have had a lot of concentration on the problems of the Philippines, and well we should have.

We have had a lot of concentration on the problems of Haiti, and well we should have.

We have had a lot of concentration on the problems of South Africa, and well we should have.

We have had a lot of concentration on the problems of South Africa, and well we should have.

We hear a lot about El Salvador and Nicaragua and so on, but we do not hear about a tyranny that is slaughtering its people to the tune of a thousand people a day, conducting genocide, making certain that humanitarian aid does not get to their enemies.

Why does the gentleman suppose that the Foreign Affairs Committee of this body cannot get itself worked up about those issues? I do not even remember us having one of our famous condemnation resolution out here on the floor on this matter.

You know, typically at least we can muster our moral courage and write a resolution of condemnation for these kinds of things, but I do not even remember us going that far with regard to the Ethiopian regime.

The gentleman serves on that committee; does he remember any such resolution?

Mr. ROTH. No. We are going to have a resolution come before the committee next week, but it is precisely because we have done nothing in the committee that I have asked for this special order, because I feel that if we serve on a committee and the committee is not doing its job that is expected, I think we just have to speak out. That is why I took this special order.

I would also like to mention this, that just merely a condemnation resolution, I say to my friend, the gentleman from Pennsylvania, I feel would be totally insufficient. When you have a holocaust going on, that kind of condemnation resolution would be nothing more than to salve our consciences and would not get to the crux of the problem. We have a holocaust going on and a condemnation resolution window-dressing is not going to get the job done.

Mr. WALKER. Well, I certainly agree with the gentleman on that, but my point was simply that is the way we deal with a lot of matters around here, that when we cannot get up the courage to do something real, we at least condemn. In this case, we have not even mustered the intestinal fortitude to condemn what is fairly plain to see. If I am not mistaken, I have read quotes in newspapers from members of this House committee who have gone and talked to the Mengistu government and, in fact, have ended up sounding almost like apologists for that government.

Do I have a misimpression there?

Mr. ROTH. Well, the gentleman will find that there are Members who feel that the Mengistu regime is so evil that if you do more, if you speak out too harshly against the regime, that they may even be worse. They might bring even greater hardships to their own people.

Mr. GINGRICH. Mr. Speaker, will the gentleman yield?

Mr. ROTH. Yes, I am happy to yield.

Mr. GINGRICH. Mr. Speaker, it seems to me the point the gentleman just made that the Communist regime of Ethiopia may be so evil that if we do not appease it, it will do such terrible things that we bear the burden for having made it angry fits a pattern of Western appeasement which goes back a long way.

If we look at Stalin's efforts in the Ukraine, for example, in the 1930's when millions were starved to death, if you look at the rise of the Khmer Rouge and the Communists in Cambodia in the 1970's in which well over a million people died, again and again there are governments that are so horrible that it is hard for those of us who live in a decent and civilized democracy with the rule of law to appreciate what to do with them.

I am particularly struck, because it seems to me that the Reagan administration and the American people can be rather proud of recent weeks in Haiti and the Philippines. We can be rather proud of our success in El Salvador and our efforts in Grenada.

One of the challenges to this Congress, it seems to me, is to confront the issue of what do we do about regimes so terrible, governments so terrible that we do not have any real way in the normal course of events of dealing with them.

I think it is peculiar, as the gentleman from Wisconsin has so correctly pointed out, that probably from a true human life, human rights, human misery standpoint, clearly the worst single country on the planet today is Ethiopia. The most antihuman government on the planet is Ethiopia; yet nothing is said about that. Nothing is done that is effective. Members of this Congress who have been flying to the Philippines regularly to talk about how horrible the Marcos regime was somehow cannot find Ethiopia on a map. Members of this Congress who are horrified by the freedom fighters in Central America cannot find the Communist government of Addis Ababa on the map. Members of this Congress who are eager and excited about stopping any American help for Savimbi in Angola cannot figure out that this Communist regime in Ethiopia is a disaster; and so I think that the gentleman from Wisconsin is doing two things that are very helpful. First, the gentleman is bringing to the attention of this House that a French group, not a rightwing American group, not a group of American conservatives, not anti-Communist, but a French group of doctors who are committed to saving human life has said explicitly and flatly that we are living in the middle of a black holocaust; that what the Jewish Holocaust was Auschwitz and the Holocaust for the Poles and Russians and others at Auschwitz was, that is the kind of holocaust we are now seeing for the black community of Ethiopia, and that there is nobody out here crying about this black holocaust.

I am frankly surprised that many of our colleagues in the Black Caucus who normally would be expected to be down talking about why it is that the world does not care about black people and why is the world not concerned about this black holocaust, that somehow when we get to Ethiopia the regime is so horrible, the problem is so difficult, the Communist government is so entrenched, that instead we have quiet and silence and no one willing to say, "Let's change it, let's do something."

Second, it seems to me that the gentleman from Wisconsin has drawn to our attention the fact that while there are Members in this Congress who understand how to oppose conservative dictatorships or rightwing dictatorships, if you will; while there are Members of this Congress who understand how to oppose dictatorships that are pro-America, a large number of people in this Congress seems to be blind in their left eye. When they suddenly find a leftwing dictatorship, a pro-Soviet dictatorship, they cannot see it. Literally their eyes seem to be blind and they are not able to discern it, so they see Marcos, but they miss Ortega. They see Pinochet in Chile, but they miss the Government of Angola. They see clearly the difficulties of dealing with a pro-American government in South Korea, but they somehow cannot see Ethiopia.

I would say that one of the great problems we in this country face is that a very large radical and liberal element in American life is literally unable to see out of its left eye. As long as the danger is from the left or the difficulty is from the left, or as the gentleman from Wisconsin has pointed out, the holocaust is from the left, or a thousand people a day are dying in a leftwing dictatorship, somehow that is not a cause. That is not worth getting together. That is not worth getting arrested at the embassy. That is not important enough to do a TV show about.

I really want to thank the gentleman from Wisconsin for bringing to our attention this very, very important issue and this very great concern.

Mr. ROTH. Mr. Speaker, I thank the gentleman for his contribution, and also my friend, the gentleman from Pennsylvania, for their excellent contributions.

My personal opinion is that although I may not like the government of Mengistu, if it would not be for these small children and these men and women and children in these concentration camps and 1,000 a day dying, I would say they can have any government they want and let them have any government they want; but our hearts must go out to these people when you see 1,000 people a day dying and no one saying a word, someone has to speak out. That is why I asked for this special order so that when my children ask me, "Where were you when the holocaust took place in Ethiopia?", at least I can say, "Well, I spoke out."

In recent weeks in response to the pressure that has been gaining strength against the resettlement program, which is what is killing the 1,000 people a day, this regime announced a "consolidation." Chairman Mengistu told U.N. officials in late January that a moratorium has been placed on further resettlements so that conditions can be improved in the camps.

It is clear that the Ethiopian Government has every intention of continuing in their resettlement scheme. Meeting in February with Australian officials, Ethiopia's Minister of Labour and Social Affairs had this to say:

> All open-minded people have always come out with full support for the resettlement programme * * *. The scheme will continue with more determination * * *. The implementation of the resettlement programme is currently under review with the aim of strengthening and consolidating what has already been achieved.

On February 9, in a headline in the Ethiopian Herald, the official paper of the Ethiopian regime, it said this: "Rehabilitation Programme will Proceed in Ethiopia: Comrade Berhanu" Comrade Berhanu, the Minister of Labour and Social Affairs, meeting with the Foreign Minister of Greece, stated unequivocably that the "rehabilitation programme in Socialist Ethiopia will proceed according to plans until the problem is finally and effectively solved." Such words have an ominous and familiar ring.

We cannot settle for a "consolidation period" and delude ourselves into believing that the horror is going to go away. We cannot abandon the 600,000 Ethiopians who have been separated from their families and continue to be held against their will. Last year, with the threat of a total trade embargo facing the Ethiopian Government, we witnessed a quick reduction in the pace of the resettlement program.

So we can see where this Government and our Congress can do something to try to save some of these 360,000 lives that are going to be lost in Ethiopia this year.

Let me quote from a speech delivered by Assistant Secretary Chester Crocker in November:

> Last summer there seemed to be a breakthrough. Congress, angered by reports of Ethiopian Government brutality and intransigence in obstructing relief efforts passed legislation that called for a presidential determination on whether the Ethiopian Government was following a deliberate policy of starving its own people. Suddenly, the Ethiopian Government started sending positive signals, including a delegation which professed a general desire for improved relations. When we asked, in this context, about our proposal for an in-depth exchange on serious issues, which had remained unanswered for a year, the delegation promised that the Foreign Minister would reply during his presence here for the 40th anniversary of the United Nations.

Secretary Chester Crocker went on to say:

> It saddens me to say that when the Foreign Minister came, he had no mandate from his superiors to engage on any of these issues. Fearful of a trade embargo, the government mounted a public relations campaign about a desire for better relations. But the Ethiopian leadership, apparently fearful of its Soviet mentors, would not permit any progress in this direction. That is the sad lesson of Ethiopia.

Thus, it appears that because of this senseless program, thousands more are going to die in Ethiopia unless we in this Congress take strong action. That tactic of trying to tell us they are going to make some amends I think fooled us before. I hope it does not fool us a second time.

It has been suggested by some in this body that this matter ought to be handled by the United Nations. We should ask the United Nations to "monitor" the resettlement effort, to "report on the conditions" and to "insist" that the Ethiopian Government provide free access to the resettlement sites.

While I have no quarrel with these objectives, I would expect that U.N. officials are indeed taking these minimal actions and have made their concerns known to the Ethiopian Government. I would hope that U.N. officials are certainly fully aware of the enormous suffering and deaths that the resettlement camps have caused.

Furthermore, testimony heard last week from Assistant Secretary of State Alan Keyes, formerly Ambassador to the United Nations, is cause for concern. I quote from his testimony before the Senate Foreign Relations Committee last Thursday.

□ 1555

Here is what he said:

> [The United Nations] has failed to fulfill [its humanitarian] mandate. That failure has aroused deep concern and just indignation about the UN's attitude toward the roots of Ethiopia's—and Africa's—suffering * * *. In the UN context, we have sought to secure the cooperation of UN officials in pressuring the Ethiopian government to respect the human rights and dignity of the Ethiopian people. Unfortunately, there has been reluctance in the UN system to take responsibility for addressing this problem. In adopting this posture, the UN has refused to challenge the reluctance of many donor governments to speak out or take action regarding the reported human rights abuses.

Certainly the United Nations has a moral obligation to intercede. But does it have the will? If they do not have the will in the U.N., and if other countries do not speak out, do we not have a moral obligation to speak out? No matter what the conduct of the U.N. or the rest of the world is, when we see a holocaust, do we not have an obligation to speak out?

Some have argued that drawing attention to the resettlement campaign will confuse and erode public support in donor countries for relief efforts, but I ask: Does the world not have a right to know what is going on in Ethiopia?

Some fear that if pressure were brought to bear on the Ethiopian Government, it would retaliate in ways that would jeopardize famine relief. I quote again from Assistant Secretary Keyes:

> Has the government of Ethiopia subjected its already endangered people to life-destroying abuses of their rights? If so, it may well be true that it would not hesitate to hold them hostage in response to pleas that it cease such abuses. But does this mean that the international community should avert its gaze, allowing its well intentioned aid to become the instrument and excuse for this massive, deliberate hostage-taking? Must the world accept the grisly alternatives of letting the people of Ethiopia die from starvation and disease, or else remaining silent while their government shatters and destroys the lives we have worked desperately to save?

I believe that we indeed risk losing the continued generosity of the American people if we continue to do nothing in the face of the overwhelming evidence of modern-day holocaust in Ethiopia. And the American people are looking to Washington and this Congress for action and leadership.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. ROTH. I yield once again to my friend, the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding, because sometimes when we use words like "resettlement" there is a tendency for people to think, "Well, there may be some legitimate reasons for the government to seek to resettle people, and certainly where people were starving to death,

as they were in Ethiopia, the government might have some reason to resettle," and so on.

I think it is important for people to understand that the resettlement process in Ethiopia is a highly political kind of process. I think the gentleman has done a good job of pointing it out, but some of the materials that the gentleman has developed here, or that he has had in his hand, I was interested when I was going through here to discover what happened to people during this resettlement process. I think it puts the brutality kind of into perspective for some of our colleagues.

For example, during the resettlement process, from Tigre, which I think is one of those areas that the government regarded as being in revolt; is that not correct?

Mr. ROTH. That is correct.

Mr. WALKER. That 53.6 percent of all the people being resettled from that province were beaten. Over half of the people were beaten at some point during that resettlement process.

Mr. ROTH. And 20 percent of them died.

Mr. WALKER. Twenty percent of the people who were beaten died?

Mr. ROTH. That is correct.

Mr. WALKER. Also, another 14.3 percent of the people, according to this, witnessed someone being beaten, and another 21 percent saw people being beaten to death. In fact, another 10 percent saw people killed when they tried to escape. We are talking about a situation where virtually everyone has either been beaten, seen someone beaten to death, or has seen someone killed when they were trying to escape.

The gentleman is absolutely correct in referring to this as a holocaust, because the kind of statistics that have been developed by outside groups proves it is a holocaust of momentous proportions.

Mr. ROTH. I thank the gentleman for his contribution.

Let me say, whenever you see a problem like this, you have to have a solution. This holocaust cries to heaven for a solution.

We must take action. For every day that passes, another 1,000 Ethiopians will die. The next time people speak up about human rights violations around the world, let us remember Ethiopia. You can name any freedom, and it does not exist in Ethiopia.

I have introduced legislation (H.R. 4076) calling for a halt to this massacre and requiring tough sanctions to be taken against perpetrators of this holocaust. At a minimum, we ought to revoke Ethiopia's most-favored-nation status. Can you imagine that Ethiopia has most-favored-nation status? This means they get loans at less interest than our local business people, farmers, or whoever in this country. The Ethiopian Government is getting interest at a less cost than our own people are?

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. ROTH. I would be happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, what the gentleman is saying is absolutely incredible. In other words, this country, at this moment, gives most-favored-nation status to a county that is perpetrating a massive holocaust against its own people?

Mr. ROTH. That is correct.

Mr. Speaker, I would reclaim the rest of my time and say that at a minimum, we ought to revoke Ethiopia's most-favored-nation status. At a minimum, we ought to quit offering the Government subsidized loans, and at a minimum, we ought to quit buying their coffee; coffee, by the way, that is being picked by the frail hands of those incarcerated in these concentration camps.

Next week, the House Foreign Affairs Subcommittee on Africa will meet with the Subcommittee on Human Rights and the Subcommittee on International Economic Policy and Trade to consider the bill. We have an opportunity to do more than just speak out. We have an opportunity to do more than just ask the United Nations to monitor and report on the resettlement campaign. We have an obligation to act. I urge my colleagues to support me in this effort.

Just to have a resolution of condemnation, my friends, is not going to be enough, because when you see the holocaust, to say that you condemn the action is not enough. We have to take some positive, concrete action here on the floor of the House, and I ask my colleagues to join me in that effort.

Mr. HUNTER. Mr. Speaker, I am pleased to be able to join the distinguished gentleman from Wisconsin in his effort to call attention to the disastrous situation in Ethiopia. While millions of Americans donated money to the victims of the terrible famine there last year, the tragic fact remains that much of the suffering could have been prevented by the government.

Government cannot stop droughts. They cannot make rain. They can, however, have the decency to get people the food they so desperately need. We have seen documented stories in the media about bags of grain left in warehouses or on docks to rot while untold thousands were starving to death. International agencies have experienced extreme difficulty in getting the aid to the afflicted. This is obscene.

Ethiopia became a Soviet target in the mid-seventies. The old regime was topheavy, inefficient and corrupt. When it was toppled by the Marxist rebels, the Ethiopian people hoped for a better future. Instead, they got Soviet advisers, Cuban troops, and a government distinguished by spending millions to commemorate its anniversary, but unwilling to feed its people.

The Civil war raging in Ethiopia is symbolic of a pattern repeated around the world. Despite what many Members of this Congress seem to believe, people don't want to live under communism. They fight it every chance they can. The events in Hungary in 1956, Czechoslovakia in 1968, and the brave men and women fighting for their freedom in Nicaragua, Afghanistan, Angola, Cambodia, and Ethiopia today demonstrate the deep yearning for freedom felt around the world.

The editorial from this morning's Washington Post points out the simple problem in Ethiopia. They have a government they don't want and a government that doesn't care. I include it in the RECORD at this point because I feel it is highly relevant to the debate.

ETHIOPIA'S CRUELTIES

Just when you think you have mentally catalogued the full range of Marxist Ethiopia's abuses of its hapless citizens, a report comes along to remind you of the poverty of the bourgeois imagination. Post reporter Blaine Harden's account of a young Ethiopian mother, lured by a false promise of free food into abandoning her home in the drought-stricken northern highlands, is the latest evidence.

The government of Mengistu Haile Mariam says it is relocating citizens for their own good. But the international relief agencies believe the government is deliberately using a massive relocation scheme to depopulate rebel-dominated northern areas and assert political control. It is, in short, attempting to dry up the "sea" in which the insurgent "fish" swim. It is doing so, it seems, with the active collaboration of its Soviet patrons, themselves no strangers to dealing brutally with peasant unrest.

Caught in the maw are people like the woman interviewed by reporter Harden. Virtually every form of privation that could befall a human—decimation of the family and destruction of a way of life—had befallen her by the time she reached the succor of a refugee camp across the border in Sudan.

No one reading of her ordeal will have difficulty understanding why the Ethiopian government is dispised by so many people forced to live under it. For Westerners, however, the situation has long posed a special dilemma. Should the West provide relief for people in distress, even though the providing of relief is a form of assistance to the government that causes and aggravates the distress? The broad response of the international relief community, including that considerable part of it financed by the United States government, has been to attempt to help starving and needy people, but at the same time to try to press the Ethiopian government into less anti-humanitarian ways.

The resettlement question is tricky. The government uses resettlement for its own political purposes. There is doubtless a humane and rational justification for some amount of resettlement—though there can be little or none for the even more massive official effort to herd peasants into villages where they can be kept under tighter control.

Relief agencies cannot solve these conundrums. But they and the Western publics that support them can at least air the dilemma. The Ethiopian government deeply resents this sort of intervention, but it has

no standing to protest as long as it generates human suffering on such a massive scale. One can hope that the Ethiopian people are able to distinguish those who cause its misery from those who attempt to lighten it.

The United States must press for a resolution of the clearly unacceptable situation in Ethiopia. It is my sincere hope that the government there will be willing to change its disastrous policies. It owes it to the people it claims to represent.

Mr. LIVINGSTON. Mr. Speaker, I am very pleased to join with my colleagues in condemning the forced evacuation of 600,000 Ethiopians from their homes in the north into conditions of hunger and slavery in the south by the Marxist Mengistu regime in Ethiopia.

Yesterday, the Washington Post ran an article detailing the horrors of this forced resettlement program, in which over 100,000 people have died. This program, despite the Communist government's claims to the contrary, is designed to depopulate the northern part of the country which is sympathetic to the resistance movement, and put the people into areas in which they can be controlled by hunger and intimidation.

The government originally said that the resettlement would be voluntary and that the human rights and self-respect of the families involved would be guaranteed. Nothing could be further from the truth. Most of the refugees said they were tricked into going by government promises of free food, and many said that they saw soldiers of the regime shoot and kill farmers who tried to run away.

The refugees spent several weeks in transit camps which were short of food, water and medical care. People were packed together like animals for long bus rides and trips in Soviet transport planes. Many became ill and died along the way. Many others became ill with malaria upon arrival in the south, a disease they have had no experience with in the northern highlands.

Once assigned to resettlement camps the refugees were forced to clear land, build houses and other heavy labor—all on a starvation diet. Party officials and government soldiers enforced discipline by beatings and imprisonment. Faced with these horrendous conditions it is no wonder that many have risked death trying to escape and return to their homeland.

For these reasons I have joined a number of our colleagues as a cosponsor of House Concurrent Resolution 285, which calls for an end to these human rights abuses by the Mengistu regime, monitoring of the situation by the United Nations and a better effort on the part of the regime to move relief goods from the port to the people.

As our colleague, Mr. HYDE, has repeatedly stated: it's not enough to sit back and sing "we are the world, we are the children" and then let the Ethiopian Government get away with murder by deliberately frustrating the international relief effort. I commend my friend, Mr. ROTH, and the other Members who speak here today for their efforts in bringing this injustice to the public's attention, and I hope that we can end this genocidal conduct by the Marxists in Ethiopia.

Mr. COURTER. Mr. Speaker, I am pleased to join my colleague from Wisconsin [Mr. ROTH] to discuss this issue with which he has been so long and so expertly involved. It has been heartening to see how many Americans want this country to do all that it can to feed the hungry in Ethiopia. Relief organizations have sent an enormous amount of food aid, medicine, and clothing to the people of Ethiopia. By December 1985, according to figures Mr. ROTH has supplied to the press, America had contributed more than 2 million tons of food and supplies, while the Western Europeans had sent some 1.3 million tons. Furthermore, our aid programs—official and private—will continue at a high level this year; about $200 million for aid in fiscal 1986 has already been obligated.

But sadly, these statistics are not a reliable indicator of human relief in Ethiopia. Our aid efforts are regulated, constricted, and sometimes blocked by the Communist military government, the Dergue. Consistent reports indicate that Ethiopian soldiers and militiamen are the recipients of American aid intended for the starving and the refugees. The government has deliberately harassed American aid officials. For example, the Peace Corps was expelled in 1977. In the summer of 1984, the government imprisoned five representatives of the Mennonite Central Committee, an American group which had contributed $25,000. And David Willis of the Christian Science Monitor reported on October 8, 1985 that Ethiopia was moving to hold down the number of Americans working on the relief effort.

Soviet planes are used for the distribution of American food, and Dergue spokesmen and Soviet officials alike do their best to attribute the food to Soviet donors. A Tass article of November 1, 1984 titled "Posing as Benefactors" even charged that U.S. aid was a mere excuse for interfering in Ethiopia's internal affairs. In fact, the U.S.S.R. provided only about 10,000 tons of aid during 1984, compared with 80,000 tons of U.S. help. Soviet and Eastern bloc planes have been landing regularly in the country, but most of them carry weaponry; the Dergue has taken delivery of about $4 billion worth of Soviet arms in recent years.

At the center of the Ethiopian disaster are the failed and avowedly Communist policies of the present government. A major campaign aimed at relocating hundreds of thousands of northern Ethiopians to the south is underway as part of the government's strategy for controlling dissidence and insurgency. Food is being used as bait: Offers of sustenance and bags of seed and the like draw people to government outposts, and attempts are then made to persuade the needy to relocate. Those who cannot be persuaded to board Soviet aircraft for the south may be forced aboard, and there are reports of some being shot when they attempted to flee. Once in the new camps, the settlers are put to work on communal farms and allowed little time to grow food for themselves. Weekly political education meetings warn of the dangers in trying to move away from the camps. A variety of sources place the death toll from the forcible relocations at some 100,000. An estimated 300,000 to 600,000 others are expected to die this year in the relocation camps due to exposure, starvation and disease.

It cannot be sufficiently well emphasized that the problem is not solely one of nature. At least one region of Ethiopia not affected by drought is nonetheless experiencing famine. In the African country of Botswana, meanwhile, drought has hit hard, but government policies in that small democracy have been sensible and humane, and one American expert maintains that not a single drought-related death has occurred there.

By contrast, Marxist-Leninist countries like Ethiopia have a long history of starving their more troublesome peoples and making the compliant go hungry. It seems surprising to us now, but tsarist Russia produced more grain than did America. The Ukraine was known as the breadbasket of Europe. But the early Soviet leaders used man-made famine to crush Ukrainian resistance to Communist rule. When President Herbert Hoover set up a food mission which saved many of the Russian peoples from the policies of their own government, little credit was given to America for its efforts. Even today the Soviet superpower is incapable of feeding itself because it devotes so much of its resources and administrative efforts to weapons production and heavy industry. The same is true of some of the Eastern European satellites which prior to communism were self-sufficient in food production or were net exporters of food. In Soviet-occupied Afghanistan, meanwhile, the burning of crops and the systematic destruction of irrigation systems has been one feature of the Soviet war. Food is often available only from Soviet sources, and is thus a means of buying political loyalty, or at least weakening the will to resist Communist rule.

Mozambique formerly exported food, but after a decade of Marxist rule food shortages are common and several hundred thousand have died of starvation. In Libya, Colonel Qadhafi's brand of socialism treats trade as "exploitation" and permits the circulation of very little money. The result is large numbers of empty shelves in Tripoli's state-subsidized stores. Maoist policies in China had devastating effects on food production levels, and many Chinese starved, as the current regime freely admits. Shortages continue to plaque Communist Vietnam, which fields an army of well over 200,000 in occupied Laos and Cambodia but which forces its own citizenry to endure continual shortages of food. Quong Quynh Hoa, a former cabinet minister in the Communist government, stated in 1982, the 7th year of Marxist rule that it was disastrous planning, mismanagement, and the rigidities of ideology which have left Vietnam in such a markedly poor medical and nutritional condition. Like the new Ethiopia, the new Vietnam possesses abundant natural and human resources, but insists upon allocating an overwhelming proportion of them to the military sector.

I am cosponsor of H.R. 4076, Congressman Roth's "Promotion of Democracy in Ethiopia Act of 1986," a bill to impose sanctions on the government of that country. This bill will serve notice on the government in Ethiopia that the United States recognizes that the deaths in Ethiopia are due more to bad poli-

tics than to bad weather. And the bill will be of use in conveying the facts about the Ethiopian genocide to the American people and the world.

GENERAL LEAVE

Mr. ROTH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject on my special order tonight.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AGGRESSION AND REPRESSION IN INDOCHINA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. GRAY] is recognized for 5 minutes.

Mr. GRAY of Illinois. Mr. Speaker, I would like to draw your attention to our relations with Thailand, an old and close friend of the United States. As many of you are no doubt aware, our relations with Thailand go back over 150 years. Since the Second World War, our friendship has drawn even closer as we have worked together to preserve our values of freedom and independence. Thailand was with us in Korea and Vietnam, sending troops and offering support. Today, Thailand faces a security threat of its own with Soviet supported Vietnamese troops illegally occupying neighboring Cambodia. The international community has resoundly condemned this aggression and seeks Vietnam's withdrawal and self-determination for the Cambodian people. Thailand has the risky distinction of being the front line state in this effort. For this they deserve our full support.

This same aggression and repression in Indochina has led to a massive flight of refugees over the last 10 years. The free nations in the region, particularly Thailand, have borne the brunt of this influx. While international help has been important, it has been Thailand's humanitarian policy of offering sanctuary to these unfortunate people which has saved countless lives. They deserve our appreciation and continued help in bearing this burden.

Thailand's ability to carry this added security and refugee burden depends to a large degree on the health of its economy. The most important element in the Thai economy is rice. The Thai are the most efficient producers of rice in the world and are, hence, the largest exporters. Recent legislation passed by this Congress may adversely affect this trade and cause very serious economic problems. Our Thai friends have pointed this out to us. We do, indeed, need to consider these wider implications of the farm bill and do what we can to soften the effect on our good friends from Thailand.

McCARTHYISM: THE LAST DEFENSE OF A FAILED POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, in taking this time, the title of this special order is "McCarthyism: The Last Defense of a Failed Policy."

The point that I want to make is that some Members of this House have been yelling about McCarthyism in response to very strong charges that the Nicaraguan vote matters, that it really is a question of freedom or communism, and that the votes in this House really are an important factor in what happens in the world at large.

One gentleman said, and I quote, "Frankly, I do not believe we have heard such offensive nonsense from our top political leaders since the 1950's."

I think the reason that some people in this House are yelling McCarthyism is that they cannot calmly and dispassionately debate the real issue. The real issue is simple: Is there a Soviet empire? Is that Soviet empire moving into Central America? Is the Soviet empire a threat to the United States? And do we have an obligation, a moral obligation, a practical obligation, a prudent obligation, to try to help those in Central America who would fight for freedom so that they can try to slow down the growth of the Soviet empire?

Finally, over the last few years, have the votes of the U.S. Congress, and particularly of the radicals and the liberals in this Congress, had an effect on the world at large? Have they had an effect that functionally made it relatively easier for the Soviet empire to win specific battles?

Let me make a very clear point here. I think the Members of this House are clearly patriotic Americans. I think the Americans serving in this House have good intentions. I think it is very important to make clear we are not talking about whether or not some Members of this House are pro-Soviet. I do not think they are pro-Soviet in any way. We are not talking about whether or not Members in this House are in any sense anti-American.

What we are talking about is whether it is possible for good, decent, well-meaning, patriotic Americans to just plain be wrong and to be wrong systematically and to be wrong again and again and again. What we are talking about is whether or not the radical world view, a world view which began in many ways with George McGovern and has been carried up through Walter Mondale to the present, whether that radical world view is just plain wrong about the nature of the modern world.

□ 1605

Probably the best statement intellectually about this is a paper by Frank Gregorsky entitled "What's the Matter With Democratic Foreign Policy," and subtitled, "How the Modern Democratic Party Has Abandoned the Tradition of Harry Truman and John Kennedy and What That Might Mean for America's Safety in a Dangerous World."

Now American isolationism is a very old-fashioned concept and it goes back in many ways a very long time. In a lot of ways, the radicals of the modern era, the people who run around today crying McCarthyism, are simply old-fashioned isolationists.

We have had to have the debate again and again since 1945 about the nature of the modern world and whether or not isolationism works. Let me quote a great, effective anticommunist, Democratic President who worked very hard for an active American foreign policy, Harry Truman. He said, quoting from the foreword of Mr. Gregorsky's paper, but quoting Harry Truman, he said, "I had a very good picture of what a revival of American isolationism would mean for the world. After World War II, it was clear that without American participation, there was no power capable of meeting Russia as an equal."

Let me remind everyone this is Harry Truman, Democratic President, trying to educate America about the rise of the Soviet empire. The key point he made was, and I quote again: "It was clear that without American participation, there was no power capable of meeting Russia as an equal."

Let us look to Nicaragua in that setting. In recent years in Nicaragua, the Soviet empire has spent $1.4 billion, in our backyard. Today in Nicaragua, the Soviet empire has sent so many advisors that for every two profreedom guerrillas in the mountains, there is one full-time advisor, Cuban, Soviet, Bulgarian, East German, North Korean, Vietnamese, Libyan. They are all together, they are all committed to building one more outpost to the Soviet empire, one more anti-American bastion.

When Costa Rica trembles, when Honduras is worried, Guatemala says maybe they should negotiate, part of the reason is that those countries look at the U.S. Congress, they look at our indecision, our uncertainty. They watch $1,400,000,000 of Soviet money go into Nicaragua to build a Communist base for the Soviet empire. They look at the American Congress squirm and turn and argue and debate, and they say to themselves, which side do I want to be on.

This is a very practical matter. It is a matter driven home to me when I talked with an allied general, a German in 1977. That German general said to me that many Germans were worried that in a real crisis, American forces would pull out of Europe. And I said, innocently, "You mean like Dun-

kirk," referring to the 1940 defeat of the British Army. He said, "No, I mean like Saigon."

So what is the track record if you are a Central American president or a Central American foreign minister and you watch this U.S. Congress? The track record is that this Congress voted to cut aid to South Vietnam and then South Vietnam failed. This Congress voted to cut aid in Cambodia, and then Cambodia failed. And the worst holocaust in Southeast Asia was perpetrated by Communists.

This Congress voted to cut off aid to freedom fighters in Angola. The Cubans sent in 35,000 troops and imposed a Soviet colony in Angola, and the pro-Communist side won and the pro-American side lost.

Again and again and again, if you are watching, and you are someone out there saying which horse should I bet on, the horse of the Soviet empire or the horse of freedom, the American horse, what you see in the U.S. House of Representatives is a group of people who consistently find an excuse not to help the freedom fighters who consistently find flaws in the pro-American side while somehow not finding enough wrong with the pro-Soviet side.

Again let me quote not a conservative, not a Republican, but a Democratic President, Harry Truman. "Within our own Nation, I have seen many well-meaning groups who campaign for peace at any price while apologizing for the aggressive acts of the Russians as merely a reflection of Russian reaction to our own tough policy. Many respectable Americans espouse such ideas without realizing the danger to which they were subjecting our national security and the freedoms for which we have fought so hard."

Notice what Harry Truman is saying here. He uses words well-meaning and respectable. He is not saying that these people are anti-American, he is not saying these people are pro-Soviet. He is saying that they do not understand the dangers of the world they live in.

So what do we see today? Exactly the same language used by the radicals and liberals in this House that have been used year after year starting in 1945. Were the Russians occupying the northern half of Iran in 1945? Were there good, decent, patriotic, well-meaning Americans that explained Stalin was scared, we could not get him to withdraw?

Luckily Harry Truman said baloney, and Harry Truman said to the Russians, you have to pull back, you have to honor your word.

Were there Communist guerrillas fighting in Greece and Turkey in 1946? Of course there were. Were there good, decent, patriotic, well-meaning Americans basically apologizing for the Communist guerrillas, basically explaining after all, Greece is not perfect, Turkey is not perfect, maybe we should stay out of there; basically arguing for isolationism and American impotence, and for not doing anything. But Harry Truman came right to this Chamber, stood right there and said to a joint session of Congress, either America protects freedom in Greece and Turkey, or some day America loses its own freedoms. And fortunately there was a bipartisan coalition, people with the guts, the courage, the will to stand up and say something we have never done before, in peacetime we are going to actively work to help people defend their own freedom. And it was a long, difficult war, and it was a bloody war, and everything that can be said bad about the freedom fighters today could have been said about the pro-American effort, the people who were for the American side in Greece and in Turkey. But if they had not been in there fighting to save their own countries, and if we had not given them the money, Greece and Turkey today would be Communist, the Eastern Mediterranean would be Communist, and Israel would not exist.

So you come down through the years, again and again, and there are good, decent, patriotic, well-meaning Americans who always find a reason to explain why this is not the year, to explain why this is not the time, to explain why this is not the group that we should help, this is not the cause we should side with, this is not the place to get worried. This is not a new pattern. It happened in Great Britain in the 1930's because there were good, decent, patriotic Englishmen who did not want to think about Adolph Hitler. They did not want to think about nazism. They did not want to think about the violence that was spreading across Europe which was described brilliantly by Winston Churchill who said of Stanley Baldwin's foreign policy toward Nazi Germany, "decided only to be undecided, resolved to be irresolute, adamant for drift, solid for fluidity, all-powerful to be impotent."

Now what was Churchill saying? Churchill was saying that there are some people who, faced with a grave danger, decide first of all this is not the time. It is never now. This is not the place. It is never here. This is not the cause; it never quite is right.

There are some people who always find the next opportunity to negotiate, the next opportunity to find some reason to explain away Communist behavior, the next opportunity to find some solution other than standing firm.

Interestingly, that danger was seen a long time ago by the founder of the Democratic Party, Thomas Jefferson. He said, and I quote: "Can the liberties of a nation be thought secure when we have removed their only firm basis, a conviction in the minds of the people that these liberties are the gift of God, that they are not to be violated but with this wrath?"

What Jefferson was saying was there was a moral imperative for freedom. We have a moral obligation to help the Afghans who today are trying to be free against the Soviet empire's invasion of their country.

□ 1615

We have a moral obligation to help the Afghans who today are trying to be free against the Soviet Empire's invasion of their country. We have a moral obligation to help the Cambodians who today are trying to be free, despite the Vietnamese Communist invasion of their country.

We have the moral obligation to try to help those people dying, as Congressman ROTH pointed out, 1,000 a day dying in Ethiopia under a Communist regime. Not because of a famine, but because of the deliberate political decisions, the deliberate political decision to relocate those people in order to impose tyranny upon them.

We have the moral obligation to be on the side of Zavimbi, in Angola; a man who has not been in the field for 18 years. For 18 long years he has fought first against the Portuguese colonizers and now against the Cuban and Soviet colonizers. From Zavimbi's standpoint, it is just a new colony, just a new empire. They have changed the flags from Portuguese to Soviet and Cuban. They have changed the language from Portuguese to Spanish and Russian, but nothing else has changed. The new colonial armies of Castro and Gorbachev are just as dangerous and just as antifreedom.

Finally, in Nicaragua, can anyone in this body truly doubt the the Communist government of Nicaragua is just that, Communist? That Ortega is a direct ally, in effect a colonial puppet of the Soviet empire? Can anyone in this body truly doubt the people who say openly they are Marxist-Leninist are just that? Do not we owe them the respect as human beings to be what they say they are?

They say they are anti-American; they say they stand for revolution without borders. They say they stand for a Communist revolution to the Rio Grande.

I thought it was funny, that when Pat Buchanan wrote, and I quote from his article:

> If Central America goes the way of Nicaragua, they will be in San Diego.

Saying, literally, if all of Central America goes Communist, you will have Communists on the San Diego County limits in southern California.

A number of traditional left-wing journalists and politicians have said

"Oh, that's silly." Well, in the first place if you read the sentence, "If Central America goes the way of Nicaragua * * *" if you count Mexico in Central America, by definition Buchanan is right. If you know your geography, if you accept the postulate "if it goes Communist," by definition the Mexican border becomes our southern border with communism.

In the second place you have to ask yourself: Do we have any evidence that they, the Communists in Nicaragua, the Communists in Cuba, and the Communists in Moscow would like to see communism spread through Central America?

Well, of course they would. They said so in 1980 on radio. We have it on tape. They said so in interviews. They were clearly for what they called "a revolution without borders." They said flatly and openly and publicly, that revolution would go all the way to the Rio Grande, meaning the Texas border.

Their goal clearly, when they first talked openly, was to have a Communist Central America including Mexico. Now, should we be worried about that? Well, let me suggest to you: If you ever visit the inter-German border and then you visit the Canadian and Mexican borders with the United States, and you see the difference between the military force it takes in order to protect freedom on the inter-German border or on the parallel between North and South Korea—it sobers you up.

Now, our friends in the radical wing of American politics will say, "Well, they're not really a threat." I have debated one Member three or four times who keeps saying, "Can you really be afraid of Nicaragua?" Of course the correct answer is, "We're not afraid of Nicaragua." If there were no Soviet empire, if the Soviet Union did not exist, if there was no Cuban colonial army working on behalf of the Soviets, we would have no particular concern.

The question I posed back to our friends who are in the radical and liberal wing of American politics is, "Are you really willing to argue seriously that there is no Soviet empire? Are you really willing to argue seriously that Castro is not Communist and not anti-American?"

If you are willing to accept Soviet airfields in Central America, on which Soviet aircraft can land after flying out of Siberia, taking film pictures of American submarines off Washington State and the American Navy off San Diego; if you are comfortable with that future, you should not worry about Central America. If you are willing to accept Soviet airfields and military bases and naval bases close to the Panama Canal, you should not worry about that future. If you are willing to accept a Communist party which has openly said it has an obligation morally to back revolutions in its neighbors, to back guerrilla war, you should not worry about Central America.

Only if you are willing to stand up and be responsible for the rise of a Communist Central America should you comfortably vote "no" next week.

The Wall Street Journal put it well in an essay this morning entitled, "Exercise in Accountability":

EXERCISE IN ACCOUNTABILITY

The Reagan administration has thrown down the gauntlet to House Democrats: Either aid the contras in Nicaragua or take the heat for what happens in Central America. Faced with accepting responsibility, the House Democrats and the liberal community generally are whining about "McCarthyism."

The Democrats have nothing to fear, of course, if they're right that there is no harm in allowing the consolidation of a communist government in Nicaragua. They can go ahead and defeat contra aid in the March 19 vote, and nothing bad will happen. Indeed, if the Sandinistas turned to literacy campaigns, left their neighbors alone and negotiated a settlement with the Contadora group, the Democrats could claim much credit. They could go to the voters saying they blocked a reckless adventure; why are they so affronted at being given this opportunity?

They are affronted, of course, because they know their policy is wrong. Despite the words some feel they need to mouth, they are not such fools as to believe the Sandinistas are respecters of a free press and private property. When one Democrat complains that the contras "are not an effective military force," he understands full well that this is because Congress cut off military aid when the contras were making rapid progress in 1984, and because the Soviets have been stuffing the Sandinistas with tanks and attack helicopters. Democrats do not for a minute believe that "smart diplomacy" could make Nicaragua turn out like the Philippines.

The Democrats understand that if the Sandinistas remain in power, they will grow increasingly totalitarian and increasingly a threat to their neighbors. The Democrats understand that there will be no negotiated settlement, that Central America will remain in turmoil. They understand that with the contras fading from lack of supplies, this vote will give the Sandinistas a free ride. They smart when White House aide Pat Buchanan writes that in the contra vote they are either with the president or with the communists. Their complaint is that Mr. Buchanan's division is wrong; their real fear is that it is right.

How many more elections do the Democrats want to lose, after all, by running on a platform of American weakness? A glance at the op-ed page of the Washington Post shows that Mr. Buchanan's rhetorical onslaught succeeded in no less than resurrecting George McGovern himself as the spokesman for the Democratic position. Jimmy Carter, Walter Mondale and the San Francisco convention cannot be far behind. If Nicaragua does keep Central America in turmoil, a generation of Republicans will be able to point to March 19 as the day the Democrats gave it away.

This predicament has the Democrats writhing. They recognize that whatever the polls say about the contras, on national-security issues their party is fundamentally out of step with the electorate. (Indeed, they probably would have no chance of defeating contra aid if their House majority were not swelled by gerrymandering.) They can no longer support the Sandinistas; the last time they did. Danny Ortega slapped them in the face with his Moscow junket. They can no longer rail against American imperialism; they have just applauded a great imperial venture in the Philippines. So they are reduced to arguments about good manners. They assert that they are being ill-treated. They protest that to point out the likely outcome of their policies is to question their patriotism.

And, of course, they importune the administration to compromise—which is to say, let the Democrats have the policy and the administration have the blame. Vote some aid, but on the condition the contras be starved another six months. Giving the contras just enough aid to stumble on with no prospect of success is cynical. but it is also a brilliant solution to the Democrats' political predicament. They can say that it was the administration's policy that failed. This ploy has in fact worked repeatedly in the past, but so far talk of the administration compromising seems to be mostly the Democrats grasping at straws.

What is different this time is precisely that Mr. Reagan has decided not to fuzz the issue but to sharpen it, not to compromise but to insist on an up-or-down division. The vote-counters say he faces an uphill battle, and it is no surprise that he should lose in the House's packed committees. From outside the Beltway the impressive thing is that he won even one. House Armed Services pushed the aid through in a 30-second voice vote. It is a sign that some Democrats learn from painful experience.

The president has warned House Democrats that if they grab the reins "history will hold them accountable." It will be fascinating to watch the House Democrats come March 19; sometimes making the opposition responsible produces a responsible opposition.

That is a Wall Street Journal editorial. I deliberately took out the names of three or four Democrats mentioned because they are not on the floor, and I had not notified them.

Let me say this: I am perfectly prepared to debate any of the Democrats—and I think a number of my colleagues join me in this—who have been running around, yelling "McCarthyism, McCarthyism." I am perfectly prepared to stand and say: The question is not your patriotism; you are a patriot. The question is your stewardship. You have been a lousy steward.

Again and again and again in this House, led by a radical and liberal majority of the Democratic caucus, this House has voted to weaken the side that favors freedom. This House has voted for unilateral disarmament. If you will notice, when people jump up and say, "Let's negotiate. Let's not send any aid until we negotiate." They never condition that on Soviet or Cuban aid. What they say is, "The side of freedom won't send any money or any weapons or any advisers, and we won't ask the side of tyranny to slow down."

In other words, it is unconditional surrender for 30 days, unconditional surrender for 90 days.

□ 1625

Imagine you were the Russian adviser watching this Congress on C-SPAN, could you believe your eyes? The Russians send Hind helicopters, we debate; the Russians send personnel carriers, we argue; the Russians send brandnew machine guns, we have a vote to wait 90 days and talk some.

The Russians know that if things get bad enough they may actually have to take out a couple of ads in the Washington Post, but short of that kind of propaganda, they probably will be able to survive. The fact is that radical liberal—and I might say page 2 of the Gregorsky paper in which he cites a Democrat from Florida referring to a "radical liberal revolt, a last flicker in this House of extremist attitudes." Now "radical liberal" is not my term, it is not Gregorsky's term, it is a term that seems legitimate. And it is a term I think based in large part on what Thomas Wolfe called cultural amnesia, what French philosopher Jean-Francois Revel, a former Socialist, described brilliantly in 1976. He said, and I quote:

> The historical memory of the left is like that of a pillow, it changes shape when pounded by a fist, but it doesn't know how to avoid the blow. It always peacefully regains its original shape ready for the next pounding.

What Revel was saying was last summer the left was shocked when Ortega left and went to Moscow. Radicals and liberals who voted against helping the freedom fighters said, "Oh, Ortega made a terrible mistake."

Well, what did they think he was going to do? He had gone to Moscow before. He is an ally of the Soviet Union. He openly says he is a Communist. He is allied with Cuba. Why wouldn't he go to the capital of his side, the side of tyranny. Again and again you will find a permanent ability to be surprised on the left by whatever the Communists do next.

The fact is I think Gregorsky said it well on page 1 of his paper when he says "the growing impact on America's oldest political party of a defeatist world view that is incompetent when applied to a world having little to do with its assumptions." His point being that there is a radical world view, that that radical world view has a very specific way about thinking about reality, that it rejects communism as a possibility, refuses to think seriously about the Soviet empire, is not willing to look at the fundamental challenges to American survival, is not willing to learn the lessons of history, in fact it has gone from Vietnam to Cambodia to Laos to Afghanistan to Ethiopia to Angola, through Grenada to Nicaragua and it has learned nothing.

In effect the leftwing American world view, again good, decent, patriotic but remarkably uninformed people, the radical world view in America is a little bit like a team that has invented the perfect defense against the running play in football. They stand firm and ready if only the other team would be dumb enough to run a running play.

You know if the Nicaraguans would launch an organized military attack across the border into Honduras, they would line up their tanks and march north, by George, the radicals would defend Honduras. However, the Communists, who are pretty smart, have studied this Congress for 15 years and the No. 1 question they ask themselves, since America is an enormously powerful nation, is what can the Communists do to gain power and gain territory and set up dictatorships that is effective but it doesn't quite get the Americans to do anything?

And so they have studied Congress and every time an American Congressman, particularly radicals and leftwingers, start to get excited, the Communists find a new reason to get together and promise negotiations. In effect what the Communists have done is to have invented the forward pass. So here is every radical and every leftwinger in America standing shoulder to shoulder and saying, "You know, if those Communists launch an offensive, we will, by George, stop 'em." Now as long as the Communists get off the tank, take off the uniform, put on bluejeans, pick up their machineguns and grenades and walk across the border single file, that is not aggression, that does not count.

I will give you a classic example I have been told about that I cannot quite believe it is true but I have heard it from enough sources which tells me that I guess it must be.

Apparently in Angola in preparation for a presettlement there are 35,000 Cuban troops because Cuba is the chief colonial army of the Soviet empire. There are more Cuban troops outside of Cuba than there are Russian troops in the Third World not counting the Russians who are engaged in classic 19th-century colonialism in Afghanistan. In Angola there are 35,000 Cuban troops. Apparently, we have been told, 11,000 of those Cuban troops have now become naturalized Angolans.

Now think about the wonderful cynical irony of this. Here you have the equivalent of an infantry division of Cuban soldiers becoming Angolan. So when the agreement is signed and they say to the good, well-meaning, sincere Americans, "well, all of the Cubans are going to leave," then 24,000 will. Now the 11,000 that stay behind are no longer Cuban, you see, they are Angolan. So the fact that they speak Spanish, they report to Castro, they have been trained by the Soviet Army, that does not count. It is cheating for us to ask them to actually pretend they are Cuban because you see they are not Cuban, they are now Angolan even if they are Cuban.

Now let me suggest to you a radical world view dumb enough to fall for that runs the grave risk of having God decide it deserves to live in tyranny. We really do face the 1937, 1938, 1939 problem of Baldwin and Chamberlain who kept finding a new excuse for Hitler. Now I can find you, I promise you as a former history teacher, that this is not made up. I can find you British quotes on how terrible it was of the Czechoslovakians to be picking on Nazi Germany; I can find you quotes today about how terrible it is that all these Nicaraguan freedom fighters do not clean up their act, without any reference to the Communist Government of Nicaragua, to the Cuban Communists in Nicaragua, to the Soviet Communists in Nicaragua, to the Bulgarian Communists in Nicaragua, the Vietnamese Communists in Nicaragua. It is mind-boggling. It is as though an entire generation of younger leftwing Americans between 1965 and 1970 were frozen in time. They learned whatever their version of reality was going to be and they have clung to it fiercely. And their godfather is none other than George McGovern.

It is important to understand that George McGovern did not suddenly come to his views about the nature of communism in 1965 or 1966 or 1967. McGovern's views were shaped in the 1940's. McGovern belonged to the radical wing of the American politics which thought Harry Truman was too anti-Communist, Harry Truman was too belligerent, Harry Truman was too willing to try to take risks in order to stop the Soviet empire. McGovernism, which is really what we are dealing with in the House today, the radical view is simply McGovernism turned into the House of Representatives system.

And it is McGovern's position historically that there is always a good reason to explain away whatever it is that the Communists are doing this month. Do you think I exaggerate? I would suggest you look over the years at the frequency with which McGovern reexplains Fidel Castro and whatever Castro's latest atrocity or latest outrage is. I think it is useful to go back and look at McGovern's writings starting in the 1940's because it is in the 1940's that McGovern begins to raise the issue that in fact it is Truman and the Americans who are causing the problem.

Let me go on and just say that we have a legitimate intellectual tradition in America on the left, legitimate in the sense that it has an internal con-

sistency. A few quotes. Now this is McGovern talking about Andropov. It is on page 11 of Gregorsky's paper. This is a few days after the Soviets shot down the Korean airliner 007:

I think we ought to be very thankful that this man Andropov seems to be a reasonable guy and somewhat restrained.

Now let us understand, Andropov was the head of the Soviet secret police, the KGB, Andropov was the Soviet Ambassador to Hungary when they crushed the Hungarian rebellion in 1956. Andropov is about as reasonable a guy as the head of the Mafia. Andropov is a man who cheerfully and willingly put people in prison and got people executed and who had people tortured. Yet he could be described by the father of modern American radicalism as "a reasonable guy and somewhat restrained." Now it takes an extraordinary amount of self-deception to come to the conclusion that in fact Andropov is a reasonable man. But the point I am working on is not to pick on George McGovern, a man who after all lost an awful lot of States, but to lay the framework that it is from McGovern to the people he taught in the sixties and seventies who are currently in this House. I would venture to guess that almost half of all the Democrats on the Committee on Foreign Affairs are essentially McGovernite in their world view, that is, they consistently find an excuse for Soviet behavior and explain it away, they consistently find a reason not to be as worried about Soviet activities, they consistently explain why America's allies are not perfect, and they consistently find a reason not to do anything currently. It is in that radical world view that we come to the second question, which is: Does it matter what the U.S. Congress does? This is the second point I want to make that I think goes to the heart of the McCarthyism charge. I think what rattles the left wing of the Democratic Party is the notion that some morning the American people may decide to look at the cost of the last 15 years of radical foreign policy. They may decide to look at the cost of being wrong again and again about the nature of the Soviet empire. I think what rattles some of the people who have been yelling McCarthyism in the past week is when you look at the nature of the Soviet empire and you look at the last 15 years, an awful lot of people died, an awful lot more people were put in prison camps, and a whole lot more people now live in tyranny, while several million people fled. The boat people in Southeast Asia, the Cubans who fled across to Florida, people who fled from Nicaragua, people who fled Ethiopia.

In that setting I think you have to come to this question: Is there a relationship between votes in the U.S. House of Representatives and what the Soviet empire does? I would argue that there is a relationship, that the Soviet empire clearly studies the U.S. House of Representatives, that the Soviet empire says "How big a risk can we take in Angola this year, in Nicaragua, in Afghanistan, in Cambodia?"

When the U.S. Congress sends the signal that America is confused, that America is undecided, that America is weak, then the Soviet empire takes a bigger risk. When the American Congress sends a signal that we are firm, that we are strong, that we are decisive, then the Soviet empire takes a smaller risk. In that sense I think you have to ask the question do the votes matter? This is not just a debating society. I used to be a college teacher. I love a good debate. I think it is fine to talk about ideas. But we have real power.

When we voted to cut off aid, to cut off aid to South Vietnam it had a real impact. Let me read from a book review by Fox Butterfield, who was the New York Times correspondent in Vietnam, reviewing a book on the fall of Saigon. He says:

Congress deserves its share of the blame, too, in cutting military aid to Vietnam from $2.5 billion in fiscal 1973 to a projected $700 million in 1975. It reduced Saigon's forces to only 2 percent of the funds and supplies American soldiers got in 1968. The cuts spread defeatism among the South Vietnamese.

Now, is Butterfield, a New York Times columnist, a McCarthyite? Is he saying the Congress was procommunism in Vietnam?

No; he is saying that the consequences of well-meaning, well-intentioned votes were to guarantee that the South Vietnamese felt deserted, that their troops lost morale, that they were weakened, and that ultimately the North Vietnamese would win.

In that setting, what signals have we been sending around the world? They are pretty confusing. Ronald Reagan gives tough speeches, the U.S. Congress often fiddles around, debates, passes the inadequate amounts of money with many strings attached without any clear resolution or clear strategy. Some of that burden, frankly, is on the executive branch.

The Central Intelligence Agency, the State Department, the Defense Department have now for 15 years been used to dealing with an American political system which has not got the will and the determination to ensure that the forces of freedom are capable of meeting the challenge of the Soviet empire.

□ 1640

In some ways, our bureaucracy has slowed down and has weakened in its own resolve and in its own toughness to match the attitude of the U.S. Congress.

But a great deal of that burden, I think, is on American politicians and on the Congress itself. When we are not clear about whether or not our backyard matters, we should be worried.

Recently Qadhafi, clearly an enemy of America, probably the chief backer of terrorism in the world, the dictator in charge of Libya, the largest single purchaser of Soviet arms, said that he is backing the Nicaraguan Communists. Why? Because they are waging war in America in America's backyard.

Recently the Cuban Communist Party in its Congress passed a resolution endorsing and supporting the Communists in Nicaragua to help defeat America. It is their language, not ours.

Now, the Soviets know that they are engaged in a war in Central America to impose dictatorship. The Cuban Communists know that they are working as the colonial ally of the Soviets to impose a Communist colony in Nicaragua. The Nicaraguan Communists know that they are engaged in a war against North Americans and a war against the United States because they want to impose a pro-Soviet dictatorship.

Meanwhile, in this House people talk as though we are in a PTA discussion with decent people we just do not understand very well.

Charles Krauthammer, the foreign policy editor for the New Republic, in a brilliant essay on mirror imaging, made the point that American liberals have this passion for pretending that the other guy is like us, that for a long time American liberals said we could reason with Khomeini because we did not understand that Khomeini in fact in Iran is very different from us. We said we can really sit down and talk with Qadhafi because we did not understand that Qadhafi was a bitterly anti-Western, bitterly anti-American dictator allied with the Soviet empire, hating Israel and trying to destroy both America and Israel, and is different from us.

So we come to the same problem today in Nicaragua. The Nicaraguan Communists are not like us. They are not a Kiwanis Club or a Rotary Club gathering, sitting around talking about democracy and freedom, being misunderstood by good Americans. The Nicaraguan Communists are exactly what the term implies. They are people who have studied Leninism, who are determined to use a secret police state to impose their will on first their own country through their terror, as trained by the Cubans and the Bulgarians and the East Germans, and then with the help of Soviet military and Soviet training, to organize guerrilla armies for Costa Rica and Panama, for Honduras, El Salvador, Guatemala, and Mexico.

That is not scare talk. That is the exact normal history of precisely what Lenin wrote about for 30 years, precisely what Stalin wrote about for 30 years, precisely what Gorbachev makes speeches on. It is exactly what we know they do. It is a virus, the virus of communism.

Yet, faced with that disease in our own backyard—and remember Nicaragua is closer to Miami than Miami is to Washington, DC. It is not necessary to have boat people fleeing across the ocean. They can walk north. The best estimate we have, based on what we have seen in Afghanistan, in Vietnam, in Cuba, in Ethiopia, is that if Central America, including Mexico, is destabilized, if communism spreads, we can expect between 10 million and 15 million refugees to walk north. That is not scare talk.

When we see one of our good left-wing friends, decent, well-meaning patriotic Americans say, how can we talk like that, the correct answer ought to be, how can you go to Miami and not talk like that? How can you talk to any former Cuban national who is now an American citizen and not talk like that? How can you come to my district and interview Laotians and Vietnamese and not talk like that? How can you go and stand in the camps in Pakistan and talk to Afghan refugees and not talk like that?

The challenge ought to be to the American left, how many years can you remain willfully blind to the realities of the world you live in? The burden of saying there will be no refugees if communism spreads ought to be on those who are standing in the middle of refugees?

Is it not incredible that the American left in a mindless way can reject all of the history of the past 15 years, and once again walk in this Chamber and pretend that there are no consequences to its votes, that this is all just a disagreement between good, well-meaning people?

In closing, Mr. Speaker, it is my hope that over the next few days the Members of this body who are so eager to run around screaming McCarthyism will feel secure enough to come to the floor and debate. A number of us on our side of the aisle are very willing to debate radicals and liberals in both parties. We do not think it is purely a partisan phenomenon. We think that there is a serious intellectual mind set which began with people like George McGovern in the 1940's and Henry Wallace, which opposed Harry Truman, opposed Dwight Eisenhower, opposed John F. Kennedy, and which is still today for an isolationist weak America hiding from a dangerous world. We think it is important to debate whether or not there is a Soviet empire, whether or not it is a real threat, whether or not we have a responsibility to do things about them. It is to that debate in the next few days we would be glad to come and share time with any of those radicals or liberals who are willing to defend their views without name-calling, without yelling emotional words, but simply step by step to talk the real facts of the real world and the real history of the last 16 years.

RESOLUTION OF INQUIRY ON U.S. AID TO THE CONTRAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, next week the House will start debating whether we should provide any more aid to the Contras. That is an important issue, and I do not want to detract from the seriousness of that debate. But I would like to shift the focus here for just a moment. Because I believe we face an equally important issue: the responsible management of public funds.

Since Ronald Reagan has taken office we have sent somewhere in the neighborhood of $70 to $100 million in aid to the Contras. Now, the President is asking for $100 million more. What I would like to talk about today is whether the money we have provided in the past for this purpose has been spent within the guidelines established by the Congress and in a fiscally responsible manner. The answer to these questions should, I think, weigh heavily on the decision we will make next week on additional aid.

Last Year, this body voted to give $27 million to the Contras. This aid was supposed to be for humanitarian purposes. Not one U.S. dollar was to be used for lethal purposes. This legislation contained the following provision:

> The President shall establish appropriate procedures to ensure that any humanitarian assistance provided by the United States Government to the Nicaraguan democratic resistance is used only for the intended purpose and is not diverted (through barter, exchange, or any other means) for acquisition of weapons, weapons systems, ammunition, or other equipment, vehicles, or material which can be used to inflict serious bodily harm or death.

This was congressional intent. None of this aid was to be used for anything but humanitarian purposes, and the administration was supposed to make sure that this was carried out. The President signed this law and agreed to provide this guarantee.

Now, I would like to take a few minutes to review how the U.S. Government went about providing this humanitarian assistance. According to GAO spokesman Frank Conahan's testimony before the House Subcommittee on Western Hemisphere Affairs, goods purchased with U.S. aid dollars fall into two categories: goods and services purchased inside the United States and those goods and services purchased outside the United States.

The bulk of his aid—58 percent—was spent on goods and services purchased outside the United States and, according to Conahan, payment was not made directly to a supplier. Instead, money was deposited in a Miami bank account of one of several brokers chosen by regional suppliers to act on their behalf. The United States put $7.1 million in a bank account in Miami. And what has happened to this money?

According to GAO, there is "no audit trail showing payments from the brokers' accounts to suppliers and only partial documentation of shipments from the suppliers to the resistance forces." We put $7.1 million dollars in a bank in Miami and there is no proof that the money has been spent on humanitarian aid to the Contras. And there is only partial documentation of shipments to the Contras.

There have been disturbing reports that the GAO can not confirm whether United States aid to the Contras was pooled together in these accounts in Miami with other donations from around the world and used as a single fund to provide aid to the Contras. United States humanitarian aid could have been used to purchase guns and ammunitions, but we have no way of knowing. What good does all the debating in this Chamber do, if the will of the U.S. Congress is lost in the shuffle of paperwork in a Miami bank?

It is difficult to believe that millions of dollars of U.S. money have been handled this carelessly. We have no way of knowing what the money was spent on. And it is going to get worse. According to the GAO report, despite what Conahan calls deficient controls over expenditures outside the United States, more and more of the assistance fund is being spent outside the United States all the time.

And what about those dollars that have managed to reach the Contras, The President was directed to provide an assurance that this aid was used only for humanitarian purposes. On this score, the GAO says, and I quote, that "The Department (of State) does not have procedures and controls which would allow it to provide these assurances." According to Frank Conahan, the people in our Government who have been charged with administering the $27 million aid appropriation are "unable to observe the end use of procured items to ensure that they were not diverted, bartered, or exchanged."

In other words: the President has not met his obligation under the law. He was directed by Congress to provide us with certain assurances, and he has not done that.

So, this is where we stand. We have provided $27 million in humanitarian assistance to the Contras. Of the $12.2 million that has been spent so far, $7.1 million is unaccounted for. We do not know where it is or what it has paid for.

And now, without having any guarantees that this control will be provided in the future the President wants us to provide $100 million more. And that is just the beginning. It has been reported that the CIA thinks the President's request removes all restrictions on its use of its own contingency fund in order to provide further aid to the Contras.

That means we are no longer talking about $100 million. I fact, $100 million would be a drop in the bucket compared to the amount of money the CIA would flood the Contras with if given the chance. How much are we talking about? $200 million? $500 million? $1 billion?

71-059 O-87-40 (Pt. 3)

We do not know. And if the CIA uses its contingency funds we will never know.

If we can not be sure where $27 million has gone, how will we know where $1 billion has gone? To appropriate this money would be reckless. Worse, it would violate the trust the people have placed in us as trustees of the Federal budget.

For this reason, I am introducing today a resolution of inquiry. First of all, this resolution directs the President to provide the Congress with all available information that traces the expenditure of funds under the $27 million appropriation. I am sure my colleagues are as anxious as I am to know more about this bank in Miami and these "authorized brokers." We especially need to know before we give them a blank check. My resolution of inquiry would direct the President to tell us what the administration knows about this bank and these brokers.

Second, what is the end use of the items U.S. aid money has procured? If U.S. aid has paid for medicine, is this medicine being used to treat the wounded or sick, or is it being sold or traded for ammunition? The resolution I am introducing directs the President to tell us what he knows about the end use of procured items.

We are talking, potentially, about hundreds of millions of Federal dollars; dollars the American taxpayers have earned with the sweat off their brow. They have entrusted us to spend their money wisely. Already we have poured $12 million into a bottomless pit. Who knows what our money has paid for? Show us proof of where our money is going. Show us that our medicine and clothing are not being traded for guns and ammunition. Show us that the letter of the law is being carried out.

Congress cannot and must not act on this $100 million aid request until all the facts are in. I urge my colleagues on both sides of the aisle to put aside the partisan debate on the Nicaragua issue. Look instead to where the public funds are being spent and whether this expenditure is consistent with the law and with our responsibilities as trustees of the Federal budget.

We need to know. We must know. We have paid for the right to know.

The following is the text of the resolution:

H. RES. 395

Resolution directing the President to provide certain documents to the House of Representatives concerning the use of the $27,000,000 appropriated for humanitarian assistance for the Nicaraguan democratic resistance

Resolved, That not later than 7 days after the adoption of this resolution, the President shall provide to the House of Representatives the following information:

(1) Any documents concerning financial transactions relating to the procurement outside the United States of any equipment, supplies, or other goods for the Nicaraguan democratic resistance using the $27,000,000 appropriated by Congress in the Supplemental Appropriation Act, 1985, specifically including—

(A) any document authorizing the obligation or expenditure of funds for such procurement;

(B) any document concerning any payment or other transfer of funds for such procurement to or through any bank or other financial institution, broker, supplier, or other person; and

(C) any document concerning any direct or indirect disbursement of cash to the Nicaraguan democratic resistance (including documents showing the amount and recipients of the cash and documents showing how the cash was used).

(2) Any documents showing whether the equipment, supplies, or other goods procured outside the United States with those funds were received by the Nicaraguan democratic resistance.

(3) Any documents concerning the actual end use of the equipment, supplies, or other goods procured with those funds, including any document concerning whether any such goods were traded, bartered, or exchanged for any other goods, including any trade, barter, or exchange for goods which are excluded from the definition of humanitarian assistance contained in the Supplemental Appropriation Act, 1985.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BRUCE (at the request of Mr. WRIGHT), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. GONZALEZ, for 60 minutes, today.

Mr. GONZALEZ, for 60 minutes, March 13.

(The following Members (at the request of Mr. SMITH of New Hampshire) to revise and extend their remarks and include extraneous material:)

Mr. KEMP, for 60 minutes, March 13.

Mr. DANNEMEYER, for 60 minutes, March 18.

Mr. DANNEMEYER, for 60 minutes, March 19.

Mr. DANNEMEYER, for 60 minutes, March 20.

Mr. GINGRICH, for 60 minutes, March 11.

Mr. GINGRICH, for 60 minutes, March 12.

Mr. GINGRICH, for 60 minutes, March 13.

Mr. GINGRICH, for 60 minutes, March 14.

Mr. BEREUTER, for 60 minutes, today.

Mr. HORTON, for 60 minutes, March 18.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. DURBIN, for 5 minutes, today.

Mr. NELSON of Florida, for 5 minutes, today.

Mr. KASTENMEIER, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ALEXANDER, for 5 minutes, today.

Mr. GRAY of Illinois, for 5 minutes, today.

Mr. COLEMAN of Texas, for 60 minutes, March 18.

Mr. COLEMAN of Texas, for 60 minutes, March 19.

Mr. COLEMAN of Texas, for 60 minutes, March 20.

(The following Member (at the request of Mr. GINGRICH) to revise and extend his remarks and include extraneous material:)

Mr. PANETTA, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BROWN of Colorado, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $2,637.

(The following Members (at the request of Mr. SMITH of New Hampshire) and to include extraneous matter:)

Mr. YOUNG of Alaska.

Mr. CLINGER.

Mr. BURTON of Indiana.

Mr. LAGOMARSINO in two instances.

Mr. DORNAN of California in two instances.

Mr. LEWIS of Florida.

Mr. KEMP.

Ms. SNOWE.

Mr. GILMAN in two instances.

Mr. BLILEY.

Mr. DANNEMEYER.

Mr. COURTER.

Mr. RITTER.

Mr. MCGRATH.

Mr. ROTH.

Mr. WOLF.

Mr. WEBER.

Mr. PURSELL.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. STARK.

Mr. BERMAN.

Mrs. BURTON of California.

Mr. WRIGHT.

Mr. ROYBAL.

Mr. LIPINSKI.

Mr. UDALL.

Mr. MARKEY.

Mr. FRANK.

Mr. FASCELL in three instances.

Mr. MILLER of California.

Mr. MAVROULES.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3851. An act to amend section 901 of the Alaska National Interest Lands Conservation Act, and

H.J. Res. 371. Joint resolution to designate March 16, 1986, as "Freedom of Information Day."

ENROLLED BILL SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker pro tempore.

H.R. 1614. An act entitled the "Food Security Improvements Act of 1986."

ADJOURNMENT

Mr. GINGRICH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 45 minutes p.m.) the House adjourned until Wednesday, March 12, 1986, at 3 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2958. A letter from the Director, the Office of Management and Budget, transmitting a report giving the status as of March 1, 1986, of 77 rescission proposals and 58 deferrals contained in the first three special messages of fiscal year 1986, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 99-178); to the Committee on Appropriations and order to be printed.

2959. A letter from the General Counsel, Department of Defense, transmitting a copy of amendments to the Manual for Courts-Martial, United States, 1984, pursuant to 10 U.S.C. 836(b); to the Committee on Armed Services.

2960. A letter from Assistant Secretary of Defense (Acquisition and Logistics), transmitting a report on the effects of contracting for guard and firefighting services in the Department of Defense, pursuant to Public Law 99-145, section 1232(b) (99 Stat. 733); to the Committee on Armed Services.

2961. A letter from General Counsel, Department of Defense, transmitting a draft of proposed legislation to authorize appropriations for fiscal year 1987 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces and for other purposes, along with a similar request for authorization of appropriations for fiscal years 1988 and 1989; to the Committee on Armed Services.

2962. A letter from Executive Assistant to the Assistant Secretary (Legislative Affairs) Department of the Treasury; transmitting a report analyzing the impact of IMF-supported economic adjustment programs implemented during 1984 on the provision of basic human needs in program countries, pursuant to 22 U.S.C. 286e-9(b); to the Committee on Banking, Finance and Urban Affairs.

2963. A letter from the Mayor, District of Columbia, transmitting a draft of proposed legislation to amend the District of Columbia Self-Government and Government Reorganization Act to increase the amount authorized to be appropriated as the annual Federal payment to the District of Columbia; to the Committee on the District of Columbia.

2964. A letter from the Secretary of Education, transmitting the eighth annual report on the progress being made toward the provision of a free appropriate public education for all handicapped children, pursuant to 20 U.S.C. 1418(f)(1) (Pub. L. 91-230, sec. 618(f)(1) (89 Stat. 792; 97 Stat. 1362)); to the Committee on Education and Labor.

2965. A letter from the Secretary of Education, transmitting a copy of proposed final regulations on the Student Assistance General Provisions and Pell Grant Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

2966. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Export Administration Act of 1979, as amended, to authorize appropriations for fiscal years 1987 and 1988; to the Committee on Foreign Affairs.

2967. A letter from the Associate Director, Bureau of Educational and Cultural Affairs, U.S. Information Agency, transmitting an additional list of individuals who in the preceding 5 years made two or more trips involving foreign travel financed in whole or part by grants from the Private Sector Program, pursuant to Public Law 98-164, section 207(b); to the Committee on Foreign Affairs.

2968. A letter from the Director, Community and Family Support, Department of the Army, transmitting a report on the U.S. Army Nonappropriated Fund Employee Retirement Plan for the fiscal year ending September 30, 1984, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

2969. A letter from the Director, Peace Corps, transmitting a report on Freedom of Information Act activities during calendar year 1985, pursuant to 5 U.S.C 552(d); to the Committee on Government Operations.

2970. A letter from the Secretary, Federal Trade Commission, transmitting a report describing the Commission's Freedom of Information Act activities during calendar year 1985, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2971. A letter from the Chief Justice of the United States, transmitting amendments to the Federal Rules of Appellate Procedure which have been adopted by the Supreme Court, pursuant to 28 U.S.C. 2072 (H. Doc. No. 99-179); to the Committee on the Judiciary and ordered to be printed.

2972. A letter from the Director, Office of Management and Budget, transmitting his certification of agency compliance with Coastal Barrier Resources Act during fiscal year 1985, pursuant to Public Law 97-348, section 7; to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ASPIN: Committee on Armed Services. House Joint Resolution 540. Resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985 (Rep. 99-483, pt. 3). Ordered to be printed.

Mr. OBEY: Joint Economic Committee. The 1986 joint economic report on the February 1986 economic report of the President (Rep. 99-490). Referred to the Committee of the Whole House on the State of the Union.

Mr. BARNES: Committee on Foreign Affairs. House Joint Resolution 540. Resolution relating to Central America pursuant to the International Security and Development Cooperation Act of 1985 (adverse Rep. 99-483 pt. 2). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GONZALEZ:

H.R. 4362. A bill to amend and extend certain laws relating to housing, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. WHITTEN:

H.R. 4363. A bill making urgent supplemental appropriations for the fiscal year ending September 30, 1986, and for other purposes; to the Committee on Appropriations.

By Mr. BEDELL (for himself, Mr. ROBERTS, and Mr. BROWN of California):

H.R. 4364. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to ensure safer pesticides and to better protect the public and the environment, and for other purposes; to the Committee on Agriculture.

By Mr. DORGAN of North Dakota:

H.R. 4365. A bill to require retailers to collect sales and use taxes on interstate sales and to amend the Internal Revenue Code of 1954 to require such retailers to file information returns with the Internal Revenue Service for the purpose of assisting States in the collection of such taxes; jointly, to the Committees on the Judiciary, and Ways and Means.

By Mr. DOWNEY of New York:

H.R. 4366. A bill to amend title 17 of the United States Code to secure the rights of authors of pictorial, graphic, and sculptural works to the display of their works, and for other purposes; to the Committee on the Judiciary.

By Mr. ERDREICH:

H.R. 4367. A bill to create a Federal criminal offense for terrorist acts against U.S. nationals abroad; to provide sentencing procedures for certain capital offenses; and for other purposes; to the Committee on the Judiciary.

By Mr. LOWRY of Washington:

H.R. 4368. A bill to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to provide that cost-of-living increases in benefits under the civil service, military, and Postal Service retirement and disability programs shall be exempt from reduction pursuant to sequestration orders issued with respect to fiscal year 1987 and subsequent fiscal years; to the Committee on Government Operations.

By Mr. McEWEN (for himself, Mr. WEBER, and Mrs. SMITH of Nebraska):

H.R. 4369. A bill to amend the Farm Credit Act of 1971 to provide credit assistance to certain borrowers of loans made by institutions of the Farm Credit System, and

for other purposes; to the Committee on Agriculture.

By Mr. NICHOLS (for himself, Mr. HOPKINS, Mr. ASPIN, Mr. SKELTON, Mr. MAVROULES, Mr. MCCURDY, Mr. KASICH, and Mr. BLAZ):

H.R. 4370. A bill to amend title 10, United States Code, to reorganize the Department of Defense, to the Committee on Armed Services.

By Mrs. SCHROEDER:

H.R. 4371. A bill to express the sense of Congress that the Secretary of Defense should take measures to improve security of U.S. military installations overseas and should provide antiterrorism training to members of the Armed Forces and their dependents stationed overseas; to the Committee on Armed Services.

By Mr. SCHULZE:

H.R. 4372. A bill to provide for the temporary suspension of the duty on mixtures of 2,4,-dinitro-6-octyl phenyl crotonate, 2,6-dinitro-4-octyl phenyl crotonate and nitrooctyl phenols (dinocap), and on mixtures of dinocap with application adjuvants; to the Committee on Ways and Means.

H.R. 4373. A bill to provide for the temporary suspension of the duty on mixtures of maneb, zineb, mancozeb, metiram, stabilizer, and application adjuvants; to the Committee on Ways and Means.

H.R. 4374. A bill to provide for the temporary suspension of the duty on mixtures of 1,1-bis(4-chlorophenyl)-2,2,2-trichloroethanol (dicofol) and application adjuvants; to the Committee on Ways and Means.

H.R. 4375. A bill to provide for the temporary suspension of the duty on 3-amino-3-methyl-1-butyne; to the Committee on Ways and Means.

H.R. 4376. A bill to provide for the temporary suspension of the duty on cross-linked polyvinylbenzyltrimethylammonium chloride (cholestyramine resin USP); to the Committee on Ways and Means.

H.R. 4377. A bill to provide for the temporary suspension of the duty on mixtures of mancozeb, dinocap, stabilizer and application adjuvants; to the Committee on Ways and Means.

By Mr. UDALL (for himself, Mr. VENTO, Mrs. BYRON, and Mr. LUJAN):

H.R. 4378. A bill to govern the establishment of commemorative works within the National Capital Region of the National Park System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HUGHES (for himself, Mr. CARPER, Mr. COUGHLIN, Mr. DORGAN of North Dakota, Mr. FRENZEL, Mr. OBERSTAR, Mr. SABO, Mr. SAXTON, Mr. SIKORSKI, Mr. STANGELAND, Mr. VENTO, and Mr. WEBER):

H.J. Res. 560. Joint resolution to designate 1988 as the "Year of New Sweden"; to the Committee on Post Office and Civil Service.

By Mr. FISH (for himself, Mr. GARCIA, Mr. EDWARDS of California, Mr. COYNE, Mr. HAYES, Mr. BONER of Tennessee, Mr. TRAFICANT, Mr. LUNGREN, Mr. EVANS of Illinois, Mr. SMITH of Florida, Mr. FRANKLIN, Mrs. HOLT, Mr. TOWNS, Mr. BOSCO, Mr. FUSTER, Mr. LENT, Mr. DICKS, Mr. HORTON, Mr. ANDERSON, Mr. SAVAGE, Mr. KASTENMEIER, Mr. CROCKETT, Mr. FAUNTROY, Mr. BLAZ, Mr. LOWRY of Washington, Mr. FRENZEL, Mr. MCCAIN, Mr. HYDE, Mr. AKAKA, Mr. MARTIN of New York, Mr. DIXON, Mr. HENRY, Mr. NIELSON of Utah, Mr. MOORE, Mr. JACOBS, Mr. DELLUMS, Mrs. BURTON of California, Mr. KOSTMAYER, Mr. CONYERS, Mr. SCHUMER, Mr. SYNAR, Mr. MORRISON of Connecticut, Mr. MOORHEAD, Mr. LIVINGSTON, Mr. RAHALL, Mr. BOLAND, Mr. RANGEL, Mr. GEKAS, Mr. MCDADE, Mr. BURTON of Indiana, Mr. HILER, Mr. DEWINE, Mr. WORTLEY, Mr. SCHEUER, Mr. BROOMFIELD, Mr. MICHEL, Mr. EVANS of Iowa, Mr. CHANDLER, Mr. HUNTER, Mr. HUTTO, Mr. DAUB, Mr. STARK, Mr. COBEY, Mr. CHAPPIE, Mr. O'BRIEN, Mr. FORD of Tennessee, Mr. JONES of North Carolina, Mr. PASHAYAN, Mr. MONSON, Mr. DARDEN, Mr. OBERSTAR, Mr. MATSUI, Mr. STENHOLM, Mr. MCHUGH, Mr. GILMAN, Mr. BLILEY, Mr. CLAY, Mr. HOYER, Mr. BARNES, Mr. ST GERMAIN, Mr. ACKERMAN, and Mr. FOLEY):

H.J. Res. 561. Joint resolution to designate April 1986 as "Fair Housing Month;" to the Committee on Post Office and Civil Service.

By Mr. LEWIS of Florida (for himself, Mrs. BURTON of California, Mr. MURPHY, Mr. CONYERS, Mr. YOUNG of Missouri, Mr. LEHMAN of Florida, Mr. FUSTER, Mr. SAVAGE, Mr. DANNEMEYER, Mr. HAYES, Mr. DAUB, Mrs. HOLT, Mr. MCKINNEY, Mr. LAGOMARSINO, Mr. WORTLEY, Mr. DE LA GARZA, Mr. REGULA, Mr. DWYER of New Jersey, Mr. NEAL, Mr. YATRON, Mr. NIELSON of Utah, Mr. DARDEN, Mr. MCCAIN, Mr. RAHALL, Mr. MRAZEK, Mr. MONSON, Mr. RANGEL, Mr. LIVINGSTON, Mr. FAUNTROY, Mr. FOGLIETTA, Mr. ROWLAND of Georgia, Mr. SILJANDER, Mr. MARTINEZ, Mr. LELAND, Mr. STALLINGS, Mr. HUGHES, Mr. HORTON, Mr. MACK, Mr. VENTO, Mr. VALENTINE, Mr. HOWARD, and Mr. HEFTEL of Hawaii):

H.J. Res. 562. Joint resolution designating the month of May 1986 as "National Child Safety Month"; to the Committee on Post Office and Civil Service.

By Mr. PANETTA (for himself, Mr. BARNES, Mr. BONIOR of Michigan, Mr. EDWARDS of California, Mr. GEPHARDT, Mr. LEVINE of California, and Mrs. SCHROEDER):

H. Res. 395. Resolution directing the President to provide certain documents to the House of Representatives concerning the use of the $27,000,000 appropriated for humanitarian assistance for the Nicaraguan democratic resistance; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

306. By the SPEAKER: Memorial of the Legislature of the State of South Dakota, relative to providing a line item veto for the President on appropriation bills; to the Committee on the Judiciary.

307. Also, memorial of the Legislature of the Territory of Guam, relative to participation in the preparation and celebration of the Bicentennial of the Constitution of the United States; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII.

PRIVATE RESOLUTION

Mr. ROE introduced a private resolution (H. Res. 396) recognizing and commending Lee Iacocca for his contribution in the renovation of the Statue of Liberty and Ellis Island, and calling on the Department of the Interior to reinstate Mr. Iacocca as Chairman of the Statue of Liberty-Ellis Island Centennial Commission; to the Committee on Post Office and Civil Service.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 21: Mr. KOSTMAYER.
H.R. 513: Mr. MOLLOHAN.
H.R. 796: Mr. HAMMERSCHMIDT.
H.R. 839: Mr. YATRON.
H.R. 1140: Mr. HUCKABY.
H.R. 1145: Mr. LELAND.
H.R. 1435: Mr. MOAKLEY and Mr. OLIN.
H.R. 1436: Mr. CHAPPIE, Mr. HORTON, and Mr. DE LA GARZA.
H.R. 1507: Mr. KOSTMAYER.
H.R. 1669: Mrs. BOXER.
H.R. 1769: Mr. BEVILL.
H.R. 1916: Mr. MOLINARI, Mr. NICHOLS, Mr. HUTTO, Mr. FAUNTROY, Mr. IRELAND, Mr. COATS, Mr. BUSTAMANTE, Ms. KAPTUR, and Mr. CARR.
H.R. 1946: Mr. OXLEY and Mr. WILSON.
H.R. 2011: Mr. FAUNTROY, Mr. GARCIA, Mr. WHEAT, Mr. EVANS of Illinois, Mr. HAYES, and Mr. CONYERS.
H.R. 2543: Mr. BEILENSON, Mr. CHAPPIE, Mr. HUTTO, Mr. NELSON of Florida, Mr. ROWLAND of Georgia, Mr. MCCLOSKEY, Mrs. HOLT, Mr. HERTEL of Michigan, Mr. FRENZEL, Mr. DOWDY of Mississippi, Mr. LOTT, Mr. TORRICELLI, Mr. MCGRATH, Mr. WEISS, Mr. JONES of North Carolina, Mr. HALL of Ohio, Mr. MCDADE, Mr. SWIFT, Mr. MOLLOHAN, and Mr. COBLE.
H.R. 2578: Mr. ANTHONY, Mr. BEREUTER, Mrs. BOGGS, Mr. BORSKI, Mr. BROOMFIELD, Mr. CARR, Mr. CHAPPIE, Mr. COELHO, Mr. COOPER, Mr. COYNE, Mr. DANIEL, Mr. DIXON, Mr. DIOGUARDI, Mr. DOWDY of Mississippi, Mr. ERDREICH, Mr. EVANS of Illinois, Mr. FAZIO, Mr. GEPHARDT, Mr. LEWIS of Florida, Mr. SKEEN, and Mr. VANDER JAGT.
H.R. 2684: Mr. YATRON.
H.R. 2691: Mr. DOWNEY of New York.
H.R. 2793: Mr. CHANDLER, Mr. SWIFT, and Mr. HUGHES.
H.R. 3002: Mr. DYMALLY.
H.R. 3099: Mr. DE LUGO, Mr. GRAY of Pennsylvania, Mr. BADHAM, and Mr. SLATTERY.
H.R. 3222: Mr. DANNEMEYER.
H.R. 3436: Mrs. BOXER and Mr. DASCHLE.
H.R. 3626: Mr. WHITTAKER.
H.R. 3689: Mr. ACKERMAN, Mr. BOLAND, Mr. BROOKS, Mr. BRYANT, Mrs. COLLINS, Mr. DE LUGO, Mr. FAUNTROY, Mr. FLIPPO, Mr. FOGLIETTA, Mr. RANGEL, Mr. STOKES, Mr. TOWNS, Mr. OWENS, Mr. KASTENMEIER, Mr. HUBBARD, and Mr. CONYERS.
H.R. 3845: Mr. RAHALL, Mr. LIPINSKI, Mr. MINETA, Mr. FAZIO, Mr. FOGLIETTA, and Mr. VENTO.
H.R. 3916: Mr. DOWDY of Mississippi and Mr. VALENTINE.
H.R. 3950: Mr. KASTENMEIER, Mr. HAWKINS, Mr. MILLER of California, Mr. STRATTON, and Mr. CLINGER.
H.R. 4003: Mr. BUSTAMANTE, Mr. GONZALEZ, Mr. LAFALCE, Mr. RUSSO, Mr. GLICKMAN, Mr. TORRES, Mr. HORTON, Mr. TRAFICANT, Mr. RODINO, Mr. ROSE, and Mr. MITCHELL.

H.R. 4025: Mr. NELSON of Florida, Mr. ENGLISH, Mr. VALENTINE, Mr. COYNE, Mr. BILIRAKIS, Mr. ROSE, and Mr. MOAKLEY.

H.R. 4030: Mr. MARKEY.

H.R. 4033: Mr. FEIGHAN.

H.R. 4054: Mr. FISH, Mr. PURSELL, Mr. TORRICELLI, and Mr. WIRTH.

H.R. 4060: Mr. BATES, Mr. CLAY, Mr. QUILLEN, Mr. GEJDENSON, Mr. TAUZIN, Mr. COYNE, Mr. FISH, Mr. EVANS of Illinois, Mrs. BENTLEY, Mr. SMITH of New Jersey, Mr. BARNARD, Mr. WIRTH, Mr. DIOGUARDI, Mrs. LONG, Mr. HERTEL of Michigan, and Mr. ROTH.

H.R. 4082: Mr. RICHARDSON, Mr. HUGHES, and Mr. WALGREN.

H.R. 4107: Mr. ROWLAND of Connecticut, Mr. WOLF, Mr. BOEHLERT, Mr. WHITEHURST, and Mrs. JOHNSON.

H.R. 4109: Mr. LEVINE of California and Mr. MARKEY.

H.R. 4119: Mr. HAWKINS, Mr. TOWNS, Mr. OBERSTAR, Mr. BOLAND, Mr. STOKES, Mr. BATES, Mr. LELAND, Mr. GREEN, and Mr. FRANK.

H.R. 4141: Mr. FISH, Mr. RAY, Mr. SHUMWAY, Mrs. LLOYD, Mr. SWINDALL, and Mr. PORTER.

H.R. 4145: Mrs. BENTLEY, Mr. SHUMWAY, Mr. ARMEY, and Mr. SMITH of Florida.

H.R. 4183: Mr. O'BRIEN, Mr. PRICE, Mr. SILJANDER, Mr. WORTLEY, Mr. NELSON of Florida, Mr. DYMALLY, Mr. CARNEY, Mr. ANDREWS, Mr. MRAZEK, Mr. WILSON, Mr. RAHALL, Mr. BOUCHER, Mr. LIGHTFOOT, Mr. MCGRATH, Mr. SMITH of Florida, Mr. RUDD, Mr. BEVILL, Mr. LAGOMARSINO, Mr. HORTON, Mr. SCHEUER, Mr. LEVIN of Michigan, Mr. YOUNG of Florida, Mr. HEFTEL of Hawaii, Mr. FAZIO, Mr. MATSUI, Mr. SABO, Mr. RODINO, Mr. LEWIS of Florida, Mrs. LLOYD, Mr. RANGEL, Mr. MCCOLLUM, Mr. CHANDLER, Mr. ROE, and Mr. HUTTO.

H.R. 4189: Mr. WHITEHURST and Mr. MRAZEK.

H.R. 4194: Mr. EDWARDS of California, Mr. BROWN of California, Mr. MORRISON of Connecticut, Mr. SEIBERLING, Mr. WORTLEY, Mr. RANGEL, Mr. WHEAT, Ms. KAPTUR, Mr. MILLER of California, and Mr. HAWKINS.

H.R. 4205: Mr. TORRES, Mr. WALGREN, Mrs. BURTON of California, Mr. NEAL, Mr. ACKERMAN, Mr. FEIGHAN, Mr. CONYERS, Mr. MARKEY, Mr. DYMALLY, Mr. RANGEL, Mr. MATSUI, and Mr. LIPINSKI.

H.R. 4227: Mr. EDWARDS of California, Mr. LEVIN of Michigan, Mr. OWENS, Mr. WEISS, Mr. BROWN of California, Mr. MARTINEZ, and Mr. CONYERS.

H.R. 4260: Mr. MCDADE and Mr. CONTE.

H.R. 4275: Mr. STANGELAND, Mr. MAVROULES, Mr. DORGAN of North Dakota, Mr. LEHMAN of Florida, Mr. MRAZEK, Mr. TOWNS, Mr. HAWKINS, Mr. LIPINSKI, Mr. SMITH of Florida, Mrs. BENTLEY, Mr. MARKEY, Ms. MIKULSKI, Mr. FOGLIETTA, Mr. MILLER of Ohio, Mr. MARTINEZ, Mr. DWYER of New Jersey, and Mr. VENTO.

H.R. 4304: Mr. MCCAIN, Mr. LAGOMARSINO, Mrs. BENTLEY, Mr. ROE, Mr. ERDREICH, Mr. DORNAN of California, Mr. WORTLEY, and Mr. LIVINGSTON.

H.R. 4318: Mr. MORRISON of Connecticut, Mr. NEAL, Mr. TORRES, and Mr. RUSSO.

H.R 4323: Mr. LOWRY of Washington, Mr. KLECZKA, Mr. HAYES, Mr. FRANK, Mr. RANGEL, Mr. SAVAGE, and Mr. FAUNTROY.

H.J. Res. 458: Mr. RITTER.

H.J. Res. 475: Mr. MOORE, Mrs. BURTON of California, Mr. EMERSON, Mr. CONYERS, Mr. MURPHY, Mr. DIXON, Mrs. HOLT, Mrs. BENTLEY, Mr. KASTENMEIER, Mr. YOUNG of Florida, Mr. SAVAGE, Mr. DANIEL, Mr. SABO, Mr. HAYES, Mr. CARPER, Mr. NATCHER, Mr. YOUNG of Missouri, Mr. O'BRIEN, Mr. LIGHTFOOT, Mr. BENNETT, Mr. CLAY, Mr. VANDER JAGT, Mr. ECKERT of New York, Mr. MOAKLEY, Mr. ROGERS, Mr. RANGEL, Mr. MARTINEZ, Mr. VALENTINE, Mr. ROWLAND of Georgia, and Mr. ROE.

H.J. Res. 483: Mr. FAUNTROY.

H.J. Res. 502: Mr. BROOKS, Mr. EVANS of Illinois, Mr. HUGHES, Mrs. JOHNSON, Ms. KAPTUR, Mr. MCDADE, Mr. MACKAY, Mr. NEAL, Mr. WEISS, and Mr. YOUNG of Alaska.

H.J. Res. 513: Mr. PANETTA, Mr. HORTON, Mr. EDWARDS of California.

H.J. Res. 528: Mr. AKAKA, Mr. BIAGGI, Mr. BUSTAMANTE, Mrs. JOHNSON, Mr. LEVIN of Michigan, Mr. MILLER of Ohio, Mr. MOODY, Mr. MOORE, and Mr. WISE.

H.J. Res. 541: Mr. BORSKI, Mr. RANGEL, Mr. BOEHLERT, Mr. HUGHES, Mr. SISISKY, Mr. WOLPE, Mr. ROSE, Mr. STARK, Mr. DOWDY of Mississippi, Mr. GONZALEZ, Mr. FOWLER, Mr. SIKORSKI, Mr. HENDON, and Mr. ROBINSON.

H.J. Res. 548: Mr. DE LUGO, Mr. MRAZEK, Mr. RANGEL, Mr. ASPIN, Mr. TAUZIN, Mr. ROE, Mr. TRAXLER, and Mr. VALENTINE.

H. Con. Res. 233: Mr. MCHUGH.

H. Con. Res. 275: Mr. BADHAM.

H. Con. Res. 290: Mr. SWIFT, Mr. MCGRATH, Mr. CROCKETT, Mr. DORNAN of California, Mr. MRAZEK, Mr. DIXON, Mr. DE LUGO, Ms. MIKULSKI, Mr. FISH, Mr. RANGEL, Mr. VENTO, Mr. HUGHES, Mr. WEISS, and Mr. SABO.

H. Res. 373: Mr. JACOBS, Mr. MORRISON of Connecticut, Mr. WEAVER, Mr. VENTO, Mr. EDWARDS of California, Mr. UDALL, Mr. MATSUI, Mr. RODINO, Mr. FRANK, Mr. RICHARDSON, Mr. DE LUGO, Mr. SOLARZ, Mr. HOWARD, Mr. BENNETT, and Mrs. BURTON of California.

H. Res. 383: Mr. WORTLEY, Mr. BILIRAKIS, Mr. NEAL, Mr. KINDNESS, Mr. CRANE, and Mr. LAGOMARSINO.

PETITIONS, ETC.

Under clause 1 of rule XXII,

285. The SPEAKER presented a petition of Senator Ted S. Nelson, Chairman, Committee on Governmental Operations, eighteenth Guam legislature, Agana, Guam, relative to a proposed Guam airport departure tax; which was referred to the Committee on Public Works and Transportation.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1524

By Mr. HAMMERSCHMIDT:

—On page 8, following line 15, add the following additional exemption to the general prohibition on administration of lie detector tests:

"(e) EXEMPTION FOR DOMESTIC AND INTERNATIONAL AVIATION SECURITY.—Nothing in this Act shall be construed to prohibit the administration, in the fulfillment of interstate, overseas, or foreign air transportation security requirements under sections 315 and 316 of the Federal Aviation Act of 1958, as amended, of any lie detector test—

"(1) to an individual whose employment may involve access, directly or indirectly, to commercial aircraft or to airport areas where access is restricted for security purposes; or

"(2) to an individual whose employment involves assuring the security of commercial aircraft or airport areas in fulfillment of requirements under such sections 315 and 316."

By Mr. REID:

—Page 8, after line 15, insert the following new subsection:

(e) LEGALIZED GAMING ESTABLISHMENT EXEMPTION.—(1) This Act shall not prohibit the use of a lie detector test on any employee or prospective employee of a gaming establishment regulated under State or local law.

(2) The exemption provided under this subsection shall not preempt any State or local law which prohibits or restricts the use of lie detector tests.

—Page 8, after line 15, insert the following new subsection:

(e) JEWELRY INDUSTRY EXEMPTION.—(1) This Act shall not prohibit the use of a lie detector test on any employee or prospective employee of an employer whose primary business purpose is the sale or manufacture of jewelry.

(2) The exemption provided under this subsection shall not preempt any State or local law which prohibits or restricts the use of lie detector tests.

By Mr. YOUNG of Florida:

Amendment in the nature of a substitute.

—Strike out all after the enacting clause and insert in lieu thereof the following:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the 'Polygraph Reform Act of 1985'.

DEFINITIONS

SEC. 2. For the purposes of this Act—

(1) the term 'commerce' has the meaning provided by section 3(b) of the Fair Labor Standards Act (29 U.S.C. 203(b));

(2) the term 'employer' has the same meaning as—

(A) such term is defined in section 2(2) of the National Labor Relations Act (29 U.S.C. 152(2)); and

(B) the term 'carrier' is defined in section 1 of the Railway Labor Act (45 U.S.C. 151);

(3) the term 'polygraph examination' means—

(A) any examination involving the use of any polygraph, deceptograph, voice stress analyzer, psychological stress evaluator, or any other similar device which is used for the purpose of detecting deception or verifying the truth of statements; and

(B) any interview of any employee or prospective employee that uses any device referred to in subparagraph (A) regardless of terms used in reporting to an employer the findings, opinions, or statements made in or results of such examination;

(4) the term 'polygraph examiner' means any person who conducts a polygraph examination as defined in paragraph (3) of this section; and

(5) the term 'Secretary' means the Secretary of Labor.

FINDINGS AND PURPOSE

SEC. 3. (a) The Congress finds that—

(1) the improper use of polygraph examinations in work situations in industries engaged in interstate commerce imposes a substantial burden on interstate commerce through loss of employment and employment opportunities; and

(2) the free flow of goods and services in interstate commerce is burdened by theft, dishonesty, and breaches of trust by dishonest employees and by crimes committed against employees, customers, and the public.

(b) The purposes of this Act are to—

(1) establish minimum standards for the use of polygraphs in employment;

(2) encourage the States and political subdivisions thereof to administer such standards in accordance with the policies of this Act;

(3) provide relief for the improper use of polygraphs; and

(4) provide for Federal oversight of the administration of such standards.

PROHIBITION OF POLYGRAPH TESTING NOT IN ACCORDANCE WITH MINIMUM STANDARDS

SEC. 4. No employer may take any action affecting the employment status of an employee or prospective employee, if such action is based on the results of a polygraph examination of such employee or prospective employee that has not been administered in accordance with sections 5 and 6 of this Act.

RIGHTS OF POLYGRAPH EXAMINEE

SEC. 5. (a) Each prospective examinee shall sign a notification prior to any polygraph examination which states that—

(1) such examinee is consenting voluntarily to take the examination;

(2) the polygraph examiner may not inquire into—

(A) religious beliefs or affiliations;

(B) beliefs or opinions regarding racial matters;

(C) political beliefs or affiliations;

(D) sexual preferences or activities, unless necessary to determine the qualifications of the employee to be employed (1) by a nursing home, rest home, sanitarium, hospital, day nursery or similar child care facility, or such other institution or service in which the well-being of children, the aged, handicapped, or infirm are entrusted to the care of the employees of such institutions or services, or (2) by an employer providing services in the residence of the employer's customers; or

(E) beliefs, affiliations, or opinions regarding unions or labor organizations;

(3) such examinee may terminate the examination at any time;

(4) such examinee shall be provided with a written copy of any opinions or conclusions rendered as a result of the examination upon written request and payment of a reasonable fee by such examinee;

(5) the polygraph examiner is prohibited from asking the examinee any question during the examination that is not in writing and was not reviewed with the examinee prior to the examination;

(6) such examinee has specific legal rights and remedies if the polygraph examination is not conducted in accordance with the provisions of this Act; and

(7) such examinee may receive a copy of the notification upon written request.

(b) Upon written request from an examinee, a polygraph examiner shall provide a signed copy of all opinions or conclusions of a polygraph examination rendered in accordance with section 6 of this Act.

(c) No action may be taken by an employer regarding the employment status of an employee or an applicant for employment that is based solely on opinions or conclusions of a polygraph examiner reached by analysis of a polygraph chart.

(d) Nothing in this section shall be construed to apply with respect to a polygraph examination conducted by, or at the direction of, the United States in accordance with otherwise applicable Federal law.

MINIMUM STANDARDS FOR POLYGRAPH EXAMINATIONS

SEC. 6. (a) A polygraph examination may be conducted only by a person who—

(1) is at least twenty-one years of age;

(2) is a citizen of the United States;

(3) is a person of good moral character;

(4) is in compliance with all laws, rules, and regulations of any appropriate State or local government authority governing the use of polygraphs; and

(5)(A) holds a baccalaureate degree from an accredited college or university and has successfully completed a formal training course in the use of polygraphs that has been approved by the Secretary; and

(B) has completed a polygraph examiner internship of at least six months in duration under the direct supervision of a polygraph examiner who has met the requirements of this section.

(b) Notwithstanding the provisions of paragraph (5) of subsection (a), a person shall be permitted to conduct a polygraph examination in accordance with the provisions of this Act, if such person—

(1) has met the requirements of paragraphs (1) through (4) of subsection (a); and

(2)(A) on the date of enactment of this Act, holds a valid polygraph examiner license issued by a licensing authority of a State or political subdivision thereof; or

(B)(i) within a period of five years immediately preceding the date of enactment of this Act, has conducted not less than two hundred polygraph examinations; and

(ii) within one year after the date of enactment of this Act, has satisfactorily completed a formal training course in the administration of polygraph examinations approved by the Secretary.

(c) All examiners meeting the requirements of subsections (a) and (b) of this section shall be required every twenty-four months to complete not less than twenty-four hours of continuing education approved by the Secretary regarding the use of polygraphs.

(d) A polygraph examiner may not ask a question during a polygraph examination, unless such question is in writing and has been reviewed with the examinee prior to such examination.

(e) A polygraph examiner may not inquire into—

(1) religious beliefs or affiliations;

(2) beliefs or opinions regarding racial matters;

(3) political beliefs or affiliations;

(4) sexual preferences or activities, unless necessary to determine the qualifications of the employee to be employed by (1) a nursing home, rest home, sanitarium, hospital, day nursery or similar child care facility, or such other institution or service in which the well-being of children, the aged, handicapped, or infirm are entrusted to the care of the employees of such institutions or services or (2) by an employer providing services in the residence of the employer's customers; and

(5) beliefs, affiliations, or opinions regarding unions or labor organizations.

(f) A polygraph examiner may not perform more than twelve polygraph examinations in any twenty-four hour period.

(g)(1) A polygraph examiner shall—

(A) use an instrument which records continuously, visually, permanently, and simultaneously changes in cardiovascular, respiratory, and galvanic skin response patterns as minimum instrumentation standards; and

(B) base an opinion of truthfulness upon changes in physiological activity or reactivity in the cardiovascular, respiratory, and galvanic skin response patterns.

(2) A polygraph examiner may use an instrument which records additional physiological patterns as measured in paragraph (1) and may consider such additional patterns in rendering an opinion.

(h) All conclusions or opinions of the polygraph examiner arising from the polygraph examination shall—

(1) be in writing and based only on polygraph chart analysis;

(2) contain no information other than admissions, information, and interpretation of the chart data relevant to the purpose and stated objectives of the examination; and

(3) contain no recommendation regarding the prospective or continued employment of an examinee.

(i) A polygraph examiner shall maintain all opinions, reports, charts, questions lists, and all other records relating to the polygraph examination for a minimum of two years after administering such examination.

"(j) Nothing in this section shall be construed to apply to a polygraph examiner employed by the United States, or conducting a polygraph examination at the direction of the United States in accordance with otherwise applicable Federal law."

CERTIFICATION OF ADMINISTRATIVE PLANS

SEC. 7. (a) Any State or political subdivision thereof which desires to develop and enforce standards for the use of polygraphs by employers and polygraph examiners may submit an administrative plan to the Secretary at such times, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Such plan shall—

(1) identify any agency designated as responsible for administering the plan;

(2) describe the standards in the administrative plan governing polygraph examiners and the use of polygraph examinations;

(3) provide assurances through a written certification that such standards and the enforcement of such standards, shall be at least as effective as the standards set out in this Act; and

(4) explain the manner in which the standards in such plan are administered and enforced by such agency to assure compliance with this Act.

(b) An administrative plan providing adequate assurances and meeting the requirements of subsection (a) shall be deemed approved by the Secretary.

(c) The Secretary shall make a continuing evaluation of each administrative plan which has been approved. If the Secretary finds that a plan is not being administered in a manner that assures substantial compliance with the standards of this Act, the Secretary shall notify the State or political subdivision thereof of the withdrawal of approval of such plan and, upon receipt of such notice, such plan shall cease to be in effect.

(d) Review of a decision of the Secretary to withdraw approval of an administrative plan under this section may be obtained in the United States court of appeals for the circuit in which the State or political subdivision thereof is located by filing a petition for review with such court within thirty days after receipt of the notice of withdrawal of approval.

CERTIFICATION OF POLYGRAPH EXAMINERS

SEC. 8. (a)(1) No person may conduct polygraph examinations, unless such person has certified to the Secretary that he is conducting such examinations in compliance

with sections 5 and 6 of this Act and is in compliance with rules and regulations issued by the Secretary pursuant to section 12 of this Act.

(2) The provisions of paragraph (1) shall not apply if such person has met the requirements of an administrative plan adopted pursuant to section 7 of this Act.

(b) The Secretary shall make a continuing evaluation of each certification required by subsection (a) of this section. If the Secretary finds that a person is not in compliance with the provisions of sections 5, 6, and 7 of this Act, the Secretary shall notify the person of the revocation of certification and, upon receipt of such notice, such person may not conduct polygraph examinations.

(c) Review of a decision of the Secretary to revoke a certification under this section may be obtained in the United States district court in the district in which the person resides or has a principal place of business by filing a petition for review with such court within thirty days after receipt of the notice of revocation of certification.

(d) Nothing in this section shall be construed to apply to a polygraph examiner employed by the United States, or conducting a polygraph examination at the direction of the United States in accordance with otherwise applicable Federal law.

DISCLOSURE OF INFORMATION

SEC. 9. (a) A person other than an examinee may not disclose information obtained during a polygraph examination, except as provided in this section.

(b) A polygraph examiner, polygraph trainee, or employee of a polygraph examiner may disclose information acquired from a polygraph examination only to—

(1) another polygraph examiner in private consultation, the examinee or any other person specifically designated in writing by the examinee; and

(2) the person or governmental agency that requested the examination or others required by due process of law.

(c) An employer for whom a polygraph examination is conducted may disclose information from the examination only to a person described in subsection (b).

(d) Nothing in this section prohibits the disclosure of information obtained during a polygraph examination to a federal law enforcement agency or intelligence agency in accordance with otherwise applicable Federal law or to prohibit subsequent redisclosure by such an agency in accordance with such law.

WAIVER OF RIGHTS PROHIBITED

SEC. 10. The rights and procedures provided pursuant to this Act may not be waived by contract or otherwise. No polygraph examiner may request an examinee to waive any such right or procedure.

NOTICE OF PROTECTION

SEC. 11. The Secretary shall prepare and print a notice setting forth information necessary to effectuate the purposes of this Act. Such notice shall be posted at all times in conspicuous places upon the premises of every employer engaged in any business in or affecting interstate commerce.

AUTHORITY OF THE SECRETARY

SEC. 12. The Secretary shall—

(1) issue such rules and regulations as may be necessary or appropriate for carrying out this Act;

(2) cooperate with regional, State, local, and other agencies, and cooperate with and furnish technical assistance to employers, labor organizations, and employment agencies to carry out the purposes of this Act; and

(3) make investigations and inspections and require the keeping of records necessary and appropriate for the administration of this Act.

CIVIL PENALTIES

SEC. 13. (a) Subject to the provisions of subsection (b) of this section, whoever violates this Act may be assessed a civil penalty of not more than $10,000 by the Secretary.

(b) In determining the amount of any penalty under subsection (a) of this section, the Secretary shall consider the previous record of the person in complying with the Act and the gravity of the violation

RELIEF

SEC. 14. (a) Any person who is given a polygraph examination in violation of this Act may bring a civil action against the polygraph examiner in the United States district court in the district in which the alleged violation occurred or in which the examiner has its principal office.

(b) Upon a finding of a violation of this section, such court may grant appropriate relief, including the imposition of a civil fine of not more than $10,000.

(c) In addition to the relief provided in subsections (a) and (b) of this section, an employee or prospective employee seeking relief from a violation of this Act in a jurisdiction in which the certification requirements of section 7 of this Act have not been complied with, shall be provided relief in accordance with the provisions of sections 11(b), 16, and 17 of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(b), 216, and 217). Amounts owing to a person as a result of a violation of this Act shall be deemed to be unpaid minimum wages or unpaid overtime compensation for purposes of sections 16 and 17 of the Fair Labor Standards Act of 1938 (29 U.S.C. 216 and 217).

(d) The remedies provided by this Act shall be exclusive and may not be construed to permit a cause of action by an examinee against any party other than an employer, a prospective employer, or a polygraph examiner.

(e) If a State or political subdivision thereof is in compliance with section 7 of this Act, any person seeking relief under this section must first exhaust the remedies of the administrative plan of the State or political subdivision thereof.

EFFECTIVE DATE

SEC. 15. This Act shall take effect one year after the date of enactment.

SENATE—*Tuesday, March 11, 1986*

(Legislative day of Monday, March 10, 1986)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

To everything there is a season, and a time for every purpose under the heaven.—Ecclesiastes 3:1.

Eternal Father, thank You for time. Help us to appreciate this priceless gift we so easily take for granted. Thank You for its equitable distribution, each of us enjoying the same amount as every other person. Remind us that we cannot save it up for future use—we must use it as we receive it, minute by minute, hour by hour. The richest of us cannot have more than the poorest of us. Time is not for sale. And it passes so swiftly—so silently—so inexorably—never to be recovered. Forgive us, Father, for misusing it—for abusing it—for wasting it—for killing it—then complaining that we never have enough. May we remember daily that time is of the essence in this election year. October will be here before we know it. Both political parties, each individual candidate, need time for their campaigns. And there is so much to be done! Grant to our leaders and each Senator grace and wisdom to make the most of each hour—each day. Save us from year-end frustration, disappointment and futility. In the name of Him Who fulfilled His earthly destiny and was never in a hurry. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each. That will be followed by a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes. There will then be a period for the transaction of routine morning business not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

At 10 a.m., it is my hope that we can have a time agreement on the nomination of Mr. Sidney Fitzwater, to be a U.S. district judge, and that we can have a rollcall vote on that before the recess for the Democratic and Republican policy luncheons. The recess will occur from 12 until 2 p.m.

Mr. President, at 2 p.m., it would be my hope that we would return to Senate Joint Resolution 225, the balanced budget resolution.

Let me also for the record indicate that the managers on each side were here yesterday prepared to debate amendments and to vote on amendments, but no amendments were forthcoming. I would urge my colleagues on each side who have amendments to cooperate with the managers and with the leadership so that we can dispose of this legislation no later than tomorrow.

If there are amendments, it would be my hope that they would be offered and they would be debated; that we would have the vote and they would be disposed of, adopted, rejected, whatever, and that we could dispose of most of those today.

There will not be a particularly late session this evening, but it is our hope to complete action on the balanced budget resolution tomorrow evening, and it could be late tomorrow evening.

On Thursday and Friday, we would like to move to the water bill, S. 1567, to which I referred yesterday. It is my understanding from both sides that that could be disposed of perhaps on Thursday and part of Friday.

Following that, for next week we have penciled in on Monday and Tuesday contra aid. That is flexible. That can come any time next week.

Following that, we will move to the budget resolution, if it has been reported by the Budget Committee. That could take us up to the evening of the 27th, when the Easter recess begins. I hope we could complete that action.

Mr. President, there may be some other matters that need to be addressed before the Easter recess that we can work out without lengthy debate.

It is also my hope this morning that we can reach some agreement on this technical matter with reference to the farm bill we passed earlier last week.

We have suggested that the best way to resolve it, as I indicated last night, is to drop the word "shall." I have been assured, I might add, by a top White House source that if we can resolve this problem, the President will sign the bill. Some will say, "Well, he will not sign the bill anyway." Others say, "No, he will sign the bill."

I am now prepared to indicate that if we can resolve this problem, the President will sign the legislation.

Mr. President, I am informed that the compromise language is acceptable to the Senator from Iowa, who is also working on a colloquy. We may be prepared to do that within the hour.

If that be the case, we can have it back to the House, perhaps have action today, and have it signed by the President today so that farmers will know precisely what the program is and what the benefits would be. I think that would be very helpful.

THE PRESIDENT'S LETTER ON HOUSE JOINT RESOLUTION 3

Mr. DOLE. Mr. President, yesterday, after second reading, House Joint Resolution 3, concerning nuclear testing, was referred to the Committee on Foreign Relations for futher consideration.

I want to share with the Senate a letter which I recently received from the President on House Joint Resolution 3. In the letter, the President urges rejection of the resolution, on the grounds that its passage would "undercut the initiatives—the President has proposed—to make progress on nuclear test limitations issues * * * and would set back prospects on a broad range of arms control efforts, including the achievement of deep, stabilizing and verifiable arms reductions."

Mr. President, the President's letter addresses effectively issues which the members of the Foreign Relations Committee and all Senators need to consider as we grapple with these important issues. I urge all Senators to read the President's letter carefully.

I ask unanimous consent that the text of the President's letter be included in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter follows:

THE WHITE HOUSE,
Washington, DC, March 7, 1986.

Hon. ROBERT DOLE,
Majority Leader, U.S. Senate,
Washington, DC.

DEAR BOB: As you know, on February 26 the House of Representatives passed H.J. Res. 3, "To Prevent Nuclear Testing," and this issue is now before the United States Senate. The resolution calls for the immedi-

ate ratification, without needed verification improvements, of both the Threshold Test Ban Treaty (TTBT) and the peaceful Nuclear Explosions Treaty (PNET). It also calls for the resumption of negotiations with the Soviet Union toward a Comprehensive Test Ban (CTB), despite the fact that the U.S. Government has made clear its very serious reservations in taking such a step under present conditions.

Any limitations on nuclear testing must be compatible with our security interests and must be effectively verifiable. Because of the continuing threat that we face now and for the foreseeable future, the security of the United States, its friends and its Allies must rely upon a credible and effective nuclear deterrent. A limited level of testing assures that our weapons are safe, effective, reliable and survivable and assures our capability to respond to the continued Soviet nuclear arms buildup. Such testing, which is conducted underground, is permitted under the existing agreements on nuclear test limitations, all of which the United States fully complies with—the TTBT, the PNET, and the Limited Test Ban Treaty (LTBT).

A CTB remains a long-term goal of the U.S. However, it must be viewed in the context of achieving broad, deep and verifiable nuclear arms reductions, substantially improved verification capabilities, a greater balance in conventional forces and at a time when a nuclear deterrent is no longer as essential an element as currently for international security and stability.

A first, priority step toward this goal is the pursuit of equitable and verifiable arms reductions in the current negotiations in Geneva on nuclear and space arms. We are, at the same time, seeking Soviet agreement to enhanced verification measures for the TTBT and PNET and are discussing verification problems of a CTB at the Conference on Disarmament in Geneva. Our concerns are heightened by the pattern of Soviet noncompliance with its arms control obligations, including current agreements on limiting nuclear testing.

Our efforts to achieve essential verification improvements include three approaches to the Soviets in 1983 to engage in discussion. In 1984 I proposed an exchange of Soviet and U.S. experts to measure directly the yields of tests of nuclear weapons at each other's test sites. In mid-1985, I unconditionally invited Soviet experts to measure such a test at the Nevada Test Site, bringing with them any instrumentation devices they deemed necessary. In December, 1985, I proposed to Secretary General Gorbachev that U.S. and Soviet experts on nuclear testing limitations meet in February, 1986, to discuss our respective verification approaches and to address initial tangible steps to resolve this issue.

Regrettably, the Soviet Union has thus far not responded either to the serious U.S. concerns in this area or to any of our initiatives to address these concerns in a constructive manner.

The actions called for by H.J. Res. 3 do not serve the interests of the United States, our Allies and our friends. They would undercut the initiatives I have proposed to make progress on nuclear test limitations issues, and they would set back prospects on a broad range of arms control efforts, including the achievement of deep, stabilizing, and verifiable arms reductions.

Sincerely,

RON.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. MCCONNELL). The distinguished minority leader is recognized.

Mr. BYRD. I thank the Chair.

Mr. President, I yield such time as he may desire to use out of my order to the distinguished Senator from California [Mr. CRANSTON].

The PRESIDING OFFICER. The distinguished Senator from California is recognized.

Mr. CRANSTON. I thank the distinguished minority leader, the great Senator from West Virginia.

OPPOSING THE SALE OF ARMS TO SAUDI ARABIA

Mr. CRANSTON. Mr. President, later this morning the administration is expected to send informal notification to Congress of its intent to sell another package of sophisticated arms to the Kingdom of Saudi Arabia. I am strongly opposed to this sale, and am prepared to lead the effort to block its consummation. Later this month I will offer a resolution of disapproval which would bar execution of the sale, and will be joined in this bipartisan effort by my colleagues BOB PACKWOOD, ALAN DIXON, ALFONSE D'AMATO, and FRANK LAUTENBERG.

Last year, I wrote President Reagan on January 29, in a letter cosigned by 63 of my colleagues, to express serious reservations about any new arms sale to Saudi Arabia. Then, last September, more than 60 of my colleagues agreed to cosponsor a draft resolution of disapproval against a new Saudi arms package. The action taken by the administration today suggests that a confrontation between Congress and the executive branch over this issue may no longer be avoidable.

This confrontation is in itself a watershed in United States-Saudi relations. For nearly two decades, the United States has shipped more than $40 billion worth of arms to the Saudis in furtherance of the so-called twin pillar policy—the notion that United States interests in the gulf region could best be secured by aggressively arming the Shah and the Saudis. Despite the fact that one pillar has fallen in Teheran and despite the actions of the Saudis in scorning basic American interests in the region, the State Department continues to grant Saudi efforts to stockpile our most advanced weapons. In this sense, our opposition to the latest Saudi request is a rejection of a failed policy more than a fight over a specific arms export request. We are fighting for an important principle, not fighting against the export of any specific piece of sophisticated American weaponry.

The proposed $354 million sale includes some 995 AIM 9L Sidewinder missiles, 671 AIM 9P4 Sidewinders, 200 man-portable Stinger ground-to-air missiles with another 600 Stinger reloads, and 100 Harpoon air-to-sea missiles. I am opposed to this sale because of the hostility Saudi Arabia has shown for fundamental United States national security interests in the Middle East. These vital U.S. interests include:

Combating terrorism and denying terrorists any support;

Broadening the peace process by building on Camp David;

Securing the military and economic health of our key allies, Israel and Egypt.

In each of these crucial efforts, Saudi Arabia has not only failed to support American efforts, but has also worked actively to oppose us. Specifically, the Saudi monarchs have continued to fund the PLO and Syria—the protectors of terrorists who have murdered hundreds of Americans. The Saudis have undermined the fitful efforts of King Hussein to move forward in the peace process, working against him in pan-Arab conferences and attempting to isolate Jordan and Egypt because of their willingness to pursue peace with Israel. Finally, under Saudi leadership, pan-Arab conferences have stepped up efforts to punish American businesses and workers who cooperate with Israel—and have backed Colonel Qadhafi, pledging to make good on any losses incurred from the American boycott of Libyan goods.

I do not believe it is consistent with United States national security interests to reward the Saudi kingdom for its hostility toward our key objectives.

In addition to the pending missile package, the Saudis have received indications from the administration that the State Department is prepared to respond favorably to subsequent Saudi requests for such items as Blackhawk helicopters, F-15 retrofit equipment—speed enhancement—and ECM—electronic countermeasure—kits for their F-15's. The Saudis have also requested more F-15 aircraft, M-1 tanks, bomb racks for their F-15's and more fuel tanks to extend the F-15's range. Thus, the current sale is just "the camel's nose under the tent" and there is every likelihood that Congress will be asked to approve additional arms sales to the Saudis after our elections this fall.

The three principal arguments advanced by the administration in support of the latest Saudi request are: First, the Saudis are said to need this equipment desperately to maintain their existing capabilities; second, the Saudis are said to need the missiles to defend against a possible Iranian advance through Iraq; third, the United States needs to proceed with the sale—which is said to be a test of our friendship—so that we can get back to busi-

ness as usual in our arms supply relationship with the Saudis.

I reject each of these arguments. First, it should be clear that these missiles are needed only to fill further bulging Saudi supply warehouses. Consummation of this sale would give the Saudis an astonishing total of 37 advanced missiles per capable aircraft versus a ratio of less than 20:1 in the United States Air Force, 9:1 in NATO, and 6:1 in Israel. Second, the antiaircraft missiles have no relevance to the ground war between Iran and Iraq; Iran has only 60 aircraft left capable of flying and the Saudis can already overwhelm these. Finally, it is precisely in order to avert a return to business as usual that the Congress seeks to bar the pending sale—we do not wish to continue unchanged a relationship that has seen the United States supply the Saudis since 1971 with more than $44 billion in our most sophisticated weaponry—half in the past 5 years alone—while the Saudis have consistently scorned our basic interests.

I urge my colleagues to reject business as usual with Riyadh and to join us in opposing the latest Saudi arms request.

Mr. President, I and those joining me as leaders in this effort—Senators PACKWOOD, DIXON, D'AMATO, and LAUTENBERG—will today circulate a Dear Colleague letter to all of our colleagues in the Senate spelling out the reasons for our opposition to the sale and asking Members to join as cosponsors of the impending resolution of disapproval of the impending sale. I urge all colleagues who are interested to get in touch with my office today or with me directly to indicate their desire to join on this measure as cosponsors.

Mr. President, I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order the Senator from Wisconsin is recognized for not to exceed 15 minutes.

Mr. PROXMIRE. I thank the Chair.

WHY CONGRESS SHOULD CONTINUE TO STOP THE MEGABANK

Mr. PROXMIRE. Mr. President, how can we best advance the services of American banking? First, let us begin with our present advantages. American banking is unique. Only in America are there independent banks, literally thousands of independent banks. Only in America is there no genuine concentration of financial power. Every other country on Earth concentrates its financial power in the hands of a few. Not in the United States. Consider: in the United Kingdom, six large banks do 95 percent of the business. In France—the same. In Germany—the same concentration. In Italy, in Japan, in Canada, a few banks, a very few; megabanks do virtually all the business. In most countries, the vast majority of borrowers have never met anyone who owns even a piece of the bank that controls their credit fate. And the bankowners have met few if any of the borrowers who rely for their credit on their banker.

But not in the United States. This country has more than 11,000 independent banks. That's right, 11,000. How much of the total banking business of the Nation do even our biggest banks do? Listen: The 10 biggest banks in our country do less than 30 percent of the banking business. Does this reduce the attractiveness of our capital markets? No, indeed. Experts throughout the world recognize that right now, America has the best capital markets on Earth. What a great combination this country has. We have the best capital markets in the world. We also have the only decentralized locally owned banking system anywhere.

Why does America alone enjoy the benefits of this locally owned financial system? Answer: Because for many years, Congress has had the wisdom to prohibit large banks from branching across State lines. Throughout American history, no New York financier has been able to own a bank in Wisconsin or Kansas or in any other State outside of New York. Within the States themselves, with some exceptions, community banks do most of the banking business. The typical independent business located in a small town secures its credit needs from a banking institution owned by bankers who live in the same town. Now this is changing. And unless Congress cracks down, within one or two generations, our country will go the way of other countries, that is to a few mammoth banks dominating our credit markets. Why does this unique American ownership of our banks represent an advantage over banking services offered by branches of big metropolitan institutions located hundreds of miles away in a different State? First, the local bank has a stake in the community. It can only thrive if the community thrives. It lives or dies with the community.

Second, the owners of the community bank typically also operate the bank. They have often grown up with their borrowers. The owners associate with their borrowers daily. The bank owner-operators know more than the cold numbers on a balance sheet or in an operating statement. They know the character, the work habits of their borrowing customers. They know which borrower's word is his bond, and which does not so regard his promise to pay. All lending decisions are made by the locally owned bank. They are made locally. They are not made in Minneapolis or Chicago or New York City. The community bank is likely to have a far deeper and surer feel for the economic prospects within the community than the branch bank whose major lending decisions are made on a national or even international basis without any special commitment to the community.

Mr. President, there is a third, even more vital, reason to preserve our unique system of individually owned community banks. A banking system that consists of thousands of individually owned banks has the energizing and motivating incentives of capitalism at its best working for it. The large multibranched and multi-billion-dollar bank with tens of thousands of employees and hundreds of branches suffers the disadvantage of "socializing" operations for their branches. This is not a political slogan. This is a hard, tough, practical fact of life. Branch managers of the huge megabanks do not work for themselves. They do not own the bank they are operating. Their compensation and promotions depend not on the local community, they depend on their loyalty to the top managers at headquarters hundreds or thousands of miles away.

In many cases, the top branch manager may stay at the branch during a relatively brief period of his career. His promotions may hinge on two elements: First, his commitment to the interests of the bank holding company headquarters—not the local community. Second, his success within the multibranch organization is likely to hinge on the short-run performance of the branch he manages during the relatively brief time he runs it. Are such managers interested in long-range, permanent progress for the local branch and the local community? Or are they interested in the short-range performance that will impress the top people during the relatively short time they stay with that particular branch? You know the answer.

Ironically, those who favor fewer, larger banking institutions contend this is the logical way of free, unfettered capitalism. They contend that if the consequence of free, unfettered competition is five or six mammoth banking institutions doing 95 percent of the banking business in our country, well, that is the way it has to be. This is nonsense. Our 11,000 independent banking institutions are far more competitive than a small handful of lumbering giants could ever be. What is more, they are more productive.

Consider: Where does the United States win the sharpest advantage over the Soviet Union? Answer: In our agriculture. Why? Because the United States has hundreds of thousands of independent family farms. Each of

those farms is individually owned by farmers who own their land, their implements, their animals.

Of course, that is in contrast with the Soviet Union where the state owns everything. Nobody owns their land. Nobody owns their implements. Nobody owns their animals. Therefore, they do not have the same motivation because they do not gain if they are more productive. The state gains; they do not gain. But in America, on every one of those farms, the individual farmer's income depends on his own hard work, his own ingenuity, and his own judgment.

Just think of it. Last year overall productivity, the prime measure of economic efficiency in America declined. There was one big and emphatic exception. Where was that? In spite of sharply falling farm prices in the face of painful rising costs, the American farmer was the only major economic group that enjoyed a big, in fact a double digit, increase in productivity. The individual American banking institution, the community bank driven by the same incentives and discipline of individual responsibility will serve this country far better than corporate socialism ever will. Congress should continue to oppose regional or national branching of our banking system.

THREE CHEERS: ARMS CONTROL NEGOTIATIONS TURN TO VERIFICATION

Mr. PROXMIRE. Mr. President, on January 9 the Washington Post reported that the United States and the Soviet Union would negotiate at the Geneva arms control talks on "effective measures of verification." These discussions began in mid-January. They are expected to continue into March. The Post report called these verification negotiations a new initiative. Until now the administration has confined its nuclear arms control proposals to mutual reduction of nuclear arms.

This Senator views this newest initiative as highly welcome. Here is why: Reliable verification procedures are quintessential to the successful negotiation of reliable arms control agreements with the U.S.S.R. Should either superpower rely for compliance on trusting the good will and veracity of the adversary? No. Survival and world domination is at stake. Nuclear arms technology can accelerate at lightning speed. Undetected cheating could give the adversary a swift and decisive advantage. Because such an advantage would almost certainly be temporary, the temptations to launch a preemptive strike could be severe.

There is an even more compelling reason for negotiating improved verification procedures right now at Geneva. Charges of cheating are poisoning the prospects of arms control. Arms control can become nothing more than naive folly. It becomes a foolish unilateral disarmament if one of the two parties to an arms control agreement cheats in a way that is militarily significant. In the long history of conventional arms control agreements between soverign nations, democracies as well as dictatorships have often cheated and secured advantage by doing so. What in the relationship between the Soviet Union and the United States in 1986 should give us reason to believe that with effective verification we can negotiate arms control agreements with the Soviet Union that will secure reliable compliance?

Mr. President, there are at least three reasons why agreements between the superpowers to limit or reduce nuclear arms can secure reliable compliance.

Reason No. 1 is the remarkable advance of verification technology. Both sides know that the eyes and ears of satellite monitoring and seismology monitoring has given each of the superpowers a strong capability of detecting cheating.

Second, both the immense cost of continuing the arms race and the tragic danger of such a race—unrestrained by arms control—has to inhibit cheating. After all, cheating that is exposed can destroy any prospect of arms control. It can make the terrible danger and the heavy economic burden of a nuclear arms race certain.

Third, in this Senator's judgment, the record of nuclear arms control compliance over the more than 20 years during which nuclear arms control agreements between the two superpowers have been in force has been far better than the profusion of recent charges of violations seem to indicate.

Oh, sure, the Soviets have proceeded with the construction of radar at Krasnoyarsk that constitutes a prima facie violation of the ABM Treaty. And, yes, they have engaged in the encryption of their telemetry to an extent that would certainly appear to violate the explicit language of article XV of SALT II. But we can and should go to the mat with the Russians on these two most flagrant violations at the Standing Consultative Commission. And where is the evidence at this point that either violation or any other Soviet arms control violation has any military significance? The Krasnoyarsk radar will be useless in stopping incoming ICBM's until the Soviets have researched, developed, and deployed the intercepting weapon systems. They would need to take advantage of the radar warning of an incoming ICBM. At the earliest that is decades away. It is much more likely that such interceptors will never be deployed and will not work effectively if they are deployed.

As for the encryption of telemetry, the wording of the clause in article XV of SALT II that prohibits encryption is so ambiguous that it was widely hooted at as ineffective when SALT II was signed. The U.S. Senate never ratified SALT II. The treaty expired December 31, 1985. Both sides have indicated a tentative compliance on their own terms. SALT II is obviously ripe for renegotation including a sharp clarification of the ambiguity in limiting encryption of telemetry.

In summary, the intention by the superpowers to negotiate improved verification is good news for nuclear arms control at a time when arms control urgenly needs all the good news it can get. Certainly, if both sides can agree to reduce the ambiguities in arms control treaties, aggressively use the Standing Consultative Commission to resolve allegations of cheating, and take full advantage of the marvels of verification technology, arms control can immensely advance peace and security.

Mr. President, I ask unanimous consent that the article to which I referred in the January 9 Washington Post by Don Oberdorfer and Walter Pincus be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 9, 1986]

ARMS COMPLIANCE IDEAS DRAFTED

(By Don Oberdorfer and Walter Pincus)

Reagan administration policymakers are working on a series of specific proposals to be presented to the Soviet Union on ways to verify compliance with future arms control agreements, administration officials said yesterday.

The interagency discussions were stimulated by a general accord between President Reagan and Soviet leader Mikhail Gorbachev at their November summit that "effective measures of verification" will be agreed on during Geneva negotiations on nuclear and space arms.

The U.S. aim, officials said, is to produce a full array of proposals in this area for presentation in the next round of talks, scheduled to begin next week and continue into March. Until now, the administration has made proposals only for arms reduction, and has not advanced concrete suggestions for verifying compliance with a future agreement—if there is one.

Verification of compliance with arms control agreements has long been a contentious issue. The administration is currently debating how to respond to alleged Soviet violations of the SALT II arms control treaty, which the superpowers never ratified but have pledged not to undercut.

The administration's working group on arms control policy (SAC-G) is scheduled to meet this week to begin discussing Defense Department suggestions for responses to Soviet violations of SALT II and other arms control agreements.

Whether the new verification proposals now being discussed are put on the bargaining table will depend on the judgment of U.S. negotiators in Geneva as well as Washington's progress in dealing with what offi-

cials called "very difficult" issues. In the past, there has been a deadlock among departments and agencies on such matters as counting mobile missiles and determining in verifiable fashion the acceptable range of intermediate-range missiles and aircraft.

U.S. arms negotiators will go back to the bargaining table next Thursday instructed to pursue their proposals on strategic offensive arms and intermediate-range arms made shortly before the Reagan-Gorbachev summit. The "verification packages" now under study may be among the few new elements introduced by the U.S. side in this next round of arms talks, officials said.

A senior official cautioned that it will be difficult to work out verification provisions in some areas, including intermediate-range missiles, that give "high confidence" that cheating could be detected. The essential judgment, he said, is a "political" one: how much risk of cheating is acceptable in order to obtain an agreement to reduce arms.

Last June, while deciding to continue his policy of not undercutting the unratified SALT II treaty, Reagan directed Defense Secretary Caspar W. Weinberger to prepare a report on the military significance of Soviet treaty violations and to suggest "proportionate responses."

The first part of Weinberger's "Response to Soviet Violations Policy" (RSVP) report was delivered prior to the summit; the second part, RSVP II, with the suggested responses, went to the White House late last month and has been circulated within the government for comment.

Weinberger reportedly suggested increased funding for several existing military programs including development of new warheads to counter antiballistic missile (ABM) defenses, the so-called "pen aids" (for penetration aids) research program.

Sources said he also proposed options such as deploying additional Minuteman III multiwarhead missiles and mothballing for a year two Poseidon submarines when the next Trident submarine, the USS Nevada, goes on sea trials next May.

The 24 sub-launched missiles on the Nevada would push the United States 22 missiles above the total of multiwarhead missiles allowed by SALT II. After one year, sources said, this theoretically would require U.S. dismantling of that many weapons to continue complying. Weinberger suggested mothballing Poseidons instead of dismantling them, proposing that, if Soviet violations did not halt, the two submarines be overhauled to enable them to go back into service.

Weinberger also suggested that the United States encode telemetry, or radio transmissions, from its missile tests because the Soviets do so to a large degree.

The Joint Chiefs of Staff did not take a position on the Weinberger suggestions, sources said. Earlier the chiefs urged full funding of the strategic modernization program as the best response to Soviet violations.

MYTH OF THE DAY

Mr. PROXMIRE. Mr. President, the myth of the day is that we are anywhere near to winning the war against illegal drugs.

A recent report by the President's Commission on Organized Crime adds yet another grim chapter in this ongoing battle. What an irony! Here we are, the richest, most powerful Nation the world has ever known. We explore outer space, we plumb the depths of the oceans, we hold adversaries in fear of our atomic power; yet we can be laid low, like some powerful boxer dealt a knockout blow, by weeds and white powder. We are like Hercules battling the Hydra, but when we capture a drug-carrying plane or ship, there are not just two that replace it but literally hundreds.

And what are the conclusions of the Commission? In brief: More drugs consumed; more deadly drugs, and thereby more drug related deaths; and more middle class drug users. This is serious. And if the conclusions are accurate, more will succumb to the siren call of illegal drugs.

Here is what the Commission found. That marijuana is firmly entrenched in our society: From high schools to night schools, from home place to work place the perverted message is, go ahead, light up, 20 million regular users can't be wrong.

They found that the $11 billion cocaine trade is no longer confined to high-rolling, wealthy Americans, people from all walks of life, rich to poor, East to West, now partake. The Commission reports a dramatic rise in cocaine use among high school seniors. When, I wonder, will the cocaine trade trickle down to grade schools?

And what about heroin usage? Here the Commission indicates some good news among the bad. The bright spot is that the number of heroin addicts has remained constant. But the down side is that addicts are using more heroin and that heroin-related deaths rose by nearly a third from 1983 to 1984.

Mr. President, we hear a steady drumbeat of warnings about the perils of drug abuse. Have they been effective? Not as effective as they should be. What do I mean?

Let me give you an example. The Commission says there is a new type of "nonaddicted" heroin user. This defies commonsense warnings of immediate heroin addiction. Use it one time, conventional wisdom says and you are caught forever. Well, the Commission says that is not quite the case, and what they are finding now are people who use heroin occasionally but do not seem to be hooked. How can that be?

There is no getting around the fact that heroin is one of the most powerfully addictive drugs. Its great horror is that it creates a physical dependency and need. I am told that to be without it is like a slow, horrible death.

But here is the twist. Here is what the Commission has found: Certain people—generally those who use cocaine—are sampling heroin every once in a while. And they have not yet become hooked because they have not passed what the Commission calls a threshold, a certain plateau beyond which lies the most abject, pitiful heroin dependency one could imagine.

What does this mean? It simply means, says the Commission, that different people have different tolerances. It is like alcohol. One person takes a drink and becomes a blabbering fool; the next person can consume five or six times the amount before feeling the same effects.

But, Mr. President, make no mistake. These occasional heroin users have a loaded gun to their heads. So far they have been lucky. But, go ahead, pull the trigger one more time: use heroin again. The chamber may be empty; then again, it may be loaded. The plain truth is they use heroin without apparent addiction, but eventually, as sure as gulping down spoonful after spoonful of poison, they will be lost.

Who are these people? The Commission says there are more and more middle-class heroin users because of their dependence on cocaine. As more people use cocaine, says the report, more are also using heroin and eventually becoming addicted. Why do they use heroin? To combat the toxic effects of their overuse of cocaine. What a tragedy! They go from one killer drug to another.

But wait a minute, some people might say. Cocaine is not addictive. It is not like heroin. That is rubbish! While cocaine may not be physically addicting like heroin, its seduction is psychological.

In laboratory experiments, two groups of monkeys had free, unlimited access to drugs. The first group got heroin; the second batch received cocaine. What happened?

Not surprisingly, those using heroin became addicts. They were physically hooked. They had to have it. But they would stop occasionally for food and water.

Now, what about the monkeys on cocaine? Again, they could have as much of the junk as they wanted. And did they ever want it! They would not stop for food. They had no interest in water. No desire to rest. They wanted just one thing: cocaine.

What was the result? They died. They had such a craving for cocaine tht nothing else mattered. Not even living.

So what does this experiment mean to all those trendy, smart folks using cocaine? A lot of trouble. They may feel on top of the world and be able to carry on a relatively normal life. It may even go on like that for several years until they pass a threshold. And just as with those cocaine-using lab animals, this attractive angel of death will finally weave them so tightly in her snare they may never break free. They are like the driver who hears the blast of the train whistle and sees the

warning lights, but heedlessly rushes headlong to certain destruction.

What is to be done? What can we possibly do that will end this scourge of drug abuse? Has it already become so entrenched, so accepted by middle class Americans, schoolchildren and athletes that nothing can be done?

I do not think that is the case, Mr. President. The Commission suggests one step. It urges the 11 States that have decriminalized personal marijuana use to repeal those laws. I think that would be a good idea. Marijuana is not harmless, despite what some might tell you. It is hallucinogenic. We have no business sanctioning its use. It is time to take a stand and call it what it is: a dangerous product.

Beyond that, each and every one of us must realize the tremedous and terrible effects drug abuse has on our society. Until each and every one of us is willing to stand up and utter a clear, unequivocal no to drug abuse, there is little that can be done.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond 10 a.m., with statements therein limited to 5 minutes each.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. STAFFORD). Without objection, it is so ordered.

CHURCH IN HAITI LAUNCHES LITERACY DRIVE

Mr. SIMON. Mr. President, I noted in this morning's New York Times an article about the Roman Catholic Bishops of Haiti having begun a nationwide campaign to eliminate illiteracy there. Two out of three people there are illiterate, and they hope in 5 years to eliminate it.

I note that the Presiding Officer [Mr. STAFFORD] is a Senator from Vermont who has helped lead the way in Congress in this effort.

If in Haiti—in poor, impoverished Haiti—in 5 years they can eliminate illiteracy, this good, great, rich country ought to be able to move on the fact that we have 23 million functionally illerate adult Americans, people who cannot read a stop sign, who cannot address an envelope, who cannot fill out an employment form, who cannot help their children with their school work.

We ought to be able to do something. Unfortunately, we are adding to the numbers of those who are illiterate.

I hope my colleagues will read this article in this morning's New York Times, and I hope we can follow the good example of Haiti and move on this problem.

Mr. President, I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHURCH IN HAITI LAUNCHES LITERACY DRIVE

(By Marlise Simons)

PORT-AU-PRINCE, HAITI, March 10.—The Roman Catholic bishops of Haiti have begun a nationwide campaign to end the illiteracy of this poorest and least educated nation of the Western Hemisphere.

Bishop François Gayot, the head of the Haitian Bishops' Conference, said the aim of the campaign was to "make three million people literate in the next five years."

Before tens of thousands of people at an open-air rally, the Bishop appealed to other religious groups and all sectors of Haitian society to "spread the word" and cooperate in the literacy drive. Addressing the rich, he said, "You, who have so much, you can give a little."

Four million of Haiti's six million people cannot read or write, Bishop Gayot said. "But new winds are blowing here," he added. "In five years there will be no more illiteracy."

OFFICIALS WELCOME CAMPAIGN

At the rally Friday night, the largest of its kind since the flight of President Jean-Claude Duvalier a month ago, all the members of the five-man ruling junta and the Cabinet were present in a clear signal that the new Government is behind the drive.

Officials have said privately that they welcome the church campaign. The new Government has neither the means nor the organization to undertake the drive itself.

With the literacy campaign, the Catholic Church seems to have stepped up the active social role it began to play in Haiti several years ago. At that time, bishops and priests started to inspire and guide youths who organized a protest movement that led to wide unrest and, finally, to the end of 29 years of Duvalier familly rule.

The rally and an open-air mass quickly turned to a celebration of the political changes in Haiti, where such large gatherings were long forbidden. On the stadium field and in the bleachers, people embraced, raised their arms, held hands and sang.

CHURCH'S ROLE HAILED

"I'm amazed, it's impressive what the church has done to unite the people," said Jean Claude Bajeux, a professor of literature who has just returned to Haiti after 22 years of exile.

Speaking in Creole, the language of most Haitians, Bishop Gayot said:

"A man came to see me with a piece of paper and he told me he could not see it. He meant he could not read. I looked at it and it was a property deed to his land. He did not know he had it. You must realize what suffering this is."

"If you cannot read or write or do sums it does not mean you are ignorant," the Bishop continued, "but the intelligence cannot develop and the spirit is blocked."

Priests and development workers said this was for them the end of a frustrating battle with Haitian officials who had long blocked literary efforts. Last year, after the Papal Nuncio, Paolo Romeo, personally put pressure on the President and the church obtained permission to start a small pilot project, local officials remained openly hostile and at times arrested the young volunteers teaching villagers.

CLASSES TO BE IN CREOLE

Although French is Haiti's official language, reading and writing will be taught in Creole, Haiti's vivid, clipped patois.

"Teaching in Creole will be quicker," said the Rev. Yvon Joseph, coordinator of the campaign. "French is very complicated. It's foreign to most people here."

Other priests working with the program said the literacy classes would also be used to develop the political understanding of the people, who have never lived in a democracy.

Father Joseph said that the campaign would begin within a month with classes for 100,000 people. "We will use churches, schools, parish halls and village stores," he said.

John Klink, the director of Catholic Relief Services here, said the first stage of the campaign would be financed with a donation of $250,000 from the American Catholic Bishops' Conference.

RESPONSE BY NAMIBIAN COUNCIL OF MINISTERS TO SOUTH AFRICAN PROPOSAL FOR INDEPENDENCE

Mr. THURMOND. Mr. President, last December, several of my colleagues and I urged the State Department to take positive action in the United Nations in order for that body to abandon its policy of extreme partiality to SWAPO, the Soviet-backed terrorist group which is committed to seizing control of Namibia by force. The United Nations has designated SWAPO as the "sole and authentic" representative of the Namibian people, without any consultation with the political leaders or people of Namibia. The official view of the United Nations, in my opinion, represents a complete disregard of the true facts.

In June 1985, the Republic of South Africa, after peaceful negotiations, voluntarily transferred all administrative authority of local self-government to a multiparty conference comprised of duly elected or designated Namibian political leaders. This conference immediately established a Namibian Transitional Government of National Unity consisting of all political parties, including SWAPO, which refused an invitation to participate.

Today this transitional government is governing Namibia in accordance with democratic principles adopted by the multiparty conference. This pro-Western alternative to a SWAPO regime is dedicated to achieving peace without violence in Namibia. As the administration continues its efforts to provide support for anti-Soviet freedom forces, I am hopeful that our na-

tional policy will also include a more favorable recognition of the transitional government of national unity.

Recent events in Namibia provide further support for such a policy. I refer to the offer made last week by the South African Government which would grant independence to Namibia on August 1, 1986, provided an agreement on Cuban troop withdrawal from Angola could be reached by that date. The present Angolan Government immediately rejected this proposal. However, the Council of Ministers of the Namibian Transitional Government responded positively to the South African proposal. The statement of the Council of Ministers is an important reflection of the political will of the Namibian people, as expressed by their representatives. It is difficult to conceive of an independent Namibia formed without considering the views of the majority of its people. Accordingly, I ask unanimous consent that the recent statement of the Namibian Council of Ministers follow these remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CABINET STATEMENT ON THE SOUTH AFRICAN GOVERNMENT'S DECISION TO ANNOUNCE A DATE FOR THE POSSIBLE IMPLEMENTATION OF U.N. RESOLUTION 435 (1978)

March 5, 1986.

WINDHOEK, NAMIBIA

The Cabinet has taken note of the proposal to set a provisional date for the implementation of Resolution 435 (1978). The Transitional Government has emphasized repeatedly that it is committed to the achievement of peaceful independence for Namibia at the earliest possible date. It has made it clear that it believes that this can only be achieved by the attainment of national reconciliation among the citizens of Namibia, and has committed itself to efforts to achieve this goal. In this spirit, the Cabinet welcomes all attempts by all parties to promote reconciliation and facilitate the early and peaceful independence of this country. Inasmuch as the statement by the South African State President yesterday in the South African Parliament was intended to make a contribution to the achievement of these goals, it will be welcomed by all who care about the future of Namibia.

The Cabinet's position on the implementation of U.N. Security Council Resolution 435 is equally well known. The United Nations will have to place itself in a position of true impartiality as between all Namibian parties. The Cabinet now demands that the Secretary-General and the various organs of the United Nations, including the Security Council, move promptly to demonstrate their impartiality. The parties represented in the Cabinet have also made clear their belief that national reconciliation will be promoted most effectively by convening a conference of all parties to draw up a constitution for the country before elections are held. All the parties represented in the Transitional Government stand ready to participate in such a conference.

The Cabinet has made every effort to promote reconciliation in Namibia by releasing unconditionally all prisoners convicted of security offenses, who were previously imprisoned in South Africa. It now calls on SWAPO to make a similar contribution to the cause of reconciliation by releasing all those who are held in its detention centers and allowing all those in its ranks who wish to return to their homeland to do so. SWAPO would also contribute to the achievement of Namibian independence by joining the other parties of this country in calling on the United Nations to rescind the privileged position which that body has accorded SWAPO and to treat all parties equally and impartially henceforth.

In the light of the proposals now on the table, the Transitional Government furthermore calls on SWAPO to show its good faith by agreeing to an immediate cessation of hostilities. For its part, the Cabinet undertakes to have the Security Forces cease hostilities against SWAPO units within the framework of such an agreement. Such a step would have the way for a conference of all parties to agree on the practical steps to be taken to promote early and peaceful independence.

While the Cabinet sincerely hopes that SWAPO will respond positively to the proposals now put to it, it wishes to assure all the people of this country that it is unwavering in its commitment to provide the best government possible until such time as the independence dispute has been satisfactorily resolved. As before, it will continue to tend to the needs of the people and to prepare the country in the most effective manner for the responsibilities which await them on independence, and which they have too long been denied.

CONCLUSION OF MORNING BUSINESS

Mr. THURMOND. Mr. President, what is the matter before the Senate?

The PRESIDING OFFICER. The Senate at the moment is in morning business.

ORDER OF PROCEDURE

Mr. THURMOND. Mr. President, I move that the Senate go on to executive session to consider the nomination of Sidney A. Fitzwater, of Texas, to be U.S. district judge for the northern district of Texas.

The PRESIDING OFFICER. Morning business is closed.

Is there objection to the request of the Senator from South Carolina?

Mr. METZENBAUM. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. THURMOND. Mr. President, I understood that we were going to take up the matter at this time.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina.

Mr. METZENBAUM. Mr. President, is that a debatable motion?

The PRESIDING OFFICER. The Chair informs the Senator that the motion is not debatable.

Mr. METZENBAUM. Mr. President, is that a motion subject to a rollcall?

The PRESIDING OFFICER. If the yeas and nays are requested and a sufficient number second the request, a rollcall will be in order.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business, as the Chair understands, is the motion of the Senator from South Carolina.

Mr. DOLE. Mr. President, I ask unanimous consent that that be temporarily laid aside and that we continue in legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, it is my understanding that, if we can work out some sort of gentleman's agreement, we will go on this nomination at 11 a.m. There are Senators opposed to the nomination. It is just a question of trying to work out the time. Hopefully, at 11 o'clock, those Senators wishing to speak for or against the nominee will be able to be here. I have advised the chairman of the Judiciary Committee and he will be prepared. I believe Senator KENNEDY, Senator METZENBAUM, and Senator BIDEN will be prepared on the other side.

In the meantime, I hope we might resolve the question on the technical change to the farm bill. I will check that out.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business not to extend beyond the hour of 11 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

HISTORIC PRESERVATION

Mr. BYRD. Mr. President, I would like to ask a few questions of Senator MCCLURE who is chairman of the Interior and Related Agencies Appropriations Subcommittee.

It has come to my attention that a number of States, including West Virginia, have run out of Federal grant funds to operate their State offices of historic preservation. This situation arises because the administration has proposed a rescission of $18,523,000 in grant funding which this Congress appropriated and the President signed a little over 2 months ago.

It is my hope that the Congress will not accept that rescission, and I will work to make those funds available. But I am especially angered that the

administration's proposed rescission has, in effect, preempted the congressional decision because some States, as I have said, including West Virginia, have already had to furlough employees.

Mr. LEAHY. Would the Democratic leader allow me to add a comment here?

Mr. BYRD. Of course.

Mr. LEAHY. This rescission has caused a problem in my State as well, where the Vermont Office of Historic Preservation has already had to put several of its staff on half pay pending a resolution of the deferral issue. So I hope we can resolve this matter quickly.

Mr. McCLURE. I understand the problem raised by the Senator from West Virginia and the Senator from Vermont, and I am in complete agreement that these funds should be made available to the States as the Congress originally intended when the continuing resolution was passed in December.

Mr. BYRD. Would the chairman agree, then, that it would be our hope that the States would continue to fund their State historic preservation offices with their own money until reimbursement arrives when the rescission expires in mid-April?

Mr. McCLURE. Yes; I would agree with that position. While no one can predict absolutely what the Congress will do in the future, it is certainly my expectation and my desire that the Congress would not accept this rescission and that the funds would be made available in full to the States sometime in mid-April.

Mr. BYRD. I thank the chairman of the subcommittee for his views on this rescission.

NADEZHDA FRADKOVA

Mr. CRANSTON. Mr. President, I'd like to bring to your attention the tragic case of a Soviet woman who is a prisoner of conscience, Nadezhda Fradkova. The Fradkova case stands as another example of the Soviet's abysmal human rights record. It is especially appalling in view of the Soviet commemoration of International Women's Day, held once again this March 8. In past years, the Soviets have observed this occasion with loud proclamations on the achievements of Soviet women and on the great strides the Soviet Union has made on behalf of women's rights.

As a consequence of her efforts to emigrate from the Soviet Union, Ms. Fradkova has been imprisoned and reportedly been subjected to psychiatric and physical abuse. She first applied for a visa in 1979 and was subsequently refused employment in her field, mathematical linguistics. She was fired from a job she later obtained as a cleaning woman in a public bathhouse, because of her overqualification for the position. After numerous unsuccessful attempts to find other work, Fradkova was seized by militia and held in a Leningrad psychiatric hospital. Fradkova was reportedly subjected to repeated injections of hallucinatory drugs, interrogations, force-feeding, and sexual harassment while imprisoned in the hospital.

In December 1984, Nadezhda Fradkova was declared "sane" by her psychiatric examiners. She promptly stood trial and was sentenced to 2 years prison for "parasitism." Her appeal was denied in January 1985.

Fradkova described her struggle in a May 5, 1985, letter from prison to her friend:

> One American friend of mine tried to talk me out of my hunger strike, but she does not understand my situation. Not to fight with them is even worse. I understand that I have only very masochistic means but not to fight means to kill in oneself the thing that makes me a person. I don't know anything about politics, but if they torture me, if the State breaks its own law, then I feel that I have to do something. In reality I feel much stronger that I have to do something that does not relate to myself, something in general.
>
> However, under the circumstances of this country, one can do something only if he becomes a dissident, which means he has to know about politics. He has to be very careful otherise he can let other people down who work with him. I don't have those qualities. I cannot be a real dissident. After suffering in the hands of the doctors from the KGB who injected me with Galoperidol, Ketalar, and fed drugs into me by a probe, I understand that there are many ways to affect persons with chemicals. Many people tell me that in this Psychiatric Ward they will make a sheep out of you. Well, that may very well be, but if that happens, and I understand it could happen under drugs, I won't be myself anymore. The person who I am right now will cease to exist but I cannot be responsible for that woman and while I am what I am, I will try to continue doing at least something.

Mr. President, many of us have become all too familiar with accounts of Soviet brutality against individuals wishing to emigrate. But I am particularly outraged by this instance of repeated violation of basic human rights. I deplore the hypocrisy of the Soviet commemoration of International Women's Day while this talented and brave Soviet woman languishes in prison—merely for applying to emigrate from the U.S.S.R.

AIDING THE CONTRAS: WHAT IS $100 MILLION?

Mr. LEAHY. Mr. President, the administration's proposal to send an additional $100 million to the Nicaraguan Contras has provoked one of the most controversial, bitter, and divisive foreign policy debates in many years.

In a torrent of well-orchestrated publicity, the administration has made its position clear. Last week, White House Communications Director Patrick Buchanan summed up the administration's case in an appalling polemic that appeared in the Washington Post. His article was unlike anything I have seen since Senator Joe McCarthy disgraced himself and made McCarthyism a household word over 30 years ago. According to Buchanan, those who support the Contras believe in freedom; those who oppose them, like myself, are soft on Communism. He dares to impugn our patriotism in opposing a failed and discredited policy already rejected by Congress.

This gross and repellent red-baiting does contain one truth: We are faced with stark choices. One of these choices is how we want to spend American taxpayers' money at a time of sharp cuts in the Federal budget to reduce our massive national deficit.

President Reagan wants $100 million to send more guns and bullets to a ragtag gang of rebels led by ex-Somocista National Guardsmen, mercenaries, and soldiers of fortune, most of whom—according to press reports—are today sitting in their Honduran strongholds, eating beans and rice bought with our constituent's money. They appear to be less and less interested in fighting and dying in a war with no political rationale, which they have no chance of winning. I can easily understand why Contra fighters are unimpressed with the administration's carefully nuanced statements that they are really fighting for "national reconciliation," and not to throw the Sandinistas out of Managua.

One-hundred million dollars means a lot to a State like Vermont. The total Federal income tax paid in a year by Vermonters is roughly $500 million. The President is asking Vermonters to send one in five of their Federal tax dollars to pay for a war my constituents deeply oppose and want stopped.

In 1985, Vermont received $257 million in Federal funding—including Medicaid, vocational education, transportation, housing, unemployment insurance, and low-income energy assistance. Instead of helping Vermonters pay for these vital programs, the President wants to send almost half of this money to finance a war rejected by all of our friends and allies in the hemisphere. If we are going to send this money, they argue it should go for our greatly needed economic development. I argue it should go to meeting the needs of this country, including serious needs in Vermont.

Vermont's farmers, like farmers all across this country, know what this kind of money can buy: $100 million will pay all the interest on all the farm mortgage debt in Vermont for 5 years; $100 million will pay all the taxes of all the farmers in Vermont for 6 years; $100 million will buy all the feed eaten

by all the dairy cows in Vermont for over a year.

Mr. President, my point is simple, we are in an age of budget austerity. Vermonters are being asked to accept drastic cuts in school lunches, in student loans, in money to build roads. In principle, we are asked to make these sacrifices to reduce our staggering Federal deficit. In truth, however, the administration is asking Vermonters to accept these cutbacks so it can use their money to pay for a war to overthrow a sovereign government with which we are formally at peace.

I urge my colleagues to study the budgetary impact of the President's proposal. We should be reducing the deficit, not finding ways to finance a deepening involvement in a conflict that threatens to turn all of Central America into a field of battle where American boys will sooner or later, be called on to die.

A TRIBUTE TO FORMER SENATOR JACOB JAVITS

Mr. HATCH. Mr. President, I submit for the RECORD, a poem dedicated to our former colleague, Senator Jacob Javits, of New York:

THE MAN WHO LOVED THE SENATE

He was a man
Who loved the Senate.
Born to poor
Jewish immigrants
On Manhattan's
Lower East Side,
He overcame poverty
To become,
As he was fond
Of Saying,
"A Senate Man,"
For 24 years.
He loved New York City,
New York State,
The United States,
And the State of Israel.
But he called
The Senate "home" . . .
His seat on the aisle
In the hallowed hall
Was as comfortable,
He once wrote,
"As a favorite
"Living-room easy chair."

Jacob Koppel Javits.
The man who
Loved the Senate.

Mornings,
He liked to pop
Into Senate hearings
Unannounced,
Pepper a witness
With a few tough
Questions,
Then run off
To a Briefing
Or a press conference
Or a committee meeting.
Afternoons,
He liked to stand
On the Chamber floor
And fight
For his principles,
Wage battle
For his convictions.
Nights,
He studied,
Making himself an expert
On every major issue
Of his time,
From civil rights
To foreign policy,
From high finance
To labor relations.

Jacob Koppel Javits.
The man who
Loved the Senate.

The deliberative process,
The discussion,
"The finding a way,"
As he put it,
Intrigued him.
He knew well the rules
Of the Chamber,
Cherished its traditions,
Respected its moods.
He had all the qualities
Of a Senate Man:
The loyalty,
The passion for fairness,
The capacity for hard work,
The heart . . .
It was as big
As the Big Apple.
He fought relentlessly
For the poor
And the oppressed,
The handicapped
And the elderly,
All who could not
Help themselves.

He was a man who loved
The Senate . . .
The Senate loved him.

FORMER SENATOR JACOB JAVITS

Mr. HECHT. Mr. President, over the past weekend, we were all saddened to learn of the death of a great American, an exceptional human being and public servant, Senator Jacob Javits of New York. Jacob Javits was a Senator's Senator, Mr. President, and in death, as in life, we honor his longstanding commitment to public service, his wisdom, his compassion, and, in the end, his great personal courage.

For those who knew him and followed his magnificent career, Senator Javits was an inspiration; his was the "mark" to shoot for by those who carry on in his footsteps. His was the standard by which to hold this office. For my colleagues who had the honor and privilege to serve alongside him, his leadership was extraordinary, they have lost a brilliant legislator and a wonderful friend.

While we mourn the passing of Jacob Javits, Mr. President, we should really rejoice in his life. His service to this great country is legend and his commitment to the ideals he so strongly believed in will stand as his monument. Jacob Javits was a man of the Senate, but he really was more a man of the people, one who held to his belief that equality and justice were not merely words, but the God given right of all men.

Mr. President, in the course of the past 5 years, as we are all aware, Senator Javits suffered from a cruel and debilitating illness. Yet, to our extreme and sometimes astonished admiration, he continued to work, he continued to make us think, he continued to contribute, and he did it all with a courageousness and dignity not found within most men. Perhaps this was one final chance to inspire his fellow man, Mr. President, but to me, his example epitomizes the ultimate in what Jacob Javits stood for.

Maybe Senator Javits himself best characterized the philosophy that made him what he was when he said:

> You must remember, my own philosophy is that you don't belong only to yourself. You have an obligation to the society which protected you when you were brought into the world, which taught you, which supported you and nurtured you. You have an obligation to repay it.

Jacob Javits lived those words to the very end Mr. President. We owe him a great deal; he will be sorely missed.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HECHT). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CHAFEE). Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of Sidney A. Fitzwater to be a U.S. district judge.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

THE JUDICIARY

The legislative clerk read the nomination of Sidney A. Fitzwater, of Texas, to be U.S. district judge for the northern district of Texas.

The PRESIDING OFFICER. Is there objection to the nomination?

Mr. DOLE. Mr. President, there will be debate on the nomination. I am advised that the distinguished chairman of the Judiciary Committee is on his way to the Chamber.

There are Members on the other side who will be prepared to debate the nomination. In fact, they may wish to proceed now.

Instead of going into recess at noon, we may want to continue beyond that, because we would like to dispose of the minor farm clarification. It is my understanding that it is just about worked out, with the suggested resolution that was introduced last night, and there will be a colloquy between me and the Senator from Iowa [Mr.

HARKIN]. We would like to dispose of that before noon. The House comes in at noon, and if we can get it to the House, they can pass it, and the President can sign it today. It will mean a great deal to the American farmers.

We will ask those interested in the nomination to interrupt that matter a little later.

Mr. METZENBAUM. Mr. President, I rise to express my opposition to Sidney Fitzwater, who has been nominated to be a Federal district judge.

Mr. Fitzwater is a young man; he is 32. He received the lowest rating possible by the American Bar Association in order to still be rated qualified. A majority rated him qualified; a minority, unqualified. There were none who voted for the rating of exceptionally well qualified.

Mr. Fitzwater has some experience as a State judge, but the fact is he does not have much experience, and if the American Bar Association had applied its "12-year rule," requiring someone to be out of law school 12 years before they are qualified to become a Federal judge, he would not have been rated qualified at all.

In other words, Mr. Fitzwater comes to the Senate with borderline credentials in the first place.

But I think everyone would have voted for him. I know I would have except for the matter of the posting of the signs.

What are the signs that we are talking about?

Mr. Fitzwater was involved in a sign-posting campaign in South Dallas that in my opinion was one of the most invidious and repugnant political tactics that I have seen in recent years. As a matter of fact, the Justice Department, in a letter by Brad Reynolds, stated that the signs were overwhelmingly posted in minority precincts.

When Brad Reynolds indicates there has been discrimination, there must have been discrimination because it is a well-known and accepted fact in this country that Brad Reynolds has not been in the forefront of the battle against discrimination. But even he pointed out that these signs were discrimination.

Mr. President, I ask unanimous consent to have printed in the RECORD the sign to which I have made reference.

There being no objection, the sign was ordered to be printed in the RECORD, as follows:

Do Not Remove This Sign—By Order Of The Sheriff Of Dallas County.

YOU CAN BE IMPRISONED:

1. If you offer, accept or agree to offer or accept money or anything else of value to vote or not vote.
2. If you influence or try to influence a voter how to vote.
3. If you vote without being registered.
4. If you let a person vote more than once.
5. If you vote with someone else's registration.
6. Violate Texas Election Code or Texas Penal Code.

DON'T RISK IT; OBEY THE LAW.

Mr. METZENBAUM. Mr. President, these signs are unbelievable in some respects. It says:

Do not remove this sign by order of the Sheriff of Dallas County. You can be imprisoned:

One, if you offer, accept, or agree to offer or accept money or anything else of value to vote or not vote.

Two, if you influence or try to influence a voter how to vote.

On that basis, I think if that law were applicable to Members of the Senate everyone of them would have been guilty of a crime because certainly all of us have attempted to influence a voter how to vote, usually for ourselves.

"If you vote without being registered." I have no problem about that. "If you let a person vote more than once." I have no problem about that. "If you vote with someone else's registration." I have no problem about that. "If you violate the Texas Election Code or Texas Penal Code."

But the thrust of these signs, with bold red letters on them, posted, in the main, in minority precincts, was a not so subtle way of intimidating voters, black voters, not to vote.

I am not claiming that Mr. Fitzwater knew that the signs were to be posted predominantly in black areas of Dallas. He says he did not. I have to accept that.

But the problem with Mr. Fitzwater is not limited to whether he knew the signs would be posted only in certain areas.

The problem lies with the fact that the sign on its face is a gross misstatement of the law. The sign on its face has great potential for discouraging anyone, particularly minority voters and poorly educated voters, from going to the polls.

Imagine: "You can be imprisoned. Don't risk it: Obey the law."

That is a sign calculated to catch the attention of anyone who reads it and, frankly, to scare them.

Those warnings and that sign, particularly some portions of it, are gross misstatements of the law.

You cannot go to prison for accepting something of value, of taking a ride to the polls, or providing someone with a babysitter. You cannot go to prison for trying to influence someone how to vote.

Mr. Fitzwater said he read the sign five times before he posted it. He knew what he was doing, and if he did not know what he was doing, there is further reason he should not be a judge. But I know he knew what he was doing. He posted the signs only in black precincts. He had to know there was a tradition of offering rides to the polls and providing babysitters. He had to know that poorly educated voters or even highly educated voters can get intimidated when they see the signs telling them they can go to prison.

It is interesting that three other jurists who were called upon to post the signs refused to do so, but not Judge Fitzwater.

Either Mr. Fitzwater knew that this was an effort to intimidate black voters or he was guilty of incredibly poor judgment and insensitivity. He says that he did not know of a discriminatory purpose. I am not sure whether I am prepared to accept that representation on his part or not. But whether I do or I do not does not really matter. His lack of good judgment makes me question whether he has the knowledge and competence to be a Federal judge.

Another issue for concern is his attitude before the committee. When he testified, he did not say that he should have checked the election code more thoroughly—no. He did not agree that the signs were confusing. He did not admit that the signs were misstatements of the law. Instead, he tried to justify his actions by going into a lengthy, highly technical comparison of the sign items and the Texas State statutes.

It is one thing to conduct yourself in a manner that is inappropriate. It is one thing to be a party to intimidating voters. It is another thing to come before the Senate and attempt to befuddle the issue with a lengthy, obfuscating explanation of what the issue is all about.

Mr. Fitzwater said the items in the sign that referred to influencing voters and voting more than once "were directed to election officers as opposed to voters." Yet there was nothing in the sign that mentions election officials or the protected zone around a polling place.

Mr. Fitzwater was a smart lawyer and a State judge. He had to know that these signs could be interpreted in a way that would mislead potential voters and intimidate them. He had to know that some members of the minority community in south Dallas where he posted the signs would be confused and, yes, intimidated.

Then when Senator BIDEN asked him how he interpreted the committee's action in regard to his confirmation, he said it is "political."

That kind of cynical answer signals to me a loud and clear intent on his part to be totally irresponsive and, yes, maybe irresponsible with respect to the laws and with respect to the whole concept of protecting minority rights and protecting voters rights. He still does not understand the concerns of the committee and he thinks that those of us who are out here on the floor opposing his nomination, knowing full well that he is going to be con-

firmed, are doing so for political purposes.

No way, Mr. Fitzwater. We are trying to send you a message. We are trying to tell you that Members of the Senate have concerns about a man such as you going on the Federal bench who had previously participated in an effort to intimidate voters.

I point out that three other judges had the good sense to refuse to post the signs. Mr. Fitzwater did not. He has failed to show the intellectual capacity, the integrity, the legal knowledge, the candor and honesty that I believe we should expect of every judicial nominee regardless of his or her political party. I do not believe Mr. Fitzwater has a good judgment in the sensitivity toward the disadvantaged, toward the minorities in our society that we should require of those we place for life on the Federal bench.

He may be confirmed today, but that will not make it right. And I hope that someway, somehow we could get through to this man's conscience, that we could get through to his brain processes, that we could make him understand that there is a concern in the U.S. Senate, and, yes, I think the American people generally, that the members of the Federal judiciary have the integrity and the good sense and the legal ability and the capacity for caring for those who do not have strong representation in this body.

I think Mr. Fitzwater fails to come up to the standards that every Federal judge should have. I do not believe he should be confirmed. I do not think that he will add to the quality of the Federal judiciary, and I urge my colleagues to turn down his confirmation.

Mr. THURMOND. Mr. President, I rise today to voice my strong support for Judge Sidney A. Fitzwater, President Reagan's nominee to be a U.S. judge for the northern district of Texas.

Judge Fitzwater was born in Olney, MD, on September 22, 1953. He graduated from Baylor University in 1975. In 1976, Judge Fitzwater received his law degree from Baylor University School of Law. From 1976 to 1978 he was associated with Vinson & Elkins in Houston, TX. From 1978 to 1982 he was a member of the law firm Rain, Harrell, Emery, & Doke in Dallas, TX. In April 1982, he was appointed to the position of judge, 298th Judicial District, Dallas County, TX. He was elected to succeed himself in November of that year. Since 1982, Judge Fitzwater has served with distinction, integrity, dedication, and compassion in that position. In 1983, he received the highest overall performance rating of any Federal, State, or county judge in the Dallas area.

The first nomination hearing for Judge Fitzwater was held on November 22, 1985, at which time he was questioned concerning his background and qualifications for the position to which he was nominated. I was satisfied with the responses given by Judge Fitzwater. On February 5, 1986, the Judiciary Committee held another day of hearings on Judge Fitzwater and he responded to an intensive line of questioning. There had been concerns regarding his age, experience, judicial temperament, and maturity. Judge Fitzwater answered all questions raised in an honest and forthright manner. I heard nothing that day which would in any way change my opinion of Judge Fitzwater. Judge Fitzwater has proven himself as an able attorney, as well as a capable and skilled jurist.

I am confident that Judge Fitzwater will have a most successful tenure as a U.S. district judge. In fact, it seems to be the consensus of opinion, including some Senators who object to his confirmation, that Judge Fitzwater is of above-average intelligence, one of the more qualified nominees to appear before the Judiciary Committee and has compiled an outstanding record as a State court judge. I support this nomination without reservation and I urge my colleagues to vote in favor of Judge Fitzwater to be a Federal district judge for the northern district of Texas.

I understand the distinguished Senator from Illinois would like to speak.

Mr. SIMON. Mr. President, first of all let me say that I differ with my good friend from Ohio, reluctantly, because I have tremendous respect for him. I happen to think—and I know there may be differences of opinion on this—but I happen to think HOWARD METZENBAUM is one of the giants of this body. Long after most of us are forgotten HOWARD METZENBAUM is going to be remembered.

This is a judgment call, frankly. First of all, there is the question of quality. I just made remarks yesterday pointing out the lack of quality in too many of the judicial nominees. Sidney Fitzwater does not fit within this category, he received the highest overall performance rating by the bar of any Federal, State, or county judge in the Dallas area.

I do not think there is any question about his ability and quality. The question really comes down to his conduct in one specific case. At the age of 29, he was a candidate for a judgeship in a partisan election. He was asked and he agreed to post signs in a black precinct. He should not have done this. There is no question about that. If those signs had been posted all over the county, I think you could call it a defensible action. The signs were not posted countywide, even though he was led to believe that was the case.

Let me just read one question from the transcript. I sat in on the two hearings for Judge Fitzwater. I am asking this question:

The one question my colleague has touched upon, and that is whether you are sensitive to this kind of situation, whether you would do it again. The second fairly fundamental question is, are you sensitive to this racial equation? I want to feel that if you sit on the Federal bench, you are going to treat blacks and Hispanics or Japanese Americans or anybody else who comes before you fairly. Do you have any way of responding, in your background, that you have a sensitivity to that part of the equation?

Here is Judge Fitzwalter's response:

Senator, you asked me at the first hearing had I done anything for the poor, and at that time I explained to you that there was a young individual that I had helped out in high school; that I had paid for his graduation announcements; that I paid for his cap and gown because he was the first in his family to graduate.

I did not mention that he was black at the time that I testified because I do not believe in making distinctions like that or describing people by color. And if you read the transcript you will find that is not there, but he was. And, through my church, I made the contact with him, I worked with him to help him to improve his reading skills so that he could graduate. I helped him in this way with respect to graduating from high school and I helped him when he enrolled in junior college. I was brought up in a family where we were taught to be sensitive to people of all races. I do not want to go too much further because it almost sounds inappropriate to say, but it is true that two of my father's closest friends were black colleagues in education. We were taught respect for human beings. We were taught not to make race-based decisions, and that is my answer to your question.

Again, this is a judgment call. I came away feeling: Here is a person who is going to be fair to everyone. On the statement by my colleague from Ohio about the political question, let me read the transcript here so that there is an understanding:

Senator BIDEN. Explain to me what you think our motivation was in being concerned about this sign, seriously. You are under oath. Give me a straight answer.

Judge FITZWATER. Political.

Senator BIDEN. Do you still think it is?

Judge FITZWATER. I cannot—that was my first reaction, Senator. But now, observing what is your obvious sincerity, no, I do not believe that is the only motivation.

Then later in the exchange between Judge Fitzwater and our distinguished colleague Senator BIDEN is this exchange:

I will skip portions but I do not think I am reading it out of context here.

Given the history of . . . suffrage, the right to vote among minorities, given the fear that the past has been de jure rather than de facto, I can see that (opposition). Had it not been for represented approvals by the appropriate people who believe that it, [the posting of the signs] was countywide, I would not have done it.

Then Senator BIDEN responds:

I came in here with a very negative view of you, knowing what I know, and I must tell you you have impressed me.

I have to say that my own feeling was pretty much that of Senator BIDEN. I came in having read about the sign-posting incident. I do not mean this disrespectfully to my good friend from Texas, who is the sponsor of the judge. My good friend Senator GRAMM is a pretty partisan Republican. I understand that. That is part of the game. If he came in with a nominee that was not good, I was ready to resist. But I became convinced that he was a good nominee, a quality nominee, and I am convinced that he will be fair to people regardless of their racial, religious, or any other background factors that may be there.

I am going to be voting for Judge Fitzwater.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I would like to thank the Senator from Illinois for his vote in the committee, and I would like to thank him for his statement.

I rise in strong support of the nomination of Sid Fitzwater to the Federal bench.

When I came to the U.S. Senate, Mr. President, I recognized that one of the most important powers and responsibilities of being a Member of the Senate is the recommendation of Federal judges. I have taken that responsibility very seriously, and I am proud of the fact that I have nominated Mr. Fitzwater.

To help me in this task, I created a committee of 13 members of the legal profession in my State, from deans of law schools to judges to big-town and small-town lawyers who have set about with me in the task of trying to review those who asked that they be considered for a position on the Federal bench.

We have considered many quality nominees. Each of our nominees has been found to be qualified by the American Bar Association.

We faced a very difficult question in the case of Sidney Fitzwater. Sid Fitzwater became the youngest district judge in the history of our State. He has been overwhelmingly elected to that position. If approved today, he will by the youngest Federal judge in the country.

Because of his age, we knew that there would be difficulties with the appointment. But in a unanimous decision of the committee that reviews judicial nominations on my behalf, we decided to proceed with Sid Fitzwater despite the fact that he did not have the number of years before the bar that is recommended by the American Bar Association. We felt that extraordinary ability and achievement should be the vehicle by which one makes exceptions to guidelines.

I think there are a few examples that indicate the extraordinary abilities of this young man.

When the poll was taken of all of the Dallas Bar Association attorneys in Dallas County, whereby they grade the Federal, State, and local judges before whom they appear, the attorneys rated the judges in five areas: They rated them overall, on their knowledge of the law, on their judicial temperament, on their work habits, and on their impartiality.

Sid Fitzwater rated the highest of any judge in Dallas County.

Not only did he rate the highest in the aggregate, but he rated the highest on each of the specific areas in which he was judged by his peers.

That is an extraordinary achievement for a young man who is 32 years old and has been on the State bench for only 4 years.

I decided to proceed with Sid Fitzwater's nomination because I am convinced that this is not the last time that the U.S. Senate will be considering Sidney Fitzwater for an appointment to the Federal bench. I am convinced that given his knowledge, his temperament, and his love for the law, that we will be back to consider his appointment to higher levels in the judiciary.

I once asked Sid about the first time he ever considered being a judge, and he said that he recognized that he had an interest in being a judge when he was in little league baseball.

He told me that he was on first base once as a 10-year-old and it struck him that the position he really wanted to play was umpire.

From that point on, everything Sid Fitzwater has done has pointed toward the judiciary. He was an outstanding student. He was the statewide debate champion. He is a man of extraordinary ability. That is why I recommended him and that is why I believe he will be approved today.

Let me address the concern that has risen, and I think it is an unfortunate concern but, quite frankly, from the perspective that is being approached by people who do not know Sid Fitzwater and do not know the circumstances, I think it is a legitimate concern.

When Sid Fitzwater first sought election after being appointed a State district judge, he was asked to participate in a partisan ballot security program. Ballot security is a very real problem in this Nation. A fair ballot, as we know and as we espouse all over the world, is a fundamental tenet of democracy.

Sid was instructed as part of this partisan ballot security program, as a candidate whose name would be on the ballot, to post the signs outlining six features of State law as they related to the holding of elections.

He was told that this posting was approved by the county sheriff, who, in fact, as a partisan candidate himself, was heading up the program, and that it was approved by the secretary of state. He was given signs by a senior judge and was instructed to post them.

Sid believed then and believes now that the information on the signs was clearly in line with existing State law and clearly conformed to that law.

Sid went to the three places he was asked to post the signs. All three were in minority precincts. Sid has testified under oath that he believed that these signs were being posted everywhere in the county, that he would have questioned the posting in minority areas if he did not believe that it was a uniform county program.

In the first precinct, he found no signs had been posted, so he posted signs.

In the other two precincts, Mr. President, the signs had already been posted; therefore, he returned the additional signs to party headquarters.

A subsequent lawsuit was filed claiming that the posting of these signs represented voter intimidation. Sid Fitzwater, as one of the judges who had posted the sign, was named. His name was immediately dropped from the suit and the suit was subsequently thrown out.

That is the extent of the incident that I think Members have questioned. I wanted to be sure that we had on the record here an exact account of the circumstances.

I strongly support this nomination because I believe that Sid Fitzwater will be an outstanding Federal judge. I believe that he brings to the Federal bench the things that we all seek in a Federal judge. He is a student of the law and was one of the most outstanding students who ever attended the Baylor Law School. He has been judged by his peers to be outstanding in each of the three areas of judicial practice. In fact, he has been judged to be the most outstanding of any judge practicing within his jurisdiction. I believe on the basis of these credentials that he should be approved by the Senate.

I thank the distinguished chairman of the committee, the Senator from South Carolina [Mr. THURMOND] for his great patience in this nomination. It has been a difficult and time-consuming process, but I can assure him it will be worth it for the many years that Sid Fitzwater will sit on the Federal bench. I urge my colleagues to join me in voting for the nomination. I urge approval of this nomination.

I yield the floor, Mr. President.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I rise in opposition to the nomination of

Sidney Fitzwater to be a Federal judge for the northern district of Texas.

Judge Fitzwater, who is 32 years old and received a "minimally qualified" rating from the American Bar Association, lacks the commitment to equal justice which is essential for a Federal judge. During the 1982 elections in Texas, Fitzwater, who was then a State district judge and a Republican judicial candidate, personally posted signs designed to intimidate minority voters at balloting locations in minority precincts. The signs grossly misstated Texas election law.

Mr. President, I am quite surprised to hear from the Senator representing the State of Texas that he believes the six features which are included on these signs incorporate the laws of the State of Texas.

It is even more distressing to hear the Senator from Texas say that Judge Fitzwater believed those signs stated Texas law at the time he posted them and he still believes that now.

During the 1982 elections, Judge Fitzwater personally posted signs designed to intimidate minority voters at balloting locations in minority precincts. The signs grossly misstated Texas election law and threatened imprisonment for illegal activities which many voters might engage in, for example, accepting a ride to the polls. Fitzwater's active participation in a campaign to intimidate minority voters is appalling. In light of this record of hostility to voting rights, Fitzwater's nomination to be a Federal judge is shocking.

Judge Fitzwater posted, or attempted to post, the misleading and intimidating signs as part of the Republican Party ballot security program. The list of prohibited activities on the signs posted by Fitzwater included accepting anything of value to vote or not to vote, and trying to influence a voter how to vote. It is common practice to provide rides to the polls, to encourage voter participation. And the suggestion that a voter cannot try to influence another voter how to vote is ridiculous.

The U.S. Justice Department subsequently determined that most of the ballot security program signs placed by Fitzwater and others in Dallas County "were placed at precincts where black voters were assigned to vote." The Justice Department concluded "that no nonracial justification has been offered for placing most of the signs at minority precincts." Texas election officials agreed to take steps to assure that such signs could not be posted in future elections.

The U.S. Justice Department and the Texas Legislature were so appalled by these signs that they have prohibited the use of this kind of sign in the future. Yet the Senator from Texas says, even on the floor today, that Judge Fitzwater did not see anything wrong with the sign when he posted them, nor does he see anything wrong with the signs today. He is in conflict with the Texas Legislature and the U.S. Justice Department and we are being asked to promote him to a position on the Federal bench.

The use of signs such as those posted by Judge Fitzwater at minority polling places is a classic method of voter intimidation used to infringe the voting rights of minority citizens. It was part of a highly visible controversy involving elections in New Jersey in 1981, which was reported in the Dallas Morning News in November 1981. Yet Judge Fitzwater, who was active in politics in Texas, has testified that he had no hesitation in complying with a request to post the signs in three minority precincts.

The force of intimidation engendered by these signs was maximized by the sweeping and inaccurate nature of the prohibited activities listed. A potential voter reading the sign would believe that accepting a ride to the polls, or free babysitting while he voted would subject him to imprisonment if he voted. The sign indicated that if he urged his neighbor to vote for a certain candidate, he could go to jail. Judge Fitzwater has acknowledged that he read the signs several times before posting them, but formed no opinion as to the accuracy of their contents. Judge Fitzwater placed these signs at minority polling places with reckless disregard for their blatant inaccuracy.

The sign says: "Do Not Remove This Sign By Order of the Sheriff of Dallas County." The sign continues "You Can Be Imprisoned" and then lists a number of activities, some of which encompass actions which are legal.

For example, the sign says "You Can Be Imprisoned," first, "If You Offer, Accept or Agree to Offer or Accept Money or Anything Else of Value to Vote or not Vote." Is a ride to the polls something of value? It is. That is a time-honored practice in both political parties. What about babysitting? That is provided by Republicans and Democrats alike. Is that something of value? Clearly, it is. Yet, even Mr. Fitzwater has conceded that babysitting does not violate Texas law.

The sign that Fitzwater posted suggests that a person who accepts a ride to the poll is risking imprisonment—"Don't risk it." "Obey the law."

Mr. President, it is important to understand that there was no past history of ballot fraud or intimidation or misconduct in the minority precincts where Judge Fitzwater posted these signs.

All of us have been around the political process long enough to know that in some precincts and some wards over the history of our country, there has been ballot tampering and there has been interference with individuals' legitimate rights to vote. And of course, there is a whole history of various barriers to the right to vote such as poll tax and other provisions, which we thought we eliminated in the 1965 Civil Rights Act. But even those who support the Fitzwater nomination do not suggest that in the minority precincts in Dallas County in 1982 there was reason to expect a higher incidence of voter fraud than in other areas. There has been no testimony to that effect in the course of the hearings.

Nonetheless, Judge Fitzwater took those signs and posted them in minority precincts.

The sign further provides: You Can Be Imprisoned: "If You Influence or Try to Influence a Voter How to Vote." Since when is trying to persuade an individual how to vote a violation of the law? That is part of our political process, to try to influence the vote.

Mr. GRAMM. Will the Senator yield?

Mr. KENNEDY. I shall not yield until I finish my presentation.

If trying to influence a voter how to vote is not preserved by the first amendment, I do not know what the first amendment is all about. And if someone does not understand the importance of the first amendment, I do not believe that person deserves a lifetime appointment to the Federal bench.

Judge Fitzwater said he read the signs several times, and could not find a problem with them.

According to the Senator from Texas, he cannot find a problem with them now.

Mr. President, we cannot consider the action of this individual completely out of the context of past provisions of either law or practice in various States, including my own of Massachusetts. In many States, including Texas, there has been a history of infinging the voting rights of minority citizens. And this nominee was not bothered by the fact he was placing the signs only in minority voting places. He did not ask any question about the selective placement of the signs, and he was unconcerend about the inaccurate content of the signs.

Mr. President, if this is not a sign that was placed down there to intimidate individuals from participating in the election process, just on the face of it, I do not know what it is. We have heard testimony and statements that the local Democratic leader there, Mr. Greenberg, has made a statement to the effect that he is not as troubled by Fitzwater's participation in this scheme. I do not know whether Mr. Greenberg is practicing in front of that State judge now or would in the future, but you ought to read what Mr. Greenberg said in 1982. And that

is included in the record of the Senate Judiciary Committee. Mr. Greenberg told the committee that in all the time that he has been involved in partisan politics, he had never seen a more gross abuse of the law or a more objectionable effort to intimidate voters. After the incident, he was so appalled by the sign posting that he talked about impeachment for those who posted the signs.

The continued problem of abridgement of minority rights was noted by Congress as recently as 1982 with the passage of the Voting Rights Act extension. And yet Judge Fitzwater, when asked by Senator BIDEN what he thought the motivation was for the committee's interest in Fitzwater's sign posting in 1982—at the time that the Congress and Senate is debating the extension of the Voting Rights Act, Fitzwater is down there tacking this sign up in minority precincts—he replied "political."

Judge Fitzwater's actions in 1982 and his attitude toward them in 1986 regretably demonstrate an individual with a calloused insensitivity to the central importance of voting rights in our democratic system and I do not believe that he deserves to be the guardian of that system. I hope that my colleagues will vote against him.

Mr. President, I believe a review of the record of the hearings will lead my colleagues to reject this nominee.

Mr. President, during the course of the consideration in the Judiciary Committee, we considered a letter from William Bradford Reynolds, the Assistant Attorney General for the Civil Rights Division, to Connie Drake, the elections administrator in Dallas County dated July 26, 1983, Mr. Reynolds pointed out:

> Our investigation confirmed that signs warning voters of the possible repercussions of illegal voting were posted by sheriff's deputies and other individuals at a number of precincts in the country. The information we have indicates that most of the signs were placed in precincts where black voters were assigned to vote. We are concerned that no nonracial justification has been offered for placing most of those signs at minority precincts.

That is a gracious way of saying that there were no incidents in the period of the past where there had been gross violations or significant violations or any record of violations of ballot tampering or any other kind of ballot inequities. He said:

> We are concerned that no nonracial justification has been offered for placing most of the signs at minority precincts. Of course, it is not improper to enforce state laws designed to prevent voter fraud, but we have received no information that such fraud was any more likely to occur at the black voting precincts than at while voting precincts.

Brad Reynolds, in charge of the Civil Rights Division, says he could not find any past history of ballot interference or of fraud of any kind in the areas where Fitzwater posted the signs. Fitzwater is active in Dallas politics. He must know the record of voter fraud. And yet off he goes, posting signs, threatening imprisonment to all voters "If you influence or try to influence a voter how to vote." Fitzwater said he read that line several times and could not find any problem with it.

Well, a person who has no problem with threatening imprisonment for minority voters who influence or try to influence a voter how to vote, does not understand the Constitution of the United States.

We are not talking about the 1950's or the 1940's or the 1960's. We are talking about this action in the 1980's. I ask where was this man when this country was debating the whole question of the right to vote? As the Senate of the United States in 1982 was considering extending the Voting Rights Act, where was this man?

Well, we know where he was at one particular time. He was out posting this particular sign in minority balloting areas that says, "if you influence or try to influence a voter how to vote, you can be imprisoned."

Mr. President, it seems to me for that reason and others which I hope to outline at a later time, the Senate should not confirm this nomination. The hour is getting close to 12. I indicated to my friend from Texas that I would yield to him. I will yield to him briefly and then hopefully have a chance to continue my presentation later.

Mr. DOLE addressed the Chair.

Mr. KENNEDY. May I say to the majority leader, the Senator from Texas had inquired of me if I would yield. I indicated to him that I would respond at the end of my presentation. We are getting close to the hour of noon, and I would be glad to yield if he wants to ask a question or I would suggest the absence of a quorum and then continue my presentation and yield to him later in the afternoon, without losing my right to the floor.

Mr. DOLE. If the Senator will yield, we would like to set this aside temporarily. We have another matter we can dispose of now, and we can get back on this matter right after lunch.

Mr. KENNEDY. I will be glad to accede to the request. I am prepared to yield, unless the Senator from Texas wants to inquire——

Mr. GRAMM. Mr. President, if the Senator will yield, I should like to make one simple point. I know we have to go to lunch.

The PRESIDING OFFICER. It will take unanimous consent to continue the session beyond 12 o'clock.

Mr. DOLE. Mr. President, I ask unanimous consent that we may proceed for an additional 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. I thank the distinguished Senator for yielding.

Judge Fitzwater, before the committee, went through, referring directly to the letter and line of Texas law, to verify each of these statements. It is a violation of Texas law, within 50 feet of a polling place, to try to influence a voter. It is also illegal, obviously, only in a polling place, for the people who are working there to let a person vote more than once. But if you put this sign where Sid Fitzwater posted it in an actual polling place, if you will look back at the record, you will see that within the context of the 50 feet of the polling place, when you note that it clearly refers to people conducting the election, about letting people vote more than once, if you will look back at the record, you will see that Mr. Fitzwater actually referred to Texas statute and read the Texas statute to verify that each of these statements is in fact Texas law.

I think that clears up the only point that I think requires to be cleared up.

Mr. KENNEDY. Mr. President, I will review for the Senate, in greater elaboration——

Mr. DOLE. Mr. President, will the Senator yield?

Mr. KENNEDY. I just want to finish my sentence.

I will get into this—we are under a time limit—in comparing this with the Texas law, and show clearly that no rational, reasonable person can believe that this is a reiteration of Texas law. It will take me more than 3 minutes to do it.

I reject, with all due respect to the Senator from Texas, that this is a restatement of Texas law. It clearly is not. I will take the time this afternoon to do it.

I yield.

Mr. HATCH. Mr. President, I rise in support of the nomination of Judge Sidney A. Fitzwater for the Federal District Court of the Northern District of Texas. Judge Fitzwater is truly an accomplished jurist and an outstanding lawyer. Educated at Baylor University, he received his B.A. degree in 1975. Participating in Baylor's special 3-3 program, he entered law school in what ordinarily would have been his senior year and graduated from the Baylor University School of Law in 1976, already demonstrating that he was a remarkable young man.

He joined a prominent Dallas law firm in 1976, and then moved to a more prestigious firm in 1978, where he worked until his appointment to the Texas district court in 1982. He has served with distinction as a Texas State judge from that date forward until the present day. He is known for his intellectual ability, his analytical mind, and his clarity of expression. During his nomination hearings, he impressed many members of the Judi-

ciary Committee with his intelligence and his legal reasoning.

Allegations were made against Judge Fitzwater of either covert prejudice or lack of judicial maturity due to his approval of signs posted in low-income Dallas wards during the last election. A judicial inquiry board looked into the matter and completely absolved Judge Fitzwater of any wrongdoing or even of misjudgement. In fact, the former prosecutor of Dallas County and several leading members of the bar from the Democratic Party have written to the Judiciary Committee attesting to Judge Fitzwater's probity, integrity, and juristic ability. He comes highly recommended by all who have come in contact with him.

In conclusion, Mr. President, I wish to emphasize that Judge Fitzwater is an unusual young man who has the support of his peers and his community for the important and demanding position of Federal district judge. Several of my colleagues on the Judiciary Committee have indicated that he shows great promise of being an outstanding Federal jurist. It is my pleasure to join in their support of this talented and able young man. I recommend approval of his nomination without qualification and with enthusiasm.

Mr. BRADLEY. Mr. President, I rise in opposition to the nomination of Sidney Fitzwater to fill a vacancy in the U.S. District Court for the Northern District of Texas. The record of Mr. Fitzwater's confirmation hearing raises serious questions about his commitment to civil rights and his judgment that cannot go unchallenged.

In 1982, Mr. Fitzwater, a Republican judicial candidate and a sitting State judge, posted three signs outside polling precincts in south Dallas the day before elections. He said he believed that the signs would be posted throughout Dallas, not just in the predominately black south Dallas. He also said he believed that the signs had been approved by the Texas Secretary of State. In fact, 90 percent of the signs posted were in predominately black neighborhoods, and the Texas Secretary of State had not approved their content.

According to the record, Mr. Fitzwater knew that the sign posting was a purely partisan effort, and that all three of the signs which he posted were in minority neighborhoods. Mr. Fitzwater had read one of the signs five times and knew, or should have known, that the signs were misleading and misstated the law of Texas. He should have known that a voter cannot be imprisoned merely for influencing another person's vote, as the signs said.

He should have known that this warning could be directed at election officials only, not voters, and that it could intimidate persons and promote fear that one risked imprisonment by voting. As an attorney and as a judge, he should have known that the net effect of such fear would be that fewer properly registered voters would choose to vote. Yet even when Mr. Fitzwater went to vote the next day, and observed that his precinct did not have such signs posted, he was not moved to investigate the sign postings, nor even to question their propriety.

Mr. President, a Federal judge is a guardian of the law. To facilitate this great responsibility, the Constitution provides for the lifetime appointment of Federal judges. This lifetime appointment protects the judge from outside pressures, and increases the likelihood that he will weigh all evidence equally and act independently of special interests in favor of the general interest. Consequently, absent ethical misconduct or impeachment proceedings, the Senate's advice and consent function is the last time a nominated judge will be scrutinized for his fitness to sit. We should not take this responsibility lightly.

What, then, should be our threshold requirements for a nominee for a Federal judge position? First, the nominee should conduct himself or herself in a manner suitable to one in such a position. Canon 2 of the "Code of Judicial Conduct," which addresses the appropriate conduct of a judge, states:

> A judge should avoid impropriety and the appearance of impropriety in all his activities.

This canon recognizes that since a judge sits in judgment of others he or she should strive to live by the highest ethical standards to encourage respect for the court's decisions and the law in general. In contrast, Mr. Fitzwater's decision to post the signs not only did not avoid the appearance of impropriety, but also may have constituted an impropriety itself. That all criminal charges have been dropped against Mr. Fitzwater is not grounds for his exoneration in the light that we must view his activity. A prudent judge would have made further inquiry into both the authorization to post the signs and their legal content. Several of Mr. Fitzwater's colleagues did take these steps. Mr. Fitzwater did not, and therefore failed to meet those ethical standards expected of a judge.

A second threshold requirement for a nominee is that he or she possess sound legal analytical skills and mature judgment. A judge must be the arbiter in disputes among persons and between a person and the State, and must be able to identify all sides of an issue and render a decision based on well-reasoned and mature judgment. It is my belief that Mr. Fitzwater's judgment in posting those signs was neither mature nor well-reasoned. Mr. Fitzwater's conduct demonstrated a profound insensitivity to a genuine problem, a problem that threatens the integrity of each and every election in this country. Voter intimidation is not a problem of the past, but a national problem that I saw and fought against in my last Senate campaign in New Jersey. A judge who mistakenly acts on the assumption that voter intimidation no longer exists is like a criminal defendant who claims ignorance of the law as a defense. Ignorance of the law is, of course, not a legally recognized defense. And ignorance or insensitivity to ethically improper conduct should not be accepted from a person nominated for a federal judgeship.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Fitzwater nomination be temporarily set aside and that the Senate proceed in legislative session to consider the corrections to the farm bill.

There being no objection, the Senate proceeded to the consideration of legislative business.

FOOD SECURITY IMPROVEMENTS ACT OF 1986

Mr. DOLE. Mr. President, I think we have worked out an agreement that will satisfy everyone involved. What we would do would be to pass the resolution and then have a colloquy. Or we can have the colloquy first. It makes no difference. Then we would send it to the House and send back the papers they sent us yesterday. I am advised that they probably could act in the next couple of hours.

Mr. HARKIN. Mr. President, if the Senator will yield, I hope we can engage in the colloquy. I think there are at least one or two other Senators who would like to raise a couple of points on this before we get to the resolution.

Mr. DOLE. Let us start on the colloquy, then.

Mr. HARKIN. Mr. President, will the distinguished majority leader engage in a colloquy with me?

Mr. DOLE. I yield.

Mr. HARKIN. I thank the majority leader for yielding.

Mr. President, the biggest problem confronting farmers right now and in the coming weeks is the lack of credit and/or the lack of credit at reasonable terms. I feel that we must seek every means available within budgetary and legal constraints to ease this financial burden now bearing upon our Nation's farmers. That is why many of us on both sides of the aisle have sought to get the administration to exercise its authority under section 424 of the existing farm bill to make advance CCC loans available to farmers at the time they sign up for the farm program. Every farm group that this Senator is aware of supports this proposal. It has broad bipartisan support. It would be

the quickest, easiest, and most efficient way to help our farmers through this immediate credit crisis they have confronting them.

I ask the distinguished majority leader if he does not agree that advance CCC loans are needed, that the administration could implement this program without congressional mandate, and that over the next 2 years the budget impact would be negligible.

Mr. DOLE. Mr. President, I have discussed this matter before with the Senator from Iowa. In fact, I made the statement on the floor that I think it is basically a sound idea. So we do not have to quarrel over the idea. There was bipartisan support for the resolution. The question is whether it is mandatory or discretionary.

It is clear that section 424 of the Agricultural Act of 1949, as amended by the Food Security Act of 1985, provides the legal framework by which any administration could advance part or all of the CCC loans for which a farmer would be eligible once he has signed up in the program. As I have indicated on the Senate floor several times, I feel that the administration ought to do something to assist farmers in obtaining lower cost credit as soon as possible.

As the Senator from Iowa, the Senator from Montana, and other Senators know, farmers are paying 12, 13, or 14 percent for their operating loans—if they can even get credit. In some cases, they cannot get the credit. This program represents an opportunity for them to get some operating capital at about a 7.5-percent interest rate. This would be a great help.

I would also point out, as previously indicated on the floor, that over a 2-year period, this advance loan program would have no net budget cost.

Since it is discretionary, I have discussed with the new Secretary of Agriculture how we can work it out so that it would not require an additional appropriation in this fiscal year.

Mr. HARKIN. I thank the majority leader for his response.

The Senate voted 65 to 18 to support the sense of the Congress resolution that the administration advance one-half of the CCC loans at the time of sign-up this spring. It is this Senator's opinion that if Gramm-Rudman-Hollings were not controlling, the Senate would vote to mandate this. I also point out that the House also strongly supported this resolution and this effort to get the administration to act on advancing the CCC loans.

I ask the distinguished majority leader if he does not feel that the Senate has indicated its strong interest in getting the administration to act on this program and to advance these loans, and, further, I ask the majority leader if he would agree to pursue this personally to get the administration to act on this expeditiously.

Mr. DOLE. Mr. President, let me indicate that I have already stated that. I have discussed this with the new Secretary of Agriculture. I have also discussed it with the Director of the Office of Management and Budget.

I did support the resolution. In fact, I helped to round up a few votes for it because, in my view, it presented an opportunity to give quick relief to a lot of beleaguered farmers.

I am willing to discuss it with the President or anyone else, if we can make it work.

I go back to the premise that it is not a disagreement over what we would like to do; it is how we can to it. In my view, it is an oportunity for the administration, and I hope they pursue it.

Mr. HARKIN. I do not mean to press the majority leader on this issue, but sometimes—not only under this administration, but also under the previous one, which was Democratic—there seems to be a big chasm between the Secretary of Agriculture, the Director of OMB, and the President. I know that the distinguished majority leader has access to the President. Without pressing the distinguished majority leader, I hope that he would bring this personally to the attention of the President of the United States, without just going through the Secretary of Agriculture or the Director of OMB.

The PRESIDING OFFICER. It will require unanimous consent to extend this session.

Mr. DOLE. Mr. President, I ask unanimous consent that the session be extended for an additional 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I do not have a problem with that. In fact, I am perfectly willing to pursue it. It seems to me it is an opportunity for the President that would have no net cost. If there is an outlay that shows up, we can work it out.

Mr. GRAMM. Does the Senator wish me to respond to that?

Mr. HARKIN. Mr. President, I know there are some at OMB and, perhaps in USDA, who are saying there is no precedent for doing this.

I would just point out that there wasn't any precedent for advancing deficiency payments either until it was finally done a couple years ago.

As the majority leader knows, we are advancing 40 percent of the deficiency payments to farmers this spring at the time of sign-up and I admit that will help them somewhat with their credit needs. In many cases, this will not be enough.

I wish to point out one other thing:

Several States, including the State of Iowa, are now out of Farmers Home Administration operating loan funds. Again, under the law, the Farmers Home Administration has the authority to transfer money from its unused loan guarantee authority to the direct loan program—up to 25 percent—without any congressional action. This could amount to as much as $400 million, that could be transferred right now, again without any approval by Congress. This is something that is needed immediately and that the Farmers Home Administration should transfer this money—this unused loan guarantee program money—to the direct lending program to help farmers who cannot get credit anywhere else.

I see no reason for USDA to sit on this money that is now in the loan guarantee program which is not being used when it can be transferred to this direct lending program. This would be a great "shot in the arm" in those States that have exhausted their direct operating money.

Both the distinguished majority leader and I feel that the credit problem confronting farmers is now of the utmost concern and importance and that if not addressed fairly soon will result in many thousands of farmers being driven off their farms if credit at reasonable terms is not made available.

I wish to finally ask the distinguished majority leader that if the administration does not act with regard to either getting advanced CCC loans or making money available in the direct lending program of the Farmers Home Administration that, perhaps, it will be necessary to pass some farm credit legislation in the very near future mandating that some action be taken by the administration to get this credit out to our Nation's farmers.

Mr. DOLE. Mr. President, let me indicate, first, my hope that we can avoid a mandatory process. But there is no doubt about it—credit problems are increasing for farmers in Iowa, farmers in my State, farmers in nearly every State, even farmers outside the Midwest.

It would certainly make our job a lot easier and expedite matters in the Senate if the administration were to use its discretion to advance some of the CCC loans and provide for transferring of funds in the Farmers Home Administration to get some operating money out in the country.

In fact, it might even be possible that, by implementing those two programs, we might not have to spend our time in the Senate working out what kind of credit to provide to our Nation's farmers.

So I think a fair response to the Senator would be that I think the administration has to do something. The problem is not going to go away. I think there is a lot of good news that we should not overlook. Once signup starts, $5 billion will be pumped in farmers' pockets. It will not be there

long, since they are going to owe most of it to someone. But it is going to help some.

I think there are other things we can do. We can do a great deal with costs.

I think the Senator from Iowa started out in his colloquy talking about the need to keep within budget and the spending constraints that we face. We all know that is where we must start from.

If there is nothing forthcoming from the administration on the credit side, there is no doubt in my mind we are going to have to spend some time on the Senate floor on credit legislation. In fact, many of us have already testified on possible provisions of legislation before the Banking Committee, which is looking at how we can help not only farmers but some of our small rural banks.

Mr. HARKIN. Mr. President, I thank the distinguished majority leader for entering into this colloquy and for his efforts to reach a resolution of this impasse.

I would say in closing that it was never this Senator's intent to engage in any battle over a word "shall" or "should." That was never my intent.

I think it is my intent, and I might add not only mine alone but other Senators on this side of the aisle, and other Senators on the other side, to send the strongest possible message to the administration that they should do something, that they should get cracking on this. It would save us a lot of effort and energy up here in passing some credit legislation if they would do this, which they can do.

So, again, I just wish to thank the majority leader for his commitment to pursue this matter with the President personally and that being the case I will not enter any objection to the unanimous consent request that the majority leader made.

Mr. MELCHER. Mr. President, if the majority leader will yield, I have one or two comments to make and I ask him to respond to them.

We have been dealing mostly on talking about how we provide some extra credit at lower interest rates to farmers in the farm program. For instance, there was a reference to the concurrent resolution that is contained in this package, also the reference for advancing part of the loans on grains, and also the reference to the advance payment of 40 percent of the deficiency payment. These are to farmer operators who are in the farm programs.

We have not been talking at all to the livestock industry whose producers are not in the farm program at all, but if our State of Montana is any judge of the relative health of livestock producers' credit worthiness throughout the country, I think it would be fair to say that some 30 percent of these producers have operating loans that are at risk.

To get cash-flow for these operators as well for the grain operators and dairy operators at a point where even if there are loans stretched out over longer periods of time for repayment, it is going to have to give, and the cash-flow simply is not there for about 30 percent of these producers unless the interest rates are reduced.

I wish to ask the majority leader on the timing for consideration again on the Senate floor, should there not be a plan forthcoming by the Federal Government that will ease the credit crunch? Could we expect some type of consideration shortly after Easter? I ask the majority leader.

Mr. DOLE. Mr. President, if the Senator will yield, I think it depends a great deal on what we have done on the budget resolution. There are about 8 days worth, as we go into Easter, of things we wanted to do and thought we could do that we have not completed. One is the sports franchise bill, which is important to some people. The other is the regional airport compact. There is the prayer in school issue that we thought we might have up.

We are on the balanced budget amendment. We hope to finish that tomorrow.

I think it depends on whether we get some action the next couple of weeks. And it depends again on whether Senator GARN's committee reports out some credit legislation.

I appeared before that committee. Both Senator DIXON and Senator GARN indicated they thought they might be able to put together a bipartisan agreement.

If we have that kind of bipartisan cooperation, and we do not have a week of two of debate, obviously we can bring a bill to the floor and dispose of it almost anytime.

Much will depend on what form it comes in and whether it satisfies a broad group of Senators on each side of the aisle.

I think it is important we address it. I would not want to be stuck on a date.

I have already indicated to the Senator from Oklahoma we are going to have something up sometime later in the spring on political action committees.

But I understand the problem coming from the farm States. I want to work with the Senator from Montana and others to try to work it out. If we can work it out, we will not have any problem getting it considered here.

Mr. MELCHER. I thank the majority leader.

I might add that Senators NICKLES and EXON and myself also appeared before the Banking Committee this morning in their oversight review of credit needs for agriculture.

Mr. DOLE. The Senator is right.

Mr. MELCHER. Mr. President, I wish to make one final point. I know that the question here we will always have to face, both the Senate and the other body, this spring is——

The PRESIDING OFFICER. It will take unanimous consent to extend the session further.

Mr. MELCHER. Mr. President, I ask unanimous consent that the session be extended for 5 minutes.

Mr. DOLE. Mr. President, let us make it for 5 minutes. I know we all have meetings going on.

The PRESIDING OFFICER. Without objection, the session is extended for 5 minutes.

Mr. MELCHER. Mr. President, the question we face here in Congress is one of not adding to the Federal deficit. So everything we add on, we are going to have to find an offset.

One thing that some of us are pursuing is to pressure the Federal Reserve Board to open up their discount window to agricultural lenders and, therefore, provide credit to agricultural borrowers, whether from commercial banks or the Farm Credit System, at reduced rates of interest. Since the rediscount rate is 7 percent, we feel that commercial banks and the Farm Credit System could probably be lending out that money at 8.5 percent.

I know of the majority leader's interest in this and I only encourage that he, as well as the rest of us, do what we can to consult with the Federal Reserve Board and see if we cannot get some action from them promptly.

Mr. DOLE. Mr. President, the Senator from Montana knows that we have been discussing that. I hope by now he has had a chance to meet with one of the Fed's governors.

Mr. MELCHER. Yes. I was pleased to meet with one of the governors last Friday and intend to pursue that with further meetings this week and next.

Mr. DOLE. Mr. President, let me thank the Senator from Nebraska for helping put all of this package together. We appreciate his help. I think we are about ready to get it worked out. I believe the House will accept what we send over and we may be able to get it down to the President today.

Mr. EXON. Will the Senator yield?

Mr. DOLE. I am happy to yield.

Mr. EXON. I will not delay this. I just want to thank the Senator from Iowa and the majority leader for getting what I think is a very good agreement with regard to breaking the impasse that has confronted us. It is true that myself and others, as Senator MELCHER has mentioned, appeared in front of the Banking Committee this morning. We have such a credit problem, we have such a depression out there that we have to attack this from many different sides. And certainly the bill that hopefully we are ready to

pass with the amendment that is about to be offered by the Senator from Kansas, if we get that done, that is a step in the right direction. Most important of all right now, there is nothing in my opinion that would bring cash flow into the system more than if we could get the administration to come through with moving up to 50 percent the amount that they advance now for loans. I hope that we will all keep the pressure on the administration to try and get that done.

I appreciate the cooperation that has been shown by farm State Senators and the understanding by both the Senator from Iowa and the distinguished majority leader. I hope we can proceed now with the amendment and hopefully a voice vote.

Mr. DOLE. Mr. President, let me again thank the Senator from Nebraska for his assistance this morning. I appreciate it very much.

I yield to the Senator from Iowa.

Mr. HARKIN. I thank the majority leader for yielding.

I, too, want to thank the distinguished Senator from Nebraska for his efforts in reaching this point and for his long and continued interest in trying to get the credit needs of the farmer met. I also wish to thank the Senator from Montana for working on this. It is nice to have them on your side. Furthermore, I would like to thank Senators BUMPERS and DIXON who have both exerted a great deal of leadership in this effort to assist America's farmers.

CORRECTING THE ENROLLMENT OF H.R. 1614

Mr. DOLE. Mr. President, I send a concurrent resolution to the desk, on behalf of myself, Senator HELMS, and Senator ZORINSKY, and ask for its immediate consideration. It is to correct the enrollment of H.R. 1614.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 114) to correct the enrollment of H.R. 1614.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 114) was agreed to as follows:

S. CON. RES. 114

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate is requested to return to the House of Representatives the enrolled bill (H.R. 1614). The Clerk of the House is authorized to receive such bill if it is returned when the House is not in session. Upon the return of such bill, the action of the Speaker of the House of Representatives Pro Tempore in signing it shall be deemed rescinded and the Clerk of the House shall reenroll the bill with the following corrections:

(1) In section 13(a), strike out the matter preceding paragraph (1) and insert in lieu thereof the following:

"(a) It is the sense of Congress that the Secretary of Agriculture carry out a program authorized by section 424 of the Agricultural Act of 1949. Such program, if implemented, shall provide for the following:".

(2) In the first sentence of section 13(c)—

(a) strike out "shall"; and

(b) strike out "the program provided for" and insert in lieu thereof "any program established".

(3) In section 17(b)(2) of the United States Warehouse Act (as added by section 14 of the bill), strike out "warehouse to which" and insert in lieu thereof "warehouse from which".

Mr. DOLE. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. GRAMM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I wish to thank all Senators, particularly the Senator from Iowa, the Senator from Montana, and the Senator from Nebraska. I believe we have a result here that the House will accept and one that I think will be of help. I believe the underlying farm package which had, at last count, about 13 sections, will be helpful to many farmers, including dairy farmers and grain farmers. So I am pleased that we have been able to resolve this issue. I thank all of my colleagues.

RECESS UNTIL 2 P.M.

Mr. DOLE. Mr. President, I now move that the Senate stand in recess until 2 p.m.

The motion was agreed to; and, at 12:24 p.m., the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. ARMSTRONG).

The PRESIDING OFFICER. The Chair suggests the absence of a quorum.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

Mr. DOLE. Mr. President, what is the pending business?

The PRESIDING OFFICER. The clerk will report the unfinished business.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 225) proposing an amendment to the Constitution relating to a Federal balanced budget.

The Senate resumed the consideration of the joint resolution.

Mr. DOLE. Mr. President, I alert my colleagues on both sides of the aisle that we are back on the balanced budget amendment. I hope Members will come forward. We have been on this measure for a reasonable time. I cannot recall precisely when it was called up. We have had at least 3 or 4 days of debate, and we would like to conclude action on the amendment sometime tomorrow.

We will stay on the balanced budget amendment until 6:30 or 7 o'clock today and then complete action on the Fitzwater nomination. I hope we will not have much more discussion on the Fitzwater nomination. It might be that if we would conclude the debate quickly, we would have that vote this evening. If not, we will have the vote tomorrow, in order not to inconvenience Senators who have other obligations. If we could reach a time agreement for completion of the Fitzwater nomination, that would be better yet.

So I say to my colleagues that the balance the budget amendment is pending. I wish the distinguished chairman of the committee would remind the Members who have amendments to offer them. I do not know their names; but if he read them into the RECORD, it might trigger some action.

I know that the Senator from New Mexico [Mr. DOMENICI] is prepared to offer a couple of amendments. We will notify him. Other Senators have amendments, and I hope we can start very quickly.

There was also some discussion at noon about the enforcement of the amendment, and perhaps we can get into that area, if we can find a substitute for the Presiding Officer.

Mr. President, I again indicate to Members who have had meetings that we are now on the balanced budget amendment. We hope to start discussion on amendments this afternoon and then later today go back to the Fitzwater nomination.

(Mr. WILSON assumed the Chair.)

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, I appreciate the invitation of the majority leader to start on the amending process.

I want to pick up where I left off last week in expressing concern about the enforceability of the amendment. I do not have to offer an amendment to it. I do not have to vote for it. In fact, my present disposition is that I am not going to vote for it in its present form, for the simple reason

that I do not think it is enforceable; and if the managers of the bill would care to come to the floor and chat about it, I would like them to explain to me why it is enforceable and how it is to be enforced. If not, I can move on to other issues.

Mr. President, I note the presence on the floor of the distinguished chairman of the Judiciary Committee and the distinguished Senator from Arizona, who I believe are the respective managers of the bill.

Let me say explicitly what my concern is about this proposed amendment. As I understand it, the amendment states that outlays for any fiscal year shall not exceed the receipts unless such excess be approved by a three-fifths vote of each House.

Mr. President, that is a policy declaration with which I agree. My question is this: What happens if in fact outlays threaten to exceed revenues in some future fiscal year? What happens then?

Mr. DECONCINI. Mr. President, I wonder if the Senator from Colorado will indulge for perhaps 10 minutes, while the Senator from Mississippi makes a statement for the RECORD on the general subject matter. Then I will be glad to attempt to respond to the Senator's concern.

Mr. ARMSTRONG. Mr. President, I do not care when we talk about this or for that matter, as I said last week, we do not have to talk about it. A lot of Senators think this is just a cheap move to balance the budget, since it probably is not going anyplace in the House of Representatives anyway. I do not feel that way. I am not going to vote for a balanced budget amendment unless it appears to hold the promise of actually being enforceable were it to be adopted by Congress and ratified by the States.

I am not presently convinced that this amendment meets that test, but, as I say, I do not have to vote for it. I do not have to do anything.

I just wanted to raise the concern.

Mr. DECONCINI. Mr. President, if the Senator will yield, I do not want the Senator to interpret my interruption here as my not wanting to answer his question. I do.

The Senator from Mississippi is here and wishes to address the general subject matter.

Mr. ARMSTRONG. Indeed the Senator from Colorado is going to go up on the dais and preside. I will be glad to pick the subject up anytime.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. ARMSTRONG. I yield.

Mr. THURMOND. I am glad to answer. Of course, I think there was a colloquy here between the distinguished Senator from Illinois [Mr. SIMON] and Senator HATCH last week, was there not, on that?

Anyway, we will be glad to answer the question.

Mr. ARMSTRONG. I will be happy to proceed.

I say to the Senator from South Carolina, I believe it was the desire of the Senator from Arizona to proceed to some other business for now and then come back to this question. That is perfectly acceptable to me as well.

Mr. THURMOND. That is fine.

Mr. DECONCINI. I thank the Senator from Colorado.

Mr. President, the Senator from Mississippi wishes to make a statement on the balanced budget amendment and it may be on enforceability. I do not know.

I yield the floor.

Mr. ARMSTRONG. That will be fine.

Mr. STENNIS. Mr. President, could I have 10 minutes?

Mr. DECONCINI. Whatever the Senator wishes.

The PRESIDING OFFICER (Mr. HELMS). The Senator from Mississippi is recognized.

Mr. STENNIS. Mr. President, may we have order? This is probably not an important speech but it is a mighty important subject matter.

The PRESIDING OFFICER. The Senate will be in order.

Mr. STENNIS. Mr. President, when I first joined as a sponsor of one of the first constitutional amendments for a balanced budget over 15 years ago, I did so primarily because I thought it was good government, because I thought it made sense.

But now I support the amendment this time because I think it is absolutely necessary. We have no real choice, as I see it. If we do not adopt such a requirement along this line and make it a part of the basic framework of our Government, we will ultimately jeopardize not only our economy, but our whole system of free, democratic government.

As I look over the constant and ever-growing demands on the Federal Government for more and more funds or subsidies from larger and larger groups, I am fully convinced that in order to protect and save our free enterprise system, our free economy, we must put definite and firm controls on the annual expenditures each year, on the average, and make sure that the amount we spend does not exceed the amount we take in.

Stated another way, we must definitely establish a plan on an annual basis that is fixed, firm, and limited as to income and outgo—a requirement that will hold firm once it is adopted by the people as a constitutional amendment, unless the facts draw it within and exception written in the constitutional amendment limitation itself, along the lines of a war or other highly abnormal conditions.

In reaching this conclusion, which I now think is a definite demand for positive action by the people and Congress with continuing cooperation down the years, I have also considered and measured the growing and continuing demands on us for more and more military and highly expensive weaponry around the world for our protection and the protection of our allies. This demand will in my humble opinion continue, I think, for many years to come. I have been in close touch with our military preparedness program and have supported it strongly for over 35 years.

I mention that not because I have any joy in it. I want that condition to terminate, be changed and not continue at this high rate, but my judgment is that it is going to continue, as I have already said, and will not go away by wishing.

The point is, that if we are going to continue to spend these large sums for a strong military preparedness, we must be willing to pay for it. We cannot simply allow the deficit to grow and grow year after year. I think the American people will understand that it costs money to have the best military preparedness in the world, and I think the American people are willing to pay their fair share in supporting a strong defense.

That is my answer, Mr. President, to the idea of those who say under no condition will we vote to increase taxes in any way, directly or indirectly. That policy will carry us down if adhered to too long.

Even if we adopt this constitutional amendment as a practical matter, it will not work unless we send to Congress individuals who back this expression of the people. Such an amendment has to be an expression of the people. They must be represented here by Members who will stand firm and show caution and judgment in caring for our system of government. That means freedom for all of us and also protection for the individuals who have true need, and Members have to have pride in providing that help; Members who will stand firm against the demands of all these various groups who come before the Congress asking for more subsidies, more funds.

The record of our past spending practices shows how important it is that we have this matter fixed firmly and formally in our Constitution. In the past 25 years, we have had only one budget that was balanced. I could not believe that when my assistant told me and I have been here during all those years. I could not believe, only one, only one out of 25 years. Bringing it even closer to home, in the 38 years I have been here, we have had a balanced budget only eight times.

That is a very sad statement. I must bear some of the responsibility, some of the blame for this poor record. I have voted against a great number of these increases in spending, more especially where there were not additional revenues to pay for the increases, and I certainly think in my opinion my record on spending is at least fairly sound on spending. But I think the history of congressional spending simply shows that it is going to take a more definite, binding requirement in the form of a constitutional amendment.

That is repetitious, but I did, I repeat, on purpose for purposes of emphasis.

Mr. President, we all know that there are increasing demands for Federal support. I am not saying, that these groups to which I have referred have not had legitimate needs. In many cases there is a clear need for Federal support, and I am not in favor of abolishing it at all. We must manage it better, just like we must manage all major phases of our Government.

Mr. President, we all know the increasing demands for Federal support that all encounter—support for health care, for retirement benefits, for agriculture, for education. The list goes on and on. Already this year it seems as if a record number of groups from my own State will be coming by the office, most of them asking for support of some sort from the Federal Government.

Now that is where a great deal of the deficit, creating is done. In many cases, there is a clear need for Federal support. I simply use this to point out now the demands have grown, and if we want to meet these demands, those that are justified, many of which are legitimate, then we must come up with additional revenue to fund them. We cannot do it by just running up the deficit.

Of course, this cannot be accomplished overnight. President Reagan entered office with the best of intentions in 1981, after having made a balanced budget one of the key points of his campaign, promising a balanced budget in 1984. At that time—and I do not say this critically of him, I think he has tried and is still trying—but at that time I felt that he had not allowed himself enough time. I did not possess any special inside information, but I have been around here for a while, and I know that we are simply going to take longer than that to get our financial affairs in order.

So, Mr. President, I believe it is absolutely essential now that we make the requirement of a balanced budget a part of our Constitution, properly framed, as an expression from the people, all the people, not every individual, but a great mass and majority.

It will be there in the Constitution to force us to conduct our affairs on a sound basis. It will be there as a part of the Constitution giving us the additional support we need to deny some of these requests for more and more funds or, if we agree with them, it will require us to come up with the additional revenues we need to finance them. We cannot have one without having the other.

But even a constitutional amendment will not be the final answer if we do not send to the Congress—and I repeat this for emphasis—men and women of determination and courage who will tackle these problems head on. With the support of the people that it will take to pass, actually pass, this constitutional amendment and to pass this kind of a plan, and with the election of individuals of commitment and strength, we can preserve our free enterprise economy and our democratic way of life. And while we are doing that during the last few years of the first 200 years of our existence under our present Constitution, we not only will be preserving what we have, we will be protecting the future generations, but we will be affirming over and over our belief in the principles that are already embodied in our Government that has brought so much happiness, love, respect, endearment, and all the good qualities of life—freedom of religion—brought us all of those things, generation after generation after generation.

Of course, it has caused a lot of work. Of course, it has caused some sacrifice. Of course, it has caused doing without some other things at the time. But that is just the tone, that is the framework. We know, by and large, that that is the price we have to pay. And what we have received in turn, generation after generation, has been well worth the money.

So when we say, "God bless America," let us mean it and let us do the things that seem so plain and so essential and so necessary to keep the America that we have now, with our system of government, in force and in effect, continuing to bring happiness and opportunity for all of us.

Mr. President, I yield the floor.

Mr. THURMOND. Mr. President, I commend the able and distinguished Senator from Mississippi for the excellent speech he just made on this subject. He and I have been here a long time. It has been an outstanding honor for me to serve with him in this body, because I have found him so fair and a man of such vision. We all respect him from every standing.

Mr. STENNIS. I thank the Senator from South Carolina. I have the same feeling toward him and his fine work.

Mr. DECONCINI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. We are now on the constitutional amendment to balance the budget. We were hoping there would be no amendments offered, but if there are amendments, we hope Senators will come in and offer those amendments so we can proceed.

We are supposed to finish this bill by tomorrow night. So if anyone has amendments, we suggest they come forward and offer those amendments. We are anxious to go forward with the bill. The majority leader contemplates it will be finished at the end of the day tomorrow.

Unless Senators do come forward with amendments, then it is presumed that there will be no amendments, and we will proceed.

The PRESIDING OFFICER. The question is on the amendment No. 1652.

Mr. SIMON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. EVANS). Without objection, it is so ordered.

Mr. SIMON. Mr. President, I simply want to reiterate what the distinguished chairman of the Committee on the Judiciary (Mr. THURMOND) said: "If our colleagues have amendments, it would be great if they could bring those amendments in at this point so we do not end up with night sessions tonight and tomorrow night or at some other point. This is an ideal time; there is an open spot on the floor right now. It would be a great time to dispose of some of the amendments, either favorably or unfavorable."

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ARMSTRONG). Without objection, it is so ordered.

Mr. DOLE. Mr. President, I hope we can get some amendments laid down and get on with the business before the Senate. I know that my colleagues

on both sides wanted a reasonable debate on the balanced budget amendment, and we certainly want to provide that.

It is my hope that we can complete action on this matter tomorrow and then move on to other matters, because we have a budget resolution which will come before us as well as three or four other legislative matters we must complete before the Easter recess period. In addition, I assume that we will have a vote on reconciliation—at least one other vote on reconciliation—before that time.

We have been patient and have not pushed for a cloture vote, hoping the debate would take care of itself, that we could vote on the constitutional amendment, which requires 67 votes; cloture requires only 60. So I think that most people who are opposed to the balanced budget amendment would prefer that we debate it, offer amendments, and move on to final passage.

I am now advised that we may have an amendment.

Mr. HATCH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1654

(Purpose: To require the President to submit a balanced budget for each fiscal year)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 1654 to the Thurmond amendment numbered 1652.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 1, strike out lines 9 through 21 and insert in lieu thereof the following:

SECTION 1. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year in which outlays are not greater than receipts. The President may also recommend an alternative budget in which outlays exceed receipts, which shall be accompanied by a detailed explanation of the need for such excess.

SECTION 2. Outlays of the United States for any fiscal year shall not exceed receipts to the United States for that year, unless three-fifths of the whole number of both Houses of Congress shall provide for a specific excess of outlays over receipts.

SECTION 3. Any bill to increase revenue shall become law only if approved by a majority of the whole number of both Houses of Congress by rollcall vote.

SECTION 4. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect.

SECTION 5. This article shall take effect for the fiscal year 1991 or the second fiscal year beginning after its ratification, whichever is later.

Mr. METZENBAUM. Mr. President, this amendment is very simple. This amendment is to be known as the "buck stops here" amendment. It is an amendment that says that the President of the United States must submit a balanced budget when he sends his budget to the Senate. It says that it is not only the responsibility of Congress to have a balanced budget; it says the President of the United States must share in that process.

What could be more appropriate than for us to expect the President to do just that? Let us face it: the amendment we have before us today is an amendment that has been advocated, talked about, and urged upon us by the President of the United States.

Mr. President, the President has talked about balancing the budget since before he was a candidate, since he was elected as the President of the United States, and regularly ever since then. But it is a fact that his proposed budget deficits for the last 5 years have caused us to double the amount of this Nation's debt.

His proposed fiscal year deficit for 1982 was $67 billion, according to CBO; for fiscal year 1983, $137 billion; for fiscal year 1984, $176 billion; for fiscal year 1985, $192 billion; for fiscal year 1986, $186 billion; and for fiscal year 1987, it would still be a figure higher than the previous figures were it not for the cuts and the possible revenue increases brought about by reason of the Gramm-Rudman measure, which would still leave us with a $144 billion deficit.

Under my amendment if the President cannot or is unwilling to recommend a balanced budget, he is free to submit an alternative budget which is not balanced and in fact to recommend that Congress not adopt a balanced budget. However, he would still have to submit a proposal for a way to balance the budget in order to comply with this constitutional amendment.

Frankly, it is ridiculous not to involve the President in this balanced budget proposal when the President is central to the whole budget process.

The national debt has just about doubled during the Reagan administration. He has piled up as much debt in his 5 years as in the entire history of the United States in the previous 200 years. Are we going to let this President or any other President off the hook as far as his or her obligation to submit a balanced budget and then say to Congress you have to balance the budget? As a matter of fact, I do not know how you would force Congress to do it. I do not see any effectuating mechanism in the constitutional amendment but that is another issue.

To propose massive deficits and still to crusade for a balanced budget seems to me to be hypocritical.

We all know the truth about what has gone on in this country. The President promised everyone a free lunch with a massive tax cut in 1981. In one of the votes that I think is most difficult to explain, at least for this Senator who had the stupidity to vote for it, we passed the massive tax cut bill in 1981. A massive military buildup in the military has been tolerated until finally the American people are coming to their senses, something like only 17 percent of the people today are in favor of increased defense spending.

Frankly, there also continues to be massive avoidance of taxes with huge corporations making billions of dollars in profits, paying no taxes and getting refunds.

I remember several years ago when the President said there ought to be a minimum corporate tax but somehow he has forgotten to talk about that subject in recent months and years.

I remember when I came to the floor of the Senate and proposed a minimum corporate tax. Eighteen Senators, all of whom would be considered far-rightists had written the President a letter and said to the President, "Mr. President, we did not know when we voted for the tax decrease bill that by 1985, 50 percent of the corporations in this country would not be paying any taxes."

So I called upon them at that time to vote for the minimum corporate tax.

If my recollection serves me right—and I am not certain of this figure—I think I received about 18 affirmative votes for that proposal.

If the President wants to push this amendment, let us make him accountable.

Congress has already legislated, under Gramm-Rudman, that the President should be required to submit a budget within specified deficit ceilings and by 1991 to submit a balanced budget. Why should we take a fundamentally different approach with respect to this constitutional amendment?

One of the great surprises to me is that the Judiciary Committee has managed to take the small amount of Presidential involvement included in the version reported in the 98th Congress and they have eliminated it in this constitutional amendment; The committee dropped the mushy requirement that the President submit a statement of receipts and outlays

"consistent with" the amendment. Even that was dropped from this constitutional amendment.

My language would tighten that up. My language would be more effective. My language would place the burden where it belongs and that is on the desk of the President.

The amendment to require the President to submit a balanced budget is fair and workable; nothing in this amendment prevents the President from sending another budget alternative in addition to a balanced budget.

But the fact is the President would be the one called upon first to submit a balanced budget.

Congress would still have the power to adopt an unbalanced budget through a 60-percent vote in both Houses.

I believe that the President has led this country to believe that Congress is responsible for the deficits and that he has not anything to do with it. That is sheer nonsense. He has a great deal to do with it.

No President in history has ever had the privilege of running up as much in deficits as had this President, doubling our deficit within the 5 years of his Presidency. He has the audacity to tell us to pass a constitutional amendment to require a balanced budget.

It is only fair to point out that even if this body were to agree to do just that, there is not any chance at all that it would come to pass during the term of the office of this President.

Mr. President I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HATCH. Mr. President, as the distinguished Senator from Ohio knows, under the Budget Impoundment Act of 1974, the President is obligated to submit a statement. Now, admittedly, during these crucial years where we cannot have a balanced budget, certainly up to 1991, under Gramm-Rudman, the President does not have to submit a statement requiring a balanced budget or for a balanced budget. But starting in 1991, he would have to.

If this amendment passes, then the President, by implication, under the Budget Impoundment Act, would have to submit a balanced budget or he is going to have to justify why it is not balanced. I cannot imagine any President failing to do so. So, implicit within that law is the requisite to submit a statement requiring a balanced budget.

Senate Joint Resolution 225 obligates the President, just as it obligates Congress. The President and the Congress are both part of this process. Senate Joint Resolution 225 does not mention either Congress or the President because it is clear under the Constitution that both the executive and legislative branches are involved in setting budgetary priorities.

Furthermore, statutes now require the President to submit a budget. I just mentioned the statute that requires it. If Senate Joint Resolution 225 were part of the Constitution, that submission would have to be a balanced budget because Senate Joint Resolution 225 binds the President as well as Congress. Thus, this amendment really does nothing and the law is such right now as to require that.

Furthermore, in the context of Senate Joint Resolution 13, which prescribed a process likely to produce balanced budgets, this amendment had a more appropriate intent. When describing a process, it ought to be clear that all entities of the Federal Government participate in the process. In 1982, the Congress wisely rejected the amendment anyway because injecting the President into the constitutional budgetary process had the potential to upset the separation of powers and diminish Congress' ability to define the executive's role by statute.

In the context of Senate Joint Resolution 225, however, this amendment is entirely out of place. Senate Joint Resolution 225 does not set the parameters of a process, but simply states the norm that outlays shall not exceed receipts in the absence of extraordinary circumstances. It prescribes a result, not a process. The Senator's amendment, however, still employs procedural terms to give the executive branch a specific duty to submit a balanced budget. This is confusing procedures with results and could cause some unanticipated and unwanted outcomes. This is precisely, I might mention, why Senator EXON, who offered this amendment as a procedural clarification to Senate Joint Resolution 58 in 1982 and who had initially stated his intention to offer this amendment to Senate Joint Resolution 13, withdrew his amendment. I commend his understanding of the nature of the Constitution and the potential for untoward effects when mixing procedures with results.

It would be wise to examine briefly some of the potential dislocations this procedural amendment might cause when attached to a result-oriented amendment. In the first place, because Senate Joint Resolution 225 only describes an outcome, it is clear that Congress will be required to establish by statute procedures to achieve the result. Article I, sections 8 and 9, of the Constitution clearly state that "no money shall be drawn from the Treasury, but in consequence of appropriations made by law." Congress is clearly vested with primary authority to set budget priorities. Yet with the addition of this amendment, Senate Joint Resolution 225 would give the President the leading role of submitting a balanced budget while Congress would not be mentioned at all! This was the potential to upset the separation of powers that reserve to the Congress the leading role in budgeting. This amendment constitutionalizes the notion that the President will initiate the process. The President will have the first word.

This could potentially raise some significant constitutional issues:

First. Would this imply that Congress must accept or reject the President's submission? Many would argue that the President would not be given this leading role unless his budget were to be something more than symbolic. They would contend that this language was placed in the Constitution to ensure that the President's priorities were the basis for any congressional action.

Second. Would this mean that Congress had to vote on the President's submission without the opportunity to amend his priorities? After all, many would argue, the President is clearly given a leading role in the process. Congress should have to vote on the President's priorities before presuming to establish its own.

Third. Would Congress be required to take the President's submission as the starting point for its own budgetary process? Currently the President's submission of a budget is simply informative and need not be even consulted by Congress. Would that change? Many might again argue that some change must be implied by putting this process into the Constitution.

Perhaps I could summarize some of the concerns with this amendment.

First. It introduces process into a normative results-oriented constitutional amendment proposal. The mix is inappropriate and confusing. For this reason, Senator EXON wisely withdrew his prerogative to offer this amendment;

Second. This amendment introduces the President constitutionally into the budget process for the first time—a process the farmers carefully reserved to Congress.

Third. By mentioning the President, but not Congress, this amendment enhances the prospects of an imperial Presidency and the prospects that Congress's role in the budgetary process will be altered.

Fourth. Currently Congress can by statute dictate the nature of the President's participation in the budget process. This amendment would destroy Congress' ability to adjust the Presidential role in the future. Congresses in the future might want the President to do more or less than this amendment covers. That statutory discretion would be lost by adoption of this amendment.

Fifth. Since Congress already requires the President to submit a

budget and this amendment places upon the President the obligation to uphold the norm of a balanced budget, Senate Joint Resolution 225 already would require the result sought by this amendment. Therefore, this amendment is utterly unnecessary and, I might add, potentially dangerous.

Sixth. This could change the current procedures for handling Presidential budget submissions, perhaps requiring Congress to vote on the President's priorities without amendment or requiring Congress to use the President's budget as a starting point for amendments or otherwise upsetting the careful separation of powers in budgetary matters.

For all of these reasons and others which we may not currently anticipate, I urge my colleagues to reject this amendment. One further comment. We have heard President Reagan's name prominently mentioned in connection with the arguments of those who favor this amendment. I recognize that there may be political implications to this amendment. In response, I would note that it is a matter of clear public record that this Nation has run budget deficits under Presidents of both parties. This proves little more than that Congress is in fact in charge of spending priorities, not the President, whose budget is little more than the computation of the bill for all the obligations imposed by Congress. Regardless of the role of Presidents of both parties, however, I think we can all agree that the constitution is not the place to make partisan arguments.

Finally, it seems to me that one of the arguments made is this amendment may be political inasmuch as Ronald Reagan is President now and he has strongly spoken in favor of the balanced budget amendment. The fact is, he will not be President in 1991, the earliest fiscal year in which this amendment will take effect, assuming it is passed by both Houses of the Congress by the requisite two-thirds vote and ratified by three-quarters of the States. Therefore, there may be a President of another party in power as of the end of 1988 or beginning of the year 1989. So, regardless of what that is, if there is political desire on the part of some to embarrass President Reagan with this amendment, it really does not, because he does not have anything to do with it.

However, it is really not that much of an argument, as far as I am concerned. I believe implicit in this amendment is a requisite for both the President and the Congress to submit a balanced budget whenever this amendment is fully ratified and whenever it takes effect.

I yield to the distinguished Senator from Illinois.

Mr. SIMON. Mr. President, I wish to comment briefly on the amendment of my friend from Ohio. If I thought adopting his amendment would bring him aboard and he would be for the constitutional amendment, I would be sorely tempted to accept it. Unfortunately, that is not the case.

I agree with his criticism of this administration on this whole issue. There is no question that there has been pious talk on one side and action in precisely the opposite direction. For example, in the last 3 years we have added $600 billion to the deficit. That is $50 billion a year in perpetuity, from now on, we are going to be paying.

The President has said he does not like to see Government used as a redistribution mechanism for the wealthy in this country. In fact, when we add to the deficit, we are redistributing the wealth and doing it massively.

But, the reality is that what the Senator from Ohio suggests would be fine as a law. I assure him that if we adopt this constitutional amendment and he proposes an amendment to the statutes along this line, I will support him. But the Constitution ought to deal in broad principles and not in details.

I would also point out to my colleagues that the carefully crafted amendment that we have worked out here in a bipartisan way contains neither a reference to the President nor to Congress.

So, I think we are wise to keep the present language.

Again, and this will apply not only to this amendment but to some other amendments that I am told will be proposed, we should not have all kinds of details in a constitutional amendment. The principle we seek to affirm is that we should not have an unbalanced budget unless there is a three-fifths vote of the Congress to the contrary. That principle is very clear. Let us stick to that. Let us not add all kinds of details that we might want to put into the statute but should not be in the Constitution. With all due respect to my good friend from Ohio, I urge defeat of his amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORE. I thank the Chair.

Mr. President, I would like to speak in favor of the pending amendment. I have listened to the arguments against the pending amendment and I have read colloquies earlier between the Senator from Nebraska [Mr. EXON] and the sponsors of this constitutional amendment, the Senator from Utah [Mr. HATCH] and the Senator from Illinois [Mr. SIMON]. I respect the arguments on both sides. I think some good points have been made.

During the debate a few moments ago, the statement was made that the sponsor of this particular amendment would vote against the pending constitutional amendment even if this amendment to that amendment were adopted. I am not in that situation.

The importance of reducing the runaway deficit, in my opinion, is critical. I am certain that there is little disagreement with that statement in this body. I feel strongly enough about the role of the President in the budget process and this particular amendment, however, that the fate of this amendment would affect my decision on whether or not to support the pending constitutional amendment.

I would like to tell my colleagues briefly that, for a long time, I listened to what I believed to be the conventional wisdom, that a constitutional amendment requiring a balanced budget would introduce an unwanted inflexibility into the fiscal policy of this country. I know that economists argue forcefully that there are times above and apart from the exceptions carved out in the constitutional amendment when the central government ought to have the ability to stimulate the economy. However, the record of the last several years indicates to me very clearly that this Nation faces a grave fiscal danger unless we have some externally imposed constraints on the fiscal policy that we formulate here. That is the reason I am predisposed to support a constitutional amendment requiring a balanced budget.

If we look at the reasons for the breakdown in the process, how can we possibly overlook the central role of the President in creating the breakdown of the process? My purpose here is not to make a political point. I do not intend to cast this issue in partisan terms, because, as has been noted, the current President probably will not be affected by the pending constitutional amendment.

If you look at the problem in the way it has developed, the President has been a central reason for the fiscal crisis facing the United States. All the blame is not on his shoulders; of course not. I am not saying that. But traditionally, in a democracy, whether you are talking about a mayor or a Governor or a President, traditionally it has been the Executive who has come to the legislative branch and asked for enough money to pay the bills. For the last 5 years, we have had

a very different set of circumstances, with the Executive coming to the Congress and leading the charge for sharp reductions in revenue and for sharp increases in expenditures. As a result, under this administration the national debt has doubled. This administration strongly supports the balanced budget amendment, yet this administration has proposed budgets which have generated as much debt during its 5-year tenure as this country generated over its first 200 years.

Again, my point is not a partisan one. This administration is certainly not the first to propose budget deficits. But insofar as the annual $200 billion budget deficits which have prompted this kind of fiscal discipline have come about in large part because of proposals from the President of the United States, it just is absurd for Congress to pass an amendment that imposes constraints without any regard for the role of the President in that process.

The principle embodied in this amendment, it seems to me, is a simple and clear one. If Congress has to pass a balanced budget, the President should have to submit a balanced budget. Moreover, this amendment provides for the submission of an alternative proposal when the President deems it necessary to proceed with a budget in which outlays exceed receipts. Who can argue with that? It just seems so obvious.

I do not want to take a lot of time on this issue: I shall elaborate on these comments for the record. But I did want to say to the sponsors of the constitutional amendment on both sides of the aisle that this particular amendment is important to me and I think it is important to a few others. It can affect the outcome on this issue as far as my vote is concerned, and I think that is true of the votes of a few others, so I wish they would look at this amendment with an open mind. I intend to support it and, if it passes, I intend to support the pending constitutional amendment. If it does not, I cannot support the pending constitutional amendment.

It is not my desire to take a lot of time on this issue, because I think it is abundantly clear.

I yield the floor, Mr. President.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. Is the Senator from Ohio seeking recognition?

Mr. METZENBAUM. The Senator from Ohio said he is prepared to vote; it is his amendment. I think the managers of the bill are prepared to vote. I think the yeas and nays have been ordered; is that correct?

The PRESIDING OFFICER. The yeas and nays have been ordered.

The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I oppose this proposal to require the President to submit a balanced budget for each year or provide an explanation as to why such a submission was not made.

The proponents of this amendment state that they seek to involve future Presidents in the budget process. I would like to know, Mr. President, what President has not been involved in the budget process.

The fact is, Presidents are deeply involved in the budget process—as they should be.

Senate Joint Resolution 225 does not attempt to exclude Presidents from the budget process or to forbid their participation. Quite the contrary, Senate Joint Resolution 225 will impose upon both Congress and the President the obligation to ensure that outlays do not exceed receipts for a fiscal year. It does not anticipate nor necessitate any alteration in the balance of powers between the legislative and executive branches of the Federal Government.

It imposes an additional responsibility on Congress and the President, to be achieved through the exercise of existing authorities under the first and second articles of the Constitution. Both are to be accountable under the amendment.

The proposal to require the President to submit a budget proposal is unnecessary and is, in my opinion, inappropriate for inclusion in the Constitution.

It has been pointed out that the Gramm-Rudman-Hollings balanced budget statute requires the President to submit annual budgets which comply with the targets of that statute. I believe that is appropriate. In establishing the process to ensure compliance with Senate Joint Resolution 225, Congress may want to require, as it did in Gramm-Rudman-Hollings, that the President submit a budget. I would not oppose such a provision. I can see no good rationale, however, for placing such a requirement in the Constitution.

Mr. President, I think that it is important to look at the origin of this proposal. It first was proposed as an addition to a proposed constitutional amendment which required Congress to enact a budget statement in which outlays did not exceed receipts. Outlays in the statement would have been allowed to exceed receipts when approved by three-fifths vote. The argument by those wishing to require the President to submit a balanced budget or to explain his or her inability to do so, was that the President should be an equal partner under the Constitution. If the Congress must pass a balanced budget statement, the President should be required to do the same.

Senate Joint Resolution 225 does not require Congress to approve a statement. It merely establishes a result, that of a balanced Federal budget, which Congress and the President must ensure.

Additionally, the statement which would have been required of Congress in earlier proposals of the balanced budget amendment included no requirement of the President's concurrence. In other words, Congress' decision to run deficits would not have required the signature of the President.

Under Senate Joint Resolution 225, however, a decision by Congress to provide for a specific excess of outlays over receipts would require the approval of the President, again ensuring his equal participation in the budget process.

Mr. President, the place for this amendment, if Congress believes it desirable, is in implementing legislation to Senate Joint Resolution 225, not in the resolution itself. I urge defeat of the amendment.

Mr. GORE addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. GORE. I wanted to make one additional point, Mr. President, before the vote. In response to those who say it is implicit in the amendment that the President will have to submit a balanced budget, I simply do not buy that argument. I would have thought that after speaking in favor of a balanced budget and frequently castigating Congress for not producing a balanced budget, this President would submit a balanced budget or at least sharp reductions in the deficit.

Now, many of us have watched for several years as this President has submitted his recommendations for spending and his recommendations for taxing, and we have subtracted one from the other and come up with the President's recommendation for a deficit. We have been dismayed to see this President propose a $200 billion annual deficit one day, then turn around the next and shake his finger at the Congress and say, "You had better produce a balanced budget."

It apparently was not implicit in his denunciations of the Congress that he would make his own recommendations on how to produce a different result. I think if this particular constitutional amendment without the amendment offered by the Senator from Ohio were adopted, this President would no more feel obligated to submit a balanced budget than he does at the current time. If he does not feel obligated to submit a balanced budget as a result of the speeches that he has been making about it, then he will not feel obligated to submit one as a result of the language in this pending constitutional amendment. It needs to be spelled out so he is required to do it, just as the Congress is required to adopt a balanced budget. So I urge my

colleagues to support the pending amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. HATCH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the quorum call be suspended.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I am ready to vote. Let us go ahead. The majority leader has been pushing us to go forward. I left a meeting in order to come over here and offer this amendment. Let us vote.

The PRESIDING OFFICER. Are you ready for the question?

Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Nebraska [Mr. EXON] and the Senator from Kentucky [Mr. FORD] are necessarily absent.

I further announce that, if present and voting, the Senator from Nebraska [Mr. EXON] would vote "nay".

The results was announced—yeas 54, nays 44, as follows:

[Rollcall Vote No. 29 Leg.]

YEAS—54

Abdnor	Gorton	Packwood
Bentsen	Gramm	Pressler
Boschwitz	Grassley	Proxmire
Chafee	Hatch	Quayle
Cochran	Hatfield	Roth
Cohen	Hawkins	Rudman
D'Amato	Hecht	Simon
Danforth	Heinz	Simpson
DeConcini	Helms	Specter
Denton	Kassebaum	Stafford
Dixon	Kasten	Stevens
Dole	Laxalt	Symms
Domenici	Long	Thurmond
Durenberger	Lugar	Trible
East	Mattingly	Wallop
Evans	McClure	Warner
Garn	McConnell	Wilson
Goldwater	Murkowski	Zorinsky

NAYS—44

Andrews	Byrd	Heflin
Armstrong	Chiles	Hollings
Baucus	Cranston	Humphrey
Biden	Dodd	Inouye
Bingaman	Eagleton	Johnston
Boren	Glenn	Kennedy
Bradley	Gore	Kerry
Bumpers	Harkin	Lautenberg
Burdick	Hart	Leahy
Levin	Moynihan	Rockefeller
Mathias	Nickles	Sarbanes
Matsunaga	Nunn	Sasser
Melcher	Pell	Stennis
Metzenbaum	Pryor	Weicker
Mitchell	Riegle	

NOT VOTING—2

Exon	Ford

So the motion to table the amendment (No. 1654) was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the motion to lay on the table the amendment of the Senator from Ohio was agreed to.

Mr. SIMON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, we are ready for any other amendments if any Senators have amendments. The majority leader wishes to rush along this bill so we finish it. So I suggest if anyone has an amendment to bring it to the floor as soon as possible.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, may we have order?

The PRESIDING OFFICER. Order in the Senate. Will those who are conversing in the aisles take their seats or retire to the cloak room.

Mr. WEICKER. Mr. President, will the majority leader yield for a question?

Mr. DOLE. I am happy to yield. First, let me indicate to my colleagues——

The PRESIDING OFFICER. Will the Senator suspend for a moment? We will not continue until there is order in the Senate.

The majority leader is recognized.

Mr. DOLE. Let me indicate to my colleagues on both sides we will not be in real late tonight and hope to complete action or work by 7 o'clock.

Tomorrow night will be another matter. I think if I were here I would be prepared for a rather long evening tomorrow night. We do hope to complete action on this matter some time tomorrow and then I think take up the water bill on Thursday and complete action on that on Friday.

I am advised there could be rollcall votes, but I am also advised that there is a possibility of finishing the water bill in about a day or day and a half, with a lot of cooperation, of course. So I would count on votes on Friday.

I would say we are getting into the Easter recess period. We are going to have to have votes on Mondays and Fridays to finish our work before that time.

I am happy to yield to the Senator from Connecticut.

Mr. WEICKER. Mr. President, my question to the distinguished majority leader is: Does he know of any reason why we could not vote on this amendment up or down by this evening?

Mr. DOLE. As far as this Senator is concerned, I know of no reason. It is just to make certain that every Senator could be present to set a time certain at 2 o'clock tomorrow afternoon and vote.

Mr. WEICKER. The only point I am trying to make is that I know of nobody, quite frankly, in opposition to this amendment that is in any way attempting to prolong debate on it.

Mr. DOLE. I know.

Mr. WEICKER. I wish to make that point very clear. The sooner we vote, the better.

I hope that we could move to this at the earliest possible time. I just want to make the record clear that we are not attempting to prolong debate on it.

Mr. DOLE. Mr. President, I certainly wish to thank the distinguished Senator from Connecticut. I believe that might indicate we can complete action on this sooner than I first calculated. I do know there are a couple of Senators who are out of town who probably would not want to miss a vote on this matter. They happen to be on that side of the aisle, I say to the distinguished minority leader. We might want to give some notice to the Senators who are not going to be here.

I yield to the Senator from Rhode Island.

Mr. PELL. Mr. President, is the majority leader aware that next Monday is Saint Patrick's Day, with parades and people scattered around? Is there any possibility of not having votes on Monday, Saint Patrick's Day?

Mr. DOLE. We will try to arrange that. I understand there will be a lot of parades and I might want to be in one of them. [Laughter.]

Mr. METZENBAUM. Mr. President, I say to the majority leader that I heard the exchange with the distinguished Senator from Connecticut. The Senator from Ohio has another amendment which I intend to call up today. Then I have still a third amendment which I intend to call up tomorrow. But, provided that I am protected in my right to call up that amendment and to have an opportunity to do so and bring it to a vote, I would be willing to agree to a time certain to vote on final passage at 2 o'clock or somewhere around that time, as long as I have adequate time early in the day to call up my amendment.

Mr. DOLE. Mr. President, I think that is very encouraging. I will ask the managers of the bill to try to make certain that we can accommodate all of the amendments. I know the Senator from New Mexico has an amendment or two and the Senator from Ohio has two additional amendments. I will visit with the distinguished minority leader and see if we might not

work out a vote at 2 or 3 o'clock tomorrow afternoon. If so, that would help us on the weekend.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1655

(Purpose: To confer standing on any State to sue to compel compliance with the requirements of the article)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment number 1655 to amendment numbered 1652.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 1, strike out lines 19-21 and 22 and insert in lieu thereof the following:

"SEC. 4. Any State may bring suit to compel compliance with the requirements of this article. The Supreme Court shall have original jurisdiction over any such suit.

"SEC. 5. This article shall take effect for the fiscal year 1991, for the second fiscal year beginning after its ratification, whichever is later."

Mr. METZENBAUM. Mr. President, this amendment provides standing for the States to sue to enforce the provisions of the balanced budget amendment. Original jurisdiction of these suits would be in the Supreme Court.

One of the biggest weaknesses in the proposed balanced budget amendment is that there is no way to enforce it. To put an unworkable amendment into the Constitution—and one that cannot be complied with—and then provide no way to enforce it is to deceive the American people. We would be kidding them. We would be blowing smoke in their eyes by telling them that we have passed a constitutional amendment to balance the budget and then there was no way to enforce it.

This amendment gives at least some way for the public to enforce this amendment. The fact is that the current version does not say who can go to court. The committee report makes a vague reference to the fact that the courts can be involved but does not say how. We do not know whether there will be hundreds of lawsuits or whether the courts will throw them all out.

Last week, the author of the amendment, Senator HATCH, stated in floor debate:

So other than isolated, very unique circumstances where a Member of Congress may have standing and other justiciability doctrines permit, article III is likely to bar judicial decisions concerning budgetary priorities.

What are those isolated circumstances? The only example Senator HATCH cited was a case where the Congress tried to waive the amendment for 10 years with one three-fifths vote. Under that circumstance, he said the courts could get involved with reviewing the "procedures of the amendment."

But what about the substance? What if the budget consistently does not come out even? Then what happens?

Senator HATCH stated further:

Certainly the case or controversy requirements of article III under the standing, political question and justiciability doctrines, will preclude the judiciary from reviewings any budget determinations.

In other words, there is a strong possibility that the Supreme Court would say there is no way to enforce the current version at all except in extreme and unrealistic cases.

Why do we need a way to enforce the constitutional amendment? Because without it, it is a "nothing"—because it is full of potential loopholes and compliance problems. How are we supposed to come out even at the end of the year? Just recently the President submitted his defense budget. The Congressional Budget Office looked at it and said defense expenditures will be $15 billion higher than the President says. It is a regular event that the Congressional Budget Office disagrees substantially with the deficit projections in the President's budget. The fact is it is impossible to estimate precisely how revenues and expenditures will come out at the end of the year.

The version of the constitutional amendment now before us is actually much worse on this point than the other version of the amendment reported out of committee, Senate Joint Resolution 13. At least that version talked about Congress adopting a "statement" at the beginning of the year. Under that version, there was at least some flexibility about whether we had to come out even at the end of the year. But under this version, if actual outlays exceed revenues at the end of the year, the Constitution is violated.

Listen to what an internal staff report in President Reagan's own Office of Management and Budget concluded. Under a hypothetical $700 billion budget, an overrun of $50 billion would not be technically realized until 24 days before the end of the fiscal year. The report concluded:

Under almost all circmstances no remedial action could be taken to reduce outlays in the last month.

In fact, according to the report, the final total of the fiscal year's outlays is not known until after the fiscal year is over and Congress could not make effective adjustments.

Both the President and the Congressional Budget Office have consistently failed to predict accurately the revenues we will have each year. Sometimes it is because there is an incentive to paint a rosy picture. Sometimes it is because there is a fundamental disagreement about economic assumptions.

But in every case, it is impossible to know precisely what will happen. Predicting revenues depends on predicting interest rates, unemployment, and the rate of growth in the gross national product. In a trillion-dollar budget, which we have, a 2-percent error means an error of $20 billion.

How are we supposed to correct a $20 billion error in the last few weeks of the fiscal year? Who are we trying to kid? How in the world are we supposed to cut spending $20 billion in the last month of a year, to be effective before the end of the year. Correcting a 2-percent error in 1 month is equivalent to correcting a 24-percent error at an annual rate. Can we cut spending by 24 percent in 1 month? Of course not, and the sooner we recognize it, the smarter we will be.

Proponents will say pass a waiver resolution. But that shows how phony this amendment is in the first place. If we go around passing waivers all the time, why have this amendment? The answer of the proponents to the many complexities of this amendment, all the necessary exceptions and loopholes we need to make it work, is that we can pass a waiver.

That is like saying: "Don't worry about all the problems this constitutional amendment causes because it will be easy to get around it."

What kind of an argument for a constitutional amendment is that?

The fact is that it will be very difficult to pass a waiver. How are we going to get 60 percent of both Houses to agree in the short time which may be required? There will be a tremendous potential for stalemate. You can be sure the issue will not just be—should there be a waiver? The issue will be a waiver for what. What program gets cut and by how much? We will be dealing with a budget cut of many billions of dollars and you can bet there will be a major fight about who loses how much. This will be a much greater problem than simply passing a resolution by the end of the year. We have to pass a resolution that will accurately take account of the expenditures and revenues through the end of the year.

Do you believe that Members will not insist that their favorite program will have to be protected to pass a waiver? You can forget that idea. The fact is there will be a powerful tendency to increase spending by giving leverage to various groups to increase their pet programs in return for passing a waiver.

Even if we pass one waiver resolution, what if that turns out to be based on faulty estimates? The problem does not go away because of the waiver. Either the waiver is easy to pass—and there is no point in an amendment in the first place—or it is difficult to pass and Congress is continually in the position of violating the Constitution.

In the inevitable event that the amendment is violated and there is a $25 billion deficit, what happens? Do we have to cut spending the next year by an equivalent amount? Do we have to raise taxes to reduce the debt by that much? What are we supposed to do? Now, there is no way anyone can do anything about it.

There are many other compliance problems. The terms "outlays" and "receipts" are not defined. The amendment is not clear on what happens when expenditures are pushed "off budget" or Congress plays other accounting games.

This amendment at least gives the public some opportunity to do something about it. It at least gives the opportunity for someone to go to court and straighten things out.

The amendment would allow any State to go directly to the Supreme Court to seek a remedy. This approach is an effort to make sure that some representative and responsible entities in our country have the ability to go to court. Allowing the States to sue will insure that Governors and State legislatures can make the decision whether there has been a serious constitutional violation that warrants seeking a remedy in the courts.

The amendment provides for original jurisdiction in the Supreme Court in order to insure that there is a decision as quickly as possible and that there are not inconsistent decisions among the lower courts. The Constitution in article III, section 2 provides for original jurisdiction in the Supreme Court for some cases. This section has been used most frequently for disputes between States about water rights and comparable issues. The disputes over compliance with the amendment certainly would warrant the attention of the Supreme Court as much as those cases.

If you believe that this constitutional amendment is a good one, if you firmly feel that it should be the law of the land, then you have an obligation to vote for this amendment to see to it that in some way there can be some enforcing mechanism. Without this amendment, unless the authors of the proponents of the constitutional amendment have some other suggestion, there is no possible way to enforce the constitutional amendment assuming that it is passed. With this amendment, at least you provide some remedy.

Originally we thought about giving the right to sue to any citizen but that does not make sense because the courts could be filled with just a plethora of cases. So instead of making it possible for any citizen to sue which they would not have a right to do because otherwise they would not have standing in the court, we have provided that any State may sue.

We think this is a reasonable approach. We think it is a way of providing enforcement of this constitutional amendment and if the Members of this body want to enact a constitutional amendment, they ought to provide some self-enforcing mechanism. If the authors of the constitutional amendment believe that this is not the proper solution, then this Senator would be interested in knowing from them what they think is the proper solution.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

STANDING RULES

Mr. HATCH. Mr. President, this amendment would confer standing on certain litigants to enforce the provisions of Senate Joint Resolution 225 in court. This amendment could upset the careful balance of Senate Joint Resolution 225 with respect to judicial review. Senate Joint Resolution 225 has established the approriate balance by refusing to permit Federal courts to involve themselves in fundamental budgetary allocations, while not undermining their equally fundamental obligation to "say what the law is." I cite Marbury versus Madison (1803) in this regard. This essentially means that in connection with Senate Joint Resolution 225 unelected judges will make only the types of decisions they are intended to make.

Judges may be called upon to guarantee basic fairness in implementation of the procedures of Senate Joint Resolution 225, but they will be barred from meddling in allocations of resources. They may be called upon to determine that this amendment confers no line-item veto authority on the President in the event a President presumed to make that assertion. They may be called upon to strike down an attempt by Congress to vote once to waive the balanced budget requirement for 5 consecutive years. This would violate the language requiring Congress to authorize an excess of outlays over receipts each fiscal year. They would be barred, however, by current constitutional doctrines and court precedents from attempting to make spending or taxing decisions—a function explicity assigned by the Constitution to Congress, not the courts.

This amendment authored by the Senator from Ohio, an opponent of Senate Joint Resolution 225, attempts to change current standing rules.

That is pretty important. Before we do that, we ought to think about what we are talking about.

It would allow a State to sue which lacks the particularized injury and sets it apart from the man on the street.

I cite with particularity the Richardson case back in 1974 on that particular point.

This is one hurdle that will prevent unelected judges from meddling in budgetary allocations.

Under Senate Joint Resolution 225, any actual breach of the amendment would normally arise from a violation of aggregate statement levels and no individual spending or revenue measure is likely to be solely responsible for that violation. Thus, it would be unlikely or highly impossible for any individual or State to establish standing on the basis of same particular spending program. This amendment of the Senator from Ohio would remove that barrier.

It also apparently removes the political question barrier, which is a very important barrier in constitutional law. This means that the courts will be specifically authorized to decide issues committed by the Constitution to the political branch of Government. Elected representatives are supposed to make those types of decisions, not unelected judges.

The framers of the Constitution wisely left spending and taxing decisions to the representatives of the people.

This amendment of the Senator from Ohio would inject unelected judges into budget allocations. I do not know anybody in the Senate who would want that to be the case. I do not know anybody really in either House who would want that to be the case, unless they are trying to kill the balanced budget amendment.

The Senator contends that Senate Joint Resolution 225 is unenforceable.

That simply is not correct. As I have stated each day of this debate, now in its fourth day, there are ample enforcement alternatives in the hands of Congress and the President. The courts are not involved for good reasons. Unelected judges have no remedies. Article I, section 9, says no money shall be drawn from the Treasury but in consequence of appropriations made by law.

Only Congress can appropriate money or decline to appropriate money. That is as it should be. We are elected representatives. We are the people who have to make these decisions.

How, then, would judges decide which spending cuts should be made to comply with Senate Joint Resolution 225? How would judges order tax increases?

I would have to say that, too, whether or not to increase taxes, is Congress' prerogative. How would judges order the President to veto such spending or defer spending? Those are the President's decisions, not some unelected judge's decisions. How can judges order spending rescissions? That is Congress' role. In short, this amendment cannot work. Courts have no remedies to insure outlays do not exceed receipts. All authority to enforce this amendment is vested in the political branch.

Moreover, the speech and debate clause under the Constitution explicitly forbids judges from questioning Congress on its debates. Thus, the courts could not issue a mandamus against the Congress forcing them to act in any way. The courts cannot, they should not, and they must not be entrusted with authority to reallocate spending.

Let me explain enforcement under this amendment.

This amendment mandates the result of a balanced budget. The chief enforcement mechanism of the amendment is the constitutional requirement upon both the President and the Congress that the budget be in balance at the end of the year, or that the Congress has waived this requirement by a three-fifths vote. Members have sworn to uphold the Constitution. They will have many mechanisms available to them to enforce this mandate. The only way that they might not be able to live up to the mandate is if Members of Congress blatantly and publicly ignore the clear dictate of the supreme law of the land in this case.

Historically, this type of action has never occurred, and if it did, we would have to admit that we have sunk to the point that the rule of law would be meaningless anyway.

Among the mechanisms the Congress will have to assure the result of the balanced budget are the following:

A tax increase.

Congress could increase taxes. This could be in many forms, such as an income tax increase, a surcharge, an oil import tax, a tobacco tax, tariff increases, excise tax, et cetera.

A rescission of new budget authority for unobligated balances of budget appropriations from previous years. That is another method.

The third method would be deferral of the date of obligation of funds.

The fourth method would be a contingency fund which could be created to deal with unexpected shortfalls. For example, a modest surtax for 3 years could be created.

Congress can waive this amendment by a three-fifths vote of both Houses of Congress.

Several existing procedures exist to track revenues and outlay: CBO and OMB, with quarterly budget estimate revisions. The Treasury Department creates a daily cash flow summary.

The Treasury Department also does a monthly analysis. Estimates in recent years by OMB and CBO have been accurate, within 2 percent, regarding outlays and revenue expectations.

I think we ought to all think twice before we create a new issue in standing, before we give the unelected judges this type of power, before we take away from the Congress and the President such power as has been exercised under the Constitution and pursuant to it, and before we turn around and forget that the ultimate enforcement mechanism of this amendment will be at the ballot box.

By having this constitutional amendment we will literally put everybody in Congress on the spot. In very few votes each year, I think the American people once and for all will know without examining 300 votes a year and having a tremendous analysis to reach their conclusions just exactly who are the people who have been busting the budget through these years.

It is so difficult to figure that out today in the present circumstances.

I hope and recommend that Members of this body will reject this amendment for what it is and realize it is a very dangerous amendment and will cause untold dislocations in our society should it pass.

I yield to the distinguished Senator from Illinois.

Mr. SIMON. Mr. President, I rise in opposition to this amendment.

First of all, I agree with my colleague from Utah that this is not going to be a major problem. I think the Members of the Senate and the Members of the House, faced with a constitutional mandate to balance the budget, are going to try to live up to that constitutional mandate.

If there is a problem, it may be a problem in standing. I am not as certain on this issue as my colleague from Utah. There is a gray area here. But let us deal with that gray area by statute and not through a constitutional amendment.

I think it is a real mistake to put details like this into the U.S. Constitution.

If questions of standing arise, let us deal with them by statute, not in the Constitution.

I would hope that the amendment of the Senator from Ohio would be rejected.

Mr. HATCH. Will the Senator yield?

Mr. SIMON. I am pleased to yield.

Mr. HATCH. I compliment my colleague. He has made some very valuable comments here on the floor. We do not have to do this by amending the constitutional amendment. Unfortunately, I think one reason why people are bringing those amendments to the floor is to kill this constitutional amendment. They do not want a constitutional amendment to balance the budget to begin with. The American people know and realize that basically only once in the last 26 years we have balanced the budget in this country, and the Congress institutionally is incapable of doing it without having it in the Constitution. Our States do it, Democrats, Republicans, conservatives, liberals. They bind themselves by the State constitutions. Frankly, I think we ought to do the same here with a balanced budget constitutional amendment. I really appreciate the leadership of the distinguished Senator from Illinois.

Mr. SIMON. I thank my colleague. I must say I appreciate his leadership in this matter. He chairs the subcommittee that brought this legislation out. If the people of this Nation have the good fortune to have this amendment in the Constitution, there is no question that his leadership has played a very, very key role. But the point that he made has to be underscored. We are dealing with the Constitution and it should not be loaded with details.

This is the type of detailed language that can be dealt with best in the statutes.

Mr. METZENBAUM. Mr. President, I just want to speak very briefly. I want to say to my good friend from Illinois—and he is a very good friend of mine—and my colleague from Utah, who is also a good friend of mine, that I respect their position about the fact that Congress will do that which they are supposed to do. But I have been around here long enough to know that Congress has not done what it is supposed to do.

Congress should have been balancing the budget last year, the year before, the year before that, the year before that, and so on. But Congress does not meet its responsibility. That is the reason that this so-called constitutional amendment is before us, to get us to do that. The Senator from Illinois is on the floor with a question, I gather.

Mr. SIMON. Yes, Mr. President. If there is a question of standing that the Senator's amendment addresses, can we not deal with that by statute rather than cluttering up the Constitution?

Mr. METZENBAUM. The Senator from Illinois is 100 percent correct, that we could deal with it by statute. But the Senator from Illinois is in no position, I believe, to assure me that there will be a statutory enactment providing the right of standing for any particular individual, group of individuals, community, State or whatever. I agree, it should be done by statute. But he knows and I know that there are many instances where Members of Congress themselves have been denied the right to bring a case in court.

I went to court with Senator BARRY GOLDWATER when we sued the Navy for failing to use competitive bidding. We got thrown out of court. We were right on the merits, but we got thrown out of court because we did not have standing.

Mr. SIMON. But, Mr. President, my good friend from Ohio, if he will yield again——

Mr. METZENBAUM. I will, Mr. President.

Mr. SIMON. I do not think when he and Senator GOLDWATER were thrown out of the courts, they came in here and said, "Let us amend the Constitution so we can go into court." I know my friend well enough to know that he would have introduced a statutory change. That is how we should address this problem, not by putting all kinds of details in the Constitution.

Mr. METZENBAUM. I agree with the general proposition, but I would disagree that this body would be prepared to amend the laws to make that possible.

As a matter of fact, I ask my colleague from Illinois, who does he think should have the right to go into court? If we were to draft a statute, I have great difficulty in deciding who should have standing in order to go into court to see to it that a constitutional amendment is agreed to. Finally, we came to the conclusion that it ought to be any one of the States. Does my colleague think that is the proper solution and should we do that by statute or should it be individuals or community or what?

Mr. SIMON. I respond to my good friend from Ohio that a future Congress will have to deal with it. My own personal feeling is that we ought to give standing to any citizen in this country. That is probably a minority opinion. I think my good friend from Utah probably disagrees with that and I know my good friend from Arizona disagrees with that. In any event, that is something for a future debate on what we ought to put into the statute. We do not need to clutter up the Constitution with it.

Mr. METZENBAUM. And we do not need to clutter up the Constitution with this constitutional amendment, either. In fact, I think that is what we would be doing. I wonder if my good friend from Arizona would tell me who he thinks should have standing to go into court.

Mr. DECONCINI. Mr. President, I was not here for the eloquent beginning of this debate.

Mr. METZENBAUM. He missed something.

Mr. DECONCINI. I understand it was good. I heard it out there and it attracted me back here.

Mr. METZENBAUM. It is too bad for the Senator from Arizona that he failed to hear the argument of the century between Senator HATCH and Senator SIMON and myself.

Mr. DECONCINI. Mr. President, I listened when the Senator from Ohio made the point that Congress fails to do what it is supposed to do. I realize that we often do not do what we are supposed to do, but we do a lot of things we are supposed to do. It occurs to me here if we put this in the Constitution and this became a constitutional amendment, approved by the States and became a part of the Constitution and Congress did not comply, refused to abide by the amendment which says you cannot spend more than you take in or that you cannot raise taxes or revenues without a constitutional majority, then the argument is you have some standing here, built into it in section 3, which says any State can bring a suit.

Let us say a State did bring a suit and said, "You have to do something, Congress." Then it seems to me we are back to the same argument we had before, would Congress really do it. So to me we get to full circle on the argument that Congress does not do what it is supposed to do, if you want to argue that as a basis for putting this in.

It seems to me that is a good argument for not having it as part of the constitutional amendment, because Congress might not do what it is supposed to.

Why do we want to clutter it up? Why make it longer and more complicated if it is not necessary?

Mr. METZENBAUM. Because the courts might well hold Senators, majority and minority leaders, and other people in contempt of court if it did not do that which the Constitution says it should do. There would be some hope of having a method of making the constitutional amendment effective.

I might point out we just defeated an amendment which would require the President to do that which he should do. Now I am following it with an amendment that says Congress should do what it should do.

Mr. DECONCINI. If the Senator will yield, let us talk about something the President should do. By law, the Budget Act of 1974, the President should submit a budget by a certain date. He has done it. It is not a budget the Senator and I agree with and he has kidded the public a long time about balancing the budget, but he complied with the law. That is what we are talking about, compliance with the law.

To go back to the Senator's previous amendment or to put this in here, I do not know of some constitutional things that this body does not do. Maybe there are some things. Maybe the Senator from Ohio can point some out to this Senator.

Mr. METZENBAUM. I would say this, Mr. President: I do not think the constitutional amendment is a good one but if it is to be in effect, there ought to be some way to enforce it. I am not positive that giving the States the right to enforce it is the right way, but absent that, there would be no mechanism to provide for enforcement.

Mr. President, it is my opinion that I am not changing many votes and neither are the Senators from Arizona Utah, or Illinois changing many votes. The distinguished Senator from Kansas is on the floor. My guess is he would like to roll the matter along. I would like to prevail upon the Senators not to make a motion on this to table. I would like a vote up or down. I do not think we have the votes to win. I would like to go to a vote without a tabling motion, get it over with. I am prepared to go along that line.

SEVERAL SENATORS. Vote.

The PRESIDING OFFICER (Mr. WALLOP). Is there further debate?

Mr. SIMON. Mr. President, with all due respect to my distinguished colleague from Ohio, I am prevailed upon by my colleagues, and I will make a motion to table. I ask for the yeas and nays.

The PRESIDING OFFICER. Dees the Senator in fact make the motion to table?

Mr. SIMON. I do, Mr. President.

Mr. HATCH. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll

The legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMON. Mr. President, I ask unanimous consent that I may withdraw my motion to lay the amendment on the table.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Kentucky [Mr. FORD] and the Senator from Louisiana [Mr. LONG] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 14, nays 84, as follows:

[Rollcall Vote No. 30 Leg.]

YEAS—14

Bingaman	Harkin	Levin
Cranston	Hart	Mathias
Dodd	Inouye	Matsunaga
Eagleton	Kerry	Metzenbaum
Glenn	Lautenberg	

NAYS—84

Abdnor	Goldwater	Nickles
Andrews	Gore	Nunn
Armstrong	Gorton	Packwood
Baucus	Gramm	Pell
Bentsen	Grassley	Pressler
Biden	Hatch	Proxmire
Boren	Hatfield	Pryor
Boschwitz	Hawkins	Quayle
Bradley	Hecht	Riegle
Bumpers	Heflin	Rockefeller
Burdick	Heinz	Roth
Byrd	Helms	Rudman
Chafee	Hollings	Sarbanes
Chiles	Humphrey	Sasser
Cochran	Johnston	Simon
Cohen	Kassebaum	Simpson
D'Amato	Kasten	Specter
Danforth	Kennedy	Stafford
DeConcini	Laxalt	Stennis
Denton	Leahy	Stevens
Dixon	Lugar	Symms
Dole	Mattingly	Thurmond
Domenici	McClure	Trible
Durenberger	McConnell	Wallop
East	Melcher	Warner
Evans	Mitchell	Weicker
Exon	Moynihan	Wilson
Garn	Murkowski	Zorinsky

NOT VOTING—2

Ford	Long

So the amendment (No. 1655) was rejected.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. DECONCINI. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, we have disposed of two amendments.

Mr. President, I congratulate the able Senator from Ohio for bringing up his amendments and I wish all Senators would cooperate as he is doing in bringing the amendments up so we can go forward.

I remind the Senate again that the distinguished majority leader wants to make progress on this bill and finish it up as soon as possible. If anyone else has an amendment we hope he will bring it up so we can act on it.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROCKEFELLER. Mr. President, I rise in opposition to the proposed amendment to the U.S. Constitution that would require a balanced budget. In my view, such an amendment would be unworkable, dangerous at times to economic stability, and a misuse of the Constitution.

I also believe that it is unnecessary. In my view, the Gramm-Rudman-Hollings amendment was a critical turning point for Congress and the country. Finally, the political will to break away from business-as-usual emerged in Congress and Congress enacted legislation to enforce a mandate to move toward a balanced budget. With Gramm-Rudman-Hollings, we established a procedure to force ourselves and the President to make the tough choices on spending and taxing necessary to deal with our record peacetime deficits.

Yet with the balanced budget amendment, the Senate is once again discussing the pros and cons of a procedure for making us do our job. After putting Gramm-Rudman-Hollings in place, we should be discussing the policy choices that are involved in balancing the budget. We should be debating the other pressing issues that face our Nation. We should not be trivializing the Constitution with a balanced budget procedure without any evidence that the statutory approach that we have taken will not work.

Mr. President, I understand that there are differences between Gramm-Rudman-Hollings and a constitutional amendment to balance the budget. But in my view, the differences point clearly to the merits of a legislative solution to the Federal deficit crisis and to the serious flaws of the proposed constitutional approach.

When considering Gramm-Rudman, Congress spent 3 months debating how to fashion an approach for balancing the budget over a period of the next 5 years. We ended up writing a complex 70-page piece of legislation which attempts to deal with numerous questions and problems involved in a process of eliminating a large deficit over 5 years. Appropriately, the legislation is detailed and includes a range of special provisions for certain programs and economic circumstances.

The supporters of a balanced budget amendment agree that we should not add 70 pages to the Constitution. But because the amendment must be simple and brief, it fails to lay out the essential procedures and policies for setting complicated fiscal policy. By requiring that the Federal budget be balanced regardless of the state of the national economy the proposed constitutional amendment would drastically limit our options in the event of a recession.

Ever since the Depression in the 1930's the Federal Government has relied on tax and spending policies to act as a balance wheel for the economy. In fact, I must acknowledge that the combination of tax cuts and military spending increases pushed by the Reagan administration have helped somewhat to pull the country out of the last recession in 1982—unfortunately, they also are responsible for our enormous deficits. Under a constitutional amendment, adjustments in fiscal policy would be exceptionally difficult. And by weakening our main defense against the ravages of business cycles, we would risk the prospect of longer, deeper, and far more harmful recessions than we have seen in decades.

Just last week, we saw the country's unemployment rate make an unexpectedly large jump back to 7.11 percent. By retaining a legislative approach, we retain the essential flexibility to prevent or alleviate the negative effects of economic changes such as that one.

The ability to respond to economic conditions is critical to me and to the State that I represent. West Virginia has not recovered from the last recession; we have the Nation's most severe unemployment situation. We have been further damaged by the cuts in domestic programs that promoted economic development and addressed unmet human needs in West Virginia. My State depends in a fundamental way on the Federal Government as a balance wheel, to provide the economic stimulation that is required when economic conditions demand it. This balanced budget amendment would hamstring the Government's ability to play that critical role and is unacceptable to me for that reason.

The constitutional amendment's inability to accommodate economic cycles and their impact on unemployment and human needs, points to its overall implications in times of various other kinds of national emergencies. The proposed amendment provides for responding only to a formal declaration of war. In contrast, the amendment would serve as a major obstacle to taking proper action after a natural disaster, when a sudden health crisis emerges, or when the security of our country or a valuable ally is threatened.

As a former Governor, I am particularly interested in the argument on behalf of the amendment that basically says "if States have to comply with a constitutional balanced budget rule, why shouldn't the Federal Government?" The argument is superficially

appealing, but fundamentally misleading.

Along with local governments, State governments have adopted a range of financial tools that are not counted in their budgets. Their constitutional requirements apply to their operating expenses only, ignoring the debts incurred, for example, by the bonds they issue to pay for capital projects. For instance, from 1960 to 1980, despite the requirements that they balance their budgets, State and local governments actually increased their borrowing at a faster pace than did the Federal Government.

The fact of the matter is during that period, from 1960 to 1980, State and local debt outstanding rose at a rate of 8.3 percent, while Federal debt outstanding rose at a rate of 7.4 percent a year." It was not until President Reagan's 1981 tax cut, ratified by this Congress, that the Federal deficit began to grow far larger in proportion to local and State debt. In my view, we are largely in this mess today of massive deficits thanks to that tax cut and the failure in the past 5 years to make changes in spending and tax policies to deal with the huge loss of revenue that occurred.

In short, Congress and the President created the deficit crisis in the legislative arena—and together we should deal with it there: not by tampering with the Constitution, not by false analogy to the States, not by endless discussion of procedural fixes. We have no business using the Constitution to set us straight when, in this case, the budget has gone awry.

Congress and the President were elected to make the tough and right choices about spending, taxing, and overall fiscal policy. We were entrusted with the tools to govern, knowing that we are accountable for how we use them by virtue of regular elections. And we should not fear or reject flexibility in dealing with a complex economy and the changing needs of society.

The Constitution's genius lies in its permanence. For that reason, adding a restriction dealing with annual budgets and fiscal policy is misplaced and contradictory. Chief Justice John Marshall said in 1819, "We must never forget it is a constitution we are expounding * * * a constitution intended to endure for ages to come." Another characterization emphasizes even more strongly why, in my view, this amendment is improper. Alexander Hamilton, one of our Nation's Founding Fathers, wrote, "Constitutions should consist only of general provisions; the reason is that they must necessarily be permanent, and that they cannot calculate for the possible change of things."

Mr. President, what must the public think when they hear us begin a new round of debate on a procedure for balancing the budget?

Rather than adopt another mandate to balance the budget, especially one that would be unwisely incorporated into the Constitution, we should be debating and deciding on the proper set of policies to reduce the deficit. When voting for Gramm-Rudman-Hollings, which I did, I knew it would mean making hard and sometimes painful decisions. At the same time, it would spur us to reassess and set priorities—in many cases, frankly, for the first time to make the right choices about where to spend, and where to cut.

Mr. President, the challenge of balancing the budget should not be placed in the Constitution. Let's recognize that we already have accepted that challenge. We accepted it when we moved with Gramm-Rudman-Hollings.

And as we spend days and perhaps weeks on this balanced budget constitutional amendment, if that is what it comes to, one more thought comes to mind. Deficit reduction is crucial, but it is not the only issue facing our Nation.

The President's blue-ribbon Commission on Competitiveness told us last year that declining competitiveness threatened our economic future, but we have never had a serious debate in the Senate on the implications of that report or how to go about restoring competitiveness of our industries.

The President's Commission on Education told us that the future of our young people and the country as a whole is threatened by "a rising tide of mediocrity" in our schools. Fortunately, many of the States have responded, but we have not held a serious debate here in the Senate about the proper role of the Federal Government in building a world-class education system in the years ahead.

We know that the gap between rich and poor has increased steadily in the past 5 years, and the class of Americans most likely to be poor are the Nation's children, but we have never had a serious debate in the Senate about how to stop this disturbing trend.

I absolutely believe that we can deal with our deficit problems while making a commitment to economic growth and competitiveness, to a strong but efficient defense, and to fair and humane social policies. I do not believe that we can do so if we spend all our time debating procedures for budget balancing, while neglecting issues of fundamental importance.

Mr. President, I yield the floor.

Mr. EVANS. Mr. President, I am privileged to rise immediately after my distinguished colleague from West Virginia who speaks with the unusual perspective of one in this body who has served as Governor, who has had an opportunity for an extended period of time to work with budgets, to understand their frailties and their strengths and to understand more specifically the response to those in this body who so often have expressed their support for a balanced budget amendment to the Constitution because so many States have balanced budget amendments to their constitution and we should emulate the States in their fiscal practices. The Senator from West Virginia, I think, has eloquently expressed the view that things are not always what they seem.

If I could for a few moments, I will speak first to some of the explicit terms in this constitutional amendment and then turn to the question of State governments, whether in fact they do have debts, whether in fact those debts have increased under balanced budget amendments, to give us some clue perhaps as to what would happen if we were to pass one at the national level.

First, Mr. President, there has been a lot of talk about structural bias. That is an interesting term, that somehow the will of our forefathers to balance budgets, their determination to try to keep within limits in terms of the national debt, has disappeared under this onslaught of what is called a structural bias.

Well, I think structural bias is nothing more than modern-day gobbledygook for "no political courage." That is what it is. It is another term for "no political courage" and we are trying to substitute a Constitution for political courage.

It reminds me very much of the old story of the "Wizard of Oz." Somehow, they would have you believe that a balanced budget amendment to the Constitution would give the Scarecrow brains, would give the Tin Man heart, and somehow would give the Cowardly Congressional Lion bravery or courage.

Well, that might work on the yellow brick road, but it will not work here. Brains, heart, and courage are still human attributes and they are not created by constitutional exhortation. And I am afraid if we embark on this balanced budget amendment to the Constitution, we would, like Dorothy after the tornado, find ourselves right back where we started from.

And why? Well, we start first with the terms of this constitutional amendment, which begin with the phase "any fiscal year." Well, of course, that is immediately open to change by Congress, I presume, to modify a fiscal year from its current one. We have done it at least once in the last couple of decades, and we could do it again. But that is a more stringent requirement than the balanced budget amendments in many States, which operate under a fiscal biennium. At the very least, I think that makes more sense, to give us a little

more chance to respond to an economic cycle, to not be so constrained in a 12-month period that we would be forever chasing our tail trying to make the budget balance each passing month.

The next questions have been subject to a great deal of debate in this body, both 4 years ago and during the last several days: outlays and receipts. Simple terms. Simple terms, but the colloquy between my colleague from the State of Washington and the distinguished Senator from Illinois, I think, was revealing, revealing in the difficulty with which the two could agree on what constituted receipts and what constituted outlays.

In fact, during the course of that debate on a number of occasions—and I would judge my colleague from Illinois would correct me if I am in error—but on several occasions, I believe he said, in response to the questions of my colleague from Washington, that that would have to be decided by Congress; that that would have to be set forth in more and more detail.

And I suggest that very likely is true. There is a good deal of question about the terms "outlays" and "receipts." I suspect that those would be determined both by Congress, and in spite of what my colleague from Utah says, by the courts themselves.

Mr. SIMON. Will my colleague from Washington yield?

Mr. EVANS. I am delighted to yield.

Mr. SIMON. It is true that Congress must decide a great deal in any statute to implement this constitutional amendment. I do not think, however, there are too many fuzzy questions in this area. Specifically, the question of the Bonneville authority came up. There are a few areas that are peripheral areas where Congress is going to have to make decisions. But the fundamental decision and the fundamental aim of this I think is very clear. Congress can implement it, and there will not be any grave problems as a result.

I thank my colleague for yielding.

Mr. EVANS. I thank my colleague from Illinois. I would say that is rather cold comfort, however, and while something like the activities, receipts, and expenditures of the Bonneville Power Administration may be peripheral, they are certainly not peripheral to the ratepayers of that region, and to the industries of that region, especially many of the industries which are very large users of electricity and depend very heavily on the determinations made by the Bonneville Power Administration on their own economic future.

But that is peripheral in terms of the entire country, but I would suggest it is also common, and we will find many, many instances of the same kind where the question of outlay and the question of receipts will be subject to further determination, and ones subject to further statutory determination inevitably will be subjected to challenge, to court suit, and to determinations ultimately by the judiciary.

I note again that my colleague from Utah suggested most eloquently that the courts would enter into this arena rarely, and that they would seldom want to get involved in that arena. But let me just suggest that I have seen the courts involved to a much greater degree in the legislative and executive branches than any one of us would suggest is really appropriate or responsible.

Courts in Alabama maintain close supervisory control over the actions of the prisons in the State of Alabama. In our own State of Washington, I remember vividly on the day I took office as Governor, the legislature was mandated by the court to not pass a single bill until they had passed a satisfactory redistricting bill. Satisfactory to who? The people of the State of Washington, the Legislature of the State of Washington? No. The court to maintain jurisdiction until they determine not only what should happen but how it should happen and under what circumstances.

There are scores and scores of other examples where in recent years the courts have moved inexorably further and further into the legislative and executive branches of Government. And I can think of no place where they should be less welcome than in the budgetary activities of the Federal Government.

I am deeply concerned about at least one other element of this constitutional amendment which states that three-fifths of the whole number of both Houses must approve before we can unbalance the budget at all. In the first place, that is a little confusing.

One could read that, I suppose, as three-fifths of the Members of both Houses, and add up the Senate and House and see if you could get three-fifths of the whole. It would be more appropriate, it seems to me, to say three-fifths of each House. But, be that as it may, three-fifths of the whole number is a significant requirement. And it was intended to be that way. But it is quite different to put that requirement in a Constitution than to put similar requirements into statute as we did with Gramm-Rudman, and as we do uncommonly but on occasion in other legislation.

Let us look for a moment at what the consequences of three-fifths are in a constitutional provision as it relates to the Senate of the United States. Forty Members of the Senate, if you choose from the least populous State, represent just over 10 percent of the Nation's population.

It seems to me it is quite conceivable, quite conceivable, under certain circumstances that the people and the representatives of those particular sparsely populated States might have common cause. That common cause could lead little over 10 percent of the population represented by those Senators holding the rest of the Nation hostage to what might appear at that time to be an appropriate action to take in terms of our own budget future.

A majority vote is good enough under the Constitution to declare war. It is good enough for the House of Representatives to issue articles of impeachment against the President. It is good enough to even conceivably authorize the passage of an arms control agreement or a treaty of major international importance if we had 90 or fewer of the Senators voting on that treaty because it is two-thirds of those present and voting.

I think it is one of the many elements in this constitutional amendment that put us in a straitjacket, an unwise straitjacket, that substitutes for common sense, political courage, and the kind of budgetary direction we ought to take.

I believe it was my colleague from Washington who pointed out earlier that the ratification of this amendment and the fact that we would the second year afterward embark on a balanced budget could create a situation of draconian changes in the budget during that 2-year period if Gramm-Rudman fails, and if we continue to have $200 billion-plus deficits with each passing year.

Of course, if Gramm-Rudman works, and if we are down to no deficit, then we do not really need to add this constitutional amendment to an already nicely working Constitution which needs no change.

Finally, let me speak just briefly then about the States, and just what they do. Almost all do have balanced budget amendments to their constitutions. Does that keep States from embarking on debt? It most certainly does not.

In the most recent issue of State finances, or the most recent compilation of State debt put out by the State finance officers, under a table listed as State government indebtedness and debt transactions by State—this is for 1984, the last year in which things have been put together—in the whole United States, State governments have $180 billion in debt those States most of which have balanced budget amendments.

As you look down through the list, do you see States that have no debt because they do have a balanced budget amendment? Oh, no. All 50 States have significant debt. In fact the smallest among them, I believe, is interestingly enough, the State of our majority leader, Kansas, with $350 million in debt.

You might say well, that is not all long-term debt. Oh, virtually all of it is, $183 billion out of the $186 billion. Well, is it full faith and credit of the State or is it something of a separate State entity? Therein we begin to see some changes. But still, the total full faith and credit debt of the various States is almost $60 billion, and 42 out of the 50 States have some element of long-term full faith and credit debt in spite of the fact that virtually all of those States have balanced budget amendments to their constitution.

All States have nonguaranteed debt and, of course, those represent the debts of the various special agencies and elements of State government, some of them established precisely for the reason that a State saw needs, the State had a balanced budget amendment to their constitution, and the State found a way to meet their needs in spite of or at least working as they could within the limits of that balanced budget amendment.

I cannot say more directly, with more vehemence and with more surety that a balanced budget amendment to the Constitution alone will not keep us from good fiscal policy. It will not keep us from spending. It will not keep us from doing the things that only this political body and the other House can do.

I suggest, Mr. President, that, as in the "Wizard of Oz," we need to have our own personal courage, our own brains, our own heart to deal with budget making and not look for some wizard to give us an artificial one in each case simply through a balanced budget amendment to the Constitution.

Mr. President, I ask unanimous consent that an article from the Washington Post of March 7, 1986, by Roy Ash, entitled "Worse Than the Gramm-Rudman," be printed in the RECORD. The writer was Director of the Office of Management and Budget under the Nixon administration.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 7, 1986]

WORSE THAN GRAMM-RUDMAN

(By Roy L. Ash)

The Gramm-Rudman "bad idea whose time has come" pales beside the specter of the proposed constitutional amendment to balance the federal budget. The amendment's goal of forcing fiscal discipline is no less noble than the Gramm-Rudman objective. Yet the amendment would do just the opposite of what is intended and result in fiscal chaos. Why?

A constitutional amendment can be negated readily, and undoubtedly would be, by resort to the many bookkeeping subterfuges available. Proponents of the amendment say that our lawmakers are too principled to do this. Yet, 48 states operate under constitutional requirements to balance their budgets. And, upon imposition of such restrictions, they invented ways to remove more than half their aggregate debt from their budgets.

Putting aside the use of bookkeeping artifice, the amendment, if applied, would create operating turmoil by its requirement that actual annual outlays not exceed actual receipts. Every year, the flow of outlays and receipts varies from estimates at the beginning of the year by many billions of dollars for unavoidable, yet acceptable reasons.

At the end of the year, under the amendment, there must be no deficit. A likely scenario would be to find, four months from year's end, that $20 billion of expenditures must be eliminated during the remaining portion of the year. That's an annual rate of $60 billion.

Who would have the authority to decide what to cut? The president? Congress couldn't act in time for effective implementation. Even if Congress could reach the necessary consensus in a month, and the president would agree, the annual rate of required outlay reductions would then be not $60 billion but $80 billion. Such decisions would have to be made and immediately acted upon.

The consequences to the economy from the annual budget balancing act would be counterproductive. Not only would the short-term flip-flops wreak havoc but the longer-term stabilizing function of fiscal policy would be sacrificed.

The budget's role in balancing the economy is more important than balancing federal bookkeeping. Were the amendment operative, economic decline in any year, which automatically reduces revenues and generates higher unemployment and other outlays would force offsetting and Herculean cuts in other programs, further exacerbating the decline.

Conversely, strong economic growth in other years would invite undue federal stimulus. In either case, fiscal management would add to and exaggerate both the growth and slow periods of the economy.

Our defense capability has the most to lose under the proposed amendment. Because it is by far the largest "discretionary" program in the budget, it would suffer the greatest disruptions from expenditure rate changes. And because so much defense spending is for long lead-time weapons purchases, the brunt of the disruption would fall on our readiness capability—manpower, operations and maintenance.

Furthermore, the provision in the proposed amendment waiving its effect if war is declared is too blunt an instrument to deal with real defense needs. It is much more desirable to manage defense policy so as to avoid the declaration of war. That usually involves the buildup of forces to deter others and, if absolutely necessary, to prepare for war. It is ironic that the proposed amendment would require a 60 percent vote to override budget balance so as to avoid war, yet only a 50 percent vote is required to declare war.

Finally, the Constitution is not a trivial document. Violations of it are not inconsequential. Any citizen could bring suit in the courts challenging federal taxing, spending and even bookkeeping actions, asserting his own ideas of how the books should be kept and fiscal policy implemented.

The Gramm-Rudman legal actions so far should give us pause before adopting the even more embracing constitutional amendment. Do we want the courts to make taxing, spending and bookkeeping decisions?

Deficits of the size we've been incurring are unacceptable. But it's not enough just to deplore them in colorful language and then, with an unsupported leap of logic, assert that the only response is a constitutional amendment.

The antidote for a severe headache is not a lobotomy. Almost none of the congressional hearing time spent over recent years has been given to discussion either of alternative responses to the need or of the very practical problems such an amendment would have.

Now that the bill is on the floor, let's seriously discuss the workability of the idea before we enshrine in the Constitution the primacy of bookkeeping, and probably bad bookkeeping at that, over all other national goals, priorities and values.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I appreciate the comments of my colleague from Washington and my colleague from West Virginia. I have great respect for both men. I did not have the privilege of knowing Senator EVANS until I came here. I had the privilege of knowing Senator ROCKEFELLER back some years ago. I have long had great respect for him. I have told I do not know how many people that he is one of the Members of the Senate who is wearing well and who is going to do an exceedingly fine job.

Having said those fine words, and I mean them, about those two Senators, let me just for a moment differ with both of them.

Senator ROCKEFELLER mentioned the problems that this would present.

It is very interesting that from John Adams on there were occasionally references to the unwritten amendment to the Constitution. That unwritten amendment was that we would balance the budget. So, from the beginning of our Republic up until the year 1917 we accumulated a grand total of $3 billion in debt. We are now $666 billion times the indebtedness of 1917.

My good friend from West Virginia says that this amendment would not accommodate economic cycles.

I think it would. If there is a real problem, we have to have a three-fifths majority. As the Senator from Washington said, that is not easy to get, but we can accommodate cycles. We can get ahold of this thing that is a monster. In 3 years we have moved from being the No. 1 creditor nation in the world to being the No. 1 debtor nation in the world; we are getting on thin ice.

My friend from Washington talks about the prison situation in Alabama, where the courts entered and things like that, and redistricting. There, frankly, the constitutional principle is unclear. There the courts have entered where there is a gray area. Here it ought to be very, very clear. We want a balanced budget. That is what the constitutional amendment will say.

As far as the three-fifths being too difficult, I would simply point out that we now require two-thirds for this very amendment we are talking about. We require it for impeachment, we require it for expulsion of a Member of Congress or the Senate, for the overriding of a Presidential veto, to pass a treaty, or to propose a constitutional amendment.

We are talking about the same three-fifths that we now need for cloture.

As far as the States, the Senator from Washington is absolutely right. The States have found a way around it. I hope we do not follow their example. I can remember when the State of Illinois passed its first big bond issue. I was in the State legislature. I voted against it. It passed the State senate 55 to 1. I was that one.

Mr. HEFLIN. Will the Senator yield?

Mr. SIMON. I will be pleased to yield to the Senator from Alabama.

Mr. HEFLIN. The Senator referred to two-thirds vote to override a veto. I note in section 1 that a vote for the specific excess of outlays over receipts requires three-fifths of the whole number of both Houses of Congress. Then I noticed under section 2 where a bill to increase revenue to become law must be approved by a majority of the whole number of both Houses of Congress.

Perhaps the Senator can answer this question: Would this mean that there would no longer be a presentment to the President in regard to the specific request? It states that it would be three-fifths of the whole number of both Houses of Congress. It does not say, as it does in section 2, about a bill to become law.

It is my understanding from past colloquies that it does eliminate the President and that there would be no presentment to the President. That raises the issue, will this constitutional amendment, if adopted and ratified, change the law pertaining to the override of a veto by a President, where it now requires a two-thirds vote? If the President wanted to veto, he would not be allowed to because of the wording of this language. The waiver in section 1 does not go to the President. This would, in effect, mean as to the specific excesses that there would be no potential of veto.

I just wondered whether or not this changes the appropriations process.

Right now we have in the Constitution where, if I recall, it says that no money can be spent by the Treasury except by appropriation approved by law, or words to that effect. Does this apply to excess of outlays over receipts and appropriations, or is this something different from an appropriation? My question is whether this effects presentment to the President or whether this may change the two-thirds relative to a veto.

Mr. SIMON. If I may respond to my good friend from Alabama, this does not change either the appropriations process or the veto process. It remains as it is. How we implement this is up to statutory action by a future session of Congress. I have never heard my colleagues, Senator DECONCINI, Senator THURMOND, Senator HATCH, or anyone else, suggest that we intend any fundamental change or any change whatsoever in the appropriations process or in the veto provisions. We want to leave them as they are.

Mr. DECONCINI. Will my colleague yield?

Mr. SIMON. I yield.

Mr. HEFLIN. The distinguished Senator from Arizona might wish to comment on this point.

Mr. DECONCINI. I will be delighed to. I believe I understand the question that the Senator from Alabama has posed. Section 1, as he points out, does not make reference to the executive branch. We turned down one amendment that would have.

I think that, in itself, indicates that we are not dealing in the area of what a veto override would have to be. As this is here in the Constitution, my interpretation is that it would not affect the overriding of a veto. There is no reference to it whatsoever.

Now, if Congress enacts legislation for enforcement or we do something here, as there was an attempt this afternoon, that, too, of course, obviously does not affect the veto override unless it makes reference to it. I do not see any reference to it nor did we have any testimony to it during the hearings that I can remember that would alter any other mathematical number of votes in this Chamber or in the other House.

Mr. HEFLIN. Well, it is subject to language interpretation, Mr. President. It says unless three-fifths of the whole number of both Houses of Congress shall provide for a specific excess of outlays over receipts. If that is not an appropriation, I hope we can clarify it by saying you would have to establish a sum of money in excess of receipts over outlays. Therefore, that means, as I read this language, there is no presentment to the President. The President does not have to sign it. Is that the intent of the drafters?

I think it ought to be brought to their attention so everybody knows what they are voting on. If it is an appropriation process, it changes the appropriation and takes away from the President the right to sign appropriations for excess and would therefore eliminate his right of veto and would therefore eliminate the following step, in the event that he vetoed it, of an override. Those are the steps that are involved.

Does this language mean this is an appropriation process or does it mean this is a specific figure which is not to be construed as an appropriation?

Mr. SIMON. Would my colleague yield?

Mr. HEFLIN. Yes, Mr. President.

Mr. SIMON. First, I think the dialog we are carrying on right now will make clear that there is no intent to change either the veto or the appropriation process. A future Congress, a result of the passage of this—and the Senator from Alabama has hit this right on the head—will have to work out some kind of score-keeping system through the budget process. But the committee charged with monitoring receipts and outlays, as the Budget Committee now is, will have to watch that more carefully than is now the case. And we are going to have to work out some processes as we keep score on this so that we do not pass appropriations in excess of this.

Mr. HEFLIN. Then section 1 is not an appropriations process. Do I understand that correctly?

Mr. SIMON. Section 1 does not change the appropriations process one iota.

Mr. HEFLIN. The proviso of three-fifths vote is directed only to the action of the two Houses of Congress and not to the President.

Mr. SIMON. It is. This is directed to the President and to Congress but obviously, Congress is the appropriating body.

Mr. HEFLIN. The granting of authority for outlays to exceed receipts by a three-fifths vote does not involve the President in that process. Am I correct in that?

Mr. SIMON. That, I think, we might have to establish through subsequent legislation.

Mr. HEFLIN. I do not believe we can establish constitutional law by legislation. It is either going to have to be in the language of the constitutional amendment or it is going to have to be by judicial construction.

Mr. SIMON. Well, it is very clear that we need three-fifths of both bodies to do it. Whether the President at that point is involved in that three-fifths is a question.

I yield to my colleague, the Senator from Arizona.

Mr. DECONCINI. If my colleague will yield, Mr. President. I think the way I read this, the Senator from Alabama has raised a good point, as he always does. I am glad we are having a chance to explore it.

Let us take a hypothetical. We have an entitlement program and the budget has been adopted and it is based on receipts coming in or expected to come in. That program because of economic reasons is running out of money. So we can see clearly that we are going to be x billion dollars short—let us say $10 billion—of what we are going to have in receipts. There are a

number of things Congress can do. It can raise taxes under this, if this were in the Constitution. It can raise taxes, can defer, can rescind, or a number of things.

Let us say the judgement of Congress is that we are going to pass an additional $10 billion. So now we are in the appropriation process, which is what the Senator raises. We are no longer in just a constitutional amendment that is before us here. So it can become an appropriation process.

Once that happens, we would have to have a waiver to spend more than what we take in, based on section 1. We would also have to have the votes to pass by three-fifths that appropriations bill, because it does, in fact, spend more than we take in.

So let us say the waiver was passed by three-fifths and the $10 billion appropriation was passed by three-fifths of both Houses. That, because it is an appropriation bill, goes to the President as any other appropriations bill would.

Now the President acts.

Mr. HEFLIN. On the appropriation, but not on the specific waiver.

Mr. DECONCINI. Exactly the point. The appropriations bill is now on the President's desk. And he says, uh-uh, I am not going to sign it. So he vetoes it.

Now we are no longer in this constitutional amendment of the waiver, we are in an appropriations bill which still has to come back under the Constitution if we want to override that veto with a two-thirds vote.

Mr. HEFLIN. Mr. President, let me give a scenario of facts. We decide we need $10 billion in excess so we seek the three-fifths vote. We obtain the three-fifths vote as to the specific $10 billion. That does not have to go to the President. The $10 billion comes back and is divided up and we have an appropriations bill on defense for $2 billion, we have an appropriations bill pertaining to housing for $2 billion, we have an appropriations bill, a separate bill, for another 2, and another one for 2, and another one for 2.

Those go to the President and the President either signs it or vetoes it.

Mr. DECONCINI. Yes, Mr. President.

Mr. HEFLIN. Therefore, the first part of section 1 is not an appropriations process.

Mr. DECONCINI. That is correct. I agree with the Senator from Alabama and I am glad he raised the point because there is a great distinction here between how you get the waiver or how you permit it to spend more than what the receipts are. Then there is the distinct process that we do not meddle with. That is the appropriation process. The Senator explained it better than I can.

Mr. SIMON. If the Senator from Arizona will yield, I just inferred as I sat here, and I concur so there is no cloud here, that that waiver would simply be a three-fifths concurrent resolution of the two bodies, that the President would not have the authority to veto. But the appropriations he would have the authority to veto. I think that is where we are and I think that should be fairly clear.

Let me add that I think the Senator from Alabama has clarified what is a very important point here and I thank him, as I thank him for many other points that he raises. The background he had as a justice of the Alabama Supreme Court adds to the richness of this body.

Mr. HEFLIN. I thank the Senator. Under section 2 the language is different. It says, "Any bill to increase revenue shall become law only if approved by a majority of the whole number of both Houses of Congress by rollcall vote." Since it has the words "become law," that involves presentment to the President, and that involves the right of veto.

Mr. SIMON. The Senator is absolutely correct.

Mr. EVANS. Mr. President, will the Senator from Illinois yield to a further question on the same subject?

Mr. SIMON. I am pleased to yield. I may yield to my colleague from Arizona for further wisdom if I do not have the answer.

Mr. EVANS. I listened with interest to this colloquy, and I must say that I am now more confused than at the beginning of the colloquy, so I hope I can be enlightened.

The three-fifths vote requirement is a specific vote on whether to allow outlays to exceed receipts; is that correct?

Mr. SIMON. That is correct.

Mr. EVANS. Let me pose a situation where by some miracle the Congress has adopted a budget, it is balanced, we proceed through the year, and presumably this constitutional amendment would cause us to watch with care with each passing month the receipts and outlays.

I might just say in passing that we did that very same thing during periods of economic cycles in the State. First, it is a terribly difficult thing to do accurately and, second, when the economy collapses, expenses go up and taxes go down at the same time. So things get very tough.

So you are getting close to the end of the fiscal year. The Congress finds that they do not want to or believe that it is inappropriate to cut expenses further. In fact, they are getting pressures to increase expenses on welfare and other kinds of problems coming from this economic decline. Taxes are going down. They cannot depend on any increase in taxes taking effect early enough to really cause a change in the remaining few months of the fiscal year, and so they retreat to this concept and they say, "It looks like we are going to be over by $20 billion. We will authorize that excess."

Now, at that point there is no appropriations process. There is nothing to submit to the President. Do I understand correctly then that under those circumstances the Congress could unilaterally, by a 60-percent vote, decide on its own by concurrent resolution to allow a deficit that year without the President having anything to say about it?

Mr. SIMON. The Senator is correct except that I would point out the Senator from Washington pointed out not too long ago that it is not easy to get that three-fifths majority. And it shoud not be. So when we say Congress just simply passes a simple resolution, it is not going to pass that simply.

There are a variety of ways of dealing with this. One of the ways that we have talked about—and it has been discussed on the floor a little bit—is the possibility even of establishing some kind of contingency fund that we would gradually build in, that would be there in the event we run into those kinds of problems.

Mr. EVANS. I understand that possibility. I would suggest that it is a reasonably remote possibility that that would be done but it might be. I agree with the Senator from Illinois that this is indeed a difficult provision. I think it is an unwise provision. But nonetheless, it is in the proposal. And if the proposal were to pass, it seems to me it has the chance of changing the current balance between the President and a Congress in terms of budget making and budget balancing, because at least as far as I know any other elements of our budget, whether it is the appropriations or the taxes or the combination of all of them, all get sent to the President for his approval.

Mr. SIMON. If the Senator from Washington will let me disagree with him—and I am sure he will let me do that—the most important budget document we have in this body is the budget resolution. That budget resolution does not go to the White House for approval or disapproval.

Mr. EVANS. I understand that, but the budget resolution in and of itself does not create an imbalance at all. All it is is a series of guideposts internally, within this body, to assure that the appropriations subcommittees all hew to a single line. What counts is what actually occurs outside this body. I suggest that in this case the body would be authorizing the actual increase in the national debt through an imbalanced budget without giving the President any chance to say anything about it.

Mr. SIMON. If the Senator will yield again, in the event there was a dip in the economy and you did not have to increase appropriations, that would be

possible. Even if there was a dip in economy, there would probably have to be a supplemental appropriation for AFDC and unemployment compensation and other things. In the event it was the fact that Congress wanted to spend more money for any other reason, any appropriation bill has to get the President's approval. In a situation where the economy dipped or where Congress just decided it wanted to spend more money, in either one of those events the President would have that veto ability. So I think the Senator is posing a hypothetical question that in fact is not a realistic concern for this body.

Mr. EVANS. I suggest to the Senator from Illinois that not only is it not hypothetical but I had a specific experience of almost precisely that kind. As Governor of the State of Washington, in 1968 and 1969 we were blessed with a strikingly good economy. The Boeing Co. was in the midst of an aerospace boom. They at that time had about 120,000 people employed in the State of Washington. Within 18 months their employment was down to 29,000. We saw in the first few months of a fiscal biennium the changes occurring in terms of receipts and the increased requirements in terms of welfare. There was no legislative session. I had the opportunity and the necessity of trying to deal with that. But if you translate it to the Federal level with 1 year rather than a fiscal biennium, with the potential of just 2 or 3 months left in a fiscal year, I would suggest that the ability to close a fiscal deficit that started occurring rapidly—and they do occur rapidly during an economic downturn because we are only talking about the marginal differences between receipts and outlays and the widening gap of the deficit can occur very rapidly—you simply do not get response from a new tax within a month or 2 of the end of a fiscal year. You do not get, as we all know, the results of spending cuts happening overnight or very rapidly, and you are simply faced with the fact that you may well have to deal with unbalancing the budget.

That is what I am suggesting is a very real possibility under certain circumstances. I think the Senator from Illinois knows well that I do not believe this is a wise idea in the first place. But whether an idea is wise or not, there is always a possibility that it might be adopted. If it were adopted, I think I would have a great problem with the fact that the Congress could unilaterally unbalance the budget, after we had voted for and the people of the country had adopted through their amendment processes this constitutional amendment, without the President saying a thing about it.

Mr. SIMON. Mr. President, I do not think I have convinced the Senator from Washington to vote for it, but let me just add, when he said you needed increases in welfare expenditures, that requires appropriations, and there the President has the authority. Second, the President has the deferral authority, just as much as the President does now. I think we can find practical means of dealing with this problem. I am not suggesting there are not going to be some bumps in the road, but the great bump in the road right now is that we are creating a dismal future for our children and our grandchildren.

I cannot believe that Congress cannot do anything about it. I think we have the tools here to force us to do something about it, and I guess on that my good friend from Washington and I disagree.

Mr. EVANS. I thank the Senator. I suggest if we were to pass this there would not only be bumps in the road but potholes that would make the streets in this city the smoothest in the entire universe.

Mr. MATSUNAGA. Mr. President, if the floor managers will yield, I should like to raise a few questions. There are questions I have which the Senator from Alabama already raised on section 1.

However, with reference to section 3, it reads:

> Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect.

There is no indication there whether that waiver could be done by a simple majority vote of those present on the floor contituting a quorum or whether it should be by a majority of the whole number of both Houses of Congress or by a three-fifths vote of the whole number of both Houses of Congress.

That leaves a question, because in this article we have already mentioned, in section 1, three-fifths, and in section 2, a majority of the whole number of both Houses. The question arises in section 3, which is it? Is it to be by three-fifths? Is it to be by a simple majority? What is it? I should like to raise that question.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. MATSUNAGA. I yield.

Mr. HATCH. In the report filed with the Senate, dated October 23, 1985, I read from page 44:

> *Section 2*
>
> The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect.
>
> ". . . may waive . . ." is intended to provide Congress with discretionary authority to operate outside of the provisions of particular sections of this amendment in the event of declarations of war. Such a waiver would be by concurrent resolution of Congress, a resolution which would not have to be submitted to the President for approval of disapproval.
>
> ". . . the provisions of this article . . ." is intended to refer primarily to sections 1 and 2 of the amendment. The Congress may waive any or all of these provisions. Waiver of sections 3, 5, or 6 would seem pointless.
>
> ". . . declaration of war . . ." is intended to be construed in the context of the powers of the Congress to declare war under Article 1, section 8, neither adding to nor subtracting from those powers. The committee intends that ordinary and prudent defense appropriations and preparations for a war perceived by the Congress to be imminent be funded fully within the limitations imposed by the amendment, although Congress may establish higher levels of spending and/or deficits for these or any other purposes under sections 1 and 2.
>
> ". . . for any fiscal year . . . is in effect . . ." is intended to require a waiver of the provisions of the amendment on a year-by-year basis. That is, Congress cannot adopt a waiver resolution which shall apply to more than one fiscal year. Rather, the Congress annually must adopt a separate waiver for the fiscal year at issue.

The answer to the Senator's question is that there is no question that a simple majority vote would be able to exercise the waiver, just as with the simple declaration of war. It may not be simple, but the declaration of war takes a majority vote, and I might add that the waiver will take a majority vote.

Mr. MATSUNAGA. Of course, the declaration of war is not really involved here, as to how many votes would be required for such declaration, because it is in any fiscal year in which a declaration of war is in effect that we are concerned here.

I still feel that there is a big question arising, unless you indicate here that Congress may, by either a majority of the whole number of both Houses—and that would be my preference—or by a simple majority vote or by three-fifths of the whole number of both Houses. There is that question.

For purposes of clarity and for fear that there might be a misinterpretation, I would strongly urge that there be an indication what the committee really intends by this provision.

Mr. HATCH. It is very clear. If you have a declaration of war, you have a simple majority to effectuate this provision.

Also, in order to have a supermajority or anything in addition to a simple majority, you would have to clarify it and make it clear. During the committee consideration of this, Senator HEFLIN brought forth an amendment that would require a three-fifths vote to allow defense spending which may prove too difficult or time consuming.

Mr. MATSUNAGA. Is the Senator from Utah saying that section 3 provides that Congress may waive the provisions of this article by a simple majority vote?

Mr. HATCH. There is no question about it.

Mr. MATSUNAGA. Sometimes a quorum is not present. Assuming that

there are 26 Members present here, does that mean that 14 Members may vote—may it be by voice vote?

Mr. HATCH. It is unlikely that that would occur; and even if that did occur, the answer is no. There would have to be a majority present in order to have a vote like that. Implicit in the amendment is a simple majority vote.

Mr. MATSUNAGA. If there is no question raised about the presence of a quorum, as the Senator well knows there may be a total vote numbering less than 51, and the RECORD will so show many a time in the House as well as here.

Mr. HATCH. I call to the Senator's attention that article 1, section 8, lists all kinds of things Congress can do. In not one place does it say you have to have a majority vote?

Mr. MATSUNAGA. Then, I take it that the Senator from Utah is saying that section 3 is perfectly clear, that there is no need for any indication as to whether it should be by a simple vote or a majority of the whole House and Senate.

Mr. HATCH. There is no ambiguity at all. It is very clear, just as clear as article 1, section 8, and all those provisions.

Mr. DECONCINI. Mr. President, will the Senator yield?

Mr. MATSUNAGA. I yield.

Mr. DECONCINI. I think it is important that the Senator from Hawaii has raised that issue. I agree with the Senator from Utah that it is clear to me, but it may not be clear to everyone else that we do have two sections here that specifically lay out what it takes in order to pass that section, section 1, and a majority of both Houses.

The point the Senator from Hawaii raises is, why did we not spell it out in section 3? I think the answer, as the Senator from Utah pointed out in the report, is certainly the intent of the framers of this particular constitutional amendment. But, also, I think that if you look at other articles of the Constitution, you will see that specific authority is given to Congress, such as in the 16th amendment: Congress shall have the power to lay and collect taxes on income. It says nothing about the kind of majority that is necessary.

I only say that that lays the foundation to indicate a majority of whatever is there, and it does not answer the Senator's question as to whether we should have a greater majority of the whole.

But I think it is very clear what the intent of section 3 is.

Mr. MATSUNAGA. That is not the only question. In the 16th amendment, which the Senator pointed out, there is no other figure given. There is nowhere in the 16th amendment where it says by three-fifths or by a majority of the whole. But in this article, two sections of it are mentioned, specifically, section 1, three-fifths; section 2, majority of the whole.

So we come to the third section. The question arises, What did Congress mean by that?

Mr. DECONCINI. If the Senator will yield, I think the Senator has played a very important role to spell out here on the Senate floor in the official RECORD here of what is the intent of the committee and pointing out just as the Senator from Hawaii always does the preciseness and that there might be a question in someone's mind.

I hope the dialog and the colloquy here will make it very clear that because it does not mention in the section 3 of this amendment the obvious reference that I have made and the Senator from Utah has made to article 1, section 8 of all those powers, and article 16 would make it very clear, but I am glad the Senator from Hawaii has brought it up.

Mr. MATSUNAGA. I am glad we went into this dialog for the purpose of establishing legislative history and legislative intent.

Mr. HATCH. And legislative intent, and the Senator did it.

Mr. MATSUNAGA. I thank him.

Mr. HATCH. I thank the Senator from Hawaii as well.

The Senator was concerned about that, and I hope that this dialog has dispelled any concern because literally in the first two sections we list the type of vote that must be. Implicit in the third section is that it will be a majority vote just as every Congress has which is listed in article 1, section 8.

So by having raised this issue, I think the distinguished Senator has made it very, very clear and we have tried to make it clear in this debate and in this dialog exactly what the law is and exactly how the Constitution will be interpreted.

So I think he has done a real service to everyone here concerned and I compliment the Senator from Hawaii for it.

Mr. MATSUNAGA. Unless, of course, a Senator, and it could be the Senator from Hawaii, would like to have that determination made by a majority of the whole of both the Senate and the House, in which case an amendment would be necessary.

Mr. HATCH. That is right, but keep in mind the three-fifths vote required in section 1 and it means what it says. The majority of the whole number means you have to have at least 51 voting for it.

Mr. MATUSUNAGA. That is correct.

Mr. HATCH. That is what I call a constitutional majority.

Mr. MATSUNAGA. We are talking about section 2.

Mr. HATCH. That is right. In section 3, it is unlisted.

Mr. MATSUNAGA. That is correct.

Mr. HATCH. Which leads to the presumption.

Mr. MATSUNAGA. My question to the Senator is, if any Senator would like to have the waiving of the provisions in time of war to be voted upon favorably by a majority of the whole both in the House and in the Senate, then the language must specifically be provided?

Mr. HATCH. Yes, that is correct. They would have an amendment.

Mr. MATSUNAGA. The Senator has answered my question.

Now in section 4 it says, "This article shall take effect for the fiscal year 1991 or for the second fiscal year beginning after each ratification, whichever is later."

The reading of this language here would indicate to me, or to anyone who understands English, that this article would be limited to the fiscal year 1991 or for the second fiscal year beginning after each ratification but not beyond 1991, not beyond the second fiscal year beginning after its ratification.

I think the language is so unclear there that I would strongly urge a change of language there to read "This article shall take effect beginning with the fiscal year 1991 or the second fiscal year after its ratification, whichever is later."

Then you have no question as to the application of this article to fiscal years subsequent to 1991 or subsequent to the second fiscal year after its ratification.

Mr. HATCH. I think again the Senator points out a concern he has which we can clarify here on the RECORD. If he reads section 1, "Outlays of the United States for any fiscal year shall not exceed receipts," et cetera, making it very clear that this amendment is intended to become effective on a certain future date and thereafter.

All section 4 does is follow commonly used constitutional language which basically says the effective date of this amendment and any fiscal year thereafter outlays will have to equal receipts unless three-fifths of the Senators——

Mr. MATSUNAGA. I realize what the Senator is saying. What I am saying is that the language of section 4 does not quite jibe with the language of section 1 and should therefore be amended for clarification purposes.

Mr. HATCH. It reads:

> This article shall take effect beginning fiscal year 1991, or beginning the second fiscal year after ratification, whichever is later.

I do not have any problem with that if it satisfied the Senator. But, literally, I think this clause would work just as well without that.

Mr. MATSUNAGA. It raises a question in this Senator's mind.

Mr. HATCH. Sure.

Mr. MATSUNAGA. And I am a lawyer by profession. As a matter of fact, my major was constitutional law.

Mr. HATCH. We should pay attention to what the Senator is saying, and we are.

Mr. MATSUNAGA. I am happy to yield to the Senator from Illinois.

Mr. SIMON. I thank my good friend and I applaud him for paying careful attention, which is what we ought to do.

I certainly would have no objection to some slight modification of language, but the present language really does follow what has happened in previous articles.

For example, article 20, which is the one limiting the terms of Presidents, says that it shall take effect on the 15th day of October. It does not suggest that it is only going to take effect on the 15th day of October. By implication——

Mr. MATSUNAGA. But there are more than one 15th day of October.

Mr. SIMON. But is also applies to the 16th day of October and the 17th day of October and all days thereafter. What we are doing here is making clear for the RECORD if there is any question anywhere. We are not talking about simply the fiscal year 1991, but we are talking about all succeeding fiscal years also.

Mr. MATSUNAGA. The Senator refers to article——

Mr. SIMON. Article 20.

Mr. MATSUNAGA. Article 20. If the managers of the bill are satisfied, then I will let it go at this point and maybe amend later after I make a further study. These are questions I had in mind.

Mr. SIMON. I thank the Senator from Hawaii, and what he has done is to at least clarify if this question should at some future time come up in the courts.

Mr. MATSUNAGA. Yes; at least we have established some legislative history.

Mr. SIMON. That is correct; and I thank him.

Mr. MATSUNAGA. I thank the Senator from Illinois, I thank the Senator from Utah, and I thank the Senator from Arizona.

Mr. President, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRAMM). Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, not to extend beyond the hour of 7:20, with Members permitted to speak for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. DOLE. Mr. President, I would like to inquire of the distinguished minority leader if the following items on the calendar have been cleared on his side of the aisle: Calendar No. 546, Calendar No. 547, Calendar No. 549, Calendar No. 550, Calendar No. 551, Calendar No. 552, and Calendar No. 553.

Mr. BYRD. Mr. President, all items enumerated by the distinguished minority leader have been cleared on this side.

Mr. DOLE. I thank the distinguished minority leader.

Mr. President, I ask unanimous consent that the calendar items just identified be considered and passed en bloc and all reported amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISCHARGE OF ADMINISTRATIVELY ORDERED SUPPORT OBLIGATIONS

The bill (S. 1889) to amend title 11 of the United States Code relating to bankruptcy, to prevent discharge of administratively ordered support obligations, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1889

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 523(a)(5) of title 11, United States Code, is amended by inserting after "or other order of a court of record or" the following: "any order, rule, or determination made pursuant to a State administrative process for obtaining and enforcing support orders, or".

Mr. DENTON. Mr. President, on December 2, 1985, I, along with my distinguished colleague from Illinois, Mr. SIMON, introduced S. 1889, a bill to amend the Bankruptcy Code to prevent the discharge of administratively ordered support obligations. The bill would amend the bankruptcy amendments contained in Public Law 98-353, and would fill a gap that currently permits discharge of certain spouse and child support debts through a bankruptcy declaration. On March 6, 1986, the Senate Judiciary Committee unanimously voted in favor of reporting the bill to the full Senate for consideration.

We enacted the Bankruptcy Amendments and Federal Judgeship Act, Public Law 98-353, in 1984. Section 454(b) of the act clarifies section 523(a)(5) of title 11, United States Code, to eliminate loopholes that formerly had allowed the discharge of spousal or child support debts through a judgment of bankruptcy.

Before the enactment of Public Law 98-353, only support debts created in separations, divorce decrees, or property settlements were protected from discharge by bankruptcy. The bankruptcy amendment extended the protection of debts established in other orders of a court of record, thereby preventing discharge in cases where a marriage has never taken place—for example, support awarded as a result of a court paternity determination.

Through inadvertence, however, the bankruptcy amendment did not contain a provision to protect support obligations established in State administrative proceedings.

Administrative proceedings are used by approximately 16 States to determine paternity suits and establish and enforce support obligations. Administrative proceedings have proved to be an effective and efficient procedure for resolving those disputes. It would be unfortunate if we were to prevent the States from using these procedures by denying protection from discharge by bankruptcy for administrative support judgments.

The efficient adjudication of paternity and support suits, and the enforcement of legally established support judgments, are of crucial importance to the economic health of our Nation. Senator SIMON and I have drawn S. 1889 to protect State administrative support judgments from discharge by bankruptcy, and thereby to encourage the States to resolve those suits as quickly as possible through efficient administrative forums. The bill has been strongly endorsed by the Department of Health and Human Services.

NATIONAL ENERGY EDUCATION DAY

The joint resolution (S.J. Res. 205) to designate March 21, 1986, as "National Energy Education Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamable was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 205

Whereas a reliable and economical supply of energy is essential to the future well-being of the United States;

Whereas the development and implementation of an enlightened energy policy requires that the public be adequately informed of the issues and alternatives;

Whereas ongoing quality energy education programs in America's schools and communities will continue to play an important role in educating the public regarding energy issues;

Whereas the annual celebration of "National Energy Education Day" (NEED) brings together students, teachers, school officials, and community leaders to focus attention on the need for energy education in our Nation's schools and communities; and

Whereas such a celebration should be conducted in a manner which encourages a deeper understanding of the role education will play in shaping America's energy future: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to promote and enhance energy education programs at all grade levels of public and private schools throughout the United States, March 21, 1986, is designated "National Energy Education Day". The President is requested to issue a proclamation calling upon the people of the United States, and all educational institutions, to observe such a day with appropriate ceremonies and activities, and encourage appropriate Federal agencies to participate in the observance of such a day and to cooperate with persons and institutions conducting such ceremonies and activities.

NATIONAL DEVELOPMENTAL DISABILITIES AWARENESS WEEK

The joint resolution (S.J. Res. 273) to designate the week of March 9, 1986 through March 15, 1986, as "National Developmental Disabilities Awareness Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 273

Whereas there are four million children and adults with developmental disabilities in the United States;

Whereas such persons have severe chronic disabilities attributed to mental or physical impairment which begin early in life and result in substantial limitation in major life activities such as self care, mobility, language, learning, and self direction;

Whereas the Developmental Disabilities Assistance and Bill of Rights Act has been reauthorized in support of the Developmental Disabilities Program with a mission to increase the independence, productivity and integration into the community of persons with developmental disabilities;

Whereas persons with developmental disabilities need interdisciplinary or generic services and treatment for extended periods of life;

Whereas despite substantial limitations, persons with developmental disabilities have the capability to become more independent and economically self sufficient;

Whereas the services and expertise provided by professional personnel, parents and concerned citizens enable persons with developmental disabilities to participate more freely in education, employment and community living;

Whereas well informed families can have a profound impact on the prevention and the reduction of the effects of developmental disabilities;

Whereas increasingly more persons with developmental disabilities are living in the community enabling them to live less restricted lives;

Whereas the private sector has shown great support in the hiring of developmentally disabled persons and in recognizing that such persons are a most valuable human resource;

Whereas through increased national awareness of such programs, the public will better understand the potential and needs of persons with developmental disabilities: Now, therefore, be it:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of March 9, 1986 through March 15, 1986 is designated as "National Developmental Disabilites Awareness Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States and all Federal, State and local government officials to observe the week with appropriate programs and activities.

JEWISH HERITAGE WEEK

The joint resolution (S.J. Res. 275) designating May 11 through May 17, 1986, as "Jewish Heritage Week," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 275

Whereas the Congress recognizes that an understanding of the heritage of all American ethnic groups contributes to the unity of our country;

Whereas intergroup understanding can be further fostered through an appreciation of the culture, history, and traditions of the Jewish community and the contributions of Jews to our country and society; and

Whereas the months of March, April, and May contain events of major significance in the Jewish calendar—Passover, the anniversary of the Warsaw Ghetto Uprising, Israeli Independence Day, Solidarity Sunday for Soviet Jewry, and Jerusalem Day: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating May 11 through May 17, 1986, as "Jewish Heritage Week" and calling upon the people of the United States, State and local government agencies, and interested organizations to observe "Jewish Heritage Week" with appropriate ceremonies, programs, and activities.

NATIONAL DAY FOR FEDERAL RETIREES

The joint resolution (S.J. Res. 276) to designate February 19, 1987, as "National Day for Federal Retirees," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 276

Whereas career Federal employees have served the Government and the Nation in a competent, efficient, and unselfish manner;

Whereas the Federal Government has recognized the contribution of Federal employees by providing such employees with a sound retirement plan;

Whereas the National Association of Retired Federal Employees was organized to represent the interests and needs of Federal retirees and has done so diligently;

Whereas the membership of the National Association of Retired Federal Employees has grown from 14 on February 19, 1921, to 491,000 in 1985; and

Whereas February 19, 1987, is the sixty-sixth anniversary of the National Association of Retired Employees: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That February 19, 1987, is designated as "National Day for Federal Retirees" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

NATIONAL OSTEOPOROSIS AWARENESS WEEK OF 1986

The joint resolution (S.J. Res. 285) to designate the week of May 11, 1986, through May 17, 1986, as "National Osteoporosis Week of 1986," was considered, ordered to be engrossed for a third reading, read the third time and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 285

Whereas 15,000,000 to 20,000,000 individuals in the United States are afflicted with osteoporosis, a degenerative bone condition;

Whereas approximately 25 percent of postmenopausal women in the United States develop osteoporosis;

Whereas 32 percent of women and 17 percent of men who live to the age of 90 will likely suffer a hip fracture due primarily to osteoporosis;

Whereas more than 50,000 older women and many older men die each year in the United States as a result of hip fracture complications;

Whereas hip fracture complications often result in loss of independence for older persons;

Whereas approximately $6,000,000,000 is expanded annually in the United States for health care costs relating to osteoporosis;

Whereas osteoporosis is associated with the loss of bone tissue due to lack of estorgen and low calcium intake;

Whereas the majority of persons are unaware of the condition of osteoporosis; and

Whereas the best treatment for osteoporosis is prevention through education; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of May 11, 1986, through May 17, 1986, is designated as "National Osteoporosis Awareness Week of 1986". The President is authorized and requested to issue a proclamation calling upon the people of the United

States to observe the week with appropriate programs and activities.

MUSIC IN OUR SCHOOLS MONTH

The joint resolution (H.J. Res. 345) to designate March 1986, as "Music in Our Schools Month," was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the items were passed or agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SEQUENTIAL REFERRAL OF A BILL—S. 1992

Mr. DOLE. Mr. President, I ask unanimous consent that when S. 1992, a bill to preserve the rights of certain parties with an interest in certain vessels or fishing facilities, and for other purposes, is reported by the Committee on Commerce, Science, and Transportation, it be sequentially referred to the Committee on the Judiciary for its consideration of those provisions amending title II, United States Code, for a period not to extend beyond 14 calendar days, provided that, if S. 1992 is not reported at such time, the Committee on the Judiciary shall be immediately discharged of further consideration thereof, and S. 1992 shall be placed directly on the Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

SEQUENTIAL REFERRAL—S. 1993

Mr. DOLE. Mr. President, I ask unanimous consent that when S. 1993, a bill to preserve the rights of certain parties with an interest in aircraft, aircraft parts, or vessels, and for other purposes, is reported by the Committee on Commerce, Science, and Transportation, it be sequentially referred to the Committee on the Judiciary for its consideration of those provisions amending title 11, United States Code, for a period not to extend beyond 14 calendar days; provided that, if S. 1993 is not reported at such time, the Committee on the Judiciary shall be immediately discharged of further consideration thereof, and S. 1993 shall be placed directly on the Calendar.

The PRESIDING OFFICER. Is there objections? Without objection, it is so ordered.

MESSAGE FROM THE HOUSE RECEIVED DURING RECESS

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on today, March 11, 1985, during a recess of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bill and joint resolution:

H.R. 3851. An act to amend section 901 of the Alaska National Interest Lands Conservation Act; and

H.J. Res. 371. Joint resolution to designate March 16, 1986, as "Freedom of Information Day".

Under the authority of the order of the Senate of January 3, 1986, the enrolled bill and joint resolution were signed on today, March 11, 1986, during the recess of the Senate by the President pro tempore [Mr. THURMOND].

MESSAGES FROM THE HOUSE

At 4:26 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the joint resolution (H.J. Res. 534) making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. WHITTEN, Mr. TRAXLER, Mr. MCHUGH, Mr. NATCHER, Mr. AKAKA, Mr. WATKINS, Mr. DURBIN, Mr. SMITH of Iowa, Mrs. SMITH of Nebraska, Mr. MYERS of Indiana, Mr. ROGERS, Mr. SKEEN, and Mr. CONTE as managers of the conference on the part of the House.

The message also announced that the House has passed the following bill, without amendment:

S. 1396. An act to settle unresolved claims relating to certain allotted Indian lands on the White Earth Indian Reservation, to remove clouds from the titles to certain lands, and for other purposes.

The message further announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 114. Concurrent resolution to correct the enrollment of H.R. 1614.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2675. A communication from the Executive Associate Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, notice of the reapportionment of an appropriation indicating the necessity for a supplemental estimate of appropriations; to the Committee on Appropriations.

EC-2676. A communication from the Acting Vice President of the United States Synthetic Fuels Corporation (Administration), transmitting, pursuant to law, the unauditied quarterly report of the Corporation for the quarter ended December 31, 1985; to the Committee on Energy and Natural Resources.

EC-2677. A communication from the Deputy Administrator of the General Services Administration, transmitting, pursuant to law, the fiscal year 1987 General Services Administration's Public Buildings Service Capital Improvement Program; to the Committee on Environment and Public Works.

EC-2678. A communication from the Acting Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty day period prior to March 7, 1986; to the Committee on Foreign Relations.

EC-2679. A communication from the Deputy Federal Inspector, Alaska Natural Gas Transportation System, transmitting, pursuant to law, the annual report of the Office of Federal Inspector under the Freedom of Information Act of calendar year 1985; to the Committee on the Judiciary.

EC-2680. A communication from the Acting Chairman of the Federal Energy Regulatory Commission, transmitting, pursuant to law, the annual report of the Commission under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2681. A communication from the Attorney General of the United States, transmitting, pursuant to law, the annual report on applications and extensions of orders for electronic surveillance under the Foreign Intelligence Surveillance Act of 1978 covering calendar year 1985; to the Committee on the Judiciary.

EC-2682. A communication from the General Counsel of the Administrative Conference of the United States, transmitting, pursuant to law, the annual report of the Conference under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2683. A communication from the Chief Justice of the Supreme Court of the United States, transmitting, pursuant to law, amendments to the Federal Rules of Appellate Procedure; to the Committee on the Judiciary.

EC-2684. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations—Student Assistance General Provisions and Pell Grant Program; to the Committee on Labor and Human Resources.

EC-2685. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, twenty-four recommendations for legislative action; to the Committee on Rules and Administration.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-589. A joint resolution adopted by the Legislature of the State of California; to the Committee on Environment and Public Works.

"ASSEMBLY JOINT RESOLUTION No. 61

"Whereas, One of the greatest flooding threats in the United States lies within the overflow path of the Santa Ana River in Orange, Riverside, and San Bernardino Counties, affecting the Cities of San Bernardino, Riverside, Fullerton, Anaheim,

Orange, Stanton, Santa Ana, Garden Grove, Westminster, Fountain Valley, Costa Mesa, Newport Beach, and Huntington Beach; and

"Whereas, Within this century there have been 14 medium to severe winter floods in the Santa Ana River Basin, including one in 1938 which devastated central Orange County and killed 45 persons; and

"Whereas, The Congress of the United States acted quickly after the 1938 flood and authorized construction of Prado Dam near Corona which was completed in 1941; and

"Whereas, Subsequent study by the United States Army Corps of Engineers has estimated that a flood like the one which occurred in 1862, a flood not included in the design of Prado Dam, would fill the reservoir beyond its capacity with the uncontrolled flow over the spillway harming more than one million people and causing damage and economic loss of more than $9,000,000,000, and would cover 110,000 acres of Central Orange County to an average depth of 3 feet; and

"Whereas, The Boards of Supervisors of Orange, Riverside, and San Bernardino Counties have requested the Corps of Engineers to remedy this great flood hazard, but construction has not yet been authorized by Congress; and

"Whereas, If authorized by Congress in 1986, the earliest anticipated completion for the Santa Ana River Basin Project would be no sooner than the year 2000, and in this interim period residents and businesses will continue to be exposed to this great flood hazard; and

"Whereas, The upper basin of the Santa Ana River in Riverside and San Bernardino Counties is the fastest growing region of California, and this rapid urbanization is increasing the flood hazard to Orange County through increases in both peak and total storm runoff; and

"Whereas, Given the need of flood control to mitigate the great hazard posed by the Santa Ana River to millions of residents and businesses, it is necessary for the Legislature to express to the federal government the Legislature's policy for flood control in the Santa Ana River Basin; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States, and the Chief of the United States Army Corps of Engineers to authorize, and move expeditiously to complete, the Santa Ana River Basin Project; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Chief of the United States Army Corps of Engineers, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-590. A concurrent resolution adopted by the Legislature of the Commonwealth of Pennsylvania; to the Committee on Governmental Affairs:

"RESOLUTION

"Whereas, American clock and watch makers were among the most ingenious craftsmen of the 19th century; and

"Whereas, The greatest achievement of American clock and watch makers during the 19th century was the mass production of clocks and watches with completely interchangeable parts; and

"Whereas, Modern horologists have carried the skill of the 19th century craftsmen forward, refining the intricacies of clock and watch making beyond ordinary comprehension; and

"Whereas, The National Association of Watch and Clock Collectors, Inc., a nonprofit, scientific and educational organization founded in 1943 to bring people interested in horology together, is headquartered in Columbia, Pennsylvania; and

"Whereas, The United States Postal Service has honored numerous groups and individuals for their contributions to the United States; therefore be it

Resolved, (the House of Representatives concurring), That the General Assembly of the Commonwealth of Pennsylvania urge the Citizen Stamp Advisory Committee of the United States Postal Service to issue a stamp honoring American horology; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, to the presiding officers of each House of Congress, to each member of Congress from Pennsylvania, and to Mr. Belmont Faries, Chairman, Citizen Stamp Advisory Committee of the United States Postal Service."

POM-591. A resolution adopted by the House of Representatives of the State of Kansas; to the Committee on the Judiciary.

"HOUSE RESOLUTION No. 6206

"Whereas, Teaches, through education of the young, provide both the foundation of modern civilization and the means for enhancing the lives of all members of society; and

"Whereas, The personal inspiration and enrichment which students receive from their teachers extends far beyond the few years spent in the classroom to exert a valuable lifelong influence on the young people of this state, and through them, on all Kansas residents; and

"Whereas, Teachers richly deserve individual recognition, honor and encouragement for their dedication and excellence in the pursuit of their profession; and such recognition, honor and encouragement should be bestowed each year on a statewide basis; and

"Whereas, Students, parents, school administrators and all other residents of the State of Kansas should be encouraged to personally communicate by word and deed to their present and former teachers, the special appreciation and recognition that teachers so richly deserve: Now, therefore,

Be it resolved by the House of Reprsentatives of the State of Kansas: That we urge the Congress of the United States to enact legislation to declare and establish the first Friday in March of each year to be the day upon which each teacher in the schools of our nation is to be given special recognition and honor, and to provide for such day to be known as TEACHER DAY USA; and

Be it further resolved: That the Chief Clerk of the House of Representatives be directed to send enrolled copies of this resolution to the President of the United States; the President of the United States Senate; the Speaker of the United States House of Representatives; each member of the Kansas Congressional Delegation; Laurence L. Stanton and Frank B. Toalson, both in care of Kansas Teachers Hall of Fame, 500 W. Wyatt Earp, Dodge City, Kansas 67801; Beth Jantz, Box 460, Dodge City, Kansas 67801; and Morris Thompson, KRTA, 412 E. 13th Street, Hutchinson, Kansas 67501."

POM-592. Resolutions adopted by the International Association of Chiefs of Police at their annual conference in Dallas, Texas, ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ABDNOR, from the Joint Economic Committee:

Special Report on the February 1986 Economic Report of the President (with additional and dissenting views) (Rept. No. 99-258).

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, DC, March 11, 1986.

Hon. ROBERT DOLE,
Majority Leader, U.S. Senate, Washington, DC.

DEAR MR. MAJORITY LEADER: Pursuant to the requirements of the Employment Act of 1946, as amended, we hereby transmit the Report of the Joint Economic Committee containing its findings and recommendations with respect to each of the main recommendations made by the President of the United States in his February 6, 1986 Economic Report.

The Committee Report contains a detailed analysis of current economic conditions, projections for the possible future course of the economy and recommendations for public policies which Members of the Committee believe will improve overall economic performance.

Democratic and Republican Members of the Committee did not reach a common agreement on a single report. While it is clear that some common ground exists among all Members of the Committee on certain economic issues, we jointly decided early in the process of writing this report that a single report would require the elimination of too many important observations and recommendations which Members on both sides wished to make.

We believe strongly that that was the right decision. We think that it is a time for reaching out for new ideas, new analysis and new approaches. Five years ago, this Government adopted numerous fundamental changes in the manner in which it conducts economic policy. Regardless of whether you approve or disapprove of those changes, the data is now becoming available for both Parties to learn a great deal about what happened, what worked, what didn't and why. Because of the deep divisions that remain over those policies—not only within this Committee, but within virtually every Committee of the Congress—that kind of analysis is most likely at this time to succeed within the framework of the two caucuses.

A report which simply identified the lowest common denominator amongst the divergent viewpoints on the Committee would have contributed little or nothing toward the process. On the other hand, effective exploration of the issues by both sides may eventually add substantial new areas of common ground and establish a basis upon which new policies of a more bipartisan nature can be developed.

We have carefully read both reports. We find them both instructive and useful. We urge Members in both Parties concerned about improved economic performance to

take a look at the entire document and read both of the reports.

Sincerely,

JAMES ABDNOR,
Vice Chairman.
DAVID R. OBEY,
Chairman.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HATFIELD:

S. 2171. A bill for the relief of Elliott Roosevelt; to the Committee on Veterans Affairs.

By Mr. MURKOWSKI (by request):

S. 2172. A bill to amend title 38, United States Code, to authorize modification of the structure of the Office of the Chief Medical Director, to clarify procedure for removal for cause of certain employees, to authorize the use of the Director Pay Grade within VA Central Office and for related purposes; to the Committee on Veterans Affairs.

S. 2173. A bill to amend title 38, United States Code, to provide for the exclusion of residents and interns from coverage under the Federal Labor-Management Relations Statute; to the Committee on Veterans Affairs.

S. 2174. A bill to amend title 38, United States Code, to require that non-Federal providers of hospital care and services receiving direct payment of Medicare funds for services to Medicare beneficiaries provide similar services to VA beneficiaries under similar VA payment policies; to the Committee on Veterans Affairs.

S. 2175. A bill to amend title 38, United States Code, to remove the requirement that the Administrator administer garage and parking appropriations and fees as a revolving fund; to the Committee on Veterans Affairs.

By Mr. BOREN (for himself and Mr. PRYOR):

S. 2176. A bill to amend chapter 11 of title 18, United States Code, to prohibit any former high-level Federal civilian officer or employee or high-ranking officer of a uniformed service from representing or advising a foreign principal for a period of at least 5 years after leaving Government service; to the Committee on the Judiciary.

By Mr. SIMON (for himself and Mr. MATHIAS):

S. 2177. A bill to amend the Immigration and Nationality Act to revise the grounds for exclusion of aliens from the United States; to the Committee on the Judiciary.

By Mr. GRASSLEY:

S. 2178. A bill to authorize appropriations for the Administrative Conference of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. GOLDWATER (for himself, Mr. DANFORTH, and Mr. HOLLINGS):

S. 2179. A bill to amend the Communications Act of 1934 to provide for reduction in the term of office of members of the Federal Communications Commission and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. GORTON (for himself, Mr. RIEGEL, Mr. GORE, Mr. MATHIAS, and Mr. SARBANES).

S. 2180. A bill to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974; to the Committee on Commerce, Science, and Transportation.

Mr. D'AMATO (for himself, Mr. BRADLEY, Mr. WEICKER, and Mr. KENNEDY):

S. 2181. A bill entitled the "Construction Industry Labor Law Amendments of 1986"; to the Committee on Labor and Human Resources.

By Mrs. HAWKINS (for herself, Mr. ABDNOR, Mr. DENTON, Mr. DOLE, Mr. LAXALT, Mr. BRADLEY, Mr. BURDICK, Mr. LEVIN, Mr. NUNN, Mr. ZORINSKY, Mr. SIMON, Mr. MCCLURE, Mr. WARNER, Mr. WILSON, Mr. COCHRAN, and Mr. RIEGLE):

S.J. Res. 293. Joint resolution to designate the month of May 1986 as "National Child Safety Month"; to the Committee on the Judiciary.

SUBMISSION ON CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BUMPERS:

S. Res. 364. Resolution to express the sense of the Senate relating to taxation of the small businesses of the Nation; to the Committee on Finance.

By Mr. DOLE (for himself, Mr. HELMS, and Mr. ZORINSKY):

S. Con. Res. 114. Concurrent resolution correcting the enrollment of H.R. 1614; considered and agreed to.

STATEMENT OF INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MURKOWSKI (by request):

S. 2172. A bill to amend title 38, United States Code, to authorize modification of the structure of the Office of the Chief Medical Director, to clarify procedures for removal for cause of certain employees, to authorize the use of the Director Pay Grade within VA Central Office and for related purposes; to the Committee on Veterans' Affairs.

MODIFICATION OF STRUCTURE OF THE OFFICE OF CHIEF MEDICAL DIRECTOR

● Mr. MURKOWSKI. Mr. President, I rise to introduce, by request, a bill which would authorize modification of the structure of the Office of the Chief Medical Director, to clarify procedures for removal for cause of certain employees, to authorize the use of the Director Pay Grade within VA Central Office and for related purposes.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD as follows:

S. 2172

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That section 4103 of title 38, United States Code, is amended as follows:

(a) paragraph (3) of subsection (a) is amended to read as follows:

"(3) Not to exceed two Associate Deputy Chief Medical Directors, who shall be assistants to the Chief Medical Director and the Deputy Chief Medical Director, appointed by the Administrator upon the recommendation of the Chief Medical Director.".

(b) by striking out paragraphs (4) through (9) of subsection (a).

(c) Subsection (b) is amended to read as follows:

"(b) In addition, the Office of the Chief Medical Director may consist of the following:

"(1) Not to exceed seven Assistant Chief Medical Directors, who shall be appointed by the Administrator upon the recommendation of the Chief Medical Director and who shall be qualified doctors of medicine, dental surgery or dental medicine, except that not more than two Assistant Chief Medical Directors may be persons qualified in the administration of health services who are not doctors of medicine, dental surgery or dental medicine.

"(2) Such Medical Directors as may be appointed by the Administrator, upon the recommendation of the Chief Medical Director, to suit the needs of the Department. A Medical Director may be a qualified doctor of medicine, dental surgery or dental medicine or a registered nurse qualified in nursing administration.

"(3) Such Directors as may be appointed by the Administrator, upon the recommendation of the Chief Medical Director, to suit the needs of the Department.

"(4) Such directors of hospitals, domiciliary facilities, medical centers, and outpatient facilities as may be appointed by the Administrator upon the recommendation of the Chief Medical Director.

"(5) Such other persons as may be appointed by the Chief Medical Director with the approval of the Administrator to fill positions deemed necessary to accomplish the mission of the Department.".

(d) Subsection (c) is redesignated as subsection (f).

(e) By inserting the following new subsections:

"(c) The Chief Medical Director, with the approval of the Administrator, may establish, consolidate, eliminate, abolish, redistribute, or modify such positions and offices as he deems needed for the Department of Medicine and Surgery to carry out its mission.

"(d) Any appointment under section 4103 (a) and (b) shall be for a period of four years, with reappointment permissible for successive like periods. Any such appointment or reappointment may be extended by the Administrator for a period not in excess of three years. Any person appointed or reappointed, designated or redesignated pursuant to this section, including subsection (f), or whose appointment or reappointment, designation or redesignation is extended shall be subject to removal for cause in the game manner and under procedures similar to those set forth in section 4110 of this title. The members of the Disciplinary Boards in such cases may be any persons appointed pursuant to this subsection.

"(e) The appointment, reappointment, or extension of appointment or reappointment of any person pursuant to subsection (a) and (b), whose position is abolished in accordance with subsection (c), shall terminate. Any person who relinquished an appointment made pursuant to section 4104(1) in order to accept an appointment under this section and whose appointment, reappointment, or extension of appointment or

reappointment under this section is terminated by reason of abolishment of position, shall be entitled, upon such termination, to reemployment under section 4104(1). Any person who relinquished an appointment in the Federal Civil Service in order to accept an appointment under this section who at the time of such appointment shall have had a civil service status, and whose appointment, reappointment, or extension of appointment or reappointment under this section is terminated by reason of abolishment of position, shall be entitled to reappointment in the Federal civil service in accordance with his or her reinstatement eligibility by virtue of previous civil service appointment and status.".

SEC. 2. That section 4107 of title 38, United States Code is amended as follows:

(a) By striking out in subsection (a) all after "Medical Director, $71,804 minimum to $81,376 maximum." and inserting in lieu thereof "Director, $61,296 minimum to $77,640 maximum.".

(b) By inserting in paragraph 3 of subsection (c) "or any person appointed under section 4103 of this chapter, who is not eligible for special pay under section 4118 of this chapter" after "applies.".

(c) Paragraph 2 of subsection (d) is amended to read as follows: "(2) Level IV for the Deputy Chief Medical Director and the Associate Deputy Chief Medical Directors; and".●

By Mr. MURKOWSKI (by request):

S. 2173. A bill to amend title 38, United States Code, to provide for the exclusion of residents and interns from coverage under the Federal Labor-Management Relations Statute; to the Committee on Veterans' Affairs.

EXCLUSION OF CERTAIN EMPLOYEES FROM FEDERAL LABOR-MANAGEMENT RELATIONS STATUTE

● Mr. MURKOWSKI. Mr. President, I rise to introduce, by request, a bill which would provide for the exclusion of residents and interns from coverage under the Federal labor-management relations statute.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2173

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That section 4114 of title 38, United States Code, is amended by striking the period at the end of subsection (g) thereof and inserting the following: "and no person appointed under subsection (b)(1) of this section shall be considered an employee for the purposes of collective bargaining under Chapter 71 of title 5, United States Code."●

By Mr. MURKOWSKI (by request):

S. 2174. A bill to amend title 38, United States Code, to require that non-Federal providers of hospital care and services receiving direct payment of Medicare funds for services to Medicare beneficiaries provide similar services to VA beneficiaries under similar VA payment policies; to the Committee on Veterans' Affairs.

PROVISION OF VA HOSPITAL CARE AND SERVICES

● Mr. MURKOWSKI. Mr. President, I rise to introduce, by request, a bill which would require that non-Federal providers of hospital care and services receiving direct payment of Medicare funds for service to Medicare beneficiaries provide similar services to VA beneficiaries under similar VA payment policies.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2174

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, A new section 625 is added to Subchapter III of Chapter 17, which new section 625 reads as follows:

"§ 625. Requirement that Providers accept Medicare and VA Beneficiaries on Similar Basis, and accept VA payments as payments in full.

"(a) For purposes of this Act, 'VA beneficiaries' means all veterans and other persons for whose hospital care outside Federal facilities VA is authorized to pay.

"(b) Notwithstanding any other provision of this title or of title 42, United States Code, or other law, any non-Federal provider of hospital services to any Medicare beneficiary must also accept VA beneficiaries on a similar basis, and must accept payments made by VA in accordance with VA regulations as payments in full.

"(c) Upon a finding by the Administrator, made in accordance with procedures developed in consultation with the Secretary of Health and Human Services, that a Medicare provider has failed to comply with this Act, the Administrator, if unable to obtain prompt corrective action, will report such finding to the Secretary for possible corrective action or for possible termination of the provider's agreement with the Secretary entered into pursuant to 42 U.S.C. § 1395cc(a). Thereafter, in addition to the bases for termination set forth in 42 U.S.C. § 1395cc(b), the Secretary may terminate such agreement with the provider if the Secretary determines that the provider has failed to comply with this Act."

SEC. 2. The Table of Parts and Chapters at the beginning of title 38, United States Code, and the table of sections at the beginning of chapter 17 of such title are each amended by inserting after

"624. Hospital care, medical services and nursing home care abroad."

the following:

"625. Requirement that Providers accept Medicare and VA Beneficiaries on Similar Bases, and accept VA payments as payments in full."●

By Mr. MURKOWSKI (by request):

S. 2175. A bill to amend title 38, United States Code, to remove the requirement that the Administrator administer garage and parking appropriations and fees as a revolving fund; to the Committee on Veterans' Affairs.

ADMINISTRATION OF GARAGE AND PARKING FEES

● Mr. MURKOWSKI. Mr. President, I rise to introduce, by request, a bill which would grant discretion to the Administrator of Veterans' Affairs to administer garage and parking appropriations and fees as a revolving fund.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2175

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5009(c), of title 38, United States Code, is amended to read as follows:

(c) Money received from the use of the garages and from the parking facilities operations authorized by this section, may be credited to the appropriation charged with the cost of operating and maintaining these facilities. Any amount not needed for the maintenance, operation and repair of these facilities shall be covered into the Treasury of the United States as miscellaneous receipts.●

By Mr. BOREN:

S. 2176. A bill to amend chapter 11 of title 18, United States Code, to prohibit any former high-level Federal civilian officer or employer or high-ranking officer of a uniformed service from representing or advising a foreign principal for a period of at least 5 years after leaving Government service; to the Committee on the Judiciary.

FOREIGN AGENTS COMPULSORY ETHICS IN TRADE ACT

● Mr. BOREN. Mr. President, today I am pleased to introduce legislation to set ethical standards for high-level Federal employees and officers who leave Government service to represent or consult foreign governments.

There are numerous stories of mostly Washington-based lobby or consulting groups which have been hired by foreign countries to help them gain access to certain key officials with whom the lobbyists previously worked or associated. There exists a real threat to our national security and interests in trade, defense, and foreign policy when key administration or agency officials receive more input from foreign countries then from our own.

Representatives HOWARD WOLPE and MARCY KAPTUR have introduced this bill in the House of Representatives, and I proudly join their courageous efforts in pushing for Senate consideration of this issue.

The bill will quite simply prohibit any former high-level official or high-ranking officer of a uniformed service from representing or advising a foreign principal in transactions with the

United States for 5 years after their leaving that position. A "foreign principal," as defined in the statutes includes the government of a foreign country or foreign political party, any foreign business or economic entity.

Time magazine in a story on this subject said: "Former administration officials are often paid millions of dollars by special interests to oppose policies they once ardently promoted."

The New York Times stated that when the 1988 campaign begins, there will be those who will "lash out at the new mess in Washington—brought about by failure to see the incipient corruption in the 'excess of access'."

A former chief of the Foreign Agents Unit of the U.S. Justice Department recently said:

By hiring the elite lobbyist, foreign governments can manipulate the administration and Congress to act against our national interests.

Mr. President, let us not wait for a more visible sign of a growing scandal to force us to act. The trend toward former employees going into the private sector to make 3 to 9 times their former salaries as Government servants in "access firms" only makes our duty to find and act on national concensus that much more difficult.

In the election reforms of last decade we insured that foreign countries could not influence elected representatives through the use of campaign contributions.

Now, though, a different level of public servant is being paid exorbitant fees to purchase the same kind of corrupting influence.

Mr. President, I ask unanimous consent that certain articles and a summary sheet of the bill be inserted in the RECORD at the conclusion of my remarks.

I further hope that my colleagues will review this issue very closely and examine the trend toward crisis which we can put in check with this legislation. I urge my colleagues careful consideration to cosponsor this bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY: FOREIGN AGENTS COMPULSORY ETHICS IN TRADE ACT OF 1985 (FACE IT)

The bill has one principal objective:

To prohibit any former high-level Federal employee or high-ranking officer of a uniformed service from representing or advising a foreign principal in transactions with the U.S. Government for a period of at least five years after leaving government service.

I. RESTRICTIONS ON ACTIVITIES

Establishes a ten year period during which any former high-level Federal employee or high-ranking officer of a uniformed service is prohibited from representing or advising a foreign principal in connection with any transaction with the United States Government.

II. DEFINITIONS

A "foreign principal" includes the government of a foreign country, a foreign political party, any foreign business or economic entity—as defined in the U.S. Code provision requiring registration of foreign propagandists

A "high-level Federal employee" includes the top 25 advisors to the President, the top 5 advisors to the Vice President, all Cabinet Members, and other key officials in Executive Agencies, Departments and Independent Establishments

"High-ranking officer of a uniformed service" means a general officer or flag officer—those at the rank of general, lieutenant general, major general or brigadier general and those at the rank of admiral, vice admiral, real admiral or commodore

III. EFFECTIVE DATE

This legislation is not retroactive and will only affect individuals who accept positions after the date of enactment.

[From the New York Times, Feb. 17, 1986]

THE AGE OF ACCESS

(By William Safire)

WASHINGTON.—The new public relations firm launched by Michael Deaver, who is like a son the the President and Mrs. Reagan, is currently taking over $2 million a year out of South Korea. Not including expenses.

Let us assume that Mr. Deaver, known in the annals of advancemen as the Sage of Bitburg, is selling something of value.

What is that valuable something? As he must readily point out to clients, his office door revolves with former Reagan White House aides and officials in the Administration's Office of the U.S. Trade Representative. These former officials are sometimes closely connected to their successors, and may be owed favors by bureaucrats or Foreign Service officers whose careers they advanced when in power.

More important, Mr. Deaver remains intimate with the President and First Lady. No, he doesn't go into the upstairs family room to say "I'm getting two million smackers in Seoul food, so how about fixing this piece of legislation? The business of representation is subtler than that.

He offers his clients "access" to the levers of power. In his and other firms, when principals are forbidden by conflict-of-interest laws to act on matters they handled in public office, the ball can be handed off to other staffers. And every trade official about to crack down on predatory South Korean practices must wonder: what will Mike Deaver say about him to Nancy Reagan? How will it affect his chances for promotion?

"Access" is today's euphemism for "influence." In Harry Truman's day, influence-peddling led to the repugnant "mess in Washington"; today, access-peddling—present in the first Reagan term, but mushrooming wildly in the second term—threatens to provide the first real whiff of a sophisticated form of the old political corruption.

Nothing is unethical about foreign governments hiring former officials for guidance in American ways. After years in low-pay public service, what's wrong with converting expertise into dollars? Besides, fees and contracts, if not the details of delivery, are on the public record. Thirty years ago, I worked for a firm that happily hired itself out as a "foreign agent" whenever it could steal an account from some other press agent.

Sorry, the old justifications are getting shaky: access-peddling today, even with fees adjusted for inflation, has reached a different order of magnitude. A front-page article by Stuart Auerbach in yesterday's Washington Post details how * * * to the Reagan White House requires a golden key to be purchased from Republican political operatives.

Three of the guys who ran the 1984 Reagan campaign—Charles Black, Paul Manafort and Roger Stone—get a million or so from a Marcos-dominated Philippine business association, and another million from the dictator of Nigeria. At Gray & Co., a one-month job for Japanese politicians to soothe American ire at trade restrictions was run by George Bush's former chief of staff and pulled in a quarter-million. I am not one to knock honest greed, but never has rainmaking seen such moneymaking.

Lest I be looked upon as the ethicist skunk at the garden party by my former political and professional colleagues, let me suggest what may happen to those who mindlessly tread the White House primrose-garden path.

In coming months, a skirmish line of House Democrats will bewail the lucrative access-peddling by Reagan rainmakers, tying their efforts on behalf of foreign clients to our growing trade deficit. This will not fly, because the trade deficit is an abstraction, the revolving door is not a gut issue, and the P.R. men are not that effective.

Then, maybe next year, somebody will make a boo-boo—slip an old buddy some money, promise too much, bribe a foreign potentate, write an incriminating memo bragging about a policy victory.

That would trigger not only a criminal investigation but would energize the moribund oversight at the House Judiciary Committee; Senator Joe Biden at Senate Judiciary could also find an issue here. Staffs would be appointed, investigators hired, hearings held. A stampede of disgruntled former employees, dissatisfied clients, professional whistle-blowers and surly competitors would rush to wreak vengeance and sanitize themselves, thereby tainting legitimate advocoacy with evidence of illegal fixes.

Alarmist? Some free advice from Cassandra, Pandora & Associates: As the '88 campaign begins, Democrats devoid of other issues will lash out at the new mess in Washington—the Reagan-Bush mess—brought about by failure to see the incipient corruption in the excess of access.

TRYING TO SLOW THE REVOLVING DOOR

The growing influence of the Washington lobbyists for Japan and the newly industrial countries (NICs) has sparked a debate about the ethical propriety of U.S. lawyers and lobbyists—many of them former U.S. trade officials—representing foreign governments and businesses when the United States is running a $150 billion trade deficit and fighting for its life in international markets.

Reps. Marcy Kaptur, D-Ohio, and Howard E. Wolpe, D-Mich., have introduced the Foreign Agents Compulsory Ethics in Trade Act (HR 3733), which would prohibit Cabinet members, White House staffers and most presidential appointees from representing foreigners for at least 10 years after leaving public service.

Kaptur drew up the legislation after a businessman in her district complained that a Commerce Department official who had accompanied him on a U.S. trade mission to Japan was now working for the Japanese.

"These people are hired because they provide insider information and their status enhances their clients' reputations," Wolpe said. "It makes no sense [from a U.S. point of view] for American negotiators to be sitting across the table from their potential employers. We are trying to create institutional integrity for [trade-related] institutions and to isolate the bureaucracy from the temptations of the system."

While the Kaptur-Wolpe bill is given little chance of passage—it has only seven cosponsors—it has focused attention on the growing number of former high-ranking U.S. officials who now represent America's international competitors. Japan is by far the largest of these employers, but the newly industrial countries are learning fast.

Taiwan's Board of Foreign Trade retains Ablenda & Foster headed by Italo H. Ablenda, a former member of the International Trade Commission.

The South Korean government has hired Michael K. Deaver and Associates, a Washington consulting firm headed by President Reagan's former deputy chief of staff. In the bargain, they also get Deaver's new associate, Doral S. Cooper, a former assistant U.S. Trade Representative.

Brazil's Central Bank and Ministry of Finance are represented in their debt renegotiation talks by William D. Rogers, a partner in the Washington law firm of Arnold & Porter and a former undersecretary of State for economic affairs. The Brazilian computer industry, facing an unfair trade practices case, has hired I.A. Motley and Co., a Washington consulting firm headed by Langhorne A. Motley, former U.S. ambassador to Brazil and former assistant secretary of State for inter-American affairs. One of the vice presidents of that firm is Claud I. Gingrich, former general counsel of the U.S. Trade Representative's office.

"These people have a particular set of knowledge gained on behalf of the people of this country," said Pat Choate, director of the office of policy analysis in Washington for TRW Inc.

"The one thing we need is the absolute certainty that those that represent the United States are not using their position as a means of developing a client list."

Choate does not want to deny nations representation, but he noted that "there is marvelous talent in this town . . . that has not held high government office."

As might be expected, NIC lobbyists with government service see nothing improper about their representation. "This is a very complex country," said one, "and it is critical that an outsider seek an insider's advice."

"The threat to U.S. international competitiveness does not come from K Street [where many Washington lobbyists have their offices], it's on the shop floor of American factories," said another NIC lobbyist.

Opponents of the Kaptur-Wolpe bill say that singling out those who represent foreigners stirs up xenophobic passions. The bill would create a distinction between representing foreign shoe producers and representing American shoe importers when it can be argued that the interests of both hurt American manufacturers, the lobbyists point out. And they note that the bill ignores much more flagrant revolving-door practices in the Pentagon and exempts congressional staff and former Members of Congress.

Finally, opponents argue that the bill would deny former public officials the right to pursue what, for many, has been their life's work. "In government, I was a defender of free trade and the interests of poor countries," said a NIC lobbyist. "In the private sector, I'm still doing the same thing. What am I suppose to do, handle divorce cases?"

A better approach, some observers say, would be stricter enforcement of the Foreign Agents Registration Act, which requires a detailed accounting of American lobbying for foreigners. Many foreign representatives file cursory information, and the Justice Department rarely follows up.

Moreover, under the 1978 Ethics in Government Act, there is already a lifetime ban on former government officials representing a client before an executive branch agency on issues in which the official was directly involved. And senior employees are covered by a one-year ban on any direct contact with the government agency that most recently employed them.

Many observers say the best way to prevent influence peddling is more detailed information on who represents whom for how much. At the same time, they say, the U.S. government should demand that foreign governments make it easier for U.S. firms to be represented in the trade policy-making process in foreign countries. No foreign government bureaucracies are as open to lobbying as the American government is, and while the Reagan Administration is pushing the Japanese for greater access, it has not made the issue a priority with NIC governments.

THE SERVICE ROAD TO THE GRAVY TRAIN

(By Howard Wolpe and Marcy Kaptur)

WASHINGTON.—There is a wonderful way to get rich quick in this town.

First, you join the White House staff, or an intelligence agency, or a big department. Then you quit. Then you quadruple your income by peddling sensitive information and your palace connections to foreign buyers.

The money is certainly out there. In 1984, according to Justice Department records, Japanese interests (private and governmental) spent nearly $19.9 million, West German interests $18.9 million and Canadian interests $16 million—all to oil their American connections. Numerous other nations also reported large outlays for the same purpose.

What is especially disquieting is that a growing number of Americans who once held sensitive positions in Government have hired themselves out to these interests.

Michael K. Deaver, President Reagan's former deputy chief of staff, sells the services of his consulting firm to clients such as the Singapore Government and International Cultural Society of Korea.

Eugene T. Rossides, former Assistant Secretary of the Treasury, is a member of a law firm representing French financial interests.

William E. Colby, former Director of Central Intelligence, is a partner in a consulting firm that represents the Embassy of Thailand and Brazilian steel and shoe interests.

Richard V. Allen, once President Reagan's national security adviser, is on retainer from the Japanese steel industry and sings the praises of a second Panama Canal so that Japan can more easily import Brazilian iron ore.

Officials from the Trade Representative's Office have shown perhaps the most prowess at marketing their Government experience abroad. Doral S. Cooper, who was Assistant Trade Representative, has been recruited by Mr. Deaver's firm; alumnus Steve L. Lande is now with a consulting firm that has earned hundreds of thousands lobbying for Nissan; and John B. Rehm, the Trade Office's general counsel, graduated to the more lucrative services of Airbus Industries, in France, as well as Toyota, Nissan and Subaru. Eric I. Garfinkel, Trade Office attorney, took a detour to a White House position where he was involved in the debate over whether to apply sanctions against the Japanese machine-tool industry (the Japanese won). Now he's with a law firm where his most important client is the Japanese Machine Tool Association.

When people are leaping from Government to foreign-interest lobbies with a nimble grace that would make Ginger Rogers envious, public policy can be compromised two ways. First, every high official comes to realize that when he negotiates with a foreign government on trade issues, foreign aid, arms sales or whatever, he may be sitting across from some very generous potential employers. It's not hard to immagine him directing the Federal Government's generosity accordingly.

Moreover, once he becomes a lobbyist, he deploys a vast amount of information, cachet and connections—all acquired at the taxpayers expense—to enrich himself and his clients. This means Michigan farmers and Ohio factory workers are financing a giant finishing school for potential lobbyists. It's trickle-up theory made real.

One can moralize about all this forever. But there's more modest, sensible response: prohibiting high-level Federal employees from representing any foreign principal in its dealings with our Government for 10 years after they leave office.

This would not usher in a reign of disinterested philospher-kings, nor magically eliminate the $148 billion international trade deficit, nor guarantee that our foreign aid programs would dispense their largesse more prudently. But it could well mean that some of our highest officials would be less distracted from their duties by the glittering temptation of a future lobbying retainer. They might not live quite so happily ever after, but the rest of us probably would. For that alone, such a measure is worthwhile.●

By Mr. SIMON (for himself and Mr. MATHIAS):

S. 2177. A bill to amend the Immigration and Nationality Act to revise the grounds for exclusion of aliens from the United States; to the Committee on the Judiciary.

IMMIGRATION EXCLUSION AMENDMENTS ACT

● Mr. SIMON. Mr. President, today I am introducing legislation which will help stop what has become for the United States a national embarrassment.

More than 30 years ago, Congress overrode President Harry Truman's veto, and passed the Immigration and Nationality Act of 1952—also known as the McCarran-Walter Act—establishing our modern immigration laws. Part of this law contains a list of 33 provisions under which aliens, both nonimmigrants (visitors) and immigrants (permanent) may be excluded. Some of the exclusions on the list like insanity, criminal history, and disease, were

included in this statute for sound reasons. However, given the tenor of the times and the mood of the country during that period of American history, it is easy to understand how some less than desirable provisions ended up on the books.

Three provisions in particular are the cause of this concern. Even current administration officials such as Secretary of State George Shultz have questioned their necessity. Specifically, section 212(a) (27) and (29) permit the exclusion of those whose presence in the United States might be "prejudicial to the public interest" or "subversive to the national security." These have caused some problems because of differing interpretations of what those terms mean. A third provision, section 212(a)(28) goes farther by excluding those with differing political philosophies. It is the provision which has been most frequently invoked.

Under current procedures, these exclusions are applied to visitors who want to enter for a limited period of time as well as to those who seek to enter as permanent residents. Whether it would be desirable to apply different standards to visitors and permanent residents is something that we should consider over a longer period of time. The legislation that I am offering today, however, applies only to those visitors who apply to come to this country for a short period of time to speak, give lectures, participate in conferences, or to simply visit relatives.

My bill simply says that "notwithstanding any other provision of this Act, no one shall be denied a nonimmigrant visa because of his or her lawful political beliefs, activities, or associations."

The provisions in current law have excluded Graham Greene, English novelist; Carlos Fuentes, Mexican novelist; Gabriel Garcia Marquez, novelist and Nobel laureate; Csezlaw Milosz, Polish Nobel laureate, and a host of other writers, artists, and scientists from whom United States citizens could have benefited.

The most recent and vivid example of how foolish and outdated are the laws in this area is Farley Mowat, a Canadian writer who wrote "Never Cry Wolf." About 20 years ago, Mowat protested because B-52's were flying over his timbered land. Last year, he was invited to come here to give a lecture about wolves. He found he was on the excludable list because he had protested those planes. When Canada protested his presence on the list, we relented. But the distinguished writer refused to come to the United States and has not been here since.

Hortensia de Allende, the widow of the former President of Chile, Salvador Allende Gossens, is another example of how foolish this law is. In 1983, the Catholic Archdiocese of San Francisco invited her to speak at the celebration of International Women's Day. She was also going to speak with representatives of local Chilean groups and to visit universities in the bay area. But because the State Department deemed that her entry would be "prejudicial to the public interest," she was denied a visa.

There is another that involves an academic from my State of Illinois. Leszek Kolakowski teaches at the University of Chicago and at Oxford University. Professor Kolakowski was recently chosen by the National Council on the Humanities, the Presidentially appointed supervisory body of the National Endowment for the Humanities, to deliver the annual Jefferson Lecture in May, which is the most prestigious and highly respected award in the humanities. He is also the recipient of the prestigious MacArthur Prize which is given to a handfull of exceptional figures in academia and public life. When he applies for a visa to get back to Chicago, he has to fill out a form that asks him "Are you or have you ever been . . . a member of the Communist Party?" He writes down "Yes." He is a former Communist. But he was also the representative in the West of KOR, the intellectual group that helped give birth to Solidarity in Poland. Yet, because of the ideological purity test he must now go through, he often finds it difficult to get back to Chicago in time to teach classes because of the delays involved in this process.

Mr. President, Professor Kolakowski is not alone. Last year, 32,218 visitors were deemed "excludable" under the provisions of section 212(a)(28). In order for any of these people to enter the United States temporarily, they must receive a waiver which permits them to enter for a specific period of time. In the same year, 31,527 or 98 percent of the applicants, were given waivers which allowed them to enter, only after several unnecessary weeks of delay. The point to be made here is not that we eventually allow most applicants to enter. The real concern is that our statute currently contains an ideological screening process which is contrary to one of our most basic tenets: freedom of speech.

There are some personal experiences I have had throughout the years which made me realize some of the dangers of this kind of law.

I remember when I was in the Army and stationed in Germany. During a visit to London, I visited Hyde Park where people would get up on a soap box and speak on any subject. The head of the Communist party in London was giving an impassioned speech about the virtues of communism. I remember a little lady with a cockney accent shouted at him, "How come we cannot make a speech in Moscow like you are making in London?" That, Mr. President, is really the basic difference between our system and the Soviet system: freedom of expression versus suppression of ideas.

When I was a young journalist, a fellow who represented Gerald L.K. Smith's organization in Kansas which taught anti-Semitism and other forms of racism wanted to come and speak in our town. The sheriff of our county announced that this man was not going to be allowed to speak in our county. The sheriff's decision, at the time, was very popular. After writing an editorial against the decision, I contacted the sheriff and said, "It's not up to you, Sheriff, to decide who speaks and who does not speak. In this free country, we let everyone speak." And so finally, they let the man come to speak. He had an audience of 10 or 12 people and, surprisingly enough, the town survived.

The founders of this country knew that, as a nation and as individuals we would be able to make constructive and wise choices. Alexander Hamilton knew this when he said, "The citizens of America have too much discernment to be argued into anarchy." Where political beliefs have strayed from the mainstream of American political thought, the American people have inevitably decided how best to continue their democracy. We should resent having that decision made for us by a bureaucrat basing the decision on an antiquated law which limits free speech.

This legislation adds, for the first time, a provision which will exclude people who are suspected of engaging in terrorist activities. It also provides that those who engage in activity which would violate the laws of the United States relating to espionage, sabotage, or any criminal activity will be excluded. These are the kinds of exclusions we need. Not a test which determines the applicant's fitness for admission solely on the basis of his or her political beliefs.

I would like my colleagues to be clear on what this bill does. First, those visitors who a consular officer has reason to believe will engage in: sabotage; espionage; terrorism and criminal activities will not be allowed to enter this country. In fact, except for the provision which says that "no one may be denied a temporary visa because of his or her political beliefs", my bill leaves current law unchanged. Also, my bill leaves the decisionmaking process where it is today: in the hands of the consular official or the Attorney General. In short, this legislation will in no way harm or weaken the national security interests of this country. We need to maintain our Nation's ability to keep violent and truly dangerous people out permanently. I am introducing this legislation, howev-

er, to stop the unnecessary embarrassment which our current law has caused time after time since its enactment over 30 years ago.●

● Mr. MATHIAS. Mr. President, on the long and rocky path of immigration reform, we have overlooked a section of the law that was overbroad when it was enacted, overreaching in its implementation. I am speaking of section 212 of the Immigration and Nationality Act of 1952, the so-called McCarran-Walter Act.

Passed over the veto of President Truman, the provisions of section 212 of the McCarran-Walter Act have been responsible for excluding from our shores foreign writers, artists, intellectuals, and political leaders. The list of those prevented from entering our country because of their political beliefs includes such names as Farley Mowat, Charlie Chaplin, Pierre Trudeau, and Gabriel Garcia Marquez.

Barring individuals and groups from the United States solely because we do not like what they say or what they write represents a danger to our own values, a shroud of censorship on our own people.

Diversity, dialog, exchange of ideas are the life-giving elements, the water and air, or American tradition; exclusion, restriction, repression of ideas are the features of far more troubled, less confident nations.

To be sure, we have a legitimate right and duty to maintain proper border controls. Those controls must be all the more effective in a day of supersonic travel, sophisticated espionage, and increased resort to terrorism. And that is all the more reason to update our immigration laws so officials can concentrate on true threats to our national security and public welfare.

Today's television and radio bring right into our living rooms the images and voices of exponents of every political and artistic tendency from around the world. To deny these speakers entry on our shores insults the intelligence of the American people, as well as injuring our freedoms.

There are 33 categories of exclusions in section 212(a) of the McCarran-Walter Act. Many of them are legitimate grounds for exclusion, others perhaps questionable today.

Today I join with Senator SIMON in introducing a bill that will provide some of the reform that this part of our immigration law needs. This bill would prevent individuals from being denied temporary visas because of their political views. While additional reforms are long overdue, this bill brings us closer to ending a form of censorship that intrudes on the first amendment rights of Americans to hear different ideas and arguments.

This bill also adds a new exclusion for terrorist activities. I have some reservations about the wisdom of a special provision of this sort; acts of terrorism are also violations of criminal law, and therefore grounds for exclusion already. But I agree that a reexamination of our efforts to keep terrorists out of our country would be timely, and this bill may provide the occasion.

I congratulate the junior Senator from Illinois [Mr. SIMON] for his leadership on this issue, and I look forward to participating in hearings in the Judiciary Committee on this important legislation.●

By Mr. GRASSLEY:

S. 2178. A bill to authorize appropriations for the Administrative Conference of the United States, and for other purposes; to the Committee on the Judiciary.

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES AUTHORIZATION ACT

● Mr. GRASSLEY. Mr. President, I'm pleased today to introduce legislation authorization appropriations for the Administrative Conference of the United States, as well as amending the Administrative Conference Act, 5 U.S.C. 571-576.

The present authorization will expire at the end of fiscal year 1986. The legislation I offer today will extend the authorization for an additional 4 year period at the same levels—$2,300,000—as the most recent authorization bill, enacted in October, 1982. Public Law 97-330.

The bill will also make an additional change in the Administrative Conference Act, as requested by the Conference. It will raise the maximum size of the Conference membership from 91 to 101, with a proportionate change in the number of members appointed from outside the Government.

In the past, the Conference has been consistently funded below the $2,300,000 figure authorized. For example, the Conference's actual budget for fiscal year 1982 was $1.103 million; fiscal year 1983, to $1.159 million; fiscal year 1984, $1.123 million; fiscal year 1985, $1.480 million.

For the current fiscal year, appropriations of $1.430 million may be reduced to $1.369 million as a result of the Gramm-Rudman-Hollings budget law.

As you know, Mr. President, the Administrative Conference was established as a permanent independent agency by the Administrative Conference Act of 1964. The purpose of the Administrative Conference is to study and develop improvements in the procedure by which Federal agencies administer regulatory, benefit, and other Government programs, and to make recommendations to agencies, the Congress and others.

The Conference consists of a Chairman, an Executive Board and, presently, 91 members—agency heads, private lawyers, university professors and other experts in administrative law and Government. The Conference meets in plenary session at least annually. There, the members debate and vote on proposed recommendations. These recommendations are developed by six committees of the membership—each with broad jurisdiction in a number of areas, such as adjudication, administration, Government process, judicial review, regulation and rulemaking. If the Conference ultimately approves a recommendation, it is published and transmitted to the affected agency or to the Congress. The value of the Conference cannot be measured by the recommendation alone, although a significant number of these recommendations have been implemented.

From time to time, the Conference has been given some special tasks. One I am familiar with involves developing and monitoring agency procedures under the Equal Access to Justice Act, 5 U.S.C. 504. The Conference has performed yeoman service in this area. The Conference also serves administrative law in other ways—testifying before congressional committees, facilitating inter-agency discussions on regulatory topics, publishing useful desk books on administrative law. The 1985 "Guide to Federal Agency Rulemaking" and the more recent "Administrative Procedure Sourcebook" are two examples of ACUS publications that must be at the fingertips of anyone involved in administrative law.

The Administrative Conference has become, in its relatively short history, a valuable policy-neutral, but expert, forum through which members can conduct continuing studies of selected problems implicating the administrative process, and can combine their expertise in cooperative efforts toward improving the fairness and efficiency of such procedures.

In oversight hearings before my Judiciary Subcommittee on Administrative Practice and Procedure on February 4, the Conference amply justified renewal of its authorization.

Mr. President, I ask unanimous consent to insert into the record at this point a copy of the bill and a section-by-section analysis.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2178

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) Section 573(a) of title 5, United States Code, is amended by deleting "91" and inserting in lieu thereof "101".

(b) Section 573(b)(6) of title 5, United States Code, is amended by deleting "36" and inserting in lieu thereof "40".

SEC. 2. Section 576 of title 5, United States Code, is amended to read as follows:

"§ 576. Appropriations

"There are authorized to be appropriated $2,300,000 for the fiscal year ending September 30, 1986, and such sums not to exceed $2,300,000 as may be necessary to carry out the purposes of this subchapter for each fiscal year thereafter up to and including the fiscal year ending September 30, 1990.".

SECTION-BY-SECTION ANALYSIS

Section 1 of the bill would amend section 573 of title 5, United States Code, which describes the membership of the Administrative Conference of the United States, to increase the maximum membership from 91 to 101. It would also increase from 36 to 40 the maximum number of members from outside the Government appointed pursuant to section 573(b)(6). This change would preserve the present ratio of the Government to public members.

Section 2 of the bill would amend section 576 of title 5, United States Code to authorize the appropriation of $2,300,000 and such sums as may be necessary, not to exceed $2,300,000, for the Administrative Conference for an additional 4 fiscal years through September 30, 1990.

By Mr. GOLDWATER:

S. 2179. A bill to amend the Communications Act of 1934 to provide for the reduction in the terms of office of members of the Federal Communications Commission; to the Committee on Commerce, Science, and Transportation.

REDUCTION OF TERMS OF MEMBERS OF THE FEDERAL COMMUNICATIONS COMMISSION

● Mr. GOLDWATER. Mr. President, today I am introducing legislation to reduce the terms of the members of the Federal Communications Commission [FCC] from 7 to 5 years. In 1982, Congress reduced the size of the FCC from seven to five members. Congress, however, did not adjust the length of the Commissioners' terms from 7 to 5 years. As a result, no FCC terms will expire in 1989 and 1990.

I am concerned about this for two reasons. First, the new President elected in 1988 might not be able to appoint any member to the FCC until 1991. Second, the FCC nomination hearings provide us with an opportunity to oversee FCC activities as well as to examine the qualifications of a particular candidate. By adjusting the terms, we will be better able to monitor general FCC policies.

The legislation that I am introducing has three basic provisions. First, it shortens the Commissioners' terms from 7 to 5 years. Second, the bill adjusts the terms of two seats to ensure that a term expires in 1989 and 1990. Finally, the bill ensures that these changes do not affect the terms of sitting Commissioners.

This legislation has bipartisan support on the Commerce Committee and is supported by the White House and the FCC. I urge all of my colleagues to support the bill.●

By Mr. GORTON (for himself, Mr. RIEGLE, Mr. GORE, Mr. MATHIAS, and Mr. SARBANES):

S. 2180. A bill to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974; to the Committee on Commerce, Science and Transportation.

FEDERAL FIRE PREVENTION AND CONTROL ACT AUTHORIZATION

● Mr. GORTON. Mr. President, today I am introducing legislation to reauthorize for fiscal year 1987 the Federal Fire Prevention and Control Act of 1974. This bill authorizes the appropriation of $18.3 million, in fiscal year 1987, for the National Fire Academy and the U.S. Fire Administration, both of which are within the Federal Emergency Management Agency. Reauthorization of this act is critical in treating a serious national problem. Fire is one of the largest causes of accidental death and property damage in the United States. There are close to 2.5 million fires reported in this country every year. The United States has the second worst fire death rate in the industrialized world. In 1984 alone, fires killed more than 6,000 people, injured 120,000, and destroyed nearly 7.7 billion dollars' worth of property. These deaths were disproportionately high among the poor, the elderly, and the very young. Although these are grim statistics, they have improved greatly since the Federal Fire Program began. Since the beginning of the Federal program in 1974, fire deaths have declined by 30 percent.

Although fire prevention and control is primarily a local concern, the Federal program provides vital support for local activities through research, development, and educational programs. Reauthorization of this bill will provide continued support for fire prevention, arson control, firefighter health and safety, fire data analysis, and other activities at the U.S. Fire Administration, and will provide continued support for the educational activities at the National Fire Academy.

Mr. President, this bill rejects the administration's proposal to eliminate the U.S. Fire Administration. At my February 20, 1986, hearing on the Federal Fire Program, administration witnesses stated the U.S. Fire Administration should be eliminated because its programs would be continued by State and local governments and the private sector. But, Mr. President, at the very same hearing witnesses from States, local government, and the insurance industry unanimously rejected the logic behind the administration's request.

Indeed, all were able to illustrate with specific examples how the U.S. Fire Administration has been a catalyst in starting new and effective fire prevention and safety efforts. Only as a result of the leadership of the U.S. Fire Administration were State and local governments, and the private sector, willing to contribute their own funds and effort to a project. In this case, Mr. President, it is clearly the leadership of the Federal Government that is helping all of us focus on finding solutions to the terrible, and unnecessary, fire problem in this country.

The bill also authorizes appropriations to restore the administration's proposed elimination of the travel stipends and lodging costs for students at the National Fire Academy. Former students have informed us that one of the greatest assets of the academy is the chance to meet firefighters from all over this country, and share ideas and experiences. Without the travel stipends, the academy could turn into a regional training center, thereby eliminating one of its most valuable functions.

All Senators should know that this bill also works toward a reduction of the Federal deficit. It would implement a 17-percent cut below last year's authorized level, and represents a 4-percent reduction from the current spending level.

Finally, Mr. President, those Senators who are familiar with these programs realize that past management problems within the Federal Emergency Management Agency, combined with the administration's persistent budget-cutting proposals, have significantly reduced morale within the fire programs. Recent improvements in management have started the momentum moving in the right direction. I urge my colleagues in this body to support this legislation as a show of support for the National Fire Academy and the U.S. Fire Administration, and for the valiant firefighters of this country who risk their lives in order to protect our health, safety, and property.

I ask unanimous consent that a copy of the measure be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2180

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 17(f) of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2216(f)) is amended—

(1) by striking "is" and inserting in lieu thereof "are"; and

(2) by inserting immediately before the period the following: "and $18,300,000 for the fiscal year ending September 30, 1987".●

● Mr. SARBANES. Mr. President, I am pleased to join Senator GORTON in sponsoring legislation to reauthorize activities under the Federal Fire Prevention and Control Act of 1974. This legislation is both timely and urgently needed in view of the President's fiscal 1987 budget which proposes to abolish

the U.S. Fire Administration [USFA] and to decrease by 23 percent funding for the National Fire Academy.

The U.S. Fire Administration and the National Fire Academy in Emmitsburg, MD, have contributed significantly to the dramatic reduction in loss of life due to fires. Through public education, arson prevention, technology development, and firefighter training and outreach programs, fire deaths have declined 30 percent since our National Fire Program began in 1974.

However, there is no reason to believe that the National Fire Program has outlived its usefulness or is no longer needed. Fire continues to be a major problem in the United States. Nationally, some 8,000 people die and 300,000 more are injured in fires each year. The annual death toll is nearly 20 times the number of deaths caused by all the other kinds of natural disasters combined. The financial loss—$5 billion a year in property damage—is also staggering.

Congress has a serious responsibility to support and encourage a strong Federal fire prevention and control effort. We cannot abandon local firefighters in their efforts to deal with a problem of this magnitude. The legislation we are introducing today will ensure that the USFA and the National Fire Academy can continue to play a vital role in preventing and controlling loss of life and property due to fires. The $18.3 million authorized will also ensure that travel stipends and lodging costs will continue to be provided for firefighters attending training sessions at the National Fire Academy. In my view, continued funding is a small price to pay for the tremendous service that these programs provide to our country.

I would urge my colleagues to join Senator GORTON and me in cosponsoring this bill and in pressing for its early consideration.●

By Mr. D'AMATO (for himself, Mr. BRADLEY, Mr. WEICKER, and Mr. KENNEDY):

S. 2181. A bill entitled the "Construction Industry Labor Law Amendments of 1986"; to the Committee on Labor and Human Resources.

CONSTRUCTION INDUSTRY LABOR LAW AMENDMENTS

● Mr. D'AMATO. Mr. President, I rise today to introduce the Construction Industry Labor Law Amendments of 1986. My distinguished colleagues, Senator BRADLEY, Senator WEICKER, and Senator KENNEDY, are original cosponsors of this legislation.

This bill is identical to H.R. 281, which was introduced in the House of Representatives by Congressman CLAY. H.R. 281 was the subject of hearings in the Subcommittee on Labor-Management Relations on May 21, 1985. The full Committee on Education and Labor reported the bill favorably on October 17, 1985, and it is now on the House Calendar awaiting action.

In response to growing claims of unfair practices in construction industry labor relations, this bill was drafted to increase the stability of collective bargaining in the building and construction industry. It amends the National Labor Relations Act [NLRA] to effectively end the practice of setting up so-called "double-breasted" operations by construction firms seeking to avoid the application of collectively bargained agreements. It defines a single employer in the following manner:

In the construction industry, any two or more business entities performing or otherwise conducting or supervising the same or similar work, in the same or in different geographic areas, and having any direct or indirect common ownership, management or control, shall be deemed a single employer.

Occasionally, employers set up separate subsidiary corporations for the purpose of bidding on construction work on a nonunion basis, and the divisions may compete against each other for the same work. Under these circumstances, employers can shift work previously performed under a collective bargaining agreement to the nonunion affiliate corporation. When employers form a new, nonunion subsidiary to perform exactly the same work as a unionized subsidiary, the company violates the law if it refuses to apply the collective bargaining agreement to both operations. Otherwise, they are permitted to freely circumvent their collective bargaining agreements by setting up another company.

My bill also amends section 8(f) of the NLRA to grant lawful, prehire agreements in the construction industry the binding status of agreements reached with a majority representative. Under present law, prehire agreements may be repudiated by employers after they have taken full advantage of their benefits. These agreements enable employers to learn labor costs for placing bids, and provide them with a readily available supply of skilled workers from hiring halls. This bill would assure that prehire agreements be treated as binding until a democratic election shows that the union has lost its majority support.

Under the NLRA, as amended, prehire agreements recognizing the union as the collective bargaining representative for the workers and establishing wages and working conditions may be signed before the workers to be covered by the contract are hired. There are logical reasons for this. The transient nature of construction work differs, for example, from factory work performed by a stable set of employees in a fixed location over long periods of time. Due to the very nature of construction projects, workers may work on several different projects for several different employers in a given year.

Problems, however, have arisen. Entering a prehire agreement is strictly voluntary. If the agreement is not recognized by the employer, the workers or the union must seek recognition by petitioning the NLRB for an election. Since many projects last only for a few months, the NLRB often will not conduct a representation election. Further, the National Labor Relations Board [NLRB] and the courts have permitted employers to repudiate their prehire agreements. This legislation is necessary in order to fulfill the congressional intent of the NLRA's special provisions for collective bargaining in the industry and the unique characteristics of the industry.

Mr. President, I ask unanimous consent that the text of of this bill be printed in the CONGRESSIONAL RECORD in its entirety at the conclusion of my remarks.

Thank you, Mr. President.

There being no objection, this bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be referred to as the "Construction Industry Labor Law Amendments of 1986."

SEC. 2. (a) Section 2(2) of the National Labor Relations Act (29 U.S.C. 151(2)) is amended by adding at the end thereof the following new sentence: "In the construction industry, any two or more business entities performing or otherwise conducting or supervising the same or similar work, in the same or in different geographical areas, and having any direct or indirect common ownership, management or control, shall be deemed a single employer.".

(b) Section 8(d) of such Act (29 U.S.C. 158(d)) is amended by adding at the end thereof the following new sentence:

"Whenever the collective bargaining involves employees of a business entity comprising part of a single employer in the construction industry, as defined in section 2(2) of this Act, the duty to bargain collectively, for the purposes of this section, shall include the duty to apply the terms of a collective bargaining agreement between such business entity and a labor organization to all other business entities comprising the single employer within the geographical area covered by the agreement.".

(c) Section 8(f) of such Act (29 U.S.C. 158(f)) is amended—

(1) by striking out "geographical area:" in clause (4) and inserting in lieu thereof the following: "geographic area. An agreement lawfully made pursuant to this subsection shall impose the same obligations under this Act as an agreement made with a majority representative pursuant to section 9(a):"; and

(2) by inserting before the period at the end of such section and the following new proviso: ": *Provided further,* That any agreement lawfully made pursuant to this subsection may be repudiated only after the Board certifies the results of an election conducted pursuant to section 9(c), in which a majority of employees in an appropriate bargaining unit selects a bargaining representative

other than the labor organization with which such agreement was made or chooses not to be represented by a labor organization".●

By Mrs. HAWKINS (for herself, Mr. ABDNOR, Mr. DENTON, Mr. DOLE, Mr. LAXALT, Mr. BRADLEY, Mr. BURDICK, Mr. LEVIN, Mr. NUNN, Mr. ZORINSKY, Mr. SIMON, Mr. MCCLURE, Mr. WARNER, Mr. WILSON, Mr. COCHRAN, and Mr. RIEGLE):

S.J. Res. 293. Joint resolution to designate the month of May 1986, as "National Child Safety Month"; to the Committee on the Judiciary.

NATIONAL CHILD SAFETY MONTH

● Mrs. HAWKINS. Mr. President, today I am introducing a Senate joint resolution to designate the month of May as "National Child Safety Awareness Month." The purpose of designating this month is to increase the public awareness of how to prevent the victimization of children. More attention needs to be focused on the need to aid missing children, abused children, children exploited by pornographers, pimps, and drug dealers.

During this month we will highlight the efforts of dedicated individuals and organizations that are actively involved in child safety and protection efforts. The efforts of these organizations will be made widely available to public and private sectors, along with successful strategies for preventing child victimization. Many child safety programs have been developed nationwide. In the State of Florida, various State and private nonprofit child safety programs exist today, including the Crime Commission, which sponsors a Youth Crime Awarenesss Conference, the State of Florida's Guardian Ad Litem Program, giving the courts authority to appoint volunteer guardians to represent the child's interests in child protection proceedings, The Adam Walsh Child Resource Center, which distributes an educational program, The Children's Rights of America, that actively solicits photographs of missing children to the media nationwide, the Dee Scofield Awareness Program, providing search guidance counseling, the Missing Children Help Center, and the Missing Children Information Clearinghouse. Protecting our children is a top concern, and increasing private corporations' and organizations' collaboration in this area will further the fight against child abuse. Child victimization affects us all in our commitment to children.

Mr. President, the following is a partial list of organizations and companies that have been active in child safety efforts. This list is by no means exclusive. I am sure that there are many other fine organizations that I have inadvertently left off this list and I hope that many more will join us in the months and years to come.

Mr. President, I ask unanimous consent that the list be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Private Nonprofit Child Safety Initiatives.
Aunt Martha's Outreach Program.
Boys Clubs of America.
Child Help USA.
Crime Commission, Inc.
Defense for Children International-USA.
General Federation of Women Clubs.
Kids Information on Dedication Solution, Inc.
Midland Rape Crisis Center.
National Center for Missing and Exploited Children.
National Child Safety Council.
National Crime Prevention Council.
National Fingerprint Center for Missing Children.
The National Network of Runaway and Youth Services.
Parents Anonymous.
Play it Safe.
Red Flag, Green Flag Resources, Rape and Abuse Crisis Center.
Safety Time Games.
Sears-Roebuck foundation.
Theatre IV.
Child Find.
Childkeyppers International.
Children's Rights of America.
Child Save.
Childseekers.
Child Watch.
Child W.A.T.C.H.
Commission on Missing and Exploited Children.
Community, Runaway and Youth Services.
Dee Scofield Awareness Program.
Exploited Children's Help Organization.
Families Aware of Childhood Trauma.
Family and Friends of Missing Children.
FIND ME.
Find My Child Support Network.
Find the Children.
Foundation to Find and Protect America's Children.
Friends of Child Find.
Hide and Seek Foundation.
Home Run: A National Search for Missing Children.
Kentucky Alliance for Exploited and Missing Children.
Keven Collins Foundation for Missing Children.
Lost Child Network.
Louisville/Jefferson County Exploited and Missing Child Unit.
Missing Children Help Center.
Missing Children Information Clearinghouse.
Missing Children of Allegheny County.
Missing Children of America.
Missing Children of Greater Washington.
Missing Children's Project.
Missing Person's Center of Nueces County.
National Child Search.
New England K.I.D.S.
New Jersey Commission on Missing Persons.
Ocean County Commission on Exploited and Missing Children.
Oklahoma Parents Against Child Stealing.
Orange County Search and Rescue.
Parents Against Molesters.
Project: Missing Children.
Protect the Children.
Reach Out Center for Missing Children.
Recover the Children.
Search Reports.
Services for the Missing.
Society for Young Victims.
Society's League Against Molestation.
Stephanie Roper Committee.
Thursday's Child Runaway Outreach Program.
Top Priority: Children
Vanished Children's Alliance.
Victims of Violence: Victims' Rights Advocates
Windsor Missing Children.
ACTION.
Alaska Juvenile Crime Commission.
American Youth Work Center.
Children in Crisis.
Child—S.A.F.E.
Committee for Children.
Friends of Child Find, Inc.
Friends of Missing Children.
Institute for Youth Advocacy-Covenant House.
Juvenile Justice Clearinghouse.
National Clearinghouse on Child Abuse and Neglect.
National Coalition for Children's Justice.
National Committee for the Prevention of Child Abuse.
National Legal Resources Center for Child Advocacy and Protection.
National Organization for Victim Assistance
Parents of Murdered Children.
Portraits International Corporation.
Runaway Assistance Program.
Springfield Child Abuse Resources.
Private Sector involved in Child Safety Initiatives.
Acacia Life Insurance Company.
The Advertising Council.
ADVO.
Aetna Life and Casualty.
American Dental Association.
American Gas Association.
American Legion Child Welfare Foundation, Inc.
Atlantic Bell.
Avis, Inc.
Bekins Van Lines.
Carvel Ice Cream Stores.
Chevron.
Chorus Data System.
Commercial Union Insurance Company.
Comtron Corp.
CUNA Mutual Insurance Group.
Dancer Fitzgerald Sample, Inc.
Federated Group.
The Ford Foundation.
General Mills, Inc.
IBM Inc.
Jack Rabbit Lines, Inc.
John D. and Catherine MacArthur Foundation.
K-Mart and Guardian Corporation.
Levi Strauss, Inc.
Loeb Foundation.
Marvel Comic Inc.
McArthur Dairy.
Metro Division.
Mobil Oil Company.
National Association of Stock Car Automobile Racers.
National Video, Inc.
Nestle Food, Inc.
Parade Publications.
Potlatch, Corporations.
Quality Inns International.
RKO-Television.
Ringling Brothers and Barnum and Bailey Circus.
Safety Time Games.
Safeway, Inc.
Shaw-Burton.

South Carolina Electric and Gas Company.
Southland.
Sun Belt Video, Inc.
Supermarket Communications.
Texize.
The National Retail Druggists Association.
Trailways.
WVUE-T.V.
Wendy's International, Inc.
Woolworth Company.●

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. CRANSTON, the names of the Senator from Oklahoma [Mr. NICKLES] and the Senator from New York [Mr. D'AMATO] were added as cosponsors of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America, Inc.

S. 881

At the request of Mr. KENNEDY, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 881, a bill to extend title X of the Public Health Service Act for 3 years.

S. 1292

At the request of Mr. BAUCUS, the name of the Senator from Mississippi [Mr. STENNIS] was added as a cosponsor of S. 1292, a bill to amend title VII of the Tariff Act of 1930 in order to apply countervailing duties with respect to resource input subsidies.

S. 1446

At the request of Mr. ANDREWS, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 1446, a bill to amend title 38, United States Code, to improve veterans' benefits for former prisoners of wars.

S. 1700

At the request of Mr. PRESSLER, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 1700, a bill to amend chapter 106 of title 10, United States Code, to extend the educational assistance program for members of the Selected Reserve to additional programs of education.

S. 1723

At the request of Mr. CHAFEE, the name of Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 1723, a bill to establish pilot program to develop methods for parents of children between the ages of two and eight, who may be emotionally at risk, to enroll in adult literacy programs in which they will acquire the skills necessary to prepare their children for school and enhance their children's educational achievement through home learning.

S. 1822

At the request of Mr. THURMOND, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 1822, a bill to amend the Copyright Act in section 601 of title 17, United States Code, to provide for the manufacturing and public distribution of certain copyrighted material.

S. 1950

At the request of Mr. BRADLEY, the name of the Senator from Vermont [Mr. STAFFORD] was added as a cosponsor of S. 1950, a bill to amend the Internal Revenue Code of 1954 to disallow deductions for advertising expenses for tobacco products.

S. 2033

At the request of Mr. CHILES, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 2033, a bill to promote economic growth and trade expansion, to amend the Trade Act of 1974 to open foreign markets, to enhance the competitiveness of U.S. firms, and for other purposes.

S. 2052

At the request of Mr. CRANSTON, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 2052, a bill to establish, for the purpose of implementing any order issued by the President for fiscal year 1986 under any law providing for sequestration of new loan guarantee commitments, a guaranteed loan limitation amount applicable to chapter 37 of title 38, United States Code, for fiscal year 1986.

S. 2081

At the request of Mr. STAFFORD, the names of the Senator from West Virginia [Mr. ROCKEFELLER] and the Senator from Kentucky [Mr. FORD] were added as cosponsors of S. 2081, a bill to reauthorize the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, the Community Services Block Grant Act, for deferred cost care programs, and for other purposes.

S. 2129

At the request of Mr. KASTEN, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 2129, a bill to facilitate the ability of organizations to establish risk retention groups, to facilitate the ability of such organizations to purchase liability insurance on a group basis, and for other purposes.

S. 2134

At the request of Mr. HEFLIN, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 2134, a bill to amend title 39, United States Code, to extend to certain officers and employees of the Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are to Federal employees under title 5, United States Code.

S. 2136

At the request of Mr. ABDNOR, the name of the Senator from Utah [Mr. GARN] was added as a cosponsor of S. 2136, a bill to provide that any requirement to substantiate a deduction under the Internal Revenue Code of 1954 for business use of a vehicle be based on the regulations in effect before the Tax Reform Act of 1984.

S. 2138

At the request of Mr. STEVENS, the name of the Senator from Alaska [Mr. MURKOWSKI], was added as a cosponsor of S. 2138, a bill to establish a National Marketing Council to enable the U.S. fishing industry to establish a coordinated program of research, education, and promotion to expand markets for fisheries products, and for other purposes.

S. 2147

At the request of Mr. WEICKER, the names of the Senator from Michigan [Mr. RIEGLE] and the Senator from Tennessee [Mr. GORE] were added as cosponsors of S. 2147, a bill to extend the authorization for not-for-profit organizations operated in the interest of handicapped and blind individuals to receive procurement contracts under the Small Business Act.

At the request of Mr. WEICKER, the name of the Senator from Illinois [Mr. DIXON] was withdrawn as a cosponsor of S. 2147, supra.

SENATE JOINT RESOLUTION 143

At the request of Mr. GORE, the names of the Senator from Hawaii [Mr. MATSUNAGA] and the Senator from Virginia [Mr. TRIBLE] were added as cosponsors of Senate Joint Resolution 143, a joint resolution to authorize the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia at an appropriate site in Constitution Gardens.

SENATE JOINT RESOLUTION 251

At the request of Mr. HATCH, the names of the Senator from Alabama [Mr. DENTON], the Senator from Illinois [Mr. DIXON] and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of Senate Joint Resolution 251, a joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Science Week, 1986."

SENATE JOINT RESOLUTION 267

At the request of Mr. HEINZ, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as cosponsor of Senate Joint Resolution, 267, a joint resolution designating the week of May 26, 1986, through June 1, 1986, as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week."

SENATE JOINT RESOLUTION 275

At the request of Mr. D'AMATO, the name of the Senator from Michigan [Mr. RIEGLE] was added as cosponsor of Senate Joint Resolution 275, a joint resolution designating May 11 through May 17, 1986, as "Jewish Heritage Week."

SENATE JOINT RESOLUTION 281

At the request of Mr. NUNN, the names of the Senator from Florida [Mr. CHILES], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Mississippi [Mr. STENNIS] and the Senator from Nebraska [Mr. ZORINSKY] were added as cosponsors of Senate Joint Resolution 281, a joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "Senior Center Week."

SENATE JOINT RESOLUTION 282

At the request of Mr. MOYNIHAN, the names of the Senator from Arkansas [Mr. BUMPERS], the Senator from New Jersey [Mr. LAUTENBERG], and the Senator from Maryland [Mr. MATHIAS] were added as cosponsors of Senate Joint Resolution 282, a joint resolution to express the disapproval of the Congress with respect to the proposed rescission of budget authority for the general revenue sharing program.

SENATE JOINT RESOLUTION 286

At the request of Mr. HATFIELD, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from West Virginia [Mr. BYRD], the Senator from Florida [Mr. CHILES], the Senator from Illinois [Mr. DIXON], the Senator from Nevada [Mr. LAXALT], the Senator from Vermont [Mr. LEAHY], the Senator from Georgia [Mr. NUNN], the Senator from Arkansas [Mr. PRYOR], the Senator from Illinois [Mr. SIMON], the Senator from Idaho [Mr. SYMMS], the Senator from South Carolina [Mr. THURMOND], and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of Senate Joint Resolution 286, a joint resolution to designate the week of April 20, 1986, through April 26, 1986, as "National Reading Is Fun Week."

SENATE JOINT RESOLUTION 289

At the request of Mr. ROTH, the names of the Senator from Mississippi [Mr. STENNIS], the Senator from Nebraska [Mr. ZORINSKY], and the Senator from California [Mr. CRANSTON] were added as cosponsors of Senate Joint Resolution 289, a joint resolution to designate 1988 as the "Year of New Sweden" and to recognize the New Sweden '88 American Committee.

SENATE CONCURRENT RESOLUTION 95

At the request of Mr. METZENBAUM, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of Senate Concurrent Resolution 95, a concurrent resolution to recognize and honor the contributions of Consumers Union.

SENATE CONCURRENT RESOLUTION 106

At the request of Mr. SPECTER, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of Senate Concurrent Resolution 106, a concurrent resolution expressing the sense of the Congress with respect to certain amounts proposed by the President to be rescinded.

SENATE CONCURRENT RESOLUTION 109

At the request of Mr. BUMPERS, the name of the Senator from Montana [Mr. BAUCUS] was added as a cosponsor of Senate Concurrent Resolution 109, a resolution expressing the sense of the Congress that February 28, 1986, should be designated "National Trio Day."

SENATE RESOLUTION 303

At the request of Mr. HEINZ, the names of the Senator from Maryland [Mr. MATHIAS] and the Senator from Indiana [Mr. QUAYLE] were added as cosponsors of Senate Resolution 303, a resolution to express the sense of the Senate with respect to proposals currently before the Congress to tax certain employer-paid benefits and other life-support benefits.

SENATE CONCURRENT RESOLUTION 114—CORRECTING THE ENROLLMENT OF H.R. 1614

Mr. DOLE (for himself, Mr. HELMS, and Mr. ZORINSKY) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 114

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate is requested to return to the House of Representatives the enrolled bill (H.R. 1614). The Clerk of the House is authorized to receive such bill if it is returned when the House is not in session. Upon the return of such bill, the action of the Speaker of the House of Representatives Pro Tempore in signing it shall be deemed rescinded and the Clerk of the House shall reenroll the bill with the following corrections;

(1) In section 13(a), strike out the matter preceding paragraph (1) and insert in lieu thereof the following:

"(a) It is the sense of Congress that the Secretary of Agriculture carry out a program authorized by section 424 of the Agricultural Act of 1949. Such program, if implemented, shall provide for the following:".

(2) In the first sentence of section 13(c)—

(a) strike out "shall"; and

(b) strike out "the program provided for" and insert in lieu thereof "any program established".

(3) In section 17(b)(2) of the United States Warehouse Act (as added by section 14 of the bill), strike out "warehouse to which" and insert in lieu thereof "warehouse from which".

SENATE RESOLUTION 364—REDUCTION IN TAX RATES FOR SMALL BUSINESSES

Mr. BUMPERS submitted the following resolution; which was referred to the Committee on Finance.

S. RES. 364

Whereas the 14 million small businesses of the Nation are a vital sector in the American economy and generate a high percentage of all new jobs;

Whereas the economic viability of small businesses is especially precarious as such businesses begin to grow and need more capital;

Whereas the burden of Federal income taxes undermines the ability of small businesses to retain or generate sufficient capital to grow and prosper;

Whereas small businesses, both incorporated and unincorporated, are in need of tax relief; and

Whereas reducing corporate tax rates is as important for the smallest businesses as for the largest corporations: Now, therefore, be it.

Resolved, That it is the sense of the Senate that—

(1) any tax reform legislation should reduce the burden of Federal income taxes on small businesses,

(2) any reduction in corporate tax rates should apply to each income tax bracket, including the lowest bracket,

(3) the phaseout of graduated corporate tax rates should not occur at an income level below that established by current law, and

(4) the maximum corporate tax rate should not apply to a level of income below that established by current law.

● Mr. BUMPERS. Mr. President, as the ranking member on the Senate Small Business Committee I am deeply concerned about the potential impact of the pending tax reform legislation on the Nation's 14 million small businesses. The House tax bill contains a number of important provisions beneficial to small businesses, in particular the lowering of tax rates for unincorporated small businesses, but it fails to provide sufficient tax relief for incorporated small businesses in three crucial areas: vote reduction for the smallest businesses, the phaseout of the benefits of granted rates and the level of income to which the top marginal tax bracket applies. The resolution I introduce today focuses on these issues in hopes that the Finance Committee will consider them in its drafting of a tax reform bill for the Senate to consider.

Under the leadership of Senator LOWELL WEICKER, the Small Business Committee has held 13 days of field hearings on the President's tax reform proposal and 1 day of hearings here in Washington on February 6 on the House tax reform bill. I chaired 2 days of hearings on tax reform in Arkansas during the August recess last year and heard from a cross section of small business men and women on their needs and concerns. It is difficult to reach a consensus among small businesses on the tax reform issue because their interests vary so widely. A mom-and-pop grocery store has much different tax concerns than a growing manufacturing firm. But on the basis of a careful review of the hearing testimony and meetings with representatives of various small business associations, I find that the three issues I have just mentioned are among the most important for most small businesses.

I wish to emphasize that in terms of small business concerns these three areas are not the only ones in which the House tax bill can be improved.

Senator SASSER has provided great leadership on the issue of direct expensing and the House bill clearly can be improved on this issue, particularly if the Senate Finance Committee follows the lead of the President and the House in repealing the investment tax credit. Senator BAUCUS has shown similar leadership on the issue of payroll tax deductions and I hope he will press for action in that area. I have introduced legislation, S. 396, which includes three modifications of the capital gains tax provisions beneficial to small businesses. Several members have pressed to apply the Regulatory Flexibility Act to the Internal Revenue Service. And, of course, there are many issues which affect both small and large businesses, such as the potential repeal of the investment tax credit, the modification of depreciation schedules, the reduction in capital gains incentives, and limitations on business expense deductions. Finally, this resolution does not address the myriad of industry-specific tax issues, such as those affecting the housing, natural resource, and insurance industries, which affect small firms.

This resolution simply highlights a few of the generic small business tax issues for the Finance Committee to consider; it does not exhaust the tax issues of importance to small businesses and does not purport to set forth a complete agenda of small business concerns to be addressed. A broader agenda of tax reform issues for small businesses was outlined in a letter Senator WEICKER and I sent to the chairman and ranking member of the Finance Committee on March 11 and that agenda includes the three issues covered by this resolution.

On the first issue—tax rates for the smallest businesses—I find it hard to understand why every individual and corporate taxpayer will receive a reduction in rates except incorporated small businesses with less than $25,000 in income. Current law, the President's proposal and the House tax bill all would tax income of less than $25,000 at a 15-percent rate—in short there is no reduction in tax rates for the smallest of businesses. Interestingly, under the House tax reform bill, small businesses with income between $25,000 and $50,000 would receive a reduction in tax rates from 18 percent to 15 percent. The President would provide no tax relief for this income bracket, retaining the current 18-percent rate.

With the rise in the standard deduction, under both the President's proposal and the House tax bill all individuals directly or indirectly will receive a reduction in tax rates. Under the House bill, all corporations with income over $25,000 receive a reduction in tax rates and under the President's proposal all businesses with more than $50,000 in income receive reductions in tax rates. I cannot understand why the only group in the House bill not receiving a rate reduction is the smallest of small businesses, those struggling small businesses with less than $25,000 in income. And I cannot understand why the President has proposed no rate reduction for any small business with income below $50,000.

The rationale for not lowering the tax rate for the bottom bracket may be that the lowest tax bracket for individual taxpayers and corporate taxpayers should be the same, in this case 15 percent. However, symmetry in rates is not a golden rule and there is no symmetry between the top individual bracket in the House bill of 38 percent and the top corporate bracket of 36 percent. I seriously doubt if anyone would argue that this slight differential would lead corporations to reorganize themselves. Perhaps reducing the lowest tax bracket for corporations to less than 15 percent would provide a slight incentive for small businesses currently organized as sole proprietorships to incorporate, but I would think other factors would be much more important in any such determination. It strikes me as a simple matter of equity to provide reduction in tax rates for everyone, not just those in the higher income brackets. This is what this resolution states.

It might also be argued that any rate lower than 15 percent is simply too low, no matter which taxpayers must pay it. But this ignores the fact that there currently are three tax brackets lower than 15 percent for individual taxpayers, 11 percent, 12 percent, and 14 percent. In the House bill the lowest tax bracket for individuals would be set at 15 percent but because of the changes in the standard deduction and earned income credit taxpayers in these tax brackets receive a substantial tax cut despite the slight increase in the tax rate.

I have been interested in this issue of small business tax rates for some time. In 1975 I supported legislation which exempted small corporations with income of less than $25,000 from the then-applicable surtax. This exemption lowered the tax rate for these small businesses from 22 percent to 20 percent. This same law reduced the tax rate on the second $25,000 in income for these small businesses from 48 percent to 22 percent. In 1976 and 1977 I supported extensions of this surtax exemption. In 1978, 1979, and 1980 I cosponsored bills introduced by Senator Gaylord Nelson to lower tax rates for small businesses, including those with income of less than $25,000. March 6, 1978, CONGRESSIONAL RECORD at 5667 (S. 2669); December 14, 1979, CONGRESSIONAL RECORD at 36127 (S. 2136); and July 30, 1980, CONGRESSIONAL RECORD at 20446. Under each of these bills, small businesses in this lowest tax bracket would have received a reduction in tax rates. The 1978 bill proposed to reduce this bottom bracket rate from the then applicable 22 percent rate to 15 percent. Based on this proposal the 1978 tax bill reduced tax rates for this lowest bracket—along with the tax rates for all other businesses—by 5 percent, from 22 percent to 17 percent. The 1979 and 1980 Nelson bills proposed to reduce this bottom bracket rate further to 15 percent.

In the 1981 supply-side tax bill the Congress finally did reduce the tax rate for this bottom tax bracket from 17 percent to 15 percent. It did so by adopting the amendment offered by Senator WEICKER. July 17, 1981, CONGRESSIONAL RECORD at S7855. The revenue loss from adopting this amendment was modest, $116 million in 1982, rising to $610 million in 1986. In the context of a tax bill that cut taxes by $1.8 trillion over 9 years, it was the least that should have been done to direct some of the benefits of that tax bill to small businesses Indeed, according to estimates made at the time, only 7.4 percent of the tax benefits of that tax bill in 1982, 1983, and 1984 went to small businesses. Id. at 7852. Prior to the debate on the 1981 tax bill I had cosponsored a resolution calling on the Senate to ensure that at least 15 percent of any business tax cut enacted be "specially designed for small and independent businesses." June 9, 1981, CONGRESSIONAL RECORD at S5940.

The argument made in each of these three bills and during debate on the 1978 and 1981 tax bills for lowering tax rates for small businesses were the same as apply now, specifically that small businesses rely to a disproportionate extent on internal capital—retained earnings and depreciation—for capital formation. Reduction in tax rates, therefore, is the single most important tax measure that can be taken to assist these businesses generate the capital they need to survive and prosper. Clearly, this point applies as much, if not more, to the smallest incorporated businesses as it does to large, established corporations.

Regarding the second issue—the phaseout of the benefits of graduated corporate tax rates—we must begin by emphasizing that retention of graduated corporate income tax rates is the primary concern of all incorporated small businesses. When the Treasury Department released its December 1984 tax reform plan (Treasury I), it proposed that graduated corporate tax rates be eliminated. All small businesses protested loudly that to eliminate graduated corporate rates would be disastrous for small businesses. Fortunately, the President proposed to retain graduated corporate rates and the House tax bill retains them as well.

Few people understand, however, that in 1984 the Congress adopted a measure which phases out the benefits provided for corporate rates for all corporations with more than $1 million in income. The way this is done is that for any corporation earning more than $1 million, an additional 5 percent corporate tax is imposed on income in excess of that amount. This surtax effectively recaptures the benefits of graduated corporate tax rates until a corporation has income of $1,405,000, at which point the surtax has recaptured all of the benefits of graduated corporate rates and all corporate income is taxed at the top bracket rate of 46 percent. This provision increased Government revenue by $212 million in 1985.

In his tax reform proposal the President would have this phaseout of graduated rates apply for all income in excess of $140,000—a drastic reduction in the current threshold of $1 million. Under his proposal the benefit of graduated rates would be denied to all corporations with income in excess of $360,000 and all income would be taxed at a flat, top bracket rate of 33 percent. The House tax bill proposed that this phaseout of graduated rates apply for all income in excess of $100,000—an even more drastic reduction. Under the House proposal the benefit of graduated rates would not be given to any corporations with income in excess of $365,000 would be taxed at a flat tax rate of 35 percent. No revenue estimate has been published for either of these proposals; the revenue effect of this provision is aggregated with that of the other changes in tax rates.

The impact of these two proposals on small businesses, particularly those just beginning to grow and prosper, will be significant. The effective tax on the first $100,000 in income for a small business under current law is 25.75 percent, and under the House the effective tax rate would be 22.75 percent, a welcomed reduction even if it does not help those small businesses with less than $25,000 in income. As soon as these small businesses earn more than $100,000 their effective tax rate climbs dramatically under both the President's proposal and the House bill. Under current law, their tax rates climb only when they are earning more than $1 million. Under the House bill these companies will be paying a 41 percent marginal tax rate—36 percent top bracket plus the 5 percent surcharge—for all income between $100,000 and $365,000—at which point their marginal tax rate drops back to 36 percent.

The Securities and Exchange Commission has found that small businesses cannot effectively raise capital from a public offering until they earn at least $500,000 in income. Up until they earn that amount they must rely largely on retained earnings to generate capital. Under the President's proposal and the House bill, these small businesses would have their marginal tax rates raised at precisely the point when they are most in need of retained earnings and least able to enter the securities market. In Treasury Department data for 1977, it reported that there were 56,482 firms with income of between $100,000 and $500,000 and 7,846 firms with income of between $500,000 and $1 million. If the proportion of all businesses with this level of income remains the same today, then there are currently 86,417 firms with income of between $100,000 and $500,000 and 12,004 firms with income of between one-half and 1 million dollars.

In short, by setting the phaseout level for graduated corporate rates so low, the President's proposal and the House bill will cripple the growth potential of many small businesses and it will hurt those businesses that are just at the point of succeeding and which have the greatest potential to become large corporations. These are the companies that have proven viability, that are most in need of capital to expand into new markets and to expand production, and that we need to foster if our country is going to remain competitive in the international economy. The resolution I have introduced today would call for holding the phaseout of graduated rates at no lower than the level provided for in current law.

Finally, on the third issue—the income level to which the top bracket applies—under current law the top tax bracket rate of 46 percent applies to corporations with income above $100,000. The President would apply his proposed top bracket rate of 33 percent to all income above $75,000, thus, truncating the graduated rate schedule. Similarly, the House tax bill would apply its proposed top bracket tax rate of 36 percent to all income in excess of $75,000. This means that both proposals apply the top bracket rate to a much lower level of income, offsetting much of the benefits provided by the reduction in tax rates.

To see what the House bill means, take a small business with income of $75,000. Under current law that small business is subject to a top marginal tax rate of 40 percent, but under the House bill that taxpayer would be subject to a 36 percent rate, a 4-percent reduction. However, a corporate taxpayer with $100,000 in income would receive a 10-percent reduction in its marginal tax rate—from 46 percent to 36 percent. The same inequity applies to small corporations earning $50,000 in income. Under current law these businesses are subject to a top marginal tax rate of 30 percent, while under the House bill they would be subject to top marginal rate of 25 percent rate, a 5-percent reduction. If the top marginal tax bracket applied only to income over $100,000—as is true under current law—these inequities in the benefits of rate reduction could be lessened substantially.

If anything, the graduated rate structure should have been extended, not truncated. Indeed, the Small Business Capital Formation Conference of the Securities and Exchange Commission has recommended that the current top bracket rate apply only to income in excess of $200,000, double the current breakpoint. Moving in opposite direction in the House bill makes no sense, especially when it is combined with the early phaseout of the benefit of graduated rates. On this issue the resolution introduced today calls for applying the new top bracket rates to the level of income established in current law. My own preference would be to apply the top rate at an even higher bracket of income.

As with the issue of tax rates for the bottom tax bracket, I have been concerned with the issue of the breakpoint for the top tax bracket since the mid-1970's. In 1975 I voted for an exemption from the surtax for small businesses with less than $50,000 in income. The exemption which was adopted raised the income level to which the top marginal tax bracket applied from $25,000 to $50,000. In 1976 and 1977 I voted to extend this exemption. The 1978 bill introduced by Senator Nelson would have had the top tax bracket apply to income over $150,000, as compared to the then-current level of $50,000. Fortunately, the 1978 tax bill raised the income bracket for the highest tax rate from $50,000 to $100,000, a substantial improvement. In the 1979 and 1980 bills introduced by Senator Nelson again pressed to apply the highest tax rate to income over $150,000.

On the eve of the 1980 elections, the Senate Finance Committee reported the Tax Reduction Act of 1980 which proposed that the highest tax rate apply only to income over $150,000 in 1981 and over $200,000 in 1982. September 25, 1980, CONGRESSIONAL RECORD at 27090 (S. Report 96-940). The Congress did not complete action on the bill prior to adjournment.

In 1981 when the House Ways and Means Committee reported its version of the supply-side tax cut it proposed that the top bracket rate apply only to income above $200,000. House Report 97-201, July 24, 1981, at 99. But this proposal was not included in the House Republican substitute adopted by the House, which retained the $100,000 income level for the top bracket.

During debate on the supply-side tax cut in the Senate, Senator RIEGLE offered an amendment, for which I voted, to apply the top marginal tax

rate only to income over $200,000, but his amendment was defeated on a virtually party-line vote. July 17, 1981, CONGRESSIONAL RECORD at S. 7852. The Riegle amendment was supported by 17 small business associations and the substance of the amendment had been placed at the very top of the 15 priority recommendations of the White House Conference on Small Business. With the rejection of this amendment the 1981 tax bill left the top bracket applying to all income over $100,000.

With respect to all three of the issues addressed in the resolution, the principal rationale is that most small businesses rely on retained earnings for capital to expand their operations. Few small firms are able to issue stock and many are unable to borrow the funds they need. For these firms, tax rates are a key determinant of how much of their earnings they can retain to reinvest in their businesses. This is why this resolution focuses on the tax rates applicable to income of small businesses.

In considering the three issues addressed in the resolution, the Finance Committee legitimately will be concerned about the potential revenue loss. It is clear that if there is to be a tax reform bill, it must at least be revenue neutral. In offering this resolution, however, I have not suggested any changes in the Tax Code which might pick up the revenue lost by adoption of any or all of these proposals. In part I have not done so because it is not possible now to determine precisely what the revenue loss would be from any or all of these proposals because they involve the basic design of the tax rate structure itself. For example, the changes in the rate structure proposed in the House bill would reduce Government revenue by $87.797 billion over 5 years—most of in reduction of corporate rates for the largest corporations. The Ways and Means Committee report does not specify how much of this revenue is lost due to reduction of each individual tax bracket, to the lowering of the phaseout level for graduated rates or to the lowering of the breakpoint for the highest bracket. What this resolution states is that in designing the rate structure in the Senate bill and in fashioning a revenue neutral tax bill the Finance Committee should seek to accommodate these interests of small businesses. Indeed, in the context of a tax question affecting nearly $90 billion in revenue, there will be many opportunities to do so without resulting in a net loss of tax revenue for the bill that is reported.

As I have said, there are many other issues in the tax reform bill which will affect small business. I look forward to working with Senator WEICKER, chairman of the Small Business Committee, and the other members of the committee in refining the agenda of small businesses tax issues. By introducing this resolution I am attempting to advance that process by focusing the debate on three generic small business tax issues which I believe should be a key part of that agenda.●

AMENDMENTS SUBMITTED

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

METZENBAUM AMENDMENT NOS. 1654 AND 1655

Mr. METZENBAUM proposed two amendments to amendment No. 1652 proposed by Mr. THURMOND (and others) to the joint resolution (S.J. Res. 225) proposing an amendment to the Constitution relating to a Federal balanced budget; as follows:

AMENDMENT No. 1654

On page 1, strike out lines 9 through 21 and insert in lieu thereof the following:

" 'Section 1. Prior to each fiscal year, the President shall transmit to the Congress a proposed budget for the United States Government for that fiscal year in which outlays are not greater than receipts. The President may also recommend an alternative budget in which outlays exceed receipts, which shall be accompanied by a detailed explanation of the need for such excess.

" 'Section 2. Outlays of the United States for any fiscal year shall not exceed receipts to the United States for that year, unless three-fifths of the whole number of both Houses of Congress shall provide for a specific excess of outlays over receipts.

" 'Section 3. Any bill to increase revenue shall become law only if approved by a majority of the whole number of both Houses of Congress by rollcall vote.

" 'Section 4. The Congress may waived the provisions of this article for any fiscal year in which a declaration of war is in effect.

" 'Section 5. This article shall take effect for the fiscal year 1991 or the second fiscal year beginning after its ratification, whichever is later.'.".

AMENDMENT No. 1655

On page 1, strike out lines 19, 21, and 22 and insert in lieu thereof the following:

"Section 4. Any State may bring suit to compel compliance with the requirements of this article. The Supreme Court shall have original jurisdiction over any such suit.

"Section 5. This article shall take effect for the fiscal year 1991 or for the second fiscal year beginning after its ratification, which ever is later."

IMPROVEMENTS TO RIVERS AND HARBORS

ABDNOR AMENDMENT NO. 1656

(Ordered to lie on the table.)

Mr. ABDNOR submitted an amendment intended to be proposed by him to the bill (S. 1567) to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes; as follows:

On page 2, line 4, delete "1985" and insert "1986".

On page 2, line 10, delete "1986" and insert "1987".

On page 2, line 12, delete "1987" and insert "1988".

On page 2, line 14, delete "1988" and insert "1989".

On page 2, line 16, delete "1989" and insert "1990".

On page 2, line 18, delete "1990" and insert "1991".

On page 7, line 18, delete "1986" and "1990" and insert "1987" and "1991" respectively.

On page 8, line 10 delete "1986" and insert "1987" and on page 8 line 12 delete "1988" and insert "1989".

On page 8, line 25, delete "1986" and insert "1987"; and on page 9, line 1, delete "1990" and insert "1991".

On page 20, line 8, delete "1986" and "1990" and insert "1987" and "1990" respectively.

On page 28, line 13, delete "1986" and insert "1987"; and on page 28, line 14, delete "1990" and insert "1991".

On page 38, line 1, delete "1986" and insert "1987".

On page 41, line 22, delete "1986" and insert "1987".

On page 42, line 16, delete "1986" and insert "1987"; on page 42, line 17, delete "1987" and insert "1988"; and on page 42, line 18, delete "1988" and insert "1989".

On page 48, line 13, delete "1986" and insert "1987".

On page 49, line 7, delete "1986" and insert "1987".

On page 49, line 22, delete "1986" and insert "1988".

On page 50, line 4, delete "1989" and insert "1990".

On page 50, line 10, delete "1986" and insert "1987".

On page 52, line 8, delete "1988" and insert "1989".

On page 52, lines 19 and 23, delete "1985" and insert "1986".

On page 56, line 6, delete "1986" and insert "1987".

On page 57, line 6, delete "1986" and insert "1987".

On page 65, line 1, delete "1986" and insert "1987".

On page 65, line 18, delete "1986" and "1989", and insert "1987" and "1990" respectively.

On page 70, line 1, delete "1986" and insert "1987"; and on page 70, line 2, delete "1990" and insert "1991".

On page 70, line 12, delete "1986" and insert "1987"; and on page 70, line 13, delete "1990" and insert "1991".

On page 89, line 4, delete "March 1, 1987" and insert "December 31, 1987".

● Mr. ABDNOR. Mr. President, I am submitting to the Senate a technical amendment to S. 1567. This amendment does nothing other than set back by 1 year the various dates found throughout the bill.

Because the Committee on Environment and Public Works reported this bill out during fiscal year 1985, the committee set the numerous dates in the bill to become effective starting in fiscal year 1986. However, since we are now well into fiscal year 1986, the

committee leadership believes it appropriate to set most of the dates back to fiscal year 1987.

Specifically, this amendment updates title I by deleting the obligation ceiling for fiscal year 1986, and adding one for fiscal year 1991. These obligation ceilings will cover the Corps of Engineers' construction spending and are intended to guarantee that spending on the new projects authorized in this bill will not exacerbate the Federal deficit.

The amendment also makes similar date changes with respect to the various 5-year programs in the bill, such as the Dam Safety Program, the Small Streambank Erosion Program, and the Ogallala aquifer study.

In addition, the dates on numerous other 1-, 2-, and 3-year authorities in the bill are set back by 1 year.●

ABDNOR (AND OTHERS) AMENDMENT NO. 1657

(Ordered to lie on the table.)

Mr. ABDNOR (for himself, Mr. STAFFORD, Mr. BENTSEN, and Mr. MOYNIHAN) submitted an amendment intended to be proposed by them to the bill S. 1567, supra; as follows:

(Amendment 1) On page 3, strike lines 5 through 16, and insert in lieu thereof the following:

"SEC. 201. (a) Prior to the initiation of construction of any water resources project authorized prior to this Act, in this Act, or subsequent to this Act, which is under the jurisdiction of the Secretary and which can be anticipated to provide flood control benefits, more than 10 per centum of which can be attributed to an increase in anticipated land values to a land owner, the non-federal sponsor shall agree to pay, for deposit into the Treasury, during the period of construction, 50 per centum of that portion of the project's costs allocated to such land owner's benefit. Such payment is in addition to any other requirements on the non-Federal sponsor for the sharing of project costs."

(Amendment 2) Beginning on page 9, line 3, section 211 is amended by redesignating subsections "(a)" through "(c)" as subsections "(b)" through "(d)", respectively, and, on page 9, line 3, after "Sec. 211.", inserting a new subsection as follows:

"(a) Section 221(a) of the Flood Control Act of 1970 (Public Law 91-611) is amended by inserting the words 'or an acceptable separable element thereof' immediately after 'water resources project' and the words 'or the appropriate element of the project, as the case may be' immediately after 'for the project'."

On page 9, line 14, before "The" insert "(1)" and, after line 18, insert the following:

"(2) The interest rate to be charged on any such delinquent payment shall be at a rate, to be determined by the Secretary of the Treasury, equal to 150 per centum of the average bond equivalent rate of the 13-week Treasury bills auctioned immediately prior to the date on which such payment became delinquent, or auctioned immediately prior to the beginning of each additional 3-month period if the period of delinquency exceeds 3 months."

(Amendment 3) On page 10, after the figure "212." on line 4, insert "(a)". On page 10, after line 9, insert the following:

"(b) No work on any project, or portion thereof, authorized by this Act shall be initiated by the Secretary unless development of the project complies with the terms of the National Environmental Policy Act (42 U.S.C. 4341), as amended."

(Amendment 4) On page 10, beginning on line 10, delete all through line 19 and insert in lieu thereof the following:

"SEC. 213. Subject to the provisions and requirements of Titles V, VI, and VII of this Act, the sums to be obligated for any project authorized by this Act shall not exceed the sum listed in this Act for the specific project, as of the month and year listed for such project (or, if no date is listed, the cost shall be considered to be as of the date of enactment of this Act), plus such amounts, if any, as may be justified solely by reason of increases in construction costs, as determined by engineering cost indices applicable to the type of construction involved, and by reason of increases in land costs; plus no more than 10 per centum of the base figure if attributable solely to cost increases resulting from modifications due to engineering, economic, and environmental considerations which the Secretary determines are advisable and which do not violate any of the parameters established in Section 218 of this Act."

(Amendment 5) On page 11, strike lines 18 to 24, then on line 1 of page 12, delete "(c)" and insert in lieu thereof "(b)".

(Amendment 6) On page 13, delete line 11 and insert in lieu thereof: "(2) capacity;" and on page 13, delete all of line 13, and renumber subsequent parameters accordingly.

(Amendment 7) On page 24, line 24, delete the period and insert in lieu thereof the following: ": *Provided*, That any physical construction required for the purposes of mitigation may be undertaken concurrently with the physical construction of such project."

(Amendment 8) On page 25, line 10, change the second comma to a period and delete all that follows through the period on line 12. On page 25, beginning on line 24 through line 1 on page 26, delete "are anticipated to cost more than $7,500,000 per project or costs less than $7,500,000 per project and".

(Amendment 9) On page 26, line 5, after the word "Costs", insert the following: "of implementation and operation, maintenance, and rehabilitation".

(Amendment 10) On page 26, line 21, after the word "wildlife.", insert the following: "Specific mitigation plans shall ensure that impacts to bottomland hardwood forests are mitigated in-kind, to the extent possible."

(Amendment 11) On page 27, line 11, before the word "when", strike the period and insert in lieu thereof the following: ", or when such activities are located on lands managed as a national wildlife refuge."

(Amendment 12) On page 27, line 17, after the word "costs.", insert the following: "Operation, maintenance, and rehabilitation costs shall be shared in accordance with the cost sharing applicable to implementation."

(Amendment 13) On page 27, after line 21, insert the following:

"(g) The project for the Mouth of the Colorado River, Texas, authorized pursuant to section 101 of the River and Harbor Act of 1968 (82 Stat. 732), is hereby modified to provide that the diversion features of the authorized project, to divert Colorado River flows into Matagorda Bay, shall be constructed in accordance with the cost sharing described in subsection (e) of this section for activities providing enhancement benefits to species identified as having national economic importance by the National Marine Fisheries Service, with operation and maintenance cost sharing at the same percentage as construction cost sharing. The Secretary is directed to construct the remaining navigation features and diversion features concurrently."

(Amendment 14) On page 28, beginning on line 18, delete all through line 4 on page 29 and insert in lieu thereof:

"SEC. 226. In the interest of efficient and cost effective operations by the Secretary, the Comptroller General of the United States shall conduct a study of the Secretary's contracting procedures for civil works projects. Such study shall examine whether potential bidders or offerors, regardless of their size, are allowed to compete fairly in the interest of lowering cost on contracts for construction. Within two years of the date of enactment of this Act, the Comptroller General shall report his findings to Congress together with an assessment of whether contract procedures are applied uniformly among the various field offices under the Secretary's jurisdiction. The report shall also provide recommendations on improving contracting procedures, including (1) how the Secretary can prepare proposals for construction that assure, to the greatest extent reasonable, that no potential bidder or offeror is precluded from competing fairly for contracts, (2) whether recordkeeping requirements imposed by the Secretary on contractors are appropriate in the interest of competition, and (3) the extent to which the private sector can be used more efficiently by the Secretary in contracting for construction, architecture, engineering, surveying, and mapping."

(Amendment 15) On page 30, strike lines 16 through 25, and renumber subsequent sections accordingly.

(Amendment 16) On page 31, strike lines 1 through 16, and insert in lieu thereof the following:

"SEC. 230(a) In the event of a declaration of war or a declaration by the President of a national emergency in accordance with the National Emergencies Act (90 Stat. 1255; 50 U.S.C. 1601) that requires or may require use of the armed forces, the Secretary, without regard to any other provision of law, may (1) terminate or defer the construction, operation, maintenance or repair of any Department of the Army civil works project that he deems not essential to the national defense, and (2) apply the resources of the Department of the Army's civil works program, including funds, personnel, and equipment, to construct or assist in the construction, operation, maintenance, and repair of authorized civil works, military construction, and civil defense projects that are essential to the national defense.

"(b) The Secretary shall immediately notify the appropriate committees of Congress of any actions taken pursuant to the authorities provided by this section, and cease to exercise such authorities not later than one hundred eighty calendar days after the termination of the state of war or national emergency, whichever occurs later."

(Amemdment 17) On page 31, line 19, delete "$50,000" and insert in lieu thereof "$5,000", and on line 22, delete "$25,000" and insert in lieu thereof "$2,500".

(Amendment 18) On page 34, after the word "activities" on line 22, delete the

period and insert in lieu thereof: ": *Provided*, That the General Services Administration shall make one such dredge available to the State of Utah, and that such dredge may be utilized by such State for purposes of dredging within the State of Utah: *and provided further*, That if such dredge is used for dredging outside the State of Utah, ownership of the dredge shall revert to the United States."

(Amendment 19) On page 35, strike lines 4 through 11 and renumber subsequent sections accordingly.

(Amendment 20) On page 35, after line 16, insert and number appropriately the following:

"SEC. . Section 8 of Public Law 78-534, approved December 22, 1944 (58 Stat. 891; 43 U.S.C. 390), is hereby amended by adding the following at the end thereof: 'In the case of any reservoir project constructed and operated by the Corps of Engineers, the Secretary of the Army is authorized to contract with water districts, irrigation districts, conservancy districts, and any other such entities, with individuals, and with appropriate state agencies, at such prices and on such terms and for such periods as he may deem reasonable, for the interim use for irrigation purposes of storage provided in the project for municipal and industrial water supply purposes until such storage is required for municipal and industrial water supply. No contracts for the interim use of such storage shall be entered into which would significantly affect then-existing uses of such storages.'

"SEC. . Section 5 of the Act of March 4, 1915 (38 Stat. 1049; 33 U.S.C. 562), is amended by inserting the words 'and after the project becomes operational' after the word 'Acts' and before the comma.

"SEC. . (a) Section 301(b) of the Water Supply Act of 1958 (72 Stat. 319), as amended (43 U.S.C. 390b.(b)), is amended further as follows:

"(1) In the third proviso, after the word "demands" appears the first time delete the remainder of that proviso.

"(2) Strike the fourth proviso and insert in lieu thereof: *'And provided further*, That the Secretary of the Army may permit the full non-Federal contribution to be made, without interest, during construction of the project, or, with interest, over a period of not more than thirty years from the date of project completion. Repayment contracts shall provide for recalculation of the interest rate at five-year intervals.'.

"(3) After the first sentence insert the following: 'All annual operation, maintenance, and replacement costs for municipal and industrial water supply storage under the provisions of this section shall be reimbursed from State or local interests on an annual basis.'.

"(4) Strike the second sentence and insert in lieu thereof: 'Any repayment by a State or local interest shall be at a rate to be determined by the Secretary of the Treasury, taking into consideration the average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the reimbursement period, during the month preceding the fiscal year in which costs for the construction of the project are first incurred (or, in the case of recalculation, the fiscal year in which the recalculation is made), plus a premium of one-eighth of one percentage point for transaction costs.'.

"(b) Nothing in this section shall be deemed to amend or require amendment of any valid contract entered into pursuant to the Water Supply Act of 1958 and approved by the Secretary of the Army or the Secretary of the Interior prior to the date of enactment of this Act.

"SEC. . In the case of any water resources project which is authorized to be constructed by the Secretary before, on, or after the date of enactment of this Act, construction of which was not commenced prior to the date of enactment of this Act, and which involves the acquisition of lands or interests in lands for recreation purposes, such lands or interests shall be acquired concurrent with the acquisition of lands and interests in lands for other project purposes.

"SEC. . Upon the request of the governor of a State, or the appropriate official of local government, the Secretary is authorized to provide designs, plans, and specifications, and such other technical assistance as he deems advisable, to such State or local government for its use in carrying out projects for renovating navigable streams and tributaries thereof by means of predominantly nonstructural methods judged by the Secretary to be cost-effective, for the purpose of improved drainage, water quality, and habitat diversity: *Provided*, That non-Federal interests contribute half the cost of the designs or other assistance."

(Amendment 21) On page 39, beginning with line 1, delete all through line 24.

(Amendment 22) Beginning on page 43, line 12, delete all through line 5 on page 48, and insert in lieu thereof the following:

"SEC. 315. The section pertaining to Transfer of Federal Townsites, the Supplemental Appropriation Act, 1985, Title I, Chapter IV (Public Law 99-88; 99 Stat. 293) is amended as follows:

"(a) Subsection (a)(1)(A) is amended by—

"(1) inserting '(i)' immediately after the letter '(A)', and

"(2) adding the following new subsections (ii) and (iii) at the end of the subsection:

"(ii) The land utilized as a sanitary landfill by Riverdale, North Dakota, consisting of approximately 96 acres.

"(iii) The peripheral utility improvements at Riverdale, North Dakota, developed for, or being utilized as, sewage lagoons; the sewer pipeline extending from the townsite boundary to said lagoons; any outfall facilities or control structures in conjunction therewith; the water pipeline extending from the exterior boundaries of the power plant to the townsite; and appropriate easements of right-of-way of the access to, and operation and maintenance of said improvements."

"(b) Subsection (a)(1)(B) is amended by—

"(1) inserting '(i)' immediately after the letter '(B)', and

"(2) adding the following new subsections (ii) and (iii):

"(ii) The land utilized as a sanitary landfill by Pickstown, South Dakota, consisting of approximately 23 acres.

"(iii) The peripheral utility improvements at Pickstown, South Dakota, developed for, or being utilized as, sewage lagoons; water treatment plant; water intake structure; the sewer pipeline extending from the townsite boundary to the sewer lagoons; any outfall facilities or control structures in conjunction therewith; the water pipeline extending from the water intake to the water treatment plant and to the townsite boundary; and appropriate easements of right-of-way for access to, and operation and maintenance of, said improvements."

"(c) Subsection (a)(1)(C) is amended by—

"(1) inserting '(i)' immediately after the letter '(C)', and

"(2) adding the following new subsection (ii):

"(ii) The peripheral utility improvements at Fort Peck, Montana, developed and being utilized as a water storage reservoir; the water pipelines extending from the exterior boundaries of the power plant to the townsite boundary; the water pipeline extending from the townsite boundary to the water reservoir; and appropriate easements of right-of-way to the municipal corporation for access to, and operation and maintenance of, said improvements.

"(d) Subsection (c) is amended by adding at the end thereof: 'Nothing in this provision prohibits the Secretary from placing reasonable covenants in those deeds transferring improvements having significant historical, cultural, or social value in Fort Peck, Montana.' "

(Amendment 23) On page 53, on lines 15 and 16, delete "Senate Report 98-340 for section 326" and insert in lieu thereof the following: "the Congressional Record as of the date of the submission of this amendment."

(Amendment 24) On page 58, beginning with line 7, delete all through line 24, and renumber subsequent sections accordingly.

(Amendment 25) On page 59, delete lines 5 through 9 and insert in lieu thereof the following:

"SEC. 334. (a)(1) On behalf of the United States, the Secretary, in consultation with the Secretary of State, is authorized to cooperate with governments in Canada to study and to construct reservoir projects for storage in the Souris River Basin in Canada to provide flood control benefits in the United States.

"(2) The Secretary is authorized further to participate in financing the storage referred to in paragraph (1) of this subsection to a maximum contribution of $26,700,000, in the event that only one reservoir, known as the Rafferty project, is constructed in Canada, or to a maximum of $41,100,000, in the event two reservoirs, known as the Rafferty and Alameda projects, are constructed in Canada. The amount of any such contribution shall be determined by an allocation of costs, based on the proportionate use of these projects for flood control in the United States and water supply in Canada.

"(b) Upon completion of the structure or structures in Canada, as agreed upon between the United States and governments in Canada, the construction of Burlington Dam, North Dakota, as authorized by Public Law 91-611, and modifications at Lake Darling, North Dakota, to raise the level of the dam structure, as authorized by section 111 of Public Law 97-88 (95 Stat. 1138), shall no longer be authorized. Should the Secretary determine that an agreement between the United States and governments in Canada cannot be consummated, he shall proceed with the work authorized by section 111 of Public Law 97-88, including raising the dam structure and including storage capacity for flood control purposes, with such work to be considered a nonseparable element of the flood control project for Minot, North Dakota, authorized under section 201 of the Flood Control Act of 1965.

"(c) The Secretary is authorized further to make such modifications as necessary to the existing Lake Darling, exclusive of the modifications authorized by Section 111 of Public Law 97-88, for the purpose of effective operation of the project for flood control, with such work to be considered to be nonseparable element of the flood control project for Minot, North Dakota, authorized

under section 201 of the Flood Control Act of 1965, and to operate and maintain the project with such modifications in a manner compatible with the migratory waterfowl refuge purpose of the project.

"(d) The non-Federal share of the cost of contributions to governments in Canada, as authorized by this section, shall be in accordance with Title VII of this Act for the amount over $23,600,000. The total federal cost of work authorized by this section and by section 111 of Public Law 97-88, as modified herein, and including related dam safety measures, is $69,100,000 (October 1985): *Provided*, That this cost is subject to Section 213 of this Act."

(Amendment 26) On page 59, beginning on line 10, strike all through line 20 on page 64, and insert in lieu thereof the following:

"SEC. 335. (a)(1) For the multiple purposes of preserving, enhancing, interpreting, and managing the water and related land resources of an area containing unique cultural, fish and wildlife, scenic, and recreational values and for the benefit and enjoyment of present and future generations and the development of outdoor recreation, there is hereby established the Cross Florida National Conservation Area (hereinafter in this section referred to as the "Conservation Area").

"(2) The Conservation Area shall consist of all lands and interests in lands held by the Secretary within that portion of the high-level lock barge canal project from the Saint Johns River across the State of Florida to the Gulf of Mexico, authorized by the Act of July 23, 1942 (56 Stat. 703) (which shall in this section be referred to as the "barge canal project") that is located between the Eureka Lock and Dam and the Inglis Lock (exclusive of such structures), plus all lands and interests in lands held by the Canal Authority of the State of Florida between such structures.

"(b) Those portions of the barge canal project located between the Gulf of Mexico and the Inglis project structure and located between the Atlantic Ocean and the Eureka Lock and Dam, inclusive, shall be operated and maintained by the Secretary for the purposes of navigation, recreation, and fish and wildlife enhancement.

"(c) In order to further the purposes set forth in paragraph (a)(1) of this section, that portion of such barge canal project located between the Eureka Lock and Dam and the Inglis Lock (exclusive of such structures) is not authorized for the purposes described in 56 Stat. 703 after the date this subsection becomes effective.

"(d) The State of Florida shall retain jurisdiction and responsibility over water resources planning, development, and control of the surface and ground waters pertaining to lands cited in subsections (b) and (c) of this section, except to the extent that any uses of such water resources would be inconsistent with the purposes of this section.

"(e)(1) Not later than one year after the date of the enactment of this Act, the Secretary, in consultation with the United States Forest Service, the United States Fish and Wildlife Service, and the State of Florida, shall develop and transmit to Congress a comprehensive management plan for lands (including water areas) located within the Conservation Area.

"(2) Such plan shall, at a minimum, provide for—

"(A) enhancement of the environment;

"(B) conservation and development of natural resources;

"(C) conservation and preservation of fish and wildlife;

"(D) preservation of scenic and enhancing recreational values;

"(E) a procedure for the prompt consideration of applications for easements across Conservation Area lands, when such easements are requested by local or State governmental jurisdictions or by a regulated public utility for a public purpose; and

"(F) preservation and enhancement of water resources and water quality, including ground water.

"(3) Such plan shall establish, among the Secretary, the Forest Service, the Fish and Wildlife Service, and the State of Florida, the responsibilities for implementation of such plan.

"(4) Until transmittal of such plan to Congress, the Secretary shall operate, maintain, and manage the lands and facilities held by the Secretary under the terms of subsection (c).

"(5) Upon submission of such plan to Congress, the Secretary and other agencies, pursuant to the agreement under paragraph (3) of this subsection, are authorized to implement such plan.

"(f) The Secretary shall operate the Rodman Dam, authorized by the Act of July 23, 1942 (56 Stat. 7030), in a manner which will assure the continuation of the reservoir known as Lake Ocklawaha. The Secretary shall not operate the Eureka Lock and Dam in a manner which would create a reservoir on lands not flooded on January 1, 1984.

"(g)(1) As soon as possible, the Secretary shall acquire, for the sum of $32,000,000, all lands and interests in lands held on the date of the enactment of this Act by the Canal Authority of the State of Florida for the purposes of the barge canal project. In the event the sums available to the Secretary in any fiscal year are insufficient to purchase all such lands and interests, the State of Florida shall transfer to the Secretary that percentage of the total number of acres to be transferred that is proportionate to the sums received by the State compared with $32,000,000.

"(2) From amounts received under paragraph (1) of this subsection, the Canal Authority shall as soon as possible make payments to the Florida counties of Duval, Clay, Putnam, Marion, Levy, and Citrus. Such payments shall, in the aggregate, be equal to $32,000,000. The amount of payment under this paragraph to each such county shall be determined by multiplying such aggregate amount by the amount of ad valorem taxes paid to the Cross Florida Canal Navigation District by such county and dividing such product by the amount of such taxes paid by all such counties.

"(h) Subsection (c) shall become effective—

"(1) ninety days after the Governor of Florida has certified to the Secretary that the State has met the conditions set out in subsection (i) of this section: *Provided*, That the Secretary does not determine within such period that the State has failed to comply; or

"(2) on the date of the final order in a declaratory judgment action, brought by the State of Florida in a Federal District Court within Florida, finding that the State has met the conditions.

"(i) Subsection (c) shall not become effective until the State of Florida enacts a law or laws which assures that—

"(1) On and after the date on which construction of the portion of the barge canal project referred to in subsection (c) is no longer authorized, all lands and interests in lands held for the project by the State of Florida or the Canal Authority of such state, including those acquired pursuant to the River and Harbor Act of 1960 (Public Law 86-645), and including any state lands contained in the area proposed to be added to the Ocala National Forest by the boundary change shown on the map dated July 1978, on file with the Chief of the Forest Service, Department of Agriculture, Washington, District of Columbia, will continue to be owned by such state or canal authority pending transfer to the Secretary, for consideration, as provided in this section; and

"(2) The State of Florida has fee simple title to lands acquired from the Federal government pursuant to Public Law 86-645, and will transfer such title to the Secretary, for consideration, as provided in this section."

(Amendment 27) On page 65, after line 5, insert the following and number accordingly:

"SEC. . That portion of the project for navigation, Tampa Harbor and Hillsborough Bay, Florida, authorized by the Act of August 8, 1917, which portion consists of the turning basin at the junction of Garrison Channel, Seddon Channel, and Hillsborough River, is deauthorized upon enactment of this Act.

"SEC. . Bloomington Lake located on the North Branch of the Potomac River near Bloomington, Maryland, and Keyser, West Virginia, is named and designated as the 'Jennings Randolph Lake'. Any reference in a law, map, regulation, document, record, or other paper of the United States to such lake shall be held to be reference to the 'Jennings Randolph Lake'.

"SEC. . Calion Lock and Dam located on the Ouachita River near Calion, Arkansas, is named and designated as the 'H.K. Thatcher Lock and Dam'. Any reference in a law, map, regulation, document, record, or other paper of the United States to such lock and dam shall be held to be a reference to the 'H.K. Thatcher Lock and Dam'.

"SEC. . The project for Denison Dam (Lake Texoma), Red River, Texas and Oklahoma, authorized by the Flood Control Act approved June 28, 1938 (52 Stat. 1219), as amended, is hereby modified to provide that the Secretary is authorized to reallocate from hydropower storage to water supply storage, in increments as needed, up to an additional 150,000 acre-feet for municipal, industrial, and agricultural water users in the State of Texas and up to 150,000 acre-feet for municipal, industrial, and agricultural water users in the State of Oklahoma. For that portion of the water storage reserved for users in the State of Oklahoma, the Secretary may contract, in increments as needed, with qualified individuals, entities, or water utility systems for use within the Red River Basin; except that for any portion of that water to be utilized outside the Red River Basin, the Secretary shall contract with the RedArk Development Authority. For that portion of the water storage reserved for users in the State of Texas, the Secretary shall contract, in increments as needed, for 50,000 acre-feet with the Greater Texoma Utility Authority and 100,000 acre-feet with other qualified individuals, entities, or water utility systems. Nothing in the preceding sentence shall supersede any requirement of State law with respect to the use of any water subject to a contract. All contracts entered into by the Secretary under this section shall be under terms in accordance with section 301(b) of the Water Supply Act of 1958 (Public Law 85-500), as amended. No payment shall be required from and no interest shall be

charged to users in the States of Oklahoma or Texas for the reallocation authorized by this section until such time as the water supply storage reserved under such reallocation is actually first used. Any contract entered into for the use of the water received under this section shall require the contracting entity to begin principal and interest payments on that portion of the water allocated under the contract at the time the entity begins the use of such water. Until such time, storage for which reallocation is authorized in this section may be used for hydropower production. With respect to any water supply contract entered into by the Secretary under this section after June 1, 1985, the Secretary shall determine (1) the amount of hydropower lost, if any, as a result of the implementation of such contract, and (2) the replacement cost of the hydropower lost (where replacement cost is defined as the cost to purchaser power from existing alternative sources). If hydropower is lost as a result of the implementation of such contract, the Secretary shall provide credits to the Southwestern Power Administration of amounts equal to such replacement costs. Such credits shall be against sums required to be paid by the Southwestern Power Administration for costs of the project allocated to hydropower. In each such case the Southwestern Power Administration shall reimburse each preference customer for an amount equal to the customer's actual replacement cost for hydropower lost as a result of the implementation of such contract, less the cost such customer would have had to pay to the Southwestern Power Administration for such hydropower. The Secretary may not increase payments of water users under a water supply contract under this section on account of the credits and reimbursement required to be provided under this section. Nothing in this section shall be construed as amending or altering in any way the Red River Compact. In consideration of benefits in connection with such reallocation and usage of municipal, industrial, and agricultural water, all benefits that can be assigned to the Red River chloride control project, Texas and Oklahoma, or the Red River and tributaries multipurpose study, Oklahoma, Texas Arkansas, and Louisiana, and any individual projects arising from such study, shall be reserved for such projects. Nothing in this section shall affect water rights under the laws of the States of Texas and Oklahoma.

"SEC . (a) The existing irrigation projects known as the Hilltop Irrigation District, Brule County, South Dakota, and the Gray Goose Irrigation District, Hughes County, South Dakota, are authorized as units of the Pick-Sloan Missouri Basin Program. As so authorized, the Hilltop Unit and the Gray Goose Unit shall be integrated physically and financially with the other Federal works constructed under the comprehensive plan approved by section 9 of the Flood Control Act of December 22, 1944 (58 Stat. 887, 891), as amended and supplemented, and subject to Federal reclamation law (Act of June 17, 1902, 32 Stat. 388 and Acts amendatory thereof and supplemental thereto).

"(b) Pick-Sloan Missouri Basin Program power shall be made available as soon as practicable for the Hilltop Unit and the Gray Goose Unit on the same basis as for other units of the Pick-Sloan Missouri Basin Program. The suballocated costs of the Pick-Sloan Missouri Basin Program assigned to the Hilltop Unit and the Gray Goose Unit shall be reimbursed by the water users as determined by the Secretary of the Interior in accordance with Federal reclamation law (Act of June 17, 1902, 32 Stat. 388 and Acts amendatory thereof and supplemental thereto).

"SEC. . (a) Except as otherwise provided in this section, all rights, title, and interests of the United States in the lands described in subsection (b), including all improvements thereon, are hereby declared to be held in trust by the United States for the benefit and use of the Three Affiliated Tribes of the Fort Berthold Reservation and to be part of the Fort Berthold Reservation.

"(b) The lands held in trust under subsection (a) are—

"(1) approximately 136.44 acres lying above elevation 1850 feet (mean sea level) and the probable ultimate erosion line (other than those portions which lie north of North Dakota State Highway 23) in the following sections of Township 152 North, Range 93 West of the Fifth Principal Meridian, McKenzie County, North Dakota:

"Section 15: south half of the southwest quarter,

"Section 21: northeast quarter and northwest quarter of the southeast quarter, and

"Section 22: north of the half northwest quarter; and

"(2) approximately 16.40 acres lying above elevation 1850 feet (mean sea level) situated in the west half southwest quarter, Section 15, Township 152 North, Range 93 West of the Fifth Principal Meridian, McKenzie County, North Dakota, and more particularly described as follows:

"Commencing at the quarter corner common to Sections 15 and 16; thence East along the quarter line a distance of 1,320.0 feet to the true point of beginning; thence North 45 degrees 0 minutes East a distance of 891.0 feet; thence South 0 degrees 3 minutes East a distance of 1,518.0 feet; thence to a point on a line which bears South 0 degrees 3 minutes East from the point of beginning; thence North 0 degrees 3 minutes West to the point of beginning.

"(c) In consideration for the transfer in trust described above, the Secretary of Interior shall transfer to the United States lands of equal value held in trust for the Three Affiliated Tribes of the Fort Berthold Reservation which are required for the maintenance and operation of the Garrison Dam and Reservoir Project: *Provided*, That the Tribes shall retain the right to use such lands for grazing purposes when such lands are not subject to flooding. The United States shall not be responsible for damages to property or injuries to persons which may arise from, or be incident to, the use of said lands.

"(d) The United States hereby retains a flowage and sloughing easement for the purpose of flood control and related Garrison Dam and Reservoir project purposes over that portion of the lands described in subsection (b) that lie below the greater elevation of—

"(1) 1860 feet (mean sea level), or

"(2) any alignment the Secretary determines to be necessary for such project operations.

"(e) All the rights, title, and interests of the Economic Development Administration, U.S. Department of Commerce (EDA), as evidenced by three EDA projects designated as 05-01-00676 (closed on October 8, 1971, as 06-1-00676), 05-01-00677 (closed on June 30, 1971, as 06-1-00677), and 05-02-00675 (closed on October 8, 1971, as 06-2-00675) shall remain in full force and effect for the full terms thereof, including any and all extensions and shall not be subordinated in any manner whatsoever to any other interests.

"SEC. . (a) The project for navigation for Honolulu Harbor, Hawaii, authorized by section 101 of the River and Harbor Act of 1954, is modified to authorize and direct the Secretary to maintain a 23-foot project depth in the Kalihi Channel portion of such project.

"(b) The consent of Congress is hereby given to the State of Hawaii to construct, operate, and maintain a fixed-span bridge in and over the water of the Kalihi Channel, Honolulu Harbor, Hawaii.

"SEC. . The Secretary is authorized to pay the Federal share of the settlement amount, and any associated interest, resulting from the decision of the Engineer Board of Contract Appeals in ENG BCA Docket Number 4650 (June 28, 1985), notwithstanding the Federal cost limitation set out in Section 84(c) of the Water Resources Development Act of 1974 (Public Law 93-251)."

(Amendment 28) On page 71, after line 5, insert the following new section, and renumber subsequent section accordingly:

"SEC. 403. (a) After the date of enactment of this Act, costs incurred in the modification by the Secretary of dams and related facilities constructed or operated by the Secretary, the cause of which results from new hydrologic or seismic data or changes in state-of-the-art design or construction criteria deemed necessary for safety purposes, shall be recovered in accordance with the provisions in this subsection.

"(1) Fifteen percent of the modification costs shall be assigned to project purposes in accordance with the cost allocation in effect for the project at the time the work is initiated. Non-Federal interests shall share the costs assigned to each purpose in accord with the cost sharing in effect at the time of initial project construction: *Provided*, That the Secretary of the Interior shall recover costs assigned to irrigation in accordance with repayment provisions of Public Law 98-404.

"(2) Repayment under this subsection, with the exception of costs assigned to irrigation, may be made, with interest, over a period of not more than 30 years from the date of completion of the work. The interest rate used shall be determined by the Secretary of the Treasury, taking into consideration average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the applicable reimbursable period during the month preceding the fiscal year in which the costs are incurred, plus a premium of one-eighth of one percentage point for transaction costs. To the extent that more than one interest rate is determined pursuant to the preceding sentence, the Secretary of the Treasury shall establish an interest rate at the weighted average of the rates so determined.

"(b) Nothing in this section affects the authority of the Secretary to perform work pursuant to Public Law 84-99, as amended (33 U.S.C. 701n) or cost sharing for such work."

(Amendment 29) On page 71, line 9, delete "(a)".

(Amendment 30) Beginning on page 73, line 20, strike all through line 10 on page 79 and insert in lieu thereof the following:

"SEC. 504. (a)(1) This section may be cited as the 'Upper Mississippi River Management Act of 1986'.

"(2) To ensure the coordinated development and enhancement of the Upper Missis-

sippi River system, it is hereby declared to be the intent of Congress to recognize that system as a nationally significant ecosystem and a nationally significant commercial navigation system. Congress further recognizes that the system provides a diversity of opportunities and experiences.

"The system shall be administered and regulated in recognition of its several purposes.

"(b) For purposes of this section—

"(1) the terms "Upper Mississippi River system" and "system" mean those river reaches having commercial navigation channels on the Mississippi River main stem north of Cairo, Illinois; the Minnesota River, Minnesota; Black River, Wisconsin; Saint Croix River, Minnesota and Wisconsin; Illinois River and Waterway, Illinois; and Kaskaskia River, Illinois:

"(2) the term "Master Plan" means the comprehensive master plan for the management of the Upper Mississippi River system dated January 1, 1982, prepared by the Upper Mississippi River Basin Commission and submitted to Congress pursuant to Public Law 95-502;

"(3) the term "GREAT I, GREAT II, and GRRM studies" means the studies entitled "GREAT Environmental Action Team—GREAT I—A Study of the Upper Mississippi River," dated September 1980, "GREAT River Environmental Action Team—GREAT II—A Study of the Upper Mississippi River," dated December 1980, and "GREAT River Resource Management Study," dated September 1982; and

"(4) term "Upper Mississippi River Basin Association" means an association of the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, formed for the purposes of cooperative efforts and united assistance in the comprehensive planning for the use, protection, growth, and development of the Upper Mississippi River System.

"(c)(1) Congress hereby approves the Master Plan as a guide for future water policy on the Upper Mississippi River system. Such approval shall not constitute authorization of any recommendation contained in the Master Plan.

"(2) Section 101 of Public Law 95-502 is amended by striking the last two sentences of subsection (b), striking subsection (i) in its entirety, striking the final sentence of subsection (j), and renumbering subsection "(j)" as subsection "(i)".

"(d)(1) The Secretary is authorized to enter into cooperative agreements with the Upper Mississippi River Basin Association (hereinafter referred to as the "Association") established under paragraph (1) of this subsection to promote and facilitate active State government participation in river system management, development, and protection.

"(2) For the purpose of insuring the coordinated planning and implementation of programs authorized in subsection (f) and paragraph (i)(2) of this section, the Secretary shall enter into an interagency agreement with the Secretary of the Interior to provide for the direct participation of, and transfer funding to, the Fish and Wildlife Service and any other agency or bureau of the Department of the Interior for the planning, design, implementation, and evaluation of such programs.

"(3) Any changes in the master plan recommended by the Secretary shall be submitted to the Association for comment. The Association may make comments with respect to such recommendations or initiate other recommended changes as the Association deems appropriate and shall transmit such comments or recommended changes to the Secretary. The Secretary shall transmit his recommendations, together with the comments and recommended changes of the Association to Congress for approval within 90 days of the receipt of such comments or recommended changes.

"(e) The Secretary is authorized to provide for the engineering, design, and construction of a second lock at locks and dam 26, Mississippi River, Alton, Illinois and Missouri, at a total cost of $220,000,000 (October 1984). Such second lock shall be one hundred and ten feet by six hundred feet and shall be constructed at or in the vicinity of the location of the replacement lock authorized by section 102 of Public Law 95-502.

"(f)(1) The Secretary, in concert with the Secretary of the Interior and the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, is authorized to undertake, as identified in the master plan, a program for—

"(A) the planning, construction, and evaluation of measures for fish and wildlife habitat rehabilitation and enhancement;

"(B) the implementation of a long term resource monitoring program; and

"(C) the implementation of a computerized inventory and analysis system.

"(2) Each program referred to in paragraph (1) of this subsection shall be carried out for 10 years. Within 10 years from the date of enactment of this Act, the Secretary, in consultation with the Secretary of the Interior and the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, shall conduct an evaluation of the programs and submit a report on the results of such evaluation to Congress. Such evaluation shall analyze each such program's effectiveness, strengths, and weaknesses, and contain recommendations for the modification and continuance or termination of such programs.

"(3)(A) For purposes of carrying out paragraph (1)(A) of this subsection, there is authorized to be appropriated to the Secretary the sum of $8,200,000 for the first fiscal year beginning after the date of enactment of this Act, the sum of $12,400,000 for the second fiscal year beginning after the date of enactment of this Act, and the sum of $13,000,000 for each of the next eight fiscal years.

"(B) for purposes of carrying out paragraph (1)(B) of this subsection, there is authorized to be appropriated to the Secretary the sum of $7,680,000 for the first fiscal year beginning after the date of enactment of this Act, and the sum of $5,080,000 for each of the next nine fiscal years.

"(C) For purposes of carrying out paragraph (1)(C) of this subsection, there is authorized to be appropriated to the Secretary the sum of $40,000 for the first fiscal year beginning after the date of enactment of this Act, the sum of $280,000 for the second fiscal year beginning after the date of enactment of this Act, the sum of $1,220,000 for the third fiscal year beginning after the date of enactment of this Act, and the sum of $775,000 for each of the next seven fiscal years.

"(4)(A) notwithstanding the provisions of subsection (a)(2) of this section, the costs of each project carried out pursuant to paragraph (1)(A) of this subsection shall be allocated between the Secretary and the appropriate non-Federal sponsor in accordance with the provisions of Section 224 of this Act.

"(B) Notwithstanding the provisions of subsection (a)(2) of this section, the cost of implementing the activities authorized by paragraphs (1)(B) and (1)(C) of this subsection shall be allocated in accordance with the provisions of Section 224 of this Act, as if such activity was required to mitigate losses to fish and wildlife.

"(g)(1)(A) The Secretary, in consultation with any agency established under subsection (d)(1) of this section, is authorized to implement a program of recreational projects for the system substantially in accordance with the recommendations of the GREAT I, GREAT II, and GRRM studies and the master plan reports. The cost of each such project shall be allocated between the Secretary and the appropriate non-Federal sponsor in accordance with Section 701 of this Act.

"(B) The Secretary, in consultation with any agency established under subsection (d)(1) of this section, shall at Federal expense conduct an assessment of the economic benefits generated by recreation activities in the system.

"(2)(A) For purposes of carrying out the program of recreational projects authorized in paragraph (1)(A) of this subsection, there is authorized to be appropriated to the Secretary the sum of $500,000 for each of the 10 fiscal years beginning after the date of enactment of this Act.

"(B) For purposes of carrying out the assessment of economic benefits of recreational activities authorized in paragraph (1)(B) of this subsection, there is authorized to be appropriated to the Secretary the sum of $300,000 for the first fiscal year beginning after the date of enactment of this Act, the sum of $300,000 for the second fiscal year beginning after the date of enactment of this Act, and the sum of $150,000 for the third fiscal year beginning after the computerized inventory and analysis system implemented pursuant to phrase (f)(1)(C) of this section is fully functional.

"(h) The Secretary shall, in his budget request, identify those measures developed by the Secretary, in consultation with the Secretary of Transportation and any agency established under subsection (d)(1) of this section, to be undertaken to increase the capacity of specific locks throughout the system by employing nonstructural measures and making structural improvements.

"(i)(1) The Secretary, in consultation with any agency established under subsection (d)(1) of this section, shall monitor traffic movements on the system for the purpose of verifying lock capacity, updating traffic projections, and refining the economic evaluation so as to verify the need, if any, for future capacity expansion of the system.

"(2) The Secretary, in concert with the Secretary of the Interior and the States of Illinois, Iowa, Minnesota, Missouri and Wisconsin, shall determine the need for river rehabilitation and environmental protection based on the condition of the environment, project developments, and projected environmental impacts from implementing any proposals resulting from recommendations made under subsection (h) and paragraph (1) of this subsection.

"(j) This section shall not be subject to the provisions of section 212 of this Act."

(Amendment 31) Beginning on page 79, line 12, strike all through line 17 and insert in lieu thereof the following:

"SEC. 601. (a) Following the data of enactment of this Act, feasibility studies of any proposed commercial channel or harbor project or plan undertaken by the Secretary shall be initiated only in accordance with the provisions of Section 223 of this Act."

(Amendment 32) On page 80, beginning with line 18, delete all through line 4 on page 81, and insert in lieu thereof the following:

"SEC. 602(a) For the purposes of cooperative financial development of projects, or separable elements thereof, for any commercial channel or harbor construction, the Secretary shall initiate no such construction project unless an appropriate non-Federal sponsor agrees to construct at its own expense all project facilities other than those for general navigation and by contract to provide during the period of construction of such project, or separable element thereof, the following percentages of the construction cost for general navigation facilities of the project, or separable element thereof, assigned to commercial navigation based on the depths below mean low water listed herein:"

(Amendment 33) On page 81, beginning with line 9, delete all through page 82, line 2, and insert in lieu thereof the following:

"(b)(1) In addition to the sums required to be paid during the period of construction under the terms of subsection (a) of this section, each non-Federal sponsor shall contract with the Secretary to repay to the United States, over a period not to exceed thirty years following completion of the project, or separable element thereof, 10 per centum of the total of construction of general navigation facilities for the project assigned to commercial navigation, with interest at a rate determined by the Secretary of the Treasury. In determining such rate of interest, the Secretary of the Treasury shall consider the average market yields on outstanding marketable obligations of the United States with remaining periods of maturity comparable to the Reimbursement period during the month preceding the fiscal year in which costs are incurred, plus a premium of one-eighth of one percentage point for transaction costs: *Provided*, That the Secretary of the Treasury shall recalculate the rate of interest every five years. Funds paid under this paragraph shall be deposited into the general fund of the Treasury."

(Amendment 34) On page 82, line 19, beginning with the word "the" strike all through the period on line 20 and insert in lieu thereof the following: "Section 221 of the Flood Control Act of 1970 (Public Law 91-611), as amended."

(Amendment 35) On page 83, after line 15, insert the following:

"(e) Notwithstanding the provisions of Section 212 of this Act, the project for navigation at the Houston Ship Channel (Greens Bayou), Texas, authorized pursuant to section 301 of the River and Harbor Act of 1965 (79 Stat. 1091), the project for navigation at the Houston Ship Channel (Barbour Terminal Channel), Texas, authorized pursuant to section 107 of the River and Harbor Act of 1960 (74 Stat. 486), and the project for navigation at the Houston Ship Channel (Bayport Ship Channel), Texas, authorized by section 101 of the River and Harbor Act of 1958 (72 Stat. 298), are modified to authorize and direct the Secretary to assume responsibility for maintenance to forty-foot project depths, as constructed by non-Federal interests prior to enactment of this Act.

"(f) For the purpose of demonstrating the potential advantages and efficiencies of non-Federal management of projects, the Secretary may approve as many as two proposals pursuant to which the non-Federal interests will undertake part or all of the project as the agent of the Secretary by utilizing its own personnel or by procuring outside services, so long as the cost of doing so will not exceed the cost of the Secretary undertaking the project."

(Amendment 36) On page 84, lines 8 and 9, insert the following after "such improvements.": "The responsibilities authorized under subsection (f) of this section shall not apply to such improvements unless the Secretary determines, prior to construction, that the improvements, or separable elements thereof, are economically justified, environmentally acceptable, and consistent with the purposes of this title."

(Amendment 37) On page 85, line 2, after the word "section.", add the following: "Any non-Federal sponsor which has requested and received from the Secretary pursuant to this subsection, or subsection (b) of this section, the completed study and engineering for an improvement to a commercial channel or harbor, or separable element thereof, for the purpose of constructing such improvement and for which improvement a Final Environmental Impact Statement has been filed, shall be authorized to carry out the terms of the plan for such improvement. Any plan of improvement proposed to be implemented in accordance with this provision shall be deemed to satisfy the requirements for obtaining the appropriate permits required under the Secretary's authority and such permits shall be granted subject to the non-Federal sponsor's acceptance of the terms and conditions of such permits: *Provided*, That the Secretary determines that applicable regulatory criteria and procedures have been satisfied. The Secretary shall monitor any project for which permits are granted under this subsection in order to ensure that such project is constructed (and, in those cases where such activities will not be the responsibility of the Secretary, operated and maintained) in accordance with the terms and conditions of such permits."

(Amendment 38) On page 85, line 4, following the word "section" delete the comma and insert in lieu thereof the following: "or section 602(a)(3) of this Act,"

(Amendment 39) On page 85, line 16, strike the word "section" and insert in lieu thereof the word "subsection".

On page 85, line 22, delete the period, insert a colon and the following: *"Provided*, That prior to such approval the Secretary does not find that the project, or separable element thereof, is no longer economically justified or environmentally acceptable."

On page 85, beginning on line 22 with the words "The Secretary", strike all through line 12 on page 86, and insert in lieu thereof the following:

"In reviewing such plans, the Secretary shall consider budgetary and programmatic priorities, potential impacts on the cost of dredging projects nationwide, and other factors that the Secretary deems appropriate. The Secretary shall regularly monitor and audit any project for a commercial channel or harbor constructed under this subsection by a non-Federal sponsor in order to ensure that such construction is in compliance with the plans approved by the Secretary, and that costs are reasonable. No reimbursement shall be made unless and until the Secretary has certified that the work for which reimbursement is requested has been performed in accordance with the approved plans.

"(f) Whenever a non-Federal sponsor constructs improvements to any commercial channel or harbor, the Secretary shall be responsible for maintenance to forty-five feet below mean low water, and 50 per centum of the costs of incremental maintenance below forty-five feet below mean low water: *Provided*, That the Secretary certifies that the project is constructed in accordance with the appropriate engineering and design standards: *And provided further*, That the Secretary does not find that the project, or separable element thereof, is no longer economically justified or environmentally acceptable."

(Amendment 40) On page 87, delete lines 17 and 18, and insert in lieu thereof the following: "The schedule of compliance shall not exceed two years from the date of the agreement except that a time period in excess of two years may be included if necessary to meet the requirements of the National Environmental Policy Act (Public Law 91-190), as amended."

(Amendment 41) On page 88, lines 14 and 15, strike the word "objectives" and insert in lieu thereof "objections".

(Amendment 42) On page 91, line 3, delete "Part B" and insert in lieu thereof "Section 803"

(Amendment 43) On page 91, line 12, beginning with "navigation of", delete all through line 16, and insert in lieu thereof the following: "navigation of all commercial channels or harbors within the United States."

(Amendment 44) On page 91, beginning line 24, delete all through line 18 on page 92, and insert in lieu thereof the following:

"(1) 'commercial channel or harbor' shall mean any channel or harbor (inland, coastal, or Great Lakes), or element thereof, capable of being utilized in the transportation of commercial cargo in domestic or foreign waterborne commerce by commercial vessels: *Provided*, That such term shall not include: (A) any navigational improvement designed to provide channel depths of 14 feet or less, other than a harbor (which is used principally for the accommodation of commercial vessels and the receipt and shipment of waterborne cargoes), on any inland or intracoastal waterway as described in Section 206 of the Inland Waterways Revenue Act of 1978 (33 U.S.C. 1804), as amended, (B) the Saint Lawrence Seaway, (C) local access or berthing channels, or (D) channels or harbors constructed or maintained by non-public interests: *And provided further*, That such term shall be considered for the Columbia River, Oregon and Washington, to include the channels only up to the downstream side of Bonneville lock and dam, Oregon and Washington;"

On page 93, on lines 10 and 11, delete "and any Great Lakes navigation improvement".

On page 93, line 17, delete "or the United States".

On page 94, delete lines 1 through 7 and renumber subsequent paragraphs appropriately.

(Amendment 45) On page 95, line 12, strike "$468,933,000" and insert in lieu thereof "$388,000,000".

(Amendment 46) On page 96, beginning with line 8, delete all language through line 10, and insert said language following line 10 on page 124, and renumber appropriately.

(Amendment 47) On page 99, line 22, delete "and", and on page 99, line 25, delete the period, insert a semi-colon, and the following:

"(33) Oakland Inner Harbor, California: Report of the Chief of Engineers dated January 21, 1986, at a total cost of $28,000,000 (October 1985);

"(34) Palm Beach Harbor, Florida: Report of the Chief of Engineers dated December 10, 1985, to assume maintenance;

"(35) Pascagoula Harbor, Mississippi: Report of the Chief of Engineers dated February 14, 1986, at a total cost of $59,112,000 (October 1985);

"(36) Cleveland Harbor, Ohio: Report of the Chief of Engineers dated August 27, 1985, at a total cost of $4,308,000 (October 1984);

"(37) Galveston Bay Area, Texas City Channel, Texas: Report of the Chief of Engineers dated March 11, 1986, at a total cost of $182,013,000 (October 1985); and

"(38) East, West, and Duwamish Waterways Navigation Improvement Study, Seattle Harbor, Washington: Report of the Chief of Engineers dated May 31, 1985, at a total cost of $57,400,000 (October 1984)."

(Amendment 48) On page 100, strike lines 2 through line 11 on page 102, and insert in lieu thereof the following:

"SEC. 701. (a) Excluding all commercial navigation projects, the construction of Corps of Engineers water or related land resources projects (including small projects not specifically authorized by Congress), or separable elements thereof as determined by the Secretary, on which physical construction has not been initiated prior to May 15, 1986, or the date of enactment of this Act, whichever first occurs, shall be initiated only after non-Federal interests have entered into binding agreements with the Secretary, agreeing to pay 100 per centum of the operation, maintenance, and rehabilitation costs, and agreeing to share in the assigned joint and separable costs of construction as follows:

"(1) urban and rural flood protection and rural drainage control: not less than 35 per centum, including a cash payment amounting to at least 5 per centum of the assigned costs to be made during the construction period; except—

"(A) for local flood protection projects, the non-Federal sponsor shall agree to: provide all lands, easements, and rights-of-way required for the project; perform all necessary relocations required for the project; and, hold and save the United States free from damages due to the construction, operation, or maintenance of the project except where such damages are due to the fault or negligence of the United States or its contractors. Where the value of the required lands, easements, rights-of-way, and relocations is—

"(i) greater than 20 per centum of the assigned costs, the required non-Federal contribution shall be the provision of the required lands, easements, rights-of-way, and relocations, plus 5 per centum of the assigned costs to be paid in cash during the construction period;

"(ii) less than or equal to 20 per centum of the assigned costs, the Secretary shall consider a non-Federal contribution of 25 per centum, which includes payment by the non-Federal sponsor of not less than 5 per centum in cash of the assigned cost in addition to provision of the required lands, easements, rights-of-way, and relocations, if made during the construction period, to constitute fulfillment of this paragraph; and

"(iii) less than or equal to 20 per centum of the assigned costs, the non-Federal sponsor may elect to make a cash payment of 5 per centum of the assigned costs during the construction period, in addition to the provision of required lands, easements, rights-of-way, and relocations, and to repay in accordance with the terms of this title the additional amount necessary to equal a total non-Federal contribution of 35 per centum.

"(B) For major reservoir projects providing flood control, the non-Federal sponsor's contribution shall be—

"(i) 25 per centum of the costs assigned to flood protection if paid during the construction period, including no less then 5 per centum in cash, or

"(ii) 35 per centum of the costs assigned to flood protection, including a cash payment of at least 5 per centum paid during the construction period, if repaid in accordance with the terms of this title.

"(C) For relocation or evacuation nonstructural flood control measures involving the acquisition of land, the value of such lands and other costs associated with development of the intended benefits therefrom shall be excluded from the computation of the 5 per centum cash contribution required from the non-Federal sponsor and the non-Federal sponsor's contribution for such nonstructural measures shall be—

"(i) 25 per centum of the costs assigned to such measures if paid during the construction period, or

"(ii) 35 per centum of the costs assigned to such measures if repaid in accordance with the terms of this title.

"(2) hydroelectric power: 100 per centum, except that the marketing of such power and the recovery of costs of constructing, operating, maintaining, and rehabilitating such projects shall be in accordance with existing law;"

(Amendment 49) On page 103, after line 19, insert the following, then reletter subsequent subsections appropriately:

"(d) Costs of constructing projects or measures for the prevention or mitigation of erosion of shoaling damages attributable to Federal navigation works shall be shared in the same proportion as the cost sharing provisions applicable to the project causing such damage: *Provided*, That a non-Federal public body agrees to operate and maintain such measures."

(Amendment 50) On page 104, line 9, delete the word "funds" and insert in lieu thereof "costs". On page 104, line 10, delete the word "disbursed" and insert in lieu thereof "incurred".

(Amendment 51) Beginning on page 104, line 15, strike all through line 20 and insert in lieu thereof the following:

"(f) At the request of any non-Federal sponsor the Secretary may permit such non-Federal sponsor to delay the initial payment of any non-Federal contribution under this title for up to one year after the date when construction is begun on the project for which such contribution is to be made. Any such delay in initial payment shall be subject to interest charges for up to six months at the rate determined by the Secretary of the Treasury taking into consideration the average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the period of delay, during the month preceding the fiscal year in which costs are incurred."

(Amendment 52) On page 105, redesignate "Sec. 702." as "Sec. 703.", and insert on page 105, after line 13, the following new section:

"SEC. 702. Section 73(b) of the Water Resources Development Act of 1974 (Public Law 93-251) is hereby repealed."

(Amendment 53) On page 107, delete lines 4 through 18, and insert in lieu thereof the following, numbering appropriately:

"( ) Santa Ana River mainstem, including Santiago Creek, California: Report of the Chief of Engineers dated January 15, 1982, at a total cost of $1,087,600,000 (October 1985): *Provided*, further, That in lieu of the Mentone Dam feature of the project and subject to the provisions of Sections 212, 213, and 701 of this Act, the Secretary is authorized to plan, design, and construct a flood control storage dam on the upper Santa Ana River, if such modification is approved by the Chief of Engineers: *Provided further*, That the Secretary shall not proceed on any alternative to the Mentone Dam until the Secretary determines such alternative is within all parameters in Section 218 of this Act, and so reports to Congress: *And provided further*, That if a non-Federal sponsor agrees to pay at least 50 per centum of the cost of such investigation, the Secretary is authorized to investigate the feasibility of including water supply and conservation storage at Prado Dam."

(Amendment 54) On page 110, line 6, delete the semicolon and insert in lieu thereof the following: ": *Provided*, That fish and wildlife enhancement benefits provided by this project shall be considered to be national for the purposes of section 224 of this Act;"

(Amendment 55) On page 115, delete lines 1 through 3, and renumber appropriately.

(Amendment 56) On page 116, beginning on line 22, strike all through "1983," on line 23, and insert in lieu thereof the following: "of the Chief of Engineers, dated February 13, 1986,"

(Amendment 57) On page 117, delete lines 19 through line 3 on page 118, and renumber appropriately.

(Amendment 58) On page 118, line 6, delete the period and insert a semicolon and the following:

"(78) O'Hare System, Chicagoland Underflow, Illinois: Report of the Chief of Engineers dated June 3, 1985, at a total cost of $8,502,000 (October 1984);

"(79) Arkansas City, Kansas: Report of the Chief of Engineers dated September 9, 1985, at a total cost of $14,270,000 (October 1984);

"(80) Lower Saddle River, New Jersey: Report of the Chief of Engineers dated January 28, 1986, at a total cost of $36,850,000 (October 1985);

"(81) Molly Ann's Brook, New Jersey: Report of the Chief of Engineers dated December 31, 1985, at a total cost of $21,860,000 (October 1985);

"(82) Ramapo River at Oakland, New Jersey: Report of the Chief of Engineers dated January 28, 1986, at a total cost of $6,610,000 (October 1985); and

"(83) Roanoke River Upper Basin, Virginia: Report of the Chief of Engineers dated August 5, 1985, at a total cost of $21,000,000 (October 1984)."

(Amendment 59) On page 118, delete lines 15 through 24 and renumber subsequent paragraphs appropriately.

(Amendment 60) On page 121, after line 22, insert the following and reletter following paragraphs appropriately:

"(G) Sarasota County, Florida: Report of the Chief of Engineers dated February 28, 1986, at a total cost of $12,536,000 (October 1985);

(Amendment 61) On page 125, line 2, after "(October 1984)", insert the following: ": *Provided*, That the mitigation requirements shall be adjusted to reflect any decrease in the scope of the basic flood control project as authorized in the Flood Control Act of 1965 (Public Law 89-298)"

(Amendment 62) On page 125, delete lines 15 through 18 and insert in lieu thereof the following:

"(9) Smithville Lake, Little Platte River, Missouri, plan for replacement of the Trimble Wildlife Area: Report of the Chief of Engineers dated September 22, 1977, at a total cost of $1,569,000 (October 1985): Except, that the Secretary shall participate with the State of Missouri in the development of wildlife management measures and facilities on State lands rather than the acquisition of lands and the development of Jackass Bend;"

(Amendment 63) On page 126, line 3, delete "and".

On page 126, on line 7, delete the period, and insert the following: "; and

"(12) Tennessee-Tombigbee Waterway Wildlife Mitigation, Alabama and Mississippi: Report of the Chief of Engineers dated August 31, 1985: Except, That the 34,000 acres of bottomland hardwoods lost as a result of the construction of the navigation project shall be replaced in-kind at a total cost of $60,200,000 (October 1985)."

(Amendment 64) On page 126, line 15, delete the semicolon and insert in lieu thereof the following: ": *Provided*, That the Secretary shall deposit no spoil from such project onto lands of the White River National Wildlife Refuge without the approval of the Secretary of the Interior and without mitigating fully the adverse impacts of such spoil;".

Renumber all sections appropriately.

● Mr. ABDNOR. Mr. President, I am sending to the desk an amendment offered on behalf of the leadership of the Committee on Environment and Public Works.

The Committee on Environment and Public Works reported this legislation to the Senate last July. During the intervening months, we have reviewed the reported legislation carefully and find that there is a need for technical changes, minor policy clarifications, and the inclusion of those projects which have completed corps planning since last July.

We have examined all of these changes very thoroughly and have included only those which would make the bill work better, and only those which are fair to all concerned.

Nearly everything in this committee amendment consists of those technical amendments and policy clarifications that the committee leadership believes to be both needed and noncontroversial.

With respect to projects, this amendment includes for authorization only those 14 which have received a chief of engineer's report since we reported the bill last July. These are:

First. Cleveland Harbor, OH;

Second. East, West, and Duwamish Waterways navigation improvement study, Seattle Harbor, WA;

Third. Arkansas City. KS, flood control project;

Fourth. O'Hare system, Chicago underflow, Illinois, flood control project;

Fifth. Roanoke River upper basin, Virginia, flood control project;

Sixth. Tennessee-Tombigbee Waterway wildlife mitigation, Alabama and Mississippi;

Seventh. Palm Beach Harbor, FL, Federal assumption of maintenance;

Eighth. Oakland Inner Harbor, CA;

Ninth. Pascagoula Harbor, MS;

Tenth. Lower Saddle River, NJ, flood control project;

Eleventh. Molly Ann's Brook, NJ, flood control project;

Twelfth. Ramapa River at Oakland, NJ, flood control project:

Thirteenth. Sarasota County, FL, beach erosion control; and

Fourteenth. Galveston Bay area, Texas, city channel, navigation.

Mr. President, I ask unanimous consent that a section-by-section analysis of these amendments be printed at this point in the RECORD, including descriptions of the 14 projects included for authorization.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DESCRIPTION OF COMMITTEE LEADERSHIP AMENDMENT TO S. 1567

Amendment 1 clarifies Section 201, which is intended to prevent a single landowner from receiving "windfall" benefits from construction of a Corps of Engineers flood control project. The section does this by requiring any landowner who would receive benefits of more than 10 percent of all project benefits to agree to pay half of the construction costs associated with the benefits he or she might receive.

This amendment provides a mechanism to insure that such a landowner could not hold up a project's construction by refusing to pay his or her share of the costs. Under the amendment, the project's non-Federal sponsor or sponsors can pay the cost sharing required of such a landowner, a payment over and above other non-Federal costs. The non-Federal sponsor would, of course, be free to recover it added costs from the particular beneficiary in question.

Amendment 2 clarifies Section 211, which amends Section 221 of the Flood Control Act of 1970 (Public Law 91-611). This clarification ensures that cost agreements between the local sponsor and the Federal Government are required before construction may begin on separable elements of a project. The amendment also changes Section 211 to set a financial penalty rate commensurate with Treasury policy when a non-Federal project sponsor is delinquent in paying to the Federal Government the non-Federal share of project construction costs.

Amendment 3 modifies Section 212 of S. 1567 to require that no project authorized in the bill or thereafter can go forward without a completed environmental impact statement. Section 212 already requires a completed Chief of Engineers report prior to construction of projects authorized in this bill. As a Chief's Report is, in part, premised on a completed environmental impact statement, this amendment merely makes more explicit an existing requirement of the bill.

Amendment 4 modifies Section 213, which limits the Corps obligations on a project's construction to the sums listed in the bill, plus inflation.

This language could constrain unnecessarily the Corps' flexibility to deal with circumstances that may develop or become apparent after a project's authorization. This might involve an unforeseen geologic condition at the project site. Although section 213 is intended to be a tight constraint on project spending, allowing the Corps somewhat greater flexibility is justified.

This amendment, therefore, relieves the Corps of having to return to Congress for further authorization unless project cost increases attributable to engineering, economic, and environmental considerations, in total, exceeds 10 percent of the project's costs. Even with this change, section 213 applies a rigorous control over project costs increases.

Amendment 5 deletes subsection (b) of section 215. That subsection could be interpreted to permit a non-Federal sponsor to avoid contributing funds toward development of a project during its actual construction.

As subsection (b) is not essential to the purposes of section 215, its elimination corrects this misinterpretation. Section 215 in no way replaces or overrides any requirements of this Act for the contribution of funds by the non-Federal sponsor during construction.

Amendment 6 modifies Section 218, which limits the scope of post-authorization changes that the Corps of Engineers can make to a project. The section currently requires that any proposed changes greater than 25 percent to various physical aspects of a project must be approved by Congress before the project can go forward.

This amendment modifies the list of parameters listed in the section as follows:

First, it changes the criterion of linear miles of streambank inundated to reservoir capacity. The purpose of this criterion was to limit the size of impoundments to the size authorized. A criteria of reservoir capacity is more easily defined and measured than streambank mileage.

Second, the amendment deletes the criterion limiting the number of dwelling units. There are many potential instances where growth in the area or a slight project redesign could force the Corps to seek reauthorization by Congress. Because the other criterion provide adequate protection, removal of the dwelling units will not undermine the purposes of the section.

Amendment 7 clarifies the requirement in Section 224 for concurrent construction of mitigation features. The new language allows any physical construction, such as drains or check dams, to go forward with construction of the associated dam; land acquisition would go forward with project land acquisition.

Amendment 8 also modifies Section 224, which addresses fish and wildlife mitigation for Corps of Engineers projects.

Subsection (b) of section 224 authorizes the Secretary to perform mitigation work at any completed or uncompleted water resources project under this jurisdiction. As approved in Committee, mitigation work performed under this subsection is limited to $7,500,000 per project, with an overall program cap of $30,000,000 yearly.

This amendment removes the project limit, while leaving the annual cost limitation. This would assure that adequate measures could be implemented on projects requiring high levels of mitigation or where circumstances, such as high land costs, make mitigation more expensive.

Amendment 9 clarifies that the costs of fish and wildlife mitigation measures—operation, maintenance, and rehabilitation as well as construction—are subject to the

same cost sharing, or reimbursement requirements, applicable to the project purposes that require the mitigation.

Amendment 10—This amendment directs the Corps of Engineers to mitigate in-kind any future takings of bottomland hardwoods in order to assure protection of this valuable and dwindling resource.

Bottomland hardwood forests occupy the broad floodplains that flank many of our major rivers. Forests may be flooded throughout most of the growing season or for as little as a week or month out of the growing season. This characteristic makes them an especially rich and productive wildlife habitat.

In-kind does not mean acre-for-acre. It may require an assessment of how to increase the biological productivity of many acres of existing bottomland hardwoods to compensate for reducing sharply the productivity of a relatively few acres.

Amendment 11—This is a conforming amendment required by the adoption of a new Section 504 regarding the Upper Mississippi River Master Plan.

Amendment 12 clarifies that the costs for operation, maintenance, and rehabilitation of fish and wildlife enhancement measures not providing national benefits under the terms of Section 224, will be shared to the same degree as the construction of the enhancement features.

Amendment 13 clarifies existing law with respect to cost sharing for the Mouth of the Colorado River, Texas, and directs the Secretary of the Army to construct the remaining navigation and diversion features concurrently.

This navigation project was authorized in 1968. It was subsequently modified to include a diversion channel as well as a navigation channel. In negotiations some years ago, the Corps of Engineers, the U.S. Fish and Wildlife Service, the National Marine Fisheries Service, and the Environmental Protection Agency reached an understanding with respect to the funding of the two components of this project.

The diversion component would be fully funded by the Federal government because it would provide significant fish and wildlife benefits to the Nation as a whole; the navigation feature would be cost shared in accordance with existing policy. Language to that effect was included in the Senate report on the fiscal year 1984 Energy and Water Development Appropriations Act (Senate Report 98-153). That document also directed the Corps of Engineers to build the two project components simultaneously.

The Corps has now told project sponsors that legislative authority for 100 percent Federal cost sharing on the diversion component does not exist, and in the absence of such authority they will be expected to contribute a substantial sum of money. This violates the intent of Congress as stated in Senate Report 98-153.

This provision amends section 224, the generic fish and wildlife mitigation and enhancement section, to make it clear that because the diversion feature of the Mouth of the Colorado project provides enhancement benefits to species identified as having national economic importance, it is to be constructed and maintained at total Federal expense. Both the remaining navigation and diversion features are to be built concurrently.

This is not a new authorization. It clarifies the intent of Congress and is in accordance with the fish and wildlife enhancement provisions of section 224.

Amendment 14 modifies Section 226, which was intended to encourage the Corps of Engineers to prepare contract offers in a manner that would encourage as much competition and economic efficiency as possible.

Because of uncertainty over the impact of that provision, this amendment replaces section 226 with a study by the General Accounting Office.

In the study, the GAO is expected to provide suggestions on how the Corps can prepare project proposals so that fewer potential bidders will be precluded from competing fairly for a contract. Further, GAO will provide an analysis of the advisability of the Corps imposing certain recordkeeping requirements on contractors that are, by law, required by the Corps.

This study is in no way intended to be an investigation of the relative merits of the small business or minority setaside programs. it is merely intended to be an evaluation of the Corps' record with respect to encouraging as much competition as possible for their projects.

Amendment 15 strikes section 229 from the bill. This provision was included as part of the 1985 Supplemental Appropriations Act, Public Law 99-88.

Amendment 16 modifies Section 230, affecting the Secretary's authority to utilize the Corps more effectively during a national emergency.

The civil works resources of the Corps constitute a valuable reserve capability that could be used to meet mobilization construction requirements in times of extreme national need. This section enables the Secretary to draw upon those civil works resources when required during war or national emergencies. The applicability of this section was originally limited to periods of war declared by the Congress. The amendment adds periods of "national emergency".

Amendment 17 modifies Section 231, which increases an existing penalty, and creates a new penalty for failure to report to the Secretary certain information regarding waterborne traffic.

Section 231 was originally part of a package of Administration user fee proposals. These proposals relied upon waterborne traffic data to a much greater extent than is envisioned in S. 1567. While there remains a need to increase the penalties to realistic levels to assure compliance, this amendment reduces the proposed new criminal penalty from $50,000 to $5,000, and the newly proposed civil penalty from $25,000 to $2,500. Current law imposes a criminal penalty of only $100 for an inadequate or false reporting of data to the Secretary.

Amendment 18 would allow one of the surplus Corps of Engineers dredges scheduled for disposal to be obtained in its entirety by the State of Utah. The State has expressed an interest in using a dredge to keep the channel of the Jordan River open between the Great Salt Lake and Utah Lake.

As the State of Utah is land-locked and has no commercially navigable waterways connecting it with other states, it is appropriate to permit Utah to obtain and use one of the Corps dredges in an effort to reduce flooding, and for related purposes. Such a use will, in no way, compete unfairly with private industry.

The amendment ensures that the dredge can be used only for dredging within the State of Utah. The cost of transporting the dredge to Utah would be the responsibility of the State.

Amendment 19 deletes Section 236, which is no longer necessary because the problem has been addressed administratively by the Corps of Engineers.

Amendment 20 adds five new sections to Title 2 of the bill.

The initial new section would allow the sale of unused storage that had been set aside for municipal or industrial water use for irrigation purposes at reservoirs managed by the Corps.

In a few instances, water stored in Corps reservoirs for municipal and industrial purposes has gone unused—and unpaid for—as potential local project sponsors never contracted for it. At the same time, other interests would like to purchase this water for irrigation purposes.

The Corps presently has no authority to sell this water for irrigation purposes.

Under this provision, the non-Federal interests would repay the costs of the water at municipal and industrial repayment rates. Further, the water would be available for irrigation uses only until the water is needed for the municipal and industrial purposes for which it was originally intended.

Second, this amendment adds a section to allow the Secretary to modify navigation channel dimensions to allow vessels to maneuver with greater ease and safety.

While the Corps of Engineers has generally solved the problem of designing navigation channels on straight reaches of waterway, it is only through the actual project operation that the exact dimensions required for the safe passage of vessels at the entrances, bends, sidings, and turning places can be determined with precision.

Section 5 of the River and Harbor Act of March 4, 1915, permits such adjustment while the project is in the planning, design, and construction stages, but makes no provision for modification once construction is completed. The modification in this amendment is limited to minimal widening, but would not allow change in authorized project depths.

Third, this amendment also adds a section which modifies the Water Supply Act of 1958 to eliminate inconsistencies with S. 1567. Without this change, technical problems could result from the existence of two statements on cost sharing policy.

One of the major purposes of this new policy is to provide for financing criteria consistent with S. 1567 for the repayment of non-Federal costs. For municipal and industrial water supply this means a repayment period of 30 years with interest calculated in relation to the Federal borrowing rate by the Secretary of the Treasury. A second purpose is to require the assumption of project maintenance costs as a requirement for construction of projects.

In order to conform the 1958 Act with these purposes, as detailed in S. 1567, this amendment reduces the repayment period for water supply storage provided by the Corps of Engineers from 50 to 30 years, sets the interest rate calculation for repayment to be the rate determined by the Secretary of the Treasury in accordance with standard procedures for setting such rates, and requires that annual operation and maintenance costs be provided on an annual basis following the construction of the water supply storage project.

With these changes, the 1958 Act will conform with the provisions for municipal water supply cost sharing included in S. 1567.

Although the 1958 Act provides authority to both the Corps of Engineers and the Bureau of Reclamation, only the Corps has utilized the provisions of this Act to any sig-

nificant degree to provide municipal and industrial water supply storage at its projects. The authority utilized extensively by the Bureau to supply water from its projects for municipal and industrial purposes is the Reclamation Projects Act of 1939. As a result, this amendment modifies the Water Supply Act of 1958 to bring it into conformance with the cost sharing provisions of S. 1567. It has a negligible impact on the Bureau of Reclamation.

This amendment also adds a section which requires that all lands required for recreational project purposes be obtained by the Corps of Engineers at the same time other lands are obtained for project development. Delays in obtaining lands needed to provide the recreational project benefits can result in unnecessary project cost increases since land costs are far more likely to increase in value that other project components.

This amendment also adds a new section that will allow the Secretary to provide technical assistance to State and local governments for the improvement of drainage, water quality, or habitat diversity of streams. Local sponsors are required to provide 50 percent of the costs of any technical assistance provided under this new section.

Technical assistance under this section is meant to address only stream improvement methods which are predominantly nonstructural. As such, channelization or levee work is not within the scope of work to be performed. Instead, this section is meant to encourage stream restoration methods that rely more on the natural physical and biological stream characteristics for their design. Only cost effective projects should be eligible to receive technical assistance under this new section.

Amendment 21 deletes section 307, which involved certain provisions affecting Boundary County, Idaho. This language became law as a part of the 1985 Supplemental Appropriations Act, Public Law 99-88.

Amendment 22 would correct oversights in the provisions of Public Law 99-88, which authorized the transfer of townsites at Riverdale, North Dakota, Pickstown, South Dakota, and Fort Peck, Montana, to local municipal entities.

Public Law 99-88 directs the Secretary to transfer, without consideration or warranty, certain described lands (including improvements on such lands) to municipal corporations serving the inhabitants of townsites designated as Riverdale, North Dakota, Pickstown, South Dakota, and Fort Peck, Montana, as soon as possible after incorporation of each respective townsite.

Apparently through an oversight, the descriptions set out in Public Law 99-88 did not include existing support facilities, such as sanitary landfills, sewage lagoons, water treatment plants, water reservoirs, and distribution lines to and from these facilities. Although these facilities are located outside the described townsite areas, they are necessary for the continued viability of the townsites.

In addition, Public Law 99-88 provides that no limitations or restrictions (other than those which arise from rights described elsewhere in the section) shall apply to use or disposition of any land (including any improvements on such land) transferred to the municipal entities. This provision would preclude the United States from including standard preservation covenants in those deeds transferring National Register of Historic Places properties.

A total of 18 buildings and associated structures are now listed on the National Register of Historic Places in Fort Peck, Mont. Without inclusion of such covenants, the Federal Government would be required to undertake expensive mitigation to comply with the terms of the National Historic Preservation Act.

This section, which amends Public Law 99-88, would expand the descriptions of land being transferred to include necessary support facilities, and it would allow the Federal Government to include reasonable preservation covenants in those deeds transferring improvements with significant historical, cultural, or social value in Fort Peck, Montana.

Amendment 23 modifies Section 324, which declares a portion of the Hudson River in New York Bay to be non-navigable. When the bill was reported by the Committee, this section involved 126 acres. Since then, development plans for the area have been refined, and the coordinates need to be adjusted. This amendment makes these minor adjustments.

The new area described covers 138.54 acres, and is owned by the City of Jersey City and the U.S. Army. The land has been previously filled, and is now proposed for development for housing and recreation. Because the land is in public hands, any windfall that will result from removal of navigational servitude will accrue to the public, and not a private entity.

Amendment 24 deletes section 332. This language was included in the 1985 Supplemental Appropriations Act, Public Law 99-88.

Amendment 23 modifies and clarifies Section 334, affecting the Lake Darling flood control project, North Dakota.

In 1970 Congress authorized two flood control measures for the protection of the area of Minot, North Dakota. A channel modification, providing a limited degree of protection, was completed in 1979.

The second measure, intended to provide more complete protection, was the Burlington Dam project. This project was opposed by many residents of the Souris River Valley, and has not been built.

In 1982 the Lake Darling flood control project was authorized. Lake Darling Dam had been built in 1939 by the U.S. Fish and Wildlife Service to provide a migratory waterfowl refuge. The flood protection measures authorized included raising the Lake Darling Dam, as well as performing related safety measures and other flood control measures upstream and downstream of the dam. The cost was set at $64 million. Only minor work on this project has been initiated.

Subsequent to the Lake Darling authorization, representatives of the Canadian province of Saskatchewan proposed flood control storage to protect and the Souris valley, including Minot, at a reservoir to be built by the Canadians in their country. This would provide protection against a 100-year flood at Minot, considerably more than the 25-year protection gained from the Lake Darling project.

The Canadian plan calls for constructing one or two dams in Canada to provide cooling water for electrical generating plants. Construction will begin next year.

This amendment modifies the authorized Lake Darling project to allow the United States to finance part of these dams, to the extent that flood control storage is provided for the United States. Upon completion of these facilities, the Burlington Dam and the flood control measures at Lake Darling which would no longer be needed, and would be deauthorized automatically.

The American contribution toward the projects would be $26.7 million if only one structure is built by the Canadians; it would be $41.1 million if both are constructed. These amounts are equivalent to the net flood control benefits to the United States.

Local interests will contribute a portion of the costs under the provisions of this Act for costs in excess of the price of the Lake Darling project.

The Corps has estimated a Federal project cost of $69.1 million. This cost includes the U.S. contribution to the Canadian structures, downstream local protection and floodproofing measures, and related dam safety features.

Including the U.S. contribution to the modified Rafferty and Alameda projects, measures in the U.S. other than the raising of Lake Darling have a cost $17.5 million greater than the previously authorized project. The Federal Government would assume $13.1 million of the increase, and the local sponsor $4.4 million, according to cost sharing provisions of Title 7. The costs carried over from the previous authorizations would be shared in accordance with traditional cost sharing.

Upon completion of the structure or structures in Canada, the Burlington Dam and the four-foot raise of Lake Darling would be deauthorized. If an agreement cannot be reached, the Federal Government would proceed with the four-foot raise of the Lake Darling Dam under traditional cost sharing arrangements.

Amendment 26 modifies the language in the bill affecting the Cross-Florida Barge Canal.

The Cross-Florida Barge Canal Project was authorized in 1942. It was designed to be a five-lock waterway connecting the Gulf of Mexico with the Atlantic Ocean. The canal was to run approximately Withlacoochee Bay on the Gulf of Mexico eastward to the City of Palatka on the St. Johns River, which leads to the Atlantic Ocean.

Construction on the project was not begun until 1964. Over the next seven years the Corps of Engineers spent $75 million on the project. The elements of the project that were constructed during that period included facilities on either end of the proposed canal: a total of 25 miles of channel, plus three locks, three dams, and four bridges.

At the time the project was halted by President Nixon in 1971, no work had been accomplished in the large central area of the canal. However, a considerable amount of lands, easements, and rights-of-way needed for the entire project had been acquired by the Florida Canal Authority.

The lands, easements, and rights-of-way which were acquired is an area one-to-three miles in width, running approximately the entire length of the proposed canal. At present, some of this area is in the hands of the Florida Canal Authority, and other portions are controlled by the Corps of Engineers. On some lands, only easements were obtained. The value of the land currently is estimated at $63.7 million, and includes 50,000 acres of fee ownership, plus easements on another 12,000 acres.

For years, the project has been the object of considerable debate over the merits of its continued authorization, and what could be done with the facilities that have been constructed.

Further complicating the situation was the fact that the affected Florida counties had made contributions toward the lands, easements, and rights-of-way needed for the

project as early as 1936. Between 1936 and 1970 they contributed a total of $9,340,720, which if invested in long-term government securities would be worth approximately $38,556,000 today.

Last July, various parties presented to the Committee on Environment and Public Works a solution to this problem. This solution involved: Establishing a Cross Florida Conservation Area essentially on the land of the proposed Barge Canal where no construction has taken place; deauthorizing all the unconstructed features of the barge canal; the continued authorization of those canal facilities which have been constructed; and the repayment to the local communities of an amount approximately equal to the funds contributed toward project development plus inflation, $32 million.

This amendment does not alter the thrust of the provision reported last July. However, review of the reported language revealed that a number of ambiguities and inconsistencies existed which left the conservation area improperly defined. The procedure for determining long term agency responsibility for the Conservation Area was also imprecise, and the relationship between the deauthorization of the barge canal and the required state actions required to trigger deauthorization of the project was vague. There was also a technical problem with the definition of certain land categories.

This new language is intended to remove these ambiguities and inconsistencies. The new language makes clear that the unconstructed central portion of the canal project is deauthorized and that it will be replaced by a conservation area covering specified lands now held by Federal and non-Federal interests; that the conservation area will be Federally managed but that precise management responsibilities will be determined in an orderly process involving a number of Federal agencies; and that the locally contributed funds will be refunded as soon as it is established that the project area being transformed into a conservation area is deauthorized as a Federal navigation project.

Amendment 27 adds eight new sections, as follows, at the end of Title 3.

A new section is added to deauthorize a portion of the turning basin at the end of the Garrison Channel in Tampa Harbor, Florida. The City of Tampa wishes to construct a convention center that would encroach on this part of the Federally authorized turning basin. If construction is to go forward, a portion of the turning basin must be deauthorized. Neither the Corps of Engineers nor the City of Tampa objects to this provision.

A new section is added to redesignate the Corps' Bloomington Lake on the North Branch of the Potomac River as "Jennings Randolph Lake".

On December 18, 1985, the Senate passed S. 1740 honoring a distinguished former colleague in this manner. As that bill has not yet become law, it is appropriate to include this amendment to assure early enactment into law.

—Third, a new section is added to redesignate Calion Lock and Dam located on the Ouachita River in Arkansas as the "H.K. Thatcher Lock and Dam".

—Fourth, a new section is added to codify for future application the terms of a settlement agreement reached last year between the Department of the Army, the Southwestern Power Administration, the North Texas Municipal Water District, and the preference customers at Denison Dam with regard to a reallocation of water storage in Lake Texoma.

Implementation of water supply contracts would reduce the amounts of water in Lake Texoma which would otherwise be used for hydropower production at Denison Dam. The preference customers of the Southwestern Power Administration which have contracted for all of the hydropower output of Denison Dam are isolated from the Administration's integrated electric system and thus would incur the entire loss of Denison Dam output.

Accordingly, this section assures compensation to such preference customers for their actual replacement cost of the lost hydropower less an amount equal to the Southwestern Power Administration's revenues foregone which it otherwise would have received from such customers in payment for the lost hydropower.

Fifth, the amendment adds a new section to the bill integrating the existing Hilltop and Gray Goose irrigation districts into the Pick-Sloan Missouri Basin Program, and making Missouri Basin Program power available to these districts on the same basis as it is available for other units of the Pick-Sloan Missouri Basin Program.

Sixth, a new section is added providing for an exchange of lands of equal value between the Three Affiliated Tribes of the Fort Berthold Reservation in North Dakota and the Corps of Engineers. The Three Affiliated Tribes would receive two parcels of land, totaling 152 acres and popularly called the "Four Bears Recreation Area", in exchange for 433 acres of land in 82 parcels adjacent to Garrison Reservoir.

The Four Bears Recreation Area is currently leased by the Three Affiliated Tribes and is located on a peninsula at Lake Sakakawea. The Tribes have developed and operate numerous facilities at this site, including a motor lodge and a museum. The current lease arrangement is unsatisfactory to the Tribes, which would prefer to own the Four Bears recreation site.

In transferring the site to the tribes, the Corps of Engineers will retain a flowage and sloughing easement on all lands at the site that lie below a line slightly more than five vertical feet above the maximum pool elevation. This narrow strip of land along the perimeter of the peninsula, averaging from 20 to 30 feet in width from the edge of the maximum pool, is required to ensure that no facilities susceptible to damage caused by erosion or sloughing of banks due to reservoir operations are built.

The 82 parcels of land (433 acres) presently owned by the Tribes which would be exchanged for ownership of the Four Bears Recreation Area are needed by the Corps of Engineers for the operation and maintenance of Garrison Reservoir. The conditions of the exchange would allow the Three Affiliated Tribes to retain grazing rights on these tracts. However, because the tracts are periodically flooded by Corps' operation of the reservoir, the Federal Government would be protected from claims of any resulting damage.

All parties involved, the Three Affiliated Tribes, the Corps of Engineers, and the Secretary of the Interior, are satisfied with the details of this exchange.

Seventh, an amendment is added modifying the project for navigation at Honolulu Harbor, Hawaii, to change the authorized depth of the existing Kalihi Channel from 35 feet to 23 feet.

The Kalihi Channel is an auxiliary channel into the Port of Honolulu. Very few vessels utilize this channel because it is not the direct entry to the harbor.

The State of Hawaii plans to construct a highway bridge across the channel, and has been told that this bridge must now be built to allow for the passage of vessels drawing 35 feet.

Because there are so few vessels which utilize this channel, and because no adverse impact will result to commercial navigation from altering the authorized depth of the channel, this amendment is appropriate.

With this change, the State of Hawaii will be able to construct a less expensive bridge to serve the same traffic needs.

Eighth, this amendment adds a new section to the bill to authorize the Corps of Engineers to pay the Federal share of the settlement amount resulting from the arbitration of the final contractor claim for the Fourmile Run, Virginia, project, notwithstanding the Federal cost limitation set out in Section 84(c) of the Water Resources Development Act of 1974, Public Law 93-251.

Recently, the last contractor claim was settled. Following the decision of the Engineer Board of Contract Appeals on the merits of the contractor's claim, the issue was settled for $692,500, which included interest of $279,245 through December 31, 1985. Of this amount, the Federal share is $584,071, with the City of Alexandria, Virginia, the non-Federal sponsor, responsible for $108,429. The city has paid its portion of the settlement amount.

This new section authorizes the Corps to pay the Federal share of the settlement amount, notwithstanding the Federal cost limitation imposed by previous law.

Amendment 28 adds a section to Title 4 on dam safety. This new section would make Corps of Engineers policy with respect to the safety related repair of their dams consistent with Public Law 98-404, the Reclamation Safety of Dams Act Amendments of 1984. That 1984 act requires that 15 per cent of dam safety modification costs for Bureau of Reclamation dams are to be allocated to the authorized purposes of the project and the costs shared in accordance with the cost sharing applicable to the various project purposes in effect at the time of initial project construction.

Over the years, the Corps of Engineers has constructed approximately 600 dams. While none appears in any way in imminent danger of failure, the Corps has identified 35 dams that are likely to require selective modifications to meet new safety standards and assure that the project will function as originally intended.

Since Public Law 98-404 only addresses Bureau dams, the Corps of Engineers has no authority to apply the new cost sharing to its dam safety work and as a result, has continued to undertake the necessary dam safety modifications at its dams at full Federal cost. In the interest of treating all Federal dam safety work consistently, this amendment applies cost sharing identical to that in Public Law 98-404 to Corps of Engineers dam safety repairs.

Amendment 29 makes a clerical correction in the bill.

Amendment 30 makes several clarifications to section 504, which authorizes a comprehensive master plan for the management of the Upper Mississippi River Basin, including construction of a second lock at Locks and Dam 26 on the Mississippi River.

The intent of the Master Plan, as it was developed pursuant to Public Law 95-502, is that the environmental and resource monitoring and enhancement programs of the

Master Plan go forward at the same time as the construction of the second lock at Locks and Dam 26. While there is no direct linkage between the two programs, it is assumed that the environmental work and the work on the lock will go forward simultaneously.

The amendment makes the Corps of Engineers the lead agency in implementing the various elements of the Master Plan. This change was made at the request of the Upper Mississippi basin states; the U.S. Fish and Wildlife Service does not object. This will simplify and expedite the plan's implementation.

Under this amendment, the Corps and the Fish and Wildlife Service will continue to cooperate and should enter into a Memorandum of Agreement outlining the transfer of funds from the Corps to the Fish and Wildlife Service and outlining the respective roles of each agency.

Third, this amendment clarifies that the Upper Mississippi River Basin Association is to represent the upper basin states in oversight of the implementation of the Master Plan. The Secretary, before making any changes to the Master Plan, is required to submit those changes to the Upper Mississippi River Basin Association for review. The comments of the Association or agency, along with the Secretary's proposed changes, are then to be submitted to Congress for approval.

Conversely, the association may also prepare recommended changes to the Master Plan and submit those changes to the Corps for comment before submission to Congress. This will assure that the views of the affected states and the Corps are considered fully by Congress before proposed changes to the Master Plan are approved.

Additionally, this amendment ensures that the habitat rehabilitation measures authorized by this section will be subject to the appropriate cost sharing provisions of S. 1567. Specifically, these measures are to be cost shared in accordance with the provisions of section 224.

In addition, the amendment clarifies that the monitoring and computer analysis programs are to be cost-shared according to the provisions of section 224, as if these were fish and wildlife mitigation projects.

This is not intended that the costs of this work should be paid from the Inland Waterways Trust Fund.

The amendment also clarifies that the Congressional declaration of the area as a "nationally significant ecosystem" in the new Section 504(a)(2) has no meaning with respect to cost sharing.

This amendment also clarifies that the program of recreational projects authorized by this section is to be undertaken by the Secretary largely in accord with the so-called "Great I", "Great II", and GRRM studies. It is also specified that these projects are to be cost shared as recreation projects under the provisions of Title 7. Additionally, it is clarified that the economic assessment of these recreation projects is to be carried out at full Federal expense.

This amendment also requires the Secretary to identify in his budget request nonstructural measures or minor improvements, that could be taken to increase the capacity of specific locks throughout the system.

Finally, this amendment requires the Secretary, in consultation with the Secretary of the Interior and the Upper Mississippi Basin states to conduct, within 10 years, an evaluation of the programs authorized in this section and to transmit the results of the study and any recommendations to Congress.

Amendment 31 clarifies Section 601(a) to ensure that cost sharing for feasibility studies for port improvements is the same as cost sharing for other types of project feasibility studies, as outlined in section 223 of this bill.

Amendment 32 clarifies Section 602(a) to ensure that separable, unconstructed elements of otherwise constructed commercial channel or harbor projects are subject to the cost sharing requirements of Title 6.

Amendment 33 clarifies the language on the interest rate calculations under section 602(b) covering the 10 percent of port projects costs that a local sponsor must repay following project completion. This amendment conforms that calculation to U.S. Treasury procedure, and makes this section consistent with other payback interest rate calculations in S. 1567.

Amendment 34 makes a technical change, correcting an erroneous reference in section 602(d). This amendment clarifies that the reference is to section 221 of the Flood Control Act of 1970.

Amendment 35 adds two new subsections to section 602. The first such subsection is a technical amendment made necessary by amendment 44, which eliminates the dates that had been included in the original definition of "commercial channels and harbors" in section 608. The dates were included to assure Federal maintenance of three small elements of the Houston Ship Channel, Texas. This amendment makes those declarations specific, thus protecting against any wholesale addition of locally constructed projects eligible for Federal maintenance. The elements are:

Greens Bayou: A Federal project authorized at 36 feet could not be utilized in conjunction with the 40-foot Houston Ship Channel without additional dredging. The Port of Houston did the construction dredging needed to make the two project components compatible;

Barbour Terminal Channel: A shallow-draft Federal Channel was authorized in 1960. Subsequent to authorization, the Port of Houston developed a major container terminal, which required a 40-foot depth commensurate with the Houston Ship Channel. The port accomplished the required construction dredging; and

Bayport Ship Channel: This channel was built by the Port of Houston with non-Federal funds under Federal permit authority to serve a large industrial complex. It is an integral component of the Port of Houston.

The only effect of this amendment is to assure Federal maintenance of these project elements in the future.

It is equitable that the Federal Government assume maintenance for these channels, and that the project sponsor not be penalized for work done in advance of this change in policy. This does not call for any rebate on past work; it simply covers future maintenance.

This amendment also adds a subsection (f). Some potential sponsors of port improvement projects have expressed an interest in performing construction management activities for a Federal project they sponsor. These activities, which are normally performed by the Corps of Engineers, include ensuring that the project is performed according to plans and specifications, and within the scheduled time and anticipated costs.

This amendment would authorize the Secretary to enter into agreements for project management with non-Federal sponsors of up to two port development projects. In this way, the viability of having non-Federal sponsors assume this traditionally Federal responsibility might be demonstrated. Under this amendment non-Federal sponsors must perform this work at or below the Federal cost.

Amendment 36 modifies subsection 604(a), which authorizes non-Federal sponsors to undertake port channel improvements on their own, pursuant to state and Federal laws. The amendment would clarify that the Secretary shall be responsible for 50 percent of the annual maintenance costs for project increments below 45 feet in depth, and for 100 percent of the maintenance on increments of less than 45 feet in depth, only in those cases when the Secretary determines, prior to the project's construction, that the project is economically and environmentally acceptable.

Prior to any assumption of maintenance, the Secretary has to certify that the project was constructed in accordance with appropriate engineering and design standards.

Amendment 37 modifies Section 604(c), which authorizes the Secretary to complete and transmit a port improvement study to the appropriate non-Federal sponsor, if requested to do so by that sponsor. This would allow a non-Federal sponsor wishing to perform the actual improvement work on its own to do so without having to duplicate study or other work already performed by the Corps.

This amendment further authorizes the Secretary to prevent potential duplications of effort in obtaining necessary permits for harbor construction. During project planning, the Corps must meet requirements similar to those of a non-Federal sponsor seeking permits for harbor improvements. It would make little sense for a non-Federal interest to duplicate those efforts of the Corps if the non-Federal sponsor wishes to take over the planning and construction of a project partially undertaken by the Corps.

Therefore, this amendment would clarify that a non-Federal sponsor taking over development of a Corps navigation project plan which has a final Environmental Impact Statement, should be granted the necessary permits, provided that the Secretary determines applicable regulatory procedures and criteria have been met.

Amendment 38 clarifies the cost sharing on utility relocation due to work on any deep-draft harbor constructed under this bill. Specifically, the amendment provides that half of the cost would be the responsibility of the non-Federal sponsor, and half would be the responsibility of the utility owning the pipeline or other facility. This language applies to any project constructed by a non-Federal interest, as well as projects constructed by the Federal government deeper than 45 feet in depth. It does not alter existing Federal law affecting projects shallower than 45 feet when constructed by the Federal government.

Amendment 39 clarifies sections 604(e) and 604(f). Section 604(e) allows a non-federal interest that constructs a port project on its own to be reimbursed by the Federal Government, subject to enactment of later appropriations, if the non-federal interest meets certain criteria.

The amendment is intended to ensure that such reimbursement will not occur if the project or project increment is found by the Secretary to be economically unjustified or environmentally unacceptable.

The amendment requires that, prior to reimbursement, the Secretary must determine that the costs of the project are reasonable

and that it has been carried out according to plans approved by the Secretary.

Section 604(f) addresses the maintenance costs of commercial harbor or channel projects constructed by a non-federal interest on its own. In cases where the non-federal interest has complied with section 604(e), the Federal Government will bear the cost of maintaining projects up to a 45-foot depth, and will bear 50 per cent of the incremental maintenance costs for projects deeper than 45 feet. This section ensures that these provisions will not have the unintended effect of causing the Federal government to assume maintenance of inefficient projects undertaken by non-Federal interests.

Amendment 40 modifies section 605, which outlines a new procedure to help ensure the timely issuance of permits for the construction of port improvement projects.

One provision of this section requires that the Secretary issue a schedule of compliance not to exceed two years for the issuance of federal permits. This amendment makes it clear that this time period can be exceeded, if necessary, to fulfill the requirements of the National Environmental Policy Act. It is intended that this consideration be the only reason for extending the compliance schedule beyond the two-year period.

Amendment 41 corrects a typographical error.

Amendment 42 corrects a reference in section 607 to Title 8, as redrafted by the Committee on Finance.

Amendment 43 makes a technical change that conforms Section 607 with Title 8, as reported by the Committee on Finance.

Amendment 44 makes several clarifications to Section 608 which provides definitions for several terms used in the bill. The primary objective of these clarifications is to ensure that Great Lakes commercial channels and harbors are treated in a manner identical to all other coastal commercial channels and harbors with respect to the cost sharing provisions of the bill. This is accomplished primarily by changing the definition of "commercial channel or harbor" to include clearly the channels and harbors of the great Lakes, and by deleting the separate definition of, and any references to, the term "Great Lakes navigation improvement".

In addition, the dates included in the original definition of "commercial channels and harbors", which were meant to address a situation at three Texas ports have been eliminated. The Port of Houston channels of Greens Bayou, Barbour Terminal Channel, and Bayport have recently been improved by the local interests. The dates included in the original definition were meant to ensure that the Secretary would assume the proper share of the maintenance of these improvements under the terms of this Act. Since this situation is addressed in amendment 35, the reference dates are no longer needed.

Amendment 45 changes the cost figure for the Mobile Harbor, Ala., project which is authorized in Section 609. The new figure reflects more accurately the cost of the project at current prices. As a result of recent favorable bid experience on dredging contracts awarded by the Corps' Mobile District, the Corps estimates that the cost of the Mobile Harbor deepening project will be $80 million less than originally expected.

Amendment 46 shifts the language authorizing the Jacksonville Harbor, Mill Cove, Florida, project from Title 6 to the mitigation project section of Title 7. This amendment ensures that this project, which is intended to mitigate the damage caused by a nearby Federally constructed navigation channel, is constructed at full Federal expense, as recommended by the Chief of Engineers.

Specifically, the project calls for a $3.9 million flow diversion structure to restore the natural flushing action of Mill Cove that was cut off by navigation improvements to the St. Johns River.

Mill Cove is a side channel in Jacksonville Harbor. The siltation occurring there is the result of a design flaw in the Corps of Engineers' St. Johns River improvement. The project calls for spending $3.9 million to construct a flow circulation component to divert flow from St. Johns River through Mill Cove. This will provide the natural flushing that existed before the Corps diverted water away from the Cove. Should this diversion fail, the Corps would spend an additional $3.1 million to dredge Mill Cove to its natural depth of 6 feet.

By categorizing this project as mitigation, in Title 7, as recommended by the Chief of Engineers, the project would go forward at full Federal cost. Because the need for this project is caused by a flaw in the design of the original Federal project, this change is justified.

Amendment 47 modifies Section 609 to add authorizing language for five harbor projects that have received the approval of the Chief of Engineers since the Committee on Environment and Public Works ordered reported S. 1567 last July. They are:

(1) Oakland Inner Harbor, California.

Location: Oakland Inner Harbor is part of the Oakland Harbor on the eastern shore of San Francisco Bay between Oakland and Alameda, California.

Purpose: Navigation improvement.

Problem: Current problems relate to vessel safety and operational efficiency. Lack of adequate depth requires many ships to wait for high tide and, consequently, increases transport costs in and out of the harbor. The larger ships using this harbor also encounter maneuvering problems.

Recommended plan: The existing 35-foot channel would be widened and deepened to a depth of 42 feet; a 1,200-foot-diameter turning basin would be provided.

Environmental Impact Statement: The final environmental impact statement was filed on April 26, 1985.

Total Project Cost: $28,100,000 (October 1985).

Benefit/Cost Ratio: 2.3-to-1, at the discount rate of 8⅝ percent.

(2) Palm Beach Harbor, Florida

Location: Palm Beach County, on the east coast of Florida.

Purpose: Navigation.

Problem: Without adequate maintenance of the extension constructed by local interest, vessels serving the north wharf in Palm Beach Harbor would have to be light loaded, resulting in less efficient use of contained vessels.

Recommended Plan: The recommended plan includes maintenance of the locally constructed northern turning basin at a 24-foot depth; disposal of dredged materials at an offshore site; monitoring turbidity level during maintenance; and provision of navigation aids.

Environmental Impact Statement: The final environmental assessment concluded that no significant adverse environmental impact would result from the Federal assumption of maintenance.

Total Project Cost: Not applicable, as only maintenance is assumed. Annual cost: $98,000 (October 1985).

Benefit/Cost Ratio: 10.7-to-1, based on discount rate of 8⅝ percent.

(3) Pascagoula Harbor, Mississippi.

Location: Pascagoula, Miss., is 115 miles east of New Orleans and 45 miles west of Mobile, Ala. The Federal deep-draft channel begins about one mile above the mouth of the Pascagoula River and runs south through Mississippi Sound and Horn Pass to deep water in the Gulf of Mexico.

Purpose: Navigation.

Problem: The trend to increasing ship size means many of the modern cargo ships cannot utilize the Pascagoula Harbor. Consequently, light-loading, and maneuverability problems have adversely affected harbor commerce. In addition, location of suitable sites for disposal of dredged material is difficult.

Recommended Plan: Deepen and widen the existing Gulf entrance channel from 40-feet deep and 330-feet wide to 44- by 550-feet. Deepen the existing main channel in Mississippi Sound from 38 feet to 42 feet; and deepen and widen the existing Bayou Casotte channel from 38 feet deep and 225 feet wide to 42 feet deep and 350 feet wide.

Environmental Impact Statement: The final environmental impact statement was filed July 12, 1985.

Total Project Cost: $59,112,000 (October 1985).

Benefit/Cost Ratio. 3.1-to-1, based on discount rate of 8⅝ percent.

(4) Cleveland Harbor, Ohio.

Location: Cleveland, Ohio.

Purpose: Navigation.

Problem: Existing channels are inadequate for efficient movement of cargo into and out of the harbor.

Recommended Plan: The existing east entrance would be deepened from 28 feet to 31 feet and provided with a fan-like shape, and the interior channel through the east basin of the lakefront harbor would be deepened from 25 to 27 feet.

Environmental Impact Statement: The final environmental impact statement was filed May 10, 1985.

Total Project Cost: $4,308,000 (October 1984).

Benefit/Cost Ratio: 1.3-to-1, at the discount rate of 8⅛ percent.

(5) Galveston Bay Area, Texas City Channel, Texas

Location: Texas City Channel is located in Galveston Bay, 10 miles northwest of Galveston and 35 miles southeast of Houston, Texas.

Purpose: Navigation.

Problem: There is a need to increase navigation efficiency in the existing waterway. Navigation safety problems could be reduced by treating congestion, traffic delays, and vessel passing hazards.

Recommended Plan: Texas City Channel would be enlarged to 50-x-600 feet over its 6.7 mile length. Galveston Harbor Channels would be enlarged to 50 or 52-x-800 feet over the 10.5 mile length. Galveston Entrance Channel would require extension of 12.5 miles to the 52-foot depth in the Gulf of Mexico. A 50-year dredged material disposal plan would be included, based on containment, wetland creation, enlargement of Texas City Dike, and inshore/skill offshore deposition. Recreation facilities would also be included.

Environmental Impact Statement: The final environmental impact statement was filed on March 18, 1983.

Total Project Cost: $182,013,000 (October 1985).

Benefit/skill Cost Ratio: 3.7-to-1, at the discount rate of 8⅜ percent.

(6) East, West, and Duwamish Waterways, Seattle Harbor, Washington

Location: Seattle, Wash.

Purpose: Navigation.

Problem: Present 30- to 34-foot-deep channels are too shallow for efficient use by modern container and bulk cargo vessels.

Recommended Plan: Deepening of the existing 30- to 34-foot channels to 39 feet, replacement of an existing railroad bridge, and the provision of a boat launching ramp.

Environmental Impact Statement. The final environmental impact statement was filed on October 7, 1983.

Total Project Cost. $57,400,000 (October 1984).

Benefit/Cost Ratio: 2.2-to-1, at a discount rate of 8⅜ percent.

Amendment 48 makes technical and clarifying changes to Section 701, which outlines cost-sharing policy for noncommercial navigation project purposes.

This amendment makes no alteration of the rates of cost sharing.

In the amendment, it is clarified that all commercial navigation projects, including inland, coastal, deep-draft, shallow-draft, and Great Lakes projects are excluded from the cost-sharing procedures spelled out in Section 701. These navigation programs are affected by cost sharing in other titles of the bill.

This amendment replaces June 30, 1985, as the date when the cost-sharing provisions of Title 7 take effect, for May 15, 1986, or the date of enactment, whichever occurs first. This change overcomes legal difficulties between the Corps of Engineers and local sponsors of a number of projects under the Corps' small project authorities, on which construction was initiated after June 30, 1985, and which are subject to cost-sharing other then S. 1567.

The title would, of course, assure that projects funded under Public Law 99-88 came under the new Title 7 cost sharing.

As another clarification, local flood protection projects, major flood control projects, and nonstructural flood damage prevention measures are spelled out within this amendment, rather than simply referenced as projects under the 1936 Flood Control Act.

The one change from the reported bill involves nonstructural land acquisition. As reported, S. 1567 could have been construed to require local sponsors to provide all lands, easements, and rights-of-way, which would be most of the cost of such projects. Because of that requirement, this amendment excludes those measures from the 5 percent cash contribution. In the absence of this amendment, non-structural flood control projects might have been viewed as financially unattractive to local sponsors, the opposite of the intent in the legislation.

This amendment also spells out more clearly than the reported bill that the cost sharing for hydropower development is the same as existing law.

Amendment 49 also clarifies subsection 702(d) with respect to cost sharing policy for projects mitigating damage caused by Federal navigation works. It ensures that the costs of these projects are to be shared in the same proportion as the costs of the project causing the damage being mitigated. This amendment also clarifies that non-Federal interests are responsible for the operation and maintenance of these mitigation projects.

Under the provisions of this bill, non-Federal project sponsors have new responsibilities and influence in project planning and financing. In the event that a project constructed under the provisions of this act results in shoreline or other damages that need to be mitigated, it is fair that non-Federal sponsors be required to share in the costs of mitigating those damages.

This amendment would not apply to mitigation projects on which construction was begun prior to the enactment of S. 1567.

Amendment 50 clarifies the interest rate calculation in Section 701(e) for any repayments by the non-Federal sponsor under the cost sharing provisions of Title 7. This amendment would conform that calculation to U.S. Treasury procedure and make it consistent with other payback interest rate calculations in this bill.

Amendment 51 clarifies subsection 701(f), which allows the Secretary, at the request of a non-Federal project sponsor, to permit a delay in payment of the non-Federal share for up to one year from the date of initiation of project construction. This amendment would ensure that any such delay would be subject to interest charges for up to six months.

Amendment 52 creates a new Section 702 to clarify that the traditional policy of cost sharing for nonstructural flood control measures is superceded by the cost sharing provisions of Section 701.

Amendment 53 modifies subsection 702(a)(10) which authorizes the Santa Ana River mainstem project. The amendment would authorize the Chief of Engineers' recommended plan, but would allow the Mentone Dam feature of the plan to be replaced by a smaller upstream dam if ongoing study work results in a recommendation to this effect by the Chief of Engineers.

Preliminary restudy by the Corps has revealed that a smaller dam upstream from the site of the proposed Mentone Dam may in fact be more economically and environmentally sound than Mentone, even though it would yield somewhat lesser flood control benefits.

This amendment would ensure that such a substitution be approved by the Chief of Engineers, and be subject to appropriate cost sharing. The substitute must be equal to or less in cost than Mentone Dam, and must not in any way significantly increase the physical scope of the project.

The amendment also directs the Secretary to study the feasibility of including water supply and conservation storage at the existing Prado Dam, if non-federal interests agree to pay at least half the costs of the study.

Amendment 54 modifies the authorization for the Atchafalaya Basin Floodway project to clarify the fact that the fish and wildlife benefits of the projects are national.

The Atchafalaya Basin Floodway is a half million acre semi-wilderness of deep swamp, lakes, bayous, and bottomland hardwoods. As the nation's largest forested wetland complex, the Atchafalaya Basin supports large populations of fish and wildlife species. Fourteen endangered and two threatened species have at some time lived in this area. Of these, seven species are thought to occur there now.

The Atchafalaya also provides habitat for some 50 species of birds that are suffering population declines or range contractions. The Basin serves as a major wintering area for migratory birds moving south, and as a major spring stop-over for birds moving north into the United States and Canada from Central and South America.

Amendment 55 deletes the authorizing language for the Mansfield, Ohio, flood control project, which has recently been decreased in size. This project can now be accomplished under the Corps of Engineers small project authority. The project as proposed in S. 1567 has a cost of $4,256,000, but a recent reevaluation by the Corps indicates a smaller $1.2 million project to be more acceptable. A project of this small size can be readily carried out under the Corps' existing small project authority. If Congress were to authorize the project in this bill, this more rapid approach would be foreclosed.

Amendment 56 modifies Section 702(a)(70) which is the authorizing language for the Lower Rio Grande, Texas, flood control project. The amendment changes this language to reflect the fact that a Chief of Engineers report was completed subsequent to the date S. 1567 was reported out of Committee.

Amendment 57 deletes the authorizing language for the Mt. St. Helens sediment control structure in Washington because the project was authorized in the 1985 Supplemental Appropriations Act (Public Law 99-88). Furthermore, this project is considered to have been under construction for over two years, and, is, therefore, subject to cost sharing provided in Public Law 99-88, and not that in Title 7 of this bill.

Amendment 58 adds to subsection 702(a) authorizing language for six flood control projects that have received the approval of the Chief of Engineers since S. 1567 was reported out of the Committee on Environment and Public Works. They are:

(1) O'Hare System, Chicago Underflow

Location: Chicago, Illinois.

Purpose: Flood control.

Problems: Flooding from sewer back-up, along with foundation seepage, overbank flooding, transportation delays caused by flooded streets, water quality degradation, and public health hazards.

Recommended Plan: Construction of an excavated 450-acre-foot reservoir to provide storage for the runoff volume of the 10-year, 12-hour rainfall event and creation of an outlet for the existing Tunnel and Reservoir Plan Phase 1 tunnels.

Environmental Impact Statement: An environmental assessment concluded that no significant adverse environmental impact would result from project construction.

Total Project Cost: $8,502,000 (October 1984).

Benefit/Cost Ratio: 1:35-to-1, based on discount rate of 8⅛ percent.

(2) Arkansas City, Kansas

Location: Arkansas and Walnut Rivers in the vicinity of Arkansas City, Kansas, about 4 miles north of the Kansas-Oklahoma state line.

Purpose: Flood Control.

Problem: Levee failure during the flood of 1923 left 3,000 homeless, caused about $3 million in damages and resulted in several deaths. Area flooding occurred again in 1928, 1944 and 1945. Although the levee prevented flooding in 1942, 1951, 1965 and 1973, it was damaged by the high water of those floods. Additionally, the Arkansas River levee foundation is on porous sands, which increase the risk of failure. Since the protected area has over 4,000 inhabitants and property values are high, overtopping of

levees on either river could have very serious consequences. Average annual flood damage estimates are $3.5 million.

Recommended Plan: Existing levees would be raised and extended and Walnut River levee would be modified over about two miles to eliminate a floodplain constriction. Flood protection would be provided against the standard project flood. Mitigation measures would be included for wildlife habitat losses.

Environmental Impact Statement: The final environmental impact statement was filed on April 26, 1985.

Total Project Cost: $14,270,000. (October 1984).

Benefit/Cost Ratio: 2.5-to-1, at the discount rate of 8⅜ percent.

(3) Lower Saddle River, N.J.

Location: Ten miles northwest of New York City, along Lower Saddle River.

Purpose: Flood control.

Problem: Flooding damage to urban areas along the Lower Saddle River.

Recommended Plan: Channel widening and deepening along 5.2 miles of the lower reaches of Saddle River, including 1.7 miles of Sprout Brook. Bridge modifications and fish and wildlife mitigation measures would be included.

Environmental Impact Statement: The final environmental impact statement was filed on July 19, 1985.

Total Project Cost: $36,850,000 (October 1985).

Benefit/Cost Ratio: 1.7-to-1, at the discount rate of 8⅜ percent.

(4) Molly Ann's Brook, N.J.

Location: Twelve miles west-northwest of New York City.

Purpose: Flood Control.

Problem: Flooding and associated urban flood damages along Molly Ann's Brook.

Recommended Plan: Channel modifications, a drop structure, and concrete flume would provide 50-year level of protection to three damage centers. Bridge replacements, one building relocation, fish and wildlife mitigation, vegetation plantings and soil erosion measures would be included.

Environmental Impact Statement. The final environmental impact statement was filed June 28, 1985.

Total Project Cost: $21,860,000 (October 1985).

Benefit/Cost Ratio: 1.14-to-1, based on discount rate of 8⅛ percent.

(5) Ramapo River at Oakland, N.J.

Location: Oakland, Wayne, and Pompton Lakes, N.J. and along the Ramapo River from Pompton Lake Dam upstream to Glen Gray Road.

Purpose: Flood Control.

Problem: Flooding in study area has occurred 10 times in 16 years. The April 1984 flood of record caused about $6 million in damages. There is a need to solve the flooding problems while maintaining the water supply and recreation use of Pompton Lake.

Recommended Plan: Channel and dam modifications to provide a 40-year level of protection. Channel modifications would extend from Pompton Lake to a railroad bridge. The Hemlock Street weir would be removed and dam modifications would include utilization of five-foot-high movable spillway crest gates to replace existing fixed weir crests.

Environmental Impact Statement: The final environmental impact statement was filed June 28, 1985.

Total Project Cost: $6,610,000 (October 1985).

Benefit/Cost Ratio: 1.3-to-1 at a discount rate of 8⅛ percent.

(6) Roanoke River Upper Basin, VA

Location: Southwestern Virginia in Roanoke and Montgomery Counties.

Purpose: Flood Control.

Problems: Serious recurring floods in the Roanoke and Salem area have resulted in an average of $5.2 million in annual flood damages. The metropolitan area of Roanoke has a long history of flooding, and there have been four major floods in the last 45 years. The flood of June 1972, for example, resulted in about $11.6 million in damages.

Recommended Plan: Channel widening, levees and floodwalls, flood proofing the sewage treatment and hospital facilities, a flood warning system, recreation improvements, replacement of two highway bridges, and landscaping are features of the plan.

Environmental Impact Statement: The final environmental impact statement was filed on February 22, 1985.

Total Project Cost: $21,00,000 (October 1984).

Benefit/Cost Ratio: 1.4-to-1, at discount rate of 8⅜ percent.

Amendment 59 removes from the bill authorizing language for four hydroelectric projects on the Arkansas River in the State of Arkansas: Murray Lock and Dam, Toad Suck Ferry, and Lock and Dams Numbers 9 and 13. In the instances of Murray Lock and Dam and Lock and Dam Number 13, non-Federal entities have obtained a license from the Federal Energy Regulatory Commission and are presently developing the hydroelectric potential of the site. Authorization for Federal development in both of these instances is unnecessary.

In addition, non-Federal entities have obtained a FERC license to develop hydropower at Lock and Dam Number 9 and a permit has been obtained by non-Federal interests from FERC to study hydropower development at Toad Suck Ferry. Authorization for Federal development at either of these sites would preclude its development by local sponsors.

Amendment 60 adds a new shoreline erosion project, which has been approved by the Chief of Engineers. The project:

Sarasota County, Florida

Location: Longboat Key and Manasota Key, in the vicinity of Venice, Florida.

Purpose: Beach Erosion and Shore Protection.

Problems: The combined effect of wind, waves, and tides particularly during storm conditions, has resulted in beach erosion. Increases in the sea level is an important factor in the erosion problem. Jetty construction at Venice Inlet has contributed to the erosion problem south of the inlet by acting as a barrier to the southern drift of littoral material. Shoreline recession has resulted in damage to public and private properties including roads, houses, and protective structures such as bulkheads and seawalls. Erosion has also resulted in loss of beach area for recreation.

Recommended Plan: Placement of initial beachfill along 12,600 feet of Longboat Key and 29,400 feet at Venice, with periodic nourishment to replace beachfill lost to future erosion.

Environmental Impact Statement: The final environmental impact statement was filed on April 19, 1985.

Total Project Cost: $3,988,400 for Longboat Key and $8,547,000 for Venice (October 1985 prices).

Benefit/Cost Ratio: 1.5-to-1 for Longboat Key and 2.3-to-1 for Venice, at the discount rate of 8⅝ percent.

Amendment 61 modifies section 702(d)(5), which authorizes fish and wildlife mitigation measures for the previously-authorized flood control project on Obion Creek, West Kentucky Tributaries. The flood control project is under review by the Corps of Engineers to determine if protection can be obtained with a smaller, less costly, project. This amendment requires the Corps to lessen the mitigation requirements to the extent that a smaller flood control project will require less or no mitigation.

Amendment 62 updates Section 702(d)(9) to reflect recent developments with respect to the mitigation for the Trimble Wildlife Area. The plan presently recommended in S. 1567 for replacement of the Trimble Wildlife Area proposes that 2,610 acres of land at the Jackass Bend site be acquired by the Federal Government for reconveyance to the State and that the state be provided a lump sum payment of $1,569,000 to compensate for other resource losses. This plan has a total Federal cost of $7,870,000. The State of Missouri has replaced the Trimble Wildlife Area by the acquisition of 3,816 acres on the South Grand River in Bates and Cass Counties, Missouri. As a result, the State no longer seeks Federal acquisition of land at Jackass Bend.

The purchase price paid by the State for its replacement site exceeded the price ($2,7500,000) the Federal Government paid to the State for the Trimble Wildlife Area. The U.S. Fish and Wildlife Service has accepted the State acquired area as suitable replacement for the Trimble Wildlife Area. Therefore, the state replaced the Trimble Wildlife Area before the December 3, 1985, deadline. After that date, the state would have been found in violation of other Federal requirements.

The additional lump sum payment of $1,569,000 would compensate the State for losses of capital improvements, hunting fees, Giant Canada goose reproduction, and for reestablishing the goose flock at the new replacement site. The acquisition of land at the Jackass Bend site is no longer needed as the Chief's report recommends. The $1,569,000 lump sum payment to the State is substituted. This results in a net savings to the Federal Government of $6.3 million, when compared to the authorization presently in the bill.

Amendment 63 adds to subsection 702(d) language that authorizes the Tennessee-Tombigbee Waterway Wildlife Mitigation project in Alabama and Mississippi.

Tennessee-Tombigbee Waterway Wildlife Mitigation

Location: West central Alabama and Northern Mississippi.

Purpose: Mitigation of wildlife resource losses due to construction and operation of the Tennessee-Tombigbee Waterway.

Problem: Project construction has resulted in serious damages to wildlife resources. Bottomland hardwood and cypress-tupelo forests along with numerous wildlife species have been adversely affected by the project.

Recommended Plan: Formulation of a mitigation plan for this project has been the subject of some dispute between the Corps of Engineers and the U.S. Fish and Wildlife Service. The controversy has revolved around the method of mitigating the 34,000 acres of bottomland hardwood habitat losses following the project's construction.

This habitat is so rare and important that these 34,000 acres of bottomland hardwood need to be replaced in-kind. The Corps recommended plan failed to provide for in-kind replacement.

This section authorizes a program for mitigation of wildlife losses attributable to construction of the Tennessee-Tombigbee Waterway in Alabama and Mississippi. The waterway is having a significant impact on floodplain wetlands, consisting of bottomland hardwoods and cypress-tupelo gum swamps.

Because of the tremendous loss of forested wetlands, coupled with agency disagreements over the appropriate mitigation course to pursue, the Department of the Interior requested that the Council on Environmental Quality review the matter.

The Council concluded that, due to the importance and scarcity of such wetland habitats, the principle of in-kind replacement should be followed. The Council recommended that the mitigation effort include management of bottomland hardwood habitats associated with the Waterway and five other Corps of Engineers projects in the vicinity, plus the acquisition of separable lands.

The acquisition of 88,000 acres of forested wetlands at a cost of $60 million is necessary to mitigate the loss of forested wetlands, and is consistent with the Council's recommendation.

The Secretary is authorized to acquire from willing sellers 88,000 acres of land for mitigation of wildlife losses. These lands are to be in addition to, and not in lieu of, lands currently owned by the United States in the project area which are designated as wildlife mitigation lands for the project.

Of the lands acquired under this section, not less than 20,000 acres shall be acquired in the area of the Mobile-Tensaw River Delta, Alabama, and not less than 25,000 shall be acquired in the areas of the Pascagoula River, the Pearl River and the Mississippi Delta in Mississippi. Other lands acquired under this section may be acquired anywhere in the States of Alabama and Mississippi.

The Secretary is to select lands to be acquired in consultation with appropriate State and Federal officials. Emphasis is to be placed on acquisition of lands which are forested wetland.

The States of Alabama and Mississippi are to provide for the management of lands for wildlife purposes acquired under this section, and for lands currently owned by the United States in the project area, which are designated as wildlife mitigation lands for the project.

The States are to be reimbursed for the management and initial developed costs which are specified in a plan for management of mitigation lands to be developed by the Secretary, the United States Fish and Wildlife Service and the States of Alabama and Mississippi.

Joint purpose project lands, if dedicated to mitigation, shall not be utilized for another purpose unless substitute lands, in the amount necessary to replace lost habitat values, are available.

This amendment authorizes the Chief of Engineers report, as modified by the recommendation of the Council on Environmental Quality. The principal recommendations of the Council are in-kind replacement of the lost bottomland hardwoods, and Corps agreement with the Fish and Wildlife Service that management of lands on five existing Corps projects can be used for credits on the Tennessee-Tombigbee consistent with the principle of in-kind replacement of bottomland hardwoods.

Environmental Impact Statement: The final environmental impact statement was filed October 5, 1984.

Total Project Cost: $60,200,000 (October 1985).

Benefit-Cost Ratio: Not applicable.

Amendment 64 modifies section 702(e)(2), which authorizes the construction of the White River navigation project to Batesville, Arkansas.

The White River navigation project runs through the White River National Wildlife Refuge. As the disposal of dredged spoil in the refuge could have a serious adverse effect on the refuge, this amendment makes it clear that the Corps of Engineers must have the approval of the Fish and Wildlife Service before disposing of any of the dredge spoil material from the project onto the White River National Wildlife Refuge, and must fully mitigate any losses.

NEW JERSEY NON-NAVIGABILITY DECLARATION

Mr. ABDNOR. Mr. President, under the terms of the amendment that is offered by the leadership of the Committee on Environment and Public Works, the following property is declared to be not a navigable water of the United States for the purpose of section 213 of S. 1567:

(1) All that piece or parcel of land, containing one hundred and eight acres more or less, situate, lying and being in the city of Jersey City, Hudson County, State of New Jersey, upon or around that certain lot or piece of land known as the Caven Point Area, being more particularly described as follows:

Beginning at a point in the southeasterly right-of-way line of Caven Point Road, said point being the southwesterly corner of a tract of land owned now or formerly by Tankport Terminals, Inc.; thence

1. Along the southwesterly line of the aforesaid tract of land S52°-39'-04"E, a distance of 733.07 feet to a point, said point being marked by a found galvanized nail set in concrete; thence

2. Along lands now or formerly of the State of New Jersey (Department of Environmental Protection) S27°-13'-11"E, a distance of 364.72 feet to a point, said point being marked by a found monument; thence

3. Still along said lands S54°-13'11"W, a distance of 155.40 feet to a point, said point being marked by a found monument; thence

4. Still along said lands S13°-06'47"E, a distance of 197.51 feet to a found monument; thence

5. Still along said lands S11°-10'-08"E, a distance of 202.01 feet to a point in the center of Caven Creek; thence

Along the centerline of Caven Creek in a general northeasterly direction the following ten courses:

6. N72°-56'-02"E, a distance of 0.67 feet
7. N62°-23'-54"E, a distance of 7.44 feet
8. N64°-27'-24"E, a distance of 14.20 feet
9. N68°-20'-06"E, a distance of 9.14 feet
10. N66°-13'-24"E, a distance of 44.49 feet
11. N65°-55'-31"E, a distance of 18.62 feet
12. N52°-14'-36"E, a distance of 32.36 feet
13. N47°-53'-41"E, a distance of 33.25 feet
14. N52°-44'-00"E, a distance of 18.17 feet
15. N63°-21'-24"E, a distance of 5.62 feet

16. Along a new line S04°-53'-00"W, a distance of 141.80 feet to a point; thence

17. Still along new line S10°-11'-02"E, a distance of 203.89 feet to a point; thence

18. Still along new line S04°-53'-00"W, a distance of 350.00 feet to a point; thence

19. Still along new line S02°-42'-32"E, a distance of 410.00 feet to a point; thence

20. Still along new line S19°-14'-44"E, a distance of 105.40 feet to a point; thence

21. Still along new line S05°-44'-29"E, a distance of 151.21 feet to a point; thence

22. Still along new line S09°-29'-34"E, a distance of 370.90 feet to a point; thence

23. Still along new line S0°-45'-47"E, a distance of 224.44 feet to a point; thence

24. Still along new line S06°-49'-07"W, a distance of 123.96 feet to a point; thence

25. Still along new line S22°-04'-07"W, a distance of 531.58 feet to a point in the southerly edge of an existing 41.30 foot wide concrete pier; thence

26. S44°-26'-38"W, a distance of 6.87 feet to a point; thence

27. N47°-47'-04"W, a distance of 231.00 feet to a point; thence

28. S44°-16'-49"W, a distance of 26.34 feet to a point thence

29. Along the northeasterly line of lands now or formerly of the United States Government (Caven Point Marine Base) N45°-30'-22"W, a distance of 1,000.00 feet to a point; thence

30. Along the northwesterly line of lands now or formerly of the United States Government (Caven Point Marine Base) S43°-36'-47"W, a distance of 100.00 feet to a point in the northeasterly line of an existing 100 feet sewer easement granted to the City of Jersey City (Richard Street Sewer) as set forth in Deed Book 1402, Page 449; thence

31. Along the same N45°-37'-46"W, a distance of 553.25 feet to an angle point; thence

32. Still along said sewer easement line N14°-24'-21"W a distance of 195.88 feet to a point, said point being the intersection of the sewer line with the projection of the northeasterly line of the above mentioned lands now or formerly of the United States Government (Caven Pont Marine Base); thence

33. Along said projected new line N45°-30'-22"W, a distance of 186.13 feet to a point; thence

34. Along a new line N88°-14'-02"W, a distance of 1,184.70 feet to a point; thence

35. Along lands now or formerly of The Trustee of the Lehigh Valley Railroad N49°-07'-25"W, a distance of 340.40 feet to a point in the southeasterly right-of-way line of Route 185; thence

36. Along a new line N54°-19'-18"E, a distance of 253.59 feet to a point; thence

37. Still along the same N54°-53'-41"E, a distance of 100.0 feet to a point; thence

38. Still along the same N54°-19'-18"E, a distance of 395.99 feet to a point; thence

39. Still along the same S86°-50'-15"E, a distance of 177.10 feet to a point; thence

40. Still along the same S45°-31'-04"E, a distance of 57.24 feet to a point; thence

41. Still along the same N44°-28'-56"E, a distance of 50.00 feet to a point; thence

42. Still along the same N05°-16'-41"E, a distance of 210.44 feet to a point; thence

43. Still along the same N54°-19'-18"E, a distance of 444.08 feet to a point; thence

44. Still along the same N53°-44'-55"E, a distance of 100.00 feet to a point; thence

45. Still along the same N54°-19'-18"E, a distance of 233.24 feet to a point of tangency; thence

46. Still along the same and along a curve to the left having a radius of 10,061.00 feet, an arc distance of 100.61 feet to a point of compound curvature; thence

47. Still along the same and along a curve to the left having a radius of 4,061.00 feet, an arc distance of 50.76 feet to a point of compound curvature; thence

48. Still along the same and along a curve to the left having a radius of 2,661.00 feet, an arc distance of 102.35 feet to a point of compound curvature; thence

49. Still along the same and along a curve to the left having a radius of 2,061.00 feet, an arc distance of 428.08 feet to a point in the southwesterly line of Caven Point Road; thence

50. Still along the same S52°-42'-47"E, a distance of 48.66 feet to an angle point; thence

51. Still along the same N37°-17'-13"E, a distance of 50.00 feet to an angle point; thence

52. Still along the same N52°-42'-47"W, a distance of 47.22 feet to an angle point; thence

53. Still along the same N31°-21'-52"E, a distance of 359.61 feet to the point and place of beginning.

Containing an area of 120.540 acres.

(2) All that piece or parcel of land, containing 18 acres more or less, situate on the northwesterly side of New Jersey State Highway Route 185, more particularly described as follows:

Beginning at a point in the southeasterly right-of-way line of lands now or formerly of Lehigh Valley Railroad Company (National Docks Branch), said point being the intersection of said line with the south-westerly lines (if projected) of lands now or formerly of the United States Government (Caven Point Army Terminal);

thence south 45 degrees 37 minutes 46 seconds east along said southwesterly line of U.S. Government property 830.84 feet a point in the northwesterly right-of-way line of New Jersey State Highway Route 185;

Along the same S44°-28'-56" W, a distance of 39.06 feet to a point; thence

Still along the same S05°-16'-48" W, a distance of 210.45 feet to a point; thence

Still along the same S54°-19'-18" W, a distance of 427.65 feet to a point; thence

Still along the same S53°-44'-55" W, a distance of 100.00 feet to a point; thence

Still along the same S54°-19'-18" W, a distance of 182.76 feet to a point of intersection with the northeasterly line of land now or formerly of the Trustee of the Lehigh Valley Railroad;

thence north 49 degrees 07 minutes 25 seconds west along said line and also along lands now or formerly of the Linden Urban Renewal Association 724.48 feet to a point in the aforesaid southeasterly right-of-way of the Lehigh Valley Railroad Company;

thence north 37 degrees 13 minutes 52 seconds east along the same line 953.84 feet to a point or place of beginning.●

● Mr. STAFFORD. Mr. President, I wish to express my strong support for the committee leadership amendment, which is submitted by the most distinguished Senator from South Dakota [Mr. ABDNOR], the chairman of our Subcommittee on Water Resources.

Senator ABDNOR has worked long and hard to develop this bill and this amendment. He is to be applauded. Without JIM ABDNOR'S persistence, his never-waivering commitment to sound national water policy and resources development, we would not be this close to floor action; we would not be on the verge of a new era in national water development.●

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

BYRD AMENDMENT NO. 1658

(Ordered to lie on the table and to be printed.)

Mr. BYRD submitted an amendment intended to be proposed by him to the joint resolution, Senate Joint Resolution 225, supra; as follows:

In lieu of the matter proposed to be inserted, insert the following: That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

ARTICLE—

SECTION 1. The Congress shall ensure that expenditures of public money do not exceed receipts except in time of war or imminent danger or in a national emergency when the public safety or general welfare may otherwise require.

SEC. 2. The Congress shall have the power to enforce this article by appropriate legislation.

ADDITIONAL STATEMENTS

HUMAN RIGHTS VIOLATIONS IN HUNGARY

● Mr. HEINZ. Mr. President, as a member of both the Helsinki Commission and the Senate Finance Committee, I have a deep interest in events taking place in Hungary. As 1 of 35 signatory states to the Helsinki Final Act, Hungary's compliance with that document's principles and provisions, including those regarding human rights, is a major concern to the Commission. In addition, Hungary currently enjoys most-favored-nation [MFN] trade status on its exports to the United States, a status subject to annual congressional review.

The year 1985 was important for Hungary and the process created by the Helsinki Final Act. One of the meetings within that process, a 6-week cultural forum, was held in Budapest last fall. To host such a meeting is quite an honor, and one would expect Hungary, the first Warsaw Pact state to host a CSCE meeting, to respect precedents for previous CSCE meetings and to bring itself into compliance with the provisions discussed at the meeting. Unfortunately, this turned out not to be the case.

The U.S. Congress has already spoken out in regard to the Hungarian Government's refusal to permit the International Helsinki Federation's cultural symposium to take place in a reserved hotel room, in breach of its commitment as host to respect non-governmental activities held in connection with the cultural forum. The fact that the symposium nevertheless continued on private premises speaks more to the tenacity of the organizers and the volume of public opinion than to the relative tolerance of the Hungarian authorities.

Following the close of the 6-week forum, it was feared that, as the international spotlight left Budapest, the Hungarian Government might tighten controls again. The fears appear to have been well-founded. Barely 2 days after the forum had ended, 36-year-old poet and teacher Sandor Lezsak was accused of "counterrevolutionary activities" and dismissed from his job as the director of the cultural center in the village town of Lakitelek. The apparent reason for his dismissal was that he organized an unofficial poetry gathering and exhibition of graphic art on October 22, while the forum was underway. At this open gathering, Leszak spoke on the denial of cultural freedom, one of the topics being addressed at the cultural forum. To my knowledge, despite expressions of concern for Mr. Leszak by the United States, he has not been reinstated.

On January 16, Jeno Nagy, an independent publisher in Hungary, had his apartment searched by Hungarian authorities. Apartment searches have become a common form of harassment for the members of what is called the Democratic Opposition in Hungary. For his possession of samizdat, Mr. Nagy was given a heavy fine. A few days later, he was detained and interrogated again for distributing samizdat material.

On March 2, another individual, Gyorgy Gado, was detained by Hungarian authorities for distributing samizdat. His apartment was searched as well. He, along with Mr. Nagy, will likely continue to be harassed for his activities as long as the Hungarian authorities feel it necessary to put a dent into dissident activity.

The actions taken by the Hungarian authorities against these three individuals are typical of the subtle and sophisticated efforts to stifle independent expression in Hungary. Since 1982, there has been a crackdown on the activities of the Democratic Opposition, signaling a lessening of tolerance of dissent in Hungary. Hungarian citizens who, in conformity with the Helsinki Final Act and Madrid concluding document, speak out for human rights and express their independent views on other sensitive issues are often subject to periodic apartment and automobile searches, short-term detention for questioning, police reprimands and occasional fines. In some instances, more severe forms of harassment have been used. The recent banning and breaking up of an environmental march in Budapest is one such instance.

While admittedly more mild than those which take place in other Warsaw Pact states, these actions can be every bit as effective as more blatant forms of repression. They therefore need to be viewed, not as examples of how "liberal" Hungary is relative to its neighbors, but as clear violations of the human rights provisions of the Helsinki Final Act.

Mr. President, the Hungarian Government's treatment of Sandor Leszak, Jeno Nagy, and Gyorgy Gado is not in keeping with Hungary's relatively positive image in the West. It is also an example of the kinds of violations of the letter and the spirit of the Final Act that Western delegations condemned at the Budapest Cultural Forum. As a member of the Helsinki Commission, I will continue to follow Hungarian compliance with the Helsinki accords and to take that compliance into account for the annual review of Hungary's MFN status.●

IN MEMORIAM: LADY AMALIA FLEMING

● Mr. SARBANES. Mr. President, late last month, the New York Times reported the death in Athens of Lady Amalia Fleming. Lady Fleming was 73, the widow of Nobel Prize laureate Dr. Alexander Fleming, and at the time of her death a member of the Greek Parliament. Above all, however, she will be remembered for her unflinching commitment, often in the face of grave personal danger, to human rights.

In the shorthand of journalism the Times headline described Lady Fleming as "Foe of Nazis and Army Junta;" the phrase is an accurate description, but hardly complete. As a very small child in Constantinople, now Istanbul, Amalia Coutsouris saw her father's house and medical laboratory confiscated by Turkish authorities, and her family forced to flee to Greece. As a recent graduate of the University of Athens, where she received her medical degree, she joined the anti-Nazi underground when the Germans occupied Greece and was an active member of the Greek resistance during the occupation period. She was an outspoken opponent of the military junta in Greece from the time the junta seized power in 1967, suspending the rule of law and civil liberties, until she was forcibly deported in 1971, and she continued her work for the restoration of democracy in Greece while in exile. She returned to her homeland after the collapse of the junta in 1974.

Mr. President, the New York Times report of Lady Fleming's death included a brief summary of her remarkable life and I ask that this, along with an article published earlier in Current Biography, be printed in the RECORD.

The material follows:

[From the New York Times, Feb. 27, 1986]

LADY FLEMING DIES IN ATHENS; FOE OF NAZIS AND ARMY JUNTA

(By Paul Anastasi)

ATHENS, February 28.—Lady Fleming, the Greek-born widow of the British scientist who discovered penicillin, and a prominent political activist, died in Athens today. She was 73 years old.

A hospital announcement said Lady Fleming, who was a Member of Parliament for the Socialist Party of Prime Minister Andreas Papandreou and also a member of the European Parliament, died of a heart attack as a result of kidney failure.

A Government announcement said Greece lamented the loss of "a great humanitarian, a fine democrat and a fighter for the Socialist cause." Similar praise was voiced by parties and politicians across the political spectrum in Greece.

A graduate of Athens University, Lady Fleming went to England for post-graduate studies and in 1946 became a research assistant to Sir Alexander Fleming, the discoverer of penicillin. They married in Britain in 1953 when he was 72. He died two years later, and she never remarried.

Born Amalia Koutsouri in 1912 in Constantinople, later renamed Istanbul, Lady Fleming became politically active at an early age. During the 1941-44 Nazi occupation of Greece, she joined the resistance movement and helped provide supplies and information to British, Australian and New Zealand officers who were fighting the Germans in the Greek mountains.

She also helped to provide false identity papers to foreign officers and to Greek Jews to help them escape arrest.

Lady Fleming was equally active against the military regime that ruled Greece between 1967 and 1974. She was arrested in September 1971 and sentenced to 16 months' imprisonment on charges of plotting the escape of a man who had tried to assassinate the regime's strongman, George Papadopoulos. She was released on health grounds two months later, but was stripped of her Greek citizenship and expelled from the country.

TORTURE OF PRISONERS EXPOSED

After the junta granted a general amnesty in 1973, she tried to return but was refused entry. While in Europe, she played a key role in exposing the torture of Greek political prisoners to the Human Rights Commission in Strasbourg. Through her participation in an organization led by Mr. Papandreou, she also helped a number of the regime's opponents to escape abroad.

Lady Fleming had a political falling-out with Mr. Papandreou soon after the collapse of the dictatorship and restoration of democracy in 1974. They were reconciled in 1977, when she joined the Socialist Party and was elected to Parliament. She won reelection in 1981 and 1985.

Lady Fleming was also the former first chairman of the Greek Committee of Amnesty International and a member of the European Human Rights Commission.

[From Current Biography, 1972]

FLEMING, LADY AMALIA

1909(?)- Physician; bacteriologist; political activist

Address: c/o London Observer, 160 Queen Victoria St., London, E.C.4, England

One of the most passionate defenders of human rights today is Lady Amalia Fleming, the Greek-born widow of the Nobel Prize-winning discoverer of penicillin, Dr. Alexander Fleming. A noted physician and bacteriologist in her own right, Lady Fleming is best known internationally for her courageous work in behalf of the politically persecuted in her native country. During World War II she was captured and confined because of her anti-Nazi activities in the Greek underground. More recently, her outspoken resistance to the military junta that seized power in Greece in 1967 resulted in her imprisonment and her deportation to England, in 1971. Lady Fleming, a humanitarian rather than a political person, has explained her motivation for involvement simply as an inability to "stand seeing human dignity being crushed".

Lady Amalia Fleming, whose maiden name was Amalia Coutsouris, was born to Greek parents in Constantinople (now Istanbul), Turkey about 1909. She has a brother, Renos Coutsouris, who is an architect living in Greece. Her father, a physician, practiced in Constantinople until 1914, when his house and laboratory were confiscated by Turkish authorities and the family had to flee to Greece. That experience was Amalia's first encounter with the kind of political turmoil that has intermittently disrupted her life.

Following her father's example, Amalia Coutsouris studied medicine at the University of Athens and specialized in bacteriology. After obtaining her medical degree, in 1938 she went to work as a bacteriologist at the city hospital of Athens. Shortly after the outbreak of World War II she joined the anti-Nazi underground. "I was hiding British and Greek officers and arranging escape routes to Egypt," she told Judy Klemesrud in an interview for the New York Times (December 8, 1971). "I also transcribed and distributed BBC broadcasts, and worked on identity cards for Jews so they would appear to be members of the Greek Orthodox faith." The work was, of course, dangerous, and eventually she and forty others were betrayed by a colleague who had been tortured by Italian occupation forces. Sentenced to death, she was confined for six months before her liberation by advancing British troops.

After the war Amalia and her estranged first husband, Manoli Voureka, a Greek architect, found their house, studio, and laboratory completely destroyed. Deeply discouraged and feeling that there was nothing to hold her in Greece, she decided to go abroad to review the advances made in bacteriology during the war. Having obtained a British Council scholarship, she applied for a position at the famous Wright-Fleming Institute of Microbiology at St. Mary's Hospital in the Paddington section of London and was accepted by its director, Sir Alexander Fleming, for a six-month period.

Fleming was recognized as one of the greatest bacteriologists in the world, having shared the Nobel Prize in medicine and physiology in 1945 for his discovery of penicillin. When Amalia Voureka was ushered into his office on October 1, 1946, she was, understandably, nervous. Fleming asked her what she would like to study. "The viruses," she answered. Since there was no place open in the virus section, Fleming suggested that she study allergies. Because her English was still faulty, she did not understand what he had said, and Fleming interpreted her hesitation as a lack of interest in allergies. He then asked her if she would like to work directly with him, and she agreed. Thus began a partnership that lasted until Fleming's death.

Sir Alexander was impressed with the capabilities of his new assistant, the first woman doctor to work in his laboratory. Not long after her arrival he invited her to work with him and Robert May on a study of streptomycin. The report of that study, "Some Problems in Titration of Streptomycin," was published on May 10, 1947 in the British Medical Journal. On her part, Amalia Voureka was greatly impressed by Fleming, admiring his scientific knowledge, his humor, and his humility. He insisted that her name come before his on the reports of their research projects, saying, "It'll do you lots of good and me no harm." The working relationship deepened to friendship, and the six months were extended to four years. During that time Amalia Voureka also did research of her own on the effects of various antibiotics and published such articles as "Frequency of Penicillin-Resistant Staphylococci," in the British Medical Journal (March 5, 1949), and "Bacterial Variants in Patients Treated with Chloramphenicol," in The Lancet (January 6, 1951).

In December 1950 Amalia Voureka returned to Greece for the Christmas holidays, and while there she received an offer of a job as chief bacteriologist at Evangelismos Hospital in Athens. She accepted the offer and returned to England to work until her appointment was approved. Meanwhile, Fleming, whose wife had died the year before, had fallen in love with her and had made timid attempts to tell her, but because of his reserved manner she did not realize what he was saying. In late 1951 she left London to take up her new post in Athens. The following year, when Fleming came to Greece as a delegate to a UNESCO conference, she acted as his guide and interpreter. In November 1952 he mumbled a proposal, and in April 1953 Fleming and Amalia Voureka—whose first marriage had in the meantime ended—were married in London.

After their honeymoon in Cuba and the United States, the Flemings resumed their research at the Wright-Fleming Institute. For almost two years they were very happy, but Fleming, who was seventy-one when they married and in uncertain health, died suddenly on March 11, 1955. According to Keith Blogg of the New York Post (October 2, 1971), "The shock immobilized his widow for two years." Eventually, having refused a widows' pension from the Wright-Fleming Institute, she resumed her research and continued to work in London until 1967, when she returned to Greece.

Political events profoundly affected Lady Fleming's life for the third time, when on April 21, 1967 a group of colonels staged a coup that placed Greece under an oppressive military regime. "I was ashamed that a dictatorship should take over in Greece—that a few self-appointed people should decide to 'save us' without our permission when there was really nothing to save us from," Lady Fleming recalled in the London Observer (November 28, 1971). From her tiny one-room apartment in Athens, she began a campaign of outspoken opposition that annoyed the junta increasingly as the months went by. She was too important to be ignored, but by the same token the authorities were hesitant to arrest her, and since she held a dual Greek-British citizenship she could not be deported legally.

Lady Fleming's first concern was humanitarian; she worried about the fate of political prisoners and their families. Not long after the coup it became apparent that prisoners were being tortured and that many of their families were reduced to poverty. "There are more than 1,000 families desperately in need . . .," she told Judy Klemesrud in the New York Times interview. "When the breadwinner suddenly disappears the family has to face a terrible financial strain." She did whatever she could to publicize the state of political affairs in Greece and helped collect relief funds for the economically deprived families of the prisoners.

Those activities irritated the junta, but not until 1970 did they decide to take action against Lady Fleming. In the spring of that year she testified as a witness for the defense at the trial of thirty-four intellectuals accused of plotting to overthrow the military regime. After the trial her passport was revoked, but in the face of worldwide protests, authorities restored it two weeks later. Nevertheless, she was kept under constant surveillance. In late 1970 about 200 prominent Greek liberals were arrested and held for months without trial while the police tried in vain to discover some incriminating link between them and Lady Fleming. The regime also began harassing her relief activities, and in early 1971 some 40,000 parcels of the prisoners were turned back by the Hellenic Red Cross. Lady Fleming, dismayed but undaunted, then sold her silver to obtain money for the families. In August 1971 she was called in by police and interrogated for thirteen hours. Although she was threatened and harassed, she refused to give the police any information about arrested opponents of the junta.

Lady Fleming was concerned about one prisoner in particular—Alexander Panagoulis, who in 1968 had been convicted of attempting to assassinate Premier George Papadopoulos and was reported to have been tortured continually by his captors. He had made several desperate attempts to escape, but all had failed. Obsessed with the thought of Panagoulis being tortured in his cell, Lady Fleming offered her support when she heard that another escape was being planned, and she helped arrange for the get-away car.

The plan was to take effect early in the morning of August 31, 1971, but an informant betrayed the prisoner and revealed the plot. Lady Fleming's four accomplices were arrested outside the prison walls, and she was picked up two and one-half hours later. The authorities originally had not known of her involvement but were apparently delighted that they could now pin a specific charge on her. For a month she was confined to the notorious Special Interrogation Center of the Greek military police, where her interrogators used bullying tactics although refraining from actual torture. Because she was suffering from diabetes and a heart condition, however, the month in a tiny, malodorous cell was a particularly difficult physical ordeal for her.

On September 27, 1971 Lady Fleming and her accomplices were brought to trial before a military tribunal, which was expected to find her guilty and then deport her from Greece. Speaking in her own defense, Lady Fleming proudly admitted her role in the plot to free Panagoulis. She emphasized the cruel treatment Panagoulis was reportedly receiving, and when threatened that such allegations could earn her a harsher sentence, she answered, "Let it be damaging to me. I accept it." It was no surprise when, on September 28, 1971, Lady Fleming was convicted and sentenced to sixteen months in prison. Because of her failing health, the Greek authorities apparently expected that they would finally rid themselves of her presence by persuading her to agree to deportation, but she adamantly refused to leave Greece. "I will not accept deportation," she was quoted in the New York Times (September 29, 1971) as saying. "If I leave, they will take away my Greek citizenship. I am a Greek and I intend to stay."

On September 30, 1971 an editorial in the Guardian noted: "Lady Fleming has succeeded in embarrassing a dictator badly, simply by staying in one of his cells and refusing to contemplate an easy way out of it." Soon, however, the embarrassment became too strong even for the junta. On October 21 half of her prison sentence was suspended and she was released for reasons of health and permitted to return to her apartment. On the morning of November 14, however, police awakened her, told her that she was going to see the chief of police, drove her to the airport instead, and literally pushed her aboard a plane bound for London. With characteristic defiance, she at first refused to get off the plane at London airport, then told the press that whe would "walk back to Greece," if necessary. Meanwhile, the junta had illegally stripped her of her citizenship, citing vague "anti-national activities" as their justification.

Since her deportation, Lady Fleming has been living with friends in London, where, as she told Judy Klemesrud in the New York Times interview, she hopes to keep ". . . fighting with the only weapon I have—talking." She is sharply critical of the United States government's support of the Greek military regime. In late 1971 she visited Washington, D.C. to lobby for an end to that support and to solicit funds for the American Committee to Aid Families of Greek Political Prisoners. On a visit to Vienna in early 1972 at the invitation of the Austrian Friends of Greek Democracy Association, she told newsmen that the present Greek military government was an American dictatorship. She worries about her finances, because she had to leave behind everything she owns in Greece. Her greatest concern, however, is her desire to return to her country and carry on her struggle against the military regime. Her lawyer in Athens has been waging an uphill battle to void her deportation and enable her legally to return to Greece.

Lady Amalia Fleming is a large, matronly woman with brown hair, light-brown eyes, and a lined face that is marked by sadness. Because of anxiety and medical complications she gained more than sixty pounds in the three months following her arrest. She has a stepson, Dr. Robert Fleming, a physician living in England, but she is not in regular contact with him. She is fond of flowers and of cats (she had to leave eight of them behind when she went into exile), and she enjoys gourmet cooking and attending concerts, the ballet, and the theatre. Lady Fleming was quoted in Newsweek (October 11, 1971) as saying: "I respect every ideology, including Communism, provided they are not trying to impose their will through force. I am against any totalitarian regime." More concerned with the welfare of others than with her own, Lady Fleming has been involved with charitable enterprises in both London and Athens. The late King Paul I of Greece awarded her the Greek Royal Order of Welfare for her medical work.

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TAX-EXEMPT BONDS

● Mr. DOMENICI. Mr. President, I am joining Senator DURENBERGER in sponsoring S. 2166, a bill that would amend the tax-exempt bond provisions of H.R. 3838. I do so because I believe that these provisions will go a long way toward addressing my concerns over the effect that tax reform may have on capital investment in infrastructure. It is absolutely essential that we not take any legislative action that would reduce such investment. Assessments by the Congressional Budget Office and others show that our annual infrastructure needs already greatly exceed annual expenditures. In other words, we are behind the curve and steadily losing ground.

In 1983, America's total investment in highways, roads, bridges, mass transit, sewage and solid waste disposal, and water supply, was approximately $39 billion. But estimated annual needs for capital financing in these areas runs around $57 billion, leaving an annual shortfall of $18.5 billion. Extrapolated 15 years to the end of the century, the shortfall adds up to $270 billion, and this does not account for inflation.

This is an alarming and dangerous condition. If allowed to continue, it could adversely affect not only the economic health of America, but the fundamental health and safety of our citizens. Yet at the same time, the realities of the Federal budget situation make it difficult, if not impossible, to maintain even current levels of Federal support. State and local governments, already stretched to the limits, are unlikely to contribute much more. The needs are unquestionable; we must search for solutions.

To address these concerns the Private Sector Advisory Panel on Infrastructure Financing was created last year by the Senate Budget Committee to advise us on ways to increase infrastructure investment. Soon after the panel was formed, it became apparent that infrastructure financing would be affected by the growing tax reform movement, as private investment in infrastructure financing is highly dependent on tax law. The panel, therefore, took on as part of its duties an evaluation of the implications of tax reform for infrastructure financing.

In July 1985, the panel issued its first report evaluating the administration's tax reform proposal. The report found that "the proposed changes would increase the total cost to State and local governments of future investments in public infrastructure and decrease private sector interest in participating in such investments" and that "if left uncoordinated and enacted simultaneously, these changes would have a severe impact upon the level of infrastructure investment." The panel concluded its report with several recommendations for change in the administration's tax-exempt bond and capital cost recovery proposals. Now that the House has passed a tax reform bill, H.R. 3838, the panel has issued an update discussing the implications for infrastructure financing of the particular provisions of that bill.

While H.R. 3838 represents some improvement over the administration proposal with regard to tax-exempt bonds, it still would have a devastating effect on both public and private investment in infrastructure. The limits on "nongovernmental" use of the proceeds of tax-exempt bonds and the restrictions on arbitrage will create a nightmare of administrative detail for local issuers of bonds for infrastructure projects and will keep the tax exemption of such bonds in continual doubt. The requirement that 5 percent of proceeds be spent within 30 days will be literally impossible for some States to comply with. The inclusion of sewage, solid waste, and water supply facilities in a very restrictive State volume cap will make it difficult to obtain tax-exempt financing for them. The prohibition on private ownership and management of water supply facilities financed with tax-exempt bonds will virtually end private investment in this area. The requirement that 100 percent of the proceeds of a "nonessential function" bond be used for the bond's exempt purpose will also hinder private investment.

In the capital cost recovery area, H.R. 3838's incentive depreciation system scatters property in infrastructure facilities, most of which now falls in the 5-year ACRS class, among several classes with recovery lives ranging from 10 to 30 years. If the facilities are financed with tax-exempt bonds, the recovery lives are even longer. These provisions will deter potential private investors from financing infrastructure facilities and increase the costs to local governments of building them.

Senator DURENBERGER's proposal does not match my concerns in every respect, and there are some provisions in it with which I do not fully agree. At some time in the future I may wish to introduce legislation of my own. The bill is, however, a significant improvement over H.R. 3838 and contains many of the changes that I feel are most important. It rejects the arbitrary "essential/nonessential" distinction of H.R. 3838. It treats bonds for sewage, solid waste, and water supply facilities, whether publicly or privately owned, as governmental, free from the constraint of the volume cap. And, it contains more realistic rules on arbitrage, advance refunding, spending schedules, and use of proceeds. This is tax reform that our State and local governments can live with.

I am pleased to have the opportunity to join Senator DURENBERGER in introducing this bill. I urge all of my colleagues who care about what happens to public services in their States and counties, towns and cities, to join me in cosponsoring this important legislation and work to see it adopted as part of the Senate's tax reform bill.●

NURSES CAN PROVIDE EMOTIONAL SUPPORT TO ELDERLY PATIENTS

● Mr. BRADLEY. Mr. President, I recently received an article written by Theresa Mary Kruczek, a nurse at Roosevelt Hospital in Edison, NJ, on the need for nurses to provide emotional support to elderly patients. She makes many excellent observations, which I would like to share with my colleagues.

I ask that the article be printed in the RECORD.

The article follows:

HOW HOSPITALS HURT OLD PEOPLE

(By Theresa Mary Kruczek, RN)

I always enjoyed visiting Mrs. Simmons, my spirited 80-year-old neighbor. Proud of managing on her own, Mrs. Simmons refused to let occasional memory lapses or arthritis get her down. She used a timer to remind herself to take medications, and she exercised regularly. She was alert and happy in spite of her problems.

Then Mrs. Simmons spent six weeks in the hospital. When I visited her at her daughter's home, she was scarcely recognizable. The independent, lively woman I knew had become fearful and depressed. Her mind wandered, and her arthritis had become so bad that she had difficulty walking. She sobbed that she had become a burden to her daughter—and indeed she had.

It's not unusual for hospital stays to turn functioning old people into helpless dependents. To understand why, consider what happens to an elderly person when he becomes a patient:

If the patient seems confused, we put up the side rails to keep him from falling. We may not be able to answer the call light immediately, so he climbs out of bed to reach the bathroom. When we catch him, we apply a chest restraint. If his bladder control is poor, we may insert a catheter. To avoid nutritional problems, we start IV fluids or feeding tubes. When he tries to pull out the tubes, we restrain his hands.

Now we have the patient tied up and helpless. No wonder he's too disoriented to realize what's going on. He's lost part of his humanity.

EXPLAIN PROCEDURES TO THE PATIENT

What can we do to prevent that loss? Certainly we must take measures to protect the patient, but we shouldn't overdo them. Remember that each procedure, although it may be routine to us, invades the patient's

privacy. Every time he loses control, he becomes more confused and depressed. That's why we must tell the patient what we're doing and why, even if he doesn't appear to care. Chances are he cares a lot—he's just too apprehensive to communicate.

Young patients ask questions all the time because they assume they'll recover. Old people, however, expect the worst. To them, the very word "hospital" can mean the end. No wonder they have little to say; they're walled in by anxiety.

WE NEED TO MAKE A SPECIAL EFFORT

We can break through that wall. It's up to us to buoy the elderly patient's spirits, to counter his fears, and to keep him in touch with his surroundings. Busy as we are, we must make use of every available minute to talk to these patients.

While setting up a breakfast tray, for example, we can mention the day, the time, and what the weather is like outside. Because such information is specific, it orients the patient to reality. When coupled with a cheerful greeting, it also makes him feel cared for.

Bath time provides another opportunity to impart concern and information. You might tell a stroke victim: "I know you can't move your left arm and leg, Mr. Green, but you'll be having physical therapy today. The exercises will help you regain your strength."

In addition to giving patients information, we can encourage them to function on their own. If possible, allow a patient like Mr. Green to bathe himself. To be sure, you can probably give him a bath more quickly than he can do the job for himself, but being independent preserves his sense of self-worth. When, for example, you help a patient from his bed to a chair, let him take a few steps on his own. Be generous, too, with praise for his small successes. He needs all the encouragement he can get.

Include the patient's family in your efforts. They can help him feed himself or get out of bed. But, don't make the mistake of discussing problems with the family and treating the patient as if he were invisible. To preserve his self-esteem, you need to treat him as an individual.

BE AWARE OF SPECIAL NEEDS

Another way to bolster the self-esteem of old people is to accommodate their physiological problems. For example, since an elderly patient tends to react more slowly, encourage him to sit on the edge of the bed before he tries to stand up. Those few extra moments can do more than just keep him from losing his balance; they may actually relieve him of the fear of falling.

Remember, too, that old people have brittle bones and require gentle treatment. When you handle them, do so carefully or you run the risk of causing a fracture.

Since the elderly have a reduced tolerance to drugs, look for hidden reactions. Before deciding a patient has lost his appetite, make sure the problem isn't really drug toxicity. Instead of being lazy, a patient who refuses to walk may be suffering from an accumulation of sedatives.

Even though old people feel pain less acutely, their restlessness may signal discomfort instead of confusion. So don't assume that a state of unease is purely mental. Assess the patient's need for additional medication. If confusion is the problem, you can curtail it by reassuring the patient about his surroundings.

Providing that reassurance is just one way of handling the elderly patient with respect. If we give him sensitive care, he can leave the hosptial with his self-esteem intact. On the other hand, if we pay more attention to procedures than we do to his needs, we can destroy his ability to function at home.

The elderly patient needs more than nursing from us: He needs emotional support. The hospital should not be the place where the patient loses his independence. With our help, it need not be.●

VIETNAM VETERANS' SUICIDE STUDY

● Mr. MURKOWSKI. Mr. President, on March 5, the Washington Post ran an article headlined "Viet-Era Draftees' Suicide Rate High," which refers to a study published by Norman Hearst, M.D., and his colleagues, in the New England Journal of Medicine. I subsequently obtained an abstract of the study, including much of the study's narrative, but excluding the various charts and tables.

My concern is that this study may be perpetuating one of the many myths ascribed to those who served during the Vietnam era: That particular time in service somehow physically, mentally, or socially debilitated those who gave much to this country. I do not believe this to be true, and I don't believe Vietnam veterans hold that view of themselves either; and well they should not. We do, however, recognize that this was a war with unique health and psychological readjustment problems which the Congress must continue to address.

According to the Post article, Vietnam war era—and I stress the word "era"—draftees are, and I quote, "as much as 86 percent more likely to die by suicide than their peers who did not serve, and as much as 53 percent more likely to die in motor vehicle accidents."

As chairman of the Senate Veterans' Affairs Committee, I was, obviously, concerned by that opening paragraph and read on to see just what it was about the particular 11-year period of hostilities that would have such a devastating effect on a veteran population of nearly 9 million.

Nowhere in the following paragraphs, or in the narrative of the abstract itself, were facts to support such a dramatic statistical increase in suicides or auto-related death, nor, as it turns out, did the study actually address veterans from the entire Vietnam era, which spans 1964 to 1975.

The study was based on, as the Post reports, "* * * death records of 14,145 California and Pennsylvania men involved in the lottery system that determined draftees from 1970 to 1972." These were men who were eligible for the draft—not specifically those who did, eventually, serve, which was, according to the article, about 1 in 4 of those eligible. Further, according to the abstract, the study did not distinguish between those serving in Vietnam and those who, once drafted, served anywhere else in the world.

Now we come to the "mays, suggestions and might-be's" of the study as reported: Key phrases pop out at the serious reader, phrases such as "The study suggests that 1,250 deaths nationwide among those drafted in the early 1970's may be connected to military service during Vietnam * * *."

Other passages say, in apparent contradiction to the headline, "The increased risk of such deaths for individuals is small, but the long-term impact may be great * * *" and this, "The study does not pinpoint specific causes of the increased death rates." Or, finally, this: "Driving while intoxicated may have contributed to the traffic deaths, while veterans' greater familiarity with firearms might have increased the likelihood that they would commit suicide with a gun * * *."

Additionally, the abstract indicates that the study ties two dissimilar groups of veterans together in a most distressing way; without any clear separation of Vietnam-combat and Vietnam-era status, the study would appear to brand all Vietnam-era draftees—whether they served in Vietnam or at a military post in San Francisco—with symptoms of posttraumatic stress and other mental illnesses or physical disabilities sufficient to induce higher levels of suicide or automobile accidents.

Although perhaps not intended, the Post article leads the reader to believe that the unique aspects of the Vietnam war are directly related to statistically higher suicide rates in veterans of that war. Estimates of service in the Vietnam theater range from 3 to 4 million veterans, and, while there are no definitive numbers of actual combat zone related veterans, that number would be significantly less. The Washington Post article does not say how many—if any—combat veterans are included in the study because that figure is not available in the study.

Upon reading the comments in the abstract, my concern deepened. Based on the Post story alone, there are questionable and often unsupported claims that diminish the strengths, service and sacrifices of those who served throughout the Vietnam era. But the article reflects the same weaknesses that are apparent in the abstract itself. There are more questions asked in the study than questions answered. For example, there is a glaring lack of comparison with veterans serving in comparable periods of the Second World War and Korea. In addition, there are several admissions that the data may not be sufficient to support some of the researchers' conclusions.

Mr. President, as I said at the beginning, I am concerned that the study may lend credence to a stereotype of

Vietnam veterans they have never matched and do not now deserve, and I cannot believe the authors of the study meant for that stereotype to emerge from their work.

The Congress is dedicated to providing the best care possible to those who have served in America's defense. We are committed to exploring every possible avenue of relief for those veterans, and if there is new information that will help us meet that commitment, we welcome it.●

SEVEN MISSISSIPPI TEAMS IN NATIONAL COLLEGIATE BASKETBALL CHAMPIONSHIP TOURNAMENTS

● Mr. COCHRAN. Mr. President, there is always a lot of interest and excitement this time of year in national basketball tournaments.

This season, seven teams from colleges and universities in Mississippi are competing in national championship basketball play. This is a special thrill for the players, coaches, students, alumni, and fans throughout my State.

The women's team from the University of Mississippi and the men's team from Mississippi Valley State University are competing in the NCAA Division I tournaments. Both the Delta State University men and women were competitors in the Division II NCAA playoffs, and the Rust College women were in Division III NCAA play. The University of Southern Mississippi men are in the National Invitation Tournament [NIT], and the William Carey College men's team is in the National Association of Intercollegiate Athletics [NAIA] field.

I wish them all good luck, and I congratulate them on an already-successful season.●

THE MYTH OF MORAL EQUIVALENCE

● Mr. SYMMS. Mr. President, the nature of the relationship between the United States and the Soviet Union is often distorted by those who would have us believe that the Soviet system and values are equivalent to, and just as legitimate as, our own. They say that the United States and the U.S.S.R. are "morally equivalent," that the United States has no higher moral value system than the Soviets, that the Soviet system is just different, not less desirable than our own. The falsity of this claim is evident in the history of the development of these divergent systems.

The Soviet system stems from a long tradition based in the Tarters and Czars: tyranny and conspiracy. Politics in the Soviet Union means power struggle. Peace to the Soviet leadership has long meant a condition under which they are not the object, but rather the perpetrator of aggression either against the sovereignty of neighboring states or against their own people. Peace defined by Soviet actions mean slavery.

The basis of American tradition, however, is individual liberty. It is a tradition rooted in the New Testament, Magna Carta, Declaration of Independence, and our Constitution which guarantees civil liberties. Despite inevitable miscalculations, the American intention is to foster these same liberties and opportunities for individuals throughout the world.

Jeane Kirkpatrick has long advocated undistorted understanding of American traditions and goals. Mr. President, I ask that the article by Jeane Kirkpatrick in Imprimis, entitled "The Myth of Moral Equivalence," be printed in the CONGRESSIONAL RECORD.

The article follows:

[From Imprimis, January 1986]

THE MYTH OF MORAL EQUIVALENCE

(By Jeane J. Kirkpatrick)

Harold Lasswell, a rather unlikely source for an argument against the doctrine of moral equivalence, said in his book, *World Politics and Personal Insecurity:*

"The object of revolution, like war, is to attain coercive predominance over the enemy as a means of working one's will with him. Revolutionary propaganda selects symbols which are calculated to detach the affections of the masses from the existing symbols of authority and to attach their affections to challenging symbols and to direct hostilities toward existing symbols of authority."

He went on to say that constituted authorities perpetuate themselves by shaping the conscience of those who fall within their sphere of control. Hence, great revolutions are always deep ruptures of conscience. We are living today in a revolutionary era in which the force which purports to be the great world revolution of our times, Marxist/Leninism, seeks, by a variety of means, including skillful semantic manipulations, to extend its own hegemony.

The Soviets have made extraordinarily great progress in extending their own influence and projecting their own semantic rules upon the rest of the world. There was a time when an educated person found it persuasive to see important differences between the conceptions of civilization embodied, for example, in the U.S. Constitution or the British Constitution or the United Nations Charter, on the one hand, and the conception of civilization embodied in the theory and practice of the Soviet Constitution in any of its multiple mutations, on the other. And the conception of a bipolar political world has been similarly replaced by a prevalent world view which rests on the belief that the world is in the grip of a contest between two superpowers. These superpowers contend for dominance and resemble one another in key respects. This image of moral and political symmetry has gained a wide acceptance not only in the Third World, but also among our allies and ourselves. Of my own statements about the false nature of this image, a colleague has said, "She talks about the moral differences between the superpowers, and when we fail to find any moral difference between Afghanistan and Grenada she makes it clear that we are dim-witted." I believe that anyone who fails to see a difference between Grenada and Afghanistan is not only seriously mistaken but very seriously confused, and that their confusion is a direct consequence of the Soviets' colossally effective assault on the realms of value and meaning which our civilization holds dear.

That assault has, it must be underscored, had many successes. In the speech which I delivered at Chatham House in London in 1984 on moral equivalence, the question was, "Is there a moral difference between the superpowers?" I quoted a number of English commentators on the United States and I did not name them. That was a demonstration of both restraint and diplomacy on my part. While a Washington Post columnist suggested that I had outdone myself in finding esoteric figures to quote to make my point, I can assure you that the persons whom I quoted were anything but esoteric. They are leading representatives of the major parties of our perhaps closest friend and ally, the United Kingdom. One of those persons, who will remain nameless here (I called him simply, an MP), asserted that there was an uncanny resemblance between the superpowers. Another charged that if governments assign to themselves the right to change the governments of other sovereign states, there can be no peace in this world and that this is perhaps the most dangerous age which the human race has ever known. And, he said, it is quite improper for honorable members to condemn, as we have, the violation of international law by the Soviet Union in its attack on Czechoslovakia and Afghanistan if we do not apply the same standards to the United States' attack on Grenada. In a recent debate at Oxford our Secretary of Defense barely won. He squeaked through to a victory on the question of whether there is a moral difference between the superpowers. In another debate Congressman Newt Gingrich, comporting himself brilliantly, lost on the question of whether U.S. policy in Central America was consistent with the moral values and traditions of Western civilization. He lost that debate, of course, to a Nicaraguan government official.

To destroy a society it is first necessary to delegitimize its basic institutions so as to detach the identifications and affections of its citizens from the institutions and authorities of the society marked for destruction. This delegitimization may be achieved by attacking a society's practices in terms of its own deeply held values, or it may be achieved by attacking the values of themselves. That latter course was undertaken by the fascists and Nazi movements which rejected outright the basic values of Western liberal democratic civilization. They rejected democracy, liberty, equality, and forthrightly, frankly, embraced principles of leadership, obedience and hierarchy as alternatives to the hated basic values of democracy. Unlike the fascists, Marxists, of course, do not attack our basic values forthrightly. Instead, they denounce our societies in terms of our own values. They do not postulate alternative values; they postulate a radical critique of our societies and institutions by expropriating our language, our values. Thus democracies are attacked as not truly democratic, because they cannot guarantee economic equality. The argument follows that this makes political equality impossible and in the absence of political equality, it has been asserted that there cannot be free elections or freedom of any sort. Or the absence of perfect political equality in an electoral system means that

the elections are a fraud. Their point is that a regime whose practices systematically betray their basic values is obviously a failed regime. If our practices betray our own deepest values then we fail; we are a failed regime. If we pretend to hallow values which our practices do not perfectly achieve, then we are guilty of falsification. So we are both a failure and a fraud. Obviously, such a regime does not deserve the loyalty or affection of either its citizens or its friends. Thus, if the United States is a fraudulent, falsifying society which exploits its workers and subjugates all in a facade of democracy, then it is obviously not worthy of respect.

The Soviet assault on liberal democratic legitimacy involves a very complex, comprehensive, multifaceted strategy. First, it involves a demonstration of the failure of Western democracies to meet their own standards which are regarded as utopian measuring rods. Second, it proceeds by continuous falsification of Soviet practices and assertions of Soviet loyalty to basic Western values. At the same time that it is suggested that we do not respect our own values, it is claimed by the Soviets that they do. Our flaws are exaggerated, theirs are simply denied. Third, the conclusion is, of course, inexorably arrived at, that there is, at best, not a dime's worth of difference between these two regimes.

Marxism incorporates, at the verbal level and the intellectual level, the values of liberal democracy in its assault on liberal democracy and this is precisely why it entraps so many Western intellectuals who are themselves serious liberal democrats. Thus the slightest restriction on, let's say, the presumption of innocence of the accused is said to demonstrate the absence of the rule of law. The slightest failure of an electoral system demonstrates contempt for political equality. Any use of force in international affairs establishes the lawless character of the society. Now, it is a short step from having demonstrated that a country like the United States is not a law-abiding society to demonstrating that it is lost and that it is like any other lawless society. The Soviets can always claim "We are no worse than you. Even if we are a lawless society, you too are a lawless society, we are no worse than you." This is the "logic" of the doctrine of moral equivalence. If practices are measured by abstract, absolute standards, practices are always found wanting. The communists who criticize liberal democratic societies measure our practices by our standards and deny the relevance of their practices to judgments concerning the moral worth of our own society.

An alliance among democracies is based on shared ideals. The process of delegitimization is, therefore, an absolutely ideal instrument for undermining an alliance, as well as for undermining a government. The NATO alliance among democracies simply cannot survive a widespread conviction among its members that there is no difference between the superpowers. It is not necessary to demonstrate that the Soviet Union is flawed, or deplorable. To destroy the alliance, it is only necessary to deprive the citizens of democratic societies of a sense of shared moral purpose which underlies common identifications and common efforts.

When our democratic allies can see no difference between American and Soviet behavior, then obviously there is no moral basis for a continuing association. There may be grounds in wartime under extreme duress for democracies to ally themselves with countries which are morally reprehensible, but there cannot be, for democracies, adequate justification for long-range peacetime association. It's perfectly clear that the tendency to self-debasement, self-denigration which has been so brilliantly commented upon by the French scholar Jean-Francois Revel and others recently is rooted in this practice of measuring Western democratic societies by utopian standards. There is simply no way that such measurements can result in anything but chronic, continuous self-debasement self-criticism and finally, self-disgust. The problem of dealing with this is complicated by the fact that the values in question are our own values. The response, of course, must be that it is not appropriate to judge actual social practices by utopian standards of political values. So, we must simultaneously affirm our values and accept their relevance to our practice while denying that they are the measuring rods that the Soviets claim they are. That is the challenge which confronts us, and is by no means an easy one.

Another major dimension of the Soviet assault on our values takes place through the systematic redefinition of the terms of political discourse. George Orwell, as usual, has said it very well in his Epilogue to 1984. He said the purpose of "Newspeak" was not only to provide a medium of expression for the worldview and mental habits proper to devotees of "Ingsoc," but to make all other modes of thought impossible. A heretical thought would literally be unthinkable so far as it is dependent on words. The systematic redefinition of terms of political discourse is very far advanced, making it very difficult to think thoughts other than those indicated by the definition. In real life, nowhere is this clearer than in the concept of human rights. Human rights enshrined as the purpose of the United National Charter and at the heart of the American and the Western democratic tradition, have been redefined in contemporary international discourse and utilized by the great human rights organizations in their new definitions.

According to their new definitions, human rights violations are failures of governments, vis-a-vis their citizens. Terrorists groups do not violate human rights in the current vernacular; only governments violate human rights. Thus the government of El Salvador is continually attacked for gross violations of human rights in responding to terrorist assault. Guerillas are not attacked for violations of human rights, although they may massacre half of the inhabitants of a hamlet, dragging them from their beds in the middle of the night. That is not a violation of human rights by definition: That is a protest of a national liberation movement. The guerillas, by definition, are a national liberation movement. National liberation movements do not violate human rights. They have their human rights violated. National liberation movements assault societies and when governments respond, they (the governments) are criticized vigorously as repressive and unethical. I once encountered in a public presentation the assertion from an earnest young man that the government of El Salvador was guilty of the murder of 50,000, and this was proof, obviously, of gross violations of human rights and a sufficient demonstration that the government of El Salvador was unworthy of U.S. support. The fact is, of course, that approximately 50,000 people have died in El Salvador as a consequence of a guerilla war. But the government is simultaneously held responsible for maintaining order, protecting its citizens, and for responding to violence, so it is responsible for all the deaths in the society.

The semantics of human rights and national liberation movements are extraordinary. It is necessary only to look at the sober discussions of human rights in such places as the Amnesty International Reports or the Helsinki Watch discussions to see that those organizations and most of the people who discuss the subject today are using skewed vocabulary which guarantees the outcome of the investigation by definition. The "newspeak" of human rights morally invalidates the governments by definition and morally exculpates the guerillas by definition. The theft of words like genocide and the language which appears in documents like the United Nations Charter and the Geneva Convention are other examples of systematic comprehensive effort at semantic rectification.

In the United Nations, of course, genocide is regularly charged against Israel and only Israel is regularly described as violating the Geneva Convention. Along with the terms go the documents in which the values are enshrined and codified. What further complicates this is the effort not only to redefine values but to eliminate any epistemological standard—any standard of proof—by which events might be objectively observed and through which we might have appeal to the double bind in which the semantic falsification puts us. Totalitarian ideologies, including Marxism, are inevitably, invariably, antiempirical. Not only do they deny that there is any sort of objective truth, they deny effectively empirical verification and procedures of empirical verification because they make truth, and not only truth, but reality, dependent on power relations, i.e., truth and objective reality are ultimately defined in a totalitarian ideology by those people who hold power. There is an elaborate ideological justification for this, according to which only Marxists are capable of seeing through the layers of obfuscation with which the existing exploiting powers have shrouded reality. Only the bearers of the totalitarian ideology have the capacity to de-mystify and define reality.

The totalitarian ideology, of which Marxism is the supreme example in our times, makes truth a function of power which is finally enforced by terror. Truth and reality are continually readjusted to serve the purposes of power at any given time. This is the reason that in 1984, history is continually re-written. It isn't just re-written once; it's re-written on a daily basis. And it is re-written from week to week and year to year to fit the requirements of the moment. Words, relationships, and events are redefined, and reality becomes a sub-category of politics. There is, then, no appeal from the arbitrary definitions of the revolutionary ideology. The redefinition of reality in the United Nations is dramatics. The first and most memorable examples which I witnessed were the attacks (they are annual, I later discovered) of Andrei Gromyko on the United States for intervention in the internal affairs of Afghanistan and for destroying the possibilities for peace in Afghanistan. While that charge might not be too serious if it were uttered by someone in a position of less influence and power than Andrei Gromyko, it is very serious indeed when it is backed by the full power, in an organization like the United Nations, of the Soviet Union and the Soviet bloc. The charge that the United

States is guilty of preventing peace in Afghanistan has now become a part of the negotiating position of the Soviet Union in which they suggest that the principle obstacle to the pacification of Afghanistan is American support for resistance forces in Afghanistan. That is an argument which one can hear in the United Nations anytime the question of Afghanistan is discussed. It is an argument which representatives of the mediators come and whisper quietly to us at the U.S. Mission or the State Department: Couldn't we try harder to understand that perhaps the biggest obstacle for peace is American support for the resistance movement?

Conceptions of reality are continually manipulated as part of the process of redefinition. There are many examples, but none more blatant than in the case of Nicaragua where the first symbolic redefinition/theft took place in the appropriation of the name of Augusto Sandino. Actually, Sandino was a nationalist and a patriot who was explicitly hostile to communism and who broke with the Salvadoran communist leadership precisely on grounds that the communists could betray the nationalist character of the revolution that Sandino stood for. There is a colossal theft and redefinition in the very name Sandinista. It matters because the name of Sandino has great prestige; he is a great national symbol in Nicaragua, a symbol of independence. It is a theft which both falsifies and confuses—confuses the Nicaraguans initially and confuses international observers about whether this government is nationalist, the bearer of authentic nationalist aspirations, or whether it is something else.

Semantic obfuscation in Nicaragua also proceeds apace with regard to the Catholic Church. The Nicaraguan government is probably the first to attempt, systematically, to incorporate the symbols, of Christianity into a comprehensive fashion into state ideology. The establishment of a "popular church," a so-called parallel to the Catholic Church, is but one artifact of that effort to incorporate the symbols of Christianity. Most of the major rallies in Nicaragua today include the symbol of a soldier with his arms outstretched. It is a novel attempt to identify the Sandinista revolution with the cross. Christ is depicted on the cross and in the background there is a sort of shadow with its arms outstretched in the form of a cross. He is a guerrilla with a rifle.

Along with this kind of redefinition, falsification, and utopianism goes something and that is a simply colossal historical denial, especially on the part of the Russians. Their systematic continuous denial of their own history and practices is epitomized by their denial of the Ukrainian famine, which was denied for decades successfully and is still denied today. The Ukrainian famine is a non-event in the view of Soviet interpreters of reality. But not only is the Ukrainian famine a non-event like the infamous Kaytn massacre in 1939, but the current shipment of arms from Nicaragua to El Salvador is a non-event as well. The experience of confronting a spokesman for the Nicaraguan government in a public arena and listening to him deny that the Nicaraguan government is engaged in the shipment and trans-shipment of arms in a deliberate attempt to destabilize the government of El Salvador is simply an extraordinary experience.

There is no more misleading concept abroad today than this concept of superpower rivalry and the concept of superpower equivalence. The concept of superpower rivalry is the first premise in a syllogism in which moral equivalence is the conclusion. Once you view the United States and the Soviet Union as contending for the world, you have already suggested a symmetry between their goals: to dominate the world.

The fact is, of course, that we do not seek to dominate the world. We do not seek colonies. We do, in fact, seek to foster a world of independent nations. But whenever anyone suggests that the world is dominated by superpower rivalries, they imply that we have some goal other than fostering and preserving a world of independent nations. Otherwise the concept of superpower rivalry makes no sense. But if there is only one power which seeks to undermine and subvert the independence of nations, then there is no question of superpower rivalry, and there isn't even a question of a contest between the United States and that imperialistic power. There is a contest between the imperialistic power and all other countries who desire to preserve their independence.

The very notion of superpower rivalry undermines, at the epistemological level as well as the political level, the notion of a serious distinction between the U.S. and the U.S.S.R. and also undermines the reality of the opposition of Soviet goals to the goals of all independent nations and the desires of all independent nations. It is very important to understand that not only are questions of politics involved here, but also the most basic questions of morality and meaning. In a very interesting little book, *Ethics of Rhetoric*, Richard Weaver said, "It is the nature of the conscious life of man to revolve around some concept of value." So true is this, Weaver added, that where the concept is withdrawn, the human being suffers an almost intolerable sense of loss. As our lives revolve around values, they also revolve around meaning and epistemological stability. We must recognize and defend a concept of meaning to which that concept of value is, of course, absolutely essential: a concept of epistemological stability, if you will, a concept of reality which is not, in fact, a function of power and does not shift from day to day to fit the political needs of a totalitarian group.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS

● Mr. RUDMAN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35, for Ms. Ruth Kurtz, a member of the staff of the Joint Economic Committee, to participate in a program in Japan, sponsored by the Japan Center for International Exchange, Inc., from March 30 to April 6, 1986.

The committee has determined that participation by Ms. Kurtz in the program in Japan, at the expense of the Japan Center for International Exchange, Inc., is in the interest of the Senate and the United States.●

A TRIBUTE TO NILES WESTBY

● Mr. DURENBERGER. Mr. President, I have often boasted that Minnesota is uncommonly wealthy in its human resources. Many times I have recounted before my colleagues the strengths, talents, and virtues of individual Minnesotans. Today I would like to pay tribute to such a notable individual, the late Niles Westby, former Director of the Farm Credit Operations of the FmHA for the State of Minnesota.

A year ago this month, Niles passed away. Though he is no longer with us, he left us with his example of the concern, compassion, and love he felt and showed his family, friends, farmers, business people, and mankind. His commitment to the rural communities of Minnesota was unsurpassed, and surely lives on in the lives he enriched and livelihoods he helped protect.

I can think of no better way to honor Niles, than to request that portions of his son Clark's tribute to his father, and the messages of sympathy to his family, be submitted here for the CONGRESSIONAL RECORD. I ask that they be printed in the RECORD.

The material follows:

"In May 1956, Niles was hired by the Farmers Home Administration . . . for the position of Supervisor for rural farm credit."

"In 1957 he was appointed to the position of Supervisor in Todd County, serving the office in Wadena, too. He was notified in November 1962 that he was to be transferred to the same position in Freeborn County in January, 1963. He serviced the offices in Mower and Waseca counties also. The District Supervisor appointment was received in 1972 and he assumed his duties directing office personnel for the agency in the Northwest counties of the state. . . ."

"The retirement of a fellow worker in 1975 created an opportunity for him to work with and supervise the personnel for 8 offices of the agency in West Central Minnesota."

"A national appointment in 1979 recognized his years of compassion and dedicated service and selected him 'Chief' to direct the Farm Credit operations for FmHA for the state of Minnesota."

"A stroke in March, 1980, a heart attack in April, 1982, and cancer surgery in September, 1982, were the first major illnesses to require extended use of his 'sick leave.'

"The stress and pressures of the position are easier to overlook after people recognize him in public and say 'It's because of the hardwork of that man that I have a house to live in and am not freezing to death in that old shack that was on my farm.' Another mother said, 'I never dreamed I could enjoy anything as much as I enjoy the house that was accomplished by your untiring efforts. My big family and I will always be thankful.' "Those years of after hour appointments and contacts; very early morning visits so as not to have to interrupt the daily schedule has never been duplicated by a community servant.' "

"Community groups recognized his untiring efforts after sanitary sewer systems were completed to improve the health and well-being of the population of the small rural metropolis. In one little community he serviced so many housing loans that they suggested that it be renamed 'Nilesville.'"

If the position of gardener is open in Heaven we know Niles will apply."

Following is a "thanks" from the Westby Family to FmHA along with some very meaningful messages sent to the family:

"Dear FmHA Staff and Friends,

We wish to thank you for the memorials and tributes to Niles. It was not possible for him to have a retirement of good health. Instead we share memories.

PAT, DAVID, BRIAN, AND CLARK."

MESSAGES OF SYMPATHY TO THE FAMILY

"I'll always remember the things he taught me when I was just getting started in FmHA. Niles' heart was always with that farmer."

"Niles Westby was a big man, not only in physical stature but also in kindness, helpfulness, generosity and understanding. He was such a rock of stability and such help during the turmoil of his administration."

"All the well deserved tributes given to Niles Westby at the funeral provided you with comfort knowing his many friends were sharing with you their appreciation of his patience, loyalty and assistance and concern. He truly showed agape—the highest form of love."

"May your sons continue their lives with the legacy of their father's love."

"He was a good man and loved by all for this wit and wisdom."

"Niles was a hard worker and took his job serious, too."

"I came to know your husband when I started working with FmHA. He would always give an equal caring ear to me even as a new employee. I respected him more than anyone else in the State Office. Please know that I and fellow staff workers will remember Niles as a dedicated and concerned man."

"Niles was a real inspiration to me. I always felt he was a key man in the organization in Minnesota. I was happy to see him achieve his goal as Farmer Program Chief."

"I'm so sorry to hear about Niles. He is one of the few men I've known who was always a 'Real Gentleman'. I worked with him for a period of years, he always had time to be concerned for the people he worked with. He helped me through a troubled time with his concern and advice. I'll always remember that. God Bless Him."

"We always felt that Niles was more of a father figure to us then a supervisor. He WAS VERY SPECIAL to all who knew him. We shall miss his warmth, wit and counsel."

"Niles was the most considerate boss I've ever worked with. None of us worked with Niles for more than a few days without learning about his boys. I'll never forget him and how good he was to me."

"How saddened I was when I just learned of your loss. Niles had many friends. How proud I am to have been one of them. He and I had many wonderful associations. We will truly all miss him. We will miss a good friend."

"Our thoughts and prayers are with you. Niles was a great person and a terrific 'Boss' and we share your loss."

"We are sorry to hear about Niles death. He was a good friend and helper and the best man FmHA has ever had."●

PUERTO RICAN ECONOMIC GROWTH

● Mr. KENNEDY. Mr. President, the Commonwealth of Puerto Rico is experiencing its strongest and most promising economic performance since the era of Operation Bootstrap three decades ago.

Now, as then, creative and energetic executive leadership is responsible for the good news. Governor Hernandez-Colon took office after a decade of economic stagnation. In little more than a year he has taken steps to: Diversify and expand the Commonwealth's manufacturing base, revitalize the construction industry, reform the Tax Code in order to encourage investment, and utilize section 936 of the U.S. Tax Code to promote linkages between the Puerto Rican economy and less developed countries throughout the Caribbean basin.

Mr. President, this is local government at its best—actively and creatively promoting economic growth. Last month Barron's magazine, no knee jerk fan of government activism, took note of Governor Hernandez-Colon's impressive record. I hope we will all keep this in mind when we consider Tax Code changes later this year.

I ask that the article from Barron's be printed in the RECORD.

The article follows:

COMEBACK IN THE CARIBBEAN: PUERTO RICO'S BACK IN BUSINESS

SAN JUAN.—Pedro C. Lopez Flores, taxi driver and tourist guide, is utterly astounded. "I remember when the El San Juan went bankrupt. They piled all the furniture into the street. And now," he confides, "I hear they get $395 a night per room. With a phone, mind you, in every bathroom."

Make that a television and $450 a night for a deluxe suite, ever since the grande dame of Puerto Rican hotels reopened in November, boasting a $50 million-plus facelift. The El San Juan's new owners have bet the farm on Puerto Rico's economic about-face and its resurrection as a tourist mecca. And they certainly are not alone.

Within the last two years, both the Commonwealth government and private investors have poured huge sums into refurbishing the island's classiest resorts. Even the major airlines have rediscovered San Juan. Pedro Lopez Flores caught the drift just as soon as he returned home last year, and exchanged his New York hack number for a Puerto Rican license. "They're fixing up everything here," he exults. "Everything is beautiful, and so new."

Although neither as sudden, nor as dramatic, as the El San Juan's rags-to-riches transformation, Puerto Rico itself is now enjoying an economic revival of sorts. Just as "Operation Bootstrap" did in the 'Forties, the current rejuvenation reflects local initiative as much as it does any helping hand from Uncle Sam.

Although cynics scoff that things have advanced merely from bad to less-bad (unemployment, for instance, has dropped 15% since last summer, but still hovers near 20%), signs abound that Puerto Rico finally has found its sea legs. The House Ways and Means Committee has preserved, at least for another year, Section 936 of the Internal Revenue code, which makes Puerto Rico an attractive tax haven for subsidiaries of American corporations. The island's governor, in office just a year, already has pushed through the Commonwealth legislature a comprehensive package of personal tax reforms and industrial incentives.

Falling interest rates and oil prices also have bolstered the local economy. And Puerto Rico, as usual, is enjoying the "spillover" effect of economic buoyancy on the American mainland.

The current business is providing particularly stimulating to the island's financial companies. Spurred by the competitive effects of deregulation and aided by their access to inexpensive 936 funds, Puerto Rico's publicly held banks and thrifts all enjoyed a banner year in 1985. What's more, these institutions—Banco Popular, BanPonce, Ponce Federal, Bayamon Federal and Western Federal Bank—all are expecting another bonanza in '86. No wonder they're out of lobster at the posh Bankers' Club in Hato Rey.

Investors have fully appreciated the rising fortunes of these banks. Western Federal, which went public at $8 a share last February, now trades around $15 a share. Ponce Federal's shares, adjusted for an 8% dividend, have almost tripled since January '85 to their current eminence of around $21. They're slated to split next week. Bayamon Federal's stock has soared almost sevenfold, to $26, with takeover rumors providing an extra lift.

Commercial bank stocks, too, have been fairly frisky. BanPonce's shares, adjusted for a 3-for-1 split last September, have climbed 17 points since January of last year, to around 28. And Banco Popular's shares, which changed hands early last year at 18 (adjusted for a 2-for-1 split), now fetch around 26.

To be sure, the strength in the Puerto Rican financial shares mirrors the spirited move in their mainland counterparts. Although their stock prices have skyrocketed, moreover, the banks' and thrifts' multiples have remained constrained. The group average now is roughly 5.7.

One of the things that has lifted hearts in Puerto Rico is the House Ways and Means' treatment of Section 936. The U.S. Treasury wanted to repeal the measure in *its* tax reform proposals. Adopted in 1976, though based on prior provisions, 936 grants American corporations tax credits on the earnings of their Puerto Rican subsidiaries. Such income, and any interest earned on it, also is exempted from Commonwealth and local taxes, so long as it is reinvested in "eligible activities" that aid the island's economy.

Section 936 lured American corporations, and particularly pharmaceutical and electronics giants, to Puerto Rico, where they have established hundreds of manufacturing subsidiaries and infused the economy with billions of dollars. According to government estimates, some $8 billion in 936 funds is now on deposit with the island's financial institutions (and chiefly with branches of large stateside banks). Most Puerto Ricans believe the elimination of 936 would wreak economic havoc on the island.

Although Congress tampered with Section 936, "they left us something we can live with," declares Jose N. Freire, auxiliary administrator of Fomento, Puerto Rico's economic development authority. Most business leaders predict that the Commonwealth eventually will lose its special tax status, but that in the interim Puerto Rico has won an important psychological victory.

"Last year was a time of stagnation," explains Juan Agosto Alicea, Secretary of the Treasury. "Companies took a wait-and-see attitude about making further investments here. Now there's an economic upstick, not so much because we're expecting a boom, but because those companies are forging ahead again."

Despite the lingering uncertainty over tax matters, the Commonwealth government has redoubled its efforts to woo new business, particularly in manufacturing. This month, for the first time, Freire and Fomento Administrator Antonio Colorado are stumping California, spreading the good word about investment opportunities in Puerto Rico and the role the island hopes to play in President Reagan's Caribbean Basin Initiative. Specifically, Puerto Rico's Government Development Bank has made available some $700 million in loans, drawn from its 936 deposits, for Puerto Rican subsidiaries of companies that establish "twin plants" in neighboring islands.

Last Fall, Governor Rafael Hernandez-Colon, Colorado and several private businessmen undertook a similar "mission" to Japan, to educate Japanese executives about Puerto Rico's economic virtues. In March, the island will float a $100 million bond issue, in yen, to help finance Japanese investments here.

"We still believe that Section 936 is our strongest alternative," contends Treasury Secretary Agosto Alicea. "But we have to develop a new approach to the future, which stresses fiscal autonomy and gives incentives to local entrepreneurs."

Courting Japan obviously represents one effort to wean Puerto Rico from its dependence on U.S. corporations. The governor's tax reform package, designed to encourage savings and local investment, is another. Key legislation, to date, has lowered the island's maximum personal income tax rate to 50%; abolished inheritance taxes; granted special treatment to limited partnerships and slashed the tax on savings deposit interest to 17%.

The tourist industry has received Hernandez-Colon's particular blessing, conveyed through a hefty incentive package granted last fall that includes tax breaks, fuel credits and more favorable casino and gaming laws. Under former governor Carlos Romero Barcelo, the Commonwealth launched a $37 million campaign to refurbish several hotel properties it owns along the Condado strip (San Juan's equivalent of Miami Beach's Collins Avenue), and elsewhere on the island. Private investors have followed suit; last year, Hyatt Corp. committed $80 million to purchase and renovate two luxury resorts near San Juan.

Even higher on the governor's agenda these days is reviving Puerto Rico's moribund construction industry, an endeavor that would create tens of thousands of jobs. Last summer the Government Development Bank established a Mortgage Trust to finance low-cost housing construction, and last month local headlines screamed the good news: The GDB had approved 25 low-income housing projects, representing almost 3,000 units, to be financed with $128 million it had raised through a note issued to 936 corporations in August.

An impending construction boom, or even a boomlet, is just what the doctor ordered for Puerto Rican Cement, which has been in the doldrums for at least a year. For 1985, the island's largest cement producer reported flat earnings: $2.8 million, or $1.39 a share (not including extraordinary items), on $58 million in sales.

Its stock, which now trades around $8 a share on the NYSE, has been languishing. This year, however, Hector Del Valle, vice president for finance, is far more bullish about the company's prospects, citing the aforementioned housing program and a new, anti-import law that mandates the use of domestically produced cement in government funded projects. Given an expected pickup in its business, Puerto Rican Cement could earn as much as $1.70 a share this year.

Puerto Rico's banks and thrifts, however, have gained the most, and stand to gain still more, from the ongoing impact of Section 936 and the government's tax reforms, not to mention lower interest rates. Despite the economic interruptions caused last year by the 936 crisis, the island's five publicly traded financial institutions all enjoyed strong growth in both loans and deposits.

The banks, in particular, are flush with 936 deposits, for which they pay considerably less, thanks to the applicable tax benefits, than they do for equivalent taxable funds. Moreover, because of the government's "eligible activity" requirements, much of this money is reinvested in U.S.- and Commonwealth-backed loans and securities. Risky foreign loans are not a concern; in fact, Banco Popular's total foreign exposure, in December 1984, amounted to $6 million lent to the Dominican Republic.

Like most local banks and the thrifts, Popular has been chasing the consumer market in recent years, and the strategy has paid off handsomely. Puerto Rico's largest commercial bank (and its two affiliates) earned $32.9 million, or $3.66 a share, last year vs. $29.8 million, or $3.31 a share in 1984. For 1986, analysts says, Popular could be looking at earnings of at least $3.85 a share. Last year's rise, explains President Richard Carrion, reflects a 25% growth in loan volume, including a more-than-50% jump in consumer loans, as well as an increase in non-interest income.

The bank's personnel and equipment expenses have grown apace, but should stabilize this year, says Carrion, as Banco Popular completes the automation of its 125 branches (nine of them in the continental U.S.). Last year, the bank signed up five other institutions to participate in its island-wide ATM network, which now boasts more than 80 automated teller machines. Banco Popular's increasing retail orientation has taken other avenues, as well, most significantly the purchase, in 1984, of General Electric Credit Corp.'s Puerto Rican credit card business.

BanPonce Corp., the holding company for Banco de Ponce, also has moved aggressively to tap the retail market. Headquartered, not coincidentally, in the south coast city of Ponce, the 51-branch bank pioneered Puerto Rico's IRA business, and still claims 30%-35% of that market. This year, the bank has targeted credit cards, premium savings accounts and auto loans as growth vehicles.

Ban Ponce's mortgage loans, like Popular's, held steady last year; its consumer loan portfolio, on the other hand, grew 28%, to $390 million, and now accounts for just about 40% of the bank's total loans.

In 1985, BanPonce netted $20.2 million, or $4.19 a share, a 31% increase over the prior year's earnings of $15.4 million, or $2.69 a share (not including extraordinary items). That impressive performance, according to Executive Vice President Danilo Ondina, is a consequence of the formal strategic planning process the bank commenced five years ago, as a way of rising to "meet the challenge of deregulation." The bank ultimately decided to meet that challenge as a bank holding company, a "more appropriate mechanism." Ondina observes, through which to diversify its services and broaden its geographic base, particularly in the New York area, where it already has a dozen branches. This year BanPonce's profits could climb another 15%, though somewhat less than that on an earnings-per-share basis.

As much as deregulation has changed commercial banking, it has transformed Puerto Rico's savings and loan scene into a jungle. On the one hand, the island's 12 thrifts are tripping over each other to market new products in sometimes zany ways. On the other, the major thrifts all are bidding for an ever larger percentage of the consumer loan market and paying far greater attention to the nuances of asset management.

Of the public institutions, Ponce Federal is kicking up the most dust. Its president, Ramiro Colon, has earned a reputation as an aggressive risk-taker, and so far has been on the money. The bank's growth has been explosive, in terms of assets (up 226% since 1980), deposits (up 145% in the same stretch) and earnings. Last year Ponce netted $7.7 million, or $4.19 a share, vs. $4 million, or $1.80 a share in 1984. Colon credits Puerto Rico's economy, in general, and a construction miniboom, in particular, for the hefty increase, although part of the gain, in all fairness, is of the bank's own making.

In February 1984, Ponce converted from mutual to stock ownership, and raised $11.6 million through its first public offering. The bank has sold two debt issues since then, which, together with a big boost in deposits, have broadened its lending and investment base, helped finance its new product introductions and abetted its expansion into metro San Juan.

With obvious relish, Colon reels off a long list of loan situations in which Ponce recently has become more involved. These include high-risk interim financing for industrial projects, a new government-backed small business assocation program, agricultural and student loans and equipment leasing.

Why has the bank heaped its platter so high? "We're hungier, perhaps, than the competition," he frankly admits. Investors, nonetheless may sleep better knowing that some 65% of Ponce's loans currently are backed by either the federal or Commonwealth government.

For many years Bayamon Federal's rep was quite the opposite of Ponce's. This suburban San Juan savings and loan made little noise and less money. Then, in 1984, the thrift was rocked by a scandal that left it nearly extinct. A former officer's unauthorized investments cost Bayamon some $6.9 million, or $6.67 a share, and sent its net worth plunging to less than $2 million, considerably below federal regulatory requirements. The thrift's auditors (now its ex-auditors) not only refused to opine on Bayamon's financial health, but revoked their 1983 opinion as well.

Enter Dr. Elias Ason, bank consultant, soft-spoken academic and now Bayamon's president, and the rest is happy history. This year, the thrift posted earnings of $12.7 million, or $9.02 a share, and its net worth topped $14 million. Free, at last, to seize the opportunities offered by deregulation. Bayamon has lost no time introducing a by-now-familiar financial products menu

and getting into commercial and consumer loans and even financial leasing.

Ason's chief objectives, at this juncture, are to redistribute the thrift's assets, placing more emphasis on its loan portfolio and less on its lower-yield investment securities. He also aims to upgrade Bayamon's branches, which now number 17.

Western Federal Savings Bank, asset-wise the smallest of Puerto Rico's publicly traded thrifts, still functions in many ways as a small-town savings and loan. For one thing, it is based in the west coast city of Mayaguez, far from the maelstrom of San Juan. And, although Western's branches go head-to-head, in many communities, with Banco Popular's, the competition, in the island's interior, just isn't the same.

Bank Vice President Fermin Contreras notes that the Mayaguez economy is particularly stable, owing to the large concentration of 936 corporation subsidiaries established on Puerto Rico's western rim. This solid business base, coupled with Western Federal's historically conservative management, pushed the thrift to record income last year of $4.5 million, or $2.99 a share, from $2.5 million in 1984. (The bank converted to stock ownership in February 1985.)

Like most Puerto Rican bankers, Contreras now considers consumer and commercial lending Western Federal's greatest growth possibilities. Mortgage loans, he reports, "have been a little slow in our area, but that's a bit of an advantage, because most are long-term." The thrift is investing its 936 funds, instead, in mortgage-backed government securities, repurchase agreements and other short-term instruments that increase its liquidity and reduce its interest rate risk.

The greatest risk facing Western Federal, and in fact, all of Puerto Rico, according to Fermin Contreras and others, is Washington's latest economic "missile"—namely, Gramm-Rudman, the federal government's deficit reduction law. Declares Contreras: "This could prove even more of a problem, long-term, than losing Section 936." Indeed, the island currently is confronting the loss to its economy of some $40 million-$60 million, courtesy of Gramm-Rudman, come March.

But consider what else that merry month will bring. In March, Governor Hernandez-Colon will pack his chopsticks and head back to Japan. Fomento will take its road show to Chicago. Construction will have begun on those much-heralded housing projects. And the banks will report their first quarter earnings. If the last quarter is any harbinger, the Bankers' Club had better lay in more lobster.

PUERTO RICAN BANKS: A COMPARISON

	Banco Popular [1]	Ban-Ponce Corp. [1]	Bayamon Federal [1]	Ponce Federal [1]	Western Federal [2]
Total assets	$4,142	$2,127	$918.3	$716.9	$441
Total deposits	3,365	1,906	440.8	371.8	231.4
Total loans	1,691	1,014	499	388.7	194.8
Shareholders' equity	226.4	127	14.3	36.7	29.6
Net income (1985)	32.9	20.2	12.7	7.7	4.5
Earnings per share	$3.66	$4.19	[3] $9.02	$4.19	$2.99
Shares outstanding	9	4.8	1.03	1.84	1.5

[1] At Dec. 31, 1985.
[2] At Sept. 30, 1985.
[3] Not including extraordinary items. All figures in millions, except earnings per share.●

MUSIC ON SYNDICATED TELEVISION PROGRAMS

● Mr. GORE. Mr. President, our long-established system of encouraging and rewarding music creativity is facing a threat. The threat is posed by H.R. 3521/S. 1980, which was introduced last year to revise our fundamental copyright law as it applies to music on syndicated television programs.

To understand fully the danger to our country's music creativity posed by this legislative proposal, it is first necessary to understand how the present system of licensing copyrighted music for local television works.

I. THE STATUS QUO

When music is obtained for the sound track of a television show or movie which is later syndicated to local stations, our copyright law separates recording rights from rights of public performances. The "recording rights," or "synchronization rights," must be acquired from its creators by the show's producer in order to record and integrate that music into the show. The "public performance rights" must be acquired by the local TV station in order to perform that music over the air.

Initially, important TV shows are produced for the three major television networks. From the creators of the copyrighted music used in each show the show's producer acquires the music synchronization rights, and the network obtains the music performance rights. When that show, such as "M*A*S*H" or "Kojak," is later syndicated for broadcasting as an off-network program to local TV stations, both independents and network affiliates must acquire the nonmusic rights to the show from the producer or syndicator, and the performance rights to the music in that show from its creators.

TV stations are free to choose any one of several methods of acquiring those performance rights for the numerous musical works they broadcast every year. Almost all TV stations have thus far always opted to periodically obtain "blanket licenses" from the three performance rights organizations: ASCAP, BMI, and SESAC. These organizations represent composers, lyricists, and publishers of the majority of American music, as well as the works of almost all foreign creators and publishers. Composers are under no obligation to belong to any one of these organizations; however, nearly all composers do belong and license their songs through ASCAP, BMI, or SESAC. The attributes of the blanket license are the same for BMI and SESAC. (ASCAP is sometimes used in this discussion for illustrative purposes.)

This blanket license system was devised more than 70 years ago in negotiations between music creators and music users. It is used by our national TV and radio networks, local TV and radio stations, and virtually all other music users who perform publicly in the United States.

In exchange for a single agreed-upon payment based on that station's net revenues, a blanket license provides the local TV station with the right to unlimited use of all music in the ASCAP (or BMI or SESAC) repertory. The TV show can be syndicated or locally produced and there are no premiums for particularly popular works. It is the right of access that is valuable. The TV station is paying for the unlimited right to use any music it may decide to broadcast; the nature and extent of which is not known in advance and much of which may not even exist at the beginning of the license term. The blanket license eliminates the need to obtain a limited license to cover only the particular music actually performed on any one of its local programs. Limited licenses of that kind are cumbersome to obtain, inconvenient to administer, and unreliable and expensive compared to the blanket license.

From its pool of blanket license fees, ASCAP then pays each composer, lyric writer, and publisher a portion on the basis of the relative number of times their work is broadcast and featured. This is reflected by a scientifically designed random sample of local TV performances which was worked out in conjunction with the Census Bureau. The creators thus receive "continuing payment for continuing use," which is the basic incentive for all musical, as well as literary, creativity. This principle is at the heart of all modern copyright laws.

Despite this wide choice, local broadcasters have found it inexpensive, efficient, and convenient to hold blanket licenses negotiated on an industrywide basis. Mr. Edward Fritts, president of the National Association of Broadcasters testified before the House Judiciary Committee's Subcommittee on Administration of Courts, Civil Liberties and Justice in September 1985, recommending for cable TV the same kind of blanket license process used in the ASCAP-All Industry Committee bargaining sessions for radio and TV:

> This process affords two large entities, with knowledge and experience in the field, to negotiate a price that correctly reflects the value of the works in the marketplace. There is no disproportionate size or wealth advantage that one side possesses over the other; quite to the contrary, there is equality of bargaining positions.

II. THE PROPOSED LEGISLATION

H.R. 3521/S. 1980 would alter this status quo by shifting the obligation to acquire music performance rights away from the TV station that performs the music and to the program producer-syndicator. The producer would thus be required to obtain both the right to record and the right to

perform publicly. As a result, these two separate rights would be merged into one, eliminating, in most cases the creators' separate payment for public performance.

In short, the bill would mandate source licensing as the only way a property owner could lawfully license his own property; all other methods of conveying to local TV stations these music performance rights in syndicated shows, including the traditional blanket license, would be eliminated.

Both proponents and opponents of the legislation agree that its overall economic effect will be a net reduction in the total amount of money paid by the local television industry for copyrighted music. According to the proponents of this legislation, these extra funds, most of the $60 million per year now paid to the performing rights organizations for blanket licenses, will be used by the station owners to increase public affairs programming. Of course there can be no assurances that this will take place.

In addition to convenience, the blanket license encourages the use of high quality copyrighted music in ample quantities on syndicated television shows. The syndicator of a show pays only the synchronization fee; he does not publicly perform the music and thus need not pay for performance rights. The TV station pays nothing more for high quality music beyond the standard license fee. The individual composer knows that his royalties will increase if his music is performed frequently; and therefore, has no reluctance about writing for network TV shows or movies which will possibly later go into syndication.

The system is under careful scrutiny to assure TV music users reasonable treatment. The fee for the blanket license is periodically negotiated between ASCAP, representing this country's individual music creators, and the All Industry Television Station Music Licensing Committee, representing nearly all the TV station owners in the country. If ASCAP's negotiations do not result in agreement, the user may go to court and ASCAP must prove the reasonableness of its fee proposal.

In addition, under a consent decree in federal court, ASCAP has accepted an obligation to license all comers. It can not refuse to license to any prospective licensee. Nor can it prevent a TV station owner from dealing directly with creators if he prefers.

Three other types of music performance right licenses are freely available to all local TV stations, as the courts have recently observed (*Buffalo Broadcasting Co.* v. *ASCAP and BMI*, 744 F. 2d 917 [2nd Cir. 1984], cert. denied, 105 Sup. Ct. 1181 [1985]):

(i) a "per program license," by which ASCAP conveys on demand the same all-encompassing rights as in a blanket license but negotiates a fee, also subject to court review for reasonableness, based on a percentage of the net revenues derived from only those programs that carry ASCAP works, instead of the net revenues from all local programs;

(ii) a "direct license" between the creators and the TV station;

(iii) a "source license," under which the syndicated show's producer obtains the music performance rights for the TV station. [The trial record in the *Buffalo Broadcasting* case revealed that no local TV station had ever made a serious attempt to obtain such a license by actually offering to pay for it; some stations had asked for free licenses from producers.]

The individual composer would not be negotiating with the local TV broadcasters. At the present time ASCAP now negotiates on his behalf. ASCAP was established in 1914 to give copyright owners the ability to bargain meaningfully and to curb infringements effectively. However, with the new legislation, the composer would no longer be allowed to license through the ASCAP clearinghouse and would be prohibited by National Labor Relations Bureau rulings from forming a union with his fellow composers. Instead, the composer would be negotiating with a potential show's producer/syndicator. The reasonableness of the fee would no longer be protected by judicial review. Thus, the "equality of bargaining position" praised by knowledgeable observers of the current system would no longer exist.

Less than 3 percent of all shows produced actually succeed. This is significant to the producer/syndicator. He may never recoup any moneys he expends for music in his high-risk, deficit-financed business. When he is asked by the composer to pay more for the performance rights than the customary sum he has paid in the past for the recording rights, he will turn to the available alternatives. These would include inexpensive music, a smaller quantity of music and music in the public domain.

On behalf of the well-known songwriter, the producer may try to insert a clause in his agreement with the TV station providing more money for the songwriter for every performance. Since the TV station is offered a wide choice of syndicated shows and needs very few, they could threaten to reject the show unless the music performance rights were delivered free. The right of continuing payment for continuing performance will disappear.

Any broadcaster can bargain for source licensing under the present status quo as determined by the courts. However, he could drive a far sharper bargain if the law required all TV stations, creators and syndicators to accept source licensing only.

III. THE CONSEQUENCES OF THE PROPOSED LEGISLATION

This bill raises three fundamental questions for the consideration of every Member of Congress.

First, why should Congress destroy a free market system that has worked so well for so long?

Enactment of this legislation would drastically alter the system by which creators of music in television have been compensated in this country for decades. This system was deliberately sought, created and renewed by both composers and broadcasters for its efficiency, economy and equity to all. It has been successfully utilized all over the world.

Moreover, all existing long-term contracts covering the large number of TV shows now in inventory allocate the cost of music performance rights under the current blanket license. These contracts simply require the TV station owner who performs that music to purchase the performing rights from the music's creators. Hundreds of millions of dollars are involved in these contracts. But this legislation purports to set aside, 1 year after its effective date, all of these contracts forcing the parties to revise them within the narrow bargaining constraints mandated by the bill. The contracts would have to obtain and pay for music performance rights no longer covered by blanket licenses, creating possible economic and legal chaos in the music and TV industry.

Second, why should Congress heed complaints already found invalid by the courts?

The proponents of this legislation have attempted to justify its necessity by making overlapping assertions, each rejected by the courts on full records as recently as 1984. Each practice, if alleged on the basis of new and different facts, could be pursued by the broadcasters in court without new legislation, and if proved, could be halted by the court. A case involving the reasonableness of the current blanket and per program license fees for music on local TV is pending before the U.S. District Court for the Southern District of New York.

The fact is that Congress is being asked to mandate source licensing after the court recently found that broadcasters were already free to seek source licensing but had chosen not to do so except to seek free licenses.

If local TV broadcasters want a source license, a lower blanket license rate, a different rate formula, or direct negotiations with composers, they already have a legal right to bargain for them in the marketplace. The courts will enforce this right.

The proponents of the legislation state that free marketplace negotiations have resulted in excessive compensation for music creators. However, the effective license rate of ASCAP's blanket licenses has steadily declined over the past four decades to little more than a penny out of every dollar of net TV station revenue; 1.15 percent

today compared to 2.5 percent in 1949. Moreover, it has been estimated that the average professional composer earns only $5,000 to $7,500 a year from writing music, and that less than a third of that comes from the licensing of TV performance rights. This bill would leave creators with less bargaining power, lower royalties, and fewer opportunities to have their works performed. Their income and incentive to create as well as the number of people in that profession will all dwindle.

Meanwhile, the president of the Television Bureau of Advertising noted in December 1985 that TV, particularly local TV, was doing well "compared with all American business." Three-fourths of the approximately 800 local TV stations are owned by 160 media conglomerates operating 2 to 12 stations each and dominating all major metropolitan areas. Within the last year, local TV stations "were being bought and sold like the hot commodities they have become" because of their "considerable profits * * * large cash-flows * * * minimal capital requirements and * * * minimal competition." New York Times December 18, 1985).

If $60 million or $100 million or $160 million is not a reasonable fee for the contribution music makes to a $12 billion gross, let the courts consider all the evidence and set a fairer fee. However, if Congress eliminates this fee entirely by restricting and narrowing the market it will be an unwarranted and unjust blow to America's composers.

H.R. 3521/S. 1980 deserves a sharp and swift rejection.●

THE STORY OF MOLLY MORAN

● Mr. BUMPERS. Mr. President, A few days ago, when I received a 11-page hand-written story written by Mrs. Molly Moran in her 82d year, I knew I would be interested in her reminiscenses because of my long friendship with the Moran family. She is the mother of Pat Moran whom I had appointed Chairman of the Arkansas Public Service Commission when I was Governor, and who also served as my administrative assistant and an energy adviser to me here in Washington. Mrs. Moran titled her story, Arkansas History of Oil, 1921-1986.

But, I did not expect her story to be so much more than a personal history of the early oil and gas boom days in Southern Arkansas. It is also a love story, a story of youthful courage and buoyancy. Even discounting the natural romanticism that finds its way into our memories, the true spirit of this marriage shines through to reveal much that made families strong: devotion to each other, good humor, hard work, morality and faith in the future.

I ask that Molly Moran's History of Oil be printed in the CONGRESSIONAL RECORD as a testament to a family who followed the American dream and realized its great promise.

The material follows:

ARKANSAS HISTORY OF OIL 1921-1986

(By Mrs. Molly Moran)

On a cold January 10 day in 1921 Arkansas came into her brightest future when Black Liquid Gold blew over the top of an oil derrick in South Arkansas in Union County, and El Dorado, Arkansas, became the oil capital of Arkansas.

Now, 65 years later, the memories I have are as fresh in my mind as if it happened on January 10, 1986.

My late husband, G. T. Moran, was a part of the early boom days of 1921. He was employed by Constantin Oil Company that brought in the first gas well in 1920.

They asked him his name and when he said Moran they pinned him with a nickname of Polly Moran after a silent screen movie actress of that time, a name that followed him down the long oil trail. His first job was derrick man. He had no fear how high he climbed upward. Those first oil derricks are crude-looking to the modern derricks later on, and then no derricks at all.

In 1921 the derricks were made of wood and large bull wheels pulled by large ropes that you see no more, thank goodness. I have a picture of them.

I came to the oil boom town of El Dorado July 30, 1922, a new bride of only two days. Molly was lonesome when Polly left for the boomtown and on his first visit home to see me, I had made up my mind to follow the oil trail with Polly after being engaged for three years. I gave him his answer. We sealed our love by degrees before we married and it lasted his life time of 57 years.

Polly said you have no idea what an oil boom town is like and where we will live in El Dorado, a small town, but over night it almost became a large city. We arrived in El Dorado by train in early morning hours, about 2 o'clock, and the town was wide awake, people every where and more arriving by the hour, and no place to live.

Oil companies had to build boarding houses and mess halls for their employees to live. Polly lived in Constantin Oil Company's boarding house and ate all his meals there. Where we would live, we had no idea, but we had each other and love, and Polly and Molly would face the world together and find our place in it.

My first two days in the oil field four miles south of El Dorado in the midst of oil and gas wells everywhere was a sight to see for a 19-year old girl from the quiet life of the farm. Our first two days and nights Polly rented a room from a lady who had a large farm. She had rented all her bed rooms but she liked Polly and Molly when she met us and she rented us her own bedroom "feather bed" and all in 100 degree July weather, and she slept in the kitchen on a cot. She cooked and served all our meals.

Everyone liked Polly, and one couple liked us so much they let us have one room of the two-room shot-gun house. Polly and Molly established their first home in one room about 12 x 12. We were happy as if it was a mansion. It was home. We had no electricity but plenty of gas as we needed for lights, cooking; large torch under wash pot for doing our laundry, and most houses had tall gas torches that burned day and night and lighted up the whole country side.

Look out at night and the whole country side was lighted up like a Christmas tree. Oil drilling rigs ran day and night seven days a week, each oil company had their own electric setup.

Polly worked 7 days a week and many hours. The oil wells had to keep pumping; there were no wage and hour laws those early days and he worked many over-time hours. The gang pusher was paid by the month, the roustabouts by the day, $4.50. Polly was paid 50 cents more, $5.00, for being derrick man, but that was counted good wages during depression years.

We lived our first five years in oil fields and never paid a gas bill. Maybe that is the good old days the gas customers talk about today with these high prices of their gas bills that many are not able to pay. Even our first Model T 1922 Ford ran on casing-head gas. So much gas and oil was spewing out lines here and there, it's a wonder everything did not go up in smoke. Maybe this was before Arkansas had or needed a state Public Service Commissioner to regulate oil and gas in Arkansas.

Polly worked in every phase of production of oil from driller's helper to derrick man roustabout, 8-hour pumper to 24-hour pumper, oil gauger, pipeline walker, cable tool helper and gang pusher. He learned it all by manual labor. He was noted as best derrick man in South Arkansas oil fields. The first time I saw him climb a derrick to the top on a well behind our house, my heart almost stood still. He waved to me and was brave enough for both of us.

In winter he carried a small hatchet in his pocket and cut ice off each rung of the ladder as he climbed up to the top of the derrick to pull the lines over the shaft getting ready to pull tubing out of the wells.

There were very few cars in the early years of the boom town, even oil companies had lease wagons pulled by two large mules to transport their tools and men from well to well. The mule skinner would deliver us 25 lbs. of ice every day from the company warehouse. We had no ice box, just a wooden box for ice to keep our food in. We were miles from a grocery store but twice a week a large wagon pulled by two large mules came loaded with all kinds of groceries from a large store in El Dorado. We had no way at that time to get into town, but the farmers that got rich overnight in oil began to buy their first Ford cars and did regular taxi business carrying people into town, $5.00 a piece, and a load of 4 or 5. The town was open most all night and did great business.

The men had no way into town in daytime to even do their banking, the 5th and 20th were company pay days. Polly did his first banking in El Dorado in 1921 at night in a drug store. The bank had set up an office there for night banking and he would come into town each pay day and would have the drug store mail Molly a large box of candy. I never ate so much candy before or since.

Thanks for the memories when Molly was still on the farm and Polly in Boom town at that time. Later on, after I had been in Boom town sometime, my two best friends wanted to go into town to do some shopping. They asked Mr. Blackie that had a small store many miles from us that went into town for a load for his little store if we could ride into town. They said Molly you got to ride up front in the spring seat with Mr. Blackie. Molly felt right at home as a farm girl in a wagon pulled by two large mules. My two friends, one from Ohio and the other from Oklahoma City, had so much pride they did not want to be seen in a wagon. They asked Mr. Blackie to let us

out 6 blocks off the square, and we walked the rest of the way up town. Mr. Blackie told us he would meet us such a time on the south side of the square by El Dorado's largest department store for the return trip. This really did things up because they did not want to be seen in a wagon on the square in El Dorado. They told him we would spend the day in town shopping, eating lunch out and hire a taxi home four miles out in the oil field, and, oh, what a price we paid for their pride.

Later on Polly was transferred by his company on a lease near their company warehouse and office and he found us a two-room apartment in a large farm house with another company employee. But when Polly was transferred, so was the whole gang of three and no place to live. Polly and Molly's hearts were larger than themselves. We just took the three men in our two-room apartment; we let them have our bedroom. Now Polly and Molly were sleeping in the kitchen.

Molly cooked all morning for lunch for four hungry men on a three-burner hot plate. Most oil wells were near and they walked home for lunch. Their shoes got so oily, I asked each to remove them on the porch, come in sock feet. One man did not wear socks, and he left his oily footprints on my kitchen floor. We were a happy oily gang; the boys all loved Polly and Molly. A few times the gang would say, Molly come go with us, and I crawled in the oily lease wagon and would go and sit under a tree near the well they were pulling, read a book or write something for most of an afternoon.

It was not easy to cook three meals a day for four men. Even bread did not come sliced, neither bacon at that time. I would buy bacon by the whole side, 10 or 12 lbs and sometimes the butcher would hand-slice it, and many times Molly did. Oil wells and gas wells were all around our home. Many times now I would walk across the road from our home and buy a cold Coca Cola for the whole gang from a small store and walk down to the oil derrick where they worked and have a Coke party on the oily derrick floor. I think I have had Coke parties where no one else has. Polly would be in the derrick high up, but we would tie a cold coke on the rod line with a piece of soft line and pull it up to him. I think I could give a good commercial for Coca Cola. What could be more refreshing than cold Coke on top of an oil derrick in 100 degree Arkansas weather. I was called the Coke girl by the gang.

The company oil wells around our home each had a barker on them and when one quit pumping, even I knew which one went down.

Later on Constantin built a new boarding house and the gang had a new place to live, and now Polly and Molly had our own two-room apartment. We had many places during Boom days that lived up to their name like Shotgun Valley, Pistol Hill and, yes, Scandal Hill. There is one type of people that follow Boom towns all over the country. You can live in the world but not a part of it. Always be yourself wherever you live.

Polly and Molly began to save their money for now a new Moran would soon arrive, a lovely daughter, our first child we named Helen Constance. Her name sounded so much like Constantin that everyone thought we named her after Constantin Oil, and we never told them any different and today they think Constantin Oil Company has a living namesake. When Helen was 5 years old, almost school age, and we were many miles from school, we decided to build us a home in the City of El Dorado near the largest grade school at that time in Arkansas, Yocum School. Helen's schooling came first. Polly drove four miles each day to work. Polly and Molly's first home of their own was really our Blue Heaven as we worked so hard to build it ourselves. Not even a street was between our home and the school. Several times in summer when each employee got two weeks vacation, Polly, Molly and Helen lived on a lease-in home while the 24-hour pumper and family were away. Polly kept the oil wells pumping, Molly and Helen have walked the oil trail from well to well with Polly several times. The oil refinery of Lion Oil was only a short distance from our home. One time there was so much oil that the market was glutted with oil and several companies closed their wells down several weeks. Some times they had no tanks to pump the oil in and many dug dirt pools and pumped oil in them over the field.

Over eleven years later a son was born to the Moran family, Donald Pat Moran. Both our children are natives of oil boom days of El Dorado and Union County. I will always have a warm place in my heart for El Dorado where our home was established and the birthplace of our children. The Moran home still stands today, last house, end of Wesson Street by Yocum School. In my heart it is still my home. While in El Dorado, I was a member of the Second Baptist Church and made many friends there. Later we moved from El Dorado after 16 years to Smackover, Arkansas, 14 miles north, still in the middle of oil wells and Polly worked 12 or 13 years for another oil company and where Pat and Helen both finished high school.

Molly thought she had Polly off the oil trail as his good luck during boom days was catching up with him. He was injured on the job with both legs being broken only one year apart. Polly and Molly left the oil trail for awhile and moved to Texarkana where he was employed by the Red River Arsenal as a steampipe fitter. We also built a new home there. When the war ended, 5,000 men lost their jobs at Red River Arsenal.

Polly headed back to the oil trail now in Magnolia. We just closed our home up and were back on the oil trail again. Polly said he would stay on the oil trail till his son Pat got out of law school. When Pat started his law practice and some years later when he was on the staff of Governor Dale Bumpers, he was appointed Chairman of the State Public Service Commission that regulates gas, oil and other utilities. This is one position that Pat's father was very interested in, that his son was born and raised in the midst of oil and gas wells and where he saw so much oil and gas wasted in his lifetime. Now maybe his son could help his native county and state. Maybe destiny played a part in his life in this position.

Polly spent 6 or 7 years on the oil trail in Magnolia. He retired from the oil trail there and Polly and Molly returned to their home in the Texarkana they loved and close to their daughter Helen Taylor. Polly and Molly would not say they were off the oil trail for they left their hearts on the long oil trail in south Arkansas.

Now many years later I am the only one left of many friends of many years ago on the oil trail of 1921 to 1986 but I live with the memories of each. Some of the finest people I ever knew I met on the oil trail in south Arkansas when I was only 19. Now retired and living in high-rise home, Buffington towers, downtown Little Rock for senior adults; almost 83 years, Feb. 9 1986.

My memories of the oil boom days are as fresh in my mind as when I lived them years ago. I returned to El Dorado in the spring of 1985 on a historical oil tour. I was so excited in many ways and sad in others. It was homecoming for me, but now I traveled the oil trail alone.

El Dorado, I salute you, the first home of Polly and Molly Moran 63 years ago.●

THE MEIMANS: CAPTIVES IN THE SOVIET UNION

● Mr. SIMON. Mr. President, I would like to call my colleagues' attention to the case of Naum and Inna Meiman, Soviet Jews who want desperately to leave the Soviet Union.

I met the Meimans in Moscow a few years ago. Naum is a warm, personable, and kind man. Inna, his wife, is an English tutor with an inspiring sense of optimism. Inna has cancer and, frankly, does not have long to live. Instead of making a terminally ill patient as comfortable and as happy as possible in her last days, the Soviets have chosen to keep Inna behind the Iron Curtain, without offering any further medical care. Western physicians feel that medical treatment can cure Inna, but this treatment is only available to Inna in the West.

Naum and Inna want what every human being is entitled to—the chance to live, and live in freedom.

I implore the officials in the Soviet Union to let the Meimans emigrate.●

LIMITATION OF SPECIAL ORDERS

Mr. DOLE. Mr. President, I ask unanimous consent that for the remainder of this week, grants of time permitting Senators to speak known as special orders be limited to 5 minutes each.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDERS FOR WEDNESDAY

RECESS UNTIL 10 A.M.

Mr. DOLE. I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 10 a.m. on Wednesday, March 12, 1986.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. I ask unanimous consent that following the two leaders under the standing order, there be special orders in favor of the following Senators for not to exceed 5 minutes each—THURMOND, DENTON, TRIBLE, PROXMIRE, FORD, PRYOR, and CRANSTON.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. DOLE. Following the special orders just identified, Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 11 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, at the conclusion of routine morning business, the Senate will resume the unfinished business, Senate Joint Resolution 225, the constitutional amendment calling for a balanced budget. I am advised by the distinguished chairman of the Judiciary Committee that we can expect votes throughout the day and into the evening. I guess we could have a fairly late session tomorrow evening in order that we might complete action if possible on the joint resolution by close of business tomorrow.

Then, depending on whether or not we can complete the water bill in a couple of days—it is my intention to turn to the water bill.

Of course, we still have the Fitzwater nomination. I am advised—I have not been notified, but I am advised that there may be an effort to filibuster that nomination that it may be necessary to file a cloture motion on the nomination. I hope that is not the case. I hope, if there are some concerns we need to consider on the other side, we can address those concerns either this evening or at some later time, but before the week is out.

ORDER OF BUSINESS

Mr. DOLE. Mr. President, it had been my intention, as I indicated earlier today, that at about 7 p.m., we would return to the consideration of the nomination of Sidney A. Fitzwater to be a U.S. district judge. There has been some debate, approximately 45 minutes of debate this morning, or at least statements pro and con—for the confirmation, opposed to confirmation. I do not know whether Members who are opposed to the nomination intend to speak this evening or whether those who favor the nomination wish to speak this evening. In order to go back to the nomination, it would be necessary to go into executive session.

I suggest the absence of a quorum, Mr. President.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The distinguished minority leader.

Mr. BYRD. Mr. President, I thank the Chair.

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

AMENDMENT 1658

Mr. BYRD. I send to the desk an amendment to the balanced budget constitutional amendment for appropriate printing and also for printing in the RECORD. I may or may not call up this amendment. I ask unanimous consent that it be printed and that it be spread on the record.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

In lieu of the matter proposed to be inserted, insert the following: That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

ARTICLE —

SEC. 1. The Congress shall ensure that expenditures of public money do not exceed receipts in the time of war or imminent danger or in a national emergency when the public safety or general welfare may otherwise require.

SEC. 2. The Congress shall have the power to enforce this article by appropriate legislation.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I will not ask by unanimous consent that we go into executive session or move to go into executive session. I have discussed the Fitzwater nomination briefly with the distinguished minority leader and also with the Presiding Officer, who has a particular interest in this nominee. It seems to me it might be the best course to follow for the Presiding Officer and the chairman of the Judiciary Committee, who is present, to make some determination tomorrow whether there is strategy to try to filibuster the nomination. As far as I know, I have not heard that officially, but it has been conveyed to me that perhaps that might be the route to follow. So perhaps there will be time to do that tomorrow while we are working on the balanced budget amendment.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. DOLE. Yes, I am happy to yield to the distinguished President pro tempore.

Mr. THURMOND. I hope there will be no effort to filibuster the nomination. After all, these positions are needed in Government. There are vacancies. The President, I think, is entitled to his people, unless there is something against a man's character and integrity or some other real reason.

Mr. President, we investigated this matter very carefully, because I was interested myself as chairman of the committee. Even though it is a Republican administration, I do not want it to fall back on me as chairman of the committee that we approved some judge who was not qualified to serve. We really found no reason not to approve this man. We did approve him 10 to 5, and we are hopeful the Senate will see fit to go forward and act on this nomination.

RADIO IN THE SENATE

Mr. DOLE. Mr. President, I remind my colleagues that tomorrow as we go into session it will be our first moment on live radio since the Panama Canal treaties. I hope we can demonstrate tomorrow that everything is neat and tidy, there is never any lost motion nor long quorum calls, because this is the first step toward not only radio coverage, which is very important, but television coverage. I will be working with the distinguished minority leader to try to keep it as tight as we can. We have already had agreement from all of our colleagues to limit special orders to 5 minutes each. It may be a necessity under the new order, the new electronic order.

In any event, our colleagues should be alert that whatever they say tomorrow may be heard beyond the Chamber and beyond their offices if someone is listening.

Mr. BYRD. Mr. President, I believe that the distinguished majority leader and the minority leader—but most of all the majority leader for the simple reason that he schedules the work of the Senate—can make this radio broadcast experiment work in a way that will improve not only the image of the Senate but also the efficiency of the Senate.

I think that the reduction of the so-called "special orders" from 15 to 5 minutes is a good step in the right direction.

I have suggested to the distinguished majority leader that our ad hoc groups on both sides of the aisle meet and make recommendations to the two leaders as to other ways in which this experiment can be made to work—in such a way, as I have said, to make the image of the Senate better and to make the Senate more efficient. It may be that we should limit those orders that are normally entered for the beginning of each day to 3 minutes. Perhaps we would need to put a limitation on the overall time of 30 minutes or an hour on such orders, keeping in mind that if Senators want to speak longer than 3 minutes, they can do so at the close of business each day.

I thank the distinguished majority leader for what appears to be a determination to make this experiment work. If it works, in that it improves the image of the Senate and improves the efficiency of the Senate, then it will have been worthy of the saying that appears in the parable in the Bible: "Well done."

So I hope we can all work together and all cooperate to improve the efficiency of the Senate and to make it more efficient in its operation, because it certainly has plenty of room to do both. I will be working with the distinguished majority leader in an effort to do just that.

Mr. DOLE. Mr. President, I thank the distinguished minority leader.

In keeping with that, and what we had informally agreed to earlier, I think I should restate the request for special orders so that there is a rotation. The way I read them, there would be three Republicans followed by three Democrats.

I ask unanimous consent that the special orders be in the following order: Senators THURMOND, PROXMIRE, DENTON, FORD, TRIBLE, PRYOR, and CRANSTON. So there will be a rotation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. We will attempt in all these areas to be totally nonpartisan—unless either Democrats or Republicans perhaps want a special order, just for one purpose: maybe trade, maybe agriculture, maybe something else. But normally, in general special orders, it seems to me that we will attempt to rotate. Of course, if Members are not here, then whoever is available, I presume, will proceed.

Mr. BYRD. Mr. President, it may be that, in the final analysis, it will be the judgment of the leadership that we should proceed by way of rules VII and VIII of the standing rules of the Senate rather than the structure under which we have been operating for several years. Senators may do well, therefore, to refresh their memories on rules VII and VIII. We could find that, in the course of this experimentation, we should follow those rules, rather than the procedure to which we have become accustomed.

Mr. DOLE. Mr. President, I thank the distinguished minority leader.

RECESS UNTIL 10 A.M. TOMORROW

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move that the Senate stand in recess until 10 a.m. on Wednesday, March 12, 1986.

The motion was agreed to, and at 7:27 p.m. the Senate recessed until tomorrow, Wednesday, March 12, 1986, at 10 a.m.

EXTENSIONS OF REMARKS

OPERATION: PRODUCT LIABILITY REFORM

HON. TOBY ROTH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. ROTH. Mr. Speaker, today 1,000 members of the National Association of Manufacturers are to converge on Washington in "Operation: Product Liability Reform." Their mission is to convince Congress that the very survival of many of their businesses may depend on national uniform product liability law. They don't need to convince me. I urge my colleagues to take prompt action.

With the best of intentions, the scales of our torts system, designed to render justice, have been tipped. The balance has moved so far toward the desire to compensate all injuries and all losses that the overall cost to society has become too high. We have reached a point where exposure to liability is becoming almost limitless and incalculable, making everyone—governments, businesses and individuals—victims.

I commend to my colleagues review the first of a series of three articles from the Washington Post by T.R. Reid on "The Liability Crisis."

INSURANCE FAMINE PLAGUES NATION

(By T.R. Reid)

You cannot use a sled in Denver city parks. You cannot have a baby delivered in Monroe County, Ala. You cannot buy any of the 58,000 published copies of Barbara Hutton's biography.

If you have the stomach upset known as hyperemesis, you cannot get the pill that is certified as safe and effective against it. You can no longer buy the classic Jeep sedan, an automotive best-seller for four decades. You may not find a fireworks display next Fourth of July. You cannot set foot on dozens of the finest hiking trails in Yellowstone National Park.

This multifaceted list of "Thou Shalt Nots" stretches across the spectrum of modern life. Yet each of these diverse prohibitions, and many others as well, stems from the same central problem, a problem that will be one of the preeminent legal, economic and political issues of the late 1980s: the civil liability crisis.

Alone in the developed world, the United States today faces an excess of business, governmental and personal liability, and an acute shortage of insurance to cover it. The American insurance industry can't, or won't, provide all the coverage needed, and the big "reinsurance" firms abroad can't, or won't, take up the slack.

The resulting imbalance between demand and supply is as severe and as far-reaching as the oil shortages that plagued the nation more than a decade ago.

This year's equivalent of the frustrated motorist waiting hours in line to buy a few gallons of gas is the frustrated doctor, business owner or government official shopping for weeks to find a few more months of liability coverage. This year's equivalent of the "Out of Gas" sign taped to the pump is a curt message stamped across last year's insurance policy: "Not Renewed."

Many insurers have stopped selling some lines of coverage. Day-care centers, bars, bus lines, chemical companies, nurse-midwives and commercial fishing companies, among others, are being "nonrenewed" by their insurance carriers.

Where insurance can be bought, it is often at hugely increased prices. The Southern California Rapid Transit District had no increase in accidents last year, but its insurance premium went from $67,000 to $3.2 million—a 4,700 percent jump in one year. If the oil industry were to raise its prices by the same rate, a gallon of "inexpensive" gas would cost $47.

The liability insurance shortfall comes as an acute blow in a society where the legal notion of "liability" has been expanding broadly. Legislators, judges and juries have been pushing out the frontiers of responsibility, so that individuals, businesses and public agencies are being required to compensate injured people more readily, and more generously, than ever before.

The insurance famine has not directly affected individuals as yet; house, car and personal liability policies are still generally available.

But individuals will clearly bear the cost of the liability crisis. Consumers will pay higher fees for health care, education and entertainment, higher state and local taxes, and higher prices for everything from fish fillets to fire extinguishers.

Society will bear the cost in the form of the countless products and activities—including all those "cannots" listed above—that are no longer available because they can't be insured. And society will suffer through the chilling of the entrepreneurial spirit that must result if insurance is unavailable for new goods or services.

Predictably, the liability issue has sparked a major political battle. But the political system has been unable to agree on a fix because there's no agreement on what is broken.

Some people talk of a "tort crisis," some see an "insurance crisis" and some speak of an "attitudinal crisis" in a society that has rejected the old virtue of keeping a stiff upper lip and now demands total redress for every hurt.

Insurance crises have hit the United States before—this is the third in two decades. The last one was in 1975-76, when the nation faced a shortage of medical malpractice and product liability coverage. The current crisis, though, is broader and deeper than past ones.

"This time, the impact is much greater" said Victor Schwartz, a Washington lawyer who is an author of a leading tort law textbook known in the legal trade as "Schwartz on Torts," He said, "It reaches every business, every profession and every level of government. It goes to product liability, malpractice, municipal liability, drugs, toxics—just about everything."

The shortage of malpractice insurance this year has hit not only doctors and lawyers but also architects, accountants, authors, engineers, ministers. In New Jersey, even insurance agents are receiving nonrenewal notices on their professional "errors and omissions" coverage.

As a result, some professional services once taken for granted are becoming scarce.

Physicians from central Manhattan to several counties of rural Alabama have stopped delivering babies because of the high premiums on insurance coverage for the procedure. Some pregnant women in Montrose, Colo., must make a two-hour trek to Grand Junction when the baby is due because most of the doctors have quit delivering babies.

Liability law has even reared up against Melvin Belli, one of the nation's most prominent liability lawyers. The San Francisco attorney who is often billed the "King of Torts" is the defendant in a $5 million malpractice suit brought by a former client. Belli, in turn, has sued the ex-associate in his firm who represented the dissatisfied client.

The crunch has hit not only small businesses such as bars and skating rinks but giant national firms: auto and aircraft makers, drug and chemical companies, retail chains.

Companies are responding by curtailing or eliminating products and services that cost too much to insure.

Cessna Aircraft stopped production of five small plane models because insurance costs priced them out of the market. The last American Motors "CJ" (Civilian Jeep) jeep sedan rolled off the assembly line last month. After 46 years of popularity, the model was discontinued, in large part because its high center of gravity made it a target for so many liability suits that American Motors could no longer afford to carry product liability insurance.

Governmental liability coverage—when it can be purchased at all—is so expensive that taxpayers in some towns this year will likely shell out more for insurance premiums than for basic services such as police and fire protection.

A dozen states and hundreds of city governments have lost all or part of their liability insurance coverage in the past six months; the result has been temporary or permanent elimination of municipal services.

The mayor of Collegeville, Pa., shut down the local police force in December when coverage was canceled. They were taking no prisoners in Lafayette County, Mo., for seven weeks because the county board couldn't get liability coverage for the jail. The jail finally joined a self-insurance pool with other "nonrenewed" counties and reopened last month. Lacking liability coverage, Denver has banned all sleds and toboggans from public parks in that winter sports capital. The city council feared a crippling liability judgment if a sledder were injured on city snow.

The federal government is mainly self-insured. But federal agencies, too, have changed or curtailed functions and services because of the threat of liability.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

At Yellowstone, for example, rangers have closed nearly a quarter of the famous park to keep people away from grizzly bears. This was done partly to protect the bears, partly to protect park visitors and partly to protect the government from liability actions.

The National Park Service already faces a liability suit brought by a hiker who was mauled by a grizzly in Glacier National Park in 1984.

"If they lose that suit, I'm afraid they're going to take all the grizzlies out of Yellowstone and Glacier and ship them to Alaska," said Terry Anderson, an economist and naturalist at Montana State University. "They've spent years trying to save the grizzly in Yellowstone, and now a lawsuit could undo the whole program."

The expansion of personal, corporate and governmental liability and the contraction of insurance have a salutary effect in one regard: the liability crisis is making the United States a safer country.

"The evolution of the substantive law . . . has brought safety to the living standards of America and created the highest safety standards in the world," Sen. Ernest F. Hollings (D., S.C.) said.

A familiar example of the increasing concern for public safety is the demise of an American tradition called "happy hour." Fewer and fewer bars hold out the lure of cheap or free drinks to attract customers during the afternoon drive home from work; bar owners are afraid to have happy hours because they might be held liable for enormous damages if a customer drives off drunk and causes an accident.

The development and expansion of the bartender's responsibility for his customers' accidents demonstrates the kind of growth that has occurred throughout liability law.

The basic concept traces back to the early days of the automobile. A few progressive state legislatures enacted statutes known as "dram shop" law ("dram shop" is an old English term for bar) requiring an innkeeper to pay damages to the victim of a crash caused by a driver who left the bar drunk. The rationale was that the negligent bar owner might have a "deeper pocket" than the customer and was thus in better position to compensate an accident victim.

Once unusual, this form of third-party liability now applies in nearly every state; in many jurisdictions (including the District of Columbia), judges have imposed the liability even where the legislature has not passed a dram shop act.

Initially limited to bartenders, the scope of the liability was gradually increased to cover liquor stores, hotels that provide drinks via room service, businesses that host after-work social functions and individuals who let guests drive away intoxicated from a cocktail party.

Initially restricted to automobile accidents, "dram shop" liability was extended to cases where the drunken patron shot someone in the bar, then to shooting cases outside. A recent treatise in American Law Reports includes a long roster of other circumstances where the third-party liability has been applied: "fighting," "starting fire," "pushing party on stairs," "friendly scuffle," "door closed on finger" and so on.

Much of the expanded liability—in dram shop cases and countless others—has been borne by insurance companies. One of the explicit messages of the current insurance shortage is that the insurers are no longer willing to accept continually expanding liability.

Faced with reduced liability coverage, governments and businesses are taking steps to reduce their exposure.

This movement has prompted the emergence of a new professional discipline called "risk management." Today nearly every large business and every governmental body from medium-size on up employs "risk managers." Their job is to search out potential hazards in corporate and governmental activities and eliminate the risks before someone gets hurt and someone else gets sued.

You can see the results everywhere. Next time you're in a hardware store, look at the complex new safety switches built into virtually all power tools. Next time you enter a hotel room, look up at the ceiling: You'll see sprinklers and smoke alarms that probably weren't there before the November 1980 fire at the MGM Grand Hotel in Las Vegas and the large liability settlements it spawned. Next time you see a delivery truck backing into the loading alley, listen for the beep and watch for a "navigator" on the street guiding the driver. Many trucking firms now refuse to let their drivers back up unassisted, and most big trucks come with a "beeper" that sounds a warning whenever the transmission is put into reverse.

The results of such "risk management" initiatives can be dramatic. After Charlotte-Mecklenburg County, N.C., set up a risk management agency and strong safety rules, injuries dropped markedly. The county's workman's compensation bill fell 52 percent in four years. Its auto liability payments (for accidents caused by county vehicles) fell 62 percent, all at a time when population and county services were growing.

Nearly every observer of the liability crisis agrees that the United States has a long way to go in improving risk management practices. But no society can be made risk-free. Accordingly, insurance remains a vital commodity for the nation; right now, it's a commodity in acutely short supply. The shortfall will be felt in numerous aspects of daily life.

"An insurance shortage," said Robert Hunter of the National Insurance Consumers Organization, an Alexandria-based interest group, "is just as critical to our society as an oil shortage. Without insurance, the whole economy just grinds to a halt."

TAX BILL PROVISION COULD DISRUPT VITAL FEDERAL PROGRAMS AND AGENCIES

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. WOLF. Mr. Speaker, I want to share with my colleagues a letter which my colleague from Maryland, Mr. [HOYER], and my colleague from Virginia in the other Chamber, Mr. TRIBLE, and I have authored on a very serious problem in the House-passed tax reform bill.

I ask that this letter to Senate Finance Committee Chairman BOB PACKWOOD be printed in the RECORD so that my colleagues who are concerned about the efficient and effective operation of Government may know of the potential disruption in vital Federal programs and agencies if the 3-year basis recovery rule is changed in the tax reform package.

We are facing a crisis in Government and I urge my colleagues to take action to prevent a mass exodus of Government's most experienced personnel.

HOUSE OF REPRESENTATIVES,
Washington, DC, March 4, 1986.

Hon. BOB PACKWOOD,
Chairman, Senate Finance Committee,
Washington, DC.

DEAR BOB: In follow-up to previous contacts regarding proposed changes in the tax reform legislation in the three-year basis recovery tax rule, we are enclosing a copy of budget estimates provided by the Senior Executives Association as you requested. We are also including information demonstrating not only the potential budget impact of such a measure if enacted, but also the likely program disruption in several vital federal agencies. We have included the following examples:

During the past several years, the Internal Revenue Service has been faced with declining rates of voluntary compliance among taxpayers. For every percentage point drop in compliance rates, $6 billion in uncollected revenue is lost. Within the last three months, 10 percent of the top executives at the IRS have left the Service in response to the annuity tax change proposal. Another 10 percent of the IRS executives have indicated their plans to retire to avoid the tax penalty created by the basis recovery rule change. This tax proposal could further impede the IRS' efforts to enhance compliance.

The director of personnel at the Central Intelligence Agency has indicated, "I can tell you that our employees are keenly aware of this tax rule change issue and indications are that a significant number would retire to avoid the changes. These are officers who would not otherwise be leaving at this time. The potential loss of experience in our intelligence cadre and senior officer core would require the premature elevation of officers who would lack the desirable degree of experience to equip them to handle the added responsibilities in the same manner as their predecessors."

The Department of State legislative affairs office reported: "Over 70 percent of our Senior Foreign Service employees are eligible to retire . . . an unusually large number of SFS retirements in the first half of 1986 would unquestionably strain our ability to manage the department."

The Federal Bureau of Investigation reported: "The FBI's ability to carry out its mission will be severely hampered if a substantial number of those employees eligible to retire do so prior to July 1, 1986. A substantial number of employees retiring at one time will result in a severe experience drain which will take several years to overcome."

According to the attached budget estimates, if a surveyed population of federal workers within the Social Security Administration is used as an indicator of how many federal employees governmentwide will retire, the cost to the federal retirement system (not including those who will also join the Social Security rolls, Medicare and other retirement-associated funds) would exceed $3.15 billion in outlays for retirement benefits in the first year. Any revenue increase from the tax law change would be more than negated. The change could also jeopardize certain revenue-raising activities at the IRS, Savings Bonds Division and Customs Service while hampering the mission of vital programs at the FBI and other

agencies because of the loss of experienced personnel.

Mr. Chairman, we hope this information helps to clarify the real issue on the table. This proposal could have serious ramifications on the efficient and effective operation of government and we hope you will do everything possible to ensure this provision is not included by the Senate Finance Committee in any forthcoming tax reform measure. Gauging from the number of employees currently poised to retire by July 1, 1986, because of this provision, it is critical that the Senate Finance Committee indicate early its intention on this issue.

We appreciate your consideration.

Sincerely,

PAUL S. TRIBLE,
U.S. Senate.
FRANK R. WOLF,
Member of Congress.
STENY H. HOYER,
Member of Congress.

THE TORT LAW CRISIS

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. RITTER. Mr. Speaker, in an effort to bring information on the tort law crisis to the attention of my colleagues, I will, from time to time, be including various pertinent articles in the Extensions of Remarks section of the CONGRESSIONAL RECORD. I trust my colleagues will find this March 6, 1986, Raymond Price article from the Washington Times of interest.

The article follows:

THE LIABILITY LOTTERY

Suddenly, the great American liability lottery isn't as much fun as it used to be. Its costs are coming home.

Sure, people still dream of striking it rich in the courts. Newspaper readers still are entranced by stories about $50 million damage suits, though the competition is such that a publicity-seeking plaintiff may soon have to demand $50 billion to get a real headline. Fathers still want their daughters to become lawyers so they can get on the gravy train. But it's dawning on people that there is, after all, no free lunch. The $55 billion that America's lawyers got last year in legal fees had to come from somewhere. Someone had to pay for all those multimillion-dollar damage settlements. The insurance business is not a public charity.

In some of the high-risk medical specialties—notably obstetrics, neurosurgery, and anesthesiology—individual premiums for malpractice coverage now reach $100,000 a year and more. Manufacturers have been plunged into a legal jungle of often bizarre product-liability cases. In the last decade, while the number of medical malpractice suits doubled, the number of product-liability suits increased tenfold.

One result is that major pharmaceutical companies are pulling back from vaccine development; the legal risks are too great. And G.D. Searle & Co. recently stopped offering its widely used intrauterine contraceptive device, not because the product was unsafe—it wasn't—but because it was costing the company too much to defend itself against lawsuits.

Now, cities and towns are finding their liability insurance premiums tripled and quadrupled. This means increased taxes and decreased municipal services. Ski operators are being driven to the wall by insurance costs. So are bar and restaurant owners, and even commercial fishermen.

The nationwide explosion of insurance rates is partly the fault of the insurance industry's own fierce competition for new business during the period of high interest rates a few years ago. In order to get premium income for high-interest investments, insurers wrote risky policies and kept premiums too low. But this is a cyclical phenomenon, which would right itself in time.

More fundamentally, the insurance crisis is one that we've brought on ourselves.

One of the more endearing American traits is the habit of siding with the underdog. But underdogs are not always right, and the habit can become downright larcenous—especially when coupled with the popular notion that deep pockets are there to be picked.

We have to restore, somehow, the old sense of individual responsibility: the notion, however quaint, that if I slip on the sidewalk and break my arm, it's my problem. I should have looked where I was going. The first thing the typical American does today when he slips on a sidewalk is to call a lawyer, in the hope that he can make a killing. It's the next best thing to winning the lottery and not that much different. It's the promise of something for nothing, of riches from nowhere.

The costs of the litigation explosion go far beyond soaring insurance premiums and bloated costs of everything we buy. It has changed the nature of our society, and changed it for the worse.

We've gone from a presumption of good faith to a presumption of bad faith, from cooperation to exploitation. And we've been led there by tort lawyers and consumer activists, telling us there's a scapegoat for everything and there's a pot of gold in the courtroom.

If you're my age, you remember the days when the natural reaction to finding someone injured and bleeding beside the road was to render first aid. Now it's to call an ambulance and not touch the injured person without a lawyer present. If the patient dies before the ambulance gets there, too bad—but at least you won't be wiped out by a damage suit.

In the real world, accidents happen. Behind the litigation explosion also lies an assumption that life is meant to be risk-free and painless, and anything that causes pain is somebody else's fault and entitles us to compensation. This is the most insidious doctrine of all, and it's no wonder that young people raised on it fall into the escapism of drugs and the bleakness of despair. Life is not risk-free. It never has been, it never will be, and those who ultimately triumph over its challenges are those who don't expect it to be.

The nation's lunge into litigiousness is costing us heavily in our pocketbooks. But its greater harm may be to our spirit.

MANAGING THE DEBT THE RIGHT WAY

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. WEBER. Mr. Speaker, unmanageable debt is a critical economic problem, whether that debt is held by Third World countries or American farmers. If we are to prevent grave damage to our economy, we must solve the problem of those debts.

In yesterday's New York Times, my colleague on the House Budget Committee, CHARLES SCHUMER, wrote an excellent column on how to respond to the problems of Third World debt. He makes the salient point that austerity programs, intended to facilitate repayment of loans, often undercut long-term economic growth. He also suggests measures that would deal with the debt problem while fostering growth in Third World economies. I am happy to recommend this column to my colleagues.

The article follows:

[From the New York Times, March 10, 1985]

EASE UP ON DEBTOR NATIONS

(By Charles E. Schumer)

WASHINGTON.—Secretary of the Treasury James A. Baker 3d had two goals in mind when he announced his third-world debt repayment plan nearly six months ago. One was to increase economic growth in debtor countries. The second was to insure full repayment of the debt to United States banks. But the international debt crisis has reached a point where we cannot have it both ways.

The major debtors are now so deeply in the hole that they cannot repay the banks without ripping apart their economic, political and social fabric. Indeed, much of this debt cannot even be serviced without usurping resources crucial to growth and development.

Thus, we are forced to choose. I believe it is in our long-term interests to put the goal of growth above the goal of full repayment.

The precariousness of this debt first surfaced in 1982 when Mexico publicly admitted it owed more money than it could repay. And, for a time, it stopped repaying. However, the Administration and the banks went to great lengths to deny that a debt crisis existed. The fiction of repayment was maintained—first in Mexico, then Argentina, then Brazil, and then in almost all the key debtor countries—by having banks lend new money, which was recycled back to the banks as interest on prior debt.

Between 1976 and 1983, Latin American countries borrowed an additional $220 billion in new loans but used nearly 80 percent of this to repay old loans. In exchange for the new loans, third world countries were told to carry out International Monetary Fund austerity programs that slashed government spending, decreased wages, bankrupted entrepreneurs and, in general, fueled a growing social volcano.

Then, in October 1985, Mr. Baker proposed $29 billion in new lending to 15 major debtors over the next three years. The public-relations blitz accompanying his proposal seemed to indicate that the Administration's thinking had undergone radical re-

visions: The debt crisis was suddenly real; debtors were to be helped as a group rather than case by case; "sustained growth" was to replace wrenching economic austerity.

Now that the fanfare has quieted, it is plain that the Baker plan is too little and too late. The $9.7 billion a year in new lending proposed for the 15 key debtors pales in comparison to the $45 billion these countries owed in 1985 in interest payments alone. More important, the decline in Latin America's per capita income (15 percent since 1982) carries potentially serious social consequences. At this point, squeezing any more money from debtor nations may help the balance sheets of the banks, but it will surely prove harmful to our own geopolitical interests.

Third world debt is simply unpayable as structured. We cannot continue to ask debtor countries to ruin their economies by putting all their dollars into debt repayment. But we also cannot pass the full burden back to the banks, thereby risking widespread financial instability. Nor, in this era of $200 billion budget deficits, can we expect the United States Government to foot the bill.

What is needed is a creative solution under which the burden is shared among debotors, banks and governments, a solution that turns Mr. Baker's rhetoric into concrete action.

First, the United States Government should determine how much of the $970 billion third would debt can realistically be repaid and how much has been bloated to unrecognizable proportions as a result of rescheduling heaped upon rescheduling. Experts agree that third world countries, on average, could afford to channel a maximum of 25 percent of export earnings to loan repayment. Capping repayment at 25 percent of exports will go a long way toward restoring some long-term growth and stability to debtor countries.

How will the banks absorb the losses from reductions in debt service payments? In line with the average discount at which banks are currently reselling some of their third world debt, banks could write off approximately 30 cents on each dollar of their loans as nonperforming. The banks would also stretch out repayment periods and lower interest rates on the remaining debt, thereby allowing debtor nations to adopt more manageable repayment schedules. Meanwhile, the United States Government must help ease the banks' pain by allowing writedowns over long periods of time and by urging regulators to be flexible.

Such a solution would further the interests of all three parties. Latin America will grow. Banks will not collapse and, in fact, will gain stability becuse the market will applaud their efforts to reflect the true value of their loans. And a major threat to our own national security—the growing instability of Latin America—would be eliminated.

COMPREHENSIVE SERVICES FOR TEENS

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. MILLER of California. Mr. Speaker, the Select Committee on Children, Youth, and Families, which I am privileged to chair, recently issued a timely report on "Teenage Pregnancy: What Is Being Done?, A State-by-State Look."

The findings are noteworthy, and indicate that costs are high to teens, their children, and governments. But what is more startling is that there is a lack of commitment to solve the problem.

Only seven States have funded, or plan to fund, new, more extensive services to prevent or intervene in teen parenthood. Less than half the States report having either a special task force or an initiative related to pregnancy and parenting among youth.

From site visits, testimony, and the results of our survey, the Select Committee learned about programs that work. A school-based comprehensive health clinic which we visited in St. Paul has reduced the teen birth rate by 50 percent, and has dramatically reduced the repeat pregnancy and school dropout rate. Other programs in Dallas, Kansas, and Chicago have had similar results.

Recently, I received a letter from Dr. Janet Hardy, professor emeritus of pediatrics at Johns Hopkins University School of Medicine. Dr. Hardy highlights additional dramatic evidence that programs of this type are making a difference.

Their pregnancy prevention program linked a large junior and a large senior high school in Baltimore with a nearby storefront health clinic. This effort resulted in an actual delay in the onset of sexual activity among students at the two schools, and reduced the pregnancies among young women in the schools by 26 percent. Meanwhile, pregnancies actually increased by 50 percent in control schools which offered no services.

The mounting evidence that accessible comprehensive services for teens can make a difference reaffirms my commitment to promoting this preventive approach. I have introduced legislation, H.R. 2867, "The Child Care Opportunities for Families Act of 1985," which contains an important provision to fund school-located comprehensive service centers that would provide a range of services to teens, including health care, employment, and academic counseling, parenting education, and child care for teen parents.

I have included the text of Dr. Hardy's letter and urge my colleagues to take note of her thoughtful observations on the root of the problem, and on successful solutions.

THE JOHNS HOPKINS HOSPITAL,
DEPARTMENT OF PEDIATRICS,
February 14, 1986.

Hon. GEORGE MILLER,
Chairman, House Select Committee on Children, Youth and Families,
U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN MILLER: I have read two brief press reports describing the report on Teen Pregnancy prepared for your Committee. I would like to express my support for the stand that "the human and fiscal costs to all are unacceptable." The results of over ten years' work in developing comprehensive programs for pregnant and parenting teens and, more recently, primary pregnancy prevention programs in collaboration with schools are both encouraging and extremely depressing. They are encouraging because our research shows that much can be accomplished to: 1) improve pregnancy outcome and rehabilitate teen parents; and 2) prevent pregnancy from occurring. Such intervention is cost-effective, both in the short and long term. Most of the young people are good to work with, wanting for themselves and their children the things we want for our children and grandchildren, i.e. a useful education, a job with a reasonably stable future and family formation.

Several aspects are depressing and of deep concern. In my view, we are creating, in our inner-cities and pockets of rural poverty, an "underclass" characterized by female single parent families, chronic welfare dependency and an intergenerational pattern of teenage pregnancy and childbearing. Our studies show that among inner-city black adolescent mothers, 69% did *not* want to be pregnant and 20% were uncertain. Only 11% wanted to be pregnant. Because of ignorance, lack of resources, poor role models and the characteristics of normal adolescent behavior, the children in these families are poorly parented. The result is frequent illness and accident, and sub-optimal cognitive and psycho-social development. Bill Moyer's CBS program, "The Vanishing Black Family," showed all too clearly the long term results. Our own studies support this picture and show that in many ways and in similar economic circumstances, whites experience the same problems as blacks.

An even more depressing aspect of the Baltimore situation is that we are losing ground. Between 1976, when the John Hopkins Adolescent Pregnancy and Parenting Program began, and 1982, we were highly successful in helping young mothers to complete their schooling, get and keep good jobs and avoid unwanted "repeat" pregnancies. We have some young women from that era who are school teachers, x-ray technicians, computer programmers, nurses, nutritionists, policewomen, and members of the Armed Services. However, the ever decreasing availability, since 1982, of subsidized day care, special programs in the schools, job training and the like and, above all, of entry level jobs for teenagers, has made rehabilitation of teen mothers ever more difficult. Depression and despair has become more frequent, eroding motivation to remain in school. For some, chronic welfare dependency offers the only hope for survival.

Teenage pregnancy is not a racial problem, it is a poverty problem with lack of information and resources exacerbating the basic problem that the normal characteristics of adolescence are the antithesis of those required for raising children. The problem is not helped by the media, popular music and advertising, all of which provide a heavy diet of glamourized sex without mentioning the hazards of pregnancy and sexually transmitted disease.

I enclose a copy of data from current studies prepared for the Maryland Legislature. I would be happy to provide a copy of the final report which should be completed by the end of March, if it might be useful to the Committee.

I would be deeply appreciative of a copy of the Report on Teen Pregnancy of your Committee if it is available.

Thank you.

Sincerely,

JANET B. HARDY, M.D.C.M.,
Professor Emeritus of Pediatrics.

A NEW TOOL IN OUR NATION'S WAR ON DRUGS

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. MARKEY. Mr. Speaker, less than a month ago the U.S. Customs Service opened its first Blue Lightning Joint Marine Interdiction Command Center [J-MIIC] in Miami, FL.

The center, built by employees of RCA's Automated Systems Division in Burlington, MA, aided in its first drug bust within 12 days—resulting in the arrest of three suspected drug smugglers and the capture of 35,000 pounds of marijuana.

I would like to commend to the attention of my colleagues an article which recently appeared in the Miami Herald describing the first success of this new weapon in our Nation's war on drugs. The Customs Service and the employees of RCA Burlington are to be congratulated for their hard work and perseverance in bringing J-MIIC online less than a year after Congress initially authorized funding for this program.

The article follows:

[From the Miami Herald, Feb. 23, 1986]

NEW DRUG COMMAND POST MAKES FIRST BUST

(By Richard Wallace)

The drug war's new, high-technology Blue Lightning Command Center struck for the first time Saturday.

Using computer-enhanced signals beamed from an Aerostat radar balloon overlooking the Gulf of Mexico, Customs Service specialists in downtown Miami coordinated the movements of federal vessels to intercept two alleged drug smuggling boats off Marco Island in pre-dawn darkness.

Three men from Marathon were arrested and 35,000 pounds of marijuana were seized, Customs authorities said.

The operation began Friday night when "they started tracking several vessels about 60 miles west of Marco Island," Customs spokeswoman Kitty Pryor said.

"We try to keep track of commercial vessels, cruise ships and freighters that go through the Gulf and around the east coast of Florida," said Michael Wewers, director of the Blue Lightning center, also somewhat more bureaucratically called the Joint Marine Interdiction Command Center.

Movements of shrimping and other fishing vessels also are closely monitored, Wewers said.

"You want to look for something that might be out of the ordinary. It might be a couple of boats meeting one another, lying aside one another for a period of time, then—in this case—heading directly back into continential U.S. waters," Wewers said.

Federal vessels—several Customs craft and a 41-foot Coast Guard cutter—were directed toward an intercept point about 25 miles south of Marco Island, Pryor said.

Three Customs agents aboard a 36-foot "go-fast" boat approached the Aiakatsi, a 58-foot crab boat at about 4:15 a.m., Pryor said. The agents could smell marijuana before they actually saw any contraband, she said.

As one of the Customs men prepared to board the Aiakatsi, another crab boat suddenly approached the Customs boat, bearing down as if to ram it, Pryor said.

The Customs craft swerved away, then began chasing the second crab boat, the 45-foot Fast and Easy, Pryor said. Other U.S. vessels in the impromptu task force joined in the pursuit, which ended when shots were fired across the Fast and Easy's bow, Pryor said. The crab boat's crew, meanwhile, had been jettisoning bales of marijuana into the sea.

The only hitch in the operation occurred when federal agents returned to the Aiakatsi, Pryor said. No one was aboard, although a marijuana cache was, she said. It is believed that a still another vessel picked up the two men who had been on the Aiakatsi.

Wewers nevertheless was pleased with the results of the first drug-smuggling interdiction coordinated by the command center, which began operation less than two weeks ago. It would have been virtually impossible to recognize, track and intercept the suspect vessels without a sophisticated command and communications system, he said.

Wewers did not divulge all of the telltale patterns of activity that tip off radar observers that certain vessels should become interdiction targets.

"It comes from years of developing intelligence and scenarios that smugglers have used," Wewers said.

According to Customs authorities, the three Marathon men arrested were the captain of the Aiakatsi, Warren Edward Wood, 42; Gary Lee Dively, 38; and Barton Eugene Mavity, 27.

All three were charged with smuggling marijuana, conspiracy to smuggle it, and with possession with intent to distribute it, Pryor said. Wood also was charged with assaulting a federal officer because of the alleged ramming attempt, she said.

REBUILDING HAITI

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. BEREUTER. Mr. Speaker, I have a longstanding interest in Haiti, the poorest country of our hemisphere. A recent column in the New York Times by Heyward Isham, a former U.S. Ambassador to Haiti, caught my attention. Countries such as Haiti have a built-in cheap force of manpower which can be used for the national economic reconstruction of the country: that force is the Army.

One of Ambassador Isham's points is that the new government might be able to change the principal duty of the Haitian Army from a Pretorian Palace Guard to battalions for rural reconstruction activities. Some of the training for such a force could come from the U.S. Navy, which has large experience in such civilian engineering units. Mr. Speaker, I find this idea to be provocative and attractive. I commend this article to all my colleagues who have a special interest in the welfare of this very poor Caribbean neighbor.

The article follows:

FEDERAL SYMBOLS ARE MORTAR FOR BUILDING HAITI

(By Heyward Isham)

WASHINGTON.—Haiti's new Government will need substantial international help quickly as it digs out of the mess left by the Duvalier dictatorship. With or without that aid, the transitional Government would find it enormously useful to harness Haitians' respect for the traditional symbols of their culture.

When the Duvalier dictatorship was deposed earlier this month, reports from Port-au-Prince focused on the general jubilation and the acts of revenge taken against Duvalierist henchmen. Relatively unnoticed, however, was what happened to a pair of Duvalierist monuments—the sarcophagus housing the remains of "Papa Doc," Francios Duvalier, and a gigantic cross that he had erected, soon after taking power, on a hillside overlooking the harbor.

In the municipal cemetery, the crowds breached the Duvalier tomb, unearthed whatever Presidential relics they could find and paraded the bones in an impromptu Mardi Gras celebration. Doubtless, they recalled how Papa Doc, a megalomaniac physician-ethnologist, had long ago adopted the black clothing and forbidding demeanor of Baron Samedi, the spirit of death in the voodoo pantheon. The dancing and incantations earlier this month marked the formal rejection of any hold Baron Samedi might still have had on the Haitian imagination.

Making its way to the quiet suburb of Bel Air, the crowd pulled down the oversized crucifix, reduced it to kindling and set the wood ablaze. No trace was to be left of the elder Duvalier's bogus efforts to identify himself with the world's spiritual leaders. Both actions suggest that Haitians possess a finely tuned sense of how symbols can be used, and abused, in the exercise of power.

Symbols also played a key role in the gradual development, since the early 1970's, of an organized resistance to the Duvalier regime. Courageous journalists and radio broadcasters, the more enlightened Roman Catholic bishops and rural clergy and even the voodoo priesthood passed the same message: Mr. Duvalier had sold himself to the Devil. Haiti's ruinous state, the voodoo priests (houngans) said, was a sign that the cruel, violent spirits (the petro loas) had gained the ascendancy, while the benevolent spirits (rada loas) had returned to Africa. They would come back only when Mr. Duvalier was out.

A number of the measures taken by Gen. Henri Namphy's transitional Government—including the restoration of the pre-Duvalier blue and red flag—reflect an awareness of such psychological factors. The Government might consider making use of three other important symbols.

In the insalubrious cells and interrogation rooms of Fort Dimanche, real or imaginary enemies of the Duvaliers were tortured or left to rot in solitary confinement. It should be destroyed, and the site should be left fallow or made a memorial to political prisoners. Certainly, the name Fort Dimanche ought to be extinguished.

The National Palace is a vast, whitewashed structure that seems to anesthetize many of its occupants against Haitian realities. The Namphy Government may find much of this regal space redundant. Could not part of the structure be converted to serve the country's pressing humanitarian needs? Remodeled and properly staffed, whole wings of the palace might lend themselves to intensive training in health care, family planning, literacy programs and assistance to small farmers.

Under the Duvaliers, the national defense forces became an instrument for personal protection, extortion and intimidation as well as a crushing burden on the treasury. Haiti's new Government, with a radically

different concept of national economic requirements and a more realistic assessment of security needs, might consider dedicating soldiers to tasks of rural reconstruction. Mobile engineering units patterned after the United States Navy's Seabees could be deployed to the most critically affected parts of the hinterland.

This work of economic liberation would be an appropriate contemporary echo of the ideals inspiring the runaway slave, Haiti's equivalent of the Unknown Soldier, who is memorialized in a prominent statue in downtown Port-au-Prince. It is, like so many of Haiti's potent symbols, too good to go to waste.

THE "SELECT FEW"

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. DORNAN of California. Mr. Speaker, I am continually impressed at the dedication and sense of duty I find when I meet with the young men and women who so proudly wear the uniform of this great country of ours. I recently had the privilege to address a select group of young Air Force officers at the Pentagon where I talked to them about duty and sacrifice. One captain wrote me soon afterward and his letter epitomizes the attitudes I hear from all who serve—from the rawest recruit to the most seasoned general—Army, Navy, Marine, Air Force, or Coast Guard.

I would like to share this letter with my colleagues and dedicate it to all the young men and women who serve in the Armed Forces of the United States. For they clearly are the "select few" who stand vigilant protecting our freedoms.

The letter follows:

DEAR MR. DORNAN: First, I'd like to thank you for taking time out of your busy schedule to speak to the ASTRA officers today. I was moved by your talk and spent my noon hour jogging and reflecting on your talk. As a fellow Californian I was proud that my state has such a distinguished man representing us in the House.

It is an honor to be called one of the "select few" by you sir. I do not think of myself in those terms however. Rather I consider myself very fortunate to have the opportunity to serve my country as an Air Force officer and pilot. It is an honor and privilege for me to serve this country. To me there is no greater cause on this earth than freedom. It is a gift entrusted to me by my forefathers. They paid dearly for this gift. One need only visit Arlington Cemetery to realize the high price of freedom. It is truly an honor for me to be a part of the officer corps whose ranks once included these heroes. I can only hope my small part will help to preserve the gift of freedom for the next generation of Americans.

I'm fortunate in another way Mr. Dornan. I've flown to other countries and had a chance to take a good look around. I've seen the look in the eyes of the people as they questioned me about my country. Their eyes told me how lucky I am to be an American. I've seen the poverty and conditions these people endure. How lucky I am to live in the U.S. Travel the world and it is very evident how rare this gift of freedom is.

In closing Sir I would like to leave you with this thought. I'm just an average American who was given a chance to serve my country. I firmly believe that the majority of Americans would serve if given the opportunities I've been fortunate to have. Again I thank you for your talk today and your speech on the floor of the House. You do indeed honor me Sir and I pray that I can live up to the praises you give to me.

THE EXTRAORDINARY MIND OF HERBERT HAUPTMAN

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. KEMP. Mr. Speaker, I share the pride that all residents in the Buffalo area feel about one of our own winning the 1985 Nobel Prize for chemistry. Dr. Herbert Hauptman has been a pioneer in mapping the atomic structure of the molecule—basic research that is vital to understanding how the human body works or doesn't work. Dr. Hauptman is executive vice-president and research director of the Medical Foundation of Buffalo and research professor of biophysical sciences at the State University of Buffalo.

The following article on Dr. Hauptman was written by Charles Anzalone and appeared in the Buffalo News on February 23, 1986.

THE EXTRAORDINARY MIND OF HERBERT HAUPTMAN

Call it the Golden Moment, the split second when the hairs on the back of your neck stand on end and a tingle creases the spine. Every scientist working on a problem has experienced it. It's probably the closest any of us, even if our name is Herbert A. Hauptman, is going to come to true magic.

There is a feeling of watching the pieces fit together, of being on the right track. Then comes the scary part. Questions that once looked insoluble become clear. Problems that once seemed impossible become elementary. Fallible human beings running into their own limitations suddenly become fortune-tellers.

One of Hauptman's colleagues compared it to the Mexican hat dance. The dancer moves closer and closer, and then, in that one beautiful moment, stomps the hat.

This is what happened to Herbert Hauptman. More than 30 years ago, in a small computer room a block from the White House at the U.S. Geological Survey, he had the ultimate Golden Moment, one that even eclipses winning the Nobel Prize. After dancing around it for years and years, Hauptman finally stomped the hat.

Hauptman and Jerome Karle, who decades later would share the prize with him, were watching a primitive IBM computer cough out paper with clues on the structure of a simple molecule called colemanite. The men had developed a mathematical formula they hoped would help them to map the atomic structure of a molecule. Like a mechanic working on a car engine, understanding the structure of the molecule eventually would help scientists know why the human body behaves the way it does and how to alter that reaction to help treat illnesses.

On the paper coming out of the computer was a graph representing the microscopic dimensions of the molecule of colemanite, a mineral that contains boron, which, among other things, is used in laundry detergents.

Every so often, the computer left a large number somewhere on the graph, something that caused a stir among Hauptman, Karle and three others from the geological survey who were watching. High numbers meant a high concentration of electrons and could designate atoms. If the high numbers seemed to show recognizable groups of atoms, it would mean the calculations Hauptman and Karle had developed to determine colemanite's molecular structure worked.

Before long, the five looking over each others' shoulders at the printouts began to see the numbers they were looking for. Howard Evans, a crystal structure analyst for the geological survey, began to recognize large calcium molecules from the numbers on the graph, then smaller ones showing boron atoms with oxygen atoms in the middle. Finally, Hauptman and Evans say, they spotted numbers showing "nice little tetrahedra"—oxygen atoms surrounding a boron atom. Soon after, they knew Hauptman and Karle had figured out what everyone else had thought impossible.

"Lo and behold, the structure materialized right in front of us," Hauptman says decades later. "We could see a sensible structure there. We knew all those mathematics we had done really worked."

Hauptman had been working on the calculations for years, juggling his job with nights at home during which he split his time finishing his doctoral thesis and taking care of his youngest daughter. After that, Hauptman, Karle and another worker spent three afternoons a week for several weeks in their office at the U.S. Naval Research Laboratory actually doing the calculations of the formula they had developed.

It was a two-man job. One called out information while the other sat with pencil and paper following the recipe of the formula by doing simple multiplication and addition. There was a flaw in the computer work the first time around, and it had to be redone, making them wait a month later to learn whether the formula was valid.

While they waited for the final computer data, one of the analysts at the geological survey half-kidded him about the possibility of an atomic bomb falling on them and canceling the need for the computer work.

"Before that happens, I would just like to know if I was right." Hauptman replied.

Hauptman was right. But he and Karle paid for that Golden Moment later, presenting their revolutionary findings to a scientific community that doubted the validity of their work and often was hostile to them. Later, a warm relationship between the two men and a truly great collaboration came to an end, leaving a coolness that still exists today.

Still, nothing in Hauptman's recollection has topped that excitement. Not a life filled with finding answers when most people are unable to understand the question. Not a handful of other national awards. Not even the seven-ounce gold medallion designating the Nobel Prize.

"I think it is fair to say it was probably the most exciting movement of our lives," he says now.

You are now in the general ballpark of the mind of Herbert Hauptman, Buffalo's first Nobel laureate ever, who has searched for these Golden Moments his entire life.

The facets of Hauptman's mind fit together as nicely as one of his formulas or the stunning geometric patterns he makes with

stained glass. Each part intimately relates to the others. These mental connections lead to solutions beyond the scope of the specialist.

Taken as a whole, his mind does much more than any individual part could have accomplished on its own. It also can create beauty that even those who cannot follow everything going on can appreciate.

But this is not easy terrain. The esoteric workings that fill his life have isolated him from the average person, an isolation that seems to be a source of lifelong disappointment for him.

Those who take the time and effort to grapple with his intellect will find a man whose work, according to even objective observers, can compete with that of the most notable of Nobel laureates.

They also will find someone well equipped to be a worldwide ambassador for Buffalo. The awesome attention and demands on his time since winning the Nobel Prize Oct. 16 do not seem to have turned his head.

"Looking around the lab," says one of his colleagues from the Medical Foundation of Buffalo, of which he has been executive vice president and research director since 1972, "there is no one less impressed with the Nobel Prize than him."

This should not be surprising. When you have uncovered a few of the secrets of the universe and have had that glorious Golden Moment, you pretty much have seen it all.

Hauptman has the instincts of a mathematician and the tenacity of a bill collector. When interviewed by an NBC broadcaster before accepting the Nobel Prize in Stockholm, he said his motivation came because he becomes "obsessed" with the problem. "It's almost an addiction," he said on evening network news. "It takes on something of a life itself."

He may not call it that, but those Golden Moments during which the answers suddenly appear hold deep pleasure for him.

"You might get to a point where you don't know how to proceed," he says. "But there are times when you know you've seen everything is fitting together perfectly, and you know it's going to work out.

"It's a challenge to get to the final formulas that are going to be used. It's like solving a jigsaw puzzle or crossword puzzle. It's a feeling like you've done something, when it's finished, but I think this is more important."

Hauptman complicates this treasure-hunt mentality by bringing two other elements with him. First, he is a mathematician.

A staff member at the Medical Foundation of Buffalo described it this way. "You and I go out and count seashells one day. Then you and your girlfriend go into a meadow and count daisies. Then your girlfriend and her mother go to the store and count dresses." An average person may look at that and ask about what color the seashells were or what style the dresses where, he says. A mathematician would look at that and ask what is the underlying rule behind those three functions. In the case, the common rule is addition. The mathematician would take this "addition," give it a symbol—perhaps a "+"— and see if it works elsewhere.

This is why Hauptman and Karle became so convinced their formula was right. They found a law as steady and predictable as simple addition. When they found it worked once, they have every reason to believe it would work again and again.

"These laws have a generality over and above particulars," the foundation staff member says. "The laws take on a life of their own."

He has had a lifelong appreciation of mathematics which started when he was 5 years old and read the science section of the New York Journal American newspaper.

His affinity was well established by the time he was a student at the rigorous Townsend Harris High School and City College of New York in Manhattan during its glory years. (Hauptman's class at CCNY, which catered to brilliant but poorer city residents, produced three Nobel Prize winners. Altogether, CCNY has produced seven.)

Hauptman fused this burgeoning understanding of mathematics with an obsessive love of solving problems. When he learned how mathematics often underlay the laws of nature, he was on his way.

"The laws which govern physical phenomena can be described in logical terms," he once said. "Here we are, fallible human beings, yet all of us have implicit belief in the rules of logic. Mathematics is the ultimate logic. Mathematics is the logical underpinning of science."

He quoted the German mathematician Herman Weyl in a 1974 interview and said: "Nature so often gives an emphatic 'no' to our questions and so rarely a reluctant 'yes.' . . . She is loath to reveal her secrets."

There is one more element of Herbert Hauptman's mind that must be understood. Suzanne Fortier, who used to work with Hauptman at the foundation and now is professor of chemistry at Queens University in Kingston, Ont., says Hauptman sees beauty in his work.

"There is a beauty in the formulas themselves," she says. "Once he gets the final answer, he might spend a whole afternoon looking at it, getting really happy and seeing what it all means."

Elegance, for mathematicians, is simplicity. Like everyone else, they often face nothing but chaos.

"Halfway through (the calculation of a new formula), it looks anything but neatly structured or nicely arranged," Fortier says. "It looks like a complete mess."

But after long periods of the most arcane work, a mathematician starts to see things coming together. A very long formula can be simplified and shortened. The same type of things on one side of the equation show up on the other side. As in a simple addition problem in which "a" plus "b" equals "c," subtracting "b" from "c" will give you "a." Every time.

A few days after returning from the Nobel ceremonies, Hauptman gets up from the chair in his office at the Medical Foundation of Buffalo and grabs a cream-colored notebook from his shelf. Inside are rows and rows of some of the strangest-looking hieroglyphics imaginable.

"I don't know how else to describe it, except it's just very nice," he says, with his soft voice caressing the word "nice."

"There's a certain beauty in the final formula you get. Looking at this formula, there is nothing beautiful about it, I would have to agree. But what this little "j" represents is a very complicated thing," and he goes on to explain what the formula means, with words that, to the uninitiated, seem to make as much sense as the man who talks to Vern in the fuel commercials and calculates a winter's fuel bill savings by adding up everything, including Buffalo Bills statistics, in his head.

But what Hauptman says does make sense. In fact, it more than makes sense. He takes something abstract and very complicated and makes it simple. Rows of mysterious calculations are reduced to one. One short set of figures is used to indicate what has taken him months to figure out. He calls the long version a "distorted image" of what he was able to simplify.

"When I tell you there is a certain, well, there is an aesthetic quality," Hauptman says, "the only way I can describe it that would make any sense is that it's like a painting or a sculpture."

William L. Duax, associate director for research at the foundation and a respected researcher in his own right, says the beauty can be compared to other parts of Hauptman's life, such as the geometrical stained glass sculptures he makes at home.

Like his math, they are extremely complicated in design, name and what they represent. Normally, this would isolate the beauty from those unfamiliar with his work. But Hauptman bridges the gap. Even those who do not fully understand can appreciate their beauty.

"It's all part of his approach," Duax says. "You can see the beauty of it . . . and you have a work of art. Well, science is also a work of art. Everything has to be put together properly. If you have discord with how you put these faces of the cubes together, you don't have a pretty object.

"Herb loves music. There are many mathematicians who love music," Duax says. "Music also has the tonality and chords and all the mathematics and all the proper relationships of sound coming together properly. If you have discordant sound, you don't have decent music."

One can imagine Hauptman's mind listening to the many sounds of a good orchestra as if they were pieces of a mathematical formula. Each note he hears is a correct piece of the formula. Each movement is a victory over the chaos of the universe. It is nature giving up one of her secrets, and Hauptman is there, surrounded by it.

Fortier remembers Hauptman sitting in his office for a long time, just looking at the formulas that came after all those meticulous calculations. While admiring the beauty of the work, she says, he would hum or whistle one of his favorite classical tunes.

This mind that loves harmony and order over chaos got a severe test in October, when he was swimming lengths of the pool at the YMCA in Snyder and got a phone call saying he had won the Nobel Prize for chemistry. He immediately called his wife, who was teaching first grade at Holmes Elementary School in Tonawanda. She was so excited she hung up on him.

The coming weeks would hold no elegantly symmetrical patterns and relationships simplifying the secrets of the universe. No intricately beveled edges forming beautiful geometric stained glass shapes. No calming classical music. From then on, it was only madness.

The hundreds of letters, phone calls and telegrams started arriving immediately. The public, which previously cared little about Hauptman's work, started going crazy. Crystallographers saw the Nobel Prize as a huge boost to their work. State University of Buffalo officials pointed to Hauptman's position as research professor of biophysical sciences, proudly claiming him as one of their own even though Hauptman's salary is not paid by the school and the foundation receives no money from UB. ("How close are his ties to the university?" one UB official was asked a few days after the Nobel announcement. "They just became a lot closer," he replied.)

The Association of Independent Research Institutions, of which the foundation is a member, also touted his accomplishment, reminding everyone how this will help convince Congress to keep providing money for research.

Senators, governors, congressmen and other miscellaneous government officials filled mailbags with their congratulations. Hauptman has influenced many people in foreign countries where he has lectured, Daux says. Mail and telegrams from India, Italy, China and Germany arrived along with the rest. His former teachers and coworkers, deans, local businessmen, and colleagues from as far as Japan also heard of Hauptman's honor and wanted to congratulate him. Some thought it would be nice to give him a call.

Hauptman had scheduled a vacation in the Smoky Mountains to rest and overcome the initial shock of Nobelmania. He returned from the vacation, which was filled with family and friends dropping by to congratulate him, to find stacks of mail 2½ feet high on a desk. He got many letters from his friends at the YMCA, where Hauptman starts almost every day with a swim. Someone asked him to appear at a fund-raiser.

"Anybody who meets him can see how extremely congenial he is. If somebody wants to talk to him and ask him a question, he will take the time to answer him. He has devoted 35 years of his life to his field, and it's not just strangers who are waiting to see him.

"And Herb is trying to answer them," Duax says.

By the first of the year, Hauptman's correspondence had changed from congratulations to speaking requests.

Every year the foundation staff holds an open house in November. "We were concerned our own administrative board didn't understand us," Duax says. "Every year, the staff tries to get across that 'Gee, you can talk to scientists about their work.'" Every year, the foundation staff, which numbers about 50 people including the night maintenance crew, prepares hors d'oeuvres for the few dozen people attending the open house.

This year there were almost 150 people attending the open house, including Mayor Griffin. He was invited during one of the foundation's regular Friday lunches at Ulrich Restaurant, around the corner from their offices. Somewhere between the food and the beer, one of the scientists got the brainstorm to write an invitation on a napkin and hand it to a Griffin aide sitting at a nearby table.

Not only did Griffin show up, he brought a gold-colored statue of a buffalo, which now rests on the fireplace mantle in Hauptman's home. "Some of my people were drinking with your people," Griffin told Hauptman, according to foundation folklore.

The biggest problem at the open house, Duax says, was whether the staff would be able to make enough hors d'oeuvres.

Hauptman felt the full brunt of the media. A crew from England came to Buffalo to film a feature showing a typical day in Hauptman's life. The producer wanted to show Hauptman during a morning swim at the YMCA. Someone told the producer about one of Hauptman's friends who plays the harmonica and asked the man to go home and get it. They also asked a local soprano who happened to be at the YMCA if she would mind singing a few bars for the camera. The result was a shot of Hauptman swimming while the soprano sang and the other friend played the harmonica in the background.

Maybe the British director didn't think of it this way, but in Herbert Hauptman's post-Nobelmania days, this was indeed a normal day.

A local weekly newspaper said Hauptman was "our answer to every armpit-of-the-East joke" and suggested making him the center of a "marketing mission" that would change the worldwide image of the city. A front-page story in The Buffalo News included Hauptman's course-by-course description of the banquet served during the Nobel Prize ceremonies in Stockholm.

Better able to handle these demands were the members of the foundation staff themselves. They are used to the rough-and-tumble politics that small, independent foundations competing for grants must master to survive. They also have a penchant for practical jokes that make the chaos of the real world a little easier to bear.

Dave Smith, associate research scientist for the foundation, recalls some of the best. A scientist known to make slightly obscene noises when eating or even thinking about chocolate once was told to help herself to the chocolate maple creams in the box near the coffee machine. What she didn't know was that someone had hollowed out the inside, inserted a clove of garlic, then covered it up with melted chocolate. Other members of the staff were walking around eating the real ones.

"I think she had it swallowed before she knew," Smith says.

Smith once put oil on the door handle of a rival's office, had the secretary ring downstairs telling the man he had an important long-distance phone call and waited nearby to see what happened. Another member of the second-floor lunch crowd once suggested starting a natural insemination clinic as a way of raising money.

The small staff circled the wagons around Hauptman after he won the Nobel, organizing his schedule and snarling at those they thought were taking advantage of him. Jane Griffin, a research scientist and the victim of the "garlic maple creams" prank, ordered cable television when Hauptman was in Sweden to accept the prize, just to tune in the award ceremonies. About 20 of them met at her house that night to watch the program until 1 a.m. They roared when the announcer said the winners of the Nobel Prize for chemistry were next and the network switched to a commercial showing a scantily clad woman advertising deodorant soap. But they cheered when Hauptman appeared on camera. Every one remained fiercely loyal to him, time after time. (To put this into perspective, imagine a fellow office worker winning the Nobel Prize, and ask yourself whether a garrison of descending reporters could get anyone to say anything uncomplimentary about the winner.)

"Nothing can exceed winning the Nobel Prize," Smith says. "All of us strive for it, but none have any aspirations of winning. It's like being the most valuable player for the winner of the Super Bowl and the World Series the same year, except then you always go back and try to do it again. That's hardly ever the case with a scientist."

"I find it pleasing, of course," Hauptman says. "I'm a human being, like everyone else. It's nice to be recognized. I'm glad of that. It certainly is an honor. Not many people receive the Nobel Prize. So there's that.

"There is another advantage. Because of the notoriety that comes with this, I get lots of invitations to speak at all kinds of places. And people listen to me now."

Hauptman often has said the ordinary person should understand why pure research is important. When they began, no one knew the work he and Karle did could be used to save lives. If those allocating money require a practical reason for research, the full potential of scientific discovery never will be realized, he says.

His strong equilibrium came in handy when the gossip aspect of Nobelmania surfaced. In 1960, Hauptman asked for and received permission to transfer to another division of the Naval Research Laboratory, leaving Jerome Karle's supervision. Hauptman and Karle wanted to pursue research in different directions, and being under Karle's supervision was "too constricting," Hauptman says.

Having Hauptman and Karle working separately at the Naval Research Laboratory created tension and competition between two men who previously were very close, personally and professionally.

"Relations over the years have been strained, sometimes more, sometimes less," Hauptman says. "We're still on speaking terms. Not on the most friendly terms but still speaking terms."

Karle and his wife, Isabella, have been selected to the National Academy of Sciences; Hauptman never has. This used to bother him until David Harker, research scientist emeritus at the Medical Foundation of Buffalo and former head of biophysics at Roswell Park Memorial Institute, told Hauptman that Karle had refused to sponsor Hauptman for selection.

"When David Harker explained the background of all this, I was completely reconciled to the idea of never being a member of the National Academy of Sciences," Hauptman says. "It bothers me even less today."

This sensitive matter came up at an interview in Stockholm. A journalist asked both men if they would comment on the fact that one was a member of the academy and the other was not. Hauptman said calmly that he did not want to comment. Karle, according to those watching the interview, became nervous and said something was being done about that. The reporter later said he thought Karle was the one who did not belong to the academy.

What seems to bother Hauptman most is the busy schedule that prevents him from taking long walks near his home, something he has done for decades to get away from the feeling of being behind a desk and to reshuffle the mathematical constructs in his mind.

"I do think about the work I'm doing when I walk," Hauptman says. "I do get ideas and I find that very helpful, even now."

For some, it may look like a leisurely stroll through the neighborhood. As anyone familiar with the mind of Herbert Hauptman knows, things are not as simple as they seem.

His walks are proof that his work makes sense to the real world. He can see it in a thousand things: snowflakes, plants, ice crystals on windows. He is no cloistered scientist making calculations no one understands. The significance of his work surrounds him. His mind is in tune with what he sees.

"What it comes down to is that you see the kind of math most people think has no relationship to anything," Hauptman says. "What does integral calculus have to tell us

about the real world? And yet, it has a lot to tell us."

Once again, this time on his walks, Hauptman has discovered common ground between the complexities of nature and the beautiful. Except now he is the uninitiated, he is the beginner trying to catch on to the secret that unlocks the puzzle. Like the visitors admiring his stained glass sculptures or his rows of simplified formulas, he understands only a little of what he sees. But it's still very beautiful.

And there is always the chance another Golden Moment is waiting for him around the next corner.

THE DEFICIT

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to my colleagues' attention an editorial from the Lompoc Record entitled "'Mindless' Cuts?". The editorial points out that when an average American family cuts spending by 4.3 percent, it sets priorities. The same should hold true with the Federal budget. Deficits need to be reduced through spending reductions; hopefully we all agree on this. The editorial argues that while it may be mindless to cut border control and welfare equally, it is not mindless to enforce a specific limit on total spending, which is common practice for private organizations as well as State and local governments. Republicans do not want to allow blind cuts to go into effect under Gramm-Rudman-Hollings. Our way of demonstrating this was to support House Joint Resolution 375, which would instruct individual committees to prioritize cuts. However, this resolution lacked Democrat leadership support and consequently did not go anywhere. It is the Democrats who control the House and who will not make the tough choices to rationally reduce spending and reduce the deficit.

In conclusion, I would like to quote majority leader Congressman JIM WRIGHT of Texas, who stated, "Congress makes the budget; the President does not. That is a very important distinction." I would have to agree. House Democrats have for nearly 30 years controlled the legislative budget process and should admit to the huge deficit their spending habits have created.

The article follows:

[From the Lompoc Record, Feb. 2, 1986]

"MINDLESS" CUTS?

If the average American had to cut his spending by 4.3 percent, he wouldn't like it but he could do it. He'd think about priorities, cut some items by twice that much and some not at all. He would not trim his gourmet food bills and his children's medical expenses by the same percentage.

Most congressmen, including many who voted for the new Gramm-Rudman law, complain that it is "mindless" because it requires automatic spending cuts. They're right, but only partly. It is indeed mindless to cut the border patrol by the same percentage as the bloated welfare program for corporate farmers or the scandal-laden Legal Services Corporation. But there's nothing mindless about enforcing a specific limit on total spending. Private organizations do it all the time, and so do state and local governments.

As originally drafted by Sen. Phil Gramm, R-Texas, the new law was not at all like a meat ax: It gave the president flexibility to decide where to cut. It was Gramm's opponents who amended his bill to cut every program equally.

The very congressmen who complain most bitterly about these automatic cuts have long defended automatic increases. More than half the federal budget consists of "entitlement" programs, which guarantee subsidies regardless of changes in the size of the deficit, the condition of the economy or the urgency of other needs.

These programs are the only major part of the budget that has grown steadily for the last three decades, under both Republican and Democratic presidents. In 1957 they consumed 3.9 percent of the gross national product; they now take more than 11 percent.

The supposedly draconian Reagan administration hasn't even dented entitlements. From 1980 to 1985, for example, spending on Social Security rose from $120 billion to $192 billion. Federal employees' retirement and insurance climbed from $34.7 billion to $49.9 billion. And medical care soared from $47.2 billion to $91.9 billion.

Should such programs exist? Of course. Should they be immune from annual budget reviews, so that they inevitably grow faster than the private sector or the rest of the government? No.

Just as Gramm-Rudman is an automatic "subtract" button on Washington's calculator, entitlements are automatic "add" buttons. Both are equally mindless from the point of view of responsible government.

A TRIBUTE TO TARAS SHEVCHENKO

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. LIPINSKI. Mr. Speaker, I wish to bring to the attention of my colleagues that on March 9 of every year Americans of Ukrainian descent salute Taras Shevchenko, Ukraine's freedom-fighting bard. Born in 1814, Shevchenko rapidly gained recognition for his courage to speak out against tsarist oppression by way of his poetry. By the age of 33, his poems written in the native language and recalling the Ukrainian past attracted so much popularity that Shevchenko was arrested, tried and sentenced to 10 years of exile by the Tsar with express orders forbidding him to read, write and sketch. Shevchenko is still remembered today as one of the most powerful symbols of Ukrainian freedom from Russian domination and oppression.

This year there are even more reasons to remember Taras Shevchenko and those others who have committed themselves to the idea of Ukrainian independence and freedom. Miroslav Medvid, a young sailor on a Soviet grain ship, jumped into the Mississippi River twice late last year in attempt to gain his freedom. It is reported that Medvid's first words upon reaching shore were that he is Ukrainian. The Soviet role in the 1932–33 man-made famine in Ukraine has only recently attracted attention and is now being studied by a congressional commission set up for that express purpose. And along with these developments, President Reagan's decision after the summit meeting to establish the first permanent American presence in Ukraine in decades underscores the importance of understanding the past and present situation in the country.

To understand Ukraine today, however, is to see a country in danger of losing its national identity. Like the genocide that occurred under Stalin in 1932–33, a genocide by russification is happening right now in Ukraine. Ukrainians make up the majority of the country's population but are being forced to Russianize. Knowledge of the Russian language and assimilation into Russian culture are mandatory if one wishes to seek any kind of prominent position in Ukraine.

If the United States sends only Russian-speaking diplomats to the new consulate in Kiev, America might unknowing become an accomplice to this Soviet act of cultural repression. I would, therefore, like to take this opportunity to urge that the United States follow a policy toward Soviet Union that opposes the cultural genocide of Ukraine by russification, allows only Ukrainian-speaking diplomats to the country and urges the Soviets to let Ukraine be Ukraine.

As the Kennedy Center pays tribute in concert on March 9 to Taras Shevchenko, Ukraine's poet spokesman for freedom, it is appropriate and necessary to keep foremost in mind that the quest for liberty in Ukraine continues, and that there are measures we can take to help that fervent cause.

FEDERAL DEBT RECOVERY ACT OF 1985

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. MOODY. Mr. Speaker, I would like to bring an article to your attention which appeared in the Washington Post on March 6, 1986. Entitled "U.S. Worker Arrested in Student Loan Case After Long Search," it describes the case of a 41-year-old man arrested by U.S. marshals for failure to repay an $1,100 student loan after a 5-year search.

This is the most recent example of ineffective and inefficient debt collection efforts by the Federal Government. What is not covered in this article is the cost to the taxpayers for a 5-year effort to collect $1,100.

Most borrowers promptly repay their loans, but many do not. In fact, more than $23 billion in non-tax delinquent debt is currently owed the Federal Government. I believe that private attorneys could help us collect this outstanding debt in less time and at less cost to the taxpayer than the Federal effort described in the article.

In an attempt to help the Federal Government reduce its deficit and collect its money, I introduced the Federal Debt Recovery Act of 1985 (H.R. 979) last session.

Forty-six of our colleagues have cosponsored this bill which would enable the U.S. Attorney General to retain private counsel to assist in the debt recovery process. Attorneys'

fees would be based upon their collections, so my bill would not cost the taxpayer any additional money.

Further, my bill would require participating attorneys to abide by the Fair Debt Collection Practices Act. This protects the rights of consumer debtors, but allows collectors to use all available legal collection methods.

The private bar has been successful in many States and in the private sector in the recovery of hundreds of millions of dollars in delinquent debts. I am certain that private attorneys could assist the Federal Government in its efforts to collect debts owed the American taxpayers.

I urge my colleagues to help reduce our Federal budget deficit by supporting this important bill.

The article follows:

U.S. WORKER ARRESTED IN STUDENT LOAN CASE AFTER LONG SEARCH

(By Nancy Lewis)

A 41-year-old Northwest Washington man who for five years eluded the federal government's efforts to collect a $1,100 court judgment against him for an unpaid student loan while at the same time working for the Federal Deposit Insurance Corp. was arrested yesterday by U.S. marshals.

"When you ignore a contempt of court [summons] . . . you can expect to have U.S. marshals take you into custody and bring you before the court," Assistant U.S. Attorney Royce C. Lamberth said after Ronald A. Sanders of 49 Seaton Place NW was arrested at his home.

U.S. Magistrate Arthur L. Burnett told Sanders that he could have "avoided embarrassment" if he had simply answered the government's inquiries. In the future, Burnett said, "come down here and people will try to help you."

Sanders, who told Burnett that he hadn't received all of the court's summons because of "domestic problems," said simply that the incident had been "humiliating."

The government had been trying for five years to get Sanders to set up a repayment plan for the balance, plus interest, on two loans, total $1,700, that he received while attending Central State University in Wilberforce, Ohio.

The order to bring Sanders into court was approved Jan. 22 by U.S. District Judge John Pratt after the government was unable to find out where Sanders worked. Although federal agencies have several programs designed to uncover federal employes who have defaulted on student loans, none apparently turned up Sanders, officials said.

"We do not intend to allow people to ignore their obligation to repay money they owe the United States," Lamberth said. "In this day of federal deficits, the money we can obtain from debt collections, while small in individual cases, is staggering in its total impact on the federal treasury."

Richard Hastings of the Department of Education said that of all federal loan programs, about $5 billion is in default. For guaranteed student loans, made by private financial institutions and backed by the government, the rate of default is about 10 percent, he said.

For direct student loans, the default rate is about 14.5 percent.

As part of its increased efforts, Hastings said, the names of more than 18,000 people who are in default on their loans have been sent to federal prosecutors for collection.

Lamberth said that in the District the government is trying to collect on about 1,000 judgments. The wages of more than 100 federal employees here are being garnished.

Government officials said that they expected Sanders' pay would be garnished if he did not propose a satisfactory repayment schedule.

DON'T ABANDON NICARAGUA

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. BURTON of Indiana. Mr. Speaker, I would like to bring to the attention of my colleagues an excellent piece in the Washington Post of March 3 entitled "Don't Abandon Nicaragua," by Congressman JIM COURTER. My good friend from New Jersey has hit the nail on the head. If we abandon the Nicaraguan freedom fighters to be crushed by Soviet helicopters and Cuban troops, we will be inviting war and instability in the region for decades to come. How can we sit in this Congress, elected representatives of a free people, and allow the Soviets to deny these same freedoms to another nation on the American mainland?

Again, I commend my colleague, Mr. COURTER, and request that his article appear in the RECORD at this point.

DON'T ABANDON NICARAGUA

Nicaragua's neighbors are increasingly recognizing Sandinista strategy for what it is; a plan to spread revolution and destroy the fragile openings toward democracy that constitute the single most hopeful development in Latin America in decades. In the last year alone, Colombia accused Nicaragua of supplying arms to the M-19 guerrillas; El Salvador's President Duarte accused the Sandinistas of direct complicity in his daughter's kidnaping; and all of Latin America took notice when a car en route from Nicaragua to El Salvador crashed in Honduras, revealing a cargo of munitions, communication equipment and personal letters from the communist bloc for El Salvador's FMLN guerrillas.

Now that the Soviets have two clients, Cuba and Nicaragua, aiding communist insurgencies in the region, the problem is guaranteed to grow. When these guerrillas gain strength in any country, they undermine democratic government long before they are capable of taking power. Their attacks and the authorities' response create a debilitating atmosphere of random violence, destroying the economy and bolstering the ever-present argument that military rule is the only way to guarantee order.

How, then, do we respond to the Sandinistas? They are skilled practitioners of power politics who took and consolidated power by force, rule by repression and now assist their fellow revolutionaries. They should be met with a response that speaks to them in their own terms. This means approval of President Reagan's request for $100 million in aid to the Nicaraguan democratic resistance, and it means the provision of whatever additional assistance is necessary to enable this movement to win its fight and fulfill the promise of the 1979 revolution that ousted Anastasio Somoza.

Some would argue that such uncompromising pressure isn't necessary, and we need more time for the Contadora process to work. But negotiations have been in motion for years without achieving the first step toward a meaningful settlement, which is to bring the Sandinistas to the table to negotiate with their domestic opposition. The Sandinistas reject this suggestion every time it is made. They ignored it when leading congressional Democrats made it in 1983, and they censored the Nicaraguan archbishop's 1984 Easter pastoral letter containing a call for national reconciliation.

Last year, when President Reagan endorsed the contras' offer of a cease-fire pending a negotiated settlement, Nicaragua's foreign minister described it as an offer to "drop dead—or we'll shoot you." Such negotiations could lead to the death of one-party rule in Nicaragua, and that is why the Sandinistas fear them.

The Sandinistas survived years of struggle against Somoza, and they have survived the challenge of a poorly equipped, but growing, insurgency. They know they can survive diplomatic isolation—after all, Cuba has done so, and has used the time to consolidate political control at home and build the infrastructure for regional terror and subversion. Under current circumstances, the Sandinistas know that time is on their side.

But they also realize that the contras are the largest insurgency in Latin America, far larger than any communist insurgency that has ever appeared. The contras grew even when U.S. assistance was cut off completely. With a commitment of new aid, the 20,000 contras now in the field would gain military strength and new recruits. Such a challenge will carry more weight with the Sandinistas than any amount of diplomatic protests or bad publicity on human rights.

Will Latin American governments support our policy? At the OAS last December, they rejected Nicaragua's call for condemnation of our trade embargo. As for our aid to the contras, support is limited to private comments by diplomats and other officials who know that we provide the only tangible source of pressure on the Sandinistas—pressure without which the Sandinistas would see no reason at all to negotiate. At present, Latins have every reason to hedge their bets. They see our commitment as tentative and know that if we abandon the contras, they will be left to deal with forces that receive a larger and more constant stream of Soviet bloc aid than that which we give to our democratic friends in the region.

Latin Americans don't deserve to be abandoned to a future of subversion, and Nicaraguans needn't face a future of increasing totalitarian repression. Our policy can succeed and win regional support if we make an unequivocal, long-term commitment to the establishment of democracy in Nicaragua, through negotiations or through the victory of the democratic resistance. We should leave to the Sandinistas the choice of how this democracy is brought into being.

NEW YORK POST TRACKS THE MEDVID CASE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. COURTER. Mr. Speaker, few Americans were satisfied by the outcome of the strange and tragic case of Miroslav Medvid, the Soviet sailor who tried to leap to freedom when his ship docked in New Orleans last year. The New York Post editorial board has continued to follow developments in the investigations of the case, and has composed the fine article which follows:

[From the New York Post, Mar. 5, 1986]

NO ONE CAN DOUBT THE FATE OF THE REAL MIROSLAV MEDVID

Sixty U.S. Senators are calling for an investigation into the even deepening mystery of Miroslav Medvid.

He's the Soviet sailor who jumped ship in the Mississippi, asked for political asylum in the U.S., was returned to his ship by force, jumped ship again, was returned again and, when the administration insisted that he be released into U.S. hands for questioning, said that the whole thing had been a terrible mistake and that he wanted nothing more than to go home to Mother Russia.

That may seem curious behavior to most people. But the State Dept. turned a bland eye, saw nothing odd and blocked attempts by Sen. Jesse Helms and various Ukrainian groups to subpena Medvid for a second interrogation.

Now there's speculation that the Russian sailor who was released into U.S custody might not have been the sailor who jumped ship. While the real Medvid was presumably languishing in chains below deck, the fake Medvid was claiming that everything on board was hunky-dory and that all he wanted was to be back in the USSR.

The evidence underlying the theory:

The first Medvid was listed by the Border Patrol as 5 foot, 10 inches in height and 174 pounds in weight. But the second Medvid was described by a doctor who examined him as being of "short stature" and weighing about 150 pounds.

The first Medvid spoke Ukrainian fluently, the second haltingly.

The first Medvid expressed terror, desire for asylum, fear of being returned, admiration for U.S. freedom and dislike of the USSR. The second Medvid was belligerent, arrogant and contemptuous of the U.S., talking several times of the superiority of the Soviet system.

Two handwriting experts have testified independently that the handwriting samples taken from Medvid I and II are indeed by two separate people.

And photographs of Medvid, taken on two different occasions, could be of two different people.

These various pieces of evidence do not conclusively prove that the Soviets pulled a switch. The photographs are fuzzy. Handwriting experts can be wrong. Physical impressions sometimes mislead.

The change in the sailor's opinions and linguistic fluency can also be explained by rough treatment on the Soviet ship—by coercion, drugs, brutality, threats against his family, and so on.

But *something* odd and nasty happened in those few days. Either a fake Medvid was substituted for the real one. Or the real Medvid was beaten, tortured, drugged and threatened until he was malleable enough to go before the U.S. authorities and repeat his lines—like so many victims of fake purge trials.

That was obvious from the first. But the State Dept. insisted that Medvid had been questioned in an "unthreatening" environment (even though Soviet officials were present at all times) and that Medvid's decision to return was truly voluntary. It is that shameful appeasement that truly deserves a congressional investigation.

Where is Medvid today? Tass recently reported that upon his return, he was given "medical treatment in a clinic . . . and is preparing to enter an institute." In other words, he is undergoing psychiatric "treatment" to be cured of his dissident opinions.

And we may be sure that, in this case, it is the real Medvid.

STATUS OF THE GENEVA ARMS CONTROL TALKS

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. FASCELL. Mr. Speaker, consistent with the Foreign Affairs Committee and its Subcommittee on Arms Control's continuing oversight of the Geneva Arms Control process, I am inserting in the RECORD at this time an updated chart that summarizes the United States and Soviet arms control proposals tabled at Geneva as of March 1986. This builds off the November 13, 1985 (p. E5242) and the February 6, 1986 (p. E262) CONGRESSIONAL RECORD inserts that described the status of the Geneva arms control negotiations.

This third update is current as of the end of the fourth round which ended on March 4 and presumably will form the basis for the upcoming fifth round of talks scheduled to resume on May 8.

Notwithstanding the stated commitment made by both parties at the summit last November to accelerate the Geneva arms control talks, no significant progress was forthcoming in the just completed fourth round.

As to the future, it is my hope that the administration will fully pursue Soviet Leader Gorbachev's January 15 offer to improve verification measures including onsite inspection as well as to delink a prospective INF agreement from the rest of the talks.

Furthermore, it is my hope that the strong bipartisan action taken by the House of Representatives just 2 weeks ago, in support of comprehensive test ban negotiations, will be accepted by the administration as a major initiative that should be pursued at the Geneva arms control talks.

Such a development would demonstrate to the Soviet Union and the world the United States' firm determination to pursue a comprehensive arms control policy that represents a practical start in ending the nuclear arms race before it engulfs us all.

It would be tragic if all that comes out of the Geneva arms control talks is the replacement of some weapons with newer, more sophisticated nuclear weapons. What we need and what the American people want is not more weapons, but a mutual and verifiable comprehensive nuclear test ban and reduced nuclear inventories by both superpowers.

Finally, it should be increasingly clear that the issue of a negotiated comprehensive nuclear test ban is not a technical, but rather a political issue. We in the Congress have strongly affirmed our bipartisan support for action and progress on nuclear test ban negotiations—by a vote of more than two-thirds in the Senate and by neary two-thirds in the House.

STATUS OF GENEVA NEGOTIATIONS—I. STRATEGIC

Category	U.S. Proposal as of March 1986 [1]	Soviet Proposal as of March 1986 [2]
Linkage	Agreement on strategic arms should not be dependent on a resolution on space and strategic defense issues.	Strategic arms reductions are contingent on a ban on "space strike arms."
Delivery vehicles:		
"Strategic" missile launchers	1250–1450 ICBM and SLBM launchers, with freedom to mix	Effect on U.S. systems: 1680 ICBM's, heavy bombers, and INF systems. Effect on Soviet systems: 1250 ICBM's, SLBM's and heavy bombers, excluding Backfire. These figures result from a 50 percent cut in "strategic" systems, which the Soviets define as those systems capable of striking the adversary's territory, i.e., intercontinental and INF systems on the U.S. side. The apparent double-counting of some U.S. INF systems (under Soviets strategic and INF proposals) remains to be clarified. U.S. INF systems presumably would be removed from the "strategic" count to the extent that they were incorporated into a separate INF agreement.
"Strategic" bombers	Effect on U.S. systems: 350 B–52, B–1, Stealth. Effect on Soviet systems: 350 Bison, Bear, Blackjack, Backfire.	
Weapons:		
"Strategic" missile RVs	4,500 with no more than 3,000 on ICBM's	6,000 "nuclear charges"—i.e., warheads, gravity bombs SRAM's—on "strategic" delivery vehicles. No more than 3,600 nuclear on any one type of system (ICBM's, SLBM's or bombers).
Weapons other than ALCMs on "strategic" bombers	No limit	
ALCM's	1,500, ceiling contingent on Soviet acceptance of RV and throwweight limits	Part of total ban on all long-range cruise missiles, i.e., those with a range that exceeds 600 km.
Throwweight	6 million lb	Not limited.

STATUS OF GENEVA NEGOTIATIONS—I. STRATEGIC—Continued

Category	U.S. Proposal as of March 1986 [1]	Soviet Proposal as of March 1986 [2]
New systems	Effect on U.S. systems: Ban on Midgetman. Effect on Soviet systems: ban on SS–24, SS–25, and SS–18 follow-on. Prohibitions result from ban on mobile missiles and new or modernized heavy missiles.	Effect on U.S. systems: Ban on new types of strategic delivery systems; could prohibit Stealth bomber, Trident D–5 Midgetman, which have not yet been flight tested. Effect on Soviet systems: ban on new types of strategic delivery systems. "New type" remains undefined, but reportedly is intended to apply to systems not flight tested as of an unspecified date.

[1] The U.S. proposal is discussed in Nitze, Paul H. The Nuclear and Space Arms Talks: Where We Are After the Summit. U.S. Department of State, Current Policy No. 770. 3 p.

[2] Described here are the initial strategic arms reductions that the Soviets propose take place in 5 to 8 yrs, during the first and second stages of their plan for nuclear disarmament by the year 2000. That 3-stage plan, announced by General Secretary Gorbachev on Jan. 15, 1986, did not appreciably alter the Soviets proposal of October, 1985, for near-term cuts in strategic arms. The Soviets position on these cuts may have shifted in one respect: the Soviet proposal for a separate trade-off between U.S. and Soviet INF missiles implies flexibility on the definition of "strategic" systems. Sources on the Soviet proposal include: Gorbachev statement in Pravda, Oct. 17, 1985, FBIS Soviet Union Daily Report, Oct. 17, 1985, p. AA1–AA5; Foreign Ministry press conference broadcast on Moscow Television Service, Oct. 22, 1985, FBIS Soviet Union Daily Report, Oct. 23, 1985, p. SSI–AA7; and Nitze, Paul H. The Soviet Arms Control Counterproposal. U.S. Department of State, Current Policy No. 758. 3 p.

II. INF

Category	U.S. proposal as of February 1986 [1]	Soviet proposal for separate INF accord, January/February 1986 [2]
Europe:		
U.S. and Soviet LRINF launchers	Option No. 1 effects of cuts on forces: United States, 0 P–2's 0 GLCM's. Soviets, 0 SS–20's Elimination phased over 3 years, with reduction to 140 launchers in the first year, to 70 in the second, and to 0 in the third. Option No. 2 effects of cuts on forces: United States, 0 P–2's 0 GLCM's. Soviets, 0 SS–20's Immediate elimination.	Effects of cuts on forces: United States, 0 P–2's 0 GLCM's. U.S. pledges not to transfer medium-range or strategic missiles to other countries. Soviets, 0 SS–20's to the west of 80° longitude.
British and French INF system	No constraints	Freeze at current levels, requiring Great Britain and France to forego modernization plans.
Shorter range INF missiles	Reductions of unspecified size in Eastern Europe	No limit formally proposed, but expressed willingness to withdraw shorter range INF if U.S. P–2's and GLCM's are eliminated.
Shorter range INF missiles	Reduction of unspecified size in Eastern Europe	No limit formally proposed but expressed willingness to withdraw shorter range INF if U.S. P–2's and GLCM's are eliminated.
Asia: LRINF missile launchers	Option No. 1 effects of cuts on forces: 0 SS–20's. Reduction phased over 3 years, in proportion to SS–20 reductions in Europe. Option No. 2 effect of cuts on forces: 85 SS–20's, resulting from 50 percent cut, with the remaining SS–20's confined to the central U.S.S.R. United States could retain a comparable number of LRINF launchers on U.S. territory.	No limit proposed; reductions in SS–20's in Asia said to be contingent on reduction of the threat posed by U.S. nuclear systems on ships and aircraft in Asia.

[1] Sources for the U.S. proposal include: Weinraub, Bernard. Reagan Offers Moscow a Plan to Cut Missiles. New York Times. Feb. 23, 1986, sec. 1. p. 1, 17; Oberdorfer, Don. U.S. Plan Would Abolish Intermediate-Range Arms. Washington Post. Feb. 24, 1986, p. Al, A14; Drozdiak, William. U.S.-Soviet Talks Recess in Geneva. Washington Post. Mar. 5, 1986, p. A21, A23.

[2] Sources for the Soviet proposal include: Gorbachev statement in Pravda, Jan. 16, 1986, FBIS Soviet Union Daily Report, Jan. 16, 1986, p. AA1–AA9; press conference in Moscow, FBIS Soviet Union Daily Report, Jan. 21, 1986, p. AA1–AA13. General Secretary Gorbachev confirmed publicly that an INF agreement could be achieved separately from other issues in the Geneva talks in his speech before the CPSU Party Congress, FBIS Soviet Union Daily Report, National Affairs Supplement, Feb. 26, 1986, p. 030. Foreign Minister Shevardnadze commented on SS–20's in Asia during a visit to Japan; see Tass, Jan. 16, 1986, FBIS Soviet Union Daily Report, Jan. 17, 1986, p. C2. He commented on shorter-range INF missiles in his speech before the CPSU Party Congress, FBIS Soviet Union Daily Report, National Affairs Supplement, Mar. 3, 1986 p. 017.

III. SPACE AND DEFENSE

Category	U.S. position as of March 1986 [1]	Soviet position as of March 1986 [2]
Strategic defenses	Permit research on strategic defenses within ABM Treaty constraints; seek "a Soviet commitment to explore . . . how a cooperative transition could be accomplished, should new defensive technologies prove feasible.".	Ban development, testing and deployment of "space strike arms," i.e., strategic defenses and ASAT's with space-based elements. Regarding research, the Soviets have said publicly that basic laboratory research would not be prohibited, while at the negotiating table, they reportedly have included research in their proposed ban on "space strike arms."
Antisatellite weapons (ASAT'S)	An ASAT agreement is not in U.S. national security interests at this time.	United States should join the ASAT testing moratorium that the Soviet Union is currently observing.
Verification	"Open laboratories" arrangement for exchanged briefings on each other's strategic defense programs, and for reciprocal visits to laboratories where the research is being conducted.	"Open laboratories" arrangement to monitor a space weapons ban.

[1] U.S. position on space and defensive systems is stated in Nitze, Paul H. The Nuclear and Space Arms Talks: Where We Are After the Summit. U.S. Department of State, Current Policy, No. 770. 3p. U.S. policy on ASAT weapons is expressed in U.S. Policy on ASAT Arms Control. Communication from the President of the United States. House Doc. 98–197. Washington, U.S. Govt. Print. Off., 1984.

[2] Among the sources on the Soviet position are the Gorbachev statement in Pravda, Jan. 16, 1986, FBIS Soviet Union Daily Report, Jan. 16, 1986, p. AA1–AA9. The Soviet call in Geneva for a ban on research is reported in Pond, Elizabeth. Probing the Latest Soviet Arms Control Plan. Christian Science Monitor. Jan. 21, 1986. p. 13.

NEXT STEP IN RAIL DEREGULATION: ENACT COAL PIPELINE ACT

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. UDALL. Mr. Speaker, a recent New York Times editorial dealing with the next steps in rail deregulation makes the case for enactment of H.R. 2708, the Coal Pipeline Act of 1985. I commend the editorial to my colleagues.

Railroad shipping is a powerful multibillion-dollar industry. Over the past several years, the Congress has taken action to provide incentives through deregulation for railroads to beef up services and systems performance. It is no secret that this has resulted in an overall reduction in the number of carriers and has hastened the trend toward reliance on a few very large and profitable rail companies.

While this trend may be helpful in assuring the existence of a viable railroad shipping industry, an unacknowledged price is being paid by electricity consumers which is, in effect, a major railroad subsidy. Ratepayers are dishing out an estimated $1.3 billion in high coalage rates to sweeten the railroad's piece of America's haulage pie—a tough pill for our consumers to swallow.

Slurry pipelines can provide a cost-effective and environmentally sound alternative for transporting coal to utilities. The railroad industry cringes at the thought of such a competitive force operating in the haulage market, and has consistently thwarted any congressional effort to encourage the use of slurry technology. Nonetheless, I continue to believe that slurry pipelines can provide utilities with a necessary choice of shipping services, and can act as a yardstick to assure ratepayers that they will not be overcharged for rail haulage. The editorial which I am submitting makes the case for coal slurry pipelines loud and clear.

[From the New York Times, Dec. 23, 1985]

NEXT STEPS IN RAIL DEREGULATION

When Congress relaxed price controls for freight railroads in 1980, it sought an artful balance. It wanted to give railroads incentives to rebuild their collapsing systems. But it wanted also to protect shippers from being gouged by rail monopolies. Some of these shippers now complain that the balance has tilted in favor of railroads, and they make a good case. If deregulation is to work for everyone, the reforms of 1980 need fine tuning.

Most cargo shipping is vigorously competitive. In setting prices, truckers and airlines must keep a close eye on the competition. Railroads, too, are held in check for some products in some regions. If they try to overcharge the large manufacturers of high-value products like machinery or auto parts, they risk losing the business to another railroad or an enterprising trucker.

But railroads exert great market power in carrying bulk commodities on underserved routes. So Congress put some limits on the railroads' freedom to set their own rates. Where a shipper can show that a rail company dominates a transportation market, the Interstate Commerce Commission is empowered to intervene. And if the commission finds a railroad's total revenues to be adequate and its prices unreasonable, the shipper can be granted rate relief.

By and large, this partial deregulation has worked well. Railroads are posting good profits. More important, they are investing billions to modernize their systems. And many shippers are getting better service for the same old rates. But some shippers, notably power companies buying coal from Western mines, have been seriously overcharged. And the I.C.C. has so far denied them relief. The commission, it appears, clings to the outdated rationale that the railroads need every last penny to stay in business.

A coalition of commodity shippers, electric utilities, labor unions and consumer groups urges legislation, to reduce the I.C.C.'s discretion, forcing it to come down harder on strong railroads. Things may have to come to that if the commission refuses to tighten its guidelines for rate relief. But the dreary history of price regulation makes very clear that prices set by regulators can never be entirely fair or efficient.

The long-term goal of reform should be to keep easing off regulation by making the shipping industry ever more competitive. At least three steps could be taken toward that end:

Congress should authorize construction of pipelines to carry mixtures of pulverized coal and water from mines to power plants. Such coal slurry pipelines have been blocked at state level by railroad lobbying. If Congress pre-empts authority over pipelines, the mere threat of their construction would discourage rail overcharges.

The I.C.C. or Congress, if necessary, should halt rail mergers that reduce the number of carriers serving shippers of bulk commodities.

Congress should explore ways to stimulate more competition among existing rail systems. For example, it might require rail companies to lease their tracks and terminals to competitors at reasonable rates.

The first goal of rail deregulation—a more productive, financially stable system—has been achieved. The next goal should be insuring that railroads share the benefits with consumers.

AWARDS TO SEEKONK, MA, YOUTH

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. FRANK. Mr. Speaker, in 1982 I had the very pleasant experience of participating in a ceremony recognizing the achievements of several outstanding young men in the town of Seekonk, MA. These young men had accomplished important things in two programs: the Boy Scouts, and the Duke of Edinburgh's Awards Program. The Duke of Edinburgh Program is a British program which is not widely known in the United States, but which is an important and valuable experience for young people. Through the very dedicated efforts of a tireless and resourceful man, Dr. Albert Roy, of Seekonk, the young people of Seekonk have had a chance to participate in the Duke of Edinburgh Program.

I have been impressed by the dedication shown by Dr. Roy and other adults in Seekonk in providing opportunities for the young people of the town. I've also been impressed by the young people themselves, and by the way in which the parents of these young people have exerted themselves to take the fullest advantage of these programs for their children. In 1984, I was privileged to help arrange at the British Embassy a ceremony in which the British Ambassador presented Duke of Edinburgh awards to some of the young people of Seekonk, in the presence of their parents and Dr. Roy and others.

Last Friday night I was once again privileged to participate in this impressive ceremony. The meeting was cochaired by Dr. Roy and by Mr. Robert Fuller, a businessman in Seekonk who has very generously given of his considerable energies to this program. It was also addressed by State Senator John Parker, State Representative Philip Travers, Selectwoman Beverly Hart of Seekonk, Field Director Donald Reinhardt of the Narragansett Council of Scouts, and Mr. Annunzio Provazza of the Seekonk Lions Club. I would like here to list the young men who so distinguished themselves in the Duke of Edinburgh Program and the Scouting program and whose accomplishments were recognized on that evening.

The list follows:

AWARD CEREMONIES OF THE DUKE OF EDINBURGH'S AWARDS GROUP AND THE EAGLE SCOUT HIGH COURT OF HONOR

EAGLE SCOUT AWARDS

Timothy Bessette, Richard Ellis, Andrew Poulos, Stephen Tetzner, Bryan Vermette, William Crowley, Russell Humphrey, Richard Savignano, and Eric Vandal.

BRITISH VENTURE SCOUT AWARD

William Crowley.

GOLD DUKE OF EDINBURGH MEDALS

Stephen Tetzner and Eric Vandal.

SILVER DUKE OF EDINBURGH MEDALS

Matthew Delekta, Roy Hall, Matthew Marone, Scott Therrien, Clarke Hall, Peter Jennings, and Antonio Soares.

BRONZE DUKE OF EDINBURGH MEDALS

William Lowe, Luke Marone, Robert Kulaga, and Christopher Martin.

A PAST IN QUESTION

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. SOLARZ. Mr. Speaker, recent disclosures in the press have revealed that former Secretary General of the United Nations Kurt Waldheim was a member of two Nazi organizations and also served under Gen. Alexander Lohr, a man later executed as a war criminal for his role in deporting more than 42,000 Greek Jews to extermination camps in Poland.

These disclosures are disturbing not only because they reveal that the Secretary General's past is shrouded in infamy, but also because they show that he lied about his past, repeatedly denying and covering up these facts throughout the last 40 years.

In 1980, I asked Secretary General whether he had been involved with the Nazi party. At that time, Secretary Waldheim assured me that he had not. Recent events have clearly proven his statements to be untrue.

The Secretary General's claims of ignorance of what went on around him are insufficient and improbable. Because his earlier statements are obviously false, his words now ring decidedly hollow.

Mr. Waldheim first claimed that when more than 40,000 Greek Jews were being forced to take a train ride to death he was far away, studying to be a lawyer. Now, he admits that he was in fact in Greece, working under the major instigator of these atrocities. Yet he asks us to believe that he knew nothing of the disappearance of entire families and communities. At the very least it will be for him a political embarrassment. At the very worst it will show his complicity with crimes against humanity. In any case, the concept of moral neutrality has no place when it comes to the Holocaust.

Recently, columnist Richard Cohen wrote a column which astutely addresses the question of inadvertent guilt. I would like to draw this article to the attention of my colleagues.

WALDHEIM AND THE USES OF IGNORANCE

Among the causes to which Kurt Waldheim has devoted his life, ignorance is surely one. Asked to account for his years as a Nazi soldier, he said he never knew about the atrocities being committed around him. Asked how he could not, he answers that he still does not know. For almost 45 years, the former U.N. secretary general has pursued ignorance as if it were truth. He thinks it will set him free.

The charges against Waldheim are several. The first is that he was an early and eager Nazi recruit. Not true, Waldheim says. The second is that he served in Yugoslavia and Greece under Gen. Alexander Lohr, who was later executed as a war criminal. In Yugoslavia, Lohr's forces committed atrocities. In Greece, they were responsible for, among other things, the deportation of 42,000 Jews from the city of Salonika to extermination camps in Poland.

To the last charge, Waldheim says not guilty. He was merely a staff officer to Lohr, an occasional translator, and not only did he have nothing to do with the expulsion of Jews, but he did not even know about it. Confronted by The New York Times, Waldheim confessed not just innocence, but ignorance as well.

"I regret these things deeply," he said, referring to the deportation of the Salonika Jews while he was there. "But I have to repeat that it is really the first time I hear that such things have happened. I never heard or learned anything of this while I was there. I hear for the first time that there were deportations of Jews from there."

It could be that Kurt Waldheim worked for the very Nazi general who organized the expulsion of the Jews of Salonika and never heard a thing to make him suspicious. It could be that almost half of Salonika's residents vanished—much of the merchant class—and Waldheim did not notice. It could be that the butcher went, the shoemaker, too—the lawyer in his office, the doctor in his clinic, the haberdasher in his store—and still Waldheim took no notice. The children were gone from the street, the old men from the park, and the wind banged the shutters of empty homes, but Kurt Waldheim walked by, noticing nothing. It could be. But it could not be.

Or it could be that he did notice. But what could he do? He was a mere cog in a huge killing machine—a soldier in the army, not a race-hater in the SS, not a sadist for the Ge-

stapo torture chambers. Europe was a vast charnel house, and everywhere the innocent were being murdered. To admit casual complicity for what happened during the war is almost to earn moral immunity now. What could one person do? What would you have done?

But the measure of the man can be taken in his proclamation of ignorance. Here is a self-confessed dumbbell in all his glory—a man who essentially boasts no knowledge of history, as if that frees him from its consequences. In Waldheim's case, a great crime took place under his nose, and he smelled nothing. He was, he insists, the three monkeys rolled into one. Stop picking on him.

Even in the awful annals of the Holocaust, the saga of the Jews of Greece is a special horror. It was a very long way from Salonika to the killing camps of Poland. The Jews of Salonika—men and women, children and the aged, the pious and the cynical, the jaded and the romantic—were put into trains and shipped across Europe. The journey took days, and all this time the Jews of Salonika went without water or food, without toilets or baths—in some case without air to breathe. By the time the trains reached the camps, many of the Jews were already dead. They suffered terribly, and a Jewish community, 500 years old and renowned throughout Europe, was no more.

After the war, Kurt Waldheim become a world leader. He is now running for president of Austria. It is barely acceptable for him to say he was oblivous to mass murder when he was a junior officer; it is not acceptable for him to say he spent a life that way. As a man and as a political leader, it was his obligation to find out what happened during the war, to see what, in his modest way, he made possible—to know and, in the telling phrase of Arthur Koestler, "to be haunted by his knowledge."

But Waldheim says nothing haunted him. He proclaims his innocence by confessing ignorance. But what it really comes down to is indifference—an inadvertent confession of guilt. It is what made the Holocaust possible.

A TRIBUTE TO MARIAN WRIGHT EDELMAN

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Ms. OAKAR. Mr. Speaker, Marian Wright Edelman is the outstanding director of the Children's Defense Fund and a woman who has succeeded personally and professionally against all odds.

Last month, the Democratic caucus had the privilege of hearing Mrs. Edelman speak at its Democratic Issues Conference. I believe I speak for everyone when I say that we were all moved by her experiences and her unceasing dedication to improving the quality of life for all children, particularly the poor, minority, and handicapped.

Mrs. Edelman has received many accolades since founding the Children's Defense Fund in 1968. No one deserves them more. Rather than telling you my feelings about Mrs. Edelman, I believe the article which I am today submitting for the RECORD captures the essence of Marian Wright Edelman and all that she signifies.

The article follows:

[From the New York Times, Feb. 7, 1986]

SHE WHOSE CONSTITUENTS ARE 61 MILLION CHILDREN

(By Lena Williams)

WASHINGTON, Feb. 26.—Ask Marian Wright Edelman about her children, the more than 61 million of them under 18 years of age, and she will tell you they are America's poorest citizens, its least powerful and one of its fastest growing minorities.

Mrs. Edelman believes her children lie just beyond America's vision, just outside the realm where their voices can be heard; they are, she says, the nation's true silent majority.

For 13 years, Mrs. Edelman has been a determined and persistent advocate, perhaps the most determined and the most persistent, for the needs of the nation's children when it comes to welfare, health, juvenile justice and the family. Her base is a Washington organization called the Children's Defense Fund, which she founded and heads.

She lobbies Congress for laws and programs to help children. She presses Federal agencies for regulations. She produces studies. And when all else fails, she goes to court.

"PREVENTIVE INVESTMENT"

"The fund exists to provide a strong and effective voice for the children of America, who cannot vote, lobby or speak for themselves," she said. "We pay particular attention to poor, minority and handicapped children. Our goal is to educate the nation about the needs of children and encourage preventive investment in children before they get sick, drop out of school or get into trouble."

Today, as part of a long-term effort to prevent children from having children, the fund opened its fifth annual conference here by starting a national campaign to increase public awareness of the causes and effects of teen-age pregnancies. The conference, which runs through Friday, is expected to attract more than 1,200 participants.

A soft-spoken, fast-talking woman with an engaging smile, Mrs. Edelman is a product of the civil rights movement of the 1960's. The militancy is still there, surfacing at times when she speaks of the "injustices" against her constituents or when she flashes impatience with those who say her goals, while laudable, are not always practicable in a time of tight Federal budgets.

But at 46 years of age, this mother of three sons has transferred her marching and protesting energy to the halls of Congress, the offices of Federal agencies and the courtroom.

"Head Start reauthorization is expiring this year," Mrs. Edelman said the other day of the Federal pre-school program for poor children, a major current concern of the Children's Defense Fund. "We have to keep the Reagan Administration from cutting back the program."

Mrs. Edelman and her staff of 70 deal with such issues by attacking them from all fronts. To pry open doors, she uses old contacts on Capitol Hill and elsewhere around the city that were established in the days she served as Congressional liaison for the Southern Christian Leadership Conference, a civil rights group. Once in, she pleads her cause with a battery of facts and studies on the status of children in America.

Beyond Capitol Hill and the federal agencies, she has established the fund as a leader in defending and expanding the rights of children through the courts, blocking the placement of Louisiana children in out-of-state Texas institutions, for example, and guaranteeing special education rights to thousands of children in Mississippi.

Representative George Miller, the California Democrat who heads the House select Committee on Children, credits Mrs. Edelman with helping to save a number of key children's programs. "You may not like to hear the news she is delivering but no one can challenge the facts," he said.

Last fall Mrs. Edelman got a few friends to throw small dinner parties to help raise money for the fund, which this year is operating from a $4.6 million budget and has always been financed through corporate, foundation and individual donations. The effort raised $60,000, a tribute to the fund and to Mrs. Edelman, who is held in high regard in political and social circles here.

But Mrs. Edelman is content to let others talk of her achievements.

"Awards make you feel good," she said. "But the real satisfaction comes from seeing a sense of real commitment among your colleagues. The real joy comes from achieving results, when you really see you've got a law that will protect children from being abused, that will provide them with proper health care and dental care. My greatest award, or reward, will be in seeing the 13 million poor children who are now in poverty lifted out of poverty."

A GRADUATE OF YALE LAW SCHOOL

Reared in Bennettsville, S.C., Marian Wright was educated at Spelman College in Atlanta, went to Europe on a Merrill Scholarship, graduated from Yale Law School in 1963 and went back to the South to fight segregation. She started and for some years directed the N.A.A.C.P. Legal Defense and Education Fund office in Jackson, Miss., and was the first black woman admitted to the Mississippi bar.

She married Peter Edelman, also a lawyer, in 1968, the same year she moved to Washington. In the capital she worked for the poor people's campaign, which was sponsored by the Southern Christian Leadership Conference, then formed the Washington Research Project, which focused on the needs and concerns of poor people. In 1973, she transformed the project into the Children's Defense Fund, shifting her focus entirely to youth.

While she admits to bouts of frustration in her work, Mrs. Edelman remains confident that the fund's agenda can be achieved and points to herself as proof.

"I am a living example of what can happen," she said. "I sat in segregated schools. I am a perfect example of what America can do. I never thought I could come from a little, segregated town to Yale Law."

EAGLE SCOUT EDWARD S. MILLS

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. LIPINSKI. Mr. Speaker, it is with great pleasure that I call to the attention of my colleagues an exemplary young citizen, Edward S. Mills. Edward will very shortly be recognized in my district for achieving the highest rank in scouting, the "Eagle Scout."

In becoming an Eagle Scout, Edward will join the ranks of quite a select group. The individual tasks which he had to complete are impressive alone. They include acts which challenge him on every facet of his personality—mental, physical, psychological and more. Yet this accomplishment becomes even more notable when it is looked at cumulatively. That is, the entire sum of achievements and the perserverance of character they demanded illustrate just what a high caliber of a young man Edward is.

In today's society, our youth are truly bombarded with a variety of lifepaths to choose from. While the freedom of choice is in itself good, too often we hear of young people who are led astray by the ignorance of their years to a lifestyle they do not deserve. It is always refreshing to recognize a young man who has not only chosen a constructive way of life but excels at it too. Though some credit should be given to his family and scout leaders for providing support, Edward today knows that he can participate in society in a manner that will benefit himself as well as his community.

The achievement of attaining the rank of Eagle Scout lays an excellent base for a productive future. I'm sure my fellow Members of Congress join me in wishing you good luck in your endeavors.

INSURER RESERVING PRACTICE QUESTIONED

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. FLORIO. Mr. Speaker, one of the most troubling revelations in my subcommittee's hearings on the insurance availability crisis is the financial trouble among a rising number of insurance companies. This issue raises numerous questions about the capacity of State solvency laws and the financial practices of insurers. One such issue is addressed in a recent article from the Wall Street Journal, which I am inserting in the RECORD.

The article discusses the practice of establishing reserves to meet rising claims with anticipated interest income as well as actual cash. The article describes concern that this practice could further weaken the industry's financial position.

Mr. Speaker, the already precarious condition of some of our financial institutions such as banks and savings and loans requires us to be extra vigilant so that insurance companies do not join a row of falling financial dominos, with grave consequences for our economy.

The article follows:

[From the Wall Street Journal, Feb. 14, 1986]

CIGNA IS SETTING ASIDE IN CASH ONLY HALF OF $1.2 BILLION ADDITION TO ITS RESERVES

(By Steve Swartz and David B. Hilder)

Signa Corp. is setting aside in cash just half of the $1.2 billion in additional reserves the insurer announced last month to cover sharply higher property and casualty claims.

The remaining $600 million of reserves will consist of interest income expected to be earned on the $600 million cash reserve. Cigna said it will take 12 to 15 years to reach the $1.2 billion level, assuming an interest rate of at least 5 percent.

State insurance regulators in Connecticut and Pennsylvania are questioning Cigna's counting of anticipated income as reserves. The practice, known as "discounting," is sometimes done on reserves to pay worker's compensation and medical malpractice claims. But it isn't considered standard procedure for other lines of property and casualty business, regulators say.

"They have stated a discount on some general lines, in addition to workman's comp," said Peter F. Kelly, director of financial affairs for the Connecticut Insurance Department. "It's different, and as a result of being different, Mr. Kelly said, his office has asked Cigna for additional information.

The Pennsylvania Insurance Department calls Cigna's practice unusual, and says it is reviewing the action with the company and regulators from other states.

COMPANY'S POSITION

Caleb Fowler, chief financial officer of Cigna's property-casualty group, said discounting is "appropriate" in this case because "we know that in many instances, these claims will not be paid until a far distant day in the future." He said the company is only discounting workers' compensation, professional liability, and "some general package business," such as asbestos exposure. Other lines, such as automobile insurance and homeowners' coverage, in which claims are usually settled "in a couple of years," aren't being discounted, he said.

Mr. Fowler also said that the interest rate being used to compute the discount is "less than half the amount of our current rate of earnings on investments."

Insurance analysts said that if regulators allow Cigna's action, other insurers are likely to follow suit, particularly any having heavy losses or having trouble raising capital.

Analysts also expressed concern that widespread reserve discounting could weaken the industry's financial position because reserves are already believed to be 10% to 20% too low. "The reason companies don't do it across the board is because their reserves are inadequate," said Donald E. Franz Jr. of Smith Barney, Harris Upham & Co. "In a down cycle, (discounting) could make the reserve position worse than it had been."

Another possible effect of Cigna's action, analysts said, is to weaken the insurance industry's argument against proposals in Washington that would raise the industry's tax bill. Congress's General Accounting Office and the Treasury Department have proposed requiring insurers to discount reserves for tax purposes, which would reduce insurers' deductible expenses and increase taxable income. Insurance trade groups have argued that discounting reserves across the board would conflict with state regulations and weaken the industry's financial condition.

Cigna declined to provide a detailed breakdown of the lines being discounted, but said "the bulk" is in workers' compensation. "General lines" normally include such liability coverages as medical malpractice, product liability, and coverage for corporate directors and officers.

Last month, Cigna told securities analysts that the $1.2 billion reserve addition, which was $1.24 billion before tax credits, consists of $770 million for "regular" lines, $220 million for professional liability, $120 million for asbestos liability, $80 million for reinsurance, and $50 million for excess and surplus lines.

Connecticut's Mr. Kelly says his office has been unable to determine which lines have been discounted.

Some analysts say they aren't troubled by the discounting. "I don't think it's terribly significant," said Gus Demeo, an analyst at Alex. Brown & Sons Inc. in Baltimore. Mr. Demeo says discounting markedly reduces Cigna's need to go to outside capital markets to raise money for growth.

VARIOUS LAWS INVOLVED

Moreover, questions raised over Cigna's method of accounting for the reserves involve insurance laws of the various states, and don't affect the manner in which earnings are accounted for under generally accepted accounting practices. Cigna has said it will charge the full $1.2 billion against fourth-quarter and 1985 earnings.

The size of Cigna's charge surprised the industry. Still, securities analysts have generally applauded the move, which they say should clear the way for earnings growth. And several other insurance companies have recently followed Cigna's lead by announcing large reserve additions of their own.

Continental Corp., a major New York-based property-casualty insurer, said that its previously announced $220 million fourth-quarter reserve boost was all cash. Continental, reflecting that charge, yesterday reported a $122.3 million fourth-quarter loss from continuing operations, compared with operating profit of $49.7 million, or 96 cents a share, a year earlier. Net loss, after capital gains, was $47.7 million, compared with a year-earlier loss of $14.7 million.

USF&G Corp., which last week announced a $100 million addition to its property and casualty reserves, also said the addition is all cash and doesn't involve discounting.

Connecticut and Pennsylvania have primary regulatory jurisdiction over Cigna, the nation's largest commercial property and casualty insurer, because they host the company's two largest units, Connecticut General Life Insurance Co., Bloomfield, Conn., and Insurance Co. of North America, Philadelphia. The two units were the principal companies involved when Cigna was formed in 1982.

UNNECESSARY ORGANIZATIONS TAKING ADVANTAGE OF THE ELDERLY

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. HUBBARD. Mr. Speaker, I have received an excellent letter from two of my constituents, Nelson and Elsie Sweatt from Benton, KY, which I would like to share with my colleagues.

Mr. and Mrs. Sweatt highlight their concerns about the so-called nonprofit organizations preying on the elderly and their resulting fears about the solvency of Social Security and whether people will still receive their benefits. I strongly support efforts to stop these campaigns based upon fear. Their letter to me follows:

FEBRUARY 12, 1986.

Congressman CARROLL HUBBARD,
Rayburn House Office Building, Washington, DC.

DEAR SIR: We recently received, by postage free mail, a long letter from the National Committee to Preserve Social Security and Medicare. We're sure you are familiar with this committee and what the letter is about. If you are not, we'll have a copy made and send to you.

We think it is a shame, these and others can start tax exempt organizations and committees and prey on the fears of the elderly. Many elderly will send $10.00 to have them hand you a signed petition, presumably to save Social Security and Medicare.

What most of them do not realize is, that they can write congressman and senators, directly for only $0.22 for each letter. It's true most people do not know who or where to write, but we think names and addresses could be enclosed, with Social Security cards, letting people know where and who to write about these things.

If our senators and congressmen are doing their (elected) jobs, there would be no need for a lobby group to save our rights.

We are also concerned about insurance companies using Medicare and Medicaid in their advertisements. We feel there should be some legislation to make these companies state that it is an advertisement and not a letter from Medicare or Medicaid.

We're retirement age and the mail we receive is unbelievable. We went through this with our mothers. We know the real fear that many elderly feel. If something that says Social Security Medicare or Medicaid, isn't filled out and sent in, or even money sent, they'll lose their benefits.

So many older people do not have anyone to explain or assure that these letters are just ads and that most of these organizations and committees are not necessary or mandatory.

We wish there was some way to take a poll of all the elderly who have taken unnecessary insurance, or sent money to someone, because they thought it was Social Security, Medicare or Medicaid.

It's time someone took a stand on these things. We hope our senators and congressmen will take a look at this and how widespread it has become. Though former congressmen are behind a lot of this, hopefully you and others will consider the rights of the ones who have elected you to office above the rights of those who would prey upon these elderly.

Sincerely,

NELSON and ELSIE SWEATT.

PATIENT DUMPING: PEOPLE ARE DYING

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. STARK. Mr. Speaker, dumping, as defined by Webster, means getting rid of—rubbish, for example—or discarding/rejecting—a burden or a problem, for example—unceremoniously.

The object of "dumping" in the 1980's is all to often a poor, uninsured sick person.

Across our land, "dumping" or transferring a patient from a private to a public hospital for financial reasons is occurring with greater frequency. Certainly, transferring of patients for special or tertiary care is most appropriate. However, the evidence, is mounting that these legitimate reasons for transferring are being replaced by monetary reasons.

An article published in the February 27, 1986, issue of the New England Journal of Medicine reports the findings of a medical team, who conducted a study at Cook County Hospital during the last 42 days of 1983. The scientific study clearly illustrates that many poor and/or uninsured patients, who came for treatment to an emergency department of a private hospital in Chicago, were transferred, without their written consent, to Cook County Hospital. The delay of treatment, especially for patients already in an unstable condition, affected their recovery and, in some cases, may have precipitated their death. Besides affecting the recovery of ill people, the transferring of poor patients from private to public hospitals is also becoming a financial burden to the public hospitals.

These transfers violate patients' rights and guidelines set forth by key organizations that oversee hospitals. Action must be taken to enforce the laws which guarantee patients' rights.

Briefly, I would like to record some of the significant statistics from the Cook County Hospital study. The people selected for the study were medical and surgical patients transferred and admitted to Cook County Hospital from the emergency department of other Chicago area hospitals between November 20, 1983 and January 10, 1984. Cook County Hospital is the only public general hospital in Chicago.

The study population consisted of 467 people for whom inpatient charts were available. A rigorous method of diagnosing stable versus unstable conditions was followed. All patients were interviewed by the medical team conducting the study. This interview ordinarily took place within the patient's first 24 hours in the hospital. It was from these interviews that information relating to employment, insurance status, and the informed consent process of transferring was culled.

Physicians at the transferring hospitals and at Cook County Hospital were not aware that this study was being conducted. The medical team conducting the study was not involved in the care of the patients comprising the study population.

The 467 patients were transferred from 42 hospitals which sent between 1 and 36 patients. The average age was 36 years old. 78 percent were male. Racial or ethnic statistics are as follows: 10 percent white, 12 percent Hispanic, 77 percent black, 1 percent other. Employment status was 11 percent full time employment, 8 percent part-time employment, 81 percent unemployed.

Information relating to insurance was available for 430 of the 467 patients in the study. Insurance coverage was 4 percent private insurance, 3 percent Medicare, 1 percent miscellaneous coverage, 46 percent aid from the Illinois Department of Public Aid, which includes Medicaid, and 46 percent no insurance.

The transferred patients were not representative of the ordinary patients admitted to Cook County Hospital or to general hospitals across the United States. Of the 40,076 persons admitted to Cook County Hospital in 1983, 30 percent had no health insurance while nationally only 8.2 percent of patients admitted to short term general hospitals have no insurance.

When disclosing the reason for the transfer, the transferring hospitals seemed up front with the staff at Cook County Hospital but not with the transferring patients. Reasons given by phone to Cook County Hospital by the transferring hospitals were available for 245 of the 467 patients. They are as follows: 87 percent lack of insurance, 4 percent need for tertiary or special care, 3 percent lack of beds at transferring hospital, 1 percent patient's request, 5 percent other.

The information gathered from the patients—437 out of 467—regarding the transferring process revealed the following: 6 percent signed informed consent papers and most of these patients were from one hospital, 13 percent reported that they were not informed in advance of their impending transfer, 36 percent of those who were told that they were being transferred were not told why they were being transferred.

In fact, though 87 percent of the patients were not accepted by the transferring hospital because they lacked insurance, only 64 percent of the patients gave lack of insurance as the reason they were transferred.

Of the 435—out of 467—patients for whom enough information was available to determine their condition at least 24 percent were in an unstable condition. This information was available from the records of the transferring hospitals.

Mr. Speaker, this means that one out of every four patients being transferred was dangerously ill. The transferring hospitals knew this and disregarded it.

The stringent method of assessing the condition of a patient is further demonstrated by the fact that nearly 39 percent of the patients admitted in an unstable condition were admitted to the intensive care unit compared with 14.6 percent of the patients admitted in a stable condition. Also, unstable patients had an average hospital stay of 14.7 days, while stable patients had an average stay of 7.7 days.

Lastly, there was a fatality rate of 7.5 percent among unstable patients and of 1.5 percent among stable patients.

Influencing the condition of a patient was the time it took to be transferred from a hospital to Cook County Hospital; 5.1 hours was the average treatment delay, while the range went from 1 to 18 hours. Anyone who has gone to an emergency department for medical or surgical treatment can begin to appreciate what the delay caused by transferring a patient means.

The cost of Cook County Hospital for treating these 467 transferred patients was $3.35 million. This amount was computed on the all-inclusive daily rate of $630 per day on the ward and $1,500 per day in the intensive care unit.

This study is but one story of what is happening to poor, sick people in the United States. Additional statistics prove that since 1980, which inaugurated a period of cutbacks

in Federal and State health care for the poor, the number of transfers of patients from private hospitals to public hospitals has dramatically increased.

This is an unacceptable trend and must be reversed. Cities and counties cannot cope with the additional drain on their revenue while for-profit hospitals flourish. But more important to us must be the availability of adequate health care for our citizens.

The House has taken a step to prevent "dumping" by passing the reconciliation bill. It is now up to the Senate.

THE LORD'S SONG

HON. HANK BROWN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. BROWN of Colorado. Mr. Speaker, our former colleague from Colorado, James P. Johnson, asked me to bring to the attention of the House the following article by Jorge Lara-Braud, a professor of theology and culture at the San Francisco Theological Seminary.

HOW SHALL WE SING THE LORD'S SONG IN A STRANGE LAND?

(By Jorge Lara-Braud)

How shall we sing the Lord's song in a strange land? The theme is taken from Psalm 137, a poignant account of Jewish exile in Babylon after the fall of Jerusalem in the year 586 B.C. This theme confronts us in 1985 A.D. with our own experience of Christian exile even in the nation we so deeply love, the United States of America. No sooner did I accept the invitation to speak at this conference and to go along with the theme than I was overcome with an unholy thought: most of the religious people of this nation would reverse the question. "How shall we sing a strange song in the Lord's land?" And to make matters more difficult for me, I found myself in sympathy with this reversal. The reason for that is simple and yet profound: I am a grateful immigrant. I see myself as a walking testimonial to the American dream.

Let me tell you a little bit about that. At the age of sixteen, living in Mexico City, I was admitted to the great National University of Mexico Feeling a bit too young to take that step, I opted to wait a year, and in the process, find some place where I could learn English, the language that I knew then no modern Mexican could do without. I was referred to an inexpensive Presbyterian school in south Texas. Somehow I had forgotten who Presbyterians were. I had run across them when I was briefly exposed to the history of England under Cromwell, but the impression they made upon me was forgettable. So when I heard about them in 1947 I lumped them together with Rotary, Lions, Kiwanis, and as I found our later, I was not entirely wrong. So in blissful innocence I applied to the Presbyterian school in Texas and was admitted.

At the time I was a devout Roman Catholic, so devout that I had recently been given by my parish in Mexico City an award for attending catechism and communion for 104 consecutive weekends. Imagine my shock upon arriving on enemy territory, herded into compulsory chapel and compulsory Bible classes, told about my total depravity, and warned that my failure to believe in what I thought was a Protestant Christ spelled my eternal damnation. Two things kept me from total resistance: the kindness of my captors and the majesty of their hymns. Before long I looked forward to chapel attendance, and also before long I was reading the book that had virtually been denied to the laity of Latin America until then, the Bible. In that Bible and in the life of evangelical believers on that campus, I, like Luther, found the gracious God of Jesus Christ who accepted me just as I was, with no more need to earn the divine favor.

I was free! Free at last! Free even from the definitions of sectarian Presbyterians. I have been a Presbyterian ever since, the only Protestant defector of all my extended family in Mexico. The Presbyterian Church gave me citizenship in the one Holy Catholic and Apostolic Church that transcends all other kinds of citizenship. For that I will always be eternally grateful. And these days, when the Roman Catholic Church in Mexico and all over Latin America has undergone a revival, a reformation, like that of the sixteenth century, I am asked from time to time by Roman Catholics who know how deeply I admire the conversion of their church, "Why don't you come back?" I have no intention to do so. As long as God grants me life I will continue to be a grateful Presbyterian.

This conversion, however did not come in a vacuum. It came within my introduction to American life. As accompaniments to conversion came also my first and enduring perceptions of the meaning of America: a land of perennial new beginnings, a creed of equality under God, a government ruled by the consent of the governed, a nation whose peace depends upon justice, a people born in accountability to a sovereign Lord, a community rich in the ways of philanthropy, a refuge for the world's escapees from tyranny, a hopeful society inherently opposed to all fatalism, a commonwealth of free inquiry, a heterogenous social fabric in which conflicts are resolved in an amazing absence of violence. Who would not love a country like this?

It is still this mosaic I see as I think of my adopted nation. It explains why, after 25 years in and out of the United States, in 1972 I gratefully and deliberately took on United States citizenship. This explains also why I can so well understand the combination of religious and patriotic loyalties that would lead so many of my fellow Americans to reverse the order of our theme. "How shall we sing a strange song in the Lord's land?"

And yet, isn't it this identification of our nation with the purposes of God that has always been our greatest danger? Not only to ourselves but to other people vulnerable to the power of American might? Let us be clear and fair. We Americans have no monopoly on identifying the ways of the nation with the ways of God. Practically every other nation has done the same thing, especially in times of conflict. It was the case with the Holy Roman Empire. It was the case with Calvin's Geneva, with England under Cromwell and the Restoration, with John Knox's Scotland, with the American Colonies under the the Continental Congress, with Hitler's Germany, with Hirohito's Japan, with Mussolini's Italy. Even the Soviet Union legitimizes itself under the transcendent goal of a classless society. In other words, neither individuals nor nations can live without an ultimate point of reference. As Luther and the other reformers were wont to express it, "It is either God or an idol, but we cannot live in the absence of one or the other."

Yet our American experience is more tenacious in the identification of the ways of the nation with the ways of God because of our distinctive history. This is the only modern nation founded on the expressed intention to be the secular translation of the New Israel, the chosen people of God. Jefferson even suggested that for the Great Seal of the Nation there should be a picture of Moses leading Israel across the sea, and in his second inaugural address said, "I need myself, as President, the favor of that Being in whose hands we are, who led our forefathers as Israel of old from the native land and planted them in a country flowing with all the necessities and comforts of life, who has covered our infancy with His providence, and our riper years with His wisdom and Power." We were also the first modern nation in the West, in fact in 14 centuries, to experiment with the disestablishment of religion, but our foundational documents leave us in no doubt as to our manifest destiny under God.

I come from a land, Mexico, which lost half of its territory to the Manifest Destiny of the United States in the war that we in the United States call the Mexican War, and in Mexico the American Invasion. G.K. Chesterton was right in calling us "the nation with the soul of a church."

There is something, however, to celebrate about this link of religion and society. It creates a consensus of important values derived both from national interest and from an ultimate point of reference that transcends the nation. It is from this link that we derive grounds for the moral fiber of the nation, but also for the critique of knowing when we have failed to be moral. Without this link between national interest and accountability to a transcendent power, Lincoln's penitential appeal to mutual forgiveness after the Civil War would be unintelligible. Without it Martin Luther King's movement would have been impossible. Have you ever wondered what would have happened to a Martin Luther King-like movement in El Salvador or Guatemala? Without this link the protest against the Vietnam War would never have been so massive and compelling, and without it today's peace movement would not be so resonant. The trouble is that time and again the tendency has been in the nation to shift from link to snyonymity, making the ways of the nation equal to the ways of God with little or no differentiation. The tendency is especially acute in the face of real or presumed enemies, who represent the opposite values to ours. That is the case today when we face the Soviet Union and its allies and the system we associate with them, international communism. The vast majority of us in the United States, especially those of us gathered in churches and synagogues, regard this enmity as not only against the nation but also against the God to whom we claim accountability.

Before long, in the face of an overwhelming enemy, real or supposed, the measurement we take of ourselves is not with respect to God's claim, but from the contrast to the enemy. Virtue so established leaves little or no room for self-criticism.

Former Ambassador to the Soviet Union Kennan has said, with respect to the accelerated hostility against the Soviet Union fanned among us, "This seems to me to suggest something much more sinister than mere intellectual error—namely, a subconscious need on the part of a great many

people for an external enemy, an enemy against whom frustrations can be vented, an enemy who can serve as a convenient target for the externalization of evil, an enemy in whose allegedly inhuman wickedness one can see the reflection of one's own exceptional virtue." This kind of enmity has been carried to the extreme of justifying an illegal war against Nicaragua, the assumption being that Nicaragua as presently constituted in its government does not have the right to exist because it has fallen within the orbit of the overriding enemy. Those of us who have been to Nicaragua frequently and recently are shocked by the sheer disparity between what we are told we are supposed to see and what we have actually seen. It is precisely in this case, because we know so much about it—because some of us, by the way, know more about it than government officers—that we can see the pathology of fear, the necessity for enemies, and the confusion of the ways of the nation with the ways of God.

An enemy so total makes every measure of self-protection one of national security. Even the veto of farm relief legislation. That's exactly the reason given for the veto only ten days ago. So we deem that what is at stake is the survival, not of our nation alone, but of a way of life, blessed by God, without whose world-wide contributions other nations face the risk of their own demise. Failure by those nations to ally themselves with us is tantamount to self-betrayal to which, in our view, they have no right, because they are easy prey for our omnipresent enemy. As Kissinger said of Chileans, in 1972, "We cannot allow them the irresponsibility of becoming communists." A year later Pinochet's reign of terror came to power. We had saved Chile.

Once you regard the enemy as the "evil empire" all preparations against it are legitimate. A weapon system of annihilating capabilities, for the destruction it can both cause and attract, is named "The Peacekeeper." Military expenditures have priority over all other national needs. The best talent of the nation is harnessed into war-related research and production. More and more government information is classified as "secret." Disagreement with such priorities and practices is deemed disloyal. Friendly dictatorships and totalitarian allies with a veneer of civilian leadership represent "growth in democracy." Internationally known terrorists, used by us to make war by proxy against a regime that refuses to be subservient to us, become "the moral equals of our Founding Fathers."

But there is still more. The racial minorities and the other poor who pay the cost of national security are blamed for having leaders that misrepresent them. The proliferation of privately owned weapons, to a degree unparalleled by any other nation in the world, somehow blends with this climate in which "security" has come to reign as the top national priority. Besides, religious intellectuals are courted to provide the theological legitimation of this state of affairs, and exceedingly well-financed think-tanks are created for their institutional base.

If there is any truth to this portrayal of where we are in this country as a result of confusing the ways of God with the ways of the nation, then our theme is justified. We live in exile. The beloved community has become the land of exile. How shall we sing the Lord's song in a strange land?

To sing the Lord's song is a celebration of remembering to Whom we belong, and to Whom we owe our highest loyalty. To sing the Lord's song is a celebration of freedom—that we are not captive to our captors. The pious Jews in the Babylonian exile would rather let the right hand wither and the tongue cleave to the roof of their mouth than forget their true loyalty to Jerusalem, the City of God. It was in that recollection that they found, even in the bitterness of their exile, their highest joy.

If we understand our faith, if we understand this business of ranking our loyalties, we too at one time or another would remember that no city will do other than the City of God, which is yet to come and whose builder and architect is God, no matter how much we may find contentment in the earthly cities to which we presently belong. Who would not be content in San Anselmo? Or in Menlo Park, or San Francisco, or Berkeley? No matter how much we may find contentment in these earthly cities to which we presently belong, they are at best resting places in a pilgrimage toward that which is yet to be fulfilled, which has made its appearance in Jesus Christ, makes its breakthrough here and there—something called the Kingdom of God. And even if the United States of America should indeed one day fulfill the promise of its founding to be the secular translation of the New Israel among the commonwealth of nations, even then, as an exemplary nation, we would affirm within it our status is still that of God's strangers and sojourners, surely grateful for parables of the Kingdom that appear in our midst, but still pledging our loyalty to a Kingdom that transcends all nationalities.

For ours is not a tribal god. It seems to me that only those of us to whom it is granted truly to sing the Lord's song in strange places are the true patriots. We do the nation grave injustice when we demand of it ultimate security—that no nation can grant. If we insist on letting it do it we make the nation uncritical and cruel, and who that loves anything wants to make it uncritical and cruel? If we insist that the nation must deliver for us our ultimate security, we make it into a false deity, and like all false deities, it will demand victims.

That is what I feel our rulers are demanding of us today: to buy our security at the expense of other people from whom Christ has died and risen. Every time I have been in communist lands, how sobering but how freeing it has been, that in the presence of people who are truly my enemies I nevertheless recognize in them the same sacred humanity of which I am made, the same image of God that gives me a sense of the ultimate dignity of the human person. I see before me human beings who are claimed now by the crucified and risen Lord. I see enemies whom I am not called to destroy but I am called, in the first place, to love!

People are ultimates; they are not things or means. That is what I know that when we kill Nicaraguans in the name of national security the nation has gone beyond its prerogatives, because it is demanding my highest loyalty, and my highest loyalty belongs to God alone. And the God whom I know—the God whom you know—sent the Son, not to condemn the world but to save it.

Jon Sobrino, the celebrated theologian of El Salvador, giving a talk in Europe, was recently asked what he would say if he were granted an interview with President Reagan. After some hesitation, this is what he said he would tell him: "Mr. President, if you must kill us, don't do it in the name of God!" A strange thing to say? No. I know Jon Sobrino well. No doubt what he had in mind was his hope that we will desist from identifying the ways of the nation with the ways of God, for if we do not desist, we will destroy others and ourselves as well.

This brings me to what I think is a critical point. I regard those who are making national security policy for us as honorable men—and they are men—and sincere patriots. I am prepared to believe that they see themselves as the guardians of our highest good. Their appeal to religious principles is, no doubt, genuine. But I am enough of a theologian to know the demonic when I see it. The demonic, for which there is another name in the New Testament, the Antichrist, is a sort of Christ figure. It is seductive precisely because of its appeal to the highest principles—freedom, democracy, order, stability, prosperity—all admirable and powerful in evoking agreement. But when human life is taken in the name of what is sacred, then I know the demonic is at work. And that is why the demonic is so difficult to combat. It always comes in the garb of our best ideals. That's why all of us are capable of serving as a vehicle for the demonic. It is this sobering reminder of how close we are to serving not God but the ultimate enemy of God, the Antichrist, that we need to sing the Lord's song, for it is the only way to remember whom we serve and to whom we owe our highest loyalty.

In such clarity lies our security both in times of belonging as well as in times of exile. We who defend noble causes like justice and peace stand in the greatest danger of intolerance and even hatred toward those who disagree with us. Who can be against what we are for? Who can be against justice and peace and still regard themselves as decent and honorable people? And are we not, in turn, instruments of the demonic when we, defenders of sacred causes, identify our work with the will of God and reduce our opponents to contempt? Remember what Jesus said: the homicidal intention begins at the point when we call the other a fool.

Those of us who sing the Lord's song and who are clear about our sources should regard our compatriot opponents seriously, but not utterly seriously. If we are faithful in the service of God, justice, and peace, the outcome is out of our hands. Time and again we will lose a vote in the Congress and in city hall. Time and again the Immigration and Naturalization Service will frustrate our attempt to protect the refugees. Time and again we will be hauled away in indignity from the Livermore Labs and from the Pantex Plant. But we have been freed from bitterness. We are those who can sing the Lord's song. Instead, the test of our fidelity is whether or not we forgive our opponents and just keep on going with the task.

Finally, to sing the Lord's song is to reaffirm our confidence in the future. I cannot forget that tomorrow, five years ago, on March 24, my beloved friend, pastor and prophet of El Salvador, Archbishop Romero was assassinated. A few weeks before the assassination I spent a week with him. At the end of that week we talked about the threats on his life, and this is what he said to me in language remarkably parallel to something that appeared later on, attributed to an interview that he gave to a Guatemalan reporter: "I have often been threatened with death. Nevertheless, as a Christian, I do not believe in death without resurrection. If they kill me, I shall rise again in the Salvadorean people. Matyrdom is a grace of God I do not believe I deserve, but if God accepts the sacrifice of my life, let

my blood be the seed of freedom, and a sign that hope will soon be a reality. Let my death, if it is accepted by God, be for the liberation of my people, and as a witness of hope in the future."

Think of those words. We live under the shadow of a radioactive cloud, and shiver at the prospect of a nuclear winter. Should we not do well to consider how, in the face of our possible extinction, we may, like Archbishop Romero, entrust the future to God? On the eve of his martyrdom the Archbishop sang the Lord's song. But he did it in a very practical way. You recall that in the last sermon he preached at the Cathedral on Sunday, March 23, he made a powerful appeal to the soldiers not to obey the orders of their superiors, for to do that was to kill their brothers and sisters. He was so clear about his loyalties that he could even call the army to insubordination, for he knew whose he was in life and death. Beyond death he saw his resurrection and the resurrection of his people within a strange land which nevertheless was already the Lord's by future claim.

The point of recalling Archbishop Romero here is an invitation that we be open to the possibility of visions. More specifically, I mean the vision of resurrection, of something radically new that can break the cycles of the past and offer us truly a qualitatively new future, so that even in this strange land, the American landscape, we can raise anticipatory signs of the Kingdom of God.

And of course we can. Because death, the ultimate enemy, has been vanquished by the crucified and risen One. The point of the Gospel is to remind us that we are meant to live eternally, not to die. As awesome as the instruments of killing may be, they are not meant to prevail. They can be dismantled. The vision we have already anticipated tells us it can be done. Only the vision of this alternative possibility, historically realizable, can break down our fatalism about the weapons. Humanity does not have to endure psychic numbness. A universal longing for life is sweeping through the world even where the name of Christ is not yet confressed. It's the spirit of God fanning the flames of hope everywhere. Instead of chilling nuclear winters, we are permitted to behold springtimes of irridescent life. Instead of Auschwitz-like images we are allowed to taste an Easter morn. Instead of starving victims in Ethiopia, we are given glimpses of healthy children, brimming with health. Audacious hope, true. But we dare to hope because we know and believe the password of this new world that is dawning in the midst of our strange land: "The Lord is risen. The Lord is risen indeed!"

CZECHOSLOVAK-POLISH DECLARATION

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. ROTH. Mr. Speaker, my Czechoslovak and Polish friends in exile, representatives of the Council of Free Czechoslovakia in New York and of the Polish Government, in exile, in London recently signed a joint Czechoslovak-Polish Declaration. In this declaration, the two parties recall the Czechoslovak-Polish agreement on a confederation between Czechoslovakia and Poland signed during the Second World War in London.

This declaration is a renewed expression of the commitment of Czechoslovak and Polish exiles to the cause of freedom, democracy, sovereign independence, and cooperation of all nations of Central and Eastern Europe. The Government and the Congress of the United States and the American people have been steadfast in their support of this cause. I am pleased to submit the declaration.

CZECHOSLOVAK-POLISH DECLARATION

In the second year of the Second World War, the Czechoslovak and Polish Governments residing in hospitable London and representing their nations living and struggling under the iron yoke of Nazi occupation and rule decided to draw the lesson from the collapse of the European order that caused the Second World War, cost them their independence, and exposed their people to untold suffering.

Aware of their place in the heart of the European continent and of their share of responsibility for the peace, security, and well-being of liberated Central Europe, the Czechoslovak and Polish Governments in London resolved to lay plans for a confederation of their two neighboring states to be put into effect after the war, with the ultimate aim of constructing a more general, friendly, and pacific union of Central European states.

On the 19th of January 1942, the representatives of the two Governments, Hubert Ripka and Edward Raczynski, signed to that effect a joint declaration on a confederation between Czechoslovakia and Poland, the forty-fourth anniversary of which we commemorate today.

When victory came, however, the Poles, Czechs, and Slovaks were brutally deprived of its fruits. Instead of freedom and democracy, the Soviet Union and its armed forces brought to our countries new subjugation and communist dictatorship; instead of justice and peace the Communist parties established the rule of oppression and terror; and instead of national independence, friendly cooperation, and human dignity our nations were turned into satellites of the Soviet empire and our people reduced to modern serfdom.

Our plans could not be realized. They are awaiting the day when our nations will have regained their independence and will again be governed by governments of their own choice.

In the forty years since the end of the Second World War our nations have demonstrated time and again that they have never abandoned their devotion to this noble goal, their aspiration to live in liberty, and their determination not to surrender in the face of utmost adversity.

The Council of Free Czechoslovakia and the Polish Government (in exile) share unequivocally this devotion, aspiration, and determination. If we are to bring closer the fulfillment our goal, neither in Czechoslovakia nor in Poland nor in exile can we proceed in isolation from one another and from other nations under communist rule in Central and Eastern Europe. We are determined to unite our forces for the struggle that lies ahead because we share the same aspirations and because we are convinced that in our unity lies our greatest strength and hope.

While recognizing that the ultimate decision on the structure of their relations with each other belongs only to our nations once they are free to make it, we are resolved to lay foundations for a new Central and Eastern Europe ruled by democratic governments and committed to integration of its member states into a new community of nations inspired by the goals and the principles of the Czechoslovak-Polish Declaration of the 19th of January 1942.

We enter into this commitment in the conviction that such a community will guarantee the liberty, the security, and the well-being of all our nations. We shall not cease in our endeavor until we have completed this unfinished task.

UNFAIRNESS TO FLIGHT ATTENDANTS

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Ms. OAKAR. Mr. Speaker, we are awaiting action by the Senate on H.R. 3008, legislation requiring a pay equity study for Federal employees. With 26 million couples in the work force and 10 million women as heads of households, it is even more important than before that we ensure fairness in pay and economic security for all women. I urge the Senate to consider this legislation expeditiously.

An example of a female-dominated occupation are flight attendants of one airline, who are now facing a possible reduction of twice that of comparable workers, in their wage, benefit and work rule package. In addition to the reductions in pay, which these women can ill afford, they are being asked to increase the number of trip hours. These work rule changes would reduce the amount of rest allowed between flights, increase work hours in the day and reduce the amount of time flight attendants—45 percent of whom have dependent children—can spend with their families. All this and less pay too.

There are currently no FAA regulations which govern maximum flight time and duty limitations for flight attendants. In the interest of safety for both attendants and air travelers, guidelines should be adopted. The only existing Federal limits on duty time apply to occupations with predominately male employees. Thus, women, employed in female-dominated jobs, are being asked to accept different and often substandard working conditions and salaries.

"SANDINISTAS DISGUISED AS CONTRAS", STATEMENT OF ALVARO BALDIZON

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. DORNAN of California. Mr. Speaker, recently the President submitted his proposal for humanitarian and military assistance to the democratic resistance forces fighting in Nicaragua. As the debate develops, there will be an inevitable conflict about the true nature of the Sandinista regime in Nicaragua. There will

also be a concerted effort to separate true facts from the disinformation efforts of the Nicaraguans and their Soviet and Cuban allies. As representatives of the American people, we have a responsibility to educate ourselves in order to make responsible decisions.

It is precisely for this reason, that it is necessary to consider the testimony of Mr. Alvaro Baldizon, former chief of the investigation for the Nicaraguan Ministry of the Interior, under Tomas Borge. Mr. Baldizon is the most recent high-level Nicaraguan defector whose astonishing testimony is considered very accurate and reliable. As chief of investigations, Mr. Baldizon served directly under the authority of Interior Minister Tomas Borge and had unusual access to Sandinista government policy and information.

Mr. Speaker, I have recently learned from Mr. Baldizon that Sandinista military units have disguised themselves as FDN Freedom Fighters and killed their own sympathizers. The effort is obviously designed to sever the credibility to the FDN here in the U.S. Congress and provide ammunition for human rights critics.

These particularly heinous crimes have only been surpassed by Nazi Germany and provoked World War II on the European mainland. As we are all aware, Hitler arranged attacks on his own troops in Poland in order to justify the subsequent Nazi invasion of that country. A barbaric act of this nature is being committed today in Nicaragua but the U.S. Congress remains largely unaware. Well, Mr. Speaker, my only question is, when WILL this great body wake up to the barbaric, Communist regime on the American mainland.

Mr. Baldizon has given me indepth information on human rights violations and atrocities he personally investigated. For example, he explains "special measures" to be an official term used to describe torture and murder, without trial, of opponents of the revolution. They are governed by the rules concerning special measures. Under the rules, special measures must, first, be proposed by the chief of police, the chief of state security, or any of the nine regional secret police chiefs, and, second, be authorized by Minister Tomas Borge or his first vice minister, Luis Carion Cruz. Baldizon also says there "are unauthorized killings under special measures." In these cases, the men responsible are rarely punished. When asked about the number of political killings there have been, Baldizon responded, "No one has an accurate count. My estimate, based on my experience, is over 2,000."

Mr. Baldizon's graphic examples of specific cases clearly show the majority of political killings are of peasant-class citizens judged to be opposed to Sandinista policies. He cited personal knowledge of 150 murdered Miskito Indians: "They were shot because of a decision of a commission of the army and the Interior Ministry;" also 500 Nicaraguans had been "interrogated and tortured."

In another case discussed by Baldizon, he describes a couple that was dragged from their home by soldiers, beaten, stabbed, the wife raped, and finally killed and buried by the side of a road. The Sandinistas believed the couple were pacifists and the victims had spoken against military buildup with their friends. This was an authorized special measure, but no action was taken against the soldier or the military commander who had authorized the killing.

The following statement by Mr. Baldizon relates just such an incident:

SANDINISTAS DISGUISED AS CONTRAS
(By Alvaro Baldizon)

Towards the end of 1981, the first of three platoons of Nicaraguan commandos in the Special Operations Forces returned from training in East Germany. Their first mission was to search out and annihilate bands of counter-revolutionaries operating in the countryside surrounding Matagalpa and Jinotega. The platoon was placed under the command of Captain Marcos Arevalo (alias Marcon), and the soldiers were disguised as counter-revolutionary guerrilleros. They were given old clothes and miscellaneous M-16 and Galil weapons.

They went into the bush, and began operations as if they were part of the resistance. They killed about a dozen campesinos who were known Sandinista collaborators. They burned their houses and even set fire to a government cooperative. At the same time, small bands of resistance fighters were beginning to make contact with each other and unite. This platoon joined up with these groups. At night, in their camps, they slit the throats of the real contra combatants. In this way, they moved from band to band, wiping them out. At the end of the operation, Captain Arevalo was promoted to subcommandante, and all of his soldiers were rewarded with commissions as second lieutenants.

By the end of 1982, two more platoons returned from commando training in East Germany and were sent to the field in March of 1983. Meanwhile, the Special Operations Forces had been buying jungle boots and uniforms identical to those used by the organized resistance movements. These two platoons were dressed up as contras and given weapons like M-60 machine guns and FAL, G-3, M-16 and Chinese AK-47 automatic rifles. They sent one of the units, under the command of Captain Paniagua, to work in Matagalpa, Jinotega and Nueva Segovia departments. The other, led by Captain Octavio Huete, went to Boaco and Chontales departments.

Their operations consisted of month-long excursions into the countryside—arriving in Toyota Hi-Lux double-cabin pickups specially purchased in Panama. They were initially dressed like coffee-pickers. These platoons continued to operate until the end of 1984.

Near a place called El Corozo in Boaco, Captain Huete's group posed as FDN combatants and moved in to threaten and agitate local peasants. They continued until an actual ARDE task force, led by Comandante Cyclone, approached. Huete's platoon prepared an ambush, but the day before it was to take place, Sub-comandante Enrique Schmidt, the Special Operations Forces commander, arrived to personally supervise the operation. Although the ARDE forces suffered heavy losses, including their Comandante Cyclone, Enrique Schmidt was also killed. After this mission, both platoons were withdrawn and sent back to Special Operations Forces headquarters on Chiltepe Peninsula outside Managua.

During December 1984 and January 1985, I was asked to investigate another failure of one of the Special Operations platoons on a mission near San Juan de Rio Coco. I questioned three captains and some 30 soldiers, who discussed the atrocities they had broadly committed in the course of their association with their units.

Apart from these activities, a new unit was inaugurated in October 1984, whose mission was distinctly more oriented toward international propaganda. Selected officers from Special Operations were placed in a squad under the command of Captain Morales. An ex-member of the FDN, Alfredo Lazo Valdivia was assigned as a guide. They began operations near the Honduran border in Chinandega, Madriz, Nueva Segovia, and Jinotega. They also made selective incursions into Honduras. They still operate in that area, and their mission is to pose as FDN combatants, ambush civilian vehicles, as well as threaten and beat up local peasants, especially those known to have collaborated with the government. They are one of Interior Minister Borge's greatest treasures.

EAGLE SCOUT RANDALL P. MIRABELLI

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. LIPINSKI. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues the achievements of a fine young man in my district, Randall P. Mirabelli. Recently, Randall was honored for achieving the highest rank in scouting, that of "Eagle Scout."

The path to Eagle Scout is truly a long and difficult one. It requires an extraordinary amount of dedication and determination not usually seen in youths of this age. The tasks which must be completed to become an Eagle Scout cover virtually every realm of human experience. Some require intellectual and creative abilities while others call for physical agility and strength. Some tasks help integrate the young man into socieity through community action that benefits his neighborhood and world. Still other acts are performed alone intended to develop internal growth and maturity. Always, however, is the challenge to set and strive for goals through initiative and diligence.

Young men like Randall are leaders. The achievement of Eagle Scout is likely to be only the beginning of a future full of accomplishments. For this young man has shown that he can perform exceptionally well without a compelling hand of authority over him. I say this not to downplay the importance of the encouragement he received from his family and scout leaders but, rather, to assert the independence and self-motivation he has already shown.

Your achievement of becoming an Eagle Scout is praised and applauded. It is with sincere pleasure that I commend you, Randall Mirabelli, before my fellow Members in Congress.

CRIMINAL PROSECUTION OF BUSINESS REFLECTS PUBLIC'S FRUSTRATION

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. FLORIO. Mr. Speaker, I am inserting in the RECORD a recent Business Week article suggesting that a wave of criminal prosecution of business is attributable to public frustration with relaxed Federal enforcement of health and safety laws.

During the last several years we have witnessed a pattern of law enforcement breakdown across the entire spectrum of Federal agencies. This was done in the name of regulatory "relief." But those who were supposed to be relieved are now experiencing a backlash because there never was a mandate for dismantling the laws Congress enacted to protect the public. The adverse fallout from the enforcement collapse has manifested itself in many ways. In addition to the reaction described in the article, we have seen the emergence of an insurance crisis, fueled by an explosion of hazards that go unabated by public authorities.

Mr. Speaker, I hope we are learning from all this that flouting the public's demand for law enforcement is a perilous and misguided course.

THE CLAMOR TO MAKE PUNISHMENT FIT THE CRIME

Five months ago, in Austin, Tex., construction workers Benjamin Eatmon, 40, and Juan Rodriguez, 32, were installing pipes at the bottom of a 27-ft. trench when the walls caved in, burying them beneath tons of earth. Both men died.

Just a few years ago, such an industrial accident might have provoked suits by family members against Sabine Consolidated Inc., the Texas company that employed the men. Or perhaps the government might have fined the company. No individual would have faced criminal charges.

But the national attitude toward corporate accountability is changing. On Nov. 22, a Texas Grand jury indicted three Sabine executives, including company President Joseph V. Tantillo, on charges of criminally negligent homicide. The three who deny the charges are now awaiting trial. If convicted, each could face up to two years in prison.

FOCUS ON SAFETY

Prosecutors all over the U.S. are bringing corporate officials into the dock. The trend was accelerated by the murder conviction last summer of three executives of Film Recovery Systems Inc. in Elk Grove Village, Ill. The executives were each sentenced to 25 years in jail for causing the death of an employee who inhaled cyanide fumes at work. They are appealing.

Particularly in cases involving health and safety hazards—an area once shunned by local district attorneys—executives are facing new dangers. In Los Angeles County, for example, 20 executives have spend time behind bars during the past two years for violating toxic-waste disposal laws. *Business Insurance*, the trade publication that tracks corporate risk, rated murder prosecution one of the 10 biggest stories of 1985. Los Angeles District Attorney Ira K. Reiner has ordered his staff to investigate all occupational deaths as possible homicides. His office is now considering manslaughter charges in four construction-related deaths. Says Reiner: "The word is out that there are prosecutors willing to put executives in jail."

Other signs of procecutorial zeal:

The owner of four Florida companies engaged in toxic-waste disposal is fighting charges that could subject him to a long jail sentence for endangering the lives of his employees.

Two Waterbury (Conn.) men were convicted of violating the federal Clean Air Act by failing to remove asbestos before demolishing a building.

In Middlesex County, Mass., the district attorney is investigating whether criminal charges are warranted against officers of a company after a worker died from inhaling toxic gas.

A New Mexico investigation is under way into the construction-site deaths of two workers.

The interest in criminal prosecutions is intensifying, experts say, because law enforcement agencies are responding to the new public mood. Frustration seemed to reach a high point last spring when the Justice Dept. accepted a guilty plea from E.F. Hutton & Co. for a massive overdraft scheme without indicting a single Hutton official. Says Philip B. Heymann, a Harvard law school professor who headed the Justice Dept.'s criminal division from 1978 to 1981: "The public, the press, and Congress think something stinks when a corporation pleads guilty and that's all that happens."

BURDEN OF PROOF

Some prosecutors are also responding to pressure from public health activists. The citizens' groups want local officials to take up the slack for federal agencies that they say are increasingly incapable of policing corporate misconduct. "The Occupational Safety & Health Administration is totally moribund," charges Suzanne L. Mager, a lawyer with MassCOSH. a coalition that monitors job safety.

Financial punishment alone, critics say, has never been strong enough to discourage corporate misdeeds. Paul Brodeur, author of *Outrageous Misconduct*, an account of the long legal battle against the asbestos industry, says that attempts to punish careless management through personal-injury civil suits have failed. "The system," he says, "cannot be a deterrent. It can only give a slap on the wrist."

Before the Film Recovery case, there was little precedent for such prosecutions. In addition, criminal laws require much more proof than is necessary in civil cases. Says Sheila L. Birnbaum, a nationally recognized personal-injury expert at Skadden, Arps, Slate, Meagher & Flom: "Juries are very reluctant to send people to jail over wrong business judgments." Perhaps. But prosecutors are betting that juries are willing to take a harder line.

RODINO HONORS NEW JERSEY'S IRISH ON ST. PATRICK'S DAY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. RODINO. Mr. Speaker, this Sunday, March 16, in Newark, New Jersey's Irish community will hold its 51st Anniversary St. Patrick's Day Parade. On this special day, 140 Irish-American organizations throughout the State turn out to celebrate their great heritage.

Mr. J. Brendan Vesey has been elected grand marshal of this year's parade. Ms. Sheila Lenihan has been designated deputy grand marshal.

Mr. Vesey is a native of Cloontia Ballaghaderreen, County Mayo. He immigrated to the United States in 1959.

Mr. Speaker, I extend my warmest regards to my Irish constituents in honor of St. Patrick's Day, and I commend to you the following article which appeared in the Newark Star-Ledger, March 10, 1986:

[From the Newark Star-Ledger, Mar. 10, 1986]

CITY IN STEP FOR ANNUAL ST. PATRICK'S DAY PARADE

The city's Irish-Americans and everyone else who loves a parade is gearing up for Sunday's annual "wearing of the green" in the West Ward.

The annual St. Patrick's Day Parade, the oldest and largest Irish-American celebration statewide, will step off at 2 p.m. from Ivy Hill Park, moving along Sanford Avenue and up South Orange Avenue to the South Orange line. Nearly 130 contingents from 12 counties will participate.

J. Brendan Vesey of Union, a native of Cloontia Ballaghaderreen County Mayo, who came to the United States in 1959, is serving as grand marshal and Sheila Lenihan of Newark is deputy grand marshal. Vesey, who is employed by NJ Transit, is second vice chairman of the parade committee.

"We've been fortunate to maintain our traditions for five generations," said Thomas Giblin, parade chairman. "Some of our leaders have been men and women who have brought great credit to our heritage, to the city of Newark and the state of New Jersey."

Over the years, the luck of the Irish has prevailed, he added, noting that "it's only rained or snowed on our parade four times in its half-century history."

Giblin, as Essex County freeholder, served as grand marshal of the 1975 parade, following in the footsteps of his father, who led the line of march in 1951.

Irish-American parades in the city date to 1892, but were discontinued after the turn of the century. The first annual parade sponsored by the statewide committee took place in 1936 with Charles Gilben, "a son of Roscommon" who served as Newark's mayor from 1918-21, as grand marshal.

In 1940, the parade was held on Palm Sunday, the only occasion between the years 1799 and 2197 when the two dates would coincide, according to committee historians. The parade that year also marked the first time the "Banner of St. Patrick," made by cloistered Dominican nuns, was used. An essay contest on "The Manliness of St. Patrick" attracted 1,200 entries.

The following year, Alice Harroun of the Independent Irish Society became the parade's first female deputy grand marshal, and Gov. Charles Edison presented awards for "the prettiest colleen over 15" to members of the Four Masters Gaelic Society who came attired in 11th Century Gaelic attire.

In 1943, a St. Patrick's Day rally was held in Military Park to and the Red Cross War Fund, while "no saloons or bars were open in Ireland on St. Patrick's Day."

For the next three years, there was no parade because of the world war. In 1947, when it was resumed, it served as "an anti-Communists" protest.

Matthew P. Mahon, who is now 100, became the committee's treasurer in 1949.

By 1957, the parade had become a televised event, shown on Channel 13 WATV by Rheingold.

John Cryan, a Sanford Avenue tavern owner who later became Essex County sheriff, served as grand marshal in 1969. In 1971, Mayor Kenneth Gibson marched in the parade for the first time; and in 1975, Archbishop Peter Gerety initiated his annual review of the line of march. Gov. Thomas Kean and Sen. Bill Bradley reviewed the parade in 1984. Last year, Sean Mullen of Newark, a student at Seton Hall Preparatory School, received the organization's $500 scholarship.

LOGSDON-WALLA POST 639 OF THE CATHOLIC WAR VETERANS OF TOLEDO AND ITS AUXILIARY CELEBRATES 40TH ANNIVERSARY

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Ms. KAPTUR. Mr. Speaker, next month the Logsdon-Walla Post 639 of the Catholic War Veterans of Toledo and its auxiliary, will formally celebrate the post's 40th anniversary. Through my position on the House Veterans' Affairs Committee, I have had the privilege of meeting many of the members of this post. They represent the best in American veterans.

The post is named after Harold Logsdon, the first veteran of the parish killed in service and Robert Walla, the first veteran of the parish killed overseas. The membership has jumped from an initial 16 to a current 685.

Over the years, the post has provided meaningful community services such as annual communion breakfast, rosaries, and memorial services for the killed in action overseas and returned for burial. Members provide special assistance to hospitalized veterans as well.

In 1971, the post established the Reverend John D. Kofflin scholarship fund for the education of seminarians. This fund, established through the Diocese of Toledo, has grown to meet all expectations. The post actively supports such valuable community efforts including the drug rehabilitation program, wheel chair basketball, Catholic youth organizations, Girl and Boy Scout programs, senior activities, Memorial Day services, and aid for the handicapped.

For the past 40 years, Logsdon-Walla Post 639 has upheld the high ideals and principles of the Catholic War Veterans and of the United States. I know my colleagues in the House of Representatives join me in congratulating this fine veterans organization on its 40th anniversary.

NATIONAL CHILD SAFETY MONTH

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. LEWIS of Florida. Mr. Speaker, I am pleased to join with my colleague from Florida, Senator PAULA HAWKINS, and introduce legislation designating May, 1986 as National Child Safety Month. Last year, the resolution received the overwhelming support of my colleagues in the House and was signed into law by the President.

Every year untold numbers of children throughout the United States disappear from their homes. These children—runaways, victims of kidnapping, or criminally abducted—are too often victims of sexual and physical abuse.

Over the past 4 years, much progress has been made to educate the American public to the dangers threatening our children. I have personally participated in several events in my district which focus on the steps which can be taken to protect our children. Many of you have also taken an active role in assisting in similar projects in your own districts. However, there is still much more that needs to be done.

The establishment of a special month to commemorate child safety will focus needed attention to the problems faced by our children.

Ensuring the safety of our children is one of the most important issues facing us today. Many groups and organizations are already working with local and State officials to promote child safety. Through our combined efforts, we will be able to better protect our children.

I encourage all my colleagues to join with me in this worthwhile endeavor.

LAW PROF. JEROME HALL: A DISTINGUISHED CAREER

HON. SALA BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mrs. BURTON of California. Mr. Speaker, last week in San Francisco students, alumni, and professors at Hastings Law School celebrated the 85th birthday of Prof. Jerome Hall, one of America's most distinguished teachers of law.

Professor Hall has been at Hastings for 16 years, after 31 years at Indiana University. He has also been on the faculties of several other universities both in the United States and abroad. He was instrumental in restoring Korea's legal system in 1954 and the war in that country and in 1968, advised the Indian Government during its drive to revise its criminal code.

Mr. Speaker, I am pleased to bring Professor Hall's career to the attention of my colleagues. He is 85 and still going strong, still teaching and recently publishing another book, "Foundations of Jurisprudence."

A short article follows:

PROFESSOR: 85 AND STILL ON HIS TOES—BIRTHDAY CELEBRATION AT HASTINGS TUESDAY

(By Eric Jaye)

Professor Jerome Hall, who has already made three generations of law students dread an unexpected question, isn't about to be caught cold by one himself.

A reporter dropping in on Hall last week on the occasion of the professor's 85th birthday, was met by a man who had done his homework.

"Why does a person of 85 continue to carry on?" the Hastings College of Law professor asked himself before the reporter could get out his notebook.

The world-renowned legal scholar, whose students have been known to write years later to thank him for requiring such diligent class preparation, read the answer off a note card.

"The usual motivations no longer operate. I'm not looking for a better job. No one is going to hire a man of 85. Another article and even another book isn't going to mean much to me . . . and I lost my wife, I don't have any wife to persuade what a great guy I am. Well, what keeps me going?" asked Hall, whose birthday will be celebrated at Hastings in a special ceremony Tuesday afternoon.

Hall, whose busy teaching and writing schedule brings him to Hastings every day, says his continued teaching is just one way he shows his appreciation for all the breaks he has received in a long life in the law. And besides, says Hall, who has written major works on criminal law and jurisprudence, he still has more to say on his new passion—the study of law and religion.

Hall was a poor Chicago boy, educated on fellowships at the University of Chicago, Harvard and Columbia.

As a 22-year-old law graduate, he interviewed in the Chicago law offices of Clarence Darrow, who advised Hall to "swim with the current" and only do in life what he found interesting.

Hall did just that, giving up a lucrative private practice after a few years to pursue his interest in teaching, going on to a distinguished academic career at the Indiana University School of Law and guest lecture stints a number of overseas law schools, including King's College in London and Freiburg University in West Germany.

He came to Hastings as a professor in 1970, when he was 69 years old, as a part of the school's "Sixty-Five Club" policy of hiring professors of retirement age.

In the 16 years since then, he has become a legend to an entire generation of Hastings graduates, who remember him for his exhaustive criminal law classes.

"He made us work so hard, but I suppose now it was worth it . . . although I didn't think so then," is the way one mid-70s Hastings graduate remembers Hall's class.

Hall, whose own teachers included the likes of legal scholar Roscoe Pound, says he isn't sorry that he insisted his students come to his classes prepared.

"I have a reputation of being tough in the classroom. One of my principal methods when I was teaching first-year criminal law was case analysis. And that requires thinking, and thinking is kind of hard for young students.

"But hardly a month goes by that I don't meet someone on the street, or get a letter from a student, who says that I helped them," he says.

"But I don't think I'm deluding myself that I'm able to be of some service in helping students to be a little better lawyers than if they hadn't run into some of my rigorous teaching in the classroom," says Hall with a smile.

Hall is currently spending most of his research and writing time focusing on the role of a religion in the law, a subject he became fascinated with in the mid-1970s after he was asked to chair an American Bar Association committee on the topic.

"Here I'd been in criminal law and jurisprudence for half a century, reading the philosophers and social scientists and the others, and I found that the theologians had been dealing with these problems for centuries, and often in a more subtle way than we legal people had been doing.

"We speak of crime, they speak of sin. We speak of punishment, they speak of penance. We speak of pardon, they speak of forgiveness. We speak of rehabilitation, they talk of reconcilation with God," said Hall.

Hall's interest has led him to donate $50,000 to the Harvard Divinity School and the same amount to the Pacific School of Religion in Berkeley for the study of religious pluralism.

"I'm too old a person to think that my little contribution to Harvard and Pacific will create a revolution, My thought is that it will help educate the future clergy so that they will take a pro-view toward religious pluralism," he says,

Professor Hall's birthday party will be held from 4:30 to 6:30 Tuesday afternoon.

DARBY CORPS ANNIVERSARY

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. EDGAR. Mr. Speaker, I rise today to commemorate the 90th anniversary of the Darby Corps of the Salvation Army. Previously known as the Philadelphia No. 8 Corps, today's Darby Salvation Army Corps is under the direction of Captains Elizabeth and John Fox.

Since its creation, the Darby Corps has performed outstanding service for the Darby community. Not only have they established a senior citizen program, but they also direct the activities of the home league for women, the men's fellowship program, the senior songsters, the young people's singing company and the beginners band among others.

The Darby Corps has been exemplary in maintaining the Salvation Army tradition of helping the people of their community. Toward this end, the corps maintains a soup kitchen, provides emergency food relief, assists with the Emergency Utility Program and responds to the need for furniture and clothing when necessary. The Transition Housing Program, the Rotary and the New Horizon Darby Task Force which Capt. John Fox chairs are also part of the Darby Corps agenda.

The Darby Corps has proven that individuals who join together for a common goal can improve life in their communities. I commend the corps for its dedication to service and anticipate further accomplishments in the future.

SELECT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES

HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. WRIGHT. Mr. Speaker, over 3 years ago, Members of the House overwhelmingly approved the formation of a new Select Committee on Children, Youth, and Families.

Our goal was to give America's families and children a congressional forum that they could call their own, where their problems and concerns could be studied and analysed by members undistracted by the deadlines and pressures of legislative committees.

We have been instructed and educated by this select committee, which has tackled the toughest issues in a bipartisan way, and whose hearings and reports have become the standards of reference in their field.

Now, Mr. Speaker, the Select Committee on Children, Youth, and Families has been awarded the highest compliment of all—imitation.

The U.S. Senate, under the bipartisan leadership of Senators DENTON, MOYNIHAN, and MATHIAS, is actively working for the creation of its own select committee and we are delighted.

Mr. Speaker, an editorial in the New York Times, Sunday, February 23, 1986, makes clear how prescient we in the House were in realizing the critical importance of the family, and of the well-being of children, to the future of America.

We should be proud that our efforts have borne fruit, and may be multiplied through the Senate's efforts. Their initiative is further proof that our decision was a correct and timely one, and that there is deepening awareness and concern for family issues among policymakers at every level of government.

We, of course, wish them the same success with their Select Committee on Children, Youth, and Families that we have had.

THE COMMON BOND OF GENERATIONS

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. ROYBAL. Mr. Speaker, I rise today to call the Member's attention to a frightening notion that has emerged in some sectors that this great country of ours cannot afford both its old and young. Those promoting this notion use the increasing financial pressures on families and recent budget cuts in all human service programs to pit grandparent against grandchild.

For the past 5 years, older Americans and their families have suffered severe cutbacks in essential health and social programs. At a time when even middle-income families are struggling to keep on an even keel financially, we have seen a deplorable shift in national policy toward military spending and tax breaks that has put an even greater burden on the American family. Not only have older persons, children, and young families suffered as a result of this shift, but it has also led us to the point where myths such as "intergenerational conflict" can be confused with reality and take on a life of their own.

The House Select Committee on Aging, which I chair, has and will continue to take an active interest in countering the destructive notion of conflict between young and old and promoting what, instead, is the common bond of generations. In a public forum held by the committee in November 1985, we heard the compelling story of Mrs. Anne Brushwood who was forced to leave her successful career to care for her dependent husband and two chronically ill parents. We also learned of the toll this is taking on her and her children's lives. Building on Mrs. Brushwood's story, we also learned about the interdependence of family members, the health and related financial risks they share with their dependent elders, and the extent to which current programs fail to adequately protect families against this risk.

On April 8, the committee will hold a hearing to further examine the interdependence of family members across generations and to put to rest the charges of a select few that elderly, young families, and children have become pitted against one another in the scramble for scarce dollars. The committee will also release a major report that refutes the notion of conflict between generations at this hearing. This report, prepared by the Gerontological Society of America, is the definitive statement on the common bond of generations in the health and economic security of Americans of all ages. As such, it deserves the careful study of those who would advance and those of us who counter the notion of "intergenerational conflict."

It is my hope that by educating ourselves and the public on the common bond of generations through hearings, reports, and our own words, we can redirect notions of conflict toward what, in reality, are serious problems of poverty and health-related financial destitution that strike Americans of all ages and carry a heavy toll for the entire family unit. Rather than eroding, as some suggest, the progress that has been made in protecting vulnerable Americans, we must direct our efforts to finding multigenerational solutions to what are clearly multigenerational problems.

I call on the Members of Congress—the spokespeople for the American public—to join with me in this effort. We must put our Nation's priorities back on course—back with the American family.

WALTER R. BORIS

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. PURSELL. Mr. Speaker, this month, one of my personal friends and constituents, Mr. Walter R. Boris, retires from his position as executive vice president of finance of Consumers Power Company. His retirement comes after a brilliant 35-year career at Con-

sumers Power, during which he not only guided the company's corporate and financial affairs, but earned a reputation as one of our country's acknowledged experts in the field of utility finance.

Mr. Boris is an example of how Americans can get ahead in life by combining good education with hard work, imagination and dedication to good business principles. He was born in Amsterdam, NY, on September 7, 1921, served his country as an Air Force bomber pilot in World War II and settled in Michigan with his wife, the former Dorothy Dake, whom he married in 1946. He earned an undergraduate degree from St. Lawrence University in New York and later earned degrees in law and engineering from the University of Michigan.

He joined Consumers Power in 1950 as an attorney and later advanced to the level of vice president in 1968. In 1975, he became executive vice president and a member of the company's board of directors.

His expertise in finance led him to become a member of the Banking, Monetary and Fiscal Affairs Committee of the U.S. Chamber of Commerce. Presently, he is a director of Camp International, Inc., Comerica Bank-Jackson and serves on the board of CC&S Systems, Inc. Mr. Boris also has been involved in other activities as well. He is past president of the Land O'Lakes Council of the Boy Scouts of America and was awarded a Silver Beaver in 1974. He is chairman and a trustee of the Samuel Higby Camp Foundation and is on the board of the Ella Sharp Museum. He is a director of the Citizens Research Council of Michigan, a board member and past chairman of the Michigan Council for the Arts, trustee of the Michigan Foundation for the Arts and a member of the board of Michigan Artrain, Inc.

In addition, he is a former president of the Jackson Public School's Board of Education and former chairman of the Jackson Metropolitan Area Regional Planning Commission. He also is a past president of the Rotary Club of Jackson.

It is with great pleasure that I acknowledge Mr. Boris on his retirement and join his many friends and colleagues in paying tribute to his outstanding accomplishments. His life and career is a positive example to us all.

TRIBUTE TO DR. RICHARD BRAUN—VALLEY BETH SHALOM MAN OF THE YEAR

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. BERMAN. Mr. Speaker, I rise to pay tribute to a truly outstanding member of the Los Angeles community, Dr. Richard Braun. In recognition of his tremendous contributions to the field of medicine, the Jewish community, and the pressing social issues of the day, Temple Valley Beth Shalom has chosen Dr. Braun as Man of the Year.

As the current Chief of the Department of Surgery for the Southern California Permanente Medical Group, Dr. Braun has been a credit to the Los Angeles medical community since 1960. He has donated his time as an instructor at the Los Angeles County General Hospital as well as UCLA Medical Center where he has served since 1981 as Assistant Clinical Professor of Surgery.

Richard Braun's contributions extend far beyond the medical community. As a member of Physicians for Social Responsibility, International Physicians for the Prevention of Nuclear War, and the National Council on Soviet Jewry, Dr. Braun has made a commitment to the struggle for international world peace and the preservation of human rights. In his position as co-chair for the Havarah Committee Valley Beth Shalom, member of the Board of Directors for the Jewish Federation Council San Fernando Valley, and member of the America Israel Public Affairs Committee, he has provided invaluable leadership to the Jewish community.

It is with great pleasure and honor that I join my colleagues in honoring Dr. Richard Braun, a successful physician, humanitarian, and an irreplaceable resource to the community.

PERSONAL EXPLANATION

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. CLINGER. Mr. Speaker, I was absent from the floor of the House of Representatives for part of the legislative business on March 6, 1986 as I had returned to my Congressional District. Had I been present, I would have voted in the following fashion:

Rollcall No. 42: H.R. 4306, agriculture revisions, the House agreed to the rule, House Resolution 391 providing for the consideration of the measure to revise the terms of certain agriculture programs, "yea";

Rollcall No. 43: H.R. 1614, agriculture programs improvements, the House rejected the Frank amendment to the Senate amendment to the text that sought to strike provisions relating to the marketwide service payments for milk and increased milk assessments to meet deficit reduction requirements, "noe"; and

Rollcall No. 44: H.R. 1614, agriculture programs improvements, the House agreed to a motion to agree to the Senate amendments to the measure to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning June 1, 1986, "Yea."

SUPERFUND REAUTHORIZATION

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. GEJDENSON. Mr. Speaker, immediate reauthorization of the Superfund Program is crucial to the health of this Nation. Already, the delay in reauthorization has caused a substantial slowdown in the clean up of hazardous waste sites. In my own congressional district work of the Yaworski Lagoon Superfund site in Canterbury will slowdown if Superfund is not reauthorized by April 1.

A temporary extension of the current Superfund Program should be avoided if at all possible. The current program is a fiasco and must be improved if it is ever to be effective. The changes made in the Superfund bill approved by the House such as increased funding, strict cleanup standards, realistic timetables, and a strong right-to-know provision are sorely needed.

Mr. Speaker, as you know, House and Senate conferees are currently working to reconcile the differences between the Superfund bills passed by the two bodies. Their task is extremely difficult and I commend their efforts. On behalf of the residents of eastern Connecticut, and every other community in America plagued by an abandoned hazardous waste site, I urge the conferees to act promptly to prevent any further delay in Superfund cleanups.

H.R. 1202

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. YOUNG of Alaska. Mr. Speaker, I had the pleasure of meeting on March 10, 1986 with Mr. John Shannon, Assistant Secretary of the Army for Installations and Logistics. We discussed reservations expressed by the Department of Defense to provisions of H.R. 1202 in a letter to Chairman Goldwater to the Senate Armed Services Committee. I am happy to report that Mr. Shannon and I concluded that the reservations expressed in the letter were malleable; that we both desired to enhance wildlife management on military reservations and public lands; and that he would work with the House of Representatives and the Senate toward these ends.

We look forward to early passage by the Senate of this important conservation legislation. H.R. 1202 was passed unanimously by the House Merchant Marine and Fisheries Committee, the House Armed Services Committee, and the House of Representatives and is supported by wildlife and conservation organizations.

GIRL SCOUT WEEK

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Ms. SNOWE. Mr. Speaker, I would like to take this opportunity to congratulate the Girl Scouts of the U.S.A. on their 74th anniversary. This week nearly 3 million Girl Scouts will celebrate scouting by observing Girl Scout Week.

Founded in 1912 by Juliette Low of Georgia, Girl Scouts is now the largest voluntary organization for girls in the world, with membership in 108 countries. Girl Scouts provides girls from all segments of life with a chance to develop their potential, to make friends and to become a vital part of their community. This organization plays an important role in shaping the leaders of tomorrow.

I would like to commend the over 600,000 adults who serve as leaders and staff for the organization. These leaders deserve high praise for their devotion to the ideals of Girl Scouting. I would especially commend National President Betty Pillsbury from Center Lovell, ME, for the excellent leadership she has demonstrated.

I hope every Member of this body will join me in congratulating the Girl Scouts of the U.S.A. as they continue to provide excellent programs for the young women in this Nation.

CONSERVATION SERVICE REFORM ACT

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. BLILEY. Mr. Speaker, today, I rise in support of H.R. 969, the Conservation Service Reform Act. In his Task Force on Regulatory Reform, Vice President BUSH listed the residential conservation service and the commercial and apartment conservation service regulations as among the 20 most burdensome and costly in the country.

Reform of these regulations is long overdue, and I want to commend the chairman of the subcommittee Mr. MARKEY for overseeing the drafting of this legislation which received overwhelming bipartisan support from members of the Energy and Commerce Committee. I also want to thank the original sponsors of this legislation, Mr. HALL and Mr. MOORHEAD, for their important role.

Finally, I want to thank the gentleman from Ohio, Mr. LUKEN, for his amendment, adopted by the committee, to grant small business contractors a procedure to redress their grievances should they come up against unfair or anticompetitive practices.

As reported this bill continues important prohibitions against supply and installation activities by utilities and it provides procedures needed to combat unfair practices, while providing states and utilities the flexibility to offer alternatives to the residential conservation service.

Mr. Speaker, this is important legislation, it is also good legislation. I urge my colleagues to give it their unqualified support.

TRIBUTE TO MR. AND MRS. MARVIN L. WALSH

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. LAGOMARSINO. Mr. Speaker, I appreciate this opportunity to extend my congratulations to Mr. and Mrs. Marvin L. Walsh on the occasion of their 50th wedding anniversary.

August 8, 1936, marked the beginning of the union of Mr. Marvin L. Walsh and Miss Marge E. Falkenthal with their marriage in Chicago, IL. It was also in this year that Marge began raising the first of seven beautiful children. Thirteen years later, in 1943, they began the operation of a weekly newspaper called "Homewood/Flossmor Review." After moving to Jackson, MI in 1955, Marvin took a job as assistant advertising manager for the Aeroquip Equipment Co. while Marge began work as a bookkeeper in a local stationary store. During the recession of 1960, the family moved to Sacramento, CA where Marvin took a job as an editorial writer at the Aerojet Corp. Shortly thereafter, in 1962, the family moved once again to Concord, CA where Marvin assumed the position of advertising manager for the Berkeley Pump Co. After retirement, the couple moved to an area north of Sacramento, where they currently reside. It is here that they will celebrate their golden wedding anniversary.

Throughout their lives, the Walsh's have been actively involved in the community. They were both extremely active in the St. Francis' DeSalles parish in Oakland, CA, giving extra time to work with the aged and needy in West Oakland. In addition, they successfully raised seven children who have each had successful marriages and careers. I extend to Marvin and Marge the best wishes of this body and our hopes for a long, enjoyable, and productive future.

THE 100TH BIRTHDAY OF SWANTON ENTERPRISE

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Ms. KAPTUR. Mr. Speaker, next month the Swanton Enterprise will be celebrating its 100th birthday. The Swanton Enterprise is a weekly publication in my district with a rich history of quality journalism. It has received numerous awards from the newspaper industry of Ohio.

Over the years, I have enjoyed reading the Swanton Enterprise. It is the hometown newspaper of a vibrant part of my district. It provides a valuable service to the people of Swanton, covering a broad range of issues of concern to its readers. I have always found the Swanton Enterprise to be fair and accurate.

I know my colleagues in the House of Representatives join me in congratulating the ownership and fine staff of the Enterprise on its centennial year. We wish you the very best for your next 100 years as you continue to exemplify the finest principles of journalism.

CHARLES P. McDANIEL: FRIEND OF QUALITY EDUCATION IN GEORGIA

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1986

Mr. DARDEN. Mr. Speaker, those of us who believe a quality education is our most important obligation to this Nation's children are deeply saddened by the death last week of Dr. Charles P. McDaniel, Georgia's State Superintendent of Schools.

I would like to tell the Members of this body about some of Dr. McDaniel's accomplishments, and submit two newspaper stories which indicate the great respect in which he was held by the people of Georgia.

Dr. McDaniel not only was a leader in the development of an outstanding public school system in Georgia—he also was a close, personal friend of mine. He is survived by his wife, Beatrice Martin McDaniel of Atlanta, and two children.

As Georgia's Lieutenant Governor, Zell Miller, has said:

No public official could leave a greater legacy than he in the acclaimed quality basic education program * * * generations yet unborn will hail his vision and leadership.

Dr. McDaniel knew that many elements contribute to the success of a quality education program. Under this leadership, beginning teachers' salaries in Georgia more than doubled since 1977; a half-day kindergarten program was begun for all 5-year-olds; and scholastic requirements were increased in both elementary and high schools.

Dr. McDaniel earned his bachelor's degree from Mercer University, and master's degrees from both Mercer and Columbia University, in New York.

He was a schoolteacher and principal in various parts of Georgia. He was principal of Druid Hills High School in Atlanta when my wife Lillian was a student there. Dr. McDaniel became superintendent of the Thomasville school system in 1960 and, in 1967, earned a doctorate in education from the University of Georgia.

Dr. McDaniel went on to become superintendent of the Clarke County school system before being appointed State superintendent in 1977 by Gov. George Busbee.

"I am not at all sure I am the best man for the job," Dr. McDaniel said at the time of his appointment. But, he added, "I have strong feelings, and I am not wishy-washy on many things.

His strong commitment to building an outstanding education system was recognized and appreciated by the people of Georgia, who relected him in 1978 and 1982.

Last fall, he noted that, "there are many things to do yet" in improving Georgia's schools. Now, the tasks he foresaw are left to us to carry out.

[From the Atlanta Journal, Mar. 7, 1986]

McDANIEL PRAISED AS HARD-WORKING SCHOOL SUPERINTENDENT

(By Prentice Palmer)

Shocked and saddened state officials joined friends and acquaintances from all walks of life in praising Charles P. McDaniel as a hard-working and dedicated public official who left his mark on state and regional educational systems.

"He died as he lived—hard at work in his office serving the present and future needs of Georgia's children," said Lt. Gov. Zell Miller.

Former Gov. George Busbee, who appointed McDaniel superintendent in 1977, said he was deeply saddened by the loss of a good friend.

"He made many contributions to the improvement of education, both before and after I appointed him," said Busbee. "I

regret so much that he did not have the opportunity to fully implement Gov. (Joe Frank) Harris' Quality Basic Education program."

"Service to his state came uppermost to Dr. McDaniel," said a shocked Gov. Harris who credited the veteran educator with being a "key player" in winning passage of education reform measures.

McDaniel was found unconscious in his office on Capitol Hill at 7:45 this morning. He was dead on arrival at Grady Memorial Hospital at 8:15 a.m.

News of his death spread quickly across the state. In Athens, where he had worked for years before coming to Atlanta, former Clarke County Board of Education president Mrs. LaGrange Dupree said she was "just sick at heart."

She was president of the local school board where, for nine years, McDaniel was superintendent of schools before his appointment as state school superintendent in 1977.

"We always just hated that he left us, but we felt the state was getting the best person for the job," she said. "I think he did a grand job. I know he worked very hard."

The lieutenant governor, who had worked closely with McDaniel on education matters, said Georgia schools will long carry the mark of McDaniel's work. "No public official could leave a greater legacy than he in the acclaimed Quality Basic Education program. . . . Generations yet unborn will hail his vision and leadership," said Miller.

Dr. Joe Edwards, retired deputy state school superintendent, worked with McDaniel for eight months just after he was appointed by Busbee. "He was a very strong administrator who was a professional in every sense of the word," said Edwards.

James Smith, chairman of the state school board and technically McDaniel's boss, said McDaniel's interest in education spread far beyond the state. "He was probably one of the greatest advocates of public education [in] Georgia and the South," said Smith. "He was dedicated to public education and spent his life in that cause. He was a personal friend, and we are going to miss him."

Harris said McDaniel is due much of the credit for the progress the state has made in improving its education systems.

"What has been accomplished thus far could not have been achieved without his ledership, cooperation and participation," Harris said. "Service to his state came uppermost to Dr. McDaniel and his love for public education, for the students, for teachers and for education administrators was unquestioned," he said.

Ray Cleere, the University System's senior academic officer, said it may be years before Georgians appreciate all of McDaniel's contributions.

"I don't think we will fully appreciate him until we stop and look back over his accomplishments in years to come."

[From the Atlanta Journal-Constitution, Mar. 8, 1986]

McDANIEL EULOGIZED AS "STATESMAN"—STATE SCHOOL CHIEF DIES AT 63 OF CARDIAC ARREST

(By Mike Christensen)

When Dr. Charles P. McDaniel was appointed state school superintendent in the late summer of 1977, he accepted with only one reservation. He didn't like campaigning. "That's not my cup of tea," he said. But to guide Georgia's education system the way he thought best, McDaniel first had to run for reelection, so he characteristically set his jaw and got the job done.

"He was a statesman in education," said state Senate Education Committee Chairman John Foster, "always placing the care of education above politics."

McDaniel died Friday morning of apparent cardiac arrest at the age of 63. He was found unconscious in his office bathroom at 7:45 a.m. and was rushed to Grady Memorial Hospital, where he was pronounced dead at 8:41 a.m.

The funeral will be at 1:30 p.m. Sunday at Second-Ponce de Leon Baptist Church with burial at Arlington Memorial Park.

"He died as he lived—hard at work in his office serving the present and future needs of Georgia's children," said Lt. Gov. Zell Miller.

"A great education foot soldier has fallen in the line of duty," said Gwinnett County School Superintendent Alton Crews. "It is ironic and tragic that he will not be present to see the fruits of his labor."

During his time in office, beginning teachers' salaries more than doubled and a half-day kindergarten program was begun for all 5-year-olds. Scholastic requirements have increased in elementary and high schools.

This year, McDaniel was a key figure in legislative passage of educational reforms, part of Gov. Joe Frank Harris' Quality Basic Education program.

"What has been accomplished thus far could not have been achieved without his leadership, cooperation and participation," said Harris, who ordered flags lowered to half-staff at state government buildings.

"He made many contributions to the improvement of education, both before and after I appointed him," said former Gov. George Busbee. "I regret so much that he did not have the opportunity to fully implement" the Quality Basic Education program.

McDaniel had spent 30 years in education when Busbee appointed him school superintendent when Jack P. Nix resigned in August 1977. McDaniel had crafted a reputation as a skilled, no-nonsense administrator who would delegate authority to subordinates but demand their best.

"He was among the finest professionals with whom I have ever worked," said University System Chancellor H. Dean Propst. "He was honest, able to zero in on an issue and see its basic elements. He was outgoing, friendly; he could mediate effectively. He was a superb individual."

"He was probably one of the greatest advocates of public education [in] Georgia and the South," said James Smith, chairman of the state school board. "He was dedicated to public education and spent his life in that cause."

Charles Pope McDaniel was born Dec. 28, 1922, in the DeKalb County village of Tucker. His mother managed the cafeteria at the local school, which then included all 12 grades, and his father drove a school bus.

A Marine during World War II, McDaniel commanded an infantry company on Okinawa, where he was wounded severely by a sniper. It was during his recuperation in the spring of 1945 that he began teaching part time at the Tucker school, said Avery Graves, who was principal at the time.

In 1947, he graduated from Mercer University in Macon and went on to earn master's degrees from his alma mater in 1949 and from Columbia University in New York in 1956. He earned a doctorate in education from the University of Georgia in 1967.

He was a principal in Metter, Ga., from 1953 to 1956, when he was named principal of Druid Hills High School in DeKalk County.

Thomasville lawyer Heyard Vann was chairman of the school board that hired McDaniel to run the Thomasville city schools in the summer of 1960.

"He was the kind of fellow who would delegate responsibility to his principals . . . and not meddle in their affairs or do the job for them. He got good results," Vann said. "We were very sorry to lose him."

From 1969 to 1977, McDaniel was superintendent of schools in Clarke County. The district was $1 million in debt; he left it financially solvent, according to a contemporary account. And a 1976 Southern Regional Council report said the system was a model for Northern systems to emulate in desegregating schools.

"We always just hated that he left us, but we felt the state was getting the best person for the job," said Mrs. LaGrange Dupree, who was president of the Clarke County school board when McDaniel resigned in 1977.

"I am not at all sure I am the best man for the job," McDaniel said at the time. "There must be 50 people who are better suited. But the governor said I am a strong administrator, and I have tried to be. I have strong feelings, and I am not wishy-washy on many things."

In 1978, McDaniel won election to his office for the first time. He was re-elected in 1982.

In an interview last fall, McDaniel looked back over his 40 years in education.

"I have seen my own children grow up and be much better prepared at the end of their high school careers than I was," he said. "Even though we have had a lot of changes, there are many things to do yet."

Surviving are his wife, Beatrice Martin McDaniel of Atlanta; a son, Bill McDaniel, a graduate student at the University of Virginia in Charlottesville; two daughters, Beth Edwards of Atlanta and Ann Wittkop of Jonesboro; and three grandchildren.

In lieu of flowers, the family requested that contributions be made to the Charles McDaniel Scholarship Fund for a Georgia high school student, P.O. Box 4145, Atlanta, Ga. 30302-4145.